



**THE REPUBLIC OF KENYA**

**MEDIUM TERM EXPENDITURE FRAMEWORK**

**2017/18 – 2019/20**

**REPORT FOR GENERAL ECONOMIC AND COMMERCIAL  
AFFAIRS (GECA) SECTOR**

**SEPTEMBER 2016**

## LIST OF ACRONYMS

ACA	Anti –Counterfeit Agency
ACU	AIDS Control Unit
ADB	African Development Bank
AGAs	Autonomous Government Agencies
AGOA	African Growth and Opportunity Act
AIA	Appropriation in Aid
AIDS	Acquire Immune Deficiency Syndrome
AIE	Authority to Incur Expenditure
ASK	Agricultural Show of Kenya
ASAL	Arid and Semi-Arid lands
ASMEP	Assistance to Micro and Small Enterprise Programme
BDS	Business Development Services
BICs	Business Information Centres
BIS	Business Incubation Services
BKB	Brand Kenya Board
BPO	Business Process Outsourcing
BPRT	Business Premises Rent Tribunal
BQ	Bill of Quantity
BRDP	Budget Review and Outlook Paper
BSCs	Business Solution Centres
BSPS	Business Sector Programme Support
CABs	Conformity Assessment Bodies
CAMS	Computerized Audit Management System
CBOs	Community Based Organizations
CDA	Coast Development Authority
CET	Common External Tariffs
CIDC	Constituency Industrial Development Centres
CMF	Common Manufacturing Facilities
CMP	Common Market Protocol
CNC	Computer Numerical Controlled
COMESA	Common Market for Eastern and Southern Africa
CSOs	Civil Society Organizations
DANIDA	Danish International Development Agency
DDA	Doha Development Agenda
DFID	Sub-sector for International Development
EAC	East African Community
EACCMA	East African Community Customs Management Act
CCOS	Ethics Commission for Cooperative Societies
EAMU	East African Monetary Union
EAPCC	East African Portland Cement Company
EC	European Commission
EDF	European Development Fund
EOI	Expression of Interest
EPA	Economic Partnership Agreement
EPC	Export Promotion Council
EPZA	Export Processing Zones Authority
EPZ	Export Processing Zone
ESP	Economic Stimulus Programme
EU	European Union
FDI	Foreign Direct Investment
FKE	Federation of Kenya Employers
FTA	Free Trade Area
GDP	Gross Domestic Product
GECA	General Economic and Commercial Affairs
GJLOs	Governance, Justice, Law and Order
GOK	Government of Kenya

HIV	Human Immunodeficiency Virus
ICDC	Industrial and Commercial Development Corporation
ICT	Information, Communication and Technology
IDA	International Development Agency
IDB	Industrial Development Bank
IFMIS	Integrated Financial Management Information System
IGAD	Inter-Governmental Authority on Development
IP-ERS	Investment Programme for the ERS
IPRs	Intellectual Property Rights
IORA	India Ocean Ream Association
JICA	Japan International Cooperation Agency
JKUAT	Jomo Kenyatta University of Agriculture and Technology
JLBS	Joint Loan Board Scheme
JPC	Joint Permanent Commission
KEBS	Kenya Bureau of Standards
KENAS	Kenya National Accreditation Service
KEN INVEST	Kenya Investment Authority
KESSP	Kenya South Sudan Support Programme
KESSULO	Kenya South Sudan Liaison Office
KFCU	Kenya Farmers' Cooperative Union
KIBT	Kenya Institute of Business Training
KICC	Kenyatta International Convention
KIE	Kenya Industrial Estates
KIPI	Kenya Industrial Property Institute
KIRDI	Kenya Industrial Research and Development Institute
KWRC	Western Region Centre
KITC	Kisumu Industrial Training Centre
KITI	Kenya Industrial Training Institute
KLDC	Kenya Leather Development Council
KNTC	Kenya National Trading Corporation
KRA	Kenya Revenue Authority
KSLH	Kenya Safari Lodges and Hotels limited
KTB	Kenya Tourist Board
KTDC	Kenya Tourist Development Corporation
KTTI	Kenya Textile Training Institute
KUC	Kenya Utalii College
KVDA	KerioValley Development Authority
KWAL	Kenya Wine Agencies Limited
LAPSSSET	Lamu Port Southern Sudan Ethiopia Transport
LDC	Leather Development Centre
M&E	Monitoring and Evaluation
MDGs	Millennium Development Goals
MICE	Meetings, Incentive, Conferences and Exhibitions
MOU	Memorandum of Understanding
MSE	Micro and Small Enterprises
MSEA	Micro and Small Enterprises Authority
MSMEs	Micro, Small and Medium Enterprises
MSMIs	Micro, Small and Medium Industries
MTEF	Medium Term Expenditure Framework
MTP	Medium Term Plan
NCSE	National Council for Small Enterprises
NCWTO	National Committee on World Trade Organization
NEMA	National Environmental Management Authority
NEPAD	New Partnership for Africa's Development
NGO	Non-Governmental Organization
NIP	National Industrialization Policy
NITC	National Industrial Training Council

NKCC	New Kenya Cooperative Creameries
NMC	Numerical Machining Complex
NOCK	National Oil Corporation of Kenya
NQF	National Qualification Framework
NTBs	Non-Tariff Barriers
O&M	Operation and Maintenance
OVOP	One Village One Product
PAS	Performance Appraisal System
PBB	Programme Based Budgeting
PBGs	Producer Business Groups
PCK	Productivity Centre of Kenya
PER	Public Expenditure Review
PPP	Public Private Partnership
PPR	Programme Performance Review
R&D	Research and Development
RDAs	Regional Development Authorities
RECs	Regional Economic Communities
SACCO	Savings and Credit Co-operative Organizations
SADC	Southern Africa Development Corporation
SAGAs	Semi-Autonomous Government Agencies
SASRA	Sacco Society Regulatory Authority
SEZ	Special Economic Zones
SME	Small and Medium Enterprise
SMI	Small and Medium Industry
TARDA	Tana and Athi River Development Authority
TF	Tourism Fund
TVET	Technical Vocational Education and Training
TSA	Tourism Satellite Account
TTF	Tourism Trust Fund
UNDP	United Nations Development Programme
UNESCO	United Nations Education Social and Cultural Organization
UNFPA	United Nations Population Fund
UNWTO	United Nations World Tourism Organization
USA	United States of America
USAID	United States Agency for International Development
VAT	Value Added Tax
W&M	Weights and Measures
WB	World Bank
WTO	World Trade Organization

## EXECUTIVE SUMMARY

The General Economic and Commercial Affairs (GECA) MTEF Sector mandate straddles industrialization, investment, cooperatives development, trade, regional integration and tourism matters. The Sector is comprised of five Sub-sectors namely: Investment and Industry, Cooperatives Development, Trade, East African Community Integration and Tourism. It is crucial to the Country's sustainable economic development, job creation and poverty reduction.

The Sector programme formulation is guided by Kenya Vision 2030, the country's long-term development blue print which aims to achieve an industrialized, middle income country with high quality of life for all citizens by the year 2030. The Sector plays a key role in the realization of the targets of the economic pillar of Vision 2030 as expounded in the Second Medium Term Plan (MTP II) and the Jubilee Administration's transformative agenda. It is also alive to Africa's aspirations as outlined in the African Agenda 2063 and its first ten year implementation plan, the Agenda 2030 on Sustainable Development Goals and the Paris Agreement on Climate Change.

