

COUNTY GOVERNMENT OF GARISSA



FINANCE, ECONOMIC PLANNING AND REVENUE MANAGEMENT

P O BOX 1377-70100

GARISSA

[Email:info@garissa.go.ke](mailto:info@garissa.go.ke)

GARISSA COUNTY

FISCAL STRATEGY PAPER

ACHIEVING EQUITABLE AND SUSTAINABLE ECONOMIC DEVELOPMENT FOR THE RESIDENTS OF GARISSA
COUNTY

FEBRUARY 2018

Foreword

I am pleased to present the County Government of Garissa County Fiscal Strategy Paper (CFSP) for 2018. This CFSP has been prepared by the County Treasury. The process of developing this CFSP has involved considerable effort, analysis and honest introspection to identify the factors that have been impeding performance, and more importantly, to chart out a path for transforming Garissa County into a positive economic force in the Northern Kenya region. The county is geared to transform into an economic hub that demonstrates excellence in promoting improved access to service, resources and opportunities for every resident.

To achieve our goals, we plan to reorganize and expand our revenue collection framework, develop partnerships and engagement strategies with the other stakeholders, and track progress by developing a monitoring and evaluation framework with targets and indicators for every sector. The plan to automate revenue collection is underway but due to its importance as a pillar for revenue growth, it will be fast-tracked in order to ensure that the initiatives set out in this CFSP are put into action.

This CFSP details five Key Priority Areas that will enhance service delivery to the people of Garissa County:

- I. Improving access to water and sanitation services;
- II. Provision of accessible and quality healthcare services;
- III. Investment in agricultural transformation and food security;
- IV. Investment in transport and infrastructure development; and
- V. Creation of a conducive business environment.

I would like to once again give credit to the Planning and Budget team within the County Treasury, for leading the preparation process and overall coordination of this exercise. Indeed, there's renewed energy for internal transformation within the County Government to enhance efficiency, effectiveness and oversight of all the recurrent and development budgetary programs in order to deliver improved services across the county through collaboration and partnerships.

I would like to invite all stakeholders to support us in this process as the task ahead is enormous. But our resolve to demonstrate real transformation to ensure maximum efficiency in service delivery and value for money in all our undertakings is resolute. I also take this opportunity to appreciate any support towards realizing this CFSP in the form of resources, technical assistance, partnership or recommendations for alternative service delivery mechanisms.

Roble S. Nunow
County Executive Committee Member
Finance, Economic Planning, Revenue & County Affairs
GARISSA

Acknowledgements

The Garissa County Fiscal Strategy Paper (CFSP) FY 2018/2019 is a result of contribution and concerted efforts of many people. The paper is informed by the Public Finance Management Act 2012 Section 117 which stipulates that the County Treasury shall prepare the Fiscal Strategy Paper for each financial year and submit the paper to the County Assembly by the 28th of February of that year.

The contents of this CFSP has benefited from an array of expertise of technical officers from the County Treasury, County Economic Planning Unit and each of Garissa's sectoral departments. Their tireless efforts are sincerely appreciated.

We are particularly grateful to His Excellency the Governor for his lead role, direction and guidance in the development of this document. Special thanks and gratitude also go to His Excellency the Deputy Governor, and the County Executive Member for Finance and Economic Planning for their stewardship of the processes. We also could not proceed without the informed and timely input of all County Executive Committee Members, Chief Officers and Directors of all the County Departments for their input in providing much needed information to the team working on this CFSP.

We also wish to thank the technical staff from Finance and Economic Planning specifically the Budget and Economic Planning team who played a critical role in weaving together the document, incorporating stakeholders' comments and aligning the CFSP to the County development plans. In addition, I would like to thank other Chief Officers and their respective technical staff who shared their sector plans and participated in the consolidation of this important document.

Special thanks also goes to external stakeholders including Wangari Muikia, PFM Specialist from the Agile Harmonized Assistance for Devolved Institutions (AHADI) for her invaluable inputs and contributions, alongside the entire team of AHADI USAID, for their inputs.

Last but not least, we would like to register our heartfelt appreciation and gratitude to the people of Garissa who we are honored to serve. Their input over the public participation process has been invaluable.

Ibrahim Malow
Chief Officer
Finance
GARISSA COUNTY

List of Acronyms and Abbreviations

| | |
|----------------|-------------------------------------|
| ATC | Agricultural Training Center |
| BPS | Budget Policy Statement |
| CA | County Assembly |
| CBK | Central Bank of Kenya |
| CFSP | County Fiscal Strategy Paper |
| CIDP | County Integrated Development Plan |
| CG | County Government |
| ECD | Early Childhood Education |
| FY | Financial year |
| GAWASCO | Garissa Water and Sewerage Company |
| KNBS | Kenya National Bureau of Statistics |
| MTEF | Medium Term Economic Framework |
| NGOs | Non-Governmental Organizations |
| OSR | Own Source Revenues |
| PFMA | Public Financial Management Act |
| TA | Transition Authority |
| KPA | Key Priority Area |
| AMS | Agricultural Mechanization Systems |

| | |
|--|----|
| Foreword | 2 |
| Acknowledgements | 3 |
| List of Acronyms and Abbreviations | 4 |
| Legal Basis for County Fiscal Strategy Paper | 6 |
| County Government Fiscal Responsibility Principles | 7 |
| Executive Summary | 8 |
| CHAPTER ONE:..... | 9 |
| ACHIEVING EQUITABLE AND SUSTAINABLE ECONOMIC DEVELOPMENT | 9 |
| INTRODUCTION: | 9 |
| THE CFSP PROCESS: | 9 |
| OUTLINE OF THE CFSP | 10 |
| CHAPTER TWO: | 11 |
| RECENT ECONOMIC AND FISCAL DEVELOPMENTS | 11 |
| PAST YEAR NATIONAL ECONOMIC AND FISCAL OVERVIEW | 11 |
| PAST YEAR COUNTY ECONOMIC AND FISCAL OVERVIEW | 11 |
| CONCLUSION | 12 |
| CHAPTER THREE:..... | 13 |
| FORWARD ECONOMIC AND FISCAL DEVELOPMENTS | 13 |
| LOOKING FORWARD: NATIONAL ECONOMIC AND FISCAL OVERVIEW | 13 |
| LOOKING FORWARD: COUNTY ECONOMIC AND FISCAL OVERVIEW | 14 |
| CONCLUSION | 14 |
| CHAPTER FOUR:..... | 15 |
| STRATEGIC PRIORITIES AND INTERVENTIONS | 15 |
| OVERVIEW | 15 |
| CHAPTER FIVE:..... | 18 |
| FISCAL POLICY AND BUDGET FRAMEWORK..... | 18 |
| OVERVIEW | 18 |
| ACHIEVING A STABLE FISCAL POLICY FRAMEWORK | 18 |
| BUDGET FRAMEWORK FOR 2018/2019 | 19 |
| CHAPTER SIX:..... | 23 |
| MEDIUM TERM EXPENDITURE FRAMEWORK..... | 23 |
| OVERVIEW | 23 |
| RESOURCE ENVELOPE | 23 |
| SPENDING PRIORITIES | 23 |
| PLAN FOR SAVINGS OR ADDITIONAL GENERAL BUDGET RESOURCES | 43 |
| CHAPTER SEVEN..... | 44 |
| CONCLUSION..... | 44 |

Legal Basis for County Fiscal Strategy Paper

The Fiscal Strategy Paper is published in accordance with section 117 of the Public Finance Management Act, 2012. The PFM Act requires that the County Treasury to prepare the CFSP. The Act states among others that a County Treasury:

- 1) Shall prepare and submit to 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 28th February of each year.
- 2) Shall align its County Fiscal Strategy Paper with the National objectives in the Budget Policy Statement.
- 3) The County Fiscal Strategy Paper 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) Shall include in its Fiscal Strategy Paper, the Financial Borrowing for the financial year and over the Medium Term.
- 5) In preparing the Fiscal Strategy Paper, shall seek and take into account views of :
 - i. The Commission on Revenue Allocation
 - ii. The Public
 - iii. Any interested persons or groups: and
 - iv. 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 amendments.
- 7) The County Treasury shall consider any recommendations made by the County Assembly in 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.

County Government Fiscal Responsibility Principles

In order to ensure prudent and transparent management of resources, the County Treasury shall be guided by the following fiscal responsibility principles as spelt out in Section 107 of the Public Finance Management (PFM) Act, 2012:

- I. The county government's recurrent expenditure shall not exceed the county government's total revenue;
- II. Over the medium term a minimum of thirty percent of the county government's budget shall be allocated to the development expenditure;
- III. The county government's expenditure on wages and benefits for its public officers shall not exceed a percentage of the county government's total revenue as prescribed by the County Executive member for finance in regulations and approved by the County Assembly;
- IV. Over the medium term, the government's borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure;
- V. The county debt shall be maintained at a sustainable level as approved by county assembly;
- VI. The fiscal risks shall be managed prudently; and
- VII. 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.

Executive Summary

This fifth cycle of the CFSP is in line with several dynamisms in building upon the National Budget Policy Statement (BPS) for the FY 2018/19 which re-emphasizes the transformative economic agenda and structural reforms that have so far been implemented by the Jubilee Administration over the last three years. This Economic Transformation Agenda includes:

- i. Improving access to Water and Sanitation;
- ii. Provision of accessible and quality health Care services;
- iii. Investing in agricultural transformation and food security;
- iv. Investment in transport and infrastructure development; and
- v. Creating a conducive business environment

While building on the recent positive developments in Kenya, the CFSP recognizes that County Governments operate in an environment dictated by external and internal socio-economic, legal and political factors, which directly and indirectly impact on its operations. Overall achievement of this CFSP will largely depend on how the County Treasury competitively builds on its strengths, exploits the existing opportunities, minimizes weaknesses and manages threats. In this regard, the County Treasury will require a lot of effort from both internal and external stakeholders coupled with proper planning, monitoring and evaluation, change management, effective mobilization and utilization of resources, adequate and speedy use of information and communications technology. The county Treasury shall draw lessons from the national treasury in sustaining implementation of her programs by creating strong resilience to result in strong economic growth while maintaining macroeconomic stability in the wake of global economic slowdown.

This CFSP provides a systematic framework on which the Programs of the County Government of Garissa during the period FY 2018/19 are anchored. The drafters of the CFSP take cognizance that Kenya's economy grew by 6.2 percent in the second quarter of 2016 from 5.9 percent in first quarter supported by strong expansion in agriculture; forestry and fishing; mining and quarrying; transport and storage; electricity and water supply; wholesale and retail trade; accommodation and restaurant and information and communication. Garissa County has noted considerable growth an indication that it remains strong and is projected to pick up in 2017 and the medium term. The economic growth outlook of the county is underpinned by continued good performance across all sectors of the economy; investment in security and continued infrastructure development and enhanced public participation. Therefore, in this CFSP, we aim to address the outstanding challenges that continue to present a dark cloud above the growth and development of Garissa County; an Oasis in the desert.

CHAPTER ONE: ACHIEVING EQUITABLE AND SUSTAINABLE ECONOMIC DEVELOPMENT

Building Basic, People Responsive Infrastructure For The Socio-Economic Transformation Of Garissa County

INTRODUCTION:

Garissa's CFSP process links tightly to its ADP Process

A long and protracted electioneering period that lasted most of 2017 made the environment for budget formulation difficult. However, through commitment and dedication to service to the people of Garissa, an Annual Development Plan was drafted outlining the key priorities of the County. This ADP forms the basis of this County Fiscal Strategy Paper (CFSP).

The goal of the CFSP is to link the County's priorities as outlined in the ADP, to the county's fiscal framework in the current and medium term, in order to determine how to best deploy available resources for their realization. The fiscal framework ensures adherence to principles of public finance and fiscal responsibility principles as set out in the Constitution and the Public Finance Management Act 2012 respectively. Specifically, the development to recurrent expenditures has been maintained within the required ratios of 30:70. Further the expenditures are fully funded from the allocation from the National Government and county own revenue. In achieving county goals, prudence in use of public resources will be exercised. In turn, this CFSP, will be the primary guide for Garissa County in preparing its budget for Financial Year 2018/2019 and the Medium Term.

In order to achieve the set objectives, Garissa County Government will employ greater transparency, effectiveness; efficiency and economy in management of public resources in order to ensure fiscal discipline.

In line with the ADP, the following five Key Priority Areas (KPAs) are addressed in this CFSP:

- i. Improvement of access to water and sanitation;
- ii. Provision of accessible and quality healthcare services;
- iii. Investment in agricultural transformation and food security;
- iv. Investment in transport and infrastructure development; and
- v. Creation an enabling business environment.

These areas are expounded upon further in Chapter Four.

