

COUNTY GOVERNMENT OF SAMBURU



DEPARTMENT OF FINANCE, ECONOMIC PLANNING AND ICT

COUNTY BUDGET REVIEW AND OUTLOOK PAPER

SEPTEMBER 2021

THE REPUBLIC OF KENYA



COUNTY GOVERNMENT OF SAMBURU
COUNTY TREASURY

Telephone: (085) 62458
Tel/Fax: (085) 62075

P.O. BOX 3 – 20600
MARALAL

Ref: SCG/ Budget/29 /2021

Date: 5th October, 2021

Clerk of County Assembly,
Samburu County,
P.O. Box 3,
Maralal.

Dear Sir,



COUNTY BUDGET REVIEW AND OUTLOOK PAPER (CBROP) 2021.

The Public Finance Management Act section 118 state that, "the County Treasury shall prepare and submit the above document to the County Executive Committee for approval, by 30th September in each financial year." The section further requires that, "not later than seven days after the C-BROP has been approved by County Exccutive Committee, the County Treasury shall arrange for the Paper to be laid before the County Assembly.

In compliance with the Law the document was submitted to the County Executive committee for discussion and approval. I therefore formally forward to you the approved document.


Jonathan Leisen
CECM- Finance, Economic Planning & ICT



Copy:

✓ H.E. The Governor

COUNTY GOVERNMENT OF SAMBURU



DEPARTMENT OF FINANCE, ECONOMIC PLANNING AND ICT

COUNTY BUDGET REVIEW AND OUTLOOK PAPER

SEPTEMBER 2021



Foreword

The Financial Year 2020/2021 was a unique year, characterized by tough health challenges due to the Covid-19 pandemic, which in turn led to diminishing fortunes economically. The content of this BROP is evident enough that the consequence of the pandemic had far-reaching impacts, not only to the household level where individuals suffered economically for basic needs but also to the county government which could not meet its revenue targets and also implementation of the budget. Samburu County Economy operates within the global and domestic economy.

Budget absorption was also low, largely due to the reduced government activities, with budget commitment being at Ksh 5,649,140,647 on out of the targeted Ksh. 6,790,657,924. Absorption of development expenditure remained low despite over 37% of the approved 2020/2021 budget being assigned for development. Only Ksh. 1,640,251,988, which translates to 29% of actual expenditure, was utilized for development. The County Government, however, remains resolute to increase spending towards development, to achieve the development targets as espoused in the CIDP 2018-2022. Further, the county remains committed to ensuring prudent management of public resources and operating within the fiscal responsibility principles stated in the Public Finance Management regulations.

The budget for the FY 2022/23 is being prepared under a revised budget calendar that takes into account the preparations for the 2022 General Elections. Therefore, Departments are expected to adhere to the strict deadlines to enable finalization and appropriation of the FY 2022/23 budget by March 2022. The projected revenue is Ksh 6,579,357,002 comprising of Ksh: 102,630,506 from own source revenue, Ksh 3,371,346,037 and the balance from development partners. On the expenditure, side priority will be given to the food security, Health, Education and infrastructure sectors.

Considering the tight resource envelope that is available for FY 2022/23 budget, all the Sector Working Groups are required to carefully scrutinize all proposed budgets and ensure strict adherence to sector ceilings provided in this document. It is my hope and plea that all actors in the County join together, to ensure the grim picture portrayed here is halted and reversed.


Jonathan Leisen

CECM - Finance, Economic Planning and ICT

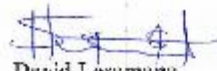
Acknowledgment

Acknowledgment

The County Budget Review and Outlook Paper has been prepared in line with the provisions of the Public Financial Management Act, 2012 Article 118 (1) (a) and has been prepared through concerted efforts by various stakeholders.

First and foremost, I acknowledge the valuable leadership and support of His Excellency Governor Moses Kasaine Lenolkulal. I wish to extend my gratitude to Jonathan Leisen, County Executive Committee Member for Finance, Economic Planning and ICT for his technical support extended in the preparation of this paper. I appreciate the role played by all Chief Officers for leading their staff in providing information and real-time data towards the preparation of this document.

Finally, since it would not be possible to list everybody individually on this page, I would like to take this opportunity to thank the entire staff of the County Treasury for their dedication, sacrifice, commitment and assistance during the CBROP 2021 preparation process.



David Lesumama

Chief Officer - Economic Planning and ICT



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Abbreviations and Acronyms

ASDSP	Agricultural Sector Development Support Programme
CBK	Central Bank of Kenya
CBROP	County Budget Review and Outlook Paper
CFSP	County Fiscal Strategy Paper
CIDP	County Integrated Development Plan
COVID 19	Coronavirus Disease 2019
CPSC	County Project Steering Committee
CTAC	County Technical and Advisory Committee
DRSP	Drought Resilience and Sustainable Project
ECDE	Early Childhood Development Education
EU	European Union
FY	Financial Year
GDP	Gross Domestic Product
ICT	Information Communication Technology
IDEAS	instrument for Devolution, Advice and Support
IMF	International Monetary Fund
KERRA	Kenya Rural Roads Authority
KNBS	Kenya National Bureau of Statistics
KSH	Kenya Shillings
MTEF	Medium Term Expenditure Framework
NARIG	National Agricultural Rural Inclusive Growth
NDM	National Drought Management Authority
PFM	Public Financial Management
RPLRP	Regional Pastoral Livelihood Resilience Project
THS UC	Transforming Health Systems Universal Care
USD	United States Dollar
WUA	Water Users Associations

Legal Basis for the Publication of the Budget Review and Outlook Paper

The CBROP is prepared per Section 118 of the PFM Act, 2012.

The law states that:

- 1) The County Treasury shall prepare and submit to the County Executive Committee for approval, by 30th September in each financial year, a CBROP which shall include;
 - a) Actual fiscal performance in the previous financial year compared to the budget appropriation for that year.
 - b) Updated macro-economic and financial forecasts with sufficient information to show changes from the forecasts in the most recent CFSP.
 - c) Information on how actual financial performance for the previous financial year may have affected compliance with the fiscal responsibility principles or the financial objectives in the latest CFSP; and
 - d) The reasons for any deviation from the financial objectives together with proposals to address the deviation and the time estimated to do so.
- 2) The County Executive Committee shall consider the CBROP to approve it, with or without amendments, not later than fourteen days after its submission.
- 3) Not later than seven days after the CBROP has been approved by County Executive Committee, the County Treasury shall:
 - a) Arrange for the Paper to be laid before the County Assembly; and
 - b) As soon as practicable after having done so, publish and publicize the Paper.

The Fiscal Responsibility Principles laid out in section 107 of the PFM Act 2012 includes;

- (1) A County Treasury shall manage its public finances per the principles of fiscal responsibility set out in subsection (2), and shall not exceed the limits stated in the regulations.
- (2) In managing the county government's public finances, the County Treasury shall enforce the following fiscal responsibility principles:
 - (a) the county government's recurrent expenditure shall not exceed the county government's total revenue;
 - (b) over the medium term a minimum of thirty percent of the county government's budget shall be allocated to the development expenditure;
 - (c) the county government's expenditure on wages and benefits for its public officers shall not exceed a percentage of the county government's total revenue as prescribed by the County Executive Member for finance in regulations and approved by the County Assembly;
 - (d) over the medium term, the government's borrowings shall be used only for financing development expenditure and not for recurrent expenditure;
 - (e) the county debt shall be maintained at a sustainable level as approved by county assembly;
 - (f) the fiscal risks shall be managed prudently; and
 - (g) a reasonable degree of predictability 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.
- (3) For subsection (2) (d), short-term borrowing shall be restricted to the management of cash flows and shall not exceed five percent of the most recent audited county government revenue.
- (4) Every county government shall ensure that its level of debt at any particular time does not exceed a percentage of its annual revenue specified in respect of each financial year by a resolution of the county assembly.
- (5) The regulations may add to the list of fiscal responsibility principles set out in subsection (2).

SECTION ONE: Introduction

1. The law requires CBROP to present the fiscal outcome for the previous financial year and to state how this outcome affects the financial objectives contained in that year's CFSP. In line with the law, this CBROP contains a review of the fiscal performance of the financial year 2020/21, updated macroeconomic forecast, and deviations from the Fiscal Strategy Paper February 2021.
2. The objective of the CBROP is to provide a review of the previous fiscal performance and how this impacts the financial objectives and fiscal responsibility principles set out in the Fiscal Strategy Paper (CFSP). This together with an updated macroeconomic outlook provides a basis for revision of the current budget in the context of Supplementary Estimates and the broad fiscal parameters underpinning the next budget and the medium term. Details of the fiscal framework and the medium-term policy priorities will be firming up in the next Budget Policy Statement (BPS).
3. The CBROP will be a key document in linking policy, planning and budgeting. The County Government has been implementing the County Integrated Development Plan (CIDP) 2018-2022 through the Annual Development Plans and the Annual Budget estimates over the financial years.
4. The PFM Act enacted in 2012 has set high standards for compliance with the Medium-Term Expenditure Framework (MTEF) budgeting process. Therefore, it is expected that the sector ceilings in the MTEF provided in the previous CFSP will form the indicative baseline sector ceilings for the next budget of 2022/23. However, following the fiscal outcome of 2020/21 and the updated macroeconomic framework, these sector ceilings have been modified as indicated in the annex of this CBROP.
5. The updated macroeconomic outlook will be firming up in the next CFSP to reflect any changes in economic and financial conditions. We are committed to maintaining the trend of economic growth and development in line with the expectations and commitments that the County has made to the residents of Samburu County. Towards this end, we shall ensure there is transparency and accountability by relaying our performance indicators to the public as well as publicizing other publications as required by the Constitution and the Public Finance Management Act.

Structure of CBROP

6. This paper has four other sections. Section two reviews the County's fiscal performance for the previous year. It is divided into three sub-sections, namely, The overview, fiscal performance and implications of fiscal performance. Section three reviews recent economic developments and has four subsections of recent economic developments, economic outlook and policies, medium-term fiscal framework and risks to the outlook. Section four sets out how the County Government intends to operate within its means. It establishes the resources envelop (total revenues) it expects then allocates these across departments by setting expenditure ceilings for each department. In addition, it has four subsections: adjustment to the proposed budget; the medium-term expenditure framework; proposed budget framework; and projected fiscal balance and likely financing. And lastly, section five gives a conclusion of the entire paper.

SECTION TWO: Review of Fiscal Performance for the FY 2020/21

7. This section details the County's fiscal performance for the financial year 2020/21 to the budget appropriation for the year; and implications arising from the fiscal performance for the period under review.

Overview

8. The County's approved budget for FY 2020/21 is Kshs.6.79 billion, comprising of Kshs.2.53 billion (37.2 percent) and Kshs.4.26 billion (62.8 percent) allocation for development and recurrent programmes respectively.
9. To finance the budget, the County expected to receive Kshs.4.62 billion (68.1 percent) as the equitable share of revenue raised nationally, Kshs.602.39 million (8.9 percent) as total conditional grants, generate Kshs.80.31 million (1.2 percent) from own sources of revenue, and a cash balance of Kshs.1.48 billion (21.8 percent) from FY 2019/20.

