



**TURKANA COUNTY GOVERNMENT  
FINANCE AND ECONOMIC PLANNING**

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**COUNTY BUDGET REVIEW AND  
OUTLOOK PAPER, 2021**

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**September 2021**

Turkana County Budget Review and Outlook Paper, 2021

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## **Foreword**

It is my great pleasure to present to you the Turkana County Budget Review and Outlook Paper (CBROP) 2021. This paper has been prepared against a background of expected global recovery after a slump in 2020 occasioned by the effects of the COVID-19 Pandemic. Globally, the economy is projected to grow by 5.9 percent in 2021, from a contraction of 3.1 percent in 2020. 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.

On the domestic front, economic growth is expected to rebound to 6.2 percent in FY 2021/22 from a slowdown in FY 2020/21 and remain above 6.0 percent over the medium term. This recovery reflects the lower base of 2020 when the containment measures slowed down economic activities especially the service sector that had been shut down. The outlook in 2021 will be reinforced with the prevailing stable macroeconomic environment and the opening up of economy as a result of increasing vaccinated population.

The fiscal performance in the FY 2020/21 was satisfactory with overperformance in Own Source Revenue (OSR) and increased expenditures associated with the adverse impact of COVID-19 Pandemic. The overperformance in OSR is a result of partial opening of the economy and also an introduction of a requirement for all suppliers to have valid business permits before they could be paid. In light of this, the fiscal policy supporting the FY 2021/22 budget is designed to support resilient and sustainable economic recovery inclusive growth, mobilize resources and the fiscal deficit.

This CBROP sets a threshold for preparation of 2022/23 budget estimates. Note that the budget for FY 2022/23 is being prepared under a revised budget calendar that take into account the preparations of the 2022 General Elections. Therefore, the County Entities are expected to adhere to the strict deadlines in the recently issued Turkana Budget Circular FY 2022/23, to enable finalization and appropriation of the FY 2022/23 budget by end of March, 2022.

**Emathe Namuar**  
**County Executive Committee Member – Finance & Economic Planning**

## **Acknowledgement**

The County Budget Review and Outlook Paper (CBROP) 2021 has been prepared in accordance with the law as stipulated in the Public Finance Management (PFM) Act, 2012. The document provides actual fiscal outturn of FY 2020/21 budget and how the performance has affected the fiscal responsibilities principles and the financial objectives as set out in the PFM Act, 2012 as well as giving information on adjustments made to projections outlined in the County Fiscal Strategy Paper (CFSP) 2021.

Despite the disruptions brought about the COVID-19 Pandemic, rampant floods, locust manifestation that affected the entire county and delay in disbursements from the National Treasury, the FY 2020/21 budget execution was above average. The overall absorption rate stands at 78%, with commendable recurrent expenditure performance of 92% and a average development expenditure performance of 53%. The continued low performance of development expenditure is attributed to the challenges in requisition of funds and embracing the e-procurement approach. The county government takes note of the low absorption rate in development expenditure and cautions the county entities on non-completion of capital projects as well as accumulation of pending bills as we head into the General Election Year.

The production of this CBROP 2021 was a combined responsibility of various county government departments. We appreciate the requisite data that were provided by relevant county entities. In particular, we are grateful to the directorates of Revenue, Accounting Services, Human Resource, Economic Planning and the Turkana County Assembly.

I am indebted to the budget team led by Acting Director Mr. Simon Wangila for sedulously spending their energy and enthusiasm to ensure that the document has been brought to fruition within the timeframe and in the format that meets the legal requirements.

Allow me to conclude by pointing out the importance of public and stakeholder's participation in the FY 2022/23 Medium Term Budget preparation. We would like the Sector Working Groups to develop an approach that will effectively bring into the budget making process the useful inputs and proposals from the public and the stakeholders.

**Jeremiah Apalia**  
**Chief Officer – Economic Planning**

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## Abbreviations and Acronyms

<b>BS</b>	Budget Statement
<b>CBROP</b>	County Budget Review and Outlook Paper
<b>CFSP</b>	County Fiscal Strategy Paper
<b>CG</b>	County Government
<b>CIDP</b>	County Integrated Development Plan
<b>COVID-19</b>	Corona Virus Disease 2019
<b>CRF</b>	County Revenue Fund
<b>FY</b>	Fiscal Year /Financial Year
<b>MTEF</b>	Medium Term Expenditure Framework
<b>MoU</b>	Memorandum of Understanding
<b>PFM</b>	Public Finance Management Act
<b>OSR</b>	Own Source Revenue
<b>SWGs</b>	Sector Working Groups

## **Glossary of Terms**

**Appropriation in Aid-** These are receipts which may be retained by a department to offset expenditure instead of being paid into the exchequer account of the central fund

**Budget Statement-** It sets out the Administrations priority programs to be implemented in the Medium-Term Development under a devolved system of government

**County Fiscal Strategy Paper-** This is an overview of how a county plans to raise and spend money for the next year while considering a 2–3-year perspective.

**County Integrated Development Plan-** This is a super plan for an area that gives an overall framework for development. It aims to coordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in an area. The plan should look at economic and social development for the area as a whole.

**Gross Domestic Product -** This is the aggregate measure of production equal to the sum of the gross value-added of all resident institutional units engaged in all production (plus any taxes, and minus any subsidies, on products not included in the value of their output.

**Medium Term Expenditure Framework-**It is an integrated approach to policy, planning and budgeting by developing countries that estimate expenditures of three years from the present.

**Real GDP-** This is a macroeconomic measure of the value of economic output adjusted for price changes i.e., inflation or deflation.

**Sector Working Groups-** These are forums to discuss and build consensus about development priorities and improve sectoral aid coordination and effectiveness.

## **Legal Basis for the Publication of the CBROP**

The County Budget Review and Outlook Paper has been prepared in accordance with Section 118 of the Public Finance Management Act, 2012. The law states that:

1) The County Treasury shall prepare and submit to County Executive Committee for approval, by 30th September in each financial year, a County Budget Review and Outlook Paper which shall include:

- a. Actual fiscal performance in the previous financial year compared to the budget appropriation for that year;
- b. Updated economic and financial forecasts with sufficient information to show changes from the forecasts in the most recent County Fiscal Strategy Paper.
- 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 County Fiscal Strategy Paper; and
- d. The reasons for any deviation from the financial objectives in the County Fiscal Strategy Paper together with proposals to address the deviation and the time estimated for doing so.

2) The County Executive Committee shall consider the County Budget Review and Outlook Paper with a view of approving it, with or without amendments, within fourteen days after its submission

3) Not later than seven days after the County Budget Review and Outlook Paper (CBROP) has been approved by the County Executive Committee, the County Treasury shall:

- a. Submit the paper to the Budget Committee of the County Assembly to be laid before County Assembly; and
- b. Publish and publicize the paper not later than fifteen days after laying the Paper before the Assembly.



## **Fiscal Responsibility Principles in the Public Financial Management Law**

In line with the Constitution of Kenya 2010, the Public Finance Management (PFM) Act, 2012, sets out the fiscal responsibility principles to ensure prudence and transparency in the management of public resources. The PFM law (Section 107) states that:

1. The County government's recurrent expenditure shall not exceed the county government's total revenue.
2. Over the medium term a minimum of thirty percent of the County government's budget shall be allocated to the development expenditure.
3. The County government's expenditure on wages and benefits for public officers shall not exceed a percentage of the County government's total revenue as prescribed by the County Executive Member Finance regulations and approved by the County Assembly.
4. Over the medium term, the County government's borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure.
5. The County debt shall be maintained at a sustainable level as approved by the County Assembly
6. Fiscal risks shall be managed prudently.
7. A reasonable degree of predictability with respect to the level of tax rates and tax bases shall be maintained, taking into account any tax reforms that may be made in the future.

## EXECUTIVE SUMMARY

Turkana County Budget Review and Outlook Paper 2021 has been prepared in accordance with the PFM Act 2012; an analysis of FY 2020/2021 budget performance. It considers the revenue and expenditure recorded during the financial year with respect to the entities. It evaluates the variations in policies set out in the County Fiscal Strategy Paper 2020, projects the macroeconomic conditions for the subsequent year and provides preliminary budget ceilings for the county departments.

The revised total revenue budgeted for FY 2020/2021 was **KES 14,478,839,126.04**, **KES 10,539,450,000** as equitable share, **KES 1,957,594,503.69** as the conditional grants, **KES 1,806,794,622.35** as the balance carried forward and **KES 175,000,000** as the own source revenue.

The total county revenue realized was **KES 13,794,007,261** which is **95.27 per cent** of FY 2020/21 revenue estimates. The total revenue at CRF summed to **KES 13,794,007,261** while funds balances of FY 2019/20 at various Special Purpose Accounts added up to **KES 565,799,342**. The amount at the CRF can be categorized as Equitable Share for FY 2020/21 of **KES 11,445,842,700**, conditional grants of **KES 1,159,719,172**, Own Source Revenue of **KES 203,038,220.85** and balance brought forward from FY 2019/20 of **KES 985,407,167.35**.

The expenditure for Turkana County was **KES 11,242,158,912**, which represents **78 per cent** with respect to the revised budget of **KES 14,478,839,126.04**. The County recorded recurrent expenditure of **KES 8,399,215,397** which represents **92 per cent** performance. In the period under review, development expenditure amounted to **KES 2,842,943,514** translating to **53 per cent** performance. County Department of Public Service, Administration and Disaster management had the highest expenditure of **KES 4,447,658,502**, which was mainly compensation to employees and purchases of humanitarian relief food. The department of Health Services and Sanitation was second registering **KES 1,118,293,403**. Office of the Deputy Governor recorded the lowest expenditure of **KES 23,951,204** attributing to the low budget appropriation. Fiscal strategies including reforms in revenue administration, continued capacity building in OSR management and administration, and the full use of Integrated

Financial Management Systems (IFMIS) will improve the fiscal outcome for the FY 2021/22. These strategies, complemented with expenditure rationalization measures will create the necessary fiscal space for the implementation of the “Big Four” Plan, the Turkana CIDP II 2018-2022 and the Governor’s Five Point Agenda.

The FY 2022/23 budgeting will be guided by the planning documents; the second generation CIDP and the ADP to link these documents to budgeting to ensure budget credibility and coherence.

## **CHAPTER ONE: INTRODUCTION**

### **Objective of the 2021 Turkana County Budget Review and Outlook Paper**

1. This Chapter provides the purpose of County Budget Review and Outlook Paper (CBROP) in budget making process and general organization structure of the document. The County Budget Review and Outlook Paper (CBROP) is prepared in accordance to Chapter 118 of the Public Finance Management act 2012.
2. Kenya has recorded high number of Corona Virus Disease 2019 (COVID-19) cases than the neighboring countries since 13<sup>th</sup> March 2020 when it was first reported. COVID -19 shocks have been felt both in short and medium term. To cushion Kenyans from these shock National Coordination Committee on the Response to the Corona Virus Pandemic (NCCRCP) was formed to assess the impact of the virus and to derive several feasible recommendations which has in turn adversely affected business environment negatively, disrupted revenue flows and limited demand and supply.
3. The county has surpassed its target for Own Source Revenue despite challenges posed by COVID-19. There is a need for Directorate of Revenue to revise target upward closer to the achieved. Low expenditures in the FY 2020/21 had implications on the financial objectives outlined in the CFSP and the fiscal projections of next budget. The county government has to make timely requisition of funds and fast-tracking quarterly implementation reports.
4. The 2021 County Budget Review and Outlook Paper (CBROP) provides a review of fiscal performance for the FY 2020/2021 and how this performance impacted fiscal objectives and responsibility principles spell out in the County Fiscal Strategy Paper (CFSP) 2020. It gives details of achievement of revenue target, aggregate expenditures, updated macroeconomic and forecast, deviation from financial objectives in CFSP and proposals of those changes and need for automation of revenues system to boost capacity to collect more revenues within the borders of Turkana.
5. This paper is a policy document linking planning with budgeting. It is a substantial step in the budget making process within the Medium-Term Expenditure Framework (MTEF) because it gives a review of last year fiscal performance and identification of deviations from the budget in the context of supplementary budget. It also measures adherence to responsibility principles found in Section 107 of the

PFM Act, 2012. Lastly, macroeconomic and financial outlook provides forecast that will guide formulation of next budget and parameter of budget revision.

6. The document is organized into six Chapters: Chapter I gives the objective of the paper, Chapter II offers a review of fiscal performance for the FY 2020/2021 and how this performance impacted fiscal objectives and responsibility principles with three main sub division namely overview, fiscal performance and implications. Chapter III highlights recent economic developments and macroeconomic outlook with three sub sets namely; recent economic development, macroeconomic outlook and county specific outlook in the context of Turkana. Chapter IV details hurdles in execution of budget while Chapter V has information on resource allocation framework with sub divisions on adjustment to the previous year's budget and Medium-Term Expenditure Framework (MTEF). Lastly Chapter VI is the conclusion of paper.

## CHAPTER TWO: REVIEW OF FISCAL PERFORMANCE IN 2020/21

### Overview

7. Total County revenue realized for the FY 2020/21 including Balance Carried Forward from the FY 2019/20, OSR, Grants and shareable revenue amounted to **KES 13,794,007,261** or **95.27%** of revenue target **KES 14,478,839,126.04**.
8. The National Treasury issued from the Exchequer, the total amount due to the county for the financial year 2020/21 and an additional amount of **KES 906,392,700** as the Shareable Revenue not remitted in FY2019/20.
9. The fiscal performance for the FY 2020/21 budget was generally satisfactory, with a shortfall in revenue target by **KES 312,325,630.60** as compared to a shortfall in revenue target by **KES 1,666,029,296.05** in FY 2019/20. The shortfall in revenue was majorly because of unremitted grants from the National Government and Development Partners.
10. Total expenditure by the end of the financial year was **KES 11,242,158,912** against the actual revenue received into CRF account of **KES 13,794,007,260**. The Recurrent expenditure was **KES 8,399,215,397** and the Development expenditure was **KES 2,842,943,514**.
11. The county absorption rate of **78%** was satisfactory with recurrent and development absorption rates being **92%** and **53%** respectively. The average development absorption rate has remained a big concern to the county government. Delays in production of designs, procurement and financial processes and legal requirements have largely contributed to low absorption of development expenditure. Again, most of the expenditures were directed towards the fight against COVID-19 which were majorly recurrent.
12. Despite the slowed world economy, the fiscal outcome for the FY 2020/21 budget adhered to the provisions set out in the PFM Act, 2012. The County Government development expenditure budget as a percent of total budget was **36.93%** above the ceiling of **30%**. The share of County Government wages and benefits to County Government revenues was **31.13%**, below the required threshold of **35%**.

## FY 2020/21 FISCAL PERFORMANCE

### Revenue Envelope

13. In FY 2020/21, the revised resource envelope amounted to **KES 14,478,839,126.04**. This encompasses Equitable Share of **KES 10,539,450,000**, Conditional Grants of **KES 1,872,981,960.69**, Own Source Revenue of **KES 175,000,000**, and Balance carried forward of **KES 1,698,336,833.35**. **Table 1** below illustrates the various sources of revenue for Turkana County.