The six medium term priorities are promotion of investments, increased manufacturing share to the GDP and exports, improvement of the business environment, savings mobilization and good governance in cooperative development, trade development and fair trade practices, promotion of regional integration and sustaining tourism recovery.

This Sector report is structured in four main chapters, then conclusions and recommendations. Chapter one (1) discusses the background to the sector and highlights the vision and mission, goals and objectives, the mandates of the sub-sectors, the SAGAs within the sector and Sector stakeholders. The chapter also presents the overall mandate of the sector which is industry and investment promotion, enhancement of the business environment, savings mobilization, trade promotion and development, regional integration and tourism development.

Chapter two (2) presents the achievements of the Sub-Sector during the period 2013/14 – 2015/16. The Sector programmes/sub-programmes, expected outputs, targets and key performance indicators are reviewed in this chapter as well as analysis of expenditure vis a vis budget allocation for the review period. During the review period, approved budget increased by KShs. 4.05 billion from KShs.13.06 billion in 2013/14 financial year to Ksh.17.11 billion in 2015/16 financial year. This is however a marginal increase despite the sectors growing importance, especially its contribution to the attainment of Vision 2030 targets.

The manufacturing sector accounted for 10 per cent of GDP in 2015 and engaged 2.8 million persons in 2015 up from 2.4 million in 2013. During the same period, the country's competitiveness as measured by World Bank's Doing Business global ranking index improved by 21 points to 108 according to World Bank Doing Business Report 2016. This implies that there is an improved business environment for both Domestic and foreign investments. Total Foreign Direct Investment (FDI) inflow doubled from Ksh.101 Billion in 2013/14 to Ksh.224 Billion in 2015/16 while FDI and Domestic Investment at Export Processing Zone (EPZ) increased from Ksh.48 billion in 2013/14 to Ksh.67 billion in 2015/16. The country's total exports to AGOA markets rose from Ksh.47 billion to KShs. 67 billion during the same period, out of which exports of apparels increased by 14.4 per cent from Kshs.30.2 billion to Ksh.34.6 billion.

During the review period, the Sector initiated review of the Co-operative Development Policy and co-operative legislation with a view to conforming to the provisions of the Constitution. Moreover, modernization of New Kenya Co-operative Creameries (New KCC) plant and equipment was kick started leading to increased processing capacity from 110,000 to 300,000 litres per day, increased farmers' earnings from KShs. 23 to KShs. 35 per litre and increased number of farmers served by the New KCC by 71% from 16,800 to 28,700. The

SACCO Societies Regulatory Authority (SASRA) developed prudential supervision management information system and set standards for regulation of SACCO operations to safe guard the over 5,000 members' funds in the 177 FOSAs. The system is being tested in readiness for roll-out in the next financial year. The co-operative sub-sector registered 3,689 new co-operatives and mobilized savings amounting to KShs. 600 billion.

On the trade frontier, exports grew from KShs. 502 billion in 2013 to KShs. 581 billion in 2015 representing a 15.7 % increase. 683 anti-counterfeit cases were investigated out of which 134 cases were prosecuted. Anti-counterfeit goods worth Ksh.1.028 billion were seized and goods worth Ksh.500 million destroyed. 12,027 MSME operators were trained on entrepreneurship and 1,910 SMEs on export trade. The sector also concluded and signed 6 trade agreements/MOUs and one Investment Promotion and Protection Agreement (IPPA) with the UAE, initiated negotiation of IPPA with Japan, Iran and Ethiopia and concluded agreement on Avoidance of Double Taxation with Saudi Arabia and Netherlands. The Sector calibrated 350 County Government measurement standards used in trade facilitation and consumer protection activities and verified 877 weighing and measuring equipment at strategic national installation. Building drawing and designs for Maragua Wholesale Hub and Athi River Tier 1 retail markets was undertaken and the establishment of commodity exchange and e-trade portal initiated.

The Kenyan tourism industry received a major boost after key attractions and hotels scooped top awards at the World Travel Awards Ceremony of 2015 held in Seychelles. Diani Beach in Kwale County was, for the second time in a row, voted Africa's leading beach destination; Mombasa port voted Africa's leading cruise port; Maasai Mara National Reserve ranked Africa's leading national park; and Kenya Tourism Board (KTB) voted Africa's leading tourist Board for the fourth year running.

Several initiatives were undertaken to spur recovery of the tourism sector. These included: engaging an international Public Relations firm to develop a Digital Global Media Strategy and enhance the top tier Media relations; gazettelement of Tourism Recovery Taskforce which compiled views from Stakeholders and prepared a report on tourism recovery and sustainability which is under implementation; review of the crisis response plan by the Crisis Management Committee; intensive stakeholder engagement with private sector on strategic communication positioning of 'One Voice' between government and private sector; developed and secured MAKE IT KENYA brand domain name [www.makeitkenya.com](http://www.makeitkenya.com) which went live in July 2015; held a product Media FAM to Taita Taveta County for local media; and organized a golf writer's familiarization trip to Kenya in February 2015 to publicize the consumer golf festival that was held in October 2015. Bed-nights by Kenyans increased from 2.95 million in 2014 to 3.15 million in 2015; conference activity in the country increased with number of local conferences increasing by 8.0 % from 2,849 in 2013 to 3,077 in 2014. Though international conferences dropped by 19.4% from 299 in 2013 to 241 in 2014, there was an increase of international delegates from 40,109 in 2013 to 77,848 in 2015.

The East African Integration Sub-sector continued with the implementation of the Customs Union which is at the Single Customs Territory (SCT) stage where tremendous achievement has been realized. These include deployment of Customs Officers from Partner States to the Port of Mombasa to carry out clearance of cargo destined to their respective Partner States. This has resulted in reduction in the time taken to transport goods to Partner States from between eighteen (18) and twenty-two (22) days to three (3) and four (4) days depending on the status of truck. The signing of the EAC Monetary Union (EAMU) Protocol on 30th November, 2013 in Kampala, Uganda, by all the EAC Partner States is a major milestone in the EAC integration process. The EAMU Protocol has been ratified and the instruments of ratification deposited with the EAC Secretary General. The EAC-COMESA-SADC Tripartite Agreement was signed in Egypt in June, 2015. Further, the EAC-EU EPA Negotiations were concluded and the Text of the Agreement initialed on 14th October 2014 followed by Legal

scrubbing of the initialed text and its annexes which was finalized on 11th September 2015. The Agreement was then translated into 23 EU languages and Kiswahili and is currently being signed and ratified. The Cabinet has given approval for signing the EPA Agreement. However, some EAC Partner States are reluctant to sign the Agreement. The Sub Sector continued to enhance the laying of the foundation for an EAC Political Federation. The Partner States have agreed to adopt the confederation model.

Chapter three (3) depicts the prioritization of programmes and analysis of the resource requirements versus allocation for the MTEF period 2017/18 – 2019/20. The priority programmes are: Promotion of Industrial Development and Investment, Standards and Business Incubation, Cooperative Development and Management, Trade Development and Promotion, East African Affairs and Regional Integration, Tourism Development and Promotion and General Administration, planning and support services. To implement the prioritized programmes, the Sector requires KShs. 58.594 billion for 2017/18 financial but has only been allocated KShs. 19.922 billion representing a 65% deficit.