10. Revenue Performance

In FY 2020/21, the County received Kshs.4.62 billion as the equitable share of the revenue raised nationally, Kshs.508.39 million as conditional grants, raised Kshs.70.38 million as own-source revenue, and had a cash balance of Kshs.351.71 million from FY 2019/20. The total funds available for budget implementation during the period amounted to Kshs.5.55 billion as shown in **Error! Reference source not found.**

Table 1: Revenue Performance in FY 2020/21

S/No.	Revenue Category	Annual CARA, 2020 Allocation (Kshs)	Annual Budget Allocation (Kshs)	Actual Receipts (Kshs.)	Actual Receipts as Percentage of Annual Budget Allocation (%)
A.	Equitable Share of Revenue Raised Nationally	4,620,900,000	4,620,900,000	4,620,900,000	100.0
B.	Conditional Grants from the National Government				
1.	Compensation for User Fee Foregone	5,235,578	5,235,578	-	-
2.	Leasing of Medical Equipment	132,021,277	132,021,277	-	-
3.	Road Maintenance Fuel Levy Fund	118,859,147	229,259,147	59,429,573	25.9
4.	Rehabilitation of Village Polytechnics	10,549,894	10,549,894	10,549,894	100.0
	Sub Total	266,665,896	377,065,896	69,979,467	18.6
C	Loans and Grants from Development Partners				
5.	Transforming Health systems for Universal care Project (WB)	31,320,789	67,761,930	29,873,032	44.1
6.	IDA (WB) Credit (National Agricultural and Rural Inclusive Growth Project NAGRIP)	216,145,500	272,401,924	163,980,369	60.2
7.	IDA (WB) Credit: Kenya Devolution Support Project (KDSP) Level 1 Grant	45,000,000	75,000,000	147,491,953	196.7
8.	IDA (WB) Credit: Kenya Urban Support Project (KUSP) –Urban Development Grant (UDG)	-	50,000,000	63,069,989	126.1

S/No.	Revenue Category	Annual CARA, 2020 Allocation (Kshs)	Annual Budget Allocation (Kshs)	Actual Receipts (Kshs.)	Actual Receipts as Percentage of Annual Budget Allocation (%)
9.	DANIDA Grant	13,140,000	18,075,000	13,140,000	72.7
10.	EU Grant (Instruments for Devolution Advise and Support IDEAS)	15,626,168	93,220,674	-	-
11.	Sweden - Agricultural Sector Development Support Programme (ASDSP) II	14,496,213	45,318,793	12,051,516	26.6
12.	IDA (WB) Credit: Kenya Urban Support Project (KUSP) –Urban Institutional Grants (UIG)		-	8,800,000	0.0
Sub Total		335,728,670	621,778,321	438,406,859	70.5
D	Other Sources of Revenue				
13.	Own Source Revenue	-	90,312,319	70,378,827	77.9
14.	Balance b/f from FY 2019/20	-	1,053,199,388	351,710,951	33.4
15.	Covid-19 Funds b/f	-	27,402,000		0.0
Sub Total		-	1,170,913,707	422,089,778	36.0
Grand Total		5,223,294,566	6,790,657,924	5,551,376,104	81.8

Source: County Treasury 2021

Kenya Devolution Support Project (KDSP) Level 1 Grant and Kenya Urban Support Project (KUSP) – Urban Development Grant (UDG) have recorded 196.7 percent and 126.7 percent receipt respectively as compared to the budgeted amounts. These have been re-budgeted for utilization in the FY 2021/22.

11. From the table above, we can observe most of the revenue streams exhibit negative variance when compared to the previous year, this is attributed to Covid-19 pandemic effects.

Overall Expenditure Review

12. During the reporting period, the county spent Kshs.5.64 billion on development and recurrent programmes. The expenditure represented 102 percent of the total funds released by the COB and comprised of Kshs.1.64 billion and Kshs. 4 billion on development and recurrent programmes, respectively. Expenditure on development programmes represented an absorption rate of 23 percent while recurrent expenditure represented 77 percent of the annual recurrent expenditure on COB releases.

Expenditure by Economic Classification

13. Analysis of expenditure by economic classification indicates that Kshs.2.20 billion was spent on employee compensation, Kshs.1.71 billion on operations and maintenance, and Kshs.1.64 billion on development activities as shown in Table 2.

Table 2: Summary of Expenditure by Economic Classification

Expenditure Classification	Budget (Kshs.)	Exchequer Issues (Kshs.)	Expenditure (Kshs.)	Performance	Absorption (%)
Total Recurrent Expenditure	4,262,585,508	4,264,389,301	4,008,888,658	94%	94%
Compensation to Employees	2,284,939,101	2,226,283,354	2,217,615,828	39.7	100%
Operations and Maintenance	1,977,646,407	2,038,105,947	1,791,272,830	29.8	88%
Total Development Expenditure	2,528,072,416	1,286,986,803	1,640,251,988	24.7	127%
Development Expenditure	2,528,072,416	1,286,986,803	1,640,251,988	24.7	127%
Total	6,790,657,924	5,551,376,104	5,649,140,646	83%	77

Source: Samburu County Treasury

14. Development Expenditure

The County incurred an expenditure of Kshs. 1.64 billion on development programmes, which represented an increase of 73.0 percent compared to a similar period in FY 2019/20 when the County spent Kshs.947.40 million. Table 3 provides a summary of the development and recurrent expenditures in the reporting period.

Table 3: Approved Expenditure Vs Actuals FY 2020/21

DEPARTMENT	Recurrent (Ksh).	Actual (Ksh)	Development (Ksh.)	Actual (Ksh)	TOTAL(Ksh)	Total -Actual (Ksh)
County Assembly	529,497,034	529,873,945	111,000,000	68,049,874	640,497,034	597,923,819
County Executive	470,958,308	450,842,765	23,000,000	23,000,000	493,958,308	473,842,765
Finance, Economic Planning and ICT	758,268,810	731,242,414	36,364,000	21,861,386	794,632,810	753,103,800
Agriculture, Livestock Development, Veterinary Services and Fisheries	411,791,245	341,016,054	373,959,873	197,006,040	785,751,118	538,022,094
Water, Environment, Natural Resources and Energy	158,561,022	153,916,204	497,756,935	406,445,532	656,317,957	560,361,736
Education and Vocational Training	419,325,328	388,709,207	155,981,331	128,159,820	575,306,659	516,869,027
Medical Services, Public Health and Sanitation	1,052,253,941	975,052,755	474,461,402	186,172,406	1,526,715,343	1,161,225,161
Lands, Housing, Physical Planning and Urban Development	106,605,490	93,664,879	83,981,760	33,981,760	190,587,250	127,646,639
Roads, Transport and Public Works	72,432,169	66,286,249	513,514,845	381,517,116	585,947,014	447,803,365
Tourism, Trade, Enterprise Development and Cooperatives	173,390,523	172,154,934	192,572,927	177,366,324	365,963,451	349,521,258
Culture, Social Services, Gender, Sports and Youth Affairs	109,501,637	106,129,253	65,479,343	16,691,730	174,980,980	122,820,983
TOTAL	4,262,585,508	4,008,888,659	2,528,072,416	1,640,251,988	6,790,657,924	5,649,140,647

Percentages

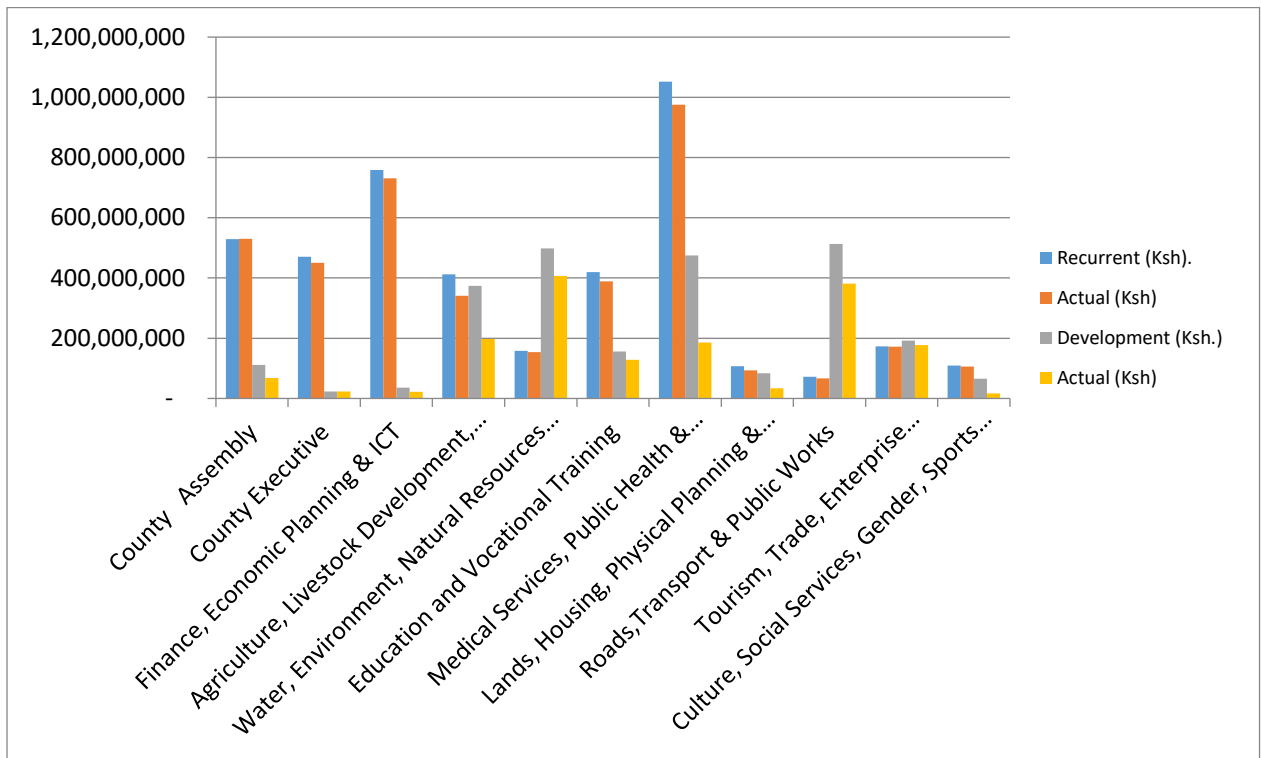
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37

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Source: Samburu County Treasury 2021



Source: Samburu County Treasury 2021

Figure 1: Approved Vs Actual Expenditure 2020/21

Table 4: Exchequer Releases Absorption Rates

DEPARTMENT	Recurrent (Ksh).	Actual (Ksh)	Releases	Actual Absorption	Budget Absorption rate	Development (Ksh.)	Actual (Ksh)	Releases	Actual Absorption	Budget Absorption rate	TOTAL(Ksh)	Total - Actual (Ksh)	Total Releases	Actual Absorption	Budget Absorption rate
County Assembly	529,497,034	529,873,945	529,497,034	100	100	111,000,000	68,049,874	68,049,874	100	61	640,497,034	597,923,819	597,923,819	100	93
County Executive	470,958,308	450,842,765	470,958,308	96	96	23,000,000	23,000,000	-	#DIV/0!	100	493,958,308	473,842,765	470,958,308	101	96
Finance, Economic Planning and ICT	758,268,810	731,242,414	758,268,810	96	96	36,364,000	21,861,386	15,997,386	137	60	794,632,810	753,103,800	774,266,196	97	95
Agriculture, Livestock Development, Veterinary Services and Fisheries	411,791,245	341,016,054	411,791,245	83	83	373,959,873	197,006,040	133,956,553	147	53	785,751,118	538,022,094	545,747,798	99	68
Water, Environment, Natural Resources and Energy	158,561,022	153,916,204	158,561,022	97	97	497,756,935	406,445,532	288,228,891	141	82	656,317,957	560,361,736	446,789,913	125	85
Education and Vocational Training	419,325,328	388,709,207	419,325,328	93	93	155,981,331	128,159,820	80,483,959	159	82	575,306,659	516,869,027	498,809,287	103	90
Medical Services, Public Health and Sanitation	1,052,253,941	975,052,755	1,052,253,941	93	93	474,461,402	186,172,406	176,403,478	106	39	1,526,715,343	1,161,225,161	1,228,657,419	95	76
Lands, Housing, Physical Planning and Urban Development	106,605,490	93,664,879	106,605,490	88	88	83,981,760	33,981,760	75,851,749	45	40	190,587,250	127,646,639	182,457,239	70	67
Roads, Transport and Public Works	72,432,169	66,286,249	72,432,169	92	92	513,514,845	381,517,116	282,233,113	135	74	585,947,014	447,803,365	354,665,282	126	76
Tourism, Trade, Enterprise Development and Cooperatives	173,390,523	172,154,934	175,194,318	98	99	192,572,927	177,366,324	155,185,725	114	92	365,963,451	349,521,258	330,360,043	106	96
Culture, Social Services, Gender, Sports and Youth Affairs	109,501,637	106,129,253	109,501,637	97	97	65,479,343	16,691,730	10,616,075	157	25	174,980,980	122,820,983	130,117,712	102	70
TOTAL	4,262,585,508	4,008,888,659	4,264,388,301	94	94	2,528,072,416	1,640,251,988	1,286,866,803	127	65	6,790,657,924	5,649,140,647	5,551,376,104	102	83