**Table 1: FY 2020/2021 Revenue Envelope**

REVENUE STREAM	Revised Supplementary I
	FY 2020/21 Budget
<b>1. National Revenue</b>	
a) Equitable share	10,539,450,000.00
b) Compensation for User Fees Foregone	25,634,941.00
c) Roads Maintenance Levy Fund FY 2020/21	315,071,072.00
d) Roads Maintenance Levy Fund FY 2019/20 Balance	143,459,632.00
e) Roads Maintenance Levy Fund (Funds at the Special Purpose Account)	231,604,919.00
e) Village Polytechnics	12,709,894.00
<b>f) Loans and Grants</b>	
i) Transforming Health Systems for Universal Care Project (WB)	300,000,000.00
ii) National Agricultural and Rural Inclusive Growth Project (NARIGP)	216,213,200.00
iii) Kenya Devolution Support Project Level I Grant	45,000,000.00
iv) Universal Health Care in Devolved System Programme	29,970,000.00
v) Agricultural Sector Development Support Programme (ASDSP) II	18,731,177.00
vi) Drought Resilience Programme in Northern Kenya (DRPNK)	200,000,000.00
vii) Additional DANIDA UHC Health Programme Support Fund FY 2019/20	0.00
viii) Kenya Urban Support Programme- UDG at the Special Purpose Account	127,012,879.60
ix) Kenya Urban Support Programme- UDG FY 2020/21 Balance	27,058,920.94
i) Transforming Health Systems for Universal Care Project (WB) at the Special Purpose Account - FY 2019/2020 Balance	72,057,536.15
Car Loan and Mortgage for Assembly FY 2019/20 at SPA	108,457,789.00
<b>2. Own Revenue Sources</b>	
<b>l) Projected Revenue From Local Sources</b>	175,000,000.00
<b>3. Balance C/F</b>	1,698,336,833.35
<b>TOTAL REVENUE</b>	<b>14,478,839,126.04</b>

Source: Department of Budget

## County Revenue Performance

14. The total county revenue realized was **KES 13,794,007,260** which is **95.27 per cent** of FY 2020/21 revenue estimates while funds balances of FY 2019/20 at various Special Purpose Accounts added up to **KES 565,799,342**. The amount at the CRF can be categorized as Equitable Share for FY 2020/21 of **KES 11,445,842,700**, conditional grants of **KES 1,159,719,172**, Own Source Revenue of **KES 203,038,220** and balance brought forward from FY 2019/20 of **KES 985,407,167**.

15. In summary, the total unrealized revenue amounted to **KES 312,325,630** which was mainly unremitted grants. **Table 2** below shows the various revenue streams, performance with respect to the revised budget estimates.

**Table 2: FY 2020/21 Actual Receipts**

REVENUE STREAM	Revised Supp I Budget Estimates			
	FY 2020/21 Budget Estimates	Actual Receipts	Unremitted	Revenue Performance
<b>1. National Revenue</b>				
a) Equitable share	10,539,450,000.00	11,445,842,700.00		108.60%
b) Compensation for User Fees Foregone	25,634,941.00	25,634,941.00	-	100.00%
c) Roads Maintenance Levy Fund	458,530,704.00	389,863,389.00	(68,667,315.00)	85.02%
e) Village Polytechnics	12,709,894.00	12,709,894.00	-	100.00%
f) Loans and Grants			-	
i) Transforming Health Systems for Universal Care Project (WB)	300,000,000.00	299,737,427.75	(262,572.25)	99.91%
ii) National Agricultural and Rural Inclusive Growth Project (NARIGP)	216,213,200.00	173,242,630.65	(42,970,569.35)	80.13%
iii) Kenya Devolution Support Project Level I Grant	45,000,000.00	45,000,000.00	-	100.00%
iv) Universal Health Care in Devolved System Programme	29,970,000.00	29,970,000.00	-	100.00%
v) Agricultural Sector Development Support Programme (ASDSP) II	18,731,177.00	18,306,003.00	(425,174.00)	97.73%
vi) Drought Resilience Programme in Northern Kenya (DRPNK)	200,000,000.00		(200,000,000.00)	0.00%
vii) Kenya Urban Support Programme KUDP (UDG)		52,439,838.65		
viii) Kenya Devolution Support Project Level II Grant		112,815,048.00		
<b>2. Own Revenue Sources</b>			-	
<b>l) Projected Revenue From Local Sources</b>	175,000,000.00	203,038,220.85		116.02%
<b>3. FY 2019/2020 Balances</b>				
a) Equitable Share Balance	1,891,799,867.35	985,407,167.35		100%
b) Special Purpose Accounts	565,799,342.69	-		100%
<b>TOTAL REVENUE</b>	<b>14,478,839,126.04</b>	<b>13,794,007,260.25</b>	<b>(312,325,630.60)</b>	<b>95.27%</b>

Source: County Treasury



## Quarterly County Revenue Fund Receipts

16. During the year under review, the total revenue at the CRF amounted to **KES 13,794,007,260**, which comprised of **KES 12,808,600,094** CRF receipts and balance brought forward from the previous financial year of **KES 985,407,167**.

17. The fourth quarter received the highest amount of revenue of **KES 6,755,801,319** while the first quarter was the lowest with **KES 942,740,925**. Table 3 below show the quarterly receipts for FY 2020/2021.

**Table 3: Quarterly CRF Receipts**

COUNTY REVENUE FUND RECIEPTS				
Month of the Year	Equitable Share	Grants	OSR	Amount
Quarter 1	906,392,700	-	36,348,225	942,740,925
Quarter 2	1,739,009,250	264,927,969	38,295,769	2,042,232,988
Quarter 3	2,634,862,500	360,890,481	72,071,881	3,067,824,862
Quarter 4	6,165,578,250	533,900,723	56,322,346	6,755,801,319
<b>Total Per Category</b>	<b>11,445,842,700</b>	<b>1,159,719,173</b>	<b>203,038,221</b>	<b>12,808,600,094</b>
<b>Total Reciepts</b>	<b>12,808,600,094</b>			
<b>Opening Balance</b>	<b>985,407,167</b>			
<b>Total Revenue at CRF</b>	<b>13,794,007,261</b>			

Source: County Treasury

## County Revenue Fund Receipts by Month

18. The monthly revenue analysis for the period under review shows that June 2021 received the highest CRF receipts of **KES 3,871,698,6655** compared to the other months. The months that recorded the lowest receipts were September 2020 and July 2021, which had **KES 14,982,855** and **KES 11,731,402.00**, respectively.

**Table 4: County Revenue Fund Receipts by Month**

Month of the Year	Amount	Cumulative
July	11,731,402.00	11,731,402.00
August	916,026,667.60	927,758,069.60
September	14,982,855.50	942,740,925.10
October	1,750,980,733.00	2,693,721,658.10
November	41,552,962.90	2,735,274,621.00
December	249,699,291.80	2,984,973,912.80

Month of the Year	Amount	Cumulative
January	2,081,805,216.15	5,066,779,128.95
February	67,349,670.00	5,134,128,798.95
March	918,669,976.00	6,052,798,774.95
April	1,780,349,153.60	7,833,147,928.55
May	1,103,753,499.70	8,936,901,428.25
June	3,871,698,665.55	12,808,600,093.80
<b>Cumulative Total</b>		<b>12,808,600,093.80</b>

19. In addition, there were a number of months whose equitable share disbursement were delayed until the following months hence recorded nil receipts in those periods. Conditional grants were recorded as from the month of November 2020 meaning that there were no receipts in the first quarter.

**Table 5: County Revenue Fund Receipts by Category**

COUNTY REVENUE FUND RECEIPTS FY 2020/21			
Month of the Year	Equitable Share	Grants	OSR
Jul-20			11,731,402.00
Aug-20	906,392,700.00		9,633,967.60
Sep-20			14,982,855.50
Oct-20	1,739,009,250.00		11,971,483.00
Nov-20		27,058,920.90	14,494,042.00
Dec-20		237,869,048.05	11,830,243.75
Jan-21	1,739,009,250.00	309,535,534.00	33,260,432.15
Feb-21		51,354,947.00	15,994,723.00
Mar-21	895,853,250.00		22,816,726.00
Apr-21	1,739,009,250.00	25,150,902.60	16,189,001.00
May-21	895,853,250.00	188,826,538.90	19,073,710.80
Jun-21	3,530,715,750.00	319,923,281.50	21,059,634.05
<b>Total Per Category</b>	<b>11,445,842,700.00</b>	<b>1,159,719,172.95</b>	<b>203,038,220.85</b>
<b>Total Receipts</b>	<b>12,808,600,093.80</b>		
<b>Opening Balance</b>	<b>985,407,167.35</b>		
<b>Total Revenue at CRF</b>	<b>13,794,007,261.15</b>		

Source: County Treasury, Turkana County

### Own Source Revenue Collections

20. The total Own Source Revenue collected for FY 2020/2021 was **KES 203,038,220.85**. January 2021 had the highest collection of **KES 33,260,432.15** followed by March 2021 with **KES 22,816,726**. The lowest months were July 2020

and August 2020, which collected **KES 11,731,402.00** and **KES 9,633,967.60** respectively. **Table 6** below shows the Own Source Revenue collected over the months of FY 2020/2021.

**Table 6: Monthly Own Source Revenue Collections**

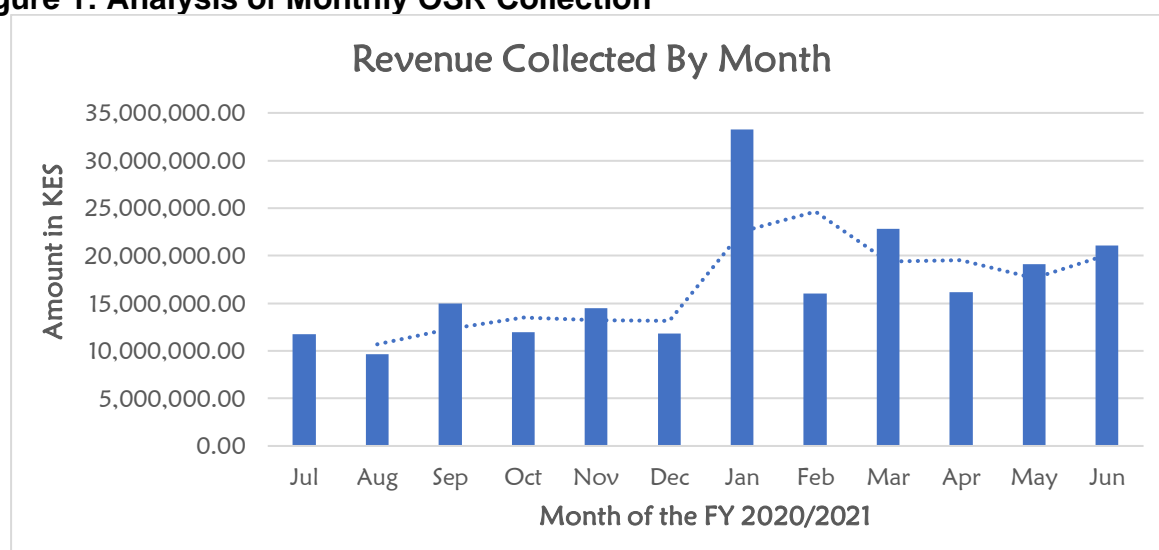
Month	Amount Collected in KES	Cumulative Collections
Jul	11,731,402.00	11,731,402.00
Aug	9,633,967.60	21,365,369.60
Sep	14,982,855.50	36,348,225.10
Oct	11,971,483.00	48,319,708.10
Nov	14,494,042.00	62,813,750.10
Dec	11,830,243.75	74,643,993.85
Jan	33,260,432.15	107,904,426.00
Feb	15,994,723.00	123,899,149.00
Mar	22,816,726.00	146,715,875.00
Apr	16,189,001.00	162,904,876.00
May	19,073,710.80	181,978,586.80
Jun	21,059,634.05	203,038,220.85
<b>Total Collections for FY 2020/2021</b>		<b>203,038,220.85</b>

Source: Directorate of Revenue, Turkana County

### Own Source Revenue by Month

21. **Figure 1** below shows that the highest OSR collection was realized in the month of January 2021 while the least was collected in the month of August 2020.

**Figure 1: Analysis of Monthly OSR Collection**



### Own Source Revenue by Quarter

22. The third quarter collected the highest OSR as compared to the other quarters. This can be attributed to the high collections in the months of January 2021 and March 2021.

**Table 7: Own Source Revenue by Quarter**

Quarter	Amount
1st Quarter	36,348,225
2nd Quarter	38,295,769
3rd Quarter	72,071,881
4th Quarter	56,322,346
<b>TOTAL</b>	<b>203,038,221</b>

Source: Directorate of Revenue, Turkana County

### Own Source Revenue by Streams

23. The highest revenue contributor was CESS that raised **KES 51,353,477** followed by Single Business Permit at **KES 36,072,300.00**. The lowest contributors were Weights & Measures and Charcoal CESS/Permits at **KES 718,320.00** and **KES 44,000.00** respectively. Environment and Trade Fair streams recorded nil revenue in the same period.

**Table 8: FY 2020/21 OSR Collection by Stream**

Revenue Stream	Amount Collected In KES	%
Cess	51,353,477.00	25.3%
Transport Operation Fee	8,702,667.00	4.3%
Slaughter/Auction Fee	8,625,460.00	4.2%
Advertisement	1,040,460.00	0.5%
Parking Fee	2,527,700.00	1.2%
Land Survey/Application/Building Approval Fee	14,307,015.00	7.0%
House Rent/Kiosks/Stalls	2,199,210.00	1.1%
Royalty	21,303,206.00	10.5%
Corporates	5,190,848.85	2.6%
Liquor Licences	1,186,000.00	0.6%
Health (Public Health & Cost Sharing)	18,979,079.00	9.3%

Revenue Stream	Amount Collected In KES	%
Single Business Permit	36,072,300.00	17.8%
Market Fee	3,994,430.00	2.0%
Weights And Measures	718,320.00	0.4%
Trade Fair	-	0.0%
Other Fees and Charges	24,273,648.00	12.0%
Environment	-	0.0%
Charcoal Cess/Permits	44,000.00	0.0%
SBP Mass Collection Kakuma Refugee Camp	2,520,400.00	1.2%
<b>TOTAL</b>	<b>203,038,220.85</b>	<b>100.0%</b>

Source: Directorate of Revenue, Turkana County

### Own Source revenue by Sub County

24. Turkana Central Sub County collected the highest OSR of **KES 129,256,794** followed by Turkana South with **KES 47,612,810.00**. Most government services are paid at the headquarters that explains the high revenue collections in Turkana Central Sub County. The lowest contributor was Kibish Sub County at **KES 37,500** which is attributed to insecurity in the area hindering economic activities and revenue collection. **Table 9** below shows the quarterly collections in sub counties.

