

COUNTY GOVERNMENT OF GARISSA



COUNTY FISCAL STRATEGY PAPER

FEBRUARY 2019

DRAFT CFSP 2019

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**The County Executive Committee Member
Department of Finance and Economic Planning**

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Foreword

It is my pleasure to present to you the 2019 County Fiscal Strategy Paper (CFSP) for Garissa County. This is the Second CFSP prepared by the County Treasury to implement the Second generation County Integrated Development Plan (2018-2022). It identifies the broad strategic priorities areas and policies goals that will form the basis for preparation of 2019/2020 budget and the medium term in accordance with section 117 of the Public Finance Management Act, 2012. The strategic priorities and goals outlined in this Paper herein are based on Governor's Manifesto and the transformative agenda pursue by the County leadership as well as sectoral plan as contain in the Annual Development Plan and inputs from Public Participation forums.

The County has made significant progress in various fronts. The most notable of this is the increase in local revenue collection in the first half of the financial 2018/2019, which has increased by 95 per cent compared to the same period the previous financial year. Going forward, we shall endeavor to build on this progress and ensure the local revenue target is met in the next financial year. Other detailed sectoral achievement is outlined chapter six, the Medium Term Expenditure Framework, section of this document

This paper highlights the outcome of the previous financial year and also realign itself to broad National objectives is defined in the budget policy statement (BPS).It also contain vital data information on: Macro-economic policy and plans; overall fiscal strategy, such as cumulative revenue projections; the resource envelopment for the medium term; County overall priority intervention and proposed departmental expenditure in the medium term expenditure Framework.

In line with the Governor's Manifesto, the County will continue to pursue the following five Key Priority Areas that will enhance service delivery to the people of Garissa County:

- I. Improving access to water and sanitation services;
- II. Provision of accessible and quality healthcare services;
- III. Investment in agricultural transformation and food security;
- IV. Investment in transport and infrastructure development; and
- V. Creation of conducive business environment.

It is my sincere hope that we will make great strides towards the achievements of the above priority areas at the end of the financial year and ensure the realization of our County's transformative agenda.

Hon. CPA Roble S. Nunow

County Executive Committee Member

Finance, Economic Planning, Revenue Management

GARISSA COUNTY

Acknowledgement

The Garissa County Fiscal Strategy Paper (CFSP) 2019 was prepared in accordance with section 117(1) of the Public Finance Management Act, 2012, which stipulates that the County Treasury shall prepare the Fiscal Strategy Paper for each financial year and submit the paper to the County Assembly by the 28th of February of that year.

The CFSP outlines the Macroeconomic parameters affecting the fiscal framework that guides in preparation of the next financial year's budget and the county spending plans in the medium term. It is expected that this document will create and enhance the understanding of how these parameters affects the County fiscal framework. It also inform and guide public discourse on progress made by that the County, and the development matters the County expect to undertake in the coming financial year and also ensure meaningful participation of the people in the budget process in accordance with article 201 of the constitution.

The completion of this document was as a result of collaborative effort by various County departments and semi-autonomous entities that provided valuable information. We immensely appreciate their contribution toward this course. We are also grateful to all those provide essential inputs in the just conclude the Macro sector working and ensured timely preparation of this paper

The Preparation was a culmination of efforts put in by various officers. We are particularly grateful to His Excellency the Governor for his lead role, direction and guidance in the development of this document. Special thanks and gratitude also go to His Excellency the Deputy Governor, and the County Executive Member for Finance and Economic Planning for their stewardship of the processes.

My sincere gratitude goes to my County Executive committee Colleagues, all Chief Officers and Directors of various departments for ensuring timely submission of departmental inputs that informed the preparation of this document. Equally, I would like to acknowledge County Treasure Staff as well as staff from other departments, for their effort and contributions in development of this document. Lastly, I take this opportunity to express my profound gratitude to external experts Wohoro Ndohho, Mukami Mbogo, Abass Arale from AHADI organization for his exemplary guidance, invaluable support and constant encouragement out this excise.

Ibrahim Malow

Chief Officer

Finance

GARISSA COUNTY

ABBREVIATIONS AND ACRONYMS

| | |
|-------|--|
| CBK | Central Bank of Kenya |
| CECM | County Executive Committee Member |
| CO | Chief Officer |
| CRA | Commission of Revenue Allocation |
| CBROP | County Budget Review and Outlook Paper |
| CFSP | County Fiscal Strategy Paper |
| FY | Financial Year |
| GDP | Gross Domestic Product |
| IBEC | Inter-Governmental Budget and Economic Council |
| ICT | Information and Communication Technology |
| IFMIS | Integrated Financial Management Information System |
| KNBS | Kenya National Bureau of Statistics |
| MTEF | Medium Term Expenditure Framework |
| MTP | Medium-Term Plan |
| PE | Personnel Emoluments |
| PFM | Public Finance Management |
| PWD | People with Disabilities |
| SRC | Salaries and Remuneration Commission |
| SWG | Sector Working Group |

DRAFT CFSP 2019

Legal Basis for the preparation of the County Fiscal Strategy Paper

Legal Basis for the Publication of the County Fiscal Strategy Paper

The County fiscal strategy paper is prepared in accordance with Section 117 of the Public Financial Management Act, 2012. The law states that:

- (1) The County Treasury shall prepare and submit to the County Executive Committee the County Fiscal Strategy Paper for approval and the County Treasury shall submit the approved Fiscal Strategy Paper to the county assembly, by the 28th February of each year.
- (2) The County Treasury shall align its County Fiscal Strategy Paper with the national objectives in the Budget Policy Statement.
- (3) In preparing the County Fiscal Strategy Paper. The County Treasury shall specify the broad strategic priorities and policy goals that will guide the county government in preparing its budget for the coming financial year and over the medium term.
- (4) The County Treasury shall include in its County Fiscal Strategy Paper the financial outlook with respect to county government revenues, expenditures and borrowing for the coming financial year and over the medium term.
- (5) In preparing the County Fiscal Strategy Paper, the County Treasury shall seek and take into account the views of
 - (a) The Commission on Revenue Allocation;
 - (b) The public;
 - (c) Any interested persons or groups; and
 - (d) Any other forum that is established by legislation.
- (6) Not later than fourteen days after submitting the County Fiscal Strategy Paper to the county assembly, the county assembly shall consider and may adopt it with or without

Fiscal Responsibility Principles

In order to ensure prudent and transparent management of resources, the County Treasury shall be guided by the following fiscal responsibility principles as spelt out in Section 107 of the Public Finance Management (PFM) Act, 2012:

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

CHAPTER ONE: COUNTY STRATEGIC BLUE PRINT

Overview

INTRODUCTION:

This chapter links CFSP with strategic priorities and goals contained in county policy documents such as The ADP, Governor's manifesto and CIDP. These documents inform county budgets based on programs prepared in the medium term structure, 3-5 years. Therefore, it is paramount that the plan should have medium term priorities that are to be achieved over that period. Since CFSP is one year plan extracted from ADP, the details in the CFSP should mirror those contained in ADP.

The fiscal framework envisaged in these policy documents, ensures adherence to principles of public finance and fiscal responsibility principles as set out in article 201 of the Constitution of Kenya, 2010 and section 107 (1) and (2) the Public Finance Management Act 2012 respectively. Specifically, the development to recurrent expenditures has been maintained within the required ratios of 30:70. Further the expenditures are fully funded from the allocation from the National Government and county own revenue. In achieving these priorities and goals, prudence in use of public resources is paramount. In turn, this CFSP will be the primary guide for Garissa County in preparing its budget for Financial Year 2019/2020 and in the Medium Term.

In order to achieve the set objectives, Garissa County Government will employ greater transparency, effectiveness; efficiency and economy in management of public resources in order to ensure fiscal discipline.

In line with the county government blue print (CIDP), the government reaffirms the following Key Priority Areas (KPAs) are addressed in this CFSP:

In line with Garissa County Government's strategy to dedicate substantial proportion of development resources towards one sector for optimum impact within a financial year, the County Government in 2018/2019 focused its resources on the water sector. In the 2019/2020, the focus will go to the Health sector.

SOCIAL SECTOR: Increased public expenditure on Social welfare

Health: Improving referral, community healthcare and telemedicine

Education & Vocational Training: To raise quality early childhood and vocational education

Housing & Urban Development: To have affordable housing for the both the citizen and the county staff and urban renewal

Land and Physical Planning: Official land registration, GIS land information management system and proper spatial planning

Water Service and Sanitation: construction of proper water storage facilities, development & access to improved water supplies and sanitation

Gender, Youth and Social Services: properly strengthening of social protection programs and mainstreaming of gender, youth and cultural tolerance including sports activities

Development Objective Overview: To lower the county population living in absolute poverty from 59% to within 3% of the national average by 2022. To achieve this objective, Garissa County will develop and implement strategic investment that aligns resources to achieving basic social services and widen the social safety net programs. Specifically, undertake short-term measures to relief the burden on most vulnerable population and stimulate capital formation.

ECONOMIC SECTOR

Environment: Commitment to a safer, cleaner environment and conservation of natural resources such as restoration of environment, strengthening management of community conservancies & national reserves. This support climate resilient, low-carbon and resource efficient development

Agriculture: Increasing agriculture and livestock productivity through improving smallholder irrigation development, promoting farming as a business, commercializing livestock production, enterprise diversification, value addition and building sustainable market linkages.

Road and Transport: Expansion, upgrading and maintenance of 2,300km roads and multi-modal urban transportation

Trade, Tourism & Enterprise: Promotion and regulation of fair trade, tourism and enterprise

Energy: for extension of rural electricity and increased access to modern energy sources

Development Objective Overview: To minimize climate and environmental risks and their impact on investment and quality of human life and to raise economic productivity, trade and competitiveness.

1.1 Programmes for achieving the County Strategic Blueprint's Objective

In the Financial year 2019/2020 and in the medium term, the County anticipates having a balanced budget. It is, however, possible that the deficit will slightly rise towards the terminal end of the financial year occasioned by incessant failure in achieving local revenue target, leading to gaps in the resource envelope, thus calling for rearrangement of spending plans by the county. In the longer term, however, appropriate measures, including setting a realistic and achievable local collections target, will be put in place to maintain county budget deficit at a manageable level in order to secure the County's fiscal sustainability.

Despite missing the target, Garissa County Government has outlined a raft of measures to deliver, including reintroduction of land rates and changes in mode of payment of water charges and parking fees, in the County Finance Bill. These measures are geared at boosting revenue performance in the coming financial in the medium term and ensuring smooth implementation of programs detailed in the policy documents.

The County government of Garissa is composed of the legislative arm (County Assembly) and the Executive which has the following ten Sectors viewed as directorates;

- I. Health and Sanitation Services;
- II. Roads, and Transport
- III. Lands and Housing; Public Works and Urban Services
- IV. Trade, tourism, Investment and Enterprise Development;
- V. Education, Public Service and Labor Relations;
- VI. Agriculture, livestock and Co-operatives
- VII. Finance and, Economic Planning
- VIII. Gender, Culture, Social Services, youth and sport
- IX. Environment, Energy, Natural Resources and Wildlife management
- X. Water and Irrigation Services;

For each of the departments/sector, though some are structured differently, their visions have been derived from the national sector vision and mission. In addition, the County's response to the sector vision and mission and the role of the stakeholders are explained. The development Challenges, projects and programmes are presented at the departmental level.

I. Health and Sanitation Services:

In the 2019/2020 fiscal year, the health sector will mainly focus on Universal Health Care (UHC) coverage, the Governor's flagship project (establishment of the Cancer Centre at the County Referral Hospital). It will also embark on improving, expanding and strengthening quality of service delivery in Garissa County by hiring more health personnel, construction and opening up of dispensaries in areas of need, equipping of maternities and Maternal & Health Clinics (MCHs). In addition, there will be health system strengthening through critical training and skills development. The sector will also increase the supply of pharmaceutical and non-pharmaceutical commodities. It will also improve on referral systems in place.

II. Roads, and Transport:

The subsector is planning to enhance road network in the county by maintaining the existing roads in the sub counties, upgrading of rural roads to gravel standards, upgrading of sub county headquarters access roads to bitumen standards, installation of road speed bumps on major roads in Garissa Township, construction of Bus parks and designated parking bays.

III. Lands, Housing and Public Works, Municipalities and Urban Services

a) Lands, Surveying and Physical Planning

The subsector has planned to improve on land administration and management services by spatial planning of sub-county headquarters, planning of 14 small towns within the seven sub-counties,

harmonization of local plans, survey plans and PDPs, setting apart two sub-county headquarters, placing of perimeter boundary beacons, placing of controls for cadastral surveys and survey of plots in urban centers.

b) Housing & Public Works

In line with the President's Big 4 Agenda, the sub-sector intends to reduce the government expenditure on leasing of houses by putting up an official deputy governor's residence and renovating the existing government houses. It will also provide the required technical support to the various infrastructure stakeholders.

c) Municipalities and Urban Development

To provide sustainable urban development and drive the county economy, the sub-sector has planned to sensitize the public on waste management disposal, purchase more firefighting equipment to reduce fire response time, ensure safe and sustainable built environment, Preparation of valuation roll for municipality and Regularization of Usalama scheme

IV. Trade, tourism, Investment and Enterprise Development;

The sector, in line with its mandate of providing business support services, trade licensing and provision of credit, has prioritized to construct market sheds in 3 sub counties, improve Bouralgy and Ishaqbini Community Centre, construct a Business Incubation Centre, and operationalize a revolving fund to the tune of 150m

V. Education, Public Service and Labor Relations;

a) Education

In line with the governments agenda to ensure the constitutional rights of education to every child is observed, the sub-sector has planned to increase the number of ECD centres across the county by

Constructing thirty ECD classrooms (Two Classrooms per ward and fencing) and hiring & training of ECD teachers. Awareness raising campaigns will also be carried out to enhance access to ECD centres. To enhance access and retention in ECDs the sector will spearhead implementation of the pilot school feeding programme

To increase access to TVET programmes and improve the quality of training, the County will Construct Motor Vehicle Mechanic (MVM) Workshop in Garissa Polytechnic, Construct a Motor Vehicle Mechanic (MVM) Workshop in Mkono Polytechnic and Provide teaching and learning materials for vocational centres in the county, as well as hiring and training of TVET teachers

b) ICT & E-Government

In order to foster innovation, best practice, and value for money in the use of ICT in management of County resources, learning and Citizen outreach, the County Government will establish e-Garissa County Government Platform across County service sectors

c) Library Services

The sub-sector has prioritized to provide a secure and conducive learning environment for use of library resources and adopt technologies that will make information resources accessible to the community in an equitable, efficient and effective manner. This will be done by constructing and equipping of one sub county library in Modogashe, renovation and construction of perimeters walls and equipping of the existing 3 libraries. The sub-sector intends to purchase and equip a mobile library van.

VI. Agriculture, livestock and Co-operatives

In line with the national government's big 4 agenda on food and nutrition security, in the 2019/2020 fiscal year the sector will focus its priorities to investments on; minimizing post-harvest losses in the horticultural sub-sector by establishing a fruit processing facility, opening up of farm access roads to link farmers with the markets, supporting the small holders with certified farm inputs to increase food and raw material production, boosting livestock health management and establishing livestock markets across the sub-counties.

The sector will continue steering and coordinating the implementation of partner and donor-funded programmes/projects on food security. These are, Kenya Climate Smart Agriculture (KSCAP), Agricultural Sector Development Support Project (ASDSP), Regional Pastoral Resilient Livelihoods Project (RPRLP), and the Sustainable Food Systems Programme (SFSP)

VII. Finance and, Economic Planning

The sector will continue to discharge its key mandate of ; preparation of county short term and long term plans, coordinating and preparation of county budget, mobilizing revenue, budget implementation and control, prudent management of public funds by adherence to the PFM act 2012 , financial reporting and advisory, asset management, enhancing internal control, monitoring and evaluating the county projects, training of staff and capacity building of the M&E and Audit committees.

