

THE COUNTY GOVERNMENT OF TAITA TAVETA



MEDIUM TERM COUNTY FISCAL STRATEGY PAPER

Peace, love and Prosperity for all

FEBRUARY 2023

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To obtain copies of the CFSP, please contact:

Taita Taveta County Treasury
P.O. Box 1066-80304 Wundanyi, Kenya.
Tel: 0788 186 436/0718 988 717

The document is also available on the County Government website: www.taitataveta.go.ke

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Foreword

The 2023 County Fiscal Strategy Paper (CFSP), the first to be prepared under the new administration of H.E Governor Andrew Mwadime, presents the broad strategic priorities and policy goals and reforms that will guide the County government in preparing its budget for FY 2023/2024 and the medium term.

The 2023 CFSP comes at a time when the County government is finalizing the preparation of the County Integrated Development Plan (2023- 2027), that will prioritize implementation of the programmes and sub-programmes proposed in the various sectors, to steer the county's development agenda on a sustainable upward trajectory.

In the FY 2023/2024 and the medium term, the County will endeavor to implement projects and programmes in line with Vision 2030, the national objectives stipulated in the Budget Policy Statement (BPS) and its Medium-Term Plan (MTP) IV, the CIDP 2023-2027, H.E the Governor's manifesto and feedback from the Public as highlighted in the 2023 Annual Development Plan.

This strategic paper is divided into four chapters:

CHAPTER 1 gives the general overview, objectives, rationale and legal framework for preparation of this document. It also highlights the major achievements per sector.

CHAPTER 2 outlines the economic context in which the 2023/2024 MTEF budget will be prepared. It provides an overview of the recent economic development and macro-economic outlook. It also highlights the fiscal performance of the county.

CHAPTER 3 presents the broad sectoral priorities for 2023/2024, departmental expenditure ceilings for 2023/2024 budget and the medium term. It further provides a basis for the projections of revenue and expenditure for FY 2023/2024 and the medium term.

CHAPTER 4 outlines the fiscal framework under which the 2023/2024 budget will be based. It also highlights the risks and mitigation measures.

HON DAWSON KATUU MZENGE CPA(K)

**COUNTY EXECUTIVE COMMITTEE MEMBER – FINANCE AND ECONOMIC
PLANNING**

Acknowledgement

The 2023 Taita Taveta County Fiscal Strategy Paper has been prepared pursuant to the provisions of the Public Finance Management Act, 2012 Section 117 (1) which stipulates that the County Treasury should each year prepare and submit to the County Executive Committee the County Fiscal Strategy Paper for approval. The County Treasury shall further submit the approved County Fiscal Strategy Paper to the County Assembly, by 28th February each year.

The preparation of this paper was highly consultative as well as capturing the views and input from various stakeholders as required by law. We are particularly grateful to H.E the Governor and the Deputy Governor for their lead role, direction and guidance during the preparation of this document.

The County Executive Committee Members led by Dawson Katuu Mzenge CPA(K) – CECM Finance and Economic Planning are highly appreciated for providing leadership during the public consultative forums.

Special gratitude is extended to all the officers in the Budgeting and Economic Planning directorate for contributing immensely in this paper.

We remain grateful to all staff, Sub-County and Ward Administrators for coordinating and moderating the public consultative forums at ward levels.

JOYCE. K. MWACHIA CPA(K)

AG. COUNTY CHIEF OFFICER, FINANCE AND ECONOMIC PLANNING

Legal Framework

The County Fiscal Strategy Paper is prepared in accordance with section 117 of The Public Finance Management Act, 2012 which stipulates that:

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

Rationale

The Fiscal strategy paper outlines the County's fiscal policies in the context of prevailing macro-economic policies and outlook while articulating the County's strategic priorities and policies for the fiscal year 2023/2024 and how these will be achieved with the limited available resources.

The County Fiscal Strategy Paper is the guide to the County Budget Process, with binding policy directions on budget formulation and implementation in the medium term. This paper specifies the broad strategic priorities and policy goals that guide the County government in preparing its budget for the subsequent financial year and over the medium term.

The fiscal framework outlined in this Fiscal Strategy Paper (FSP) requires greater fiscal discipline and alignment of resources to priorities. In particular, better control of expenditure and

a clear focus on core mandates by county departments will be required. The Fiscal Strategy Paper contains the following:

- a) The principles that will guide the FY 2023/2024 budgetary process.
- b) The broad fiscal parameters for the 2023/2024 budget and the key strategies and policies for management of revenues and expenditures.
- c) The broad strategic priorities and policy goals that will guide the preparation of the budget over the medium term.
- d) A discussion of risks to the budget parameters.
- e) The medium-term outlook for county government's revenues and expenditures.
- f) A discussion on how the Budget Strategies relates to the County priorities as outlined in the County Integrated Development Plan (CIDP) 2023-2027.

1. ACCELERATED SOCIO-ECONOMIC TRANSFORMATION

1.1 Overview

This 2023 County Fiscal Strategy Paper (CFSP) is prepared in accordance with the provisions of the Public Finance Management Act, 2012 cap 117 which requires the county treasury to prepare this paper for each financial year.

In line with the provisions of the law, the 2023 CFSP presents the fiscal objectives and highlights the broad strategic priorities and policy goals that will guide the County government in preparing its budget for the subsequent financial year and medium term.

The strategic objectives spelt out in this CFSP are derived from the County Integrated Development Plan (2023-2027), Annual Development Plan FY 2023/24 and consultative public participation fora on the CIDP III. In addition to this, the 2023 CFSP aligns to the 2023 Budget Policy Statement (BPS) which outlines national government priority policy areas as well as strategic objectives prioritized in the Fourth Medium Term Plan (MTP IV) and the Vision 2030 development blueprint.

This fiscal strategy paper articulates economic policies and fiscal reforms as well as sector- based expenditure programmes that the county intends to implement in order to achieve its broad development agenda. The proposed fiscal framework ensures continued fiscal discipline and provides support for sustained growth and development.

This paper also highlights the progress report of the first half for the FY 2023/2024, that is, giving a brief analysis of revenue and expenditure analysis.

The Government has continued to implement its accelerated transformative agenda in the past years. Some of the sectoral achievements in CIDP II are summarized as below:

1. Agriculture, Livestock, Fisheries and Irrigation

Improved agricultural productivity and sustainable natural resource management was realized as exhibited by the 30% increase in the uptake of organic manure. At least 30% of farmers were trained and 20% issued with improved planting material leading to increased productivity, commercialization and competitiveness of crop production. 12% of farmers were able to access water for irrigation and 10% tree cover in Agroforestry was accomplished.

There was an improvement in Aquaculture practices as 80% of fisher folk were trained and gained more skills. 58% of farmers received extension services like visits and this increased adoption of animal health technologies. Animal and zoonotic disease control was well done as 60% (60,000) animals were screened and 30,000 samples during disease surveillance.

There was an increase in livestock productivity and output improvement as 8% farmers have improved livestock breeds which translates to better income. Under range and ranch resource management, 30% of ranchers in the county have adopted improved livestock handling as 20 ranch plans were developed, 4 water pans and 50 through and 250 km of firebreak done. 30% of cattle were inseminated with improved breeds and this increased

coverage on AI services as 9725 artificial inseminations were conducted, 2000 farmers trained and 70 AI service providers trained. There was improvement of access to markets for livestock and livestock products as 14 cooperatives and CBOs, 4 milk aggregation centres, 2 honey refineries and 1 slaughter facility were operational.

2. Public works, Infrastructure, transport and Housing

Roads are the most important infrastructure in the county. Over the period, the Government has undertaken projects that have eased accessibility. A total of 1,195.5 Km has been graded, 100km graveled and 100Km of new roads formed while for proper drainage, culverts were constructed. The Government will aim at opening up new roads, rehabilitating and upgrading existing roads to ensure improved quality road networks, proper drainage and promote road accessibility.

During the plan period, the Government did not have a fire station hence in order to prevent damage and provide timely response to fire incidences, a fire station was constructed and two fire engines purchased. This led to the reduction of fire cases by 50%. On matters housing, Mbela rental estate in Wundanyi was taken over by National Housing Corporation due to default in repayment loan. However, the Government plans to ensure full loan repayment.

3. Trade, Tourism, Cooperative development and Industrialization

To ensure a prosperous business environment in the County, the department of trade increased conducive trading spaces for traders and consumers with a 40% creation of markets, markets stall and market sheds. It also prevented unfair trading practice by 92.5% ensuring buyers are not exploited by traders with the purchase and use of weighing equipment. To promote tourism and Eco-tourism within the county, Tourism sector had different scenarios constructed and rehabilitated and they also purchased two motor boats for Lake Jipe thus raising the level of income in the county. Newly appointed cooperative officers and internal cooperative auditors has enhanced service delivery and the creation of policies and legislation documents of department will increase investments opportunities and assist with adhering with compliance as they are awaiting approval in the County Assembly.

4. Health Services

Health Access (Health Facilities, Health Personnel and Their Distribution by Sub County)
The County has 4 level four Hospitals that is Moi County Referral Hospital (MCRH) at Voi Sub-County, Mwatate Sub County Hospital, Wesu Sub County Hospital and Taveta Sub County Hospital, these have bed Capacities of 184,122,143,158 respectively. There are 12 level Three Facilities,56 dispensaries which fall under the category of level 2 facilities.

In a bid to execute its mandate, the sector hired an additional total of 720 health staffs from 2019 to date which were deployed to various parts to improve service delivery. Currently the County has 1542 health workers who include 20 medical consultants ,41 general medical officers 145 clinical officers and 509 nurses spread across public health facilities.

There is however a shortage of 1706 health personnel who will ensure quality of health services.

With an estimated population of 377,656, the doctor-population ratio stands at 1: 6191, falling short by far, of the 1:600 standard set by the World Health Organization (WHO). Even inclusion of clinical officers does not lead to improvement of the situation greatly, as the ratio comes to 1:1833. The Nurse-population ratio stands at 1:741.

Morbidity: Five Most Common Diseases in Order of Prevalence

The Most prevalent diseases in the County are Upper Respiratory Tract Infection (URTI) at 69%, Skin infections 12%, Urinary Tract Infection 8%, Arthritis, Joint Pains 6% and Diarrhea 5%.

Nutritional Status

Prevalence of Stunting and Wasting in Children Under 5 Years: (Height-For-Age, Weight-For-Height, Weight-For-Age) According to the three anthropometric indices of nutritional status of children i.e., height for age stunting, weight for height wasting, and weight for age underweight, the percentage of children under 5 years classified as malnourished is 19.2%, 4.2% and 12.6% respectively for the three indicators above.

Immunization Coverage

Immunization rate for infants between 12-23 months in the County is as follows ,65.4% infants are fully immunized. Those who have been vaccinated against measles and BCG are 96.5% and 98.4% respectively.