**Table 9: Own Source Revenue by Sub County**

SUB-COUNTY	1ST QUARTER	2ND QUARTER	3RD QUARTER	4TH QUARTER	TOTAL
TURKANA WEST	4,934,960	2,147,685	5,752,635	5,681,670	18,516,950
TURKANA NORTH	1,021,820	742,570	1,612,855	1,400,820	4,778,065
LOIMA	418,912	437,980	556,170	595,880	2,008,942
TURKANA CENTRAL	21,717,383	23,442,194	50,536,231	33,560,986	129,256,794
TURKANA EAST	183,150	120,290	245,540	278,130	827,110
TURKANA SOUTH	8,066,400	11,405,050	13,343,400	14,797,960	47,612,810
KIBISH	5,600	-	25,000	6,900	37,500
<b>TOTAL</b>	<b>36,348,225</b>	<b>38,295,769</b>	<b>72,071,831</b>	<b>56,322,346</b>	<b>203,038,171</b>

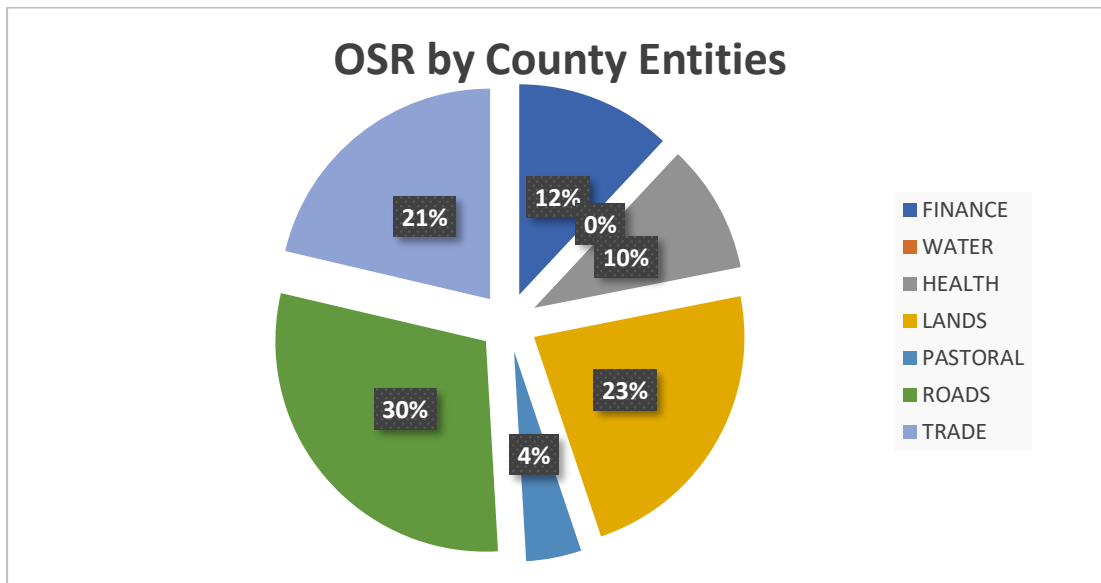
Source: Directorate of Revenue, Turkana County

### Own Source Revenue by Entity

25. County Department of Infrastructure was the highest contributor of own source revenue at **30%**. CESS and transport operation fees are the revenue streams under the entity. The county department of Lands, Energy, Housing and Urban Areas Management at **23%** was second. The contributors in the department were

royalties and survey fees among others. Water, Environment and Mineral Resources department was the lowest at 0%.

**Figure 2: Own Source Revenue by Entity**



Source: Directorate of Revenue, Turkana County

26. The OSR for Lodwar Municipality covering Lodwar Township and Kanamkemer wards has been increasing over the last three financial years by over 5%. In FY 2019/20, the OSR grew by 7.25% while in FY 2020/21, the OSR grew by 7.66%. This gives an average growth rate of 7.46% over the medium term. The OSR is therefore projected to grow to KES. 123,684,669.56 in FY 2021/22.

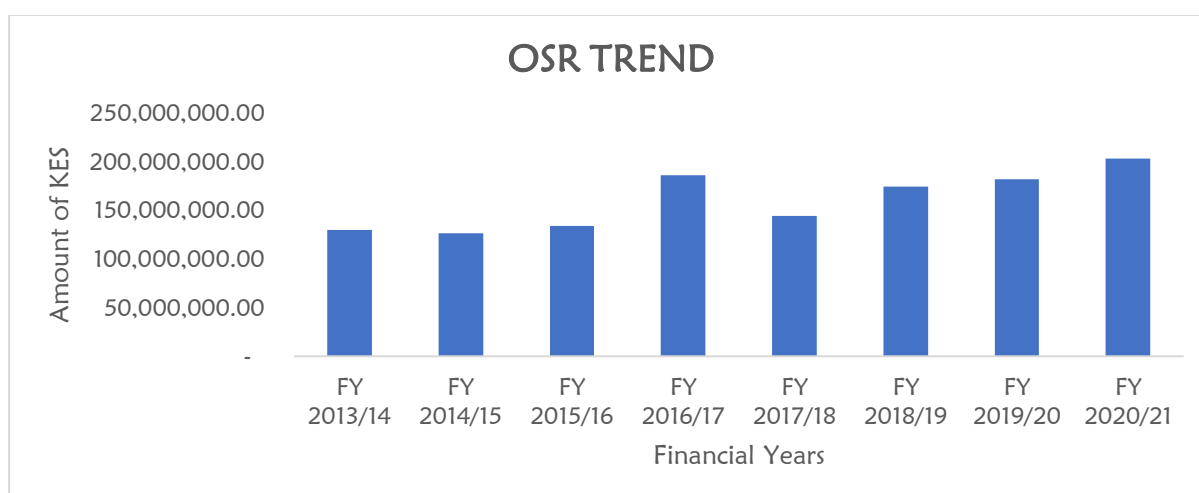
27. For the proposed Kakuma-Kalobeyei Municipality, the OSR for the two wards i.e., Kakuma and Kalobeyei wards has also been increasing by over 10% in the last three financial years. The OSR for the proposed municipality grew by 13.49% and 69.54% in FY 2019/20 and FY 2020/21 respectively. The projected revenue in FY 2021/22 is expected to grow by 41.52% translating to a revenue of KES. 18,955,433.70.

28. Over the medium-term period between 2018/19 and 2021/22, the land rates have been growing from KES 1,858,000 to KES 4,491,700. With an average growth rate of 60%, the revenues from the land rates are expected to grow up to KES 7,186,720 in FY 2022/23. The number of surveyed plots so far in the county stand at 5,500 and this figure is projected to increase to almost 10,000 plots in the next 3 years.

## Own Source Revenue over Years

29. Figure 3 below shows OSR trend for the 8 financial years of devolution. FY 2020/21 recorded the highest revenue collection over the years. There is also a steady OSR growth in four financial years heading to FY 2020/21. This can be attributed to automation of revenue collection, increased awareness and strengthening of the revenue enforcement unit. There was also increased economic activities brought about by economic growth and disbursement funds from the exchequer.

**Figure 3: Annual OSR Trend (2013-2020)**



Source: Analysis by Directorate of Budget, Turkana County

## Unrealized Revenue

30. The total unrealized revenue amounted to **KES 312,325,629**, which were mainly grants that were not remitted in full. Drought Resilience Programme in Northern Kenya (DRPNK) in particular was not remitted at all. **Table 10** below details the unrealized revenue for the FY 2020/21.

**Table 10: Unrealized Revenue**

FINANCIAL YEAR 2020/21			
Revenue Source	Revised Estimates	Actual Received	Unremitted Amounts
Roads Maintenance Levy Fund FY 2020/21	458,530,704.00	389,863,389.90	68,667,314.10
Transforming Health Systems for Universal Care Project (WB)	300,000,000.00	299,737,427.75	262,572.25
National Agricultural and Rural Inclusive Growth Project (NARIGP)	216,213,200.00	173,242,630.65	42,970,569.35

Agricultural Sector Development Support Programme (ASDSP) II	18,731,177.00	16,306,003.00	425,174.00
Drought Resilience Programme in Northern Kenya (DRPNK)	200,000,000.00		200,000,000.00
<b>TOTAL REVENUE</b>	<b>1,193,475,081.00</b>	<b>879,149,451.30</b>	<b>312,325,629.70</b>

Source: County Treasury, Turkana County

## County Revenue Fund Releases

31. **Table 11** below shows monthly releases to various county accounts from the County Revenue Fund Account. These releases are approved requisition by the Controller of Budget. The Month of June 2021 recorded the highest CRF Releases amounting to **KES 3,178,823,268.60** while the months of July 2020 recorded nil releases.

**Table 11: FY 2020/21 County Revenue Fund Releases**

Month	COUNTY EXECUTIVE			COUNTY ASSEMBLY	
	Recurrent Account	Development Account	Fund Accounts	Recurrent Account	Development Account
Jul-20					
Aug-20	607,709,839			88,290,221	
Sep-20			136,322,000		
Oct-20	322,444,355		12,005,000	89,712,512	
Nov-20	709,300,326	139,500,000	688,332	45,411,423	
Dec-20	520,060,851	254,688,695	226,553,348	130,652,417	127,634,012
Jan-21	452,870,505		14,985,000		
Feb-21	168,303,622	85,516,115	419,366,376	100,177,565	18,383,332
Mar-21	731,177,147	80,100,101	7,854,947	74,625,398	
Apr-21	599,845,749	87,166,908		166,962,085	
May-21	1,210,218,773	260,134,582	27,058,921	54,269,172	15,812,023
Jun-21	1,773,072,902	1,036,669,699	245,967,329	123,113,339	
<b>Total Per Category</b>	<b>7,095,004,069</b>	<b>1,943,776,100</b>	<b>1,090,801,253</b>	<b>873,214,132</b>	<b>161,829,367</b>
<b>FY 2020/21 Total Releases</b>			<b>11,164,624,921</b>		

Source: Analysis by Directorate of Budget, Turkana County



## EXPENDITURE PERFORMANCE

### Expenditure by Category

32. Total expenditures by end of June 2021 was **KES 11,242,158,912** against the revised budget estimates of **KES 14,478,839,126.04** as shown in **Table 11** below.

**Table 12: FY 2020/2021 Total Expenditure**

Expense Category	Revised Budget	Total Expenditure	Absorption Rate
Current	9,131,466,640.18	8,399,215,397.30	92%
Development	5,347,372,485.86	2,842,943,514.95	53%
<b>Total</b>	<b>14,478,839,126.04</b>	<b>11,242,158,912.25</b>	<b>78%</b>

*Source: Analysis by Directorate of Budget, Turkana County*

### Expenditure by Entity and Category

33. The expenditure for Turkana County was **KES 11,242,158,912**, which represents **78 per cent** with respect to the revised budget of **KES 14,478,839,126.04**. County Department of Public Service, Administration and Disaster management had the highest expenditure of **KES 4,477,658,502**, which was mainly compensation to employees and purchases of humanitarian relief food. The department of Health Services and Sanitation was second registering **KES 1,118,293,403**. Office of the Deputy Governor recorded the lowest expenditure of **KES 23,951,204**.

34. In addition, comparison to the budgeted estimates of each department shows that Public Service, Administration and Disaster Management had an expenditure of **95 per cent**. County Department of Finance and Economic Planning had **84 per cent** while Infrastructure, Transport and Public Works recorded a **83 per cent** performance. The lowest absorption rate was recorded by Lands, Energy, Housing and Urban Areas Management with **46 per cent** absorption.

**Table 13: Expenditure by Entity and Category**

Department	Revised Estimates (1)	Total Expenditure (2)	Variance (3)	Absorption Rate (%) (4)
		Year-To-Date	(1-2)	(2/1)
Governance	560,364,215.00	344,286,239.90	216,077,975	61%
Office of the Deputy Governor	51,064,091.00	23,951,204.00	27,112,887.00	47%
County Attorney	117,080,439.00	91,587,606.65	25,492,832.35	78%

Finance and Economic Planning	1,000,062,676.35	838,332,597.53	161,730,078.82	84%
Water Services, Environment and Mineral Resources	697,695,018.00	436,562,524.15	261,132,493.85	63%
Health & Sanitation Services	1,409,038,315.15	1,118,293,403.50	290,744,911.65	79%
Trade, Gender and Youth Affairs	343,060,698.00	246,799,159.35	96,261,538.65	72%
Education, Sports and Social Protection	1,073,556,335.00	750,795,920.15	322,760,414.85	70%
Public Service, Administration. & Disaster Management	4,716,611,267.00	4,477,658,502.02	238,952,764.98	95%
Infrastructure Transport & Public Works	864,545,957.00	717,861,731.10	146,684,225.90	83%
Agriculture, Pastoral Economy & Fisheries	1,177,073,589.00	582,300,239.40	594,773,349.60	49%
Tourism, Culture and Natural Resources	248,772,354.00	134,695,702.05	114,076,651.95	54%
Lands, Energy, Housing & Urban Areas Mgt.	569,990,397.00	260,471,645.80	309,518,751.20	46%
County Assembly	1,333,449,496.00	1,035,043,499.00	298,405,997.00	78%
County Public Service Board	97,764,815.00	66,655,425	31,109,390.10	68%
Lodwar Municipality	218,709,463.54	116,863,513	101,845,950.79	53%
<b>TOTAL</b>	<b>14,478,839,126.04</b>	<b>11,242,158,912.25</b>	<b>3,236,680,213.79</b>	<b>78%</b>

Source: Analysis by Directorate of Budget, Turkana County

### Recurrent Expenditure

35. The County recorded recurrent expenditure of **KES 8,399,215,397** which represents **92 per cent** performance. County Department of Public Service and Disaster Management recorded the highest expenditure of **KES 4,477,658,502**. The County Assembly was second with a recurrent expenditure of **KES 873,214,132**. The entity with the lowest expenditure was Lodwar Municipality recording **KES 21,410,185**.

36. In addition, comparison to the budgeted estimates of each department shows that Office of the Governor had a recurrent expenditure of **99 per cent**. Infrastructure, Transport and Public Works **96 per cent** while Public Service, Administration and Disaster Management **95 per cent** performance. Lodwar Municipality recorded the lowest absorption rate of **50 per cent**.

