



EXECUTIVE OFFICE OF THE PRESIDENT

Directorate of National Cohesion and Values

REPORTING TEMPLATE FOR MINISTRIES, DEPARTMENT AND AGENCIES (MDAS) FOR THE FY 2024/2025

2024/2025 GOVERNMENT COMMITMENTS AND WAY FORWARD

NAME OF MINISTRY, DEPARTMENT OR AGENCY: THE NATIONAL TREASURY

Target 1: Implementation Five (5) Commitments and Way Forward in the 2024/2025 Annual President's Report on National Values and Principles of Governance (40%)

No.	2024/2025 GOVERNMENT COMMITMENTS SELECTED BY THE MDA	ACTION TAKEN(S) TO IMPLEMENT THE COMMITMENT	RESULT(S)/INDICATOR(S) OF ACHIEVEMENT (NO./PERCENTAGE) – ATTACHED EVIDENCE
1.	Implement measures to support the five pillars of the Government Plans as outlines in the Bottom Up Economic Transformation Agenda (2022 – 2027) namely: Agriculture, Micro, Small and Medium Enterprise (MSME) Economic, Housing and settlement, improved Healthcare for all Kenyans and	The National Treasury played a key role in mobilizing resources to implement the budget from external and domestic sources to finance 2024/25 Financial Year Fiscal Deficit through development of the 2024 Medium Term Debt Management Strategy (MTDS)	2024 Medium Term Debt Management Strategy (MTDS) https://www.treasury.go.ke/medium-term-debt-management-strategy/

<p>digital Superhighway and Creative Economy</p>	<p>The National Treasury issued circulars to guide effective and efficient asset management practices in the public sector</p> <p>Facilitate private sector investment in the Agricultural Sector</p> <p>Facilitate private sector investment in the housing sector</p>	<p>Circular No. 5 of 2024 on the Acquisition of Title Deeds for Public Institutions' Land</p> <p>Circular No. 1 of 2025 on the Requirements for Seeking Approval to Lease Public Assets www.pppkenya.go.ke</p> <p>Galana Kulalu Food Security Project: The pilot project implemented. Private party procured. Conditions precedent under fulfilment to give way to Financial Close. (70%) www.pppkenya.go.ke</p> <p>Sabaki Water Carrier: The Project is currently under negotiation. (30%) www.pppkenya.go.ke</p> <p>Kenya Defence Forces Residential Accommodation: Private party procured for the project. Currently under construction. (80%) www.pppkenya.go.ke</p> <p>Stoni Athi Affordable Housing Project: Procurement of Private Party for Stoni Athi Affordable Housing Project commenced. (20%) www.pppkenya.go.ke</p> <p>University of Nairobi Students Hostels: Preparation for procurement of private party commenced (20%) www.pppkenya.go.ke</p> <p>Pwani University Hospital: Feasibility studies have been completed for 200 bed Pwani University Hospital. The project is being undertaken in collaboration with the University and the Ministry of Health. (40%) www.pppkenya.go.ke</p> <p>Moi Teaching and Referral Hospital Student Accommodation: Aims at expanding student accommodation</p>
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		<p>Facilitate private sector investment in the Healthcare sector</p> <p>The FY 2024/25 and the Medium-Term Budget continued to focus on the implementation of the Bottom-Up Economic Transformation Agenda (BETA). The agenda is geared towards economic turnaround and inclusive growth, and aims to increase investments in at least five sectors envisaged to have the largest impact to the economy as well as on household welfare These include:</p> <ul style="list-style-type: none"> i) Agricultural Transformation; ii) Micro, Small and Medium Enterprise (MSME) Economy; iii) Housing and Settlement; iv) Healthcare; and 	<p>facilities. Preparation going on for procurement of third party. (30%) www.pppkenya.go.ke</p> <p>Moi Teaching and Referral Hospital Teaching Accommodation: Aims at expanding teaching accommodation facilities. Preparation going on for procurement of third party (30%)</p> <p>Budget Estimates Books</p> <p>Treasury Website Link: https://www.treasury.go.ke/budget-books-1/#1746430542220-b730a1ca-5efd</p>
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		<p>v) Digital Superhighway and Creative Economy.</p> <p>To make these programmes feasible, the Government implemented strategic interventions under the following key enablers: Infrastructure; Manufacturing; Blue Economy; the Services Economy; Environment and Climate Change; Education and Training; Women Agenda; Youth Empowerment and Development Agenda; Social Protection; Sports, Culture and Arts; Governance; and Foreign Policy and Regional Integration.</p> <p>The budgeting process for the priority programmes was done through a value chain approach under five clusters namely Finance and Production Economy; Infrastructure; Land and Natural Resource; Social Sectors; and Governance and Public Administration. To implement the Bottom-up Economic Transformation Agenda (BETA), the</p>	
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		<p>Government has identified nine (9) key value chain areas for implementation, namely: i) Leather; ii) Cotton; iii) Dairy; iv) Edible oils; v) Tea; vi) Rice; vii) Blue economy; viii) Natural Resources (Including Minerals and Forestry); and ix) Building Materials.</p> <p>The National Treasury allocated a total of Ksh.257.3 billion in the FY 2024/25 Budget to the Five BETA clusters as indicated below:</p> <ul style="list-style-type: none"> • KSh.85.1 billion to the Social Cluster; • KSh.98.2 billion to the Infrastructure Cluster; • KSh.43.6 billion to the Finance and Production Cluster; • KSh.9.8 billion to Governance and Administration Cluster; and • KSh.20.6 billion to the Land Resource Cluster 	
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		<p>To improve healthcare and increase access and quality in sexual, reproductive, maternal, newborn, child and adolescent health services, the National Treasury has mobilized a grant amounting to USD 30 million from Susan Warren Buffett Foundation to the Ministry of Health with an initial implementation period of one (1) year and a potential extension of two (2) years or more</p> <p>The National Treasury developed a legislative proposal that were key in implementation of BETA priorities within County Governments. These. Included the Division of Revenue Bill, 2024 and County Allocation of Revenue Bill 20224 which allocated county governments an equitable share of Ksh. 387 billion. These Bills were subsequently enacted to Acts of Parliament to support allocation and transfer of the equitable share to county governments. The equitable</p>	<p>Grant Financing agreement</p> <p>The National Treasury has so far transferred the full amount of the equitable share of Ksh. 387 billion for FY 2024/25 to respective county governments.</p> <p>Division of Revenue Act (amended), 2024</p>
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		<p>share of revenue, thus determined, is an unconditional allocation to the County Governments and therefore County Governments are expected to plan, budget, spend, account and report on the funds allocated independently, to support attainment of BETA. Additionally, the Department prepared the County Government Additional Allocations Bill, 2025 which was enacted to an Act of Parliament</p> <p>The County Government Additional Allocations Act (CGAAA) 2024 provided additional resources for County Governments to implement priorities outlined in the County Integrated Development Plans (CIDPs), which incorporated BETA components such as Agriculture, Micro, Small and Medium Enterprise (MSMEs), Housing and settlement, improved Healthcare for all Kenyans and Digital</p>	<p>Enhanced county government ability to finance priorities in the county development plans.</p> <p>County Government Additional Allocations (CGAAA) 2025. (1). For allocating resources 2024/25</p>
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		<p>Superhighway and Creative Economy. Notable additional allocations include County Aggregation and Industrial Parks (CAIPs) and grants such as the DANIDA Grant - Primary Health Care in a Devolved Context, Financing Locally- Led Climate Action (FLLoCA) Program, Water & Sanitation Development Project (WSDP), and Second Kenya Devolution Support Program (KDSP II)</p> <p>Development of Kenya Credit Guarantee Policy</p> <p>Conduct business development services to Micro, Small and Medium Enterprises (MSMEs) and smallholder farmers</p> <p>Coordinated implementation of PFM Reforms by various PFM implementing MCDAs to enhance achievement of the BETA</p>	<p>Policy developed to support credit issuance to MSMEs</p> <p>34 MSMEs and 2,030 smallholder farmers have received Business Development Services</p> <p>The National Treasury supports the coordination mechanism on PFM Reforms that include the Steering Committee and the Joint Technical Committee. The coordination mechanism is anchored in the PFMR Strategy 2023-2028. <i>Evidence - The PFM Reforms Strategy 2023-2028</i> https://www.pfmr.go.ke/wp-content/uploads/2024/08/PFMR-Strategy-2023-2028_Web.pdf</p>
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		<p>The National Treasury has disbursed are record of KES 189 billion to pensioners. In addition, the PSSS framework outlines how the pension funds after retirement will be placed in consideration of housing and settlement</p> <p>Enhancement of AGPO portal to facilitate online registration and certification of MSMEs owned by Youth, Women and PWDs enterprises</p>	<p>Consolidated Fund Services Reports: Budget Policy Statement Page 42 https://www.treasury.go.ke/wp-content/uploads/2024/06/The-2024-Budget-Policy-Statement.pdf</p> <p>AGPO portal re-engineered with capabilities for online registration and certification of AGPO suppliers. <i>www.agpo.go.ke</i></p>
2.	Leverage on digitization and automation of government processes to make 80% of government services online.	<p>The National Treasury through the Integrated Financial Management Information System (IFMIS) has successfully rolled out six major asset categories in the IFMIS Fixed Asset Module namely; Land, Buildings, Motor Vehicles, ICT Computer, Office Equipment, and Furniture & Fittings</p> <p>Enhance digitisation of processes within the PPP Directorate</p>	<p>Approved Roll-out Status of State Departments on the Six Asset Categories (Land, Buildings, Motor Vehicles, ICT Computer, Office Equipment, and Furniture & Fittings) by the Principal Secretary/National Treasury</p> <p>Upgraded network by plugging onto the Government Common Core Network (GCCN) to ensure minimal interruption and ease of access to our services. Upgraded the Directorate’s website, making it more interactive and dynamic www.pppkenya.go.ke</p>

