

*Hon. Speaker,  
You may approve.  
Njoroge 25/6/20*

*Approved for tabling.*



*BW  
JNA  
25/6/2020*



REPUBLIC OF KENYA


THE NATIONAL ASSEMBLY

TWELFTH PARLIAMENT

FOURTH SESSION

THE BUDGET AND APPROPRIATIONS COMMITTEE REPORT ON THE THIRD SUPPLEMENTARY  
ESTIMATES FOR THE FINANCIAL YEAR 2019/2020

JUNE 2020

 <b>THE NATIONAL ASSEMBLY PAPERS LAID</b>	
<b>DATE:</b> 25 JUN 2020	
<b>DAY.</b>	
<b>TABLED BY:</b>	
<b>CLERK-AT THE-TABLE:</b>	

## CHAIRPERSON'S FOREWORD

**Mr. Speaker**, in accordance with Article 223 of the Constitution, Section 44 of the Public Finance Management Act, 2012, PFM Regulation 40 and Standing Orders 243; It is my pleasure to present to this House, on behalf of the Members of the Budget and Appropriations Committee, the Committee's Report on the Third Supplementary Budget for financial year 2019/2020.

**Mr. Speaker**, the Third Supplementary Budget Estimates of FY 2019/2020 was tabled on 24<sup>th</sup> June 2020 and was committed to the Budget and Appropriations Committee as well as the Departmental Committees for review in line with their respective mandates. After reviewing the budgets of the various Ministries, Departments and Agencies within their purview, the Departmental Committees are required to submit their recommendations to the Budget and Appropriations Committee for consideration and inclusion in this report.

**Mr. Speaker**, during the review and approval of the Budget and Appropriations Committee report on the Third Supplementary Budget for 2018/2019, the House resolved that no supplementary budget would be submitted in the month of June when the financial year is elapsing. Yet here we are, on the 30<sup>th</sup> of June 2020, struggling to approve a third supplementary estimates as though there is an emergency.

**Mr. Speaker**, since the first case of COVID-19 was reported in the country in March 2020, economic forecasts have been done and the economic outlook revised severally. Therefore, it was expected that the supplementary II budget that this House passed in April 2020 would have taken into account most of the critical needs and that any further expenditure requests would have been strictly on an emergency basis. However, after careful review of the Supplementary III Estimates, the Committee is convinced that most of the allocations particularly under the recurrent budget of the presidency, State Department of Interior and the Ministry of Lands could have been deferred to the coming financial year.

### **Examination of the third Supplementary Estimates for 2019/2020**

**Mr. Speaker**, in reviewing the third Supplementary Estimates for 2019/2020, the Committee held 2 Sittings including a meeting with the National Treasury where extensive deliberations were held. Some of the salient issues emerging from the deliberations included;

- a) The late submission of the Third Supplementary Estimates for FY 2019/20
- b) The framework followed to distribute the Kshs. 5.8 billion to support County Governments
- c) Justification for the reductions on key *Big Four* Allocations
- d) The reallocations of the funds ring-fenced for specific hospitals under in the approved Supplementary II Estimated (FY 2019/20) for COVID-19 mitigation measures

**Mr. Speaker,** The committee after carefully reviewed the Supplementary III Estimates and took into consideration the submissions made by the National Treasury resulting in the various recommendations as contained in this report. If approved by the House, these recommendations will form the basis for the passage of the Third Supplementary Appropriation Bill for financial year 2019/2020.

### **Acknowledgements**

**Mr. Speaker,** the Committee is grateful to the Office of the Speaker of the National Assembly, the Office of the Clerk of the National Assembly and the Parliamentary Budget Office for their support provided during the review of the Third Supplementary Estimates for 2019/2020.

**Mr. Speaker,** on behalf of the Committee and pursuant to Standing Order 199(6), it is my pleasant duty and privilege to table the Report on the Third Supplementary Estimates for FY 2019/2020 and recommend it to the House for adoption.

SIGNED:  .....

**HON. MOSES LESSONET, MP**  
**VICE-CHAIRPERSON, THE BUDGET AND APPROPRIATIONS COMMITTEE**

DATE:  .....