Maternal Health Care (Maternal Deaths, Number of Mothers Delivering in Hospitals, Ante-Natal and Post-Natal Care)

Free maternity services realized significant progress, delivery by skilled attendants increased from 95.7%. Hospital delivery rate stands at 93.3.9% (KDHS, 2022) Maternal Mortality rate per 100,000 stands at 159.3 of total deliveries mostly caused by ante Partum Hemorrhage, Post-partum Hemorrhage, delays both from community and facility, other complication e.g., Hypertensive disorders. New Ante Natal Care visits stands at 80.6% and mothers completing 4 anti-natal care visits stands at 64.9%

Access to Family Planning Services/ Contraceptive Prevalence

Currently married women aged 15-49 using contraceptive in different methods is as follow. Any method 67.5% any modern method 64.5%, IUD 4.2% Injectables 29.3%, Implants 15.4% Pills 7.3%, Male condom 1.8%, Emergency contraceptive 0.2% SDM 2.5%,LAM 0.8%,Any traditional Methods is 3.0% , Rhythm 2.6%, Whereas male aged 15-49 who prefer using contraceptives is as follows, Male Condom 1.8%,Withdrawal 0.5%.Those not using contraceptive are 32.5%. *Source: (KDHS 2022)*

HIV and AIDS Prevalence Rates and Related Services

The HIV prevalence rate in the County currently stands at 3.4% as per NACC 2022 Estimates, the number of people living with HIV (PLHIV) is approximately 12840 in the County for the period under review. Those on HAART 7249. The rate of new HIV infections among the population has Increased among the youth. However, the new infections vary per sub-county, with the majority of the new infections coming from Voi sub-county due to ongoing economic activities. The number of HIV positive mothers

receiving ARVs has increased from 402 in 2016/17 to 514 in 2022/23 due to improved targeted testing. Tuberculosis Preventive Therapy (TPT) uptake remains low at 41%.

5. Education, Libraries, VTCs and ICT

ECDE Service Improvement

The main objective of this program was to improve enrollment and access to pre-primary education. It had a couple of KPIs including the number of children enrolled, number of ECDE centres established, number of teachers employed and other. During the period under review, CIDP-2, a total of 1,938 learners were enrolled in our ECDE centres representing 77.2% against the target of 2,500. We had 2 new ECDEs being established and 312 teachers being employed against a target of 140 ECDEs and 683 teachers respectively. Lack of sufficient resources coupled with Covid-19 pandemic were some of the setbacks towards achieving the programme.

Library Services

The program objective was to provide quality access to library services. During the period under review Mwatunge library was constructed waiting for completion and equipping. Access to library services remains at baseline of 72% as at 2022.

Education Fund Board

This was to ensure inclusive and equitable quality education and promote lifelong opportunity for all. Its main KPI was the number of students given scholarships, loans, and bursaries. A total of 19,169 students were awarded bursaries totaling 196.5M, 479 students received scholarships worth 81.1M and total education loans disbursed stood at 32M to 1,113 students.

Vocational Education and Training

The program's objective was to provide quality training and access to Vocational Training Centres. During the period under review, 7,000 trainees were certified. 31 Vocational Training Centers were operational while 6 VTCs were not. 200 trainers were employed on performance contract terms. There was no person sponsored on the skill sponsorship sub-program out of the 11,200 persons targeted. From the 31 VTCs operational, 3 VTCs were not registered.

ICT development

The program's objective was to promote ICT development in the county government. This included increase in Internet connectivity among sub counties, infrastructure development and capacity building. During the period under review, a number of offices in the county were connected to the National Optic Fiber Backbone (NOFBI) network though not all were connected. The ICT infrastructure improvement was slightly improved compared to

previous years. These initiatives increased access to information and increased service delivery. The county however needs to prioritize investment in ICT matters as an enabler of development. The budgetary allocation on ICT matters is very little to achieve desired results.

6. Lands, Mining, Energy and Urban development

Land being a vital sector, comprises of different sub-sectors such as land policy, land use planning, land survey and mapping that laid focus on the achievement of key projects including county spatial plan, rehabilitation of markets. Land use and planning was able to improve livelihood by upgrading slums by 30%. The county was to formulate Mwatate integrated development plan however it was not approved. Notably, through spatial data infrastructure, the sub-sector captured 10% of public land digitally, this small number was brought by lack of resources.

To resolve disputes, the county organized multiple public barazas on land issues however it was slowed down due to lack of land survey equipment. Lastly, the county ensured compliance in matters on development through public sensitization on matters development control.

7. Public Administration and Intergovernmental relations

In terms of customer satisfaction, the 3rd Annual Capacity Performance Assessment for Financial Year 2019-2020, the County Government was documented to have improved from 58% to 72% performance signaling the confidence of the people in service delivery. Further, with the technical assistance from the Directorate of Public Service Management Consultancy Services, under the State Department for Public Service, the Government managed to put in place an elaborate Organizational and Staff Establishment Structure. This has enabled close to 1000 County staff to be re-graded and promoted after a long time of stagnation

The County Government recruited, employed and deployed additional Accountants, Economists, ECD teachers, Environment officers and Fire fighters. It also placed all county staff and their dependents on a comprehensive medical cover under the NHIF scheme.

The department has coordinated all public participation exercises especially for the budget documents. The Public Participation Bill and Devolved Units Bill are also due for stakeholders' consideration. Despite the effects of COVID-19 in FY 2020/2021, the County government was able to generate Kshs 302 Million accounting for 82% of the targeted Own Source Revenue. To enforce the compliance to AGPO directives, the county government has registered and given tenders to 1084 business enterprises comprising of 750 youths, 250 Women and 84 PWDs.

8. Youth, Sports, Gender, Culture and Social services

In terms of infrastructure youth gender, sports, culture & social services sector manage to construct 70% of sport infrastructure while talent academies/camps, theatres, exhibition centers, approved schools, youth empowerment centers were not achieved. Fifteen sport activities, two cultural event and four career fair & exhibition were held, around 60% groups of youth women PWD were registered, trained and some of those groups benefited from county funding. 90% of achievement goes to meeting held concerning GBV report and sensitization meetings; however, there was no policy legislation develop.

9. Water, Environment, Climate change and Natural resources

To ensure clean, safe and readily available water for all, the Sector has realized this mandate by reducing the distance to water from 3.5km to currently 3km, water coverage has also improved from 58% to 64% this has been achieved by the purchase of an excavator and drilling rig. Sanitation services around the county has also improved as more ablution blocks have been created thus creating a clean environment. The Government aims to achieving more in the near future.

2. RECENT NATIONAL MACRO-ECONOMIC DEVELOPMENT AND POLICY OUTLOOK

2.1 Global and Regional Economic Developments

According to the national treasury's 2023 Budget Policy Statement (BPS), the global economic outlook has become more uncertain - reflecting the impact of the ongoing Russia-Ukraine conflict, elevated global inflation, lingering effects of COVID-19 pandemic, and persistent supply chain disruptions.

Global growth is expected to slow down to 3.2 percent in 2022 and is projected to slow down to 2.7 percent in 2023 from the earlier forecast of 2.9 percent. The USA economy is projected to slow down to 1.0 percent in 2023 from 1.6 percent in 2022, Euro Area economies will slow down to 0.5 percent from 3.1 percent in 2022. China economy is projected to improve to 4.4 percent from 3.2 percent in 2022. See the below table:

Figure 1 Global Economic Growth, Percent

Economy	2020	2021	2022*	2023*
	Actual		Oct. WEO	Oct. WEO
World	(3.1)	6.0	3.2	2.7
Advanced Economies	(4.5)	5.2	2.4	1.1
Of which: USA	(3.4)	5.7	1.6	1.0
Euro Area	(6.1)	5.2	3.1	0.5
Emerging and Developing Economies	(2.0)	6.6	3.7	3.7
Of which: China	2.2	8.1	3.2	4.4
India	(6.6)	8.7	6.8	6.1
Sub-Saharan Africa	(1.6)	4.7	3.6	3.7
Of which: South Africa	(6.3)	4.9	2.1	1.1
Nigeria	(1.8)	3.6	3.2	3.0
EAC-5	0.9	6.6	4.7	5.4
Of which: Kenya***	(0.3)	7.5	5.5	6.1
<i>* Estimate *** budget estimate</i>				
<i>EAC-5: Burundi, Kenya, Rwanda, Tanzania and Uganda</i>				

Source of Data: October 2022 WEO

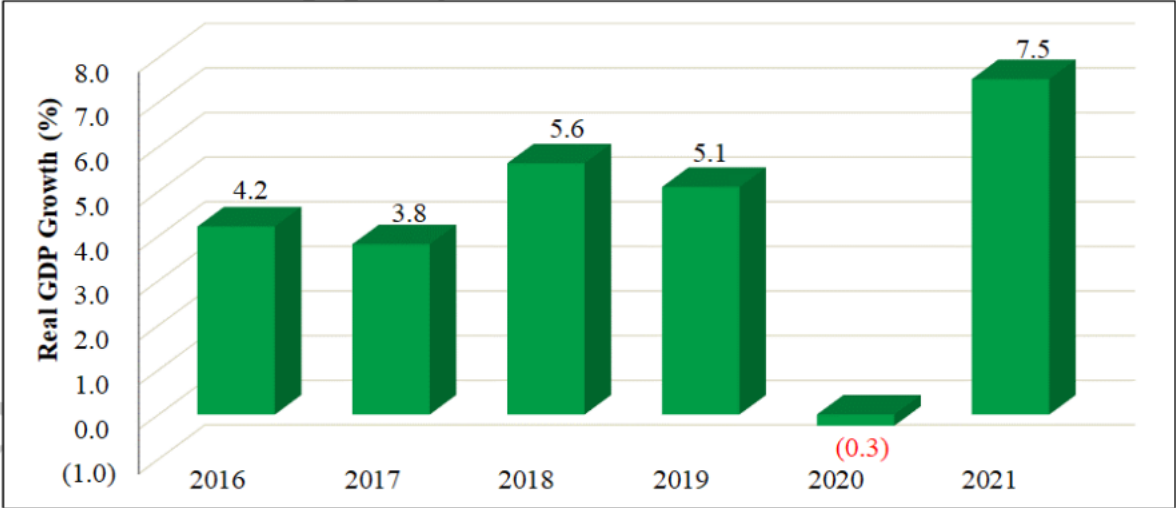
In the sub-Saharan Africa region, growth is projected at 3.7 percent in 2023 from a growth of 3.6 percent in 2022. This outlook is weaker than the growth of 4.7 percent in 2021 reflecting lower trading partner growth, tighter financial and monetary conditions, and a negative shift in the commodity terms of trade.

2.2 National Economic Developments and Outlook

The Kenyan economy demonstrated remarkable resilience and recovery from COVID-19 shock due to the diversified nature of the economy and the proactive measures by the Government to support businesses. The economy continued to expand in 2022, albeit at a slower pace than the 7.5 percent recorded in 2021, a much stronger level from a contraction of 0.3 percent in 2020.

Real GDP is expected to grow by 5.5 percent in 2022 supported by the services sector despite subdued performance in agriculture and weaker global growth. The economy is projected to rebound to 6.1 percent in 2023, reinforced by the Government’s development agenda geared towards economic turnaround and inclusive growth. The figure below shows the yearly comparison of the Real GDP growth rates.

Figure 2 Annual Real GDP Growth Rates



Source of Data: Kenya National Bureau of Statistics, The National Treasury

The growth momentum continued in the first three quarters of 2022 averaging 5.5 percent despite subdued performance in agriculture and weaker global growth. The economy grew by 6.7 percent in the first quarter and 5.2 percent in the second quarter compared to a growth of 2.7 percent and 11.0 percent in similar quarters in 2021. In the third quarter of 2022, the economy grew by 4.7 percent compared to a growth of 9.3 percent in the corresponding quarter of 2021. Most sectors posted slower growths owing to the significantly high growth rates recorded in the third quarter of 2021 that signified recovery from the impact of the COVID-19 pandemic. The growth in the third quarter of 2022 was mainly supported by the service sectors particularly Accommodation and Food Service activities, Wholesale and retail trade, Professional, Administrative and Support services, Education and Financial and Insurance activities. The growth was however slowed by declines in activities of the Agriculture, Forestry and Fishing, and Mining and Quarrying sectors.

The agriculture sector recorded a contraction of 0.6 percent in the third quarter of 2022 compared to a growth of 0.6 percent recorded in the corresponding quarter of 2021. The slowdown in performance of the sector was mainly attributed to unfavorable weather conditions that prevailed in first three quarters of 2022. The decline was reflected in the decline in vegetable exports and milk intake by processors. The sector’s performance was cushioned from a steeper contraction by improved production in fruits, coffee and cane.

