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(LOM) on Thursday,
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THE NATIONAL TREASURY



THE BUDGET SUMMARY FOR THE FISCAL YEAR 2015/16 AND OTHER
INFORMATION AS REQUIRED BY THE CONSTITUTION AND THE PUBLIC
FINANCE MANAGEMENT ACT, 2012 (PFMA, 2012)

April 2015

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I. BACKGROUND

1. Articles 220(1) and 221(1) of the Constitution and Sections 37-38 of the Public Finance Management Act, 2012 require the Cabinet Secretary to the National Treasury to submit the Budget Estimates of the National Government for the following financial year by 30th of April (two months before the end of the financial year in June) in the format and content prescribed therein, together with other information and documents supporting the submitted estimates.

2. In particular, the following information and documents should accompany the submitted 2015/16 budget estimates:

- A budget summary containing budget policies including policies on revenue, expenditure, debt and deficit financing;
- An explanation of how the budget relates to the fiscal responsibility principles and to the financial objectives;
- A memorandum by Cabinet Secretary explaining how the resolutions adopted by the National Assembly on the Budget Policy Statement have been taken into account;
- A Statement by the National Treasury specifying the measures taken by the National Government to implement any recommendations made by the National Assembly with respect to the budget for the previous financial year or years
- Estimates of revenue allocated to, and expenditure projected from, the Equalization Fund over the medium term with explanation of the reasons for these revenue allocations and expenditures and how those estimates comply with the policy developed by the CRA under Article 216(4) of the Constitution;
- All revenue allocations to County Government from the National Government's share in terms of Article 202(2) of the Constitution, including conditional and unconditional grants;
- All estimated revenue by broad economic classification; and,
- Information regarding loans, guarantees and other liabilities.

3. The information and documents supporting the 2015/16 Estimates are detailed as follows:

II. BUDGET SUMMARY: POLICY FRAMEWORK FOR FY2015/16 AND MTEF

Underlying Assumptions Underpinning the FY 2015/16 and MTEF Budget

4. The 2015/16 budget has been prepared against a backdrop of uneven and sluggish global recovery. World economic growth remains moderate, with uneven prospects across the main countries and regions. Global growth is projected at 3.5 percent in 2015 and 3.8 percent in 2016, with uneven prospects across the main countries in the regions where the outlook for advanced economies is improving, while growth in emerging market and developing economies is projected to be lower, primarily reflecting weaker prospects for some large emerging market economies and oil-exporting countries.

5. Sub-Saharan Africa's growth is expected to slowdown to 4.5 percent in 2015 from 5.0 percent in 2014 and 5.2 percent in 2013 before rebounding to 5.1 percent in 2016. The projected slower growth in 2015 reflects the impact of the sharp decline of the oil and commodity prices and subdued outlook for Nigeria and South Africa. On the one hand, the region's eight oil exporters that have limited fiscal and external buffers are expected to undertake fiscal adjustments while growth for the rest of the region will benefit from the lower oil prices. Sluggish growth in South Africa continues to be affected by problems in the energy sector while the impact of ebola, though abating continues to slow down growth of countries in West Africa such as Guinea, Liberia and Sierra Leone. The spillovers from the ebola outbreak affected aviation industry in Kenya, the sub region and the rest of the world.

Kenya's Growth Prospects

6. Economic growth in Kenya is expected to accelerate, boosted by lower oil prices and higher public and private investment and the recovery of the agriculture sector. The continued implementation of robust economic policies and structural reforms as well as sound economic management is expected to yield efficiency and translate to faster growth and creation of more jobs. The Government's development agenda continues to focus on Vision 2030 and the Jubilee Government priorities under the five pillar transformation agenda covering:

- i. creation of a conducive business environment;
- ii. investing in agricultural transformation and food security;
- iii. investing in critical infrastructure in transport and logistics;
- iv. investing in quality and accessible healthcare and education services as well as strengthening the social safety net to reduce the burden on the households; and
- v. Supporting devolution for better service delivery and enhanced economic development.

7. During the FY2014/15, we have faced a number of challenges in implementing the budget for a number of reasons. To start with, our economy continued to experience shocks and in particular, less than normal rainfall and other weather-related shocks. In addition, the real and perceived threats of terrorism have severely disrupted the tourism industry thereby resulting in lower than projected revenues and increased demand for additional funding.

8. Security sector has been made a priority by the Government following the recent incidences of insecurity and terrorism witnessed in the country. Arising from this, the sector will be receiving increased allocation of resources so as to modernize both the Military and the Police. In the FY 2015/16, a total of Ksh 112.5 billion will be provided to Defence and NIS. Of this amount, Defence will receive Ksh 96.2 billion, or Ksh 13.6 billion higher than the budget for FY 2014/15 while NIS will receive Ksh 20.1 billion, or Ksh 2.7 billion higher than the budget of Ksh 17.4 billion for FY 2014/15. The budget for the Ministry of Interior and National coordination, that handles the Police has been allocated Ksh 102.5 billion in FY 2015/16, up from Ksh 92.9 billion in FY 2014/15.

9. Given these circumstances, revenues remain lower than projected mainly due to administration challenges of large income tax payers and customs due to reduced oil imports following increased production of geothermal energy. At the same time, there were expenditure pressures to deal with emerging security operations and implementation of the Constitution.

10. Despite the above challenges, economic growth registered 5.3 percent in 2014 and is projected to accelerate to about 7.0 percent in 2015 and over the medium term. This robust broad based growth will be boosted by lower oil prices, activities generated in the construction of Standard Gauge Railway, increased production in agriculture following implementation of strategic interventions to revamp the sector, continued investment in infrastructure projects and expansion of activities in building and construction, manufacturing, retail and wholesale and financial intermediation among others. The growth also reflects increased investments and domestic demand owing to investor confidence and the on-going initiatives to deepen regional integration. The projected growth assumes normal weather pattern for the rest of 2015 and supportive fiscal and monetary policies, designed to further expand employment creation and poverty reduction within a stable macroeconomic environment.

Fiscal Policy Framework for FY 2015/16 and MTEF

11. The budget policy framework for FY 2015/16 and the medium term aims at striking an appropriate balance between support for rapid economic and inclusive growth and continued fiscal discipline. The Government will continue to address debt sustainability issues by containing the overall fiscal deficit and putting emphasis on efficiency and effectiveness of public spending and

improving revenue performance. Specifically, the fiscal policy aims at revenue effort of 21.8 percent of GDP over the medium term and containing growth of total expenditure. Further, the policy aims at shifting more public resources from recurrent to capital investment so as to promote sustainable and inclusive growth.

12. On tax and revenue reforms, much progress has been achieved towards broadening the tax base and improving revenue administration. Some of the measures implemented recently include; enactment of income tax regime for the extractive industry; re-introduction of capital gains tax; introduction of VAT withholding of 6 percent out of the 16 percent and rolling out of iTax. The Medium Term Strategy, therefore, focuses on further deepening tax reforms in order to broaden the tax base, reduce compliance cost, facilitate private sector growth and enhance revenue yield as part of measures to strengthen revenue effort.

13. The strategy on tax and revenue reforms aims to grow revenue efforts by FY 2017/18. Towards this end, the National Treasury, working with Kenya Revenue Authority, will develop and implement specific measurable tax policies and revenue administration reforms in the following areas:

- **Simplification of the tax systems and enactment of modern tax laws** for better compliance and ease of doing business. The National Treasury shall submit to the National Assembly for debate and enactment the simpler and modern Excise Management Bill and a Tax Procedure Bill. The Government will also continue to rationalize existing distortionary tax incentives, expand the income tax base and remove tax exemptions as envisaged in the Constitution.
- **Further implementation of tax modernization and revenue administration reforms** covering digitization of revenue collections, implementation of a Customs Management System, enhanced taxpayer recruitment and education program, strategic tax audit and risk profiling, and a simplified tax regime for the informal sector. These measures are expected to streamline tax administration systems, improve efficiency in tax collection and enhance taxpayer services, thus reducing the cost of compliance.

14. **Expenditure efficiency and effective implementation of budget programs:** The National Treasury during the FY 2015/16 budget period, will institute and strictly enforce, among others, the following measures: Continue with rationalization of public expenditures to identify and remove expenditure overlaps and waste; develop asset leasing policy framework that entrenches at least 40 percent local content to spur industrialization, drive growth and create jobs; entrench program budget and enforce performance benchmarks for execution of the development budget of at least 80 percent by all MDAs; Make fully operational the Integrated Financial Information Management System (IFMIS) as an end-to-end transaction platform in all MDAs and County

Governments, and in particular, operationalize the Procure-to-Pay module in all MDAs before end of 2015.

Debt and Deficit Financing Policy

15. The Government's borrowing plans remain anchored in the medium term debt management strategy which aims at ensuring public debt sustainability. The strategy envisages continued borrowing from domestic and external sources with the latter being largely on concessional terms. While external financing will be largely on concessional terms, the Government will continue to diversify financing sources by continuing to access commercial sources of financing. The non-concessional external borrowing will be undertaken in a cautious manner and limited to bankable projects and the stated ceilings in the Medium-Term Debt Strategy paper which should minimize the degree of foreign exchange rate risk exposure associated with the external debt portfolio. The Government will ensure that the level of domestic borrowing does not crowd out the private sector given the need to increase private investment to accelerate economic expansion. A cautious approach will be adopted in the issuance of external Government loan guarantees to minimize the level of contingent liabilities.

Medium Term Fiscal Framework

16. Over the medium term, driven by continued reforms, revenue collection is expected to rise to about 20.8 percent of GDP in 2015/16 and 21.8 percent of GDP by 2017/18 as shown in **Table 1**. Overall expenditures will decline gradually from 30.6 percent of GDP in FY 2015/16 to 26.6 percent of GDP in 2017/18. Overall Ministerial recurrent expenditures are expected to decline from 12.1 percent of GDP in 2015/16 to 11.3 percent in the medium term. The decline in development expenditures from 11.0 percent of GDP in 2015/16 to 8.1 percent of GDP in 2017/18 reflects the winding down of some key projects such as the Standard Gauge Railway. The Government remains committed to reorienting expenditures from recurrent to development and improving the productivity of our resources.

TABLE 1: MEDIUM TERM FISCAL FRAMEWORK

FISCAL YEAR	2014/15	2015/16	2016/17	2017/18	2015/16	2016/17	2017/18
	KSh Million				As % of GDP		
1.0 TOTAL EXPENDITURE AND NET LENDING	1,806,672	1,998,527	2,048,597	2,250,492	30.6	27.6	26.6
1.1 Ministerial Recurrent Expenditure	730,807	786,222	855,561	953,907	12.1	11.5	11.3
o/w Wages (civil Service & TSC)	305,143	315,392	360,776	396,854	4.8	4.9	4.7
Contributory Pensions	-	6,000	14,812	17,701	0.1	0.2	0.2
1.2 Development Expenditure	634,848	715,452	652,046	680,848	11.0	8.8	8.1
1.3 Interest Payments & Pensions	204,631	228,754	248,790	290,406	3.5	3.3	3.4
1.4 Net Lending	2,123	2,183	2,409	2,559	0.0	0.0	0.0
1.5 Contingencies Fund	5,000	5,000	5,000	5,000	0.1	0.1	0.1
1.6 County Allocation	229,264	260,916	284,791	317,772	4.0	3.8	3.8
2.0 TOTAL REVENUES	1,164,629	1,358,029	1,594,591	1,845,304	20.8	21.5	21.8
2.1 Ordinary Revenue	1,070,515	1,254,867	1,490,205	1,730,220	19.2	20.1	20.5
2.2 Ministerial A-I-A	94,114	103,161	104,386	115,084	1.6	1.4	1.4
3.0 GRANTS	66,395	73,546	59,816	64,858	1.1	0.8	0.8
3.1 Grants - AMISOM	6,100	6,440	6,100	6,100	0.1	0.1	0.1
3.2 Project Grants	59,768	66,606	53,216	58,258	1.0	0.7	0.7
3.3 Debt Swap	527	500	500	500	0.0	0.0	0.0
4.0 DEFICIT	(575,649)	(566,953)	(394,190)	(340,330)	(8.7)	(5.3)	(4.0)
5.0 FINANCING	575,649	566,953	394,190	340,330	8.7	5.3	4.0
5.1 Project Loans	262,454	283,702	227,880	182,840	4.4	3.1	2.2
5.2 Commercial Financing	75,272	83,300	52,220	52,722	1.3	0.7	0.6
5.3 Program Support	5,375	8,213	0	0	0.1	-	-
5.4 Foreign Repayments	(81,937)	(34,689)	(60,416)	(63,679)	(0.5)	(0.8)	(0.8)
5.5 Domestic Loan Repayments	2,113	2,180	2,398	2,638	0.0	0.0	0.0
5.6 Muias/NBK Rights Issue	7,300	4,998	0	0	0.1	-	-
5.7 Domestic Deposits	141,406	0	0	0	-	-	-
5.8 Domestic Borrowing	163,664	219,249	172,107	165,809	3.4	2.3	2.0
6.0 FINANCING GAP	-	-	-	-	-	-	-
NOMINAL GDP	5,719,079	6,520,529	7,430,240	8,447,234	100.0	100.0	100.0

NB. Ministerial Expenditures in Table 1, include ceilings issued to Judiciary and Parliament

Budget Framework for FY 2015/16

17. The budget for FY 2015/16 is framed within the context of a Medium-Term Macro-Fiscal Framework that takes on board, the Vision 2030 priorities, Medium Term Plan II for 2013-2017 and the Jubilee Government priorities.

18. The assumptions underpinning the fiscal framework for FY2015/16: are shown in **Table 2:**

TABLE 2: KEY ASSUMPTIONS UNDERPINNING FY 2015/16 MACRO FISCAL FRAMEWORK

Indicator	Assumption
1) Real GDP growth	Forecast to grow at 7.0% in 2015/16 and over the medium-term
2) Inflation	Expected to be maintained within the Government target of 5% (+ or - 2.5) over the medium term
3) Interest rates	Interest rates stability will be safeguarded in the medium-term
4) Exchange rates	Exchange rate stability will be safeguarded in the medium-term
5) Total Revenue	Expected to improve gradually with on-going tax reforms to reach 20.8% of GDP in 2015/16 and 21.8% over the medium term
6) Total expenditure	Expected to decrease gradually to reach 30.6% of GDP in 2015/16 and 26.6% in 2017/18
7) Budget Deficit	The deficit is expected to narrow from 8.7 % of GDP in 2015/16 to 4.0% of GDP in 2017/18
8) Net domestic borrowing	Expected to decrease from 3.4% of GDP in 2015/16 to 2.0% in 2017/18

Revenue Projections

19. The FY 2015/16 budget targets revenue collection including Appropriation-in-Aid (AiA) of Ksh 1,358.0 billion (20.8 percent of GDP) from Ksh 1,164.6 billion (20.4 percent of GDP) in FY 2014/15 (**Table 3**). This performance will be underpinned by on - going reforms in tax policy and revenue administration. Ordinary revenues will amount to Ksh 1,254.9 billion (19.2 percent of GDP) in FY 2015/16 up from the projected Ksh 1,070.5 billion (18.7 percent of GDP) in FY 2014/15.

TABLE 3: FINANCIAL YEAR 2015/16 FISCAL FRAMEWORK

	KSh Million	As % of GDP
1.0 TOTAL EXPENDITURE AND NET LENDING	1,998,527	30.6
1.1 Ministerial Recurrent Expenditure	786,222	12.1
o/w Wages (civil Service & TSC)	315,392	4.8
Contributory Pensions	6,000	0.1
1.2 Development Expenditure	715,452	11.0
1.3 Interest Payments & Pensions	228,754	3.5
1.4 Net Lending	2,183	0.0
1.5 Contingencies Fund	5,000	0.1
1.6 County Allocation	260,916	4.0
2.0 TOTAL REVENUES	1,358,029	20.8
2.1 Ordinary Revenue	1,254,867	19.2
2.2 Ministerial A-I-A	103,161	1.6
3.0 GRANTS	73,546	1.1
3.1 Grants - AMISOM	6,440	0.1
3.2 Project Grants	66,606	1.0
3.3 Debt Swap	500.00	0.0
4.0 DEFICIT	(566,953)	(8.7)
5.0 FINANCING	566,953	8.7
5.1 Project Loans	283,702	4.4
5.2 Commercial Financing	83,300	1.3
5.3 Program Support	8,213	0.1
5.4 Foreign Repayments	(34,689)	(0.5)
5.5 Domestic Loan Repayments	2,180	0.0
5.6 Mumias/NBK Rights Issue	4,998	0.1
5.7 Domestic Deposits	0	-
5.8 Domestic Borrowing	219,249	3.4
6.0 FINANCING GAP	-	-
NOMINAL GDP	6,520,529	100.0

Expenditure Projections

20. The expenditures in FY 2015/16 are guided by the Medium Term Plan II (2013-2017) of Vision 2030 and the Jubilee Administration Strategic Priorities. In FY 2015/16, overall expenditure and net lending are projected at Ksh 1,998.5 billion (30.6 percent of GDP) from the estimated Ksh 1,806.7 billion (31.6 percent of GDP) in the FY 2014/15 budget.