Chapter four (4) analyses the linkages that exist between the GECA Sector and other sectors. It details the mutual inter-relationships and how the linkages cut across the three pillars of the vision 2030 with focus on promoting balanced sustainable socio-economic growth and development. It also discusses the emerging issues such as travel advisory, climate change and challenges including security, under developed infrastructure, limited access to credit facilities and financial services and inadequate funding of projects and programmes among others.

Based on the findings of the report, several recommendations were raised which if addressed expeditiously would enable the Sector to achieve its strategic goals and objectives. The recommendations are: Provision of adequate funding commensurate to the Sector's objectives to enable implementation of key priority projects and programmes; timely exchequer release for timely implementation of projects and programmes; establishment of land banks for the development and expansion of industrial, tourism, retail and wholesale projects; enactment of various legislations that would support the Sector in implementing reforms on policies and legal framework; enhance security to improve the business environment for investment, increase investors' confidence, and promote regional integration activities; enhancement of Human capacity to address issues of trade, tourism, investment and economic co-operation in the Sector.

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# **CHAPTER ONE**

## **INTRODUCTION**

### **1.1 Background**

The General Economic and Commercial Affairs (GECA) MTEF Sector is centered on industrialization, investment, cooperative development, trade, regional integration and tourism. The Sector is comprised of five Sub-sectors namely: Investment and Industry, Cooperatives Development, Trade, East African Community Integration and Tourism. It is crucial to the Country's sustainable economic development, job creation and poverty reduction.

The Sector is guided by Kenya Vision 2030, the country's long-term development blue print which is aimed at achieving an industrialized, middle income country with high quality of life for all its citizens by the year 2030. The Sector plays a key role in the realization of the targets of the economic pillar of Vision 2030 as expounded in the Second Medium Term Plan (MTP II) and the Jubilee Administration's transformative agenda. GECA Sector is also informed by the African Agenda 2063 and its first ten year implementation plan, Agenda 2030 on Sustainable Development Goals and the Paris Agreement on Climate Change.

The sector's medium term priorities include promotion of investments, increased manufacturing share to the GDP and exports, improvement of the business environment, savings mobilization and good governance in cooperative development, trade development and fair trade practices, promotion of regional integration and sustaining tourism recovery.

This report provides an assessment of the sector's performance for the period 2013/14 to 2015/16 and presents the priorities for the medium term period 2017/18 to 2019/20. It also analyzes the cross sector linkages and emerging issues/challenges as well as recommendations. Some of the key limitations of this report are: restructuring of MDAs; inconsistency in data since the report documents targets and achievements in financial years while official data sources are based on calendar years; and unaudited expenditure estimates.

### **1.2 Sector Vision and Mission**

#### **Sector Vision**

“A globally competitive economy with sustainable and equitable socio-economic development”

### **Sector Mission**

“To promote, co-ordinate and implement integrated socio-economic policies and programmes for a rapidly industrializing economy”

## **1.3 Strategic goals and objectives of the Sector**

### **1.3.1 Strategic Goals**

GECA Sector’s main aims are the promotion and development of investment and industry, cooperatives, domestic and international trade, regional integration and tourism. The goals are to achieve:

- i. Sustainable Industrial and entrepreneurship development
- ii. A competitive, vibrant, inclusive and sustainable cooperative movement
- iii. Sustainable Growth and development of Trade
- iv. A fully Integrated EAC
- v. A Vibrant and sustainable Tourism industry

### **1.3.2 Strategic Objectives**

The sector focuses on the following strategic objectives to achieve its goals:

- i. To undertake policy, legal and institutional reforms for the development of the sector;
- ii. To promote research and development (R&D) and adoption of innovation and technology;
- iii. To promote local and foreign direct investments, value addition, product diversification, standardization and productivity improvement;
- iv. To enhance the business environment;
- v. To promote micro, small and medium enterprises;
- vi. To mobilize savings and investment resources for national development;
- vii. To improve governance and accountability in the cooperative movement;
- viii. To promote regional integration and cooperation;
- ix. To support growth and development of domestic and international trade;
- x. To broaden and deepen export base and market access;
- xi. To increase earnings from domestic and foreign tourism;
- xii. Develop and diversify tourism products and source markets.

## **1.4 Sub Sectors and their Mandates**

The mandates of the subsectors are as listed below:

### **1.4.1 Investment and Industry**

- (i) Industrialization Policy
- (ii) Value addition/agro processing
- (iii) Investment promotion policy and facilitation
- (iv) Kenya Property Rights Policy (Patents, Trade Marks, Service Marks, and innovation)
- (v) Textile sector development
- (vi) Leather sector development
- (vii) Ease of doing business
- (viii) Special Economic Zones and Industrial Parks
- (ix) Industrial training and capacity building,
- (x) Enterprise development and innovation,
- (xi) SME policy and development
- (xii) SME training
- (xiii) Quality Control including Industrial Standards

### **1.4.2 Cooperatives Development**

- (i) Co-operative Policy and Implementation
- (ii) Co-operative Financing Policy
- (iii) Co-operative Legislation and Support Services
- (iv) Co-operative Education and training
- (v) Co-operative Governance
- (vi) Co-operative Production, Marketing and Value Addition
- (vii) Promotion of Co-operative Ventures
- (viii) Co-operative Audit services
- (ix) Co-operative Savings, Credit and other Financial Services Policy

### **1.4.3 Trade**

- (i) Trade Policy
- (ii) Buy Kenya Policy
- (iii) Promotion of Retail and Wholesale Markets

- (iv) Exports promotion
- (v) Fair Trade Practices
- (vi) Coordination of Regional Trade matters – COMESA, AGOA, IORA & IGAD
- (vii) Trade Negotiations and Advisory Services
- (viii) Entrepreneurship and Business Management Training
- (ix) Enforcement of International Trade Laws, Registrations and Agreements

#### **1.4.4 East African Community Integration**

- (i) Policy on East African Community
- (ii) East African Community Affairs
- (iii) Implementation of the East African Community Treaty
- (iv) Coordination of Implementation of EAC Regional Programmes and Projects
- (v) Promotion and Fast Tracking of EAC Integration
- (vi) Coordination of Government's participation in East African Community Affairs
- (vii) East African Community meetings and Institutions.

