



REPUBLIC OF KENYA
THE NATIONAL TREASURY AND PLANNING

Telegraphic Address: 22921
FINANCE – NAIROBI
Fax No. 315779
Telephone: 2252299

THE NATIONAL TREASURY
P.O. Box 30007 - 00100
NAIROBI
KENYA

When replying please quote

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19th July 2021

TREASURY CIRCULAR NO.8/2021

TO: ALL CABINET SECRETARIES
ALL ACCOUNTING OFFICERS/PRINCIPAL SECRETARIES

RE: GUIDELINES FOR PREPARATION OF THE 2022/23 – 2024/25 MEDIUM-TERM BUDGET

I. INTRODUCTION

• ***Purpose***

1. This Circular is issued in accordance with Section 36 of the Public Finance Management Act, 2012 which requires the Cabinet Secretary/National Treasury and Planning to issue to all National Government entities a circular outlining the guidelines on the budget process to be followed by Ministries, Departments and Agencies (MDAs) not later than the 30th August in each year.

2. The Circular therefore provides guidelines on the processes and procedures to be followed by MDAs when preparing the Medium-Term Budget for FY 2022/23 – 2024/25. Its purpose is to guide MDAs on the following:

- (i) Background to the Medium-Term Budget for 2022/23 – 2024/25;
- (ii) Policy framework supporting the Medium-Term Budget for 2022/23 – 2024/25;

- (iii) Constitutional timelines and requirements for key activities in the budget preparation process;
- (iv) Institutional framework to guide the budget preparation process;
- (v) Form and content of budget;
- (vi) Programme Performance Reviews (PPRs);
- (vii) Prioritization process for and costing of programmes, projects and activities; and
- (viii) Framework setting out procedures and the manner in which stakeholders and members of the public will participate in the budget process.

3. The Circular becomes effective from the date of issuance and applies to all National Government entities including MDAs, Commissions, Independent Offices, Parliament and the Judiciary. County Executive Members for Finance are required to customize and issue the circular to guide the process and procedures in their respective Counties.

- ***Background***

4. Following the emergence of COVID-19 as a global pandemic and a near collapse of most economies, the global economy will be experiencing an exceptionally strong but uneven recovery. While a rebound is expected in most economies, full recovery is not assured due to possible future COVID-19 waves, delays in vaccination programmes, increasing debt levels and rising inflationary pressures.

5. The medium-term budget for 2022/23 – 2024/25 will therefore be prepared against the background of strong but uneven economic recovery. The emergence of new COVID-19 variants could lead to reinstatement of containment measures thereby disrupting economic activities. Further, we expect 2022 being an election year, heightened political activities especially in the fourth quarter of 2021 which are likely to erode investor confidence and affect projected growth. The Government will however continue to monitor these developments and take appropriate measures to safeguard the economy and livelihoods.

6. The global economy is projected to grow by 6.0 percent in 2021, from a contraction of 3.3 percent in 2020. The economic growth in Sub-Saharan Africa region is

projected to expand by 3.4 percent in 2021 from a contraction of 1.9 percent in 2020. Kenya's economic growth is expected to rebound to 6.6 percent in 2021 from an estimated growth of 0.6% in 2020. The outlook for 2021 will be reinforced by the prevailing stable macroeconomic environment and the on-going implementation of the Medium-Term Plan III of Vision 2030, the "Big Four" Agenda and key projects to support Post COVID-Economic Recovery Strategy (PC-ERS).

- ***Policy Framework Supporting the Medium-Term Budget for 2022/23 – 2024/25***

7. The preparation of the 2022/23 – 2024/25 Medium-Term Budget will focus on the theme "building back better" through targeted implementation of economic recovery programmes. Following the success of the initial PC-ERS, the Government is now set to implement a full scale recovery strategy that aims to reposition the economy on an inclusive and sustainable growth path. The PC-ERS will in the medium-term be gradually mainstreamed into the regular programmes of the Government to ensure continuous implementation of programmes aimed at safeguarding livelihoods and job creation.
8. The Medium-Term Fiscal Framework supporting the budget will in this regard, be anchored on the following assumptions:
 - (i) Real GDP is projected to grow at 6.6% in 2022 and 6.0% over the medium-term;
 - (ii) Inflation is expected to be maintained within the target range of $\pm 2.5\%$ of 5%;
 - (iii) Interest and exchange rates are expected to remain stable and this will be safeguarded over the medium term;
 - (iv) Total Revenue will be expected to improve gradually to reach 16.5% of the GDP in FY 2022/23 and 18.5% over the medium-term; and
 - (v) Total expenditures are expected to decrease to 24.5% of GDP in FY 2022/23 and further decline to about 22% of GDP over the Medium Term in line with the fiscal consolidation policy.

II. SPECIFIC GUIDELINES

9. The following will guide the preparation of 2022/23 – 2024/25 Medium-Term Budget proposals.

(i) Timelines and requirements for key activities in the budget process

10. As outlined in the Public Finance Management Act, 2012 and its attendant regulations, the budget process involves preparation of key policy documents for approval by Cabinet and Parliament. Given that 2022 will be a General Election year, preparation of the 2022/23 – 2024/25 Medium-Term Budget will require to be fast-tracked to ensure that the budget estimates are approved by Parliament before it proceeds on recess in preparation for the General Elections slated for August 2022. In this regard, the following policy documents will require to be prepared and approved within stipulated timeframes:

- The Budget Review and Outlook Paper (BROP);
- Sector Working Group Budget Proposals;
- The Budget Policy Statement (BPS);
- Division of Revenue Bill;
- County Allocation of Revenue Bill;
- Debt Management Strategy Paper;
- Pre-Election Report;
- Programme Based Budgets and supporting details;
- The Annual Appropriation Bill; and
- The Finance Bill.

11. To facilitate finalization and approval of the above policy documents and Bills within the stipulated timelines, Accounting Officers are required to strictly undertake the outlined activities in the Budget Calendar within the set timeframes. The timeframes for delivery of the Policy Documents, reports, and relevant Bills, and the Budget Calendar for the FY2022/23 is provided in Annex 1 of this Circular.

(ii) Institutional framework to guide the budget process

12. In line with the UN-Classification of the Functions of Government (COFOG), MDAs performing closely related functions have been mapped to form a Sector Working Group (SWG). The SWGs will remain as follows:

- (i) Agriculture, Rural and Urban Development (ARUD);

- (ii) Energy, Infrastructure and ICT (EI&ICT);
- (iii) General Economic and Commercial Affairs (GECA);
- (iv) Health;
- (v) Education;
- (vi) Governance, Justice, Law & Order (GJLO);
- (vii) Public Administration & International Relations (PAIR);
- (viii) National Security;
- (ix) Social Protection, Culture and Recreation; and
- (x) Environmental Protection, Water and Natural Resources

13. The mapping of MDAs into Sectors is provided in Annex 2 of this Circular. Respective Sector Working Groups (SWGs) shall be responsible for prioritization and formulation of sector budget proposals. The structure and composition of SWGs is provided in Annex 3(A) and the terms of reference are provided in Annex 3 (B) of this Circular.