Recurrent Expenditure

21. Ministerial recurrent expenditures will amount to Ksh 786.2 billion (12.1 percent of GDP) from Ksh 730.8 billion (12.8 percent of GDP) in FY 2014/15. In the civil service, once the on going capacity assessment and rationalization program (CARP) is completed, measures will be put in place to rationalize and restructure the civil service for efficient and productive service delivery.

Development and Net Lending

22. In the FY 2015/16, more resources will be earmarked for development as required by the PFM Act 2012. The ceiling for development expenditures including foreign financed projects (excluding net lending) in nominal terms amounts to Ksh 715.5 billion in the FY 2015/16 including Parliament and Judiciary. Most of the outlays are expected to support critical on going infrastructure development in roads, Standard Gauge Railway, ports, energy, security among others. Part of this development budget will be funded by project loans and grants from development partners, while the balance will be financed from domestic resources.

23. A contingency provision of Ksh 5.0 billion has been provided for in the FY 2015/16 budget to cater for unforeseen shocks that may arise and challenges of climate change. In addition, the Equalisation Fund has been funded upto Ksh 6.0 billion as conditional grants to marginalised areas for improving basic services in those areas. This is an increase from Ksh 3.4 billion in 2014/15.

Overall Deficit and Financing

24. Reflecting the projected expenditures and revenues, the overall fiscal balance including grants, is projected at Ksh 567.0 billion (equivalent to 8.7 percent of GDP) in FY 2015/16 against the estimated overall fiscal balance of Ksh 575.6 billion (10.1 percent of GDP) in FY 2014/15. Excluding grants, the fiscal balance is projected at Ksh 640.5 billion (9.7 percent of GDP) in FY 2015/16 against the estimated overall fiscal balance of Ksh 509.3 billion (11.2 percent of GDP) in FY 2014/15.

25. The fiscal deficit in FY 2015/16, will be financed by net external financing of Ksh 340.5 billion (5.1 percent of GDP), domestic loan repayments of Ksh 2.2 billion, NBK rights issue of Ksh 5.0 billion and Ksh 219.2 billion (3.4 percent of GDP) net domestic borrowing.

III. MEASURES TAKEN BY THE NATIONAL GOVERNMENT TO IMPLEMENT RECOMMENDATIONS MADE BY THE NATIONAL ASSEMBLY WITH RESPECT TO THE BUDGET FOR THE PREVIOUS FINANCIAL YEAR OR YEARS

26. In FY 2014/15, one of the major concerns that the National Assembly had was with regard to the ballooning public sector wage bill. To address this, the National Treasury froze all new recruitment except for essential services such as security, health and education. In addition, the Capacity Assessment and Rationalization Programme (CARPS) were undertaken in the Civil Service with a view to audit of employees and positions so as to eliminate duplication and ghost

workers. This exercise is ongoing and will be extended to all public sector employees including those in counties and Semi-Autonomous Government Agencies.

27. The National Assembly recommended that in future the Budget Policy Statement (BPS) should include outputs and targets of programmes as per the Standing Orders. Although the requirements of Section 25 (4) of the Public Finance Management Act, 2012 do not specifically require this, the National Treasury included this information in the 2015 BPS, to be consistent with the Standing Orders which require inclusion of the same.

28. With regard to the provision of basic social services, the National Assembly had recommended for enhancement of funding to support initiatives such as provision of free maternity services, free primary and free day education. As indicated elsewhere below in this briefing, funding to these areas have been enhanced.

29. On matters of agriculture and food security, the Government has already developed a comprehensive food security policy which is currently being implemented. The Government has heavily invested in irrigation over the last three years. Measures have also been taken to ensure that farmers have access to markets and quality subsidized inputs such as fertilizers and seeds. Details of some of these measures will be given in the 2015/16 speech.

30. Other recommendations related to the need to address the country's transport system including roads and other infrastructure. The infrastructure sector has received the highest share of resources in FY2015/16. Implementation of infrastructure projects such as the Standard Gauge Railway project and various roads projects across the country is progressing well.

31. Finally, the issue of security have been given high priority by the Government by enhancing resources to the sector to enable the sector address insecurity issues in the country. The security agencies have been equipped and will continue to be modernized to curb insecurity.

IV. HIGHLIGHTS OF THE FY 2015/16 BUDGET

32. The Financial Year 2015/16 Budget is prepared with a focus of pro-poor growth and sustainable development. Emphasis has been given to strategic intervention areas under the Jubilee manifesto five pillar transformation agenda and the flagship projects under the Kenya Vision 2030. Resources have been allocated to key projects to drive the transformative agenda in addition to the ongoing projects initiated during the medium term budgets of 2012/2013 - 2014/15. The Highlights are as indicated in subsequent paragraphs.

33. **Food Security and Agriculture:** Ksh 13.8 billion has been proposed for on-going irrigation projects countrywide and transformation of agriculture from subsistence to productive commercial farming covering about 1 million acres. This includes Ksh 10.3 billion for NIB and Ksh 3.5 billion allocated to the Galana Irrigation Project. Other key allocations are as follows:

- Ksh 3.0 billion for inputs subsidy
- Ksh 2.7 billion for Strategic Grain Reserves
- Ksh 3.1 billion for fisheries development
- Ksh 0.6 billion for the revival of the Kenya Meat Commission
- Ksh 0.3 billion for the revival of the Pyrethrum sector
- Ksh 0.3 billion for Free Disease Zone
- Ksh 1.2 billion for compensation of farmers in Mwea Irrigation Scheme
- Ksh 1.0 billion for coffee debt write off
- Ksh 3.5 billion for Land titling

34. **Transport and Logistics:** Investment for infrastructure development has been significantly enhanced as follows:

Roads

- Ksh 58.5 billion for on-going road construction
- Ksh 26.6 billion for road maintenance
- Ksh 42.3 billion for foreign financed roads
- Ksh 5.0 billion for Road Annuity Programme (included in the provision for on-going road construction)

Rail

- Ksh 118.1 billion for Standard Gauge Railway (SGR) foreign financed
- Ksh 25.7 billion Railway Development Levy Fund (for SGR)

Ports

- Ksh 1.3 billion for replacement of ferries

Energy

- Ksh 13.2 billion for Geothermal Development
- Ksh 21.1 billion for Power Transmission
- Ksh 14.9 billion for Rural Electrification Program
- Ksh 4.5 billion for Street lighting
- Ksh 1.5 billion for last mile connectivity

35. **Flood Control and Water Harvesting:** to enhance and sustain measures to control floods and harvest rain water, the following activities have been allocated funds as follows:

- Ksh 29.5 billion for water supply and sanitation
- Ksh 2.1 billion for water storage and food control
- Ksh 12.6 billion for environmental protection conservation and management

36. **Enhanced Security for Investment, Growth and Employment:** Security is necessary for encouraging investment, accelerating economic growth and creating more jobs for our youth. To this end, the following allocation has been provided:

- Ksh 7.7 billion for lease financing of Police/Prisons motor vehicles
- Ksh 15.0 billion for military modernization
- Ksh 10.0 billion Police Security Modernization
- Ksh 1.7 billion for Police Medical Insurance Scheme
- Ksh 1.3 billion for Police/APs Houses
- KSh 1.4 billion for Anti-Poaching
- Ksh 6.4 billion for AMISOM/Peace Keeping Missions

37. **Enhancing Access and Transforming the Educational System through e-Teaching and e-Learning:** A total of Ksh17.58 billion has been proposed for deployment of laptops to schools, development of digital content, building capacity of teachers and rolling out computer laboratory for class 4 to class 8 in all schools throughout the country. Other key allocations in basic education, tertiary and higher education are as follows:

- Ksh 32.7 billion for free day secondary education

- Ksh 14.1 billion for free primary education
- Ksh 2.3 billion for recruiting additional 5,000 teachers
- Ksh 2.2 billion for promotion of teachers
- Ksh 3.0 billion for technical training institutes
- Ksh 0.4 billion for Sanitary towels for girls in school
- Ksh 1.0 billion School feeding program
- Ksh 7.5 billion for Higher Education Loans Board
- Ksh 52.9 billion for University Education

38. **Quality and Accessible Health Care Services for all Kenyans:** We have allocated Ksh12.9 billion for free access to primary health care in dispensaries, maternal health care, leasing medical equipment, and internship program. This is allocated as follows:

- Ksh 4.3 billion is for free access to maternal health
- Ksh 4.5 billion for lease financing of health care equipment
- Ksh 3.5 billion for Kenya Medical Training Centers
- Ksh 9.0 billion for Kenyatta National Hospital
- Ksh 5.5 billion for Moi Teaching and Referral Hospital
- Ksh 2.0 billion for Kenya Medical Research Institute
- Ksh 3.0 billion for doctors/clinical officers/nurses internship program
- Ksh 0.67 billion for National Aids Council
- Ksh 0.9 billion for free access to all health centers and dispensaries
- Ksh 1.0 billion for slum health care program
- Ksh 19.7 billion for HIV/AIDS, Malaria and TB (Global Funds)

39. **Equity, Poverty Reduction and Social Protection for Vulnerable Groups:** To address the plight of the less disadvantaged in society, combat poverty, and promote equity, the social protection safety net in form of cash transfer has been enhanced. In addition an allocation for the

equalization fund, Constituency Development Fund (CDF), and Affirmative Action for Social Development has been set aside as follows:

- Ksh 35.2 billion for CDF
- Ksh 2.1 billion for Affirmative Action for Social Development
- Ksh 6.0 billion for Equalization Fund
- Ksh 9.0 billion is for orphans and vulnerable children;
- Ksh 7.4 billion for elder persons;
- Ksh 1.2 billion for those with extreme disability
- Ksh 0.3 billion for other disabled persons under coverage of cash transfer;
- Ksh 0.3 billion for street families
- Ksh 0.5 billion for insurance cover for persons under the social safety net program
- Ksh 0.8 billion for Children Welfare Society
- Ksh 0.4 billion for Presidential Secondary School Bursary Scheme for orphans, poor and bright students.
- Ksh 1.2 billion for Resettling the IDPs
- Ksh 1.0 billion Drought management fund
- Ksh 1.3 billion for hunger safety net
- Ksh 1.3 billion for slum upgrading
- Ksh 1.8 billion for constriction of stadia
- KSh 1.0 billion seed capital for the National Fund for Restorative Justice

40. **Enhancing Women and Youth Empowerment:** Ksh 25.0 billion has been allocated towards youth employment and reengineering the NYS as a vehicle for transforming and empowering the youth. Other interventions include:

- Ksh 1.45 billion for Uwezo Fund
- Ksh 0.2 billion Women Enterprise Fund
- Ksh 0.2 billion Youth Enterprise Fund

41. **Leveraging on Information, Communication and Technology;** the following allocation has been set aside

- Ksh 2.0 billion for Roll out of IFMIS
- Ksh 0.8 billion Konza Techno City
- Ksh 1.3 billion for Kenya Broadcasting Cooperation
- Ksh 0.25 billion for Digital Talent

42. **Constitutional Implementation and Related Reforms;** we have set aside funds to support implementation of the Constitution as follows:

- Ksh 283.7 billion for County Governments
- Ksh 18.5 billion for the Judiciary
- Ksh 27.0 billion for Parliament
- Ksh 194.8 billion (including TSC with Ksh181.2 billion) for Commissions and Independent Offices
- Ksh 0.5 billion for Civil Service Reforms
- Ksh 6.0 billion for Contributory Pensions for Civil Servants
- Ksh 1.0 billion for KRA modernization

43. **On-going Economic Stimulus Projects;** The Government is committed to completion of on-going ESP Projects:

- Ksh 0.6 billion for upgrading of National Schools
- Ksh 0.32 billion for purchase of computers
- Ksh 0.3 billion for prototype fresh produce and wholesale markets
- Ksh 0.23 billion for Jua kali sheds

44. **General Economic, Tourism, commerce and industry;** The Government is committed to improving the economy through promoting tourism and industrial development. The budget has allocation in the following projects.

- Ksh 6.0 billion for Tourism recovery
- Ksh 3.0 billion for industrial development

V. ADHERENCE TO FISCAL RESPONSIBILITY PRINCIPLES

45. The Government is committed to the fiscal responsibility principles outlined in the Public Finance Management Act, 2012. In this regard, the Government in keeping with the prudence and transparent management of public resources, has endeavored to adhere to the fiscal responsibility principles as set out in the statutes as follows:

- a. *Over the medium term, a minimum of 30 percent of the National Budget shall be allocated to development expenditure*

The ratio of the National Government's development to the total budget over the period 2015/16 – 2017/18 averages about 38 percent and therefore, is above the 30 percent minimum threshold set out in law (**Table 4**). The adherence to the fiscal responsibility principle ensures that recurrent expenditure does not crowd out development expenditure.

Table 4: REVENUES AND EXPENDITURES, (KSH BILLION)

FY	2013/14	2014/15	2015/16	2016/17	2017/18
1.0 Total Expenditures & Net Lending	1,300.6	1,806.7	1,998.5	2,048.6	2,250.5
1.1 Total National Govt Expenses	1,107.2	1,577.4	1,737.6	1,763.8	1,932.7
Total Recurrent	787.9	935.4	1,015.0	1,104.4	1,244.3
CFS (Interest & Pensions)	156.5	204.6	228.8	248.8	290.4
Total ministerial Recurrent	622.9	730.8	786.2	855.6	953.9
wages	281.2	305.1	315.4	360.8	396.9
<i>As % of National Government Revenues</i>	36.0%	32.6%	28.7%	27.5%	26.0%
Development	319.3	637.0	717.6	654.5	683.4
<i>As % of NG Expenditures</i>	28.8%	40.4%	41.3%	37.1%	35.4%
Domestic	200.7	315.5	368.2	374.1	443.0
External	118.6	321.5	349.5	280.4	240.4
Contingencies	-	5.0	5.0	5.0	5.0
1.2 County Allocation	193.4	229.3	260.9	284.8	317.8
2.0 Total Recurrent Revenues	974.4	1,164.6	1,358.0	1,594.6	1,845.3
3.0 Total National Govt - Revenues (Incl. A-I-A)	781.0	935.4	1,097.1	1,309.8	1,527.5
4.0 National Govt Domestic Borrowing	201.7	163.7	219.2	183.8	175.9

Source: National Treasury

- b. *The national government's expenditure on wages and benefits for public officers shall not exceed a percentage of the national government revenue as prescribed by the regulations*

On wages and benefits, the share to National Government revenues was 36.0 percent in FY 2013/14, and is projected at 28.7 percent in FY 2015/16, declining to 26.0 percent by FY 2017/18. Once the share is prescribed in the regulations, the National Government will ensure that this principle is strictly adhered to. In the meantime measures aimed at containing the growth of the public wage bill have been put in place. Over the medium term, new employment will be limited to key areas based on specific requirements.

- c. *Over the medium term, the National Government's borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure*

It is the Government's policy to procure external and domestic financing only for development projects a practice which is in line with this principle. The 2015/16 budget puts all resources from external and domestic borrowing, amounting to Ksh 567.5 billion to support 83 percent of development expenditure including net lending amounting to Ksh 716.6 billion. It is important to note that of the total development estimates for FY 2015/16, (Ksh 716.6 billion), Ksh 368.7 billion, or 51 percent of the total development budget, is fully funded from domestic resources. The proposed level of borrowing is well within our debt sustainability thresholds and is consistent with our objective of ensuring macroeconomic stability. The National Treasury will ensure that the debt thresholds set out in the PFM regulations are strictly adhered to once the regulations are finalized.

- d. *Public debt and obligations shall be maintained at a sustainable level as approved by Parliament (NA)*

The Government borrowing level is set in the Medium Term Debt Management Strategy approved by the National Assembly. The strategy aims at ensuring continued public debt sustainability by focusing on borrowing externally on concessional terms, and ensuring that the level of domestic borrowing does not crowd out the private sector given the need to increase private investment to accelerate economic expansion. Similarly, a cautious approach has been adopted in the issuance of external Government loan guarantees to minimize the level of contingent liabilities.

Our debt ratios, compared with internationally recognized thresholds, continue to show that our public debt is within sustainable levels for a country rated as a strong performer. The debt sustainability indicators show that Kenya faces a low risk of external debt distress (**Table 5a**). This is attributed to the high level of concessionality of current external debt and the positive outlook in other macroeconomic indicators.

