REPUBLIC OF KENYA

THE NATIONAL TREASURY

STATE DEPARTMENT FOR PUBLIC INVESTMENTS & ASSETS MANAGEMENT

MTEF SUB-SECTOR REPORT FY 2027/28 – 2029/30

VOTE NO: 1073

AUGUST, 2026

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LIST OF ACRONYMS AND ABBREVIATIONS

AGPO	–	Access to Government Procurement Opportunities
A-I-A	–	Appropriation-In-Aid
BETA	–	Bottom-Up Economic Transformation Agenda
CPPMDs	–	Central Planning and Projects Monitoring Directorates
CSO	–	Civil Society Organization
e-GP	–	Electronic Government Procurement
FY	–	Financial Year
GDP	–	Gross Domestic Product
GIMIS	–	Government Investment Management Information System
GIPE	–	Government Investments Public Enterprises
GoK	–	Government of Kenya
HRM &D	–	Human Resource Management and Development
ICT	–	Information Communication Technology
IFMIS	–	Integrated Financial Management Information System
M&E	–	Monitoring and Evaluation
MDA	–	Ministries Departments Agencies
MDACs	–	Ministries Departments Agencies and Counties
MTEF	–	Medium Term Expenditure Framework
MTPs	–	Medium Term Plans
MTR	–	Mid-Term Review
NALM	–	National Assets and Liabilities Management
PAIR	–	Public Administration and International Relations
PBB	–	Programme Based Budgeting
PFM	–	Public Financial Management
PFMA	–	Public Finance Management Act
PIM	–	Public Investment Management
PIMIS	–	Public Investment Management Information System
PIPM	–	Public Investment and portfolio Management
PMIS	–	Pension Management Information System
PPADA	–	Public Procurement and Assets Disposal Act
PPARB	–	Public Procurement Administrative Review Board
PPD	–	Public Procurement Department
PPP	–	Public Private Partnership
PPRA	–	Public Procurement Regulatory Authority
PSASB	–	Public Sector Accounting Standards Board
PSSS	–	Public Service Superannuation Scheme
SAGAs	–	Semi-Autonomous Government Agencies
SCs	–	State Corporations
SCAT	–	State Corporations Appeal Tribunal
SDPIAM	–	State Department for Public Investment and Assets Management
SOEs	–	State-Owned Enterprises

EXECUTIVE SUMMARY

The Sub-Sector's vision is to offer Excellence in Public Investments, Procurement, Assets and Pension Management. Its mission is to provide effective and efficient leadership in Public Investments, Assets Management, Public Procurement, and reliable Pension Services for Kenya's economic growth.

By fulfilling this mandate, the Sub-Sector is aiming at promoting efficiency, accountability, and value for money in the utilization of public resources. Furthermore, the Sub-Sector enhances institutional capacity across Ministries, Departments, Agencies and County Governments (MDACs) thereby strengthening national systems of Public Investment and Asset Management.

The Sub-Sector is implementing four (4) core programmes and ten (10) sub-programmes, in-line with its mandate. These programmes are: Public Investment and Portfolio Management; Public Pensions and Retirement Benefits Management; Government Assets Management and General Administration and Planning.

Some of the key achievements of the Medium Term Period under Review include: Pension Management Information System (PMIS) developed, launched and rolled out; Processed 20,708 pensions claims within 60 days upon receipt of claims; Developed the National Assets and Liabilities System and on boarded 14 asset registers; Trained 1,872 registered AGPO beneficiaries on Government Procurement opportunities; On boarded 1,546 government institutions on e-Government Procurement System following policy directive on compliance; Analyzed and reviewed 100% of State Corporations Budgets; Initiated reforms for State Corporations earmarked for mergers, dissolution and transfer back to the parent ministry.

In addition, the sub-Sector, continued to maintain 100% permanent and pensionable Public Servants of age 45years and below in the Public Service Superannuation Scheme (PSSS); determined 100% of dispute cases as lodged at the Public Procurement Administrative Review Board within 21 days and published on the PPRA website; Audited compliance of 5,540 MDACs on Public Procurement and Assets Disposal System on Compliance with PPADA 2015; Registered 9,129 supply chain management practitioners against a target of 1,100 by the Kenya Institute of Supplies Management; Developed and approved privatization proposals for two (SOEs), Mobilized Ksh. 192 billion private capitals with a cumulative of ten (10) PPP Projects under implementation. During the review period, the sub-sectors' expenditure trends were recorded through Vote 1073

The Sub-sector, while achieving significant milestones, faced several challenges including: budgetary constraints occasioned by tightened fiscal space resulting in austerity measures; Human Resource constraints; complex and challenging environment shaped by institutional, regulatory, operational constraints and inadequate office infrastructure.

During the FY 2027/28 – 2029/30, the sub-sector will focus its resources on;

- Efficiency and effectiveness improved in Public Service through full rollout and implementation of the Public Investment Management Framework in Ministries, Departments, Agencies and Counties (MDACs);
- Climate change and disaster risk considerations mainstreamed in the management of Public Investments;
- Institutional and human resource capacity enhanced for quality delivery of services by onboarding new officers
- Pensions Management Information System (PMIS) strengthened
- Private capital unlocked by mobilizing KShs. 300 billion for investments in PPP Projects and PPPs strengthened by mobilizing KShs. 5 billion from the exchequer for the Project Facilitations Fund (PFF);
- 4 GIMIS modules developed and operationalized;
- Phase one of State Corporations Reforms as approved by the Cabinet finalized
- Sensitization of State Corporations in two regions on SCAT mandate carried out;
- 75 Framework contracts for all common user items for procuring Entities issued to MDAs;
- 22 warehouses leased countrywide
- Eighteen (18) Approved Public entities privatized;
- 6000 marginalized groups sensitized on Access to Government Public Procurement Opportunities;
- 45000 Persons involved in Public Procurement trained
- All public procurement dispute cases lodged at the Public Procurement Administrative Review Board determined within 21 days and the decisions published on the PPRA website;
- Market Price Index to guide procuring entities when undertaking public procurement prepared and disseminated;
- National Infrastructure Fund Act No. 4 of 2026 and Sovereign Wealth Fund Act No. 25 of 2026 operationalized
- 510 MDACs sensitized on Government Asset and Liabilities Policy and Guidelines
- Optimal Assets utilization and replacement Policy and Module developed and operationalized
- Roll-out of additional Asset register templates in the IFMIS fixed asset Module to MDACs.

In the MTEF period 2027/28- 2028/30, the sub-sector will be implementing 11 capital projects**.**

In the MTEF period 2027/28- 2029/30, the sub-sector's total resource requirements are **KSh. 11,210.3 million, KSh. 11,054.9 million** and **KSh. 11,928.3 million** for FY 2027/28, FY 2028/29 and FY 2029/30 respectively. In this regard, recurrent resource requirements are **KSh. 6,940.7**

million, KSh. 7,602.5 million and **KSh. 8,046.8 million,** while development resource requirements are **KSh. 4,269.6 million, KSh. 3,452.4 million**, and **KSh. 3,881.5 million** for FY 2027/28, FY 2028/29 and FY 2029/30 respectively.

The foregoing medium-term programmes and projects are in line with the National Development Goals as outlined in the Fourth Medium Term Plan (MTP IV) of the Vision 2030, BETA, and Sustainable Development Goals.

The sub-sector recommends the following to ensure full realization of planned programmes and projects and enhance performance improvement: Adequate budgetary allocation by the National Treasury; Effective succession management and Operationalization of the Approved Structure and Staff Establishment; Strengthening legal and institutional frameworks to support the implementation of the mandate of the sub-sector; enhancing technology-driven systems; Prioritization of programmes and projects based on need and ensure value for resources allocated; Provision of timely appointment of Council and Board members in SAGAs, development of contingency plans and build strategic reserves for essential resources, promotion of Public Participation and ensuring that pending bills form the first charge on the budget and are paid in the subsequent years.
This report is organized into six chapters. Chapter One is an introduction, Chapter Two highlights the sub-Sector’s programmes and performance review for 2023/2024 – 2025/2026 MTEF period, Chapter Three gives the medium-term priorities and financial plan for the MTEF period 2027/28 - 2029/30 and Chapter Four discusses cross-sector linkages, emerging issues and challenges. Chapter Five summarizes the key findings of the report and Chapter Six outlines recommendations for future action.

CHAPTER ONE: INTRODUCTION

1.1 Background

The Public Investments & Assets Management sub-sector is part of the 24 sub-sectors in the Public Administration and International Relations (PAIR) Sector. The Sub-sector comprises seven (7) Directorates/Department, two (2) Autonomous Government Agencies (AGAs) and seven (7) Semi-Autonomous Government Agencies (SAGAs). The Directorates/Departments are:

i. Public Private Partnership Directorate (PPP)
ii. Public Investment and Portfolio Management Directorate (PIPM)
iii. National Assets and Liability Management (NALM)
iv. Government Investments and Public Enterprise (GIPE)
v. Public Procurement Department (PPD)
vi. Pension Department.
vii. Public Investment Management (PIM)

The AGAs and SAGAs are:

i. Retirement Benefit Authority
ii. Public Service Superannuation Scheme
iii. Privatization Authority
iv. Public Procurement Regulatory Authority
v. Kenya Institute of Supplies Management
vi. Kenya Institute of Supplies Examination Board
vii. State Corporation Appeals Tribunal
viii. Kenya Procurement and Disposal Agency
ix. Public Procurement Administration Review Board

The sub-sector has four (4) programmes comprising ten (10) sub-programmes in line with its mandate. The programmes are:

i. Public Investment & Portfolio Management;
ii. Public Pensions & Retirement Benefits Management;
iii. Government Assets Management; and
iv. General Administration, Planning and Support Services.

This sub-sector report provides major achievements in the delivery of planned outputs and services in the MTEF period 2023/24 – 2025/26 and the budget proposal for the period FYs 2027/28-2029/30. It is prepared under the MTEF framework, which adopts the Programme-Based Budgeting (PBB) in line with the Public Finance Management Act (PFMA), 2012. The budget seeks to link policy, planning and budgeting; entrench programme and project prioritization in the budget preparation process. It ensures predictability in planning and resource utilization; and enhances transparency and accountability in the allocation and expenditure of public resources.

This process will enable the actualization of Kenya's Vision 2030 and its Fourth Medium Term Plan (MTP IV). The budget for the Sub-Sector has taken into account the preparation and tracking of economic development plans and other cross-cutting issues in the proposed programmes and projects.

1.2 Sub-Sector Vision and Mission

Vision

Excellence in Public Investments, Procurement, Assets and Pension Management.

Mission

To provide effective and efficient leadership in Public Investments, Assets Management, Public Procurement and reliable Pension Services for Kenya's economic growth.

1.3 Strategic Goals/Objectives

The overall objective of the sub-sector is to ensure effective, transparent, and sustainable management of public investments, assets, liabilities, pensions, and procurement systems in order to enhance efficiency, accountability, and value for money in the use of public resources.

The sub-sector's specific strategic objectives:

i. To strengthen Public Procurement and Assets Disposal in the Public Sector.
ii. To safeguard government assets and management of liabilities.
iii. To strengthen the capacity of State Corporations (SCs).
iv. To enhance efficiency in pensions administration and management.
v. To strengthen the Public Investment Management Framework.
vi. To strengthen fiduciary assurance and transparency in public sector entities.
vii. To strengthen tracking, evaluation and reporting on implementation of policies, projects and programs.
viii. To enhance the quality delivery of services
ix. To improve organizational and staff productivity progressively.
x. To increase private capital investments in PPP
xi. To enhance efficiency, quality, fairness and value for money in the procurement of common user items and supply chain solutions for government institutions

1.4 Sub-sector Mandate

The State Department for Public Investments and Assets Management was established through Executive Order No. 1 of 2025 on the Organization of the Government of the Republic of Kenya. The State Department oversees policies and systems for managing public investments, assets and liabilities, public procurement, pensions, Public-Private Partnerships (PPPs), and state corporations. The specific functions of the department are;

- Formulate, review and co-ordinate policies, laws and regulations to improve public investment management across government;
- Design, develop and maintain an efficient, effective and reliable Public Investment Management Information System (PIMIS);
- Develop standards, methodologies, and tools for appraisal of project concept notes, prefeasibility and feasibility studies;
- Custodian of National Government Assets & Properties;
- Responsible for consolidation and reporting to the Accountant General on all government assets and liabilities;
- In liaison with the Public Sector Accounting Standards Board (PSASB), develop and enforce guidelines on asset and liability management;
- Provide strategic advice on the management of high-value public asset portfolios and monitoring risk exposure;
- Administer scheme of service for asset management officers;
- Public Private Partnerships Policy and Administration;
- Drive reforms to improve the efficiency and competitiveness of Public Enterprises;
- Co-ordinate State Divestiture Programmes;
- National Pensions Management Policy;
- Public Procurement and Asset Disposal Policy;
- Administration of the framework for the procurement, disposal, administration and management of common user items;
- Develop and implement policies, regulations, and guidelines for public procurement and asset disposal, ensuring adherence to the Public Procurement and Asset Disposal Act and the standardization of procurement processes and documentation;
- Oversee the transition to e-procurement across all Government Ministries, State Departments and Agencies;
- Assist procuring entities in developing and implementing procurement plans, ensuring alignment with national priorities and objectives;
- Provide training and capacity-building support to procuring entities and stakeholders to enhance their knowledge and skills in public procurement and asset disposal;

- Manage an efficient procurement management system for National and County Governments;
- Oversight public procurement and supplies officers in Ministries, Departments and Agencies, ensuring the proper implementation of procurement and asset disposal processes, identifying areas for improvement and ensuring compliance;
- Guide on the proper disposal of unserviceable, obsolete, or surplus stores and equipment by public entities; and
- Promote transparency and accountability in public procurement and asset disposal, fostering public confidence in the system.

