MURANG'A COUNTY GOVERNMENT

FINANCE & ECONOMIC PLANNING DEPARTMENT

COUNTY FISCAL STRATEGY PAPER (CFSP)

FEBRUARY 2024

COUNTY VISION, MISSION AND MOTTO

Vision

Sustainable development for socio-economic transformation

Mission

To transform the County for sustainable development for the benefit of all

Motto

Kamùingì Koyaga Ndìrì (Unity is Strength)

FOREWORD

The Murang'a County Fiscal Strategy Paper (CFSP) 2024/2025 has been prepared in accordance with section 117 of the PFM Act 2012 and County Integrated Development Plan (CIDP) 2023-2027. It highlights the legal framework underlying the fiscal responsibility of the County Government, reviews current economic development, and sets out the broad county priority programmes to be implemented during FY 2024/2025 and over the MTEF period.

The identified strategic priorities are informed by proposals and suggestions received from public participation fora as well as the Governor's manifesto. The strategic priorities are geared towards enhancing and sustaining the economic development of the county and include interventions in: performance management and service delivery, agriculture, health, youth empowerment, water, roads, education, urban development, climate change and infrastructure sectors. Taking into account efficiency and the overall cost of operations, the CFSP has identified and allocated financial ceilings for the FY 2024/2025. The revenue estimates and expenditure proposals have also taken into account the national and global economic condition and outlook over the medium term 2024/2025–2026/2027.

The CFSP priorities and goals have been aligned to key national and county policies including: The Sustainable Development Goals (SDGs), the Kenya Vision 2030, MTP IV 2023 – 2027, County Integrated Development Plan (CIDP) 2023 – 2027, and County Annual Development Plan (CADP) 2024/2025.

The document reflects the aspirations of the people of Murang'a County as contained in the County Government's vision for its people.

Prof. Kiarie Mwaura,
County Executive Committee Member,
Finance and Economic Planning.

ACKNOWLEDGEMENT

The County Fiscal Strategy Paper 2024/2025 has been prepared in compliance with the provision of the Public Finance Management Act, 2012. It outlines the current state of the economy, provides the fiscal outlook over the medium term and specifies the county strategic goal and priorities.it also summarizes the spending plans as basis of the FY 2024/2025 budget.

The preparation of the CFSP 2024/2025 was accomplished through a collaborative effort of many stakeholders and we are very grateful for their contributions. We express our gratitude to the leadership of the Governor, H.E. Dr. Irungu Kang'ata and his Deputy, H.E. Stephen Munania, during the process of developing this document. We also acknowledge the unyielding efforts of the County Secretary, Dr. Newton Mwangi, CECMs, Chief Officers, and heads of all county Directorates.

In particular, we appreciate the CECM Finance, IT and Economic Planning, Prof. Kiarie Mwaura, for the guidance during the document preparation period. Special mention goes to the technical officers in the Budget, Monitoring & Evaluation and Economic Planning units, who spent a considerable amount of time preparing and consolidating the document. In particular, we recognize the efforts put by the Director of Budget, Emilio Muchunu; Ag. Director Economic Planning, Stephen Mwangi; Ag. Head Monitoring & Evaluation, Justin Gatuita; Budget Officers, Samuel Kinyanjui, Dennis Karanja and County Economists/Statisticians, Walter Ojwang; Felistus Mueni; Moses Macharia; Njuguna Mwangi; Gabriel Wachira; Claire Njogu; Ann Kabiri; and Judith Ng'endo.

Finally, we recognize the contribution and valuable input of all the stakeholders and county departments for their invaluable input and support that ensured successful and timely completion of the document.

P. G. KAHORA
Chief Officer,
Finance, IT & Economic Planning.

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ABBREVIATIONS

ASDSP	Agricultural Sector Development. Support Programme
ATVET	Agricultural Technical and Vocational Education and Training
BPS	Budget Policy statement
CADP	County Annual Development Plan
CBR	Central Bank Rate
CBROP	County Budget Review Outlook Paper
CFSP	County Fiscal Strategy Paper
CIDP	County Integrated Development Plan
CRA	Commission on Revenue Allocation
CTRH	County Teaching and Referral Hospital
ERP	Enterprise Resource Planning
FY	Financial Year
GDP	Gross Domestic Product
HELB	Higher Education Loans Board
ICT	Information Communication & Technology
IFMIS	Integrated Financial Management Information System
KALRO	Kenya Agricultural Livestock Research Organization
KES	Kenya Shillings
KCSAP	Kenya Climate Smart Agriculture Program
KIHBS	Kenya Integrated Household Budget Survey
KIWASH	Kenya Integrated Water, Sanitation and Hygiene
KNBS	Kenya National Bureau of Statistics
KYISA	Kenya Youth Inter County Sports Association
MSME	Micro Small and Medium Enterprises
MTEF	Medium Term Expenditure Framework
MTP	Medium Term Plan
NEMA	National Environmental Management Authority
ODF	Open Defecation Free
OVOP	One Village One Product
PFM	Public Financial Management
PPP	Public Private Partnership
SDG	Sustainable Development Goals
SSA	Sub-Saharan Africa
UNICEF	United Nations International Children's Emergency Fund

LEGAL BASIS FOR PUBLICATION OF THE COUNTY FISCAL STRATEGY PAPER

The County fiscal strategy paper is prepared in accordance with Section 117 of the Public Financial Management Act, 2012.

The law states that:

(1) The County, Treasury shall prepare and submit to the County Executive Committee the County Fiscal Strategy Paper for approval and the County Treasury shall submit the approved Fiscal Strategy Paper to the County assembly, by the 28th February of each year.

(2) The County Treasury shall align its County Fiscal Strategy Paper with the national objectives in the Budget Policy Statement.

(3) In preparing the County Fiscal Strategy Paper. The County Treasury shall specify the broad strategic priorities and policy goals that will guide the county government in preparing its budget for the coming financial year and over the medium term.

(4) The County Treasury shall include in its County Fiscal Strategy Paper the financial outlook with respect to county government revenues, expenditures and borrowing for the coming financial year and over the medium term.

(5) In preparing the County Fiscal Strategy Paper, the County Treasury shall seek and take into account the views of

(a) The Commission on Revenue Allocation;
(b) The public;
(c) Any interested persons or groups; and
(d) Any other forum that is established by legislation.

(6) Not later than fourteen days after submitting the County Fiscal Strategy Paper to the County Assembly, the County Assembly shall consider and may adopt it with or without
(7) The County Treasury shall consider any recommendations made by the County Assembly when finalizing the budget proposal for the financial year concerned.

(8) The County Treasury shall publish and publicize the County Fiscal Strategy Paper within seven days after it has been submitted to the county assembly.

RESPONSIBILITY PRINCIPLES IN THE PUBLIC FINANCIAL MANAGEMENT LAW

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

1. A County Treasury shall manage its public finances in accordance with the principles of fiscal responsibility set out in subsection (2), and shall not exceed the limits stated in the regulations.

2. In managing the county government's public finances, the County Treasury shall enforce the following fiscal responsibility principles: -

    a) The county government's recurrent expenditure shall not exceed the county government's total revenue.

    b) Over the medium term, a minimum of 30% of the County budget shall be allocated to development expenditure.

    c) The county government's expenditure on wages and benefits for public officers shall not exceed 35 percent of the county government revenue.

    d) Over the medium term, the county government's borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure.

    e) Public debt and obligations shall be maintained at a sustainable level as prescribed by the executive and approved by the County Assembly.

    f) Fiscal risks shall be managed prudently.

    g) A reasonable degree of predictability with respect to the level of tax rates and tax bases shall be maintained, taking into account any tax reforms that may be made in the future.

3. For the purposes of subsection (2) (d), short term borrowing shall be restricted to management of cash flows and shall not exceed five percent of the most recent audited county government revenue.

4. Every county government shall ensure that its level of debt at any particular time does not exceed a percentage of its annual revenue specified in respect of each financial year by a resolution of the county assembly.

5. The regulations may add to the list of fiscal responsibility principles set out in subsection.

1. INTRODUCTION

1.1. Overview

The County Fiscal Strategy Paper (CFSP 2024) covers the Medium-Term Expenditure Framework (MTEF) period 2024/2025 – 2026/2027 and is the second implementation paper under the third County Integrated Development Plan (CIDP) 2023-2027. The Paper has been prepared in accordance with section 117 of the PFM Act 2012 and sets out the priority programs and projects to be implemented in the FY 2024/2025 and the MTEF period.

The implementation of the priority programs and projects over the medium term is expected to achieve the county government's vision of creating a wealthy and economically vibrant county. The priorities to be pursued are in line with Kenya Vision 2030, MTP IV, the Bottom-up Economic Transformative Agenda (BETA), Sustainable Development Goals (SDGs), the Governor's Manifesto, the County Integrated Development Plan (CIDP) 2023 – 2027, and the County Annual Development Plan, among other policies.

The county will implement policies and structural reforms in five core thematic areas that are expected to have the highest impact at the bottom of the economy. These are: agricultural transformation; infrastructural development; universal health care; education and training; and improving business environment.

1.2. The County's Broad Strategic Priorities

The County broad strategic priorities are:
a) Agricultural transformation
b) Infrastructural development
c) Achievement of universal health care
d) Provision of quality education and training
e) Improving business environment
f) Youth empowerment
g) Murang'a Youth Service

These priority programs are aimed at achieving an accelerated and all-inclusive economic growth, higher living standards, improved governance, efficient public service delivery, and creating an enabling environment for the private sector to do business. The Paper captures a socio-economic agenda geared towards reducing inequalities in access to productive resources as primed in 'the Bottom-up transformative economic model.' The Paper also takes into account the national economic outlook to reflect changes in economic and financial trends. The National Budget Policy Statement (BPS) was utilised to align the county's priorities with the national's economic policy principles. This Paper articulates priorities for economic policies and expenditure

programs to be implemented during the MTEF period 2024/25 – 2026/27. To realize its objectives, the County Government acknowledges the need to partner with other entities and stakeholders.

1.2.1. Agricultural Transformation

Agricultural activities are estimated to account for about 80% of the county's economic activities. More than 80 % of Murang'a residents are employed, directly and indirectly, by the agricultural sector. Within the third CIDP plan period, the current administration will, therefore, focus on enhancing the farming of a number of agricultural crops and livestock, including: coffee, tea, mangoes, avocadoes, macadamia and bananas, dairy and other industrial crops. In this aspect, it is expected that Murang'a Kilimo will play a pivotal role towards promoting youth engagement in agriculture. Similarly, the county plans to engage in commercialization, value addition, utilization of new agricultural technologies in order to improve yields and reduce costs of production, in addition to maximizing the use of cooperatives to boost agricultural marketing. The County will thus to develop appropriate legal frameworks and regulations to underpin this agenda.

1.2.2. Infrastructure Development

To enhance efficiency, the county will invest in comprehensive Information Communication Technology (ICT) and network connectivity. Also, the county will improve the infrastructure through the community-based projects targeting the upgrading of ECDE centres and access roads.

In addition, the County also targets to improve access to markets and social amenities through upgrading to bitumen standards of urban roads, opening of access roads, and both re-surveying and maintenance of access roads to the required legal standard. This is envisaged to improve the road network and access for ease of movement of goods and services.

The County Government realizes the important role played by the national government, and the essence of effective collaboration of the national and county governments' socio-economic agenda, especially in roads and housing. The County Government will, therefore, work closely with the national government especially in improving access roads and in implementing the affordable housing agenda.

1.2.3. Achieve Universal Health Care

Healthcare remains a very important agenda in our county and access to quality and affordable healthcare is a fundamental right enshrined in the Constitution of Kenya 2010, and is also one of the Sustainable Development Goals. On annual basis, the sector takes the lion's share of the county budget. Further, the demographic characteristics of the county justifies giving priority to the sector. Key areas of intervention will include:

a) Promotion of Universal Health Care (UHC)
b) Supporting optimal health and survival of pregnant mothers and babies
c) Strengthening advocacy for social health insurance coverage
d) Strengthening the integrated surveillance and health services automation systems
e) To adopt and implement nutrition interventions affecting pregnant mothers, school children, and the vulnerable
f) Strengthening community nursing for improved health services
g) Strengthening collaboration with private and other sectors that have an impact on health.
h) Completion and equipping of health facilities and renovating existing health facilities
i) Strengthening the county medical supply chain to ensure all health facilities have adequate supply of pharmaceutical and non-pharmaceutical products.

1.2.4. Provision of Quality Education and Training

Education is the ultimate means of ensuring an equitable society. As part of its economic turnaround and inclusive growth strategy, the government will facilitate impartation of the necessary skills and competencies to learners from pre-primary to the tertiary level. This will enable learners to effectively play their part in nation building.

The county will achieve this through:

a) Infrastructure development of learning and training institutions
b) Implementation of ECDE and polytechnic capitation programme
c) Implementation of the ECDE school-based feeding program
d) Provision of education support through bursaries and scholarships
e) Nurturing sport, talents and recreation activities within ECDE pupils.

1.2.5. Improving Business Environment

Urban areas are projected to grow fast given that about 66% of citizens are expected to be living in urban areas by 2050. To plan for this expected urban population, the county will invest resources in urban areas. The activities to be undertaken, include: preparation of spatial development master plans; improvement of market infrastructure; promote jua kali sheds, create green spaces in municipalities and town centres, paving of roads; installation of streetlights and floodlights; improvement of sanitation systems; installation of cabro pavements within the urban areas; improving public housing; and creating industrial parks.

1.2.6. Youth Empowerment

Youth empowerment is about facilitating the youth to forge partnerships with other groups in the society, instilling a sense of ownership in the effort to improve their wellbeing and build their capacity to realize their aspirations and boost self-motivation. Empowerment of youth is based on the belief that the youth are the best resource for promoting development and they are agents of change in meeting their own challenges and solving own problems. Involvement of the youth in planning, implementation, monitoring and evaluation of programmes in the County gives them a sense of belonging and ownership.

The county has prioritized implementation of Murang'a youth service policy 2023 to unlock maximum Youth productivity and harness the youth energy and creativity to spur the development of the county. The implementation entails engaging the selected youth in community service and training them on short courses i.e. plumbing, welding, hairdressing, painting and catering services.

2. RECENT NATIONAL AND COUNTY ECONOMIC DEVELOPMENT AND OUTLOOK

2.1. Overview

The country is affected by the global economic challenges arising from heightened geopolitical tensions such as the Russia-Ukraine conflict and the Israel-Palestinian war which are elevating global inflation and causing persistent supply chain disruptions. There is thus elevated global interest rates exacerbating debt servicing costs for the country. Nonetheless, Kenyan economy is demonstrating resilience.

2.2. National Economic Outlook

2.2.1. Global and Regional Economic Developments

According to the Budget Policy Statement (BPS) of 2024, In the year ending December 2023, Kenya's real GDP grew by 5.5% down from 5.6% realized in 2022. The growth was attributed to the rebound in agricultural activities which grew by an average of 7.0% in the first three quarters of 2023, in contrast to the trend in a similar period in 2022 where the economy contracted by 1.8%.

All economic sectors posted positive growth rates though of different degrees. These include the primary industry, the secondary and the tertiary industry. The improved weather conditions and, fertilizer and seed subsidies given to farmers by the government led to positive growth of 7% in the agriculture sector in the first three quarters of 2023. The services industry saw a robust growth of 6.2% while the manufacturing industry recorded a positive growth of 2.3% in the first three quarters of 2023 which was lower than that of a similar period previous year for which growth was 3.9% on average.

Most currencies in emerging market and frontier economies weakened against the U.S. Dollar, mainly due to the tightening of U.S. monetary policy. Inflation in advanced economies has continued to ease, reflecting the effects of monetary policy tightening and lower energy prices. Nevertheless, core inflationary pressures remained elevated.

Inflation had remained above the Government target range of 5±2.5 percent from June 2022 to June 2023. The Monetary Policy Committee (MPC) gradually raised the Central Bank Rate (CBR)) from 7.5% in May 2022 to 10.5% in June 2023 and further to 12.5% in December 2023.

Net Domestic Assets (NDA) registered a growth of 10.7% in the year to November 2023, compared to a growth of 14.6% over a similar period in 2022. The growth in NDA was mainly supported by an increase in domestic credit particularly resilient

private sector credit and net lending to government. Growth of domestic credit extended by the banking system to the Government declined to a growth of 14.4% in the year to November 2023 compared to a growth of 15.2% in the year to November 2022.

Gross Public debt rose to 11.1397 trillion as at 31st December 2023 compared to 9.2 trillion as at the end December 2022. The increase in the public debt is attributed to external loan disbursements, exchange rate fluctuations; and uptake of domestic debt during the period. The fiscal policy continues to preserve debt sustainability. This will be achieved through enhancing revenue collection and curtailing non-core expenditures while prioritizing high impact social and investment expenditure.

2.1.2 Domestic Economic Developments

The Kenyan economy has demonstrated resilience in the face of challenging global and regional conditions. In the first three quarters of 2023, the economy grew at an average rate of 5.6% (5.5% Q1, 5.5% Q2, and 5.9% Q3), well above the global and Sub-Saharan African (SSA) averages. This growth was primarily driven by a rebound in agricultural activities, which grew by an average of 7.0% in the first three quarters of 2023 compared to a contraction of 1.8% during the same period in 2022. All economic sectors recorded positive growth rates in the first three quarters of year 2023, though the magnitudes varied across activities.