		<p>To implement Zero-Based Budgeting, the National Treasury has development of a costing tool in the Hyperion system of IFMIS which will be used by the National Government and County Governments and their entities to cost their programmes and projects</p> <p>The National Treasury, in partnership with the Kenya Revenue Authority (KRA) and Kenya Trade Network, is automating the application and processing of donor aid funded exemptions (DA1 exemptions). This project involves digitizing the DA1 form on the Trade Facilitation Platform system and integrating it with KRA's ICMS and ITAX systems. The automation aims to enhance efficiency and transparency in a process that is currently manual and burdensome, with the National Treasury handling 300-500 applications weekly. The new system will enable</p>	<p>Acquired a tracking app to help with tracking of files for efficient and effective processing of information stored manually IFMIS Hyperion Plan to Budget System</p> <p>System portal</p>
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		<p>24/7 application processing, improve controls, harmonize data collection on tax exemptions, and provide better reporting statistics for both the National Treasury and KRA</p> <p>To enhance transparency, coordination, and efficiency in Development Partner engagement, the National Treasury has developed Development Partner Management Information System (DPMIS) which is a web-based, centralized, and integrated platform designed to manage, track, and coordinate all development partner engagements. The system will streamline processes, enhance transparency, and improve decision-making thereby contributing significantly to achieving the country's development goals.</p> <p>The Public debt Management Office of the National Treasury through support from the African Development Bank is in the process of developing</p>	
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		<p>Electronic Document Management Systems to scan and store key documents and financing agreements of donor funded projects. The system will improve service delivery by eliminating redundant paper-based processes and provide electronic archive and retrieval functionalities. The system is at the user-requirements stage</p> <p>Automating Exchequer release process to the MDACs Automating the Exchequer release process to Ministries, Departments, Agencies, and County Governments (MDACs) in Kenya is a crucial initiative aimed at streamlining public financial management, overcoming challenges like delayed fund disbursements and non-compliance, and enhancing transparency. This involves implementing a comprehensive digital system (IFMIS) that facilitates automated request submissions, digitized approval workflows with real-</p>	<p>Automated exchequer release process screen shots Principal Secretary Approval Test scripts Attendance list</p>
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		<p>time notifications, seamless integration with central financial systems (Central Bank of Kenya) and robust reporting and analytics, ultimately leading to improved efficiency, timely budget execution, and better service delivery across the nation.</p> <p>Automation of tax exemption (Donor Assistant form 1 (DA1)) process through KenTrade- trade facilitation platform</p> <p>Implementing Phase One of the Treasury Single Account (TSA) by developing a model on TSA. This will improve fiscal transparency, enhance cash management, reduce borrowing costs and ensure that the banking arrangements are in line with PFM Act (2012).</p> <p>Exchequer processing done online thus enhancing fiscal discipline and transparency</p>	<p>80% of DA1 tax exemption done through KenTrade- trade facilitation platform. https://tfp.kenyatradenet.go.ke/TFBSEW/TFB.jsp</p> <p>Approved TSA model</p> <p>Exchequer processing documents</p>
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		<p>The National Treasury supported the development and operationalization of PFM ICT systems. These include: IFMIS, e-Citizen, e-GP, GPCIS, PIMIS, IHRIS-K, Commonwealth Meridian System, PMIS, PPIP and EDMS.</p> <p>To enhance our coordination role, the National Treasury has automated its internal business process through REFORMIS</p> <p>The National Treasury embarked on a system upgrade from the Pension management information system to a new integrated system which can be accessed by pensioners remotely. The new e-PMIS (E-Pension Management Information System) has been fully developed and is set for launch and deployment</p> <p>Digitization of Vote Book System The National Treasury has installed Vote Book Management System (VBMS)</p>	<p>The PFM Reforms Strategy 2023-2028 https://www.pfmr.go.ke/wp-content/uploads/2024/08/PFMR-Strategy-2023-2028_Web.pdf</p> <p>Annual M&E Report on the progress of implementation of PFM Reforms https://www.pfmr.go.ke/reports-2/ https://www.pfmr.go.ke/wp-content/uploads/2025/02/FINAL-PFMR-Annual-ME-report-FEB-2025.pdf</p> <p>User Manual for REFORMIS</p> <p>New E-PMIS is deployed and set for launch at 1st Quarter FY 2025/2026</p> <p>Link to the PMIS system requires a VPN Screenshots: The New Pension Information System Dashboard https://1drv.ms/i/c/222b28b4d36c42a6/EfEBbHKfacZAmRe-bldqkUIBUKFXqQxTIT5Ox75IIWqO-g?e=id0s5V</p> <p>Vote Book Management System Reports</p>
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		<p>in the 315 National Sub County Treasuries aimed to enable fast service delivery by MDAs at the sub counties. The VBMS has contributed greatly on enhancement of accountability and transparency in government funds expenditure.</p> <p>The National Treasury has continued to digitize Government payments arising from consumption of government services through e-Citizen payment platform. In the 2024/2025 FY an additional total of three hundred and fifty (350) MDAs have been onboarded on the e-Citizen payment platform</p> <p>Regulation 29 of the Public Finance Management (PIM) Regulations, 2022 has established a Public Investment Management Information System (PIMIS) to automate the PIM process for efficient and effective investment management. The System can be accessed at</p>	<p>https://accounts.ecitizen.go.ke</p> <p>https://pimis.treasury.go.ke</p>
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		<p>https://pimis.treasury.go.ke for the production instance and https://pimisdev.treasury.go.ke for the training instance. In addition to the Project Management Cycle until pipelining, the system has further been integrated with Kenya Revenue Authority tax management systems for a smooth tax management process of projects during the implementation phase. This has been done through a tax - exemption module in the PIMIS that will ensure that all project tax exemptions are processed through the PIMIS before submission to the Cabinet Secretary or County Executive committee for approval</p> <p>The National Treasury has also developed Public Investment Management Information System. User, Roles and workflow manual</p> <p>Installation and launch of the EGP system to enhance</p>	<p>https://pimisdev.treasury.go.ke</p> <p>User, Roles and workflow manual https://pimis.treasury.go.ke</p> <p>System installation completed, suppliers and procuring entities registered in the system, online training manuals www.egpkenya.go.ke</p>
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		<p>efficiency in public procurement</p> <p>Officers were trained. Processes and government regulations were followed. Nomination of participants was based on equity</p>	<p>937 trained officers Human Resource Development Committee minutes Training Report Attendance list</p>
3.	<p>Enhance adherence to the provision of Article 10 of the Constitution through civic education, training and sensitisation and mainstreaming of National Values and Principles of Governance</p>	<p>Enforced Public Service Code of Conduct and develop a code of conduct for PPP. Sensitise staff on Article 10 of the Constitution.</p> <p>The National Treasury conducted Countrywide public participation on the FY 2024/25 and the Medium-Term Budget.</p> <p>Conducted Public Sector Hearings on the Sector Budget Proposals for the FY 2024/25 Budget</p> <p>Training for Accountants Capacity built on 850 Accountants on implementation and transition</p>	<p>Ensured compliance with the Public Service Code of Conduct www.publicservice.go.ke Developed a Code of Conduct specific to PPP. In collaboration with the Kenya School of Government trained 55% of staff on Ethics and Integrity. Incorporated Article 10 of the Constitution in the training module for Interns and attachees</p> <p>Public Participation Reports</p> <p>Training report Attendance list</p>