THE CFSP PROCESS:

This CFSP was developed by the County Treasury in conjunction with sector teams, in parallel with the ADP process that was delayed because of the protracted election period, and updated to match budget ceilings. The development process was undertaken through a series of internal evaluations as well as consultations with various stakeholders. The CFSP was also widely discussed by the public through citizen participation forums in the county and refined to incorporate key insights. This has ensured ownership, commitment and leadership by the residents of Garissa County.

The CFSP takes into account the National context as described in the Budget Policy Statement, and applies any significant effects on a national scale into Garissas fiscal outlook. It also examines and evaluates Garissa's past performance and based on this data and analysis, projects its fiscal framework into the medium term.

Involving the public is also a key strategic activity in order to build confidence and set a pace whose momentum can

be sustained in the medium to long term. This creates the buy-in needed to achieve set and to ensure the County Government delivers on its mandate.

OUTLINE OF THE CFSP

This CFSP is organized in the following seven chapters;

- **Chapter One** introduces to the CFSP, its thematic guide, and describes the CFSP process;
- **Chapter Two** examines the recent Economic and Fiscal Developments at the county level based on the national as extracted from the Budget Policy Statement (BPS);
- **Chapter Three** defines the Forward Economic and Fiscal Outlook with an extraction from the BPS as well as data from county supplementary estimates;
- **Chapter Four** gives the strategic priorities and interventions that reside in the overall (CIDP) and have been approved by the County Assembly;
- **Chapter Five** outlines the Fiscal Policy and Budget Framework that presents a summary statement on both the Fiscal and Budget framework;
- **Chapter Six** explains the Medium-Term Expenditure Framework presenting the resource envelope-based on revenue/debt, outlines spend priorities as well as present medium-term baseline ceiling per sector/department;
- **Chapter Seven** is the Conclusion which gives a summary statement on the CFSP and recommended direction to take;
- **Annexes** indicate the requisite attachments to the CFSP.

CHAPTER TWO: RECENT ECONOMIC AND FISCAL DEVELOPMENTS

PAST YEAR NATIONAL ECONOMIC AND FISCAL OVERVIEW

Garissa's economy is directly affected by the context in Kenya

Kenya's economy has suffered from the effects of adverse weather conditions, a prolonged electioneering period as well as subdued credit growth to the private sector. These factors combined have served to weaken growth in the first half of the year. Economic growth for 2017 is estimated at 4.8 percent from 5.8 percent in 2016. On the positive side, growth in 2017 was supported by on-going public infrastructure investments, improved weather towards end of 2017, recovery in the tourism sector and a stable macroeconomic environment.

The overall month on month inflation declined 4.5 percent in December 2017 from 6.4 percent in December 2016. Due to the fall in the prices of potatoes, kale, oranges and mangoes mainly attributed to favourable climatic conditions at end of 2017 and Government measures on prices of maize, powdered milk and sugar. The inflation of 4.5 percent in December 2017 was within Government's target range.

The foreign exchange market has remained relatively stable supported by resilient tea and horticultural exports, strong Diaspora remittances, and a continued recovery in tourism. The 12-month current account deficit stabilized at 7.0 percent of GDP in November and September 2017 and is expected to narrow to below 6.5 percent by December 2017 as the bulk of SGR-related imports are completed, while favourable weather conditions is expected to support food production and agricultural exports.

Kenya is ranked favourably in the ease of doing business and as a top investment destination. In 2017, the World Bank's Doing Business Report, ranked Kenya third in Africa in the ease of doing business after Rwanda and Mauritius, as the country moved up 12 places to position 80. Further, in September 2017, Standard and Poors Global Ratings affirmed its 'B+/B' long- and short-term foreign and local currency sovereign credit ratings on Kenya, with a stable outlook.

PAST YEAR COUNTY ECONOMIC AND FISCAL OVERVIEW

Garissa will feel the effects of the economic downturn

Over the last few years, the County economy exhibited similar trends to those recorded by the National economy. A number of shocks have negatively affected the county's economic outlook. These shocks include erratic weather patterns that resulted in low livestock and agricultural productivity. The livestock subsector is the main backbone of the County's economy and the result for the economy was debilitating. Low rainfall, especially in the last quarter of 2016/17, resulted in poor agricultural productivity. Nevertheless, weather patterns have improved, and if they persist then the economic performance in 2017/2018 will be improved.

Garissa County was particularly affected by the drought. Food security was severely destabilized with several communities in the county needing emergency aid to provide sustenance. Health complications due to malnutrition affected Garissa residents, but particularly affected children. In addition, the overall level of urbanization in the county increased due to the influx of people from the hinterland, mainly due to loss of livelihood as a result of persistent drought. This caused strain on the social and physical infrastructure in these urban centers.

Pastoral life was largely traded in for farming because of the drought, but this transition was not planned for. Therefore service provision to these new settlements is *ad hoc*. One way that Garissa is planning to address this is institutionalize irrigation schemes as a source of water supply for new and existing farms.

Insecurity concerns in some parts of the County and Nationally has also seen economic performance deteriorate. This also has a negative effect on private investment in the County.

CONCLUSION

The challenges felt at the National level have translated to the county level simultaneously with regards to the external effects. This demonstrates Garissa's significant reliance on the National Government.

CHAPTER THREE: FORWARD ECONOMIC AND FISCAL DEVELOPMENTS

LOOKING FORWARD: NATIONAL ECONOMIC AND FISCAL OVERVIEW

National Revenues will affect the size of the Equitable Share in 2019/20

Implementation of the FY 2017/18 budget is on course although performance is lagging behind targets. In the first five months of the year, revenues collection have consistently lagged behind targets due to the under performance of the main revenue tax heads. On the other hand, there have been elevated expenditures pressures as a result of the adverse spill over effects of the prolonged drought, the repeat of the Presidential Election and salary awards for Universities Staff and Nurses.

By end November 2017, the total cumulative revenues including A-I-A collected amounted to Ksh 558.4 billion against a target of Ksh 611.0 billion. The recorded shortfall of Ksh 52.6 billion was as a result of an under performance of the ordinary revenues by Ksh 29.7 billion and the ministerial A-I-A by Ksh 22.9 billion. The shortfall in ordinary revenue was on account of underperformance in all the broad categories of ordinary revenues except import duty.

Given that the Equitable Share is calculated on audited accounts, and that presently there is a one year lag in the audit process, in 2019/20, the equitable share to the counties may see subdued growth based on the low revenue figures for 2017/18.

Over the medium term, growth is projected to increase by more than 7.0 percent due to investments in strategic areas under “The Big Four” Plan (see Box 1).

Figure 1: The National Government's Big Four Plan

Building on the progress made thus far and with the desire to decisively confront the three perennial challenges of unemployment, poverty and income inequality that this economy continues to face, the [National] Government has identified four key strategic areas of focus over the next five years that will accelerate broad based economic growth. This will help transform the lives of all Kenyans. The strategic areas under “The Big Four” Plan include:

- i. Supporting value addition and raising the manufacturing sector's share of GDP to 15 percent by 2022. This will accelerate economic growth, create jobs and reduce poverty; [SEP]
- ii. Focusing on initiatives that guarantee food security and improve nutrition to all Kenyans by 2022 through expansion of food production and supply, reduction of food prices to ensure affordability and support value addition in the food processing value chain; [SEP]
- iii. Providing Universal Health Coverage thereby guaranteeing quality and affordable healthcare to all Kenyans; and, [SEP]
- iv. Providing at least five hundred thousand (500,000) affordable new houses to Kenyans by 2022, hence improve living conditions for Kenyans. [SEP]

Investments in the above four areas is expected to transform lives by creating the much needed jobs enabling Kenyans meet their basic needs, improve living conditions, lower cost of living, and reduce poverty and inequality.

Budget Policy Statement, 2018

Total expenditures and net lending amounted to Ksh 720.2 billion against a target of Ksh 824.2 billion falling below target by Ksh 104.0 billion at the end of November 2017. The shortfall was as a result of lower than projected disbursements to County Governments due to the delayed enactment of the County Revenue Allocation Act as well as below target absorption of development expenditures despite the faster spending in the recurrent expenditures by the National Government.

LOOKING FORWARD: COUNTY ECONOMIC AND FISCAL OVERVIEW

Garissa's strategic blueprint links strongly with National Government's "Big Four Plan"

Garissa is formulating the foundation to become increasingly self-sustaining, relying less and less on the National Government, and becoming an economic force in the region. Garissa also plans to build the structures necessary to cushion itself from external negative effects, while taking advantage of external positive effects from the National context.

In light of the subdued national revenue environment, Garissa county laid the legislative groundwork to support a stronger revenue raising administration to enhance revenue collections in the county. Revenue raising legislation is being drafted for tabling with the County Assembly in 2018/19. Additional strategic investments for enhanced own source revenues include investment in contextually relevant systems to automate revenue collection, and capacity building for the revenue administration. Furthermore, the structures to implement an annual Finance Act are key for responsive revenue administration framework.

Over the medium term, expenditure on recurrent will need to be contained in order to ensure substantial amount of funds for development. In particular, every effort should be made to contain wages and salaries by the executive and other public entities by limiting the size of public service. Pursuing a sustainable level of debt is also vital as a means to provide room for the private sector to expand business and create the much needed jobs within an environment of low inflation, and stable interest rates and exchange rate.

In light of apparent fiscal constraints, tough choices are therefore required to ensure that available resources are directed towards those priority programs that have the highest socio-economic impact on our economic development. This is especially more urgent with respect to the public sector wage bill that, if not appropriately managed, will become the main macroeconomic challenge for Garissa County.

Garissa has been allocated a proportion of units to develop affordable housing and is investing in expanding these alongside the National Government investment. Initial consideration for investing in the cotton industry through the manufacturing focus on the National Government is also under review. Garissa is also preparing to receive donor-funded hospitals from refugee settlements and as such will also be tapping into the Universal healthcare focus of the National Government. And finally because of the direct effects of the drought, Garissa will invest to attract funding from the National Government for food security fortification. These plans are further detailed in Chapter Four.

CONCLUSION

The county equitable share will also likely see diminished growth in 2019/2020. The County MTEF will prepare for this circumstance going forward. The County will also continue efforts to become less reliant on the National Government transfers by aligning itself to National investment programs in order to increase resources that promote economic stability for the County.

CHAPTER FOUR:

STRATEGIC PRIORITIES AND INTERVENTIONS

OVERVIEW

Over the recent years, the County Government has re-oriented expenditure towards priority programmes in water and irrigation, health, roads, education (focusing on Early Childhood Education (ECD)), Agriculture and Livestock Environmental conservation and youth empowerment development under the medium-term expenditure framework (MTEF). In fulfilling the CIDP objectives, 2018/19 will focus on its KPAs, restated below:

- i. Improvement of access to water and sanitation;
- ii. Provision of accessible and quality healthcare services;
- iii. Investment in agricultural transformation and food security;
- iv. Investment in transport and infrastructure development; and
- v. Creation an enabling business environment.

Each of these KPAs are described in more detail below.

Priority 1: Improving Access to Water and Sanitation

Access to livestock and household water is a key concern for Garissa County. Safe drinking water and sanitation also complements efforts towards improved primary healthcare and labor productivity. Over the years, Garissa County has invested significantly in an accessible and sustainable water supply by

- excavating new water pans,
- constructing boreholes
- extension of water supplies, and
- emergency water provision through water trucking.

In FY 2018/19 and in the medium term Garissa County will implement the following programmes:

- (i) Refurbishment and restructuring of Garissa Water and Sewerage Company (GAWASCO) into an efficient institution so that all households in Garissa can access enough portable safe water for daily use.
- (ii) Establishment of mechanisms for harvesting rain water by constructing mega-dams for irrigation and human consumption.
- (iii) Development of over 100 high yielding boreholes to provide safe and clean water to pastoral communities in areas adjacent to the Merti aquifer where there is accessible ground water.
- (iv) Establishment of water schemes in each of the major settlements along Tana River, and the installation of water extension pipes in all villages and households to address persistent water shortages.
- (v) Procurement of equipment such as drilling rigs and excavators to help in developing the county's ability to develop water table access.
- (vi) Investment in water management structures in each of the water schemes, through training programmes for staff, alongside infrastructure development.

Priority 2: Provision of Accessible and Quality Health Care Services

A healthy population is the cornerstone of economic progression. Health expenditures are the highest in the county. However most of these expenditures go to personnel emoluments. A number of strategies were initiated in 2016/17 and are ongoing in 2017/18 into the Medium Term. These strategies are aimed at reducing health inequalities and

reversing the downward trend in health related outcomes. The strategies include

- provision of ambulances to ease referrals;
- recruitment of health personnel;
- construction of maternity wings in health facilities; and,
- provision of drugs and equipment to health facilities.