During the first three quarters of 2023, the agricultural sector experienced a robust recovery due to favourable weather conditions and government-provided fertilizer and seed subsidies for farmers. This growth is evident with an expansion rate of 6.1% in Q1, 8.2% in Q2, and 6.7% in Q3. The increased productivity resulted from higher output of food crops, which contributed significantly to export gains in tea, coffee, vegetables, and fruits. Conversely, there were declines in the production of cut flowers and sugarcane over this timeframe.

Throughout the initial three quarters of 2023, the services sector maintained a steady pace of growth at an average of 6.2%, with specific figures being 5.9% in Q1, 5.9% in Q2, and 6.9% in Q3. Key drivers behind this growth include information and communication technology (ICT) advancements such as rising wireless internet and fiber-to-the-home subscriptions; expansions within wholesale and retail trade; recovering tourism leading to growth in accommodation and food services; strengthened private sector credit growth, increased yields on investments, and returns on deposits by commercial banks in the financial and insurance sectors; and lastly, support from the ongoing expansion of the construction industry for the real estate segment.

Over the course of the first three quarters of 2023, the industrial sector demonstrated positive growth despite not reaching the same levels seen in the previous year's corresponding periods. Specifically, the sector grew by 2.4% in Q1, 1.7% in Q2, and 2.9% in Q3, while it had expanded by 4.4%, 4.2%, and 3.0% in the respective quarters of 2022. Supporting factors included heightened activity in the construction sector, evidenced through increased cement consumption and import volumes of bitumen, iron, and steel. On the other hand, the manufacturing sector faced challenges, particularly in the form of decreased production of food items like sugar and non-food goods. Additionally, the electricity sub-sector saw slower progress owing to reduced generation across various energy sources apart from geothermal.

Overall, the Kenyan economy has demonstrated resilience in the face of challenging global and regional conditions, with growth in the agriculture, services, and industrial sectors contributing to the country's economic performance in the first three quarters of 2023.

2.1.3 Inflation Rate

Inflation in Kenya has remained above the Government's target range of 5±2.5% since June 2022, primarily due to food and fuel inflation. To address this, the Monetary Policy Committee (MPC) has raised the policy rate (Central Bank Rate (CBR)) from 7.50% in May 2022 to 10.50% in June 2023 and further to 12.50% in December 2023. This tightening of monetary policy aimed to anchor inflation expectations, address pressures on the exchange rate, and mitigate second-round effects, including from global prices.

The policy action, complemented by government interventions and favourable weather conditions, has led to a gradual decline in inflation, which eased to 6.6% in December 2023 from a peak of 9.6% in October 2022. However, inflation has remained sticky in the upper bound of the government's target range since July 2023, due to relatively higher energy prices.

Food inflation, the dominant driver of overall inflation, declined to 7.7% in December 2023 from a peak of 15.8% in October 2022. This was supported by a general decline in international food prices, government interventions such as zero-rating of select food commodities, and improved weather conditions that enhanced the production of fast-growing food items, moderating their prices. However, sugar prices remained elevated due to domestic and global factors.

Fuel inflation declined to 13.7% in December 2023 from 15.5% in November 2023, driven by a downward adjustment in pump prices by the Energy and Petroleum Regulatory Authority (EPRA). However, fuel inflation has remained elevated, reflecting the impact of higher international oil prices, depreciation in the shilling exchange rate,

and gradual withdrawal of the fuel subsidy from September 2022. Additionally, the upward adjustment of electricity tariffs from April 2023 and the upward adjustment of VAT on petroleum products in July 2023 from 8.0% to 16.0% to eliminate tax credits from the sector exacted upward pressures on prices. Nevertheless, prices of cooking gas continued to decline, moderating inflation, reflecting the impact of the zero-rating of VAT on liquefied petroleum gas (LPG).

Core (non-food non-fuel) inflation remained stable at 3.4% in December 2023, from a peak of 4.4% in March 2023. The decline is attributed to the tight monetary policy and muted demand pressures.

In summary, while inflation in Kenya has remained above the government's target range, the tightening of monetary policy and government interventions have contributed to a gradual decline in inflation. However, energy prices, particularly fuel and sugar, continue to exert upward pressure on inflation. The Central Bank of Kenya (CBK) will continue to monitor inflation developments and adjust monetary policy accordingly to ensure that inflation returns to the target range.
 (CBK) will continue to monitor inflation developments and adjust monetary policy accordingly to ensure that inflation returns to the target range.

2.1.4 Kenya Shilling Exchange Rate

Capital inflows declined from Ksh 21.5 billion in 2021 to Ksh 16.5 billion in 2022, thereby dragging the financing of the current account deficit and foreign reserve accumulation. Regarding financing of the current account, inflows to the financial account decreased from Ksh 644.1 billion to Ksh 494.8 billion. The reduction in external financial inflows accompanied by the servicing of external debt resulted into a draw down in reserve assets which as of the end of December 2022 stood at 4.4 months of imports coverage Rises and falls in imports coverage have always coincided with increased receipts of foreign reserves in terms of loans from the IMF.

Concurrently, the main foreign earning activities have been on the decline, save for diaspora remittances which are resilient. With the exchange rate rapidly depreciating and government meeting its external sector obligations, pressure on international reserves will continue. At the end of March 2023 reserves stood at 3.9 months of import cover.

The Kenyan Shilling depreciated against all major international trading currencies in the third quarter of 2023 compared to the corresponding quarter in 2022. On average, the Kenyan Shilling ceded ground against the Euro, Pound Sterling, US Dollar and Japanese Yen by 30.3 per cent, 29.7 per cent, 20.6 per cent, and 15.3 per cent, respectively. The local currency also notably depreciated against South African Rand, Tanzania Shilling and Uganda Shilling (Figure 2.1).
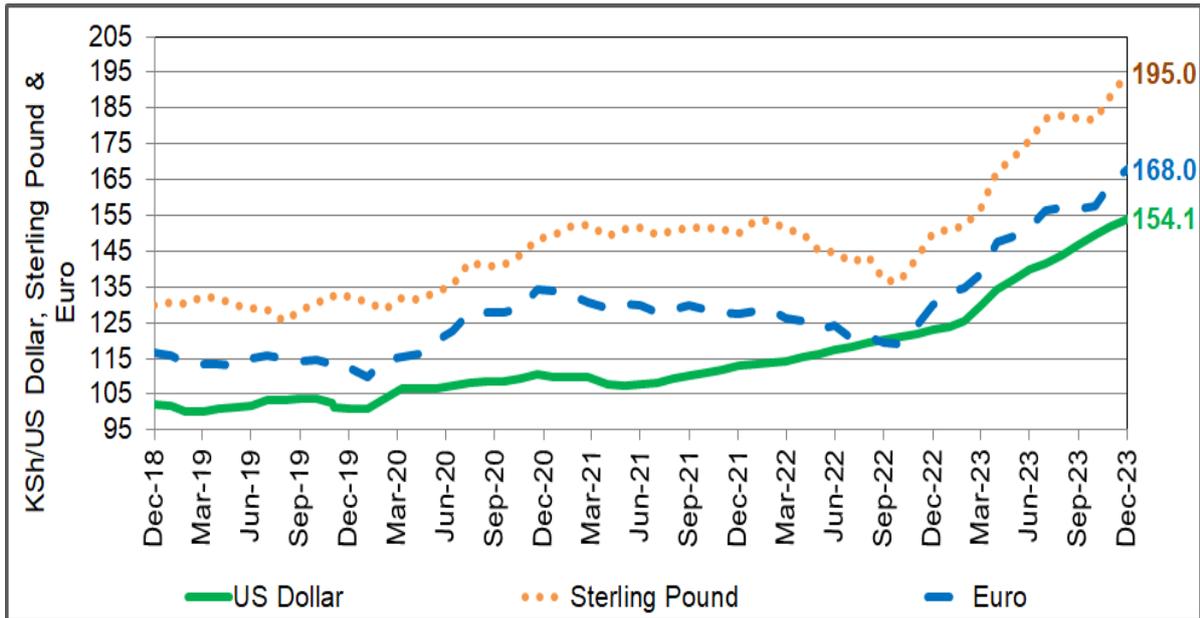
Figure 2.1: Kenya Shilling Exchange Rate

Source of Data: Central Bank of Kenya

2.1.5 Interest Rates

The Central Bank of Kenya tightened monetary policy stance in 2022 to rein in inflationary pressures. Tightening began in May 2022 following the hike in global commodity prices, disruptive economic effects of the Russia -Ukraine war and domestic food shortages due to prolonged dry weather. The Central Bank Rate was raised from 7.0 percent in April 2022 to 8.75 percent in November 2022 and maintaining it at that level thereafter. However, the CBK increased the Central Bank Rate from 8.75 in February 2023 to 9.5 per cent in March 2023 in response to sustained Inflationary pressures and elevated global risks. Short-term interest rates increased in December 2023, partly reflecting the tight monetary policy stance and liquidity conditions in the money market.

The interbank rate increased to 11.7 percent in December 2023 compared to 5.4 percent in December 2022 while the 91-day Treasury Bills rate increased to 15.8 percent compared to 9.3 percent over the same period. The introduction of the interest rate corridor around the CBR (set at CBR± 250 basis points by the MPC in August 2023) has aligned the interbank weighted average rate to the Central Bank Rate and thereby improving the transmission of the monetary policy. Commercial banks average lending and deposit rates increased in the year to October 2023 in tandem with the tightening of the monetary policy stance. The average lending rate increased to 14.2 percent in October 2023 from 12.4 percent in October 2022 while the average deposit rate increased to 9.1 percent from 7.0 percent over the same period. Consequently, the

average interest rate spread declined to 5.1 percent in October 2023 from 5.4 percent in October 2022.
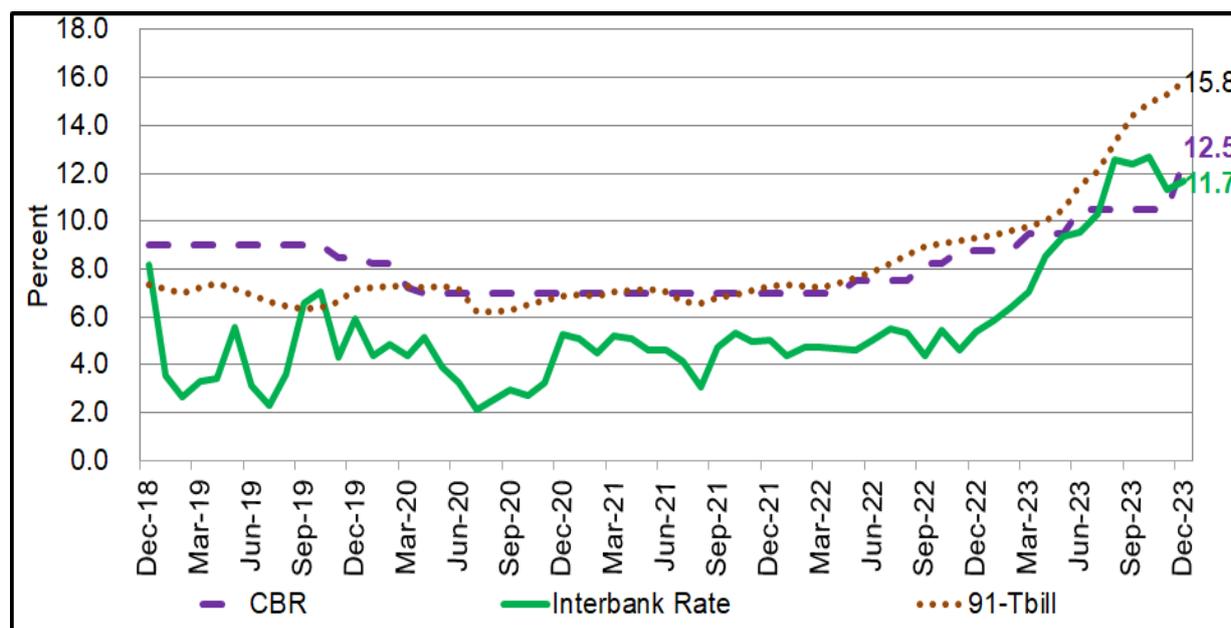
Figure 2.2: Interest Rates

Source of Data: Central Bank of Kenya

2.1.6 Money and Credit

Broad money supply, M3, grew by 21.1 percent in the year to November 2023 compared to a growth of 5.3 percent in the year to November 2022. The primary source of the increase in M3 was an improvement in the Net Foreign Assets (NFA) of the banking system and resilient domestic credit. The increase in NFA mainly reflected the improvement in commercial banks' foreign assets.

Net Domestic Assets (NDA) registered a growth of 10.7 percent in the year to November 2023, compared to a growth of 14.6 percent over a similar period in 2022. The growth in NDA was mainly supported by an increase in domestic credit particularly resilient private sector credit and net lending to government. Growth of domestic credit extended by the banking system to the Government declined to a growth of 14.4 percent in the year to November 2023 compared to a growth of 15.2 percent in the year to November 2022.

2.1.7 Private Sector Credit

Growth in private sector credit from the banking system remained resilient partly reflecting improving business conditions and demand for working capital. Credit advanced to the private sector grew by 13.2 percent in the year to November 2023 compared to a growth of 12.5 percent in the year to November 2022. Strong credit growth was observed in finance and insurance, agriculture, transport and communications and manufacturing. Growth in private sector credit is expected to

remain relatively stable, supported by, among other factors, resilient economic activity, and the implementation of the Credit Guarantee Scheme for the vulnerable MSMEs.

2.1.8 Nairobi Securities Exchange (NSE)

Activity in the capital markets slowed down in December 2023 compared to December 2022 as advanced economies tightened their monetary policy amid inflationary pressures. The NSE 20 Share Index declined to 1,509 points in December 2023 compared to 1,676 points in December 2022 while Market capitalization declined to Kshs 1,432 billion from Kshs 1,986 billion over the same period.
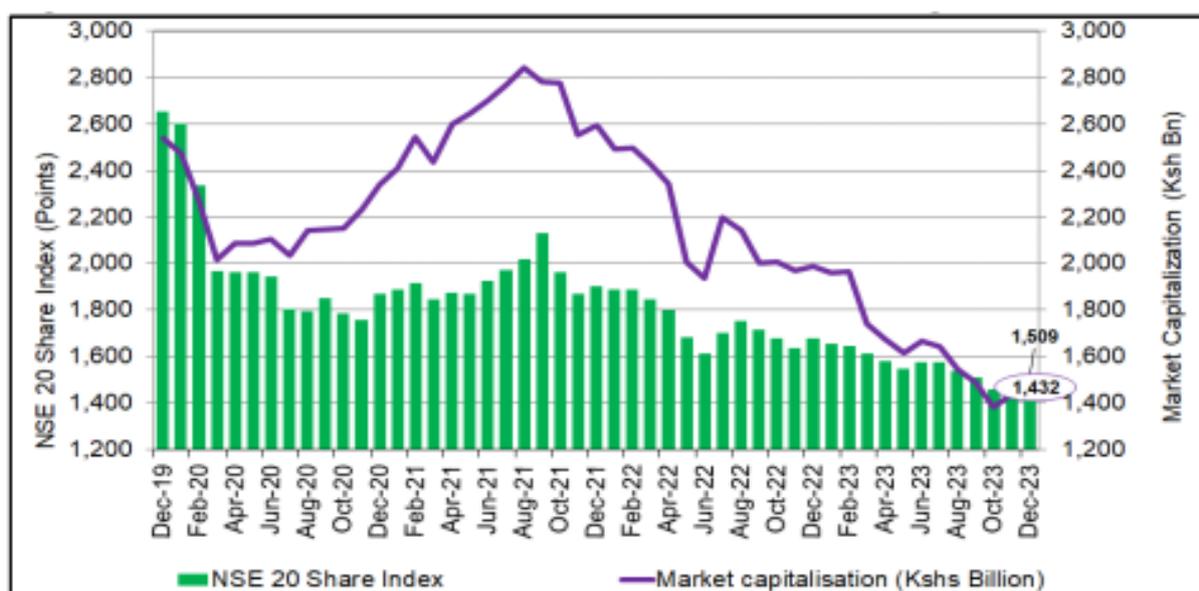
Figure 2.3: Performance of the Nairobi Securities Exchange

Source of Data: Nairobi Securities Exchange

2.1.9 Foreign Exchange Reserves

The banking system's foreign exchange holdings remained strong at USD 14,211.1 million in November 2023, an improvement from USD 12,084.7 million in November 2022. The official foreign exchange reserves held by the Central 39 2024 Budget Policy Statement Bank stood at USD 7,397.6 million compared to USD 7,969.5 million over the same period (Figure 2.4). Commercial banks holdings improved to USD 6,813.5 million in November 2023 from USD 4,115.2 million in November 2022.