		<p>to accrual accounting and TSA:</p> <p>The National Treasury supported 39 National PFM Reforms implementing MDAs in capacity building and sensitization of different stakeholders on PFM Reforms that cover National Values and Principles of Governance like transparency, accountability, good governance and integrity</p> <p>In 2025, The National Treasury has been sensitizing the public regarding the Pensions Acts under the Pension Self-Registration Services - Huduma Mashinani initiative. The exercise aimed to facilitate pensioner registration, sensitize pensioners and their dependants on pension processes, and address their concerns. The itinerary for the outreach included pensioner/dependant registration, customer engagement, and sensitization on the new e-Pensions</p>	<p>The PFM Reforms Strategy 2023-2028 https://www.pfmr.go.ke/wp-content/uploads/2024/08/PFMR-Strategy-2023-2028_Web.pdf</p> <p>Annual M&E Report on the progress of implementation of PFM Reforms. https://www.pfmr.go.ke/reports-2/ https://www.pfmr.go.ke/wp-content/uploads/2025/02/FINAL-PFMR-Annual-ME-report-FEB-2025.pdf</p> <p>Number of Pensioners Sensitized and Pensioner Records updated as per our pensioners registration portal = 197,614. https://pensionselfregistration.treasury.go.ke/</p> <p>Screenshots: The New Pension Information System Dashboard</p> <p>https://1drv.ms/i/c/222b28b4d36c42a6/EY2b3_kZvm5NjW1KlksPQewBIJ7gtGdMHA3BmTgSfVwF8g?e=eWekoD</p>
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		<p>Management System through Barazas</p> <p>Training for government officers specifically National Sub County Accountants on accrual basis accounting. The training on accrual accounting will contribute in the following areas in line with national values:</p> <p>Maintain complete records on government assets and liabilities.</p> <p>Better management of assets with respect to maintenance, more appropriate replacement policies and identification and disposal of surplus assets.</p> <p>Better manage risks associated with assets such as loss due to theft or damage.</p> <p>Demonstrate accountability in managing assets and liabilities recognized in the financial statements.</p>	<p>315 Trained government officers (NSCAs)</p> <p>Training report</p> <p>Attendance list</p>
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		<p>Plan for future funding requirements of asset maintenance and replacement.</p> <p>Plan for the repayment of, or satisfaction of, existing liabilities.</p> <p>Provide information on the impact of existing liabilities on future resources</p>	
4	Implement measures to promote accountability and openness in the management of public affairs and institution	<p>The National Treasury prepared and publicized, Guaranteed Report FY 2023/24, Monthly debt bulletins during the FY 2024/25, 2023 Annual Public Debt Management Report, Public Debt Management Office Performance Report, Debt Sustainability Analysis Report, Revised 2024 MTDS and 2025 MTDS</p> <p>The National Treasury in the FY 2024/2025 reviewed submitted asset registers from MDAs and issued evaluation reports and scores</p> <p>Report Performance periodically</p>	<p>Guaranteed Debt Report (Treasury Website) 2024 Annual Public Debt Management Report and 2023/24 FY monthly bulletins (Website). Revised 2024 MTDS 2025 MTDS 2025 PDMO Performance Report https://www.treasury.go.ke/annual-debt-management-reports/ https://www.treasury.go.ke/pdmo--annual-performance-report/</p>