(iii) Form and content of the Budget

- *Programme-Based Budget (PBB)*

14. The budget will continue to be presented by vote and programme in line with Section 38 (3) (b) of the Public Finance Management Act, 2012. SWGs are therefore required to review programmes and align them to the mandates of the respective MDAs. **Where a new programme is proposed, approval must be obtained from the National Treasury.**

15. In designing new programmes, the structure should match the main lines of service delivery in the MDAs. During the review of programmes, SWGs should ensure that:

- (i) Outcomes and Outputs, are Specific, Measurable, Achievable, Realistic, and Time bound and derived from Government Strategies;
- (ii) Performance indicators and targets are for outputs and outcomes and are results oriented, Clear, Relevant, Economic, Adequate, and Monitorable (CREAM);

- (iii) Programme targets are those that MDAs can reasonably influence their achievement;
- (iv) Delivery units with no clear outputs, performance indicators and targets are rationalized and funding reduced accordingly; and
- (v) Crosscutting functions are assigned to respective programmes.

16. Each programme should be confined to a single MDA and all functions should fall within respective programmes. There should be no duplication of programme or programme names across MDAs. In situations where an MDA has more than one programme, an additional programme should be created for the purpose of covering the costs associated with management, administration, planning and support services which cannot be attributed to a single programme. The format for presentation of the Programme Based Budget is provided in Annex 5A of this Circular.

- ***Estimates for the 2022/23 – 2024/25 Medium-Term Budget***

17. The Government will continue to pursue a fiscal consolidation policy which aims at reducing the overall fiscal deficit and debt accumulation. The consolidation policy will be supported by enhanced revenue mobilization and rationalization of recurrent expenditure, while enhancing financing for priority capital projects. This will ultimately reduce public debt and create fiscal space over the medium term. SWGs are required to prepare Medium-Term Budgets that are consistent with the Medium-Term Fiscal Framework provided in the BRP 2021.

- ***Developing ‘Rolling’ Three-Year Medium-Term Budget Estimates***

16. In a “Rolling” Medium-Term Budget Plan, the first year estimate forms the starting point for the next financial year’s budget estimates. Under this approach, budget resources will continue to be appropriated on an annual basis but the budget planning process will include estimates of expenditure and revenue for the two forward/outer years. Accounting Officers should note that the ceilings for Personnel Emolument and Development in the outer years will remain binding in accordance to the Public Finance Management Regulations, 2015. SWGs should therefore align the FY 2022/23 and Medium Term resource allocation to this requirement.

- ***Medium-Term Development Strategy***

17. The 2022/23 – 2024/25 Medium-Term Budget will be based on MTP III and the PC-ERS and will build on the progress made in the previous financial years. The

Government will continue to address the policy, legal, regulatory, and governance issues as a matter of priority to ensure that we attain our full potential.

- ***The 'Big Four' Plan***

18. In preparing the 2022/23 – 2024/25 Medium-Term Budget, MDAs will be required to prioritize allocations towards the achievement of the 'Big Four' Plan. This will build on the progress made in the previous financial years as we confront the challenges posed by COVID-19 pandemic.

19. To create fiscal space and guarantee appropriate phasing out of expenditure programmes, SWGs are required to undertake a thorough review of proposed MDAs Budgets for FY2022/23 and the Medium Term. SWGs should ensure that Budgets are directed towards improving productivity and aligned to the achievement of the objectives of the "Big Four" Plan and PC – ERS directly as 'drivers' or indirectly as 'enablers'. The exercise should involve the following:

- Prioritizing the PC – ERS and the "Big Four" 'drivers' and 'enablers' in the Sector Budget proposals;
- Establishing the resources required for individual programmes and projects and the level of provision within the ceilings provided; and
- Justifying each proposed programme funding with supporting documentation.

(iv) Programme Performance Reviews (PPRs)

20. Accounting Officers are required to undertake PPRs in line with the guidelines. In undertaking PPRs, MDAs are expected to undertake a detailed assessment of the progress achieved towards realization of the targeted outcomes and outputs after the implementation of the Medium-Term Budgets for FY 2018/19 to FY 2020/21. The assessment should entail analysing the previous budgetary allocations, actual expenditure and achievement of actual outputs and outcomes.

21. The PPRs reports should indicate both financial and non-financial indicators of performance for each programme. The report should provide progress of both domestically and externally financed projects within a programme, see Annex 4C. In addition, the review should focus on efficiency and effectiveness towards the achievement of programme outcomes. Previous Programme Performance,

outstanding commitment, implementation experiences and lessons learnt should form the basis for guiding expenditure allocations in the Medium-Term Budget.

22. MDAs will only be allowed to bid for resources in their respective sectors after finalization of the PPRs. MDAs will be required to present PPR reports prior to discussing the funding requirements with the Resource Allocation Panel (RAP). The guidelines and formats for undertaking Programme Performance Reviews are provided in Annex 4 (A-E) of this Circular.

(v) Prioritization and Allocation of Resources

23. The Government will continue to pursue the “Big Four” agenda and PC-ERS which are aimed at safeguarding livelihoods, creating jobs, reviving businesses and economic recovery. In addition, provision of core services, ensuring equity and minimizing costs through the elimination of duplication and inefficiencies will be prioritized. Realization of these objectives will have implications in the budget ceilings to be provided in the BROP 2021. The following will serve as the criteria to guide prioritization and final allocation of resources:

- (i) Linkage of programmes to PC-ERS;
- (ii) Linkage of programmes to the ‘Big Four’ agenda either as drivers or enablers;
- (iii) Linkage of the programme with the priorities of Medium-Term Plan III of the Vision 2030;
- (iv) Degree to which a programme addresses job creation and poverty reduction;
- (v) Degree to which a programme addresses the core mandate of the MDAs,
- (vi) Expected outputs and outcomes from a programme;
- (vii) Cost effectiveness and sustainability of the programme;
- (viii) Extent to which the Programme seeks to address the viable stalled projects and verified pending bills; and
- (ix) Requirements for furtherance and implementation of the Constitution.

24. Based on the above broad guidelines, Sector Working Groups are expected to develop and document criteria for resource allocation and undertake prioritization within the ceilings provided.

(vi) Costing of Programmes

25. Accounting Officers are required to ensure that costing of activities in their respective programmes is accurate and takes into account the ceilings provided to avoid exaggerated resource wish list. The various costing methodologies to be used are provided in Annex 5B of this circular.

(a) Recurrent Budget Estimates

• Personnel Emolument

26. The National Government expenditure on compensation to employees is not expected to exceed 35 percent of the National Government share of revenue in line with fiscal responsibility principles. To ensure the wage bill remains within the medium-term targets, ***SWG***s should not allocate resources for new recruitment, interns, casuals or upgrading unless there is prior approval from the National Treasury. MDAs should however provide adequate resources to cater for movement from one salary scale to another. Allocation for personnel emolument must be supported by Integrated Personnel Payroll Data (IPPD). Each MDA will therefore be required to provide this information to support personnel cost.

27. SWGs should also note that adjustments of remuneration and benefits for staff in MDAs, including SAGAs, should only be done after receiving advice from the Salaries and Remuneration Commission (SRC). MDAs are reminded to first obtain written approval on availability of funds for any proposed adjustment, from the National Treasury before seeking SRC's advice. This approval should be provided to the SWGs as supporting documentation.

• Use of Goods and Services

28. SWGs are required to critically review MDAs requirements to curtail growth of recurrent budget especially in respect of use of goods and services. All requirements for use of goods and services should be accurately costed. Each allocation should be supported by service providers' agreements, demand notes, and any documentary evidence of past trends. In addition, SWGs are also required to make adequate budgetary provision for the payment of utilities under respective MDAs.