The official reserves held by the Central Bank in November 2023 represented 4.0 months of import cover as compared to the 3.9 months of import cover in November 2022. It, however, fulfilled the requirement to maintain it at a minimum of 4.0 months of imports cover to provide adequate buffer against short-term shocks in the foreign exchange market.
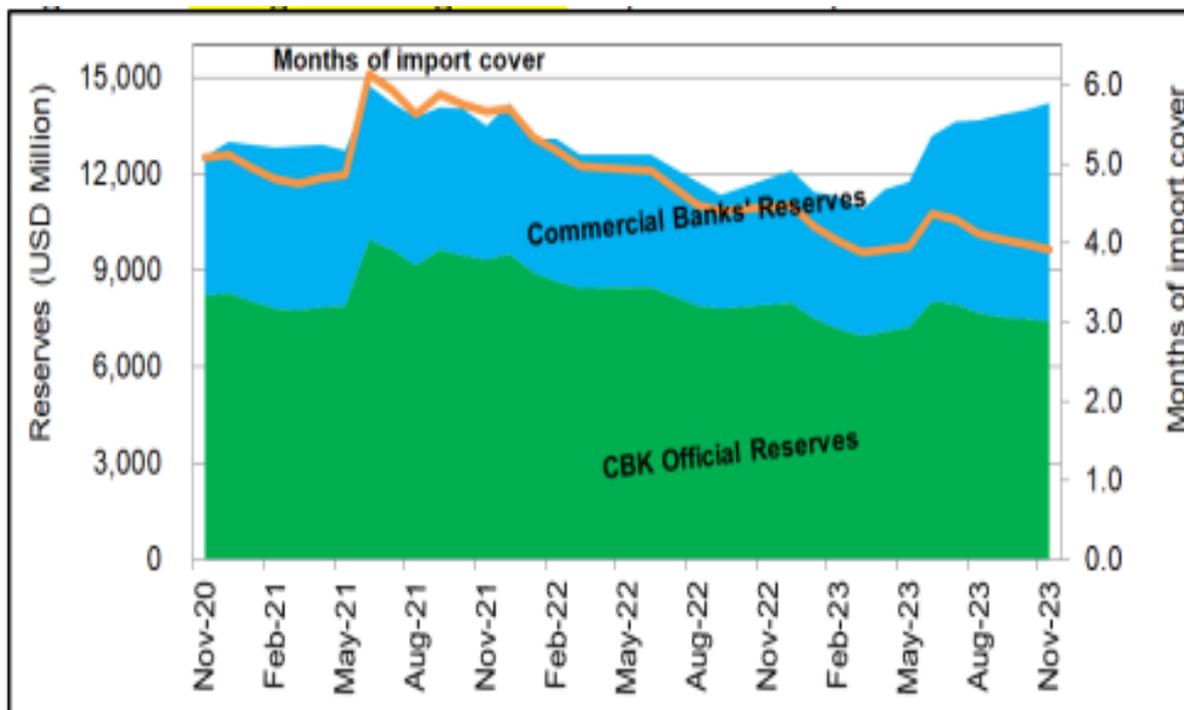
Figure 2.4: Foreign Exchange Reserves (USD Million)

Source of Data: Central Bank of Kenya

2.2 County Economic Developments

This part covers the county economic development including contribution of the counties to the National Gross Domestic Product.

2.2.1 Gross County Product (GCP)

Gross County Product (GCP) is a disaggregation of the Gross Domestic Product (GDP) by County and shows how much the county contributes to the national economy. The GCP is conceptually equivalent to the county share of GDFP and plays an essential role in formulating, implementing and evaluating policies. It also shows how each economic activity (sector) contributes to the economy of the county.

According to KNBS' Gross County Product Report of 2023, the County's GDP was estimated at KES 247.592 billion, which was 2.015 per cent of the national GDP in 2022 (KES 12.285 trillion). The average GCP contribution of the county to the National GDP in current prices is estimated at 2.0% in the five-year period. Agriculture, Forestry and Fishing had the highest contribution to the county's GDP by 115 billion, transport and storage had a contribution of 23.99 billion while construction had a contribution of 16 billion.
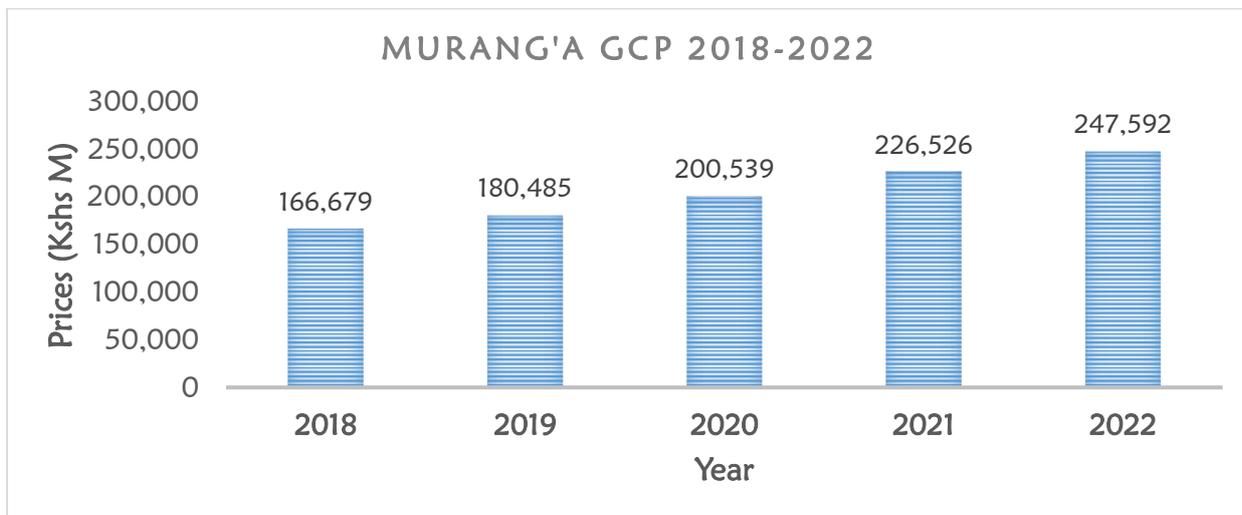
Figure 2.5: Murang'a Gross County Product (GCP) 2018-2022

Source: Gross County Product Report, 2023

2.2.2. Comparison of GCP of Central Region Economic Bloc Counties

The Central Regional Economic Block counties include: Embu, Kiambu, Kirinyaga, Laikipia, Meru, Murang'a, Nakuru, Nyandarua, Nyeri and Tharaka Nithi. The increase in GCP from 2018 to 2023 was principally attributed to increased agricultural production, accelerated sustained growth in transportation and vibrant service sector activities. The average GCP across all Counties was approximately 296.458 billion. Figure 4 compares the GCP of the Central Region Economic Bloc Counties.
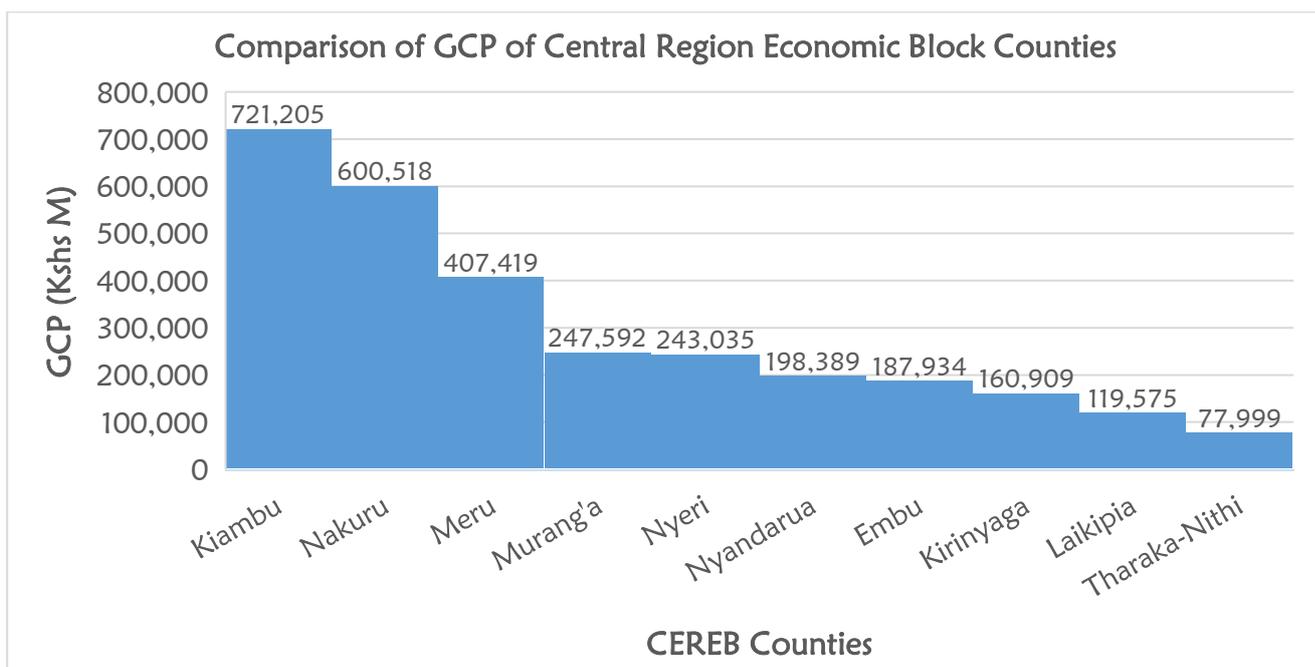
Figure 2.6: GCP Contribution of CEREB Counties

2.2.3. Contribution of Main Sectors to National Sector GDPs

Among all the sectors, agriculture, forestry and fishing contributed the highest to the GCP and also towards the National GDP by Kshs 115.79 billion. The sectors that had significant contribution to the GCP also included transport and storage, construction, public administration and defense, real estate and education.
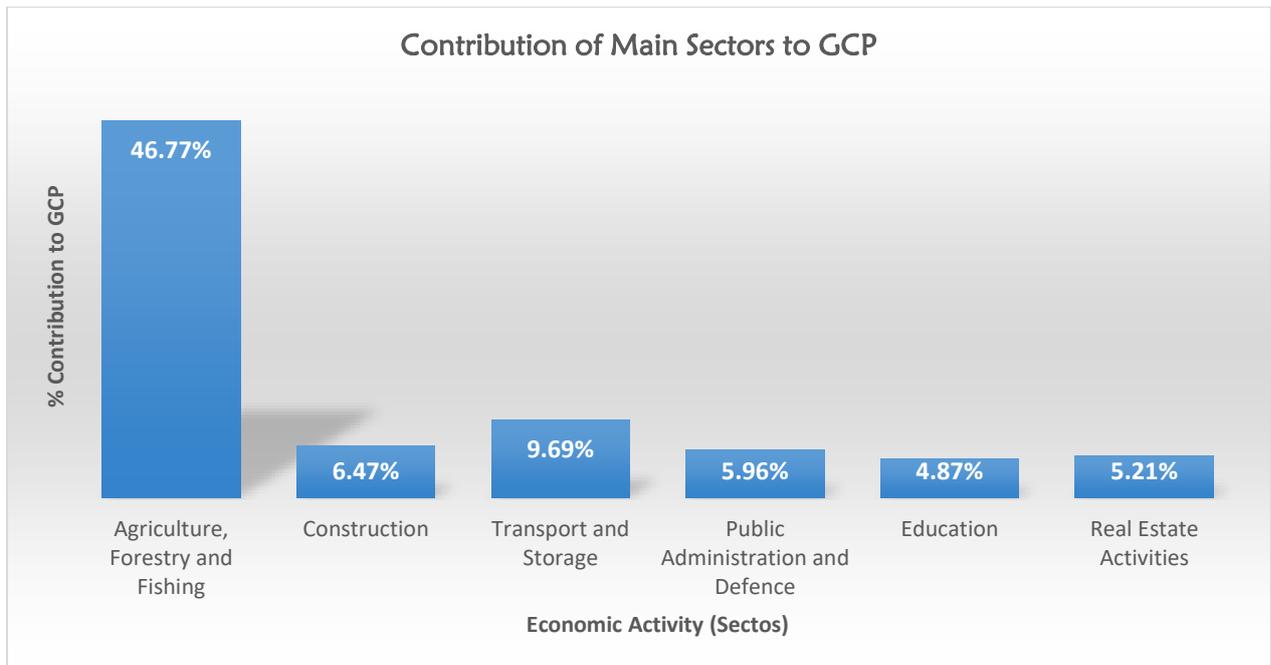
Figure 2.7: Sector Contributions to National Sector GDPs

Source: Gross County Product Report, 2023

3. PERFORMANCE FOR THE FISCAL PERIOD 2022/2023

3.1. Fiscal Performance

The County Government had prepared a balanced budget of KShs. 9,619,783,603. This was later revised to KShs. 9,803,879,955 to incorporate donor grants that had been left out due to delay in the approval of County Governments additional allocation act 2022, included Finance for Locally led Climate action (FLLoCA) and incorporation of the Government manifesto "Bottom-Up Economic Transformation Agenda (BETA)". The supplementary did not affect the medium-term expenditure framework nor the financial objectives that had been outlined in the County Fiscal Strategy Paper for that period.

3.1.1. Overview of Previous Year's Budget

In the financial year 2022/2023, Murang'a County had a total budget of KShs. 9,803,879,955. The County Executive's share of this budget was KShs. 8,826,879,954 while the County Assembly's share was KShs. 977,000,000. The county's revenue sources included: national government and Equitable share, conditional grants from donors and own source revenue. Expenditure was allocated across the all sectors in the county as per the county strategic priorities in line with the ADP 2022/2023 (Table 3.1).

Table 3.1: Summary of Budget for the year 2022/2023;

FY 2022/2023			
CATEGORY	County Executive	County assembly	Total
Recurrent Budget	5,934,822,387	927,000,000	6,861,822,387
Development Budget	2,892,057,567	50,000,000	2,942,057,567
Total	8,826,879,954	977,000,000	9,803,879,954

3.1.2. Revenue Performance in the Previous Year

Murang'a County's total revenue for the previous financial year(2022-2023) was KShs. 9,163,445,468 which was 93% of the budgeted amount of KShs. 9,803,879,954. This was caused by underperformance of own source revenue, donor funds that did not materialise and late release of equitable share. This was an improvement from the year 2021/2022 which was 78.3% of the budgeted amount.

3.1.3. Expenditure Performance in the Previous Year

Total expenditure for the previous year was KES **8,470,336,885.81**, which was **86%** of the budgeted amount of KES **9,803,879,954.60**. Out of the total expenditure, the County executive spent KShs. 7,585,930,978 and the County Assembly spent KShs.

884,405,907.75 Development expenditure was at KShs. 2,037,799,896 while Recurrent expenditure was KShs. 6,432,536,989.

The departments with the highest absorption rate were Roads, Housing and Infrastructure at 96%, Education at 94 %, Health at 91 % and Agriculture at 88%. Overall, the county underspent KShs. **693,108,583** due to delays in disbursement.

3.1.4. Cash Flow and Liquidity Position in the Previous Year

The county faced cash flow difficulties in the previous year due to delayed disbursement of funds from the national government and low performance of own source revenue streams. To address this challenge, the County Government is seeking to enhance and optimise on collection of own source revenue such as automation of revenue collection and capacity building.

3.1.5. Overview of Current Year's Budget

For the current financial year, Murang'a County has a total budget of KES 10,408,366,046. Revenue sources include: Own source revenue, conditional grants from the national government, and transfers from the Equalization Fund. Expenditure was allocated across the all sectors in the county as per the county strategic priorities in line with the ADP 2023/2024.

3.1.6. Projected Revenue Performance for the Current Year

The County's total budgeted revenue for the year 2023/24 is KShs. 10,408,366,046. Within the 1st half of the year the County has realized revenue of KShs. 3,363,154,600. This is approximately 32.3% of the budgeted revenue. Going by past historical performance the County realises most of its revenue in the second half of the year. As such, the County will likely realize its budgeted revenue within the remaining period of the year.

3.1.7. Projected Expenditure Performance for the Current Year

Total expenditure for the current financial year is projected to be KShs. 10,408,366,046. The county's priorities for expenditure include completion of ongoing infrastructure projects, enhance marketing of agricultural produce to ensure minimum guaranteed returns, improvement of health services, and promotion of agricultural development. The county has managed to expend KES 3,363,154,600 with recurrent absorbing KShs. 2.71Bn while development spent is 308M. Further commitments of approximately KShs. 2Bn in development budget have been done and project implementation is in progress.

As such, implementation and therefore absorption of the budget 2023/2024 is on course and will improve from 86% for the year 2022/2023 to above 90%.

3.1.8. Overall Assessment of Fiscal Performance and Outlook

The County Government revised downwards, its estimates for the period 2023/2024, in order to set an achievable own source revenue target. Equally, the challenges of accessing county additional allocation funds that affected their release in the first half of the financial year, have been resolved. As such, implementation of the budget for the current year is on the right course and there are no further lurking challenges.

3.2. Analysis of County Revenue

3.2.1. Analysis Of County Revenue Sources for FY 2022/2023 – 2023/24

The county budget for the financial year 2023/2024 was KES 10, 408,366,046 an increase of 17.8% from the previous financial year 2022/2023. The county has not yet received any grants in the current financial year 2023/2024 due to lack of an intergovernmental conditional allocation transfer agreement (ICATA) between the national treasury and county government. However, the agreement was prepared and presented in the county assembly now awaiting approval. The realised own source revenue for the current financial half year 2023/2024 is 26.47% of the budgeted own source revenue as per Table 3.2.

Table 3.2: Analysis of County Revenue Sources for FY 2022/2023 – 2023/24

Revenue Source	2022/2023	2023/2024 Budget	2023/24 Actual Half Year
Equitable Share	7,560,655,855.00	8,158,183,522.00	3,068,032,391
Grants	337,131,194.00	1,135,182,524	
Own Source Revenue	658,166,964.80	1,115,000,000	354,164,119
Total	8,555,954,013.80	10,408,366,046	3,422,196,510.00

* Equitable share includes balances brought forward.