The performance of the industry sector slowed down to a growth of 3.4 percent in the third quarter of 2022 compared to a growth of 8.3 percent in the same period in 2021. This was mainly on account of normalization of activities in the manufacturing sub-sector after the strong recovery in

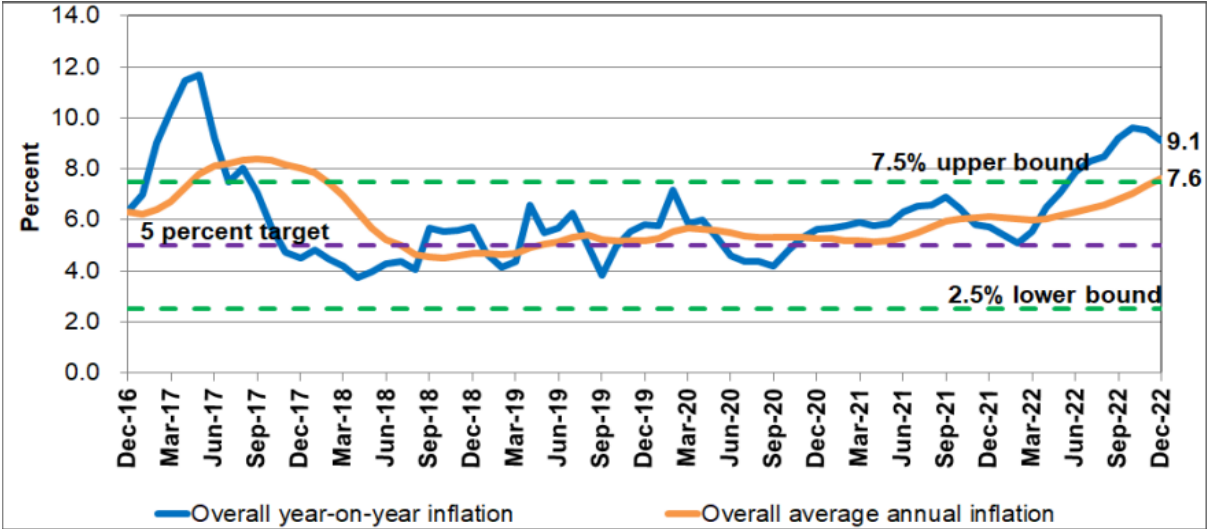
2021. Manufacturing sub-sector expanded by 2.4 percent in the third quarter of 2022 compared to 10.2 percent growth recorded in the same period of 2021. The growth in the industry sector was supported by positive growths in Electricity and Water Supply sub-sector and construction sub-sector which grew by 4.7 percent and 4.3 percent, respectively.

The activities in the services sector normalized and remained strong in the third quarter of 2022 after a strong recovery in 2021 from the effects of COVID-19 pandemic. The sector growth slowed down to 6.1 percent in the third quarter of 2022 compared to a growth of 11.4 percent in the third quarter of 2021. This performance was largely characterized by substantial growths in accommodation and food services, wholesale and retail trade, professional, administrative and support services and education sub-sectors.

2.2.1 Inflation Rate

The year-on-year inflation rate eased for the second consecutive month in December 2022 but was still above the 7.5 percent upper bound target. Inflation rate eased to 9.1 percent in December 2022 from 9.5 percent in November 2022 due to a decline in food prices as a result of favorable rains and declining international prices of edible oils. However, this inflation rate was higher than the 5.7 percent recorded in December 2021. Overall annual average inflation increased to 7.6 percent in December 2022 compared to the 6.1 percent recorded in December 2021.

Figure 3 Inflation Rate, Percent



Source of Data: Kenya National Bureau of Statistics

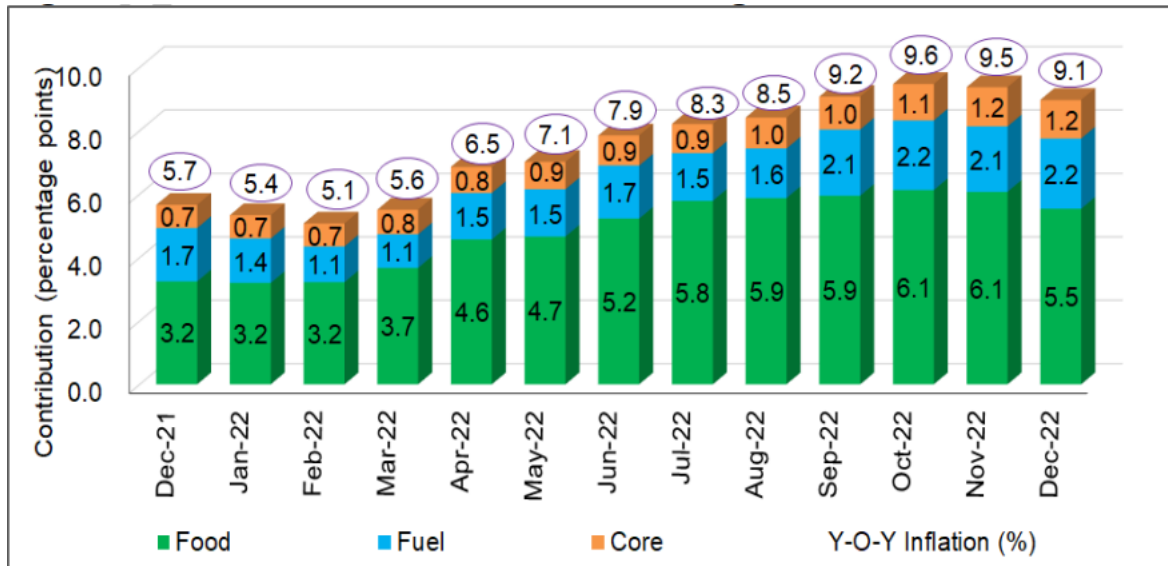
Food inflation remained the main driver of overall year-on-year inflation in December 2022, contributing 5.5 percentage points, an increase, compared to a contribution of 3.2 percentage points in December 2021. The increase was mainly attributed to unfavorable weather conditions and supply constraints of key food items particularly maize grain (loose), fortified maize flour, cooking oil (salad), cabbages, beef with bones and mangoes.

Fuel inflation also increased to contribute 2.2 percentage points to year-on-year overall inflation in December 2022 from a contribution of 1.7 percentage points in December 2021. This was

mainly driven by increases in electricity prices due to higher tariffs and increased prices of kerosene/paraffin, diesel and petrol on account of higher international oil prices.

The contribution of core (non-food non-fuel) inflation to year-on-year overall inflation has been low and stable, consistent with the muted demand pressures in the economy, supported by prudent monetary policy. The contribution of core inflation to overall inflation increased to 1.2 percentage points in December 2022 compared to 0.7 percentage points contribution in December 2021. The figure below shows the contributions (percentage points) to inflation.

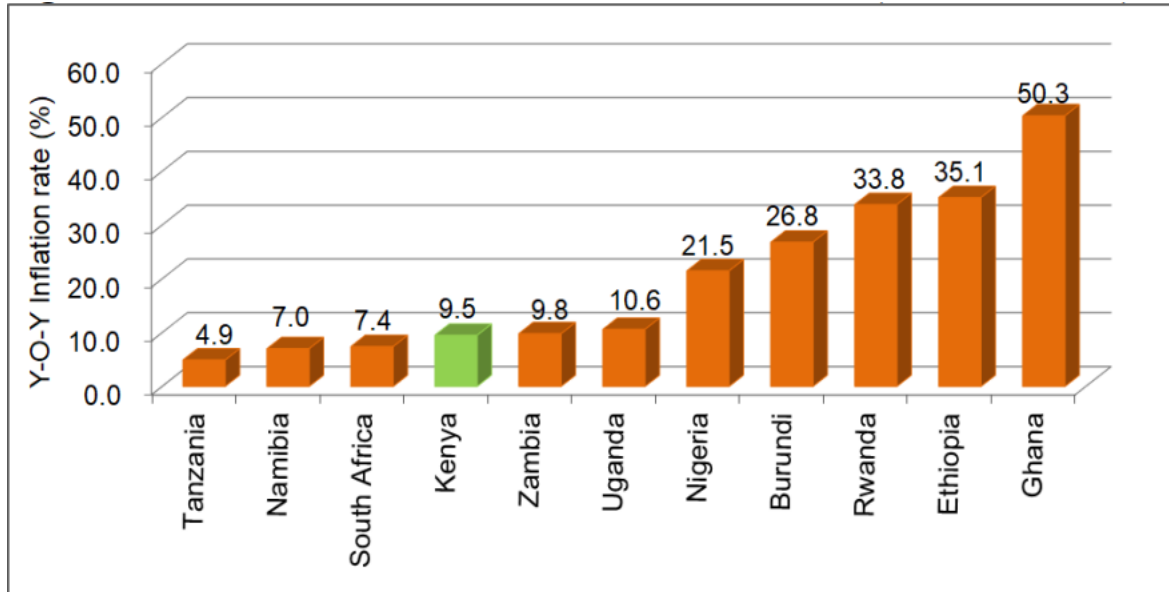
Figure 4 Contributions to Inflation, Percentage Points



Source of Data: Kenya National Bureau of Statistics

While inflation has been rising and remains high in most economies, Kenya’s inflation rate at 9.5 percent in November 2022 is much lower than that of some countries in the Sub-Saharan African region that have double digits’ inflation. See the figure below.

Figure 5 Inflation Rates in selected African Countries (November 2022)



Source of Data: National Central Banks

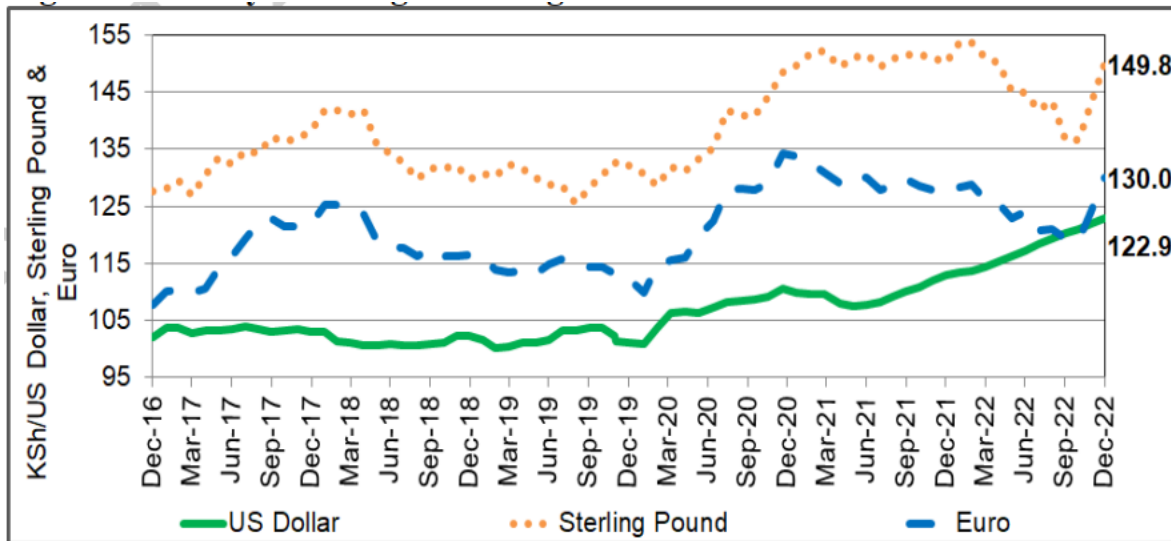
2.2.2 Kenya Shilling Exchange Rate

The foreign exchange market has largely remained stable despite the tight global financial conditions attributed to strengthening US Dollar and uncertainties regarding the ongoing Russian-Ukraine conflict.