1.5 Autonomous and Semi-Autonomous Government Agencies (SAGAs)

The sub-sector is responsible for overseeing and coordinating the following Autonomous and Semi-Autonomous Agencies (SAGAs):

Autonomous Government Agencies (AGAs)

1.5.1 Retirement Benefit Authority (RBA)

Established by the Retirement Benefits Act No. 3 of 1997, the Authority regulates and supervises the establishment and management of retirement benefits schemes. It protects the interests of both members and sponsors of the schemes. Further, it promotes the development of the retirement benefits industry and also develops national policies for the retirement benefits industry in collaboration with the sub-sector.

1.5.2 Public Service Superannuation Scheme (PSSS)

The Public Service Superannuation Scheme (PSSS) was established by the Public Service Superannuation Scheme Act of 2012. The Scheme is registered and regulated by the Retirement Benefits Authority. The Scheme is a contributory pension arrangement to provide retirement benefits to officers in the service of government under the Public Service Commission, the Teachers Service Commission as a teacher; the National Police Service Commission; or by any other service that the Cabinet Secretary determines to be public service for the Act. The object and purpose of the Scheme is to pay retirement benefits to members of the Scheme; ensure that every member of the Scheme receives his retirement benefits as and when they become due; assist to improve the social security of members of the Scheme by ensuring that the members save to cater for their livelihoods upon retirement; and, establish a uniform set of rules, regulations and standards for the administration and payment of retirement benefits for members of the Scheme.

Semi-Autonomous Government Agencies (SAGAs)

1.5.5 Privatization Authority

The Privatization Authority is a corporate body established under Section 8 of the Privatization Act, 2025. Its objectives include to advise the government on all aspects of privatization of public entities; facilitate the implementation of government policies on privatization; implement the Privatization Programme; implement specific privatization proposals in accordance with the Privatization Programme; collaborate with other organizations, within or outside Kenya, as it may consider appropriate in furtherance of the objects of this Act; prepare long-term divestiture sequence plan; monitor and evaluate the implementation of privatization programs in Kenya; take such measures as are necessary to ensure that the provisions of this Act are complied with; and perform any other functions under this Act or any other legislation as may be conferred, from time to time, on the Authority.

1.5.6 Public Procurement Regulatory Authority (PPRA)

The Public Procurement Regulatory Authority (the Authority) is established under Section 8 (1) of the Public Procurement and Disposal Act, 2015 (PPADA, 2015) and is charged with monitoring, assessing and reviewing the public procurement and asset disposal system to ensure that they respect the national values and are compliant to the provisions of the Constitution of Kenya, 2010 and applicable public procurement and asset disposal laws.

1.5.7 Kenya Institute of Supplies Management (KISM)

The Kenya Institute of Supplies Management (KISM), established under the Supplies Practitioners Management Act (SPMA) No. 17 of 2007, serves as the national professional body for practitioners in procurement and supply chain management in Kenya mandated to register, license, train, discipline and regulate supply chain management practitioners across all sectors in Kenya.

KISM derives its mandate from the SPMA, with the core functions including developing and promoting professional guidelines, standards, and best practices in procurement and supply chain management, establishing, maintaining, and enforcing a code of ethics, competency frameworks, and professional guidelines, Providing continuous professional development (CPD) programs to enhance knowledge, skills, and competencies of practitioners, advocating for policies and regulations that strengthen and elevate the supply chain profession, engaging government, policymakers, and stakeholders and advising the Kenya Institute of Supplies Examinations Board (KISEB) on examination policies and standards.

1.5.8 Kenya Institute of Supplies Examination Board (KISEB)

Kenya Institute of Supplies Examination Board (KISEB) is a statutory body established under the Supplies Practitioners Management Act (SPMA), 2007, with the mandate to design, develop, administer, and certify professional examinations in procurement and supply chain management (PSCM) in Kenya. The Board serves as the national examination and certification authority for the supply chain profession.

KISEB's core mandate is to administer professional examinations to provide a structured pathway for entry, progression, and specialization within the procurement and supply chain profession. The Board develops curricula, accredits training institutions, and ensures that teaching and assessment align with both national priorities and global best practices in supply chain management.

1.5.9 Kenya Procurement and Disposal Agency (KEPDA)

Kenya Procurement and Disposal Agency (formerly Supplies Branch under the State Department for Public Works) was created under the Executive Order No.2 of 23rd November 2023 on Organization of the Government of the Republic of Kenya of and domiciled in the National Treasury. Its specific functions are to obtain framework agreements for Common User Items (CUIs) for use by procuring entities in the public sector, provide procurement agency services to public entities within the national Government, maintain and publish register and database of suppliers for Common User Items, to provide procurement and disposal services on behalf of MDAs, to source and manage the supply of petroleum, oils, and lubricants (POL) for Government and identification and classification of Common User Items (CIUs) in consultation with the National Treasury and Public Procurement Regulatory Authority

1.5.10 State Corporations Appeal Tribunal (SCAT)

The State Corporations Appeals Tribunal (SCAT) was established in 1987 under the State Corporation Act Cap 446 section 22(1) as a quasi-judicial body to hear and determine appeals against the surcharge decision of the Inspector of State Corporations.

1.5.11 Public Procurement Administrative Review Board (PPARB)

The Public Procurement Administrative Review Board (PPARB or the Review Board) is established under Section 27 of the Public Procurement and Disposal Act, 2015 (the Act) as a central independent procurement appeals board with the mandate of reviewing, hearing and determining tendering and asset disposal disputes.

The Review Board was established to promote and uphold fairness in the Public Procurement System through judicious, expeditious and impartial adjudication of matters arising from disputed procurement and asset disposal proceedings with the aim of enhancing transparency, accountability and public confidence in public procurement processes.

1.6 Role of Sub-Sector Stakeholders

The sub-sector collaborates with various stakeholders to deliver on its mandate and functions. Table 1.1 provides a summary of the key stakeholders and the nature of collaboration.

Table 1.1: List of Sub-Sector Stakeholders and their Roles

Stakeholders Category	Stakeholders' Role
Ministries, Departments, Agencies and Counties (MDACs)	i. Preparation and funding of the National Budget; ii. Evidence-based prioritization of programmes and projects; iii. Effective implementation of policies, plans, programmes and projects; iv. Provision of support in the development of policy, institutional and legal frameworks; v. Timely reporting on implementation of programmes and projects; vi. Compliance with issued guidelines and regulations on Public Investments and Assets Management; vii. Provision of support in legal matters affecting policy formulation and planning; and viii. Timely remittance of pension contributions
Development Partner	i. Financial and technical support in implementation of government priorities; and ii. Alignment of respective frameworks to the national development framework.
Supplier /Merchant	i. Timely supply of quality goods, works and services that meet contractual obligations; ii. Competitive pricing; iii. Compliance with guidelines and regulations on public procurement; and iv. Innovation and value addition
Public/Citizens	i. Participating in policy formulation and implementation of development initiatives; ii. Participating in programme/project identification, implementation, monitoring and evaluation; and iii. Timely provision of feedback on service delivery.
Research/Academic Institutions	i. Provide necessary technical support/training; and ii. Collaboration in research and policy making.

Stakeholders Category	Stakeholders' Role
Media	i. Objective promotion and articulation of development issues; ii. Dissemination of government development policies and strategies; and iii. Feedback from the public.
Private Sector	i. Partners in the implementation of development projects and programmes; ii. Inject private capital into PPPs. iii. Facilitate foreign investment flows into Kenya; and iv. Participation in policy formulation and implementation of development initiatives.
Professional Bodies	i. Provision of inputs during policy formulation; ii. Provision of training and skills development; and iii. Instilling professionalism among the members.
Parliament (National Assembly & Senate)	i. Legislation; ii. Oversight of the budgeting process; and iii. Oversight of implementation of the budget.
Independent Commissions	i. Oversight of implementation of the budget; and ii. Ensure compliance and adherence to policies and guidelines.
Judiciary	i. Administration of fair and timely justice.
Civil Society Organizations	i. Collaboration with the sub-sector in identification, implementation and monitoring and evaluation of programmes and projects; and ii. Support of community mobilization initiatives for rural development through advocacy and awareness creation.
Regional and International Institutions/bodies	i. Support of Kenya's Development Agenda; ii. Support activities related to domestication of regional and international resolutions; and iii. Championing the country's interests in regional and international economic development agenda.
Pensioners	i. Timely submission and updates of relevant documents (with regard to dependents) ii. Timely provision of statutory documents.
Implementing Partners	i. Execution of policies, plans, programmes and projects

CHAPTER TWO:
PROGRAMME PERFORMANCE REVIEW 2023/24 - 2025/26

This section presents the sub-sector's performance over the medium-term period from FY 2023/2024 to 2025/2026. It assesses the performance based on key outputs and performance indicators of programmes and sub-programmes of the planned targets, the financial performance and the status of implementation of capital projects for the period under review.

2.1 Review of Programme Performance for FY 2023/24 – 2025/26

The sub-sector performance review by programme and sub-programme, focusing on key outputs and performance indicators for the period 2023/24 – 2025/26 is as shown in Table 2.1 below

Table 2.1: Analysis of Programme Targets and Actual Targets

Programme	Key Output	Key Performance Indicators	Planned Target			Achieved Target			Remarks
			2023/24	2024/25	2025/26	2023/24	2024/25	2025/26	
Programme 1: Public Financial Management									
Programme Outcome: Transparent and Accountable management of public resources									
S.P.1.1: Resource Mobilization	Resource Mobilization Services	Amount of private capital mobilized for PPP projects in Ksh (Billions)	-	-	65	-	-	192	Target exceeded. KShs. 192 billion private capital investment in PPPs was mobilized, this being the CRBC/NSSF investment for the Rironi - Gilgil (A8) & Nairobi - Maai Mahiu - Naivasha (A8 South) sections of the Nairobi-Nakuru - Mau Summit Highway. The project was launched in November 2025 and the construction is ongoing. The Project Agreement was signed in May 2026
		No. of PPP projects approved	-	-	7	-	-	11	Target exceeded with the following PPP projects approved in FY 2025/26: Mombasa Southern Bypass; Konza Data Centre Cloud and Smart City Facilities Expansion; Development of Kenya's Diplomatic Properties; Karura 90MW Hydro Power Dam; GDC Suswa Geothermal Project; Nuclear Power Plant; Battery Energy Storage; and Irrigation Dams & associated infrastructure (Karura Hydro Power Dam, Barsilinga Dam, Lowaat Dam Irrigation), Geothermal-Powered

Programme	Key Output	Key Performance Indicators	Planned Target			Achieved Target			Remarks
			2023/24	2024/25	2025/26	2023/24	2024/25	2025/26	
									Theme Park at Olkaria, Operation of Dongo Kundu Berth 1
SP.1.2: Supply Chain Management Services	Public Procurement services	No. of AGPO Enterprises registered	-	-	21,000	-	-	15,020	Target not achieved due to lower-than-planned training activities, as sensitization is conducted concurrently with training, resulting in fewer beneficiaries being sensitized and registered.
		No. of AGPO beneficiaries trained	-	-	2,000	-	-	1,872	Target not achieved due to insufficient funds to conduct training.
	Implementation of e-procurement system for the Government of Kenya -BETA	No. of government institutions on e -procurement systems	-	-	166	-	-	1,546	Target achieved.1,546onboarded after the presidential directive to onboard all government entities on e-GP
	Compliance with PPADA 2015 monitored	No. of procurement entities monitored for Compliance	-	-	12,000	-	-	18,624	Target exceeded. This is attributed to adoption of technology and recruitment of additional staff to undertake compliance monitoring.
	Persons involved in Public Procurement trained	No. of Persons trained in Public Procurement	-	-	5,000	-	-	17,726	The target was overachieved Additional resources received for capacity building and training of schools in collaboration with the State Department for Basic Education.
	Market Price Index (MPI) surveys conducted and resultant MPI published	No. of Market Price Index (MPI) guides published.	-	-	4	-	-	3	Target not achieved due to budgetary constraints

Programme	Key Output	Key Performance Indicators	Planned Target			Achieved Target			Remarks
			2023/24	2024/25	2025/26	2023/24	2024/25	2025/26	
	Public Procurement dispute cases resolved within 21 days	% of Public Procurement dispute cases resolved within 21 days	-	-	100	-	-	100	Target achieved. All the 158 cases lodged in FY 2025/2026 were heard and determined within 21 days.
		Proportion (%) of the decisions published within 2 days.	-	-	100	-	-	100	Target achieved. All 158 decisions were published on the PPRA website within an average of 2 days
	Public Procurement Services	% of procurement services	-	-	100	-	-	60	Target not achieved as the Implementation of the e-GP framework module was not operational
		No. of regional offices refurbished	-	-	10	-	-	-	Target not achieved due to inadequate funding .
SP. 1.3: Government Investment and Assets	Government Investment Management Services	% state corporation budget reviewed	-	-	100	-	-	100	Target achieved
		No. of National government investment reports prepared	-	-	1	-	-	1	Target achieved
		GOE Ownership Policy	-	-	1	-	-	1	Target achieved
	MDACs officers trained on PIM	No. of technical officers trained	-	-	1,500	-	-	900	Training is done on request. Training was offered for all requests received.
	Sector-specific Project Appraisal Manuals and Tools Developed	No. of sector-specific manuals	-	-	3	-	-	0	Target not achieved due to insufficient funding. Draft tools and manuals prepared and piloted in the Health, Education and Energy, Infrastructure & ICT Sectors.
	County PIM units operationalized	No. of Operational	-	-	20	-	-	0	Target not achieved due to financial constraints.