3.2.2. County Own Source Revenue for Financial Year 2022/2023 And Half Financial 2023/2024

Generally, the county has improved in collection of its own source revenue by 40.56% from previous 1st half of the financial year 2022/2023 and 2023/2024. This is mainly due to automation and continuous enforcement of revenue collection. Top revenue streams more than doubled in collection such as, Hospitals by 55.91% and license by 65.5%. Detailed own source revenue for all streams is per the Table 3.3:

Table 3.3: Analysis of County Own Source Revenue for Financial Year 2022/2023 and Half Financial 2023/2024

OWN SOURCES REVENUE	FINANCIAL YEAR 2022/2023 (Actual)	HALF YEAR 2022/2023 (Actual)	HALF YEAR 2023/2024 (Actual)
LICENCES	214,814,773.06	6,383,853.06	18,527,533.00
LAND RATE	50,447,179	6,275,209.62	
OTHER CESS REVENUE	32,644,395	22,081,821.46	3,434,140.00
HOUSE RENT/STALL/HALL	2,757,556.19	1,525,396.19	1,443,659.00
BUS PARK FEE	29,971,067	14,629,516.74	17,836,250.00
PARKING FEE	15,908,355	5,942,377.77	9,545,200.00
BARTER MARKET FEE	35,172,310	19,473,211.48	21,002,248.00
PLAN APPROVAL	20,387,791	9,285,680.55	
SELF HELP GROUP	636,214	326,295.05	406,310.00
MORG. FEE	861,328	575,547.53	
SUB DIVISION/TRANSFER	3,858,376	3,603,776.31	
LIQUOR	54,707,214	1,803,111.91	15,236,700.00
MOTOR BIKES	1,041,139	45,119.24	1,612,900.00
SLAUGHTER	1,493,411	1,452,310.85	
BULDG MTS & OTHER CESS	40,059,246	15,204,623.78	34,033,988.00
ADVERTISEMENT	4,293,552	3,356,301.80	3,020,587.00
EDUCATION & POLY	5,350.00	5,350.00	
OTHER LAND BASED R/NUE	17,029,689	827,451.34	3,169,986.00
SALE OF FORMS	471,066.00	408,636.38	
CONSERVANCY	1,117,107.00	551,157.35	
IMPOUNDING FEES	1,446,449.00	317,342.14	1,750,440.00
PENALTIES	1,788,639.00	1,296,018.02	
FIRE FIGHTING	772,003.00	621,002.75	54,500.00
LAND HSG & PHY. PLANNING	2,577,113.00	1,893,317.51	43,772,435.00
MARAIRA FARM	58,497.00	58,497.00	23,780.00
COOPERATIVES (AUDIT)	126,111	49,810.56	14,900.00
LIVESTOCK (A.I)	147,169.00	103,526.71	0.00
MEAT INSPECTION	7,380,070.00	6,107,140.28	
VET. CLINICAL SERVI	10,197,776.00	417,110.00	10,834,980.00
HOSPITALS /H.C	123,750,039.00	47,492,501.99	166,752,223
PUBLIC HEALTH	5,959,574	3,131,948.77	1,690,160.00
WEIGHT & MEASURES	429,615	168,914.65	1,200.00
TOTAL	682,310,169	175,413,878.81	354,164,119.00

3.3. Major Departmental Achievements for the Financial year 2022/2023
3.3.1. Public Administration and ICT
Human Resources
The department developed four draft policies, namely: Training Policy, Records Management Policy, Occupational Health and Safety Policy and Performance Management Policy. Public Service and Administration also developed a Draft Strategic Human Resource Plan and ten Departmental Structures and Staffing Plans. The Department was also able to provide a comprehensive NHIF Employee Medical Cover.

Public Service Board

a) Recruitment of two Board Members
b) Recruited 100% departmental staff requests
c) Staff performance Appraisal and Reports ready

Fire Service and Disaster Management
Fire Services and Disaster management section was able to conduct training on CBRN and Fire management course – Level 3, renovated the headquarter fire station, fire hydrant installation, repaired and serviced equipment, responded to all recorded emergencies, conducted public sensitization on safety. Also, the section acquired gym equipment and started a physical fitness program which is still underway.

Monitoring and Evaluation
The Department managed to review the M&E policy which is currently at the cabinet awaiting adoption. The department also managed to compile 1 quarterly County Progress Report on implementation of the Annual Development Plan, 1 bi-annual County Progress Report on implementation of the Annual Development Plan and 1 Annual 1 County Progress Report on implementation of the Annual Development Plan. The Department managed to conduct field project monitoring visits albeit with mobility challenges and also conducted training for 17 departmental M&E focal persons in the use of electronic county monitoring and evaluation system (e-CIMES) through the support of development partners.

Information Communication Technology
During the Plan Period, the Directorate steered the automation of County service (acquisition ICT equipment) and development of County Management information systems (the Revenue Management system and Fleet Management systems) for effective and efficient service delivery of the County.

3.3.2. Finance and Economic Planning
Provided support in planning, financing, monitoring and reporting to stakeholders.
The Sector achieved the following sub-sector specific milestones

Finance Directorate

During the Plan Period, the Directorate steered the planning, resource allocation and utilization to all the functions of the County

Budget Directorate

The directorate prepared the following key Budget Documents; Budget Circular, County Budget Review and Outlook Paper, County Fiscal Strategy Paper, Preparation of Quarterly budget implementation reports. Co-ordination of exchequer requests and Preparation of Budget Estimates.

Economic Planning Directorate

The Planning Directorate met the timelines in preparing and submission of requisite planning documents for the budget process which include: The County Annual Development Plan(ADP); the County Annual Progress Reports (C-APR); the Financial and Non-financial reports to the Office of the Controller of Budget (OCOB); Backstopped preparation of budget process policy documents which include County Budget Review Outlook Paper(CBROP), County Fiscal Strategy Paper(CFSP), and Budget estimates for financial year; provided technical support to other departments; and regularly updated the County statistical data.

3.3.3. Education and Vocational Training
ECDE Directorate

The ECDE Directorate highlight has been the ECDE feeding program, providing porridge to over 38,000 ECDE pupils, as it raised enrolment with notable increment in number of pupils transiting from our ECDEs to primary schools in the county. The Uji program employed 650 uji champions, 110 cooks and 60 boda boda rider who transport the porridge from centralized kitchens to various ECDE centres.

Access to ECDE education has been enhanced by free ECDE education enabled by the employment of ECDE teachers, provision of Training, Learning and playing materials and improved monitoring and assessment. The directorate has attained 99% transition of pre-school learners from ECDE to primary education; constructed 5 classrooms, renovated 1 ECDE centre with 2 classrooms, an office, 6 double toilets and a urinal. The department has incorporated CBC, DIGITAL learning and TAYARI Program activities in the ECDE learning centres through collaborations with EIDU an NGO working within the County. Murang'a County Education Scholarship Fund enhanced retention of secondary day students joining university, bright but needy secondary school students under Nyota Zetu, orphans and the best performing three students from public primary schools through provision of bursaries and scholarship to more than 1000 bright and needy students at cost of Kshs. 249 million.

Vocational Training

The Directorate of Vocational Training facilitated 65 VTCs to receive capitation from the national government; renovated and rehabilitated 36 VTCs to improve training environment; graduated more than 1700 trainee graduates, employed instructors to improve vocational training and established 5 new VTCs.

3.3.4. Youth, Sports, Culture and Social Services

Youth Development

Murang'a youth policy developed and implementation initiated, 20% of tenders awarded to youths against a target of 30%, 150 students given work skills experience against a target of 200, 500 youths sensitized against drugs and substance abuse and 700 riders trained and issued with licences.

Sports

350 football teams trained and participated in Football tournaments for Murang'a county Cup held at ward level, Cross country race for county youth athletics talent search conducted at Gakoigo and in Maragua for county level and intercounty at Kerugoya in Kirinyaga, 8th edition **KICOSCA** games attended in Kisumu. The department also initiated development of 2 stadia .

Culture

County music and cultural festival held where 350 artists participated in the Kenya music festivals at the county level and 200 artists participated in the National level. Documentation and digitization of Indigenous Knowledge and Traditional Cultural expressions and genetic resources undertaken where 5 heritage sites, 2 herbal products, 3 pottery assets and 2 culinary arts products were documented.

Social Services

One-day Sensitization for people with disability held at Kagundui-ini, Autistic equipment provided for children with autism at Kirwara hospital and distribution of assertive devices for PLWD to promote self-reliance.

3.3.5. Health and Sanitation Department

Infrastructure

The construction of a Kirwara Level 4 Hospital in Gatanga, with the inpatient building reaching an impressive 95% completion; an in-patient complex at Nyakianga Hospital, achieving an impressive 30% completion; Maragua Hospital Renovations and Wards Construction Successfully enhanced the outlook of Maragua Hospital and increased patient capacity with 30% completion; Renovation of MCRH (Murang'a County Referral Hospital) achieving 100%

completion and significantly improving the hospital's overall outlook and service delivery; New Casualty Block in MCRH at 20% completion in construction; Kandara Hospital Inpatient Block at 30% completion; Kangema hospital Renovations and Cabro installation completed; and Upgrading of Existing Health Facilities.

Curative and Rehabilitative Health Services Program

The General Outpatients services aimed for 1,035,861 attendances but exceeded expectations with 1,313,145, indicating a 26.8% increase in workload. In Reproductive health, skilled deliveries reached 70.3%, and clients completing the 4th ANC stood at 46.3%. However, the target for the percentage increase in family planning coverage was not met, recording 45.8%, attributed to Covid-19 service interruptions.

Inpatient services achieved the planned average length of stay of 5 days. Unfortunately, County mental health centres' improvement faced financial constraints, resulting in the non-achievement of the targeted number of mental outreach centres. Operative surgical services fell short of the target, operating on 60% of planned surgical cold cases. COVID-19 cases management exceeded expectations by testing 4,428 clients.

Preventive and Promotive Health Services Program

Efforts to eliminate communicable conditions yielded a 52.4% achievement in eligible HIV clients on ARVs and a 75% success rate in TB patients completing treatment. However, challenges in the supply chain affected the issuance of mosquito nets, covering 13,118 against the planned 19,597. The target of villages declared open defecation free (ODF) was surpassed, achieving 60% against the 50% plan. Control of non-communicable diseases saw a 7.8% achievement in new outpatients diagnosed with high blood pressure. Immunization services faced interruptions due to Covid-19, resulting in a shortfall in fully immunized children and Penta3 doses.

Efforts to reduce the burden of violence and injuries reported a 0.23% achievement in new outpatient cases attributed to road traffic accidents. Nutrition services demonstrated success in various areas, achieving targets related to breastfeeding initiation, exclusive breastfeeding, Vitamin A supplementation, deworming, and iron-folate supplementation for pregnant women. Public health and sanitation initiatives faced challenges, with 35% of households having functional toilets and 25.4% equipped with handwashing facilities. Community Health Services successfully recruited and trained 1,932 CHVs and CHVNs, achieving 966% of the planned target.

3.3.6. Trade, Tourism, Investment, Agribusiness and Cooperative Development
Trade and Investment
The Directorate spearheaded the collection and delivery of 607MTs of mangoes to sun mango and Kevian mango processors and reached 840 farmers at better prices per kilo.
Constructed 8 markets namely: Gitugi Market, Kambiti Market, Ichichi Market, Kihoya Market, Karuri Market, Mununga Market and Kandara Market. Additionally, held 4 trade exhibitions

in the financial year 2022/2023 Kalro exhibition, Mango launch mini expo, Bursary Day mini-Expo, Kimorori Exhibition. The weights and measures program calibrated over a thousand machines in the 7 sub-counties.

Industrialization

The Directorate identified land for the establishment of a County Aggregated Industrial Park (CAIPs)in partnership between Murang'a County Government and the National Government.

Tourism

The sub sector identified and mapped the following six heritage and cultural centres: Mukurwe wa Nyagathanga, Fort Hall Residence, Wangu wa Makeri Homestead, Paramount Chief Karuri wa Gakure Homestead, Tuthu Religious Shrine and Mau Caves. From these, Mukurwe wa Nyagathanga, Karuri wa Gakure and Wangu wa Makeri Homesteads have been gazetted as heritage sites by the National Museums of Kenya.

Cooperative Development

The Directorate registered the Lower Murang'a Co-operative Society with over 800 members from the mango growing region. Held 79 capacity building trainings; Adoption of new technology in coffee drying in Societies such as Kamacharia and Kaganda. Held 27 sensitization workshops across the County, 163 co-operative elections and 197 AGM's.

Cooperative Audit

The Audit Section, 92 audits were undertaken throughout the county; and successfully carried out 16 inspections. The team was able to raise Ksh. 661, 240 through these activities.

3.3.7. Water, Irrigation, Environment and Natural Resources

Environment and Natural Resources

The directorate supervised the construction of sanitary landfill at Gikono in 50 acres' land, constructed of 50 waste collection chambers across the county that has been achieved through public private partnership and procured a waste collection truck for garbage collection. Plant over 200,000 tree seedlings in schools and various public sites across the county, over 10 kms of riparian areas has also been protected.

Water and Sewerage Directorate

The department was able to drill and equip nine boreholes producing an additional 135,000 litres. This amount enabled the department to supply a total 3,800 new households with domestic water. Currently, 216,712 households out of 318,105 households in the county, which represented 68 percent coverage in domestic water supply courtesy of interventions done by the County Government through the department of water services. The institutions that benefited include three primary schools, a coffee factory, a hospital and ECD centres

Irrigation Directorate

The department was able to train 12 irrigation groups and held 10 stakeholders' forums through the community initiatives. Through farmers own contribution, the department was able to convey irrigation water to their farms to enable farmers to undertake intensive horticultural farming.

3.3.8. Lands Physical Planning and Urban Development

The Sector achieved the following sub-sector specific milestones;

Lands, Physical Planning and Urban Development

The department established and operationalized the Murang'a Municipality, an agency of Murang'a County Government, created under Section 9(3) of the Urban Areas and Cities Act, 2011. The Municipality was awarded a Charter in 2019 vide gazette notice no. 11 of 3rd December 2019. Further, the functions were transferred vide gazette notice No. 10189 of 4th December 2020. The department also facilitated the preparation of the County Spatial Plan; Integrated Strategic Urban Development Plans for Kangari, Maragua, Kenol, Murang'a and A2 Corridor; succession program; titling: 10 freehold Titles and 100 Mjini Land Letters of Allotment; 80 boundary disputes were resolved; 100KM of access roads were opened up; 24 Part Development Plans (PDPs) prepared; and draft Delmonte master plan initiated.

Murang'a Municipality

The following roads were upgraded to bitumen standards: Amica Bank Building Access Road, JCT Brewery Depot – JCT Murang'a High School Link Road, JCT Road Behind Magunas Supermarket – JCT Magunas Whole Sale Road, NMT Walkway from JCT Kiria-ini Road – Lands Offices, JCT Mentor SACCO Building – KPLC Offices, and parking bays within the CBD; and sensitized stakeholders on cross-cutting issues, including HIV-AIDS, disaster preparedness and management as well as gender roles and responsibilities in public development.

3.3.9. Roads, Housing and Infrastructure

In the financial year 2022/2023, the department renovated and constructed 139 ECDE Centres, tarmacked 4.8kms of roads in major shopping centres in the seven sub counties within Murang'a County, supplied and installed 3200 square metres of cabros in market centres, constructed and renovated 4 dispensaries, supplied and installed 11.5km of domestic water pipes serving approx. 56 households. The department also constructed 4 footbridges, supplied and installed 120 culverts.

3.3.10. Agriculture, Livestock and Fisheries

The department, together with the Trade and Cooperatives spearheaded the collection and delivery of 607MTs of mangoes to sun mango and Kevian mango processors and reached 840 farmers at better prices per kilo. Cconducted 1050 trainings on mango management practices/post-harvest management practices, conducted 89 farmers reached trainings on avocado management practices/post-harvest management practices reaching 738 farmers, conducted trainings on 136 Banana groups and 12 macadamia groups on management practices/post-harvest management practices reaching 734 farmers and trained 8005 farmers on agronomy. 78 demos were conducted on good agricultural practices, ssensitized 2000 farmers on climate change and train on climate smart agriculture, trained 342 youths on coffee spraying and pruning and also made one County fertilizer register for farmers and 172,000 farmers were registered in collaboration with Ministry of internal security. The Dairy subsidy programmes was implemented reaching almost 19,000 farmers and 32,006 farmers were visited by veterinary extension services officers

3.4. Risks to the Economic Outlook

The 2023-2024 outlook is susceptible to risks that can disrupt implementation. These risks include the following:

a) Delayed disbursement of equitable share that has the potential of raising county's pending bills.
b) Unresolved pending bills claims, which could affect the implementation of programmes.
c) The persistent drought being experienced may cause change in County priorities

d) The unstable macroeconomic conditions of high inflation, declining and volatile currency, and rising interest rates have the potential to run countercyclical to the objectives of the County Government of ensuring economic empowerment of its citizenry.
e) While the Covid pandemic is currently under control, future possible resurgence may cause disruption of economic activities.

The County will remain alert to any of these risks and put adequate mitigation measures.

4. MEDIUM TERM EXPENDITURE FRAMEWORK 2024/25 – 2026/27

4.1. Overview

The County Government will continue implementation of the approved CIDP 2022-2027. The programmes under consideration for the financial year 2024/2025 were incorporated in the Annual Development Plan. This was achieved through consultative engagement that involved the general public and stakeholders from various interest groups.