Due to the strong dollar, the exchange rate to the Kenya shilling like all world currencies has weakened to exchange at Kshs 122.9 in December 2022 compared to Kshs 112.9 in December 2021. Against the Euro, the Kenya shilling also weakened to Kshs 130.0 from Kshs 127.6 over the same period. The Kenyan Shilling strengthened against the Sterling Pound to Kshs 149.8 in December 2022 from Kshs 150.2 in December 2021. See Figure 6 below.

The current account deficit was generally stable at 5.2 percent of GDP in the 12 months to November 2022 compared to 5.4 percent of GDP in November 2021 on account of improved receipts from service exports and resilient remittances. The official foreign exchange reserves at 4.2 months of import cover in November 2022 continues to provide adequate buffer against short term shocks in the foreign exchange market.

Figure 6 Kenya Shillings Exchange Rate



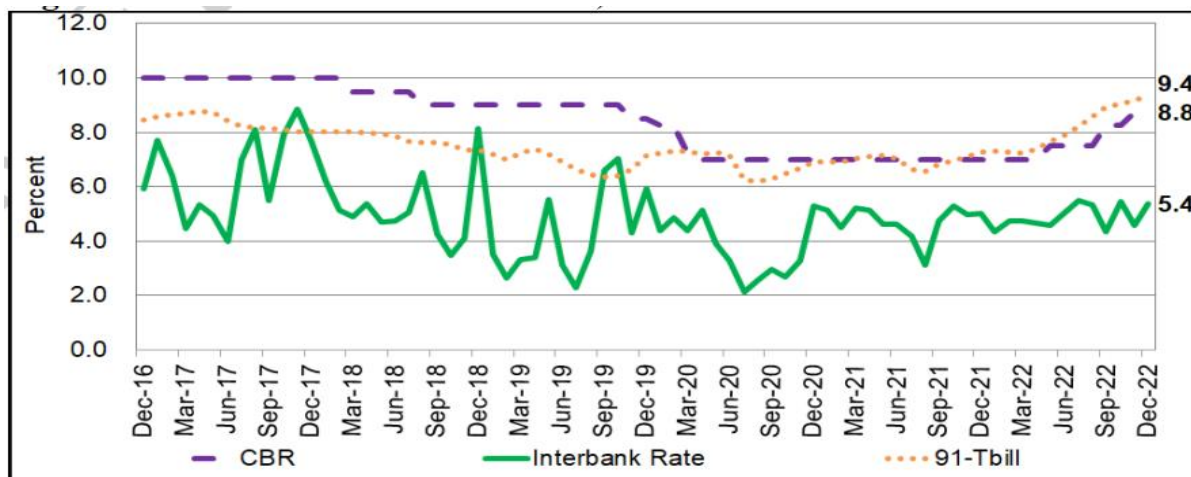
Source of Data: Central Bank of Kenya

2.2.3 Interest Rate

Monetary policy stance remains tight to anchor inflation expectations due to the sustained inflationary pressures, the elevated global risks and their potential impact on the domestic economy. In this regard, the Central Bank Rate was raised from 8.25 percent to 8.75 percent in November 2022.

The interbank rate remained stable at 5.4 percent in December 2022 compared to 5.0 percent in December 2021 while the Treasury bills rates increased in December 2022 due to tight liquidity conditions. The 91-day Treasury Bills rate was at 9.4 percent in December 2022 compared to 7.3 percent in December 2021.

Figure 7 Short Term Interest Rates, Percent



Source of Data: Central Bank of Kenya

Commercial banks' lending rates remained relatively stable in October 2022 supported by the prevailing monetary policy stance during the period. The average lending rate was at 12.4 percent in October 2022 from 12.1 percent in October 2021 while the average deposit rate increased to 7.0 percent from 6.4 percent over the same period. Consequently, the average interest rate spread declined to 5.4 percent in October 2022 from 5.7 percent in October 2021.

2.3 County Economic Outlook

Taita Taveta County operates within the global and the national economic outlook. The global and national economic dynamics impact both directly and indirectly on county fiscal decisions and operations. The global dynamics impact on the grants and the development support we get from the external partners as well as the tourism industry in our county. On the other hand, the national economic growth is a parameter that influences the equitable share to counties. The higher the GDP growth, the more allocation is expected to counties and the more stable global economic performance the more support the county is likely to receive.

The weakening of the Kenya Shilling against the dollar, directly affects our imports making them expensive. Inflation on the other hand, impacts negatively on the cost of goods and services which in turn lowers the purchasing power of our people. Since inflation is on a downward trend, 9.1 in December 2022 compared to 9.6 in October 2022, prices of commodities like food are expected to come down, the welfare of the people in county will improve and the cost of doing business will ease hence realizing the county's vision of having quality life for all.

Interest rates affect the cost of borrowing for both domestic use and the business enterprises. The stable interest rates have been geared towards cushioning the economy from the lingering effects of Covid- 19 and making sure the economy bounce back to normal. Taita Taveta has a huge number of small traders who greatly depend on affordable credit in the economy.

2.3.1 Fiscal Performance

The County had a budget of Kshs 7.1B which consisted of Kshs 4.9B (69%) for recurrent expenditure and Kshs 2.2B (31%) for development expenditure.

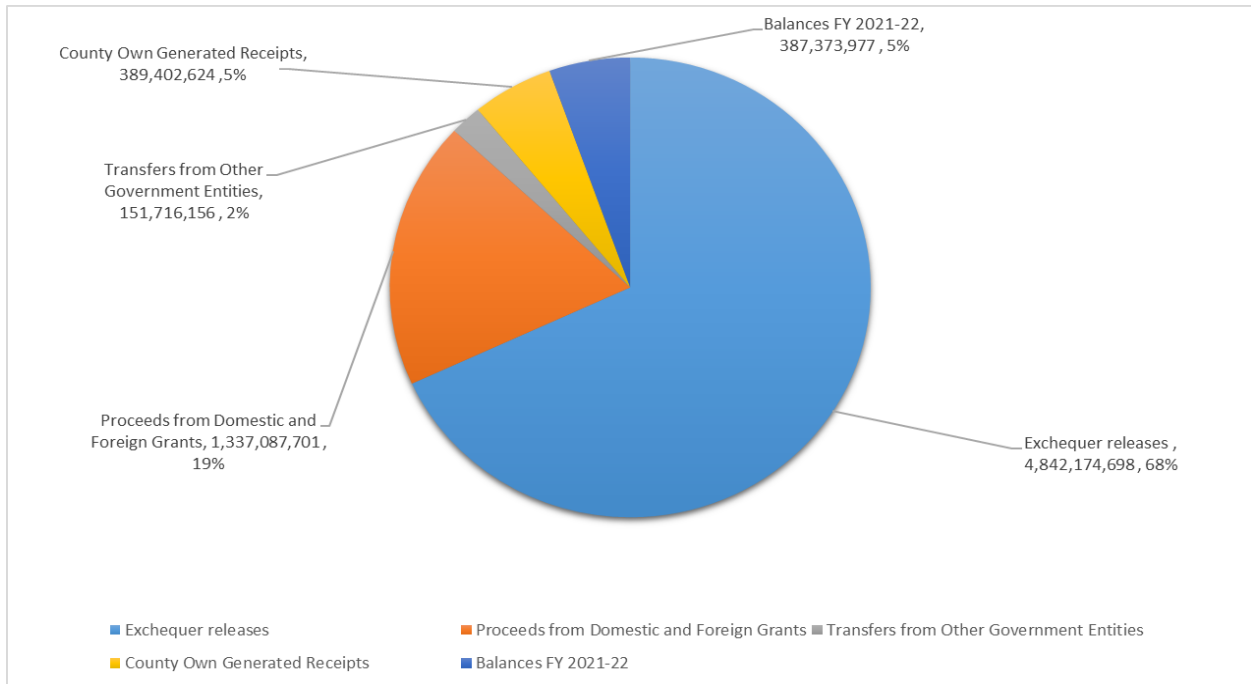
Budget execution in the first half of FY 2022/2023 was represented by 31% absorption rate of the expenditure budget, after a realization of Kshs 2.16B in revenues which is 31% achievement. It does not look so good because of the shortfall in our own source revenues and poor disbursements from the exchequer for the period ended 31st December, 2022.

2.3.1.1 Revenue Analysis

In the FY 2022/2023, the County had projected revenues of Kshs 7.1 Billion, consisting of Kshs 389 Million from own sources and Kshs 6.7 Million from other sources, including County Allocation through Exchequer and conditional grants from various development partners.

A graphical representation of the revenue budget is as shown below:

Figure 8 Taita Taveta County revenue sources in FY 2022/2023



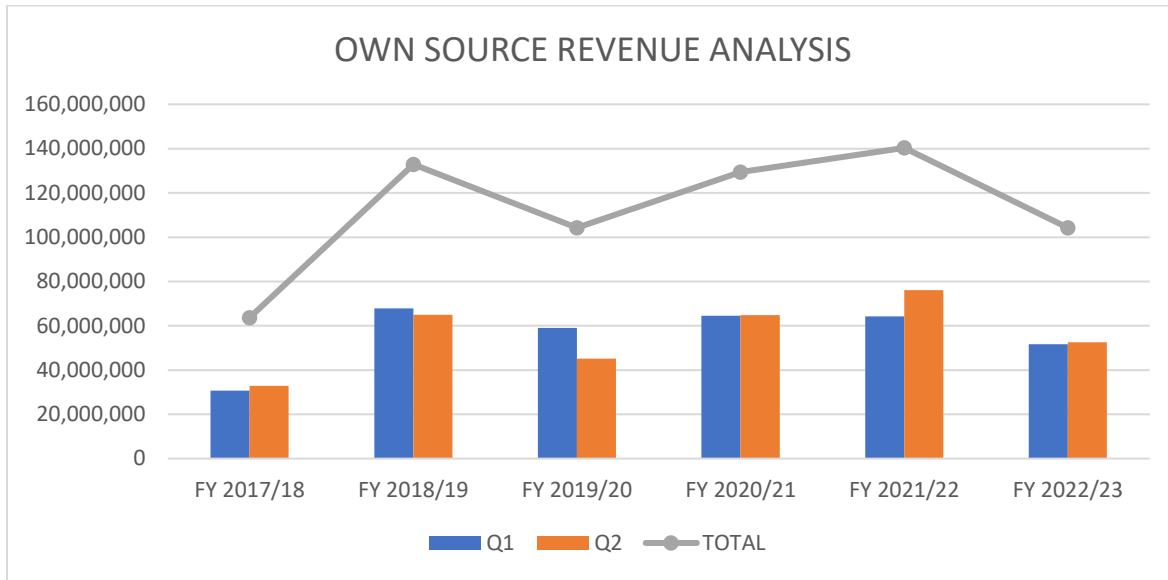
Exchequer releases continue to form the largest part of our revenue budget, contributing 68% towards our budget. Our own generated revenues formed 5% of our budget.

The County was able to realize Kshs 2.1 Billion in actual revenues, representing 30% performance. This performance was as a result of 41% realization of the County Allocation through Exchequer, 25% on own generated revenues, 51% Transfers from other government entities. The table below shows an analysis of revenue performance during the period ended 31st December, 2022.

Own source revenues dropped by 26% to Kshs 98 Million for the first half of FY 2022/2023 compared to Kshs 140M during the same period in the last financial year. Some of the leading revenue streams included Cess which represented 63% of the collected amount, single/Business Permits Kshs 9.4 Million, Parking fees Kshs 7.8 Million, Property rent Kshs 4.5 Million and Market fees Kshs 4.4 Million.

