



REPUBLIC OF KENYA

THE NATIONAL TREASURY AND PLANNING

Public Statement on the Status of Payments to County Governments

1. This Statement is issued in public interest, pursuant to Article 35(3) of the Constitution of Kenya, 2010 and section 8 of the County Allocation of Revenue Act (CARA), 2020. The Statement is intended to inform citizens about the quantum of funds transferred to County Governments in FY 2020/21 and in preceding years.
2. In FY 2020/2021, County Governments received Ksh. 346.2 billion as their equitable share of revenue raised nationally. This is comprised of Ksh. 316.5 billion appropriations as per the CARA, 2020 and Ksh. 29.7 billion accruing balances from allocation for FY 2019/2020 in fulfillment of Article 219 of the Constitution. A summary of the payments is provided in *Table 1*, while cumulative and per person disbursements to each County are provided in *Table 2*.

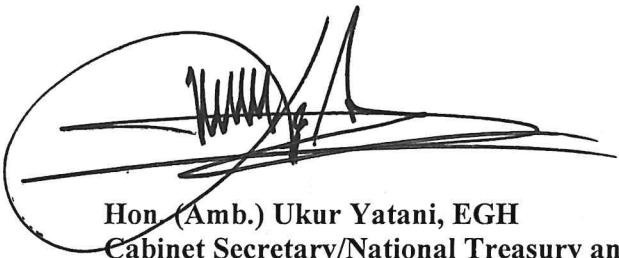
Table 1: Summary of payments to County Governments (Ksh. Millions)

Transfer Type	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	Grand Total	%
1. Equitable share transfer	190,000	226,660	259,774	280,300	302,000	314,000	286,784	346,216	2,205,735	90.52%
2. Conditional Transfers towards Covid-19	-	-	-	-	-	-	7,706	-	7,706	0.32%
a) Gok-Funded Conditional allocation	-	-	-	-	-	-	7,356	-	7,356	
b) DANIDA Funding	-	-	-	-	-	-	350	-	350	
3. Gok-funded conditional allocations	5,665	3,261	10,901	13,705	12,008	15,017	13,343	12,673	86,574	3.55%
a) Level Five Hospital	3,419	1,863	3,600	4,000	4,200	4,326	4,326	4,326	30,061	
b) Free Maternal Healthcare *	2,246	1,398	3,321	4,105	-	-	-	-	11,070	
c) Managed Equipment Services	-	-	3,080	4,500	4,908	8,830	6,017	5,273	32,608	
d) Foregone User Fees Compensation	-	-	900	900	900	900	900	900	5,400	
e) Rehabilitation of Youth Polytechnics	-	-	-	-	2,000	961	2,000	2,000	6,961	
f) Emergency Medical Service Grant	-	-	-	200	-	-	-	-	200	
g) Construction of County HQs	-	-	-	-	-	-	100	175	275	
4. Other Additional conditional allocations	-	1,137	5,547	6,063	17,797	31,070	30,020	40,103	131,737	5.41%
a) Road Maintenance Levy Fund	-	-	3,300	4,307	10,262	7,424	7,645	9,433	42,372	1.74%
b) External Loans and Grants	-	1,137	2,247	1,756	7,535	23,646	22,375	30,670	89,365	3.67%
-World Bank (KDSP Level I)	-	-	-	-	2,148	-	1,410	2,115	5,673	
-World Bank (KDSP Level II)	-	-	-	-	1,950	4,000	-	4,600	10,550	
-World Bank (NUTRIP)	-	-	1,045	791	-	-	-	-	1,836	
-Danida (HSPS III)	-	734	664	408	-	-	-	-	1,806	
-World Bank (KHSSP-HSSF)	-	404	508	556	8	-	-	-	1,476	
-World Bank (THUSCP)	-	-	-	-	1,250	1,958	2,656	3,940	9,804	
-Danida (UHDSP)	-	-	-	-	1,116	1,040	922	855	3,934	
-World Bank (NARIGP)	-	-	-	-	1,063	1,052	4,563	3,900	10,578	
-Italy (KIDDP: Rehab. of Sub-Dist. Hosp.)	-	-	30	-	-	-	-	-	30	
World Bank.KUSP-UIG	-	-	-	-	-	1,854	387	-	2,241	
World Bank.KUSP-UDG	-	-	-	-	-	11,465	8,128	6,315	25,908	
World Bank-KCSAP	-	-	-	-	-	1,000	2,982	5,945	9,927	
EU - IDEAS	-	-	-	-	-	941	-	-	941	
IDA (World Bank)-WSDP	-	-	-	-	-	-	563	2,465	3,027	
SIDA -ASDSP II	-	-	-	-	-	335	764	536	1,634	
EU-WATER	-	-	-	-	-	-	-	-	-	
5. Allowances for County medical personnel	-	-	-	4,842	-	-	-	-	4,842	0.20%
6. Coffee Cess	-	-	-	107	-	-	-	-	107	0.00%
Grand Total (= 1+2+3+4+5+6)	195,665	231,059	276,223	305,016	331,805	360,086	337,853	398,993	2,436,700	100.00%