Programme	Key Output	Key Performance Indicators	Planned Target			Achieved Target			Remarks
			2023/24	2024/25	2025/26	2023/24	2024/25	2025/26	
		County PIMUs							
	PIM PPP Framework finalized	Approved framework	-	-	1	-	-	1	Target achieved. Framework approved by the PS. Operationalization to begin in the next FY
	Public Investment Management Information System (PIMIS) operationalized	% Completion of PIMIS	-	-	80	-	-	65	Target not achieved. The System is still undergoing enhancements and data cleaning as per the OAG recommendations
	Climate Change and Disaster Risk Screening Manual developed	Climate Change and Disaster Risk Screening Manual	-	-	1	-	-	-	Target not achieved due to insufficient funding. Piloting and external stakeholder validation underway.
	National Assets and Liability Management Services	No. of MDAs sensitized on Assets and Liability Management	-	-	100	-	-	159	Target overachieved, supported by digitization of asset management through IFMIS Fixed Assets Module and increased pool training requests from the TVETs.
		% of assets registered from MDAs analyzed	-	-	100	-	-	100	Target achieved and feedback provided.
	Appeals Management Services	% of State Corporations cases cleared	-	-	100	-	-	97	Target not achieved. One case awaiting hearing in August 2026
		No. of court registries	-	-	2	-	-	1	Target not achieved. The State Corporations Act Cap 446, Section 22 (12) allows the Tribunal to have only one (1)registry in Nairobi.

Programme	Key Output	Key Performance Indicators	Planned Target			Achieved Target			Remarks
			2023/24	2024/25	2025/26	2023/24	2024/25	2025/26	
	Government Entities Privatized	No. of public entities privatized	-	-	11	-	-	1	Target not achieved; only Privatization of 65% GoK Shareholding of Kenya Pipeline Company was achieved. Other privatization transactions did not proceed due to changes in the affected legal framework.
		No. of specific privatization proposals developed	-	-	1	-	-	1	Target achieved for the privatization of Kenya Pipeline Corporation (KPC).
		No. of stakeholder engagements on Privatization Transaction conducted.	-	-	8	-	-	8	Target achieved.
		No. of Privatization advisories provided	-	-	3	-	-	3	Target achieved.
SP. 1.4: Administrative Support Services	Administrative Services	No. of financial management reports	-	-	4	-	-	4	Target achieved.
		No. of monitoring and evaluation reports	-	-	4	-	-	4	Target achieved.
		Customer satisfaction survey reports	-	-	1	-	-	1	Target achieved.
	Pension Services	No. of days taken to process and pay pension claims	-	-	60	-	-	60	Target achieved. 20,708 complete claims processed within 60 days

Programme	Key Output	Key Performance Indicators	Planned Target			Achieved Target			Remarks
			2023/24	2024/25	2025/26	2023/24	2024/25	2025/26	
	Upgrading integration of pensions management information system	% level of operationalization of pension management information system	-	-	90	-	-	90	Target achieved.
	Supply Chain Management Certification, research and development services offered	% of supply chain professionals certified in the public sector	-	-	65	-	-	48	Target not achieved due to inadequate sensitizations.
		No. of candidates for CPSP-K & APS-K registered	-	-	6,895	-	-	6,536	Target not achieved. Marketing budget was inadequate.
		No. Of accredited training centers	-	-	100	-	-	102	Target achieved. 102 training institutions have been accredited
	Examination regulation approved and gazetted	Examination regulation	-	-	1	-	-	0	Target not achieved. The draft regulations in place.
	APS-K and CPSP-K syllabuses completed	% completion	-	-	100	-	-	90	Target not achieved. Syllabus review awaiting KNQA approval

2.2 Expenditure Trend Analysis in FY 2023/24 – 2025/26

Analysis of Recurrent Expenditure

During FY 2025/26, the sub-sector was allocated a gross recurrent budget of **KShs. 3,873.1 million**, and actual recurrent expenditure amounted to **KShs. 3,790.7 million,** translating to an overall recurrent budget absorption rate of **98 per cent**, as summarized in Table 2.2 below.

Table 2.2 Analysis of Recurrent Expenditure (Ksh. Million)

Sector: Public Administration and International Relations							
Vote: 1073							
Economic Classification	**Approved Budget**			**Actual Expenditure**			
	2023/24	**2024/25**	**2025/26**	**2023/24**	**2024/25**	**2025/26**	**Remarks**
Gross	-	-	**3,873.10**	-	-	**3,790.70**	
AIA	-	-	339.90	-	-	303.60	
NET – Exchequer	-	-	**3,533.20**	-	-	**3,487.10**	
Compensation to Employees	-	-	429.30	-	-	401.03	
Transfers	-	-	3,170.90	-	-	3,148.61	
Other Recurrent	-	-	272.90	-	-	241.06	
Utilities	-	-	-	-	-	0	
Rent	-	-	55.90	-	-	41.10	
Insurance	-	-	-	-	-	-	
Subsidies	-	-	-	-	-	-	
Gratuity	-	-	-	-	-	-	
Contracted Guards & Cleaners Services	-	-	2.40	-	-	2.00	
Others specify	-	-	214.60	-	-	197.96	

2.3 Analysis of Development Expenditure

The sub-sector development budget amounted to **KShs. 736.0 million**, against actual development expenditure of **KShs. 725.7 million**, translating to an absorption rate of **99 per cent,** as illustrated in Table 2.3 below.

Table 2.3 Analysis of Development Approved Budget Vs Actual Expenditure (Ksh. Million)

Sector: Public Administration and International Relations							
Vote and Vote Details:1073	**Description**	**Approved Budget Allocation**			**Actual Expenditure**		
		2023/24	**2024/25**	**2025/26**	**2023/24**	**2024/25**	**2025/26**
MDA	**Gross**	-	-	**736.0**	-	-	**725.7**
	GOK	-	-	736.0	-	-	725.7

Sector: Public Administration and International Relations							
Vote and Vote Details:1073	Description	Approved Budget Allocation			Actual Expenditure		
		2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
	Loans	-	-	-	-	-	-
	Grants	-	-	-	-	-	-
	Local A.I. A	-	-	-	-	-	-

2.4 Analysis of Programme Expenditure (Kshs. Million)

The analysis of the sub-sector's total expenditure by programme and economic classification is provided in Tables 2.4 and 2.5, respectively.

Table 2.4: Analysis of Programme Approved Budget Vs Actual Expenditure (Ksh. Million)

Programme Details	Approved Budget			Actual Expenditure		
	2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
Public Financial Management						
Resource Mobilization	-	-	53.60	-	-	38.70
Supply Chain Management Services	-	-	2,615.40	-	-	2,615.40
Government Investment and Assets	-	-	852.53	-	-	825.64
Administrative Support Services	-	-	1,087.60	-	-	1,036.70
TOTAL PROGRAMME	-	-	**4,609.13**	-	-	**4,516.44**
TOTAL VOTE 1073 SDPIAM	-	-	**4,609.10**	-	-	**4,516.44**

The sub-sector approved budget amounted to KShs**. 4,609.10 million** against Actual development expenditure of **KShs. 4,516.44 million**, translating to an absorption rate of **98 per cent**

2.5 Analysis of Programme Approved Vs Actual Expenditure

Table 2.5: Analysis of Programme Approved Vs Actual Expenditure (Ksh. Million)

Economic Classification	Approved Budget			Actual Expenditure		
	2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
0718000000 Public Financial Management						
Current Expenditure	-	-	**3,873.10**	-	-	**3,790.74**
Compensation to Employees	-	-	429.30	-	-	401.00
Use of Goods and Services	-	-	255.10	-	-	225.24

Economic Classification	Approved Budget			Actual Expenditure		
	2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
Grants and Other Transfers	-	-	3,170.90	-	-	3,146.80
Other Recurrent	-	-	17.80	-	-	17.70
Capital Expenditure	-	-	**736.00**	-	-	**725.80**
Acquisition of Non-Financial Assets	-	-	-	-	-	-
Capital Grants to Government Agencies	-	-	-	-	-	-
Other Development	-	-	736.00	-	-	725.70
Total Expenditure 0718000000	-	-	**4,609.10**	-	-	**4,516.44**
Total Expenditure Vote 1073			**4,609.10**	-	-	**4,516.44**

2.6 Analysis of Recurrent Budget

Table 2.6: Analysis of Recurrent Approved Budget Vs Actual Expenditure for SAGAs (Ksh. Million)

Sector: Public Administration and International Relations							
Vote:1073	**Approved Budget**			**Actual Expenditure**			**Remarks**
Economic Classification	**2023/24**	**2024/25**	**2025/26**	**2023/24**	**2024/25**	**2025/26**	
Privatization Authority (PA)							
Gross	-	-	569.7	-	-	604.6	The Privatization Authority received a Supplementary budget to support privatization of KPC
A-I-A – Internally Generated Revenue	-	-	3	-	-	37.9	AIA was from current accounts.
Net Exchequer	-	-	566.7	-	-	566.7	
Compensation of Employees	-	-	170	-	-	146	Planned approved recruitments could not take place due to delay in approval of HR instruments.
Use Of Goods and Services	-	-	28	-	-	28	
Of which							
Insurance	-	-	19	-	-	10.3	Due to staff exits and disposal of assets (motor vehicles)

Sector: Public Administration and International Relations							
Vote:1073	**Approved Budget**			**Actual Expenditure**			**Remarks**
Economic Classification	**2023/24**	**2024/25**	**2025/26**	**2023/24**	**2024/25**	**2025/26**	
Utilities	-	-		-	-		
Rent	-	-	27	-	-	26.6	Based on lease agreement
Contracted Professional (Guards and Cleaners)	-	-	3.5	-	-	2.8	Based on contracts
Others	-	-	322.2	-	-	306.4	completed the Privatization of 65% GoK Shareholding of Kenya Pipeline Company through an Initial Public Offering of Shares (IPO). In addition, an investor was identified for buying the GoK shareholding in KHEAL/KWAL, and the process is awaiting advisory from the Office of the Attorney General. The remaining planned privatization transactions did not proceed due to changes in the legal framework introduced by the Privatization Act, 2025 and the Government-Owned Enterprises Act, 2025, which transferred responsibility for privatizing Government-linked corporations to

Sector: Public Administration and International Relations							
Vote:1073	**Approved Budget**			**Actual Expenditure**			**Remarks**
Economic Classification	**2023/24**	**2024/25**	**2025/26**	**2023/24**	**2024/25**	**2025/26**	
							the National Government
STATE CORPORATIONS APPEAL TRIBUNAL (SCAT)							
Gross	-	-	64.46	-	-	44.57	
A-I-A – Internally Generated Revenue	-	-	20.00	-	-	0.10	The Tribunal receives appeal cases from the Inspector General-Corporations. For this reason, we are not able to determine the number of cases to be forwarded to us for determination by the Inspector, which affects our AIA collection. In the last FY 2025/26, the Tribunal was able to recover Ksh.58 M, which was returned to the various State Corporations.
Net Exchequer	-	-	**44.46**	-	-	**44.47**	
Compensation of Employees	-	-	17.78	-	-	7.78	This has gone up due to an increase in the number of staff and the appointment of board members
Use Of Goods and Services	-	-	46.68	-	-	36.79	
Of which	-	-		-	-		3 years contract
Insurance	-	-	2.01	-	-	2.01	This has gone up due to an increase in the number of staff and the appointment of board members

Sector: Public Administration and International Relations							
Vote:1073	**Approved Budget**			**Actual Expenditure**			**Remarks**
Economic Classification	**2023/24**	**2024/25**	**2025/26**	**2023/24**	**2024/25**	**2025/26**	
Utilities	-	-	1.35	-	-	1.35	5-year lease agreement
Rent	-	-	6.08	-	-	6.08	3 years contract
Contracted Professional (Guards and Cleaners)	-	-	0.61	-	-	0.61	
Others	-	-	-	-	-	-	Actual for 2023/24 was low because the terms of board members had lapsed with no replacement
Public Procurement Regulatory Authority (PPRA)							
Gross	-	-	1,747.4	-	-	1,691.5	
A-I-A – Internally Generated Revenue	-	-	225.0	-	-	169.1	
Net Exchequer	-	-	1,522.4	-	-	1,522.4	
Compensation of Employees	-	-	472.5	-	-	471.8	
Use Of Goods and Services	-	-	**1,274.9**	-	-	**1,269.9**	
Of which							
Insurance	-	-	46	-	-	45.8	
Utilities	-	-	8.1	-	-	8.9	There was under-budgeting for the item. A re-allocation was made from other expenses to cover the budget shortfall.
Rent	-	-	8.9	-	-	11.8	There was under-budgeting (Initially PPRA was paying service charge for 3 floors (5,6,7) at the rate of Kshs. 735,000 per floor per. PPRA started being charged service charge at the same rate for

Sector: Public Administration and International Relations							
Vote:1073	**Approved Budget**			**Actual Expenditure**			**Remarks**
Economic Classification	**2023/24**	**2024/25**	**2025/26**	**2023/24**	**2024/25**	**2025/26**	
							the 4th floor which is also occupied in the year under review). A re-allocation was made from other expenses to cover for the budget shortfall.
Contracted Professional (Guards and Cleaners)	-	-	0.7	-	-	0.7	
Others	-	-	0	-	-	0	
Public Procurement Administrative Review Board (PPARB)							
Gross	-	-	39.2	-	-	39.7	
A-I-A – Internally Generated Revenue	-	-	17	-	-	17.5	
Net Exchequer	-	-	22.2	-	-	22.2	
Compensation of Employees	-	-	0	-	-		
Use Of Goods and Services	-	-	**40.2**	-	-	**39.1**	
Of which							
Insurance	-	-	2	-	-	2	
Utilities	-	-	0	-	-	0	
Rent	-	-	0	-	-	0	
Contracted Professional (Guards and Cleaners)	-	-	0	-	-	0	
Others	-	-	0	-	-	0	
Kenya Institute of Supplies Examination Board (KISEB)							
Gross	-	-	110.8	-	-	107.08	
A-I-A – Internally Generated Revenue	-	-	80.8	-	-	77.08	
Net Exchequer	-	-	**30**	-	-	**30**	
Compensation of Employees	-	-	31.3	-	-	28.71	
Use Of Goods and Services	-	-	47.56	-	-	43.94	

Sector: Public Administration and International Relations							
Vote:1073	**Approved Budget**			**Actual Expenditure**			**Remarks**
Economic Classification	**2023/24**	**2024/25**	**2025/26**	**2023/24**	**2024/25**	**2025/26**	
Of which							
Insurance	-	-	4.31	-	-	4.03	
Utilities	-	-	0.7	-	-	0.7	
Rent	-	-	2.88	-	-	2.88	
Contracted Professional (Guards and Cleaners)	-	-	2.5	-	-	2.6	
Others	-	-	21.55	-	-	18.3	

2.7 Capital Projects Performance in FY 2023/24 – 2025/26

During the review period, the sub-sector had two (2) ongoing capital projects with a cumulative approved allocation of **KShs. 5,946.5 million** and cumulative expenditure of **KShs. 1,977.7 million** as shown in Table 2.6 below

Table 2.7: Analysis of Performance of Capital Projects FY 2023/24 – 2025/26 (KShs. million)

	Estimated Cost of the project			Timelines		FY 2023/24				FY 2024/25				FY 2025/26					Remarks
Project Code & Project Title	**Total Est. Cost of Project**	**GoK**	**Foreign Financed**	**Start Date**	**Expected Completion Date**	**Approved GOK Budget**	**Approved Foreign Financed Budget**	**Cumulative Expenditure as at 30th June 2024**	**Completion Status as at 30th June 2024(%)**	**Approved GOK Budget**	**Approved Foreign Financed Budget**	**Cumulative Expenditure as at 30th June 2025**	**Completion Status as at 30th June 2025(%)**	**Approved GOK Budget**	**Approved Foreign Financed Budget**	**Cumulative Expenditure as at 30th June 2026**	**Outstanding Balance as at 30th June 2026**	**Completion Status as at 30th June 2026(%)**	
	Ksh. Million					**Ksh. Million**													
071808999: Upgrading, Integration of Pensions Management Information Systems	897.5	897.5	-	01/07/2015	6/30/2028	-	-	-	-	-	-	-	291.60	60%	36.0	-	327.60	569.9	Despite the completion status, software development, licensing, and hardware is yet to be purchased, and training to be conducted.