Percentages

63 71

77

37

29

23

Source: Samburu County Treasury 2021

Pending Bills

15. A pending bill is an unsettled financial obligation at the end of a financial year. Pending bills arise when an entity fails to settle invoiced amounts for goods and services properly procured and delivered, or rendered at the end of a financial year. The department of Medical Services, Public Health and Sanitation had the highest recurrent and development pending bills for the services contracted as shown in table 5 below;

Table 5: Pending Bills as of 30th June 2021

Department	Development	Recurrent	Totals
Water, Environment, Natural Resources and Energy.	119,753,182.75	2,582,246.00	122,335,428.75
Roads, Transport and Public Works.	87,159,121.00	838,300.00	87,997,421.00
Agriculture, Livestock Development, Veterinary Services and Fisheries.	76,012,265.18	1,545,151.00	77,557,416.18
Education, Youth Affairs and Sports.	34,896,202.20	3,375,232.00	38,271,434.20
Medical Services, Public Health and Sanitation	119,220,685.00	35,758,923.00	154,979,608.00
Lands, Housing, Physical Planning and Urban Development.	11,914,820.00	1,043,188.00	12,958,008.00
Tourism, Trade, Enterprise Development and Cooperatives.	19,576,143.40	5,023,820.00	24,599,963.40
Culture, Social Services, Gender, Sports and Youth Affairs.	32,796,720.00	5,644,690.00	38,441,410.00
Payroll Subjects	-	18,984,038.30	18,984,038.30
Finance, Economic Planning and ICT.	15,997,386.00	17,660,045.00	33,657,431.00
County Executive.	-	1,426,100.00	1,426,100.00
Total	517,326,525.53	93,881,733.30	611,208,258.83

Source: Samburu County Treasury 2021

Overall balance and financing

16. Reflecting on the above performance in revenue and expenditure, the County had a balanced budget both in expenditure and revenue. The overall absorption rate was 83% on the overall budget. The County did not realize **Ksh 19,933,494** from its own source revenue and **Ksh 302,743,470** from external sources hence a total of **Ksh 322,676,964** of the budgeted revenue.

The implication of 2020/21 fiscal performance on the set financial objectives in the 2021 CFSP;

1. The performance in the FY 2020/21 has affected the financial objectives set out in the latest CFSP 2021 and the Budget for FY 2021/22 in the following ways:
 - i) The county development for the year was 29% versus 37% in the budget and 30% required in PFM regulations;
 - ii) The staff emolument was 39% as opposed to 34% in the budget which is above the 35% required threshold by PFM regulations.
2. The county will continuously look into ways of enhancing its own source revenue collection and achieving greater efficiency in terms of cost savings in recurrent expenditure to ensure priority is given to the development projects.
3. The county will continue collaborating with development partners to assist in the development of the county.
4. Notably is the fact that departments have been taking measures to ensure that they prioritize projects and programs that they can implement in the short term which has increased the overall departmental absorption rate and this trend should be maintained.

SECTION THREE – Recent Economic Developments and Outlook

Recent Economic Developments

Global Economic performance

This CBROP has been prepared against a background of a projected global economic recovery amidst uncertainty relating to new covid-19 mutations particularly the Delta variant that could require broader reinstatement of containment measures. Global growth in 2021 is projected at 6.0 percent from a contraction of 3.2 percent in 2020 (WEO July 2021). However, economic prospects vary across countries with the emerging markets and developing economies expected to pick up slowly compared to advanced economies given different country policy responses to the pandemic. The projected recovery in advanced economies particularly the United States reflects the anticipated legislation of additional financial support in the second half of 2021 and broader vaccinations coverage across the group.

Economic growth in the sub-Saharan Africa region is projected at 3.4 percent in 2021 from a contraction of 1.8 percent in 2020 due to improved exports and commodities prices, and the rollout of vaccination programmes. This growth will also be supported by a recovery in both private consumption and investment as economies re-open. However, the recent increase in infection rates in sub-Saharan Africa is expected to weigh down the region's recovery in 2022.

Domestic Economic Performance

GDP Growth

17. In 2020, the Kenyan economy was adversely affected by the outbreak of the covid-19 pandemic and the swift containment measures which disrupted economic activities. Additionally, Kenya faced two other shocks': The invasion of swarms of desert locusts that damaged crops and floods following receipt of above-normal rainfall in May 2020. As a result, economic growth slowed do in FY 2020 /21.

18. Economic indicators by sector for the fourth quarter of 2020 point to a strong recovery. The agriculture sector is expected to have performed well following favorable weather conditions which prevailed during the fourth quarter of 2020, resulting in improved production of key crops. Industrial activity is also expected to have recovered strongly as reflected in the economic indicators of the following sectors; construction (cement consumption), manufacturing (cement production) and electricity and water supply (electricity generation).

However, the performance of some Service sectors (accommodation and restaurant and,

transport and storage) are likely to remain subdued due to the covid-19 containment measures which prevailed during the quarter under review.

19. Leading indicators point to a relatively strong recovery in the first quarter of 2021, supported by a strong performance of agriculture, construction, information and communication, real estate, and finance and insurance sectors. The enhanced covid-19 containment measures implemented in five counties (Nairobi, Kiambu, Machakos, Kajiado and Nakuru) between March 26th and May 1st, and the 13 western lake basin region between June 18th and July 30th are expected to have had a moderate impact on output in the second and third quarters as businesses in most sectors were in operation.
20. Similar to the global economy, Kenya's economy is projected to rebound in 2021 to 6.6 percent from an earlier projection of 7.0 percent in the BPS 2021. The downward revision was due to the impact of containment measures between the March and July period as a result of the third wave of the covid-19 pandemic.
21. The recovery in 2021 reflects the lower base of 2020 when most service sectors were adversely affected by the closure of the economy thereby recording negative growths. The outlook in 2021 will be reinforced by the prevailing stable macroeconomic environment and the ongoing implementation of the strategic priorities of the Government under the “Big Four” Agenda, Economic Recovery Strategy and other priority programmes as outlined in the Third Medium Term of Vision 2030. Weather conditions are expected to be favorable supporting agricultural output. As a result, the export of goods services will expand as global demand normalizes.

Inflation Rate

22. The year-on-year overall inflation rate has remained low, stable and within the policy target range of 5+/-2.5 percent since the end of 2017. The year-on-year inflation rate increased in July 2021 but remained within the target range at 6.4 percent from 4.4 percent in July 2020, mainly on account of higher food and fuel prices.
23. The contribution of core inflation to overall inflation has been low and stable, consistent with the muted demand pressures in the economy on account of prudent monetary policies. The contribution of core inflation to overall inflation rose marginally to 1.0 percentage points in July 2021 from 0.6 percentage points in June 2020, reflecting a pick-up in economic activity.
24. Food inflation remained the main driver of overall inflation in July 2021, contributing 3.5 percentage points, an increase, compared to a contribution of 2.4 percentage points in July

2020. The increase is on account of a rise in prices of key food items particularly tomatoes, white bread, cabbages, spinach, Sukuma-wiki and cooking oil. Fuel inflation contributed 1.9 percentage points to overall inflation in July 2021 compared to 1.2 percentage points in July 2020 following a pickup in international oil prices. Fuel inflation in July 2021 is reflected in higher electricity costs and increased fares attributed to a rise in petrol prices.

25. Kenya's rate of inflation compares favorably with the rest of Sub-Saharan Africa countries. In July 2021, Kenya recorded a lower inflation rate than Ghana, Burundi, Nigeria, Zambia, and Ethiopia.

Kenya Shilling Exchange Rate

26. The foreign exchange market has largely remained stable but partly affected by tight global financial conditions attributed to uncertainty about the covid- 19 pandemic. In this regard, the Kenya Shilling to the US Dollar exchanged at Ksh 108.1 in July 2021 compared to Ksh 107.3 in July 2020.
27. In comparison to most sub-Saharan Africa currencies. the Kenya Shilling has remained relatively stable weakening by 1.3 percent against the US Dollar. This depreciation of the Kenya Shilling was lower than that of Rwanda Franc, Nigerian Naira, Mauritius Rupee and Burundi Franc. The stability in the Kenya shilling was supported by increased remittances, adequate foreign exchange reserves and favorable horticultural exports (fruits, vegetables and cut flowers).

Interest Rates

28. Short-term interest rates remained fairly low and stable. The Central Bank Rate was retained at 7.0 percent in July 2021 to signal lower lending rates to support credit access by borrowers especially the Small and Medium Enterprises distressed by the covid-19 pandemic. The money market was relatively liquid in July 2021 supported by government payments, which offset tax remittances. As such, the interbank rate remained low but increased slightly to 3.3 percent in July 2021 from 2.1 percent in July 2020.
29. Interest rates on the Treasury bills remained relatively stable in July 2021. The 91-day Treasury Bills rate was at 6.6 percent in July 2021 compared to 6.2 percent in July 2020. Over the same period, the 182-day Treasury Bills rate increased 7.1 percent from 6.7 percent while the 364-day decreased to 7.5 percent from 7.6 percent.
30. The improved liquidity in the money market has resulted in stable commercial bank rates. The average lending rate remained stable at 12.0 percent in June 2021 compared to 11.9

percent in June 2020 while the average deposit rates declined from 6.9 percent to 6.4 percent over the same period. This led to a marginal increase in the average interest rate spread by 0.4 percentage points over the review period.

Money and Credit

- 31.** The broad money supply, M3, grew by 6.3 percent in the year to June 2021 compared to a growth of 9.1 percent in June 2020. The growth in M3 was attributed to an increase in the Net Domestic Assets particularly improvement in net credit flows to the government and the private sector.
- 32.** Net Foreign Assets (NFA) of the banking system in the year to June 2021 contracted by 12.0 percent, compared to a contraction of 5.7 percent in the year to June 2020. The contraction in NFA was reflected in the decline in the foreign currency reserves by the Central Bank. The NFA of commercial banks also declined during the review period as a result of a decrease in deposits abroad.
- 33.** Meanwhile, Net Domestic Assets (NDA) increased to register a growth of 11.7 percent in the year to June 2021 from a growth of 14.5 percent over a similar period in 2020. This was largely due to an improvement in net credit flows to both Government and the private sectors. The increased net lending to Government was on account of Government spending resulting in lower deposit holding at the Central Bank of Kenya. However, net credit flows to other public sectors declined during the review period.

Private Sector Credit

- 34.** Private sector credit grew by 7.7 percent in the 12 months to June 2021 compared to a growth of 7.6 percent in the year to June 2020. Strong credit growth was mainly observed in manufacturing (8.1 percent) consumer durables (23.4 percent); transport and communication (11.8 percent). The number of loan applications picked up in June 2021 reflecting improved demand with increased economic activities. The Credit Guarantee Scheme for the vulnerable Micro, Small and Medium Enterprises (MSMEs), which was launched in October 2020, continues to de-risk lending by commercial banks and is critical to increasing credit to this sector.

External Sector Developments

- 35.** The overall balance of payments position improved to a surplus of USD 1,970.0 million (2.0 percent of GDP) in the year to May 2021 from a surplus of USD 210.5 million (0.2 percent

of UNDP) to May 2020. This was mainly due to reduced payments on imports, and improved export earnings despite lower receipts from services. The capital account also improved during the review period.