## 1.0.PREFACE

### 1.1. Establishment and Mandate of the Committee

1. **Mr. Speaker**, Article 221 (4 and 5) of the Constitution and Section 7 of the Public Finance Management Act, 2012 provide for the establishment of a Committee of the National Assembly whose main role is to take the lead in budgetary oversight. Pursuant to this constitutional provision, Standing Order 207 established the Budget and Appropriations Committee with specific mandates among which is to:
  - i. Investigate, inquire into and report on all matters relating to coordination, control and monitoring of the national budget;
  - ii. Discuss and review the Estimates and make recommendations to the House;
  - iii. Examine the Budget Policy Statement, the Medium Term Debt Strategy Paper and the Division of Revenue Bill (DoRB) presented to the House;
  - iv. Examine Bills related to the national budget, including the Appropriations Bill; and
  - v. Evaluate tax estimates, economic and budgetary policies and programmes with direct budget outlays.

### 1.2. Membership of the Committee

2. **Mr. Speaker**, the Budget and Appropriations Committee as currently constituted comprises of the following Honourable Members of Parliament:

<b>Member</b>	<b>Constituency</b>	<b>Party</b>
1. <b>Hon. Moses Lessonet, M.P- Vice Chairperson</b>	Eldama Ravine	Jubilee
2. Hon. CPA John Mbadi, EGH, CBS, M.P.	Suba South	ODM
3. Hon. Richard Onyonka, M.P.	KitutuChache South	Ford Kenya
4. Hon. Samwel Moroto, M.P.	Kapenguria	Jubilee
5. Hon. Millie Odhiambo, M.P.	Suba North	ODM
6. Hon. Twalib Bady, M.P.	Jomvu	ODM
7. Hon. (Dr.) Gideon Ochanda, M.P.	Bondo	ODM
8. Hon. James Mwangi Gakuya, M.P.	Embakasi North	Jubilee
9. Hon. (Dr.) Makali Mulu Benson, M.P.	Kitui Central	Wiper
10. Hon. Moses Kiarie Kuria, M.P.	Gatundu South	Jubilee
11. Hon. Benard Masaka Shinali, M.P.	Ikolomani	Jubilee
12. Hon. John Muchiri Nyaga, M.P.	Manyatta	Jubilee
13. Hon. Jude Njomo, M.P.	Kiambu Town	Jubilee
14. Hon. (Dr.) Korei Ole Lemein, M.P.	Narok South	Jubilee
15. Hon. Sarah Paulata Korere, M.P.	Laikipia North	Jubilee
16. Hon. Naisula Lesuuda, OGW, M.P.	Samburu West	KANU
17. Hon. Sakwa Bunyasi, M.P.	Nambale	ANC
18. Hon. Danson Mwashako, M.P.	Wundanyi	Wiper

19. Hon. Fatuma Gedi Ali, CBS, M.P.	Wajir County	PDR
20. Hon. Florence Chepng'etich Koskey Bore, M.P.	Kericho County	Jubilee
21. Hon. James Gichuki Mugambi, M.P.	Othaya	Jubilee
22. Hon. (Dr.) John K. Mutunga, M.P.	Tigania West	Jubilee
23. Hon. (Eng.) Mark Nyamita, M.P.	Uriri	ODM
24. Hon. Paul Abuor, M.P.	Rongo	ODM
25. Hon. Qalicha Gufu Wario, M.P.	Moyale	Jubilee
26. Hon. Wangari Mwaniki, M.P.	Kigumo	Jubilee

### 1.3. Committee Secretariat

1. Mr. Joseph Ndirangu	Fiscal Analyst II/ Clerk
2. Mr. Danson Kachumbo	Fiscal Analyst II/ Clerk
3. Ms. Mercyln Kerubo	Audio Officer

### 1.4. The Committee is facilitated by the following officers from the Parliamentary Budget Office:

1. Ms. Phyllis Makau, OGW	Director, Parliamentary Budget Office
2. Mr. Martin Masinde	Senior Deputy Director, PBO
3. Mr. Chacha Machage	Fiscal Analyst II