	Estimated Cost of the project			Timelines		FY 2023/24				FY 2024/25				FY 2025/26					Remarks
0718059999: Implementation of e-Procurement System for Govt. of Kenya-BETA	5,049.0	5,049.0	-	09/01/2020	31/08/2028	-	-	-	-	-	-	710	27%	700.0	-	1410.00	3,639	80%	Implementation remained at 80 per cent due to the pending rollout of the remaining Phase II modules. Budget absorption was lower than planned owing to outstanding payments for e-GP contractual obligations.
Total Vote 1073: SDPIAM	**5,946.5**	**5,946.5**	-	-	-	-	-	-	-	-	-	-	-	**736.0**	-	**1,737.6**	**4,208.9**		

2.8 Pending Bills Analysis – Outstanding liabilities over FY 2023/24 – 2025/26

In the period under review, the sub-sector incurred pending bills totalling **KShs. 189.4 million**. This constituted **KShs.63.0 million** in recurrent and **KShs.126.4 million** in development, which were attributed to a lack of provisions.

Table 2.8 Analysis of pending bills

	Due to Lack of Exchequer			Due To Lack of Provision		
Type/Nature	**2023/24**	**2024/25**	**2025/26**	**2023/24**	**2024/25**	**2025/26**
1. Recurrent	-	-	-	-	-	-
Compensation Of Employees	-	-	-	-	-	-
Use Of Goods and Services e.g. Utilities, Domestic or Foreign Travel etc.	-	-	-	-	-	**62,986,157.00**
Social Benefits E.G NHIF, NSSF	-	-	-	-	-	-
2. Development	-	-	-	-	-	-
Acquisition Of Non-Financial Assets	-	-	-	-	-	-
Use Of Goods and Services	-	-	-	-	-	**126,406,278.00**
Others-Specify	-	-	-	-	-	-
Total Pending Bills	**-**	**-**	**-**	**-**	**-**	**- 189,392,435.00**

2.9 Court Awards Analysis – Financial impact of court awards

The sub-sector did not have any

Court Awards during the period under review.

CHAPTER THREE:

MEDIUM TERM PRIORITIES AND FINANCIAL PLAN FOR THE MTEF PERIOD 2027/28 – 2029/30

This chapter presents the sub-Sector's medium-term priorities and financial plans for the FY 2027/28 – 2029/30 providing a summary of programme objectives, key outputs, performance indicators, targets and an analysis of resource requirements by programme and economic classification.

Prioritization of Programmes and Sub-Programmes

The sub-sector has prioritized programmes and sub programmes interventions to ensure optimized impact, value for money, and alignment with strategic objectives. The prioritization was guided by:

- Strategic alignment with the subsector vision and national plan;
- Evidence from past performance and cost-effectiveness;
- Financial envelope and resource constraints;
- Cross-sectoral linkages and co-benefits; and
- Stakeholder demands and risk considerations.

3.1 Programmes and Objectives

This section outlines the programmes approved under MTEF funding (2027/28–2029/30), highlighting their core objectives and contributions to the sub-sector's strategic goal.

Table 3.1 List of Sub-Sector Programmes and their Strategic Objectives

Programme	Objective	Strategic Contribution
Public Investment & Portfolio Management	To optimize public resources, foster innovative partnerships and deliver exceptional value to citizens through transparent, efficient and sustainable management of public investments.	Improves efficiency and effectiveness in Public Investment management
Public Pensions &Retirement Benefit Management	To ensure sustainable, transparent, and efficient management of public pensions and retirement benefits.	Enhance efficiency in Pension Management and process optimization
Government Assets Management	To promote optimal Government assets utilization and effective	Improves efficiency and accountability in service

Programme	Objective	Strategic Contribution
	procurement for improved service delivery.	delivery through optimal asset use
General Administration, Planning Services	To facilitate efficient and effective implementation of programmes and projects.	Improves institutional capacity and internal business processes to enhance efficiency and service delivery.

3.2 Programmes Matrices (Outcomes, Outputs, and Key Performance Indicators) for the Sub-Sector

A detailed summary of the programme The sub-section presents a summary of the programme key outputs, outcomes, performance indicators and targets for the medium-term period FY 2027/28 – 2029/30. A detailed summary of the programmes is presented in Table 3.2

Table 3.2: Programmes, Sub-Programmes, Expected Outcomes, Outputs and Key Performance Indicators for FYs 2027/28 – 2028/30

Programme	Delivery unit	Key Output	Key Performance Indicators	Target 2025/26	Actual Achievement 2025/26	Target (Baseline) 2026/27	Target 2027/28	Target 2028/29	Target 2029/30
Programme 1: Public Investment &Portfolio Management Coordination									
Programme Outcome: Improved efficiency and effectives in Public Investments Management									
S.P .1: Public Private Partnership management	Public and Private Partnership (PPP)	Government projects under PPP framework developed	No. of cumulative PPP projects under implementation	11	10	13	15	17	18
			No. of annual reports on state of PPPs in Kenya submitted to parliament	1	1	1	1	1	1
			No. of PPP projects approved	7	11	7	7	7	8
			No. of PPP feasibility study/project development reports	8	7	7	7	7	7
			No. of officers trained on PPPs	350	515	350	350	350	400
			No. of PPP legislative instruments developed	2	2	2	2	2	2
			Amount of private capital mobilized for PPP projects in Ksh	65	192	96	100	100	100

Programme	Delivery unit	Key Output	Key Performance Indicators	Target 2025/26	Actual Achievement 2025/26	Target (Baseline) 2026/27	Target 2027/28	Target 2028/29	Target 2029/30
			(Billions)						
		Resources Mobilization services	Amount mobilized for the PFF (Ksh. Million)	500	50	1000	2000	1500	1500
		PPP projects performance monitoring and assurance undertaken	No. of quarterly reports on PPP projects	4	4	4	4	4	4
			No. performance review workshops for PPPs	1	1	1	1	1	1
			No of PPP projects performance Monitoring Reports	10	10	14	14	18	18
			No. of PPP research reports	2	0	2	2	2	2
			No. of PPP Projects user feedback Reports	2	0	4	4	4	4
S.P.2: Public Investment Management Services	Public Investment Management (PIM)	Public Investment Management services	No. of sector specific manuals	3	0	3	3	3	3
			Climate Change and Disaster Risk Screening Manual	1	0	1	-	-	-
			No. of technical officers trained	1,500	900	900	800	600	500

Programme	Delivery unit	Key Output	Key Performance Indicators	Target 2025/26	Actual Achievement 2025/26	Target (Baseline) 2026/27	Target 2027/28	Target 2028/29	Target 2029/30
			No. of Operational County PIMUs	20	0	15	12	10	10
			No. of officers certified as Trainers of trainers (ToT) on Public Investment	-	-	10	15	10	15
			% Level of integration	-	-	50	100	-	-
			No. of Monitoring and evaluation reports prepared	-	-	4	4	4	4
	State Corporation Appeal Tribunal	Appeal Management Services	% of appeal cases determined and decisions published	100	97	100	100	100	100
			Operational case management system	1	-	1	1	0	0
			Reviewed State Corporations Act	2	-	1	1	0	0
			No. of regions sensitized on SCAT`s mandate	2	1	2	2	2	2

Programme	Delivery unit	Key Output	Key Performance Indicators	Target 2025/26	Actual Achievement 2025/26	Target (Baseline) 2026/27	Target 2027/28	Target 2028/29	Target 2029/30
	Government Investment and Public Enterprises (GIPE)	Government Investment Management Services	% of State Corporations and GOEs Budgets reviewed and approved	100	100	100	100	100	100
			No. of national government investment report developed and submitted to the National Assembly.	1	1	1	1	1	1
			% of phase one state corporations reforms implemented as approved by the Cabinet	100	50	50	50		
			% of phase two state corporations reforms implemented as approved by the Cabinet			100	50	50	
			No. of GOE regulations developed	-	0	1	1		
			% of GOE placed under Performance Contract			100	100	100	100
			% of operational GOE boards			100	100	100	100

Programme	Delivery unit	Key Output	Key Performance Indicators	Target 2025/26	Actual Achievement 2025/26	Target (Baseline) 2026/27	Target 2027/28	Target 2028/29	Target 2029/30
			Privatization programme			1	1	1	1
			No. of GIMIS Modules developed and operationalized.	2	-	2	2		
	Privatization Authority		No. of privatization proposals developed	1	1	6	6	6	6
			No. of stakeholder engagements on Privatization Transaction conducted.	8	8	4	6	6	6
			No. of Privatization advisories provided	3	3	3	3	3	3
			No. of public entities privatized	11	1	1	6	6	6
Programme 2: Public Pensions & Retirement Benefit Management									
Programme Outcome: Enhance efficiency in Pension Management and process optimization									
S. P 2.1 Pension services	Pension Department	Pension Services	No. of days taken to process and pay pensions claims	60	60	60	60	45	30
			% of properly supported claims processed and paid	100	100	100	100	100	100
			% completion of PMIS operationalization	90	90	95	97	98	100

Programme	Delivery unit	Key Output	Key Performance Indicators	Target 2025/26	Actual Achievement 2025/26	Target (Baseline) 2026/27	Target 2027/28	Target 2028/29	Target 2029/30
			No. of Pensioners Registered biometrically	180,000	0	180,000	180,000	30,000	20,000
			Number of pension laws reviewed	10	-	4	3	2	1
			No. of annual actuarial study reports	1	0	1	1	0	0
			No. of engagement forums held with stakeholders	24	2	4	4	4	4
			Number of comparative reviews and benchmarks undertaken	7	0	2	2	2	2
			Operational EDMIS	1	0	1	1	1	1
			No. of records digitized and stored in EDMIS (Millions)	18	0	6	5	4	3
			No. of MDA staff trained	250	232	5	5	5	3
			No of pensions staff trained on new system						

Programme	Delivery unit	Key Output	Key Performance Indicators	Target 2025/26	Actual Achievement 2025/26	Target (Baseline) 2026/27	Target 2027/28	Target 2028/29	Target 2029/30
Programme 3: Government Assets Management									
Programme Outcome: Improved efficiency and accountability in service delivery through optimal assets use									
S.P.3.1Public Assets Management Services	National Assets and Liability Management	National Assets and Liabilities Management Services	No. of MDACs sensitized on Assets and Liabilities Policy and Guidelines	100	159	150	160	170	180
			% of analyzed asset registers	100	100	100	100	100	100
			No. of Consolidated asset registers	1	1	1	1	1	1
			No. of MDACs asset registers Verified	80	80	100	100	120	140
			No. of MDACs & CCIO implementing the IFMIS fixed asset module.	92	54	74	128	-	-
			%. of asset data uploaded in IFMIS fixed asset module	-	-	100	100	100	100
			No. of Government Asset Valuation Policies in place.	1	1	-	-	-	-

Programme	Delivery unit	Key Output	Key Performance Indicators	Target 2025/26	Actual Achievement 2025/26	Target (Baseline) 2026/27	Target 2027/28	Target 2028/29	Target 2029/30
			% of MDACs that have Valued their assets	-	-	20	50	70	100
			% of assets tagged.	-	-		40	70	100
			No. of Leasing POLICY in place	-	-	1	-	-	-
			No. of entities sensitized on the Leasing policy	-	-	-	160	170	180
			No. of Optimal assets utilization and replacement Policies	-	-	-	1	-	-
S.P:3.2 Public Procurement Services	Public Procurement Department	Public Procurement services	No of persons from Marginalized groups sensitized	2000	1872	2000	2000	2000	2000
			No of Procuring Entities trained	52	0	57	57	57	57
			No. of M&E reports	1	1		1	1	1

Programme	Delivery unit	Key Output	Key Performance Indicators	Target 2025/26	Actual Achievement 2025/26	Target (Baseline) 2026/27	Target 2027/28	Target 2028/29	Target 2029/30
		Procurement services	No. of suppliers trained on eGP system	1,000	15,672	10,000	7,328	5,000	2,000
			No. of PFM personnel trained on eGP system	1,000	23,000	1,000	1,000	1,000	1,000
			No. of M&E report	1	0	1	1	1	1
	Kenya Institute of Supplies Examination Board		% of supply chain professionals certified in the public sector	65	48	65	70	75	80
			No. of candidates for CPSP-K & APS-K registered	6895	6536	6,895	7,895	8,895	9,895
			No. of accredited training centers	100	102	105	110	115	120
	Kenya Procurement and Disposal Agency		No. of Approved framework contracts for Common User items issued	64	44	64	70	72	75
			% of Disposable assets for various government entities and board of survey	100	0	100	100	100	100