- 36.** The current account deficit was at USD 5,361.8 million (5.4 percent of GDP) in the year to May 2021 from USD 5,137.5 million (5.2 percent of GDP) to May 2020 (Table 13). The current account balance was supported by an improvement in the merchandise account balance, the net primary income balance and the net secondary income balance.
- 37.** The balance in the merchandise account improved by USD 425.9 million to a deficit of USD 9,265.8 million in the year to May 2021 or account of a decline in imports and an increase in exports. In the year to May 2021, exports grew by 5.5 percent primarily driven by increased receipts from exports of horticulture and manufactured goods. On the other hand, the value of imports declined by 0.5 percent in the year to May 2021 mainly reflecting relatively lower international oil prices. Although oil prices increased from a low level in April 2020 due to a covid-19 demand, they remained below the pre-covid levels.
- 38.** Net receipts on the services account declined by USD 1,303.7 million to a deficit of USD 146.2 million in the year to May 2021 compared to a surplus of USD 1,157.5 million in a similar period in 2020 mainly on account of lower receipts from transport and travel services. The balance on the primary account narrowed by USD 392.9 million to a deficit of USD 1,346.9 million in the year to May 2021 from a deficit of USD 1,739.8 million in a similar period in 2020, reflecting lower reinvestment related outflows. Secondary income inflows remained resilient and increased by USD 260.5 million during the review period supported by remittances
- 39.** The capital account balance improved to a surplus of USD 251.2 million in the year to May 2021, a growth of 55.7 percent, compared to a surplus of USD 161.3 million over the same period in 2020. Net financial inflows were at USD 3,503.6 million in May 2021 compared to USD 3,564.5 million in May 2020. The net financial inflows were mainly in the form of other investments net inflows which stood at USD 4,716.5 million in May 2021. Direct investments, portfolio investments and financial investments recorded net financial outflows during the same period.

Foreign Exchange Reserves

- 40.** The banking system's foreign exchange holdings remained strong at USD 12,745.4 million in May 2021 from USD 13,805.7 million in May 2020. The official foreign exchange

reserves held by the Central Bank were at USD 7,871.6 million (4.8 months of import cover) in May 2021 compared with USD 9,735.3 million (5.9 months of import cover) in May 2020. This fulfills the requirement to maintain reserves at a minimum of 4.0 months of import cover to provide an adequate buffer against Short term shocks in the foreign exchange market. Commercial banks' holdings increased to USD 4,873.8 million in May 2021 from USD 4,067.3 million in May 2020.

Capital Markets Development

41. Activity in the capital markets increased in July 2021 compared to July 2020, with equity share prices increasing as shown by the NSE 20 Share Index. The NSE 20 Share Index stood at 1,974 points by end of July 2021, an increase compared to 1,804 points by the end of July 2020. Market capitalization also increased to Ksh. 2.766 billion from Ksh. 2,034 billion over the same period indicating increased trading activities.

County Specific Performance 2020/2021

The performance for Samburu County for the financial year 2020/21 in different sectors was as follows;

County Assembly

42. Programs and activities geared towards the promotion of the County assembly's legislative, representation and oversight role were undertaken for the continued functioning of the county assembly in the best interest of the people of the county.

43. Public Service/County Administration

The County Executive's achievements during the period include; completion of the County administration system by recruiting various cadres and staff's promotion to ease service delivery. The County Executive is also undertaking the construction of ward offices and equipping of Sub County Office in Samburu East. Going forward, the County Executive will continue to put in place appropriate measures by implementing performance contracts by cascading them to lower levels and develop departmental service charter to enhance service delivery and mitigate the adverse effects to promote county economic growth, public administration and human resource management. The public communications office will be strengthened to enhance the dissemination of information and provide essential publicity for the county government.

County Public Service Board.

44. Samburu County Public Service Board has however not undertaken most of such duties and responsibilities in the year under review, because of the covid-19 pandemic. The Board promoted and re-designated several officers across the county public service. The County

Public Service Board members and secretariat participated in various training for capacity building. The CPSB also constructed a toilet, motor vehicle shade and kitchen within its office premises.

Department of Finance, Economic Planning and ICT

45. The County Treasury's achievements during the period include; completion of value for money audits in selected departments, implementation of policy on access to County Government procurement opportunities for women, the youth and persons with disabilities, successful implementation of e-procurement, preparation of annual procurement plan, revenue collections despite the covid-19 pandemic, preparation of financial statements on time, preparation of the annual budget, preparation of county post-covid-19 recovery strategy, preparation of quarterly progress reports and county annual progress report. Through the M&E unit the treasury developed a project completion report template as a compulsory attachment to completed projects payment vouchers. The county treasury coordinated the implementation of the KDSP programme with CB plan preparation and quarterly reporting on the same. Going forward, the County Treasury will continue to put in place appropriate measures by fully implementing performance contracts, developing departmental service charters to enhance service delivery and promote county economic growth. The requirement of preparation of programme based budgets and application of e-procurement is to be adhered to by all departments.

Special programmes.

- 46.** Training of fifteen (15) village-level disaster risk management committees.
- a. Development and publishing of the county disaster risk management policy 2021.
 - b. Supplied 495 metric tons of emergency relief food to 109,000 vulnerable households.
 - c. Conducted 16 peace committees' meetings across the county reaching out to 1,200 peace stakeholders.
 - d. Conducted county capacity needs gaps assessment and development of the county capacity strengthening programmes.
 - e. Controlled 630 swarms of desert locusts spraying over 94,500 HA.
 - f. Through a partnership with development partners, 4,900 vulnerable households received about Ksh 400 million cash transfers. This is in addition to 12,171 households receiving about Ksh 200 million cash per year.

- g. With the support of the Kenya Red cross society established a KES 10 million worth county emergency operation Centre.

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

47. Livestock production projects.

Project	Project sites	Performance Indicators	Status
1) Community Camel breed improvement and food security project (Provision of 942 Somali camel breeds breeding camels to pastoralist living in the lowlands)	<ul style="list-style-type: none"> Wamba East, Wamba North, Waso and Wamba West. Nyiro, Elberta, Nachola, Angata Nanyukie and Baawa. 	<ul style="list-style-type: none"> The number of camels supplied. The number of beneficiaries. Back to Office Reports. 	<ul style="list-style-type: none"> 100 % complete.
2) Dorper Rams project (Provision of 170 breeding Dorper Rams).	<ul style="list-style-type: none"> Maralal, Lodokojeck, 	<ul style="list-style-type: none"> The number of Rams supplied. The number of beneficiaries Back to office reports. 	<ul style="list-style-type: none"> 100% complete.
3) Galla Bucks Project (Provision of 92 Galla Bucks)	<ul style="list-style-type: none"> Angata Nanyukie 	<ul style="list-style-type: none"> The number of Galla bucks supplied. The number of beneficiaries Back to Office reports. 	<ul style="list-style-type: none"> 100% complete.
4) Dairy Cattle Project (Provision of 35 Ayrshire Heifers)	<ul style="list-style-type: none"> Loosuk, Maralal, Lodokojeck. 	<ul style="list-style-type: none"> The number of dairy cattle supplied. The number of beneficiaries. Back to office reports. 	<ul style="list-style-type: none"> 100% complete.
1) Development and Rehabilitation of livestock marketing infrastructures (Construction of Loibor Ngare Sale Yard))	<ul style="list-style-type: none"> Loosuk. 	<ul style="list-style-type: none"> A sale yard in place. 	<ul style="list-style-type: none"> 100% complete.
2) Pasture and Fodder Development Project (Supply and delivery of 1500 Kg of Assorted pasture seeds).	<ul style="list-style-type: none"> Samburu central wards. 	<ul style="list-style-type: none"> The number of Kgs of pasture seeds supplied. The number of beneficiaries. 	<ul style="list-style-type: none"> 100% complete.
3) Dairy Milk Products Processing Plant Joint Project in Maralal (Construction of a masonry wall).	<ul style="list-style-type: none"> Samburu Dairy Cooperative Ltd, Maralal. 	<ul style="list-style-type: none"> A masonry wall in place. 	<ul style="list-style-type: none"> 100% complete.
4) Construction of Nomotio abattoir & Auxiliary structures (EU-LED IDEAS Projects).	<ul style="list-style-type: none"> Nomotio LIC, Maralal ward 	<ul style="list-style-type: none"> Abattoir in place. 	<ul style="list-style-type: none"> 80% complete

48. Fisheries development projects

Project	Project activities	Project sites	Status
1) Enhancing the capacity of farmers	Identification of potential Areas for fish farming.	Samburu East and Central sub-counties.	Six (6) dams and two (2) springs/ rivers were identified

Project	Project activities	Project sites	Status
in aquaculture technologies.	Training of identified fish farmers on the construction of ponds and ponds design.	Maralal ward.	Fifteen (15) farmers trained.
2) Construction of fish demonstration ponds.	Construction of Raised and Excavated Ponds Technologies to Interested Small Holder Fish Farmers in Samburu Central Sub-County.	Maralal, Loosuk, Poro wards.	Twenty-one (21) ponds constructed 11 liner ponds and ten (10) raised ponds.

49. Agriculture projects

Project	Project sites	Performance Indicators	Status
1) Provision of certified assorted crop seeds to farmers.	Entire county.	<ul style="list-style-type: none"> Quantity of seeds supplied and distributed. The number of beneficiaries Back to office reports 	<ul style="list-style-type: none"> 100% complete and successful.
2) Demonstrations and farmer training on post-harvest management.	Entire county	<ul style="list-style-type: none"> The number of training conducted The number of farmers trained Training reports 	<ul style="list-style-type: none"> Rescheduled to November and December 2020 due to the covid-19 pandemic.
3) Procurement of tractor machine and spare parts.	Tractor for Poro ward AMS Maralal for spare parts.	<ul style="list-style-type: none"> The number of tractors and spare parts delivered and received Delivery notes and S11 	<ul style="list-style-type: none"> 100% complete.
1) Construction of Arsim Irrigation project 2 nd Phase.	Samburu North.	<ul style="list-style-type: none"> Irrigation scheme in place. 	<ul style="list-style-type: none"> 100% complete.
2) Construction of Lulu Irrigation Project 2 nd Phase.	Samburu North.	<ul style="list-style-type: none"> Irrigation scheme in place. 	<ul style="list-style-type: none"> 100% complete.
3) Hold 3 Field days in three community farms.	3 sub-counties.	<ul style="list-style-type: none"> The number of field days held. The number of participants. 	<ul style="list-style-type: none"> 100% complete.

50. Veterinary services projects.

Project	Project site	Output/outcome	Status
Construction of Nomotio Abattoir.	Maralal.	Abattoir construction ongoing.	80 % Complete.
Rehabilitation of Baragoi Slaughter House.	Baragoi.	slaughter house rehabilitated and fully equipped.	100 % Complete.
Rehabilitation of Maralal Slaughter House.	Maralal.	One (1) slaughterhouse was rehabilitated and fully equipped.	100 % Complete
FMD vaccine.	County wide	50,000 doses procured by County and 50,000 herds of cattle vaccinated	100 % Complete
PPR vaccine	County wide	600,000 doses procured and 600,000 shoats vaccinated	870% Complete
Participatory Disease Surveillance.		Three (3) PDS Missions per quarter	100 % Complete
Residential training workshops of farmers, livestock traders, cobblers, flayers and hides and skins traders.	Wamba and, Archers post	Two (2) pieces of training conducted	50% Complete.
Procure PPEs, Continuous professional development and other training, Office furnishing and renovations.		Every staff achieves the minimum required points. The conducive working environment for staff.	100% Complete.

Performance of National Government-funded and Co-funded Capital projects.