## 2.0.OVERVIEW OF THE THIRD SUPPLEMENTARY ESTIMATES FOR 2019/2020

3. The Third Supplementary Budget Estimates for financial year 2019/2020 is proposing an overall increment in the total budget by **Ksh. 14.376 billion** from the approved Supplementary II Budget Estimates. The overall change in the National Government Ministerial Budget (excluding CFS and County allocations) from the original approved budget will be an increase of **Ksh. 43.7 billion**. It is indicated that the supplementary III budget has been prepared primarily to cater for COVID-19 related expenditure as well as regularize approved additional expenditure granted under article 223 of the constitution as well as approved re-allocations. Apart from the COVID-19 related expenses, other key expenditures include budgetary allocations for increased security operations, the Mukuru renewal regeneration project as well as new donor commitment under the presidency relating to the Kenya Development Response to Displacement Impact project.

## 3.0.ADHERENCE TO LEGAL PROVISIONS

4. The format, structure and content of the supplementary budget is enshrined in legal documents, namely; the Constitution, the Public Finance Management (PFM) Act, 2012 and the PFM regulations. Significant gaps have been observed in the supplementary III budget for 2019/2020 particularly with regard to format, content and structure of the tabled documents. These are as follows:
  - i. **Failure to provide proof of payment for expenditures incurred under article 223 of the Constitution:** it is indicated that the entire 2019/2020 supplementary III budget contains approvals granted under Article 223 of the Constitution but failure to provide supporting documents makes it difficult to ascertain when the first withdrawal was done. During deliberations and approval of the 2020/2021 Budget Estimates, this House resolved that all expenditures incurred under Article 223 of the Constitution should be accompanied by proof of payment. However, the National Treasury has not adhered to this resolution.
  - ii. **Some budget re-allocations made on some programmes exceed the 10 percent threshold:** Section 43(2) (c) of PFM Act, 2012 stipulates that budget reallocations made on programmes and sub-votes should not exceed 10 percent. However, 3 programmes out of 159 programmes exceed the 10 percent threshold; namely, the Health Policy, Standards and Regulations programme under Vote 1081; the Housing Development and Human Settlement programme under Vote 1094; and the General Administration, Planning and Support Services programme under Vote 1252. The National Treasury has acknowledged this and has submitted its request for special approval of the expenditure adjustments exceeding the 10 percent threshold in accordance with Article 223 (5) of the constitution.

- iii. **Information has not been provided on how the additional expenditure will be financed:** There is no information for additional sources of revenue for financing additional expenditures suggesting that financing will be accrued from debt. (PFM regulations Section 40(6)). The increment in the 2019/2020 budget is a concern given the significant underperformance of projected revenues on account of the COVID-19 pandemic. It would have been expected that most expenditures would be rationalized and only priority expenditure especially those that are COVID-19 related would receive additional allocation. However, non-priority expenditure particularly relating to operations and maintenance is still being given significant priority despite the loss in revenue.
- iv. **Some new items have been introduced in the supplementary III budget contrary to Section 40 (8) of PFM regulations, 2015:** under Vote 1112: Ministry of Lands and Physical Planning has been allocated Ksh. 85.5 million for purchase of vehicles; the state law office has been allocated Ksh. 2.3 million for the purchase of office furniture and general equipment; the Commission on Revenue allocation has been allocated Ksh. 0.49 million for research feasibility studies and the presidency has been allocated Ksh. 47 million for other recurrent as well as Ksh. 5 million for fuel oil and lubricants.
- v. **Analysis of fiscal impact of proposed changes not provided:** Some of the affected programmes under supplementary budget do not have analysis of the fiscal impact of the additional/reduction in expenditure on the planned outcomes of the affected programmes. Indeed, the outputs and targets of most of the programmes with expenditure adjustments have remained the same making it difficult to carry out adequate monitoring.
- vi. **Information provided on conformity to fiscal responsibility principles and objectives is scanty:** the fiscal responsibility principles and objectives are prescribed under Section 15(2) and 44(3) of the PFM Act, 2012 as well as Section 26(1) of PFM Regulations, 2015. A case in point is, pursuant to Section 15 (2) (c) of the PFM Act, 2012, it is difficult to evaluate going forward whether national government borrowing will be used only for the purpose of financing development expenditure and not for recurrent expenditure.