In FY 2018/19, the county will make the following investments:

- i. Equipping of seven dispensaries.
- ii. Equipping of seven maternity facilities.
- iii. Construction of fifteen quarters for staff.
- iv. Installation of ten water tanks for health centers and dispensaries.
- v. Construction of and equipping two operating theatres in Iftin and Hulugho hospitals.
- vi. Construction of and equipping seven inpatient wards.
- vii. Construction of five new dispensaries.

Priority 3: Investing in Agricultural Transformation, Food Security and Livestock Production

Garissa County suffers from severe food insecurity. To reduce this, the county has prioritized agricultural investments. Expanded agricultural outputs will also reduce food prices, helping to bring down the cost of living, create employment and promote overall economic development.

The successful economic turnaround of Garissa County is dependent on transformative interventions in the livestock sector. Culturally and historically, livestock has been the historical lifeline of majority of Garissa residents. Despite changing climatic and environmental conditions that is forcing people into a more sedentary lifestyle, herding remains the dominant economic and livelihood activity of the Somali peoples of Garissa County, who are the majority in the county.

The larger Northern corridor in the region is often described as the bread basket of livestock meat in Kenya. While this presents a unique opportunity for Garissa, weak unsustainable livestock farming models and harsh droughts, undermines the livestock industry's latent potential to grow.

In FY 2018/19, the County will invest heavily the following programmes;

Agriculture

- i. Farm access roads.
- ii. Construction of Permanent Canals and rehabilitation of all schemes along the Tana River.
- iii. Purchase of more pump sets to enhance irrigation.
- iv. Construction of cooperative sheds to enhance market for farm produce.

Livestock

- i. Construction of cattle crushes.
- ii. Completion of export slaughterhouse and satellite slaughter houses in wards
- iii. Development of strategic fodder and establishment of feedlot.

- iv. Establishment of a model dairy processing unit at Agricultural Training Center (ATC) Garissa.
- v. Development of livestock product value chains.
- vi. Development of a disaster risk reduction strategy.
- vii. Improvement of market structures and processes in three primary markets.
- viii. Procurement of processing equipment and transport for established value chains.
- ix. Establishment of coordinated vaccination with neighbouring counties and countries for disease free herds, helping also to meet international conditions of trade in the meat industry.
- x. Establishment of abattoirs that meet international standards.
- xi. Provision of on-site cold storage and refrigerated vehicles to transport meat to markets in Kenya and abroad.

Priority 4: Investment in Transport and Infrastructure Development

The road network in the County is in a poor state. Garissa plans to invest in the expansion of the road network as a key support area in the development of other sectors. The county road network has improved in the last three years through rehabilitation of existing roads and construction of new ones. Feeder roads have also been opened up. To date approximately 1,255.9 km of road has been improved. Out of this 1,200 km has been bush cleared and graded; and 250 km has been gravelled. Additionally, 2.8 km of road network has been tarmacked. Several drainage works have also been developed.

In the financial year 2018/2019 and in the medium term, Garissa County Government will prioritize the following projects:

- Development of access roads.
- Improvement of major roads.
- Maintenance of Roads through the Roads Maintenance Levy Fund (RMLF).

Priority 5: Creating a Conducive Business Environment for Employment.

The County will continue to pursue prudent fiscal policies that are supportive of accelerated inclusive growth and development. This can be achieved by proposing affordable taxes/charges that will not only spur economic growth for employment creation but also bring in the much needed revenue to further implement government policies and programmes.

In the financial year 2018/2019 some of the strategies that will be implemented include-

- i. Formulation and implementation of sound economic policies for enterprise development and sustainability.
- ii. Promotion of private sector development through enterprise and entrepreneurship development.
- iii. Promotion of fair trade practices through calibration and verification of weight and measures equipment and consumer awareness.

Further, Completion of the ongoing market stalls and construction of new ones will enhance better working environment for traders and customers.

CHAPTER FIVE: FISCAL POLICY AND BUDGET FRAMEWORK

OVERVIEW

Garissa Fiscal Performance and Emerging Challenges

The overall budget deficit is expected to remain at zero in the short term as the freeze on County borrowing holds. It is, however, possible that the deficit may slightly rise towards the tail end of the medium term in the event that the local revenue collection target is not achieved, leading to gaps in the resource envelope, thus the need for a short term borrowing to fund the expanded development expenditure. This will entirely depend on a needs analysis and an assessment of the financial health of the County to ensure that the borrowing is both affordable and sustainable. In the longer term, however, measures will put to maintain county budget deficit at a manageable in order to secure the County's fiscal sustainability.

Garissa County Government is committed to ensuring a strong revenue collection effort with adequate measures proposed in the County Finance Bill, in order to help improve compliance in payment and minimize delays. Efforts will therefore continue to be made to rationalize existing tax incentives, expand the tax base and eliminate the possibility of exemptions.

ACHIEVING A STABLE FISCAL POLICY FRAMEWORK

Over the medium term, expenditure on recurrent will need to be contained in order to ensure substantial amount of funds for development. In particular, every effort should be made to contain wages and salaries by the executive and other public entities by limiting the size of public service.

Pursuing a sustainable level of debt is also vital as a means to provide room for the private sector to expand business and create the much needed jobs within an environment of low inflation, and stable interest rates and exchange rate.

In light of apparent fiscal constraints, tough choices are therefore required to ensure that available resources are directed towards those priority programs that have the highest socio-economic impact on our economic development. This is especially more urgent with respect to the public sector wage bill that, if not appropriately managed, will become the main macroeconomic challenge for Garissa County.

RISKS TO REALIZING THE FISCAL FRAMEWORK

The realization of development goals for the County will not be without risks and challenges as detailed below:

- i. The high wage bill will be a major challenge in the implementation of the budget. The County therefore will put in place measures aimed at staff rationalization to achieve a lean and sustainable wage bill.
- ii. Revenue performance may also pose a potential risk. The County will continually put up solid structures geared towards sealing loop holes and expanding revenue base. Full automation of revenue collection and other measures outlined above will be implemented.
- iii. Untimely release of funds by the National Government will be another challenge. This could lead to programmes for the year falling behind schedule, hence compromising on service delivery.

There is therefore need to engage the relevant institutions in order to have the relevant laws enacted on time to ensure timely release of funds.

- iv. The County's performance may also be slowed down by unreliable weather conditions. This will affect agriculture which is the main economic driver of the County. Resources therefore need to be set aside to mitigate the situation.

BUDGET FRAMEWORK FOR 2018/2019

The 2017/18 budget framework for Garissa County is set against the background of the medium-term fiscal policy of the National and the County Government, the 2018/2019 Budget Policy Statement, the Medium Term Plan and the County Integrated Development Plan.

Budget

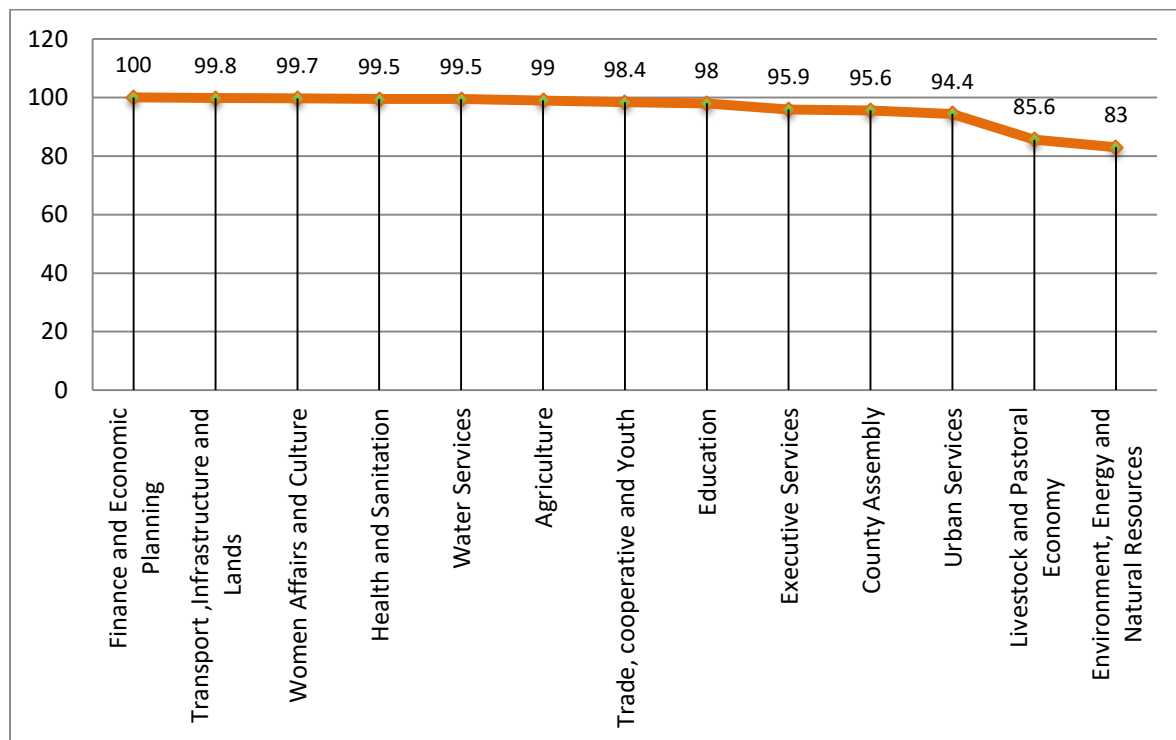
The budget experienced a 6% shortfall in actual performance (expenditures) due to underperformance in Own Source Revenue's that realized only 23% of its target. Conditional grants also underperformed (38% of target). Nevertheless, the Equitable Share brought actual performance up because it is a large percentage of total revenues. Budget performance may also suffer in 2017/18 due to delayed exchequer releases (due to prolonged election period) which may result in low equitable share results and higher pending bills. Recurrent costs were 64% of the budget propelled by salaries that were 42% of total budget and 66% of recurrent costs. This puts Garissa in line with Fiscal Principles of a minimum of 30% total budget on development spending at 36%. The fiscal deficit was Ksh 4.8 million and the county did not receive any external funds to finance it.

Table I: 2016/17 Budget Performance and 2017/18 Targets

| | Budget | Actual Performance | Target |
|--------------------------|-------------------------|---------------------------|----------------------|
| REVENUE | 2016/17 (Ksh) | 2016/17 (Ksh) | 2017/18 (Ksh) |
| Equitable Share | 6,227,726,513 | 6,227,726,513 | 6,659,100,000 |
| Own Source Revenues | 350,000,000 | 80,649,231 | 250,000,000 |
| Conditional Grants | 100,131,467 | 37,800,298 | 727,272,975 |
| Balance B/F | 306,000,000 | 306,000,000 | 76,115,233 |
| Other Conditional Grants | 586,657,085 | 469,452,351 | 242,544,407 |
| Total Revenue | 7,570,515,065.00 | 7,121,628,393.54 | 7,964,228,976 |
| Salary | 2,826,467,854.79 | 3,023,553,660.42 | 3,060,492,218 |
| O&M/ Others | 1,661,313,552.21 | 1,541,594,767.04 | 2,532,577,587 |
| Development | 3,082,733,658.00 | 2,561,277,520.26 | 2,371,159,171 |
| Total Expenditure | 7,570,515,065.00 | 7,126,425,947.72 | 7,964,228,976 |
| Total Financing | 0 | 0 | 0 |
| Surplus/deficit | 0 | (4,797,554.18) | 0 |