Table 5a: KENYA'S EXTERNAL DEBT SUSTAINABILITY INDICATORS (In percent)

Indicator	Thres hold	2013	2014	2015	2016	2017	2018	2024	2034
PV of debt-to-GDP ratio	50	13.5	18.0	19.4	20.5	20.3	20.2	18.9	17.9
PV of debt-to-exports ratio	200	69.5	93.1	101.7	108.0	108.5	107.8	100.1	88.1
PV of debt-to-revenue ratio	300	70.5	89.5	92.0	93.3	89.9	87.7	79.4	72.9
Debt service-to-exports ratio	25	4.0	8.7	5.8	7.1	7.9	8.0	13.0	7.8
Debt service-to-revenue ratio	22	4.0	8.4	5.2	6.1	6.5	6.5	10.3	6.4

Source: IMF Staff report for Request for Stand-By Arrangement and an Arrangement under the Standby Credit Facility— Debt Sustainability Analysis—Update prepared by International Monetary Fund

Kenya's public debt sustainability thresholds as a strong performer are as shown in Table 5b:

Table 5b: KENYA'S PUBLIC DEBT SUSTAINABILITY THRESHOLDS:STRONG POLICY PERFORMER (in Percent)

Indicator (Threshold)	Thres hold	2013	2014	2015	2016	2017	2018	2024	2034
PV of public sector debt to GDP ratio	74	38.0	44.2	45.6	45.9	44.8	43.5	34.3	25.6
PV of public sector debt-to-revenue ratio	300	198.7	219.9	216.2	208.8	198.3	189.4	143.7	104.1
Debt service-to-revenue ratio	30	29.4	32.7	27.6	26.5	25.5	24.6	21.5	9.9

Source: IMF Staff report for Request for Stand-By Arrangement and an Arrangement under the Standby Credit Facility— Debt Sustainability Analysis—Update prepared by International Monetary Fund

e. Fiscal risks shall be managed prudently

The Government has improved its macroeconomic forecasts and regularly reviews the impact of macroeconomic projections and their implications on the budget. A detailed Annex on the

Specific Fiscal Risks is attached to the 2015 Budget Policy Statement. The Government also takes into account the potential fiscal risks arising from contingent liabilities, including from Public Private Partnership funded projects. Further, every year a Contingency provision of Ksh 5.0 billion is factored in the budget to cater for urgent and unforeseen expenditure.

- f. 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*

On the principle of maintaining a reasonable degree of predictability with respect to the level of tax rates and tax bases, the Government has simplified and modernized the VAT and Tax Appeals Tribunal legislations. Going forward, a modern and simplified Excise Duty Bill and Tax Procedure Bill will be enacted shortly. At the same time, a review of the Income Tax Act will commence shortly. These reforms are intended to lock in predictability and enhance compliance with the tax system.

VI. MEMORANDUM BY THE CABINET SECRETARY TO THE NATIONAL TREASURY ON THE RESOLUTIONS ADOPTED BY THE NATIONAL ASSEMBLY ON 2015 BUDGET POLICY STATEMENT

i. Introduction

46. Section 25(8) of the Public Finance Management Act, 2012 prescribes that the Cabinet Secretary for Finance shall take into account resolutions passed by Parliament in finalizing the budget for a given financial year. The National Assembly approved the 2015 Budget Policy Statement (BPS) on 17th March 2015. The decision was subsequently communicated to the National Treasury vide the letter Ref. No. KNA 2/4 (45) (Certificate – Approval of the Budget Policy Statement for FY 2015).

47. Section 38(1)(iii) requires the Cabinet Secretary to prepare a memorandum explaining how the resolutions adopted on the BPS under Section 25(7) have been taken into account. The purpose of this note is therefore to brief the Parliament on the extent to which the resolutions were taken or not taken on board and the reasons thereof.

ii. Recommendations on the BPS 2015

48. The National Treasury highly appreciates the fruitful discussions that took place between the Departmental Committees, the Budget and Appropriations Committee, the National Treasury and Ministries/Departments/Agencies to deliberate on expenditure programs for FY 2015/16.

49. The Committee made very useful comments on the overall expenditures and their impact on the economy. The National Treasury concurs with the Committee on the need to enhance the role of monitoring and evaluation to facilitate the tracking of programs performance targets. This guidance will be taken into account in the ongoing restructuring of the National Treasury.

50. Regarding the alignment of the County Fiscal Strategy Papers and the Budget Policy Statement, the National Treasury will be engaging further with County Treasuries in capacity building sessions on budget planning, preparation and execution. We wish to inform the National Assembly that we have already taken action on this with our initial engagements with Counties in December 2014 and March 2015.

iii. Sectoral Expenditure Ceilings

51. Regarding sectoral issues, the National Treasury in liaison with individual MDAs have to a large extent ensured that the recommendations of Parliament were taken on board when finalizing the Budget. In particular, security, education, infrastructure and social sectors have been given enhanced funding. However, owing to a resource constraint, some proposed enhancements could not be accommodated. A comprehensive list of recommended allocations and the extent to which they were addressed is provided in (Table 6).

Table 6: Parliament proposals on enhanced funding and 2015/16 Draft Estimates

		2015 Parliament Proposals	2015/16 Draft Estimates
	VOTE & VOTE DETAILS		
1.0	Parliamentary Service Commission	5,100	4,100
2.0	State Department for Planning	6,588	6,588
	2.1 Affirmative action	2,100	2,100
	2.2 Constituency Development Fund	2,000	2,000
	2.3 Completion of ESP Centers	1,038	1,038
	2.4 Uwezo Fund	1,450	1,450
3.0	Ethics and Anti-Corruption Commission	750	750
4.0	Auditor General for County Operations	1,000	1,000
5.0	Independent Policing Oversight Commission	100	100
6.0	Completion of Jua Kali sheds started	225	225
7.0	Judiciary for Tribunals	500	350
8.0	Controller of Budget Operations	112	112
	TOTAL	14,375	13,225

iv. Ceilings for Ministries/Departments/Agencies (MDAs)

52. The National Treasury adjusted the ceilings of MDAs based on the guidance from Parliament and indeed used the recommendations to develop the final ceilings of the FY2015/16 Budget Estimates. The National Treasury also critically reviewed the submissions from MDAs and where necessary made reallocations from less productive areas, and directed the resultant savings towards high priority areas within or across MDAs as recommended by Parliament (**Table 7 and Table 8**) provides a comparison of the final Budget Estimates.

v. Intergovernmental Fiscal Relations and Division of Revenue

53. The National Treasury is in concurrence that the allocation to County governments from the shareable revenue during the FY 2015/16 be capped at Ksh 258.0 billion as recently approved by Parliament. It should be noted that this figure was agreed by key stakeholders including the National Treasury, Council of Governors, the Commission for Revenue Authority (CRA), Commission for the Implementation of the Constitution (CIC), Parliament Service Commission during a meeting of the Intergovernmental Budget and Economic Council chaired by the Deputy President.

Table 7: Comparison of Recurrent Ceilings (Parliament Recommendations) and FY2015/16 Draft Estimates

VOTE NO. & VOTE DETAILS	NET CEILING (with Parliament Recommendations)	Adjustments to MDAs Submission	2015/16 DRAFT ESTIMATES	% DEVIATION	REMARKS
1011 The Presidency	4,112	1,930	6,042	46.9%	Increase reflects increased operations and support for National Fund for Restorative Justice
1021 Dept. for Interior	84,267	3,488	87,755	4.1%	Enhanced funding for security and new rates for House and Hardship Allowances
1022 Dept. for Coordination of National Government	15,795	1,173	16,967	7.4%	Enhanced funding for security and new rates for House and Hardship Allowances
1031 Dept. for Planning	22,526	(2,752)	19,774	-12.2%	Decline reflects distribution of the provision for House and Hardship Allowances across all Votes
1032 Dept. for Devolution	2,265	33	2,299	1.5%	
1041 Defence	92,330	(1)	92,329	0.0%	
1051 Foreign Affairs and International Trade	10,146	1,921	12,067	18.9%	Increase reflects enhanced funding for Foreign Service operations and new rates for House and Hardship Allowances
1061 Dept. for Education	93,798	(36,574)	57,224	-39.0%	Decline reflects transfer of University Education to the State Dept. of Science & Technology
1062 Dept. for Science and Technology	5,217	36,722	41,939	703.9%	Increase reflects transfer of University Education from the State Dept. of Education
1071 The National Treasury	52,966	(8,050)	44,916	-15.2%	Decline reflects distribution of the provision for salary adjustments across all Votes
1081 Health	24,034	508	24,542	2.1%	Increase reflects enhanced funding for new rates for House and Hardship Allowances
1091 Dept. of Infrastructure	1,461	278	1,738	19.0%	Increase reflects enhanced funding for operations and new rates for House and Hardship Allowances
1092 Dept. of Transport	1,426	(4)	1,421	-0.3%	
1101 Dept. for Environment And Natural Resources	6,969	597	7,566	8.6%	Increase reflects enhanced funding for new rates for House and Hardship Allowances
1102 Dept. for Water and Regional Authorities	2,144	(22)	2,122	-1.0%	reflects austerity measures
1111 Land Housing and Urban Development	4,338	(411)	3,926	-9.5%	Decline reflects transfer of Civil Servants Housing Scheme Fund to Development of the same Vote
1121 Information, Communications and Technology	1,961	989	2,950	50.4%	Increase reflects consolidation of all Government advertising expenses under this Vote
1131 Sports Culture and Arts	2,647	289	2,936	10.9%	Increase reflects enhanced funding for sporting activities and new rates for House and Hardship Allowances
1141 Labour Social Security and Services	8,448	711	9,159	8.4%	Increase reflects enhanced funding for new rates for House and Hardship Allowances
1151 Energy and Petroleum	1,773	20	1,793	1.1%	Increase reflects enhanced funding for new rates for House and Hardship Allowances
1161 Dept. for Agriculture	7,492	394	7,886	5.3%	Increase reflects enhanced funding for new rates for House and Hardship Allowances
1162 Dept. for Livestock	1,831	93	1,924	5.1%	Increase reflects enhanced funding for new rates for House and Hardship Allowances
1163 Dept. for Fisheries	1,045	323	1,369	30.9%	Increase reflects enhanced funding for new rates for House and Hardship Allowances
1171 Industrialization and Enterprise Development	2,337	207	2,545	8.9%	Increase reflects enhanced funding for new rates for House and Hardship Allowances
1181 Dept. for Commerce and Tourism	2,754	85	2,839	3.1%	Increase reflects enhanced funding for new rates for House and Hardship Allowances
1182 Dept. for East African Affairs	1,687	(22)	1,664	-1.3%	reflects austerity measures
1191 Mining	721	(7)	714	-1.0%	reflects austerity measures
1251 Office of The Attorney General and Dept. of Justice	3,445	266	3,711	7.7%	Increase reflects enhanced funding for new rates for House and Hardship Allowances
1271 Ethics and Anti-Corruption Commission	2,312	-	2,312	0.0%	
1281 National Intelligence Service	20,142	-	20,142	0.0%	
1291 Office of the Director of Public Prosecutions	1,805	(19)	1,786	-1.1%	reflects austerity measures
1301 Commission for the Implementation of the Constitution	312	(100)	212	-32.0%	Commission is expected to wind up in the middle of FY2015/16
1311 Registrar of Political Parties	511	(5)	506	-1.0%	
1321 Witness Protection Agency	287	78	365	27.0%	Reflects adjustments for salary expenses
2011 Kenya National Commission on Human Rights	392	(33)	359	-8.4%	reflects austerity measures
2021 National Land Commission	1,226	(125)	1,101	-10.2%	reflects austerity measures
2031 Independent Electoral and Boundaries Commission	3,082	606	3,688	19.7%	Reflects adjustments for salary expenses
2061 The Commission on Revenue Allocation	343	1	344	0.4%	
2071 Public Service Commission	913	105	1,018	11.5%	Reflects adjustments for salary expenses
2081 Salaries and Remuneration Commission	476	447	923	94.0%	Increase reflects provision for Job Evaluation in FY2015/16
2091 Teachers Service Commission	170,921	10,070	180,992	5.9%	Increase reflects enhanced funding for new rates for House and Hardship Allowances
2101 National Police Service Commission	319	(3)	317	-0.8%	reflects austerity measures
2111 Auditor General	3,351	275	3,626	8.2%	Increase reflects full implementation of Parliament's recommendation of enhanced funding
2121 Controller of Budget	452	113	565	25.1%	Increase reflects full implementation of Parliament's recommendation of enhanced funding
2131 The Commission on Administrative Justice	405	40	445	9.9%	Reflects adjustments for salary expenses
2141 National Gender and Equality Commission	325	(11)	314	-3.4%	reflects austerity measures
2151 Independent Police Oversight Authority	244	96	339	39.3%	Increase reflects enhanced funding for operations and new rates for House and Hardship Allowances
TOTAL	667,751	13,719	681,470	10.5	

Table 8: Comparison of Development Ceilings (Parliament Recommendations) and FY2015/16 Draft Estimates

VOTE NO. & VOTE DETAILS	NET CEILING (with Parliament Recommendations)	Adjustments to MDAs Submission	2015/16 GOK DRAFT ESTIMATES	% DEVIATION	REMARKS
1011 The Presidency	781	1,065	1,846	136.4%	Increase reflects transfer from Transport (Green Field Project) to create National Fund for Restorative Justice
1021 Dept. for Interior	9,384	4,812	14,196	51.3%	Increase reflects enhanced funding for Police Modernization Programme
1022 Dept. for Coordination of National Government	611	400	1,011	65.5%	Increase reflects enhanced funding Prisons Modernization Programme
1031 Dept. for Planning	52,926	1,114	59,540	12.5%	
1032 Dept. for Devolution	1,012	3,149	4,161	311.1%	Increase reflects transfer from Transport (Green Field Project) to create National Fund for Restorative Justice and KNBS under the World Bank supported Performance for Results (PFR)
1051 Foreign Affairs and International Trade	1,549	(200)	1,349	-12.9%	Austerity measures
1061 Dept. for Education	26,245	(5,395)	21,050	-19.8%	Decline reflects transfer of University Education to the Dept. of Science & Technology
1062 Dept. for Science and Technology	4,404	5,474	10,877	147.0%	Increase reflects transfer of University Education from the Dept. of Education
1071 The National Treasury	18,843	11,356	30,199	60.3%	Enhanced funding for Marginalization Fund
1081 Health	10,609	1,031	11,640	9.7%	Increase on account of health facilities in slums and cancer equipment at KNH
1091 Dept. of Infrastructure	57,487	1,997	59,484	3.5%	Increase reflects enhanced funding for Infrastructure projects
1092 Dept. of Transport	5,916	(1,995)	3,921	-33.7%	Decline reflects transfer to Votes 1011 and 1032
1101 Dept. for Environment And Natural Resources	4,612	(142)	4,470	-3.1%	Austerity measures
1102 Dept. for Water and Regional Authorities	10,220	927	11,347	11.0%	Enhanced funding for ongoing dam construction
1111 Land Housing and Urban Development	13,382	737	14,119	5.5%	Enhanced funding for titling
1121 Information, Communications and Technology	2,622	284	2,906	10.8%	funding for digital talent project
1131 Sports Culture and Arts	2,561	935	3,496	36.5%	Enhanced funding for construction of stadia which is a flagship project
1141 Labour Social Security and Services	9,380	3,926	13,306	41.9%	Enhanced funding for Cash Transfer Programme under the World Bank supported Performance for Results (PFR) arrangement.
1151 Energy and Petroleum	21,853	3,000	24,853	13.7%	Enhanced funding to improve access and affordability of power
1161 Dept. for Agriculture.	14,454	1,186	15,640	8.2%	Provision for outstanding land compensation in Mwea Scheme
1162 Dept. for Livestock.	2,910	(19)	2,878	-1.1%	Austerity measures
1163 Dept. for Fisheries.	1,135	(10)	1,125	-0.8%	Austerity measures
1171 Industrialization and Enterprise Development	5,295	(414)	4,881	-7.8%	Austerity measures
1181 Dept. for Commerce and Tourism	2,292	3,798	8,090	253.0%	Increase reflects provision for Tourism recovery programme
1182 Dept. for East African Affairs	50	-	50	0.0%	
1191 Mining	1,550	(76)	1,474	-4.9%	Austerity measures
1251 Office of The Attorney General and Dept. of Justice	341	(100)	241	-29.3%	Austerity measures
1271 Ethics and Anti-Corruption Commission	600	(300)	300	-50.0%	Office space not yet identified. To be provided in full once the new premises are identified.
1291 Office of the Director of Public Prosecutions	337	(83)	254	-24.6%	Austerity measures
2021 National Land Commission	542	(103)	439	-19.0%	Austerity measures
2031 Independent Electoral and Boundaries Commission	85	(17)	68	-20.0%	Austerity measures
2071 Public Service Commission	167	(0)	167	0.0%	
2091 Teachers Service Commission	200	-	200	0.0%	
2111 Auditor General	402	0	402	0.0%	
TOTAL	284,758	36,337	329,982	15.9%	

VII. REVENUE AND EXPENDITURE ALLOCATION FROM THE EQUALIZATION FUND AND COMPLIANCE WITH THE POLICY DEVELOPED BY THE CRA UNDER ARTICLE 216 (4) OF THE CONSTITUTION

54. In 2015/16 Financial Year, the National Treasury has proposed to allocate Ksh 6.0 billion from the Equalization Fund to 14 marginalized counties as set out in **Table 9**. This allocation is approximately 0.8 percent of the last audited revenues approved by the National Assembly (Ksh 776.9 billion in 2012/13) which is above the minimum constitutional requirement of 0.5 percent. It is expected that allocations from the Equalization Fund in the immediate future will be maintained at levels above the constitutional minimum in order to compensate for the years in which there were no disbursements from the Equalization Fund.