- ***Budgeting for Subscriptions/Contributions***

29. All subscriptions to international organizations shall remain consolidated under the National Treasury. MDAs are however expected to review and justify both current and proposed requirements for international subscriptions/payments. The National Treasury shall spearhead the rationalization of the subscriptions/contributions and seek Cabinet's approval for inclusion of the viable ones in the National Treasury's Budget.

- ***Transfers to Semi-Autonomous Government Agencies (SAGAs)***

30. Transfers to SAGAs must be critically reviewed and justified. Where no sufficient documentation or evidence is provided, the earmarked provision should be scaled down or eliminated and any savings realized redirected to other priority programmes within or across MDAs within the Sector. Any additional requirement by a SAGA should be critically reviewed and determined after a thorough scrutiny of the budget and the rationale for the additional funding, while taking into account its revenue base.

31. In this regard, SAGAs are required to present their audited accounts and clearly indicate the projected revenue levels, and planned revenue raising measures to enable the SWGs to determine the required Exchequer support. Any revenue over and above what is agreed upon during the SWGs and confirmed by the National Treasury will require fresh review and approval before spending.

33. Taking into account the observed effects of COVID-19 Pandemic on the operational performance of SAGAs, there is urgent need for consideration and implementation of measures that would improve financial performance and efficiency. In this regard, SAGAs will be required to develop and implement measures that will allow diversification and increase in internally generated revenue, rationalization of payroll, operational and administrative costs and leveraging on ICT in delivery of services among other measures with a view to minimizing or eliminating dependence on Exchequer.

- ***Decentralization of ICT Equipment and Services***

32. In the recent past, ICT services were consolidated under the Ministry of Information, Communication and Technology. Accounting Officers should note that

this policy was reversed with effect from FY2021/22. In this regard, each MDA will be required to budget for ICT Services. These include but not limited to purchase of computers, printers and other ICT equipment; purchase of ICT networking and other communication equipment; purchase of software; contracted ICT professional services; purchase of photocopiers; and purchase of specialized ICT equipment.

(b) Development Budget Estimates

• *Preparation, Appraisal and Approval of New Projects*

33. Following the directive that no new projects should be started without the approval of the Executive Office of the President, SWGs are advised to only consider new projects approved by the Executive Office of the President.

34. Further, the National Treasury has developed a Public Investment Management (PIM) Framework and adopted the Public Investment Management Guidelines to guide on matters of projects. These guidelines should be applied in the preparation, appraisal and approval of all projects before they are included in the budget. **Accounting Officers are required to ensure that all new projects are adequately prepared, appraised and approved by the National Treasury before they seek approval from the Executive Office of the President.**

35. Specifically, SWGs should ensure that before a new project is considered for budget allocation for its implementation, the relevant Accounting Officer has fulfilled the following minimum prerequisites;

- (i) All conditions precedent are fulfilled, including land acquisition, compensation, stakeholder management and other development partners' requirements;
- (ii) Detailed designs are completed and relevant approvals obtained where applicable;
- (iii) Project has received necessary regulatory approvals;
- (iv) Detailed resource requirements including funding sources and personnel to operationalize the project are planned for; and
- (v) Project details are captured in the relevant Public Investment Management Information System.

36. SWGs should ensure that projects that have fully met the conditions above are allocated adequate funding in that financial year within the ceilings provided. Where the above preliminaries have not been met, the MDA shall only request for resources to meet these prerequisites in that financial year. Financing Agreements with development partners shall only be executed for projects that have been approved and processed through the Public Investment Management Information System. For any new project to be considered for funding, it must have been appraised and approved and pipelined by 30th June of the preceding financial year.

37. MDAs should submit information on new projects as provided in the Project Concept Note indicated in Annex 6 of this Circular for approval by the National Treasury.

- ***Ongoing and Stalled Projects***

38. The FY 2022/23 Budget will put more emphasis on completion of ongoing and stalled projects. In particular, projects nearing completion should be funded adequately to ensure that citizens benefit from such public investments. Capital projects to be factored in the budget should include both domestically and foreign financed projects. Further, projects that seek to implement/facilitate the realization of the PC-ERS and the 'Big Four' agenda should receive the highest priority.

39. SWGs are however reminded to critically review the ongoing/stalled projects to justify continued existence and resource allocation. MDAs should in this regard be required to provide adequate information to support allocation of funds to ongoing or stalled projects. This should include details on total cost, start and end date, cumulative expenditure to date, balance to completion, and amount required over the medium term, among others.

40. Accounting Officers are required to ensure that all ongoing multi-year projects are allocated adequate funds in accordance with the contract signed between Government and third parties within the projected ceilings before a new project is allocated budgetary resources.

41. In order to have uniform and comparable information on projects, SWGs are required to adopt the following operational definition of projects as per the PIM Guidelines:

- (i) **On-going project** - A project whose implementation is underway with implementation works having commenced or contractual commitments entered into;
- (ii) **Stalled project** – a project which has stopped being implemented for whatever reason or has been receiving inadequate budget allocations which cannot facilitate meaningful progress over the medium term;
- (iii) **New project** – a pipeline project that has been prioritised for financing, but implementation works are yet to commence and no commitments entered into; and
- (iv) **Pipeline Project**; a project that has been appraised and granted necessary approvals and uploaded in the Public Investment Management System ready for prioritisation and budget allocation.

42. SWGs are required to provide details of the approved new projects, ongoing projects and stalled projects as indicated in Annex 7 of this Circular. Projects should be evaluated in the context of the following:

- i) Priority should be given to Post-Covid-19 Economic Recovery Strategy (PC-ERS) and ‘Big Four’ Interventions and completion of on-going projects;
- ii) MDAs should indicate how the proposed projects will contribute to the PC - ERS and ‘Big Four’ Plan of enhancing economic growth, job creation and increased citizen’s welfare;
- iii) Preference for financing should be given to those projects which are in full compliance with Government priorities;
- iv) Resources to projects should largely reflect the actual financial requirement over the medium term; and
- v) MDAs should review the project concept notes to reflect the actual allocations, which should be submitted with the 2022/23 – 2024/25 Medium-Term Budget Proposals.

- ***Projects with GoK Counterpart Requirement***

43. SWGs should ensure that externally financed projects are in line with overall MDAs priorities, and have adequate provision for GOK counterpart funding in accordance with the financing agreement. The SWGs should also ensure that performance for results projects as well as programmes with Disbursement Linked Indicators (DLIs) are properly identified with supporting financing agreement. MDAs are required to provide supporting documents for allocation of counterpart

funding. The requirement and the supporting documentation for counterpart funding for each planned project in the FY 2022/23 and the Medium Term Budget should be forwarded to the National Treasury by **27th August, 2021**.

- ***Conditional Grants to Counties***

44. Conditional grants to Counties in respect of devolved functions must be reflected and accounted for within the appropriate programme and sub-programme structure under the MDAs Budget. This applies to both locally and externally-funded programmes from which the activities to be undertaken in the Counties are targeted to be funded from.

(vii) Public Participation and Stakeholder Involvement

45. Public participation and involvement of other stakeholders in the medium term budget process is essential and a constitutional requirement. SWGs should identify their critical stakeholders including development partners, private sector, community-based organization, local community leaders, among others and engage them in programme prioritization. All engagements of stakeholders should be documented. SWGs should confirm the extent to which MDAs Budget Proposals have inputs from stakeholders.