In the 2019/2020 fiscal year, the sector will commit part of its revenues to settling of pending bills as per advisory from the National Treasury and the Senate

VIII. Gender, Culture, Social Services, youth and sport

To enhance delivery of its mandate, the Sub-sector in the financial year 2019-2020 will complete the ongoing Construction of the stadium in Garissa township sub-county, rehabilitate the sports grounds and procure sports kits and equipment in all the sub-counties. It will also initiate provision of additional office space for its staff by constructing a new office block in Garissa township, Dadaab and Ijara/Masalani Sub-counties. Also, the sector intends to purchase motor vehicles for accessibility and service delivery in the sub-counties. The sector intends to create more youth friendly centres and donate essential equipment and tools to disable, vulnerable groups and institutions. The sector also intends to construct cultural cottages and carry out landscaping works

IX. Environment, Energy, Natural Resources and Wildlife management

In follow up to the enactment of Garissa County Climate Change Fund Act 2018, enactment of Garissa County Environmental management and coordination Act 2018, and subsequent gazettelement and training of County Environment Committee (CEC) as per section 29 of Environmental management and coordination Act 2015, the sector ha prioritized to implement two key projects in 2019/2020 financial year. These are; the Climate Change Support for Energy sub-sector, and Climate Change Mitigation & Adaptation for the Environment sub-sector

X. Water and Irrigation Services:

The sector intends to make water accessible to the residents of Garissa County by investing heavily in in construction of water pans and redistribution of clean water. It also intends to improve water and irrigation management by recruiting and training more technical staff. It has also planned to increase office space for its staff and taking services to sub-county level by establishing offices and mode of transport at the sub county level.

The irrigation sub-sector has prioritized implementation of construction of new and rehabilitation of existing irrigation schemes in Garissa Township, Balambala and Fafi sub-counties. In addition, there's proposed completion of ongoing schemes in Iftin, Balambala and Abaqeyle in Dadaab.

Risks to realizing the fiscal framework

The realization of development goals for the County will not be without risks and challenges as detailed below:

- i. Expenditure pressures especially perpetual increase in salaries and operational demand have put a strain on development expenditure. This demand is synonymous almost all departments and entities of the County leading to continued reallocation and rearrangement of spending plans.
- ii. The underperformance in development attributable to a number of factors including delays in procurement process and inadequate capacity project management leading to low absorption of development budget.
- iii. Revenue performance may also pose a potential risk. The County will continually put up

- solid structures geared towards sealing loop holes and expanding revenue base. Full automation of revenue collection and other measures outlined above will be implemented.
- iv. Potential uncertainties associated with revised resource sharing formula by CRA could lead to some implementation of programs detailed in preceding policy documents like ADP and CIDP being rescheduled to future period or even overlook altogether.
 - v. Delay in disbursement of fund. Delay in exchequer releases has, not only, resulted in delay in the county achieving its development aspirations but also dissuaded the county workforce hence compromising on service delivery.
 - vi. The County's performance may also be slowed down by unreliable weather conditions. This will affect agriculture which is the main economic driver of the County. Resources therefore need to be set aside to mitigate the situation.

1.2 Outline of County Fiscal Strategy Paper

This CFSP was developed by the County Treasury team in conjunction with other staff from crucial sectors. The development process was undertaken through a series of internal evaluations as well as consultations with various stakeholders. The CFSP was also widely discussed by the public through citizen participation forums in the county and refined to incorporate key insights. This has ensured ownership, commitment and leadership by the residents of Garissa County.

The CFSP takes into account the National context as described in the Budget Policy Statement, and applies any significant effects on a national scale into Garissa fiscal outlook. It also examines and evaluates Garissa's past performance and based on this data and analysis, projects its fiscal framework into the medium term

CHAPTER TWO: RECENT ECONOMIC DEVELOPMENTS AND POLICY OUTLOOK

2.1 Overview

Kenya's economic growth has remained strong and resilient even under emerging global challenges, supported by strong public and private sector investment and appropriate economic and financial policies. The broad-based economic growth has averaged 5.6 per cent for the last five years outperforming the average growth rate of 4.7 per cent in the period 2008 to 2012 and 4.6 per cent in the period 2002 to 2007

The value of goods and services produced raised Per Capita Income from Ksh 113,539 in 2013 to an estimated Ksh 190,521 in 2018, a 67.8 per cent increase. This enabled generation of around 840,000 new jobs per year in the period 2013-2018 up from 656,500 new jobs per year in the period 2008-2012.

The rebound in economic activity in 2018 is a reflection of improved rains, better business sentiment and easing of political uncertainty. The economy grew by 6.0 per cent in the third quarter of 2018 and 6.2 per cent in the second quarter of 2018 up from 5.8 per cent in the first quarter of 2018, averaging 6.0 per cent in the first three quarters of 2018. Growth is projected at 6.0 per cent in 2018 up from 4.9 per cent in 2017, which is in line with the 2018 Budget Review and Outlook Paper (BRBP) projection.

In the third quarter of 2018, the economy grew by 6.0 per cent compared to a growth of 4.7 per cent in a similar quarter in 2017, mainly supported by improved weather conditions which led to increased agricultural production and agro processing activity in the manufacturing sector. In addition, this growth was supported by pickup in activities of accommodation and food services, electricity and water supply and construction sectors.

Agriculture sector recovered and recorded growth of 5.2 per cent in the third quarter of 2018 compared to a growth of 3.7 per cent in a similar quarter of 2017, supported by improved weather conditions. This enabled the agriculture sector to contribute 1.0 percentage points to GDP growth in the third quarter of 2018 compared to 0.7 percentage points in the same period in 2017. The current recovery in the agriculture sector is broad-based and reflected in the expansion of output of key food and cash crops such as tea, coffee and fruits.

The Non-agricultural sector (service and industry) remained vibrant and grew by 5.8 per cent in the third quarter of 2018 up from a growth of 5.1 per cent in a similar quarter in 2017. It has the largest percentage points to real GDP growth at 4.0 percentage points mainly supported by the service sector.

Services remained the main source of growth and expanded by 5.9 per cent in the third quarter of 2018 compared to a growth of 5.6 per cent in the same quarter in 2017. The service sector was supported by improved growth in accommodation and restaurant (16.0 per cent), wholesale and retail trade (6.8 per cent), transport and storage (5.4 percent) and financial and insurance (2.6 per

cent). Growth of activities in information and communication (9.1 per cent) and real estate (5.8 per cent) remained vibrant despite the slowdown relative to the same quarter in 2017.

Services contributed 3.1 percentage points to real GDP growth in the third quarter of 2018 largely supported by wholesale and retail trade (0.6 percentage points), Real Estate (0.5 percentage points) and Transport and storage (0.4 percentage points).

The performance of Industry improved to a growth of 5.1 per cent in the third quarter of 2018 compared to a growth of 2.3 per cent in the same quarter in 2017 following increased activities in the manufacturing, construction and electricity and water supply sectors. The recovery of the manufacturing sector was attributable to agro-processing activities that benefitted substantially from increased agricultural production.

Growth in the Electricity and Water supply remained vibrant driven by increased use of less input intensive sources of energy such as hydro generated electricity supported by sufficient rainfall and geothermal power generation coupled with a slowdown in growth of thermal generation.

The industry sector accounted for 0.9 percentage points to growth in the third quarter of 2018, largely driven by the construction and manufacturing sectors which contributed 0.4 percentage points and 0.3 percentage points, respectively.

Over the last few couple of years, the Garissa County economy exhibited contrasting trends in comparison to those registered by the National economy. A number of shocks including insecurity along the border with Somalia and erratic weather patterns resulted in depressed productivity in livestock and agricultural Sector. The livestock subsector is the main backbone of the County's economy and the result for the economy was debilitating. Scanty rainfall, especially in the second quarter of 2018/19, resulted in poor agricultural productivity.

Garissa County was particularly affected by the drought. Food security was severely destabilized with several communities in the county needing emergency aid to provide sustenance. Health complications due to malnutrition affected Garissa residents, particularly children. In addition, the overall level of urbanization in the county increased due to the influx of people from the hinterland, mainly due to loss of livelihood as a result of persistent drought. This caused strain on the social and physical infrastructure in these urban centers.

Pastoral lifestyle being the predominant economic activity was severely affected by the drought situation, thus occasioning migration and living in the urban centres as a coping strategy. Therefore, service provision to these new settlements is *ad hoc*. One way that Garissa is planning to address this is to open up more irrigation schemes around the permanent water source, River Tana and construction of mega water pans in the hinterlands to provide a source of water supply for new and existing farms. Irrigated farming will provide a more stable livelihood source as crops, fodder and other raw materials will be produced for food security, income generation and employment creation.

Going forward, insecurity remains a major concern for northern Kenyan Counties, particularly in Garissa County, amid renewed terrorist attacks. This has hindered movement within the county

especially the sub counties that borders Somalia this has led to deterioration of economic performance in the county. The impact has been felt on infrastructure, physical and human capital, productivity and economic growth, and increased uncertainty in the investment climate.

2.1. Update on Fiscal Performance and Emerging Trends

National Revenues will affect the size of the Equitable Share in 2019/20

Budget execution started on a slow note in the first quarter of the FY 2018/19 due to budget rationalization to align expenditure priorities to revenues after amendments to the Finance Bill 2018 that significantly affected the expected revenue yields. In addition, expenditure rationalization was effected to reflect lower revenues after the revenue outcome for the FY 2017/18 turned out weaker than anticipated, thereby shrinking the forecasting base for FY 2018/19 as well as the medium term.

The exercise to clean-up the development project portfolio triggered by the Presidential directive on inclusion of new projects in the budget also slowed down the uptake of development expenditures in the first quarter. This picked up strongly in the second quarter of FY 2018/19.

The expenditure rationalization was to ensure sustainable fiscal position in the FY 2018/19 and the medium term, and reaffirm the Government's commitment to its fiscal consolidation plan and to prudent fiscal management in general.

Total expenditure and net lending for the period July - November 2018 amounted to Ksh. 829.1 billion which was below the projected amount by Ksh 105.7 billion. Recurrent spending amounted to Ksh 553.6 billion while development expenditures and transfer to County Governments (Equitable share only) were Ksh 203.1 billion and Ksh 72.2 billion respectively and net lending expenditures for five months amounted to Ksh 963 million.

Whereas recurrent spending was below the projected target by Ksh 80.0 billion mainly on account of lower than targeted domestic interest payments and pension payments, capital spending was marginally above the target by Ksh 3.2 billion.

Fiscal operations of the Government during the five months of July-November 2018 resulted in an overall deficit of Ksh 216.5 billion against the projected deficit of Ksh 242.8 billion. This deficit was financed through net domestic financing of Ksh 139.4 billion and net foreign borrowing of Ksh 77.1 billion.

2.3 Comparison of Actual Performance against budget

The 2019/2020 budget was prepared against a backdrop of slashed resource allocation to Arid and Semi-Arid Lands (ASAL) counties occasioned by new proposed revenue sharing formula. The budget was prepared against the background of the medium-term fiscal policy of the National and the County Government, the 2018/2019 Budget Policy Statement, the Medium Term Plan and the County Integrated Development Plan.

2.4 Significant economic, legislative and financial events

The expected receipt from National government is likely to be lower than the current year. This is occasioned by reviewed revenue sharing formula by the CRA. The County MTEF will prepare for this circumstance going forward. The County, though greatly reliant on the National Government transfers, will institute measures to increase the local revenue base by aligning itself to National investment programs in order to increase resources that promote economic stability for the County.

Though county's own revenue generation has been pegged at Ksh.250, 000,000, the target has constantly eluded the County taxman.

2.5. Revised Estimates

During the budgetary implementation of the previous financial years, the county government has encountered the following budgetary setbacks that would warrant supplementary budgets

- i. The recent order by the auditor General for counties to receive and audit all files pertaining pending bills warrants a supplementary budget, which would necessitate in-year budgetary adjustments through supplementary budgets.
- ii. Another item of concern is the balance brought forward from previous financial years mostly due to unmet revenue generation
- iii. Thirdly, there is ballooning wage bill as a result of unplanned recruitment
- iv. There has also been extreme weather conditions leading to massive death of livestock and therefore necessitating government's intervention.
- v. Funds meant for the County Governor's Official Residence were re-allocated to putting up ICT centres in all the wards across the county

For these reasons, the county treasury has found itself contemplating with unavoidable budgetary adjustments to rationalize the expenditure

Table 1: Trend in Equitable Share for Period 2015/2016 – 2019/2020

| Years | 2015/2016 | 2016/2017 | 2017/2018 | 2018/2019 | 2019/2020 |
|-------------------------------------|-----------|-----------|-----------|-----------|-----------|
| Equitable shares in Kshs (Billions) | 5.7 | 6.2 | 6.6 | 6.9 | 6.8 |

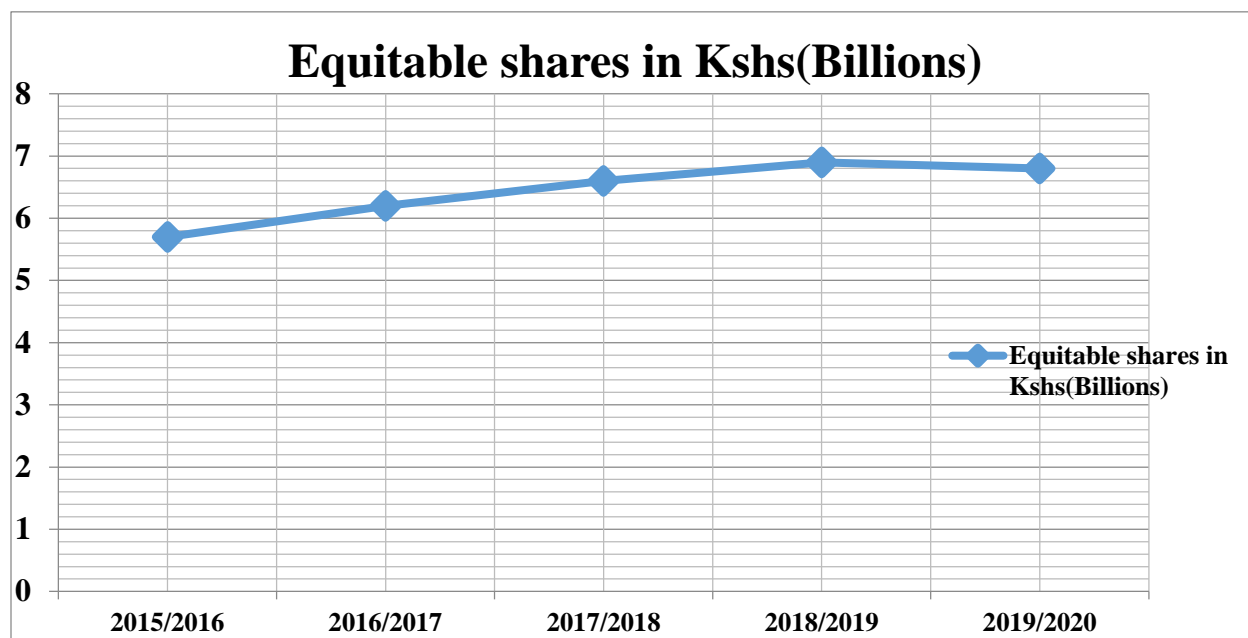


Figure 1: Trend in Equitable Share for Period 2015/2016 – 2019/2020

Equitable share trend has been on the rise for the first four years but a decline was realized in the FY 2019/2020 due to the revised ceiling by the commission for revenue allocation. This has led to fiscal consolidation.

Table 2: Impact of Revised Ceilings on Forward Estimates

| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|--|---------|---------|---------|---------|---------|---------|
| Current Trend (B) | 7.1 | 7.5 | 9.5 | 11.1 | 12.2 | 13.3 |
| Trend due to revised ceiling(B) | - | - | - | 9.6 | 10.5 | 11.6 |

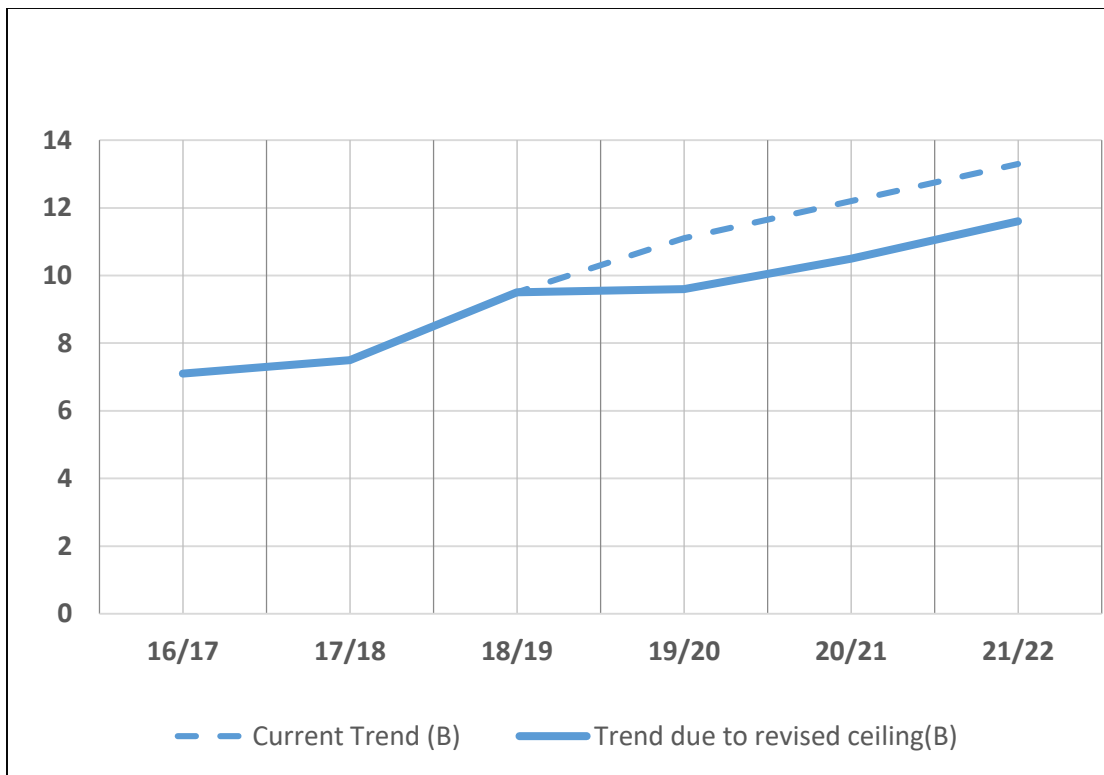


Figure 2: Impact of Revised Ceiling on Estimates

As indicated in the graph above expenditure has been on the rise for the previous years until the fiscal consolidation that has resulted in decrease in expenditure estimates.