#### **1.4.5 Tourism**

- (i) Tourism Policy and Standards;
- (ii) Development and Promotion of Tourism;
- (iii) Tourism Research and Monitoring;
- (iv) Protection of Tourism and Regulation;
- (v) Tourism Financing;
- (vi) Training on Tourism Services; and
- (vii) Marketing Kenya for local and International Tourists

### **1.5 Semi-Autonomous Government Agencies**

The Sector has thirty (30) Semi-Autonomous Government Agencies and Parastatals. The SAGAs are critical in promotion and development of industries, savings mobilization, trade promotion and development, and tourism development and marketing. They include:

1. East African Portland Cement Company(EAPCC);
2. Industrial and Commercial Development Corporation (ICDC);
3. Kenya Bureau of Standards (KEBS);
4. Kenya National Accreditation Services (KENAS);
5. Kenya Industrial Estates (KIE);

6. Kenya Industrial Property Institute (KIPI);
7. Kenya Industrial Research and Development Institute (KIRDI);
8. Numerical Machining Complex (NMC);
9. Micro and Small Enterprises Authority (MSEA);
10. Export Processing Zones Authority (EPZA);
11. Kenya Leather Development Council (KLDC);
12. Kenya Investment Authority (KenInvest);
13. IDB Capital Limited;
14. Special Economic Zones Authority (SEZA);
15. New Kenya Co-operative Creameries (New KCC);
16. SACCO Societies Regulatory Authority (SASRA);
17. Kenya Planter Co-operative Union (KPCU);
18. Anti-Counterfeit Agency (ACA);
19. Brand Kenya Board (BKB);
20. Export Promotion Council (EPC);
21. Kenya Consumer Protection Advisory Committee (KECOPAC);
22. Kenya National Trading Corporation (KNTC);
23. Bomas of Kenya (BoK);
24. Tourism Fund (TF);
25. Kenya Tourism Board (KTB);
26. Tourism Finance Corporation (TFC);
27. Kenya Utalii College (KUC);
28. Kenyatta International Convention Centre (KICC);
29. Tourism Regulatory Authority (TRA);
30. Tourism Research Institute (TRI);

## **1.6 Role of Sector Stakeholders/Stakeholders Analysis**

There are various stakeholders that cooperate with the GECA Sector. These are either internal or external customers who are key to the formulation of policies, implementation, resource mobilization, monitoring and evaluation of programmes and projects as well as promotion and development of the sector. The Stakeholders range from public sector institutions, private sector, Civil Society Organisations, Regional Trading Blocs and Development Partners.

The sector stakeholders and their roles are as demonstrated in table 1.1 below:

**Table 1.1: Stakeholders and their roles**

<b>S/no.</b>	<b>STAKEHOLDER</b>	<b>ROLES OF THE STAKEHOLDER</b>
1.	The Presidency	<ul style="list-style-type: none"> <li>▪ Provision of general leadership and political goodwill</li> <li>▪ Assent bills</li> <li>▪ Release of the Executive Order that gives Sub-sectors Mandates and core functions</li> </ul>
2.	Cabinet	<ul style="list-style-type: none"> <li>▪ Policy formulation and guidance</li> <li>▪ Provision of leadership and good governance.</li> <li>▪ Setting of Sector priorities</li> <li>▪ Approval of Cabinet Memos</li> </ul>
3.	The National Treasury	<ul style="list-style-type: none"> <li>▪ Provision of guidelines and leadership in the budget making process</li> <li>▪ Management of national budget</li> <li>▪ Timely release of funds as per budget allocation</li> <li>▪ Resource mobilization.</li> <li>▪ Overseeing budget implementation</li> </ul>
4.	Government Ministries, Sub-sectors and Agencies	<ul style="list-style-type: none"> <li>▪ Policy formulation and generation of national development agenda</li> <li>▪ Implementation of Government programmes and projects</li> <li>▪ Monitoring and evaluation of programmes and projects</li> <li>▪ Provision of public security, enabling legal and regulatory frameworks</li> <li>▪ Resource mobilization.</li> </ul>
5.	County Governments	<ul style="list-style-type: none"> <li>▪ Policy formulation and generation of county development agenda</li> <li>▪ Collaboration in implementation of county programmes and projects</li> <li>▪ M&amp;E</li> <li>▪ Resource mobilization</li> </ul>
6.	Parliament	<ul style="list-style-type: none"> <li>▪ Legislation</li> </ul>

		<ul style="list-style-type: none"> <li>▪ Review and Approval of the Budget</li> <li>▪ Provision of oversight in the implementation of the Budget</li> </ul>
7.	Regional Economic and Trading Blocs	<ul style="list-style-type: none"> <li>▪ Harmonization of policies, standards and regulations.</li> <li>▪ Provision of frameworks for market access</li> <li>▪ Facilitating free movement of factors of production</li> </ul>
8.	Partner States	<ul style="list-style-type: none"> <li>▪ Ratifying and implementing appropriate Treaties and Protocols</li> <li>▪ Ensuring consistency and clarity on policy issues.</li> </ul>
9.	Development Partners	<ul style="list-style-type: none"> <li>▪ Resource mobilization</li> <li>▪ Provision of technical and financial assistance</li> </ul>
10.	Private Sector	<ul style="list-style-type: none"> <li>▪ Advocacy for improvement of business environment</li> <li>▪ Wealth and employment creation</li> <li>▪ Participating in formulation and implementation of various sectoral policies</li> <li>▪ Participating in Public-Private Partnership initiatives</li> <li>▪ Provision of business information, quality goods and services and self-regulation within the business community.</li> </ul>
11.	Civil Society	<ul style="list-style-type: none"> <li>▪ Consumer rights awareness and protection</li> <li>▪ Contribution to policy formulation and play watchdog role in the implementation process.</li> <li>▪ Supports sensitization and advocacy on various sectoral matters.</li> </ul>
12.	Education and Research Institutions	<ul style="list-style-type: none"> <li>▪ Provision of information to guide policy formulation for skills and knowledge development</li> <li>▪ Provision and dissemination of market intelligence information</li> <li>▪ Develop innovations and technologies for value addition</li> <li>▪ Adaptation and transfer of appropriate technologies</li> <li>▪ Development of curriculum and educational standards</li> </ul>
13.	Media	<ul style="list-style-type: none"> <li>▪ Dissemination of Government policies and Information</li> </ul>

		<ul style="list-style-type: none"><li>▪ Creation of public awareness</li><li>▪ Play a watchdog role</li></ul>
14.	The General Public	<ul style="list-style-type: none"><li>▪ Participate in consultation forums for ownership of projects and programmes</li><li>▪ Consumers of the Sector services and products</li></ul>

## CHAPTER TWO

### PERFORMANCE EXPENDITURE REVIEW FOR 2013/14 – 2015/16

#### 2.1 Summary of major Achievements by Sub-Sectors

The Sector's major achievements over the period 2013/14 – 2015/16 are summarized below:

##### Investments and Industry

The manufacturing sector accounted for 10 per cent of GDP in 2015 and engaged 2.8 million persons in 2015 up from 2.4 million in 2013. During the same period, the country's competitiveness as measured by World Bank's Doing Business global ranking index improved by 21 points to 109 according to World Bank Doing Business Report 2016. This implies that there is an improved business environment for both Domestic and foreign investments. Total Foreign Direct Investment (FDI) inflow doubled from Ksh.101 Billion in 2013/14 to Ksh.224 Billion in 2015/16 while FDI and Domestic Investment at Export Processing Zone (EPZ) increased from Ksh.48 billion in 2013/14 to Ksh.67 billion in 2015/16. The country's total exports to AGOA markets rose from Ksh.47 billion to KShs. 67 billion during the same period, out of which exports of apparels increased by 14.4 per cent from Kshs.30.2 billion to Ksh.34.6 billion.