**Table 14: Recurrent Expenditure by Entity**

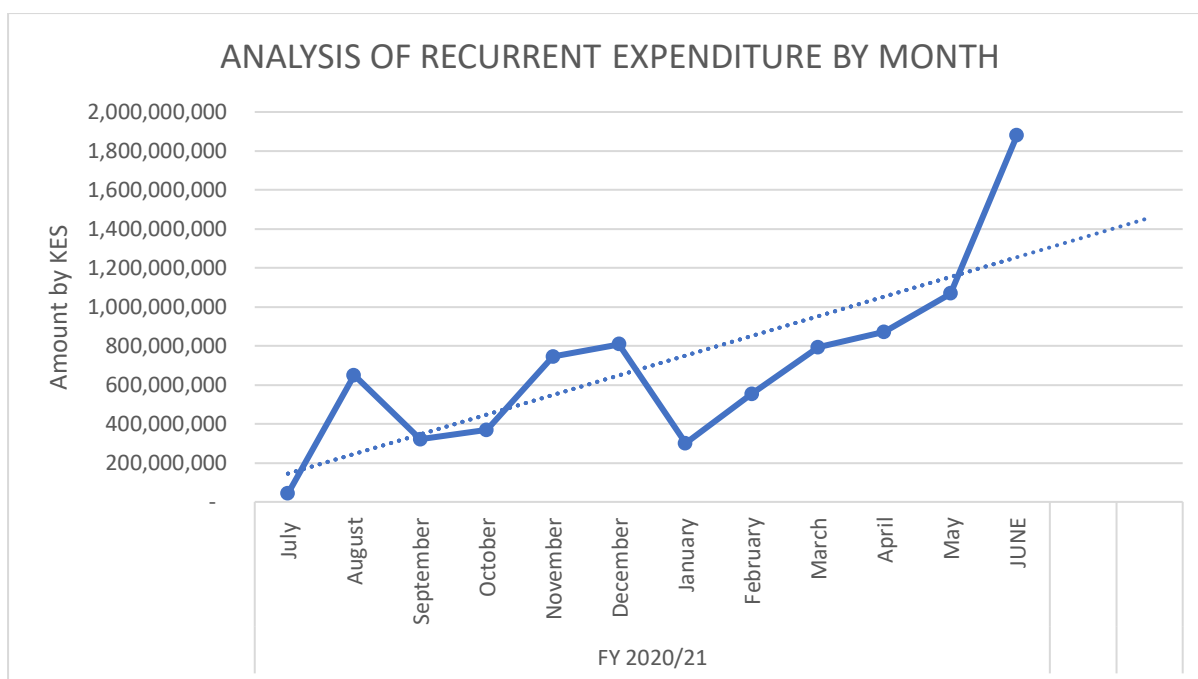
Department	Revised Budget	Current Expenditure	Absorption Rate
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Governance (Office of the GVN and Liaison)	300,368,506	297,202,803	99%
Office of the Deputy Governor	25,951,204	23,951,204	92%
County Attorney	117,080,439	91,587,607	78%
Finance and Economic Planning	696,353,257	646,353,257	93%
Water Services, Environment and Mineral Resources	243,996,332	204,707,844	84%
Health & Sanitation Services	783,477,644	743,477,644	95%
Trade, Gender and Youth Affairs	152,563,966	119,684,799	78%
Education, Sports and Social Protection	510,764,832	412,509,321	81%
Public Services, Decentralized Administration & Disaster Management	4,700,968,140	4,477,658,502	95%
Infrastructure Transport & Public Works	83,246,973	79,634,809	96%
Agriculture, Pastoral Economy & Fisheries	164,819,628	134,839,628	82%
Tourism, Culture and Natural Resources	97,252,354	88,659,387	91%
Lands, Energy, Housing & Urban Areas Mgt.	132,074,374	117,668,852	89%
County Public Service Board	95,424,815	66,655,425	70%
County Assembly	984,107,970	873,214,132	89%
Lodwar Municipality	43,016,206	21,410,185	50%
<b>TOTAL</b>	<b>9,131,466,640</b>	<b>8,399,215,397</b>	<b>92%</b>

*Source: Analysis by Directorate of Budget, Turkana County*

37. June 2021 had the highest expenditure, which can be attributed to high CRF releases. July 2020 recorded lowest expenditure which can be linked to lack of receipts and releases at CRF. **Figure 4** below shows monthly expenditure for FY 2020/21.

#### **Figure 4: Recurrent Expenditure**



Source: Analysis by Directorate of Budget, Turkana County

### Compensation to Employees

38. The compensation to employees amounted to **KES 4,392,564,680**, which translates to **30.34%** of the total county revenue as shown in **Table 15** below.

**Table 15: Compensation to Employees by Month**

Month	Amount
Jul	386,424,431.65
Aug	347,346,142.92
Sep	324,984,632.87
Oct	320,050,123.40
Nov	325,790,903.90
Dec	363,359,454.30
Jan	339,802,239.91
Feb	371,687,504.02
Mar	412,064,223.32
Apr	391,554,327.68
May	415,472,102.60
Jun	394,028,594.13
<b>Total</b>	<b>4,392,564,680.70</b>

Source: Directorate of Human Resource

### Development Expenditure

39. In the period under review, development expenditure amounted to **KES**

**2,842,943,515** translating to **53 per cent** performance. The department of Infrastructure, Transport and Public Works had the highest expenditure of **KES 638,226,922** followed by Agriculture, Pastoral Economy and Fisheries with **KES 447,460,611**. Office of the Governor and Tourism, Culture & Natural Resources the recorded the lowest development expenditure of **KES 47,083,437** and **KES 46,036,315** respectively. The Office of the Deputy Governor, Office of the County Attorney, the department of Public Service, Administration & Disaster Management, and County Public Service Board recorded no development expenditure. The Office of the County Attorney had no development budget allocated to it.

**Table 16: Development Expenditure by Entity**

<b>Department</b>	<b>Revised Budget</b>	<b>Total Expenditure</b>	<b>Absorption Rate (%)</b>
Governance (Office of the Gvn and Liaison)	259,995,709	47,083,437	18%
Office of the Deputy Governor	25,112,887	-	0%
County Attorney	-	-	
Finance and Planning	303,709,419	191,979,341	63%
Water Services, Environment and Mineral Resources	453,698,686	231,854,681	51%
Health & Sanitation Services	625,560,671	374,815,759	60%
Trade, Gender and Youth Affairs	190,496,732	127,114,361	67%
Education, Sports and Social Protection	562,791,503	338,286,600	60%
Public Services, Decentralized Administration & Disaster Management	15,643,127	-	0%
Infrastructure Transport & Public Works	781,298,984	638,226,922	82%
Agriculture, Pastoral Economy & Fisheries	1,012,253,961	447,460,611	44%
Tourism, Culture and Natural Resources	151,520,000	46,036,315	30%
Lands, Energy, Housing & Urban Areas Mgt.	437,916,023	142,802,794	33%
County Public Service Board	2,340,000	-	0%
County Assembly	349,341,526	161,829,367	46%
Lodwar Municipality	175,693,258	95,453,327	54%
<b>TOTAL</b>	<b>5,347,372,486</b>	<b>2,842,943,515</b>	<b>53%</b>

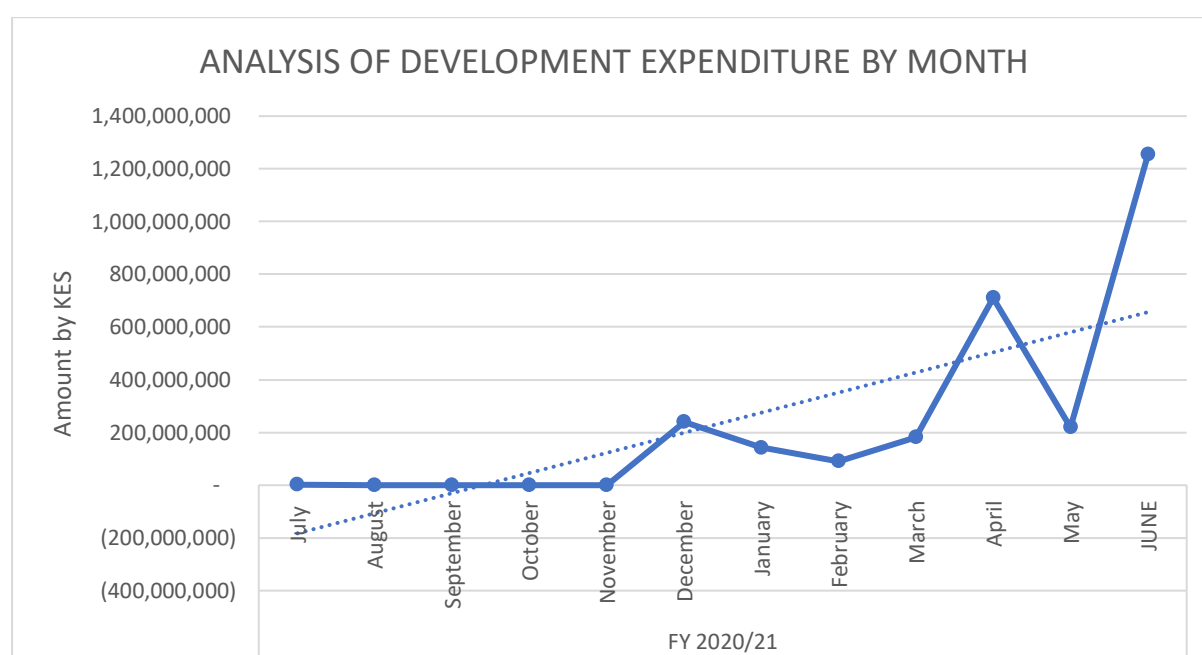
*Source: Analysis by Directorate of Budget, Turkana County*

40. The low absorption rate in development expenditure in the department of Agriculture, Pastoral Economy and Fisheries is as a result of stalled irrigation projects that hold huge amounts of allocated resources and thus not getting paid

within financial year. An example of such projects is Kanaodon Irrigation Scheme that has spread over a number of financial years now and is allocated about KES 54M in the current budget.

41. Lands, Energy, Housing & Urban Areas Management also has a low development absorption as a result of non-completion of the spatial planning project holding KES. 108 Million in the current budget, and has been recurring in the previous budgets.
42. The month of June 2021 had the highest development expenditure, which can be attributed to high CRF releases. The months of July to November 2020 did not record any development expenditure as shown in **Figure 5** below. This can be attributed to lack of exchequer issues and CRF releases.

**Figure 5: Development Expenditure by month**



Source: Analysis by Directorate of Budget, Turkana County

### Total Expenditure by Month

43. The month of June 2021 recorded the highest expenditure of **KES 3,871,698,665** which correlates with high CRF receipts. September 2020 and July 2020 had the lowest expenditure of **KES 14,982,855** and **KES 11,731,402** respectively.

**Table 17: Total Expenditure by Month for FY2020/21**

Month	TOTAL MONTHLY RECEIPTS	TOTAL MONTHLY EXPENDITURE
-------	------------------------	---------------------------

July	11,731,402.00	43,877,265.32
August	916,026,667.60	649,481,147.87
September	14,982,855.50	321,586,478.14
October	1,750,980,733.00	368,960,026.22
November	41,552,962.90	744,637,020.22
December	249,699,291.80	1,047,256,128.45
January	2,081,805,216.15	442,703,817.10
February	67,349,670.00	643,764,695.40
March	918,669,976.00	974,172,084.25
April	1,780,349,153.60	1,583,202,764.95
May	1,103,753,499.70	1,287,980,328.80
June	3,871,698,665.55	3,134,537,155.53
<b>Total Exp</b>	<b>12,808,600,093.80</b>	<b>11,242,158,912.25</b>

*Source: Analysis by Directorate of Budget, Turkana County*

#### **Total Quarterly Expenditure**

44. The fourth quarter recorded the highest expenditure of **KES 6,005,720,249** compared to the other quarters. It also had the highest exchequer issues and CRF releases. First quarter had a lowest absorption due to delayed exchequer releases.

**Table 18: Quarterly Expenditure by Entity**

Department	Revised Estimates	Quarter One	Quarter Two	Quarter Three	Quarter Four	Total Expenditure
Governance	560,364,215	-	52,113,781	64,197,755	227,974,704	<b>344,286,240</b>
Office of the Deputy Governor	51,064,091	-	5,702,836	772,370	17,475,998	<b>23,951,204</b>
County Attorney	117,080,439	-	20,328,925	8,308,292	62,950,389	<b>91,587,607</b>
Finance and Economic Planning	1,000,062,676	-	185,745,282	114,610,921	537,976,395	<b>838,332,598</b>
Water Services, Environment and Mineral Resources	697,695,018	1,988,339	33,960,569	129,920,512	270,693,104	<b>436,562,524</b>
Health & Sanitation Services	1,409,038,315	-	78,483,871	190,588,908	849,220,624	<b>1,118,293,404</b>
Trade, Gender and Youth Affairs	343,060,698	-	14,347,380	52,713,447	179,738,332	<b>246,799,159</b>
Education, Sports and Social Protection	1,073,556,335	-	156,180,390	169,946,928	424,668,602	<b>750,795,920</b>
Public Service, Administration. & Disaster Management	4,716,611,267	887,289,772	1,206,625,488	800,273,950	1,583,469,292	<b>4,477,658,502</b>
Infrastructure Transport & Public Works	864,545,957	-	35,077,752	45,914,823	636,869,156	<b>717,861,731</b>
Agriculture, Pastoral Economy & Fisheries	1,177,073,589	-	34,966,541	158,017,939	389,315,759	<b>582,300,239</b>
Tourism, Culture and Natural Resources	248,772,354	-	32,150,327	25,783,493	76,761,882	<b>134,695,702</b>
Lands, Energy, Housing & Urban Areas Mgt.	569,990,397	-	20,683,854	63,360,506	176,427,286	<b>260,471,646</b>
County Assembly	1,333,449,496	125,666,780	271,246,161	230,480,670	407,649,888	<b>1,035,043,499</b>
County Public Service Board	97,764,815	-	12,649,956	2,187,583	51,817,886	<b>66,655,425</b>
Lodwar Municipality	218,709,464	-	590,060	3,562,500	112,710,953	<b>116,863,513</b>
<b>TOTAL</b>	<b>14,478,839,126</b>	<b>1,014,944,891</b>	<b>2,160,853,175</b>	<b>2,060,640,597</b>	<b>6,005,720,249</b>	<b>11,242,158,912</b>

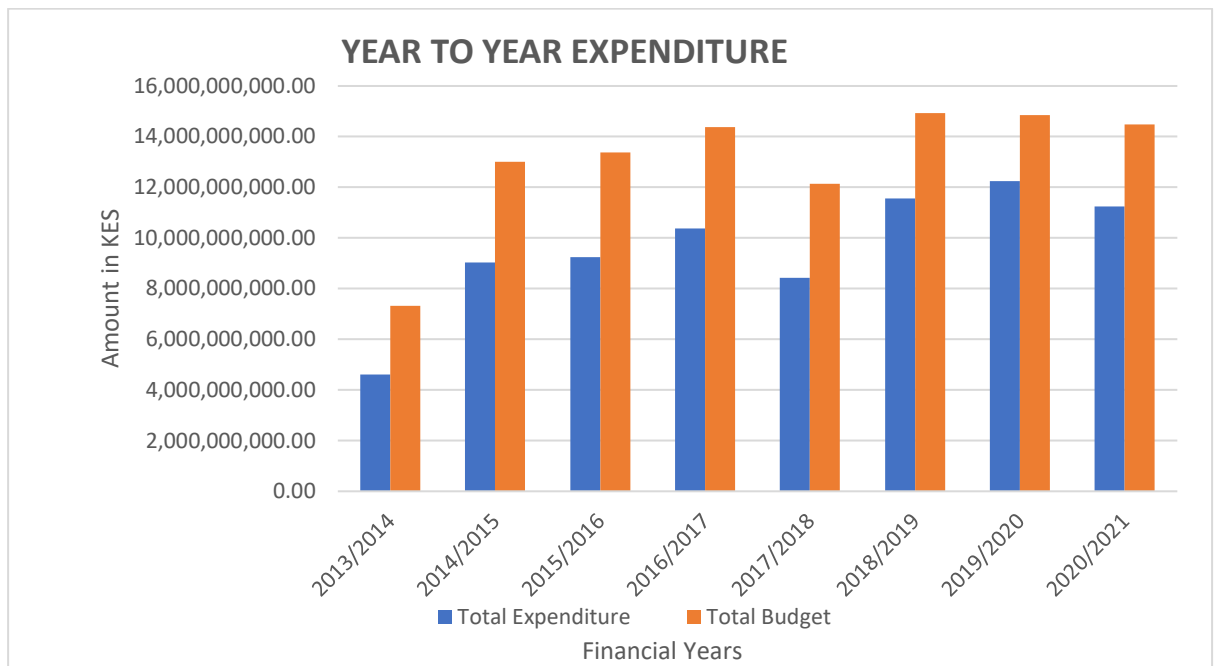
*Source: Analysis by Directorate of Budget, Turkana County*

## Yearly Expenditure

45.FY 2019/2020 recorded the highest ever expenditure as compared to the other years as shown in **Figure 6** below. Staff capacity and integration of IFMIS to the county departments has improved the absorption rates of the county. FY 2013/2014 had the least expenditure due to low total county revenue.