Programme	Delivery unit	Key Output	Key Performance Indicators	Target 2025/26	Actual Achievement 2025/26	Target (Baseline) 2026/27	Target 2027/28	Target 2028/29	Target 2029/30
			for KEPDA regional warehouses						
			No. of Leased Warehouses across all regions	20	13	20	21	22	22
			No. of refurbished Warehouses across all regions	-	-	4	4	3	2
	Public Procurement Regulatory Authority (PPRA)	Public Procurement regulatory services	No. of reports on compliance with PPAD Act 2015	7	7	7	7	7	7
			No. of Market Price Index (MPI) published.	4	3	4	4	4	4
			No. of Persons capacity built	5,000	17,726	10,000	12,000	15,000	18,000
	Public Procurement Administration Review Board	Public Procurement review services	% of Public Procurement disputes cases resolved and published	100	100	100	100	100	100
Programme 4: General Administration and Planning Services									
Programme Outcome: Improve institutional capacity and internal business processes to enhance efficiency and services delivery									

Programme	Delivery unit	Key Output	Key Performance Indicators	Target 2025/26	Actual Achievement 2025/26	Target (Baseline) 2026/27	Target 2027/28	Target 2028/29	Target 2029/30
SP.4.1: Administration services	Administration	Administrative services	% of refurbished offices at Bima Mezzanine	100	100	100	100	100	100
			% of required space provided	100	70	100	100	100	100
			% of rent and utilities paid	100	0	100	100	100	100
			Occupational Safety and Health Policy Domesticated	-	-	1	1	1	1
			No. of motor vehicles purchased	1	1	4	4	2	1
			No. of Vehicles maintained	1	1	5	9	11	12
			No. of drivers trained	0	0	8	12	12	12
			Develop a framework for maintenance of motor vehicles	-	-	-	1	-	-

Programme	Delivery unit	Key Output	Key Performance Indicators	Target 2025/26	Actual Achievement 2025/26	Target (Baseline) 2026/27	Target 2027/28	Target 2028/29	Target 2029/30
			No. of cross-cutting issues mainstreamed	7	7	7	7	7	7
			% of emerging government strategic issues coordinated	100	100	100	100	100	100
	SCM	Supply Chain Management Services	Annual procurement Plan	1	1	1	1	1	1
			% of staff trained	-	50	70	80	100	
SP. 4.2: Human Resources Management Services	Human Resource	Human Resource management Services	% of Operationalization of the Function of PIAM	100	100	100	100	100	100
			TNA and skills gap analysis report	-	-	2	-	-	-
			No of group trainings undertaken	3	4	5	5	5	5
			No. of PIAM technical officers trained	200	200	200	560	560	560

Programme	Delivery unit	Key Output	Key Performance Indicators	Target 2025/26	Actual Achievement 2025/26	Target (Baseline) 2026/27	Target 2027/28	Target 2028/29	Target 2029/30
			No. of officers recruited	491	0	491	200	150	141
			% completion of career Guidelines for PPP officers	100	80	100	-	-	-
			% completion of career Guidelines for supply chain officers	-	-	100			
S.P.4.3 Planning Services	CPPMD	Planning services	6th generation Strategic plan	-	-	-	1	-	-
			No of M&E reports	4	4	4	4	4	4
			No. of PC implementation reports	4	4	4	4	4	4
SP. 4.4: ICT Services	ICT	ICT services	%of staff issued with necessary ICT equipment	-		70	80	90	100

Programme	Delivery unit	Key Output	Key Performance Indicators	Target 2025/26	Actual Achievement 2025/26	Target (Baseline) 2026/27	Target 2027/28	Target 2028/29	Target 2029/30
			Functional website	-	-	1	1	1	1
			Installations of cybersecurity monitoring system (%)				75	100	100
			Awareness created on data protection and privacy (%)				50	100	100
			SDPIAM Institutional Enterprise Architecture (EA)				1	1	1
			API register				1	1	1
S.P.4.5 Financial Services	Finance	Financial Management services	No of reports prepared	-	-	4	4	4	4
	Accounts		Annual financial report	-	-	1	1	1	1
	Internal Audit		No. of Audit reports	10	10	12	12	12	12

Programmes by Order of Ranking

The sub-sector programmes and sub-programmes are key enablers towards the achievement of Government development agenda priorities. During the medium term, the sub-sector will implement 4 programmes and 10 sub programmes in order of ranking as follows:

i. Public investments and Portfolio management
ii. Government Assets Management
iii. Public Pensions & Retirement Benefits Management
iv. General Administration Planning Services

Resource Allocation Criteria

The sub-sector ranking and resource allocation of programmes and sub-programmes is based on the following criteria:

i. Contribution to BETA and MTP IV priorities;
ii. Completion of ongoing and stalled projects;
iii. Job creation, poverty reduction and core mandates of MDAs;
iv. Climate change mitigation and adaptation;
v. Cost-effectiveness, efficiency and sustainability; and
vi. Constitutional, Presidential and Cabinet directives

Programme	Contribution to BETA and MTP IV priorities	Completion of ongoing and stalled projects	Address job creation, poverty reduction and core mandate	Climate change mitigation and adoption	Cost effectiveness, efficiency and sustainability	Constitutional, presidential and cabinet directives	Total
Public investments and Portfolio management	5	5	5	5	5	5	**30**
Government Assets Management	5	4	5	5	5	5	**29**
Public Pensions & Retirement Benefits Management	5	4	5	3	5	5	**27**
General Administration, Planning and Support Services	3	3	4	3	5	**5**	**23**

3.3 Analysis Sub–Sector Resource Requirement versus allocation by:

This subsection sets out the analysis of resource requirements for the Sub-Sector, structured by nature of expenditure, programme allocation, and economic classification, in accordance with budgetary planning and expenditure management.

Sub-Sector Recurrent Requirement Versus Allocation (Amount KSh. Million)

To effectively deliver on its mandate, during the MTEF period, the Sub-Sector recurrent resource requirement is **KShs. 6,940.7 million**, **KShs. 7,602.5 million** and **KShs. 8,046.7 million** in FYs 2027/28, 2028/29 and 2029/30 respectively, up from a baseline of **KShs. 4,334.0 million** in FY 2026/27. The additional resource requirements are intended to fund key priorities of the Sub-sector.

Table 3.3 Sub-sector Recurrent Requirements/Allocations (amount KSh. Million)

Sub-sector	**State Department for Public Investments & Assets Management**								
Vote:	**Economic Classification**	**2026/27 Estimates**	**Requirement**			**Allocation**			**Remarks**
1073			**2027/28**	**2028/29**	**2029/30**	**2027/28**	**2028/29**	**2029/30**	
	Gross	**4,334.00**	**6,940.72**	**7,602.57**	**8,046.75**	-	-	-	
	A-I-A	362.70	374.37	440.11	499.59				
	NET	**3,971.30**	6,566.35	7,162.46	7,547.16	-	-	-	
	Compensation to Employees	818.40	877.90	904.40	929.10	-	-	-	
	Transfers, Grants & Subscriptions	2,905.10	3,584.62	4,201.57	4,505.15	-	-	-	
	Other recurrent	610.50	2,478.20	2,496.60	2,612.50	-	-	-	

3.4 Sub-Sector Development Requirement Versus Allocation

The development resource requirements for FYs 2027/28, 2028/29 and 2029/30 is **KShs. 4,269.6 million, KShs. 3,452.4 million** and **KShs. 3,881.5 million** respectively against a base approved budget of **KShs. 322.7 million** in FY 2026/27.

Table 3.4: Sub-sector Development Requirements/Allocations (KShs. million)

Sub-sector	**State Department for Public Investments & Assets Management**							
1073		**2026/27 Estimates**	**Requirement**			**Allocation**		
			2027/28	**2028/29**	**2029/30**	**2027/28**	**2028/29**	**2029/30**
1073: SDPIAM	**Description**							
	Gross	**322.70**	4,269.60	3,452.40	3,881.50	-	-	-
	GoK	322.70	4,269.60	3,452.40	3,881.50	-	-	-
	Loans	-	-	-	-	-	-	-

	Grants	-	-	-	-	-	-	-
	Local A-I-A	-	-	-	-	-	-	-

Table 3.5: Analysis of Programmes and Sub-Programmes (Current and Capital) Resource Requirement (Amount KShs Millions)

Sub–sector: Public Investments & Assets Management

Vote: 1073

Programme Details	Approved Estimates						Projection (Requirement)					
	2026/27			2027/28			2028/29			2029/30		
	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total
Programme 1: Public Investment and Portfolio Management												
SP 1.1 Public Private Partnership Management	52.00	-	-	302.80	2,000.00	2,302.80	329.60	1,500.00	1,829.60	345.30	1,500.00	1,845.30
SP 1.2 Public Investments Management Services	764.10	-	-	1,507.92	350.00	1,857.92	1,874.77	400.00	2,274.77	1,897.65	400.00	2,297.65
Total Programme	**816.10**	-	-	**1,810.72**	**2,350.00**	**4,160.72**	**2,204.37**	**1,900.00**	**4,104.37**	**2,242.95**	**1,900.00**	**4,142.95**
Programme 2: Public Pensions and Retirement Benefits Management												
SP2.1 Pension Services	20.40	42.70	-	656.20	592.00	1,248.20	686.60	168.00	854.60	719.70	100.00	819.70
Total Programme	**20.40**	**42.70**	-	**656.20**	**592.00**	**1,248.20**	**686.60**	**168.00**	**854.60**	**719.70**	**100.00**	**819.70**
Programme 3: Government Assets Management												
SP 3.1 Public Assets Management Services	43.20	-	-	532.90	155.00	687.90	554.60	75.00	629.60	575.10	75.00	650.10
SP 3.2 Public Procurement Services	2,703.20	280.00	-	3,000.60	1,012.60	4,013.20	3,286.80	1,139.80	4,426.60	3,579.00	1,626.70	5,205.70
Total Programme	**2,746.40**	**280.00**	-	**3,533.50**	**1,167.60**	**4,701.10**	**3,841.40**	**1,214.80**	**5,056.20**	**4,154.10**	**1,701.70**	**5,855.80**
Programme 4: General Administration, Planning and Support Services												
SP 4.1 Human Resource Management Services	5.20	-	-	70.50	-	70.50	71.30	-	71.30	72.00	-	72.00
SP 4.2 Financial Management Services	75.80	-	-	91.20	-	91.20	94.50	-	94.50	99.70	-	99.70
SP 4.3 Planning Services	5.70	-	-	37.90	-	37.90	39.80	-	39.80	41.80	-	41.80
SP 4.4 ICT Services	4.00	-	-	25.40	-	25.40	27.90	-	27.90	30.80	-	30.80
SP 4.5I Administrative Services	660.50	-	-	715.30	160.00	875.30	636.60	169.60	806.20	685.70	179.80	865.50

Programme Details	Approved Estimates						Projection (Requirement)					
	2026/27			2027/28			2028/29			2029/30		
	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total
Total Programme	**751.20**	-	-	940.30	160.00	1,100.30	870.10	169.60	1,039.70	930.00	179.80	1,109.80
Total Vote	**4,334.1**	**322.70**	**4,656.80**	**6,940.72**	**4,269.60**	**11,210.32**	**7,602.47**	**3,452.40**	**11,054.87**	**8,046.75**	**3,881.50**	**11,928.25**

Table 3.6: Analysis of Programme and Sub Programmes (Current and Capital) Resource Allocation (Amount KShs Millions)

Sub – sector: State Department for Public Investments & Assets Management

Vote: 1073

Programme Details	Approved Estimate			Allocation								
	2026/27			2027/28			2028/29			2029/30		
	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total
Programme 1: Public Investment and Portfolio Management												
SP 1.1 Public Private Partnership Management	52.00	-	52.00	-	-	-	-	-	-	-	-	-
SP 1.2 Public Investments Management Services	764.10	-	764.10	-	-	-	-	-	-	-	-	-
Total Programme	**816.10**	-	**816.10**	-	-	-	-	-	-	-	-	-
Programe 2: Public Pensions and Retirement Benefits Management												
SP2.1 Pension Services	20.40	42.70	63.10	-	-	-	-	-	-	-	-	-
Total Programme	**20.40**	**42.70**	**63.10**	-	-	-	-	-	-	-	-	-
Programme 3: Government Assets Management												
SP 3.1 Public Assets Management Services	43.20	-	43.20	-	-	-	-	-	-	-	-	-
SP 3.2 Public Procurement Services	2,703.20	280.00	2,983.20	-	-	-	-	-	-	-	-	-
Total Programme	**2,746.40**	**280.00**	**3,026.40**	-	-	-	-	-	-	-	-	-
Programme 4: General Administration, Planning and Support Services												
SP 4.1Human Resource Management Services	5.20	-	5.20	-	-	-	-	-	-	-	-	-
SP 4.2Financial Management Services	75.80	-	75.80	-	-	-	-	-	-	-	-	-
SP 4.3Planning Services	5.70	-	5.70	-	-	-	-	-	-	-	-	-
SP 4.4ICT Services	4.00	-	4.00	-	-	-	-	-	-	-	-	-
SP 4.5 Administrative Services	660.50	-	660.50	-	-	-	-	-	-	-	-	-
Total Programme	**751.20**	-	**751.20**	-	-	-	-	-	-	-	-	-
Total Vote	**4,334.10**	**322.70**	**4,656.8**	-	-	-	-	-	-	-	-	-

Table 3.7: Programmes and Sub- Programmes by Economic Classification (KShs in Millions)