55. In this regard, the projected budgetary allocations for the financial years 2016/17 and 2017/18 are Ksh 6.0 billion and Ksh 5.5 billion respectively. The marginalized counties were identified on the basis of the policy for identifying marginalized Counties that was determined and published by the Commission on Revenue Allocation (CRA) in February 2013. It should also be noted that the National Government intends to channel the Equalization Fund directly to counties and not as conditional grants and therefore there will be no flow of funds to County Governments from the Equalization Fund.

Table 9: PROPOSED ALLOCATION FROM THE EQUALIZATION FUND

County	Weight in % per County	Total County Allocation (Figures in KSh.)		
		2015/16	2016/17	2017/18
1 Kwale	6.99%	398,325,849	398,325,849	365,132,028
2 Kilifi	9.33%	531,570,298	531,570,298	487,272,773
3 Tana River	5.72%	325,765,523	325,765,523	298,618,396
4 Lamu	3.25%	185,141,309	185,141,309	169,712,866
5 Taita Taveta	4.72%	268,990,295	268,990,295	246,574,437
6 Marsabit	6.78%	386,362,395	386,362,395	354,165,529
7 Isiolo	4.02%	229,034,260	229,034,260	209,948,072
8 Garissa	7.34%	418,301,816	418,301,816	383,443,332
9 Wajir	9.08%	517,354,166	517,354,166	474,241,319
10 Mandera	10.85%	618,687,860	618,687,860	567,130,538
11 Turkana	11.34%	646,540,102	646,540,102	592,661,760
12 West Pokot	6.82%	388,882,706	388,882,706	356,475,814
13 Samburu	5.41%	308,520,720	308,520,720	282,810,660
14 Narok	8.36%	476,522,702	476,522,702	436,812,476
Total County Allocation	100.00%	5,700,000,000	5,700,000,000	5,225,000,000
Fund Admin Expenses	5% of the Fund	300,000,000	300,000,000	275,000,000
TOTAL ALLOCATION FROM EF	100.00%	6,000,000,000	6,000,000,000	5,500,000,000

56. It has been proposed that 5 percent of the amount be allocated for administration of Fund. The balance of the Fund is to be allocated among the counties on the basis of the following criteria:

- i). 50 percent of the Fund be shared on the basis of the Composite Development Index (CDI) determined by the Commission on Revenue Allocation;
- ii). 42.5 percent on the basis of the population; and
- iii). 7.5 percent on the basis of land area.

57. The proposed criteria above differ from that recommended by the CRA. The CRA proposes that 50 percent of the Fund be shared on the basis of the CDI and 50 percent equally among the marginalized Counties. The National Treasury view is that sharing 50 percent of the Fund equally among the marginalized counties will not help to achieve the intended objectives of the Fund which is to reduce inequalities in the level of access to basic services. Instead, the National Treasury constructed the formula for sharing the Equalization Fund among counties using the CDI and two parameters (Population and Land Area) used in the revenue sharing formula approved by Parliament in accordance with Article 217 of the Constitution. Poverty measure is not used since it is already incorporated in the CDI while fiscal responsibility measure is omitted because data to measure the degree of fiscal responsibility exercised by county governments is not available. Further, The National Treasury does not propose to allocate any portion of the Fund equally among the identified counties since as explained above such an approach would not help to achieve the objectives of Fund.

58. The weight for the CDI used in the formula for sharing the Equalization Fund among counties is derived from the CRA policy on identification of marginalized areas, while the weights for the other two parameters (population and land area) used in the formula for sharing the Equalization Fund among counties is arrived at as shown in **Table 10**. The weights used are mirrored to those used in the revenue sharing formula approved by Parliament in accordance with Article 217 of the Constitution.

Table 10: COMPUTATION OF WEIGHTS FOR THE FORMULA FOR SHARING EQUALIZATION FUND

Parameter	Weight Assigned in Equitable Share Formula	Share of 50% weight to be assigned
Population	0.45	0.425
Land Area	0.08	0.075
Total	0.53	0.500

59. Detailed computations of the county allocations from the Equalization Fund for the Financial Year 2014/15 are as shown in **Table 11**.

Table 11: DETAILS OF COMPUTATION OF THE ALLOCATION OF THE EQUALIZATION FUND

County	Population	% Pop Share	Allocation (Kshs)	Land Area		Allocation (Kshs)	% of CDI		Allocation (Kshs)	Total County Allocation (Kshs)
				(KM ²)	% Land Area Share		CRA's CDI	Share		
			2,550,000,000			450,000,000			3,000,000,000	6,000,000,000
1 KWALE	649,931	8.6%	218,814,362	8,270	2.0%	8,805,769	0.45	6.4%	191,670,236	419,290,367
2 KILIFI	1,109,735	14.7%	373,618,055	12,610	3.0%	13,426,414	0.50	5.8%	172,503,213	559,547,682
3 TANA RIVER	240,075	3.2%	80,826,823	38,437	9.1%	40,926,289	0.39	7.4%	221,157,965	342,911,077
4 LAMU	101,539	1.3%	34,185,462	6,273	1.5%	6,679,401	0.56	5.1%	154,020,725	194,885,588
5 TAITAVETA	284,657	3.8%	95,836,389	17,084	4.0%	18,190,493	0.51	5.6%	169,120,797	283,147,679
6 MARSABIT	291,166	3.8%	98,027,795	70,961	16.8%	75,557,014	0.37	7.8%	233,112,449	406,697,258
7 ISIOLO	143,294	1.9%	48,243,252	25,336	6.0%	26,976,969	0.52	5.5%	165,868,474	241,088,695
8 GARISSA	623,060	8.2%	209,767,616	44,175	10.5%	47,036,029	0.47	6.1%	183,514,056	440,317,701
9 WAJIR	661,941	8.7%	222,857,808	56,686	13.4%	60,357,021	0.33	8.7%	261,368,504	544,583,332
10 MANDERA	1,025,756	13.5%	345,344,575	25,991	6.1%	27,674,816	0.31	9.3%	278,230,988	651,250,379
11 TURKANA	855,399	11.3%	287,989,935	68,680	16.3%	73,128,199	0.27	10.6%	319,450,394	680,568,528
12 WESTPOKOT	512,690	6.8%	172,608,993	9,169	2.2%	9,763,312	0.38	7.6%	226,977,911	409,350,217
13 SAMBURU	223,947	3.0%	75,396,958	21,022	5.0%	22,383,784	0.38	7.6%	226,977,911	324,758,653
14 NAROK	850,920	11.2%	286,481,976	17,933	4.2%	19,094,490	0.44	6.5%	196,026,378	501,602,844
TOTAL	7,574,110	1.00	2,550,000,000	422,628	1.00	450,000,000		100.00%	3,000,000,000	6,000,000,000

VIII. REVENUE ALLOCATION TO COUNTY GOVERNMENT FROM THE NATIONAL GOVERNMENT'S SHARE IN TERMS OF ARTICLE 202 OF THE CONSTITUTION, INCLUDING CONDITIONAL AND UNCONDITIONAL GRANTS

60. In 2015/16, it has been proposed that County Governments be allocated an equitable share of revenue raised nationally amounting to Ksh 258 billion. This amount has been allocated among County Governments on the basis of the revenue sharing formula approved by Parliament in accordance with Article 217 of the Constitution. To further support implementation of the devolved system of government, a total of Ksh 25.7 billion additional conditional allocations have been allocated in the FY 2015/16 Budget. These conditional allocations include:

- Conditional grant for Free Maternal Health Care of Ksh 4.298 billion
- Conditional grant for Leasing medical equipment of Ksh 4.5 billion
- Conditional grant for level-5 hospitals of Ksh 2.064 billion
- Conditional grant amounting to Ksh 900 million to compensate county health facilities for user fees forgone
- Conditional grant from the Road Maintenance Fuel Levy Fund of Ksh 3.3 billion
- Conditional allocations from donor loans and grants estimated at Ksh 10.7 billion.

IX. OTHER BUDGET DOCUMENTS

61. The other budget documents include highlights of the 2015 debt strategy, domestic and external loan redemption and interest, list of guaranteed loans, revenues for guaranteed loans repayment interest as well as a list of Semi-Autonomous Government Agencies receiving funds from the exchequer. The details are given as follows:

A. 2015 Medium Term Debt Strategy (MTDS)

Context of the 2015 MTDS

62. The principal objective of Government debt management is to meet the national government financing requirements at the least cost subject to a prudent degree of risk. The secondary objective is to facilitate Government's access to financial markets and support development of a well-functioning vibrant domestic debt market.

Key Features of the 2015 MTDS

63. The overall strategy is to attain 55:45 ratio of domestic and external borrowing to finance the central government budget.

Domestic Borrowing

- 55 percent net domestic borrowing.
- Of the 55 percent net domestic borrowing, Treasury Bonds to Treasury Bills ratio will be 70:30. After taking into account both cost and risk considerations, the strategy recommend issuance of medium to long term securities. This will ensure that the maturity structure of the existing portfolio is lengthened to minimize refinancing risk.

External Borrowing

- 45 percent net external borrowing.
- External borrowing will comprise of 28 percent on concessional terms and, 17 percent on non-concessional terms.

64. The 2015 MTDS envisages a reduced uptake of domestic debt than in previous years to meet the Central Government budget-financing requirement.

65. On the domestic borrowing, the Government will seek to issue medium to long term securities to lengthen the maturity structure of the public debt portfolio, and thus reduce refinancing risk. The issuance program will be biased towards Benchmark Bonds of 2, 5, 10, 15 and 20-year tenors to build liquidity. However, to avoid bunching of maturities particularly with the Eurobond, the 10-year domestic debt will be issued in moderation going forward. The effort to shift towards longer dated instruments supports development of the yield curve for government debt securities and the overall growth of the domestic debt market.

66. Official external sources remain the preferred option for the Government to source financing on concessional terms. However, it has been observed that borrowing terms have increasingly hardened, with new loans often contracted on terms very close to the 35 percent grant element threshold.

B. LOANS TO STATE CORPORATIONS, GOVERNMENT AGENCIES AND OTHER ORGANIZATIONS AS AT JUNE 30TH, 2014

i. Loans Made by the National Government to State Corporations, Government Agencies, and other Organizations as at June 30th, 2014

67. Total outstanding loans by The National Government to State Corporations, Government Agencies, and other Organizations as at 30th June 2014 stood at Kshs. **181,287,318,820 (Table 17A)**. The total National Government loan portfolio is an accumulation of loans given by The National Government over a long time. Out of the total loan amount outstanding, **Kshs. 166,693,769,477 (Table 17B)** are active loans while the balance amounting to **Kshs. 14,593,549,343 (Table 17C)** are non-performing.

ii. Estimates of Principal, Interest and Other Charges in the 2015/2016 FY

68. In the 2015/2016 Financial Year, the National Treasury has budgeted for loan principal receipts of **Kshs. 2,329,779,884.00** and interest repayment **Kshs 1,607,068,707.00** respectively **(Table 18)**.

C. Other Tables

69. The rest of the Tables are as follows:

- Table 12: Internal interest payments from the Consolidated Fund
- Table 13: Internal debt redemption from the Consolidated Fund
- Table 14: External debt redemption from the Consolidated Fund

- Table 15: Interest payments on external debt from the consolidated fund
- Table 16: List of Publicly Guaranteed Debt
- Table 17: Summary statement of outstanding loans to state corporations, Government Agencies and other Organizations as at June 30th, 2014
- Table 18: Revenue estimates for Fiscal Year 2015/16
- Table 19: List of Semi – Autonomous Government Agencies receiving funds from the FY 2015/16 Budget
- Annex I: Estimates of Revenues, Grants and Loans that captures the Revenues estimates by broad economic classification