4.2. Analysis of County Revenue Sources

In the Financial year 2022/2023, the county realized 86% of its total budgeted revenue. Equitable share realized was 96% of the budgeted amount and as such had the highest achievement, 75% of conditional grants budgeted were realised while own source revenue realised 43% of the total budgeted amount.

The highest percentage of Equitable share and conditional grants was realised in the last quarter of the financial year approximately 37% of the budgeted amount. This was caused by delay in release of equitable share.

The performance of own source revenue and conditional grants recorded improvement from the previous financial year's performance. This is because the County realized 35% of its budgeted own source revenue and 32% of its budgeted conditional grants in the financial year 2022/2023. The improvement in absorption arose from robust revenue collection framework as a result of automation, while for conditional grants, it was due to adherence to the laid down requirements as per the various donor requirements.

Below is a table indicating performance of the County's broad revenue categories for the year 2022-2023:

Table 4.1: Broad Revenue Categories for the Year 2022/2023

Revenue Source	Budget	Actual	Achievement (%)
Equitable Share of Revenue	7,560,655,855	7,253,974,871	96
Own Source Revenue	1,500,000,000	658,166,964	43
Conditional Grants	743,224,100	558,195,051	75
Total	9,803,879,955	8,470,336,886	86

4.3. County Revenue Projections for the Framework 2024/25 – 2026/27

The National Government has proposed to allocate Counties Shareable Revenue at KShs. 391.1171Bn for the year 2024/2025 compared to KShs. 385.424Bn in the year 2023/2024. This is an increase of 1.5% year on year. In addition, the National Government has allocated to County Governments an additional KShs. 54.7Bn as conditional and unconditional grants. KShs. 19.06Bn will be financed from the National Government's share of revenue and KShs. 35.658Bn will be from loans and grants from development partners. In the year 2024/2025 the County Government will receive KShs. 7.582Bn as Equitable share up from KShs. 7.474Bn in the current year 2023/24, an increase of 1.45%.

The County Government will benefit from conditional grants which include Road Maintenance Fuel levy, County Aggregated Industrial Parks, and Conditional allocation for Community Health Promoters. These grants shall be funded from the National Government's share of revenue of KShs. 19.6Bn.

In addition to the above grants, the County will benefit from loans and grants from development partners. These grants will include; National value chain Development Program, Financing locally led climate action (FLLoCA), Primary health care in Devolved context program (DANIDA), Kenya urban support program – Urban institution grant (UIG), and Nutrition international. The final amounts the County shall receive shall be outlined in the County Allocation of Revenue Act 2024, the County Governments Additional Allocations Act 2024 and shall be subject to fulfilment of the conditions set by the respective donors. The County shall ensure it fulfils the conditions set in order to ensure that it receives the allocated grant.

In the medium term, the county revenues are projected as per the table 4.2 below.

Table 4.2 Projected Revenue 2024/2025 and the medium term

	PARTICULARS	BUDGET 2024/2025	BUDGET 2025/2026	BUDGET 2026/2027
1	Sharable Revenue	7,582,145,897	7,685,658,861	7,790,952,387
2	Equitable Share Carried Forward	485,000,000	385,000,000	385,000,000
3	Nutritional International	20,000,000	20,000,000	20,000,000
4	Finance for Locally Led Climate Action (FLLoCA)	200,000,000	200,000,000	200,000,000
	FLLOCA Carried Forward	10,000,000		
5	Road Maintenance Fuel Levy	223,876,847	223,876,847	223,876,847
6	Community health promoters	53,191,489	53,191,489	53,191,489
7	Primary health care in Devolved context program - DANIDA	9,992,250	8,452,250	6,952,250

8	Primary health care in Devolved context program - DANIDA C/F	2,701,688		
9	Kenya Agricultural Business Development Project	11,919,918		
10	KDSP	237,000,000		
11	National Agricultural Value Chain Development Program	177,727,024	106,382,978	106,382,978
12	Kenya Urban Support Program – Urban Institution Grant	31,500,000	31,500,000	31,500,000
13	Local Revenue	1,250,000,000	1,100,000,000	1,100,000,000
14	County Aggregated Industrial Parks	100,000,000	100,000,000	100,000,000
	Total Revenues	**10,395,055,113**	**9,914,062,425**	**10,017,855,951**

4.4. Projections of Own Source Revenue for the MTEF Period – 2024/25

Table 4.3 Projected Own Source Revenue 2024/2025

Financial Year / Local Revenue Source	2021/2022 ACTUAL	2022/2023 ACTUAL	2023/2024 TARGET/ PROJECTED	2024/2025 PROJECTED
Licences	106,214,073	214,814,773	250,000,000.00	275,000,000
Hospitals	81,250,808	123,750,039	345,000,000.00	403,000,000
Liquor Licence	16,098,213	54,707,214	70,000,000.00	77,000,000
Plot Rent/Land Rates	52,727,019	40,447,179	55,000,000.00	60,500,000
BUILDING MATERIAL CESS	33,045,131	40,059,246	80,000,000.00	88,000,000
Market Fees	42,663,662	35,172,310	50,000,000.00	55,000,000
Other Cess Revenue	37,553,539	31,084,349	10,000,000.00	22,242,000
Bus Park Fees	26,647,768	29,971,067	45,000,000.00	49,500,000
Plan Approval	2,837,038	16,540,791	60,000,000.00	66,000,000
Parking Fee	21,125,468	15,908,355	22,000,000.00	24,200,000
Vet.Clinical Services	657,090	10,197,776	33,000,000.00	38,500,000
Other Land Based Revenue	2,507,105	8,293,530	35,220,000.00	27,500,000
Meat Inspection	12,318,686	7,380,070		
Public Health	18,825,281	5,959,574	5,000,000.00	5,500,000
Advertisements	11,312,809	4,293,552	10,000,000.00	11,000,000
Land Subdivision/Transfer	4,760,952	3,858,376	10,000,000.00	11,000,000
House/Stalls Rent/S.Hall	3,864,556	2,757,556	8,000,000.00	8,800,000
Housing & Physical Planning	2,246,989	2,577,113		0
Penalties	2,121,027	1,788,639		
Other Revenues			5,000,000.00	5,500,000
Slaughter Fees	1,013,666	1,493,411		
Impounding	1,653,322	1,446,449	1,500,000	1,650,000
Conservancy	12,160,977	1,117,107		
Motor Bikes/Tuk	1,075,519	1,041,139	3,000,000.00	3,300,000
Morgue Fees	1,589,982	861,328		
Fire	14,014,973	772,003	10,000,000.00	11,000,000

Self Help Group	998,187	636,214	3,000,000.00	3,300,000
Sale Of Forms	5,366,238	471,066		
Weight & Measures	3,055,938	429,615	2,000,000.00	2,200,000
Livestock (A.I)	153,290	147,167	2,000,000.00	
Cooperatives	272,106	126,111	200,000.00	220,000
Mariira Farm	140,662	58,497	80,000.00	88,000
Education & Polytechnics	45,350	5,350		
TOTAL	520,317,425.01	658,166,964.80	1,115,000,000.00	1,250,000,000

4.5. Own Source Revenue

The County has rolled out Revenue automation that has seen the County realise additional revenues in the year 2022-2023. Further, in the year 2023-2024, the County Government will embark on a large-scale mapping of all available and potential sources of revenue. This is informed by past studies that Murang'a County has the potential to triple its average annual own source revenue of the past three financial years.

Equally, the County Government has revamped the revenue section by appointing the office of the Chief Officer Revenue. This office shall be charged with the mandate of diversifying the revenue base through identification of untapped revenue streams like parking in developing municipalities of Kangari, and other towns.

The County Government has also revived the process of preparing the County Valuation roll. This supported by the National Rating Bill 2022 will help the County Government realise revenue that has been unrealisable due to lack of adequate legislation. The County also seeks to benefit from the Aggregated Industrial Park grant which shall enable establishment of industries that shall bring in revenue to the County.

4.6. County Priorities for MTEF 2024/25 – 2026/27

The Finance and Economic Planning Sector key roles are: developing and implementing financial and economic policies; ensuring compliance with the budget cycles timeliness and milestone; coordinating and implementation of the budget of the county; mobilization of revenue and resources for funding budgetary requirements; public debt management; consolidating annual appropriation accounts and other financial statements; prudent management and control of finances; promoting efficient and effective use of county budgetary resources and county asset management.

4.6.1. Public Administration and ICT

Fire and Disaster Sector

Priorities	Strategies

Fire and Disaster Unit Establishment	Develop a well-structured and fully-fledged unit with adequate staffing with the right terms of engagement.
Digitization	Setting up Crisis Integrated Emergency Management System (CIEMS)/ Murang'a Integrated Emergency Management System (MIEMS)
Personnel Capacity building.	Facilitate trainings on Disaster Management to the Section's staff and volunteers.
Public Sensitization programs.	Carry out sensitization programs on disaster management to enhance resilience in the society.
Enhancement of emergency response capacity	Setting up more fire stations (one fire station per sub-county) fully equipped with firefighting equipment and other rescue gears.

Information Communication Technology and Public Communication

Sector Priorities	Strategies
i. Provide comprehensive information communication technology network connectivity	a) Conduct a countywide survey on the connectivity requirements. b) Acquisition of connectivity materials c) Establishment of a countywide Local Area Network d) Provide countywide internet connectivity e) Conduct regular support and maintenance services
ii. Disseminate information in a timely and efficient manner	a) Provide regular updates on County services and activities b) Increase use of bulk SMS platforms c) Strengthen information networks d) Set up a feedback management system to handle responses to the public e) Enhance accessibility to websites
iii. Improve service delivery processes	a) Establishment of a Hospital Management System b) Digitization of Human Resources Records c) Identification of a county server room to enable efficient management and storage of county data d) Identify a mini-recording studio to handle all county audio-visual recording and editing needs e) Development of a Revenue Management System to ensure efficiency in revenue collection, seal loopholes of loss of revenue and ensure easier reporting
iv. Development of County ICT Policy and Strategy	Prepare an ICT policy Paper

Human Resource

Sector Priorities	Strategies
Skilled Manpower	a) Develop and operationalize the Strategic Human Resource plan b) Develop a transformative organizational culture

	a) Carry out a workload analysis
An appropriate County Organizational structure and workload analysis	a) Carry out a workload analysis b) Develop and review county organizational structures c) Enhance the internship programme
Adequate and Properly placed Personnel	a) To develop and implement the recruitment and maintenance policies b) Ensure adherence to article 54 of the constitution by providing for at least 5 percent of all appointive and nominative positions within the counties for persons with disabilities
Continuous Training and Capacity building	a) Develop and implement Training and Development policy b) Leadership development and team building
Effective and efficient performance management	a) Develop and implement performance management system b) Develop a reward and sanction framework c) Establish Monitoring and evaluation policy d) Training on performance management
Employee Welfare	Develop and implement an employee welfare policy
Cordial Industrial Relations	a) Establish a liaison office b) Establish an industrial dispute resolution committee
Improved Record Management	a) Acquire adequate and secure filing system b) Digitize all manual Human Resource Records c) Training on records management
Automation of Human Resource Functions	a) Operationalize other inactive IPPD system functions. b) Linking the IPPD system with key offices in the county. c) Training on Human Resource Information System.

Internal Audit

Sector Priorities	Strategies
Capacity building	a) Train officers in relevant skills b) Purchase office equipment
Internal controls	a) Installation of an Audit system b) Train officers about the audit system

Public Service Board

PRIORITIES	STRATEGIES
Effectively utilize existing policies and legislation for efficient civil service	a) Formulate human resource policies and plans that embraces career profile matching and staff performance Undertake Training and capacity building b) Establish and abolition of offices c) Recruitment of competent staff to fill the offices,
Promotion of public service integrity	a) Sensitization of staff on values and principles; b) Undertake compliance audits and forward the reports to the relevant authorities c) Evaluation of the extent to which the values and principles have been complied with

Monitoring and valuation

1) Track and report progress in implementation of County Integrated Development Plan and other County development initiatives;
2) Operationalize CIMES policy framework, guidelines, standards and tools;
3) Co-convene various sectors in the formulation of short term, medium term and long-term framework for tracking County development plans and policies
4) Develop County monitoring and evaluation capacity within and without the department
5) Coordinate implementation and review of County Integrated Monitoring and Evaluation System (CIMES)
6) Develop and maintain an electronic County Integrated Monitoring and Evaluation system (CIMES)
7) Coordinate development and review of performance indicators for the County Integrated Development Plan and Sectoral policies
8) Identify and integrate emerging best practices including geo-based monitoring tools and equipment

4.6.2. Finance and Economic Planning
Priorities for Finance and Economic Planning Sector

Programme	Sub Programme	Strategies
Financial Services, Reporting	Financial Services, policy and reporting	a) Financial Reporting b) Enhanced audit c) Asset and supply chain management d) Debt management strategy e) Dissemination of policy documents
Budgeting and Policy	Budgeting and Policy formulation	a) Preparation of Budget Estimates b) Preparation of CBROP c) Preparation of County fiscal strategy paper (CFSP) d) Adherence to budget provision e) Public participation f) Dissemination of policy documents
Economic policy formulation and review	County Economic policy Formulation, modelling and management	a) Preparation of Annual Development Plans (ADPs) 2025/2026 b) Preparation of County fiscal strategy paper (CFSP) c) Review the implementation of CIDP 2023-2027 d) Convening CBEF committee meetings e) Public participation f) Dissemination of policy documents

	Technical backstopping	a) Mainstreaming environmental planning into economic development b) Providing capacity building to the county departments on policies formulations
County Statistics	County Statistical management	a) Framework for the Data Collection, Compilation, Analysis and Dissemination of Statistical information b) Data Collection c) Preparation of County Statistical Abstract d) Conducting Statistical surveys e) Updating County fact sheet f) Dissemination of policy documents
Resource Mobilization and Revenue	Resource mobilization and Revenue policies	a) Review Finance Act b) Formulation of resource mobilization framework
	Revenue Automation and revenue	a) Mapping of county revenue streams b) Automation of revenue Management
	Resource Mobilization research and advisory	a) Resource Mobilization Research studies b) Enhance project financing through funded partnerships
	Resource Mobilization and Proposal Development	a) Preparation of concept papers for financing b) Build a database of development partners c) Developing Public Private Partnership Programs
Monitoring and Evaluation	Monitoring, Evaluation and Reporting on implementation of County Integrated Development Plan (CIDP) 2023-2027	a) Establish and operationalize CIMES Structures b) County M&E Committees (COMEC) c) County Annual Project Report (CAPR) d) Quarterly ADP implementation reports e) County Annual Monitoring and Evaluation Report (CAMER)

4.6.3. Education, and Vocational Training

The Department of Education and Technical Training is made up of the directorates of Early Childhood Development Education (ECDE); Vocational Training and Talents, and Innovation and Local Industry

Table 4.4: Priorities for Education Sector

ECDE

Programme	Sub-program	Strategies
Early Childhood Development Education (ECDE)	ECDE Feeding Program (Uji program ECDE)	Maintain and improve the feeding program for ECDE learners which will improve nutrition values of ECDE learners thus maintain enrolment and completion of learners.
Education Support Programmes	Scholarship and interventions	Enhance the scholarship program to bright and needy students secondary day university students, secondary bright and needy children (Nyota Zetu), ward fund, orphans and the best performing 5 students from public primary schools.
	Capacity building of ECDE stakeholders	Train ECDE teachers on curriculum development and reforms (CBC). Train ECDE parents across the county.
	Purchase of curriculum, play and rest materials	Provide play and rest materials in ECDE centres
	CBC Digital learning and TAYARI Program	Refresher courses for ECDE teachers and officers on CBC and E-LEARNING will improve teachers and pupils skills in digital learning and Tayari program
	Infrastructure development	Modernize infrastructure such as Provision of child-friendly furniture, Construction and renovation of child-friendly toilets and ablution blocks, Fencing of ECDE centres and Construct/renovate and equip classrooms and offices in all wards. Build partnerships with relevant stakeholders including UN agencies, UNICEF, UNDP, and financial institutions such as the World Bank and Africa Development Bank Education infrastructure to provide for reasonable accommodation of PWDs in its universal design; Equip schools to accommodate leaners with disabilities through provision of lifts, ramps, sign language interpreters, etc.
	Co-curricular activities	Provide facilitation to ECDE pupils in festivals from Sub County to the national festival so as to awaken the skill and talents of the ECDE learners.
	Monitoring and evaluation of the curriculum implementation.	Enhance monitoring and supervision to ensure Completion, retention, progression and Transition from pre-primary to primary hence improve performance within the ECDE centres
	Refresher courses for ECDE teachers and officers on CBC and E-LEARNING	Training ECDE teachers on curriculum development and reforms (CBC) will improve performance, teaching and management of ECDE sub sector across the county to cope with the current trends of learning
	Absorption of ECDE teachers on permanent	To implement the COG and SENATE recommendations on employment of ECDE teachers

	and pensionable terms of service	
	Recruitment of ECDE teachers.	Recruit additional teachers to meet the recommended teacher pupil ratio of 1:25

Vocational Training

Programme	Sub-program	Strategies
Polytechnic Improvement	Renovation of infrastructure and construction of new ones.	• Construct/renovate and equip workshop, classrooms and offices in all wards • Construction and renovation of hostels and ablution blocks in selected VTCs
	Innovative courses and ressources	• Partnership with technology companies and institutions such as Huawei, CISCO, Safaricom, etc. • Introduce free WIFI
	Tools and Equipment.	• Collaboration between the national and county governments to Improve the quality of training • Cooperation between the county government and development partners to equip the VTCs
	Co-curricular / Skill Competition	Identification and nurture of talents in youth by creating healthy competition among trainees
Administration, Planning and Support	Training of VTCS trainers	Equipping the trainers with the latest managerial and teaching skills which will help in promotion
	Capitation for VTCs	• Collaboration between the national and county governments to realize national education goals. • Linkages with the concerned stakeholders in technical training to enhance relevance of technical skill • Negotiation between the Executive and Assembly to allocate the capitation money • Ensure completion, retention, progression and transition from secondary to TVETS
	Quality Assurance and Standards	Monitor and evaluate curriculum implementation as per TVET Act 2016 regulation to improve quality of training.