In the implementation of prioritized programmes the following targets were achieved during the period under review namely; SEZ Act which is the legal framework for Special Economic Zones and Industrial Parks was enacted; draft regulations for SEZ was finalized; Master plan, feasibility study, strategic environmental assessment, resettlement action plan, and promotion and marketing strategy for the for Mombasa SEZ were concluded; master plan, feasibility study and strategic environmental assessment for leather industrial park at Kenanie was concluded and investor attraction forum has been held; feasibility study for integrated steel mill was finalized; remodeling of six indicators of business environment under the World Bank Doing Business Index were accomplished; construction of KIRDI Western Region Centre (KWRC) four laboratories and equipping one (Leather pilot laboratory) was completed; under the textile development sub-programme, construction of the textile and apparel industrial buildings and worksites at the EPZ Athi River are at advanced stage of completion while the modernization and refurbishment of Rivatex East Africa Limited has progressed well.

##### Cooperatives

Key achievements over the review period for the co-operative sub-sector include initiating the review of the Co-operative Development Policy and co-operative legislation with a view of conforming to the provisions of the Constitution. Towards this, draft co-operative policy was developed and is awaiting validation by stakeholders. The State Department embarked on modernization of New Kenya Co-operative Creameries (New KCC) plant and equipment leading to increased processing capacity from 110,000 to 300,000 litres per day, Increased farmers'

earnings from KShs. 23 to KShs. 35 per litre and increased the number of farmers served by the New KCC by 71% from 16,800 to 28,700. The SACCO Societies Regulatory Authority (SASRA) developed prudential supervision management information system and set standards for regulation of SACCO operations to safeguard the over 5,000 members' funds in the 177 FOSAs. The system is being tested in readiness for roll-out in the next financial year.

Over the same review period, the co-operative sub-sector managed to register 3,689 new co-operatives. As a result, the total number of registered co-operative enterprises stood at 20,680 from 16,991 in 2013/14. Transport SACCOs were registered following a request from National Transport Safety Authority (NTSA) to register transport co-operatives to assist in bringing order in the Public transport sector. As at the end of the period, the co-operatives had mobilized Ksh.600 billion as savings by members. Total assets for the co-operatives were KShs.800 billion and disbursed loans to a tune of Ksh.420 Billion. Ethics Commission for Co-operatives (ECCOs) managed to develop Co-operative Management guidelines, enforced good governance through creation of awareness and inspections and monitored integrity status of the co-operative leadership. Already the final draft of governance guidelines is in place. Additionally, 4,246 co-operative societies filed wealth declaration and indemnity forms from Co-operative societies' leaders, members and staff. Further, the department registered 2,996 co-operative societies audited accounts.

## **Trade**

The sub sector developed building drawing and designs for the both Maragua Wholesale Hub and Athi River Tier 1 retail markets, profiling 350 Producer Business Groups, initiated development of an e-trade portal whose objective is to provide timely, reliable and comprehensive information to the business community and other interest groups through a web based e-portal integrated system.

During the period under review, the Weights and Measures department approved 11 new patterns of weighing equipment to be used in the country's trade and safety measurements, Calibrated 350 County Government measurement standards used in trade facilitation and consumer protection activities and verified 877 weighing and measuring equipment at strategic national installations including KPA, KPC and EAC trunk road weighbridges. The entity installed air-conditioning system in the Pattern Approval laboratory under the on-going project for the modernization of the Legal Metrology laboratories. It also provided advisory reports on consumer protection issues in the country through the Kenya Consumer Protection Advisory Committee (KECOPAC).

The Anti-Counterfeit Agency, investigated a total of 683 cases and a total of 134 cases were prosecuted. Goods worth Ksh.1.028 billion were seized and goods worth Ksh.500 million were destroyed. The agency undertook awareness survey on matters relating to counterfeiting which indicated 52% awareness level with a total of 20 counties being reached as at April 2016. 4 regional offices were opened across the country to bring services closer to the people. The

Agency conducted a baseline survey to determine the extent of counterfeiting in Kenya; the current level of counterfeiting is at 23.86%.

The Export Promotion Council trained a total of 1,910 SMEs on export trade and awareness. Undertook market surveys in Angola, Nigeria and Ethiopia and disseminated the findings to stakeholders, coordinated participation of Kenyan companies in 43 export trade related promotional events, engaged with 35 Counties on export related issues and held one national exporters' forum.

The sub-sector initiated the process of establishing a National Commodities Exchange whose aim is to address challenges faced by producers in marketing their products and access to affordable credit for production. A feasibility study to determine the viability of establishing the exchange in the country was undertaken, Standards for eighteen (18) commonly traded commodities reviewed under the framework of the Northern Corridor Integration Project (NCIP) and their interpretation guidelines developed. In addition, draft amendment to CMA Act to provide legal framework for Commodity Exchange was undertaken.

The Kenya Institute of Business training (KIBT) trained 12,027 MSME operators on entrepreneurship, provided consultancy services to 5 Medium sized enterprises, carried business counseling services to 6,820 MSMEs and developed 4 new DVD programmes for e-resource learning. The Shell KIBT Parklands complex comprising of seven floors and Amphitheatre will be handed over to the institute by 31<sup>st</sup> November 2016 and partitioning and fittings was initiated with objective for office accommodation, entrepreneurship center, incubation for MSMEs, tool room and ICT floor that will house Small Enterprise National Documentation Centre (SENDOC) expected to be undertaken during FY2017/18.

The Brand Kenya Board developed a public service branding strategy and Visual Impression (VI) guide that will guide public service branding in line with the provisions of the Brand Master Plan, developed a generic strategy to guide all aspects of branding of counties, 16 counties trained on the branding guidelines and 3 regional training workshops on county branding conducted in coast, western and Mount Kenya regions.

The department of International Trade organized 11 trade and investment missions which were aimed at elevating Kenya as an investment destination, participated in five international trade fairs, shows and exhibitions, organized 3 solo exhibitions, concluded and signed 6 trade agreements/MOUs, concluded and signing Investment Promotion and Protection Agreement (IPPA) with the UAE, initiated negotiation of IPPA with Japan, Iran and Ethiopia, concluded agreements on Avoidance of Double Taxation with Saudi Arabia and Netherlands and signed agreements on Avoidance of Double Taxation with Kuwait, Qatar and UAE. The sub-sector continued to participate in regional trade initiatives under COMESA, EAC, ACP, IORA and AU.

In addition, the sub-sector coordinated Kenya's participation in the 9th WTO Ministerial Conference which took place in December 2013, in Bali and hosting of the 10th WTO Ministerial Conference in Nairobi in December, 2015.

## **EAC Integration**

The Sub Sector continued with the implementation of the Customs Union which is at the Single Customs Territory (SCT) stage where tremendous achievement has been realized. These include deployment of Customs Officers from Partner States to the Port of Mombasa to carry out clearance of cargo destined to their respective Partner States. This has resulted in reduction in the time taken to transport goods to Partner States from between eighteen (18) and twenty-two (22) days to three (3) and four (4) days depending on the status of truck. The signing of the EAC Monetary Union (EAMU) Protocol on 30th November, 2013 in Kampala, Uganda by all the EAC Partner States is also a major achievement in the EAC integration process. The EAMU Protocol has been ratified and the instruments of ratification deposited with the EAC Secretary General. The Protocol provides for a roadmap on attainment of a single currency territory in the EAC region by 2024.