TABLE 12: INTERNAL INTEREST PAYMENT FROM THE CONSOLIDATED FUND

CONSOLIDATED FUND					(Cont'd)			
(1) R60 PUBLIC DEBT					242000 - INTEREST ON INTERNAL DEBT			
SUB-HEAD	ITEM	DESCRIPTION			REVISED ESTIMATES	PRINTED ESTIMATES	PRINTED ESTIMATES	PRINTED ESTIMATES
					2014/2015	2015/2016	2016/2017	2017/2018
TREASURY BONDS :	ISSUE No.	PRINCIPAL	DUE YR.	TENOR	Kshs	Kshs	Kshs	Kshs
020000206	2420102	FXD1/2007/7	8,269,850,000.00	2014/07	7YRS	403,155,188	-	-
020000203	2420102	FXD2/2012/2	16,312,350,000.00	2014/08	2YRS	906,477,290	-	-
020000204	2420102	FXD1/2009/5	3,452,800,000.00	2014/09	5YRS	164,008,000	-	-
020000204	2420102	FXD1/2009/5	9,786,300,000.00	2014/09	5YRS	464,849,250	-	-
020000203	2420102	FXD3/2012/2	13,764,300,000.00	2014/10	2YRS	859,993,464	-	-
020000203	2420102	FXD4 /2012/2	20,774,000,000.00	2014/12	2YRS	1,286,118,340	-	-
020000207	2420102	FXD1/2007/8	3,922,000,000.00	2015/02	8YRS	338,754,750	-	-
020000203	2420102	FXD1/2013/2	20,445,800,000.00	2015/02	2YRS	2,626,058,552	-	-
020000205	2420102	IFB1/2009/12	8,482,550,000.00	2015/02	6YRS	1,060,318,750	-	-
020000203	2420102	FXD2/2013/2	19,960,650,000.00	2015/03	2YRS	2,582,908,110	-	-
020000208	2420102	FXD1/2006/9	3,060,250,000.00	2015/04	9YRS	413,133,750	-	-
020000203	2420102	FXD1/2012/2	6,418,050,000.00	2014/04	2YRS	887,359,593	-	-
020000204	2420102	FXD1/2010/5	11,924,850,000.00	2015/05	5YRS	828,896,324	-	-
020000205	2420102	FXD3/2013/2	17,927,400,000.00	2015/08	2YRS	2,319,626,286	1,159,813,143	-
020000205	2420102	FXD4/2013/2	25,251,000,000.00	2015/12	2YRS	2,917,248,030	1,458,624,015	-
020000211	2420102	IFB1/2011/12	19,121,178,735.00	2015/09	4YRS	2,294,541,448	1,303,420,500	-
020000204	2420102	FXD2/2010/5	11,968,750,000.00	2015/11	5YRS	399,217,656	199,608,828	-
020000204	2420102	FXD2/2010/5	1,723,400,000.00	2015/11	5YRS	114,968,014	57,484,007	-
020000204	2420102	FXD2/2010/5	1,280,950,000.00	2015/11	5YRS	42,726,087	21,363,044	-
020000205	2420102	IFB2/2009/12	9,193,700,000.00	2015/11	6YRS	551,622,000	275,811,000	-
020000204	2420102	FXD1/2011/5	10,810,200,000.00	2016/01	5YRS	825,466,872	825,466,872	-
020000204	2420102	FXD1/2011/5	11,272,900,000.00	2016/01	5YRS	860,798,644	860,798,644	-
020000205	2420102	IFB1/2010/8	8,776,471,185.00	2016/02	6YRS	855,705,941	855,705,941	-
020000206	2420102	FXD1/2014/2	19,976,400,000.00	2016/03	2YRS	2,158,050,492	2,158,050,492	-
020000209	2420102	FXD1/2006/10	3,451,050,000.00	2016/03	10YRS	483,147,000	483,147,000	-
020000209	2420102	FXD2/2006/10	5,028,100,000.00	2016/05	10YRS	703,934,000	703,934,000	-
020000203	2420102	FXD2/2014/2	12,267,450,000.00	2016/05	2YRS	1,324,025,879	1,324,025,879	-
020000203	2420102	FXD2/2014/2	7,862,700,000.00	2016/05	2YRS	424,310,606	848,621,211	-
020000205	2420102	IFB2/2010/9	14,200,000,000.00	2016/08	6YRS	852,000,000	986,146,500	493,073,250
020000203	2420102	FXD3/2014/2	8,903,250,000.00	2016/12	2YRS	484,781,963	969,563,925	484,781,962.50
020000211	2420102	IFB1/2009/12	4,497,700,000.00	2017/02	12YRS	562,212,500	562,212,500	562,212,500
020000204	2420102	FXD1/2012/5	7,925,800,000.00	2017/05	5YRS	939,603,590	939,603,590	939,603,590
020000204	2420102	FXD1/2012/5	18,248,200,000.00	2017/05	5YRS	2,163,324,110	2,163,324,110	2,163,324,110
020000209	2420102	SFX1/2007/10	5,000,000,000.00	2017/05	10YRS	650,000,000	650,000,000	650,000,000
020000204	2420102	FXD1/2012/5	4,905,550,000.00	2017/05	5YRS	581,552,953	581,552,953	581,552,953
020000203	2420102	FXD1/2015/2	23,592,150,000.00	2017/02	2YRS	-	2,706,019,605	2,706,019,605
020000206	2420102	IFB2/2010/9	8,700,000,000.00	2017/08	7YRS	522,000,000	522,000,000	522,000,000
020000210	2420102	FXD1/2006/11	4,031,400,000.00	2017/09	11YRS	554,317,500	554,317,500	554,317,500
020000211	2420102	IFB2/2013/12	4,776,524,397.00	2017/09	4YRS	525,417,684	525,417,684	525,417,684
020000211	2420102	IFB2/2013/12	5,993,700,741.00	2017/09	4YRS	659,307,082	659,307,082	659,307,082
020000209	2420102	FXD1/2007/10	9,308,800,000.00	2017/10	10YRS	1,000,696,000	1,000,696,000	1,000,696,000
020000209	2420102	FXD1/2008/10	2,992,750,000.00	2018/02	10YRS	321,720,625	321,720,625	321,720,625
020000203	2420102	IFB1/2010/8	7,131,578,815.00	2018/02	2YRS	695,328,934	695,328,934	695,328,934
020000204	2420102	FXD1/2013/5	20,240,750,000.00	2018/04	5YRS	2,609,437,490	2,609,437,490	2,609,437,490
020000204	2420102	FXD2/2013/5	12,888,000,000.00	2018/06	5YRS	1,456,988,400	1,456,988,400	1,456,988,400
020000204	2420102	FXD2/2013/5	13,452,050,000.00	2018/06	5YRS	760,377,126	1,520,754,253	1,520,754,253
020000209	2420102	FXD2/2008/10	882,000,000.00	2018/07	10YRS	94,815,000	94,815,000	94,815,000
020000209	2420102	FXD2/2008/10	12,622,700,000.00	2018/07	10YRS	1,356,940,250	1,356,940,250	1,356,940,250
020000211	2420102	FXD1/2006/12	3,900,950,000.00	2018/08	12YRS	546,133,000	546,133,000	546,133,000
020000209	2420102	FXD3/2008/10	4,151,600,000.00	2018/09	10YRS	446,297,000	446,297,000	446,297,000
020000211	2420102	IFB1/2014/12	1,797,701,804.50	2018/10	12YRS	-	197,747,198	197,747,198
020000211	2420102	IFB1/2014/12	404,102,174.00	2018/10	12YRS	-	44,451,239	44,451,239
020000211	2420102	IFB1/2014/12	4,060,892,083.50	2018/10	12YRS	-	446,698,129	446,698,129
020000211	2420102	IFB1/2014/12	2,735,614,987.00	2018/10	12YRS	-	300,917,649	300,917,649
020000208	2420102	IFB2/2009/12	5,145,000,000.00	2018/11	9YRS	617,400,000	617,400,000	617,400,000
020000204	2420102	FXD3/2013/5	14,937,800,000.00	2018/11	5YRS	-	1,785,365,856	1,785,365,856
020000209	2420102	FXD1/2009/10	4,966,850,000.00	2019/04	10YRS	533,936,375	533,936,375	533,936,375
020000204	2420102	FXD1/2014/5	17,511,200,000.00	2019/04	5YRS	1,903,467,440	1,903,467,440	1,903,467,440
020000204	2420102	FXD1/2014/5	8,222,500,000.00	2019/04	5YRS	893,785,750	893,785,750	893,785,750
020000211	2420102	FXD1/2007/12	4,864,600,000.00	2019/05	12YRS	632,398,000	632,398,000	632,398,000
020000204	2420102	FXD2/2014/5	2,132,650,000.00	2019/06	5YRS	254,510,451	254,510,451	254,510,451
020000204	2420102	FXD2/2014/5	14,285,600,000.00	2019/06	5YRS	1,704,843,504	1,704,843,504	1,704,843,504
020000208	2420102	IFB2/2010/9	9,971,550,000.00	2019/08	9YRS	598,293,000	598,293,000	598,293,000
020000207	2420102	IFB1/2011/12	14,191,404,000.00	2019/09	8YRS	1,702,968,480	1,702,968,480	1,702,968,480
020000209	2420102	FXD1/2010/10	12,052,600,000.00	2020/04	10YRS	964,208,000	964,208,000	964,208,000
020000209	2420102	FXD1/2010/10	7,341,550,000.00	2020/04	10YRS	1,290,644,490	740,537,785	740,537,785
020000209	2420102	FXD2/2010/10	13,847,900,000.00	2020/10	10YRS	1,288,824,053	1,288,824,053	1,288,824,053
020000209	2420102	FXD2/2010/10	1,111,650,000.00	2020/10	10YRS	103,461,266	103,461,266	103,461,266
020000209	2420102	FXD2/2010/10	3,890,350,000.00	2020/10	10YRS	362,074,875	362,074,875	362,074,875
020000211	2420102	IFB1/2009/12	6,746,600,000.00	2021/02	12YRS	843,325,000	843,325,000	843,325,000
020000211	2420102	IFB1/2015/12	10,565,607,880.00	2021/03	12YRS	-	1,128,673,388	1,128,673,388
020000211	2420102	IFB1/2015/12	9,876,461,424.00	2021/03	12YRS	-	1,086,410,757	1,128,673,388
020000207	2420102	IFB1/2013/12	5,494,159,494.72	2021/09	8YRS	604,357,544	604,357,544	604,357,544
020000207	2420102	IFB1/2013/12	6,894,206,979.00	2021/09	8YRS	758,362,768	758,362,768	758,362,768
020000211	2420102	IFB2/2009/12	4,558,950,000.00	2021/11	12YRS	547,074,000	547,074,000	547,074,000
020000212	2420102	FXD1/2007/15	3,654,600,000.00	2022/03	15YRS	529,917,000	529,917,000	529,917,000
020000212	2420102	SFX1/2007/15	6,000,000,000.00	2022/05	15YRS	870,000,000	870,000,000	870,000,000
020000209	2420102	FXD1/2012/10	443,150,000.00	2022/06	10YRS	56,302,208	56,302,208	56,302,208
020000209	2420102	FXD1/2012/10	11,061,750,000.00	2022/06	10YRS	1,405,395,338	1,405,395,338	1,405,395,338
020000209	2420102	FXD1/2012/10	5,298,850,000.00	2022/06	10YRS	673,218,893	673,218,893	673,218,893
020000212	2420102	FXD2/2007/15	7,236,950,000.00	2022/06	15YRS	976,988,250	976,988,250	976,988,250

CONSOLIDATED FUND					(Cont'd)				
(1) R50 PUBLIC DEBT									
242000 - INTEREST ON INTERNAL DEBT									
SUB-HEAD	ITEM	DESCRIPTION			REVISED	PRINTED	PRINTED	PRINTED	
					ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES	
					2014/2015	2015/2016	2016/2017	2017/2018	
TREASURY BONDS :	ISSUE No.	PRINCIPAL	DUE YR.	TENOR	Kshs	Kshs	Kshs	Kshs	
002000211	2420102	IFB1/2014/12	4,992,243,486.30	2022/10	12YRS	274,573,392	549,146,783	549,146,783	549,146,783
002000211	2420102	IFB1/2014/12	496,781,594.90	2022/10	12YRS	27,322,988	54,645,975	54,645,975	54,645,975
002000211	2420102	IFB1/2014/12	2,209,998,428.74	2022/10	12YRS	121,549,914	243,099,827	243,099,827	243,099,827
002000211	2420102	IFB1/2014/12	3,363,018,720.78	2022/10	12YRS	184,966,030	369,932,059	369,932,059	369,932,059
002000212	2420102	FXD3/2007/15	7,841,100,000.00	2022/11	15YRS	980,137,500	980,137,500	980,137,500	980,137,500
002000211	2420102	IFB1/2015/12	10,099,773,890.50	2024/03	12YRS	-	1,110,975,128	1,078,910,569	1,078,910,569
002000211	2420102	IFB1/2015/12	9,441,011,662.89	2024/03	12YRS	-	1,038,511,283	1,078,910,569	1,078,910,569
002000212	2420102	FXD3/2007/15	10,189,100,000.00	2024/05	15YRS	1,273,637,500	1,273,637,500	1,273,637,500	1,273,637,500
002000212	2420102	FXD1/2008/15	7,380,900,000.00	2023/03	15YRS	922,612,500	922,612,500	922,612,500	922,612,500
002000209	2420102	FXD1/2013/10	11,909,050,000.00	2023/06	10YRS	-	1,473,268,576	1,473,268,576	1,473,268,576
002000209	2420102	FXD1/2013/10	521,700,000.00	2023/06	10YRS	64,539,507	64,539,507	64,539,507	64,539,507
002000209	2420102	FXD1/2013/10	12,121,350,000.00	2023/06	10YRS	1,499,532,209	1,499,532,209	1,499,532,209	1,499,532,209
002000211	2420102	IFB1/2011/12	10,134,769,198.64	2023/09	12YRS	1,216,172,304	1,216,172,304	1,216,172,304	1,216,172,304
002000209	2420102	FXD1/2014/10	15,030,150,000.00	2024/01	10YRS	1,830,672,270	1,830,672,270	1,830,672,270	1,830,672,270
002000209	2420102	FXD1/2014/10	15,587,650,000.00	2024/01	10YRS	793,411,385	1,586,822,770	1,586,822,770	1,586,822,770
002000212	2420102	FXD1/2009/15	9,420,450,000.00	2024/10	15YRS	1,177,556,250	1,177,556,250	1,177,556,250	1,177,556,250
002000213	2420102	FXD1/2010/15	12,129,800,000.00	2025/03	15YRS	616,193,840	1,232,387,680	1,232,387,680	1,232,387,680
002000212	2420102	FXD1/2010/15	10,206,450,000.00	2025/03	15YRS	1,046,161,125	1,046,161,125	1,046,161,125	1,046,161,125
002000211	2420102	IFB1/2013/12	8,461,742,280.00	2025/09	12YRS	930,791,651	930,791,651	930,791,651	930,791,651
002000211	2420102	IFB1/2013/12	6,743,366,108.28	2025/09	12YRS	741,770,272	741,770,272	741,770,272	741,770,272
002000212	2420102	FXD2/2010/15	6,183,750,000.00	2025/12	15YRS	1,113,075,000	556,537,500	556,537,500	556,537,500
002000212	2420102	FDX2/2010/15	7,329,350,000.00	2025/12	15YRS	659,641,500	659,641,500	659,641,500	659,641,500
002000211	2420102	IFB1/2014/12	6,959,214,430.20	2026/10	12YRS	382,756,793.66	765,513,587	765,513,587	765,513,587
002000211	2420102	IFB1/2014/12	692,516,231.10	2026/10	12YRS	38,088,393	76,176,785	76,176,785	76,176,785
002000211	2420102	IFB1/2014/12	4,688,066,292.22	2026/10	12YRS	257,843,646	515,687,292	515,687,292	515,687,292
002000211	2420102	IFB1/2014/12	3,080,749,766.76	2026/10	12YRS	169,441,237	338,882,474	338,882,474	338,882,474
002000211	2420102	IFB1/2015/12	5,793,618,229.50	2027/03	12YRS	-	637,298,005	618,904,543	618,904,543
002000211	2420102	IFB1/2015/12	5,415,726,913.11	2027/03	12YRS	-	595,729,960	618,904,543	618,904,543
002000212	2420102	FXD1/2012/15	21,089,450,000.00	2027/09	15YRS	2,319,839,500	2,319,839,500	2,319,839,500	2,319,839,500
002000212	2420102	FXD1/2013/15	5,875,700,000.00	2028/02	15YRS	661,016,250	661,016,250	661,016,250	661,016,250
002000212	2420102	FXD1/2013/15	7,507,100,000.00	2028/02	15YRS	844,548,750	844,548,750	844,548,750	844,548,750
002000212	2420102	FXD1/2013/15	13,172,850,000.00	2028/02	15YRS	740,972,813	1,481,945,625	1,481,945,625	1,481,945,625
002000212	2420102	FXD1/2013/15	15,582,800,000.00	2028/02	15YRS	1,928,371,500	1,505,565,000	1,505,565,000	1,505,565,000
002000212	2420102	FXD2/2013/15	17,385,850,000.00	2028/04	15YRS	2,086,302,000	2,086,302,000	2,086,302,000	2,086,302,000
002000213	2420102	FXD1/2008/20	10,834,800,000.00	2028/06	20YRS	1,489,785,000	1,489,785,000	1,489,785,000	1,489,785,000
002000213	2420102	FXD1/2008/20	1,912,250,000.00	2028/06	20YRS	262,934,375	262,934,375	262,934,375	262,934,375
002000213	2420102	FXD1/2008/20	7,613,900,000.00	2028/06	20YRS	1,046,911,250	1,046,911,250	1,046,911,250	1,046,911,250
002000213	2420102	FXD1/2011/20	8,138,500,000.00	2031/05	20YRS	1,627,700,000	691,120,000	691,120,000	691,120,000
002000213	2420102	FXD1/2011/20	1,227,300,000.00	2031/05	20YRS	245,460,000	245,460,000	245,460,000	245,460,000
002000213	2420102	FXD1/2012/20	3,461,350,000.00	2032/11	20YRS	415,362,000	415,362,000	415,362,000	415,362,000
002000213	2420102	FXD1/2012/20	10,882,700,000.00	2032/11	20YRS	1,305,924,000	1,305,924,000	1,305,924,000	1,305,924,000
002000213	2420102	FXD1/2012/20	4,956,500,000.00	2032/11	20YRS	594,780,000	594,780,000	594,780,000	594,780,000
002000213	2420102	FXD1/2012/20	9,363,050,000.00	2032/11	20YRS	1,123,566,000	1,123,566,000	1,123,566,000	1,123,566,000
002000213	2420102	FXD1/2012/20	2,060,550,000.00	2032/11	20YRS	247,266,000	247,266,000	247,266,000	247,266,000
002000213	2420102	FXD1/2012/20	13,857,500,000.00	2032/11	20YRS	-	1,662,900,000	1,662,900,000	1,662,900,000
002000214	2420102	FXD1/2010/25	7,008,150,000.00	2035/05	25YRS	788,416,875	788,416,875	788,416,875	788,416,875
002000214	2420102	FXD1/2010/25	13,184,350,000.00	2035/05	25YRS	1,483,239,375	1,483,239,375	1,483,239,375	1,483,239,375
002000215	2420102	SDB1/2011/30	8,718,100,000.00	2041/01	30YRS	1,046,172,000	1,046,172,000	1,046,172,000	1,046,172,000
002000215	2420102	SDB1/2011/30	3,376,800,000.00	2041/01	30YRS	405,216,000	405,216,000	405,216,000	405,216,000
002000215	2420102	SDB1/2011/30	853,100,000.00	2041/01	30YRS	51,186,000	102,372,000	117,514,525	117,514,525
002000215	2420102	SDB1/2011/30	19,000,000.00	2041/01	30YRS	1,140,000	2,280,000	2,617,250	2,617,250
002000215	2420102	SDB1/2011/30	667,900,000.00	2041/01	30YRS	40,074,000	80,148,000	92,003,225	92,003,225
002000215	2420102	SDB1/2011/30	2,003,350,000.00	2041/01	30YRS	120,201,000	240,402,000	275,961,463	275,961,463
002000215	2420102	SDB1/2011/30	1,752,500,000.00	2041/01	30YRS	105,150,000	210,300,000	241,406,875	241,406,875
002000215	2420102	SDB1/2011/30	10,041,550,000.00	2041/01	30YRS	1,204,986,034	844,491,000	844,491,000	844,491,000
002000215	2420102	SDB1/2011/30	712,400,000.00	2041/01	30YRS	42,744,000	85,488,000	98,133,100	98,133,100
002000218	2420102	APR-JUN Issue	30,000,000,000.00	various	various	-	3,517,180,000	8,335,000,000	8,335,000,000
002000219	2420102	NEW LOANS				-	7,474,032,877	7,061,262,468	7,061,262,468
SUB - TOTAL					Kshs	104,654,354,378	116,746,712,797	107,766,514,039	86,401,595,441

CONSOLIDATED FUND SERVICES						
(1) R50 PUBLIC DEBT						
242000 - INTEREST ON INTERNAL DEBT						
SUB-HEAD	ITEM	DESCRIPTION	REVISED ESTIMATES 2014/15 Kshs	PRINTED ESTIMATES 2015/16 Kshs	PRINTED ESTIMATES 2016/17 Kshs	PRINTED ESTIMATES 2017/18 Kshs
OTHER LOANS:						
002000401	2420102	Pre - 1997 Gov't Overdraft Debt	848,190,000	791,806,095	758,506,095	725,206,095
002000403	2420102	Tax Reserve Certificate	-	-	-	-
002000407	2420102	Short Term Borrowing (T. Bills Interest)	25,580,430,000	30,920,866,413	30,920,866,413	30,920,866,413
002000404	2420102	Miscellaneous (Advertising)	30,000,000	30,000,000	30,000,000	30,000,000
002000405	2420102	SDR- Allocation Charges	-	-	-	-
002000402	2420102	Government Overdraft- Interest Charges	3,522,294,864	3,325,472,000	3,325,472,000	3,325,472,000
002000408	2420102	Commissions to CBK	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
SUB - TOTAL			32,980,914,864	38,068,144,508	38,034,844,508	38,001,544,508
TOTAL INTEREST ON BONDS & OTHER LOANS			137,635,269,242	154,814,857,306	145,801,358,547	124,403,139,949
2420000 GRAND TOTAL INTERNAL DEBT - INTEREST			137,635,269,242	154,814,857,306	145,801,358,547	124,403,139,949

Note:

1. Net domestic financing has been assumed at Kshs 208.3 billion in the fiscal year 2015/16
2. Of the Kshs 208.3 billion net domestic borrowing , 30% is assumed to be (Kshs 62.49 billion) through bills and 70% (Kshs 145.81 billion) through bonds.
3. Interest rates will be stable between 8.50% p.a-9.50%, 9.50% p.a - 10.50% p.a and 10.50% p.a- 11.50% p.a - for 91 days, 182 days and 364 days.
4. Assumed coupon rates for benchmark Bonds of 2, 5, 10, 15, and 20 years are 11.47%, 12.23%, 12.371%, 12.770% and 13.200% respectively.
5. The usage of the overdraft at CBK will fluctuate within the year but close at zero at end June 2016. Interest will be charged at the CBR rate and the facility will be utilized at 100% of the set ceiling of Kshs 39.12 billion.