Sub-Sector Name: State Department for Public Investments and Assets Management

Vote: 1073

Economic Classification	RESOURCE REQUIREMENT			RESOURCE ALLOCATION		
	2027/28	2028/29	2029/30	2027/28	2028/29	2029/30
PROGRAMME 1: Public Investment and Portfolio Management						
Current Expenditure	**1,810.72**	**2,204.37**	**2,242.95**	-	-	-
Compensation of Employees	229.20	236.10	243.10	-	-	-
Use Of Goods and Services	758.10	809.70	844.40	-	-	-
Grants and Other Transfers	823.42	1,158.57	1,155.45	-	-	-
Other Recurrent						
Capital Expenditure	**2,350.00**	**1,900.00**	**1,900.00**	-	-	-
Acquisition Of Non-Financial Assets	-	-	-	-	-	-
Capital Grants to Government Agencies	-	-	-	-	-	-
Other Development	2,350.00	1,900.00	1,900.00	-	-	-
Total Programme 1	**4,160.72**	**4,104.37**	**4,142.95**	-	-	-
SP 1.1 Public Private Partnership Management						
Current Expenditure	**302.80**	**329.60**	**345.30**	**-**	**-**	**-**
Compensation of Employees	49.70	51.20	52.70	-	-	-
Use Of Goods and Services	253.10	278.40	292.60	-	-	-
Grants and Other Transfers	-	-	-	-	-	-
Other Recurrent	-	-	-	-	-	-
Capital Expenditure	**2,000.00**	**1,500.00**	**1,500.00**	**-**	**-**	**-**
Acquisition Of Non-Financial Assets	-	-	-	-	-	-

Economic Classification	RESOURCE REQUIREMENT			RESOURCE ALLOCATION		
	2027/28	2028/29	2029/30	2027/28	2028/29	2029/30
Capital Grants to Government Agencies	-	-	-	-	-	-
Other Development	2,000.00	1,500.00	1,500.00	-	-	-
Total Sub-Programme 1.1	**2302.80**	**1829.60**	**1845.30**	**-**	**-**	**-**
SP 1.2 Public Investments Management Services						
Current Expenditure	1,507.92	1,874.77	1,897.65	-	-	-
Compensation of Employees	179.50	184.90	190.40	-	-	-
Use Of Goods and Services	505.00	531.30	551.80	-	-	-
Grants and Other Transfers	823.42	1,158.57	1,155.45	-	-	-
Other Recurrent	-	-	-	-	-	-
Capital Expenditure	**350.00**	**400.00**	**400.00**	-	-	-
Acquisition Of Non-Financial Assets				-	-	-
Capital Grants to Government Agencies				-	-	-
Other Development	350.00	400.00	400.00	-	-	-
Total Sub-Programme 1.2	1,857.92	2,274.77	2,297.65	**-**	**-**	**-**
Programme 2: Public Pensions and Retirement Benefits Management						
Current Expenditure	656.20	686.60	719.70	-	-	-
Compensation of Employees	265.90	274.00	282.10	-	-	-
Use Of Goods and Services	298.30	315.20	334.20	-	-	-
Grants and Other Transfers	-	-	-	-	-	-
Other Recurrent	92.00	97.50	103.40	-	-	-
Capital Expenditure	**592.00**	**168.00**	**100.00**	-	-	-
Acquisition Of Non-Financial Assets	-	-	-	-	-	-
Capital Grants to Government Agencies	-	-	-	-	-	-

Economic Classification	RESOURCE REQUIREMENT			RESOURCE ALLOCATION		
	2027/28	2028/29	2029/30	2027/28	2028/29	2029/30
Other Development	592.00	168.00	100.00	-	-	-
Total Programme 2	**1,248.20**	**854.70**	**819.70**	-	-	-
SP2.1 Pension Services						
Current Expenditure	656.20	686.60	719.70	-	-	-
Compensation of Employees	265.90	273.90	282.10	-	-	-
Use Of Goods and Services	298.30	315.20	334.20	-	-	-
Grants and Other Transfers	-	-	-	-	-	-
Other Recurrent	92.00	97.50	103.40	-	-	-
Capital Expenditure	592.00	168.00	100.00	-	-	-
Acquisition Of Non-Financial Assets	-	-	-	-	-	-
Capital Grants to Government Agencies	-	-	-	-	-	-
Other Development	592.00	168.00	100.00	-	-	-
Total Sub-Programme 2.1	**1,248.20**	**854.70**	**819.70**	-	-	-
Programme 3: Government Assets Management						
Current Expenditure	3,533.50	3,841.40	4,154.10	-	-	-
Compensation of Employees	306.70	315.90	323.20	-	-	-
Use Of Goods and Services	440.60	458.70	458.60	-	-	-
Grants and Other Transfers	2,761.20	3,043.00	3,349.70	-	-	-
Other Recurrent	25.00	23.80 `	22.60	-	-	-
Capital Expenditure	1,167.60	1,214.80	1,701.70	-	-	-
Acquisition Of Non-Financial Assets	-	-	-	-	-	-
Capital Grants to Government Agencies	562.60	689.80	951.70	-	-	-
Other Development	605.00	525.00	750.00	-	-	-
Total Programme 3	**4,701.10**	**5,056.20**	**5,855.80**	-	-	-

Economic Classification	RESOURCE REQUIREMENT			RESOURCE ALLOCATION		
	2027/28	2028/29	2029/30	2027/28	2028/29	2029/30
SP 3.1 Public Assets Management Services						
Current Expenditure	532.90	554.60	575.10	-	-	-
Compensation of Employees	129.00	132.90	134.70	-	-	-
Use Of Goods and Services	378.90	397.90	417.80	-	-	-
Grants and Other Transfers	-	-	-	-	-	-
Other Recurrent	25.00	23.80	22.60	-	-	-
Capital Expenditure	155.00	75.00	75.00	-	-	-
Acquisition Of Non-Financial Assets	-	-	-	-	-	-
Capital Grants to Government Agencies	-	-	-	-	-	-
Other Development	155.00	75.00	75.00			
Total Sub-Programme 3.1	**687.90**	**629.60**	**650.10**	**-**	**-**	**-**
SP 3.2 Public Procurement Services						
Current Expenditure	3,000.60	3,286.80	3,579.00	-	-	-
Compensation of Employees	177.70	183.00	188.50	-	-	-
Use Of Goods and Services	61.70	60.80	40.80	-	-	-
Grants and Other Transfers	2,761.20	3,043.00	3,349.70	-	-	-
Other Recurrent	-	-	-	-	-	-
Capital Expenditure	**1,012.60**	**1,139.80**	**1,626.70**	**-**	**-**	**-**
Acquisition Of Non-Financial Assets	-	-	-	-	-	-
Capital Grants to Government Agencies	562.60	689.80	951.70	-	-	-
Other Development	450.00	450.00	675.00	-	-	-
Total Sub-Programme 3.2	**4,013.20**	**4,426.60**	**5,205.70**	**-**	**-**	**-**
Programme 4: General Administration, Planning and Support Services						
Current Expenditure	940.30	870.10	930.00	-	-	-
Compensation of Employees	76.10	78.40	80.70	-	-	-
Use Of Goods and Services	648.10	681.90	761.00	-	-	-
Grants and Other Transfers	-	-	-	-	-	-
Other Recurrent	216.10	109.80	88.30	-	-	-
Capital Expenditure	160.00	169.60	179.80	-	-	-

Economic Classification	RESOURCE REQUIREMENT			RESOURCE ALLOCATION		
	2027/28	2028/29	2029/30	2027/28	2028/29	2029/30
Acquisition Of Non-Financial Assets	-	-	-	-	-	-
Capital Grants to Government Agencies	-	-	-	-	-	-
Other Development	160.00	169.60	179.80	-	-	-
Total Programme 4	**1,100.30**	**1,039.70**	**1,109.80**	**-**	**-**	**-**
SP 4.1Human Resource Management Services						
Current Expenditure	70.50	71.30	72.00	-	-	-
Compensation of Employees	-	-	-	-	-	-
Use Of Goods and Services	70.50	71.30	72.00	-	-	-
Grants and Other Transfers	-	-	-	-	-	-
Other Recurrent	-	-	-	-	-	-
Capital Expenditure	-	-	-	-	-	-
Acquisition Of Non-Financial Assets	-	-	-	-	-	-
Capital Grants to Government Agencies	-	-	-	-	-	-
Other Development	-	-	-	-	-	-
Total Sub-Programme 4.1	**70.50**	**71.30**	**72.00**	**-**	**-**	**-**
SP 4.2: Financial Management Services						
Current Expenditure	91.20	94.50	99.70	-	-	-
Compensation of Employees	-	-	-	-	-	-
Use Of Goods and Services	77.60	82.90	87.70	-	-	-
Grants and Other Transfers	-	-	-	-	-	-
Other Recurrent	13.60	11.60	12.00	-	-	-
Capital Expenditure	-	-	-	-	-	-
Acquisition Of Non-Financial Assets	-	-	-	-	-	-
Capital Grants to Government Agencies	-	-	-	-	-	-
Other Development	-	-	-	-	-	-
Total Sub-Programme 4.2	**91.20**	**94.50**	**99.70**	**-**	**-**	**-**
SP 4.3: Planning Services						
Current Expenditure	37.90	39.80	41.80	-	-	-
Compensation of Employees	-	-	-	-	-	-

Economic Classification	RESOURCE REQUIREMENT			RESOURCE ALLOCATION		
	2027/28	2028/29	2029/30	2027/28	2028/29	2029/30
Use Of Goods and Services	36.40	38.20	40.10	-	-	-
Grants and Other Transfers	-	-	-	-	-	-
Other Recurrent	1.50	1.60	1.70	-	-	-
Capital Expenditure	-	-	-	-	-	-
Acquisition Of Non-Financial Assets	-	-	-	-	-	-
Capital Grants to Government Agencies	-	-	-	-	-	-
Other Development						
Total Sub-Programme 4.3	**37.90**	**39.80**	**41.80**	**-**	**-**	**-**
SP 4.4: ICT Services						
Current Expenditure	25.40	27.90	30.80	-	-	-
Compensation of Employees	-	-	-	-	-	-
Use Of Goods and Services	9.40	10.30	11.40	-	-	-
Grants and Other Transfers	-	-	-	-	-	-
Other Recurrent	16.00	17.60	19.40	-	-	-
Capital Expenditure	-	-	-	-	-	-
Acquisition Of Non-Financial Assets	-	-	-	-	-	-
Capital Grants to Government Agencies	-	-	-	-	-	-
Other Development	-	-	-	-	-	-
Total Sub-Programme 4.4	**25.40**	**27.90**	**30.80**	**-**	**-**	**-**
SP 4.5: Administrative Services						
Current Expenditure	715.30	636.60	685.70	-	-	-
Compensation of Employees	76.10	78.40	80.70	-	-	-
Use Of Goods and Services	454.20	479.20	549.80	-	-	-
Grants and Other Transfers	-	-	-	-	-	-
Other Recurrent	185.00	79.00	55.20	-	-	-
Capital Expenditure	160.00	169.60	179.80	-	-	-
Acquisition Of Non-Financial Assets				-	-	-
Capital Grants to Government Agencies	-	-	-	-	-	-
Other Development	160.00	169.60	179.80	-	-	-

Economic Classification	RESOURCE REQUIREMENT			RESOURCE ALLOCATION		
	2027/28	2028/29	2029/30	2027/28	2028/29	2029/30
Total Sub-Programme 4.5	875.30	806.20	865.50	**-**	**-**	**-**
TOTAL VOTE	**11,210.32**	**11,054.97**	**11,928.25**	**-**	**-**	**-**

Table 3.8: Analysis of Recurrent Resource Requirement Vs Allocation for Semi-Autonomous Government Agencies (SAGAs) (Amount KShs Million)

Economic Classification	2026/27 Approved Estimates	Requirement			Allocation			Remarks
		2027/28	2028/29	2029/30	2027/28	2028/29	2029/30	
KENYA INSTITUTE OF SUPPLIES EXAMINATION BOARD								
GROSS	**84.63**	**110.87**	**131.41**	**150.59**	-	-	-	
AIA	55.23	75.87	91.41	100.59	-	-	-	
NET	**29.4**	**35.00**	**40.00**	**50.00**	-	-	-	
Compensation to Employees	36	41.40	47.61	54.75	-	-	-	
Other Recurrent	-	-	-	-	-	-	-	
of which								
Insurance	4.96	5.70	6.55	7.54	-	-	-	
Utilities	0.81	0.93	1.06	1.22	-	-	-	
Rent Service charge	3.31	3.81	4.38	5.04	-	-	-	
Subscription to International Organization	2.00	2.00	2.30	2.65	-	-	-	
Contracted Professional (Guards & Cleaners	2.88	3.31	3.80	4.37	-	-	-	
Gratuity	1.84	2.12	2.43	2.80	-	-	-	
Others	32.84	51.61	63.26	72.22	-	-	-	
PRIVATIZATION AUTHORITY								
GROSS	**348.50**	**703.00**	**1,035.00**	**1,029.00**	-	-	-	
AIA	3.00	3.00	3.00	3.00	-	-	-	
NET	**345.5**	**700.00**	**1,032.00**	**1,026.00**	**-**	**-**	**-**	
Compensation to Employees	170	179.00	183.00	186.00	-	-	-	

Economic Classification	2026/27 Approved Estimates	Requirement			Allocation			Remarks
		2027/28	2028/29	2029/30	2027/28	2028/29	2029/30	
Other Recurrent	178.5	524.00	852.00	840.00	-	-	-	
of which								
Insurance	17.00	23.50	23.50	24.30	-	-	-	
Utilities	-	-	-	-	-	-	-	
Rent Service charge	27.00	27.00	28.00	31.00	-	-	-	
Subscription to International Organization	-	-	-	-	-	-	-	
Contracted Professional (Guards & Cleaners	3.50	3.40	3.50	3.70	-	-	-	
Gratuity	22	12.00	12.00	15.50	-	-	-	
Others	109.00	458.10	785.00	765.50	-	-	-	
PUBLIC PROCUREMENT ADMINISTRATION REVIEW BOARD								
GROSS	**38.53**	**39.40**	**39.60**	**40.00**	-	-	-	
AIA	17.00	15.00	15.00	15.00	-	-	-	
NET	21.53	24.40	24.60	25.00	-	-	-	
Compensation to Employees	-	-	-	-	-	-	-	
Other Recurrent	**38.53**	**39.40**	**39.60**	**40.00**	-	-	-	
of which								
Insurance	2.00	2.00	2.10	2.20	-	-	-	
Utilities	-	-	-	-	-	-	-	
Rent Service charge	-	-	-	-	-	-	-	
Subscription to International Organization	-	-	-	-	-	-	-	
Contracted Professional (Guards & Cleaners	-	-	-	-	-	-	-	