46. Following the COVID-19 Mitigation Protocols issued by the Ministry of Health the SWGs are encouraged to use virtual meetings in situations where physical meetings are not possible in engaging the Stakeholders.

47. Accounting Officers are reminded that the SWGs remain central in guiding the prioritization and resource allocation for planned programmes/projects. MDAs are therefore required to fully participate in the relevant Sector Working Group and bid for resources within the available ceilings.

III. COUNTY BUDGETING PROCESS

48. Taking into account the guidance provided in this Circular, County Executive Committee Members for Finance are expected to customize and develop Medium-Term Budget Preparation Guidelines that meet the requirements of their respective County Budget Processes. The National Treasury will provide assistance to individual Counties, including capacity building of County Officials upon request.

IV. PREPARATION AND SUBMISSION OF BUDGET PROPOSALS

Sector Chairpersons are requested to ensure that all activities of SWGs including the drafting of Sector Budget Proposals are completed on scheduled timelines. The proposals should be ready for submission to the National Treasury not later than **15th October 2021** in line with the format indicated in Annex 8.

V. CONCLUSION

Finally, Accounting Officers are required to ensure strict adherence to the 2022/23 – 2024/25 MTEF Budget Guidelines and to bring the content of this Circular to the attention of all Officers working under them, including the Heads of Parastatals and other Semi-Autonomous Government Agencies (SAGAs).



HON. (AMB) UKUR K. YATANI, EGH
CABINET SECRETARY/NATIONAL TREASURY & PLANNING

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

Justice (Rtd.) Paul Kihara Kariuki, EGH
Attorney General
State Law Office and Department of Justice
NAIROBI.

Dr. Jane Kiringai
Chairperson
Commission on Revenue Allocation
NAIROBI.

Mrs. Jacqueline Mogeni
Chief Executive Officer
Council of Governors
NAIROBI.

All County Executive Committee Members for Finance

ANNEX I: BUDGET CALENDAR FOR THE FY 2022/23 MEDIUM-TERM BUDGET		
ACTIVITY	RESPONSIBILITY	TIMELINE
1. Develop and issue MTEF guidelines	National Treasury	20-Jul-21
2. Launch of Sector Working Groups	National Treasury	27-Jul-21
3. Programme Performance & Strategic Reviews	MDAs & National Treasury	12-Aug-21
3.1 Review and update of strategic plans	"	28 Jul – 12Aug-21
3.2 Review of programme outputs and outcomes	"	"
3.3 Public Expenditure Review	"	"
3.4 Review and approval of projects for FY2022/23	Project Committees	"
3.5 Progress report on MTP implementation	"	"
3.6 Preparation of annual plans	"	"
3.7 Setting of baseline policy priorities	"	"
4. Development of Medium-Term Budget Framework	Macro Working Group	6-Sep-21
4.1 Estimation of Resource Envelope	"	9-Aug-21
4.2 Determination of policy priorities	"	16-Aug-21
4.3 Preliminary resource allocation to Sectors, Parliament, Judiciary & Counties	"	20-Aug-21
4.4 Draft Budget Review and Outlook Paper (BROP)	"	27-Aug-21
4.5 Submission and approval of BROP by Cabinet	"	31-Aug-21
4.6 Submission of approved BROP to Parliament	"	6-Sep-21
5. Preparation of MTEF budget proposals	MDAs	19-Oct-21
5.1 Retreats to draft Sector Reports	Sector Working Group	5-25 Sep -21
5.2 Public Sector Hearing	National Treasury	6-8 Oct-21
5.3 Review and incorporation of stakeholder inputs in the Sector budget proposals	Sector Working Group	12-Oct-21
5.4 Submission of Sector Report to the National Treasury	Sector Chairpersons	15-Oct-21
5.5 Consultative meeting with CSs/PSs on Sector Budget proposals	National Treasury	18-Oct-21
6. Draft Budget Policy Statement (BPS)	Macro Working Group	10-Nov-21
6.1 Draft BPS & Medium Term Debt Strategy (MTDS)	Macro Working Group	28-Oct-21
6.2 Division of Revenue Bill (DORB)	National Treasury	"
6.3 County Allocation of Revenue Bill (CARB)	National Treasury	"
6.4 Submission of BPS, MTDS, DORB and CARB to Cabinet for approval	National Treasury	15-Nov-21
6.5 Submission of BPS, MTDS, DORB and CARB to Parliament for approval	National Treasury	30-Nov-21
7. Preparation of the Pre-Election Report	National Treasury & MDAs	31-Mar-22
8. Preparation and approval of Final MDAs Budgets		31-Mar-22
8.1 Develop and issue final guidelines on preparation of 2022/23 MTEF Budget	National Treasury	17-Dec-21
8.2 Submission of Budget Proposals to Treasury	Line Ministries	10-Jan-22
8.3 Consolidation of the Draft Budget Estimates	National Treasury	26-Jan-22
8.4 Submission to Cabinet for Approval	National Treasury	26-Jan-22
8.5 Submission of Draft Budget Estimates to Parliament	National Treasury	31-Jan-22
8.6 Review of Draft Budget Estimates by Parliament	National Assembly	22-Feb-22
8.7 Report on Draft Budget Estimates from Parliament	National Assembly	24-Feb-22
8.8 Consolidation of the Final Budget Estimates	National Treasury	4-Mar-22
8.9 Submission of Appropriation Bill to Parliament	National Treasury	8-Mar-22
9. Budget Statement	National Treasury	10-Mar-22
10. Appropriation Bill passed	National Assembly	31-Mar-22
11. Finance Bill Passed	National Assembly	31-Mar-22
12. Submission of Vote on Account to Parliament (if applicable)	National Treasury	15-Apr-22

ANNEX 2: SECTOR COMPOSITION AND WORKING GROUPS FOR THE FY 2022/23 MEDIUM-TERM

CLASSIFICATION OF FUNCTIONS OF THE GOVERNMENT (COFOG)	MTEF SECTOR	MINISTRIES, DEPARTMENTS AND AGENCIES
Economic Affairs	Agriculture, Rural and Urban Development	1112 Ministry of Lands and Physical Planning
		1162 State Department for Livestock
		1166 State Department for Fisheries, Aquaculture & the Blue Economy
		1169 State Department for Crop Development & Agricultural Research
		1173 State Department for Cooperatives
		2021 National Land Commission
	Energy, Infrastructure and ICT	1091 State Department of Infrastructure
		1092 State Department of Transport
		1093 State Department for Maritime Affairs
		1094 State Department for Housing & Urban Development
		1095 State Department for Public Works
		1122 State Department for Information Communications and Technology & Innovation
		1123 State Department for Broadcasting & Telecommunications
		1152 State Department for Energy
		1194 Ministry of Petroleum and Mining
	General Economic and Commercial Affairs	1174 State Department for Trade and Enterprise Development
		1175 State Department for Industrialization
		1202 State Department for Tourism
		1221 State Department for East African Community
		1222 State Department for Regional and Northern Corridor Development
Health	Health	1081 Ministry of Health
Education	Education	1064 State Department for Vocational and Technical Training
		1065 State Department for University Education
		1066 State Department for Early Learning & Basic Education
		1068 State Department for Post Training and Skills Development
		2091 Teachers Service Commission
Public Sector & Safety	Governance, Justice, Law and Order	1021 State Department for Interior and Citizen Services
		1023 State Department for Correctional Services
		1252 State Law Office and Department of Justice
		1261 The Judiciary
		1271 Ethics and Anti-Corruption Commission
		1291 Office of the Director of Public Prosecutions
		1311 Office of the Registrar of Political Parties
		1321 Witness Protection Agency
		2011 Kenya National Commission on Human Rights
		2031 Independent Electoral and Boundaries Commission
		2051 Judicial Service Commission
		2101 National Police Service Commission
		2141 National Gender and Equality Commission
2151 Independent Policing Oversight Authority		