* In FY 2017/18, FY 2018/19, FY 2019/20 and FY 2020/21 an additional Ksh. 3.4 billion, Ksh 4.3 billion, Ksh.4.3 billion and Ksh 4.3 billion respectively, from the National Government's revenue share was paid to the National Hospital Insurance Fund (NHIF) as a grant for Free Maternal Healthcare, to be disbursed directly to Counties on reimbursement basis.

3. County Governments received an additional Ksh. 47.5 billion in FY 2020/21, which comprised:
 - a) conditional allocations worth Ksh. 7.4 billion derived from the National Government's equitable revenue share;
 - b) Ksh. 9.4 billion from the Roads Maintenance Levy Fund (RMLF) collected by the Kenya Roads Board (KRB), of which 15 percent is set aside for County roads; and,
 - c) proceeds from external loans and grants totaling Ksh. 30.7 billion earmarked to supplement financing of devolved functions.
4. In addition, the National Government in FY 20120/21 transferred to County Governments Ksh. 4.6 billion for the Kenya Devolution Support Programme (KDSP) Level 2 programme, which was not part of CARA, 2020 allocations. This was an additional conditional allocation financed from proceeds of loans and grants by development partners, whose financing was meant to complement the National Government support to County Governments for putting in place Covid-19 pandemic emergency response measures.
5. The aggregate payments to County Governments in FY 2020/21 amounted to Ksh. 398.9 billion that included Ksh. 29.7 billion accruing balances from allocation for FY 2019/20 and Ksh. 4.6 billion for the KDSP Level 2 programme, which were not part of CARA, 2020 allocation. The aggregate payments to County Governments in FY 2020/21 with respect to CARA, 2020 allocation amounted to Ksh. 364.7 which represents 98.6 percent of CARA, 2020 allocations. The shortfall may be explained as follows:
 - a) Failure by some County Governments to adhere to requirements of specific conditional allocations. For this reason, the Exchequer could not disburse:
 - Ksh. 935.4 million for the Water & Sanitation Development Project;
 - Ksh. 405.8 million for the Transforming Health Systems for Universal Care Project;
 - Ksh. 361.2 million for the National Agriculture and Rural Inclusive Growth Project (NARIGP);
 - Ksh. 1.2 billion for the Kenya Climate Smart Agriculture Project (KCSAP);
 - Ksh. 51 million for the Kenya Urban Support Programme (KUSP) level II;
 - Ksh. 45.3 million for DANIDA Grant (Universal Healthcare in Devolved System Program; and
 - Ksh. 125.3 million for construction of County headquarters;
 - b) Delays by Accounting Officers of some Ministries responsible for specific conditional grants to submit written instructions to the National Treasury to release payments as stipulated in the *Guidelines for the Management of Intergovernmental Fiscal Transfers (2017)*. As a result, exchequer could not disburse, Ksh. 216 million for Instruments for Devolution Advice and Support (IDEAS) grant; Ksh. 528 million for the Water Tower Protection, Climate Change Mitigation and Adaptation Programme (WaTER); and, Ksh. 300 million for the Northern Kenya Drought Resilience Programme.
6. Including the FY 2020/21 payments, County Governments have now cumulatively received an estimated Ksh. 2.4 trillion since their establishment. In this context, it would be useful for the public to note that:

- a) of the above cumulative payments, 90.5 percent comprises unconditional equitable revenue share, 3.6 percent being conditional grants that are part of shareable revenue, 5.4 percent being the additional conditional allocations that are not part of shareable revenue, and 0.3 percent being conditional transfers towards Covid-19 in FY 2019/20. The remaining 0.2 percent represents a one-off payment made in FY 2016/17 in respect to allowances to medical personnel and coffee cess;
- b) in all years, equitable revenue share to County Governments has been well above the minimum threshold defined in Article 203(2) of the Constitution, and has been fully disbursed in accordance with Article 219 of the Constitution;
- c) during the last eight years, aggregate annual payments to County Governments grew by Ksh. 203.3 billion or 103.9 percent; and,
- d) in per capita (or per person) terms, payments to County Governments have grown from Ksh. 4,114 in FY 2013/14 to Ksh. 8,388 in FY 2020/21. This translates to an annual average of Ksh. 6404, with Nairobi receiving the least (Ksh. 3,285) and Lamu the highest (Ksh. 18,391).



Hon. (Amb.) Ukur Yatani, EGH
Cabinet Secretary/National Treasury and Planning

Dated:

Table 2: Cumulative and Per Person Payments to County Governments (K.sh.)

County	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	Cumulative Payments (2013/14 - 2020/21)	Payments Per Person (Annual Average)
	A	B	C	D	E	G	H	I=	A+B+C+D+E+F+G	J
Baringo	3,281,383,323	3,926,106,431	4,656,934,428	5,233,961,425	5,549,975,184	5,827,026,254	5,346,126,671	6,353,577,463	40,175,091,178	7,532
Bomet	3,473,870,878	4,162,524,827	4,909,906,160	5,408,349,433	5,709,103,301	6,623,843,955	5,888,307,950	7,026,435,861	43,202,342,364	6,167
Bungoma	6,271,462,041	6,783,170,481	8,029,195,903	8,876,380,198	9,430,278,865	10,120,206,226	9,559,282,453	10,722,011,371	69,791,987,537	5,222
Busia	3,463,379,155	4,799,492,252	5,668,513,352	6,256,557,033	6,894,545,788	6,734,461,089	6,380,802,839	7,394,682,383	47,592,433,890	6,657
Elgeyo Marakwet	2,413,729,091	2,894,583,377	3,471,543,872	3,823,933,460	3,978,773,535	4,468,666,793	4,168,579,087	5,042,670,902	30,262,480,118	8,323
Embu	3,100,540,129	3,571,958,959	4,205,121,593	4,771,935,686	4,843,574,583	5,332,064,788	5,071,559,213	5,716,000,627	36,612,755,578	7,520
Garissa	4,431,683,790	5,190,150,287	6,351,245,243	6,911,228,790	7,518,607,376	8,107,741,132	7,756,509,712	9,249,563,825	55,516,730,155	8,248
Homa Bay	4,182,101,595	4,991,175,873	5,911,122,678	6,516,573,708	7,092,167,990	7,347,022,677	6,917,660,883	8,060,995,022	51,018,820,426	5,634
Isiolo	2,247,835,837	2,682,961,881	3,199,678,723	3,537,827,614	4,081,810,947	4,448,645,119	4,582,738,856	5,406,914,326	30,188,413,304	14,080
Kajiado	3,253,239,859	3,890,104,860	4,650,358,927	5,215,256,318	6,198,702,283	6,868,668,078	6,858,827,932	8,127,633,218	45,062,791,475	5,039
Kakamega	6,931,155,657	8,090,604,228	9,646,227,641	10,703,578,916	11,062,919,682	12,151,853,991	11,364,377,058	13,000,047,987	82,950,765,160	5,552
Kericho	3,353,059,897	3,973,438,352	4,748,554,101	5,252,797,896	5,656,013,322	6,462,014,445	5,851,807,047	6,823,493,817	42,121,178,876	5,839
Kiambu	5,980,601,386	6,707,156,605	8,207,917,647	9,264,204,773	10,927,610,972	12,743,464,400	11,685,344,546	12,735,563,268	78,251,863,598	4,046
Kilifi	5,518,308,482	6,574,958,022	7,842,163,405	8,563,981,588	10,650,268,698	12,071,640,899	10,968,181,930	13,391,805,785	75,581,288,810	6,499
Kirinyaga	2,621,282,589	3,122,463,813	3,727,560,086	4,159,808,773	4,876,384,036	4,667,131,239	4,672,393,818	5,240,702,795	33,087,727,150	6,776
Kisii	5,487,250,383	6,361,766,497	7,772,145,310	8,664,058,165	8,592,553,305	9,188,768,347	8,681,167,050	9,878,051,935	64,625,760,993	6,377
Kisumu	4,615,876,577	5,262,002,848	6,324,406,000	6,994,542,675	7,369,015,486	8,668,928,630	8,002,954,342	9,040,279,791	56,278,006,348	6,088