Below is the graphical representation showing quarterly trends and comparison of own source revenues from the FY 2017/2018 to FY 2022/2023.

Figure 9 Graphical Representation of Half Year Own Source Revenues



It is noted that the county recorded a two-year low in own source revenues for the period ended 31st December, 2022. This has negatively impacted on the delivery of services and the growth of the county as well.

The County has continued to explore new and innovative ways of increasing its local revenue collections. Some of the steps that the County has taken towards improving its revenue collections include:

1. **Capacity building of staff** as regard technical assistance, knowledge exchange and structured learning.
2. Ensuring a **well-coordinated approach in terms of monitoring and supervision** in all departments including strengthening the inspectorate unit.
3. **Improving the staff working environment** and facilitating Revenue Directorate with enough accountable documents for Revenue collection and Reporting. The County Government also provided additional motor vehicles and motorbikes to improve on mobility of revenue staff throughout the County.
4. **Revenue collection targets** have been set for each Sub County, departments and revenue streams down to individual collector to enhance performance and as an incentive for improvement.
5. **Digitalizing revenue collection** by having a revenue collection system, that is, County Integrated Revenue Management Information System aimed at improving our revenue collection, sealing leakages and mitigate poor revenue administration.

We also recommend the following measures to be taken moving forward:

6. **Monthly reviews and analysis of the revenue targets** should be undertaken by the revenue leads and or supervisors, director and the chief officer to discuss the challenges

faced and realization of the targets, to make sure our revenue maintain an upward trajectory.

7. **Key performance indicators should be set and appraisals be done** on the revenue collectors, revenue leads/supervisors and the director to measure performance and productivity of staff directly involved in revenue collection.

2.3.1.2 Expenditure Analysis

The total expenditure for the period ended 31st December, 2022 amounted to Kshs 2.1Billion against the total approved budget of Kshs 7.1Billion representing 31% absorption rate. A total of Kshs 2Billion (representing 42% of the recurrent budget) was spent on recurrent expenditure out of which Kshs 1.1Billion went to compensation for employees.

An absorption rate of 5% of the development budget was realized representing Kshs 116.8Million. A total of Kshs 100Million of the development amount was spent on acquisition of assets.

Government spending is a key contributor to our economy. The low absorption rates in our expenditure affects delivery of services and also the economic growth of our county.

Below is a summary statement table of appropriation:

Receipt/Expense Item		Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget utilization difference	% of Utilization
		Ksh	Ksh	Ksh	Ksh	Kshs	Kshs
		a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS							
Exchequer releases	1	4,842,174,698		4,842,174,698	1,985,291,627	2,856,883,071	41%
Proceeds from Domestic and Foreign Grants	2	1,309,042,701	28,045,000	1,337,087,701	-	1,337,087,701	0%
Transfers from Other Government Entities	3	133,118,780	18,597,376	151,716,156	76,842,500	74,873,656	51%
County Own Generated Receipts	9	400,000,000	(10,597,376)	389,402,624	98,664,000	290,738,624	25%
Returned CRF issues	10	391,000,000	(3,626,023)	387,373,977	237,296	387,136,681	0%
TOTAL		7,075,336,179	32,418,977	7,107,755,156	2,161,035,423	4,946,719,733	30%
PAYMENTS					-		
Compensation of Employees	11	2,720,107,086	(53,109,086)	2,666,998,000	1,138,507,449	1,528,490,551	43%
Use of goods and services	12	777,122,532	(153,252,641)	623,869,891	279,898,503	343,971,388	45%
Subsidies	13	-	-	-	-	-	0%
Transfers to Other Government Units	14	599,796,305	-	599,796,305	591,903,003	7,893,302	99%
Other grants and transfers	15	1,588,398,256	53,376,637	1,641,774,893	4,857,698	1,636,917,195	0%
Social Security Benefits	16	50,000,000	3,960,169	53,960,169	-	53,960,169	0%
Acquisition of Assets	17	981,643,780	(376,107,611)	605,536,169	100,954,709	504,581,460	17%
Finance Costs, including Loan Interest	18	350,000	(200,000)	150,000	111,187	38,813	74%

Other Payments	20	357,918,220	557,751,509	915,669,729	57,972,008	857,697,721	6%
TOTAL		7,075,336,179	32,418,977	7,107,755,156	2,174,204,556	4,933,550,600	31%
SURPLUS/(DEFICIT)		-	(0)	(0)	(13,169,133)	13,169,132	

Table 1 Summary Statement of Appropriation: Recurrent and Development Combined

2.3.1.3 Outstanding pending Bills

Pending bills continue to be an issue of concern for both the national and county governments. In Taita Taveta County, the outstanding bills are historical spanning over past financial years.

As at the end of the December 2022, the County Government accrued pending bills amounting to Kshs. 1.2 Billion comprising of Kshs 316 Million for recurrent and Kshs 883 Million for development bills. Between January and February this year, a total of Kshs 79 of these pending bills have been paid leaving an outstanding balance of Kshs 1.12 billion.

	DEPARTMENT	RECURRENT	DEVELOPMENT	TOTAL	% SHARE
1	AGRICULTURE	2,567,550	12,980,724	15,548,274	1.3
2	COUNTY PSB	1,004,210		1,004,210	0.1
3	DPSA	0		0	0
4	EDUCATION	6,247,375	82,091,312	88,338,687	7.4
4	FINANCE & PLANING	11,929,180	12,212,129	24,141,309	2
6	GOVERNORS	69,435,773	5,475,532	74,911,305	6.2
7	HEALTH	177,068,445	267,884,686	444,953,131	37.1
8	ICT	694,038		694,038	0
9	LANDS	2,295,488	2,035,361	4,330,849	0.4
10	LIVESTOCK & FISHERIES	2,360,427	15,557,197	17,917,624	1.5
11	PUBLIC SERVICE & ADMINISTRATION	14,653,537	4,196,969	18,850,506	1.6
12	PUBLIC WORKS	7,007,350	222,472,930	229,480,280	19.1
13	SERVICE DELIVERY UNIT	120,400		120,400	0
14	TRADE	4,901,546	14,170,770	19,072,316	1.6
15	WATER & SANITATION	7,853,128	128,851,370	136,704,498	11.4
16	YOUTH SPORT GENDER TOURISM	8,382,878	115,824,838	124,207,716	10.3
	TOTAL	316,521,325	883,753,818	1,200,275,143	100

In the approved FY 2022-23 Supplementary I budget estimates, the provision for pending bills stands at Kshs 361 Million, comprising of Kshs 98 Million for recurrent and Kshs 262 Million for development.

A pending bills review and verification committee has been constituted and is currently in the

process of ascertaining the authenticity of all the pending. The committee's report will inform the way forward in terms of what should be paid and when.

Given the trends in disbursement of funds from the National Treasury it is prudent that an adequate provision for pending bills be made in the next supplementary estimates and the balance be provided for in the FY 2023-24 budget estimates .

3. DEPARTMENTAL CEILINGS, BUDGET PRIORITIES FOR 2023/2024 AND THE MEDIUM TERM

The FY 2023/24 and the medium-term budget framework builds up on the County Government's efforts to stimulate and sustain economic activities and re-position the economy on a sustainable and inclusive growth trajectory. This will be achieved through implementation of programmes supporting economic recovery and the priority programmes aimed at improving the welfare of the citizens; eradicating hunger; creating jobs; embracing technology in revenue collection while expanding the tax revenue base to promote delivery of services.

3.1 Public Participation and Stakeholders Engagement

Public participation is a necessary tool in the process of policy formulation. The constitution of Kenya considers public participation as a principle of public finance management. The County Government Act (Section 115) makes it mandatory for the public participation to be done during the county planning and budgeting process.

Civic education is a precondition for effective public participation. Albeit it has not been fully embraced in our county, the county government is keen on utilizing this platform to get necessary feedback to the people, and an avenue to assess the quality of county services. The process will also inform the public on their civic roles in policy formulation and governance.

Going forward the county will endeavor to provide effective public consultation at all levels for all county governance processes. In fulfillment of this, this document was subjected to public fora which were held February 2023. The issues and responses raised during the public hearings have been provided in Annex 2.

3.2 Departmental Ceilings

Resource allocation criteria

The total sectoral resource requirement, that is Kshs. 18M for the FY 2023/2024, is far much beyond the expected county revenues. Therefore, from the 2023 Annual Development Plan, there is need to rationalize the sector proposals to ensure we come up with a fair way of allocating resources and also have our priorities in place. The following criterion has been used in the proposed FY 2023/2024 departmental allocations.

1. Non-discretionary expenditure takes first priority.
2. Sectoral priority areas proposed by the public in the CIDP and CADP influence the planning and funding framework.
3. Completion of ongoing and stalled critical infrastructure projects. This is to ensure the government gets value for money and citizens reap from investment of public resources.
4. Huge pending bills. In a bid to reduce and clear the county debt, significant resources have to be set aside.
5. Fiscal responsibility principles as set out in the PFM Act Section 107(2).

3.3 Fiscal framework for FY 2023-2024 and the medium term

In the FY 2023-24, the county government expects to receive Kshs 5.0 Billion as equitable share from the national government. The county has further projected to raise Kshs 400 Million as Own Source Revenue. This implies that the amount of shareable revenue to be allocated to the county departments for FY 2023-24 is Kshs 5.4 Billion

Below is a summary table of the revenue projection:

Revenue Source	FY 2023/2024	2024/2025 Projection	2025/2026 Projection
Equitable Share	5,034,970,018	5,286,718,519	5,551,054,445
Own Source Revenue	420,000,000	441,000,000	463,050,000
Total Revenue	5,454,970,018	5,727,718,519	6,014,104,445

The targeted own source revenue of Kshs 420 Million does not include revenues under Health sector's Facility Improvement Fund(FIF) estimated at Kshs 100 Million for FY 2023-24 and Mwatate Municipality revenue of Kshs 41 Million.

Besides the two source of revenue highlighted above, the county expects to receive Kshs 100 Million from the national government to fund the aggregated industrial parks programme and Kshs 12 Million for library services.

Further, the county will get additional allocations in terms of grants and loans from development partners to fund various programmes. These include:

- a) World Bank -National Value Chain development Project(NVCDP)
- b) World Bank- Kenya Climate Smart Agriculture Project(KCSAP)
- c) World Bank- Water and Sanitation Development Project(WSDP)
- d) DANIDA grant- Primary healthcare in devolved context
- e) World Bank- Financing Locally Led Climate Action(FLLOCA)
- f) Sweden- Agricultural Sector Development Support Programme(ASDSP II)
- g) World Bank- Kenya Informal Settlement Improvement Project(KISIP II)

3.4 County Broad Priorities for FY 2023/2024

The main goal of the MTEF 2023/2024 is accelerated social-economic transformation with special emphasis to food security, special groups empowerment, open and transparent government to steer our county's development agenda forward.