4.6.4. Youth, Sports, Culture and Social Services

This department is composed of the directorates of: Youth Development; Sports and Culture; and Social Services and Gender. Programmes running under the directorates, include: talent development, youth empowerment, sports and talent development, cultural development, administration, planning and support, and social services. During the MTEF period 2024/25 – 2026/27, the department prioritizes the following programmes and sub programmes in order to achieve its objectives:

Youth		
Programme	Sub-program	Strategies
Murang'a Youth Service	Youth empowerment	Community service short - term employment Technical Skills Training Business start-up Capital provision Registration of youth to SHIF
	Murang'a Youth fund	Business start-up Capital provision
SPORTS		
Programme	Sub-program	Strategies
Sports and talent development	Stadia development	Construction and rehabilitation of Sports facilities Improvement of access roads to the sports facilities Strengthen utilization and management of sports facilities
	Talent development	Establishing sports academies Organize exchange programs, competitions and tournaments Identify and train athletes Antidoping campaign
	Provision of sports equipment and uniforms	Procure equipment and sports uniforms for various sports disciplines
CULTURE AND SOCIAL SERVICES AND SPECIAL PROGRAMS		
Programme	Sub-program	Strategies
Cultural Development	Conservation of Heritage	Upgrading/ renovation of Mukurwe wa Nyagathanga heritage site in collaboration with other stakeholders. Erect a perimeter wall to secure the centre Upgrading the access road to Mukurwe wa Nyagathanga Construction of monuments/ statues in honour of our heroes and heroines. Renovation of Country club building to a cultural centre status. Establish Bildad Kaggia Museum Library, and cultural gallery

	Kenya Music and Cultural Festivals	Hold county music and cultural festival and participate in National KMCF
	Documentation and digitization of Indigenous Knowledge (DoDi) project	Involvement of custodians and providers of indigenous knowledge in data collection, preservation, documentation and digitization.
	Cultural talent and development	To organize cultural shows, trade fairs, exhibitions to promote creativity and innovation.
	Capacity Building for Cultural practitioners' stakeholder in culture	Prepare policies and legislation to support Creative Economy e.g., on Funding Mainstream Creative Economy infrastructure (theatres, music halls, art gallery) into infrastructure development programme Mainstream Creative Economy by branding the county e.g., using artists as county ambassadors Establish county information portal on arts and crafts industry organize workshops and consultative meetings for stake holders in culture

SOCIAL SERVICES

Programme	Sub-program	Strategies
Social Services	Care and support of children's home.	Care and support of children's home.
	Group mobilization.	Training of groups
	Gender mainstreaming	Community sensitization and women empowerment
	Constructions of houses for the needy.	Constructions of houses for the needy.
	Rehabilitation of Koimbi and Kandara children's home	Rehabilitation of Koimbi and Kandara children's home
	Constructions of houses for the needy.	Constructions of houses for the needy.

4.6.5. Health and Sanitation Department

The key intervention areas for health and sanitation sector include: preventive, promotive and curative health services; county health facilities and pharmacies; county health referral services; health education management; health inspection and other public health services; quarantine administration; HIV/AIDS prevention and management; food safety and inspection; immunization policy and management; and cemeteries, funeral parlours and crematoria

The Sector envisions having a healthy county population to be achieved through the provision of accessible, equitable and quality health care services. The strategic objectives of the sector include:

a) Promote Universal Health Care (UHC)
b) Support optimal health and survival of pregnant mothers and babies
c) Strengthen advocacy for social health insurance coverage
d) Strengthen the integrated surveillance and health services automation systems
e) Adopt and implement nutrition interventions affecting pregnant mothers, school children, and the vulnerable
f) Strengthen community nursing for improved health services
g) Strengthen collaboration with stakeholders

The health sector priority programmes and strategies/projects during the MTEF include:

Priorities	Strategies
Infrastructure Development and equipping Health facilities	a) Construction, Rehabilitation and equipping of health facilities b) Acquisition, Modification, renovation or replacement of equipment at the workplace c) Replacement of asbestos roofing with recommended iron sheets d) Provision of adequate medical, laboratory and cold chain equipment in all health facilities e) Provision of power backs in all level 2 & 3 health facilities with maternities f) Develop a cancer treatment facility g) Establish a palliative care ward h) Establish mental health rehabilitation centres i) Construct an Ultra-modern county health products store j) Adherence to IPC policies on waste management
Provision of comprehensive and quality health services	a) Promote Universal Health Care (UHC) b) Support optimal health and survival of pregnant mothers and babies c) Strengthen advocacy for social health insurance coverage d) Strengthen the integrated surveillance and health services automation systems e) Adopt and implement nutrition interventions affecting pregnant mothers, school children, and the vulnerable f) Upgrading health facilities g) Strengthen community nursing for improved health services h) Provision of adequate and well-equipped ambulances i) Strengthen Community strategy and school health program j) Surveillance of diseases targeted for eradication and elimination k) Health promotion activities l) Strengthen intersectoral collaboration

Promotion of affordable healthcare services	a) Partner and lobby the National Government and development partners to fund and implement the projects. b) Enhance SHIF program c) Increase the range of health services at all levels d) Avail radiology services in all level 4 facilities
Improvement Human resource capacity	Recruit and train medical staff
Upgrading Medical products and technologies	a) Adherence to annual procurement plan b) Establish an electronic inventory management platform
Automation Health services	Procure health management and information system
Enhance Leadership and Governance	Staff development through short courses and training
Strengthen adherence to regulations	a) Licensing and routine examination of food handlers and food outlet b) Routine inspection and certification of Buildings
Strengthen policies on People living with Disabilities (PWDs)	a) Promote universal accessibility of health services in the entire County by equipping all health facilities with sign language interpreters. b) Provide health commodities for children with autism, sunscreen lotions for persons with albinism and such other commodities that might be necessary for persons with disabilities.

4.6.6. Trade, Tourism Industry and Cooperative Development

The sector is composed of trade, tourism industry and cooperative development directorates and has a vision of positioning the county as a vibrant and industrial business hub. To achieve its goal, the sector will provide a conducive environment for growth in trade and industrial development. The following will be the sector programmes, sub programmes and strategies.

Programme	Sub programme	Strategies
Trade Industry and Investment sub sector		

Programme	Sub programme	Strategies
Trade, Industry and Investment Promotion	Construction of markets and provision of basic amenities in markets	a) Construction and renovation of markets sheds and collection centers. b) Construction of sanitation blocks, c) Availability of piped clean and safe water. d) Provision of lighting structures for security and extended hours. e) Creation of access for PWD's within the market. Such as ramps. f) Upgrade all feeder roads leading to markets g) Grading of all roads leading to the market areas h) Constructed road network within the County.
	Facilitate affordable and accessible credit facilities to traders	a) Government supported Sacco b) Negotiation with financial institution for provision of cheap loans. c) Creation of networks to Youth, Women and PWD to government/NGO funding. d) Creation of the Murang'a County Economic Stimulus fund
	Promotion of products and market linkages both local and international	a) Identify products for possible branding and promotion b) Establish market linkages for various commodities c) Promote and capacity build e-marketing including e-portal and video promotion d) Dairy development and promotion e) Identify opportunities for participation in Trade and investment expos f) Enhance Inter- County trade g) Promote access to product standardization at KEBS h) Promotion of value chains i) Spur Mt. Kenya and Aberdares Region Economic Bloc j) Export development and promotion
	Empowerment of traders to achieve business efficiency	a) Training of traders on business finance, sales and management b) Encourage traders to form producer business groups for self-support c) Create awareness on available targeted opportunities for youth and women d) Collaboration with the CAK for new rules and implementation to ensure level playing ground e) Introduce digitized trade licensing system f) Providing accessible and affordable loans for PWDs in business, agriculture and cooperatives sectors a) Offering incentives for PWDs in this sector through.

Programme	Sub programme	Strategies
		b) Lowering the taxes for PWDs or exempting them altogether; and/or c) Reducing the requirements of setting up businesses for PWDs. d) Facilitate the dissemination of information on AGPO by making it easily available for PWDs through Sub-County offices e) Provide accessibility to county markets by organizing stalls, tiling and or use of cabro blocks along the market walkways.
	Establish trends on trade activities in the County	a) Sub-county market research, b) Establishment of data hubs for investors c) Creation of data driven analysis for County advantages. d) Create a feedback database to link traders with the County. e) Development of county competitiveness index i.e., talent, infrastructure, cost of setting up a plant. f) Digitization of the data system
	Attract investors to Murang'a County	a) Investors conferences b) Encourage growth of cottage industries c) Implementation of the local content policy d) Provision of incentives to existing and new investors. e) Creation of Murang'a business round table f) Creation of Murang'a County Development Authority g) Promotion of renewable energy sources h) Private- Public partnerships and business forums
	Trade policy and a 10-year strategic plan	a) MCG Trade Policy b) 10- year Departmental strategic plan c) CIDP, ADP and other sectorial plans
	Promote effective supply chain	a) Construction of a Wholesale Hub b) Construction of a regional retail market c) Creation of Special economic zones and industrial parks. d) Creation of Murang'a County Innovation Hub
	Access to quality, affordable and safe products	a) Verification and calibration of weighing equipment. b) Establishment of weights and measures laboratory in the county. c) Carrying out routine inspection on all retail and wholesale premises.

Programme	Sub programme	Strategies
		d) Implementing the Labelling of goods Act by ensuring the goods labelled are clearly marked with name, address, net weight, and the expiry date.
		a) Eliminate 'odd size' as a means of price cutting in order to eliminate unfair commercial advantage. b) Eliminate deceptive packages from all retail and wholesale premises.
	Creation of innovation centers in The County	a) Promote skills and innovation development b) Promote accelerated value chain development c) Promote food and nutrition security d) Promote climate resilience
Tourism Sub Sector		
Tourism and Marketing	Tourism products mapping, documentation and strategic plan	a) Tourism Product development and Diversification (e.g., Adventure tourism, Agri- tourism, Sports tourism, Cultural and Historical Tourism)
	Tourism marketing and promotion	a) Aberdares ecosystem, cultural sites, Accommodation facilities. b) Niche product development to include motor vehicle racing at Ndakaini, ecotourism, water sports, homestays, cultural festivals; agro-tourism, M.I.C.E, county film and art festivals c) Tourism infrastructure development to include recreation / amusement parks, beautification of towns
	Tourism products development	a) Identifying, developing and realigning tourism products into a tourism circuit
	Mapping of tourism sites	a) The Aberdare tourism circuit b) Cultural and historical sites c) Areas with potential for agro-tourism, homestays and sport tourism
	Infrastructure support	a) Route digitization, mapping and signage installation. b) Gravelling of key roads to tourism destinations
Programmes	**Sub- Programmes**	**Strategies**
Cooperative Development		
Cooperative Development	Cooperative societies development and promotion	a) Facilitate collaboration and linkages with cooperatives and stakeholders for the benefit of the movement b) Establish Cooperative Development Fund c) Promote establishment of a revolving fund kitty

		d) Promote establishment of intra and inter-County platforms for collaboration e) Introduce cooperative societies for avocadoes, macadamia, soya beans and sunflower
	Cooperatives oversight and compliance	a) Facilitate and promote registration of cooperatives b) Develop regulations that guide the graduated levels of growth and development such as vetting and tenure for cooperative leadership c) Establish and support sectoral forums to discuss and resolve issues in the cooperative sub-sector d) Provide framework for the co-operative sub sector service platform e) Establish institutional framework for facilitating co-operative self-regulation through its structures
	Cooperative policy, research and advisory	a) Integrate cooperative development of uniform curriculum into the County learning institutions such as polytechnics b) Train/sensitize cooperative management, staff as well as cooperative members
	Promote platform for the advancement of ICT and Innovation in cooperative movement	a) Facilitate development of shared e-platform for cooperative movement b) Capacity build cooperatives to embrace modern technology, ICT and use of shared platforms
	Promote cooperative production, value addition and marketing	c) Facilitate Cooperative societies to engage in production, value addition and marketing of their products/services d) Streamline market linkages in value chain e) Facilitate establishment of bulk storage facilities f) Facilitate creation of credit schemes g) Develop framework to promote contract farming h) Creating enabling environment for PPPs and BPOs with established manufacturers in order to eject new capital and enable technology transfer i) Introduce and strengthen cooperatives including for farm produce such as avocadoes and macadamia, mangoes, oranges and new oil crops such as soya beans, canola, sunflower and cotton
Programme	Sub - programme	Strategies

Cooperative Audit		
Cooperative Audit	Cooperative societies Audit Extension Services	a) , environmental and value for money audit guidelines b) Provision of audit extension services to the societies c) Train/sensitize cooperative management and staff on accounting and audit best practices d) Preparation and review of accounts reporting/presentation formats e) Promote audit services and enforce audit requirements and standards f) Ensuring correctness of disclosures in accounts and adherence to statutory requirements, international accounting and auditing standards g) Establish and support sectoral forums to discuss emerging issues in accounting and audit h) Interpretation of accounts and timely advice on financial matters i) Registration of societies audited accounts
	Cooperative Audit policy, research and advisory	a) Provision of tax consultancy and advocacy on behalf of cooperative societies b) Provide cooperative financial and investment advisory services c) Develop and review Cooperative Audit Policy and Operational Guidelines d) Ensuring correctness of disclosures in accounts and adherence to statutory requirements, international accounting and auditing standards e) Conduct research, prepare and disseminate technical/professional updates on cooperative accounting and audit

4.6.7. Water, Environment and Natural Resources

The sector is composed of water, irrigation and environment and Climate Change sub sectors. The sector broad objectives include: to achieve universal access to quality, affordable, reliable and sustainable water and sewerage services; increase utilization of land and food production through irrigation; mobilize and promote efficient utilization of resources; strengthen institutional capacity; promote participation of various stakeholders in planning, implementation and management of the sector; mainstream governance; provide monitoring and evaluation; ensure sustainable exploitation,

utilization, management and conservation of the environment and natural resources and enhance the delivery of low carbon climate resilience actions.

The Sector Priorities and Strategies Include:

Table 4.5: Priorities for Water, Environment and Natural Resources

Programme	Sub Programme	Strategies
A. Water and sewerage		
Water and Sewerage	Domestic Water Supply	a) Map out unserved and underserved areas in Murang'a County b) Identify viable sewerage construction sites and sewer line routes to serve those areas. c) Plan and design identified projects to meet the sewerage disposable needs for those areas. d) Budgeting and implementation of identified projects. e) Enhancing Public-Private Partnerships by encouraging private sector players to invest and participate in sewerage project development activities. f) Identify needy communities and institutions for supply of water storage facilities. g) Procure and construct water storage tanks of various capacities for needy communities. h) Enhancing Public-Private Partnerships by encouraging private sector players to invest and participate in construction of water storage facilities. i) Mapping and identifying all abandoned or dilapidated viable projects for rehabilitation e.g., boreholes. j) Planning, designing and budgeting for rehabilitation works. k) Enhancing Public-Private Partnerships by encouraging private sector players to invest and participate in water projects rehabilitation works. l) Identifying technological gaps to be addressed e.g., installation of solar power systems, digital metering, water bottling etc.

Programme	Sub Programme	Strategies
		m) Enhancing Public-Private Partnerships by encouraging private sector players to invest and participate in new technology development.
	Improving hygiene standard in domestic water access points	a) Identify all communal water points where access to water is unhygienic. b) Plan and design for suitable water access points/ kiosks. c) Budget and implement identified water access points. d) Enhancing Public-Private Partnerships by encouraging private sector players to invest and participate in upgrading of water points development activities. e) Regular monitoring and evaluation of their water supply processes. f) Holding regular consultative meetings. g) Water conservation - planting trees in water catchment areas h) Reduction of water wastage through modern technology measures. i) Capacity building of water stakeholders on climate change mitigation measures j) Involving them in project development and management. k) Capacity building in domestic water use, conservation and recycling. l) Water harvesting m) Develop a Murang'a water master plan
B. Irrigation, Drainage and Water Storage		
Water resources management	Irrigation Policy Development and Management	Enhancing compliance with environmental, statutory and legal requirements
	Irrigation Development and Management	a) Conducting feasibility studies to determine the technical and socio-economic viability of schemes. b) Surveying, planning and designing the identified irrigation schemes. c) Construction, laying of pipelines and distribution network.