51. RPLRP Project

Name of projects	Project Cost (KES)	Status
Construction of Baragoi and Latakweny Livestock market infrastructures.	24,900,000	Complete and in use
Construction Hay Shade at Nomotio LIC.	13,000,000	Complete and in use
Supported Livestock vaccinations (CCPP, PPR & RVF) and disease surveillance missions in the county.	15,000,000	Completed
Supported livestock restocking in Samburu East and North Sub-counties.	12,000,000	Completed-1,823 goats distributed to 182 beneficiaries
Lengarde Borehole.	15,000,000	Completed and in use
Lolmolog Grain Warehouse.	12,000,000	Completed and in use
Nairimirimo Water Pan	7,900,000	Completed and in use
Siangan Rock Catchment	13,000,000	Completed and in use
Lerata Water Pan	28,000,000	Completed and in use
Nairimirimo Borehole	15,000,000	Completed and in use
Lpus Sale Yard	12,500,000	Completed and in use
Feed supplements	5,500,000	Completed
Supported treatment	4,000,000	Completed
Rehabilitation of Lesidai water pan and Lengei, Lorumoki and Ngeju Emuny Boreholes	2,100,000	Completed

52. NARIG Project

Component	Planned Activity	Activity status
Supporting Community-Driven Development.	Advertisement for expression of interest for service providers to provide extension service to farmers.	The project advertised, through local newspapers, a request for expression of interest from qualified firms to provide extension service to farmers under 4 agricultural value chains supported by the project; Sheep/goats value chain, local Chicken VC, Dairy and Apiculture VCs. A total of 25 applications were received, evaluated and applicants are given feedback.
	Backstopping of CDDCs on NARIGP policies and regulations.	The project conducted backstopping of the CDDCs at the ward level to ensure compliance with the requirements of the committee to operate as required by the project documents. Several meetings were later held to support CDDCs on various other issues to enhance their capacity to manage project resources at the ward level.
	Vetting/approval and funding of 400 farmer groups.	CDDCs and SCTT vetted community micro-projects and forwarded them to CPCU for further appraisal by County Technical and Advisory Committee (CTAC) and eventually approval by County Project Steering Committee (CPSC). A total of 400 community micro-projects were approved for funding.
	Disbursement of funds to 400 groups.	The project organized for a ceremony to present cheques to CDDCs for the 100 approved micro-projects. H.E Moses Lenolkulal, Governor Samburu County, led other leaders and stakeholders in presenting cheques to the CDDCs. Additional cheques were presented during the 2 nd ceremony for funding of approved 300 community micro-projects. The County Governor and other leaders presided over the presentation ceremony.
	Data collection for funded groups.	The project trained 4 data collection clerks per ward on data collection using the Open Data Kit (ODK) mobile app. The data clerks collected project, group and household data for all the 400 funded groups. The objective is to have the entire funded project geo-tagged and all beneficiaries captured in the project beneficiary database.
	Training of Pastoral Field School Facilitators.	The project trained 4 PFS facilitators per ward and also trained ward extension officers on farmer field school methodology. A field school is a participatory approach to an extension where farmers meet regularly, guided by a trained facilitator, to analyze their production system and identify the best options through a discovery-based approach. It's expected that all funded farmer groups will for the PFS platform for farmer training and engagement.
	Training of CDDCs and Social Accountability and Integrity Committee (SAIC) on financial and procurement management.	The project trained all 15 CDDCs and SAIC members on fiduciary issues. The CDDCs, through their respective procurement committees, developed procurement plans and procured materials on behalf of the funded groups. SAIC's role is to oversight the CDDCs to ensure materials of the right quality and quantity reach the farmer groups.
Strengthening Producer Organizations and Value Chains Development.	Value Chain Stakeholders Forums.	The project organized value chain stakeholders' forums for 4 priority value chains supported by the project. The forums were conducted on separate dates at Maralal safari lodge with a view of bringing stakeholders together to chart a way forward to develop selected VCs in Samburu. Stakeholders' platform was formed for each of the VC to spearhead agreed action plans.
	Development of PO proposals for inclusion grants and matching grants.	The project supported Dairy PO, 2 Honey POs to develop proposals for inclusion and membership registration drive grants proposals as well as matching grants proposals.

	Funding of POs on inclusion and membership recruitment grants.	Three (3) POs were funded to undertake membership recruitment exercise; Samburu Dairy Farmer’s Cooperatives – KSh 1,500,000 Hope Enterprise Society Ltd – KSh 1,500,000 Samburu Bee Keepers Cooperative Society –KSh 1,500,000.
	Formation of 3 new sheep/goats value chain PO in Samburu East, Central and North.	The project has supported farmers under the sheep/goats VC to form producer organizations at the sub-county level through a federation of funded groups. Three (3) new POs were formed and registered to support farmers under the value chain.
Supporting County Community-led Development.	Training of youths on Participatory Education Theatre (PET).	Thirty-five (35) youths were trained to PET to dramatize project messages as a way to raise project awareness. Trained youth were used during project occasions.
	Identification of Multi-Community Investments (MCIs).	The project engaged technical departments and the community in the identification of the multi-community investment as prioritized by the community during the PICD process and County CIDP. Technical teams developed technical proposals for the following MCIs; Nontoto SLM and water catchment integrated project 3 livestock sale yards’ projects in Tankar, Kisima and Archer’s post. Lesepeti Water Catchment improvement project in Baawa Sordo/Ntepes SLM project. Nomotio LIC improvement project.
	Survey and design for water pans	Survey and design development was done for Nontoto pan, Lesepetei pan, Sordo pan and designs for three proposed sale yards

53. ASDSP Project

Outputs	Output Indicators/activities	Achieved
Outputs1.1: Capacity Knowledge enhancement of existing service providers on identified opportunities enhanced.	The potential SPs to lead in the implementation of identified opportunities and technologies. These include: Caritas Maralal, SWEIP, County sector departments, Kenya forest services, NEMA, KVDA, Nomotio Livestock Improvement and Agricultural training centre	1
	Assess the capacity of identified SPs to lead in the implementation of identified opportunities/ technologies: This was undertaken using the Kobo collect tool. Analysis was then done and recommendations given	1
	Conduct quarterly backstopping visits (refer to M and E) The CPS conducted backstopping meetings for enumerators carrying out baseline and Capacity and needs Assessment for SPs respectively	2
Output 1.2: Value chain Innovations with high prospects for women and youth empowerment supported.	Review the developed innovation proposal from the SPs: 1(one) innovation concept per value chain developed	1
	Hold a 5 days meeting (7 members of CPSC-Including NARIGP/ KCSAP) to Vet the innovation proposal from the SPs	1
	Participate in 3 days GSIAP study findings and training - This activity was undertaken and a GSIAP report written	1
Output 1.3: Environmental resilience for increased productivity among prioritized value chains strengthened	Geo-referencing of the Value Chain organizations- Value chain maps for Beef, Honey and Maize have been developed	1
	hold a one-day meeting to develop an inventory of CSA and GG technologies that respond to the intervention identified in the SIVCAP	1
	Convene one day’s workshop to develop the advisories for MAM PSP for only One season. This was done in partnership with the child care fund Samburu chapter	1
	Participate in Training on suitability maps using ARC-GIS (5 days one person per county)- NPS activity.	1

Outputs	Output Indicators/activities	Achieved
Output 2.1: Entrepreneurial skills for VCAs including service providers enhanced.	Conduct a 2-day desk review to scoop PVCAs based on their Per Capital Income for coaching mentorship and training. On the following categories: Below 200; 201-284; 285-500; 501-1000.	1
	Inventory the existing and potential SPs on Entrepreneurship skills (Refer to output 1.1 No Budget).	1
	Review extended concept and innovation proposals (Refer to output 1.1,3 days' workshop) in 3rd quarter.	1
3.1: Market access linkage for priority VCAs improved.	Hold one (1) day desk review of VC resource Map (no cost Refer 1.3)	1
	Convene 3 days' desk review to scoop out information on market linkages from baseline reports. and rapid assessment reports.	1
3.2: Access to market information by VCAs improved.	Hold a meeting to review/profile market information service providers.	1
	Support and Participate in the development of market-led VC plans (SIVCAP) refer to output 1.1.	1
3.3: Access to VC financial services by VCAs improved.	Hold a meeting with Financial and Insurance service providers to profile products and services (subsidies, grants, remittances and volume and beneficiaries).	1
4.1 Initiatives for the establishment of structures for consultation and coordination support.	Convene meeting for gap identification and analysis.	1
	Develop an action plan to fill identified gaps(1-day Meeting).	1
	sensitize ASDSP 11 Structures(one day planning).	1
4.2: Capacities of established structures for consultation and coordination enhanced.	County Agriculture sector leadership sensitized on ASDSP II.	1
	Convene 2 quarterly CPSC meetings (CASSCOM established and held their 1st meeting).	2
4.4 Sector policies, strategies, regulations, and plans prepared and launched.	inventories stakeholders (Hold one (1) day CPS meeting).	1
5.1 enhanced Monitoring and Evaluation (M&E) system for improved programme performance and achieve results	Develop a county programme strategic plan.	1
	Develop 2020/21 AWP&B.	1
	Carry out one (1) follow-up field visit.	2

54. DRSLP Project

Component	Sub-component	Projects status
Natural Resources Management.	Water supply development and management.	<ul style="list-style-type: none"> (i) Loosuk, Longewan and Lemisigiyo. (ii) The construction works for all the sites are complete and sites are handed over to WUA committees. (iii) The dams are full and discharging excess volume through the spillways successfully. (iv) Bore Holes (No.13)-Noomboroi, Muruankai (Lbukoi), Mugur, Lowa, Mabati, Swari, Locho, Angata Nanyukie, Longewan, Lesuwa Loiting, Lowabebne, and Lkichaki. Except for Lkichaki and Lowabebne, all the other sites are complete and handed over to WUA committees. (v) Lkichaki and Lowabebne quality analysis ongoing. (vi) NB. Swari borehole was completely vandalized. (vii) 10 New sites for boreholes were identified and hydrological surveys were done. Advertised for tendering and evaluation process for awarding ongoing. (viii) All borehole sites to reduce the distance to water drawing points from an average of 10 km to less than 1km once complete.

		<p>(ix) Community members in Angata Nanyukie reported zero waiting time at source and expressing satisfaction for availability</p> <p>(x) Water users association [WUAs]: All sites have management committees trained and carrying out their duties.</p>
	Irrigation infrastructure development: Seiya irrigation scheme.	(i) Cost to set up the scheme is too high, as per the feasibility study done.
Livestock Infrastructure Development.	Infrastructure for market access.	<p>(ii) Livestock sale yards (No.4)-Maralal, Lekuru, Suguta Marmar and Poro.</p> <p>(iii) Construction works complete and sites handed over to management committees.</p> <p>(iv) Two more sites for sale yards were identified, Kurungu and Lolkuniani. Kurungu is new while Lolkuniani is upgrading and expanding of existing market</p> <p>(v) Revenue collection and sharing modalities between Committees and County government remain a thorny issue.</p>
	Improved rangeland management.	<p>(vi) Communal Pasture demonstration plots (100Ha).</p> <p>(vii) Two (2) sites were identified and confirmed; Longewan 50Ha and Nchoro Lerai 50Ha.</p> <p>(viii) Nchoro Lerai site doing well. Sixth harvest overdue for lack of machinery but store has about 3000 bails. Longewani site was subdivided into individual farms during the survey and land subdivision in the area.</p>
	Improved livestock health.	<p>(i) Veterinary assorted equipment worth Kshs. 3.8 million were handed over to the County director of veterinary services, Samburu. Some are in use while others are in store awaiting completion of the veterinary laboratory under construction by the county government.</p> <p>(ii) Four (4) Cattle dips were awarded for construction, Sawan, Loiting, Lesidai and Baawa. Two are complete and in use-Sawan and Loiting. The other two construction is still ongoing.</p>

55. IDEAS Project

No.	Sub-structure	Facilities Construction updates according to the site engineer	Completion status
1.	Construction of Administration Block.	<ul style="list-style-type: none"> • Foundation did as per specification. The engineer inspected and agreed with the entire process. • Walling is completed for the entire facility. • Roofing is done. • Plastering done. • Door frames are done. • Window frames in place. • Ceiling remaining. • Facility progress was approximated at 70% work done. 	<ul style="list-style-type: none"> • 100% complete.
2.	Construction of Administration Sanitary Block.	<ul style="list-style-type: none"> • Pit latrine did and reinforced as per specification. The engineer inspected and agreed with the entire process. • Foundation complete as per specification. • Walling is complete for the entire facility. • Roofing complete as per specifications. 	<ul style="list-style-type: none"> • 70% complete

		<ul style="list-style-type: none"> • Plastering done • Ceiling in process • Electrical works are up in progress. • Facility progress was approximated at 70% work done. 	
3.	Construction of Generator room.	<ul style="list-style-type: none"> • Foundation complete as per specification. • The engineer inspected and agreed with the entire process. • Walling is complete for the entire facility. • Roofing is complete for the entire facility. • Electrical works complete. • Finishing works done. • Fisher board complete. • Painting remaining. • Facility progress was approximated at 75% work done. 	<ul style="list-style-type: none"> • 75% complete
4.	Construction of the Main Abattoir.	<ul style="list-style-type: none"> • Foundation is complete as per specification. The engineer inspected and agreed with the entire process. • Walling works up in progress with close monitoring of the site engineer. • Roofing not yet. • Electrical not yet. • Facility progress was approximated at 35% of work done 	<ul style="list-style-type: none"> • 35% complete
5.	Construction of Drainage and waste management structures.	<ul style="list-style-type: none"> • Septic and sock pit tanks are done as per specification. The engineer inspected and agreed with the entire process. • Drainage pipes and structures laid down works in progress. 	<ul style="list-style-type: none"> • 50% complete

56. Department of Water, Environment, Natural Resources and Energy

During the period 2020-2021, some of the key achievements realized in the water sector include:

- Undertaking hydrogeological surveys and water feasibility studies to ascertain underground and surface water potentials;
- Borehole Drilling thirteen (13) sites.
- Borehole equipping twenty (20) sites.
- Rehabilitation of Forty (43) kilometres of water extensions and/or supplies and numerous repairs and overall maintenance of rural water supplies across the county;
- Excavation and desilting of three (3) earth dams/pans in Terter, Nairimirimo and Ngilai are still ongoing.
- Construction of two (2) sand dams and one (1) rock catchment at Ndonyonanga, Lbaa Simiti and Lechet.