#### 4.0.KEY PROPOSED CHANGES UNDER THE THIRD SUPPLEMENTARY ESTIMATES

##### 2019/2020

- 5. The supplementary III budget is proposing an additional Ksh. 8.86 billion in recurrent expenditure and Ksh. 5.514 billion in development expenditure. The most significant increase in the recurrent budget is under the Ministry of Health (Health, policy, standards and regulations programme) to cater for COVID-19 related expenditure (Ksh. 6.35 billion of which

Ksh. 5.85 billion will be allocated to counties); and the Ministry of Defence (Ksh. 1.9 billion) to cater for enhanced security operations. Equally, the biggest increase in the development budget is under the State department for housing and urban development (Ksh. 2.37 billion) to cater for the provision of supporting infrastructure for social housing units; the state department for transport (Ksh. 1.8 billion) towards the Nairobi Commuter Rail project; the state department of interior (Ksh. 1.50 billion) for the National secure Communication and Surveillance systems project and the Ministry of Energy (Ksh. 1.16 billion) for the Loiyangalani Suswa line.

#### **4.1. Ministry of Health**

6. Though the Ministry of Health has been allocated Ksh. 5.85 billion for support to county governments to mitigate against the impact of COVID-19, it is observed that the framework for disbursing these funds to counties has not been provided. Furthermore, of the Ksh. 3 billion specially ring-fenced in the supplementary II budget for 2019/2020 to support the fight against the COVID-19 pandemic especially with regard to the protection of frontline health workers through purchase of PPEs among other protective gears, Ksh. 2 billion allocated to some hospitals has been rationalized. The following hospitals have been affected by the rationalization: Kenyatta National Hospital and Mbagathi Hospital- **Kshs 350 Million**; Kenyatta University Hospital- **Kshs 300 Million**; Jaramogi Hospital – **Kshs 300 Million**; Moi Teaching and referral hospital- **Kshs 200 Million**; Kitui Hospital- **Kshs 250 Million**; Mandera Hospital- **Kshs 250 Million**; and Coast General Hospital- **Kshs 350 Million**.

#### **4.2. Ministry of Energy:**

7. The Ministry of Energy has been allocated an additional Kshs. **1.16 billion** for the Loiyangalani - Suswa transmission line. This is a recurring issue which has been addressed by the National Assembly in previous budget reviews. In 2019, the National Assembly recommended a special audit following inconsistencies in series of payments vis a vis the outstanding claims as well as disputed invoices and unclear basis for the claims. This has not been submitted to date. A clear way forward on this matter should be agreed upon urgently.

#### **4.3. Administration and National Security:**

8. The proposed allocation for development projects under Administration and National Security is a reversal of what was reduced by the House in Supplementary II.

#### **4.4. Other concerns:**



9. There is lack of clarity on the allocation for domestic travel as this is recorded to have been spent extensively in some Ministries. Furthermore, there are also indications of operations and maintenance expenses being reflected in the development budget.