Programme	Sub Programme	Strategies
		d) Mapping areas for construction of irrigation storage facilities e) Plan and design irrigation water storage facilities. f) Construction of the required storage facilities. g) Plan, design and budget for rehabilitation works. h) Improving irrigation technology such as the use of solar energy and other renewable energy in pumping. i) Adopting new irrigation technologies such as the use of solar energy and other renewable energy in pumping.
	Drainage Development	a) Mapping areas for rehabilitation and upgrading of irrigation structures.
	Irrigation Water Storage and Flood Control	b) Training on efficient utilization and management of irrigation water c) Construction of small dams and water pans to collect flood water flows.
	Institutional strengthening and capacity building	a) Enhancing farmer education and awareness, and improving communication and information flow. b) Enhancing compliance with environmental, statutory and legal requirements c) Assisting the irrigation farmers in market identification. d) Training irrigation water users on emerging new technologies such as use of pipe detectors & underground pipe leakages e) Partnering with manufacturers in on-farm demonstrations for the new technologies f) Capacity building in irrigation emerging issues. g) Investment in climate smart agriculture - drip irrigation, digging of terraces, planting water friendly trees along the river banks. h) Training of irrigation schemes management committees on leadership skills, record keeping and basic financial management

Programme	Sub Programme	Strategies
C. Environment and Natural Resources Sub Sector Priorities and Strategies		
Environment Management and Protection	County Environmental Monitoring and Management	a) Strengthen the environmental planning and coordination committee b) Build capacity for environmental planning c) Support mainstreaming on environmental planning. d) Lease/procure waste collection vehicles e) Mounting of litter bins f) Construction of refuse chambers g) Improvement of waste disposal sites h) Provision of waste collection tools i) Development of solid waste laws j) Provision of PPEs for casual workers in the department k) Construction and operationalization of sanitary land fill. l) Preparation of policies, legislation and regulations on waste management m) Acquisition of noise meters Preparation of policies, legislation and regulations on noise control
Natural Resources Conservation & Management	Forest Conservation and Management	Develop a county-based environmental policy, legislation and regulations for mainstreaming environment into development
	Water catchment area protection, rehabilitation, and conservation	a) Identify and assess major landscape degradation for restoration b) Identify natural capital resources for valuation c) Establishment of tree nurseries d) Procure and distribute tree seedling e) Identification and mapping of degraded sites and landscapes f) Rehabilitation of degraded sites and landscapes g) Water catchment areas protection
	Extractive Resources Conservation and	a) Promotion of commercial agro-forestry for wood fuel (firewood and charcoal) h) Promotion of energy saving technologies e.g., jikos and kilns

Programme	Sub Programme	Strategies
	Sustainable Management	

4.6.8. Lands, Physical Planning and Urban Development

The directorates under the Lands, Physical Planning and Urban Development Unit, include: Lands and Survey, Urban and Regional Planning, and Urban Development. The key roles of the sector include land use planning, mapping and titling, land surveying and urban development. The vision of the sector is to have sustainably planned and managed land use with a mission to promote professional support to planning and management of land uses. The sector objectives include: ensuring effective management of land and easy access to land ownership information; ensuring controlled development in urban and market set-up; and maintaining sustainable service infrastructure for urban population.

Lands and Physical Development

Sub Programme	Strategies /Projects
Programme 1: Urban management	
Urban Development	(1) Prepare municipalities and urban centres development master plan (2) Prepare part development plans for county headquarters (3) Construct drainage systems and urban centres (4) Build sustainable garbage collections centres in built up areas (5) Digitizing all Market Plans and Zoning Plans. (6) Geo-referencing of all Market Plans (7) Establishment of a GIS Laboratory (Hardware and Software) (8) Automation of Development Applications, Market Plot files and County Cadastre Records
Land Valuation	Preparation of land valuation roll
Programme 2: County Urban and Regional Planning	
Development Control	(1) Approval and Implementation of County Spatial Plans and Urban Integrated Structure Development Plans (2) Preparation of Local Physical Development Plans (Zoning Plans) for Kenol, Kangari, Maragua and Kangari (3) Preparation of County Development Control Policy (4) County Valuation Roll and Rating for Property (5) Planning mapping and titling of County land (Delmonte) (6) Management of Public land
Programme 3: Land Survey and Mapping	
County Land information system	(1) Automation of land services

	(2) Establishment and operationalisation of County land information system
Survey Boundaries and fencing establishment	(3) Establishment of alternative dispute resolution mechanisms in all sub-counties. (4) Re-planning of all market centres and public plots. (5) Solving of boundary disputes and opening of access roads. (6) Referral of succession cases to county attorney office for drafting of petitions. (7) Planning, surveying and titling of plots in Town Centres
Programme 4: Administration, Planning and Support Services	
Administration Services	(1) Establishment of County Land Administration Office. (2) Acquisition of Two Vehicles for Fieldwork. (3) Purchase Office Equipment such as Plotters, A0 Scanners, Computers, Software, Servers and W. A.N. (4) Acquisition of Office Furniture such as Modern Tables, Chairs, Filing Cabinets, Mao Cabinets. (5) Preparation/Development of Customer Driven Service Charter.
Personnel and Support Services	(1) Establishment and staffing of the Office of County Director of Survey (2) Employment of Physical Planners (2). (3) Continuous Professional Development of Staff.
Policy and legislation	Preparation of (1) Development control bill (2) Land allocation policy (4) Valuation for rating Act

Urban Development

Under urban development, the Municipalities of Murang'a, Kenol and Kangari will ensure sustainable urban growth and development given the statutory powers and functionality of municipalities cutting across sectors within their jurisdiction. During the MTEF period 2024/2025 – 2026/2027, Urban Development will prioritize and implement county spatial framework and guide development in collaboration with the directorate of county physical planning; complete valuation of its assets and capture new properties; upgrade municipal infrastructures through construction of roads, storm water drainage and sewer systems, installation of street lights, street beautification, public parks and amenities. It will also rehabilitate bus parks, and enhance collection and management of solid waste.

Murang'a Municipality
Sector Priorities for the MTEF Period 2024/25 – 2026/27
During the MTEF period 2024/25 – 2026/27, Murang'a Municipality will prioritize following programmes/sub programmes/projects:

Sub Programme	Strategies/Priorities
Programme 1: Urban Development	
Urban planning	- Fast track approval of Murang'a Municipal By-laws - Review Integrated Strategic Urban Development Plan (ISUDP)for Murang'a Municipality based on the reviewed boundaries - Establish affordable housing scheme through PPP
Urban Development	- Upgrade 1.5 KM of town access roads to bitumen standards - Improve/upgrade 1 bus parks, 1 KM of street roads and walkways to bitumen standards - Improve 1 KM of pavements and drainage systems within the town CBD - Improve/renovate government houses under the management of the Municipality
Programme 2: Solid waste Management	
Solid waste Management	- Enhance implementation of Municipality Solid Waste Management Policy - Improve/Maintain Municipal dump site at Karii - Procure adequate litter bins, PPEs, boots and other gears - Designate and manage waste collection points - Engage private waste collectors - Train staff on waste management best practices - Capacity build stakeholders on waste management
Programme 3: Social infrastructure and welfare	
Social infrastructure	- Maintain and protect open spaces/social parks within the Municipality - Improve/upgrade Mjini social halls - Beautify social parks/open spaces within the Municipality
Programme 4: Public health services	
Public health services	- Upgrade/improve County mortuary and Murang'a Level hospital mortuary - Manage and maintain Municipal cemetery and crematorium - Enhance inspection and licensing of food establishments - Enforce food safety laws and prosecute offenders - Enhance community health in collaboration with community health promoters
Programme 5: General administration, Planning and Support Services	
Administration	- Institutionalize Grievance Redress Mechanism - Institutionalize public participation - Develop framework for public private partnership - Engage additional technical staff in the various sections within the Municipality - Review Municipal organizational structure in line with Urban Areas and Cities Regulations 2022 - Provide adequate office space and infrastructure

Support Services	- Increase inspection and licensing of quarries within the Municipality
	- Institutionalize and enforce OSHA standards
	- Undertake ESSIA and NEMA certification before initiating any project
	- Enforce NEMA, WaRMA and other environment regulations
Programme 6: Performance Management	
Financial Management and Reporting	- Train staff on public participatory processes, community score cards and report writing
Economic Policy formulation, planning and reporting	- Timely preparation and submission of Municipal Integrated Development Plan (IDeP), Strategic Plan, Municipal budget and other Municipal policy documents
	- Institutionalize public participation on strategic planning and budget process
	- Train staff on public budget process
	- Institutionalize framework for monitoring and evaluation, data dissemination and feedback
	- Establish municipal database/fact sheet
Resource mobilization and revenue	- Map all revenue streams
	- Fully automate revenue collection
	- Train staff on revenue management, best practices in financial management
	- Fast track approval of Municipal by-laws
Information Communication Technology (ICT)	- Complete automation of Municipality revenue streams
	- Digitize land documents

Kenol Municipality

Sector Priorities for the MTEF Period 2024/25 – 2026/27

During the MTEF period 2024/25 – 2026/27, Kenol Municipality will prioritize following programmes/sub programmes/projects:

Sub Programme	Strategies/Projects

Programme 1: Urban Development	
Urban planning	- Fast track development and approval of Kenol Municipal By-laws
Urban Development	- Upgrade 1.5 KM of town access roads to bitumen standards - Improve/upgrade 1 bus parks, 1 KM of street roads and walkways to bitumen standards - Improve 1 KM of pavements and drainage systems within the town CBD - Improve/renovate government houses under the management of the Municipality
Programme 2: Solid waste Management	
Solid waste Management	- Procure adequate litter bins, PPEs, boots and other gears - Designate and manage waste collection points - Capacity build stakeholders on waste management
Programme 3: Social infrastructure and welfare	
Social infrastructure	- Maintain and protect open spaces/social parks within the Municipality - Beautify social parks within the Municipality
Programme 4: Public health services	
Public health services	- Enhance inspection and licensing of food establishments - Enforce food safety laws and prosecute offenders - Enhance community health in collaboration with community health promoters
Programme 5: General administration, Planning and Support Services	
Administration	- Institutionalize public participation - Institutionalize Grievance Redress Mechanism - Develop framework for public private partnership - Engage additional technical staff in the various sections within the Municipality - Provide adequate office space and infrastructure
Support Services	- Increase inspection and licensing of quarries within the Municipality - Institutionalize and enforce OSHA standards - Undertake ESSIA and NEMA certification before initiating any project - Enforce NEMA, WaRMA and other environment regulations
Programme 6: Performance Management	

Economic Policy formulation, planning and reporting	- Timely preparation and submission of Municipal Integrated Development Plan (IDeP), Strategic Plan, Municipal budget and other Municipal policy documents

Kangari Municipality
Sector Priorities for the MTEF Period 2024/25 – 2026/27

During the MTEF period 2024/25 – 2026/27, Kangari Municipality will prioritize following programmes/sub programmes/projects:

Sub Programme	Strategies/Projects
Programme 1: Urban Development	
Urban planning	- Fast track development and approval of Kangari Municipal By-laws - Review Integrated Strategic Urban Development Plan (ISUDP)for Kangari Municipality based on the Municipality boundaries
Urban Development	- Upgrade 1 KM of town access roads to bitumen standards under smart city programme - Improve/upgrade bus parks, street roads and walkways to bitumen standards - Improve pavements and drainage systems within the town CBD
Programme 2: Solid waste Management	
Solid waste Management	- Procure adequate litter bins, PPEs, boots and other gears - Designate and manage waste collection points - Train staff on waste management best practices - Capacity build stakeholders on waste management
Programme 3: Social infrastructure and welfare	
Social infrastructure	- Maintain and protect open spaces/social parks within the Municipality - Improve/upgrade social halls - Beautify social parks within the Municipality
Programme 4: Public health services	
Public health services	- Enhance inspection and licensing of food establishments - Enforce food safety laws and prosecute offenders - Enhance community health in collaboration with community health promoters
Programme 5: General administration, Planning and Support Services	

Administration	- Institutionalize Grievance Redress Mechanism - Institutionalize public participation - Develop framework for public private partnership - Engage additional technical staff in the various sections within the Municipality - Review Municipal organizational structure in line with Urban Areas and Cities Regulations 2022 - Provide adequate office space and infrastructure
Support Services	- Increase inspection and licensing of quarries within the Municipality - Institutionalize and enforce OSHA standards - Undertake ESSIA and NEMA certification before initiating any project - Enforce NEMA, WaRMA and other environment regulations
Programme 6: Performance Management	
Financial Management and Reporting	- Train staff on public participatory processes, community score cards and report writing
Economic Policy formulation, planning and reporting	- Timely preparation and submission of Municipal Integrated Development Plan (IDeP), Strategic Plan, Municipal budget and other Municipal policy documents - Institutionalize public participation on strategic planning and budget process - Train staff on public budget process - Establish municipal database/fact sheet

4.6.9. Roads, Housing and Infrastructure

The key roles of the Roads, Housing and Infrastructure Unit are: development of architectural, structural, civil, electrical and mechanical designs for new county government buildings; provision of technical advice in development of maintenance schedules for county buildings, roads and support infrastructure; preparation of bills of quantities and estimates for county government roads, buildings and support infrastructure; provision of project management services for county infrastructure projects; provision of technical advice and supervision support for county infrastructure projects.

Sector Priorities	Strategies
Improve road network	a) Upgrading rural & town roads b) Rehabilitation of existing roads c) Opening of new access roads d) Resurvey and upgrade feeder roads
Connectivity	a) Constructing of foot bridges, box culverts & bridges

	b) Rehabilitation of bridges, footbridges and box culverts c) improvement of transport infrastructure to ensure access to residential zones
Security	a) Installation of solar street lighting, floodlighting and maintenance of existing ones
Major town aesthetics and cleanliness	a) Bituminous surfacing and cabros installation to major town, roads and parking
Development of transportation policy	a) Formulation of a county transportation policy
Improvement of public transport	a) Construction of modern bus parks in all designated municipalities, towns and markets b) Development of Non-Motorized Transport infrastructure
Promotion of air transport	Construction of an airstrip at Kwa Ndege area at Kambirwa
Improvement of existing institutional houses	Refurbishment of government housing scheme at Murang'a and Kandara
Development of affordable housing	a) Introduce use of ABT and support Housing construction b) Development of incentives and subsidies to attract private sector investment in housing c) Enhance collaboration with National Government d) Establishment of affordable housing scheme e.g., tenant purchase and PPPs
Urban renewal and redevelopment program	a) Strengthen management of government houses/buildings b) Condemn and phase out old buildings/structures c) Repossession of government houses d) Develop asset register for county houses
Construction of county government housing and support infrastructure	a) Preparation of plans for the County Headquarters b) Construction of the smart county headquarters c) Construction of official residences for the governor, deputy governor and assembly speaker
Promote use of clean energy	a) Development of county energy plan b) Review and document use of renewable energy c) Develop and promote use of biogas, solar, energy saving jikos and mini hydro energy

4.6.10. Agriculture, Livestock and Fisheries

The sector comprises of the directorates of crops, livestock, veterinary services, fisheries, agricultural value chain development, agribusiness as well as the Kenyatta Agricultural Training Centre based at Mariira Farm. The Department runs the county-based programmes as well as the county and national government jointly funded programmes, including: Agriculture Sector Development Support Programme (ASDSP II) and the National Agriculture and Rural Inclusive Growth Project (NARIGP). The department has established a County Agriculture Sector Steering Committee (CASSCOM) to facilitate implementation of food and nutrition security. Further, the department partners with large scale agro producers and processors, such as Kakuzi, Kevian, Sunny and, Delmonte.

The following are the key priorities for the agriculture sector in the coming year:

a) Enhancing agricultural productivity through the promotion of improved seed varieties, modern farming techniques, and access to credit for smallholder farmers.

b) Strengthening market linkages and value chains for agricultural produce to ensure that farmers get fair prices and that their products reach wider markets.

c) Supporting the development of agro-processing industries and value-addition enterprises to create more jobs and add value to agricultural produce.

d) Improving the management and conservation of natural resources, including soil and water, to promote sustainable agriculture practices and mitigate the effects of climate change.

e) Providing extension services to farmers in order to enhance their knowledge and skills in modern farming practices, pest and disease management, and post-harvest handling.

These priorities will be supported by a budget allocation of KES 1.5 billion in the coming year, representing 10% of the total county budget. The County Government is committed to ensuring that the agriculture sector receives adequate resources to support its growth and development, as well as contribute to the overall economic well-being of the county. This will be implemented through programmes, sub-programmes and strategies as highlighted:

Sector Priorities

Programme	Sub-programme	Strategies
Agriculture (Crop) Sub Sector		
Administration, planning and support services	General administration Renovation and equipping a smart registry	• Provide farm input e–subsidy programme • Organize farmers into cooperative societies
Food and Nutrition Security	Farm Inputs, credit, and related Support Food pharmacies	• Promote use of irrigated agriculture • Invest in irrigation agriculture • Promote production of drought tolerant/resistant crops as alternative food sources • Promote on-farm water harvesting and efficient water utilization technologies • Train farmers on appropriate food production, preparation, utilization and preservation technologies • Promote crop insurance for staple food crops (maize, bean in the county.