The EAC-COMESA-SADC Tripartite Agreement was signed in Egypt in June, 2015. The EAC-COMESA-SADC region comprising of twenty-six (26) countries with a combined population of 625 million and total GDP of USD 1.2 trillion. Further, the EAC-EU EPA Negotiations were concluded and the Text of the Agreement initialed on 14th October 2014 and the text is undergoing language translation in Brussels, Belgium. Legal scrubbing of the initialed text and its annexes were finalized on 11<sup>th</sup> September 2015 thus paving way for the next steps which include translation into 23 EU languages and Kiswahili, signature and ratification. The Cabinet has given approval for signing the EPA Agreement. However, the other EAC Partner States are unwilling to sign the Agreement. It is expected that the matter will be resolved by the Heads of State

The Sub Sector continued to enhance the laying of the foundation for an EAC Political Federation. The achievements under the political pillar include the signing and ratification of the EAC Protocols on Regional Foreign Policy Coordination, Cooperation in Defense Matters and Peace and Security; approval of the Protocol on Immunities and Privileges of the EAC, its organs and institutions and conclusion of modalities for issuance of Visa Consular Services on behalf Partner States. Following the 17th Summit approval of the EAC Partner States political confederation model, the Sub Sector developed a Cabinet Memorandum on the Confederation model which consequently approved by the Cabinet leading to the Presidential Directive on hosting of the EAC flag and singing of the Regional Anthem in all public institutions.

In addition, the Sub Sector negotiated the use of National Identification Documents (IDs), Voters Cards and Student I.Ds as travel documents for Uganda, Kenya and Rwanda. The East African e-Passport was launched in November 2015 with issuance commencing in January 2017. This will improve security, enhance international travel to Kenyan citizens and help entrench the spirit of East Africanism. Further, the Sub Sector coordinated the establishment of one-area network with a harmonized EAC rate of 10cents US Dollar per minute for outgoing calls and zero charges for incoming calls between Kenya, Uganda and Rwanda. The Reduced costs of communication within EAC has Lowered the cost of doing business with the region thus increasing the business opportunities for Kenyans across the border.

The Sub Sector initiated other developments namely: the establishment of Regional Integration Centres (RIC) at all the major border posts to act as reference points for Kenyan Nationals on Regional Integration issues; establishment of One Stop-Border Posts (OSBPS) at Namanga, Taveta, Isibania, Busia, Malaba and LungaLunga; hosting of the 16th EAC Heads of State Summit in November 2014, and the 2<sup>nd</sup> Jumuiya ya Africa Mashariki Festival (JAMAFEST) and launched EAC video conferencing facility; participated in the EAC Jua Kali/ Nguvu Kazi Exhibition held on 30th Nov – 6th Dec, 2015 in Dar es Salaam, Tanzania. The exhibition attracted about 600 MSEs;

## **Tourism**

The Kenyan tourism industry received a major boost after key attractions and hotels scooped top awards at the World Travel Awards Ceremony 2015 held in Seychelles. Diani Beach in Kwale County was, for the second time in a row, voted Africa's leading beach destination; Mombasa port voted Africa's leading cruise port; Maasai Mara National Reserve ranked Africa's leading national park; and Kenya Tourism Board (KTB) voted Africa's leading tourist Board for the fourth year running.

The Sub-Sector undertook several initiatives to spur recovery of the tourism sector. This included: engaging an international Public Relations firm to develop a Digital Global Media Strategy and enhance the top tier Media relations; gazetting of Tourism Recovery Taskforce which compiled views from Stakeholders and prepared a report on tourism recovery and sustainability which is under implementation; review of the crisis response plan by the Crisis Management Committee; intensive stakeholder engagement with private sector on strategic communication positioning of 'One Voice' between government and private sector; developed and secured MAKE IT KENYA brand domain name [www.makeitkenya.com](http://www.makeitkenya.com) which went live in July 2015; held a product Media FAM to Taita Taveta County for local media; and organized a golf writer's familiarization trip to Kenya in February 2015 to publicize the consumer golf festival that was held in October 2015.

Bed-nights by Kenyans increased from 9.5 million in 2014 to 15 million in 2015; conference activity in the country increased with number of local conferences increasing by 8.0 % from 2,849 in 2013 to 3,077 in 2014. Though international conferences dropped by 19.4% from 299 in 2013 to 241 in 2014, there was an increase of international delegates from 40,109 in 2013 to 77,848 in 2015.

Other achievements include: assessment of 54 pre-qualified tourism establishments in Nyanza, Western and North Rift regions and classification of 25 establishments (1-4 star rating); inspection of 2,169 tourism establishments to confirm/ascertain quality of their products and services; completion rate of 40.5% of the Ronald Ngala Utalii College project works in Kilifi focusing on Administration, Tuition, Kitchen and dining hall blocks in readiness of the projected first intake of about 300 students in 2018; Transaction Advisor engaged to manage development of the Bomas International Convention and Exhibition Centre (BICEC) project; 100 home-stay

operators and 55 Agro-tourism operators sensitized in readiness for certification to host tourists; five (5) cultural festivals held (Akamba, Elgeyo, Marakwet, Tugen and Taita Communities).

## 2.2 Review of the Sector Programmes / Sub-Programmes performance – delivery of outputs/ KPI/ Targets

During the review period, the sector undertook the following programmes and sub-programmes whose outputs and achievements are outlined in the matrix below.

### 2.2.1 Investment and Industry sub-sector

Sub-Programme	Key Out puts	Key Performance Indicators	Planned Targets			Achieved Targets			Remarks
			2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	
<b>Programme 1. Industrial Development</b>									
SP 1.1 Promotion of Industrial development	Land for SEZ and Industrial parks	Acres of land acquired	Identify land in Mombasa, Lamu, Kisumu, Juja, Eldoret, Taveta	Acquire land for SEZ in Mombasa, Taveta and Juja	N/A	-135 acres of Land identified in Eldoret, Juja - Land has been identified in Mombasa for SEZ -32 acres of land available in JKUAT	- Title deed for 20 acres Taveta SME issued.  -3000 acres SEZ land in DongoKundu Mombasa acquired from KPA	N/A	Land in Lamu and Kisumu not yet identified/acquired
	Special Economic Zones in (Lamu, Kisumu and Mombasa)	SEZ law enacted	Develop and finalize SEZ Bill	Enact the SEZ Bill in to law	Enact the SEZ Bill into law	Draft Special Economic Zones Bill developed	Special Economic Zones Bill in Parliament	SEZ Bill enacted into law came into force on 15 <sup>th</sup> December , 2015	Regulations Gazetted

Sub-Program me	Key Out puts	Key Performance Indicators	Planned Targets			Achieved Targets			Remarks
			2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	
		SEZ Master plan in place	Commence master plan of Mombasa SEZ	Strategic environmental assessment (SEA) in place	Master-planning for the Dongo Kundu	Draft Master plan for Mombasa SEZ developed	The SEA undertaken	- Mombasa SEZ master plan finalized and adopted -The market and promotions strategy finalized	Resettlement action plan developed but not yet implemented
	Integrated iron and Steel Mill	Feasibility study on Iron Ore	Concept paper on establishment of Steel mill	Feasibility study	N/A	-Concept Note developed - Procurement process for consultant for the feasibility study is on progress.	Feasibility study report completed	National steering and Technical working committee were inaugurated	-Funds required to implement the feasibility study report -Suitably located land is required
	Engineering materials & alloy steels	Amount in tones of Production of castings	290	200	210	203	92	79	Foundry and fabrication workshop needs to updated with modern production capacity.