## 5.0.COMMITTEE RECOMMENDATIONS

10. Having considered the above matters, the committee recommends that this House resolves to approve:

- i. The allocation of **Kshs. 5.8 billion** for Recurrent Expenditure to support county governments in the mitigation of COVID-19 under the Ministry of Health (Vote 1081) under the 0405000 Health Policy, Standards & Regulations Programme;
- ii. The allocation of **Kshs 350 million** for Development Expenditure in the Ministry of Health (Vote 1081) from Development Partners under the 0405000 Health Policy, Standards & Regulations Programme;
- iii. The allocation of **Kshs. 218 million** for Development Expenditure in the Presidency (Vote 1011) under the 0702000 Cabinet Affairs programme for Development Expenditure which is donor funding;
- iv. The allocation of **Kshs. 1.5 billion** for Development Expenditure under State Department for Interior (Vote 1021) under Programme 0602000 Planning Policy Coordination & Support Service, for the National Secure Communication and Surveillance System;
- v. The allocation of **Kshs. 3.432 Billion** for Recurrent Expenditure under the Ministry of Health (Vote 1081) under the 0401000 Preventive, Promotive & RMNCAH programme to cater for the payment of the Covid-19 emergency allowance and benefit for frontline health workers in the National and County Governments.
- vi. Re-allocation of **Kshs. 1.8 Billion** for Development Expenditure from Marine Transport Programme to Rail Transport programme under the Ministry of Transport to cater for Nairobi commuter rail.
- vii. Re-allocations within the Judiciary (Vote 1261) of **Kshs. 324,117,983** for Recurrent Expenditure from Operations & Maintenance items to cater for shortfall in salaries; and,
- viii. All other proposed re-allocations in the supplementary estimates including those that were to affect the ring -fenced funds under the Ministry of Health be rejected, and the adjustments be made before publication of the resultant Supplementary Appropriations Bill.









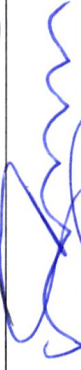
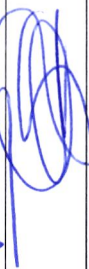



11. That, (i), (ii), (iii) (iv), (v), (vi) and (vii) be the basis for Supplementary III Appropriations.





# ADOPTION SCHEDULE

## Members attendance list

Budget and Appropriations Committee: Date...25/06/2024 Time...10:00: Sitting: .....

Name	Signature
<del>1. Hon. Kimani Ichung'wah, CBS, M.P- Chairperson</del>	<del>[Signature]</del>
2. Hon. Moses Lessonet, M.P- Vice Chairperson	[Signature]
3. Hon. (CPA) John Mbadi, EGH, CBS, M.P.	[Signature]
4. Hon. Richard Onyonka, M.P.	[Signature]
5. Hon. Samwel Moroto, M.P.	[Signature]
6. Hon. Millie Odhiambo, M.P.	[Signature]
7. Hon. Twalib Bady, M.P.	[Signature]
8. Hon. (Dr.) Gideon Ochanda, M.P.	[Signature]
9. Hon. James Mwangi Gakuya, M.P.	[Signature]
10. Hon. (Dr.) Makali Mulu, M.P.	[Signature]

Name	Signature
11. Hon. Moses Kiarie Kuria, M.P.	
12. Hon. Benard Masaka Shinali, M.P.	
13. Hon. John Muchiri Nyaga, M.P.	
14. Hon. Jude Njomo, M.P.	
15. Hon. (Dr.) Korei Ole Lemein, M.P.	
16. Hon. Sarah Paulata Korere, M.P.	
17. Hon. Naisula Lesuuda, M.P.	
18. Hon. Sakwa Bunyasi, M.P.	
19. Hon. Danson Mwashako, M.P.	
20. Hon. Fatuma Gedi Ali, CBS, M.P.	
21. Hon. Florence C.K. Bore, M.P.	
22. Hon. James Gichuki Mugambi, M.P.	
23. Hon. (Dr.) John K. Mutunga, M.P.	

Name	Signature
24. Hon. (Eng.) Mark Nyamita, M.P.	
25. Hon. Paul Abuor, M.P.	
26. Hon. Qalicha Gufu Wario, M.P.	
27. Hon. Wangari Mwaniki, M.P.	

Signed..... Date.....  
 Committee Clerk

Signed..... Date.....

Director of Committee Services

**MINUTES OF THE 37<sup>th</sup> SITTING OF THE BUDGET AND APPROPRIATIONS COMMITTEE HELD ON THURSDAY, 25<sup>TH</sup> JUNE 2020, AT COMMITTEE ROOM 12, MAIN PARLIAMENT BUILDING AT 10.00 A.M.**