CLASSIFICATION OF FUNCTIONS OF THE GOVERNMENT (COFOG)	MTEF SECTOR	MINISTRIES, DEPARTMENTS AND AGENCIES
General Public Services	Public Administration and International Relations	1011 Executive Office of the President
		1032 State Department for Devolution
		1052 Ministry of Foreign Affairs
		1071 The National Treasury
		1072 State Department for Planning
		1213 State Department for Public Service
		1214 State Department for Youth Affairs
		2041 Parliamentary Service Commission
		2042 National Assembly
		2043 Parliamentary Joint Services
		2061 The Commission on Revenue Allocation
		2071 Public Service Commission
		2081 Salaries and Remuneration Commission
		2111 Auditor General
		2121 Controller of Budget
		2131 The Commission on Administrative Justice
Defence	National Security	1041 Ministry of Defence
		1281 National Intelligence Service
Recreation, Culture and Social Protection	Social Protection, Culture and Recreation	1035 State Department for Development of the ASAL
		1132 State Department for Sports Development
		1134 State Department for Culture and Heritage
		1184 State Department for Labour
		1185: State Department for Social Protection, Pensions & Senior Citizen's Affairs
		1212 State Department for Gender
Community Amenities	Environment Protection, Water and Natural Resources	1108 Ministry of Environment and Forestry
		1109 Ministry of Water & Sanitation and Irrigation
		1203 State Department for Wildlife
Macro Working Group	Macro Working Group	The National Treasury (M&FA, BD, RMD & DMD)
		Central Bank of Kenya
		Kenya National Bureau of Statistics (KNBS)
		State Department for Planning (Macro Economic Department)
		Kenya Institute for Public Policy Research and Analysis (KIPPRA)
		Kenya Revenue Authority
		Commission on Revenue Allocation

ANNEX 3(A): STRUCTURE AND COMPOSITION OF SECTOR WORKING GROUPS

1. SWGs shall comprise the following:

- i. Chairperson – One Accounting Officer chosen by consensus by other Accounting Officers within the Sector;
- ii. Sector Convener – Appointed by the National Treasury;
- iii. Sector Co-Convener – Appointed by the State Department for Planning;
- iv. Technical Working Group – Appointed by the SWG;
- v. A SWG Secretariat – Appointed by the individual Accounting Officers to assist in the coordination of Sector activities;
- vi. Representatives from Development Partners; and
- vii. Representatives from the Private Sector.

ANNEX 3 (B): TERMS OF REFERENCE FOR SECTOR WORKING GROUPS

2. SWGs are expected to ensure that proposed programmes and projects are in line with the priorities of the Vision 2030, Medium Term Plan III and the “Big Four” Agenda. Specifically, the terms of reference for SWGs will be to:
 - 2.1 Review sector strategies in line with the overall goals outlined in the Vision 2030, MTP III, the “Big Four” Agenda and PC-ERS;
 - 2.2 Identify the programmes and the necessary policy, legal and institutional reforms required to be undertaken;
 - 2.3 Approve list of projects to be included in the budget and level of funding;
 - 2.4 Analyze cost implications of the proposed programmes, projects and policies for the medium-term;
 - 2.5 Prioritize Sector Programmes and allocate resources as appropriate in accordance with agreed criteria;
 - 2.6 Identify programmes and projects to be funded under Public Private Partnerships (PPP) framework;
 - 2.7 Analyze the baseline funding and remove all the one off expenditure for the previous years;
 - 2.8 Identify activities, projects and programmes that are of low priority in order to realize savings which should be directed to the ‘Big Four’ Plan;
 - 2.9 Allocate resources to projects that have been fully processed (i.e. feasibility studies done, with detailed designs, necessary approvals and land secured);
 - 2.10 Provide a detailed explanation for the rescheduling of projects which should include savings and financial implications of rescheduling projects and activities;
 - 2.11 Coordinate activities leading to the development of sector reports and indicative Sector Budget proposals; and
 - 2.12 Identify critical stakeholders and engage them in the budget process.

ANNEX 4: PROGRAMME PERFORMANCE REVIEW FY 2018/19 – 2020/21

ANNEX 4A: REVIEW OF PROGRAMME PERFORMANCE FOR FY 2018/19 – 2020/21

TABLE 2.1: ANALYSIS OF PROGRAMME TARGETS AND ACTUAL TARGETS

Programme	Key Output	Key Performance Indicators	Planned Target			Achieved Target			Reason for the Variance
			2018/19	2019/20	2020/21	2018/19	2019/20	2020/21	
Sub-Programme									
XX 1									
XX 2									

ANNEX 4B: ANALYSIS OF EXPENDITURE TRENDS FOR THE FY 2018/19 – 2020/21

TABLE 2.2: ANALYSIS BY CATEGORY OF EXPENDITURE: RECURRENT (KSH. MILLION)

Sector.....		Approved Budget			Actual Expenditure		
Vote and Vote Details	Economic Classification	2017/18	2018/19	2019/20	2017/18	2018/19	2019/20
xxx1	Gross						
	AIA						
	NET						
	Compensation to Employees						
	Transfers						
	Other Recurrent						
	Insurance						
	Utilities						
	Rent						
	Contracted Professionals (Guards&Cleaners)						
	Others						

*Briefly explain the reasons for the deviation between the approved budget and the actual expenditure

TABLE 2.3: ANALYSIS BY CATEGORY OF EXPENDITURE: DEVELOPMENT (KSH. MILLION)

Sector.....							
Vote and Vote Details	Description	Approved Budget			Actual Expenditure		
		2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
xxx1	Gross						
	GOK						
	Loans						
	Grants						
	Local AIA						

*Briefly explain the reasons for the deviation between the approved budget and the actual expenditure

TABLE 2.4: ANALYSIS BY CATEGORY OF EXPENDITURE: PROGRAMMES (KSH. MILLION)

PROGRAMME DETAILS	APPROVED BUDGET			ACTUAL EXPNDITURE		
	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
PROGRAMME 1:						
Sub- Programme: 1						
Sub- Programme: 2						
TOTAL PROGRAMME.....						
Repeat as above for Programme 2, 3 e.t.c:						
TOTAL VOTE.....						

*Briefly explain the reasons for the deviation between the approved budget and the actual expenditure

TABLE 2.5: ANALYSIS BY CATEGORY OF EXPENDITURE: ECONOMIC CLASSIFICATION (KSH. MILLION)

Economic Classification	Approved Budget			Actual Expenditure		
	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
PROGRAMME 1:						
Current Expenditure						
Compensation Of Employees						
Use Of Goods And Services						
Grants And Other Transfers						
Other Recurrent						
Capital Expenditure						
Acquisition Of Non-Financial Assets						
Capital Grants to Government Agencies						
Other Development						
TOTAL PROGRAMME.....						
Repeat as above for Programme 2, 3 etc.:						
TOTAL VOTE.....						