TABLE 13: INTERNAL DEBT REDEMPTION FROM THE CONSOLIDATED FUND

CONSOLIDATED FUND INTERNAL DEBT REDEMPTION										
SUB- HEAD	ITEM	DESCRIPTION	ISSUE No.	DUE YR.	TENOR	REVISED	PRINTED	PRINTED	PRINTED	
						ESTIMATES 2014/2015	ESTIMATES 2015/2016	ESTIMATES 2016/2017	ESTIMATES 2017/2018	
						Kshs	Kshs	Kshs	Kshs	
002000207	5210201	FXD1/2007/7		2014/07	8YRS	8,269,850,000.00	-	-	-	
002000203	5210201	FXD2/2012/2		2014/08	2YRS	16,312,350,000.00	-	-	-	
002000204	5210201	FXD1/2009/5		2014/09	5YRS	9,786,300,000.00	-	-	-	
002000204	5210201	FXD1/2009/5		2014/09	5YRS	3,452,800,000.00	-	-	-	
002000203	5210201	FXD3/2012/2		2014/10	2YRS	13,764,300,000.00	-	-	-	
002000203	5210201	FXD4/2012/2		2014/12	2YRS	20,774,000,000.00	-	-	-	
002000207	5210201	FXD1/2007/8		2015/02	8YRS	2,656,900,000.00	-	-	-	
002000211	5210201	IFB1/2009/12		2015/02	12YR	8,482,550,000.00	-	-	-	
002000203	5210201	FXD1/2013/2		2015/03	2YRS	20,445,800,000.00	-	-	-	
002000203	5210201	FXD2/2013/2		2015/02	2YRS	19,960,650,000.00	-	-	-	
002000208	5210201	FXD1/2006/9		2015/04	9YRS	3,060,250,000.00	-	-	-	
002000204	5210201	FXD1/2010/5		2015/05	5YRS	11,924,850,000.00	-	-	-	
002000203	5210201	FXD3/2013/2		2015/08	2YRS	-	17,927,400,000.00	-	-	
002000211	5210201	IFB1/2011/1		2015/09	4YRS	-	19,121,178,735.00	-	-	
002000204	5210201	FXD2/2010/5		2015/11	5YRS	-	11,968,750,000.00	-	-	
002000204	5210201	FXD2/2010/5		2015/11	5YRS	-	1,280,950,000.00	-	-	
002000204	5210201	FXD2/2010/5		2015/11	5YRS	-	1,723,400,000.00	-	-	
002000205	5210201	IFB2/2009/1		2015/11	6YRS	-	9,193,700,000.00	-	-	
002000203	5210201	FXD4/2013/2		2015/12	2YRS	-	25,251,000,000.00	-	-	
002000204	5210201	FXD1/2011/5		2016/01	5YRS	-	10,810,200,000.00	-	-	
002000204	5210201	FXD1/2011/5		2016/01	5YRS	-	11,272,900,000.00	-	-	
002000211	5210201	IFB1/2010/8		2016/02	8YRS	-	8,776,471,185.00	-	-	
002000208	5210201	FXD1/2014/2		2016/03	2YRS	-	19,976,400,000.00	-	-	
002000209	5210201	FXD1/2006/10		2016/03	10YRS	-	3,451,050,000.00	-	-	
002000209	5210201	FXD2/2006/10		2016/05	10YRS	-	5,028,100,000.00	-	-	
002000208	5210201	FXD2/2014/2		2016/05	2YRS	-	12,267,450,000.00	-	-	
002000208	5210201	FXD2/2014/3		2016/05	2YRS	-	7,862,700,000.00	-	-	
002000211	5210201	IFB2/2010/9		2016/08	6YRS	-	-	14,200,000,000.00	-	
002000208	5210201	FXD3/2014/2		2016/12	2YRS	-	-	8,903,250,000.00	-	
002000211	5210201	IFB1/2009/12		2017/02	12YR	-	-	4,497,700,000.00	-	
002000208	5210201	FXD1/2015/2		2017/02	2YRS	-	-	23,592,150,000.00	-	
002000204	5210201	FXD1/2012/5		2017/05	5YRS	-	-	7,925,800,000.00	-	
002000204	5210201	FXD1/2012/5		2017/05	5YRS	-	-	4,905,550,000.00	-	
002000205	5210201	FXD1/2012/6		2017/06	5YRS	-	-	18,248,200,000.00	-	
002000208	5210201	IFB2/2010/9		2017/08	7YRS	-	-	-	8,700,000,000.00	
002000210	5210201	FXD1/2006/11		2017/09	11YRS	-	-	-	4,031,400,000.00	
002000211	5210201	IFB1/2013/12		2017/09	4YRS	-	-	-	4,776,524,397.00	
002000211	5210201	IFB1/2013/12		2017/09	4YRS	-	-	-	5,993,700,741.00	
002000209	5210201	FXD1/2007/10		2017/10	10YRS	-	-	-	9,308,800,000.00	
002000209	5210201	FXD1/2008/10		2018/02	10YRS	-	-	-	2,992,750,000.00	
002000211	5210201	IFB1/2010/8		2018/02	6YRS	-	-	-	7,131,578,815.00	
002000204	5210201	FXD1/2013/5		2018/04	5YRS	-	-	-	20,240,750,000.00	
002000204	5210201	FXD2/2013/5		2018/06	5YRS	-	-	-	13,452,050,000.00	
002000204	5210201	FXD2/2013/5		2018/06	5YRS	-	-	-	12,888,000,000.00	
002000219	5210201	NEW LOANS				-	-	41,000,000,000.00	41,000,000,000.00	
Kshs						138,890,600,000.00	165,911,649,920.00	123,272,650,000.00	130,515,553,953.00	
002000401	5210201	Pre - 1997 Gov't Overdraft d				1,110,000,000	1,110,000,000	1,110,000,000	1,110,000,000	
002000407	5210201	Redemption of Treasury Bills - Shortfall				10,000,000,000	10,000,000,000	10,000,000,000	10,000,000,000	
002000403	5210201	Tax Reserve Certificate				300,000	300,000	300,000	300,000	
Kshs						11,110,300,000	11,110,300,000.00	11,110,300,000.00	11,110,300,000.00	
GRAND TOTAL INTERNAL DEBT						Kshs	150,000,900,000	177,021,949,920	134,382,950,000	141,625,853,953

TABLE 14: EXTERNAL DEBT REDEMPTION FROM THE CONSOLIDATED FUND

CONSOLIDATED FUND SERVICES					
(1) 1002 - PUBLIC DEBT					
5510600 - EXTERNAL DEBT REDEMPTION					
HEAD	CREDITOR	REVISED	ESTIMATES	ESTIMATES	ESTIMATES
		ESTIMATES	ESTIMATES	ESTIMATES	ESTIMATES
		2014/2015	2015/2016	2016/2017	2017/2018
		Kshs	Kshs	Kshs	Kshs
501	GERMANY	742,976,720	1,723,146,451	1,883,234,429	1,893,578,848
502	ITALY	503,024,986	491,995,250	474,551,887	6,594,700
503	JAPAN	3,615,737,858	5,076,990,867	5,243,869,861	5,030,337,725
504	IDA	9,756,938,237	10,418,775,533	12,077,367,140	12,986,103,565
505	ADB/ADF	959,265,685	1,099,768,455	1,152,099,158	1,578,612,755
506	U.S.A.	397,785,840	481,672,416	600,534,252	663,068,339
507	DENMARK	150,551,327	147,168,922	227,790,532	227,790,532
508	NETHERLANDS	445,131,486	440,254,639	429,258,706	406,037,941
509	OPEC	442,452,459	537,661,100	680,626,036	701,090,182
510	BADEA	124,492,404	139,973,601	176,570,735	202,089,573
511	FRANCE	2,989,166,213	3,717,386,207	4,517,222,762	5,490,983,146
512	EIB	867,312,870	1,949,392,042	1,883,161,123	1,892,415,280
513	SAUDI FUND	469,928,264	518,414,446	585,689,403	610,761,259
514	AUSTRIA - BAWAG	117,067,108	125,948,268	132,538,616	144,433,107
515	SWITZERLAND	48,672,276	48,616,048	65,340,805	71,204,723
516	EEC	368,677,838	363,191,657	353,137,249	246,620,123
517	BELGIUM	1,609,060,235	1,782,480,405	1,552,948,644	1,559,879,498
518	FINLAND	248,515,399	244,924,475	457,007,183	458,758,159
519	CHINA	1,070,584,386	2,345,598,108	4,354,197,857	6,779,186,839
520	SPAIN	792,338,250	1,142,005,914	1,111,531,410	1,091,558,993
521	KUWAIT	265,759,591	224,980,140	318,519,651	313,428,428
522	EXIM BANK OF KOREA	-	51,834,000	114,797,408	114,797,408
523	CANADA	130,893,615	164,618,101	203,094,882	231,939,369
524	SWEDEN	46,394,325	52,972,187	56,683,488	61,770,468
525	UNITED KINGDOM	269,466,519	310,188,083	358,937,713	397,883,386
526	IFAD	242,347,944	275,919,589	365,806,000	402,954,776
527	NORDIC DEVELOPMENT FUND	29,336,753	57,219,679	55,015,808	55,015,808
531	STND BANK -BVR	774,767,631	755,570,238	726,468,719	726,468,719
529	STND CHTRD -SDY	54,458,082,000	-	-	-
		81,936,728,217	34,688,666,820	40,158,001,455	44,345,363,650

TABLE 15: INTEREST PAYMENTS ON EXTERNAL DEBT FROM THE CONSOLIDATED FUND

CONSOLIDATED FUND SERVICES (1) 1002- PUBLIC DEBT 2410100 - INTEREST ON EXTERNAL DEBT					
HEAD	CREDITOR	REVISED	ESTIMATES	ESTIMATES	ESTIMATES
		ESTIMATES 2014/2015	2015/2016	2016/2017	2017/2018
		Kshs	Kshs	Kshs	Kshs
501	GERMANY	231,475,092	255,960,792	317,575,187	405,196,833
502	ITALY	659,357	608,725	552,306	519,333
503	JAPAN	745,291,857	607,981,997	575,823,296	498,196,961
504	IDA	2,862,383,875	3,450,710,200	4,080,935,981	4,335,190,119
505	ADB/ADF	1,200,319,666	1,523,289,695	1,562,300,513	1,615,741,767
506	USA	148,434,272	150,242,736	141,516,648	117,644,092
533	NEW LOANS/1	772,000,000	772,000,000	772,000,000	772,000,000
508	NETHERLANDS	66,536,447	51,992,149	41,193,688	28,699,496
509	OPEC	89,121,744	85,155,160	117,737,132	156,354,592
510	BADEA	44,969,682	49,810,237	68,408,188	84,226,906
511	FRANCE	1,356,369,879	1,306,896,557	1,345,265,519	1,466,493,479
512	EIB	343,372,642	391,662,233	373,076,724	339,918,252
513	SAUDI FUND	37,695,695	36,099,098	34,542,251	27,390,674
514	AUSTRIA	15,169,433	9,260,555	6,425,291	3,715,612
515	SWITZERLAND	1,438,113	2,116,007	902,775	522,056
516	EEC	33,931,079	29,486,086	24,849,232	21,582,477
517	BELGIUM	89,102,918	73,541,832	56,321,062	44,841,849
518	FINLAND	69,033,054	22,262,545	49,660,865	105,357,793
519	CHINA	3,770,511,282	4,675,683,837	7,351,929,150	9,487,464,445
520	SPAIN	169,361,208	164,212,371	216,999,982	421,896,764
521	KUWAIT	30,782,645	29,742,536	54,190,143	78,653,342
522	EXIM BANK OF KOREA	24,161,320	27,699,083	31,952,346	32,138,331
523	CANADA	8,544,836	7,853,102	6,578,007	4,395,839
524	SWEDEN	2,876,543	1,110,037	1,562,503	903,563
525	UNITED KINGDOM	53,260,844	44,852,998	34,825,921	21,700,307
526	IFAD	88,352,493	95,412,089	115,998,726	125,239,945
527	NORDIC DEVELOPMENT FUND	22,002,565	21,135,519	19,908,845	19,496,227
529	STANDARD CHARTERED-SDY	625,170,353	-	-	-
530	EXIM BANK OF INDIA	29,966,112	33,060,118	39,608,546	46,509,261
531	STANDARD BANK -BVR	161,704,603	141,401,538	116,895,445	98,194,223
532	DEBUT INTERNATIONAL SVRNG BOND (USD 2.75 BN)	16,643,725,437.50	16,448,780,375	17,820,246,806	17,820,246,806
		29,737,725,050	30,510,020,204	35,379,783,080	38,180,431,347

TABLE 16: LIST OF PUBLICLY GUARANTEED DEBT, IN KSH MILLION

Agency	Year Loan Contracted	Purpose of Loan	Creditor	Loan Balance	
				June 2013	June 2014
Nairobi City County	1985	Umoja II Housing Project	USA	146.2	74.5
Kenya Broadcasting Corporation	1989	KBC Modernization Project	Japan	3,933.9	3,584.2
Telkom Kenya Ltd	1990	Purchase of Microwave Telephone System	Canada	352.6	350.5
Tana and Athi River Development Authority	1990	Tana Delta Irrigation Project	Japan	1,790.6	1,525.5
East African Portland Cement	1990	Cement Plant Rehabilitation Project	Japan	2,225.9	1,896.3
KenGen Ltd	1995	Mombasa Diesel Generating Power Project	Japan	4,442.4	4,047.6
	1997	Sondu Miriu Hydropower Project	Japan	4,268.4	3,949.9
	2004	Sondu Miriu Hydropower Project II	Japan	9,186.4	8,981.0
	2007	Sondu Miriu Hydropower Project – Sang'oro Power Plant	Japan	3,670.7	3,660.0
	2010	Olkaria Unit 4 and 5 Geothermal Power Project	Japan	42.0	41.7
Kenya Ports Authority	2007	Mombasa Port Modernization Project	Japan	9,607.8	13,166.8
Kenya Railways	2008	Kenya Railways Concessioning	IDA	3,870.3	3,943.2
Kenya Farmers Association	2005	Revival of KFA	Local banks	Unutilized	Unutilized
National Cereals & Produce Board (GSM-102) ¹	2009	Importation of maize under GSM-102	USA	Unutilized	Unutilized
Total				43,537.2	45,221.1

¹ **GSM-102: USA Export Credit Guarantee Program**

TABLE 17: SUMMARY OF STATEMENT OF OUTSTANDING LOANS TO STATE CORPORATIONS, GOVERNMENT AGENCIES AND OTHER ORGANIZATIONS AS AT JUNE 30TH, 2014