2.6 Economic Policy and Outlook

Garissa is formulating the foundation to become increasingly self-sustaining, relying less and less on the National Government, and becoming an economic force in the region. Garissa also plans to build the structures necessary to cushion itself from external negative effects, while taking advantage of external positive effects from the National context.

In light of the subdued national revenue environment, Garissa County laid the legislative groundwork to support a stronger revenue raising administration to enhance revenue collections in the county. Revenue raising legislation is being drafted for tabling in the County Assembly in 2018/19. Additional strategic investments for enhanced own source revenues include investment in contextually relevant systems to automate revenue collection, and capacity building for the revenue administration. Furthermore, the structures to implement an annual Finance Act are key for responsive revenue administration framework.

Over the medium term, expenditure on recurrent will need to be contained in order to ensure substantial amount of funds for development. In particular, every effort should be made to contain wages and salaries by the executive and other public entities by limiting the size of public service. Pursuing a sustainable level of debt is also vital as a means to provide room for the private sector

to expand business and create the much needed jobs within an environment of low inflation, and stable interest rates and exchange rate.

In light of apparent fiscal constraints, tough choices are therefore required to be made to ensure that available resources are directed towards those priority programs that have the highest socio-economic impact on our economic development. This is especially more urgent with respect to the public sector wage bill that, if not appropriately managed, will become the main macroeconomic challenge for Garissa County.

Garissa has been allocated a proportion of units to develop affordable housing and is investing in expanding these alongside the National Government investment under the big 4 agenda. Initial consideration for investing in the cotton industry through the manufacturing focus on the National Government is also under review. Garissa is also preparing to receive donor-funded hospitals from refugee settlements and as such will be tapping into the Universal Health Care focus of the National Government. Finally, because of the effects of the drought, Garissa will invest to attract funding from the National Government for food fortification, livestock off-take programmes, insurance and market access.

2.7 Risks to the Outlook

In the Financial year 2019/2020 and in the medium term, the County anticipates having a balanced budget. It is, however, possible that the deficit may slightly rise towards the terminal end of the financial year occasioned by incessant failure in achieving local revenue target, leading to gaps in the resource envelope, thus calling for re-arrangement of spending plans by the county. In the longer term, however, appropriate measures, including setting a realistic and achievable local collections target, will be put in place to maintain county budget deficit at a manageable level in order to secure the County's fiscal sustainability.

Despite missing the target, the Garissa County Government has outlined a raft of measures to deliver, including reintroduction of land rates and changes in mode of payment of water charges and parking fees, in the County Finance Bill. These measures are geared at boosting revenue performance in the coming financial in the medium and ensuring smooth implementation of programs detailed in the policy documents.

CHAPTER THREE: FISCAL POLICY AND BUDGET FRAMEWORK

3.1 OVERVIEW

The 2019/2020 Medium-Term budget framework is intended to have the fiscal consolidation agenda. The consolidation process aims at supporting a sustainably wealthy and vibrant county providing high quality services to improve the livelihoods of its citizens. The county will pursue prudent fiscal policies to ensure economic growth and development. In addition, these policies will provide support to economic activities while allowing for sustainable implementation of the projects and programs. Adhering to these policies will also enhance domestic revenue collection which will ensure there are adequate resources for capital investments.

3.2 Fiscal policy frame work

In the Financial year 2019/2020 and in the medium term, the County has suffered reduction of its equitable share revenues by 1.3% from Ksh6.9 Billion to ksh6.8 billion this lead to overall reduction of resource envelope this means that the sector allocations and ceilings will be revised down wards leading to fiscal consolidation.

The biggest challenge in fiscal consolidation is Payroll in the county which has steadily trended up over the past few years with now reduced resource envelope the government will revisit this trend to align with new revenue realities.

Further reduction of 1.4% of resource envelope will arise from own source revenue as target of local revenue is reduced from 250 million to 150 million this leads to further fiscal consolidation and in measure to address this.

In light of this apparent fiscal constraints, tough choices are therefore required to ensure that available resources are directed towards those priority programs that have the highest socio-economic impact on our economic development. This is especially more urgent with respect to the public sector wage bill that, if not appropriately managed, will become the main macroeconomic challenge for Carissa County.

The County Government has outlined a raft of deliverable measures, including automation of revenue collection systems, reintroduction of land rates and changes in mode of payment of water charges and parking fees, in the County Finance Bill. These measures are geared at boosting revenue performance in the medium term and ensuring smooth implementation of programs detailed in the policy documents.

Over the medium term, expenditure on recurrent will need to be contained in order to ensure substantial amount of funds for development. In particular, every effort should be made to contain wages and salaries by the executive and other public entities by limiting the size of public service.

3.3 Fiscal strategy paper obligations

The County Government recognizes that compliance with fiscal responsibility is a legal requirement and county executive will take charge to comply with all fiscal principles as provided in the PFM Act 2012.

3.3.1 Fiscal responsibility principles

The county treasury will endeavor to comply with the fiscal responsibility principles as outline below

1. More funds will be pushed to development in order to enhance the minimum constitutional requirement of 30 percent of the County budget shall be allocated to development expenditures. In 2018-2019 budget 40% of the budget has allocated to development. The county will endeavor to maintain the same in 2019-2020 and in the medium term.
2. The County Government's expenditure on wages and benefits for County public officers shall not exceed thirty-five (35) percent of total revenues as per PFM regulations. The county Executive had serious problem complying with PFM regulations the current payroll is around 40% percent above the requirement. The county executive must strive to comply with the PFM requirements .
3. Over the Medium Term, the County Government's borrowings shall be used only for Short term borrowing shall be for purposes of cash management. Because of delay in treasury disbursement the county executive plans to go for short term borrowing mainly for cash management and mainly for payroll purposes only.
4. local revenues must have managed and collection enhanced. A reasonable degree of predictability with respect to the level of tax rates and tax bases shall be maintained, taking into account any tax reforms that may be introduced. The county plans to introduce various tax administrative measures eg Automation of collection systems, introduction of valuation roles and registration land and properties within Garissa town and other major towns in the sub counties in an effort to enhance revenue base.
5. Fiscal risks shall be managed prudently. The county plans to manage the fiscal risks arising from reductions to the equitable share by adopting a fiscal consolidation stance through various austerity measures.

3.4 Budget framework FY 2019-2020 MTEF

The 2019/2020 budget was prepared against a backdrop of slashed resource allocation to ASAL counties occasioned by new proposed revenue sharing formula. This has an impact on sectors spending in the Medium term. This section address the revenues and expenditure of county both current and projected

3.4 .1 Revenues

The county equitable share reduced by 1.3% from ksh 6.9 billion to ksh 6.8 billion and local revenue collections target was also reduced to realistic figure of 150 million compared to previous year of ksh 250 million. Conditional allocations from national government has reduced in proposed budget budget policy statement by ksh 41 million and conditional grants from development partners increased by 24% from ksh 1.553 billion to Ksh 1.915 billion .

Table 3: National Revenue

| F.Y | Budgeted 2017/2018 | Actual Performance 2017/18 | Budgeted 2018/2019 | Projected As per PBS 2019/2020 |
|-------------------------|----------------------|----------------------------|----------------------|--------------------------------|
| Equitable Share | 6,659,100,000 | 6,659,100,000 | 6,939,400,000 | 6,851,000,000 |
| Local Collections | 250,000,000 | 86,657,552 | 250,000,000 | 150,000,000 |
| Grants and loans | 256,565,428 | 192,459,530 | 1,553,567,377 | 1,915,889,383 |
| Conditional Allocations | 727,272,975 | 603,980,736 | 775,767,878 | 734,154,638 |
| Total Revenue | 7,892,938,403 | 7,542,197,818 | 9,518,735,255 | 9,651,044,021 |

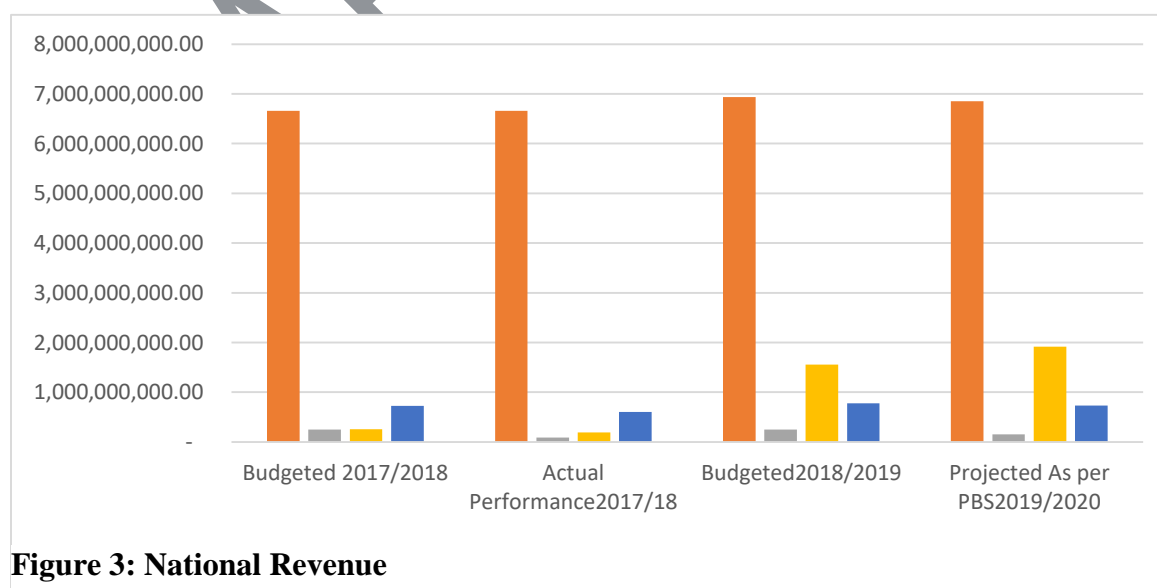


Figure 3: National Revenue

Table 4: Local Revenue

| Local Revenue | Budgeted 2017/2018 | Actual Performance 2017/2018 | Budgeted 2018/2019 | Projected As per PBS 2019/2020 |
|------------------------------------|--------------------|------------------------------|--------------------|--------------------------------|
| Cost Sharing | 78,000,000 | 29,152,900 | 78,000,000 | 58,000,000 |
| Single Business Permit | 40,000,000 | 8,291,880 | 40,000,000 | 40,000,000 |
| Bridge Cess and Other Misc. Income | 25,000,000 | 2,481,760 | 25,000,000 | 25,000,000 |
| Other Misc. Income | 107,000,000 | 46,761,023 | 107,000,000 | 27,000,000 |
| Total | 250,000,000 | 86,687,563 | 250,000,000 | 150,000,000 |

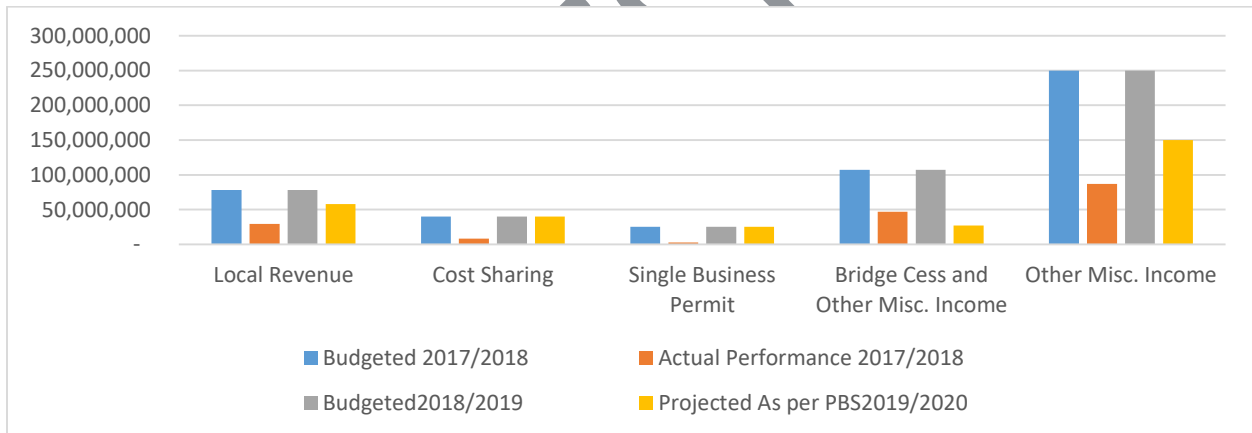


Figure 4: Local Revenue

Cost sharing, single business permit and other miscellaneous income but unfortunately the county didn't concentrate effort on property rate but plans are being to activate this item by developing provision to support its collection.

Table 5: Local Revenue Trends

| FINANCIAL YEAR | 2016/2017 | 2017/2018 | 2018/2019 | 2019/2020 |
|---------------------|-----------|-----------|-----------|-----------|
| Budgeted (M) | 350 | 250 | 250 | 150 |
| Actual (M) | 80.6 | 86.7 | 0 | 0 |

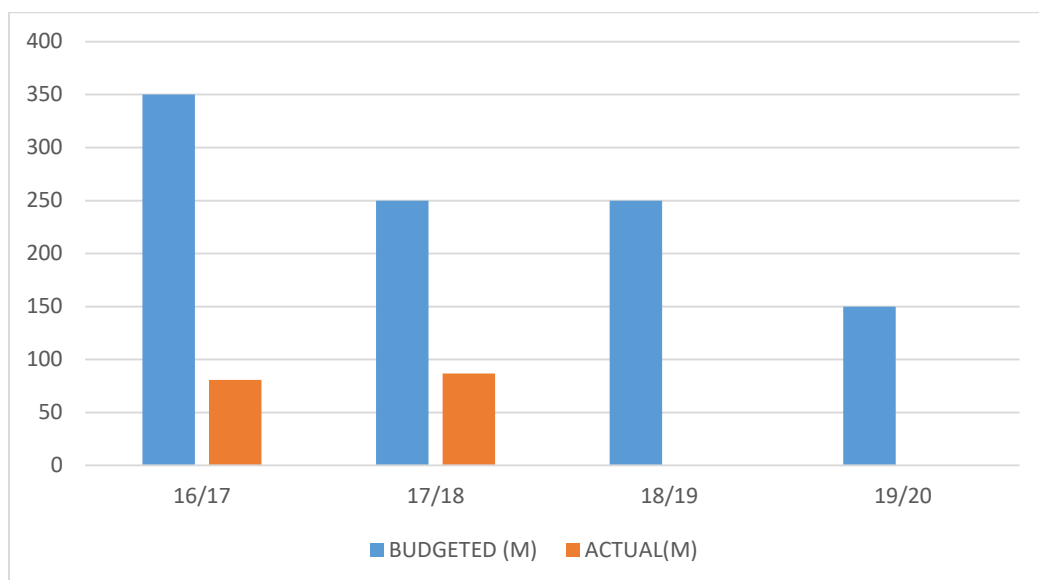


Figure 5: Local Revenue Trend

3.4.2 Expenditure

Table 6: Expenditure Trend

| EXPENDITURE | Budgeted 2017/2018 | Actual Performance 2017/2018 | Budgeted 2018/2019 | Projected As per PBS 2019/2020 |
|--------------------------------------|---------------------------|-------------------------------------|---------------------------|---------------------------------------|
| Compensation of employees | 2,983,492,218 | 3,159,371,416 | 3,321,048,728 | 3,950,494,525 |
| Operation & Maintenance | 1,940,563,027 | 1,604,062,779 | 1,724,817,169 | 1,643,912,094 |
| Development | 2,291,675,920 | 1,059,776,614 | 3,691,569,358 | 3,301,862,498 |
| Compensation of employees (assembly) | 395,786,612 | 393,606,281 | - | 420,000,000 |
| Operation and maintenance (Assembly) | 278,135,859 | 233,953,661 | - | 334,774,924 |
| Development (Assembly) | 80,000,000 | 70,000,000 | 70,000,000 | - |
| Total Expenditure | 7,969,053,636 | 6,520,770,751 | 8,807,435,255 | 9,651,044,041 |