**PRESENT:**

- 1) Hon. (CPA) Moses Lessonet, M.P. – Vice Chairperson**
- 2) Hon. (CPA) John Mbadi, EGH, CBS, M.P.
- 3) Hon. Millie Odhiambo, M.P.
- 4) Hon. Richard Onyonka, M.P.
- 5) Hon. Bady Twalib Bady, M.P.
- 6) Hon. Sarah Korere, M.P.
- 7) Hon. Naisula Lesuuda, OGW, M.P.
- 8) Hon. Samwel Moroto, M.P.
- 9) Hon. James Mwangi Gakuya, M.P.
- 10) Hon. (Dr.) Makali Mulu, M.P.
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- 14) Hon. (Dr.) Korei Ole Lemein, M.P.
- 15) Hon. Benard Masaka Shinali, M.P.
- 16) Hon. John Muchiri Nyaga, M.P.
- 17) Hon. Sakwa Bunyasi, M.P.
- 18) Hon. (Dr.) John K. Mutunga, M.P.
- 19) Hon. Florence C. K. Bore, M.P.
- 20) Hon. James Gichuki Mugambi, M.P.
- 21) Hon. Fatuma Gedi Ali, CBS, M.P.
- 22) Hon. Danson Mwashako, M.P.
- 23) Hon. Paul Abuor, M.P.
- 24) Hon. (Eng.) Mark Nyamita, M.P.
- 25) Hon. Qalicha Gufu Wario, M.P.
- 26) Hon. Wangari Mwaniki, M.P.

## PARLIAMENTARY BUDGET OFFICE

- |                           |                             |
|---------------------------|-----------------------------|
| 1) Ms. Phyllis Makau, OGW | Director, PBO               |
| 2) Mr. Martin Masinde     | Senior Deputy Director, PBO |
| 3) Mr. James Chacha       | Fiscal Analyst II           |

## COMMITTEE SECRETARIAT

- |                        |                           |
|------------------------|---------------------------|
| 1) Mr. Joseph Ndirangu | Fiscal Analyst II & Clerk |
| 2) Mr. Danson Kachumbo | Fiscal Analyst II         |
| 3) Ms. Mercyln Kerubo  | Audio Officer             |
| 4) Mr. Bernard Omondi  | Sergeant at Arms          |
| 5) Mr. Joram Omondi    | Office Assistant          |

## AGENDA

1. Preliminaries & Confirmation of Agenda
2. *Adoption of the draft Report on the FY 2019/20 Supplementary Estimates No. III*
3. Any Other Business (A.O.B)

### MIN. NO. NA/BAC/2020/158: PRELIMINARY

The Vice Chairperson welcomed the committee members to the meeting and called the meeting to order at 10.30 a.m. and thereafter led the committee through prayer.

### MIN. NO. NA/BAC/2020/159: ADOPTION OF THE DRAFT REPORT ON THE FY 2019/20 SUPPLEMENTARY ESTIMATES NO. III

The Vice Chairperson welcomed the Director to brief the Committee on the draft report. After deliberations, the Committee **ADOPTED** the report with the following Observations & Recommendations:

### KEY PROPOSED CHANGES UNDER THE THIRD SUPPLEMENTARY ESTIMATES 2019/2020

The supplementary III budget is proposing an additional Ksh. 8.86 billion in recurrent expenditure and Ksh. 5.514 billion in development expenditure. The most significant increase in the recurrent budget is under the Ministry of Health (Health, policy, standards and regulations programme) to cater for COVID-19 related expenditure (Ksh. 6.35 billion of which Ksh. 5.85 billion will be allocated to counties); and the Ministry

of Defence (Ksh. 1.9 billion) to cater for enhanced security operations. Equally, the biggest increase in the development budget is under the State department for housing and urban development (Ksh. 2.37 billion) to cater for the provision of supporting infrastructure for social housing units; the state department for transport (Ksh. 1.8 billion) towards the Nairobi Commuter Rail project; the state department of interior (Ksh. 1.50 billion) for the National secure Communication and Surveillance systems project and the Ministry of Energy (Ksh. 1.16 billion) for the Loiyangalani Suswa line.

