Government Spending on Programmes

Over the next one year, the Government will spend:
- **KSh. 339 billion** on Education
- **KSh. 60.3 billion** on Health
- **KSh. 265 billion** on Defence, Public order and Safety
- **KSh. 597 billion** on Economic Affairs
- **KSh. 69.6 billion** on Agriculture, Rural and Urban Development
- **KSh. 122.3 billion** on Energy
- **KSh. 202 billion** on Infrastructure and ICT
- **KSh. 181.6 billion** on Transport
- **KSh. 20.8 billion** on General Economic and Commercial Affairs
- **KSh. 239 billion** on General Public Services
- **KSh. 33.7 billion** on Social Protection
- **KSh. 92.8 billion** on Environmental Protection

Budget Framework

- The budget deficit is expected to reduce to 9.3% down from 10.1% in FY2015/16. This is expected to drop to 7.0% in FY2017/18.
- The economy is projected to grow by 6.0% in 2016 up from the expected 5.6% in 2015.
- Government expenditure will increase by KSh. 217.6 bn or 10% in FY 2016/17.
- Revenue will increase by KSh. 205.2 bn or 15.8% in FY 2016/17.

President Uhuru Kenyatta launches the upgrade works on the Mosobeti-Kebirigo Road to bring it up to bitumen standard. KSh 30 billion has been allocated by the Government for construction of 3,800km of low volume seal roads across the length and breadth of the country to open up rural areas and farmlands.

FINANCIAL YEAR 2016/17 BUDGET ALLOCATION BY SECTOR

**AGRICULTURE, RURAL & URBAN DEVELOPMENT SECTOR**
- Ministry of Land Housing and Urban Development: 28.9 bn
- State Department for Agriculture: 21.6 bn
- State Department for Livestock: 13.3 bn
- State Department for Fisheries: 4.2 bn
- National Land Commission: 1.6 bn

**GENERAL ECONOMIC AND COMMERCIAL AFFAIRS SECTOR**
- Ministry of Industrialization and Enterprise Development: 11.2 bn
- State Department for Commerce and Tourism: 8.0 bn
- State Department for East African Affairs: 1.6 bn

**Governance Justice law and order sector**
- State Department for Interior: 120.3 bn
- IEBC: 19.7 bn
- Attorney General & Dept of Justice: 4.1 bn
- Ethics & Anti-Corruption Commission: 2.8 bn
- Director of Public Prosecutions: 2.1 bn
- Office of the Registrar of Political Parties: 0.8 bn
- KNCHR: 0.4 bn
- National Gender & Equality Commission: 0.4 bn
- National Police Service Commission: 0.4 bn
- Independent Policing Oversight Authority: 0.4 bn
- Witness Protection Agency: 0.4 bn
# FINANCIAL YEAR 2016/17 BUDGET ALLOCATION BY SECTOR

## ENERGY, INFRASTRUCTURE AND ICT SECTOR

<table>
<thead>
<tr>
<th>Ministry</th>
<th>Allocation (bn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Department of Transport</td>
<td>181.6</td>
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<tr>
<td>State Department of Infrastructure</td>
<td>176.8</td>
</tr>
<tr>
<td>Ministry of Energy and Petroleum</td>
<td>122.3</td>
</tr>
<tr>
<td>Ministry of Information Communications and Technology</td>
<td>25.9</td>
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</tbody>
</table>

## ENVIRONMENT PROTECTION, WATER AND NATURAL RESOURCES SECTOR

<table>
<thead>
<tr>
<th>Ministry</th>
<th>Allocation (bn)</th>
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<tbody>
<tr>
<td>Ministry of Water and Irrigation</td>
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<tr>
<td>Ministry of Environment, Natural Resources &amp; RDAs</td>
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</tr>
<tr>
<td>Ministry of Mining</td>
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## SOCIAL PROTECTION, CULTURE AND RECREATION SECTOR

<table>
<thead>
<tr>
<th>Ministry</th>
<th>Allocation (bn)</th>
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</thead>
<tbody>
<tr>
<td>Ministry of Labour Social Security and Services</td>
<td>25.1</td>
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<tr>
<td>Ministry of Sports Culture and Arts</td>
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</table>

## PUBLIC ADMINISTRATION AND INTERNATIONAL RELATIONS SECTOR

<table>
<thead>
<tr>
<th>Ministry</th>
<th>Allocation (bn)</th>
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</thead>
<tbody>
<tr>
<td>The National Treasury</td>
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<tr>
<td>State Department for Planning</td>
<td>71.9</td>
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<tr>
<td>Ministry of Foreign Affairs and International Trade</td>
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<tr>
<td>State Department for Devolution</td>
<td>15.9</td>
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<tr>
<td>The Presidency</td>
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<tr>
<td>Auditor General</td>
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<tr>
<td>Public Service Commission</td>
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</tr>
<tr>
<td>Controller of Budget</td>
<td>0.6</td>
</tr>
<tr>
<td>Salaries and Remuneration Commission</td>
<td>0.5</td>
</tr>
<tr>
<td>The Commission on Administrative of Justice</td>
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</tr>
<tr>
<td>The Commission on Revenue Allocation</td>
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</tr>
</tbody>
</table>