- Capacity building of Water Users Association (Project committees) to strengthen their skills and knowledge in water management of their respective projects. Fifty-six (56) water committees were adequately trained on different aspects of water governance and management.
- In partnership with Acted Kenya nine (9) water projects have been rehabilitated or repaired in the area of civil works or system solarisation in the following water projects; Nachola, Ngilai, Longewan, Lesukutan, Lodungokwe, Ntabasi, Sereolipi, and Wamba.
- In partnership with Kenya Red cross five (5) of water projects have been rehabilitated or repaired in the area of civil works, pipeline or system solarisation in the following water projects; Lesirkan, Charda, Kirimom, Lerata A and Lerata B.
- In partnership with Child Fund, two (2) water projects have been rehabilitated and a new water utility was established in the area of civil works, facility solarisation and pipeline work in the following water projects; Nalingangor borehole and Suyan borehole.
- In partnership with Feed the Children, the Kitamany water pan was de-silted and some water infrastructure rehabilitated.
- In partnership with the State Department for Livestock through Regional Pastoralists Livelihoods Resilience Project (RPLRP), the Nairimirimo borehole was drilled and equipped and is now operational with residents and their domestic stock accessing clean water.
- In partnership with the ministry of water and sanitation (Northern Water Services Board), 2No boreholes were drilled namely Baragoi and Marti.

To mitigate environmental risks, the County has put in place measures to mainstream environmental conservation and management; and climate change actions in County planning and budgeting processes to strengthen disaster risk reduction and/or mitigation, and reduce damages caused by natural hazards like floods and droughts. In this regard during the period 2020-2021 and 2021-2022 the environment sector has initiated the process of developing the County Climate Change Action Plan (2021-2025); and the Climate Change Policy and other legislative frameworks.

An inception workshop was also conducted to develop the County Environment Action Plan (CEAP) that will guide environmental management within the county. Community Sensitization workshops on the role of communities in the extractive industries were also conducted at Lodungokwe, Archers, South Horr and Baragoi.

Other achievements include; promoting conservation and management of wetlands such as Kelele and Suguta; increasing forest cover through supporting school greening program; surveys on green energy potentials; strengthening of institutions such as Water Resource User Associations (WRUAs) at Tuum, Noontoto, Suguta Marmar and Seiya through training and development of Sub-Catchment Management Plans (SCMPs), capacity strengthening to Community Forest Associations (CFAs) around Leroghi/Kirisia forest, development of soil conservation structures to control soil erosion and restoration of degraded rangelands through control of invasive species at Maralal and Meibai, the establishment of Holistic Range Management Centre at West Gate Conservancy. World Environment Day was also commemorated at Kirisia Boys High School in Maralal with emphasis on the theme of “Ecosystem Restoration”, where about 5,000 tree seedlings were planted.

The department also in partnership with the Kenya Off-grid Solar Access Project through the Ministry of energy with financial support from the World Bank, had conducted a feasibility study and land acquisition processes for the proposed eight solar mini-grid sites and other community facilities (such as dispensaries, schools and water points) in the county. The project targets to power upcoming urban centers far off the main grid, community boreholes and other community facilities within the county as prioritized by the stakeholders.

County technical staff were also trained on different areas of specialization and interest, such as Data analytical; Project Planning and Management; Monitoring and Evaluation; Solar PV installation and management; Environmental and Social Impact Assessments; County Resource Management; Participatory Range Management approaches; and Sustainable Energy Planning.

57. Department of Education and Vocational Training.

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

Achievements

- One hundred and fifty-two (152) ECDE centers are installed with water tanks.
- Five hundred and sixty-eight (568) ECDE centers are provided with cooking appliances.
- Feeding program to all ECDE centers implemented.
- All ECDE centers have been provided with CBC materials

- Construction of fifty (50) ECDE centers kitchen, office and stores.
- Fifty (50) ECDE centers fenced.
- Two hundred and forty (240) ECDE centers are equipped with furniture.
- Maralal vocational training rehabilitated and initiated learning programs.
- Recruited two more vocational training trainers.
- Provision of administration record books and writing materials to all ECD centers.
- Equipped Maralal vocational training with relevant tools and equipment.
- Five (5) workshops were constructed in Maralal vocational training.
- Multipurpose hall capacity of 1,000 persons constructed.
- Administration block with lecture halls (wash rooms).
- Outside sanitary block constructed.
- Installation of ICT software and hardware.
- Bursary allocation to needy students.

58. Department of Medical Services, Public Health and Sanitation.

In the Financial Year under review (2020/2021), the sector registered varied achievements across all the programs.

- Strengthened referral system through the acquisition of an additional ambulance for Marti dispensary.
- Construction of Modern Hospital complex for Samburu County Referral which is ongoing.
- Operationalization of Archers Post Sub County Hospital through staff deployment.
- Modern incinerators were installed in County Referral and Baragoi sub-county Hospital and Archers Post Sub County Hospital.
- Automation of Baragoi Sub-county referral Hospital generator which has enabled the facility to have power during power lapses.
- Modern outpatient and surgical ward constructed at Baragoi Sub County Hospital.
- According to data extracted from iHRIS August 2021, the County has a total of 779 health workers across all cadres. This Consisted of 16 Medical Officers, 5 Consultants (2 surgeons, 1 Tropical Medicine specialist, 1 physician nephrologist, 2 Dentists 4 pharmacists and One Epidemiologist. The Doctor (Medical Officers) to Patient ratio is about 1:19327.
- There were 305 Nurses in all County GOK health facilities translating to 1 nurse per 1004 persons. The Number of Clinical officers stood at 56 both specialized and Non-

specialized. Among the Laboratory personnel, the total number was 27 which included technologists and technicians. There were 25 nutritionists, 6 radiographers, 15 Health records and information officers, 15 medical social workers and 62 Community health assistants among other cadres.

- Improved reporting rates for key reporting tools, eg MOH 710, MOH 711, MOH 717 and MOH 705A and MOH 705B.
- Improved commodity reporting rates.
- Improved commodity storage conditions (availability of palettes)
- Reduced Monthly data review meetings to discuss data because of the Covid 19 pandemic.
- Quarterly Data quality audits, MNCH mentorship.
- Monitoring and Evaluation Technical Working Group in place.
- Establishment of three directorates and appointment of three Directors and five deputy directors.
- Procurement of assorted medical equipment: three (3) Biosafety cabinets, two (2) Hematology analyzers, two (2) Biochemistry analyzers, HB meter and blood Gas analyzers among others.
- Done six blood drives in conjunction with RBTC (Regional Blood Transfusion Centre, Nakuru).
- Donation of equipment by Health IT (USAID) for establishing Electronic Medical Records (EMRs) in County Referral Hospital, Kisima Model Health Centre, Wamba Health Centre and Baragoi Sub-District Hospital.
- Internet connection through fiber optic cable in Maralal County Referral Hospital.
- Covid-19 vaccination: Total vaccinated by 30th June 2021 was 3,751. Out of this 527 were Health workers, 455 teachers, 506 Security, 608 over 58 years and others were 1,655.
- Developed key documents AWP 2020-2021, APR 2019-2020, CHS bill.

Covid-19 pandemic response.

Supported the health department in fighting the covid-19 disease in preparation of bills of quantities for the following units:

- a) Construction of ICU and HDU at County Referral Hospital.
- b) Construction of donning and doffing units and oxygen piping at County Referral Hospital.

- c) Modification of Maralal polytechnic classrooms to isolation wards.
- d) Renovation and modification of Laikipia university campus at Nomotio farm to Isolation wards.
- e) Modification of Archers sub-county hospital wards to isolation wards.
- f) Construction of Baragoi sub-county hospital isolation unit.
- g) Construction of donning and doffing unit at Baragoi sub-county hospital

Department of Lands, Housing, Physical Planning and Urban Development

59. The department engaged in the implementation of several programmes key among them:

Project Name	Performance indicators	Status based on indicators
Maralal retail market completion Counter fund for KUSP	<ul style="list-style-type: none"> -Procurement process -EIA -Site clearance --Superstructure Substructure -Finishing works -Civil works -Auxiliary services 	<ul style="list-style-type: none"> -Procurement process -EIA -Site clearance -Superstructure -Substructure -Finishing works 95% complete
Completion of county Spatial Plan	<ul style="list-style-type: none"> -First draft report -Technical workshop report -1st draft Report -Thematic maps -Final Draft -Popular version -Geospatial Database -Completion Notice Approved CSP 	<ul style="list-style-type: none"> -First draft report – delivered -Thematic maps – delivered 85% complete
Maralal Municipality surveying for titling purposes	<ul style="list-style-type: none"> -Geodetic static controls report -Picking of the existing situation -Part Development plan -Development zones -Beneficiary list validation -Cadastral map/survey plans -Letter of allotments -Lease certificates/ title deeds 	<ul style="list-style-type: none"> -Geodetic static controls report -Picking of the existing situation -Part Development plan -Development zones -Beneficiary list validation 80% complete
Planning of Morijo Town	<ul style="list-style-type: none"> -Inception Report reports -Public participation reports -Base Maps -Situation analysis report -Draft Plan -Digital-based approved Plan 	<ul style="list-style-type: none"> -Inception Report - done reports -Public participation reports -Base Maps –done 60% complete
Surveying and Beaconsing of Lesirikan Urban Parcels	<ul style="list-style-type: none"> -Geodetic static controls report -List of coordinates -Beacons placed on the ground -Existing beneficiary list 	<ul style="list-style-type: none"> -Geodetic static controls report -List of coordinates -Beacons placed on the ground -Existing beneficiary list 100% complete
Planning of Masikita Town	<ul style="list-style-type: none"> -Inception Report reports -Public participation reports -Base Maps -Situation analysis report 	<ul style="list-style-type: none"> -Inception Report - done reports -Public participation reports -Base Maps –done 60% complete

	-Draft Plan -Digital-based approved Plan	
Surveying & Beaconsing of Loosuk Town	controls report -List of coordinates -Beacons placed on the ground -Existing beneficiary list	-Geodetic static controls report -List of coordinates -Beacons placed on the ground -Existing beneficiary list 100% complete
Lkuroto and Lower Lpartuk Registration	-Cadastral map/RIM -Title deed	-Cadastral map/RIM -Title deed 95% complete
Preparation of unregistered community land Inventory	-Public notice in local dailies -Filled form CLA 1 -Sketch maps -Inventory report -Digital sketch maps -Filled form CLA 6	-Public notice in local dailies -Filled form CLA 1 -Sketch maps -Inventory report -Digital sketch maps -Filled form CLA 6 80% complete
Transitioning of 17 Group Ranches into Community Land	-Public notice in local dailies -Election results for CLMC -Election report	-Public notice in local dailies -Election results for CLMC -Election report 100% complete
Realignment & Survey of Kirisia forest boundary	-Cadastral map -22 and 24 primary and secondary pillars erected -Title deed	-Cadastral map -22 and 24 primary and secondary pillars erected 95 complete
Adjudication of Nami Community Land	-Declaration notice prepared -Continuation sheet prepared -Adjudication records are available -Approved maps	-Notice – done -Continuation sheet – Done -Preliminary maps – done 70% complete
Adjudication of Naimirimo Community Land	-Declaration notice prepared -Continuation sheet prepared -Adjudication records are available -Approved maps	-Notice – done -Continuation sheet – Done -Preliminary maps – done 70% complete
Planning of Poro Town	-Inception Report reports -Public participation reports -Base Maps -Situation analysis report -Draft Plan -Digital-based approved Plan	-Inception Report - done reports 30% complete
Facilitation of issuance of the title to Public Institutions	-Approved Part Development Plan -Survey Plan -Allotment letter	-Allotment letter for Kenya Medical Technical College – Samburu Campus -Survey Plan 90% complete
Labor based road reserves opening, drain opening in Maralal Municipality		-Opening of access roads in Milimani -Removal of clogs in storm drains

60. Department of Roads and Public Infrastructure Development

1. Assisted in preparation of BOQs and supervision of ongoing construction works for other departments.

a) A total of 132 bid documents were prepared for client departments as follows:

SNO.	DEPARTMENT	BoQs
1	Health department	33
2	Education department	56

3	Tourism	04
4	Agriculture	10
5	Municipality	02
6	Trade and cooperative	07
7	Gender, culture and social services	04
8	Sports and Youth affairs	12
9	Public service and administration	04
10	Environment and natural resources	0
Total		132

Apart from supervision of few ongoing projects of low value, we supervised three major projects of high value namely:

- a) Construction of outpatient department complex.
 - b) Nomotio abattoir and auxiliary structures.
 - c) Construction of Maralal retail market.
2. Conducted Firefighting Training for institutions and business premises.
- a) Conducted 3 No. firefighting training for schools and dispensaries at the three sub-counties.
 - b) Conducted training for premises/dealers selling gas cylinders and petroleum products. These were done for thirty (30) dealers in Samburu central, twenty (20) dealers in Samburu east, and six (6) in Samburu North and issued them with fire certificates.
 - c) Inspection of four institutions for their state of preparedness.
 - d) Inspection of fire hydrants for their adequacy.