The broad priorities are therefore aimed at:

- a) Fostering good governance and public participation
- b) Effective land use planning and sustainable management of resources.
- c) Human Resources Development and Management.
- d) Access to quality and affordable education and training
- e) Investing sufficiently in Climate Smart Agriculture for improved Food and nutrition Security
- f) Increased access to quality, affordable, adequate and timely Health Care and Medical Services
- g) Access to adequate and safe water for domestic, livestock and agricultural use.
- h) Investing sufficiently in renewable energy as well as training on modern energy conservation measures.
- i) Promotion of small, medium and micro enterprises, partnering with local and private sector as well as uplifting the cooperatives movement for posterity
- j) Investing significantly in the special interest groups (Youth, women, PWDs, elderly), Culture, sports and Performing Arts
- k) Sustainable management of mineral resources - through value addition, marketing and support to small and artisanal miners.
- l) Diversification of tourism through promotion of eco-tourism, cultural tourism and sports tourism as well as the protection of historical sites
- m) Investing in physical Infrastructure and Communication - Improving and maintaining the entire road infrastructure and internet connectivity

3.5 Sectoral Budget Priorities for FY 2023/2024 and The Medium Term

In regard to the detailed ceilings as provided in Annex 1 based on the projected resource envelope and the guiding criteria, the details of sectoral and departmental priorities are as discussed below based on the allocation of funds for the FY 2023/2024:

SECTOR I: AGRICULTURE, LIVESTOCK, FISHERIES, AND IRRIGATION

The sector's strategic objective is to improve crop, livestock and fisheries production; productivity and sustainable development; management of land and water resources to achieve food security for economic growth and development of the county.

Some of the strategies to be implemented in FY 2022/23 and the medium term are highlighted below

Priorities	Strategies
Improve food and nutrition security	<ul style="list-style-type: none"> • Strengthen delivery of agricultural extension services • Promotion of climate smart agricultural technologies (Drought Tolerant crops) • Invest in research and development • Policy development – crop development policies and review of acts • Human-Wildlife conflict management. • Promotion of pest surveillance and control.
	<ul style="list-style-type: none"> • Strengthen delivery of livestock extension services. • Improve range land and ranch resource utilization and management. • Poultry development. • Human-Wildlife conflict management.
	<ul style="list-style-type: none"> • Surveillance and control of livestock vector, pests and diseases. • Provision of veterinary public health services. • Promotion of livestock breeding services. • Promotion of livestock clinical services. • Provision of veterinary extension services. • Veterinary policy development. • Development of disease and pest control infrastructure.
	<ul style="list-style-type: none"> • Improve capture fish and aquaculture development. • Promotion of value addition and processing of fish products. • Promotion of fisheries extension services. • Development and improvement of fish market
	<ul style="list-style-type: none"> • Development and improvement of irrigation infrastructure. • Policy development • Capacity building of Irrigation Water Users Association.
Improve income and employment creation	<ul style="list-style-type: none"> • Promotion of commercialization of agricultural value chains. • Promotion of high value horticultural, fruit and nut trees. • Development of agriculture and marketing infrastructure. • Strengthening entrepreneurial skills of value chain actors. • Strengthening market linkages
	<ul style="list-style-type: none"> • Development of livestock marketing infrastructure. • Dairy development • Apiculture development • Beef development • Pasture and fodder development. • Promotion of value addition and processing of livestock products and by-products.
	<ul style="list-style-type: none"> • Livestock disease surveillance and control for transboundary diseases. • Facilitate livestock trade and animal movement control. • Leather value addition and processing.

	<ul style="list-style-type: none"> Promote fish trade. Development of fish breeding hatcheries.
Promote natural resource management	<ul style="list-style-type: none"> Promotion of agroforestry and fodder trees. Promotion of soil and water conservation and water harvesting for irrigation Promoting Sustainable use of natural resources (Land, water)
Public health, food safety and hygiene	<ul style="list-style-type: none"> Promotion of appropriate post-harvest management practices.
	<ul style="list-style-type: none"> Promotion of safe and wholesome food of animal origin. Management and control of zoonotic diseases and microbial residues. Capacity building on pet ownership.
	<ul style="list-style-type: none"> Promotion of safe fish and fish products. Capacity building of the fish industry stakeholders.

The Agriculture, Livestock, Fisheries and Veterinary Services sector has been allocated a total of Kshs 371 Million. This consists of Kshs 171 Million for salaries, Kshs 40 Million for county contribution to donor funded projects, Kshs 50 Million for recurrent and Kshs 110 for development expenditure.

SECTOR II: PUBLIC WORKS, INFRASTRUCTURE, ROADS, TRANSPORT AND HOUSING

This sector is responsible for quality roads construction and maintenance, quality building construction and maintenance, improving living standard by maintaining existing county government buildings, reducing damages due to fire incidences and increase road safety.

In the FY 2023-24 and the medium term, the sector has outlined the following strategies to be implemented

Priorities	Strategies
Opening, maintenance of county roads and Construction of structures	Purchasing more equipment and Machinery for road making Regular Site inspection and Reporting
Road safety, Controlled parking	Creating roads safety awareness Increasing roads furniture e. g. Bumps, Signs Maintaining the designated parking areas.
Quality Buildings Construction Supervision Services	Complying with building regulations and standards Designing projects and documentation Regular Site inspection and Reporting
Housing Infrastructure development and maintenance services.	Maintaining and managing and inspection of Existing government buildings Allocating more Funds for Maintenance

	Establish New House Units
Establishment of Fire Service Stations to all Sub Counties.	Establishing and equipping fire service stations Awareness and Training of Staffs and Community Policy and Enforcement Laws developments

The sector has been allocated a total of Kshs 143 Million. This consists of Kshs 57 Million for salaries, Kshs 26 Million for recurrent and Kshs 60 Million for development expenditure.

SECTOR III : TRADE, TOURISM, COOPERATIVES DEVELOPMENT AND INDUSTRIALIZATION

The sector is committed to achieving prosperity through promotion of tourism and markets for local products, championing of value addition ventures, vibrant cooperatives and private sector development.

During the FY 2023-24 and the medium term, the sector will prioritize the following strategies for implementation

Priorities	Strategies
Trade and industrial development	Market infrastructure improvement; industrial infrastructure improvement; training and capacity building; investments promotion; creation of market linkages
Tourism promotion and development	Tourism products mapping, branding and marketing; tourism diversification; tourists attraction sites infrastructure improvement; sporting tourism
Cooperatives development	Improved cooperatives governance, cooperatives auditing; awareness creation, training and research; cooperative services value addition and cooperatives financing

The sector has been allocated a total of Kshs 87 Million. This consists of Kshs 32 Million for salaries, Kshs 28 Million for recurrent and Kshs 27 Million for development.

SECTOR IV: HEALTH SERVICES

The health services sector is committed to ensuring access to quality, affordable and timely preventive, promotive, curative and rehabilitative healthcare to all.

To achieve its objective, the sector has outlined the following strategies to be implemented in FY 2023-24 and the medium term

Priorities	Strategies
General administration, planning and administrative support services	Health facilities infrastructure improvement; adequate equipping of all health facilities; Ensure optimal staffing levels at all health facilities; adequately stocking the facilities with medical drugs and laboratory reagents; ensure health management and coordination
Curative and rehabilitative services	Improved general outpatient services; fully equipping the accidents and emergency unit; improving access to specialized services(cancer,renal,eye,dental); improving the theatre services, Fully equipping the radiology section(CT-scan, MRI, ultra sound); improved referral systems and improved mortuary services
Preventive and promotive services	Improving HCWs skills and mother friendly services; enhanced immunization uptake; up scaled nutrition services; increased disease surveillance and control; improved uptake of HIV services, malaria and TB control; management of NTDs and NCDs; school health initiatives and GBV care

The sector has been allocated a ceiling of Kshs 1.8 Billion. This consists of Kshs 1.7 Billion for salaries, Kshs 100 Million for recurrent and Kshs 100 Million for development expenditures. This allocation does not include the Kshs 100 Million under Facility Improvement Fund(FIF) for FY 2023-24.

SECTOR V: EDUCATION, LIBRARIES, VTCs and ICT

The sector's overall objective is ensuring access to quality education and training, aimed at building a productive society for socio-economic development

In the FY 2023-24 and the medium term, the sector has outlined the following strategies to be implemented

Priorities	Strategies
Quality pre-primary education	Infrastructure improvement in ECDE; equipping and staffing of ECDE; provision of capitation for ECDE; Digital learning in

	ECDEs and schools feeding programme
Youth training, VTCs and homecrafts	VTCs infrastructure improvement and equipping; adequate staffing of VTCs; VTCs specialization; capitation; development of homecrafts
Education funding	Adequately funding of bursaries and scholarships; mentorship and career guidance
Library services	Mobile library equipment and book stocking; construction of community libraries;
ICT	ICT infrastructure improvement; digital enhancement; e-governance

The sector has been allocated a total of Kshs 684 Million. This consists of Kshs 420 Million for salaries, Kshs 200 Million for the the County Education Fund, Kshs 24 Million for recurrent and Kshs 40 Million for development expenditure.

SECTOR VI: LANDS, MINING AND ENERGY

The sector’s mandate includes ensuring proper land use planning and management, promote sustainable mining and environmental conservation and improve mineral resource management.

During the FY 2023-24 and the medium term, the sector has prioritized the following strategies for implementation.

Priorities	Strategies
Land use planning	Preparation of County spatial plan; preparation of strategic urban development, upgrading of informal settlement, urban & local areas and settlement planning; development control
Surveying and mapping	County cadastral map; surveying of townships; registration of community lands
Land information management system	Establishment of GIS laboratory; Land Information Management System in place
Urban planning and development	Establishment of Voi and Taveta municipalities; Mwatate bus park; opening up of municipality roads formation of urban management committee and boards.

Mineral Resources management	Support to artisanal and small scale miners; minerals exploration and extraction; minerals marketing strategy
Adoption of renewable and alternative sources of energy	Solar electrification in hospitals, schools, markets, irrigation systems, feed formulation machines, solarized honey refining machines and street lighting; Installation of solar water heaters, use of solar energy in mining sites i.e. Solar lanterns for lighting and solar powered torches to avoid use of dry cells and promotion of clean energy.

The sector has been allocated a total of Kshs 103 Million. This consists of Kshs 25 Million for salaries, Kshs 43 Million for recurrent and Kshs 35 Million for development expenditure.

SECTOR VII: PUBLIC ADMINISTRATION AND INTERGOVERNMENTAL RELATIONS

The sector is committed to ensuring an all inclusive leadership, sound fiscal policy formulation, prudent management of public resources and public service welfare

In the FY 2023-24 and the medium term, the sector has outlined the following strategies for implementation

Priorities	Strategies
Improved service delivery	Establishment of efficiency monitoring unit; Increased mobilization of external resources; Public participation;
Increased own source revenue generation	Full automation of revenue collection and reporting; Establishment of a new/updated valuation roll; Increasing the capacity of the revenue management directorate
Improved staff welfare	Adequate remuneration for staff; Conducting and implementing training needs and bench-marking; Continuous promotion of staff
Improved management of public funds	Enforcing internal control mechanism; Enhancing internal audit; Ensure timely preparation of statutory documents and reports; formulation and implementation of M&E policy

This sector consists of; County Assembly, Devolution, Public Service and Administration, Gubernatorial, Finance and Economic Planning and the County Public Service Board.

The County Assembly has been allocated a total of Kshs 587 Million. This consists of Kshs 345 Million for salaries, Kshs 234 Million for recurrent and Kshs 10 Million for development.

Devolution, Public Service and Administration has been allocated a total of Kshs 219 Million. This consists of Kshs 59 Million for salaries, Kshs 100 Million for County staff Medical Insurance and Kshs 60 Million for recurrent expenditure. For proper management of the payroll, all salaries and wages for all county staff will be budgeted for under this department

Gubernatorial which consists of the Governor’s and Deputy Governor’s office has been allocated a total of Kshs 243 Million. This consists of Kshs 158 Million for salaries and Kshs 85 Million for recurrent.

Finance and Economic Planning has been allocated a total of Kshs 282 Million. This consists of Kshs 157 Million for salaries, Kshs 30 Million for the County Emergency Fund and Kshs 20 Million for County staff car loans and mortgages, Kshs 65 Million recurrent and Kshs 10 Million for development.

County Public Service Board has been allocated a total of Kshs 61 Million. This consists of Kshs 34 Million for salaries and Kshs 27 Million for recurrent.