Economic Classification	2026/27 Approved Estimates	Requirement 2027/28	Requirement 2028/29	Requirement 2029/30	Allocation 2027/28	Allocation 2028/29	Allocation 2029/30	Remarks
Gratuity	-	-	-	-	-	-	-	
Others	36.53	37.40	37.50	37.80	-	-	-	
PUBLIC PROCUREMENT REGULATORY AUTHORITY								
GROSS	**2,374.64**	**2,610.90**	**2,871.95**	**3,159.10**	-	-	-	
AIA	259.50	280.00	330.00	380.00	-	-	-	
NET	2,115.14	2,330.90	2,541.95	2,779.10	-	-	-	
Compensation to Employees	1,017.17	1,118.90	1,230.80	1,353.90	-	-	-	
Other Recurrent	**1,357.47**	**1,492.00**	**1,641.15**	**1,805.20**	-	-	-	
of which								
Insurance	88.77	97.65	107.40	118.15	-	-	-	
Utilities	9.00	9.90	10.90	12.00	-	-	-	
Rent Service charge	11.80	11.80	13.00	14.30	-	-	-	
Subscription to International Organization	0.70	0.70	0.70	0.70	-	-	-	
Contracted Professional (Guards & Cleaners	11.00	12.10	13.30	14.60	-	-	-	
Gratuity	39.40	43.35	47.70	52.50	-	-	-	
Others	1,196.80	1,316.50	1,448.15	1,592.95	-	-	-	
STATE CORPORATION APPEAL TRIBUNAL								
GROSS	**58.70**	**120.46**	**123.61**	**126.46**	-	-	-	
AIA	4.00	0.50	0.70	1.00	-	-	-	
NET	**54.70**	**119.96**	**122.91**	**125.46**	-	-	-	

Economic Classification	2026/27 Approved Estimates	Requirement			Allocation			Remarks
		2027/28	2028/29	2029/30	2027/28	2028/29	2029/30	
Compensation to Employees	6.89	15.03	15.78	16.57	-	-	-	
Other Recurrent	51.81	105.43	107.83	109.89	-	-	-	
of which								
Insurance	3.65	4.11	4.32	4.53	-	-	-	
Board Expenses	-	9.70	9.92	9.92				
Audit Fees	0.35	0.35	0.35	0.35				
Utilities	0.73	0.88	0.88	0.88	-	-	-	
Rent Service charge	6.44	6.78	7.46	8.21	-	-	-	
Subscription to International Organization	-	-	-	-	-	-	-	
Contracted Professional (Guards & Cleaners	0.65	0.68	0.68	0.77	-	-	-	
Others	39.99	80.81	80.85	81	-	-	-	
Total Vote for SAGAs	**2,905.00**	**3,584.63**	**4,201.57**	**4,505.15**	**-**	**-**	**-**	

CHAPTER FOUR
CROSS-SECTOR LINKAGES AND EMERGING ISSUES/CHALLENGES

4.1 Cross-Sector Linkages

This chapter addresses the cross-sector linkages, emerging issues and challenges that impacted the operations of the sub-sector.

The sub-sector is responsible for offering strategic policy direction and leadership in the effective management of public investments, portfolio coordination, public procurement, professional examination, privatization, and asset management.

To successfully deliver on its mandate, the sub-sector works closely with other sectors which support its policy programmes and projects implementation. In addition, the sub-sector plays a key role in strengthening collaboration between the National and County Governments.

Key areas of cross-sector linkages include:

4.1.1 Recruitment and Staffing

The sub-sector is responsible for recruitment, staffing, and the promotion of staff for public investment and portfolio management, government asset management, as well as Public Pensions & Retirement Benefits Management. The sub sector collaborates with other sub sectors State agencies in management of a diverse cadre of officers, including Pension Officers, Resource Mobilization Officers, Investment Officers, Asset Management Officers, Public Private Partnership Officers, Supply Chain Management Officers, Public Investment Management Officers, and Transaction Officers and administration of the Public Service Pensions Scheme. In addition, the sub-sector undertakes capacity building for both the National and County Governments on matters related to public investment management, portfolio coordination, and government asset management, ensuring alignment with existing legislation.

4.1.2 Strengthening of Policy and Legal Frameworks

The sub-sector collaborates with other sectors to during the formulation, reviewing, approval and enforcement of policies, laws and regulations, to improve public investment, public procurement, privatization, professional examinations, dispute resolution, and asset management across the public sector.

4.1.3 Mobilization of Resources

The sub-sector supports other sectors in is to mobilizing private capital by creating a competitive and secure environment for private investors through Public Private Partnerships (PPPs), as a strategic focus to reduce pressure on the exchequer. The sub-sector also advises other sub-sectors on resource mobilization through privatization

4.1.4 Technical support

The sub-Sector provides technical support to other sub-Sectors and County Governments in respect to:

a) Institutional enhancement and capacity development in the implementation of PPP projects both at National and County level;
b) Capacity building of MDAs and County Governments on matters related to public investment management, portfolio coordination, public procurement and asset disposal, and government asset management;
c) Formulation, reviewing, and coordinating policies, laws, regulations and guidelines to improve public investments and assets management, and public procurement across government;
d) Developing standards, methodologies, and tools for the appraisal of project concept notes, pre-feasibility, and feasibility studies;
e) Standardization of procurement processes and documentation including electronic Government procurement system. Promoting integrity, effectiveness, transparency and accountability in public procurement and asset disposal, fostering public confidence in the system.
f) Professionalization of the public procurement practice

4.1.5 Establishment of Framework Agreements for Common User Items

The Sub-sector coordinates the establishment of framework agreements for procurement of common user items to enable operational efficiency and fiscal savings by other sectors in the public sector

The specific linkages to the sub-sector are outlined in Table 4.1 below.

Table 4.1: Cross-Sector Linkages

S/NO	Sector	Linkage to the sub-sector
1.	Agriculture, Rural and Urban Development	i. National Lands Policy and Management, Physical Planning for land use, Land Transactions, Survey and Mapping, Land Registration, National Spatial Data Infrastructure, and Land and Property Valuation Services. ii. Use of framework agreements or contracts iii. Compliance with public procurement legal frameworks iv. Privatization programme v. Use of e-GP system platform vi. Provision of information on PPP initiatives

S/NO	Sector	Linkage to the sub-sector
2.	Energy, Infrastructure and ICT	i. Evaluating, approving, and following up on the implementation of construction projects being undertaken by the sub-Sector. ii. Provision of ICT standards and procurement of ICT equipment and systems. iii. Use of framework agreements or contracts iv. Compliance with public procurement legal frameworks v. Privatization programme vi. Use of e-GP system platform vii. Provision of information on PPP initiatives PPP initiatives Registration of government vehicles viii. Government clearing services
3.	General Economic and Commercial Affairs	i. Development of Buy Kenya Build Kenya Policy to guide the sub-sector in Procurement Planning. ii. Trade, regional integration negotiations, and investment promotion iii. Provision of research data relating to industrial development for planning purposes. iv. Use of framework agreements or contracts v. Compliance with public procurement legal frameworks vi. Privatization programme vii. Use of e-GP system platform viii. Provision of information on PPP initiatives
4.	Health	i. Provision of Health Insurance for sub-Sector officers. ii. Use of framework agreements or contracts iii. Compliance with public procurement legal frameworks iv. Privatization programme v. Use of e-GP system platform vi. Provision of information on PPP initiatives
5.	Education	i. Provision of actionable research /data for budgeting purposes. ii. Scholarship information and opportunities iii. Use of framework agreements or contracts iv. Compliance with public procurement legal frameworks

S/NO	Sector	Linkage to the sub-sector
		v. Privatization programme vi. Use of e-GP system platform vii. Provision of information on PPP initiatives viii. Quality assurance of training curriculum
6.	Governance Justice Law, and Order	i. Negotiating, drafting, and vetting local and international instruments, treaties, and agreements involving the sub-Sector. ii. Undertaking drafting of bills, subsidiary legislation, notices of appointment to state corporations, constitutional and public offices, and review of laws. iii. Provision of security, enhancement of accountability, governance, and the rule of law. iv. Provision of identity, travel documents, and work permits v. Legal advice and interpretation of laws
7.	National Security	i. Liaison with the sub-Sector on engagement in maintaining, monitoring and evaluating peace and security issues, and participates in conflict resolution initiatives and peace building within the region for conducive macro-economic and investment environment
8.	Social Protection, Culture and Recreation	ii. National Labour and Employment Policy Management. iii. Development and maintenance of a Database on Employment Creation. iv. Industrial Relations Management. v. Development of gender mainstreaming policy, vi. Provision of consultancy services on staff wellness, vii. Provision of data for social protection budgeting
9.	Environment Protection, Water and Natural Resources	i. Providing policy direction on the management of the environment and natural resources. ii. Implementation of climate financing iii. Facilitation of trans-boundary resource management and coordination of multilateral agreements and arrangements relating to the environment and natural resources.

4.2 Emerging Issues

The following are some of the emerging issues in the subsector:

i. **Fiscal consolidation:** The government's reduction of fiscal has resulted in the downscaling of programmes and projects within the subsector consequently affecting effective service.

ii. **Increased demand for credible public participation and openness in Government programming:** There is an increasing demand for credible public participation in government programming, as citizens expect meaningful engagement in the decision-making processes. This calls for the subsector to adopt inclusive approaches that ensure transparency, accountability, and responsiveness in the design and implementation of programmes and projects. Strengthening mechanisms for stakeholder engagement, enhancing access to information, and building trust between government and the public will not only improve the legitimacy of government initiatives but also enhance their effectiveness, sustainability, and alignment with citizen priorities.

iii. **Geopolitical tensions;** Geopolitical tensions and conflicts, notably in Russia and Ukraine, as well as the Israel-Gaza, and Israel-USA- Iran conflicts, have caused persistent supply chain disruptions, which have, in turn, caused delays in the delivery of goods as ships avoid the Red Sea route. The conflict has resulted in higher export costs and will continue to negatively impact the geopolitical environment and macroeconomic fundamentals for sustained growth. This requires measures to safeguard public welfare and enhanced investment in the local productive sector to reduce overreliance on imports.

iv. **Climate Change Effects:** The unpredictable weather patterns, such as prolonged droughts and floods, pose imminent threats to the economy in terms of resource requirements to mitigate the effects of climate change. This has led to the scaling down of sub-sector programmes and activities and reallocation of sub-sector resources to finance disaster-related expenditures. However, Green financing is emerging as an emerging source of sustainable resources for projects and environmental conservation. The subsector will promote and tap the opportunities in green financing.

v. **Dynamics of cyber security threats**: Cyberspace is continuously evolving with greater sophistication in how cyber-crimes are executed against investors, government installations, assets, and effective communication, posing a threat to economic stability. This requires the deployment of additional resources and capacity enhancement to manage cybersecurity threats.

vi. **Artificial Intelligence and Big Data Analytics:** Artificial Intelligence (AI) is an emerging issue in the sub-sector, bringing both opportunities and challenges that could shape its operations and effectiveness. AI can enhance public investment management through advanced analytics for better forecasting, risk assessment, and portfolio optimization. In asset management, it enables real-time tracking, predictive maintenance, and data-driven evaluations, improving utilization and cutting costs. AI can also streamline procurement by automating processes, boosting compliance, and enhancing transparency. On the contrary, rapid adoption raises concerns such as workforce skills gaps, data privacy risks, potential algorithmic bias, and the high financial costs of integrating new technology into existing systems.

vii. **Sustainable and Circular Public Procurement**: Adoption of sustainable and circular public procurement in the public sector has been low and thus continued minimization of public procurement outcomes. There is need for fast-tracked adoption of sustainable procurement that incorporates environmental, social, and economic considerations. In addition, there is need for adoption of circular public procurement to institutionalize, use, re-use, recycle and related practices in public procurement to minimize waste.

viii. **Increasing demand for Value for Money and Performance-Based Procurement**: The stakeholders have continued to demand quality services delivered through public procurement, including whether public procurement expenditure generated value for money. There is need to focus more on life-cycle assessment and costing, performance-based contracts and outcome-oriented public procurement rather than lowest evaluated price.

4.3 Challenges

Despite the outlined achievements, the Sub-sector experienced several challenges which impeded the attainment of the targets for the period. They include: **Budgetary Constraints;** the sub-sector experienced budgetary cuts/ inadequate budgetary provision for the planned programmes/activities. Budget rationalization, triggered by underperformance in revenue collection and shifting government priorities, has further impacted critical initiatives such as the transfer of conditional grants to Semi-Autonomous Government Agencies (SAGAs), as a result, the capacity to deliver on the planned programmes and projects was reduced. **Human resource constraints;** The sub-sector continues to face significant staffing shortages across all levels relative to the authorized establishment. The current staffing capacity for technical cadres in the state department is 42 per cent, primarily due to attrition and a freeze on recruitment activities. This has adversely impacted service delivery, succession planning initiatives, consequently creating operational inefficiencies and hindering the institution’s ability to meet its strategic objectives. **Lengthy legal processes and litigation affecting implementation of programmes;** The sub-sector experienced heightened litigations affecting implementation of some of its programmes more so the privatization and public procurement processes,

Intricate operating Environment; The sub-sector operates within a complex and challenging environment shaped by institutional shortcomings. The fragmented management of public assets continues to hinder effective coordination, oversight, and strategic alignment, particularly in the management of recovered assets. **Insufficient Working Tools and Equipment;** The sub-sector experienced inadequate office infrastructure, including limited office space, insufficient refurbishment of office facilities, and inadequate provision of tools and equipment, which constrained the efficient execution of its mandate, particularly by technical staff. **Low levels of compliance with disclosure of public procurement and asset disposal information;** The sub-sector continues to experience low levels of compliance by procuring entities on disclosure of public procurement information as provided for under the Public Procurement and Asset Disposal Act, CAP 412C and the Executive Order No 2 of 2018: Procurement of Public Goods, Works and Services by Public Entities. This has continued to negatively affect government reputation as well as limiting available of data for decision making within the sub-sector.