		<p>Hold periodic management meetings.</p> <p>Hold staff retreats</p> <p>Develop and enforce implementation of Work Plan.</p> <p>Develop and implement performance contracts.</p> <p>Undertake performance appraisal of staff</p> <p>Prepared the Budget Portal which is an online budget data portal that promotes transparency and accountability in the budgeting process both at the National and County Governments.</p> <p>Provided Budget Books (Itemized Budget Estimates and the Programme Based Budget) on the National Treasury website to enhance access to the National Budget</p> <p>To enhance transparency and openness regarding public</p>	<p>https://bajetiyetu.treasury.go.ke/</p> <p>Treasury Website Link: https://www.treasury.go.ke/budget-books-1/#1746430542220-b730a1ca-5efd</p>
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		<p>debt, the National Treasury publishes the Medium-Term Debt Management Strategy and the Annual Borrowing Plan on its website annually. This allows the public to monitor the government's borrowing plans for the fiscal year</p> <p>Integrating IFMIS with HRIS Kenya The integration of IFMIS (Integrated Financial Management Information System) and HRIS (Human Resource Information System), is a strategic move to streamline and enhance public service management. This has created a unified platform where financial data (from IFMIS) and human resource information (from HRIS) seamlessly interact. This integration has improved payroll management by linking personnel records directly to financial allocations, reducing redundancies, mitigating fraud, and ensuring more accurate and timely payment of</p>	<p>Principal Secretary Approval Screen Shots from the system</p>
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		<p>salaries and benefits. Ultimately, it has contributed to better fiscal discipline, enhanced accountability, and improved decision-making for both financial and human resource planning across government ministries, departments, agencies, and counties.</p> <p>The National Treasury has been preparing Annual Tax Expenditure Report to inform the public on the revenue foregone by Government every year for fiscal management.</p> <p>Development of Virtual Assets and Virtual Assets Service Providers Policy</p> <p>The National Treasury coordinated implementation of PFM Reforms outlined in the PFMR Strategy 2023-2028 in the country aimed at promoting transparency, accountability, equity, fiscal discipline and efficiency in the management and use of public resources for</p>	<p>2024 Tax Expenditure Report prepared https://www.treasury.go.ke/reports/</p> <p>Enhance integrity in the financial system</p> <p>The PFM Reforms Strategy 2023-2028 https://www.pfmr.go.ke/wp-content/uploads/2024/08/PFMR-Strategy-2023-2028_Web.pdf</p>
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		<p>improved service delivery and economic development.</p> <p>The National Treasury supported oversight bodies like IAGD, OAG to enhance their mandate in promoting accountability.</p> <p>The National Treasury prepared an annual report on the progress of implementation of PFM Reforms in the country to promote accountability and transparency</p> <p>To enhance communication with the public and restore the public image, the National Treasury restored its social media strategy in early 2025 to engage with the public through different social platforms and address the matters raised. Currently, the National Treasury has reach in the major platforms; Facebook, Instagram, WhatsApp Channels, The Pensions Ombudsman Unit within the National Treasury is still in effect,</p>	<p>https://www.pfmr.go.ke/reports-2/ https://www.pfmr.go.ke/wp-content/uploads/2025/02/FINAL-PFMR-Annual-ME-report-FEB-2025.pdf</p> <p>Annual M&E Report on the progress of implementation of PFM Reforms. https://www.pfmr.go.ke/reports-2/ https://www.pfmr.go.ke/wp-content/uploads/2025/02/FINAL-PFMR-Annual-ME-report-FEB-2025.pdf</p> <p>Number of Platforms reaching the public = 7 platforms Number of subscribers in the platforms since early 2025= 3000 subscribers and ongoing iii. Number of long-standing Cases resolved 2024/2025= 176 Link to Social media pension pages standings https://1drv.ms/f/c/222b28b4d36c42a6/EsdhOlrhy5hItpvt7sXyp8BypogCdtK0bebdADS8FvITg?e=GlnrYm Link to ombudsman cases resolved: https://1drv.ms/b/c/222b28b4d36c42a6/Eeh6R4FkWQxPt0Q1Y-soQE8BbzXxefywy0qR8AaRPMNWew?e=YuR92m</p>
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		<p>whose main role is to work on the complaints from the CAJ offices in Kenya and resolve the cases to satisfactory status and in addition, respond to queries from the public on pending pension matters. There is a positive effect from the public who had long standing pension cases and are now resolved</p> <p>Ensuring accountability in the National Sub County Treasuries. By ensuring that accountants at the sub county treasuries adhere to the laid down financial frameworks leading to openness and proper use of government funds. Cases of indiscipline among the staff have forwarded to the HR which resulted to sanction and dismissal of the affected officers</p> <p>Oversight of the National Sub County Treasuries</p> <p>Undertook 45 Value for Money audits in MDAs</p>	<p>Sanctions or Dismissal of officers investigated and found culpable.</p> <p>Review of periodic expenditure returns and financial reports submitted to the HQ</p> <p>45 Value for Money Audit reports</p>
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5	<p>Support devolution by strengthening collaboration and cooperation between the two levels of government service delivery</p>	<p>The National Treasury carried out user-acceptance testing and roll-out of the IFMIS fixed asset module to five (5) Counties in the FY 2024/2025</p> <p>The National Treasury capacity build six (6) counties on asset and liability management in the FY 2024/2025</p> <p>Facilitate PPP Programmes with devolved units</p> <p>The National Treasury collaborated with the Council of Governors and County Governments in the development of the County Governments Budget Manual</p> <p>Development of a County Government Fiscal Data and Equalization Fund e-repository for the storage and dissemination of fiscal data that supports evidence-based decision-making. The information within the portal promotes transparency and</p>	<p>Invitation letters and attendance list of the capacity building workshop.</p> <p>Consolidated report of the five (5) Counties tested on their user-acceptance of the IFMIS fixed asset module</p> <p>Collaborated with all the 47 counties in the establishment of County Aggregation and Industrial Parks</p> <p>Trained all the CECs and Chief Officers in charge of trade and investment on PPP</p> <p>Treasury Website link: https://www.treasury.go.ke/wp-content/uploads/2025/06/County-Government-Budget-Manual-Government-of-Kenya-2024.pdf</p> <p>Improved access to County Government fiscal data. https://igfr.treasury.go.ke/</p>
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		<p>accessibility to government fiscal data, facilitating peer-to-peer learning.</p> <p>Article 201b(ii) and (iii) provides that revenue raised nationally shall be shared equitably among national and county governments; and that expenditure shall promote the equitable development of the country, including by making special provision for marginalised groups and areas. In adherence to this provision, the National Treasury through the Division of Revenue Act (amended) 2024 shared nationally raised revenues allocating Ksh. 387,425,000,000 to county governments to support government service delivery thus supporting devolution.</p> <p>Article 202(1) and (2) provides for equitable sharing of nationally raised revenue between county and national government and that county governments may be given additional allocations either</p>	<p>Division of Revenue Act (amended) 2024 (1)</p> <p>County Governments Additional Allocations Act, 2024 (1)</p>
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		<p>conditionally or unconditionally. In line with these provisions the National Treasury through the County Government Additional Allocations Act, 2024 transferred additional funds to county governments to support government service delivery</p> <p>Training of County Government Staff on Transition to Accrual Accounting</p> <p>The National Treasury coordinated implementation of PFM Reforms at the National and County Government levels.</p> <p>The National Treasury disseminated and sensitized 18 select counties on the PFMR Strategy 2023-2028 to strengthen synergies and alignment between National and County Governments to achieve shared PFM Reforms objectives</p>	<p>Training Reports</p> <p>The PFM Reforms Strategy 2023-2028 https://www.pfmr.go.ke/wp-content/uploads/2024/08/PFMR-Strategy-2023-2028_Web.pdf</p>
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		<p>Control and Administration of National Government Devolved Funds;</p> <p>The National Treasury is responsible for controlling and accounting for National Government Constituency Fund (NGCDF), National Government Affirmative Action Fund (NGAAF) and Uwezo Fund. This has contributed to fair distribution of resources to the grassroot level. NSCT ensured that the funds were utilized as budgeted and accounted for accordingly</p>	<p>Expenditure reports for devolved funds</p>
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REPORTING TEMPLATE FOR FY 2024/2025 ANNUAL PRESIDENTIAL REPORT ON NATIONAL VALUES AND PRINCIPLES OF GOVERNANCE OF GOVERNANCE FOR MINISTRIES, DEPARTMENTS AND AGENCIES (MDAS)

NAME OF MINISTRY, DEPARTMENT OR AGENCY: THE NATIONAL TREASURY

TARGET 2: The Annual President’s Report on measures taken and progress achieved in the realisation of National Values and Principles of Governance (60%)

No.	National Values and Principles of Governance	Measures taken towards realisation of National Values and Principles of Governance. (Quantitative and Qualitative Data) Policies, laws, strategies BETA, Vision 20230 flagship projects, programmes, activities, directives and budgets	Progress achieved in the realization of the National values and Principles of Governance (Quantitative and Qualitative assessment over the past year)	Challenges (internal and external)	Recommendations/way forward
1.	Patriotism	Tree planting initiatives were organized by the National Treasury in various parts of the country Observation of Public Holidays by	The continuous initiative was achieved to plant trees in FY 2024/2025 All Public Holidays were observed in the FY 2024/2025	All Public Officers need to be involved in the tree planting exercise All Public Officers to be directly involved in the	Frequent tree planting initiatives should be done to manage climate change in the country Community support initiatives should be done during the celebration of Public Holidays

		the National Treasury		celebration of Public Holiday	
		Enforced Public Service Code of Conduct	100% enforcement	N/A	N/A
		Developed PPP Code of Conduct	100%	N/A	N/A
		Training on Ethics and Integrity	60% trained	N/A	N/A
		Encouraged commitment to supporting government programmes.	100% support for all government projects	N/A	N/A
		Promoted and associated with the Kenyan brand.	100% enforcement of national brand identity in all communication material	N/A	N/A
		Participation in National events	The Directorate represented in all National events in Nairobi and out of Nairobi	N/A	N/A