**Figure 6: Analysis of Yearly Expenditure (2013-2021)**



*Source: Analysis by Directorate of Budget, Turkana County*

## **CHAPTER 3: RECENT ECONOMIC DEVELOPMENT AND OUTLOOK.**

### **Economic Performance FY 2020/21 (Q1-Q4)**

46. Global output growth is estimated to have contracted by 0.8 percent in the fourth quarter of 2020 compared to a growth of 2.5 percent in 2019 according to the April 2021 IMF World Economic Outlook (WEO). It is projected to grow by 4.5 percent in the fourth quarter of 2021 and moderate to 4.0 percent in the fourth quarter of 2022. On an annual basis global output is projected to rebound strongly to 6 percent in 2021, before slowing to 4.4 percent in 2022. The projections for 2021 and 2022 are 0.8 and 0.2 percentage points higher, respectively, than in the October 2020 WEO. This reflects additional fiscal support in a few large economies and the anticipated vaccine-powered recovery in the second half of the year. However, the global output growth path is expected to moderate to 3.3 percent in the medium term, reflecting projected damage to supply potential and pre-pandemic forces such as prolonged weakness in labour markets in advanced economies and some emerging market economies.
47. The overall performance of the economy by sector for the first quarter of 2021 point to continued recovery from the adverse impact of the COVID-19 pandemic, as normalization of the domestic and global economy continues. However, the services sector continues to bear the brunt of the pandemic, as COVID-19 containment measures disrupted travel and hospitality services during the year under review.
48. Economic growth in the first three quarters of 2020 contracted by an average of 0.4 percent compared to an average growth of 5.3 percent over the same period in 2019. The overall performance of the economy during the first three quarters of 2020 was cushioned from a deeper slump by improved growths in Mining and Quarrying activities (12.6 percent); Construction (8.6 percent); Health Services (7.3 percent) and Agriculture, Forestry and Fishing activities (6.4 percent). Other sectors of the economy that supported growth in the first three quarters of 2020 despite their slowed positive growth rates compared to the same period in 2019 are; Information and Communication (7.5 percent); Financial and Insurance activities (5.3 percent); Real Estate Activities (4.0 percent) and Electricity and Water Supply (3.3 percent).

49. The contraction of the economy in the first three quarters of 2020 was mainly as a result of significant contractions in the services sectors especially Accommodation and Restaurant (-45.1 percent), Education (-31.2 percent), Wholesale and retail trade (-1.3 percent) and Transport and Storage (-0.9 percent). However, the performance in quarter three (3) of 2020, albeit constrained was relatively better compared to quarter two (2) of the same year due to partial easing of COVID-19 containment measures.

**Table 19: Sectoral GDP Performance**

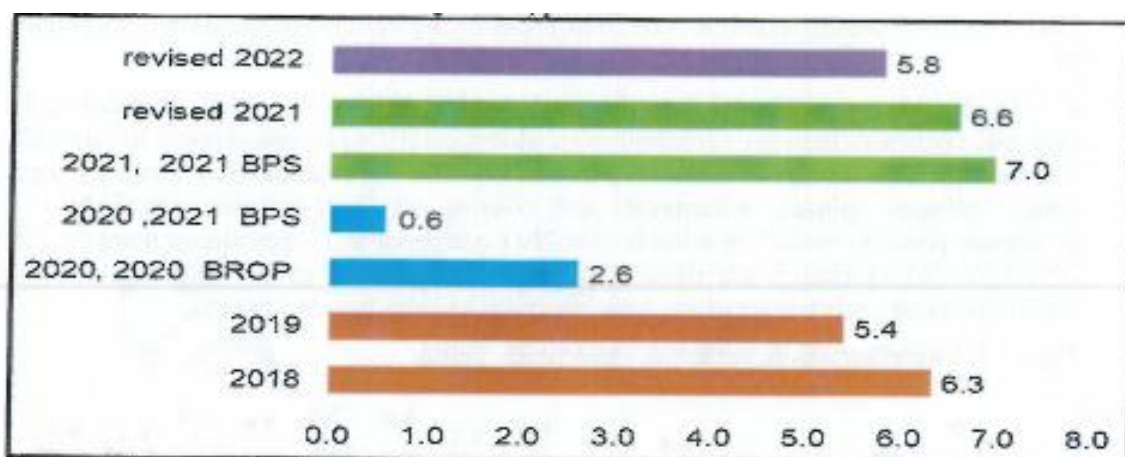
Sectors	Sector Growth (%)											
	2018				2019				2020			
	Q1	Q2	Q3	Q1-Q3	Q1	Q2	Q3	Q1-Q3	Q1	Q2	Q3	Q1-Q3
<b>Primary Industry</b>	6.7	5.9	6.5	6.4	3.9	2.2	4.9	3.6	5.9	7.4	6.9	6.7
Agriculture, Forestry and Fishing	6.9	6.0	6.7	6.5	4.0	2.0	5.0	3.6	5.8	7.3	6.3	6.4
Mining and Quarrying	3.1	3.5	3.2	3.2	1.4	5.0	3.4	3.2	9.5	10.0	18.2	12.6
<b>Secondary Sector (Industry)</b>	5.1	5.4	6.1	5.5	4.2	5.5	5.1	5.0	4.1	(1.0)	4.2	2.4
Manufacturing	4.1	4.6	4.8	4.5	2.3	4.1	3.9	3.5	2.9	(3.9)	(3.2)	(1.4)
Electricity and Water supply	6.1	8.3	8.1	7.5	7.8	7.3	6.4	7.2	6.3	(0.6)	4.7	3.3
Construction	6.7	5.6	7.3	6.5	6.1	7.2	6.6	6.6	5.3	3.9	16.2	8.6
<b>Tertiary sector (Services)</b>	6.2	6.0	6.6	6.2	6.3	6.8	6.7	6.6	5.5	(11.0)	(4.7)	(3.5)
Wholesale and Retail trade	5.6	6.5	7.3	6.5	6.3	7.8	6.1	6.7	6.4	(7.0)	(2.5)	(1.3)
Accommodation and Restaurant	13.3	15.1	15.5	14.5	11.0	12.1	9.9	10.9	(9.3)	(83.2)	(57.9)	(45.1)
Transport and Storage	6.5	6.6	8.5	7.2	6.4	7.6	7.6	7.2	6.1	(11.4)	2.9	(0.9)
Information and Communication	13.2	11.7	9.8	11.7	10.0	7.5	8.0	8.6	9.8	4.6	7.3	7.5
Financial and Insurance	4.0	3.5	5.1	4.2	6.3	5.2	8.1	6.5	6.2	4.2	5.3	5.3
Public Administration	5.5	6.1	7.1	6.3	8.9	8.7	8.4	8.7	6.7	5.7	9.6	7.3
Others	5.1	5.0	4.9	5.0	4.8	5.8	5.6	5.4	4.7	(19.2)	(13.0)	(9.3)
of which Real Estate	5.2	4.5	3.8	4.5	4.7	6.0	5.5	5.4	4.4	2.3	5.3	4.0
Education	5.3	5.2	5.5	5.4	4.3	6.0	6.0	5.4	5.3	(56.2)	(41.9)	(31.2)
Health	4.1	3.4	5.3	4.3	5.4	6.2	5.5	5.7	5.8	10.3	5.6	7.3
Taxes less subsidies	6.1	6.0	6.2	6.1	4.7	4.0	4.2	4.3	3.4	(14.2)	(4.2)	(5.2)
<b>Real GDP</b>	6.3	6.1	6.5	6.3	5.2	5.1	5.8	5.3	5.2	(5.5)	(1.1)	(0.4)
of which Non-Agriculture	6.2	6.1	6.5	6.3	5.7	6.4	6.3	6.1	5.2	(8.4)	(2.5)	(2.0)

Source of Data: Kenya National Bureau of Statistics

50. Economic indicators by sector for the fourth quarter of 2020 point to strong recovery from the adverse impact of the COVID-19 pandemic. 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 expected to have recovered strongly as reflected in the economic indicators in the construction (Cement Consumption), Manufacturing and Electricity and Water supply (Electricity Generation). However, performance of some service sectors (Accommodation and Restaurant, Transport and Storage) are likely to remain subdued due to COVID -19 containment measures which prevailed due to the year under review

51. Similarly, 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 2021 BPS. The downward revision was due to the impact of containment measures between March and July period as a result of the third wave of COVID -19 pandemic.

**Figure 7: Economic Growth over the years**



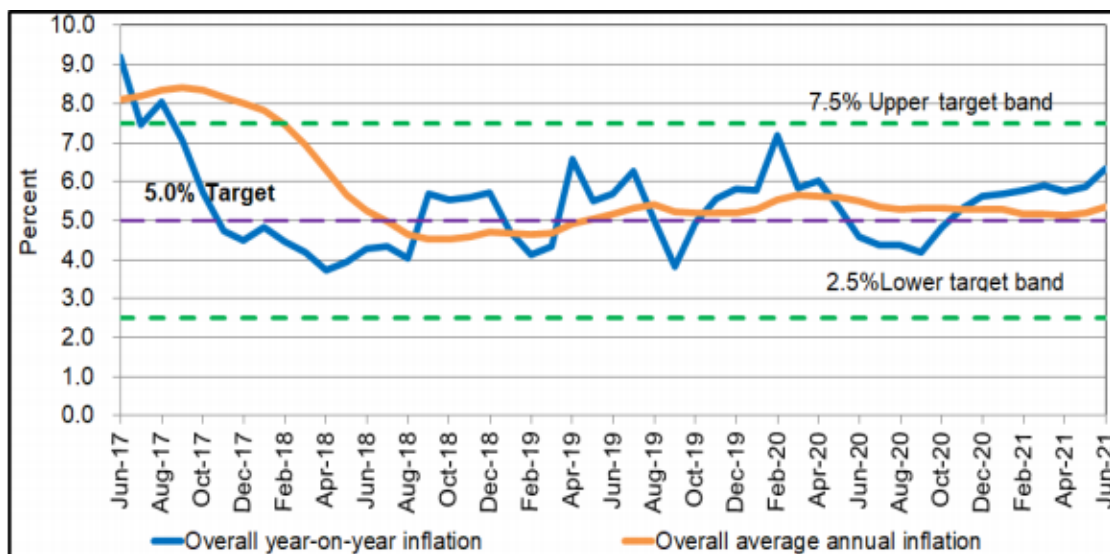
*Source: The National Treasury*

52. 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 growth. The outlook in 2021 will be reinforced by prevailing stable macroeconomic environment and 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 Medium-Term Plan III of Vision 2030.

### **Inflation**

53. Year-on-year overall inflation rate remained low, stable and within the Government target range of 5+/-2.5 percent since end 2017. The inflation rate increased in June 2021 but remained within the target range. It increased to 6.3 percent from 4.6 percent in June 2020, mainly on account of higher food and fuel prices. Similarly, overall annual average inflation remained within Government target range at 5.3 percent in June 2021 compared to the 5.5 percent recorded in June 2020.