TABLE 17A: SUMMARY OF STATEMENT OF OUTSTANDING LOANS TO STATE CORPORATIONS, GOVERNMENT AGENCIES AND OTHER ORGANIZATIONS AS AT JUNE 30 TH , 2014				
	To Whom Lent	Amount Lent	Amount Repaid/ Written Off	Amount Outstanding As At June 30 th , 2014
		KSHS	KSHS	KSHS
1	Agricultural Finance Corporation	562,294,453	13,175,290	549,119,163
2	Agricultural Settlement Fund and Central Land Board.	126,326,880	41,982,916	84,343,964
3	Agro-chemical & food Company Ltd	1,202,075,120	95,000,000	1,107,075,120
4	Associated Sugar Factory Ramisi	15,818,960	-	15,818,960
5	Athi Water Services Board	20,780,327,046	140,000,000	20,640,327,046
6	Catering Levy Trustee	140,000,000	7,000,000	133,000,000
7	Coast Water Service Board	1,551,379,206	-	1,551,379,206
8	Coffee Board of Kenya	976,332,369	223,822,060	752,510,309
9	Co-operative Bank of Kenya Ltd	908,861,548	142,107,586	766,753,962
10	Cotton Lint and Seed Marketing Board.	23,632,000	1,000,000	22,632,000
11	East African Sugar Industries Limited, Muhoroni	177,123,100	-	177,123,100
12	Eldoret Municipal Council	1,058,673,824	-	1,058,673,824
13	Equity Bank Ltd	591,787,214	132,600,949	459,186,265
14	Faulu Kenya Deposit Taking Micro-Finance Ltd.	200,200,000	-	200,200,000
15	Halal Meat Products	27,701,420	-	27,701,420
16	Ildamat Farmers Co-operative Society Ltd	3,000,000	2,300,000	700,000
17	Industrial and Commercial Dev. Corporation	89,230,500	-	89,230,500
18	Karatina Industrial Estates	470,100	337,240	132,860
19	Kenya Airports Authority	1,820,144,346	121,751,534	1,698,392,812
20	Kenya Civil Aviation Authority	2,087,092,807	70,165,018	2,016,927,789
21	Kenya Co-operative Creameries Ltd.	52,607,460	16,356,420	36,251,040
22	Kenya Electricity Generating Co. Ltd.	85,863,291,794	5,433,176,564	80,430,115,230
23	Kenya Fishing Industries Limited	4,217,320	1,408,720	2,808,600
24	Kenya Industrial Estates	426,213,120	2,262,636	423,950,484
25	Kenya Meat Commission	940,241,100	-	940,241,100
26	Kenya National Federation of Co-operatives (K.N.F.C.) Ltd	5,595,600	-	5,595,600
27	Kenya Power and Lighting Co. Limited	29,908,456,173	3,127,531,861	26,780,924,312
28	Kenya Toray Mills	2,982,480	-	2,982,480
29	Kenya Tourist Development Corporation	48,000,000	-	48,000,000
30	Kenya Urban Transport Various Towns	40,706,140	-	40,706,140
31	Kenya Women Finance Trust Deposit Taking Micro-Finance Ltd.	205,100,000	-	205,100,000

32	Kenyatta University	10,857,620,656	-	10,857,620,656
33	K-Rep Bank Kenya	491,000,000	295,952,511	195,047,489
34	Lake Victoria North Water Services Board	2,681,445,499	-	2,681,445,499
35	Lake Victoria South Water Services Board	5,734,185,606	-	5,734,185,606
36	Local Government Loans Authority	7,688,792,480	94,518,760	7,594,273,720
37	Meru Central Farmers Co-operative Union Ltd	188,868,000	250,000	188,618,000
38	Miwani Outgrowers Mills Limited	6,600,000	-	6,600,000
39	Miwani Sugar Company (1989) Limited	16,000,020	-	16,000,020
40	Miwani Sugar Mills Limited	78,088,180	-	78,088,180
41	Moi University	250,000,000	18,750,000	231,250,000
42	Mombasa Pipeline Board	63,400,000	40,435,020	22,964,980
43	Mumias Outgrowers Company Limited	43,208,440	26,691,040	16,517,400
44	Nairobi City Council	123,109,580	20,775,820	102,333,760
45	National Irrigation Board	2,262,036,544	-	2,262,036,544
46	National Water Conservation and Pipeline Corporation	2,460,874,897	-	2,460,874,897
47	Nyeri Water and Sewerage Company	1,159,592,738	252,085,379	907,507,359
48	Nzoia Sugar Company Limited	182,139,360	23,629,260	158,510,100
49	P.J. Products	2,036,820	-	2,036,820
50	Pyrethrum Board of Kenya	863,368,270	-	863,368,270
51	Rafiki Deposit Taking Micro-Finance Ltd.	94,300,000	-	94,300,000
52	Rift Valley Water Services Board	1,411,529,796	-	1,411,529,796
53	SMEP Deposit Taking Micro-Finance Ltd.	100,400,000	-	100,400,000
54	South Nyanza Sugar Company Limited	253,317,120	54,289,700	199,027,420
55	Sugar Belt Co-operative Union	22,378,600	387,160	21,991,440
56	Tanathi Water Services Board	4,381,565,506	-	4,381,565,506
57	Transcadia Ltd. (MFG)	1,000,000	400,000	600,000
58	Uchumi Supermarket Ltd	407,000,000	373,671,250	33,328,750
59	Uplands Bacon Factory (K) Ltd	26,205,900	-	26,205,900
60	Various African District Councils	6,646,800	5,042,600	1,604,200
61	Various African Farmers	1,550,120	1,489,200	60,920
62	Various Persons Engaged in Agriculture	21,769,320	14,981,540	6,787,780
63	Water Resource Management	362,612,300	-	362,612,300
64	West Suk African District Council	127,640	5,420	122,220
		192,082,652,273	10,795,333,453	181,287,318,820

TABLE17B:ACTIVE / PERFORMING LOANS AS AT 30TH JUNE 2014

	To Whom Lent	Amount Lent	Amount Repaid/ Written Off	Amount Outstanding As At 30th June 2014
		<u>Kshs</u>	<u>Kshs</u>	<u>Kshs</u>
1	Agricultural Finance Corporation	562,294,453	13,175,290	549,119,163
2	Agricultural Settlement Fund and Central Land Board.	126,326,880	41,982,916	84,343,964

3	Agro-chemical & food Company Ltd	1,202,075,120	95,000,000	1,107,075,120
4	Athi Water Services Board	20,780,327,046	140,000,000	20,640,327,046
5	Catering Levy Trustee	140,000,000	7,000,000	133,000,000
6	Coast Water Service Board	1,551,379,206	-	1,551,379,206
7	Co-operative Bank of Kenya Ltd	908,861,548	142,107,586	766,753,962
8	Equity Bank Ltd	591,787,214	132,600,949	459,186,265
9	Faulu Kenya Deposit Taking Micro-Finance Ltd.	200,200,000	-	200,200,000
10	Kenya Airports Authority	1,820,144,346	121,751,534	1,698,392,812
11	Kenya Civil Aviation Authority	2,087,092,807	70,165,018	2,016,927,789
12	Kenya Electricity Generating Co. Ltd.	85,863,291,794	5,433,176,564	80,430,115,230
13	Kenya Power and Lighting Co. Limited	29,908,456,173	3,127,531,861	26,780,924,312
14	Kenya Women Finance Trust Deposit Taking Micro-Finance Ltd.	205,100,000	-	205,100,000
15	Kenyatta University	10,857,620,656	-	10,857,620,656
16	K-Rep Bank Kenya	491,000,000	295,952,511	195,047,489
17	Lake Victoria North Water Services Board	2,681,445,499	-	2,681,445,499
18	Lake Victoria South Water Services Board	5,734,185,606	-	5,734,185,606
19	National Irrigation Board	2,262,036,544	-	2,262,036,544
20	National Water Conservation and Pipeline Corporation	2,460,874,897	-	2,460,874,897
21	Nyeri Water and Sewerage Company	1,159,592,738	252,085,379	907,507,359
22	Rafiki Deposit Taking Micro-Finance Ltd.	94,300,000	-	94,300,000
23	SMEP Deposit Taking Micro-Finance Ltd.	100,400,000	-	100,400,000
24	Tanathi Water Services Board	4,381,565,506	-	4,381,565,506
25	Uchumi Supermarket Ltd	407,000,000	373,671,250	33,328,750
26	Water Resource Management	362,612,300	-	362,612,300
	Total	176,939,970,334	10,246,200,857	166,693,769,477

TABLE 17C: IN-ACTIVE/NON-PERFORMING LOANS AS AT 30TH JUNE 2014

	To Whom Lent	Amount Lent	Amount Repaid/ Written Off	Amount Outstanding As At 30th June 2014
		<u>Kshs</u>	<u>Kshs</u>	<u>Kshs</u>
1	Associated Sugar Factory Ramisi	15,818,960	-	15,818,960
2	Coffee Board of Kenya	976,332,369	223,822,060	752,510,309
3	Cotton Lint and Seed Marketing Board.	23,632,000	1,000,000	22,632,000
4	East African Sugar Industries Limited, Muhoroni	177,123,100	-	177,123,100
5	Eldoret Municipal Council	1,058,673,824	-	1,058,673,824
6	Halal Meat Products	27,701,420	-	27,701,420
7	IldamatFarmers Co-operative Society Ltd	3,000,000	2,300,000	700,000
8	Industrial and Commercial Dev. Corporation	89,230,500	-	89,230,500
9	Karatina Industrial Estates	470,100	337,240	132,860
10	Kenya Co-operative Creameries Ltd.	52,607,460	16,356,420	36,251,040

11	Kenya Fishing Industries Limited	4,217,320	1,408,720	2,808,600
12	Kenya Industrial Estates	426,213,120	2,262,636	423,950,484
13	Kenya Meat Commission	940,241,100	-	940,241,100
14	Kenya National Federation of Co-operatives (K.N.F.C.) Ltd	5,595,600	-	5,595,600
15	Kenya Toray Mills	2,982,480	-	2,982,480
16	Kenya Tourist Development Corporation	48,000,000	-	48,000,000
17	Kenya Urban Transport Various Towns	40,706,140	-	40,706,140
18	Local Government Loans Authority	7,688,792,480	94,518,760	7,594,273,720
19	Meru Central Farmers Co-operative Union Ltd	188,868,000	250,000	188,618,000
20	Miwani Outgrowers Mills Limited	6,600,000	-	6,600,000
21	Miwani Sugar Company (1989) Limited	16,000,020	-	16,000,020
22	Miwani Sugar Mills Limited	78,088,180	-	78,088,180
23	Moi University	250,000,000	18,750,000	231,250,000
24	Mombasa Pipeline Board	63,400,000	40,435,020	22,964,980
25	Mumias Outgrowers Company Limited	43,208,440	26,691,040	16,517,400
26	Nairobi City Council	123,109,580	20,775,820	102,333,760
27	Nzoia Sugar Company Limited	182,139,360	23,629,260	158,510,100
28	P.J. Products	2,036,820	-	2,036,820
29	Pyrethrum Board of Kenya	863,368,270	-	863,368,270
30	Rift Valley Water Services Board	1,411,529,796	-	1,411,529,796
31	South Nyanza Sugar Company Limited	253,317,120	54,289,700	199,027,420
32	Sugar Belt Co-operative Union	22,378,600	387,160	21,991,440
33	Transcadia Ltd. (MFG)	1,000,000	400,000	600,000
34	Uplands Bacon Factory (K) Ltd	26,205,900	-	26,205,900
35	Various African District Councils	6,646,800	5,042,600	1,604,200
36	Various African Farmers	1,550,120	1,489,200	60,920
37	Various Persons Engaged in Agriculture	21,769,320	14,981,540	6,787,780
38	West Suk African District Council	127,640	5,420	122,220
Total		15,142,681,939	549,132,596	14,593,549,343
GRAND TOTAL (Table1+2+3)		192,082,652,273	10,795,333,453	181,287,318,820

TABLE 18 : REVENUE ESTIMATES FOR FISCAL YEAR 2015/2016

	State Corporation	Principal		Interest	
		Revised Estimates - 2014/2015 FY	Projected Revenue Estimates - 2015/2016 FY	Revised Estimates - 2014/2015 FY	Projected Revenue Estimates - 2015/2016 FY
1	Agricultural Settlement Fund	1,000,000	1,955,138	500,000	1,190,267
2	A F C	10,000,000	5,000,000	-	-
3	Agro-Chemical & Food Co. Ltd	-	-	150,000,000	150,000,000

4	Athi Water Services Board	60,000,000	80,000,000	29,771,022	39,694,696
5	Co-Operative Bank Of Kenya	42,250,000	26,919,630	2,800,000	1,345,981
6	I C D C	-	-	20,000,000	20,000,000
7	Equity Bank Ltd.	60,000,000	50,000,000	39,617,492	35,000,000
8	K - Rep. Bank Ltd.	33,875,000	-	1,740,250	-
9	KenGen	890,000,000	944,629,583	500,000,000	848,221,761
10	KPLC	800,000,000	810,539,511	350,000,000	263,797,720
11	Kenya Airport Authority	125,000,000	161,133,911	82,000,000	98,694,521
12	Kenya Civil Aviation Authority	47,000,000	47,165,018	31,000,000	28,888,573
13	Kenya Utalii College	1,000,000	1,000,000	-	-
14	Nyeri Water Services Board	50,417,000	50,417,075	22,000,000	21,112,150
15	Uchumi Supermarkets Ltd	33,328,750	-	-	-
16	Meru Central Farmers Union	-	600,000	-	-
17	Kenya Tourist Dev. Corporation	-	-	-	4,080,000
18	Lake Victoria South Water Board *	-	55,296,716	-	20,846,862
19	Taanathi Water Board *	-	95,123,302	-	74,196,176
20	Total	2,153,870,750	2,329,779,884	1,229,428,764	1,607,068,707

TABLE 19: LIST OF SEMI – AUTONOMOUS GOVERNMENT AGENCIES RECEIVING FUNDS FROM THE FY 2015/16 BUDGET

ENTITY CODE & TITLE	GROSS CURRENT ESTIMATES (Kshs)	GROSS CAPITAL ESTIMATES (Kshs)	GROSS TOTAL ESTIMATES (Kshs)
1011000700 State Corporations Advisory Committee	63,200,000	-	63,200,000
1011001005 LAPSET Corridor Development Authority	140,000,000	-	140,000,000
1021000200 National Agency for Campaign Against Drug Abuse	490,726,716	-	490,726,716
1021006300 Kenya Citizens and Foreign Nationals Management Service	37,467,140	-	37,467,140
1031000106 Kenya Institute of Public Policy Research and Analysis (KIPPRA)	238,545,000	122,236,487	360,781,487
1031000600 Vision 2030	194,940,000	6,840,000	201,780,000
1031001200 National Coordinating Agency for Population and Development	228,854,270	174,860,000	403,714,270
1031001900 Kenya National Bureau of Statistics	1,833,333,297	1,479,800,000	3,313,133,297
1031010503 Youth Employment and Enterprise	190,000,000	1,450,000,000	1,640,000,000
1031010505 Youth Enterprise Development Fund	291,488,800	105,336,000	396,824,800
1031010506 National Youth Council	34,200,000	-	34,200,000
1031012503 Women Enterprise Fund	15,222,500	173,800,000	189,022,500
1031013500 Non-Governmental Organizations	125,150,000	75,375,000	200,525,000
1032000108 Nairobi Health Management Board	15,222,500	-	15,222,500
1032000109 National Humanitarian Fund Secretariat	-	1,205,000,000	1,205,000,000
1032000602 National Drought Management Authority	-	5,252,064,310	5,252,064,310
1032000800 Transition Authority Headquarters	687,000,000	-	687,000,000
1032001203 Council of Governors	30,500,000	-	30,500,000
1032001200 Intergovernmental Relations	71,265,409	-	71,265,409
1032001301 Street Families Rehabilitation Fund	275,275,000	-	275,275,000
1061000700 Kenya National Examination Council	2,203,000,000	420,000,000	2,623,000,000
1061001000 Kenya Institute of Curriculum Development	975,284,604	282,600,000	1,257,884,604
1061001100 Science Equipment Production Unit	15,000,000	3,888,000	18,888,000
1061001700 Primary Teachers Training Colleges	430,500,000	159,311,000	589,811,000
1061001900 Kenya Institute of Special Education - KISE	75,000,000	115,400,000	190,400,000
1061002100 Kenya Education Management Institute	67,000,000	9,202,500	76,202,500
1061002200 Kibabii Teachers Training College	100,000,000	200,000,000	300,000,000
1061002302 National ICT Innovation Centre	20,000,000	-	20,000,000
1061002300 Institute for Capacity Development of Teachers in Africa	146,433,250	140,220,000	286,653,250
1061002400 Kagumo Teachers College	85,000,000	5,400,000	90,400,000
1061004000 Kenya Institute of Blind	20,000,000	10,000,000	30,000,000
1061004200 National Education Board	90,000,000	-	90,000,000
1061004900 National Council for Nomadic Education in Kenya (NACONEK)	40,000,000	-	40,000,000
1062000200 TVET Authority	115,555,800	-	115,555,800
1062000300 Kisumu Polytechnic	115,345,000	58,320,000	173,665,000
1062000400 Kenya Technical Teachers College	120,000,000	54,000,000	174,000,000
1062000503 Kipkabus Technical Training College	-	54,000,000	54,000,000
1062000502 Murang'a Technical Training College	-	54,000,000	54,000,000
1062000500 Technical Training Institutes	805,070,000	304,000,000	1,109,070,000
1062000600 Institutes of Technology	350,497,000	304,000,000	654,497,000
1062000700 Eldoret Polytechnic	120,345,000	81,000,000	201,345,000
1062000800 Directorate of Technical Education	-	3,000,000,000	3,000,000,000
1062000900 The Kenya Universities and Colleges Central Placement Services	20,000,000	-	20,000,000
1062001002 Research Endowment Fund	497,904,850	-	497,904,850
1062001000 National Commission for Science Technology and Innovation	770,809,170	415,400,000	1,186,209,170
1062001100 Technical University of Kenya	1,442,500,000	118,800,000	1,561,300,000
1062001200 Technical University of Mombasa	913,722,550	118,800,000	1,032,522,550
1062001303 Embu University College	360,242,550	313,720,000	673,962,550
1062001300 University of Nairobi	10,307,457,603	54,000,000	10,361,457,603
1062001403 Machakos University College	338,852,500	205,460,000	544,312,500
1062001400 Kenyatta University	6,040,643,690	1,848,500,000	7,889,143,690
1062001500 Egerton University	3,825,055,900	40,500,000	3,865,555,900