		<p>Coordinated implementation of PFM Reforms by various PFM implementing MCDAs to enhance achievement of the BETA</p> <p>In 2025 the National Treasuries Senior Management Team undertook an outreach exercise in Tala, Machakos County, under the Pension Self-Registration Services - Huduma Mashinani initiative. The exercise aimed to facilitate pensioner registration, sensitize pensioners and their dependants on pension processes, and address their concerns. The itinerary for the outreach included</p>	<p>100%</p> <p>Qualitative Assessment Visited the elderly pensioners who were beyond 100 years old to celebrate them as the pensions Department. Sensitized over 150 elderly pensioners on the new pension information system</p>	<p>Budget cuts during Supplementary Budget Revisions affected implementation of PFM Reforms.</p> <p>The reach of the pensions department to elderly pensioners yearly on a countrywide level needs to be addressed</p>	<p>There is a need to ring-fence funds for implementation of PFM Reforms.</p> <p>More allocation of resources (both financial and manpower) to enhance sensitization programs.</p>
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		pensioner/dependant registration, customer engagement, and sensitization on the new e-Pensions Management System through Barazas			
2.	National unity	<p>Team Building Events</p> <p>Diversity and Inclusion</p> <p>Budget allocation to the two levels of Government</p>	<p>90% of staff gone through team building</p> <p>The National Treasury staff compliment reflected the face of Kenya</p> <p>The National Treasury, through the Division of Revenue Act, 2024 and County Allocation of Revenue Act, 2024 allocated resources in FY 2024/25 between the two levels of government totalling Ksh. 2,631,418,000,000 distributed as follows;</p> <ul style="list-style-type: none"> i. National Government - Ksh. 2,235,993,000,000 ii. Equalization Fund – Ksh. 8,000,000,000 <p>County Equitable Share – Ksh. 387,425,000,000</p>	<p>N/A</p> <p>N/A</p> <p>Underperformance in revenue collection and resource constraints due to domestic and external economic shocks.</p>	<p>N/A</p> <p>N/A</p> <p>The National Treasury is enhancing its revenue collection and mobilization efforts, including a review of the Kenya External Resources Policy, 2014, to improve access to external resources. Additionally, County Governments have received support in their Own Source Revenue mobilization efforts through the National Policy to Support Enhancement of County Governments' Own Source Revenue, 2019</p>

		In the FY 2024/2025, the Pensions Department was allocated 199 billion in the revised budget to pensioners to fund gratuities, payroll and dependent pensions to the public	The pension funds were disbursed in the following criteria: Funded – 199.9 billion Unfunded - 7.2 billion	Delayed funding of the Pension scheme	Adequate and on timely funding from exchequer to cater for the growing number of pensioners
3.	Sharing and devolution of power	Collaborating with County Governments The National Treasury disseminated and sensitized 18 select Counties on the PFMR Strategy 2023-2028 to strengthen synergies and alignment between National and County Governments to achieve shared PFM Reforms objectives	Had engagement with all the counties through projects and training 100%	Slow uptake of PPP Budget cuts during Supplementary Budget Revisions affected implementation of PFM Reforms	Enhance engagements and support There is a need for adequate funds to support implementation of PFM Reforms in all the 47 Counties.

		<p>The Public Service Superannuation Fund (PSSF) of Kenya's most recent annual report, for the financial year shows a significant increase in investment income and overall fund value</p> <p>Control and Administration of National Government Devolved Funds. The National Treasury has the responsibility of accounting and controlling National Government Constituency Fund (NGCDF), National Government Affirmative Action Fund (NGAAF) and Uwezo Fund. This has contributed to fair distribution of resources at the</p>	<p>The total value of the fund grew to Ksh142.2 billion, an increase of Ksh57.49 billion, Member Contributions totalled Ksh44.7 billion</p> <p>Expenditure control, Accounting and reporting for National Government Constituency Development Fund Uwezo Fund and National Government Affirmative Action Funds.</p>	<p>Delayed submission of contributions from different institutions</p> <p>External interference by politicians Insufficient communication Lack of stakeholder participation and awareness.</p>	<p>Timely submission of contributions from different institutions</p> <p>Sensitization of stakeholders on areas of conflict. Enhancement of communication Stake holder enlightenment/sensitization</p>
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		<p>grassroot level. NSCT ensured that the funds were utilized as budgeted and accounted for accordingly</p> <p>Both Government and Development partner resources were utilized in training officers. Authorization was done by the Ministry of Public Service and the Authorising officer at the Ministry. The training involved officers from the Headquarters and National Subcounty Treasuries</p>	937 Officers out of 2949 were trained which is 32%.	<p>Budget cuts on training has impacted on training. More Officers at the headquarters are trained compared to the National Subcounty Treasuries Officers. The attendance of participants is more when the training program is far from the workstation since officers gain in terms of monetary as compared to having a training venue near the workstation</p>	<p>The HRDC Committee & Secretariat and top management should ensure that accountability, inclusiveness, fairness and equality are involved in training officers.</p>
4.	The rule of law	The National Treasury has	Compliance with the Law by ensuring the statutory Public	None	None

	<p>ensured compliance with the PFM Act, 2012 and Procurement and Disposal of Assets Act, 2015</p> <p>Timely Communication of Performance Contracting evaluation reports and scores on the target of asset management indicator to public sector entities under this PC indicator</p> <p>Revised and enforced the PPP Act.</p> <p>Developed PPP Regulations and Project Facilitation Fund Regulations</p> <p>Virtual Assets Service Providers Bill</p>	<p>Debt Reports are submitted on time</p> <p>Quarterly and Annual provision of feedback to entities on their performance on the asset management indicator</p> <p>Done 100%</p> <p>Done 90%</p> <p>Done 80%</p> <p>Bill is in Parliament</p>	<p>None</p> <p>N/A</p> <p>N/A</p> <p>N/A</p> <p>Negative perception by stakeholders especially on tax</p>	<p>Continuous sensitization of public sector entities under the asset management indicator to encourage compliance</p> <p>N/A</p> <p>N/A</p> <p>N/A</p> <p>Awareness creation</p>
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		<p>The National Treasury adhered to the legal provisions in its operations that include PFM Act & Regulations and PPAD Act & Regulations</p> <p>Adherence to the finance bill regulation to manage 199 billion of pension funds (CFS Budget)</p>	<p>100%</p> <p>The amount funded within the FY 2024/2025 was: Lumpsum/Gratuities- 89.6 billion Payroll- 82.1 billion PSSS Contributions- 28.1 billion</p>	<p>N/A</p> <p>Delayed funding of the Pension scheme</p>	<p>N/A</p> <p>Adequate and timely funding to cater for the growing number of pensioners</p>
5.	Democracy and participation of the people	<p>The National Treasury ensures that all staff are involved in the decision process through regular meetings and involvement of all in departmental activities</p> <p>The National Treasury also successfully conducted Public</p>	<p>The National Treasury also successfully conducted Public Participation on 2025 MTDS</p>	<p>None</p>	<p>None</p>

	<p>Participation on 2025 MTDS</p> <p>Stakeholder consultative meetings during policy reviews</p> <p>Public Participation in PPP Projects</p> <p>The National Treasury conducted Countrywide public participation on the FY 2024/25 and the Medium-Term Budget</p> <p>Conducted Public Sector Hearings on the Sector Budget Proposals for the FY 2024/25 Budget</p> <p>The Secretariat invited the contribution of different</p>	<p>Increased ownership and cooperation from stakeholders</p> <p>Held Public Participation Forum for appointed PPP projects.</p> <p>100%</p> <p>100%</p> <p>100%</p>	<p>Limited resources to involve all groups/larger target groups</p> <p>Fiscal Constraints hindering implementation of stakeholder priorities.</p> <p>N/A</p> <p>N/A</p> <p>N/A</p>	<p>Use virtual platforms for increased inclusivity</p> <p>Enhanced revenue mobilization and prioritization of identified interventions</p> <p>N/A</p> <p>N/A</p> <p>N/A</p>
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		<p>stakeholders from the public sector, private sector and development partners during development and implementation of PFM Reforms outlined in the PFM Reforms Strategy 2023-2028</p> <p>The consultative meetings within the country to sensitize people on the new pension system and the need for registration using the new portal. The exhibitions conducted by the National Treasury in different forums</p>	<p>The sensitizations and registrations to the public were done during the FY 2024/2025 and was done in different counties using Huduma centers, walk ins, print media and online platforms. Number of Pensioners Registered = 197,617</p>	<p>Need for more Sensitization to the public for pensioners on new pension information system</p>	<p>Funding for sensitization to the public on new pension information system</p>
6.	Human dignity	<p>Pursued staff welfare programme</p>	<p>Maintained the culture of support to protect staff dignity especially while in distress.</p> <p>Encouraged staff to participate in charitable ventures.</p>	<p>N/A</p> <p>N/A</p>	<p>N/A</p> <p>N/A</p>