Kitui	5,348,827,428	6,407,041,897	7,583,499,487	8,389,946,573	9,340,897,458	9,642,235,292	9,366,103,294	10,639,037,547	66,717,588,975	7,340
Kwale	3,788,132,670	4,531,614,262	5,405,264,065	5,986,544,213	7,781,601,282	8,250,731,235	8,277,600,796	9,524,820,724	53,546,309,246	7,722
Laikipia	2,557,539,642	3,037,429,843	3,651,034,608	4,104,689,637	4,954,234,811	4,849,785,160	4,443,200,058	5,400,587,312	32,998,501,070	7,954
Lamu	1,509,775,102	1,802,318,513	2,172,952,802	2,509,540,339	2,756,251,476	4,035,239,884	2,900,546,366	3,488,156,447	21,174,780,928	18,391
Machakos	5,114,071,345	6,134,394,187	7,346,493,531	8,166,790,848	8,376,122,984	10,348,955,784	9,241,732,805	10,334,748,766	65,063,310,250	5,720
Makueni	4,403,546,303	5,255,759,064	6,234,615,763	6,857,630,551	7,606,334,087	8,201,942,271	7,877,135,250	9,094,793,066	55,531,756,355	7,028
Mandera	6,569,847,929	7,851,533,937	9,224,728,949	10,084,615,714	10,354,026,318	11,281,577,308	10,376,501,495	12,269,346,989	78,012,178,639	11,242
Marsabit	3,805,077,542	4,554,700,287	5,363,688,014	5,861,348,668	7,021,526,717	7,823,178,728	6,896,898,151	8,226,904,463	49,553,322,571	13,472
Meru	5,006,846,175	5,811,720,035	8,068,730,716	8,695,004,808	8,690,203,884	9,353,128,740	8,772,346,923	10,069,342,139	64,467,323,420	5,213
Migori	4,339,034,161	5,178,050,161	6,179,702,331	6,742,468,649	6,996,366,222	7,820,468,252	7,485,532,833	8,323,049,526	53,064,672,135	5,941
Mombasa	4,291,377,471	4,805,790,006	5,856,541,422	6,460,495,121	8,966,848,169	9,352,443,798	8,352,861,230	8,553,215,296	56,639,572,513	5,859
Murang'a	3,964,995,471	4,733,688,227	5,605,841,727	6,224,115,350	6,717,512,470	6,825,658,407	6,754,270,617	7,717,961,099	48,544,043,368	5,743
Nairobi	9,729,818,320	11,441,036,548	13,534,170,793	14,946,783,245	16,323,790,299	16,155,037,800	12,275,944,442	21,135,026,771	115,541,608,219	3,285
Nakuru	6,647,425,748	7,503,232,007	8,909,150,835	9,841,244,944	10,330,202,245	11,705,865,445	11,835,626,599	13,291,018,388	80,063,766,211	4,629
Nandi	3,513,121,827	4,196,573,747	4,958,627,028	5,469,004,415	5,566,010,582	6,059,176,633	5,887,466,815	6,677,579,223	42,327,560,269	5,974
Narok	3,897,497,831	4,664,355,024	5,537,068,743	6,064,109,450	7,144,507,576	7,033,037,443	8,241,585,349	9,672,417,701	52,254,579,117	5,641
Nyamira	3,081,787,287	3,684,498,196	4,358,048,612	4,831,602,226	5,119,041,340	5,392,141,405	5,181,195,051	6,256,044,709	37,904,358,826	7,824
Nyandarua	3,176,663,544	3,797,904,157	4,490,760,352	4,936,245,833	5,438,755,918	5,851,792,816	5,206,042,897	6,371,977,323	39,270,142,840	7,691
Nyeri	3,685,716,476	4,138,865,733	5,042,278,330	5,600,339,382	5,748,259,017	6,365,159,120	6,153,112,067	7,305,192,617	44,038,922,742	7,251
Samburu	2,604,240,722	3,118,803,006	3,700,905,733	4,080,440,211	4,206,339,743	5,009,568,253	4,847,706,557	5,703,532,041	33,271,536,267	13,402
Siaya	3,717,804,335	4,436,323,009	5,246,071,112	5,797,489,075	6,082,340,216	6,617,589,780	6,051,299,399	7,148,481,399	45,097,398,325	5,676
Taita Taveta	2,443,413,498	2,922,341,963	3,488,332,869	3,842,745,714	4,264,020,622	4,594,827,610	4,577,484,533	5,664,161,691	31,797,328,501	11,667