Sector 8: YOUTH, GENDER, SPORTS, CULTURE AND SOCIAL SERVICES

The sector comprises of Sports development, Youth development, Social Services, Gender and Culture Development. It is mandated to promote youth empowerment, training and investment and promote sports at all levels to enhance youth participation in development activities.

In the FY 2023-24 and the medium term, the sector has prioritized the following strategies for implementation.

Priorities	Strategies
Improved sporting environment and talents development	Construction and rehabilitation and equipping of sporting facilities; Establishment and equipping of talent centres; Enactment of sporting and talent legislation; Training clinics for coaches and referees
Improved youth and community empowerment	Provision of support to youth, women and self help groups; Empowering groups with entrepreneurial skills; Equipping of youth friendly/empowerment centres
Enhanced gender mainstreaming	Sensitization campaigns on gender mainstreaming; Establishment of GBV and rescue and recovery

	centres; Advocacy and collaboration with stakeholders; Establishment of sub-county incubation centres
Increased appreciation of cultural heritage	Restoration of traditional caves and heritage sites; Celebration of annual cultural festivals; Processing and registering cultural groups

The sector has been allocated a total of Kshs 120 Million. This consists of Kshs 25 Million for salaries, Kshs 28 Million for recurrent and Kshs 67 Million for development expenditures.

SECTOR IX: WATER, ENVIRONMENT, SANITATION, CLIMATE CHANGE AND NATURAL RESOURCES

The sector is committed to improving safe water supply in a clean environment as well as building an adverse climate change resilience county.

During the FY 2023-24 and the medium term, the sector has prioritized the following strategies for implementation

Priorities	Strategies
Provision of clean, safe and adequate water for all	Establishment of new water sources; Rehabilitation of existing water sources; Reticulation and augmentation of water supply
Climate change adaptation	Climate change resilience investments; Establishment and operationalization of climate change Fund; Construction of dams for irrigation and domestic use; Ward climate change investments; Green bond investments; Mainstreaming of climate change issues
Environmental and natural resource conservation and management	Protection of all catchment areas and fragile ecosystems; Enforcement of all EMCA provisions; Waste water and solid waste management; Open defecation free villages
Biodiversity and forests conservation and management	Demarcation of all county forests; Urban forestry; participatory forests management; conservation of endemic species; invasive species management

The sector has been allocated a total of Kshs 401 Million. This consists of Kshs 91 Million for salaries, Kshs 45 Million for the County Climate Fund(which is 2% of the development budget) and Kshs 70 Million as counter part funding for WSDP and WSTF. A total of Kshs 45 Million has been allocated for recurrent and Kshs 150 Million for development expenditure.

Wards Equalization Projects

The county has set aside Kshs 300 Million as Ward Equalization Projects to cater for development expenditure to be allocated to various departments.

4. FISCAL FRAMEWORK AND FISCAL RISK

4.1 Fiscal Responsibility Principles

The Public Finance Management Act, 2012 sets out the fiscal responsibility principles to ensure prudent and transparent management of public resources. Section 107(2) states that 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 70 percent of 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 the purpose of 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 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.

4.2 Fiscal Policies and Strategies

Some of the policies and strategies to be adopted in the FY 2022/2023 and the medium term include:

1. Implementation of a Projects' Management framework where Planning, approval and implementation of projects will be based on suitability, acceptability, viability, impact and sustainability
2. For huge capital projects, the planning and implementation will be done in phases to ensure efficiency.
3. The county government will implement measures and strategies to enhance its Own Source revenue collection to supplement the funds received from the Exchequer.
4. County Spatial Planning will be prioritized as strategy towards streamlining development processes and enhancement of County OSR.

4.3 Fiscal Risks

- a) High expenditure on personnel emoluments contrary to Regulation 25 (1) (b) of the Public Finance Management (County Governments) Regulations, 2015 that sets the limit of the County Government's expenditure on wages and benefits at 35 percent of the County's total revenue.
- b) Below target Own Source Revenue Collections that results to unfunded budget deficits and accumulation of pending bills negatively affecting service delivery to the citizens
- c) County Governments continue to report high levels of pending bills that remain unpaid and have a negative impact on the business community as well as the economy in general.
- d) Low actual development expenditure which is not in line with the County Governments approved budgets and contrary to Section 107(2) (b) of the Public Finance Management (PFM) Act, 2012, that provides that over the medium term, a minimum of thirty percent of the County Government budget shall be spent on the development expenditure.
- e) Natural Disasters and Man-made Hazards- In the recent past, Kenya has been exposed to multiple disasters ranging from floods, desert locust invasion, COVID-19 and drought. The compounding effects of these disasters have had severe impact on lives, livelihoods and the economy.
- f) Climate Change Related Fiscal Risks to the Economy- Climate change has become a pressing issue globally, and like other economies, the Kenyan economy is vulnerable to its ravaging impacts.

ANNEX 1: PROPOSED 2023/2024 SPENDING CEILINGS

VOTE	DEPARTMENT/ARM	SALARIES	FUNDS/County Contribution	RECURRENT	DEVELOPMENT	TOTAL	% share
3261	County Assembly	345,960,169		231,039,831	10,000,000	587,000,000	10.69
3262	Devolution, Public Service and Administration	59,130,972	100,000,000	60,000,000		219,130,972	3.99
3263	Gubernatorial	158,857,654		85,000,000		243,857,654	4.44
3264	Finance and economic Planning	157,415,696	50,000,000	65,000,000	10,000,000	282,415,696	5.14
3265	Agriculture and Irrigation	99,637,873	40,000,000	32,000,000	60,000,000	231,637,873	4.22
3266	Livestock, Veterinary and Fisheries	71,604,579		18,000,000	41,000,000	130,604,579	2.38
3267	Water and Sanitation	91,068,653	70,000,000	30,000,000	120,000,000	311,068,653	5.67
	Environment, Climate Change and Natural resources		45,000,000	15,000,000	30,000,000	90,000,000	1.64
3268	Education, Libraries and VTCs	420,874,089	200,000,000	24,000,000	40,000,000	684,874,089	12.47
3269	Health Services	1,692,438,762		100,000,000	100,000,000	1,892,438,762	34.47
3270	Trade, Tourism, Cooperative development & Industrialization	32,376,644		28,000,000	27,000,000	87,376,644	1.59
3271	County Public Service Board	34,997,342		27,000,000		61,997,342	1.13
3272	Public Works, Housing and Infrastructure	57,713,606		26,000,000	60,000,000	143,713,606	2.62
3273	Lands, Mining and Energy	25,089,359		43,000,000	35,513,316	103,602,675	1.89
3276	Youth, Gender, Sports, Culture and Social Services	25,726,051		28,000,000	67,000,000	120,726,051	2.20
3060	Wards equalization projects				300,000,000	300,000,000	5.46
		3,272,891,449	505,000,000	812,039,831	900,513,316	5,490,444,596	100.00

ANNEX 2: CONSOLIDATED PUBLIC PROPOSALS.

Sub-County	Wards	Priority Area	Description
Voi	Mbololo	Water, Environment and Climate change	Supply of adequate water for human beings and livestock by providing piped water, dams, water pans, boreholes and water tanks. Water harvesting and tree planting especially fruit plants.
		Health Services	Modern theatre at referral hospitals and general infrastructure improvement in the health centres. Adequate supply of drugs.
		Education, Libraries and VTCs	Increase bursary allocation. Feeding program. Equipping of VTCs and ECDEs. Employment of ECDE and VTCs teachers on permanent and pensionable terms
		Agriculture and Irrigation	Re-activation of extension services, Reviving Mwakiki Seed Farm. Training of farmers on basic and modern irrigation techniques.
		Public works, Housing and Infrastructure	Road's maintenance. Proper planning of houses.
		Youth, Gender, Sports, Culture and Social Services	Extension services. Training of youth on entrepreneurial skills and sensitization to venture in mining activities. Promotion of sports and cultural activities.
		Lands, Mining and Energy	Street lighting. Land surveying and issuance of title deeds. Mobilization of youth to venture into mining activities. Promotion of solar energy and biogas.
		Trade, Tourism, Cooperatives Development and Industrialization	Identify tourism potential area. Training and supporting of traders. Reactivate cooperative movements and local industries. Promotion of SMEs through training and provision of capital.
		Livestock, Veterinary and Fisheries	Extension services. Artificial Insemination services and improvement of animal breeds. Promote fish farming.
	Marungu	Water, Environment and Climate change	Access to adequate and safe water for domestic, livestock and agricultural use.

		Health Services	Increased access to quality, affordable, adequate and timely Health Care and Medical Services. Construction of health staff quarters.
		Education, Libraries and VTCs	Access to quality and affordable education and training.
		Agriculture and Irrigation	Investing sufficiently in Climate Smart Agriculture for improved Food and nutrition Security. Cattle auction market.
		Public works, Housing and Infrastructure	Investing in physical Infrastructure and Communication Improving and maintaining the entire road infrastructure and internet connectivity
		Youth, Gender, Sports, Culture and Social Services	Investing significantly in the special interest groups (Youth, women, PWDs, elderly), Culture, sports and Performing Arts
		Lands, Mining and Energy	Effective land use planning and sustainable management of resources.
		Trade, Tourism, Cooperatives Development and Industrialization	Promotion of small, medium and micro enterprises, partnering with local and private sector as well as uplifting the cooperatives movement for posterity. Setting up of new markets.
		Finance and Economic Planning	Revenue clerks' integrity issues. Revenue clerks to work day and night along Maungu-Msharinyi road.
	Kaloleni	Water, Environment and Climate change	Access to adequate and safe water for domestic, livestock and agricultural use.
		Education, Libraries and VTCs	Access to quality and affordable education and training.
		Health Services	Increased access to quality, affordable, adequate and timely Health Care and Medical Services
		Youth, Gender, Sports, Culture and Social Services	Investing significantly in the special interest groups (Youth, women, PWDs, elderly), Culture, sports and Performing Arts
		Trade, Tourism, Cooperatives Development and Industrialization	Promotion of small, medium and micro enterprises, partnering with local and private sector as well as uplifting the cooperatives movement for posterity
		Lands, Mining and Energy	Effective land use planning and sustainable management of resources.