		The Pension Tax laws of 2024 exempted all taxes on pension benefits to boost the pensioners incomes during retirement hence tax refunds were implemented to refund all tax deductions made from 27th December 2024	The total amount to refund pensioners is KES. 6 billion. The number of pensioners scheduled for a tax refund are 11,000.	The limited resources to implement and fast track the law reforms.	Additional resources (manpower and administrative funding) to boost performance of pension functions.
7.	Equity	<p>Ensure strict compliance with guidelines and laws applicable to each subject area.</p> <p>Equalizations fund The Equalization Fund, enshrined in Kenya's Constitution, allocates 0.5% of national revenue to address historical marginalization by providing basic services like water, roads, and health facilities to</p>	<p>100% compliance</p> <p>N/A</p>	<p>N/A</p> <p>Budget (Availability of funds) to train MDACs</p>	<p>N/A</p> <p>Approval from the PS Screen shots from the system Attendance list</p>

		<p>underserved areas. IFMIS plays a crucial role in operationalizing this fund by automating the allocation and disbursement processes, enhancing transparency and accountability in resource distribution. While aiming to bring marginalized areas to par with the rest of the nation, the fund's full potential for achieving equitable development.</p> <p>Allocation of resources to the Equalization Fund</p>	<p>The National Treasury allocated 0.5% of all revenue collected by the National Government, in accordance with Article 204 of the Constitution of Kenya, including arrears. For FY 2024/25, the allocation amounted to Ksh. 7,852,814,725, which includes Ksh. 147,185,275 in arrears.</p>	<p>Underperformance in revenue collections affecting the allocation to the Equalization Fund</p>	<p>The National Treasury is committed to investing in initiatives aimed at improving revenue collection, including the enhancement of efficiency in revenue administration procedures to optimize revenue generation.</p>
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		<p>Use of the 3rd Basis for Horizontal Allocation of Equitable share to county governments</p> <p>The National Treasury allowed the contribution to a post-retirement medical to be treated as tax deductions</p>	<p>The Third Basis formula which is applicable from FY 2020/21 to FY 2024/25 has taken into account the following parameters; (i) Population (18%); (ii) Health Index (17%); (iii) Agriculture Index (10%); (iii) Urban Index (5%); (iv) Poverty Index (14%); (v) Land Area Index (8%); (vi) Roads Index (8%), and; (vii) Basic Share index (20%). The horizontal distribution of County Governments' equitable revenue share allocation of Ksh.387 billion for FY 2024/25 was based on the Third Basis Formula. It should be noted that the Third basis formula applied in FY 2024/25, takes into account disparities among counties and aims at equitable distribution of resources across counties</p> <p>The Tax Laws (Amendment) Act, 2024, amended Section 15 of the Income Tax Act in subsection (2) by inserting the following new paragraphs; (ad) a contribution to a post-retirement medical</p>	<p>N/A</p> <p>Tracking contributions and ensuring they are used exclusively for post-retirement medical care requires robust</p>	<p>Enhanced equitable distribution of resources to county governments</p> <p>Require Post Retirement Medical Fund schemes to be registered and regulated by the Retirement Benefits Authority (RBA) to ensure accountability</p>
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			<p>fund subject to a limit of fifteen thousand shillings per month</p> <p>http://new.kenyalaw.org/akn/ke/act/2024/12/eng@2024-12-13</p>	<p>systems and oversight Without strong administrative capacity, there is a risk of misuse or non-compliance</p>	
		<p>The National Treasury has undergone reforms in service delivery timelines</p>	<p>The current service charter indicated 90 days of processing time. Though this was unachievable initially, the department has revamped its performance and we have processed over 129,441 pension claims in the FY 2024/2025.</p>	<p>The limited resources to implement and fast track the pension process</p>	<p>Additional resources (manpower and administrative funding) to boost performance of pension functions</p>
8.	Social justice	<p>Legal reforms have been recommended to improve the existing public service pensions framework, ensuring it aligns with the Kenyan Constitution of 2010. These reforms aim to make the pension system more robust, equitable, and in line with constitutional principles, ensuring</p>	<p>On 17th September, 2024, a Multi- Agency Committee was formed by the PS, National Treasury comprising of representatives from the Pensions Department, Attorney General’s office, Kenya Law Reform Commission, Public Service Commission, Teachers Service Commission, National Police Service Commission and experts from technology solutions for pension administration</p>	<p>The limited resources to implement and fast track the law reforms process</p>	<p>Additional resources (manpower and administrative funding) to boost performance of pension functions.</p>

		that it continues to serve the interests of pensioners while addressing the challenges posed by rising inflation and economic changes.			
9.	Inclusiveness	Grant to support on promoting a more inclusive, efficient, independent and trusted judicial framework The Susan Buffet Reproductive Maternal Neonatal Child and Adolescent Health (RMNCAH) Project	The National Treasury signed the Grant financing agreement for this project on 05/12/24. The National Treasury mobilized the resources to support the Judiciary to deepen access to justice, promote institutional accountability, and entrench people-centered approaches across judicial processes. The National Treasury granted the approval for the Principal Secretary, State Department for Medical Services to sign the financing grant agreement with the Foundation. The mobilized grant will increase access and quality in sexual, reproductive, maternal, newborn, child and adolescent health services	N/A N/A	The National Treasury and the Judiciary must ensure effective utilization of the project's resources to achieve the intended goal of providing judicial services to the public. The National Treasury and the Ministry of Health must ensure effective utilization of the project's resources to achieve the intended goal of providing access to quality health services to all Kenyans.

		<p>IFMIS supports inclusivity by reserving 30% of all public procurement contracts for enterprises owned by women, youth, and persons with disabilities (PWDs). By automating the procurement process and potentially including mechanisms for PWD-owned businesses to register and bid on reserved tenders, IFMIS facilitates their participation in government supply chains, thereby promoting their economic empowerment and fostering a more equitable business environment</p> <p>The Secretariat conducts regular stakeholder</p>	<p>N/A</p> <p>100%</p>	<p>N/A</p> <p>N/A</p>	<p>Screen shots from the IFMIS System</p> <p>N/A</p>
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		<p>engagements to ensure inclusivity in the implementation of PFM Reforms</p> <p>Military Dependent pension was revised to a rate not exceeding 1/3 of the rate of pay of the deceased pensioner which increased the pension of widows and children to a reasonable amount to cushion against inflation</p>	<p>Part II Regulation 35(I) of the Military Pensions Act was amended</p>	<p>Time Taken to review pension laws is too long</p>	<p>Adequate time and resources to review pension laws from time to time to accommodate the current economic conditions.</p>
10.	Equality	<p>The National Treasury allowed the Social Health Insurance Fund (SHIF) and the Housing Levy to be treated as tax deductions (i.e., deductible from taxable income before calculating PAYE) using the same percentage to</p>	<p>The Tax Laws (Amendment) Act, 2024, amended Section 15 of the Income Tax Act in subsection (2) by inserting the following new paragraphs: (ac) in the case of an employee, the amount deducted in accordance with section 5(1)(a) of the Affordable Housing Act, 2024; (ae) contributions made to the Social Health Insurance Fund in accordance with section 27(a)</p>	<p>A large proportion of Kenya's workforce is in the informal sector and does not pay PAYE or income tax this creates a gap in equity between formal and informal sector workers</p>	<p>Enhance integration of informal workers into the formal tax system through simplified tax regimes like Turnover Tax (TOT), coupled with social protection enrolment</p>