Source: Garissa County Treasury

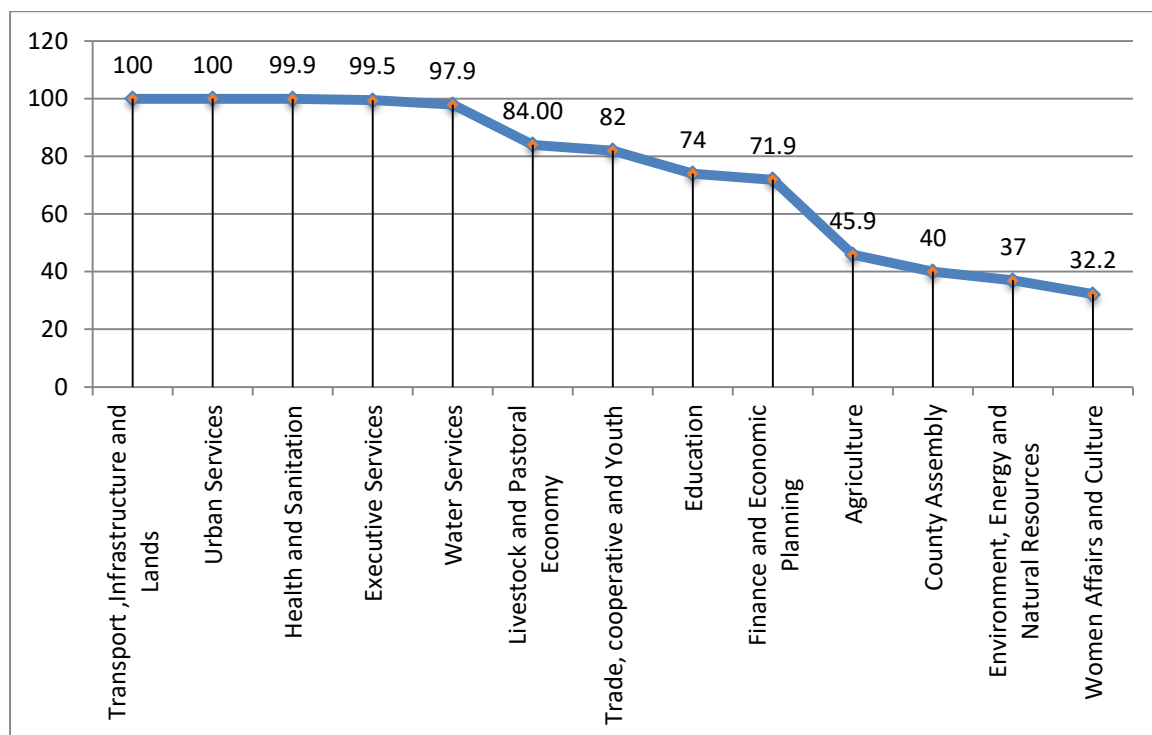
Figure 2: Recurrent Expenditure Performance against Recurrent Budget



Source: Garissa County Treasury

The shortfall in recurrent budget performance had the largest effect on the three main departments – i) Environment, Energy and Natural Resources ii) Livestock and Pastoral Economy, and iii) Urban Services that received 83%, 86% and 94% of their budget allocations.

Figure 3: Development Expenditure Performance against Development Budget



Source: Garissa County Treasury

The development budget on the other hand experienced its highest shortfalls of over 50% in i) Women Affairs and Culture (67.8%), ii) Environment, Energy and Natural Resources (63%), iii) Agriculture (54.1%). In terms of development, the top four sector priorities were i) Transport, Infrastructure and Lands, ii) Urban Services, iii) Health and Sanitation, iv) Water Services.

Revenues

As mentioned previously, Own Source Revenues and Conditional Grants underperformed in 2016/17. During the FY year 2018/19 the county's own revenue is projected at Ksh.250,000,000 and equitable share from the national government of Kshs 6,939,400,000. In addition, conditional allocations of Ksh. 775,747,878 and Loans & Grants of Kshs 553,587,377 from the National Government will also be received. The total resource envelope is therefore Ksh.8,518,735,255. The revenues are projected to increase to Ksh.9,370,608,780 and Ksh 10,307,669,658 the FY 2019/20 and FY 2020/21 respectively.

As a measure of increasing its revenue base from internal sources, the county government will pursue the following strategies-

- i. Full implementation of the County Finance Act;
- ii. Widening of the tax base;
- iii. Tax incentives and relief;
- iv. Measures to prevent non remittance of collected revenue;
- v. Automation of the tax collection;
- vi. General anti-evasion rule.

Table II: Garissa County Fiscal Projections 2018/19 - 2020/21 (Kshs)

| | Estimates FY 2018/2019 | FY 2019/2020 | FY 2020/2021 |
|-------------------------|------------------------|-----------------------|-----------------------|
| REVENUE | | | |
| National Transfers | 6,939,400,000 | 7,633,340,000.00 | 8,396,674,000 |
| Local Collections | 250,000,000 | 275,000,000.00 | 302,500,000 |
| Conditional Allocations | 775,767,878 | 853,322,665.80 | 938,654,932 |
| Loans and Grants | 1,553,567,377 | 1,708,924,114.00 | 1,879,816,526 |
| TOTAL | 9,518,735,255 | 10,470,586,780 | 11,517,645,458 |
| EXPENDITURE | | | |
| Recurrent | 5,707,165,897 | 6,499,168,781 | 7,149,085,659 |
| Development | 3,811,569,358 | 3,878,645,955 | 4,266,510,551 |
| TOTAL | 9,518,735,255 | 10,377,814,736 | 11,415,596,210 |

Expenditure

Recurrent Expenditure

Recurrent expenditure is expected to be curbed **at 61%** in the FY 2018/19 and reduced to 60% in the medium term. This will involve cutting down on wages by limiting recruitment to only essential personnel. Wastages in operation and maintenance expenditures will also be contained. This will go a long way in supporting robust economic growth in the County while ensuring prudence and caution in the application of resources.

Development Expenditure

Consistent with the objective of allocating adequate resources towards development and the need to ensure completion of critical infrastructure, development expenditure will be at least **39%** in the FY 2018/19 and increased to 40 percent in the medium term. Table 1 gives the fiscal framework for the Medium Term.

CHAPTER SIX: MEDIUM TERM EXPENDITURE FRAMEWORK

OVERVIEW

The Constitution of Kenya 2010 stipulates that County Governments should have reliable, stable and predictable sources and allocation of revenue. Garissa County receives revenue from four main areas: the equitable share, own source revenues, conditional grants, other loans and grants.

RESOURCE ENVELOPE

| RESOURCE ENVELOPE | | FY 2018-2019 |
|---------------------|---|-----------------------|
| Equitable share | | 6,939,400,000 |
| Conditional Grants | | 775,747,878 |
| | <i>Level 5 Hospital</i> | <i>344,739,884.00</i> |
| | <i>Compensation for foregone user</i> | <i>12,964,636.00</i> |
| | <i>Rehabilitation of Village polytechnics</i> | <i>35,335,000.00</i> |
| | <i>Road Maintenance Levy</i> | <i>182,708,358.00</i> |
| | <i>Lease of Medical Equipment</i> | <i>200,000,000.00</i> |
| Loans and Grants | | 1,553,567,377 |
| Own Source Revenues | | 250,000,000 |
| TOTAL | | 9,518,735,255 |

The 2018/19 budget targets total revenue amounting to Ksh. 9.5billion. The 2018/19 revenue shall comprise of total exchequer issues of Kshs 9.26 Billion; including equitable share of Kshs 6.93 billion, other Conditional allocations of Kshs 775 million, loan and grants of 1.55 billion and locally collected revenue of Kshs 250 million.

SPENDING PRIORITIES

The medium term expenditure framework for 2018/19 – 2020/21 ensures continuity in resource allocation based on prioritized programs aligned to the Second MTP of Vision 2030 and CIDP to accelerate growth, employment creation and poverty reduction.

Health and Sanitation

The sector mandate is to promote and participate in the provision of integrated and high quality curative, preventive and rehabilitative services that is equitable, responsive, accessible and accountable to all our county citizens. The sector faces numerous challenges, which include inadequate infrastructure for service delivery, shortage of qualified health personnel, and on time delivery of medicines and medical supplies.

In the medium term, the sector will seek to address these challenges by implementing fully the CIDP and sector strategic plan for the directorate through continued investment in recruitment of health professionals, medical services, health infrastructure and improvement in the working conditions of medical practitioners. The 2018/19 – 2021/22 MTEF estimates for the sector is **28%** out of which **18%** of its total **allocation** will go towards development. In addition, the department will get additional funds from national government in form of conditional allocations. In the medium term it is expected that allocation to the sector will progressively increase in absolute terms.

| | |
|--------------------------|--|
| Name of Sector: | Health |
| Name of Sub sectors: | Health and Sanitation |
| Sector policy blue print | Health Sector Policy |
| Sector mandate | <p>Promotion of primary health care Ambulance services Licensing & control of undertakings that sell food to the public County health facilities and pharmacies Veterinary services (excluding regulation of the profession) Cemeteries, funeral parlours and crematoria; and</p> <p>Refuse removal, refuse dumps and solid waste disposal</p> |
| Key sector achievements | <ul style="list-style-type: none"> • Human Resource for Health; Recruitments of 494 technical health care workers Absorption of 457 casuals Promotion of 601 staffs • Construction of 25 maternity units, 16 Dispensaries, 2 x-ray units and Balambala theatre • Procurement and supply of essential equipment's Like Lab, x-ray, theatre etc. • Sustained quarterly supply of pharm, non-pharm, reagents and other consumables to all the health facilities • Strong partner coordination mechanism • Development of robust referral system <ul style="list-style-type: none"> ➤ outsourcing of 7 ambulance ➤ Rehabilitated, equipped and refurbished of 10 County owned ambulance ➤ Established emergency command centres ➤ Recruitment and training of 11 EMT and ambulance operators • Award for innovation, organization and overall best service provider in 2014/15 • Development of County health strategic document |

| | |
|------------------------------|--|
| Sector challenges | <ul style="list-style-type: none"> • Budget Constraints • Lack of political goodwill • Poor infrastructure especially roads • Pastoral life still i.e. pastoralist moving for greener pasture • Long distance between health facilities • Outbreak of communicable diseases • IFMIS system in constant hanging • The department was not consulted in the preparation of ADP 2017/2018 • Poor flow of County allocated funds from County treasury to the Ministry of Health • Uncoordinated infrastructural development • Stalled projects • High staff turnover • Insecurity along the Somalia border disrupting the services |
| Sectors medium term plan | The sector targets to increase outreach of county health service and respond to emergencies like cholera outbreak currently in some part of the county; quarterly supply of pharm, non-pharm, reagents and other consumables to all the health facilities; construction of 3 fully equip dispensaries; quarterly supervision of health facilities in the county; |
| Sector Budget ceiling (Kshs) | Recurrent: 2,161,074,672 Development: 490,000,000 Total: 2,651,074,672 |
| Sector resource usage | The sector intends to use its allocated workforce by 14%; increase the number of health clinic by 10%; to reduce maternal mortality by constructing fully equipped new maternity wings; conduct specialized training to doctors and other health workers; improve and increase the referral system; and increase outreach of county health services, construction and equipping of cancer unit at pgh. |

Agriculture, Livestock & Cooperatives

This Sector comprises of three sub-sectors, namely; Agriculture, Irrigation Services and Fisheries. The Sector goal in line with the Vision 2030 is –to attain food security and sustainable irrigation land management. The Constitution, under Article 43 on the Bills of Rights, has provided for accessibility to adequate food of acceptable quality.

Over the medium term the sector aims to address the challenges bedeviling it by raising agricultural productivity through value addition and adoption of new technologies; exploiting irrigation potential; increased commercialization of local products; creating an enabling policy and legal framework, improving efficiency and effectiveness of sector institutions. Like agriculture sector, the sector of livestock goals is to attain food security and ensure disease free zone. The key challenges facing the sector include unfavorable climatic changes, inadequate warning systems, low productivity, low value addition, inadequate physical infrastructure and low access to financial services as well as affordable credit.