## HEATlh SECTOR

<table>
<thead>
<tr>
<th>Ministry</th>
<th>Allocation (bn)</th>
</tr>
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<tbody>
<tr>
<td>Ministry of Health</td>
<td>60.3</td>
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</tbody>
</table>

## EDUCATION SECTOR

<table>
<thead>
<tr>
<th>Ministry</th>
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<tbody>
<tr>
<td>Teachers Service Commission</td>
<td>194.1</td>
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<tr>
<td>State Department for Science and Technology</td>
<td>78.0</td>
</tr>
<tr>
<td>State Department for Education</td>
<td>67.2</td>
</tr>
</tbody>
</table>
The Government recognizes the importance of security in sustaining economic growth of the economy and creating jobs for thousands of our unemployed youth. The Government policy in this year’s budget focuses on reducing incidences of crime and insecurity throughout the country with a focus on investments for results in such areas as; modernisation, enhanced security operations, especially of areas prone to crimes; building capacity for effective and faster investigation, better coordination among security agencies with stronger partnership with communities. Key allocation in this area include:

- KSh. 25.9 bn for Military and police modernisation
- KSh. 8.2 bn for Lease of motor vehicles and aircrafts
- KSh. 0.9 billion for Construction and Equipping of the National Forensic Laboratory
- KSh. 2.9 billion for Construction of Police stations and Housing

Over 30 ultramodern Kenya Police Service armoured vehicles. KSh. 10 bn has been allocated for Police Modernisation Programme

A refurbished National Police Service Chopper. KSh. 8.2 bn has been allocated for lease financing of Police motor vehicles, and aircraft

A Kenya Police Pass Out Parade. KSh. 13.2 bn have been allocated for enhanced security operations

President Uhuru Kenyatta conducts a tour of low cost housing development project in Athi-River. KSh. 2.9 bn has been allocated for Construction of Police Stations and Housing
Investing in Infrastructure to Spur Economic Growth

The Government is committed to continue funding the ongoing public investments in road, rail, energy and water supplies in order to unlock the constraints to growth.

The Government endeavours to provide quality energy that is sustainable, competitive, cost effective and affordable. The following has been allocated to achieve this:

- KSh 2.0 bn for Geothermal Development;
- KSh 6.0 bn for Power Transmission;
- KSh 5.1 bn for Rural Electrification Programme;
- KSh 5.9 bn for Last Mile Connectivity;

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KSh 6.0 bn for Power Transmission;
KSh 5.1 bn for Rural Electrification Programme;
KSh 5.9 bn for Last Mile Connectivity;

KSh 3.1 bn for National Street lighting Programme;
KSh 7.6 bn for Electrification of Public Facilities;
KSh 3.4 bn for Exploration and Distribution of Oil and Gas
KSh 10 bn has been allocated for the LAPSSET project.
KSh. 62.8 bn for ongoing road construction (locally Financed)
KSh. 54.8 bn for foreign financed roads
KSh. 5.5 bn Mombasa port Development
railways, roads, and port operations, including construction of container terminal will commence in the course of the MTEF period under PPP arrangements.
The Government recognizes the role that agriculture should play in delivering the 10 per cent economic growth under Vision 2030. Since a majority of the Kenyan population live in rural areas and derive their livelihood from agriculture, improving agricultural productivity and value addition would thus be an effective way to enhance food security, employment creation, income generation, industrialisation and ultimately, economic transformation through stimulating growth of related sectors of the economy such as agro-processing; storage and transport; wholesale and retail; construction; financial services as well as export diversification and growth.

Under the Agricultural promotion, the Government has allocated the following:
- KSh.1.97 bn for Strategic Grain Reserves
- KSh.0.9 bn for Acquisition of the Offshore Patrol Vessel
- KSh.0.6 billion for the Modernization of the Kenya Meat Commission
- KSh.0.2 billion for the revival of the Pyrethrum sector

Kiambu farmers receive subsidised fertilizer. KSh 4.9 bn has been allocated for inputs subsidy which includes Fertilizer and Seed.

Manufacturing

Government has identified manufacturing sector as catalyst for moving our economy up the value chain and in particular in the agriculture sector for growth of exports and job creation. An industrial transformation programme has been developed to build a network of competitive Special Economic Zones (SEZ) which will attract new investments, expansion of infrastructure, reform of the regulatory environment, adoption of innovative, more efficient technologies with the participation of the private sector to exploit business opportunities in regional and international markets.