Sub-Program me	Key Out puts	Key Performance Indicators	Planned Targets			Achieved Targets			Remarks
			2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	
		No. of transmission parts produced	5,200	5,500	9,000	8,813	7,305	6146	The hot dip galvanizing unit needs to be funded
	Improved business environment in Kenya	Global ranking index in the doing business ranking (no)	N/A	139	133	N/A	129	108	The business indicator reforms is continuing and the target is top 50 by the year 2020
	Kenya Leather Park at Kenanie	Basic infrastructure for Leather city in place.	N/A	-Land identification and profiling and	-Master planning and feasibility study - Conduction of Strategic environment assessment	N/A	-500 acres of EPZA land identified in Kinanie, Athi River - Construction of Effluent Treatment plant contracted -Strategic environment assessment complete. -Master plan done -Land subdivision & titling done	-Trunk sewer to Athi River complete - Disludging of Sewer ponds complete. Rehabilitation of ETP at is 80% -Road construction is complete -2 boreholes are 90% complete.	Project ongoing
	Textile Hub at Athi River	Textile and apparel	Designs of Textile and	- Constructi	Completi on of 15	Designs of Textile and	Constructio n of Textile	- Constructi	Completion of the sheds expected at the

Sub-Program me	Key Out puts	Key Performance Indicators	Planned Targets			Achieved Targets			Remarks
			2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	
		Industrial buildings and physical infrastructure in place	apparel Industrial buildings	on of 15 Designs of Textile and apparel Industrial buildings	Designs of Textile & apparel Industrial buildings & physical infrastructure	apparel Industrial buildings developed	and apparel Industrial buildings at 40%	on of Textile and apparel Industrial buildings at 60% Construction of physical infrastructure at 85%	end of 2016/17 FY
	Exports by EPZ firms	Earnings in Billion KShs	47	56	66	47	58	67	Exports expected to grow with the expected increase in investment
	Investments in EPZA	Investments in Billions KShs.	48	55	57	48	61	74	Investments expected to grow with the completion of godowns
	Employment by EPZ firms	Number of employees	52,000	52,071	52,000	40,431	47,526	52,007	Jobs are expected to increase with the expected increase in investment
	Foreign and Domestic Direct Investments attracted	Increase in Foreign and Domestic Direct Investments (KShs. billions)	150	150	200	101	191	224	Improvement Ease of doing business and investment opportunities played key role.

Sub-Program me	Key Out puts	Key Performance Indicators	Planned Targets			Achieved Targets			Remarks
			2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	
2:Standards, Metrology and Conformity Assessment	Standards developed	Number of Standards Developed	320	350	440	460	436	533	KEBS Developed standards that were geared in promoting to SMEs
	Standards reviewed	Number of standards reviewed	700	336	800	772	409	1,292	KEBS employed more technical staff thus over achieving the targets.
	Conformity of products to standards in the market	No. of Products certified under large firms	6069	6315	7415	6203	6998	7427	Improvement of certification procedures/processes to meet the customer needs.
		No. of Products certified under SMEs	1848	1958	2080	1848	1962	2,296	Improvement of certification procedures/processes to meet the customer needs.
	KEBS Laboratories Upgraded (Mombasa & Kisumu)	% Upgrade	N/A	N/A	100	N/A	N/A	90	Delay in necessary approvals hindered the completion
	Conformity assessment bodies Accredited across all sectors	No. of conformity assessment bodies accredited	20	50	15	20	49	14	
	Awareness on Accreditation services undertaken	Number of firms sensitized.	42	48	85	42	75	124	KENAS used its stakeholders to reach may firms.
P3:Busines	Credit	Credit	220	250	270	237	252	183	Declining trend in

Sub-Program me	Key Out puts	Key Performance Indicators	Planned Targets			Achieved Targets			Remarks
			2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	
s financing & incubation	disbursement to MSMEs	disbursed to MSMEs in KShs. millions							funding expected to reverse with increase in funding
	CIDCs constructed and equipped (phase 1)	No. of CIDCs constructed and equipped	188	23	Equipping of 165 CIDCs	165 CIDCs completed 6 CIDCs have been equipped	NONE	6 CIDCs equipped	-22 CIDCs no land was provided. -Constituencies equipped include; Lurambi, Kiambaa, Kitui central, Uiri, Mumias, East, Navakalo, Kisumu Town, Bomachoge, Narok East, Kericho, Bureti, Kibwezi
	Business development services provided to entrepreneurs	No of entrepreneurs provided with Business development services	9,000	13,000	29,000	12,623	28,071	31,453	
	MSMIs linked with large enterprises	Number of MSMIs linked with large enterprises	160	200	220	183	204	150	Large firms resorted to direct imports that are cheap
	Kariobangi Enterprise Development Centre of Excellence upgraded	Electricity upgraded	Upgrade Electricity to three phases	N/A	N/A	Electricity wiring system upgraded	N/A	N/A	
	workshops, syndicate room, show room, IT room and	Construction works under Phase 2 of the project	Civil works and equipping of the Centre	Undertake Civil works to operationalize phase	Structural designs completed	Equipment Procured	Civil works were not executed	The project is ongoing	

Sub-Program me	Key Out puts	Key Performance Indicators	Planned Targets			Achieved Targets			Remarks
			2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	
		Drainage and civil works constructed			one, procure and equip the centre				
4:Industrial Research, Development and Innovation	Technologies for value addition developed	Number of technologies developed	17	20	22	17	20	17	Target for 2015/16 was not achieved on account of delayed disbursement of development grants as well Development budgetary cuts
	Research, Technology and Innovation Laboratories and related infrastructure in Nairobi developed (South B)	% completion	30	45	60	34	50	60	Target met
	Research, Technology and Innovation Laboratories equipped in Kisumu	No. of laboratories equipped and operationalized	N/A	N/A	35	N/A	N/A	19.7	Target for 2015/16 not achieved due to inadequate budgetary provision
	Technologies commercialized and transferred	Number of technologies commercialized	7	4	8	7	6	12	
	New Patent ,utility &	No. Processed	220	300	360	260	329	390	

Sub-Program me	Key Out puts	Key Performance Indicators	Planned Targets			Achieved Targets			Remarks
			2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	
	industrial designs Processed								
	National Trade mark Applications	No. of National Trade marks applied	4200	4500	5430	4550	4613	4831	
	IP registration	Number of IPs registered	3400	4200	4938	3600	5991	4083	
	Students trained at KITI	No .of students	1400	1700	1000	1,450	1800	550	
<b>Programme: Planning, Policy and Administrative Services</b>									
Improved Administrative services	Good work environment and Employee satisfaction	% Level of employee satisfaction	80	90	X+5	70.5	70.5	70.5	
	Improved Customer service	% Level of customer satisfaction	100	100	10	75	75	75	Customer survey
	Automation levels	% Level of automation	28	28	40	28	28	40	
	Improved Staff Competency	% Level of competencies	100	100	100	77.4	78	80	
	Monitoring and Evaluation	No. Of M&E Report	2	2	2	1	1	1	It was done once year.
	Level of funds utilization	% of fund utilized	100	100	100	94	95	95	