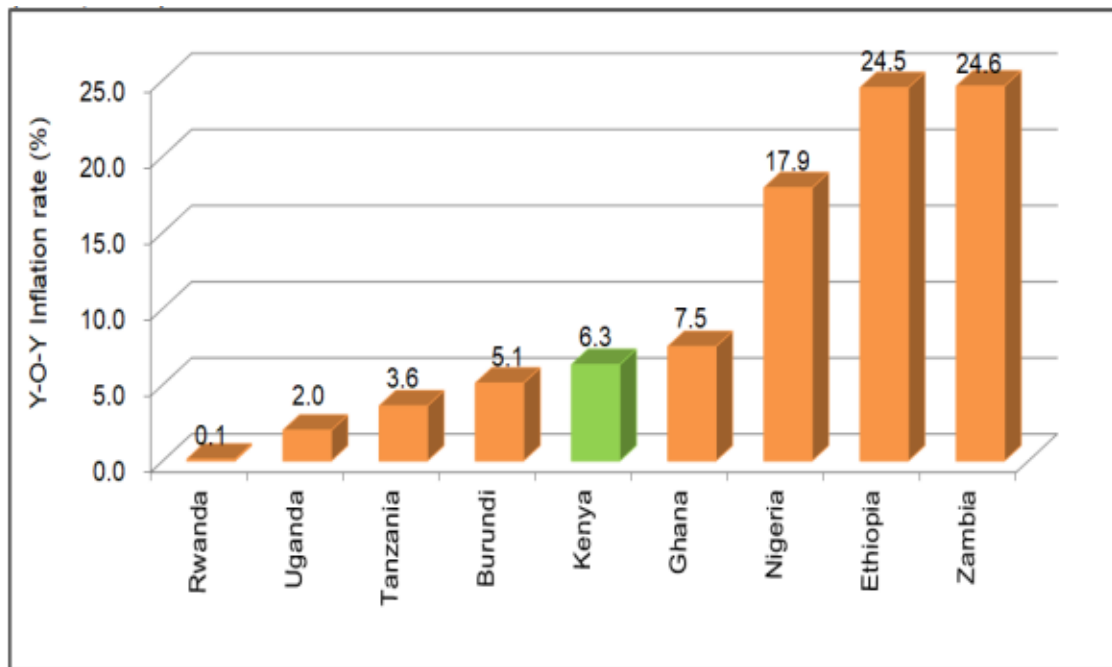
**Figure 8: Inflation Rate, Percent**



Source of Data: Kenya National Bureau of Statistics

54. 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. It rose marginally to 0.9 percentage points in June 2021 from 0.6 percentage points in June 2020, reflective of a pick-up in economic activity.
55. Food inflation remained the main driver of overall inflation in June 2021, contributing 3.3 percentage points, an increase, compared to a contribution of 2.9 percentage points in June 2020. The increase is on account of a rise in prices of key food items particularly melons, spinach, sukumawiki and Irish potatoes. Fuel inflation contributed 2.0 percentage points to overall inflation in June 2021 compared to 0.9 percentage points in June 2020 following a pickup in international oil prices. Fuel inflation in June 2021 was driven by increased fares attributed to a rise in petrol prices and higher electricity costs.
56. Kenya's year-on year inflation rate compares favorably with the rest of Sub-Saharan Africa countries. In June 2021, Kenya recorded a lower inflation rate than Ghana, Nigeria, Zambia, and Ethiopia

**Figure 9: Year on Year Inflation Rates of selected Sub-Saharan African Countries (June, 2021)**

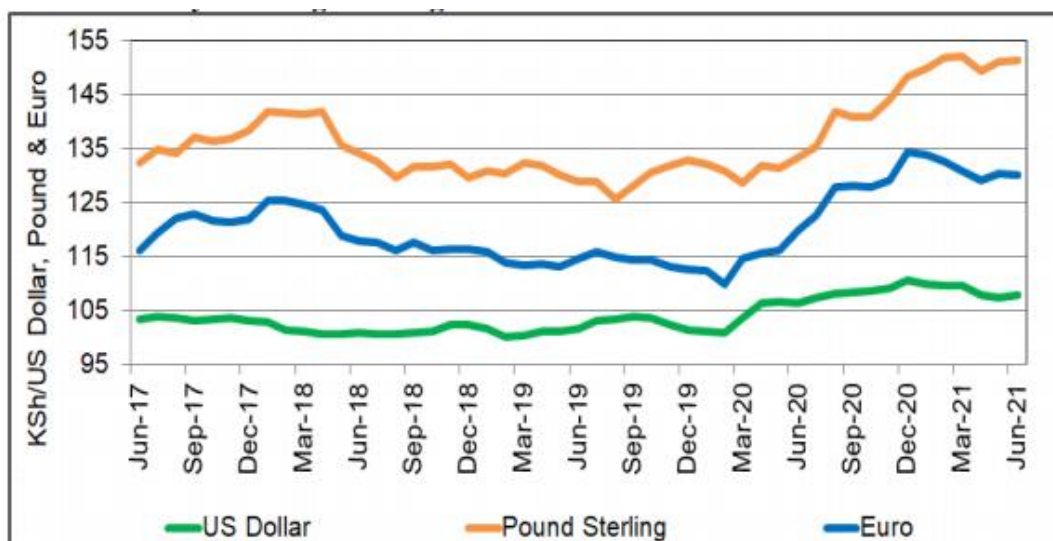


Source of Data: National Central Banks

### Exchange Rates

57. The foreign exchange market has largely remained stable but partly affected by tight global financial conditions attributed to uncertainty with regard to the COVID-19 pandemic. In this regard, the Kenya Shilling to the US Dollar exchanged at KES 107.8 in June 2021 compared to KES 106.4 in June 2020

**Figure 10: Kenya Shilling Exchange Rate**



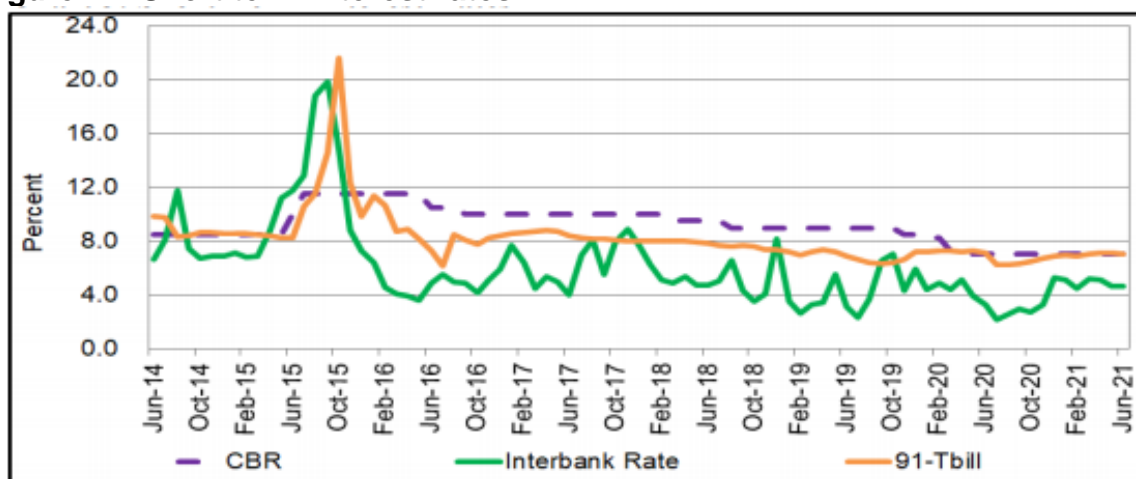
Source of Data: Central Bank of Kenya

58. In comparison to most Sub-Saharan Africa currencies, the Kenya Shilling has remained relatively stable weakening by only 1.3 percent against the US Dollar. The depreciation of the Kenya Shilling was lower than that of Rwanda Franc, Nigerian Naira, Mauritius Rupee and Burundi franc. The stability of the Kenya Shilling was supported by increased remittances and adequate foreign exchange reserves.

### Short Term Interest Rates

59. Short-term interest rates remained fairly low and stable. The Central Bank Rate was retained at 7.0 percent to signal lower lending rates in order to support credit access by borrowers especially the Small and Medium Enterprises distressed by COVID-19 pandemic. The money market was relatively liquid in June 2021 supported by government payments. As such, the interbank rate remained low but increased slightly to 4.6 percent in June 2021 from 3.3 percent in June 2020

**Figure 11: Short term Interest rates**



Source of Data: Central Bank of Kenya

60. Short-term interest rates remained fairly low and stable. The Central Bank Rate was retained at 7.0 percent to signal lower lending rates in order to support credit access by borrowers especially the Small and Medium Enterprises distressed by COVID-19 pandemic. The money market was relatively liquid in June 2021 supported by government payments. As such, the interbank rate remained low but increased slightly to 4.6 percent in June 2021 from 3.3 percent in June 2020

61. Interest rates on the Treasury bills remained relatively stable. In June 2021 the 91-day Treasury Bills rate was at 7.0 percent compared to 7.0 percent in June 2020.

Over the same period, the 182-day Treasury Bills rate declined to 7.6 percent from 7.9 percent while the 364-day decreased to 8.4 percent from 8.9 percent.

62. 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 to 6.4 percent from 6.9 percent over the same period

### **Turkana County Economy**

63. Turkana County Economy Operates within the confines of Global and National Economic Framework and as such changes in the Global and National economic environment affects the county's economic decisions and operations either directly or indirectly. It is expected that in the next fiscal year the outlook will be as follows; The implementation of the Socio-Economic Reengineering and Recovery Strategy (SERRS) alongside Annual Development Plan 2022/2023 developed by the County Government in the spirit of Building Back Better will see an improvement of revenue generated from the sectors that were adversely affected by the Covid 19 pandemic.

64. Majority of MSMEs in Turkana County operate in the wholesale and retail trade, repair of motor vehicles and motorcycles (70 per cent); accommodation and food services (9.8 per cent); manufacturing (5.1 per cent); financial and insurance activities (4.8 per cent); and construction (4 per cent) among others according to KNBS 2020. Non-farm businesses reported, 46.3% and 17.9% losses while the effects on farm businesses were high at 71.5% income losses as a result of COVID-19 containment measures. Restrictions affected seamless movement of food commodities in and out of the county.

65. The nearly completed Upgrade of Road network from Kitale to Lokichoggio (Nadapal) has opened trade in major urban centres® along the A1 Road highway Kainuk, Lokichar, Lodwar, Kakuma and Lokichoggio.

66. Over the medium term, Turkana County Government commits to maintaining sustainable economic growth by adopting Post Covid-19 Socio-Economic Recovery Strategy, supporting youth SMEs through Turkana County Biashara Fund, Youth and



Women Empowerment Program, investing in pro socio-economic programs and adherence to the fiscal responsibility principles of prudence and transparency in management of public resources. The County Government has invested in strategic areas under the “Five point” agenda plan that target to make Turkana a food secure county and ensure provision of quality healthcare to her residents.

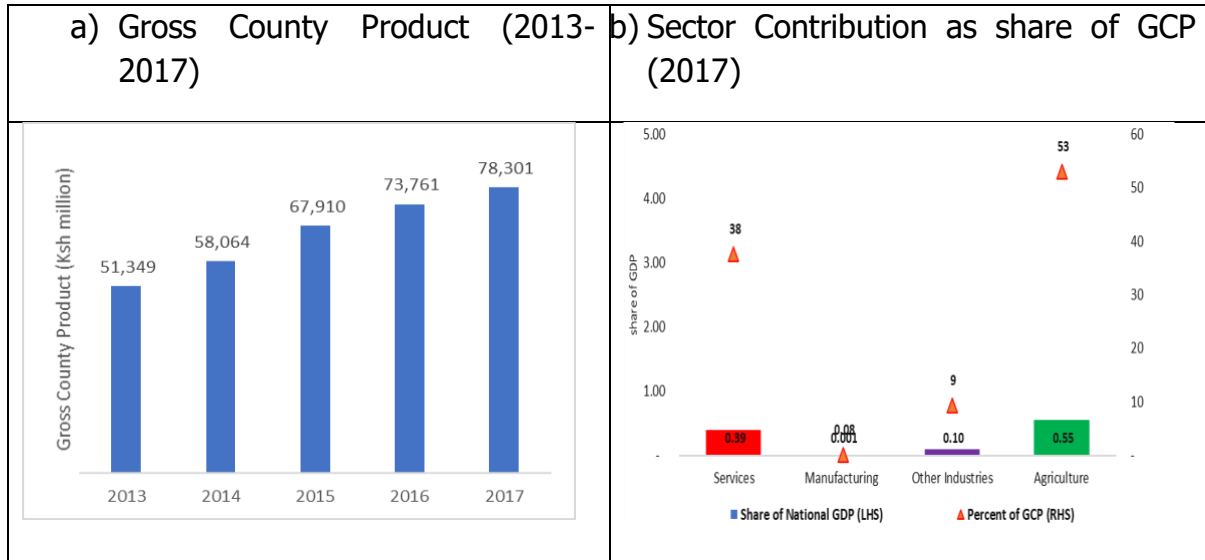
	County	National
Estimated County Population (KNBS, 2019)	926,979	1.9% of total population
Males		
Females	478,087	51.5%
Intersex	448,868	48.4%
	21	0.002%
Estimated Population Density (km <sup>2</sup> )	14	82
Persons with disability	1.0%	2.2
Population living in rural areas (%)	84.8%	68.8%
School going age (4-22 years) (%)	54.0%	68.7%
Youth (%)	37.0%	36.1%
Elderly population (over 65-year-old)	2.5%	3.9%
Poverty (2015/2016) (%)	79.0%	36.1%
Food Poverty (2015/2016) (%)	65.5%	31.9%
Multidimensional Poverty (2015/2016) (%)	90.6%	56.1%
Stunted children (KDHS 2014)	29.2%	26%
Gross County Product (Ksh Million)	78,301(2017)	1.0 % Share to total GDP (CGP 2019)
Average growth of Nominal GCP (2013-2017) (%)	10.5 %	15.3 %

Data Source: KNBS (2019)

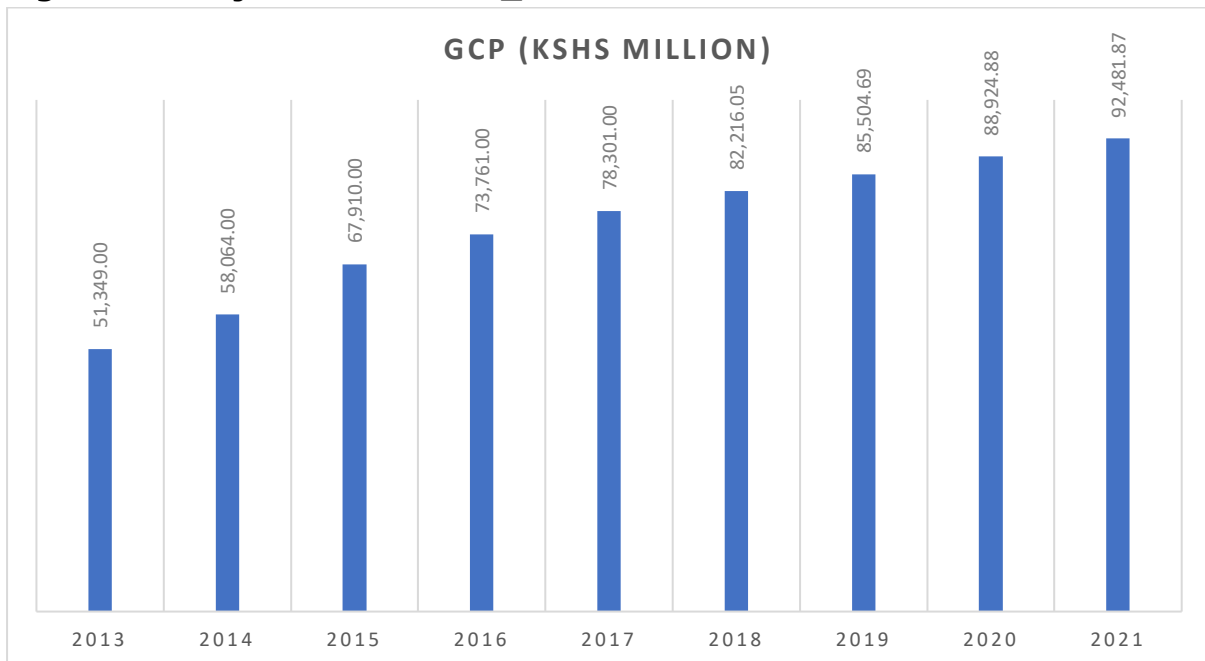
67. Turkana County Gross County Product (GCP) accounted for 1.6 per cent of total Gross Domestic Product (GDP) as at 2017 (figure ). The GCP increased from ksh. 51,349 million in 2013 to ksh. 78,301 million in 2017 representing an annual average growth rate of 10.5 per cent. The Agriculture contributes 53.0 per cent of GCP while services, and other industries share constituted 38.0 per cent and 9.0 per cent, respectively. The services sector includes such activities as wholesale and retail trade. Agriculture is mainly dominated by crop farming and fishing activities. Turkana County

sustains a significant fishing industry, mainly from Lake Turkana which is a freshwater lake and exports the fish products to Countries in the region such as DR. Congo. Other key economic activities in the county are milk and aloe vera soap processing; and maize grain milling.