*Briefly explain the reasons for the deviation between the approved budget and the actual expenditure

TABLE 2.6: ANALYSIS OF SAGAs RECURRENT BUDGET VS. ACTUAL EXPENDITURE (KSH. MILLION)

Economic Classification	Approved Budget			Actual Expenditure		
	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
NAME OF SAGA 1.....						
GROSS						
A/A						
Net Exchequer						
Compensation to Employees						
Other Recurrent						
<i>Insurance</i>						
<i>Utilities</i>						
<i>Rent</i>						
<i>Subscriptions to International Organization</i>						
<i>Contracted Professional (Guards & Cleaners)</i>						
<i>Others</i>						
Repeat as above for SAGA 2, 3 etc.:						
Total						

ANNEX 4D: REVIEW OF PENDING BILLS

Table 2.8: Summary of Pending Bills by nature and Type (KShs. Million)

Type/nature	Due to lack of Exchequer			Due to lack of provision		
	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
1. Recurrent						
Compensation of employees						
Use of goods and services e.g utilities, domestic or foreign travel etc.						
Social benefits e.g NHIF, NSSF						
Other expense						
2. Development						
Acquisition of non financial assets						
Use of goods and services e.g utilities, domestic or foreign travel etc.						
Others-Specify						
Total Pending Bills						

ANNEX 4E: SUMMARY OF COURT AWARDS

Table 2.9: Summary of Court Awards

Details of the Award	Date of Award	Amount	Payment to date
Total			

ANNEX 5A: FORMAT FOR PRESENTATION OF PROGRAMME- PERFORMANCE BASED BUDGETS (PBB)

Vote No. : Vote Title

Part A: Vision

Part B: Mission

Part C: Performance Overview and Rationale Funding

This section is supposed to discuss the following

- Brief description of mandate;
- expenditure trends – approved budget against the actual expenditure for the 2018/19 – 2020/21 Budget;
- Major achievements based on the planned outputs/services for 2018/19 – 2020/21 Budget;
- Constraints and challenges in budget implementation and how they will be addressed; and
- Major services/outputs to be provided in the 2022/23 – 2024/25 Medium-Term Budget

Part D: Strategic Objectives

In this part, list all the programmes and their strategic objectives. Please note that each programme must have only one strategic objective/outcome which must be linked with Strategic Plan and Vision 2030.

Part E: Summary of the Programme Key Outputs, Performance Indicators and Targets for FY 2022/23 – 2024/25

Programme	Delivery Unit	Key Outputs	Key Performance Indicators	Target 2020/21	Actual Achievement 2020/21	Target (Baseline) 2021/22	Target 2022/23	Target 2023/24	Target 2024/25
Name of Programme Outcome									
SP1.1									
SP1.2									
... etc.									

Part F: Summary of Expenditure by Programmes and Sub-Programmes 2022/23 – 2024/25 (KSh. Millions)

Programme	Approved Budget 2020/21	Actual Expenditure 2020/21	Baseline Estimates 2021/22	Estimates 2022/23	Projected Estimates	
					2023/24	2024/25
Programme 1: (State the name of the programme here)¹						
Sub Programme (SP)						
SP 1. 1						
SP 1. 2.						
... N						
Total Expenditure of Programme 1						

¹NB. Repeat as shown in the Table under section "E" above for all Programmes. Provide total expenditure for each programme and their summation must equal the total expenditure of the vote.

Programme 2: (State the name of the programme here)

	Approved Budget 2020/21	Actual Expenditure 2020/21	Baseline Estimates 2021/22	Estimates 2022/23	Projected Estimates	
					2023/24	2024/25
SP 2. 1						
SP 2. 2.						
... N						
Total Expenditure of Programme 2						
Total Expenditure of Vote -----						
--						

Part G. Summary of Expenditure by Vote and Economic Classification² (KSh. Million)

Code	Expenditure Classification	Approved Budget 2020/21	Actual Expenditure 2020/21	Baseline Estimates 2021/22	Estimates 2022/23	Projected Estimates	
						2023/24	2024/25
	Current Expenditure						
21	Compensation to Employees						
22	Use of goods and services						
24	Interest						
25	Subsidies						
26	Current Transfers Govt. Agencies						
27	Social Benefits						
28	Other Expense						
31	Non- Financial Assets						
32	Financial Assets						

² The total current expenditure and capital expenditure must be equal the total expenditure vote given in tables E, F, & G.

	Capital Expenditure						
21	Compensation to Employees						
22	Use of goods and services						
24	Interest						
25	Subsidies						
26	Capital Transfers to Govt. Agencies						
31	Non- Financial Assets						
32	Financial Assets						
	Total Expenditure of Vote						
						

Part H. Summary of Expenditure by Programme, Sub-Programme and Economic Classification (KSh. Million)

Code	Expenditure Classification	Approved Budget 2020/21	Actual Expenditure 2020/21	Baseline Estimates 2021/22	Estimates 2022/23	Projected Estimates	
						2023/24	2024/25
Programme 1: (State the name of the programme here)							
	Current Expenditure						
21	Compensation to Employees						
22	Use of goods and services						
24	Interest						
25	Subsidies						
26	Current Transfers Govt. Agencies						

27	Social Benefits								
28	Other Expense								
31	Non- Financial Assets								
32	Financial Assets								
	Capital Expenditure								
21	Compensation to Employees								
22	Use of goods and services								
24	Interest								
25	Subsidies								
26	Capital Transfers Govt. Agencies								
27	Social Benefits								
28	Other Expense								
31	Non- Financial Assets								
32	Financial Assets								
Sub-Programme 1: (State the name of the Sub-Programme here)									
	Current Expenditure								
21	Compensation to Employees								
22	Use of goods and services								
24	Interest								
25	Subsidies								

26	Current Transfers Govt. Agencies								
27	Social Benefits								
28	Other Expense								
31	Non- Financial Assets								
32	Financial Assets								
	Capital Expenditure								
21	Compensation to Employees								
22	Use of goods and services								
24	Interest								
25	Subsidies								
26	Capital Transfers Govt. Agencies								
27	Social Benefits								
28	Other Expense								
31	Non- Financial Assets								
32	Financial Assets								

▪ Repeat as above in cases where a Ministry/Department has more than one programme and/or sub-programmes

Part I: Summary of Human Resource Requirements

Programme Code	Programme Title	Designation/ Position Title	Authorized Establishment	In Post as at 30 th June, 2021	2021/22 Funded Positions	2022/23 Positions to be Funded	2023/24 Projection Positions to be Funded	2024/25 Projection Positions to be Funded
XX1	General Admin. & Management							
XX2								
XX3								
Total Funded Positions								

ANNEX 5B: COSTING TECHNIQUES

- All resource requirements should be accurately costed; MDAs will be requested to select the technique providing the most plausible calculation results from the following:

- i. Quantity multiplied by Price;
- ii. Trend;
- iii. Lump sum; and
- iv. Ad hoc/ One-offs.

i. Quantity Multiplied by Price

- This method requires identifying the Quantities involved as well as the different Prices that are associated with the items. Whenever possible, MDAs are required to use this calculation method and justification should be provided if this method is not used.

ii. Trend

- This might be used if quantity multiplied by price cannot be applied and extrapolates past trends based on an item's expenditure pattern of most recent years. The average past annual rate of increase or decrease is applied to outer years if there is no indication that future developments would substantially deviate from the past.

iii. Lump Sum

- For very small items and to avoid calculation overload, the lump sum method may be used. This involves taking the cost for the item in the current year and keeping it nominally constant in the medium term. The second case where lump sum can be helpful is if there is no reliable indication that the current amount will increase or decrease.

iv. Ad Hoc/ One-Offs

The one-off is an expenditure which occurs not in each year but only in one or few years. Additionally, it refers to starting expenditure which has already been approved by law or by Cabinet.