3. Road Projects completed in FY 2020/21.

- a) The department budgeted a total of seventy-six (76) projects out of which:
 - i) Seventy-three (73) projects successfully went through the procurement process.
 - ii) Out of the Seventy-three (73) projects that successfully went through procurement, fifty-three (53) have been completed and paid, nine (9) have been completed but not paid, ten (10) are ongoing while one (1) have been terminated.
- b) Archers post floodlights for FY 2020/21 are ongoing.
- c) Kisima streetlight, Suguta-Marmar streetlight and Maralal streetlight from the previous financial year 2019/20 were completed.

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

61. During the financial year 2020-2021 the department utilized its budgetary allocation as indicated by the sub-sectors below:

62. Trade sub-sector

Project name	Project cost	Status
Lpus market sheds construction.	3000,000	complete
Five-door (5) door Market stalls construction at Kisima.	3200,000	complete
Five (5) door market stalls construction in Morijo.	3200,000	complete
Women sheds construction at Ngurnit.	3000,000	complete
Boda Boda sheds construction at Loosuk and Iolkunono	800,000	complete
Loan management software procurement	5000,000	60% complete

64. Tourism and wildlife subsector

Project Title	Estimates Value of the Projects	Status of the Project/ Percentage of completion to date
Equipping of Cafeteria and Staff units at Malaso Campsite.	3,000,000	On-going
Construction of fortified rangers camp at Mputaput Nyiro ward.	3,000,000	Complete
Construction of fortified rangers camp at Mungur el-mongo	3,600,000	Complete
Construction of fortified Rangers camp at Suyian.	3,000,000	Complete
Construction of fortified rangers camp at Ngilai / Elbarta.	3,000,000	Complete
Construction of fortified rangers camp at Ndoto conservation area (ngurnit).	3,000,000	On-going (70 % complete)
Construction and Renovation of Yare Camp 1 st phase.	6,000,000	On-going (60% complete)
Construction of 2 Door/ Urinal Pit Latrines block and fencing at Lerra/ Leparashau rangers camp.	1,500,000	On-going.
Construction of 2 Door/ Urinal Pit latrines blocks and fencing at Pura Rangers camp.	1,500,000	On-going.
Construction of SNR complex building (2 nd phase)	3,008,000	Complete.
Support of existing conservancies, through SNR revenue sharing; Kalama and West gate.	10,000,000	Complete
Support of six (6) Newly established conservancies.	95,000,000	Complete
Support of development projects for existing conservancies.	5,000,000	complete,
Support of development projects for existing conservancies.	2,000,000	Supply of Water to Itungai community conservancy eco-lodge is ongoing.
Support of development projects for existing conservancies.	3,000,000	Support for operation of Kirisia Nkoteya community scout program and Kirisia Forest ecosystem is ongoing
Support of development projects for existing conservancies.	3,000,000	Construction of Tourist cottages in Nkoteiya community conservancy is ongoing.
Support of development projects for existing conservancies.	2,000,000	Construction of modern kitchen and radio room at West gate community conservancy is ongoing.
Support of development projects for existing conservancies.	3,000,000	Construction of Warden House at Namunyak community conservancy (Ngilai unit) is ongoing.

Project Title	Estimates Value of the Projects	Status of the Project/ Percentage of completion to date
Support of development projects for existing conservancies	3,000,000	Construction of Lolkeresire Rangers outpost at Namunyak community conservancy (Nalowon unit) is ongoing.
Support of development projects for existing conservancies.	1,000,000	Construction of staff mess, with Kitchen and Canteen at Kalama community conservancy, is on-going.
Support of development projects for existing conservancies.	1,000,000	Support of the ranger operation program at Meibae community conservancy is ongoing
Purchase of one (1) Vehicle for Samburu National Reserve.	6,500,000	The vehicle was procured and the process of delivery and registration is ongoing awaiting payments.
Purchase of community scouts/rangers Uniforms.	4,900,000	On-going
Tourism promotion and marketing.	5,000,000	The department participated at the Sarit Centre Holiday fair, in March 2021.
Formulation Community Conservation Fund Act.	3,000,000	Complete
Training for Community Conservancies Scouts.	3,500,000	On-going
Training for Conservancy Management boards	3,000,000	On-going

65. Cooperatives Sub-sector.

Planned Targets	Achievements	Expenditure
Register Six (6) cooperative Societies.	Five (5) new sheep and goats marketing cooperatives registered.	Supported by NARIG-P.
Carry out sixteen (16) pre cooperative education meetings to potential groups in different sectors of the economy.	Eight (8) pre-cooperative education meetings were carried out for sheep and goats. One (1) meeting for Tuum beekeepers was held.	100,000
Forty (40) Cooperative Societies members education planned countywide.	Eighteen (18) members' training for cooperative societies was undertaken countywide. Four (4) members' training for newly registered Saccos carried out in Samburu central.	1,900,000
Twenty (20) cooperative leaders training planned.	Three (3) cooperative leaders training undertaken at sub-county level.	900,000
Annual General Meetings	One (1) A.G.M for Samburu beadwork held and attended by officers.	
Twenty (20) cooperative audits.	Twelve (12) cooperatives audits were carried out.	
Support to Beadwork cooperatives.	Three (3) production/training camps were held countywide for members of the fifteen (15) Ushanga/beadwork cooperatives.	3,300,000
Support weaker cooperatives.	Construction of Meloni tannery.	6,000,000

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

66. During the period under review 2020/21, the department has made significant strides in the development and promotion of sports. The following was realized:

- Participated in the Pastoralists soccer tournament where Nabore FC from Samburu County were the champions.
- Participated in the regional county cross country championships held in Kapenguria West Pokot County.
- Supported youth talent initiative in Samburu East sub-county.
- Conducted Baawa, Poro, Angata Nanyokie and Suguta Mar Mar youth fest.
- Supported Lodokejek tournament.
- Purchase of sports equipment.

The following projects are ongoing: -

- Completion of the high-altitude sports centre in Lesidai.
- Construction of playgrounds in the Samburu East and West Sub Counties.

Further, the department intends to widen links with stakeholders and development partners to ensure better collaboration for the effective implementation of programs.

Going forward the department will put more emphasis on the completion of the ongoing infrastructure projects namely: completion of the high altitude sports center in Loiborngare and also the construction of playgrounds in East and West sub-counties. Further, the department intends to widen links with stakeholders and partners to ensure better collaboration for the effective implementation of programs.

County economic development and outlook

67. The County's economic development has also continued to be impacted by the outbreak and consequent containment measures of Covid-19. The accommodation and food service sector was particularly hit due to containment measures. Measures such as reduced operating hours and social distancing have led to closures of businesses occasioning job losses.

68. Unemployment has been worsened due to Covid-19 which was occasioned by job losses in various sectors. Suspension of the school calendar led to job losses to some employees of private schools, reduced capacity in the food service sector led to partial closures.

Medium Term Fiscal Framework

- 69.** The County Government will operate within a framework of a balanced budget. The County Governments' fiscal policy objective in the medium term will focus on channeling resources to priority and growth potential areas including health, water, education, agriculture and livestock production.
- 70.** The County targets to implement major flagships projects as outlined in the CIDP 2018-2022. This will be achieved by enhancing efficiency and effectiveness and accountability in public spending and enhanced revenue collection to effectively finance the implementation of the budget. Containing the growth of recurrent expenditure in favor of capital investment will further be checked. To implement the County's development priorities, investment projects and programs will be scrutinized to ensure that they are well aligned to the CIDP 2018-2022.
- 71.** The County Government resource allocation will be aligned towards achieving the development programs under the current medium-term theme 'fostering socio-economic development for sustainable growth. The following specific areas will receive more emphasis in the 2022/23 MTEF:
- (a) Improvement of Education;
 - (b) Agriculture and livestock development;
 - (c) Improved water access, sanitation and environment;
 - (d) Improved health care access and quality.
- 72.** The County Government administration aims to implement the transformative agenda that ensures enhanced service delivery, improved standard of living among the county residents through employment creation and improved incomes. In setting departmental ceilings, attention will be given to projects and Programmes that meet the following criteria:
- (a) Linkage of the Programme with the 2023-2028 CIDP, the 'Big Four' agenda and the objectives of the Fourth Medium-Term Plan of Vision 2030.
 - (b) The degree to which a Programme addresses job creation and poverty reduction.
 - (c) The degree to which the Programme is addressing the core mandate of the County department.
 - (d) Expected outputs and outcomes from a Programme; and
 - (e) Cost-effectiveness and sustainability of the Programme.

73. Financing of rolling Programmes will receive the priority to ensure completion of ongoing Programmes to deliver on the expected results. The County Fiscal Strategy Paper 2022 (to be finalized in February 2022) will be the basis for resource allocation to specific programs.

74. The county will continue reorienting expenditure towards those priority programmes as identified in public consultative forums. The critical Programmes to be implemented are expected to accelerate economic activities and socio-economic development.

Risks to Fiscal Outlook

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

- (a) Transfers from the national government are not adequate to meet the cost of offering the services as stipulated in schedule four of the constitution.
- (b) High inflation rates are contributing to a higher cost of living. This will affect the ease of doing business in the county, and access to credit to small and micro enterprises will be affected negatively due to tight liquidity in the economy.
- (c) Reduced global demand emanating from covid-19 fears and containment measures are expected to result in reduced demand for commodities from the county. This will affect the county's economy cognizant of the fact that the county plays a major role in the tourism sector.
- (d) Weak revenue base thereby leading to over-reliance on the transfers from the national government resources which are inadequate and limits resources allocations to key sectors.
- (e) Expenditure pressures, especially high recurrent expenditures pose fiscal risks. The county is going to maintain a sustainable recurrent expenditure by strictly adhering to austerity measures and hence free more resources for development expenditure over the medium term.
- (f) Instances of prolonged drought have resulted in a decrease in own revenue collections as well as curtailing the purchasing power of the residents. However, the government continues to allocate more resources to sustainable farming methods.