Programme	Sub-programme	Strategies
		• Promote home gardens and farm pharmacy in every ward • Operate plant clinics at the food farmacies and markets • Train farmers on organic farming • Engage industrial attachment students and interns to food farmacies
Cash Crops Development	Mango, Avocado, Banana, macadamia and others development support Industrial crop development support	• Promote and support production and value addition of THVC and oil crops (soybeans, cotton, sunflower in collaboration with processors and SMEs • Capacity building on safe use of Agro-chemicals • Establishment strategic pest and disease control unit • Strengthen collaborative research on new technologies • Review land use and land subdivision for agriculture and commercial purposes • Enhance access to farm inputs e.g., fertilizers, liming material • Organize and participate agricultural shows and trade fairs
Capacity Building and Extension Services	Agricultural Extension service Local, regional and national Agricultural shows and trade fairs	• Support local farmer cooperatives to create 35 hubs one in each WARD • Carry out rapid assessment on stakeholders' roles and responsibilities in agricultural Value chains • Establish collaborative students and youth led Agriculture Extension programme • Train and register local youth to support communities in setting up the hubs. • Develop ICT based tools to achieve efficient data collection, analysis and information dissemination • Build Institutional Capacity and ownership of Farm Hub • Recruit and train agricultural extension officers

Programme	Sub-programme	Strategies
		• Use ICT in agricultural extension service delivery
National Agricultural and Rural Inclusive Growth Project (NARIG)	National Agriculture Rural Inclusive Growth Project (NARIGP) NAVCDP (National Agricultural Value Chain Development Project)	• Provide famers with quality farm inputs • Promote soil testing and fertility management • On farm soil and water conservation
Agriculture Sector Development Support Programme (ASDS	Agriculture Sector Development Support Program	• Capacity build farmers on appropriate and efficient agricultural practices and technologies
Livestock Development Sub Sector		
Livestock Resources Management and Development	Administration Services Dairy production Fodder Production Livestock Development Strategic animal products food security Emerging Livestock Promotion Livestock Products Value Addition and marketing	• Resource mobilization for livestock extension services • Recruit livestock extension staff to cover all county wards and replace retirees • Promote use of ICT in extension service delivery. • Collaborate with livestock extension service stakeholders. • Create a critical mass of livestock extension providers through Farm Hubs. • Promote and support creation of value addition centres and cottage industries. • Promote on-farm and off farm storage and transport facilities • Capacity build on post-harvest losses and spoilage of livestock products and management • Train farmers on record keeping at farm level.

Programme	Sub-programme	Strategies
		• Register animals with Kenya Stud Book and breed associations to increase livestock value • Develop a livestock database to keep farmers and livestock data and information in a data management system for farm identification and traceability
Veterinary Subsector		
Veterinary administration planning and support services	Administration Services Infrastructure	• Improve on staff to farmer ratio • Semi-automation of veterinary services • adequate facilitation of staff • recruitment of new staff to replace those who have retired or have left service due to natural attrition. • Refresher courses. • Training our field officers on quality data collection, submission and analysis. • Create a knowledge bank with open data access. • Quality data collection, analysis and use.
Veterinary Disease and Pest Control	Livestock Vaccination Disease Surveillance, Monitoring, and County One Health Pest control (Ticks, Tsetse fly and Mosquitoes Laboratory Services	• Well-timed diseases reporting, vaccinations, controlled movement of animals into the county. • Customize existing disease control regulations and acts. • Managing the population of stray dogs • Sensitize farmers on good dog ownership practices • Quick response to disease outbreaks
Livestock Breeding	Artificial Insemination services	• Subsidized breeding material—Artificial insemination
Veterinary Extension	Veterinary Animal Health Extension Services Farmers outreach program	• Collaboration with private practitioners to reduce cost of service to farmers • Introduction of disease reporting clinics during market days in all sub-counties.

Programme	Sub-programme	Strategies
		• Veterinary extension through farm visits, barazas and radio talk show on county animal health.
Veterinary Inspectorate services	Compliant input service providers and facilities Capacity Building and training on animal product and Anti-Microbial Resistance (AM Meat Inspectorate facilities and services	• Improved supervision and regular analysis of input accessing our market. • Inspection of farm input premises i.e., agro vets and feed manufactures. • Sensitize traders on new technologies in meat preservation • Sensitizing traders on value addition e.g., Mincing of meat • Construction of biogas units at our slaughter houses. • Install hygienic blood collection chambers • Market infrastructure for live animals in Makuyu Sub- County by construction of live animal market • Renovation and upgrading of Makuyu slaughter house to an export slaughter house • Compliant input service providers and facilities • Reduced abuse and misuse of veterinary medicine via regulation of veterinary drug dispensation. • Adherence to laid rules and regulations in meat inspection
Hides and Skin Development	Hides and skins development	• Form leather trades cooperative • Construction of a tannery at the same area with Makuyu slaughter house • Sensitize frays on the best way to handle this by-product at slaughter points.
Fisheries subsector		
Aquaculture Development program	Aquaculture development (Fish farming) Departmental fish farm and Hatchery development	• Access to quality fingerlings • Access to quality fish feeds available through farmer co-operatives • Promote water harvesting technologies • Promote good aquaculture practises

Programme	Sub-programme	Strategies
Fish quality assurance, Value Addition and Market Development	Development of fish marketing Fish quality assurance	- Promote fish marketing and value addition through fish farming co-operatives - To disseminate aquaculture value chain information to value chain actors - To enforce established fish quality assurance regulations, IOE standards for fish processing other international guidelines (for all fish product - Promote fair fish trade regulations trade conventions/agreements - Improve marketing infrastructure, such as cold storage, by supporting producer organizations and information on fish markets - Develop local market for our aquaculture products (to stimulate demand through agricultural trade fairs, agricultural shows, field days, and "Eat more fish campaigns". - Promote diversification and value addition of aquaculture products - Prepare, publish, and regularly monitor guidelines on the implementation of quality standards of aquatic products to protect the public health as well as improve acceptability of aquaculture products. - Promote fish producers branding their fish products in order to aces better prices.
Management of capture and conservational Fisheries development program	Development of capture and recreational fisheries	- Use of technologies that ensure water and environmental resources are sustainably managed like water recycling. - Develop regulations applicable fisheries policy and fisheries regulations controls for aquatic bio-security - Conduct monitoring control surveillance surveys on major water bodies in the county - Promote stocking of appropriate fish species in county waters to increase fish production in over fished water bodies.

Programme	Sub-programme	Strategies
		• Conform to wetland and watersheds conservation standards appropriate legislation and regulations in place • Continuous monitoring control and surveillance of fisheries resources and publish data that are up to date
Administrative support and fish farming extension support services	Administration Services Personnel Services	• Promote the use of ICT technology in order to make farmers access fish market and fisheries extension services • Recruitment of staff in the fisheries sub sector to all sub counties • Support fish farmer trainings, on farm demos and field demonstrations, capacity build producer organizations • Promote collaboration among sector stakeholder doing similar programs • Support the mobility of fisheries extension staff with vehicles, ICT gadgets, motor cycles and improve work environment (Offices at sub counties
Agribusiness subsector		

Women and Youth Empowerment in Agribusiness	Women and youth empowerment in agribusiness	• Capacity building on good management and business incubation advisory provided to support agribusinesses.
		• Cascading policies on value addition, promoting collective marketing of agricultural commodities, and establishing central electronic ward agribusiness service centres to address key challenges that hinder youth and women from tapping into the immense potential in the agricultural sector.
		• Enhancing the involvement of youth and women in agribusiness through:
		   o Entrepreneurship training.
		   o Developing bankable agribusiness proposals.
		   o Technical training on value addition and business modelling.

Programme	Sub-programme	Strategies
		• Improving access to affordable credit and enhancing efficient use of ICT in marketing/digital marketing.
		• Holding local and international youth entrepreneurs' forums to cascade the National youth strategy.
		• Developing effective communication strategies for real-time market information sharing through the use of apps.
		• Establishing niche markets, organizing markets for emerging products and special crops.
		• Installation of digital marketing and trading strategies through a County Agribusiness App customized to provide record-keeping, statutory requirements, and compliance.
Market System Development	Marketing System Development	• To develop an efficient and reliable transport system for agricultural produce and products
		• Support SMEs with guarantee minimum price,
		• To increase/improve market access, food safety and fair trade among players in value chain
		• To develop a modern market infrastructure for efficient trade and sustainable management
		• Organize Business to Business Forums and Networks, Trade Shows, Business tours
		• Design communication strategy to cascade information gathered through market intelligence surveys to the Farmers and Value chain actors.
		• Support county-based Processing and Packaging Hub like Horticultural Pack house, Milk processing Plant, Coffee Roasting, Avocado processing plant, warehouses, Hide and skin, processing, slaughter houses, poultry processing, tea

Programme	Sub-programme	Strategies
		value addition, vegetables value addition, fruit factory
		• Support Registration of SMEs Agribusinesses, certification on global GAP
		• Support SMEs with modern processing technologies
		• To formulate policy to support development and growth of agricultural produce Value addition, processing and Marketing
		• Provide logistical support to the SMEs
		• Support SMEs business incubation
Institutional Capacity Development for Sustainability	Institutional Capacity Development	• Initiate Formation of Viable co-operatives through commodity-based community Mobilization
		• Revitalization of co-operatives
		• Growth and development of co-operatives
		• Transform Co-operatives into Business entities.
		• Create Strategic partnership with interest like partner
		• Capacity build on resource mobilization
		• Flag business opportunities through Trade Fairs,
		• Train cooperatives on business management and strategic leadership
Administration Planning and Support Services Institutional Development	Administration Services Personnel Services Department Transport Improvement Modern ICT equipment	• Periodical staff training
		• Effective coordination and liaison with other sector providers
		• Partnership and stakeholder collaboration
		• Organize exchange programmes
		• Equip office with modern ICT equipment
		• Provide operational Resources
		• Change management of staff
		• Capacity building cooperatives
		• County agriculture Sector data management, analysis, impact analysis
Value chain subsector		

Programme	Sub-programme	Strategies
Cash Crop Development and Management	Certification of export crop value chains-priority avocado	- Development of an agro ecology strategic plan - Development of an agro ecology action plan for 2023/2028 - Setting up of model farms on organic agriculture - Setting up and operationalizing of proposed organic board - Operationalizing of a multi stakeholder platform - Finalize incomplete policies on food and nutrition/CASCOM, mangoes, environmental policies and laws etc. and conduct public participation - Ensure legislation is completed - Handle emerging needs on policies in veterinary (leather development), fisheries and irrigation - Access funds and roll out Global Gap and Organic EU certification for export avocado in next 3 years - Monitor implementation of mango and dairy policies - Draft the. Climate smart Agriculture (CS action plan and validate for implementation - Support and coordinate partner departments to complete Climate action plans - Activation of CSA MSP planned activities through partnership
Capacity Building and Extension	Extension support to sustainable agriculture Administration and support	
Coffee subsector		
Coffee Production Support	Coffee seedlings support	- Enhance extension services - Support leaf and soil analysis - Initiate farm input subsidy programme

Programme	Sub-programme	Strategies
	Farm Inputs support Soil amendments and Analysis Coffee field days Demonstration Soil and water conservation	• Promote use of ICT in extension services • Establish coffee nurseries to produce modern varieties • Engage youth groups in coffee production and marketing • Digitize the weighing of coffee at the primary processing factory and transmission of data • Automate data management and communication • Support compliance with environmental requirements • Implement waste water regulations and the OSHA requirements in the coffee factories and estates • Train youth in Agro-chemicals use, pruning and grafting techniques • Enforce gender consideration in the election of management and supervisory committees as required by law
Coffee cooperative societies improvement	Digitization of coffee weighing Computerization Society extension services support Licensing Factory infrastructure improvement Murang'a Union Taste of harvest factories competition	• Restructure the Union to meet its mandate as per its articles of association • Use MCU's assets as collateral for financing farm inputs • Facilitate the coffee factories diversify to other income streams • Support coffee certification • Promote targeting of niche markets • Promote roasting, grinding, packaging and branding of coffee by the factories/societies and support establishment of coffee roasting units in the coffee factories • Review coffee movement permits and licenses • Modernize the processing equipment – Promote use of ecological pulpers, drying green houses • Promote diversification at the factory level; Promote utilization of local resources at the factory to generate side income

Programme	Sub-programme	Strategies
KATC Mariira ATC		
Farmers, Staff and Stakeholders Capacity Building and Development Program	Farmers, staff and stakeholders training at KATC	• Jointly with Murang'a University of Technology, develop SLAE aligned academic curriculum to include agribusiness incubation technology and extension Farm Hubs • Build and enhance partnership between Murang'a University of Technology, KATC Mariira, JKUAT, KALRO and the private sector to initiate agribusiness practices • Hold residential and non-residential trainings • Make agricultural motivational talks in schools and colleges to create positive attitude and perceptions towards agriculture • Participatory research and trainings • Partner with Murang'a University of Technology and other research institutions and innovators in promotion of adaptive technologies to farmers • Provision of land for research and on farm trials • Hold collaborative trainings and exhibition on adaptive technologies • Establish of training crops demo plots • Hold exhibition and field days
Promotion of market access and nutritional security	Increased crops and livestock productivity, refurbished institution and more farmers and stakeholders trained	• Conduct farmers outreaches, open days and training tours • Conduct tailor made youth trainings • Provision of training facilities to other stakeholders • Establishment of a fruit tree nursery • Training of fruit tree nursery operators • Bulking of fodder crops including modern and high value fodder crops • Create an appropriate mobile application for technical advisory services and market linkages

Programme	Sub-programme	Strategies
		• Conducting information sourcing and repackaging
Crops and livestock Development	Crops Development at KATC Mariira Farm Livestock Development	• Establishment and furnishing of an agro-processing unit • Establish and/or maintain a model farm on commercial enterprises like dairy, avocado, coffee, apiculture • Expansion of irrigation infrastructure from the existing one hectare to 4 hectares • Establish agriculture information

4.7. Resource Allocation Framework

Resources continue to be constrained given the tough economic environment the Country is experiencing. This situation can further be exacerbated by the occurrence of an external shock or internal shocks of drought or pandemic like has been experienced in the past. This notwithstanding, the demand for resources continue to increase due to high costs of operations, increasing population and the climate change. As such, decisions on allocation of resources will require efficiency and sustainability while ensuring equity, equality and inclusiveness.

From the foregoing, priority will be accorded to flagship projects identified in the County Integrated Development plan; settlement of pending bills, consideration of non-discretionary expenditures, such as salaries and pensions; and completion of all ongoing projects. All these programs shall be aligned to the bottom-up economic transformation agenda outlined by the National Government. Equally, priority will be accorded to complying with the requirements of various conditional grants that the County has attracted in order to ensure that the County can optimise this source of revenue.

The County Government is keen to ensure that it upholds good public finance management practices. As such, it seeks to uphold fiscal responsibility principles outlined in the Public Finance Management Act 2012, therefore the percentage of development budget will be at minimum 30% of the County's total expenditure. In the medium term, compensation to employees will be geared towards 35% of the County's total expenditure.

In the budget for the year 2024-2025, allocations will be as proposed in table 4.6:

Table 4.6: Departmental Ceilings for 2024/2025 FY

Department	Recurrent	Development	TOTAL	ALLOCATION
Governorship, County Coordination and Administration	409,326,209.26	15,000,000.00	424,326,209	4.1%
County Assembly	870,325,033.00	20,000,000.00	890,325,033	8.6%
Finance, and Economic Planning	336,008,543.00	225,000,000.00	561,008,543	5.4%
Agriculture, Livestock and Fisheries	265,014,150.05	564,646,942.00	829,661,092	8.0%
Energy Transport and Roads	23,729,487.00	1,008,876,847.00	1,032,606,334	9.9%
Commerce,Trade, Industry and Tourism	64,930,706.21	271,300,000.00	336,230,706	3.2%
Education & Technical Training	726,309,214.04	37,000,000.00	763,309,214	7.3%
Health and Sanitation	3,028,926,299.58	410,759,473.90	3,439,685,773	33.1%
Lands, Housing & Physical Planning	23,079,031.34	32,000,000.00	55,079,031	0.5%
County Public Service Board	35,115,881.00	-	35,115,881	0.3%
Youth,Culture, Gender,Social Services & Special Programs	84,679,737.10	198,000,000.00	282,679,737	2.7%
Environment, Natural Resources, Water and irrigation	113,587,499.87	363,214,871.00	476,802,371	4.6%
Public Service & Information Technology	1,057,178,839.13	50,000,000.00	1,107,178,839	10.7%
Murang'a Municipality	68,570,000.00	10,000,000.00	78,570,000	0.8%
Kenol Municipality	33,976,200.00	5,000,000.00	38,976,200	0.4%
Kangari Municipality	33,500,000.00	10,000,000.00	43,500,000	0.4%

Sub-Total				100%
	7,174,256,830.58	3,220,798,133.90	10,395,054,964	

4.8. County Financial Management and Emerging Issues

4.8.1. Automation

The county is implementing a comprehensive automation programme to improve service delivery and improve revenue performance over the medium term. The ultimate outcome of this program is to avail e-service to county residence while at the same time improve access to information. As such, the County will be looking at reviewing its internal processes, in a bid to ensure that it can automate additional processes and thus enhance service delivery to the citizens.

4.8.2. Pending Bills

The current regime inherited a pending bills for goods services and staffs' statutory contribution. The stock of these bills has continued to bear a heavy burden to the scarce resources available to the County. However, the County intends to settle the verified pending bills for goods and services within the financial year 2023-2024. The remaining balance over about 2(two) billion is subject to further verification and is therefore a contingent liability to the county.

4.8.3. Climate Change

Climate change continues to pose a major threat to the existence of human life. It's ravaging effects affect all sectors of the economy globally, nationally and at the County level. Kenya is a party to the Paris agreement and has made commitments to this agreement among them to abate her Greenhouse Gas (GHG) emission by 32% by the year 2030.

To this end, the County Government is doing its part to mitigate the effects of climate change, enhance adaptation and build resilience among its citizens. This is through provision of drought resistant crops, planting trees and building the capacity of its citizens on climate change, its adverse effect and ways in which they can mitigate the effects of climate change.