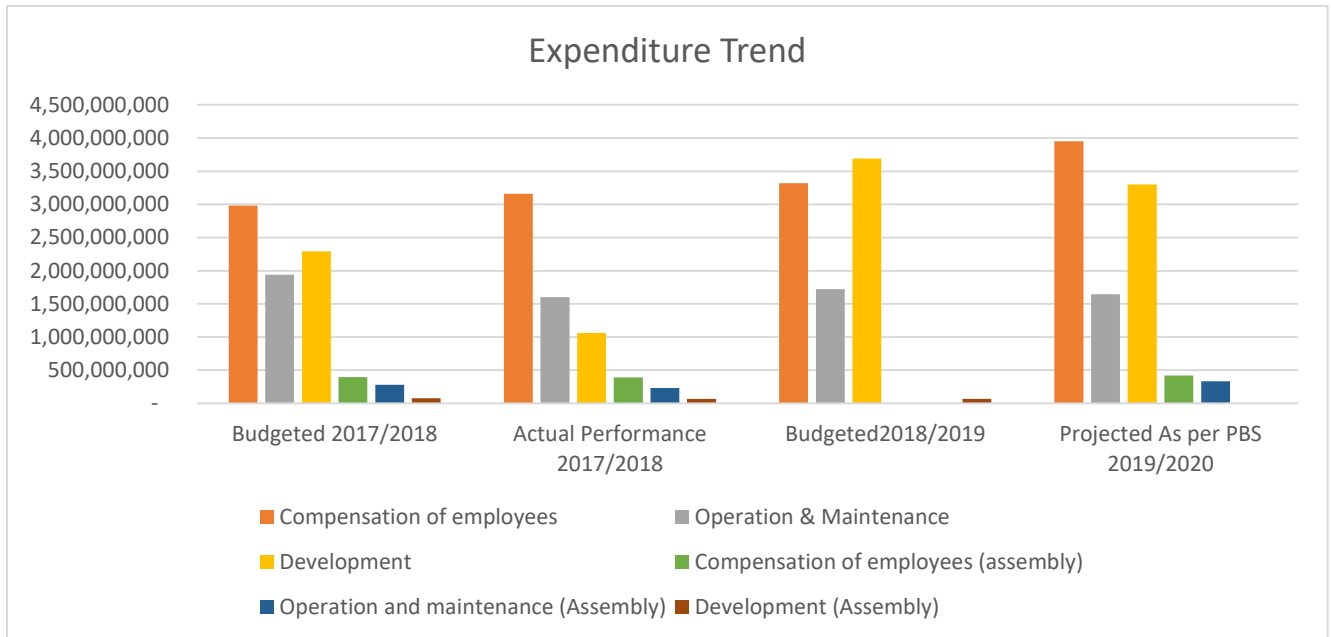


Figure 6: Expenditure Trend

From the graph the payroll expenditure has been growing by 15% for last 3 years and the county have now put frees on recruitment and trying to rationalize its workforce and after the exercise its believed the payroll will come down. The development allocation has stagnant for the last 3 years.

Table 7: Impact of revised ceilings on forward estimates

| | 2016/2017 | 2017/2018 | 2018/2019 | 2019/2020 | 2020/2021 | 2021/2022 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|
| Current Trend (B) | 7.1 | 7.5 | 9.5 | 11.1 | 12.2 | 13.3 |
| Trend due to revised ceiling(B) | - | - | - | 9.6 | 10.5 | 11.6 |

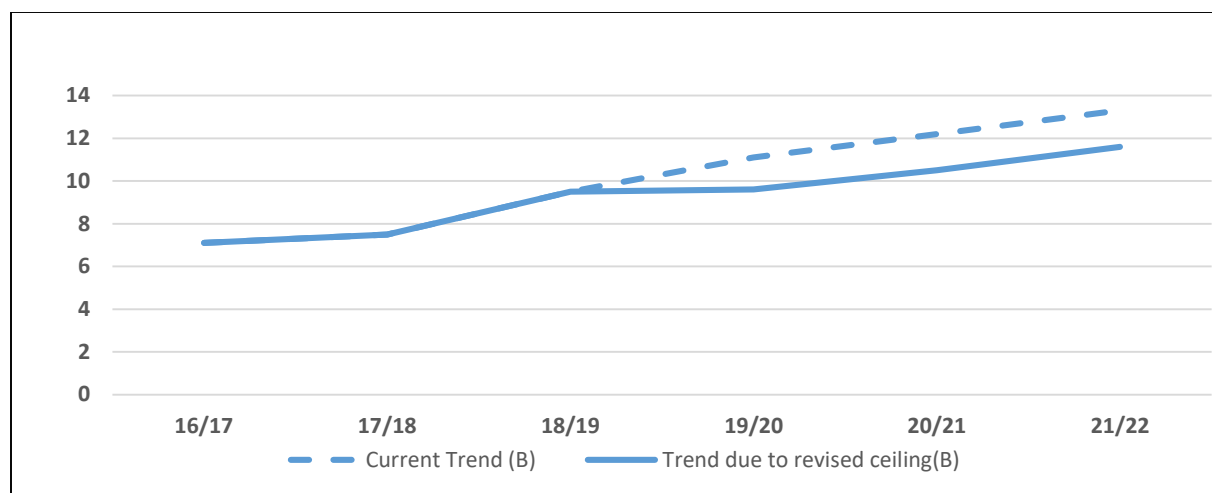


Figure 7: Impact of Revised Ceiling on Estimates

Table 8: Sector Allocation

| | 2017/2018 | 2018/2019 | |
|---|-------------------|-------------------|----------------------|
| DEPARTMENTS | TOTAL ALLOCATIONS | TOTAL ALLOCATIONS | 2019/2020 Projection |
| Agriculture, Livestock & Cooperatives | 421,472,012 | 530,258,299 | 562,237,157 |
| Gender ,Social Services & Sports | 91,828,559 | 356,595,728 | 294,574,449 |
| Roads and Transport a | 515,595,025 | 366,071,734 | 321,743,927 |
| Education & Labour | 557,491,202 | 726,499,870 | 734,582,768 |
| Environment, Energy & Natural Resources | 86,625,358 | 82,493,988 | 139,723,935 |
| Lands ,Housing and works, Urban Development | 389,643,225 | 577,691,512 | 634,670,626 |
| Finance & Economic Planning | 1,441,225,909 | 1,079,424,710 | 1,330,879,016 |
| Health & Sanitation | 2,293,238,057 | 2,651,472,229 | 2,516,829,887 |
| Trade, Enterprise Development and Tourism | 193,614,398 | 158,939,255 | 163,602,259 |
| Water & Irrigation Services | 637,135,269 | 1,801,610,755 | 1,704,693,593 |
| Executive Services | 533,588,961 | 355,328,645 | 343,397,120 |

| | | | |
|-----------------------------|----------------------|----------------------|----------------------|
| County Public Service Board | 49,448,530 | 51,048,530 | 49,334,379 |
| Assembly | 753,322,471 | 781,000,000 | 754,774,924 |
| Municipal | - | - | 100,000,000 |
| TOTAL | 7,964,228,976 | 9,518,435,255 | 9,651,044,041 |

2019

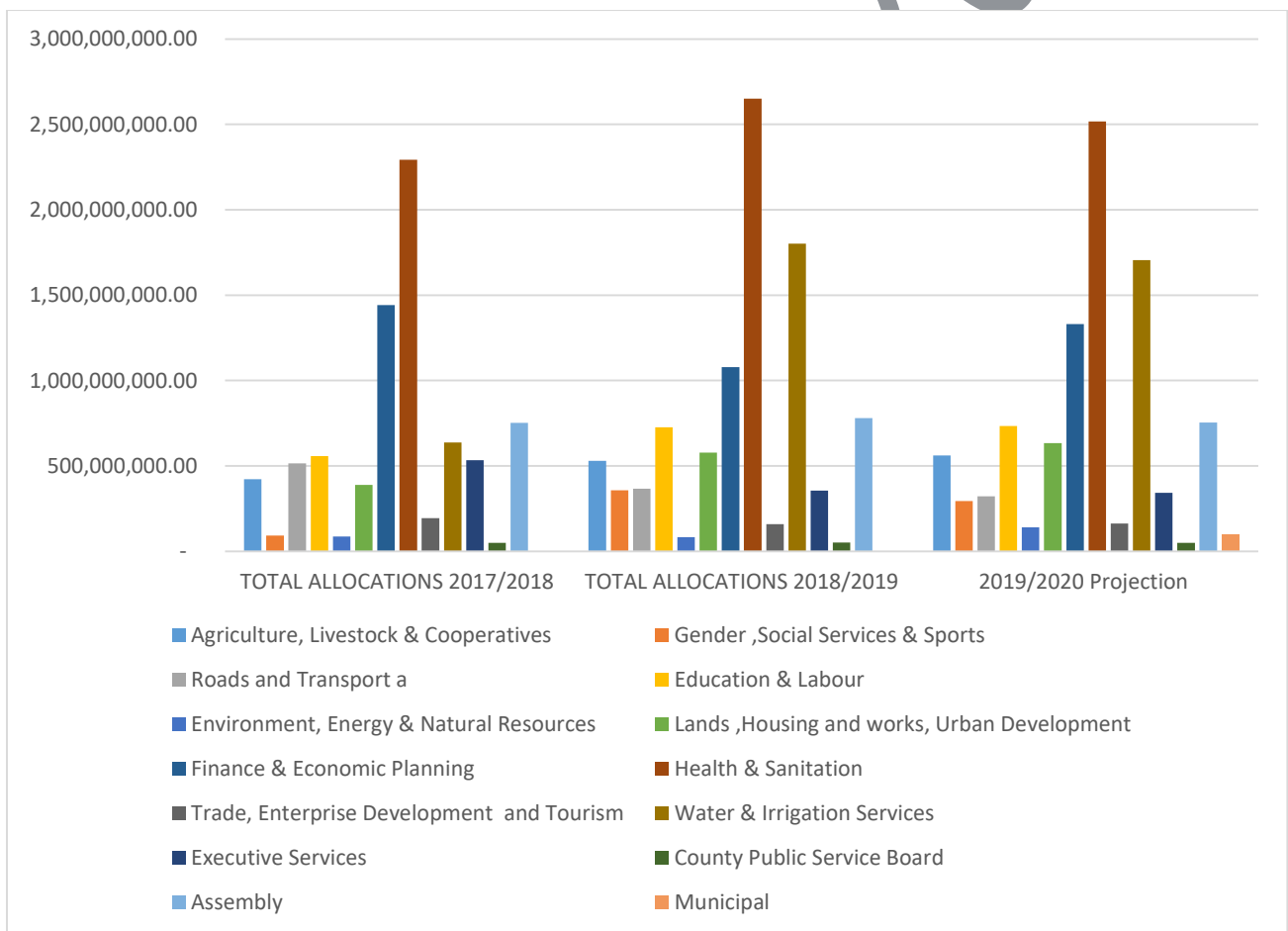


Figure 8: Sector Allocation

CHAPTER FOUR: MEDIUM TERM EXPENDITURE FRAMEWORK

Overview

The Constitution of Kenya 2010 stipulates that County Governments should have reliable, stable and predictable sources and allocation of revenue. Garissa County receives revenue from four main areas: the equitable share, own source revenues, conditional grants, other loans and grants.

4.1. Resource Envelope

Table 9: 2019/2020 Resource Envelope

| RESOURCE ENVELOPE | | Amount (Kshs) | |
|------------------------------------|---|-------------------------|-------------|
| Equitable share | | 6,851,000,000.00 | 71% |
| Conditional allocation | | 734,154,658.00 | 8% |
| | <i>Level 5 Hospital</i> | 355,392,347.00 | |
| | <i>Compensation for foregone user</i> | 12,964,636.00 | |
| | <i>Rehabilitation of Village polytechnics</i> | 35,335,000.00 | |
| | <i>Road Maintenance Levy</i> | 198,547,781.00 | |
| | <i>Lease of Medical Equipment</i> | 131,914,894.00 | |
| Loans and Grants | | 1,915,889,383.00 | 20% |
| Own Source Revenues | | 150,000,000.00 | 2% |
| Total Revenue 2019/2020 | | 9,651,044,014.00 | 100% |
| Expenditure | | | |
| Recurrent Expenditure | | 5,849,181,544 | 61% |
| | <i>Personnel Emoluments</i> | 3,995,494,526 | |
| | <i>Operations & Maintenance</i> | 1,853,687,018 | |
| Development | | 3,801,862,497 | 39% |
| Total Expenditure 2019/2020 | | 9,651,044,014.00 | 100% |

The above information of revenues is represented below in pie chart format:

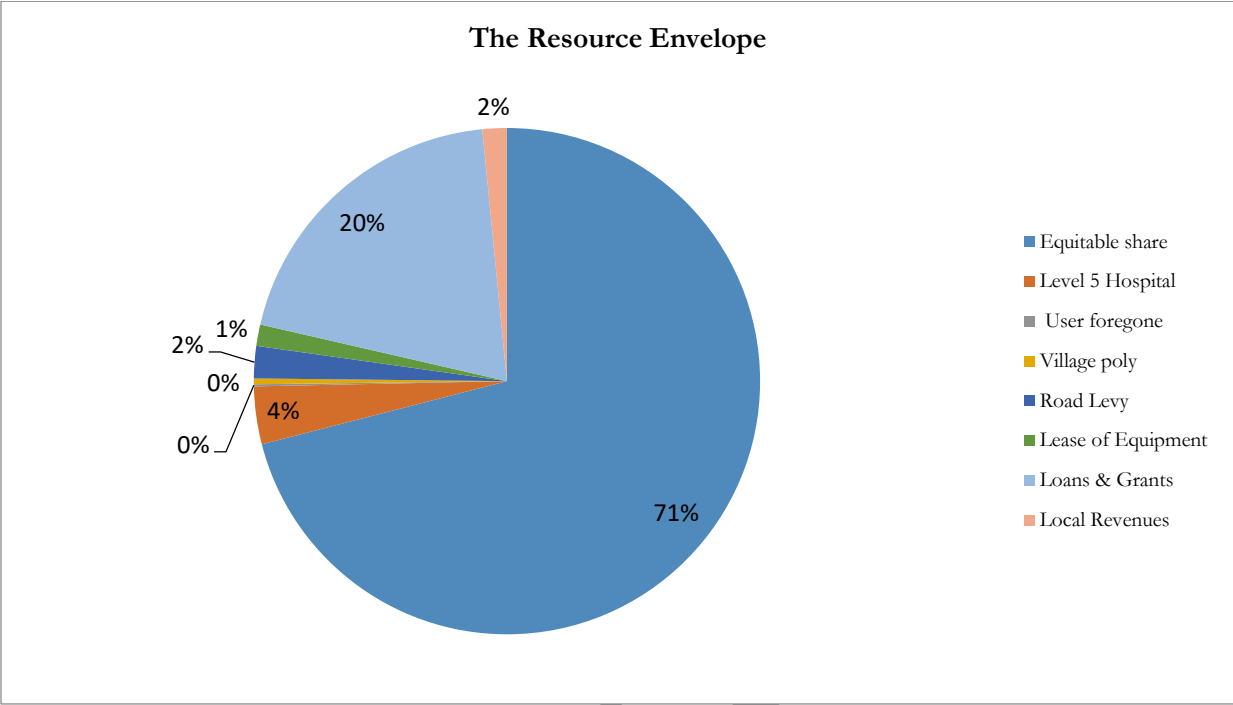


Figure 9: The Resource Envelope

In the 2019/2020 financial year, cumulative revenue amounts to Ksh. 9.6 billion, down from Ksh.10.162 billion budgeted in the current financial year (2018/2019). The drop in the total revenue is attributable to downward reviews of the revenue sharing formula by the CRA and own revenue by the county treasury. The current figures is the County’s best estimate and it excluded donor funds that will be factor in at the later stage as and when substantive figures are obtained.