Tana River	2,921,556,211	3,495,601,069	4,137,496,801	4,627,810,651	5,713,763,880	6,022,998,660	6,006,330,570	7,223,736,627	40,149,294,468	15,885
Tharaka Nithi	2,316,285,957	2,764,643,356	3,305,463,744	3,652,470,953	4,029,081,994	4,101,461,962	4,267,685,324	5,178,356,246	29,615,449,536	9,415
Trans Nzoia	3,768,041,967	4,490,618,357	5,323,073,849	5,856,599,951	6,134,099,222	6,530,339,029	6,351,147,129	7,183,369,592	45,637,289,096	5,760
Turkana	7,674,315,857	9,178,804,658	10,748,014,432	11,709,814,817	10,804,298,494	11,535,858,600	10,482,638,028	12,640,952,718	84,774,697,603	11,432
Uasin Gishu	3,811,462,902	4,564,237,642	5,390,581,097	5,947,601,606	6,175,278,868	7,261,061,866	7,061,214,379	8,106,876,101	48,318,314,461	5,192
Vihiga	2,860,896,942	3,420,828,036	4,054,531,396	4,470,649,135	4,843,027,689	5,221,923,141	5,198,851,298	5,950,824,602	36,021,532,238	7,632
Wajir	5,311,159,775	6,355,760,549	7,470,850,704	8,159,999,887	8,716,567,070	9,418,866,978	8,474,445,051	10,440,407,092	64,348,057,105	10,296
West Pokot	3,177,935,726	3,795,568,370	4,511,622,736	4,942,855,225	5,171,692,585	5,592,259,659	5,252,167,523	6,190,398,532	38,634,500,356	7,774
Grand Total	195,664,976,833	231,058,635,439	276,222,737,642	305,015,973,635	331,805,308,593	360,086,459,126	337,853,294,216	398,992,747,124	2,436,700,132,607	6,404