The 2018/19 – 2021/22 MTEF estimates for the sector are estimated to be **6%** of the budget. Out of this allocation **60%** will go towards development.

| | |
|-------------------------|--|
| Name of Sector | Agriculture, Livestock, Fisheries & Cooperative Services |
| Name of sub-Sectors | <ul style="list-style-type: none"> • Agriculture • Livestock Production • Veterinary Services • Fisheries • Cooperative Development |
| Sector Policy Blueprint | To be the leading agency in provision of services towards achieving food security for all, employment and wealth creation in Garissa County |
| Sector Mandate | To promote and facilitate production of food and agro based raw materials in an environmentally sustainable manner, for food security, employment and wealth creation and poverty reduction in Garissa County |
| Key Sector Achievements | <ul style="list-style-type: none"> • 15 irrigation pumping sets to be procured for small holder irrigation schemes • 5 farm access roads (totaling approx. 7.5km) opened up to improve market access for farmers. • Assorted farm inputs worth 3.5m procured to enhance farm inputs access for smallholder farmers • Drugs and vaccines worth Kshs. 15m procured for disease control; 500 000no. of livestock vaccinated • Veterinary equipment's and supplies worth 10m procured for disease control • 80No. of bucks and does; 20No. of dairy heifers procured & distributed for local breeds improvement • Office infrastructure refurbished at sub-county level and agricultural institutions |
| Sector Challenges | <ul style="list-style-type: none"> • Inadequate office facilities and equipment • Human resource gaps especially in the technical fields • Low level of funding to the sector programmes/activities (livestock production, disease control, development/expansion of irrigation schemes, dry land farming, farm inputs, extension services, value addition & marketing infrastructure) • Inadequate/inappropriate technology application • Inadequate staff mobility (vehicles, fuels) • Insufficient policy environment • Human-wildlife & livestock-wildlife conflicts • Climate change that have led to recurrent floods and intermittent droughts |

| | |
|------------------------------|---|
| Sector medium term plan | <p>The sector intends to address these challenges through improvement of sector policy environment by customizing national policies, development of county legislation and strengthening enforcement; recruitment of additional technical staff, strengthening collaboration mechanisms with key stakeholders to enhance uptake of modern technologies; enhancing the use of ICT in extension services.</p> <p>The sector intends to invest in infrastructure programs to promote growth and development of key value chains in crops, livestock and fisheries: i.e. weather-proofed irrigation conveyance systems, solar-powered water pumping sets, farm access roads, support with farm inputs, livestock market facilities, livestock and crops value addition projects, operationalization of export slaughter houses, livestock disease control & establishment of disease free zones, implementation of disaster reduction measures (livestock feeds and off-take programmes) promotion of fisheries as alternative livelihood source, and strengthening of the cooperative movement in the county.</p> <p>Key agricultural institutions are earmarked for strengthening ,i.e. Agricultural Mechanization Station (AMS) by increasing its fleet of machinery and equipment, and the Agricultural Training Centre through modernization of its training facilities and model farm</p> |
| Sector Budget Ceiling (Kshs) | <p>Recurrent: 211,609,781 Development: 320,000,000 Total: 531,609,781</p> |
| Sector Resource Usage | <p>The sector intends to use allocated resources for capacity development i.e. construction of sub-county & institutional offices & facilities and recruitment of additional staff; , opening up of 25km access roads, expansion of area under irrigation through subsidized mechanization operations, construction of 2,000m permanent canals in smallholder farms, procurement of 5 solar-powered and 20 diesel powered pump sets, construction of a food processing plant, procurement of livestock drugs and vaccines, establishment of model milk processing unit, promotion of crops, livestock, and fisheries value chains, strengthening of SACCOs activities</p> |

Roads and Transport

The sectors objective is to have efficient, affordable and reliable transport and infrastructure services for sustainable economic growth and development through construction, modernization, maintenance and effective management of all infrastructure facilities and Transport services across Garissa County.

The 2018/19 – 2020/22MTEF estimates for the sector is **4%** out of which **77%** will be used for development. This allocation includes Road levy fund from national government.

| | |
|------------------------------|---|
| Name of Sector | Roads |
| Name of sub-Sector | Roads, Transport |
| Sector Policy Blueprint | The County Roads and Transport sector |
| Sector Mandate | To develop, maintain and manage all county roads effectively and efficiently and ensure better Transport services within Garissa County. |
| Key Sector Achievements | <ul style="list-style-type: none"> • 2900kms of roads Bush cleared • 3001kms of roads Graded • 413kms of roads upgraded to Gravel Standard • 26No. Drifts constructed • 165 Lines of Culvert constructed • 4km Re-carpeted/Tarmacked in Garissa township • 80m of culverts cleaned • Pothole patching of Garissa township roads • 4000M length of Drainage cleaning |
| Sector Challenges | <ul style="list-style-type: none"> • Inadequate budget allocation that does not meet the county needs in terms of roads maintenance and improvement • Technical Personnel Gaps • Lack of Vehicles for Project Supervision (Transport Challenges) • Lack of Professional Trainings/Capacity Building • Lack of Technical Working Tools • Lack of operational MTF Equipment • Road encroachments hindering construction of roads especially in Garissa Township and Sub-County Headquarters. • Lack of Roads and Transport Policy and legislation at the county level |
| Sector medium term plan | In the medium term ,the ministry is planning to enhance road maintenance in the sub counties |
| Sector Budget Ceiling (Kshs) | Recurrent: 84,263,476 Development: 282,708,358 Total: 366,971,834 |
| Sector Resource Usage | The sector plans to use the allocated resources in recruitment of Technical personnel, routine maintenance of roads, improvement of major road to gravel standards, upgrading of roads to bitumen standards, installation of road speed pumps on major roads in Garissa township, Construction of County Garage, procurement of road Construction plant and equipment and repair and maintenance of MTF equipment. |

Environment, Energy, Natural Resources, Wild life management and Tourism

The sector aspires to be a world-class provider of cost-effective public utility infrastructure facilities and services in the areas of Energy, Environment and Tourism that meet national standards. Functions such as county street

lighting and rural electrification will be enhanced throughout the county. The county will conserve and protect wildlife and mineral exploration. The sector will also work on key policies related to all the sub sectors including but not limited to Environmental policy management, county forest and natural resources management. The 2018/19 – 2020/21MTEF estimates for the sector is **1%**. Development expenditure will be capped at **36%** of its total allocation. This is expected to progressively increase absolutely in the medium term.

| | |
|-------------------------|--|
| Name of Sector | Environment, Energy & Natural Resources |
| Name of sub-Sector | <ul style="list-style-type: none"> • Environment • Energy • Natural Resources (Forest, Wildlife & Mining) |
| Sector Policy Blueprint | To be the leading sector in the provision of a clean, healthy, safe and sustainably managed Environment and Natural resources |
| Sector Mandate | <ul style="list-style-type: none"> • To improve the environmental management systems in the County • Management, utilization & conservation of forestry & wildlife resources • Sustainable exploration & exploitation of renewable energy sources e.g. Wind, solar, biogas & wood fuel • Facilitate sustainable exploitation and management of mineral resources • Coordinate and oversee the integration of climate change mitigation & adaptation measures in all Sectoral plans • To develop legislation and carry out regulatory oversight |
| Key Sector Achievements | <ul style="list-style-type: none"> • Construction of administration block in four sub counties ongoing • Construction of modern tree nursery center in Garissa township sub county ongoing • Beautification of Lamu road with trees is ongoing • Establishment of County environment committee (CEC) • Development of County climate change fund bill |
| Sector Challenges | <ul style="list-style-type: none"> • Inadequate allocation of funds to the department by the executive and the assembly • Difficulty in accessing the few allocated funds from the county treasury to execute the departmental functions • ADP 2017/18 was ignored completely • Lack of political good will from the executive since no CEC from the last three years • Inadequate mobility for field monitoring, forest patrols and supervision |
| | <ul style="list-style-type: none"> • Inadequate office space in HQ and all the sub counties • Inadequate technical staff (environmental inspectors & forest guards not place) • Lack of county environmental laws • Lack of county environmental governing structures e.g. county environment committees • Staff capacity building plans not implemented • Weak stakeholder engagement platforms |

| | |
|------------------------------|---|
| Sector medium term plan | <ul style="list-style-type: none"> • Construction of administration block • Construction of tree nursery centers in the sub-counties • Construction of solid waste disposal sites • Construction of solar powered wildlife water pan in the conservancies • Installation floodlights & solar streetlights • Fencing of 300*200m in the giraffe Sanctuary so as to establish animal orphanage center • Construction of botanical garden in Garissa township • Establishment of recreational park in Garissa Township |
| Sector Budget Ceiling (Kshs) | Recurrent: 53,533,988 Development: 30,000,000 Total: 83,533,988 |
| Sector Resource Usage | The sector intends to use its allocated resources to expand service delivery; increase the percentage of forest cover in the County, increase the management and conservation of wildlife resources, increase the access of electricity to rural areas |

Water & Irrigation Services

It is a constitutional right for every citizen to have access to enough, clean and reliable water. Over the MTEF period the sector aims to achieve expansion of water coverage and sewerage facilities; scaling up water storage; conservation and management of catchment areas; mitigation and adaptation measures on climate change; enforcement of sector laws and regulations. The 2018/19 estimates for the sector is **19%** of the total allocation of which **90%** of it will finance development expenditure.

| | |
|------------------------------|---|
| Name of Sector | Water and Irrigation |
| Sector Policy Blueprint | Water Bill in the final stage. |
| Sector Mandate | <p>Water</p> <ul style="list-style-type: none"> • Responsible for water and sewerage services provision in urban and rural areas through registered Water Service Providers and community based organizations. • To increase access and coverage to safe water and sewerage services in urban and rural areas. • To ensure efficient utility management and economical utilization of available water. • To minimize conflicts and disputes among water users. • Responsible for drought mitigation <p>Irrigation</p> <ul style="list-style-type: none"> • To facilitate and coordinate irrigation and drainage for agricultural production in a cost effective, social development and environmentally sustainable manner. |
| Key Sector Achievements | <p>Water coverage in the county has increased by 45% in the last 4 years, the efficiency of the borehole rapid response team has increased by 50% in the last 3 year and The human resource capacity of the sector has increased by 30% in the last 4 years.</p> <p>Irrigation infrastructure has increased by 15%.</p> |
| Sector Challenges | <p>The sector suffers from an unacceptably low number of technical cadres which compromises the quality of work done by contractors,</p> <p>The sector does not have enough number of vehicles to attend borehole breakdown, there are no budgets and offices at sub county level therefore service at sub county level is compromised for both irrigation and water sub sectors. Flood have damaged irrigation infrastructure at the river banks.</p> |
| Sector medium term plan | <p>The sector intends to address these challenges by investing heavily in recruiting more technical cadres, establishing offices at the sub county level and purchasing of vehicles so as quality work and services are achieved, excavating mega pans either by the county or through partners so as to improve water storage, accessibility and livelihood, improve the storage facilities and expansion of water in the entire County.</p> |
| Sector Budget Ceiling (Kshs) | <p>Recurrent: 175,290,755</p> <p>Development: 1,630,000,000</p> <p>Total: 1,805,290,755</p> |
| Sector Resource Usage | <p>The sector intends to use its allocated resources to expand its workforce by 60%, increase the water and irrigation infrastructure in the entire county by 60%, support to GAWASCO for extension services.</p> <p>The sector will also strive to achieve its Original budget goals by engaging development partners and other stakeholders to support the Water Sector goals.</p> |

Education, Public services and Labor relations

The Sector comprises of Education, Public Service and Information Management. The sector's overall goal is to increase access to education and efficient management of information and public service. The sector's challenges include inadequate infrastructure and staffing, slow pace of enrollment and lack of an ECD training college in the County. In the medium term, the Government will seek to address these challenges by enhancing education. The 2017/18 estimates for the sector is **8 %**. Only **11%** will be used in development projects.

| | |
|-------------------------|---|
| Name of Sector | Education |
| Name of sub-Sector | ECD, Vocational Training Centers and Labour |
| Sector Policy Blueprint | N/A |
| Sector Mandate | <p>The mandate of ECD is to provide holistic child growth and development which include cognitive, physical, social, moral and spiritual aspects of development</p> <p>To empower the youth and adults with appropriate and adequate Skills, knowledge and attitude to realize their full potential for individual, County and national development.</p> |
| Key Sector Achievements | <ul style="list-style-type: none"> • Training of 172 teachers which is 100% success as per the ADP • 67 ECDE centers construction of two no classroom. • Teaching and learning materials to 156 centers • Employment of staff at vocational training center • Construction of 5 no classroom at VTC • Fencing of primary and secondary • Purchases of 7 school buses for girls' secondary • Provision of sanitary towels. |
| Sector Challenges | <ul style="list-style-type: none"> • Lack of capacity buildings • Lack of enough ECD teachers • Inadequate skilled staff • Financial Constraints • Lack of mobility in carrying out essential services i.e. M&E • Frequent break down of IFMIS system • Local revenue leakages as a result of manual system of revenue collection <p>Inadequate space and poor working environment for staff</p> |
| Sector medium term plan | <p>The sector intends to address these challenges by investing heavily in recruiting more ECD teacher, to capacity build the staff and induct the staff. Purchase the vehicles to ease our mobility; construct more ECD classroom and toilets, Provisions of school feeding program, baseline survey. provision age appropriate chairs and tables. Provision of teaching learning materials</p> |

| | |
|---------------------------------|---|
| Sector Budget Ceiling (Kshs) | Recurrent: 639,055,140 Development: 75,355,000 Total: 714,410,140 |
| Sector Resource Usage (Kshs) | The sector intends to use its allocated resources to pay staff salaries; employ new staff; construction of new classroom; Conduct Quarterly M & E; and Conduct a baseline survey. |

Gender, Social Services & Sports

The sector is mandated to address issues on promotion of harmonious gender relations and social services, youth and sports. The sector is also mandated to address issues relating to promotion and exploitation of local culture for peaceful co-existence, enhancing reading culture through expansion of library network for increased information access. The development and promotion of sports for a vibrant sporting industry is also a dream achievable in the county which the Department will be targeting to achieve.