The 2019/20 revenue shall comprise of total exchequer issues of Kshs 8.5 Billion; including equitable share of Kshs 6.85 billion, other Conditional allocations of Kshs 734 million, loan and grants of 1.915 billion and locally collected revenue of Kshs 150 million.

4.2. Spending Priorities

The medium term expenditure framework for 2019/20 – 2021/22 ensures continuity in resource allocation based on prioritized programs aligned to the third MTP of Vision 2030, and the second generation CIDP to accelerate growth, employment creation and poverty reduction.

Table 10: Spending priorities in Amount (Kshs).

| Sector/Sub-sector | Allocations from Shareable Revenue | Conditional Allocation | Donor Support | Development | Recurrent | Total Allocation. | % |
|---|---|-------------------------------|----------------------|--------------------|------------------|--------------------------|----------|
| Agriculture, Livestock & Cooperatives | 327,489,665 | 0 | 194,747,492 | 274,747,492 | 247,489,665 | 522,237,157 | 5.4% |
| Gender ,Social Services & Sports | 106,574,449 | | | 30,779,568 | 75,794,881 | 106,574,449 | 1.1% |
| Roads and Transport | 103,196,147 | 198,547,781 | | 258,417,808 | 43,326,120 | 301,743,928 | 3.1% |
| Education & Labour | 520,512,016 | 35,335,000 | 47,735,752 | 57,772,346 | 545,810,422 | 603,582,768 | 6.3% |
| Environment, Energy & Natural Resources | 124,723,935 | | | 60,000,000 | 64,723,935 | 124,723,935 | 1.3% |
| Lands ,Housing and Urban Development | 387,964,626 | | 274,706,000 | 374,706,000 | 287,964,626 | 662,670,626 | 6.9% |
| Finance & Economic Planning | 1,103,178,877 | | 287,700,139 | 367,700,139 | 1,023,178,877 | 1,390,879,016 | 14.4% |
| Health & Sanitation | 2,403,558,010 | 500,271,877 | 111,000,000 | 405,739,145 | 2,609,090,742 | 3,014,829,887 | 31.2% |

| | | | | | | | |
|---|----------------------|--------------------|----------------------|---------------|----------------------|----------------------|-------------|
| Trade, Enterprise Development and Tourism | 163,602,259 | | | 70,000,000 | 93,602,259 | 163,602,259 | 1.7% |
| Water & Irrigation Services | 584,693,593 | | 1,000,000,000 | 1,402,000,000 | 182,693,593 | 1,584,693,593 | 16.4% |
| Executive Services | 283,397,120 | | | - | 283,397,120 | 283,397,120 | 2.9% |
| County Public Service Board | 47,334,379 | | | | 47,334,379 | 47,334,379 | 0.5% |
| Assembly | 754,774,924 | | | | 754,774,924 | 754,774,924 | 7.8% |
| Municipal Boards | 90,000,000 | | | | 90,000,000 | 90,000,000 | 100% |
| Grand Total Kshs. | 7,001,000,000 | 734,154,658 | 1,915,889,383 | | 5,849,181,544 | 9,651,044,041 | 100% |

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4.3. Medium Term Expenditure Estimates

Table 11: 2019/2020, 2020/2021 and 2021/2022 Medium Term Expenditures Estimates

| Department | Estimates 2019/2020 | Projection 2020/2021 | Projection 2021/2022 |
|---|--------------------------------|---------------------------------|---------------------------------|
| Agriculture, Livestock & Cooperatives | 522,237,157 | 574,460,873 | 631,906,960 |
| Gender ,Social Services & Sports | 106,574,449 | 117,231,894 | 128,955,083 |
| Roads and Transport | 301,743,928 | 331,918,321 | 365,110,153 |
| Education & Labour | 603,582,768 | 663,941,045 | 730,335,149 |
| Environment, Energy & Natural Resources | 124,723,935 | 137,196,329 | 150,915,961 |
| Lands ,Housing and Urban Development | 662,670,626 | 728,937,689 | 801,831,457 |
| Finance & Economic Planning | 1,390,879,016 | 1,529,966,918 | 1,682,963,610 |
| Health & Sanitation | 3,014,829,887 | 3,316,312,876 | 3,647,944,163 |
| Trade, Enterprise Development and Tourism | 163,602,259 | 179,962,485 | 197,958,733 |
| Water & Irrigation Services | 1,584,693,593 | 1,743,162,953 | 1,917,479,248 |
| Executive Services | 283,397,120 | 311,736,832 | 342,910,515 |
| County Public Service Board | 47,334,379 | 52,067,817 | 57,274,599 |
| Assembly | 754,774,924 | 830,252,416 | 913,277,658 |
| Municipal Boards | 90,000,000 | 99,000,000 | 108,900,000 |
| TOTAL | 9,651,044,041 | 10,616,148,445 | 11,677,763,290 |

4.4 Baseline Ceilings

Table 12: 2018/2019 Baseline and Estimates for the 2019/2020

| Department | Baseline 2018/2019 | | | | Estimates 2019/2020 | | | |
|---|------------------------------|------------------------|---------------|------------------|------------------------------|------------------------|---------------|------------------|
| | Shareable Revenue Allocation | Conditional Allocation | Donor Support | Total Allocation | Shareable Revenue Allocation | Conditional Allocation | Donor Support | Total Allocation |
| Agriculture, Livestock & Cooperatives | 430,258,299 | 0 | 150,000,000 | 580,258,299 | 327,489,665 | 0 | 194,747,492 | 522,237,157 |
| Gender, Social Services & Sports | 357,595,728 | | | 357,595,728 | 106,574,449 | | | 106,574,449 |
| Roads and Transport | 183,363,376 | 182,708,358 | 0 | 366,071,734 | 103,196,147 | 198,547,781 | | 301,743,928 |
| Education & Labour | 645,409,118 | 35,355,000 | 47,735,752 | 728,499,870 | 520,512,016 | 35,335,000 | 47,735,752 | 603,582,768 |
| Environment, Energy & Natural Resources | 82,493,988 | | | 82,493,988 | 124,723,935 | | | 124,723,935 |
| Lands, Housing and Urban Development | 454,185,512 | | 233,506,000 | 687,691,512 | 387,964,626 | | 274,706,000 | 662,670,626 |
| Finance & Economic Planning | 1,279,724,710 | | | 1,279,724,710 | 1,103,178,877 | | 287,700,139 | 1,390,879,016 |
| Health & Sanitation | 2,001,442,084 | 557,704,520 | 122,325,625 | 2,681,472,229 | 2,403,558,010 | 500,271,857 | 111,000,000 | 3,014,829,887 |

| Department | Baseline 2018/2019 | | | | Estimates 2019/2020 | | | |
|---|------------------------------|------------------------|----------------------|-----------------------|------------------------------|------------------------|--------------------|----------------------|
| | Shareable Revenue Allocation | Conditional Allocation | Donor Support | Total Allocation | Shareable Revenue Allocation | Conditional Allocation | Donor Support | Total Allocation |
| Trade, Enterprise Development and Tourism | 258,939,255 | | | 258,939,255 | 163,602,259 | | | 163,602,259 |
| Water & Irrigation Services | 851,610,755 | | 1,000,000,000 | 1,851,610,755 | 584,693,593 | | 1,000,000,000 | 1,584,693,593 |
| Executive Services | 456,328,645 | | | 456,328,645 | 283,397,120 | | | 283,397,120 |
| County Public Service Board | 51,048,530 | | | 51,048,530 | 47,334,379 | | | 47,334,379 |
| Assembly | 781,000,000 | | | 781,000,000 | 754,774,924 | | | 754,774,924 |
| Municipal Boards | 0 | | | 0 | 90,000,000 | | | 90,000,000 |
| Total | 7,833,400,000 | 775,767,878 | 1,553,567,377 | 10,162,735,255 | 7,001,000,000 | 734,154,638 | 915,889,383 | 9,651,044,041 |

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4.5 . Finalization of Spending Plans

The MTEF budget will critically be reviewed with a view to rationalize non- priority expenditures and shift the savings to the priority programmes. The County Government will re-orient its expenditure programmes to focus on the following sectoral priorities:

Water Services

It is a constitutional right for every citizen to have access to enough, clean and reliable water. Over the MTEF period the sector aims to achieve expansion of water coverage and sewerage facilities; scaling up water storage; conservation and management of catchment areas; mitigation and adaptation measures on climate change; enforcement of sector laws and regulations for efficient management of this resource.

Health Care

The health department will implement five programs and sub programs in the financial years 2018/2019 to 2020/21 which are in line with priorities of the sector. The programs are aligned to the strategic objective and flagship project to achieve the Kenya vision to 2030. The Ministry strategic objective 2014-18, the sustainable development goals (SDGs) and the Kenya transformative agenda including the big four (4) initiatives and the core mandates of the sector. Overall, these programs aim at achieving improved accessibility, affordability of health services across the sectors. The following are programmes and respective sub programmes to be implemented during the periods.

In the Financial year 2019/2020, funds will be allocated for provision of an efficient and high quality universal healthcare system that is accessible, equitable and affordable for every person in the County. This will be achieved through provision of funds for purchase of pharmaceuticals and non-pharmaceuticals; purchase of ambulances; purchase of diagnostic equipment; recruitment and re-training of health personnel; anti-malarial campaign; family planning campaigns, HIV/AIDS campaigns; training of health care providers on customer care; commemoration of health days; construction and establishment of a cancer centre; purchase of truck for the distribution of pharmaceuticals and non-pharmaceutical upgrading of level 4 hospitals and strengthening of the community health services . Funds also will be utilized in completion and equipping health facilities at the ward levels.

Table 13: Health sectorial programmes

| Programs | Outcome | Objective |
|--|--|--|
| Program 1. Preventive, promotive and RMNCH services | Reduce morbidity and mortality due to preventative causes. | To increase access to quality preventive and promotive care services |
| Program 2. Curative, referral and specialized health services | Quality specialized health services. | To improve provision of quality specialized health services |

| | | |
|---|--|--|
| Program 3. Health research and development | Increased knowledge and innovation through capacity building and research. | To provide stewardship and oversight on health training and research |
| Program 4. Administrative and support services | Leadership and management mechanism strengthened. | To strengthen leadership, management and administration in the sector. |
| Program 5. Health policy standards and regulations | Develop, strengthen and health policy, standard and regulations. | To attain Universal health coverage |

Infrastructure Development

In the medium term, the County Government will invest in infrastructural facilities which consist of Roads; Transport; Housing; Energy; Sewerage System; Market Development and Information and Communications Technology (ICT) programmes, among others. The overall goal of the priority is to have a well-developed and maintained physical infrastructure for rapid and sustainable economic growth

Economic Development

This strategic priority constitutes of programmes in Crop Production, Livestock Development and Fisheries, Agribusiness and value addition, Veterinary Services, Agricultural Engineering Services, Corporative development, Trade and Markets Development. Funds in this priority area will also be directed towards market fencing, construction of markets and toilets, formation of cooperatives to assist in marketing, provision of soft loans for value addition, provision of extension services, and vaccination and surveillance operations against zoonotic diseases.

4.6 Details of Sector Priorities

Health and Sanitation

The sector mandate is to reduce illnesses, disabilities, and exposure to risk factors through evidence-based interventions and best practices. The sector faces numerous challenges which include: Inadequate resources for effective implementation, inadequate infrastructure for service delivery, shortage of qualified health personnel, and high turnover of health care workers

In the medium term, the sector will seek to address these challenges by implementing fully the CIDP and sector strategic plan for the directorate through continued investment in recruitment of health professionals, medical services, health infrastructure and improvement in the working conditions of medical practitioners. The 2019/20 – 2021/22 MTEF estimates for the sector is **31%** out of which **13%** of its total allocation will go towards development. In addition, the department will get additional funds from national government

in form of conditional allocations. In the medium term it is expected that allocation to the sector will progressively increase in absolute terms.

In the Financial year 2019/2020 the health department will invest heavily to improve and enhance the services offered by Primary Health Centers (PHCs) in the rural communities while also strengthening the County referral hospital and seven (7) level 4 hospitals in the County. An equally important role of PHCs is to provide health education emphasizing family planning, hygiene, sanitation promotion, and prevention of communicable diseases. The rural population has to often travel to urban areas when they can no longer bear the suffering caused by the disease, thus increasing the load on hospitals in urban areas and ending up with serious complications that, in many cases, could have easily been treated at their early stages. To reduce the community suffering the County government of Garissa plans to implement and roll out the universal health Coverage (UHC) in line with national government agenda to reduce the health burden for our communities. This will be achieved through provision of funds for purchase of pharmaceuticals and non-pharmaceuticals; purchase of ambulances; purchase of diagnostic equipment; recruitment and re-training of health personnel; anti-malarial campaign; family planning campaigns, HIV/AIDS campaigns; training of health care providers on customer care; commemoration of health days; construction and establishment of a cancer centre; purchase of truck for the distribution of pharmaceuticals and non-pharmaceutical upgrading of level 4 hospitals and strengthening of the community health services. Funds also will be utilized in completion and equipping health facilities at the ward levels. Purchases of utility and ambulances to enhance referral and routine operation will also be achieved.

The UHC programme that is being piloted in four counties will equally be rolled in Garissa county and all eligible population registered and covered effectively. Every household will be issued with one UHC card to cover children below 18 years while children aged above 18 will each get their own UHC card. The UHC package is expected cater for outpatient care such as consultation, mental illness and emergency health care. Inpatient care will include medical and surgical services, enhanced maternal and child health services and enhanced HIV, tuberculosis and malaria treatment. Other public health services such as mosquito nets distribution, door-to-door immunization, public health education, and screening for non-communicable diseases will also be issued and this will greatly contribute to the vision 2030 and the big four agenda of national government

| | |
|------------------------------|--|
| <p>Sector mandate</p> | <p>To reduce illnesses, disabilities, and exposure to risk factors through evidence-based interventions and best practices.</p> <ul style="list-style-type: none"> • County health facilities and pharmacies; • Ambulance services; • Promotion of primary health care; • Licensing & control of undertakings that sell food to the public • Health policy, planning & M&E • Family Health • Administration and Development |
|------------------------------|--|

| | |
|---|---|
| <p>Key achievements</p> | <ul style="list-style-type: none"> • Increased uptake of Maternal, new born, child health and nutrition services • Increased curative and referral emergency services • Increased preventive and Promotive services • Strengthened Health information, M&E, Planning for informed decision making. • Enhanced financial accountability and staff management • Improvement of key health indicators maternal and child health • Reduction of communicable diseases eg cholera, dysentery • Reduction of Malaria incidence • Procurement and supplies of essential drugs and other commodities • Expansion and opening of critical health services MRI, ICU, radiology. |
| <p>Sector challenges and proposed measures to overcome</p> | <ul style="list-style-type: none"> • Inadequate resources for effective implementation • High turnover of Health care workers • Lack of county health policy to guide the health sector • Poor infrastructure and inadequate equipment's • Expansive county and insecurity • High poverty among the community. <p>Measures to overcome</p> <ul style="list-style-type: none"> • Scale maternal health and seek for partnership with likeminded health partners • Scale up Community units' services • Increase the resources envelope for all essential health programs • Sector wide approach to enhance integration and partnership • Close monitoring of the health workers and prudent use of finance • Hiring more health workers to meet the demand of growing health facilities. • Continuous replacement of health care lost due to turn over • Advocate for health financing from health development partners. • Strengthen referral system • Improve quality in all service delivery points • Open up new heath facilities • Construct new OPD, maternity and theatres • Strengthen disease surveillance and response • Data quality audits and verification in all health facilities • Improve and strengthen critical care service • Scale up child health nutrition |

| | |
|---------------------------------|--|
| | <ul style="list-style-type: none"> • Scale up HIV/AIDS prevention and treatment services • Sustain and improve Tuberculosis, Leprosy and Lung Disease control and prevention strategies • Strengthen and improve diagnostic services (Laboratory services). • Strengthen critical care services • Expansion of facilities providing basic and comprehensive emergency care at sub county level. • Construction of staff housing. • Provision of modern medical equipment's and comprehensive medical supplies. • Invest in health information and communication technology (ICT). • Provision of reliable transport system with proper maintenance. • Construction of health and nutrition storage facilities (warehouse) in each Sub County. • Promotion of innovative approaches/strategies like maternal shelter, output-based approach, Malezi Bora, nomadic clinic, integrated outreaches, and tele-medicine technology, etc. • Provision of comprehensive essential health package and UHC. • Operational research. • Monitoring and evaluation. |
| Total budgetary ceilings | Recurrent: Ksh. 2,609,090,742 Development: Ksh. 405,739,145 |

Agriculture, Livestock and Cooperatives

This Sector comprises of three sub-sectors: Agriculture, Livestock and veterinary, fisheries and cooperative. The Sector goal in line with the Vision 2030 is —to attain food security and sustainable irrigation land management. The Constitution, under Article 43 on the Bills of Rights, has provided for accessibility to adequate food of acceptable quality.