CHAPTER FIVE: CONCLUSION

The Sub-Sector programmes and sub-programmes are critical enablers in advancing Government priorities through policy formulation, implementation, and coordination. Over the medium-term period 2027/28–2029/30.

The sub-sector's total resource requirements are **KSh. 11,210.3 million, KSh. 11,054.9 million** and **KSh. 11,928.3 million** for FY 2027/28, FY 2028/29 and FY 2029/30 respectively. In this regard, recurrent resource requirements are **KSh. 6,940.7 million, KSh. 7,602.5 million** and **KSh. 8,046.8 million,** while development resource requirements are **KSh. 4,269.6 million, KSh. 3,452.4 million**, and **KSh. 3,881.5 million** for FY 2027/28, FY 2028/29 and FY 2029/30 respectively. The allocations are expected to facilitate effective implementation four key programmes: Public Investment and Portfolio Management; Public Pensions and Retirement Benefits Management; Government Assets Management; and General Administration and Planning services.

The subsector programmes will seek to build a Public Investment Management Framework that enables prioritization of projects with the highest return on investment. The programmes will promote Public-Private Partnerships (PPPs) to bridge the infrastructure gap by leveraging private sector expertise and capital. Additionally, the subsector will also advance good governance through improved public procurement, streamlined asset disposal processes, and robust safeguarding of government assets. Through these initiatives the sub sector will foster accountability and efficient public service delivery, aligning with Vision 2030 and the Medium-Term Plan (MTP IV) to achieve inclusive and sustainable national development.

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CHAPTER SIX: RECOMMENDATIONS

From the foregoing, the Sub-sector recommends the following measures to enhance service delivery:

i. Increased budgetary allocations and strengthened institutional capacity to support implementation of public investment, PPPs programme, e-GP system, privatization programmes, examination administration, curriculum development, research, and staff development. Build technical expertise in transaction advisory, financial modelling, business valuation, legal due diligence, and public procurement regulation.

ii. Ensured effective succession management and adequate human resource in collaboration with Public Service Commission and also identify skill gaps and provide the necessary capacity building on new policies, while leveraging digital systems such as Public Investment Management Information System (PIMIS) and consolidated asset registers.

iii. Promotion of Public-Private Partnerships (PPPs) through strengthened stakeholders' engagement to facilitate attraction of credible investors' confidence.

iv. Strengthen collaboration with key stakeholders—including government agencies, universities, TVET institutions, employers, professional organizations, and the public—to improve programme implementation, enhance the relevance of qualifications, and increase awareness and uptake of programmes.

REFERENCES

1. Constitution of Kenya, 2010
2. Executive Order No. 1 of 2025
3. Public Finance Management Act, 2012
4. State Corporations Act (Rev. 2015)
5. Public Procurement and Asset Disposal Act, 2015.
6. Treasury Circular No. 11/2024
7. Budget Review and Outlook Paper for 2025
8. Budget Estimates
9. Medium Term Plan 2018-2022, 2023-2027
10. Kenya Vision 2030
11. Economic Surveys
12. Circular on Staff Establishment (PSC)
13. Legal Notices/Gazette Notices
14. Respective Institutional Strategic Plans
15. Expenditure Returns
16. Annual Progress Reports
17. Integrated Payroll Personnel Data

ANNEXTURES

Annex VI: Project Details for FY 2024/25 and Medium-Term Projections

ANNEX VII: 1073 STATE DEPARTMENT FOR PUBLIC INVESTMENTS AND ASSETS MANAGEMENET																			
Project Code and Project Title	**Financing**			**Timeline**		**Actual Cumulative Expenditure to 30th June 2026**		**Outstanding Project Cost as at 30th June 2026**		**Project Completion % status as at 30th June 2026**	**Approved Budget 2026/27**		**Requirements 2027/28**		**Requirements 2028/29**		**Requirements 2029/30**		**Remarks**
	Estimated cost of Project	**GoK**	**Foreign**	**Start date**	C **Expected Completion Date** Expected Completion Date	**GoK**	**Foreign**	**GoK**	**Foreign**		**GoK**	**Foreign**	**GoK**	**Foreign**	**GoK**	**Foreign**	**GoK**	**Foreign**	
10711056 01: Establishment of Regional Offices. Public Procurement Authority (PPRA)	1,800	1,800	-	1/6/2015	6/30/2027	1,253.00	-	547.00	-	70	-	-	180.00	-	180.00	-	187.00	-	The project has not received funding for the last 3 financial years and is at the risk of stalling. The Authority had done market survey and has the capacity to operationalize the remaining 6 Regional offices within 2 Financial years
10711103501 Upgrading integration of Pensions Management Information System	897.46	897.46	-	7/1/2015	10/31/2027	327.6.60	-	569.86	-	60	42.70	-	292.00	-	50.00	-	50.00	-	

ANNEX VII: 1073 STATE DEPARTMENT FOR PUBLIC INVESTMENTS AND ASSETS MANAGEMENET																			
Project Code and Project Title	**Financing**			**Timeline**		**Actual Cumulative Expenditure to 30th June 2026**		**Outstanding Project Cost as at 30th June 2026**		**Project Completion % status as at 30th June 2026**	**Approved Budget 2026/27**		**Requirements 2027/28**		**Requirements 2028/29**		**Requirements 2029/30**		**Remarks**
	Estimated cost of Project	**GoK**	**Foreign**	**Start date**	C **Expected Completion Date** Expected Completion Date	**GoK**	**Foreign**	**GoK**	**Foreign**		**GoK**	**Foreign**	**GoK**	**Foreign**	**GoK**	**Foreign**	**GoK**	**Foreign**	
Electronic Documents and Records Management Information System	468.00	468.00	-	7/1/2026	6/30/2029	0.00	-	-	-	-	-	-	300.00	-	118.00	-	50.00	-	
Refurbishment of Buildings and Other Civil Works - Pensions Dept.	509.40	509.40	-	7/1/2026	6/30/2029	-	-	-	-	-	-	-	160.00	-	169.60	-	179.80	-	
Implementation of e-procurement system for Government of Kenya	5,049.00	5,049.00	-	9/1/2020	8/31/2028	1410.00	-	3,639.00	-	80	280	-	832.6	-	959.8	-	1,439.7	-	
Development of Government Assets Optimal Utilization Framework	60.00	60.00	-	7/1/2026	6/30/2027	-	-	-	-	-	-	-	60.00	-	-	-	-	-	
Valuation of Government Assets in the Public Sector	150.00	150.00	-	7/1/2026	6/30/2028	-	-	-	-	-	-	-	95.00	-	75.00	-	75.0	-	
Government Investment Management Information System (GIMIS)	250.00	250.00	-	12/1/2020	30/06/2030	100.00	-	150.00	-	40	-	-	50.00		50.00	-	50.00	-	The project did not receive any funding for the last financial year

ANNEX VII: 1073 STATE DEPARTMENT FOR PUBLIC INVESTMENTS AND ASSETS MANAGEMENET

Project Code and Project Title	Financing			Timeline		Actual Cumulative Expenditure to 30th June 2026		Outstanding Project Cost as at 30th June 2026		Project Completion % status as at 30th June 2026	Approved Budget 2026/27		Requirements 2027/28		Requirements 2028/29		Requirements 2029/30		Remarks
	Estimated cost of Project	GoK	Foreign	Start date	C **Expected Completion Date** Expected Completion Date	GoK	Foreign	GoK	Foreign		GoK	Foreign	GoK	Foreign	GoK	Foreign	GoK	Foreign	
Upgrading and Integration of Public Investment Management Information System (PIMIS)	600.00	600.00	-	7/1/2026	6/30/2029	-	-	-	-	-	-	-	200.00	-	200.00	-	200.00	-	
Public Investment Management Technical and Capacity Strengthening Project	450.00	450.00	-	7/1/2026	6/30/2029	-	-	-	-	-	-	-	200.00	-	150.00	-	150.00	-	
PPP Project Facilitation Fund	11,700.00			11/15/2012	9/30/2024						-	-	200.00	-	1,500.00	-	1500.00	-	
Total for Vote 1073 State Department for Public Investments and Assets Management	**21,933.86**	**10,233.86**	**-**	**-**				**5,641.86**		**-**	**322.7**	**-**	**4,269.6**	**-**	**3,452.4**	**-**	**3,881.50**	**-**	

APPENDIX A: Detailed Risk Management Matrix

	Risk Class/ Category	Risk	Description	Likelihood (L/M/H)	Impact (L/M/H)	Overall Risk Level (L/M/H)	Mitigation Measure(s)	Risk Owner*
1.	Macroeconomic and financial sector risks	Funding Constraints	Funding constraints, cost overruns, and revenue uncertainties affect fiscal sustainability.	M	H	M	Implement PPP framework	**Director General PPP**
							Transition from Defined Benefit old GOK Pensions to Defined Contribution PSSF Scheme	**Secretary/Director Pensions**
							Implement the PIM Framework	**Director PIM**
							Enhancing efficiency through streamlining of operations and functions of state corporations	**Director GIPE**
							Implementation of e-GP	**Director PPD**
		Changes in macroeconomic conditions and market fluctuations	Fluctuations in interest rates, exchange rates, and inflation can impact project financing, and profitability. Demand forecasting errors, changes in consumer behavior, and market saturation can affect project revenues and profitability in PPP projects				Providing adequate viability gap funding	**PS/PI&AM**
							Develop clear risk-sharing arrangements and flexible project structures	**Director General PPP**
2.	Fiscal	Fiscal Contingent Liabilities	Contingent liabilities can negatively impact fiscal sustainability	M	H	M	Implementation of the fiscal commitment and contingent liabilities framework	**Director General PPP**
3.	Compliance and legal risks	Non-compliance	The sub-sector must comply with various legal, regulatory, and accounting standards. Non-Compliance can lead to obstructive litigations, penalties, legal disputes, reputational damage, and loss of investor confidence	M	H	M	Deploy effective Stakeholder engagement, before formulation and implementation of macro-fiscal and financial laws	**PS/PIAM, Legal Unit**

	Risk Class/ Category	Risk	Description	Likelihood (L/M/H)	Impact (L/M/H)	Overall Risk Level (L/M/H)	Mitigation Measure(s)	Risk Owner*
		Legal disputes	Legal disputes and ambiguities in contracts may lead to delays and increased costs in PPP implementation					
4.	External shocks	shifting geopolitical events, natural disasters, and pandemic	External shocks such as shifting geopolitical events, natural disasters, and pandemics can have significant macro-fiscal and financial implications for the government	M	H	M	Develop an Impact Assessment framework of these events and implement appropriate risk mitigation measures for these potential shocks	
5.	Administrative and political	Political instability and Regulatory changes	Political instability, regulatory changes, and shifts in priorities can introduce uncertainty in policy and administrative environment necessary for stable macro-economic conditions	H	H	H	Enhance political goodwill through effective sensitization and communication strategies	CS – NT
6.	Policy risks	Structural changes	Changes in government priorities due to economic shocks, reorganization of government structures	M	L	M	Review of Long term/Medium Term Plan programmes and projects	Macro Policy and Development Planning Directorate (SDEP) & MFAD
		Policy approval timelines	Delays in approval of policy/legal frameworks on public investments and assets management	M	M	M	Timely preparation and presentation of legislative frameworks for approval. Collaborations with Support Agencies to facilitate timely conclusion and approval of legislative frameworks)	CS/TNT and PS/PIAM
		Legislative gaps	Fragmented legislative frameworks governing pensions and assets management	M	M	M	Initiate the harmonization of legislative frameworks governing pensions and assets management	CS – TNT and PS-PIAM
7.	Operational and Governance Risks	Inadequate internal controls	Risks related to internal processes, audit, systems, and controls within the subsector	H	H	H	Develop and implement a corruption Risk Plan in procurement	Administration (PIAM) Legal Unit, IAD
		Non-compliance to operational guidelines	Ineffective communication, inadequate governance, fraud, asset mismanagement, and policy and legislative breaches can disrupt economic planning and financial operations and undermine the effectiveness of fiscal management and national planning implementation				Strengthen internal control systems and processes	Administration (PIAM)
							Operationalize Audit Committee	PS/PIAM/ Director/IAD
							Spearhead development of Institutional Risk Management Framework	Director/IAD
							Enforcement of Assets and Liabilities Management Policy and Guidelines	Director/ National Assets and Liabilities Management Department, Asset Management Units/Committees, Directors of Administration

	Risk Class/ Category	Risk	Description	Likelihood (L/M/H)	Impact (L/M/H)	Overall Risk Level (L/M/H)	Mitigation Measure(s)	Risk Owner*
							Continuous training of all public sector entities and other relevant players	PIM/NALM/GIPE/PPD/Pensions/PPP
							Implement TNT Communication Strategy	Heads of Public Communication Unit
8.	Organizational Risks	Human resourcing	Inadequate staffing and capacity building	H	H	H	Progressively recruit, deploy, train and develop optimal staffing	HRM&D
			Poor Succession Planning				Develop and Implement Succession Plan	
9.	Technological risks	Inadequate system safeguards, obsolescence and data loss	System Downtime, Data Security and Cyber Security Breach	H	H	H	Regularly back up system data to prevent loss of data	ICT Unit/ IAD
							Regularly update and patch the system for security	
							Provide user training for secure system usage	
							Enhance data protection measures including encryption.	
							Establish real-time monitoring and alerting mechanisms	
							Develop Business Continuity Plans	