		<p>promote equality in Kenya's tax</p> <p>The pension law reforms in progress is designed to review and align the legal framework with the 2010 constitution and harmonize the pension process with current IT solutions</p>	<p>and (b) of the Social Health Insurance Act, 2023. http://new.kenyalaw.org/akn/ke/act/2024/12/eng@2024-12-13</p> <p>Amendment of the Pensions Act ,CAP 189 Version 2022.</p>	<p>The limited resources to implement and fast track the law reforms process</p>	<p>Additional resources (manpower and administrative funding) to boost performance of pension functions</p>
11.	Human rights	<p>Right to pension benefits as per CAP 189 (5)(1). This right will be enhanced through the ongoing policy and legal reforms</p>	<p>The National Treasury is implementing the pensioners rights as provided under the pension Act Cap 189, Widows and Children Pension Cap 195, Kenya Defense Forces Act of 2012(military pension) and PSSS Act (rev.2014)</p>	<p>There is need to continuously review the acts due to dynamics in labour laws and economy</p>	<p>Funding for sensitization to the public about pensions.</p>
12.	Non discrimination	<p>The National Treasury deployed Pension officers to different locations/counties (Huduma centers) for effective service delivery.</p>	<p>The number of officers deployed in various Huduma centers within different counties</p>	<p>Sensitization to the public for pensioners on new policy changes</p>	<p>Review of Staff establishments to increase staff and succession management because of the growing number of pension claims.</p>

		<p>The Customer care unit of the Pensions Department was revamped to cater for OTC customers through trainings of staff on customer service.</p> <p>The tax exemption policies of 2024 encompass all pensioners in the public service from 27th Dec 2024 for tax refunds</p>	<p>The number of pensioners receiving a tax refund is 11,000</p>	<p>Sensitization to the public for pensioners on new policy changes</p>	<p>Review of Staff establishments to increase staff and succession management because of the growing number of pension claims</p>
13.	Protection of the marginalized	<p>Development of Disaster Fund Regulations</p> <p>The Tax amendment laws of 2024 exempt all Pensioners including PWDs from taxes on lumpsum (Gratuities) and Monthly pensions</p> <p>Enforcement for the 30% procurement budget reservations</p>	<p>Regulations awaiting Cabinet approval</p> <p>Initially they were exempted up to 2.4 million and now they are fully exempted wef 27th Dec 2024.</p> <p>The number of contracts awarded to these groups increased by 6.72 from 240,661</p>	<p>Delays in approval</p> <p>The limited resources to implement and fast track the tax law reforms process.</p> <p>Budgetary constraints, failure to provide reports</p>	<p>Need to fast track the necessary approvals</p> <p>Additional resources (manpower and administrative funding) to boost performance of pension functions.</p> <p>Data published in economic survey chapter 18 on Social & Economic Inclusion</p>

		for Youth, Women and PWDs under the Access to Government Procurement Opportunities (AGPO) by monitoring contracts awarded to AGPO bidders by procuring entities at both national and county level	to 256,823 while the volume of these contracts also rose by 7.70 from Ksh.273,262,153,070 to Ksh.294,304,697,881 Data published in annual economic survey	by procuring entities on the status of implementation	https://www.knbs.or.ke/wp-content/uploads/2025/05/2025-Economic-Survey.pdf
14.	Good governance	Establishing asset management structures i.e. asset management committees and asset management units in MDAs Development of the Kenya Electronic Single Window System/Trade Facilitation Platform	Strengthened asset management structures i.e. asset management committees and asset management units in MDAs The National Treasury, in partnership with the Kenya Revenue Authority (KRA) and Kenya Trade Network, has automated the application and processing of donor aid funded exemptions (DA1 exemptions). This project involves digitizing the DA1 form on the Trade Facilitation Platform system and integrating it with KRA's	Lack of entrenched asset management units within the overall organizational structure of MDAs Limited understanding of the system's functionalities among some development partners and MDAs.	Establishment of asset management structures within MDAs akin to the well established Accounting Units in MDAs. Sensitization of the development partners and MDAs to ensure full integration with the system.

			<p>ICMS and ITAX systems. The automation aims to enhance efficiency and transparency in a process that is currently manual and burdensome, with the National Treasury handling 300-500 applications weekly. The new system will enable 24/7 application processing, improve controls, harmonize data collection on tax exemptions, and provide better reporting statistics for both the National Treasury and KRA</p>		
		<p>Establishment of the Development Partner Management Information System (DPMIS)</p>	<p>The National Treasury has established the Development Partner Management Information System (DPMIS) which is a web-based, centralized, and integrated platform designed to manage, track, and coordinate all development partner engagements. The system will streamline processes, enhance transparency, and improve decision-making thereby contributing significantly to achieving the country's development goals</p>	<p>The requirement for extensive project data capture poses a significant challenge in terms of data entry.</p> <p>Limited capacity building of the National Treasury relevant departments, the MDAs and development partners to</p>	<p>Sensitization of the National Treasury relevant departments, development partners and MDAs to ensure full integration with the system.</p>

		<p>Development of Electronic Document Management Systems</p> <p>Providing guidelines on financial procedures to both National and County Governments</p> <p>The National Treasury coordinated implementation of PFM Reforms outlined in the PFMR Strategy 2023-2028 in the</p>	<p>The National Treasury is in the process of developing Electronic Document Management Systems to scan and store key documents and financing agreements of donor funded projects. The system will improve service delivery by eliminating redundant paper-based processes and provide electronic archive and retrieval functionalities. The system is at the user-requirements stage.</p> <p>Trained Accountants and Finance Officers on PFM</p> <p>100%</p>	<p>familiarize with the system</p> <p>The developer has been procured and now at the user requirement phase. The phase poses a significant challenge primarily due to the critical need for accurate and elicitation of stakeholder needs</p> <p>Inadequate budget support and funds for training of accountants.</p> <p>Budget cuts during Supplementary Budget Revisions affected implementation of PFM Reforms</p>	<p>The National Treasury to implement strategies to enhance effectiveness of the user requirements gathering phase and set a solid foundation for the system's development.</p> <p>Provision of budget support and funding for frequent training</p> <p>There is need for adequate funding to oversight bodies for monitoring, evaluation and reporting on PFM Reforms</p>
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		<p>country aimed at promoting transparency, accountability, equity, fiscal discipline and efficiency in the management and use of public resources for improved service delivery and economic development</p> <p>The New Integrated Pension System (E-PMIS) which in the development will cater for the needs of the growing number of pensioners effectively</p> <p>Training of government officers specifically National Sub County Accountants on accrual basis accounting. The training contributes to better service</p>	<p>The launch of the E-PMIS is set for the 1st quarter of FY 2025/2026 as the platform and integration is ready.</p> <p>Trained government officers (National Sub County Accountants)</p>	<p>Sensitization to the public for pensioners on new system changes</p> <p>Inadequate budget support and funds for training of accountants</p> <p>Lack of computers (lap tops) needed for practical sessions</p>	<p>Funding for sensitization to the public about pensions systems</p> <p>Provision of budget support and funding for frequent training of National Sub County Accountants</p> <p>Provision/procurement of computers (laptops) for officers at the National Sub County Treasuries</p>
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		delivery hence good governance			
15.	Integrity	<p>Objectively awarding scores during Performance Contracting (PC) evaluation on the target of asset management indicator to public sector entities under the PC</p> <p>The National Treasury upholds an open-door policy where clients are free to consult any officer within the vicinity to uphold integrity</p> <p>Ensuring accountability in the National Sub County Treasuries. By ensuring that accountants at the sub county treasuries adhere to the laid down financial</p>	<p>Improved reporting and compliance on the Performance Contracting target of asset management, this had led increased number of entities complying on this indicator</p> <p>The Customer Care desk directs clients to the relevant sections for assistance regarding their pension.</p> <p>Cases of indiscipline among the staff forwarded to the HR resulting to sanctions and dismissal of the officers found culpable</p>	<p>Unsupported appeals on scores awarded on the PC target of asset management</p> <p>Sensitization to the public for pensioners on new policy changes</p> <p>Political interference Laxity on part of NSCAs to follow the existing accounting frameworks</p>	<p>Continuous sensitization on national values and principles for public officers</p> <p>Funding for sensitization to the public about pensions communication systems.</p> <p>Adherence to the existing public accounting frameworks</p> <p>Sensitization on existing public finance frameworks</p> <p>Continuous capacity building of the accountants at the National Sub County Treasuries.</p>

		frameworks leading to openness and proper use of government funds			
		Oversight of the National Sub County Treasuries	Review of periodic expenditure returns and financial reports submitted to the HQ	Bulkiness of the submitted reports and lack of storage	Digitization of the reports submitted to HQ
16.	Transparency and accountability	The National Treasury promotes transparency and accountability through preparation of Debt Reports and responding to various issues raised by stakeholders	Prepared 2024/25 FY Monthly debt bulletins, 2024 Annual Public Debt Management Report, PDMO Annual Performance Report, Revised 2024 MTDS, 2025 Debt Sustainability Analysis Guaranteed Debt Report and Parliamentary Responses on issues of Public Debt	None	None
		Verification of assets held by public sector entities against asset registers submitted to the National Treasury in the FY 2024/2025	Annual verification of assets held by public sector entities against asset registers submitted to the National Treasury in the FY 2024/2025	Budgetary constraints that limit carrying out asset verification outside Nairobi City County	Budget be allocated to enable asset verification to be carried out across all public sector entities all over the country