ANNEX 6: PROJECT CONCEPT NOTE

SECTION 1: PROJECT PROFILE			
Project Name:			
Project Reference Number:			
Ministry / County Department:			
Implementing Agency (MDA/CDA):			
Initiating Department / Division / Section / Unit:			
Budget Vote (where applicable):			
Estimated Project Cost:			
MTEF Sector:			
Accounting Officer:			
Official Contact Details (Provide email, telephone number, postal and physical address):			
Project Threshold:			
Project Geographic Location (Provide GPS Coordinates here) :			
County:	Sub-County:	Ward:	Village:
Planned Start Date:			
Planned End Date:			
Date of Submission:			
SECTION 2: PROJECT BACKGROUND			
1. Situation Analysis			
Provide a background to the project idea:			
<ul style="list-style-type: none"> a) Briefly describe the current situation that rationalizes the project b) Briefly describe past and on-going interventions to address the situation; quote official statistics including past trends to support your narrative, where applicable. 			
2. Problem Statement			
Provide details of the problem to be addressed in terms of challenges, constraints and gaps:			
<ul style="list-style-type: none"> 1. Nature of the problem 2. Scope of the problem (How widespread or the magnitude of the problem) 3. State the likely causes and effects of the problem both direct and indirect. 4. Provide any alternative options that may be available to address the problem. 			
3. Relevance of the Project Idea			
Justify the need for the proposed project by:			
<ul style="list-style-type: none"> a) Linking the project to the National / County Development Plan strategic goals and objectives that the proposed project is expected to contribute to; 			

- b) Linking the proposed project to Sector strategic objectives and strategies by describing the sector outcomes that the project is expected to contribute to;
- c) Show the need for the project by analysing and describing the quantitative indicators of demand for the services or goods to be delivered by project using readily available information.
- d) Describe the rationale for the government to intervene through the project, whether or not the private sector can deliver the project objectives and the consequences of not implementing the project.

SECTION 3: SCOPE OF THE PROJECT

Describe the scope of the project by defining the boundaries of the project in terms the outputs the project or deliverables of the project or the work that needs to be accomplished to deliver the product, service or result required.

SECTION 4: LOGICAL FRAMEWORK

This section show the result chain in a logical manner with a detailed description of the project goal, objectives, outcomes, outputs and inputs

a) Goal

State the goal in the MTP/CIDP the project intends to achieve. Also define the indicator that will be used to measure success of the project against the goal and briefly explain how information on this indicator shall be obtained.

b) Project Objectives/Outcomes

Define the project objectives and the corresponding outcomes. These include the effects that will follow from the utilization of products or services (outputs) delivered by the project. These could be the eventual benefits to society that the project interventions are intended to achieve and are reflected in terms of what people will be able to do better, faster, or more efficiently, or what they could never do before.

For each project outcome identified, define at least one indicator that will be used to measure performance of the project against the relevant outcome and briefly explain how information on this indicator (s) shall be obtained

c) Proposed Project Outputs

Describe the direct outputs that the project is expected to deliver. Outputs are the immediate and concrete consequences of the implemented activities and resources used. For each project output identified, define at least one indicator that will used to track progress and the means of verification.

d) Project Activities and Inputs

For each output identified describe the major activities that should be implemented together with the inputs or resources required to deliver the planned results. To obtain the results of a project a number of activities have to be implemented using various resources or inputs.

e) Project Logical Framework Matrix

Narrative	Indicators	Sources/Means of verification	Assumptions
Goal (MTP/CIDP)			
Project Objectives / Outcomes			
Key Output			
Key Activities			
NB: Add additional rows for outcomes, outputs and activities as necessary			

SECTION 5: INSTITUTIONAL ARRANGEMENTS

1. Institutional Mandate

Describe how the project is linked to the mandate of the institution.

2. Management of the Project

Demonstrate the technical, managerial and financial capacity of the implementing agency to deliver the project. This can also be better expressed by showing previous experience in handling projects of the same magnitude.

3. Project Implementation Plan

Describe the sequence of activities overtime which should set clear benchmarks and timelines that can be used to track the overall project.

4. Monitoring and Evaluation

Describe how the project will be monitored and evaluated in order to ascertain the progress towards achieving its intended objectives. Indicate the institutional framework for tracking project progress.

5. Risk and Mitigation Measures

Describe the potential risks that can derail the project, the likelihood of occurrence, the impact of such risks and strategies for mitigating them.

6. Project Sustainability

Describe how the project will continue providing the intended services and benefits to the beneficiaries after the project is completed. Describe how ownership will be fostered among stakeholders. Include anticipated annual operations and maintenance costs and the source of financing.

7. Project Stakeholders and Collaborators

Describe the stakeholders that the project has to constantly engage and their level of influence and interest among others. List all the government agencies, utilities or regulatory institutions that will need to be involved in the planning and implementation of the proposed project including any legal issues that will need to be addressed.

8. Project Readiness

1. Describe how prepared the implementing agency to deliver the project by providing the following information:

- a) Has the project preliminary and detailed designs been prepared and approved?
 - b) Has land been acquired (site readiness)?
 - c) Has necessary regulatory approvals been obtained?
 - d) What government agencies and stakeholders will be involved in the preparation of the Project and what roles they will play in project development and approval?
 - e) Have you undertaken consultations with other Government agencies in order to improve synergy and avoid duplication of effort?
2. If the answer is no to any of the above questions, then confirm whether this is part of the project implementation plan
3. Whether the project can be phased or scaled down

9. FINANCIAL ANALYSIS

A. Capital Cost to complete the project: Estimate the capital costs associated with the project

Consultancy and fees

Land Aquisition Costs

Site Access, Preparation and Utility

Construction

Equipment

Other capital costs

B. Recurrent Costs (KSh.): Estimate the Recurrent Costs associated of the Project

Labour cost.....

Operating Costs.....

Maintenance Costs.....

Others.....

C. Estimated Total Project Cost KSh Per Year:

FY 1	FY 2	FY 3	FY 4	FY 5
Total (KSh.)	Total (KSh.)	Total (KSh.)	Total (KSh.)	Total (KSh.)

D. Indicate the proposed financing options for the project;

- a) Government of Kenya only
- b) Development partner only
- c) GoK and Development Partner
- d) Public-Private Partnership
- e) Private Sector

E. State all other cost implications to other related projects

Provide a breakdown of estimated cost for other projects that have to be implemented for the benefits to this project to be realised. Is land expropriation required? (Yes / No) If <YES> state the total expenses required to achieve this (compensation / legal costs etc.)