Funding for the 2018/19-2020/21 MTEF period will continue to focus on the delivery of the sector priorities and in particular those aimed at creating an efficient, motivated cultural society as well as representation and social security. In addition, the sector will continue to improve livelihood of vulnerable groups specifically the orphans and vulnerable children, the elderly, and persons with disability by coming up with a program that will integrate the various cash transfers. The 2018/19 estimates for the sector is **4% out** of which **78%** will go towards development.

| | |
|----------------------------|---|
| Name of Sector | Gender, Culture, Social service, Youth & Sport |
| Name of sub-Sector | <ul style="list-style-type: none"> • Gender& Culture • Social Service • Youth affairs • Sport Development |
| Sector Policy Blueprint | N/A |
| Sector Mandate | <ul style="list-style-type: none"> • Management of Tangible and Intangible Cultural Heritage • Registration of Cultural Practitioners, development, Promotion of all aspects of culture/Cultural industries • Organization of Cultural Exchange Programmes, Community Festivals, exhibitions, concerts/competitions, Education and capacity building workshops, seminars to empower cultural practitioners and communities and promotion of cultural tourism • Undertaking cultural research and dissemination of cultural information • Construction and management of cultural infrastructure (Cultural Centres, community museums and art galleries) • Identification, development of sports talent and establish, manage county talent academies, county sports facilities and ensuring that the national standards for development of sports facilities are adhered to • Training of sports administrators at county level and Facilitate the preparations and participation of inter/intra county teams for sporting activities and events • Organize sports for the promotion of national cohesion • Gender mainstreaming |
| Key Sector Achievements x5 | <ul style="list-style-type: none"> • Registration of 500 cultural groups across the county • Empowered the women by distributing sewing machines and training them • Constructed one recreational facility in township (play park) • Constructed child protection unit next to Garissa police station which was equipped by UNICEF in township • Constructed inmate house at Garissa prison in township • Constructed two classroom at deaf school (empowering PWDS) • Purchased and distributed wheelchairs and other assistive devices to PWDS • Constructed main gate and Calvert at cultural centre • Renovation of administration block and construction of sentry box at cultural centre • Distribution of sanitary pads to school girls • Conducted two major cultural competitions and the winners taken to Kisumu in order to participate in Kenya music and cultural festival held in Kisumu • Participated in Kenya music and cultural festival and won an award |

| | |
|------------------------------|---|
| Sector Challenges | <ul style="list-style-type: none"> • Insufficient budget: the budgetary allocation for the department is not commensurate to its mandates such as creation of rehabilitation centres, assisting of OVCs in monetary terms, construction of recreation facilities construction and equipping of libraries, completion of multi-purpose hall • Transfer of mandates: some mandates of the ministry is being performed by other departments I.e. bursary was being handled by the finance department • Lack of support: the department came up with cash transfer programme for women and elderly people unfortunately it never got any goodwill from the authorities in charge despite briefing the governor of the day and this forced the department to shelve that particular programme • Non -payment of the department's liabilities: some of liabilities of the department accrued since 2013 despite being having enough money in the vote book they were never paid in fact in every financial year we normally process them up to G PAY and yet they are not paid • Non-disclosure of the ADP: the ADP was never shared nor requested input from the department |
| Sector medium term plan | The sector intends to address the above challenges by training existing staff and recruiting new staff; Registration of cultural groups; Hold annual cultural festival and museum |
| Sector Budget Ceiling (Kshs) | Recurrent: 76,800,847 Development: 280,000,000 Total: 356,800,847 |
| Sector Resource Usage | The sector intends to use its allocated resources to pay staff salaries; Hold quarterly and annual cultural museum; Pass policy for cash transfer; employ new staff; nature talent for the youth; recreational centre for youth and children; and capacity building of staff; construction of a stadium. Construction of Orphanage center ,youth service center and completion of cultural wholes . |

Finance, Revenue, Economic Planning

The sector is composed of three sub sectors namely; finance and economic planning and revenue. The role of the finance and Economic planning sub sector is to facilitate other sectors in the county. It also manages other special funds such as emergency and scholarship funds. Revenue department is charged with collection of revenue from local sources. The 2018/19 ceiling is **11%**. Pension and gratuity was factored in this department. Out of this amount, development expenditure will take up to 9% of its total allocations.

| | |
|------------------------------|--|
| Name of Sector | Finance & Economic Planning |
| Name of sub-Sector | <ul style="list-style-type: none"> • Economic Planning & Budget • Revenue Management • Finance |
| Sector Policy Blueprint | N/A |
| Sector Mandate | <ul style="list-style-type: none"> • Budget Preparation; • Provision of leadership and coordination of county development planning, policy formulation and to oversee and monitor the implementation of Kenya Vision 2030; • Management of County Finances; • To Enhance Resource mobilization. |
| Key Sector Achievements x5 | <ul style="list-style-type: none"> • Development of County plans (CIDP & ADP) • Development of CFSP • Development of CBROP • Development of financial bills • Capacity Building Audit Staff • Fully Embraced IFMIS system • Negotiated for staff health insurance policy |
| Sector Challenges | <ul style="list-style-type: none"> • Lack of capacity buildings • Inadequate skilled staff • Financial Constraints • Delay in exchequer releases from the national treasury • Lack of mobility in carrying out essential services i.e. M&E • Lack policies to streamline revenue collection • Lack of M&E Committees • Frequent break down of IFMIS system • Local revenue leakages as a result of manual system of revenue collection • High turnover of the senior management staff • Inadequate space and poor working environment for staff • Failure by the County assembly to pass last het could have enhance revenue collection • Failure by the top management in implementing the PFM act and its regulations • Failure by the accounting officers to comply with PFM act 2012 |
| Sector medium term plan | The sector intends to address the above challenges by training existing staff and recruiting new staff; Establishment of M&E and Audit committees; ensuring PFM act 2012 is adhered to; Ensure the County Assembly passes laws for revenue collection; Ensure that there is enough working space for the staff |
| Sector Budget Ceiling (Kshs) | Recurrent: 980,448,647 Development: 100,000,000 Total: 1,080,448,647 |

| | |
|-----------------------|--|
| Sector Resource Usage | The sector intends to use its allocated resources to pay staff salaries; health insurance cover; employ new staff; Automate the revenue collection; Automate County resource center; construction of treasury offices and achieving systems ,Conduct Quarterly M & E; Conduct baseline survey; mid-term review of the plans; |
|-----------------------|--|

Trade, Enterprise Development and Tourism

The sector is responsible for the promotion of trade domestically through creation of an enabling business and investment environment. It also promotes technical education and training. The sector's goal is to reduce inequality as well as exploit knowledge and skills in technology and innovation. Trade sub sector will endeavor to ensure that the directorate will provide the Business Community with information that will enable it meet its business goals. The sector will also be in charge of sports and youth sector. The 2018/19 estimate is to be **2%** and progressively increase in the medium term. Out of this allocation, **44%** will be used for development expenditure.

| | |
|-------------------------|---|
| Name of Sector | Trade Enterprise and Tourism Development. |
| Name of sub-Sector | <ol style="list-style-type: none"> 1. Trade 2. Enterprise 3. Tourism |
| Sector Policy Blueprint | The sector is yet to enact local legislation and policies. The sector depends on the National Trade policy that foster Transformation of Kenya into a Competitive Export-Led and efficient Domestic Economy |
| Sector Mandate | To create an enabling environment to accelerate growth in Trade, Tourism and Enterprise Development while empowering the youth to fully participate in the socio-economic development of the County |
| Key Sector Achievements | <ul style="list-style-type: none"> • Provision of quick licensing services has improved • County Tourism product has been improved and market • Establishment of 100M Fund kit to support youth, Women and PWD |
| Sector Challenges | <ul style="list-style-type: none"> • Undeveloped ICT both in the county and within the Department; • Poor infrastructure within the county; • Inadequate budgetary allocations to the Department; • Inadequate facilities including offices, vehicles, office equipment, and furniture; • Undeveloped county trade policy formulation and implementation on weights and measures, co-operative development, trade development, and enterprise development; • Low levels of education and training by the residents of the county; • Limited information and data on trade, weights and measures, co-operative development, and enterprise development; • Low business and entrepreneurial skills by residents of the county; • Encroachment by squatters on access roads to Jua Kali work sites; and • Non-representation in the sub-counties by the Department. • Lack of technical and experienced personnel at the department |

| | |
|------------------------------|---|
| Sector medium term plan | <ul style="list-style-type: none"> • Establishment of one stop centre for all business licenses • Provision of credit facilities for youth and Women • Improvement of Tourism market product • Improve metrology services |
| Sector Budget Ceiling (Kshs) | Recurrent: 89,439,255 Development: 70,000,000 Total: 159,439,255 |

Lands, Housing and Urban Development

The department is involved in management of town services like parking, town planning, beautification of town, Collection of garbage and disposal, street lights and flood lights and issuance of building approval plans etc.

The sector which comprises of the department Land, Planning and Housing in the County continues to be the highest source of local revenue through land rates; there are intentions to improve land services through enhancing the budget allocation and collaborating in PPPs. The department is in charge of management of land use and ownership; Physical Planning, provision of adequate, clean, affordable and quality housing.

In the financial year 2018/19, the department will receive 6% of the county revenue of which 58% will go towards development projects.

| | |
|--------------------------|---|
| Name of Sector | Directorate of Lands, Survey and Physical Planning, Urban Development, Housing and Public Works |
| Name of Sub-Sectors | Lands, Survey and Physical Planning |
| | Urban Development |
| | Housing and Public Works |
| Sector Policy Blue Print | Lands, Survey and Physical Planning – Department of Lands |
| | Urban Development – Department of Housing and Urban Development |
| | Housing and Public Works – Department of Public Works |

| | |
|----------------|---|
| Sector Mandate | <p>Lands, Survey and Physical Planning</p> <ul style="list-style-type: none"> • Documents and maintains record for all public land • Provision of reliable land information to the executive for decision-making in land administration and management. • Ensure land rates are paid by land proprietors • Maintain a record of ownership for alienated land. • To undertake cadastral surveys for new grants and subdivision for public land • To undertake topographical surveys for public projects • To undertake general boundary surveys • Resolution of boundary disputes (fixed survey boundaries) • Giving evidence in court on survey matters • Processing of mutation forms • Formulate county physical planning laws • Preparation of annual reports on the state of county physical planning • Conduct research on physical planning matters • Implementation of physical planning standards • Custodian of all plans • Management of planning data and data lab |
| | <p>Urban Development</p> <ul style="list-style-type: none"> • Legislate laws and subsequent regulations that will guide development activities within the county • Conservation, management and prudent utilization of the county's natural resources • To provide timely response for all services through trained and skilled workforce • Administer the policy and program effectively. • To provide efficient services to the people of Garissa. • To strengthen the means of implementation through collaboration with the other sectors in order to achieve sustainable development. • To provide sustainable urban development and drive the county economy by raising productivity at household, firms and industrial level. • Upgrade the status of existing urban centers in line with urban areas and cities act. |
| | <p>Housing and Public Works</p> |

| | |
|-------------------------|---|
| | <ul style="list-style-type: none"> • The department of public works is charged with the responsibility of planning, designing, construction supervision and maintenance of county government assets in the field of the built environment and infrastructure development. The built environment assets include hospitals, schools, dispensaries, offices etc. Infrastructure assets include footbridges, sea walls, jetties, physical ICT infrastructure etc. To offer engineering services to private developers, and to facilitate private developments through approval and inspection of submitted designs that satisfies the technical designs, planning and other requirements |
| Key Sector Achievements | <p>Lands, Surveying and Physical Planning</p> <ul style="list-style-type: none"> • Increased land registrations because of civic education offered by the department on land litigation matters and importance of title deeds |
| | <p>Urban Development</p> <ul style="list-style-type: none"> • Improved urban cleanliness and proper solid waste disposal • Improved traffic control by enforcement officers • Sensitization of the public on waste management disposal • Formation of settlement executive committee |
| | <p>Public Works and Housing</p> <ul style="list-style-type: none"> • Timely submission of design documents to stakeholders • Efficient monitoring and evaluation of county construction projects to conform with minimum quality standards |