**Figure 12 : Structure of the County Economy, 2013-2017**

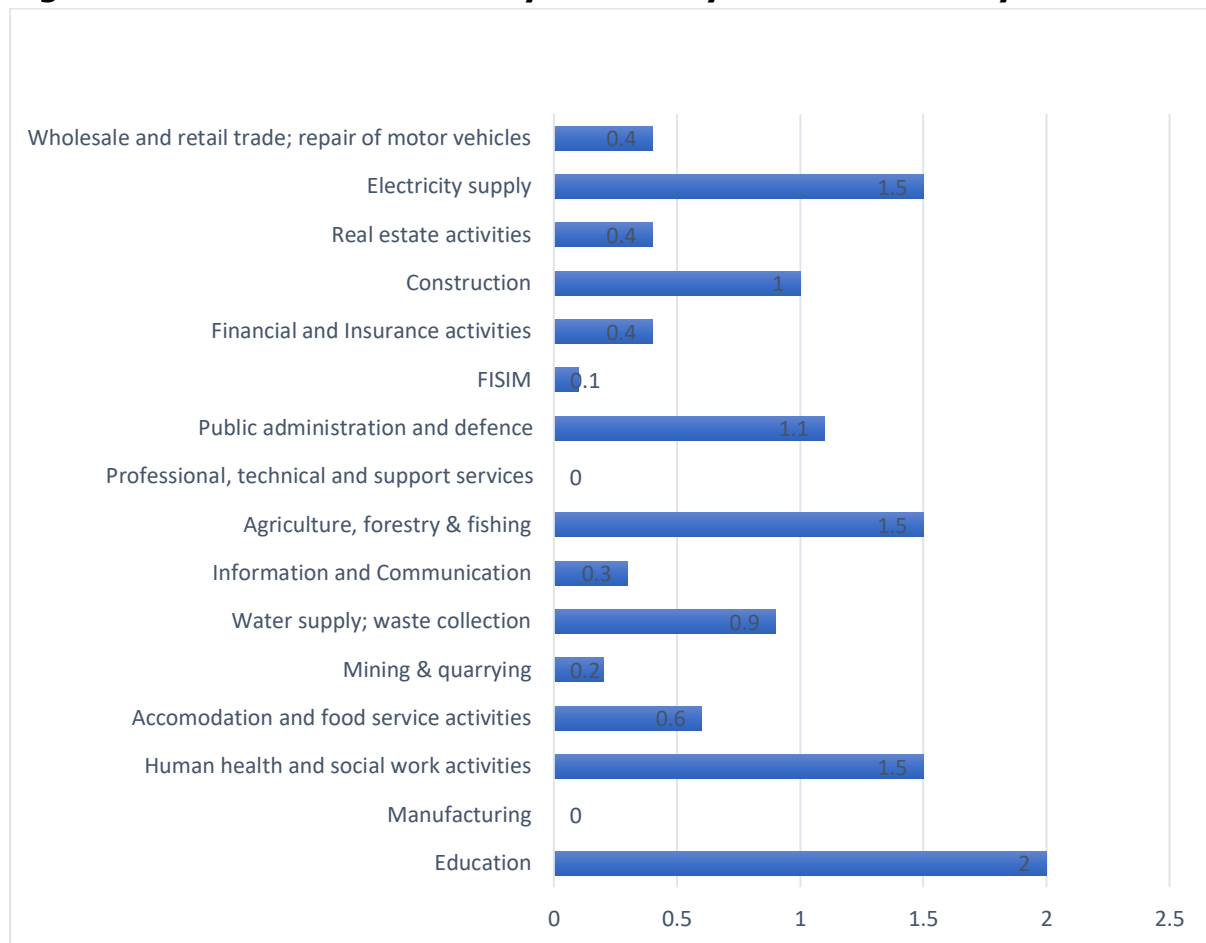


**Figure 13: Projected GCP 2018\_2021**



Data Source: Economic Planning (2021)

**Figure 14: Share of Gross County Product by Economic activity 2019**



Data Source: KNBS (2019)

68. Considering the social and economic effects posed by Covid-19 pandemic in Turkana County there is need to revamp the Turkana County economy and facilitate recovery. In this regard, key pillars have been identified: Boosting private sector activity; strengthening County government’s preparedness and response to pandemic and disasters; enhancing ICT capacity for business continuity; human capital development; and Leather Value Chain.

To re-engineer the Turkana County economy and put it on growth recovery, it is vital to establish programmes which have multiplier effects to productivity and employment creation. The following are targeted areas to be considered by the County when designing stimulus packages:

- i) Provide extension services and market creation for Agriculture and Livestock.
- ii) Waivers/concessions – cess, single business permits, parking stickers, water bills, market fees.

- iii) Infrastructure - targeting roads, water and electricity.
- iv) Information and communication Technology (ICT) – a greater enabler for business continuity during and after Covid-19.
- v) Create a Covid-19 revolving recovery Fund utilizing structures such as table banking, self-help groups and MFIs to small scale traders and businesses in the informal sector.
- vi) Subsidize farming inputs – certified seeds, fertilizers and mechanized inputs (tractors).

## CHAPTER FOUR: RESOURCE ALLOCATION FRAMEWORK

### Implementation of FY 2021/2022 Budget

66. FY 2021/2022 Budget implementation has commenced with prospects of economic recovery in the post COVID–19 pandemic era. Some businesses closed while others downsized leading to job losses and significant decrease of revenue. The strategies employed during the year are for economic recovery amidst containment measures of the pandemic. The economies are slowly picking up depending on the policies employed as global growth was projected to be at 3.4 per cent in 2021.
67. The projected total revenue for FY 2021/2022 is **KES 14,027,605,849**; **KES 12,609,305,994** as the equitable share, **KES 786,247,616** as the conditional grants, **KES 180,000,000** from own revenue sources while **KES 452,052,239** is the balance carried forward.
68. Personnel emoluments for the year is budgeted to be **KES 4,594,327,319**. This is **32.75 per cent** of the total revenue which is below the maximum limit for wages and salaries. Operations and maintenance are projected at **KES 4,667,437,226** while development expenditure is estimated at **KES 4,765,841,304**.

### FY 2022/2023 Budget Framework

69. FY 2022/2023 budget framework escalates the county government's efforts to sustain the economic recovery in the post COVID -19 pandemic. Priority will be given to programmes and projects that stimulate inclusive growth and economic recovery. Outcomes of the Governor's Big Five Agenda will guide the allocation of resources.
70. Additionally, elections will affect the calendar of the FY 2022/2023 due to the transition into the new regime. The Fourth Medium Term Plan of Vision 2030 and Turkana County Integrated Development Plan III will be drafted and FY 2022/2023 will be the first year of implementation.
71. FY 2022/2023 revenue is projected to be at **KES 14,160,569,157.78**; this will finance recurrent expenditure of **KES 9,339,261,757.56** and development expenditure of **KES 4,821,307,400.22**. Personnel expenditure is expected to rise to 34 per cent of the total county revenue due to promotions and annual increment

of wages and salaries. Ongoing projects will be given priority in the development vote and verified commitments and pending wills will be considered.

### **Medium Term Plan Fiscal Projections and Expenditure Framework**

72. The economic strategies that will support economic recovery and achieve transformative development agenda will be prioritized. Aggressive resource mobilization will be coordinated by the resource mobilization department to ensure that the county government has enough funds for provision of basic services.

73. The realization of the welfare improvement, provision of core services and elimination of duplication will have an impact on budget ceilings. The criteria that will be used in allocation of resources will be;

- i. Programmes linked to CIDP III
- ii. Programmes incorporated by Annual Development Plan 2022/2023
- iii. Programmes with the core mandates for the county entities
- iv. Ongoing projects from FY 2021/2022
- v. Pending Bills
- vi. Expected outcomes and outputs from programmes
- vii. Cost effectiveness and sustainability of programmes

## **CHAPTER FIVE: CONCLUSION AND NEXT STEPS**

74. The attention of all county government entities is hereby drawn to the FY 2022/2023 MTEF Budget Circular issued in August 2021 for further guidelines including the timelines for the preparation and finalization of the FY 2022/23 Budget. The Accounting Officers are therefore called upon to adhere to the fiscal objectives and strict timelines therein set considering the changes made on the dates of delivery.
75. Sector Working Groups (SWGs) will be required to consult and formulate the relevant programmes and projects that are to be included in the CIDP III and FY 2022/2023 Budget Estimates.
76. SWGs should allocate funds to programmes and projects that stimulate inclusive growth and sustainable economic recovery and reduce duplication.
77. The County entities are further urged to resource mobilize for the provision of their core mandates. This is due to shortfall in revenue experienced during FY 2020/2021.

## ANNEXES

### ANNEX I: CFSP 2021 CEILINGS

Entity	SHAREABLE REVENUE		MANDATORY EXPENDITURE		TOTAL ALLOCATION		GRAND TOTAL	Percentage
	Recurrent	Development	Recurrent	Development	Recurrent	Development	Total	
Governance	307,459,244	16,708,381	40,000,000	45,294,730	347,459,244	62,003,111	409,462,355	3.02%
Office of the Deputy Governor	40,778,423.00	0		6,000,000	40,778,423	6,000,000	46,778,423	0.35%
County Attorney	81,114,404	-	35,000,000	-	116,114,404	-	116,114,404	0.86%
Finance and Economic Planning	299,165,545	290,335,165	312,000,000	116,392,928	611,165,545	406,728,093	1,017,893,638	7.51%
Water Services, Environment and Mineral Resources	146,218,489	285,279,975	16,000,000	141,035,128	162,218,489	426,315,103	588,533,592	4.34%
Health & Sanitation Services	300,750,863	9,867,496	327,213,882	544,713,973	627,964,745	554,581,469	1,182,546,214	8.73%
Trade, Gender and Youth Affairs	190,396,637.00	10,000,000		294,739,000	190,396,637	304,739,000	495,135,637	3.66%
Education, Sports and Social Protection	185,400,460	212,451,238	398,000,000	144,618,303	583,400,460	357,069,541	940,470,001	6.94%
Public Service, Administration. & Disaster Management	348,292,078	19,989,269	4,728,735,739	23,511,052	5,077,027,817	43,500,321	5,120,528,138	37.80%
Infrastructure Transport & Public Works	112,309,467	84,595,188		388,189,604	112,309,467	472,784,792	585,094,259	4.32%
Agriculture, Pastoral Economy & Fisheries	162,220,631	285,502,139		602,573,386	162,220,631	888,075,525	1,050,296,156	7.75%
Tourism, Culture and Natural Resources	71,653,104	133,649,728	30,000,000	49,859,134	101,653,104	183,508,862	285,161,966	2.11%
Lands, Energy, Housing & Urban Areas Mgt.	134,647,915	60,868,108		97,072,420	134,647,915	157,940,528	292,588,443	2.16%
Lodwar Municipality	105,261,567	50,693,195		9,266,339	105,261,567	59,959,534	165,221,101	1.22%
County Assembly	897,192,392	238,886,624		-	897,192,392	238,886,624	1,136,079,016	8.39%
County Public Service Board	113,650,267.00	-		-	113,650,267	-	113,650,267	0.84%
<b>Total</b>	<b>3,496,511,486</b>	<b>1,698,826,506</b>	<b>5,886,949,621</b>	<b>2,463,265,996</b>	<b>9,383,461,107</b>	<b>4,162,092,502</b>	<b>13,545,553,609</b>	<b>100.00%</b>
<b>Percentage Allocation</b>					<b>69.27%</b>	<b>30.73%</b>		



## ANNEX II: REVISED BUDGET ESTIMATES FY 2020/2021

VOTE	RECURRENT	DEVELOPMENT	TOTAL EXPENDITURE	Percentage
Governance	300,368,506.00	259,995,709.00	560,364,215.00	3.87%
Office of the Deputy Governor	25,951,204.00	25,112,887.00	51,064,091.00	0.35%
County Attorney	117,080,439.00	-	117,080,439.00	0.81%
Finance and Economic Planning	696,353,257.03	303,709,419.32	1,000,062,676.35	6.91%
Water Services, Environment and Mineral Resources	243,996,332.00	453,698,686.00	697,695,018.00	4.82%
Health & Sanitation Services	783,477,644.15	625,560,671.00	1,409,038,315.15	9.73%
Trade, Gender and Youth Affairs	152,563,966.00	190,496,732.00	343,060,698.00	2.37%
Education, Sports and Social Protection	510,764,832.00	562,791,503.00	1,073,556,335.00	7.41%
Public Service, Administration. & Disaster Management	4,700,968,140.00	15,643,127.00	4,716,611,267.00	32.58%
Infrastructure Transport & Public Works	83,246,973.00	781,298,984	864,545,957.00	5.97%
Agriculture, Pastoral Economy & Fisheries	164,819,628.00	1,012,253,961.00	1,177,073,589.00	8.13%
Tourism, Culture and Natural Resources	97,252,354.00	151,520,000.00	248,772,354.00	1.72%
Lands, Energy, Housing & Urban Areas Management.	132,074,374.00	437,916,023.00	569,990,397.00	3.94%
County Assembly	984,107,970.00	349,341,526.00	1,333,449,496.00	9.21%
County Public Service Board	95,424,815.00	2,340,000.00	97,764,815.00	0.68%
Lodwar Municipality	43,016,206.00	175,693,257.54	218,709,463.54	1.51%
<b>TOTAL EXPENDITURE</b>	<b>9,131,466,640.18</b>	<b>5,347,372,485.86</b>	<b>14,478,839,126.04</b>	100.00%
<b>Percentage</b>	<b>63.07%</b>	<b>36.93%</b>		

## ANNEX III: OWN SOURCE REVENUE

### TURKANA COUNTY GOVERNMENT MINISTRY OF FINANCE AND ECONOMIC PLANNING DIRECTORATE OF REVENUE REVENUE COLLECTION JULY, 2020 - JUNE, 2021