		Public Debt Management Portfolio/stock	To enhance transparency and accountability regarding public debt, the National Treasury publishes the Medium-Term Debt Management Strategy and the Annual Borrowing Plan on its website annually. This allows the public to monitor the government's borrowing plans for the fiscal year.	The National Treasury currently lacks a comprehensive front-to-end system. But the development of DPMIS for the front office to be integrated with the Commonwealth Meridian System will solve the issue	The National Treasury should integrate DPMIS with the Commonwealth Meridian system to enhance transparency and accountability in public debt management
		Design and document County Revenue Management System (CRMS) IFMIS has provided a single, integrated revenue management system for all Kenyan counties, standardizing financial processes from planning and budgeting to procurement and financial reporting.	N/A	N/A	PS Approval

		<p>This centralized approach has enhanced accountability, transparency, and efficiency in public finance management across all devolved units. By integrating with KRA's iTax and promoting cashless payments, IFMIS have streamlined revenue collection, minimize leakages, and offer real-time financial data for improved decision-making and fiscal prudence at the county level, despite ongoing challenges with full adoption and consistent implementation</p> <p>The National Treasury have been Tracking and reporting on budget allocations and</p>	<p>2024 Budget Review and Outlook Paper prepared https://www.treasury.go.ke/budget-review-and-outlook-paper/</p>	<p>Misalignment between policy priorities in the Medium-Term Plan (MTP),</p>	<p>Institutionalise regular consultative forums between National Treasury, MDAs, and the State Department for Planning to align BROP with</p>
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		<p>expenditures targeted at addressing inequalities and discrimination in Annual Budget Review and Outlook Papers (BROP)</p> <p>The National Treasury coordinated implementation of PFM Reforms outlined in the PFMR Strategy 2023-2028 in the country aimed at promoting transparency, accountability, equity, fiscal discipline and efficiency in the</p>	<p>100%</p>	<p>Vision 2030, and the previous year's budget implementation outcomes.</p> <p>-Inadequate or delayed submission of financial and performance data from Ministries, Departments, and Agencies (MDAs) and county governments</p> <p>Budget cuts during Supplementary Budget Revisions affect implementation of PFM Reforms.</p>	<p>national priorities (BETA, MTP, Vision 2030)</p> <p>Strengthen coordination with MDAs and county governments by enforcing strict timelines for submission of financial and performance data.</p> <p>There is a need to ring-fence funds for implementation of PFM Reforms.</p>
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		<p>management and use of public resources for improved service delivery and economic development</p> <p>The National Treasury published and publicized reports and documentaries on PFM Reforms</p> <p>To enhance transparency and accountability in the Pensions, the National Treasury there was a revamping of our social sites for the public to freely interact and consult with our officer on matter pensions. This initiative was launched at the 4th quarter of FY 2024/2025</p>	<p>Currently there are the following socials on our socials with over 3000 followers and increasing:</p> <p>X Facebook Instagram Whatsapp Channel Youtube</p>	<p>Sensitization of pensioners on our various platforms where they can reach the pensions department staff.</p>	<p>Funding for sensitization to the public about pensions communication systems</p>
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		<p>Digitization of Vote Book System Installation of Vote Book Management System (VBMS) in the 315 National Sub County Treasuries aimed to enable fast service delivery by MDAs at the sub counties. The VBMS has contributed greatly on enhancement of accountability and transparency in government funds expenditure.</p> <p>Conducted cash management inspection visits at the NSCTs</p> <p>Undertook 45 Value for Money audits in MDAs</p>	<p>Better accountability on how resources have been allocated and spent across different MDAs periodically</p> <p>Reports generated by VBMS uploaded to IFMIS.</p> <p>Inspection reports</p> <p>45 Value for Money Audit reports</p>	<p>Constant breakdown of computers and ICT equipment since most of them are old and outdated</p> <p>Unstable Internet connectivity Slow user adoption</p> <p>Insecurity in some parts of the country where NSCTs are located</p> <p>Inadequate budgetary allocation</p>	<p>Procurement of new computers and ICT equipment for the sub county treasuries.</p> <p>Stable internet connectivity and System Upgrade at the sub counties.</p> <p>Enhancement of security in insecure areas.</p> <p>N/A</p> <p>More budget allocation</p>
17.	Sustainable development	Promote good practices in asset management in the public sector to reduce wastage	Public sectors reports on disposal plan and quarterly implementation of disposal plan produced	Lack of awareness on best practices on asset management in the public sector	Enhanced sensitization and capacity building on good practices in asset management in the public sector.

		through disposal of idle assets, transfer of assets and curb of stalled projects.			
		Sustainable Management of Public Debt.	The National Treasury has maintained the debt level within the required threshold of debt sustainability	The National Treasury continued with measures aimed at revamping and strengthening public debt management through liability management operation measures to refinance and re-profile debt maturities subject to favorable market conditions	To pursue debt sustainability, the National Treasury will continue to lengthen the maturity profile of public debt through issuance of medium to long tenor bonds and deepen domestic debt market to be able to finance a higher proportion of budget deficits
		Development of National Climate Finance Strategy	Final draft copy of Green Climate Fund Country Programme is in place awaiting validation and approval	Delays in approval	Fast track the approval
		The National Treasury coordinates	100%	Budget cuts during Supplementary Budget Revisions	There is need to fast track the finalization of the review of the legal frameworks

		<p>implementation of PFM Reforms outlined in the PFMR Strategy 2023-2028 in the country aimed at promoting transparency, accountability, equity, fiscal discipline and efficiency in the management and use of public resources for improved service delivery and economic development</p> <p>The National Treasury supported MFAD to review the existing Macro-Fiscal Model to include mainstreaming of climate change considerations</p> <p>The National Treasury supported the PIM Unit to</p>		<p>affect implementation of PFM Reforms.</p>	
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		<p>amend the PIM Framework to include gender and climate considerations</p> <p>The National Treasury supported PPD to develop and amend the PPAD policy and legal framework to include sustainability, climate change considerations and administrative sanctions</p> <p>The National Treasury took part in the tree planting initiative</p> <p>The National Treasury has developed a new E-PMIS Pensions Management Information System which is at par with the current</p>	<p>The launch of the E-PMIS is set for the 1st quarter of FY 2025/2026 as the platform and integration is ready</p>	<p>Inadequate Sensitization to the public for pensioners on new system changes</p>	<p>Funding for sensitization to the public about pensions systems</p>
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		<p>technological trends of online submissions of documents, digital documentations and digital signatures, real time reporting to ensure efficiency and sustainability in the future (future proof)</p> <p>Development of sustainable public procurement framework to guide in implementation of green procurement</p>	<p>Draft framework developed, subjected to public participation.</p>	<p>N/A</p>	<p>Data published in economic survey chapter 18 on Social & Economic Inclusion https://www.knbs.or.ke/wp-content/uploads/2025/05/2025-Economic-Survey.pdf</p>
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SUBMITTED BY: ACCOUNTING OFFICER/CEO

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SIGNATURE: **DATE:**