F. Operational Cost after implementation

Provide estimated average annual personnel cost, annual maintenance cost, operation cost and revenues where applicable. This should be attached as an annex to this PCN

Annex VII: PROJECTS DETAILS FOR FY 2022/23 AND MEDIUM TERM PROJECTIONS

Ministry/Department/Agencies.....																									
Vote.....																									
Project Code & Project Title	Financing			Timeline		Actual Cumulative up to 30th June 2021	Outstanding Project Cost as at 30th June 2021	Project Completion % as at 30th June 2021	Allocation for 2021/22 Budget		Requirements for 2022/23 Budget		Allocation for 2022/23		Allocation for 2023/24		Allocation for 2024/25		REMARKS*						
	Est Cost of Project (a)	GOK	Foreign	Start Date	Expected Completion Date				GOK	Foreign	GOK	Foreign	GOK	Foreign	GOK	Foreign	GOK	Foreign							
									Ksh Million																
XX1																									
XX2																									
Total																									

NB: Rank projects in terms of percentage completion

NB: Concept notes for the projects should be submitted

ANNEX 8: SECTOR REPORT FORMAT

TABLE OF CONTENTS

(Please ensure that Headings and Subheadings are identical to those in the report)

Chapters 1 – 6 should form the main body of the report and should be divided into logical sections and subsections, using appropriate headings and numbering. Its purpose is to explain the conclusions and to justify the recommendations

EXECUTIVE SUMMARY

(Restate conclusions for each section and summarize findings and recommendations under this section)

CHAPTER ONE:

INTRODUCTION

- 1.1. Background
- 1.2. Sector Vision and Mission
- 1.3. Strategic goals/Objectives of the Sector
- 1.4. Sub-Sectors and their Mandates
- 1.5. Autonomous and Semi-Autonomous Government Agencies
- 1.6. Role of Sector Stakeholders

(The introduction should briefly describe context; identify general subject; describe the problem or issue to be reported on; define the specific objective for the report; outline the scope of the report; and comment on any limitations of the report)

CHAPTER TWO

PROGRAMME AND PERFORMANCE REVIEW 2018/19– 2020/21

- 2.1. Review of Sector Programmes performance – delivery of outputs/ KPI/targets as per the table below (Summarize as per Table 2.1)
- 2.2. Analysis of expenditure trends for the FY 2018/19– 2020/21 (Summarize as indicated in Table 2.2 to 2.6)
- 2.3. Analysis of performance of capital projects for the FY 2018/19– 2020/21 (Summarize as indicated in Table 2.7)
- 2.4. Analysis of pending bills for the FY 2018/19– 2020/21 (Summarize as indicated in Table 2.8)
- 2.5. Analysis of court awards (Summarize as indicated in Table 2.9)

CHAPTER THREE

MEDIUM TERM PRIORITIES AND FINANCIAL PLAN FOR THE MTEF PERIOD 2022/23– 2024/25

- 3.1. Prioritization of Programmes and Sub-Programmes
 - 3.1.1. Programmes and their Objectives
 - 3.1.2. Programmes, Sub-Programmes, Expected Outcomes, Outputs, and Key Performance Indicators for the Sector

Table 3.1: Programme/Sub-Programme, Outcome, Outputs and KIPs

Program me	Delive ry Unit	Key Outpu ts	Key Performa nce Indicators	Targe t 2020/ 21	Actual Achievem ent 2020/21	Target (Baseli ne) 2021/22	Targe t 2022/ 23	Targe t 2023/ 24	Targe t 2024/ 25
Name of Programme Outcome									
SP1.1									
SP1.2									
... etc.									

NB: Where applicable, KPIs and target should be gender disaggregated

- 3.1.3. Programmes by Order of Ranking
- 3.1.4. Resource Allocation Criteria

3.2. Analysis of Sector and Subsector Resource Requirement versus allocation by:

TABLE 3.1: SECTOR & SUB-SECTOR RECURRENT REQUIREMENTS/ALLOCATIONS (AMOUNT KSH MILLION)

Sector Name	2021/22 Estimate	REQUIREMENT			ALLOCATION			Remarks
		2022/23	2023/24	2024/25	2022/23	2023/24	2024/25	
Vote and Vote Details	Economic Classification							
xxx1	Gross							
	AIA							
	NET							
	Compensation to Employees							
	Transfers, Grants & Subscription							
	Other Recurrent							

TABLE 3.2: SECTOR & SUB-SECTOR DEVELOPMENT REQUIREMENTS/ALLOCATIONS (AMOUNT KSH MILLION)

Sector Name	2021/22 Estimates	REQUIREMENT			ALLOCATION		
		2022/23	2023/24	2024/25	2022/23	2023/24	2024/25
Vote and Vote Details	Description						
xxx1	Gross						
	GOK						
	Loans						
	Grants						
	Local AIA						

TABLE 3.3: ANALYSIS OF PROGRAMMES AND SUB-PROGRAMMES (CURRENT AND CAPITAL) RESOURCE REQUIREMENTS (KSH. MILLION)

Programme Details	Approved Estimates 2021/22			2022/23			2023/24			2024/25		
	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total
Programme 1												
Sub- Programme: 1												
Sub- Programme: 2												
Total Programme.....												
Repeat as above for Programme 2, 3 etc.:												
Total Vote.....												

TABLE 3.4 ANALYSES OF PROGRAMMES AND SUB-PROGRAMMES (CURRENT AND CAPITAL) RESOURCE ALLOCATION (KSH. MILLION)

Programme Details	Approved Estimates 2021/22			2022/23			2023/24			2024/25		
	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total
Programme 1												
Sub- Programme: 1												
Sub- Programme: 2												
Total Programme.....												
Repeat as above for Programme 2, 3 etc.:												
Total Vote.....												

TABLE 3.5: PROGRAMMES AND SUB-PROGRAMMES BY ECONOMIC CLASSIFICATION (AMOUNT KSH MILLION)

Economic Classification	Approved Estimates 2021/22	RESOURCE REQUIREMENT			RESOURCE ALLOCATION		
		2022/23	2023/24	2024/25	2022/23	2023/24	2024/25
PROGRAMME 1:							
Current Expenditure							
Compensation Of Employees							
Use Of Goods And Services							
Grants And Other Transfers							
Other Recurrent							
Capital Expenditure							
Acquisition Of Non-Financial Assets							
Capital Grants to Government Agencies							
Other Development							
TOTAL PROGRAMME.....							
Repeat as above for Programme 2, 3 etc.:							
TOTAL VOTE.....							

TABLE 3.6: ANALYSIS OF RECURRENT RESOURCE REQUIREMENT VS ALLOCATION FOR SAGAS (AMOUNT KSH MILLION)

Economic Classification	2021/22	REQUIREMENT			ALLOCATION			Remarks
	Approved Estimates	2022/23	2023/24	2024/25	2022/23	2023/24	2024/25	
NAME OF SAGA 1.....								
GROSS								
AIA								
NET								
Compensation to Employees								
Other Recurrent								
<i>Insurance</i>								
<i>Utilities</i>								
<i>Rent</i>								
<i>Subscriptions to International Organization</i>								
<i>Contracted Professional (Guards & Cleaners)</i>								
<i>Others</i>								
Repeat as above for SAGA 2, 3 etc.:								
Total Vote								

**CHAPTER FOUR
CROSS-SECTOR LINKAGES AND EMERGING ISSUES /CHALLENGES**

**CHAPTER FIVE
CONCLUSION**

This section should summarize the key findings of the report, as outlined in the discussion under the chapters 1-4 of the report. The Conclusions should relate specifically to the report's objectives (as set out in the introduction); identify the major issues; be arranged in order of importance; be specific, and to the point; and be a list of numbered points

**CHAPTER SIX
RECOMMENDATIONS**

This section should outline future actions. The recommendations should be action orientated, and feasible; relate logically to the conclusions; be arranged in order of importance; and be to the point

REFERENCES

This section should list the sources referred to in the report

APPENDICES

Appendices should contain information that is too complex to include in the report. You need to direct readers to this information, as in "Appendix A provides an overview of the Budget of MDA X"