Over the medium term the sector aims to address the challenges bedeviling it by raising agricultural productivity through value addition and adoption of new technologies; increased commercialization of local products; creating an enabling policy and legal framework, improving efficiency and effectiveness of sector institutions. The key challenges facing the sector include unfavorable climatic changes, lack of personal protective equipment's at workplace, low productivity, low value addition, inadequate physical infrastructure and low access to financial services as well as affordable credit.

The 2019/20 – 2021/22 MTEF estimates for the sector are estimated to be **5%** of the budget. Out of this allocation **53%** will go towards development.

| Sector Mandate | To promote, regulate, facilitate agriculture sector production for socio economic development and industrialization. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---------------------------|--|-----------------------------|-------------------|----------|----|---------------------|-------|----|---------------------|----------|----|---------------|--------------|----|-------------------|-----------|------------|------|--------------|-------------------|-----------|-----------|-----------------------|-----|-----------|-----------|------------------------|-----|------------------|-------|----------------------|-----|------------------|-------|------------------------|-----|-----------|-----------|-----------------------------|-----|
| Sector Policy Blueprint | <p>Vision:</p> <ul style="list-style-type: none"> The vision is to be the leading agency in provision of services towards achieving food security for all, employment and wealth creation in Garissa County. <p>Mission:</p> <ul style="list-style-type: none"> To improve the livelihoods in Garissa County by promoting competitive farming, commercialized livestock production through local policy formulation, appropriate technology application, effective extension services and sustainable resources management. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Key Achievements (detail) | <p>1. Supply of farm inputs</p> <p>The Department was able to purchase assorted farm inputs that were distributed to the farmers as indicated below.</p> <p>Group farms that benefited are as indicated below:</p> <table border="1" data-bbox="397 976 1047 1207"> <thead> <tr> <th>No.</th> <th>Item description</th> <th>Quantity</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Cereals and legumes</td> <td>2.4MT</td> </tr> <tr> <td>2.</td> <td>Horticultural seeds</td> <td>0.0253Mt</td> </tr> <tr> <td>3.</td> <td>Agrochemicals</td> <td>136.7 litres</td> </tr> <tr> <td>4.</td> <td>Knapsack Sprayers</td> <td>15 litres</td> </tr> </tbody> </table> <p>2. Rehabilitation and maintenance of Farm access roads</p> <p>There are five farm access roads undergoing rehabilitation and maintenance.</p> <table border="1" data-bbox="365 1344 1380 1690"> <thead> <tr> <th>Sub County</th> <th>Ward</th> <th>Project Name</th> <th>Completion Status</th> </tr> </thead> <tbody> <tr> <td>Balambala</td> <td>Balambala</td> <td>Egan Farm access road</td> <td>72%</td> </tr> <tr> <td>Balambala</td> <td>Balambala</td> <td>Badha farm access road</td> <td>42%</td> </tr> <tr> <td>Garissa Township</td> <td>Iftin</td> <td>Qolothey Farm access</td> <td>79%</td> </tr> <tr> <td>Garissa Township</td> <td>Iftin</td> <td>Maramtu II Farm access</td> <td>75%</td> </tr> <tr> <td>Balambala</td> <td>Balambala</td> <td>Dololomidi Farm access road</td> <td>56%</td> </tr> </tbody> </table> <p>3. Procurement & distribution of 10 number of Irrigation pump sets</p> | No. | Item description | Quantity | 1. | Cereals and legumes | 2.4MT | 2. | Horticultural seeds | 0.0253Mt | 3. | Agrochemicals | 136.7 litres | 4. | Knapsack Sprayers | 15 litres | Sub County | Ward | Project Name | Completion Status | Balambala | Balambala | Egan Farm access road | 72% | Balambala | Balambala | Badha farm access road | 42% | Garissa Township | Iftin | Qolothey Farm access | 79% | Garissa Township | Iftin | Maramtu II Farm access | 75% | Balambala | Balambala | Dololomidi Farm access road | 56% |
| No. | Item description | Quantity | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1. | Cereals and legumes | 2.4MT | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2. | Horticultural seeds | 0.0253Mt | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3. | Agrochemicals | 136.7 litres | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4. | Knapsack Sprayers | 15 litres | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Sub County | Ward | Project Name | Completion Status | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Balambala | Balambala | Egan Farm access road | 72% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Balambala | Balambala | Badha farm access road | 42% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Garissa Township | Iftin | Qolothey Farm access | 79% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Garissa Township | Iftin | Maramtu II Farm access | 75% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Balambala | Balambala | Dololomidi Farm access road | 56% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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| | <p>The Department purchased and distributed 10 irrigation pump sets. The group farms that benefitted are listed below:</p> <p>Khahira Farm, Alaf Farm, Nathir Farm, Dima Farm, Maramtu 2 Farm, Furaha Farm, Leheye Farm Egan Farm, Khadija 2 Farm & Kulmis Farm.</p> <p>4. Renovation of office blocks and other facilities at the Sub County headquarters and Institutions.</p> <p>The department renovated Sub County offices in the following Subcounties: Fafi, Modogashe, Balambala, Garissa township (ATC Office blocks and Garissa ATC Dining hall and Kitchen).</p> <p>5. Extension service delivery</p> <p>Pastoralists and Farmers are reached with extension messages</p> |
| <p>Sector Challenges and proposed measures to overcome</p> | <p>1. Succession management-key challenges of succession management in the department is contributed by the following factors;</p> <ul style="list-style-type: none"> • Ageing workforce-42% of the workforce in the department are 52 years and above of which 46 officers are 57 years old and above. • Staffing gaps, especially technical staff. <p>Proposed measures- staff recruitment and promotions</p> <p>2. Lack of employees training and development-</p> <ul style="list-style-type: none"> • Corrective measure- staff capacity development <p>3. Lack of Personal Protective Equipment's at workplace(PPE)-</p> <ul style="list-style-type: none"> • Proposed Corrective measure- procurement of protective wear for staff and <p>4. Office operations; inadequate office space, lack of internet connectivity, erratic supply of office stationeries.</p> <p>5. Frequent disasters – drought floods, disease, conflict etc as a result of climate change and variability</p> <ul style="list-style-type: none"> • Proposed Corrective measure- employ DRR and CCA measures <p>6. Lack context based proper Policy and legal frame work</p> |

| Sector medium term plan (in line with ADP) | <p>In the Medium term, the sector expects to undertake multiple project as indicated here below:</p> <ul style="list-style-type: none"> ➤ Fruit juice processing unit in Garissa Township ➤ Livestock markets development ➤ Farm access roads in Garissa Township, Fafi & Balambala ➤ Farm inputs procurement ➤ Purchase of livestock drugs / vaccines and vaccination ➤ Procurement of plant, machinery & equipment for AMS, Garissa ➤ Construction of modern hostel block, conference hall, and dining hall at ATC Garissa ➤ Procurement & installation of solar-powered irrigation pumping sets in smallholder irrigation schemes in Garissa Township, Fafi & Balambala ➤ Strategic feed reserves Reduced livestock deaths during droughts, and contribute to EDE (ending drought emergencies) ➤ Garissa Export slaughter house Produce meat for local and export markets ➤ Feedlot development in Modikare holding ground(DFZ) Finish livestock for export market and for slaughter house ➤ Camel milk processing To add value to camel milk being sold in Garissa and dadaab ➤ Construction of fish ponds in 4 sub- counties (Garissa, Balambala, Fafi, & ijara) ➤ Revolving cooperative loans kitty ➤ Model dairy center of excellence at ATC in Garissa | | | | | | | | | | | | | | | | | |
|---|---|-----------------------------------|--|--------------|--------------------------------|-----------------------------------|-------|-----|-----|-------|-----|------|-------|---|---|---|------|-----|
| Sector current and ongoing grants from development partners (name type of grant , program funded and amount of funding) | <table border="1" data-bbox="358 1236 1377 1671"> <thead> <tr> <th data-bbox="358 1236 824 1346">Project name</th> <th data-bbox="824 1236 1101 1346">Current Grant (Ksh.) 201/2019.</th> <th data-bbox="1101 1236 1377 1346">Expected Grants (Ksh.). 2019/2020</th> </tr> </thead> <tbody> <tr> <td data-bbox="358 1346 824 1419">ASDSP</td> <td data-bbox="824 1346 1101 1419">20M</td> <td data-bbox="1101 1346 1377 1419">20M</td> </tr> <tr> <td data-bbox="358 1419 824 1493">KCSAP</td> <td data-bbox="824 1419 1101 1493">55M</td> <td data-bbox="1101 1419 1377 1493">157M</td> </tr> <tr> <td data-bbox="358 1493 824 1566">RPRLP</td> <td data-bbox="824 1493 1101 1566">-</td> <td data-bbox="1101 1493 1377 1566">-</td> </tr> <tr> <td data-bbox="358 1566 824 1671">Control and eradication of PPR in shoats (SFAO)</td> <td data-bbox="824 1566 1101 1671">8.7M</td> <td data-bbox="1101 1566 1377 1671">Nil</td> </tr> </tbody> </table> | | | Project name | Current Grant (Ksh.) 201/2019. | Expected Grants (Ksh.). 2019/2020 | ASDSP | 20M | 20M | KCSAP | 55M | 157M | RPRLP | - | - | Control and eradication of PPR in shoats (SFAO) | 8.7M | Nil |
| Project name | Current Grant (Ksh.) 201/2019. | Expected Grants (Ksh.). 2019/2020 | | | | | | | | | | | | | | | | |
| ASDSP | 20M | 20M | | | | | | | | | | | | | | | | |
| KCSAP | 55M | 157M | | | | | | | | | | | | | | | | |
| RPRLP | - | - | | | | | | | | | | | | | | | | |
| Control and eradication of PPR in shoats (SFAO) | 8.7M | Nil | | | | | | | | | | | | | | | | |
| Total budgetary ceilings | <p>Recurrent: Ksh. 247,489,665</p> <p>Development: Ksh. 274,747,492</p> | | | | | | | | | | | | | | | | | |

Roads and Transport

The sectors objective is to develop, maintain and manage all county roads effectively and efficiently and ensure better transport services across Garissa County.

In the medium term ,the ministry is planning to enhance road maintenance in the sub counties, improvement of major roads to gravel standards, upgrading of sub county headquarters access roads to bitumen standards, installation of road speed bumps on major roads in Garissa township, construction of Bus parks, Construction of designated parking, installation of street lights on sub county headquarters access roads, Construction of County Garage, procurement of road Construction plant and equipment and operationalization of MTF equipment.

The 2019/20 – 2021 /22 MTEF estimates for the sector is **3%** out of which **86%** will be used for development. This allocation includes Road levy fund from national government.

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| Sector Mandate | To develop, maintain and manage all county roads effectively and efficiently and ensure better Transport services within Garissa County. |
| Sector Policy Blueprint | The County Roads and Transport sector |
| Sector programs and sub programs and program objectives | <ol style="list-style-type: none"> 1) Programme Name: Expansion, Upgrading and maintenance of Road Network Objective: To Maintain, Expand and upgrade county road 2) Programme Name: Improvement of County Transport Management Objective: To provide efficient, convenient, safe and user-friendly transport infrastructure in the county 3) Programme Name: Capacity Enhancement/Development Objective: To enhance Governance and capacity for service delivery |
| Key Achievements (detail) | <p>For financial year 2017-2018:</p> <p>317kms of roads Bush cleared</p> <p>780kms of roads Graded</p> <p>54.63kms of roads upgraded to Gravel Standard</p> <p>200M. Drifts constructed (4No. drifts totaling to 200metres)</p> <p>63 Lines of Culvert constructed (totaling to 500meters)</p> <p>4392m of culverts and Drainage channels cleaned</p> <p>90M³ Pothole patching of Garissa township roads</p> |
| Sector Challenges and proposed | <ul style="list-style-type: none"> • Inadequate budget allocation that do not meet the county needs in terms of roads maintenance and improvement |

| | |
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| measures to overcome | <ul style="list-style-type: none"> • Technical Personnel Gaps • Lack of Vehicles for Project Supervision (Transport Challenges) • Lack of Professional Trainings/Capacity Building • Lack of Technical Working Tools • Lack of operational (Mechanical Transport Fund) MTF Equipment (Established in 2003 to provide funds for maintenance and renewal of vehicles, plants and equipment) • Road encroachments hindering construction of roads especially in Garissa Township and Sub-county Headquarters. • Lack of Roads and Transport Policy and legislation at the county level |
| Sector current and ongoing grants from development partners (name type of grant , program funded and amount of funding) | <p>The sector receives a conditional Grant from the Kenya roads board (KRB) through road maintenance levy fund.</p> <p>In the current financial year 2018-2019, the sector was allocated Kes 182,708,358.</p> |
| Total budgetary ceilings | <p>Recurrent: Ksh. 43,326,120</p> <p>Development:Ksh. 258,417,808</p> |

Water & Irrigation Services

It is a constitutional right for every citizen to have access to enough, clean and reliable water. Over the MTEF period the sector aims to achieve expansion of water coverage and sewerage facilities; scaling up water storage; conservation and management of catchment areas; mitigation and adaptation measures on climate change; enforcement of sector laws and regulations. The 2018/19 estimates for the sector is **16%** of the total allocation of which **88%** of it will finance development expenditure.

| | |
|----------------|--|
| Sector Mandate | <p>Water.</p> <ol style="list-style-type: none"> To increase access and coverage to safe water and sewerage services in urban and rural areas. To minimize conflicts and disputes among water users. Responsible for drought mitigation <p>Irrigation</p> <p>Supply of raw water to plant(irrigation) and removal of raw water from plant(drainage) To facilitate and coordinate irrigation and drainage development for agricultural production in a cost effective, socially beneficial and environmentally sustainable manner.</p> |
| Sector Policy | Water Bill and Water policy passed at the assembly to be launched soon. |

| | |
|-------------------------|---|
| Blueprint | |
| Key Sector Achievements | Water coverage in the county has increased by 75% in the last 4 years, The efficiency of the borehole rapid response team has increased by 90% in the last 2 year and The human resource capacity of the sector has increased by 30% in the last 2 years. Irrigation infrastructure has increased by 15%. The sector programs achievement as attached in the annex. |
| Sector Challenges | The sector suffers from an unacceptably low number of technical cadres which compromises the quality of work done by contractors, The sector does not have enough number of vehicles to attend borehole breakdown, there are no budgets and offices at sub county level therefore service at sub county level is compromised for both irrigation and water sub sectors. Flood have damaged irrigation infrastructure at the river banks. |
| Sector medium term plan | The sector intends to address these challenges by investing heavily in recruiting more technical cadres, establishing offices at the sub county level and purchasing of vehicles so as quality work and services are achieved, excavating mega pans either by the county or through partners so as to improve water storage, accessibility and livelihood, improve the storage facilities and expansion of water in the entire County. |
| Sector Resource Usage | The sector intends to use its allocated resources to expand its workforce by 60%, increase the water and irrigation infrastructure in the entire county 20%, support to GAWASCO for extension services. |
| Sector Budget Ceiling | Recurrent: Ksh. 182,693,593 Development: Ksh. 1,402,000,000 |

CHAPTER FIVE: FISCAL RISKS AND CONCLUSION

5.1 Risks To Realizing The Fiscal Framework

The realization of development goals for the County will not be without risks and challenges as detailed below:

- i. Expenditure pressures especially perpetual increase in salaries and operational demand have put a strain on development expenditure. This demand is synonymous almost all departments and entities of the County leading to continued reallocation and rearrangement of spending plans.

- ii. The underperformance in development attributable to a number of factors including delays in procurement process and inadequate capacity project management leading to low absorption of development budget.
- iii. Revenue performance may also pose a potential risk. The County will continually put up solid structures geared towards sealing loop holes and expanding revenue base. Full automation of revenue collection and other measures outlined above will be implemented in the near future.
- iv. Potential uncertainties associated with revised resource sharing formula by CRA could lead to some implementation of programs detailed in preceding policy documents like ADP and CIDP being rescheduled to future period or even overlook altogether.
- v. Delay in disbursement of fund. Delay in exchequer releases has, not only, resulted in delay in the county achieving its development aspirations but also dissuaded the county workforce hence compromising on service delivery.
- vi. The County's economic performance may also be slowed down by unreliable weather conditions. This will affect agriculture, which is the main economic driver of the County. Resources therefore need to be set aside to mitigate the situation.