### **Ministry of Health**

Though the Ministry of Health has been allocated Ksh. 5.85 billion for support to county governments to mitigate against the impact of COVID-19, it is observed that the framework for disbursing these funds to counties has not been provided. Furthermore, of the Ksh. 3 billion specially ring-fenced in the supplementary II budget for 2019/2020 to support the fight against the COVID-19 pandemic especially with regard to the protection of frontline health workers through purchase of PPEs among other protective gears, Ksh. 2 billion allocated to some hospitals has been rationalized. The following hospitals have been affected by the rationalization: Kenyatta National Hospital and Mbagathi Hospital- **Kshs 350 Million**; Kenyatta University Hospital- **Kshs 300 Million**; Jaramogi Hospital – **Kshs 300 Million**; Moi Teaching and referral hospital- **Kshs 200 Million**; Kitui Hospital- **Kshs 250 Million**; Mandera Hospital- **Kshs 250 Million**; and Coast General Hospital- **Kshs 350 Million**.

### **Ministry of Energy:**

The Ministry of Energy has been allocated an additional Kshs. **1.16 billion** for the Loiyangalani - Suswa transmission line. This is a recurring issue which has been addressed by the National Assembly in previous budget reviews. In 2019, the National Assembly recommended a special audit following inconsistencies in series of payments vis a vis the outstanding claims as well as disputed invoices and unclear basis for the claims. This has not been submitted to date. A clear way forward on this matter should be agreed upon urgently.

## Administration and National Security:


The proposed allocation for development projects under Administration and National Security is a reversal of what was reduced by the House in Supplementary II.

### Other concerns:

There is lack of clarity on the allocation for domestic travel as this is recorded to have been spent extensively in some Ministries. Furthermore, there are also indications of operations and maintenance expenses being reflected in the development budget.

## COMMITTEE RECOMMENDATIONS

- i. The allocation of **Kshs. 5.8 billion** for Recurrent Expenditure to support county governments in the mitigation of COVID-19 under the Ministry of Health (Vote 1081) under the 0405000 Health Policy, Standards & Regulations Programme;
- ii. The allocation of **Kshs 350 million** for Development Expenditure in the Ministry of Health (Vote 1081) from Development Partners under the 0405000 Health Policy, Standards & Regulations Programme;
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- iv. The allocation of **Kshs. 1.5 billion** for Development Expenditure under State Department for Interior (Vote 1021) under Programme 0602000 Planning Policy Coordination & Support Service, for the National Secure Communication and Surveillance System;
- v. The allocation of **Kshs. 3.432 Billion** for Recurrent Expenditure under the Ministry of Health (Vote 1081) under the 0401000 Preventive, Promotive & RMNCAH programme to cater for the payment of the Covid-19 emergency allowance and benefit for frontline health workers in the National and County Governments.
- vi. Re-allocation of **Kshs. 1.8 Billion** for Development Expenditure from Marine Transport Programme to Rail Transport programme under the Ministry of Transport to cater for Nairobi commuter rail.
- vii. Re-allocations within the Judiciary (Vote 1261) of **Kshs. 324,117,983** for Recurrent Expenditure from Operations & Maintenance items to cater for shortfall in salaries; and,
- viii. All other proposed re-allocations in the supplementary estimates including those that were to affect the ring -fenced funds under the Ministry of Health be rejected, and the adjustments be made before publication of the resultant Supplementary Appropriations Bill.

 <b>THE NATIONAL ASSEMBLY</b> <b>PAPERS LAID</b>	
<b>DATE:</b> 25 JUN 2020	
<b>DAY:</b> <input type="text"/>	
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<b>CLERK-AT THE-TABLE:</b>	<input type="text"/>



**That (i), (ii), (iii) (iv) and (v) be the basis for Supplementary III Appropriations**

In addition, the Committee further recommends vote 1107, Ministry of water and Sanitation under the water storage and flood control programme be allocated Ksh.70 million for the national expanded irrigation programme.

**MIN. NO. NA/BAC/2020/160: ANY OTHER BUSINESS & ADJOURNMENT**

There being no other matters to consider, the meeting was adjourned at 1.00 p.m.

**SIGNED**



.....  
**HON. (CPA) MOSES LESSONET, M.P.**  
**VICE-CHAIRPERSON, BUDGET AND APPROPRIATIONS COMMITTEE**



.....  
**DATE**