REVENUE STREAM	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	TOTALS
CESS	917,410	1,087,990	1,355,335	4,401,535	4,870,700	4,658,000	4,889,960	5,598,295	5,513,850	5,218,132	6,232,170	6,610,100	51,353,477
TRANSPORT OPERATION FEE	2,167,230	1,986,150	3,328,072	159,760	25,015	81,820	79,400	243,390	217,990	205,500	144,920	63,420	8,702,667
SLAUGHTER/AUCTION FEE	783,870	548,365	733,975	893,060	1,025,390	748,030	667,285	673,450	760,645	655,250	552,910	583,230	8,625,460
ADVERTISEMENT	-	50,000	143,420	-	1,000	804,000	-	16,000	10,500	-	3,740	11,800	1,040,460
PARKING FEE	171,050	153,700	218,150	231,240	213,900	175,950	210,450	219,550	234,040	233,400	243,860	222,410	2,527,700
LAND SURVEY/APPLICATION/ BUILDING APPROVAL	1,968,800	1,842,000	1,394,500	1,305,500	2,053,676	1,484,000	676,000	2,116,739	183,000	592,000	686,800	4,000	14,307,015
HOUSE RENT/KIOSKS/STALLS	25,300	25,000	109,000	10,000	50,000	130,400	119,700	166,310	40,000	105,000	38,000	1,380,500	2,199,210
ROYALTY	1,907,000	1,399,640	1,729,330	1,685,120	1,679,315	1,844,025	1,369,775	1,812,200	1,744,000	2,599,400	1,492,260	2,041,141	21,303,206
CORPORATES	1,497,366	503,128	1,070,566	4,900	-	975,076	324,000	300,000	515,814	-	-	-	5,190,849
LIQUOR LICENCES	-	-	-	-	-	-	-	-	-	-	1,186,000	-	1,186,000
Public health & cost sharing	680,856	793,743	1,071,558	2,259,740	3,789,371	490,660	727,450	78,500	5,472,457	594,950	1,820,530	1,199,264	18,979,079
SINGLE BUSINESS PERMIT	1,134,600	746,300	779,400	549,500	571,400	58,200	2,198,400	3,853,300	7,175,600	5,190,000	5,814,100	8,001,500	36,072,300
MARKET FEE	118,150	261,710	245,300	243,695	214,275	244,875	744,300	209,010	298,010	325,595	325,250	764,260	3,994,430
WEIGHTS AND MEASURES	41,600	105,700	35,200	36,700	-	13,400	53,100	86,020	169,200	129,600	35,500	12,300	718,320
TRADE FAIR	-	-	-	-	-	-	-	-	-	-	-	-	-
OTHER FEES AND CHARGES	318,170	130,542	248,650	190,733	-	121,808	21,200,612	621,959	481,620	340,174	497,671	121,709	24,273,648
ENVIRONMENT	-	-	-	-	-	-	-	-	-	-	-	-	-
CHARCOAL CESS/PERMITS	-	-	-	-	-	-	-	-	-	-	-	44,000	44,000
SBP Mass collection Kakuma Refugee Camp	-	-	2,520,400	-	-	-	-	-	-	-	-	-	2,520,400
<b>TOTAL</b>	<b>11,731,402</b>	<b>9,633,968</b>	<b>14,982,856</b>	<b>11,971,483</b>	<b>14,494,042</b>	<b>11,830,244</b>	<b>33,260,432</b>	<b>15,994,723</b>	<b>22,816,726</b>	<b>16,189,001</b>	<b>19,073,711</b>	<b>21,059,634</b>	<b>203,038,221</b>

## ANNEX IV: COMPREHENSIVE EXPENDITURE

### TURKANA COUNTY GOVERNMENT FINANCE AND ECONOMIC PLANNING COUNTY TREASURY FY 2020/2021 EXPENDITURE REPORT

COUNTY ENTITY	Category	Supplementary II	July	August	September	October	November	December	January	February	March	April	May	June	TOTAL EXPENDITURE.
Governance	Rec	300,368,506				5,954,767	25,040,698	21,118,316	6,974,165	17,523,898	22,315,168	40,311,224	47,197,307	110,767,259	297,202,803
	Dev	259,995,709							2,169,967	13,043,544	2,171,013	7,375,339	491,276	21,832,298	47,083,437
Office of the Deputy Governor	Rec	25,951,204				2,712,726	83,200	2,906,910	351,620	82,800	337,950	5,133,488	7,340,421	5,002,089	23,951,204
	Dev	25,112,887							-	-	-	-	-	-	-
County Attorney	Rec	117,080,439				730,180		19,598,745		6,367,912	1,940,380	4,888,677	12,269,117	45,792,596	91,587,607
	Dev	-							-	-	-	-	-	-	-
Finance and Planning	Rec	696,353,257	-			13,588,487	38,460,058	70,648,952	11,258,603	20,921,118	79,031,199	51,183,868	122,857,686	238,403,286	646,353,257
	Dev	303,709,419						63,047,786			3,400,000	744,931	38,069,863	86,716,761	191,979,341
Water Services, Environment and Mineral Resources	Rec	243,996,332				1,169,564	7,780,231	14,667,512	16,776,989	4,257,631	19,050,735	24,268,838	14,370,507	102,365,837	204,707,844
	Dev	453,698,685	1,988,339					10,343,262	30,614,368	15,895,939	43,324,850	15,653,774	20,115,808	93,918,340	231,854,681
Health & Sanitation Services	Rec	783,477,644				746,150	37,205,660	30,723,215	9,306,677	104,482,194	54,869,465	28,234,693	66,650,668	411,258,922	743,477,644
	Dev	625,560,671						9,808,847	743,312	11,769,745	9,417,514	5,608,582	14,191,905	323,275,854	374,815,759
Trade, Gender and Youth Affairs	Rec	152,563,966				1,768,966	1,867,640	10,676,292	197,695		10,190,432	11,025,473	11,978,863	71,979,438	119,684,799
	Dev	190,496,732						34,483	42,325,320			20,929,245	37,968,458	25,856,856	127,114,361
Education, Sports and Social Protection	Rec	510,764,832				567,000	7,372,990	147,889,020	7,925,948	6,479,380	140,739,500	6,878,640	20,522,204	74,134,638	412,509,321
	Dev	562,791,503						351,380	4,871,402	8,620,680	1,310,017	7,099,566	37,218,475	278,815,079	338,286,600
Public Services, Decentralized Administration & Disaster Management	Rec	4,700,968,140		607,592,221	279,697,551	281,902,161	549,033,697	375,689,630	169,870,816	292,962,655	337,440,478	370,108,252	656,205,993	557,155,046	4,477,658,502
	Dev	15,643,127							-	-	-				-
Infrastructure Transport & Public Works	Rec	83,246,973				3,721,550	2,680,000	12,626,866	2,172,211	4,162,850	16,568,515	7,792,945	9,237,851	20,672,021	79,634,809
	Dev	781,298,984						16,049,336			17,043,445	5,967,802	520,497,802	3,937,124	638,226,922
Agriculture, Pastoral	Rec	164,819,628				3,623,272	3,325,380	19,747,267	1,364,513	7,519,467	16,659,054	19,283,834	14,521,931	48,794,909	134,839,628

COUNTY ENTITY	Category	Supplementary II	July	August	September	October	November	December	January	February	March	April	May	June	TOTAL EXPENDITURE.
Economy & Fisheries	Dev	1,012,253,961						8,270,622	8,490,957	14,429,697	109,554,252	117,452,502	58,237,812	131,024,769	447,460,611
Tourism, Culture and Natural Resources	Rec	97,252,354				2,667,127	11,478,210	14,492,059	3,424,522	3,774,828	7,071,125	8,769,265	7,025,827	29,956,424	88,659,387
	Dev	151,520,000						3,512,931	1,128,207	10,384,810			3,589,655	27,420,712	46,036,315
Lands, Energy, Housing & Urban Areas Mgt.	Rec	132,074,374				1,989,798	11,058,819	6,866,726	7,994,311	4,244,652	10,873,690	7,620,218	12,836,063	54,184,577	117,668,852
	Dev	437,916,023						768,512	33,654,552		6,593,302		5,803,125	95,983,303	142,802,794
County Assembly	Rec	984,107,970	41,888,927	41,888,927	41,888,927	46,888,927	47,888,927	48,834,296	58,191,189	79,797,449	74,108,700	280,837,707	59,474,126	51,526,032	873,214,132
	Dev	349,341,526						127,634,012	18,383,332		-	15,812,023		-	161,829,367
County Public Service Board	Rec	95,424,815				339,294	1,361,510	10,949,152	950,640		1,236,943	5,663,130	1,915,020	44,239,736	66,655,425
	Dev	2,340,000							-	-	-	-	-	-	-
Lodwar Municipality	Rec	43,016,206				590,060			3,562,500			28,750	3,953,243	13,275,633	21,410,185
	Dev	175,693,258							-	-	-	-	-	95,453,327	95,453,327
EXECUTIVE BUDGET		14,478,839,125	43,877,265	649,481,148	321,586,478	368,960,026	744,637,020	1,047,256,128	442,703,817	643,764,695	974,172,084	1,583,202,765	1,287,980,329	3,134,537,156	11,242,158,912

## ANNEX V: EXPENDITURE BY ECONOMIC CLASSIFICATION

Expense Category	Revised Budget	Total Releases	Total Expenditure	Expected Absorption	Actual Absorption
Current	9,131,466,640.18	8,322,150,142.00	8,399,215,397.30	92%	100.93%
Development	5,347,372,485.86	2,862,228,426.55	2,842,943,514.95	53%	99.33%
<b>Total</b>	<b>14,478,839,126.04</b>	<b>11,184,378,568.55</b>	<b>11,242,158,912.25</b>	<b>78%</b>	<b>100.52%</b>

## ANNEX VI: MEDIUM TERM EXPENDITURE FRAMEWORK PROJECTIONS

Sector	ECONOMIC CLASSIFICATION	BUDGET ESTIMATES 2021/22	MTEF PROJECTIONS	
			CEILING 2022/23	2023/2024
Office Of The Governor	<b>SUB-TOTAL</b>	544,896,922.00	555,794,860.44	611,374,346.48
	Rec. Gross	386,937,280.00	394,676,025.60	434,143,628.16
	Dev. Gross	157,959,642.00	161,118,834.84	177,230,718.32
Office Of The Deputy Governor	<b>SUB-TOTAL</b>	41,424,423.00	42,252,911.46	46,478,202.61
	Rec. Gross	35,424,423.00	36,132,911.46	39,746,202.61
	Dev. Gross	6,000,000.00	6,120,000.00	6,732,000.00
Office Of The County Attorney	<b>SUB-TOTAL</b>	137,094,404.00	139,836,292.08	80,000,000.00
	Rec. Gross	137,094,404.00	139,836,292.08	80,000,000.00
	Dev. Gross	-	-	-
Finance & Economic Planning	<b>SUB-TOTAL</b>	1,362,477,369.00	1,389,726,916.38	1,528,699,608.02
	Rec. Gross	741,241,544.00	756,066,374.88	831,673,012.37
	Dev. Gross	621,235,825.00	633,660,541.50	697,026,595.65
Water Services, Environment & Mineral Resources	<b>SUB-TOTAL</b>	610,168,798.00	622,372,173.96	684,609,391.36
	Rec. Gross	148,810,465.00	151,786,674.30	166,965,341.73
	Dev. Gross	461,358,333.00	470,585,499.66	517,644,049.63
Health & Sanitation Services	<b>SUB-TOTAL</b>	1,019,886,580.00	1,040,284,311.60	1,144,312,742.76
	Rec. Gross	353,765,088.00	360,840,389.76	396,924,428.74

Sector	ECONOMIC CLASSIFICATION	BUDGET ESTIMATES 2021/22	MTEF PROJECTIONS	
			CEILING 2022/23	2023/2024
	Dev. Gross	666,121,492.00	679,443,921.84	747,388,314.02
Trade, Gender & Youth Affairs	<b>SUB-TOTAL</b>	<b>505,236,437.00</b>	<b>515,341,165.74</b>	<b>566,875,282.31</b>
	Rec. Gross	184,063,637.00	187,744,909.74	206,519,400.71
	Dev. Gross	321,172,800.00	327,596,256.00	360,355,881.60
Education, Sports And Social Protection	<b>SUB-TOTAL</b>	<b>1,081,217,001.00</b>	<b>1,102,841,341.02</b>	<b>1,213,125,475.12</b>
	Rec. Gross	672,900,460.00	686,358,469.20	754,994,316.12
	Dev. Gross	408,316,541.00	416,482,871.82	458,131,159.00
Public Service, Administration and Disaster Management	<b>SUB-TOTAL</b>	<b>5,151,673,532.00</b>	<b>5,254,707,002.64</b>	<b>5,780,177,702.90</b>
	Rec. Gross	5,077,892,179.00	5,179,450,022.58	5,697,395,024.84
	Dev. Gross	73,781,353.00	75,256,980.06	82,782,678.07
Infrastructure, Transport, And Public Works	<b>SUB-TOTAL</b>	<b>549,103,993.00</b>	<b>560,086,072.86</b>	<b>616,094,680.15</b>
	Rec. Gross	131,321,600.00	133,948,032.00	147,342,835.20
	Dev. Gross	417,782,393.00	426,138,040.86	468,751,844.95
Agriculture, Pastoral Economy & Fisheries	<b>SUB-TOTAL</b>	<b>1,202,920,766.00</b>	<b>1,226,979,181.32</b>	<b>1,349,677,099.45</b>
	Rec. Gross	139,026,574.00	141,807,105.48	155,987,816.03
	Dev. Gross	1,063,894,192.00	1,085,172,075.84	1,193,689,283.42

Sector	ECONOMIC CLASSIFICATION	BUDGET ESTIMATES 2021/22	MTEF PROJECTIONS	
			CEILING 2022/23	2023/2024
Tourism, Culture And Natural Resources	<b>SUB-TOTAL</b>	260,194,840.00	265,398,736.80	291,938,610.48
	Rec. Gross	85,785,978.00	87,501,697.56	96,251,867.32
	Dev. Gross	174,408,862.00	177,897,039.24	195,686,743.16
Lands, Energy, Housing And Urban Areas Management	<b>SUB-TOTAL</b>	320,015,443.00	326,415,751.86	359,057,327.05
	Rec. Gross	121,474,915.00	123,904,413.30	136,294,854.63
	Dev. Gross	198,540,528.00	202,511,338.56	222,762,472.42
County Assembly	<b>SUB-TOTAL</b>	976,950,164.00	996,489,167.28	1,096,138,084.01
	Rec. Gross	821,950,164.00	838,389,167.28	922,228,084.01
	Dev. Gross	155,000,000.00	158,100,000.00	173,910,000.00
County Public Service Board	<b>SUB-TOTAL</b>	119,650,267.00	122,043,272.34	134,247,599.57
	Rec. Gross	118,450,267.00	120,819,272.34	132,901,199.57
	Dev. Gross	1,200,000.00	1,224,000.00	1,346,400.00
Lodwar Municipality	<b>SUB-TOTAL</b>	144,694,910.00	146,807,421.34	161,488,163.47
	Rec. Gross	105,625,567.00	107,738,078.34	118,511,886.17
	Dev. Gross	39,069,343.00	39,069,343.00	42,976,277.30
<b>Total</b>	<b>TOTAL</b>	<b>14,027,605,849.00</b>	<b>14,160,569,157.78</b>	<b>15,502,806,152.27</b>
	<b>Rec. Gross</b>	<b>9,261,764,545.00</b>	<b>9,339,261,757.56</b>	<b>10,199,368,012.03</b>
	<b>Dev. Gross</b>	<b>4,765,841,304.00</b>	<b>4,821,307,400.22</b>	<b>5,303,438,140.24</b>