5.2 Conclusion

The 2018 MTEF is marked by moderate growth in overall expenditure, taking into account the weaker global economic outlook and the need to stimulate economic growth. The set of policies outlined in this CFSP reflect the changed circumstances and are broadly in line with the fiscal responsibility principles outlined in the PFM law. Therefore, fiscal framework presented herein is prepared pursuant to the PFM Act and lays ground for the next financial year in terms of preparing the final Estimates as well as prioritization of resource allocation

The budget frame work for 2019 -2020 will be purely guided prioritization of resource allocation to the sectors with focus mainly in Health sector with aim of addressing the big four Agenda of universal health care to enhance this there must be also Fiscal discipline which will ensure proper management of funds and delivery of expected output.

Effective and efficient utilization of funds is pegged on sector capacities to deliver on their functions. In pursuit of this, effective budget implementation at the county level will be facilitated through capacity building and the development of systems for close monitoring and evaluation of spending entities to ensure that resource application bears the most fruit to the taxpayer. Involvement of all stakeholders in budget

formulation and execution is also key in enhancing overall budget implementation and the public will be key in shaping the final budget policies and allocations. The county will also revamp its revenue collecting and management systems with the goal of generating more revenues to strive towards budgetary self-reliance while ensuring the stability of our fiscal framework and financial health of the County.

ANNEXES

Annex 1: Resource Envelope

| RESOURCE ENVELOPE | | Amount (Kshs) | |
|------------------------------------|---|-------------------------|-------------|
| Equitable share | | 6,851,000,000.00 | 71% |
| Conditional allocation | | 734,154,658.00 | 8% |
| | <i>Level 5 Hospital</i> | 355,392,347.00 | |
| | <i>Compensation for foregone user</i> | 12,964,636.00 | |
| | <i>Rehabilitation of Village polytechnics</i> | 35,335,000.00 | |
| | <i>Road Maintenance Levy</i> | 198,547,781.00 | |
| | <i>Lease of Medical Equipment</i> | 131,914,894.00 | |
| Loans and Grants | | 1,915,889,383.00 | 20% |
| Own Source Revenues | | 150,000,000.00 | 2% |
| Total Revenue 2019/2020 | | 9,651,044,014.00 | 100% |
| Expenditure | | | |
| Recurrent Expenditure | | 5,849,181,544 | 61% |
| | <i>Personnel Emoluments</i> | 3,995,494,526 | |
| | <i>Operations & Maintenance</i> | 1,853,687,018 | |
| Development | | 3,801,862,497 | 39% |
| Total Expenditure 2019/2020 | | 9,651,044,014.00 | 100% |

Annex 2: Summary Allocations

| DEPARTMENTS | TOTAL ALLOCATIONS 2019/20 | Recurrent | Development | 2020/2021 | 2021/2022 |
|--|------------------------------|----------------------|----------------------|-----------------------|-----------------------|
| Agriculture, Livestock & Cooperatives | 522,237,157 | 247,489,665 | 274,747,492 | 548,349,015 | 575,766,466 |
| Gender ,Social Services & Sports | 106,574,449 | 75,794,881 | 30,779,568 | 111,903,171 | 117,498,330 |
| Roads and Transport | 301,743,928 | 43,326,120 | 258,417,808 | 316,831,124 | 332,672,681 |
| Education & Labour | 603,582,768 | 545,810,422 | 57,772,346 | 633,761,906 | 665,450,002 |
| Environment, Energy & Natural Resources | 124,723,935 | 64,723,935 | 60,000,000 | 130,960,132 | 137,508,138 |
| Lands ,Housing and Urban Development | 662,670,626 | 287,964,626 | 374,706,000 | 695,804,157 | 730,594,365 |
| Finance & Economic Planning | 1,390,879,016 | 1,023,178,877 | 367,700,139 | 1,460,422,967 | 1,533,444,115 |
| Health & Sanitation | 3,014,829,887 | 2,609,090,742 | 405,739,145 | 3,165,571,381 | 3,323,849,950 |
| Trade, Enterprise Development and Tourism | 163,602,259 | 93,602,259 | 70,000,000 | 171,782,372 | 180,371,490 |
| Water & Irrigation Services | 1,584,693,593 | 182,693,593 | 1,402,000,000 | 1,663,928,273 | 1,747,124,687 |
| Executive Services | 283,397,120 | 283,397,120 | - | 297,566,976 | 312,445,325 |
| County Public Service Board | 47,334,379 | 47,334,379 | - | 49,701,098 | 52,186,153 |
| Assembly | 754,774,924 | 754,774,924 | - | 792,513,670 | 832,139,354 |
| Municipal Boards | 90,000,000 | 90,000,000 | - | 94,500,000 | 99,225,000 |
| TOTAL | 9,651,044,041 | 6,349,181,543 | 3,301,862,498 | 10,133,596,243 | 10,640,276,055 |

DRAFT CFSP 2019

Annex 3: Economic Classification Estimates

| ECONOMIC CLASSIFICATION ESTIMATES 2018/2019 BUDGET | | | | |
|--|----------------------|----------------------|----------------------|----------------------|
| DEPARTMENTS | TOTAL ALLOCATIONS | RECURRENT | | DEVELOPMENT |
| | | Salaries | O & M | |
| Agriculture, Livestock & Cooperatives | 522,237,157 | 160,683,966 | 86,805,699 | 274,747,492 |
| Gender ,Social Services & Sports | 106,574,449 | 40,000,000 | 35,794,881 | 30,779,568 |
| Roads and Transport a | 301,743,928 | 25,226,220 | 18,099,900 | 258,417,808 |
| Education & Labour | 603,582,768 | 423,138,616 | 122,671,806 | 57,772,346 |
| Environment, Energy & Natural Resources | 124,723,935 | 51,148,025 | 13,575,910 | 60,000,000 |
| Lands ,Housing and works, Urban Development | 662,670,626 | 240,000,000 | 47,964,626 | 374,706,000 |
| Finance & Economic Planning | 1,390,879,016 | 591,600,000 | 431,578,877 | 367,700,139 |
| Health & Sanitation | 3,014,829,887 | 1,944,090,742 | 665,000,000 | 405,739,145 |
| Trade, Enterprise Development and Tourism | 163,602,259 | 68,000,000 | 25,602,259 | 70,000,000 |
| Water & Irrigation Services | 1,584,693,593 | 109,489,481 | 73,204,112 | 1,402,000,000 |
| Executive Services | 283,397,120 | 198,821,475 | 84,575,645 | - |
| County Public Service Board | 47,334,379 | 38,296,000 | 9,038,379 | |
| Assembly | 754,774,924 | 420,000,000 | 334,774,924 | |
| municipal Board | 90,000,000 | 60,000,000 | 30,000,000 | |
| TOTAL | 9,651,044,041 | 4,370,494,525 | 1,978,687,018 | 3,301,862,498 |

Annex 4: County Sector Ceilings

| DEPARTMENTS | TOTAL ALLOCATIONS 2019/20 | Conditional allocation | Donor funds | TOTAL Allocation | Percentage |
|---|---------------------------|------------------------|----------------------|----------------------|-------------|
| Agriculture, Livestock & Cooperatives | 327,489,665 | 0 | 194,747,492 | 522,237,157 | 5% |
| Gender ,Social Services & Sports | 106,574,449 | | | 106,574,449 | 2% |
| Roads and Transport | 103,196,147 | 198,547,781 | | 301,743,928 | 1% |
| Education & Labour | 520,512,016 | 35,335,000 | 47,735,752 | 603,582,768 | 7% |
| Environment, Energy & Natural Resources | 124,723,935 | | | 124,723,935 | 2% |
| Lands ,Housing and Urban Development | 387,964,626 | | 274,706,000 | 662,670,626 | 6% |
| Finance & Economic Planning | 1,103,178,877 | | 287,700,139 | 1,390,879,016 | 16% |
| Health & Sanitation | 2,403,558,010 | 500,271,877 | 111,000,000 | 3,014,829,887 | 34% |
| Trade, Enterprise Development and Tourism | 163,602,259 | | | 163,602,259 | 2% |
| Water & Irrigation Services | 584,693,593 | | 1,000,000,000 | 1,584,693,593 | 8% |
| Executive Services | 283,397,120 | | | 283,397,120 | 4% |
| County Public Service Board | 47,334,379 | | | 47,334,379 | 1% |
| Assembly | 754,774,924 | | | 754,774,924 | 11% |
| Municipal Boards | 90,000,000 | | | 90,000,000 | 1% |
| TOTAL | 7,001,000,000 | 734,154,658 | 1,915,889,383 | 9,651,044,041 | 100% |

Annex 5: Program and Sub program allocations

| Agriculture, Livestock & Cooperatives | Estimates | Projected Estimates | Projected Estimates |
|--|--------------------|---------------------|---------------------|
| Sub Programs | 2018/2019 | 2019/2020 | 2020/2021 |
| CP1: Agriculture | 402,017,632 | 421,121,930 | 463,234,123 |
| CSP 1.1 Administrative and Support Services | 389,217,632 | 391,921,930 | 431,114,123 |
| CSP 1.2 Extension Support Services and Exhibitions | 1,000,000 | 11,200,000 | 12,320,000 |
| CSP 1.3 Agricultural Farm Inputs & Machinery | 11,800,000 | 18,000,000 | 19,800,000 |
| CP2: Livestock Production | 127,293,167 | 100,215,227 | 110,236,750 |
| CSP 2.1 Administrative and Support Services | 155,293,167 | 89,215,227 | 98,136,750 |
| CSP 2.2 Livestock Production | 900,000 | 5,900,000 | 6,490,000 |
| CSP 2.3 Veterinary Services | 21,100,000 | 5,100,000 | 5,610,000 |
| CP3: Fish production | 200,000 | 300,000 | 330,000 |
| CSP 3.1 Fisheries services | 200,000 | 300,000 | 330,000 |
| CP4: Co-operatives | 747,500 | 600,000 | 660,000 |
| CSP 4.1 Co-operatives Development | 747,500 | 600,000 | 660,000 |
| Total | 580,258,299 | 522,237,157 | 574,460,873 |
| Culture, Women & Youth | Estimates | Projected Estimates | Projected Estimates |
| Sub Programs | 2018/2019 | 2019/2020 | 2020/2021 |
| CP 1 Culture, Women & Youth | 357,595,728 | 106,574,449 | 117,231,894 |
| CSP 1.1 Administrative and Support Services | 245,187,128 | 84,794,881 | 93,274,369 |

| | | | |
|--|--------------------|----------------------------|----------------------------|
| CSP 1.2 Social Protection, Cultural Promotion & Preservation | 1,675,000 | 1,779,568 | 1,957,525 |
| CSP 1.3 Youth & Sports | 110,733,600 | 20,000,000 | 22,000,000 |
| Total | 357,595,728 | 106,574,449 | 117,231,894 |
| Roads and Transport | Estimates | Projected Estimates | Projected Estimates |
| Sub Programs | 2018/2019 | 2019/2020 | 2020/2021 |
| CPI: Roads and Transport | 366,071,734 | 301,743,928 | 331,918,321 |
| CSP1.1 Administration and Support Services | 76,863,376 | 43,326,120 | 47,658,732 |
| CSP 1.2 Roads and Transport | 289,208,358 | 258,417,808 | 284,259,589 |
| Total | 366,071,734 | 301,743,928 | 331,918,321 |
| Education and Labour | Estimates | Projected Estimates | Projected Estimates |
| Sub Programs | 2018/2019 | 2019/2020 | 2020/2021 |
| CP 1 Education | 548,169,741 | 417,814,362 | 471,695,798 |
| CSP 1.1 Administration and Support Services | 465,801,141 | 264,542,016 | 290,996,218 |
| CSP 1.2 E.C.D | 34,412,400 | 85,437,346 | 106,081,081 |
| CSP 1.3 Vocational Training | 47,956,200 | 67,835,000 | 74,618,500 |
| CP 2 Labour | 180,330,129 | 185,768,406 | 204,345,247 |
| CSP 2.1 Human Resources | 151,481,752 | 91,054,000 | 100,159,400 |
| ICT & Libraries | 28,848,377 | 94,714,406 | 104,185,847 |
| Total | 728,499,870 | 603,582,768 | 676,041,045 |
| Environment, Energy and Natural Resources | Estimates | Projected Estimates | Projected Estimates |
| Sub Programs | 2018/2019 | 2019/2020 | 2020/2021 |
| CP 1 Administration and Support Services | 52,983,442 | 101,148,025 | 111,262,828 |
| CSP 1.1 Administration and Support Services | 52,983,442 | 101,148,025 | 111,262,828 |
| CP 2 Environment and Natural Resources | 23,910,546 | 13,575,910 | 14,933,501 |
| CSP 2.1 Environmental management system | 11,010,546 | 5,000,000 | 5,500,000 |
| CSP 2.2 Natural resource management | 12,900,000 | 8,575,910 | 9,433,501 |
| CP3 Energy Development | 5,600,000 | 10,000,000 | 11,000,000 |
| CSP 3.1 Energy development | 5,600,000 | 10,000,000 | 11,000,000 |
| Total | 82,493,988 | 124,723,935 | 137,196,329 |
| Lands, Urban Development, Housing & Public Works | Estimates | Projected Estimates | Projected Estimates |
| Sub Programs | 2018/2019 | 2019/2020 | 2020/2021 |
| CP 1: Administration | 244,185,512 | 520,670,626 | 572,737,689 |
| CSP 1.1 Administration & Support Services | 244,185,512 | 520,670,626 | 572,737,689 |
| CP 2: Lands & Housing | 229,600,000 | 77,000,000 | 84,700,000 |
| CSP 2.1 Lands | 79,800,000 | 42,000,000 | 46,200,000 |
| CSP 2.2 Housing and Public works | 149,800,000 | 35,000,000 | 38,500,000 |
| CP 3: Urban Development | 266,870,626 | 65,000,000 | 71,500,000 |
| CSP 3.1 Urban Planning and Disaster Management | 262,522,620 | 4,000,000 | 4,400,000 |
| CSP 3.2 Urban Sanitation and Development | 4,348,006 | 11,000,000 | 12,100,000 |

| | | | |
|--|----------------------|----------------------------|----------------------------|
| CSP 3.3 Municipalities | 0 | 50,000,000 | 55,000,000 |
| Total | 740,656,138 | 662,670,626 | 728,937,689 |
| Finance & Economic Planning | Estimates | Projected Estimates | Projected Estimates |
| Sub Programs | 2018/2019 | 2019/2020 | 2020/2021 |
| CP1 Administration and support services | 570,000,000 | 870,382,251 | 957,420,476 |
| CSP 1.1 Administrative and Support services | 257,000,000 | 526,082,251 | 578,690,476 |
| CSP 1.2 Special Programmes Services | 313,000,000 | 344,300,000 | 378,730,000 |
| CP2 Public Finance management | 448,178,877 | 492,996,765 | 542,296,441 |
| CSP2.1 Accounting Services | 47,000,000 | 51,700,000 | 56,870,000 |
| CSP2.2 Budget Formulation, Coordination and Management | 24,000,000 | 26,400,000 | 29,040,000 |
| CSP2.3 Audit services | 44,060,000 | 48,466,000 | 53,312,600 |
| CSP2.4 Economic Planning and Monitoring | 53,600,000 | 58,960,000 | 64,856,000 |
| CSP2.5 Revenue Mobilization | 222,518,877 | 244,770,765 | 269,247,841 |
| CSP2.6 Supply Chain Management Services | 57,000,000 | 62,700,000 | 68,970,000 |
| CP3 Donor Co-ordination | 25,000,000 | 27,500,000 | 30,250,000 |
| CSP 3.1 Donor Co-ordination | 25,000,000 | 27,500,000 | 30,250,000 |
| Total | 1,043,178,877 | 1,390,879,016 | 1,529,966,917 |
| Health and Sanitation | Estimates | Projected Estimates | Projected Estimates |
| Sub Programs | 2018/2019 | 2019/2020 | 2020/2021 |
| CP 1 Administration and Support Services | 1,820,305,625 | 2,368,590,742 | 2,605,449,816 |
| CSP1.1 Administration and Support Services | 1,820,305,625 | 2,368,590,742 | 2,605,449,816 |
| CP 2 Curative Services | 848,950,000 | 633,739,145 | 697,113,060 |
| CSP 2.1 Medical Products, Appliances and Equipment | 389,500,000 | 235,000,000 | 258,500,000 |
| CSP2.2 Development of Health Facilities | 400,000,000 | 323,739,145 | 356,113,060 |
| CSP 2.3 Referral Services | 59,450,000 | 75,000,000 | 82,500,000 |
| CP 3 Preventive and Promotive Services | 12,216,604 | 12,500,000 | 13,750,000 |
| CSP 3.1 Health Promotion and Campaign | 2,375,645 | 5,500,000 | 6,050,000 |
| CSP 3.2 Public Health Services | 4,018,450 | 4,500,000 | 4,950,000 |
| CSP 3.3 Nutrition | 5,822,509 | 2,500,000 | 2,750,000 |
| Total | 2,681,472,229 | 3,014,829,887 | 3,316,312,876 |
| Trade, Enterprise Development and Tourism | Estimates | Projected Estimates | Projected Estimates |
| Sub Programs | 2018/2019 | 2019/2020 | 2020/2021 |
| CP 1 Administration and Support Services | 240,709,255 | 75,372,259 | 82,909,485 |
| CSP 1.1 Administration and Support Services | 240,709,255 | 75,372,259 | 82,909,485 |
| CP 2 Trade and Investments | 1,784,720 | 21,784,720.00 | 23,963,192 |
| CSP 2.1 Trade and Development | 1,784,720 | 21,784,720 | 23,963,192 |
| CP 3 Enterprise Development | 560,080 | 150,560,080 | 165,616,088 |
| CP 3.1 Enterprise Development | 560,080 | 60,560,080 | 66,616,088 |
| CP 4 Weight & Measures | 1,685,200 | 1,685,200.00 | 1,853,720 |
| CSP 4.1 Weight and Measures | 1,685,200 | 1,685,200 | 1,853,720 |
| CP 5 Tourism | 14,200,000 | 4,200,000.00 | 4,620,000 |
| CSP 5.1 Tourism Development | 14,200,000 | 4,200,000 | 4,620,000 |