| | |
|---------------------------|---|
| Sector Challenges | <p>Lands, Surveying and Physical Planning</p> <ul style="list-style-type: none"> • Delay in release of funds • Lack of political support • Poor participation and involvement of the public • Poor public perception on planning and surveying process • Weak link between policy, planning and budgeting • Weak county monitoring and evaluation system to enhance measurement of results and feeding them back to the policy making process • Weak institutional arrangement that hampered delivery of priorities outlined in the previous plans. • Some consultants were unable to deliver works in time which this affected the implementation of the projects and programmes. • There was noted a lack of synergy among related departments |
| | <p>Urban Development</p> <ul style="list-style-type: none"> • Delay in release of funds • Lack of political support • Weak county monitoring and evaluation system to enhance measurement of results and feeding them back to the policy making process • Budget constraints |
| | <p>Public Works and Housing</p> <ul style="list-style-type: none"> • Delay in release of funds • Lack of political support • Budget constraints that makes it difficult for the department to afford essential equipment and material for efficient service delivery • Inefficiency in revenue generation from housing |
| Sector's Medium Term plan | <p>Lands, Surveying and Physical Planning</p> |
| | <p>Urban Development</p> <ul style="list-style-type: none"> • The department wishes to use the available resources to construct Suq Mugdi market • Construction of fire hydrants • Fencing and upgrading of dumping site |
| | <p>Public Works and Housing</p> <ul style="list-style-type: none"> • The department intends to use the available resources to renovate existing government houses to attract more tenants, and possibly construct more low cost houses to address housing problem • We also intent to buy office equipment and material, and train departmental staff to improve service delivery |

| | |
|------------------------------|--|
| Sector Budget Ceiling (Kshs) | <p>Recurrent: 246,220,886</p> <p>Development: 333,506,000</p> <p>Total: 579,726,886</p> |
| Sector Resource Usage | <p>Lands, Surveying and Physical Planning</p> <ul style="list-style-type: none"> The department intends to use Kshs 49,654,860 for annual remuneration (wage bill) and running of daily office activities, equipping staff with skills and knowledge by capacity building and purchasing of necessary equipment and material for efficient service delivery The department intends to undertake large scale spatial planning as well as setting up an adjudication system in Garissa county which has been missing since independence, using Kshs. 216,930,979.84 |
| | <p>Urban Development</p> <ul style="list-style-type: none"> The department intends to use Kshs 505,825,378 for annual remuneration (wage bill) and running of daily office activities, equipping staff with skills and knowledge by capacity building and purchasing of necessary equipment and material for efficient service delivery The department intends to use Kshs 273,200,000 to install fire hydrants that are currently missing, purchase of skid steers for cleaning, purchase of specialized equipment and machinery for urban sanitation and purchase of refuse tippers with compactors |
| | <p>Public Works and Housing</p> <ul style="list-style-type: none"> The department intends to Put up an official Deputy Governors official residences at Kshs 30,000,000 . Since the county doesn't have an official public dais for public functions, the department intends to construct one using Kshs 18,000,000 on a two year finance program and also renovate 5 No. government houses that can attract tenants hence more rental income, using Kshs1 0,000,000. The Department also intends to put a consultancy centre by building an office specifically to promote alternative and appropriate building technologies and materials, and train residents on the same by involving National Housing Corporation, using Kshs 25,000,000 per financial year for two years |

Executive Services

The sector coordinates development and administrative affairs of the county. The 2018/19 – 2020/21 MTEF estimates for the sector is **4%** of which 35% will go towards development projects.

County Assembly

County Assembly plays a crucial role in strengthening the democratic space and good governance in the county. The allocation to the Assembly is usually determined by Commission on Revenue Allocation. The proposed ceiling in this paper is 7% of which 7% will go towards development projects.

PLAN FOR SAVINGS OR ADDITIONAL GENERAL BUDGET RESOURCES

The MTEF budget will critically be reviewed with a view to rationalize non- priority expenditures and shift the savings to the priority programmes. The County Government will reorient its expenditure programmes to focus on the following sartorial priorities:

Water Services

It is a constitutional right for every citizen to have access to enough, clean and reliable water. Over the MTEF period the sector aims to achieve expansion of water coverage and sewerage facilities; scaling up water storage; conservation and management of catchment areas; mitigation and adaptation measures on climate change; enforcement of sector laws and regulations for efficient management of this resource.

Health Care

In health, funds will be allocated for provision of an efficient and high quality healthcare system that is accessible, equitable and affordable for every person in the County. This will be achieved through provision of funds for purchase of pharmaceuticals and no pharmaceuticals; purchase of ambulances; purchase of diagnostic equipment; recruitment and re-training of health personnel; anti-malarial campaign; family planning campaigns, HIV/AIDS campaigns; training of health care providers on customer care; commemoration of health days; construction and establishment of a cancer centre; purchase of truck for the distribution of pharmaceuticals and non-pharmaceutical upgrading of level 4 hospitals and strengthening of the community units. Funds also will be utilized in completion and equipping health facilities at the ward levels.

Infrastructure Development

In the medium term, the County Government will invest in infrastructural facilities which consist of Roads; Transport; Housing; Energy; Sewerage System; Market Development and Information and Communications Technology (ICT) programmes, among others. The overall goal of the priority is to have a well-developed and maintained physical infrastructure for rapid and sustainable economic growth.

Economic Development

This strategic priority constitutes of programmes in Crop Production, Livestock Development and Fisheries, Agribusiness and value addition, Veterinary Services, Agricultural Engineering Services, Corporative development, Trade and Markets Development. Funds in this priority area will also be directed towards market fencing, construction of markets and toilets, formation of cooperatives to assist in marketing, provision of soft loans for value addition, provision of extension services, and vaccination and surveillance operations against zoonotic diseases.

CHAPTER SEVEN: CONCLUSION

The 2018 MTEF is marked by moderate growth in overall expenditure, taking into account the weaker global economic outlook and the need to stimulate economic growth. The set of policies outlined in this CFSP reflect the changed circumstances and are broadly in line with the fiscal responsibility principles outlined in the PFM law.

The fiscal framework presented herein is prepared pursuant to the PFM Act and lays ground for the next financial year in terms of preparing the final Estimates as well as prioritization of resource allocation. Fiscal discipline will be important in ensuring proper management of funds and delivery of expected output. Effective and efficient utilization of funds especially on capacity building on different sectors of the County will be crucial in ensuring that the County gets to deliver on its functions. In pursuit of this, effective budget implementation at the county level will be facilitated through capacity building and the development of systems for close monitoring and evaluation of spending entities to ensure that resource application bears the most fruit to the taxpayer. The county will also revamp its revenue collecting and management systems with the goal of generating more revenues to strive towards budgetary self-reliance while ensuring the stability of our fiscal framework and financial health of the County.

ANNEX I: REVENUE STREAMS AND TARGETS

| DEPARTMENT | REVENUE STREAMS | AMOUNT (KSH) |
|--|--|--------------------|
| Livestock/Revenue | Stock Auction/export/loading/grazing | 20,000,000 |
| Revenue/Urban Planning | Market stalls rent | 3,000,000 |
| Revenue | Single Business Permit (SBP) | 40,000,000 |
| Land | Plot Registration & Survey | 12,000,000 |
| Urban Planning | Plot Rent | 25,000,000 |
| Water | Water Charges | 5,000,000 |
| Health | Cost Sharing & Public Health | 78,000,000 |
| Urban Planning | Approval of Building Plan | 5,000,000 |
| Trade & Investment | Weight & measures, Subscriptions, YWPD Group Registrations & Renewals | 1,500,000 |
| Revenue | Bridge Cess and other Misc income | 25,000,000 |
| Revenue/Urban Planning | Parking | 3,000,000 |
| Revenue/Urban Planning | sand and Gravel/Natural Resources | 7,000,000 |
| Housing | Housing | 12,000,000 |
| Agriculture | County Assets Hiring/AMS | 5,000,000 |
| Livestock | Vet Services | 3,000,000 |
| Revenue | Sale of Tender documents | 2,500,000 |
| Culture, Sports And Social Services | Services, Park and Halls, Tournament subscriptions | 3,000,000 |
| TOTAL | | 250,000,000 |

ANNEX II: SECTOR CEILINGS

In the table below, **health allocation** includes all conditional allocations from national government and grants from donors, **Roads allocations** includes road levy fund from national government, **Education allocations** include rehabilitation of polytechnic fund from national and finance has KDSP fund factored.

| SECTOR | RECURRENT (KSH) | DEVELOPMENT (KSH) | TOTAL | % |
|---|----------------------|----------------------|----------------------|-------------|
| Agriculture, Livestock & Cooperatives | 211,609,781 | 320,000,000 | 531,609,781 | 6% |
| Gender, Social Services & Sports | 76,800,847 | 280,000,000 | 356,800,847 | 4% |
| Roads and Transport | 84,263,476 | 282,708,358 | 366,971,834 | 4% |
| Education and Labour Relations | 639,055,140 | 75,355,000 | 714,410,140 | 8% |
| Environment, Energy & Natural Resources | 53,533,988 | 30,000,000 | 83,533,988 | 1% |
| Lands, Housing and Urban Development | 246,220,886 | 333,506,000 | 579,726,886 | 6% |
| Finance & Economic Planning | 980,448,647 | 100,000,000 | 1,080,448,647 | 11% |
| Health & Sanitation | 2,161,074,672 | 490,000,000 | 2,651,074,672 | 28% |
| Trade, Enterprise Development and Tourism | 89,439,255 | 70,000,000 | 159,439,255 | 2% |
| Water & Irrigation Services | 175,290,755 | 1,630,000,000 | 1,805,290,755 | 19% |
| Executive Services | 277,758,645 | 150,000,000 | 427,758,645 | 4% |
| County Public Service Board | 50,669,805 | 0 | 50,669,805 | 1% |
| County Assembly | 661,000,000 | 50,000,000.00 | 711,000,000 | 7% |
| TOTAL | 5,707,165,897 | 3,811,569,358 | 9,518,735,255 | 100% |

ANNEX III: RECURRENT BUDGET BREAKDOWN

| ECONOMIC CLASSIFICATION ESTIMATES 2018/2019 BUDGET | | | | | | | |
|--|----------------------|----------------------|----------------------|--------------------|-----------------|---------------|----------------------|
| DEPARTMENTS | TOTAL ALLOCATIONS | | RECURRENT | | other Recurrent | recurrent | DEVELOPMENT |
| | | Recurrent | Salaries | O & M | specifics | donor funding | |
| Agriculture, Livestock & Cooperatives | 531,609,781 | 211,609,781 | 163,609,781 | 48,000,000 | | | 320,000,000 |
| Gender ,Social Services & Sports | 356,800,847 | 76,800,847 | 32,800,847 | 44,000,000 | | | 280,000,000 |
| Roads and Transport a | 366,971,834 | 84,263,476 | 60,263,476 | 24,000,000 | | | 282,708,358 |
| Education & Labour | 714,410,140 | 639,055,140 | 457,319,388 | 24,000,000 | 110,000,000 | 47,735,752 | 75,355,000 |
| Environment, Energy & Natural Resources | 83,533,988 | 53,533,988 | 29,533,988 | 24,000,000 | | | 30,000,000 |
| Lands ,Housing and works, Urban Developmen | 579,726,886 | 246,220,886 | 186,220,886 | 60,000,000 | | | 333,506,000 |
| Finance & Economic Planning | 1,080,448,647 | 980,448,647 | 439,448,647 | 96,000,000 | 445,000,000 | | 100,000,000 |
| Health & Sanitation | 2,651,074,672 | 2,161,074,672 | 1,600,000,000 | 438,749,047 | | 122,325,625 | 490,000,000 |
| Trade, Enterprise Development and Tourism | 159,439,255 | 89,439,255 | 65,439,255 | 24,000,000 | | | 70,000,000 |
| Water & Irrigation Services | 1,805,290,755 | 175,290,755 | 79,290,755 | 96,000,000 | | | 1,630,000,000 |
| Executive Services | 427,758,645 | 277,758,645 | 181,758,645 | 96,000,000 | | | 150,000,000 |
| County Public Service Board | 50,669,805 | 50,669,805 | 26,669,805 | 24,000,000 | | | - |
| Assembly | 711,000,000 | 661,000,000 | | | | | 50,000,000 |
| TOTAL | 9,518,735,255 | 5,707,165,897 | 3,322,376,132 | 998,749,047 | | | 3,811,569,358 |