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

SECTION FOUR - Resource Allocation Framework

A. Adjustment to the 2021/22 MTEF Budget

- 76.** Given the performance in 2020/21 and the updated fiscal outlook, the risks to the FY 2021/22 budget include a lack of realization of the projected local revenue which will hinder the full implementation of the budget. Expenditure pressures to increased personnel emoluments.
- 77.** In addition, the implementation pace in the spending units continues to be a source of concern especially concerning the development expenditures and uptake of external resources. These risks will be monitored closely and the County Government would take appropriate measures in the context of the supplementary budget.
- 78.** Adjustments to the 2021/22 budget will take into account actual performance of expenditure so far and absorption capacity in the remainder of the financial year because of the resource constraints. The Government will rationalize expenditures by cutting those that are non-priority. These may include slowing down or reprioritizing development expenditures and increased budgeting for debt resolution.
- 79.** On the Revenue side, the County Treasury is expected to institute corrective measures to curb the revenue leakages by enhancing compliance. Departments are expected to prioritize their expenditure and reallocate funds guided by the priorities during the preparation of the supplementary budget guided by the resource availability.

B. Medium-Term Expenditure Framework

- 80.** Going forward, and given the limited resources, MTEF budgeting will entail adjusting non-priority expenditures to cater to the priority sectors. In the Meantime, the resource allocation will be based on the Annual Development Plan and the Fiscal Strategy Paper.
- 81.** The priority social sectors will continue to receive adequate resources in the budget and are required to utilize the allocated resources more efficiently to generate fiscal space to accommodate other strategic interventions in their sectors.
- 82.** The county will continue reorienting expenditure towards those priority programmes outlined in County's Integrated Development Plan 2018-2022 and as identified in public consultative forums. The strategy will thus implement the priority programmes/ projects as entailed in the CIDP 2018-2022. The critical programmes to be implemented are expected to stimulate the County's socio-economic development. The key county proposed priority areas are;
- (a) Increased accessibility to water and food security;

(b) Investing in accessible and quality health services;

(c) Provision of quality education.

83. The fiscal framework for the financial year 2022/23 entails a deliberate effort to continue exercising prudence in public expenditure management with the principal goal of containing fiscal risks, gradually lowering the fiscal deficit, and adopting austerity measures to deter the increase of recurrent expenditures in favor of productive capital spending.

84. To achieve this, the Government endeavors to prioritize expenditure in the provision of safe potable water, quality health services, modernized education institutions, improved infrastructure, sanitation and waste management, social protection as well as youth and gender empowerment. The overall objective of this is to realize sustainable, shared and equitable growth that would in return lead to accelerated job creation and improved livelihoods for the citizenry.

85. Reflecting the above medium-term expenditure framework, tables 6 below provides the tentatively projected baseline ceilings for the 2022-2023 MTEF budget, classified by vote heads.

Table 6: Medium Term Sector Ceiling 2022/2023 - 2024/2025, Ksh Million

	Approved Budget 2021/22	Adjusted salary by 2.5%	Balance * absorption	CBROP Ceilings 2022/23	Share + Dev partners	Ceiling 2023/24	Ceiling 2024/25
County Assembly	640,497,034	314,752,929	305,273,272	620,026,201	620,026,201	623,316,000	623,420,456
County Executive	493,958,308	259,310,103	144,393,567	493,703,670	493,703,670	495,000,000	495,127,902
Finance, Economic Planning & ICT	794,632,810	283,056,262	175,332,011	597,198,362	642,198,362	648,400,000	648,464,956
Agriculture, Livestock Development, Veterinary Services & Fisheries	785,751,118	102,787,167	365,508,803	478,295,971	889,237,362	890,000,000	890,223,436
Water, Environment, Natural Resources & Energy	656,317,957	44,942,253	454,727,614	519,669,866	519,669,866	520,000,000	520,115,710
Education and Vocational Training	575,306,659	254,133,246	295,137,780	569,271,025	579,820,919	580,000,000	580,633,341
Medical Services, Public Health & Sanitation	1,526,715,343	748,627,137	496,743,257	1,265,370,394	1,545,866,179	1,547,061,000	1,548,000,000
Lands, Housing, Physical Planning & Urban Development	190,587,250	59,622,004	76,864,051	146,486,055	196,486,055	200,521,948	201,216,584
Roads, Transport & Public Works	585,947,014	44,139,764	275,466,492	319,606,255	548,865,402	550,071,969	551,045,991
Tourism, Trade, Enterprise Development & Cooperatives	365,963,451	118,266,809	220,127,216	368,394,026	368,394,026	370,471,000	371,000,000
Culture, Social Services, Gender, Sports & Youth Affairs	174,980,980	43,418,550	91,650,409	175,068,959	175,068,959	177,574,000	178,000,000
TOTAL	6,790,657,924	2,273,056,224	2,901,224,472	5,553,090,785	6,579,337,002	6,602,415,917	6,605,587,200

Source: Samburu County Treasury 2021

Departments budgets and programs prioritization

86. A key challenge in developing the 2022/23 MTEF budget is the prioritization of resource allocation to pending and ongoing projects.

(a) It's also critical to have the CG departments' capacities continuously strengthened to enable them to perform their assigned functions effectively and efficiently. The key technical staff needs to be deployed and rationalized to streamline the county's activities.

(b) Extensive work has been done in providing reporting templates and issuance of budget guidelines to ensure consistency in reporting and monitoring progress.

(c) Strengthening the monitoring and evaluation unit in the finance and economic planning unit and linking up with the Service delivery unit will lead to a harmonized monitoring and evaluation system in the county.

C. 2022/2023 Budget Framework

87. The 2022/23 budget framework is set against the background of the updated medium-term macro-fiscal framework set out above.

Revenue Projections

88. The FY 2022/23 budget targets for revenue (equitable share and local) collection of Ksh 6,579,337,002 as per table 5. This revenue performance will depend on the trend of growth of the Kenyan Gross Domestic Product amidst the covid-19 pandemic which is also affecting the own source revenue sources.

Table 7: Medium Term Revenue 2022/23- 2024/25

ITEMS	Approved 2020/21	Approved 2021/22	Projection 2022/23	Projection 2023/24	Projection 2024/25
COUNTY GENERATED REVENUE					
Land Rates	15,000,000	36,000,000	36,000,000	37,080,000.00	38,192,400.00
Single Business Permits	16,000,000	13,200,000	13,200,000	13,596,000.00	14,003,880.00
Total Cess Receipts	13,000,000	11,760,000	11,760,000	12,112,800.00	12,476,184.00
Game Parks/Nature Reserves Fees	19,000,000	17,460,000	17,460,000	17,983,800.00	18,523,314.00
Markets and Slaughter House Fees	6,400,000	6,720,000	6,720,000	6,921,600.00	7,129,248.00
Vehicle Parking Receipts/Transport	3,583,882	4,200,000	4,200,000	4,326,000.00	4,455,780.00
Wheat Cess	300,000	280,000	280,000	288,400.00	297,052.00
Prospecting Licenses	303,188			-	-
Liquor License	3,410,000	6,000,000	6,000,000	6,180,000.00	6,365,400.00
Various Health Departments Fees		600,000	600,000	618,000.00	636,540.00
Agricultural Machinery Services		1,200,000	2,615,000	2,693,450.00	2,774,253.50

Approval of plans and supervision	1,102,500		1,215,506	1,251,971.00	1,289,530.00
Insurance Recoveries	1,212,750			-	-
Hawker		1,800,000	1,800,000	1,854,000.00	1,909,620.00
Miscellaneous Revenue	11,000,000	780,000	780,000	803,400.00	827,502.00
SUB-TOTAL LOCAL SOURCES	90,312,319	100,000,000	102,630,506	105,709,421	108,880,704
SUMMARY					
Revenue from Local Sources	90,312,319	100,000,000	102,630,506	105,709,421	108,880,704
Revenue transfer from national government	4,620,900,000	5,371,346,037	5,371,346,037	5,371,346,037	5,371,346,037
Kenya Devolution Support Program (KDSP)	45,000,000	102,491,953	102,491,953	102,491,953	102,491,953
World bank loan for National agricultural and rural inclusive growth project	216,145,500	212,277,520	212,277,520	212,277,520	212,277,520
World bank loan for National agricultural and rural inclusive growth project B/F	56,256,424				
EU Grant for instrument for devolution advice and support (Abattoir Construction)	15,626,168	15,626,168	15,626,168	15,626,168	15,626,168
Balance brought forward 2018-19 for construction of Abattoir	36,784,566				
Balance brought forward 2018-19 for construction of Abattoir	40,809,940				
Agriculture Sector Development Support Programme (ASDSP)	14,496,213	32,990,533	32,990,533	32,990,533	32,990,533
Agriculture Sector Development Support Programme (ASDSP) B/F	30,822,580				
Conditional Allocation for Development of Youth Polytechnics	10,549,894				
Conditional Grant-Compensation for User Fee Foregone	5,235,578				
Conditional Grant-Leasing of Medical Equipment	132,021,277	153,297,872	153,297,872	153,297,872	153,297,872
DANIDA (Health support funds)	13,140,000				
KDSP B/F TAKEN TO COVID 19 ACTIVITIES	30,000,000				
DANIDA (Health support funds) B/F	4,935,000	10,238,250	10,238,250	10,238,250	10,238,250
World Bank Loan for transforming health systems for universal care project B/F	36,441,141	5,601,594	5,601,594	5,601,594	5,601,594
COVID 19 FUNDS B/F	27,402,000				
World Bank Loan for transforming health systems for universal care project	31,320,789	37,338,236	37,338,236	37,338,236	37,338,236
Kenya Urban Support Programme (UDG)					
KUSP UDG B/F	50,000,000				
Road Maintenance Fuel Levy	118,859,147				
Road Maintenance Fuel Levy b/f	53,400,000				
World bank loan for National agricultural and rural inclusive growth project B/F		75,000,000	75,000,000	75,000,000	75,000,000
ELRP(Locust)		91,713,333	91,713,333	91,713,333	91,713,333
ELRP(Locust) b/f		68,785,000	68,785,000	68,785,000	68,785,000
Road Maintenance Fuel Levy b/f	57,000,000				
CRF Balance b/f	1,053,199,388	287,820,000	300,000,000	320,000,000	320,000,000
GRAND TOTAL	6,790,657,924	6,564,526,496	6,579,337,002	6,602,415,917	6,605,587,200

Source: Samburu County Treasury 2021

Expenditure Forecasts

89. In the proposed FY 2021/22 budget, overall expenditures are projected to be Ksh 6,579,337,002 as indicated in table 6 below comprising; With most County positions having been filled, the wage bill is projected to be at Ksh 2,273,056,224 The Operations and Maintenance are expected to be Ksh 2,200,892,938. The allocation of resources for development expenditures is projected to be Ksh 2,105,387,841.

90. In this regard, the county government will over the medium term ensure compliance with the fiscal responsibility principles as outlined in section 107 of the PFM Act 2012. The county government is expected to enhance expenditure productivity in the proposed year and manage the rising wage bill to be within the required limit.

SECTION FIVE - Conclusion and Next Steps

- 91.** The FY 2022/23 medium-term budget is being prepared against the backdrop of a slowdown in the growth of the national economy. The pandemic and resultant containment measures have led to a contraction of the economy thus disrupting businesses, including international trade and this has led to the loss of livelihoods for millions of people. Also, the pandemic and the containment measures have not only disrupted our ways of life and livelihoods, but to a greater extent, businesses have also been adversely affected
- 92.** Given tight resource constraints amidst of significant revenue shortfalls occasioned by the adverse effects of the covid-19 Pandemic, the National Government is expected to continue ensuring proper prioritization of public expenditures on programmes with the highest welfare benefits to Kenyans. The government is expected to continue with a strategy of ensuring fiscal discipline and, service delivery is prioritized to achieve the set objectives.
- 93.** Resource ceilings projected in this document should guide the departments in prioritizing the key productive activities contained in the Annual Development Plan (ADP) to ensure consistency in the development interventions in the County.
- 94.** Going forward, the Third County Integrated Development Plan (CIDP 2023-2027), will be prepared to guide development in the county on a priority basis. In addition, to continue adhering to the fiscal discipline, the County Government will continue to entrench the fiscal responsibility principles set out in the Public Finance Management Act (PFMA) 2012 in making forecasts realistic and reasonable. The county will also continue with prudent management of funds and delivery of expected output. Effective and efficient utilization of funds will be crucial in ensuring that the county government delivers on its functions.
- 95.** Departmental ceilings annexed herewith will guide the departments in preparation for the 2022-23FY budget and will further be reaffirmed in the next County Fiscal Strategy Paper which shall be the final basis for the development of the MTEF period 2022/23-2024/25.