| | | | |
|---|--------------------|----------------------------|----------------------------|
| Total | 258,939,255 | 163,602,259 | 179,962,485 |
| Water and Irrigation | Estimates | Projected Estimates | Projected Estimates |
| Sub Programs | 2018/2019 | 2019/2020 | 2020/2021 |
| CP Water Services | | | |
| CSP1.1 Administration and Support Services | 79,290,755 | 1,149,231,113 | 1,021,666,459 |
| CSP1.2 Water Resource Management | 92,320,000 | 82,072,480 | 72,962,435 |
| CSP1.3 Water Infrastructure Development | 460,000,000 | 308,940,000 | 274,647,660 |
| CP2: Irrigation Services | | 44,450,000 | 39,516,050 |
| CSP 2.1 Irrigation Development | 50,000,000 | 44,450,000 | 39,516,050 |
| Total | 681,610,755 | 1,584,693,593 | 1,408,792,604 |
| Executive Services | Estimates | Projected Estimates | Projected Estimates |
| Sub Programs | 2018/2019 | 2019/2020 | 2020/2021 |
| CP 1 Executive Services | | | |
| CSP 1.1 Governor Operations | 82,500,000 | 81,500,000 | 90,825,000 |
| CSP 1.2 Deputy Governor Operations | 42,190,000 | 40,700,000 | 47,985,000 |
| CSP1.3 County Secretary | 46,846,215 | 40,000,000 | 49,350,000 |
| CSP 1.4 Operations & Sub County Administration | 86,980,000 | 105,397,120 | 89,750,000 |
| CSP 1.5 Intergovernmental & Institutional Relations | 17,812,430 | 15,800,000 | 19,740,000 |
| Total | 276,328,645 | 283,397,120 | 297,650,000 |
| County Public Service Board | Estimates | Projected Estimates | Projected Estimates |
| Sub Programs | 2018/2019 | 2019/2020 | 2020/2021 |
| CP 1 County Public Service Board | 51,048,530 | 47,334,379 | 52,067,817 |
| CSP 1.1 Administrative And Support Services | 51,048,530 | 47,334,379 | 52,067,817 |
| Total | 51,048,530 | 47,334,379 | 52,067,817 |
| Assembly Budget | 711,000,000 | 754,774,924 | 792,513,670 |
| GRAND TOTAL | | 9,651,044,041 | |

Annex 6: List of Development Projects

| MINISTRY /DEPARTMENT/SECT OR | NAME OF THE PROJECT | STATUS | LOCATION | SUB COUNTY | AMOUNT ALLOCATED |
|---|--|--------------|------------------|------------------|-----------------------|
| Finance | County Headquarters | On going | Township | Township | 32,000,000.00 |
| | Audit system Automation | New | Township | Township | |
| | Revenue Automation | New | Township | Township | 40,000,000.00 |
| | Purchase of 2 Life Saver Boats | New | Township | Township | 8,000,000.00 |
| | Capital grant to be distributed latter | | | | 287,700,139.00 |
| Total | | | | | 367,700,139.00 |
| MINISTRY /DEPARTMENT/SECT OR | NAME OF THE PROJECT | STATUS | LOCATION | SUB COUNTY | AMOUNT ALLOCATED |
| Agriculture and livestock | fruit processing plant | proposed | Garissa | Township | 50,000,000.00 |
| | livestock marketing infrastructure Dvt | proposed | Garissa | Township | 10,000,000.00 |
| | Farm access roads dvt | proposed | All Subcounties | ALL | 10,000,000.00 |
| | Farm input supply | proposed | All Subcounties | ALL | 10,000,000.00 |
| | Capital Grant | | | | 194,747,492.00 |
| Total | | | | | 274,747,492.00 |
| MINISTRY /DEPARTMENT/SECT OR | NAME OF THE PROJECT | STATUS | LOCATION | SUB COUNTY | AMOUNT ALLOCATED |
| TRADE | Revolving fund | proposed | all sub-counties | all sub-counties | 50,000,000.00 |
| | construction of market stalls | proposed | Masalani | Ijara | 10,000,000.00 |
| | construction of market stalls | proposed | Dadaab | Dadaab | 10,000,000.00 |
| Total | | | | | 70,000,000.00 |
| MINISTRY /DEPARTMENT/SECT OR | NAME OF THE PROJECT | STATUS | LOCATION | SUB COUNTY | AMOUNT ALLOCATED |
| Gender ,Social Services & Sports | | | | | |
| SPORTS | Construction of stadium | ONGOING | TOWNSHIP | TOWNSHIP | |
| SPORTS | rehabilitation of sports grounds | NEW | SIX | ALL | 15,779,568 |
| SPORTS | procurement of sports kits and equipment | CONTINUEIN G | GSA COUNTY | ALL | |
| YOUTH AND SPORTS | construction of additional office space and toilet | NEW | TOWNSHIP | TOWNSHIP | |
| YOUTH AND SPORTS | Purchase of motor vehicle | | | | |

| | | | | | |
|------------------------------------|---|---------------|---------------------|---------------------|-------------------------|
| YOUTH AND SPORTS | Creation of youth friendly centres | NEW | | | |
| SOCIAL SERVICES | Donations(Essential equipments and tools to disable, vulnerable groups and institutions) | CONTINUEIN G | ACROSS THE COUNTY | ALL | 15,000,000 |
| CULTURE | Construction of cultural cottages | NEW | WABERI | TOWNSHIP | |
| CULTURE | Landscaping of cultural centre | NEW | WABERI | TOWNSHIP | |
| GENDER,CULTURE AND SOCIAL SERVICES | Construction of sub- county office | NEW | DAADAB AND MASALANI | DAADAB AND MASALANI | |
| GENDER,CULTURE AND SPORTS | Purchase of bus | | | | |
| TOTAL | | | | | 30,779,568 |
| SECTOR | NAME OF THE PROJECT | STATUS | LOCATION | SUB COUNTY | AMOUNT ALLOCATED |
| Education & Labour | | | | | |
| ECD | Construction of 30 No. ECD classrooms (2 Classrooms per ward) | proposed | 30 wards | all sub counties | 11,437,346 |
| TIVET | Construction of Motor Vehicle Mechanic (MVM) Workshop in Garissa Polytechnic | proposed | township | Township | |
| TIVET | Construction of Motor Vehicle Mechanic (MVM) Workshop in Mkono Polytechnic | proposed | township | Township | |
| TIVET | Provision of teaching and learning materials for vocational centres in the county | proposed | all wards | all sub counties | |
| ECD | Purchase of Educational Aids & Related materials | proposed | | | |
| ECD | Construction of chain link fencing of 20 ECD centers in the county | proposed | 20 centers | | 11,000,000 |
| ECD | Construction and furnishing of 3 model ECD centres in three sub counties | proposed | 3 sub counties | 3 sub counties | |
| | capital grant | | | | 35,335,000 |
| ICT AND LIBRARY | | | | | |

| | | | | | |
|----------------------------|--|---------------|------------------|-------------------|-----------------------|
| | Establish e-Garissa County Government Platform Across County service sectors | Proposed | | | |
| | Construction and equipping of one sub county library in Modogashe | Proposed | modogashe | Modogashe | |
| | Renovation and Repair of Garissa KNLS | Proposed | | Garissa | |
| | Purchase and equipping of mobile library Van. | Proposed | | | |
| | | | | | |
| LABOUR | | | | | |
| | Construction of subcounty labor offices | proposed | All sub counties | all sub counties | |
| | Construction of county huduma centres | proposed | 3 sub counties | | |
| TOTAL | | | | | 57,772,346 |
| Sector | Project | Status | Location | Sub County | Estimated cost |
| Roads and Transport | | | | | |
| | Expansion/Opening up of Balambala sub-county rural access roads | New | Balambala | | 8,552,861 |
| | Expansion/Opening up of Lagdera sub-county rural access roads | New | Lagdera | | 8,552,861 |
| | Expansion/Opening up of Fafi sub-county rural access roads | New | Fafi | | 8,552,861 |
| | Expansion/Opening up of Dadaab sub-county rural access roads | New | Dadaab | | 8,552,861 |
| | Expansion/Opening up of Hulugho sub-county rural access roads | New | Hulugho | | 8,552,861 |
| | Improvement of Bura-Masalani Road | New | Ijara/Fafi | | 8,552,861 |
| | Installation of pumps, road safety signs and road names in Garissa township | New | Garissa | | 8,552,861 |
| | conditional Allocation | | | | 198,547,781 |
| Total | | | | | 258,417,808.00 |

| Sector | Project | Status | Location | Sub County | Estimated cost |
|--|--|--------|---------------------------------|---------------------------------|-------------------|
| Environment, Energy & Natural Resources | | | | | |
| Energy Development | climate fund support | New | Garissa | Garissa | |
| Environment | climate change | | | | 60,000,000 |
| TOTAL | | | | | 60,000,000 |
| MINISTRY /DEPARTMENT/SECTOR OR | NAME OF THE PROJECT | STATUS | LOCATION | SUB COUNTY | AMOUNT ALLOCATED |
| Lands ,Housing and works, Urban Development | | | | | |
| public works | Construction of deputy Governor's official Residence | New | Garissa township | Garissa Township | 20,000,000.00 |
| Housing | Rehabilitation and maintenance of 2 No. of units | New | Garissa township | Garissa Township | |
| Land and Physical Planning | Public participation and Awareness for spatial panning Creation in 7 sub county headquarters | New | Garissa Sub county headquarters | Garissa Sub county headquarters | |
| Land and Physical Planning | Reconnaissance survey | New | Garissa Sub county headquarters | Garissa Sub county headquarters | |
| Land and Physical Planning | Field work and Data collection | New | Garissa Sub county headquarters | Garissa Sub county headquarters | |
| Land and Physical Planning | Plan preparation | New | Garissa Sub county headquarters | Garissa Sub county headquarters | |
| Land and Physical Planning | Public participation and Awareness Creation in 7 sub county headquarters | New | Garissa Sub county headquarters | Garissa Sub county headquarters | |
| Land and Physical Planning | Surveying of plots within the sub counties | New | Garissa Sub county headquarters | Garissa Sub county headquarters | 15,000,000.00 |
| Urban Development | Purchase of motor bikes | New | Garissa township | Garissa Township | 4,000,000.00 |
| Urban Development | Construction and rehabilitation of Garissa sub county towns administration offices | New | Garissa township | Garissa Township | 5,500,000.00 |
| Municipality | construction of firefighting station | New | Masalanu | Ijara | 50,000,000.00 |

| | | | | | |
|-------------------------------------|--|---------------|---|-------------------|-------------------------|
| Urban Development | Construction and rehabilitation of Garissa sub county towns administration offices | New | Garissa township | Garissa Township | 5,500,000.00 |
| | capital grant | | | | 274,706,000.00 |
| Total | | | | | 374,706,000.00 |
| MINISTRY /DEPARTMENT | NAME OF THE PROJECT | STATUS | LOCATION | SUB COUNTY | AMOUNT ALLOCATED |
| Health & Sanitation | | | | | |
| | Equipping of 7 no. dispensaries | proposd | Each sub counties | Sub Counties | 25,000,000 |
| | Construction 5 Wards in 5 Sub Counties | proposd | Hulugho SCH, Bura SCH, Balambala, Iftin SCH and Kotilre | | 30,000,000 |
| | Equipping for new maternities health facilities. | proposd | Five high volume facilities | subcounties | 12,000,000 |
| | Construction of 5 Water tanks and 10 twin latrines and 5 incinerators for health facilities and dispensaries | proposd | Need based | Sub Counties | 25,000,000 |
| | Repair of TB isolation wards in County referral Hospital (PGH) | proposd | GCRH | Gsa Sub | 5,000,000 |
| | Construction and equipping of two operating theatre | proposd | Iftin SCH | Gsa Sub | 50,000,000 |
| | Construction and equipping of 2 outpatient Departments | proposd | Hulugho and Iftin | Hulugho | 40,000,000 |
| | Construction of 7 New Dispensaries | proposd | 7 sub counties | 7 sub counties | 50,000,000 |
| | Constructing and Equipping of Cancer Centre | proposd | GCRH | Gsa Sub | 36,824,251 |
| | lease of medical equipment | | | | 131,914,894 |
| Total | | | | | 405,739,145.00 |
| MINISTRY /DEPARTMENT/SECT OR | NAME OF THE PROJECT | STATUS | LOCATION | SUB COUNTY | AMOUNT ALLOCATED |
| Water and Irrigation | | | | | |
| Water Services | Drilling of new boreholes | new | Jariot | Township | 10,000,000.00 |
| | | | Abdi lugey | Township | 10,000,000.00 |
| | | | Nanigi | Fafi | 10,000,000.00 |
| | | | Galmagala | Fafi | 10,000,000.00 |
| | | | Malkagaras | Balambala | 10,000,000.00 |
| | | | Dertu | dadaab | 10,000,000.00 |
| | | | madogshe 1 | lagdera | 10,000,000.00 |
| | | | madogshe 2 | lagdera | 10,000,000.00 |

| | | | | | |
|------------|---|-----|-------------------------|-----------------------|-------------------------|
| | Feasibility studies of sub surface dam | new | madogashe | lagdera | 40,000,000.00 |
| | Design and construction | | | | |
| | Expansion of water supply | new | masalani | ijara | 30,000,000.00 |
| | | | korkora | Township | 10,000,000.00 |
| | | | Danyere | Balambala | 10,000,000.00 |
| | Procuring of desalination machine | new | shimbirey | Balambala | 10,000,000.00 |
| | | | hulugho | hulugho | 10,000,000.00 |
| | new dams and Desilting expansion protection of water pans | new | hulugho | hulugho | 13,000,000.00 |
| | | | Sanagilu | hulugho | 10,000,000.00 |
| | | | ijrara | ijara | 10,000,000.00 |
| | | | hulugho | hulugho | 10,000,000.00 |
| | | | ijara | ijara | 10,000,000.00 |
| | | | maalimin | madogashe | 10,000,000.00 |
| | Extension of reticulation system, solarisation of gawasco borehole | | township | township | 10,000,000.00 |
| | Extension of pipeline to 20schools, 10health facilities and 10govt institutions | new | township | Township | 10,000,000.00 |
| | capital grant | | | | 1,000,000,000.00 |
| Irrigation | Purchase of motor vehicles, motor cycles and pump sets (farms) | new | township,fafi,balambala | Township | 44,000,000.00 |
| | Setting pilot small Irrigation schemes | new | 3no. | Township ,fafi ,ijara | 60,000,000.00 |
| | Rehabilitation of existing schemes | new | iftin 2no. | Township | 10,000,000.00 |
| | Completion of ongoing schems | | balambala 2no. | Balambala | 10,000,000.00 |
| | | | Abaqeyle | dadaab | 5,000,000.00 |
| | Total | | | | 1,402,000,000.00 |

N/B The project in water sector is normally need based and proposed project in CFSP in Water sector remain draft until budget approval .