ANNEX IV: PROPOSED DEVELOPMENT BUDGETS 2018/19 BASED ON DEVELOPMENT BUDGET CEILING

| SUMMARY OF DEVELOPMENT PROJECTS AS PROPOSED BY THE SECTORS | | |
|--|-----------------------------|---|
| TOTAL DEVELOPMENT BUDGET: Ksh. 3,811,569,358 | | |
| LANDS, URBAN DEVELOPMENT, PUBLIC WORKS AND HOUSING | | |
| DEVELOPMENT BUDGET CEILING: Ksh333,506,000 | | |
| PUBLIC WORKS AND HOUSING | | |
| Name of Project | Status (ongoing/new) | Project location(Ward) |
| Construction of the Deputy Governor's official residence | New | Garissa Town |
| Construction of VIP Public Address Dais for Public functions | New | Garissa township |
| URBAN DEVELOPMENT | | |
| Name of Project | Status (ongoing/new) | Project location(Ward) |
| Construction of court room at Municipal compound | | Township |
| Maintenance of high flood light masts | | Township, Masalani, Bura, Balambala and Dadaab |
| Maintenance of street lights | | Garissa township |
| Purchase of bull dozer tractor | New | Countywide |
| Fencing of dumpsite | New | Masalani |
| Construction of 6 public toilets | New | Masalani, Balambala and Dadaab |
| Development of Electronic Town Management System | New | Township |
| Regeneration of main town roads | New | Township |
| Construction of Parking lots and Bill boards | New | Township |
| LANDS, SURVEY AND PHYSICAL PLANNING | | |
| Name of Project | Status (ongoing/new) | Project location(Ward) |
| Spatial planning | New | All sub-county |
| Land registration & surveying | New | Township |
| Land Policy & Governance | New | General |
| ROADS AND TRANSPORT | | |
| DEVELOPMENT BUDGET CEILING: Ksh. 282,708,358 | | |
| Name of Project | Status (ongoing/new) | Project location(Ward) |
| Opening up of access roads | New | All sub-county |
| Improvement of Major roads | New | All sub-county |
| Maintenance of Roads through RMLF | New | All sub-county |
| Establishment of County Garage | New | Township |
| AGRICULTURE, LIVESTOCK, FISHERIES AND COOPERATIVES | | |
| DEVELOPMENT BUDGET CEILING: Ksh320,000,000 | | |
| AGRICULTURE | | |
| Name of Project | Status (ongoing/new) | Project location(Ward) |
| Bush clearing and access roads for farms | New | Garissa township, Fafi & Balambala sub-counties |
| Construction of fruit processing plant | New | Garissa township |
| Expansion of ATC Hall Garissa | New | Garissa township |
| Procurement of motorcycles for extension services in all wards | New | All sub counties |
| LIVESTOCK | | |
| Name of Project | Status (ongoing/new) | Project location(Ward) |
| 2.Completion of export slaughterhouse and satellite Slaughter houses in wards | On going | Garissa town and all Wards |
| 3.Strategic Fodder development and establishment of equipment for making animal feeds. | New | Fodder In Sub Counties and Modika |
| 5.Livestock products value chains development(tannery, Milk mini Dairies and Apiaries) | New | Sub Counties |

| TRADES, ENTERPRISE DEVELOPMENT AND TOURISM | | |
|--|-----------------------------|-------------------------------------|
| DEVELOPMENT BUDGET CEILING: Ksh. 70,000,000 | | |
| Name of Project | Status (ongoing/new) | Project location(Ward) |
| Enterprise fund for youth and women | Ongoing | County wide |
| Completion of Market Stalls at Iftin | Stalled | Iftin |
| Completion of Market Stalls at Hulugho | stalled | Hulugho ward |
| Proposed Construction of Market Stalls at Bulla Mzuri | stalled | Bulla Mzuri |
| Proposed renovation and extension of cooperatives office block at Masalani, Ijara sub County | Stalled | Masalani |
| Ishaq bin construction of offices | New | masalani |
| ENVIRONMENT, ENERGY & NATURAL RESOURCES | | |
| DEVELOPMENT BUDGET CEILING: Ksh. 30,000,000 | | |
| Name of Project | Status (ongoing/new) | Project location(Ward) |
| Construction of botanical garden/arboretum | New | Township |
| Construction of 3 solar powered wildlife water dams | New | Ishaqabini conservancy |
| | | Bourgly Giraffe sanctuary |
| | | Waso conservancy |
| Construction of wildlife water troughs | New | Ishagabini conservancy, |
| | | Bourgly Giraffe sanctuary, |
| | | Waso conservancy |
| Fencing of 300M*200M in bourgly giraffe sanctuary to set up animal orphanage centre | New | Bourgly Giraffe sanctuary |
| Creation of recreation park | New | Baraza park, Bourgly conservancy |
| Installation of high mast solar flood lights | New | Garissa township |
| | | Balambala |
| | | Masalani |
| | | Dadaab |
| WATER AND IRRIGATION | | |
| DEVELOPMENT BUDGET CEILING: Ksh. 1,630,000,000 | | |
| WATER | | |
| BALAMBALA | | |
| Name of Project | Status (ongoing/new) | Project location(Ward) |
| Desilting and fencing of water pan at Lago | | Balambala |
| Drilling and equipping of new borehole at Hagarjareer | | Balambala |
| Drilling and equipping of new borehole at Ohio | | Balambala |
| Drilling and equipping of new borehole at Sheeta ad | | Balambala |
| Completion of water works at Mudey | | Danyere |
| Expansion of water works at Labiley | | Jarjara |
| Expansion of water works at Hirbaya | | Saka |
| Construction of 100,000m3 water pan at auliya | | Sankuri |
| Restoring river course | | Balambala |
| FAFI | | |
| Name of Project | Status (ongoing/new) | Project location(Ward) |
| Establishment of Water Supply system from Nanighi to Mansabubu AND from Nanighi to Korakora | | Bura & Nanighi |
| Construction and fencing of new water pan at Mathahgesi | | Fafi |
| Desilting and fencing of water pan at Dadbil | | Fafi |
| Expansion of water works from Bulla Nadir to Bulla Salama | | Fafi |
| IJARA | | |
| Name of Project | Status (ongoing/new) | Project location(Ward) |
| Construction and fencing of new water pan at Bulla Qamutho | | Ijara |
| Construction and fencing of new water pan at Abdigure | | Ijara |
| Desilting and fencing of water pan at Ruqa | | Ijara |

| | | |
|--|-----------------------------|-------------------------------|
| Construction of 100,000m3 water pan at Ijara | | Ijara |
| Drilling and equipping of new borehole at Gababa | | Ijara |
| Expansion of water services at Korisa | | Ijara |
| Construction and fencing of new water pan at AliDololo | | Ijara |
| Construction and fencing of new water pan at Alihaidar | | Ijara |
| HULUGHO | | |
| Name of Project | Status (ongoing/new) | Project location(Ward) |
| Construction and fencing of new water pan at Bisiqor | | Hulugho |
| Construction and fencing of new water pan at Shora | | Hulugho |
| Construction and fencing of new water pan at Wardod | | Hulugho |
| Expansion of water services at Wakabharey | | Hulugho |
| DADAAB | | |
| Name of Project | Status (ongoing/new) | Project location(Ward) |
| Construction and fencing of new water pan at Lander | | Dadaab |
| Desilting and fencing of water pan at Ege | | Dadaab |
| Desilting and fencing of water pan at Alikune | | Dadaab |
| Expansion of water works at Maleyley borehole | | Liboi |
| Expansion of water works at Dertu borehole | | Dertu |
| LAGDERA | | |
| Name of Project | Status (ongoing/new) | Project location(Ward) |
| Expansion of water works at Gurufa borehole | | Sabena |
| Construction and fencing of new water pan at Jilango | | Modogashe |
| Fencing of Afweine dam with extension work. | | Baraki |
| Desilting of water pan at Lafageri | | Benane |
| TOWNSHIP | | |
| Name of Project | Status (ongoing/new) | Project location(Ward) |
| Desilting and fencing of water pan at Bilif | | Township |
| Desilting and fencing of water pan at Eldera | | Iftin |
| Fencing of water lands | | Township |
| IRRIGATION | | |
| Name of Project | Status (ongoing/new) | Project location(Ward) |
| Purchase of motor vehicles | New | HQ |
| Purchase of Motorcycles | New | HQ/Sub counties |
| Purchase of pump sets, accessories and canal expansion for the farms listed below | | |
| Abarot farm | New | Iftin |
| Barwako farm | New | Iftin |
| Jamhuri farm | Rehabilitation | Galbet |
| Asad II Irrigation Scheme | Completion | Iftin |
| Bismillahi II farm | Completion | Galbet |
| Qahira farm | Rehabilitation | Sankuri |
| Gananamare W. Group farm | New | Balambala |
| Waberi farm | Rehabilitation | Sankuri |
| Raya farm | Rehabilitation | Sankuri |
| Jeerey farm | New | Balambala |
| Galbet farm | New | Saka |
| Tiltit farm | Completion | Balambala |
| Kulan farm | Completion | Balambala |
| Nadir farm | Rehabilitation | Nanighi |
| Shaq-Ioni+ farm | New | Bura |
| Wathajir farm | New | Nanighi |
| Damaka farm | New | Bura |
| Saretho farm | Completion | Abakaile |
| Qone mega pan | New | Sabena |
| Kulan mega pan fencing | New | Liboi |

| EDUCATION, PUBLIC SERVICE AND LABOUR RELATIONS | | |
|--|---|--|
| DEVELOPMENT BUDGET CEILING: Ksh. 75,355,000 | | |
| EDUCATION | | |
| Name of Project | Status (ongoing/new) | Project location(Ward) |
| ECD | Construction of 90 toilets | NEW |
| 2 ECD Classrooms at Hajjime | New | Galmagala Ward |
| | Provision of sanitary pads for schools girls | |
| | 3 ECD center of excellence | |
| | Construction of fully-fledged ECD COLLEGE | |
| | Purchase Education and Library Supplies | |
| DEPARTMENT OF VOCATIONAL TRAINING | Provision of equipment and practical materials | |
| | Construction and equipping of 2 motor vehicle mechanic (MVM) WORKSHOP | |
| | Construction and equipping of metal Fabrication workshop | |
| Library | Construction and equipping of Two Sub county libraries | Bura & Madogashe |
| | Renovate, paint, construct perimeter walls & equipping 3 existing libraries | Garissa, Masalani & Balambala |
| FINANCE,ECONOMIC PLANNING, REVENUE MANAGEMENT AND SPECIAL PROGRAM | | |
| DEVELOPMENT BUDGET CEILING: Ksh. 100,000,000 | | |
| FINANCE | | |
| Name of Project | Status (ongoing/new) | Project location(Ward) |
| Construction of Treasury Headquarter offices | New | Township |
| Archiving systems for county records | New | Township |
| Fuel trucking systems | New | Township |
| | | |
| ECONOMIC PLANNING | | |
| Name of Project | Status (ongoing/new) | Project location(Ward) |
| Development of County Statistical Data Base (Census) | New | Countywide |
| REVENUE | | |
| Name of Project | Status (ongoing/new) | Project location(Ward) |
| Automation of Revenue Collection | Ongoing | Headquarters |
| SPECIAL PROGRAMMES | | |
| Name of Project | Status (ongoing/new) | Project location(Ward) |
| Purchase of motor boats | New | HQ |
| HEALTH AND SANITATION | | |
| DEVELOPMENT BUDGET CEILING: Ksh. 490,000,000 | | |
| PROJECT | Status | Project Location |
| Construction and equipping cancer treatment center PGH | | Garissa township |
| Construction and equipping of Outpatient Department | | Balambala |
| Construction and equipping of Outpatient Department | | Hulugho Hospital |
| construction and equipping of one operating theatre | | Iftin Hospital |
| Equipping maternity | | Masalani Hospital |
| Equipping of dispensaries | | Abdisamad Disp, Bulla Mzuri Disp, Hamey Disp, Bokyar Disp, Gababa Disp, Furgan Disp, |
| Construction 5 Wards in 5 Sub Counties | | Hulugho SCH, Bura SCH, Balambala SCH, Iftin SCH and Kotile Health Centre |

| | | |
|---|---|---|
| Equipping for new maternities health facilities | | Fafi Disp, Kamuthe Disp, Gurufa Disp, Modogashe Sub HC, Ijara HC, Sangailu HC, and Mansabubu |
| Construction of Staff quarters | | Iftin SCH, Hulugho SCH, Balambala SCH, Kotile CH, Madina HC, Danyere HC ,Liboi HC, Gurufa Disp, Nanighi HC, Maalim Dispensary and jambele |
| Construction of 5 Water tanks and 10 twin latrines and 5 incinerator for health facilities and dispensaries | | IFTIN SCH, Masalani SCH, Balambala SCH, Dadaab SCH, Nanighi HC, |
| Construction of 8 New Dispensaries – | | Nuno,Modika,Warable, Libahlow, Dogob, Hajjime in Galmagala ward |
| Overhaul rehabilitation of ward 1-15 | | PGH |
| Rehabilitation of eye unit | | PGH |
| GENDER SOCIAL SERVICES , YOURT, SPORT & LIBRARY SERVICES | | |
| DEVELOPMENT BUDGET CEILING: Ksh. 280,000,000 | | |
| DEP | PROJECT | LOCATION |
| GENDER,SOCIAL SERVICES | completion of multipurpose hall | Township |
| | Construction of orphanage centre, child protection centre & rescue centre | Dogob |
| | Maintenance of Masalani orphanage | Masalani |
| | Provision of wheel chairs | sub-counties |
| Sports and Youths | Construction of youth service centre | Township |