Industrial development has been allocated the following:
- KSh.1.2 billion for Leather Industrial Park Development
- KSh.2.0 billion for Textile Development
- KSh.0.5 billion for Ease of Doing Business
- KSh.0.5 billion for Modernisation of RIVATEX
- KSh.2.4 billion for Coffee Debt Waiver & STABEX
- KSh.0.3 billion for Ongoing Modernisation of New KCC
Promoting Equitable and Accessible Quality Health Care Services to all Kenyans

The Government aims at providing good health care to its citizens by taking specialised services to all regions. KSh 60.3 bn has been allocated in 2016/17 for preventive and curative health services. Of this KSh 4.3 bn is allocated for free access to maternal health care while KSh 4.5 bn will go towards leasing of medical equipments. Other allocations are as follows:

- KSh 0.9 bn for free access to all health centres and dispensaries
- KSh 2.4 bn for Kenya Medical Training Centres
- KSh 6.7 bn for Kenyatta National Hospital
- KSh 4.7 bn for Moi Teaching and Referral Hospital
- KSh 1.7 bn for Kenya Medical Research Institute
- KSh 0.9 bn for National Aids Control Council

Mobile Clinic provided through beyond Zero Campaign

Dialysis equipment provided through Medical equipment Services. The Government will equip 98 hospitals across the country to provide better health care for all.

Enhancing access and Transforming the Educational System through E-Teaching and E-Learning

To supplement access and quality of education, the budget has made the following allocations:

- KSh 29.9 bn for free day secondary education
- KSh 13.4 bn for free primary education
- KSh 4.5 bn for promotion and recruitment of additional teachers
- KSh 2.5 bn for school feeding program
- KSh 1.5 bn for subsidy to KNEC for examination fee waiver
- KSh 13.4 bn for digital literacy (School Laptop Project)

Cushioning the Poor and the Vulnerable in the Society: Social Safety Nets

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

- KSh.7.9 billion is for Orphans and Vulnerable Children;
- KSh.7.3 billion for elder persons;
- KSh.1.2 billion for those with severe disability;
- KSh.0.3 billion for National Development Fund for persons with disability;

The Government has provided for digital literacy through provision of laptop to pupils in primary schools.

Mothers accessing free Maternity services...

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“...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...”
Public Expenditure Tracking

Total Government Budget
KSh 2,479.4 bn

Contingencies Fund KSh 6 bn
CDF KSh 36.6 bn
Parliament KSh 24.7 bn
National Security KSh 124.0 bn
Public Admin & International Relations KSh 232.0 bn
GJLOS KSh 188.0 bn
Judiciary KSh 15.8 bn
County Shareable Revenue KSh 284.8 bn
Social Protection, Culture & Recreation KSh 33.7 bn
Consolidated Fund Services KSh 527.3 bn
Education KSh 339.3 bn
Health KSh 60.3 bn
Agriculture, Rural & Urban Development KSh 69.6 bn
Energy, Infrastructure & ICT KSh 506.6 bn
Environment Protection, Water & Natural Resources KSh 92.9 bn
Economic and Commercial Affairs KSh 20.9 bn

Social Safety Nets KSh 17.9 bn
Orphans and Vulnerable children KSh 7.9 bn
Elderly persons KSh 7.3 bn
Presidential Secondary school Bursary scheme KSh 0.4 bn
Severe disability KSh 1.2 bn
Other disabilities under cash transfer KSh 0.3 bn
Children welfare society KSh 0.4 bn
Street families KSh 0.4 bn
Enhancing Women and Youth Empowerment

The government is committed towards empowerment of youth. In this regards KSh. 9.8 billion has been allocated towards youth empowerment programme as a vehicle for transforming and empowering the youth. Other interventions include:

- KSh. 0.6 billion Youth Enterprise Development Fund
- KSh. 0.7 billion Youth Employment and Enterprise (Uwezo Fund)
- KSh. 0.1 billion for Presidential Digital Talent Programme KSh.
- 0.9 billion Women Enterprise Fund

Constitutional Implementation and Related Reforms

Funds have been set aside to support implementation of the Constitution as follows:

Strengthening Functions at the devolved levels

In order to accelerate development in the rural areas, the Government has allocated the following:

- KSh. 34.5 billion for National Government Constituency Fund (Formerly CDF)
- KSh. 2.1 billion for Affirmative Action for Social Development (Women Reps)
- KSh. 284.8 billion for County Governments: and
- KSh. 284.8 billion for level 5 hospitals
- KSh. 4.0 billion for level 5 hospitals

Equipment for the National Youth Service

KSh 24.7 bn for Parliament

KSh 15.8 bn for Judiciary

KSh. 230.8 billion for Commissions (including TSC) and Independent Offices (such as ODPP)

Youth Participating in a clean-up exercise

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matumizi bora ya fetha wajibu wetu

For any comments on the People’s Guide please send them to:
Email: profinance@treasury.go.ke