		Public works, Housing and Infrastructure	Investing in physical Infrastructure and Communication - Improving and maintaining the entire road infrastructure and internet connectivity.
		Agriculture and Irrigation	Investing sufficiently in Climate Smart Agriculture for improved Food and nutrition Security.
	Sagalla	Water, Environment and Climate change	Mzima water, water tank, bore holes, rock catchments
		Public works, Housing and Infrastructure	Opening of new roads, grading, murraming, slabbing and culverts.
		Health Services	Equipping of drugs, Infrastructure improvement and registration of the facilities.
		Agriculture and Irrigation	Tree nurseries, seedlings, supply of manure
		Livestock & Fisheries	Extension services, improved breeds, vaccines, AI services, cattle dips and construction of storage hay bands
		Education, Libraries and VTCs	Bursaries, construction of new ECDEs and equipping of old, equipping of VTC
		Youth, Gender, Sports, Culture and Social Services	Renovation and grading of playing grounds, annual tournaments Wi-Fi in our trading centres, empowering the youth through sensitization, trainings on drug abuse.
		Trade, Tourism, Cooperatives Development and Industrialization	Construction of open markets, promoting of home stays and cultural festivals
		Lands, Mining and Energy	Subdivision (Kishamba B group ranch)
	Ngolia	Water, Environment and Climate change	Piping, boreholes, water harvesting
		Health Services	Upgrading of dispensary to health centres
		Education, Libraries and VTCs	Bursaries for students, improving and equipping of VTCs
		Agriculture & Irrigation	Tapping of Tsavo river water
		Livestock & Fisheries	Extension of AI services
		Youth Gender Sports and Culture	Rehabilitation of sport facilities and IT services
		Trade, Tourism, Cooperatives Development and Industrialization	Open domestic tourism

		Public works Housing and Infrastructure	Capacity building on tendering
		Lands Mining and Energy	Need to be improved to reduce charcoal burning, deforestation Registration of land parcels
	Kasigau	Water, Environment and Climate change	Access to adequate and safe water for domestic and agricultural use.
		Lands, Mining and Energy	Effective land use planning and sustainable management of Environmental and Natural Resources.
		Health Services	Increased access to quality, affordable, adequate and timely Health Care and Medical Services
		Education, Libraries and VTCs	Access to quality and affordable education and training.
		Agriculture and Irrigation	Investing sufficiently in Climate Smart Agriculture for improved Food Security
		Public works Housing and Infrastructure	Improve and maintain our entire road infrastructure and internet connectivity.
		Trade, Tourism, cooperative Development & Industrialization	Promotion of eco-tourism, cultural tourism and sports tourism as well as the protection of historical sites a
Mwatate	Wusi-Kishamba	Water, Environment and Climate change	Feasibility studies and implementation of sustainable water projects.
		Agriculture & Irrigation	Improve food security
		Public works Housing and Infrastructure	Improve and maintain infrastructure and our entire road networks.
		Tourism and Wildlife	Promote eco-tourism, cultural tourism and sports tourism
		Lands, Mining and Energy	Effective land use planning and sustainable management
	Chawia	Health Services	Dispensaries and hospitals to be fully equipped
		Water, Environment and Climate change	Access to adequate and safe water for domestic and agriculture use
		Agriculture & Irrigation	Improve food security
		Education, Libraries and VTCs	Increase bursary allocation
		Lands, Mining and Energy	Titling of lands and effective land use.

			Procure of mining equipment for artisanal miners, value addition to miner's gems and marketing of finished goods.
		Trade, Tourism, cooperative Development & Industrialization	Promote micro industries. Promote butterfly tourism and protection of heritage sites and historical sites
		Human security and safety	Promote a collaborative and partnership approach on issues of human security and safety
		Roads	Maintenance and improvement of roads
	Mwatate	Water, Environment and Climate change	Access to adequate and safe water for domestic and agricultural use.
		Agriculture and Irrigation	Improve food security
		Health Services	Increase access to quality affordable, adequate and timely health care and medical services
		Education, Libraries and VTCs	Increase bursary allocation
		Devolution, Public Service and Administration	Civic education on county matters to be carried out.
		Physical infrastructure	Improve and maintain our entire roads networks
		Trade	Invest in micro industries and trade centres to be improved.
		Culture & arts	Invest significantly in Taita culture
		Lands, Mining and Energy	Titling of lands and effective land use. Invest sufficiently in renewable energy and training on modern energy conservation measures. Procure mining equipment of artisanal miners and value addition.
		Tourism & wildlife	Promote eco-tourism, cultural tourism as well as protection of historical sites
		Human security and safety	Promote a collaborative and partnership approach on issues of human security and safety
	Ronge	Water, Environment and Climate change	Increase accessibility of water especially in Ronge Kati and Nyika.
		Agriculture & irrigation	Tap water from the flow of Voi-river to assist in irrigation and increase agriculture produce.
		Education	Increase bursary allocation to students
		Health Services	Housing for medical workers to maximize on time input

		Sports	Build existing youth talents for national leagues and teams and effectively put the allocation in sports department in use.
		Public Works	Improve and maintain entire roads
		Trade and Cooperatives	Promote micro industries and uplift cooperatives.
		Mining	Procure mining equipment of artisanal miners and value addition
	Bura	Water, Environment and Climate change	Renovate boreholes to sustain the required supply capacity
		Roads	maintain and upgrading of roads
		Lands, Mining and Energy	Physical planning. Invest sufficiently in renewable energy. Value addition for miners and marketing for minerals produced.
		Health Services	Increase access to quality, affordable, adequate and timely health care and medical services
		Agriculture and Irrigation	Improve food security
		Education	Bursary allocation to be increased
		Tourism & wildlife	promote eco-tourism, cultural tourism and protection of historical sites
		Governance and public participation	increase civic education on county matters to the public
		Culture and social services	Invest significantly in Taita culture.
WUNDANYI	Werugha	Water, Environment and Climate Change	Sinking of boreholes, desilting of dams and completion of water projects.
		Education, Libraries and VTCs	Development ceilings be increased to 200M Bursary increasement 10,000 per student, 10M per ward. Equipping of all ECDE Centers- Toilets, chairs, studying material of VTCs.
		Agriculture and Irrigation	Development ceilings to be increased to 200M. Supply of Organic manure, seeds, hosepipes for irrigation. Farmers capacity building.
		Livestock, Veterinary and Fisheries	Development ceilings increased to 200M. Affordable AI services.

			Construction of Haybarn structures and Purchase of Harvesting Machines. Upgrading of Nyache Milk Processing plant.
		Health Services	Upgrading of Sange Rock Dispensary and Increase health officers. Ambulance services.
		Public works, Housing and Infrastructure	Development ceiling increased to 120M. Grading, Murraming Slabbing of all roads.
	Mghange/Mwanda	Agriculture and Irrigation	Development ceiling increased to 150M
		Water, Environment and Climate Change	Development ceiling increased to 150M
		Education, Libraries and VTCs	Funds increased to 300M
		Health Services	Increased to 150M and upgrading of Health centres.
		Public works, Housing and Infrastructure	Development ceiling increased to 100M
		Livestock, Veterinary and Fisheries	Development ceiling increased to 100M
	Wundanyi/Mbale	Education, Libraries and VTCs	Upgrading and equipping of VTCs and ECDEs. Feeding program.
		Health Services	Provision of Essential drugs. Upgrading of Wundanyi health centre and fencing of Mbale Health centres. Operationalize generators, construction staff quarters at Mbale Health Centre. Provision of water tanks in health centres.
		Water, Environment and Climate Change	Rehabilitation of water projects
		Agriculture and Irrigation	Tamabaru water project for irrigation. Extension services. Supply of manure and seeds -Hass Avocado, Cassava, Tissue culture, Bananas, etc.
		Livestock, Veterinary and Fisheries	AI services. Rehabilitation of cattle dips.

			Completion of cooling plant.
		Trade, Tourism, Cooperative development and Industrialization	Completion of Wundanyi market and Mbale market. Promotion of Eco Tourism.
		Youth, Gender, Sports, Culture, and Social Services	Construction of Youth Empowerment centre. Civic Education and empowerment trainings. Rehabilitation Dawson Mwanyumba stadiums. Social hall at Mlawa.
		Public works, Housing and Infrastructure	Grading, murraming and slabbing of all roads
	Wumingu/Kishushe	Water, Environment and Climate Change	Construction of check dams and boreholes. Protection of springs and catchment areas. Kwa Nyiro water project- spring protection. Construction of ceramic tanks in Ngongodini and Kishushe
		Health Services	Completion of Dispensaries- Paranga/Nyache. CHV Empowerment
		Agriculture and Irrigation	Supply of Manure and drought resistant certified seeds. Construction of Vegetable processing plant.
		Lands, Mining and Energy	Demarcation of Kishushe and Paranga. Streetlighting in all Trade centres.
		Youth, Gender, Sports, Culture, and Social Services	Construction of Playground
		Public works, Housing and Infrastructure	Grading, murraming and slabbing of all roads.
		Trade, Tourism, Cooperative development and Industrialization	Completion of Markets - Mghambonyi, Kishushe
		Livestock, Veterinary and Fisheries	Affordable AI services. Breeds improvement- goats. Construction of Haybarns. Livestock vaccinations.

		Education, Libraries and VTCs	Equipping of all ECDEs - Mlilo, Mghambonyi, Wanjala Bursary increment
Taveta	Mboghoni	Roads	Investing in physical Infrastructure and Communication Improving and maintaining the entire road infrastructure and internet connectivity
		Agriculture and Irrigation	Investing sufficiently in Climate Smart Agriculture for improved Food and nutrition Security, Access to adequate and safe water for domestic, livestock and agricultural use
		Health Services	Increased access to quality, affordable, adequate and timely Health Care and Medical Services
		Water, Environment and Climate Change	Access to adequate and safe water for domestic, livestock and agricultural use
		Education	Access to quality and affordable education and training
		Livestock, Veterinary and Fisheries	Quality Improvement of Breeds, Diseases Control and Investing in fisheries
	Bomeni	Water	Access to adequate and safe water for domestic, livestock and agricultural use
		Trade	Promotion of small, medium and micro enterprises, partnering with local and private sector as well as uplifting the cooperatives movement for posterity
		Health Services	Increased access to quality, affordable, adequate and timely Health Care and Medical Services
		Infrastructure	Investing in physical Infrastructure and Communication - Improving and maintaining the entire road infrastructure and internet connectivity
		Education	Access to quality and affordable education and training
		Security	Installation Of Streetlights for security Purposes
	Chala	Water	Access to adequate and safe water for domestic, livestock and agricultural use.
		Health Services	Increased access to quality, affordable, adequate and timely Health Care and Medical Services
		Youth, Gender and Social Services	Investing significantly in the special interest groups (Youth, women, PWDs, elderly), Culture, sports and Performing Arts

		Agriculture	Investing sufficiently in Climate Smart Agriculture for improved Food and nutrition security, access to adequate and safe water for domestic, livestock and agricultural use
		Roads	Investing in physical Infrastructure and Communication Improving and maintaining the entire road infrastructure and internet connectivity
		Education	Access to quality and affordable education and training
		Trade	Promotion of small, medium and micro enterprises, partnering with local and private sector as well as uplifting the cooperatives movement for posterity
	Mahoo	Water	Access to adequate and safe water for domestic, livestock and agricultural use.
		Health Services	Increased access to quality, affordable, adequate and timely Health Care and Medical Services
		Roads	Investing in physical Infrastructure and Communication - Improving and maintaining the entire road infrastructure and internet connectivity
		Agriculture	Investing sufficiently in Climate Smart Agriculture for improved Food and nutrition security, access to adequate and safe water for domestic, livestock and agricultural use
		Education	Access to quality and affordable education and training
		Trade	Promotion of small, medium and micro enterprises, partnering with local and private sector as well as uplifting the cooperatives movement for posterity
		Mining	Sustainable management of mineral resources - through value addition, marketing and support to small and artisanal miners.
		Youth	Investing significantly in the special interest groups (Youth, women, PWDs, elderly), Culture, sports and Performing Arts
	Mata	Water	Access to adequate and safe water for domestic, livestock and agricultural use.
		Health Services	Increased access to quality, affordable, adequate and timely Health Care and Medical Services
		Food	Investing sufficiently in Climate Smart Agriculture for improved Food and nutrition Security
		Education	Access to quality and affordable education and training
		Roads	Investing in physical Infrastructure and Communication - Improving and maintaining the entire road infrastructure and internet connectivity

		Security	Enhance Security through installation of Streetlights
		Tourism and Wildlife, Social Services and Culture	Diversification of tourism through promotion of eco-tourism, cultural tourism and sports tourism as well as the protection of historical sites
		Promotion of Micro Industry	Promotion of small, medium and micro enterprises, partnering with local and private sector as well as uplifting the cooperatives movement for posterity
		Renewable energy	Investing sufficiently in renewable energy as well as training on modern energy conservation measures.
		Public Participation	Fostering good governance and public participation
		Effective Land use and Planning	Effective land use planning and sustainable management of resources
		Mining and Mineral Resources	Sustainable management of mineral resources - through value addition, marketing and support to small and artisanal miners.