ENTITY CODE & TITLE	GROSS CURRENT ESTIMATES (Kshs)	GROSS CAPITAL ESTIMATES (Kshs)	GROSS TOTAL ESTIMATES (Kshs)
1062001605 Open University	56,540,482	-	56,540,482
1062001606 Pan African University	94,624,250	-	94,624,250
1062001607 Kirinyaga University College	287,067,300	143,250,000	430,317,300
1062001608 Muranga University College	330,928,350	160,720,000	491,648,350
1062001609 Taita Taveta University College	361,460,800	195,250,000	556,710,800
1062001610 Cooperative University College	304,362,500	142,720,000	447,082,500
1062001600 Jomo Kenyatta University of Agriculture and Technology	4,941,005,332	40,500,000	4,981,505,332
1062001700 Maseno University	2,012,209,350	40,500,000	2,052,709,350
1062001801 Moi University (Headquarters)	4,439,458,900	222,800,000	4,662,258,900
1062001806 Garissa University College	280,550,400	118,260,000	398,810,400
1062001807 Rongo University College	285,453,850	133,200,000	418,653,850
1062001902 Kibabii University College	285,670,750	148,580,000	434,250,750
1062001900 Masinde Muliro University	1,959,031,250	97,200,000	2,056,231,250
1062002100 Commission for Universities Education	240,862,500	-	240,862,500
1062002200 Higher Education Loans Board (HELB)	375,055,500	-	375,055,500
1062002500 South Eastern Kenya University	627,084,450	156,484,000	783,568,450
1062002600 Pwani University	598,394,400	142,360,000	740,754,400
1062002700 The Chuka University	607,532,000	121,600,000	729,132,000
1062002800 Kisii University	616,496,500	267,360,000	883,856,500
1062002900 Laikipia University of Technology	633,828,950	159,000,000	792,828,950
1062003000 Dedan Kimathi University of Technology	624,380,650	145,230,000	769,610,650
1062003100 Meru University of Science and Technology	569,088,150	137,860,000	706,948,150
1062003200 Multimedia University of Kenya	605,926,500	183,400,000	789,326,500
1062003300 Maasai Mara University	717,593,500	204,100,000	921,693,500
1062003400 University of Kabanga	573,084,500	118,800,000	691,884,500
1062003500 University of Eldoret	1,348,354,000	212,860,000	1,561,214,000
1062003600 Karatina University	575,481,950	239,060,000	814,541,950
1062003700 Jaramogi Oginga Odinga University of Science and Technology	570,397,500	153,460,000	723,857,500
1062004100 Curriculum Development, Assessment and Certification Council (CDACC)	80,000,000	-	80,000,000
1062004200 Biosafety Appeals Board	15,000,000	-	15,000,000
1062004300 TVET Funding Board	15,000,000	-	15,000,000
1062004400 National Research Fund	15,000,000	-	15,000,000
1062004500 Kenya National Innovation Agency (KENIA)	15,000,000	-	15,000,000
1062004600 Machakos Institute for the Blind	25,000,000	20,000,000	45,000,000
1062004700 Karen Institute for the Deaf	25,000,000	20,000,000	45,000,000
1062004800 Sikri Technical Training Institute	25,000,000	20,000,000	45,000,000
1062004900 Nyangoma Technical Training Institute	25,000,000	20,000,000	45,000,000
1062006100 University Funding Board	40,000,000	-	40,000,000
1071000104 Kenya Revenue Authority	15,358,008,761	716,660,000	16,074,668,761
1071000112 State Corporation Appeals Tribunal	54,709,039	-	54,709,039
1071000305 Financial Reporting Centre	286,800,000	-	286,800,000
1071000500 Competition Authority of Kenya	320,000,000	54,500,000	374,500,000
1071001702 Public Procurement Oversight Authority	388,500,000	94,200,000	482,700,000
1071002203 Kenya Trade Network	284,000,000	188,400,000	472,400,000
1071002204 National Housing Corporation	-	1,300,000,000	1,300,000,000
1071002205 Nairobi Financial Centre	80,000,000	-	80,000,000
1071002206 Unclaimed Asset Authority	170,000,000	50,000,000	220,000,000
1071002207 Privatization Commission	220,000,000	-	220,000,000
1081005500 Kenya Medical Training Centre	3,223,700,000	133,000,000	3,356,700,000
1081005700 Kenya Medical Supplies Agency	334,613,926	3,125,141,127	3,459,755,053
1081005900 Kenyatta National Hospital	8,751,061,541	487,750,000	9,238,811,541

ENTITY CODE & TITLE	GROSS CURRENT ESTIMATES (Kshs)	GROSS CAPITAL ESTIMATES (Kshs)	GROSS TOTAL ESTIMATES (Kshs)
1081006000 Moi Referral and Teaching Hospital	5,278,476,867	530,271,896	5,808,748,763
1081007500 Kenya Medical Research Institute	1,896,462,265	133,950,000	2,030,412,265
1081100200 National Aids Council	546,000,000	393,740,285	939,740,285
1091000703 Kenya National Highways Authority	-	60,686,830,000	60,686,830,000
1092000800 Kenya Railways Corporation	-	145,898,395,459	145,898,395,459
1091000802 Kenya Rural Roads Authority	-	20,492,057,700	20,492,057,700
1091000803 Kenya Urban Roads Authority	-	16,147,824,000	16,147,824,000
1092001204 Kenya Maritime Authority	50,976,000	-	50,976,000
1092001205 Kenya Ferry Services	360,000,000	1,438,000,000	1,798,000,000
1092001207 Kenya Civil Aviation Authority	4,315,487,127	515,000,000	4,830,487,127
1092001208 Kenya Airports Authority	-	1,068,920,000	1,068,920,000
1092001209 Kenya Ports Authority	-	6,750,000,000	6,750,000,000
1092001215 National Transport and Safety Authority	436,000,000	-	436,000,000
1101000103 Kenya Water Towers Agency	200,422,400	162,000,000	362,422,400
1101000702 National Environmental Trust Fund	88,700,000	49,425,781	138,125,781
1101000700 National Environment Management Authority	933,455,994	227,303,360	1,160,759,354
1101001306 Wildlife Clubs of Kenya	23,328,000	16,000,000	39,328,000
1101001500 Kenya Wildlife Service	5,344,248,200	1,529,950,000	6,874,198,200
1101001700 Forestry Research Institute Headquarters	1,111,480,977	202,500,000	1,313,980,977
1101002200 Kenya Forest Service	4,186,608,628	-	4,186,608,628
1102000200 Kerio Valley Development Authority	112,740,882	706,655,000	819,395,882
1102000400 Tana and Athi Rivers Development Authority (TARDA)	136,808,409	383,006,000	519,814,409
1102000500 Lake Basin Development Authority (LBDA)	130,721,717	267,092,500	397,814,217
1102000600 Ewaso Nyiro South Development (ENSDA)	56,012,471	220,941,000	276,953,471
1102000700 Coast Development Authority (CDA)	57,942,460	100,360,000	158,302,460
1102000800 Ewaso Nyiro North Development (ENNDA)	58,879,281	373,069,000	431,948,281
1102001300 Water Services Trust Fund	27,000,000	2,104,000,000	2,131,000,000
1102001401 Water Resources Management Authority	450,000,000	200,000,000	650,000,000
1102001402 Water Services Regulatory Board	65,000,000	30,000,000	95,000,000
1102001403 Athi Water Services Board	500,000,000	7,710,000,000	8,210,000,000
1102001404 Lake Victoria South Water Services Board	71,000,000	2,495,000,000	2,566,000,000
1102001405 Lake Victoria North Water Services Board	57,500,000	1,447,200,000	1,504,700,000
1102001406 Rift Valley Water Services Board	211,223,000	2,646,492,000	2,857,715,000
1102001407 Coastal Water Services Board	630,945,000	1,260,000,000	1,890,945,000
1102001408 Tana Water Service Board	96,949,000	1,350,000,000	1,446,949,000
1102001409 Northern Water Services Board	77,532,000	1,060,000,000	1,137,532,000
1102001410 Water Appeals Board	20,200,000	-	20,200,000
1102001411 TANATHI Water Services Board	69,515,780	1,609,000,000	1,678,515,780
1102001700 Kenya Water Institute	200,880,000	150,000,000	350,880,000
1102002200 National Water Conservation and Pipeline Corporation	272,700,000	996,000,000	1,268,700,000
1111005906 MoW Sports Club	29,000,000	50,000,000	79,000,000
1111005907 National Construction Authority	168,260,752	40,000,000	208,260,752
1121000103 Kenya Information Communication Board	98,764,800	2,708,811,246	2,807,576,046
1121000105 Kenya YearBook Board	39,398,400	9,000,000	48,398,400
1121000106 Media Council of Kenya	67,564,120	9,000,000	76,564,120
1121000108 Kenya Broadcasting Corporation(KBC)	449,500,000	1,267,279,433	1,716,779,433
1121000110 Konza Technopolis Development Authority (KOTIDA)	90,572,680	810,000,000	900,572,680
1121000203 Government Advertising Agency	481,000,000	-	481,000,000
1121001200 Kenya Institute of Mass Communication	215,450,000	135,000,000	350,450,000
1131000602 Kenya Film Commission	82,422,000	11,700,000	94,122,000
1131000603 Kenya Film Censorship Board	96,254,600	92,700,000	188,954,600
1131001502 Institute of Primate Research	23,085,000	-	23,085,000

ENTITY CODE & TITLE	GROSS CURRENT ESTIMATES (Kshs)	GROSS CAPITAL ESTIMATES (Kshs)	GROSS TOTAL ESTIMATES (Kshs)
1131001500 Museums Headquarters and Regional Museums	631,100,000	64,970,680	696,070,680
1131002800 Kenya Cultural Centre	20,000,000	72,000,000	92,000,000
1131002900 Kenya National Library Service	567,400,000	580,000,000	1,147,400,000
1131003500 Kenya Academy of Sports	10,000,000	350,000,000	360,000,000
1131003800 Sports Kenya	142,291,600	2,035,000,000	2,177,291,600
1141002900 National Industrial Training Authority (NITA)	424,628,927	129,880,000	554,508,927
1141003602 National Council for Persons with Disabilities	55,400,000	304,000,000	359,400,000
1141004100 National Council for Children's Services	70,000,000	-	70,000,000
1141004504 Child Welfare Society of Kenya	361,250,000	400,000,000	761,250,000
1151000403 Kenya National Farmers Federation	-	20,000,000	20,000,000
1151000502 Kenya Association of Manufacturers (Energy Efficiency Audit)	-	35,000,000	35,000,000
1151000604 Kenya Power and Lighting Company	-	19,776,500,000	19,776,500,000
1151000605 Kenya Electricity Generating Company	-	13,078,315,360	13,078,315,360
1151000606 Kenya Electricity Transmission Company	317,000,000	21,112,050,000	21,429,050,000
1151000608 Kenya Nuclear Electricity Board	6,000,000	372,485,000	378,485,000
1151000700 Geothermal and Coal Resource Exploration and Development	702,000,000	5,324,363,200	6,026,363,200
1151000703 Geothermal Development Company	702,000,000	13,225,363,200	13,927,363,200
1151000802 Rural Electrification Authority	504,000,000	14,902,850,000	15,406,850,000
1151000902 National Oil Corporation	-	280,000,000	280,000,000
1161000700 Pesticide Control Products Board (PCPB)	86,127,040	-	86,127,040
1161000900 Kenya Plant Health Inspectorate Services (KEPHIS)	277,286,084	277,188,727	554,474,811
1161001403 Pyrethrum Board of Kenya	-	300,000,000	300,000,000
1161002400 Bukura Agricultural College	92,944,000	27,180,000	120,124,000
1161003000 National Irrigation Board	707,900,000	13,816,998,000	14,524,898,000
1161003200 Biosafety Authority	92,000,000	-	92,000,000
1161003300 Agriculture, Fish and Food Authority (AFFA)	539,576,000	-	539,576,000
1161003400 Kenya Agriculture and Livestock Research Organization (KARLO)	2,211,880,000	166,266,370	2,378,146,370
1162000603 Kenya Dairy Board	13,616,108	81,516,339	95,132,447
1162002104 Kenya Veterinary Board	8,820,119	11,475,000	20,295,119
1162002202 Kenya Genetic Resource Centre (KAGRC)	15,872,773	255,044,000	270,916,773
1162002806 Kenya Veterinary Vaccines Production Institute	-	17,100,000	17,100,000
1162003900 Kenya Tsetse and Trypanosomiasis Eradication Council (KENTTEC)	-	360,000,000	360,000,000
1163001100 Marine Fisheries Research Institute	992,500,000	1,184,056,762	2,176,556,762
1171000905 SACCO Societies Regulatory Authority	70,600,000	30,000,000	100,600,000
1171001806 Anti-Counterfeit Agency	246,600,000	75,000,000	321,600,000
1171001900 Kenya Industrial Research Development Institute (KIRDI)	597,624,000	500,000,000	1,097,624,000
1171002100 Kenya Industrial Property Institute	4,000,000	-	4,000,000
1171002702 Numerical Machine Complex	89,400,000	100,000,000	189,400,000
1171002703 Kenya Accreditation Service (KENAS)	121,038,400	20,000,000	141,038,400
1171002708 Kenya Leather Council	16,400,000	500,000,000	516,400,000
1171002900 Kenya Industrial Estates	80,900,000	300,000,000	380,900,000
1171003801 Kenya Bureau of Standards	272,817,644	163,539,440	436,357,084
1171004100 Export Processing Zones Authority	100,600,000	3,000,000,000	3,100,600,000
1171004700 Micro & Small Enterprises Authority	80,533,821	225,000,000	305,533,821
1181000509 Kenya Investment Authority	253,000,000	47,400,000	300,400,000
1181000500 Regional Trade and Export	253,000,000	47,400,000	300,400,000
1181000600 Export Promotion Council	422,565,586	80,000,000	502,565,586
1181001400 Kenyatta International Conference Centre	40,000,000	300,000,000	340,000,000
1181001800 Tourism Regulatory Authority	132,145,164	39,200,000	171,345,164
1181001902 Bomas of Kenya	250,000,000	340,000,000	590,000,000
1181001903 Kenya Tourist Board	560,000,000	200,400,000	760,400,000
1181001904 Kenya Utalii College	150,000,000	163,539,440	313,539,440

ENTITY CODE & TITLE	GROSS CURRENT ESTIMATES (Kshs)	GROSS CAPITAL ESTIMATES (Kshs)	GROSS TOTAL ESTIMATES (Kshs)
1181001908 Brand Kenya Board	109,100,000	37,920,000	147,020,000
1251000500 Kenya Law Reform Commission	213,000,000	10,000,000	223,000,000
1251000600 Kenya National Anti-Corruption Steering Committee	81,000,000	-	81,000,000
1251000703 Judges and Magistrates Vetting Board	763,100,000	-	763,100,000
1251001500 Kenya School of Law	452,000,000	140,000,000	592,000,000
1251001600 Council for Legal Education	189,992,041	6,074,250	196,066,291
1251002805 Kenya Copyright Board	82,520,000	-	82,520,000
1251002806 National Crime Research Centre	61,627,959	-	61,627,959
1251002807 The Nairobi Center for International Arbitrations	43,000,000	10,000,000	53,000,000
1311000202 Political Parties Fund	367,200,000	-	367,200,000
Total Estimates	135,618,754,006	426,719,698,492	562,338,452,498

ANNEX : ESTIMATES OF REVENUES, GRANTS AND LOANS (Annexed to this Report)


HENRY K. ROTICH
CABINET SECRETARY/THE NATIONAL TREASURY

29th APRIL 2015