## 2.2.2 Cooperatives Sub-Sector

Programme 1173: Co-operative Development and Management.									
Sub-programme	Key output	Key Performance Indicator	Planned Targets			Achieved Targets			Remarks
			2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	
SP 2.1 Governance and accountability	Anti-Corruption policy enforced in Co-operatives	No. of Societies complying with the policy	1,500	1,500	2,000	1,513	1,632	4,146	Target surpassed because societies were sensitized about the policy
	Registered audited accounts	No. of audited accounts registered	8,500	10,000	3650	3,534	3,921	2,996	The target was not achieved due to inadequate resources.
SP 2.2 Cooperative advisory services	New co-operatives Registered	No. of new cooperatives registered	1,100	1,100	1,500	2,482	1,174	3,689	The target was surpassed due to registration of transport SACCOs and Counties based co-operatives.
	New SACCOs in Diaspora registered	No of SACCOs	2	2	2	2	2	3	Sensitization and recruitment drive in the Diaspora
	Inquiries of coop societies	No of inquiries carried out	0	9	10	12	10	12	Over achievement due to demand by members
	Integrated information management system for co-operatives in place	Digitalized Cooperative registration	N/A	Acquire hardware	Data cleaning and capture	N/A	3 desktop 1printer and scanner acquired	Cleaned the registration register and data migrated from manual to excel spread sheet	The cleaned and migrated data will form the basis for the system's data base.
	Completion of Liquidation of coop society	No of liquidations completed	0	2	3	Nil	2	3	

Licensed and supervised FOSA SACCOs	Number of FOSA SACCOs licensed and supervised	175	180	190	184	186	177	Reduction is due to revocation of licenses for non-compliance.
Savings/deposits mobilized through SACCOs	Amount of additional savings mobilized in KShs	420 B	490 B	570 B	420 B	500 B	600 B	Over achievement can be attributed to increased awareness, outreach and use of co-operative business model by SACCOs.
Outstanding remittances to SACCOs reduced	Amount of outstanding remittances paid in KShs.	150 M	200 M	200 M	213 M	290 M	300 M	The Department issued demand notices to defaulting companies and organizations
Dormant co-operatives in key institutions revitalized	Number of key cooperative institutions revived	4	5	10	5	7	12 cotton cooperatives revived	The achievement was due to the support to the weavers cooperatives through the assistance of SITA from India.
Transformation of Matatu SACCOs into transport cooperatives	No. of SACCOs transformed to transport coops	-	-	20	-	-	30	Overachievement due to collaboration with NTSA
MSMEs for youth in transport cooperatives Capacity built	No. of MSMEs trained	50	100	35	15	32	315	The drive to register youth SACCOs through NYS led to over achievement.
Cooperative guideline and manuals	No of manual developed /review and	2	3	3	2	3	3	

	Developed/reviewed	disseminated							
	Develop and disseminate cooperative training curriculum	No of curriculum Developed & disseminated	-	-	1	0	0	0	Underachievement due to lack of funds
	Co-operative policy reviewed and disseminated	No. of Policies reviewed and disseminated			1		Nil	Draft ready	The process to review the policy is ongoing.
	Co-operative legislations reviewed and disseminated	-No. of legislation reviewed and disseminated		2	2		Nil	Drafts ready	The process to review legislations is ongoing.
<b>SP 2.3 Marketing ,Value Addition &amp; Research</b>	Value addition technologies promoted and adopted by cooperatives	No. of cooperatives utilising value addition technologies	10	10	20	12	15	25	Increase in the No. of coffee, dairy, fruits & vegetables and beef cooperatives involved in processing and value addition.
	New ventures and innovations for Co-operatives promoted	No of new ventures promoted	4	4	2	2	2	2	
	Share trading platform segment established at NSE	Operational share trading platform	N/A	Preparation of concept paper	Finalize the concept paper	N/A	1 concept paper developed	Concept paper finalized operationalization.	The share trading platform is in the implementation stage.
	cooperatives linked to development partners and agencies	No of cooperatives linked	25	25	25	24	25	30	Partnership with development partners (ASDP, SIDA)
	Cotton ginning technology in co-operative unions upgraded	No. unions with upgraded gins	-	-	1	-	-	Nil	Lack of funds
	Modernized Milk processing plants	% modernization	-	-	100	-	-	50	The machines have been procured awaiting

									delivery and installation
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### 2.2.3 Trade Sub-Sector

Programme	Key Output	Key Performance Indicators (KPIs)	Planned Target			Achieved Target			Remarks
			2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	
<b>Programme 1: Trade Development &amp; Promotion</b>									
SP 1.1: Domestic Trade Development	e-trade portal Developed	% development of e- portal	0	0	100	0	0	5	E-trade portal not fully developed due to inadequate funding
	Wholesale hub market constructed in Maragua	Road map , survey plans and designs	Undertake Geo technical and topological survey	Develop designs	Disseminate designs to 6 counties	Geo technical and topological survey done	Preliminary designs developed	Designs disseminated to 6 counties	Actual project implementation not taken off because of under-funding
	Tier 1 Retail Market constructed in Athi-River	Road map , survey plans and designs	Undertake Geo technical and topological survey	Develop designs	Disseminate designs to 6 counties	Geo technical and topological survey done	Preliminary designs developed	Designs disseminated to 6 counties	Actual project implementation not taken off because of under-funding
	Producer Business Groups Profiled	No. of Producer Business Groups Profiled	350	350	300	350	350	-	In 2015/16, a PBG strategy was developed
	Producer Business Group developed (PBG) Intervention Strategy	% completion of PBG Intervention strategy	N/A	100	N/A	N/A	100	N/A	Implementation of the strategy undertaken in 2015/16
	Trade Data	Trade Data	N/A	Develop	Update	N/A	Data	0	Activity not done due

Programme	Key Output	Key Performance Indicators (KPIs)	Planned Target			Achieved Target			Remarks
			2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	
	Bank for Trade Statistics in place	Bank		data collection tool	data in the system		collection tool developed		to lack of funding
SP 1.2: Fair Trade and Consumer Protection	Patterns of weighing and measuring instruments approved	No. of patterns approved	8	10	10	8	10	11	Target met
	County Government standards of measurement used in fair trade promotion calibrated	No. of standards calibrated	150	200	300	150	362	350	Positive variance as a result of increased submission of standards by County Governments
	Weighing and measuring instruments at strategic national installations verified	No. of national installations verified	300000	20000	1000	320000	23472	877	In FY 2013/14 and 2014/15 some functions were still at national level
	Advice reports on consumer protection issues generated by KECOPAC	No. of Reports	N/A	5	5	N/A	5	5	Targets met
	Intellectual Property Rights infringement investigated	Number of investigations conducted	166	233	212	159	233	291	More investigations done due to ACA own initiatives

Programme	Key Output	Key Performance Indicators (KPIs)	Planned Target			Achieved Target			Remarks
			2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	
	Suspected counterfeiters Prosecuted	Number of cases prosecuted	159	233	291	14	54	66	Less cases prosecuted as parties pursued Alternative Dispute Resolution (ADR) methods
	Seized and destroyed counterfeit goods (KShs. in Millions)	Value of seized goods (KShs. in Millions)	-	-	-	210.68	223.87	235.04	There is no target for seizures.
		Value of goods destroyed (KShs. in Millions)	-	-	-	0	245.02	254.93	No destruction in FY 2013/14 as goods to destroy worth only KShs. 6.09 Million rolled over to FY 2014/15
SP 1.3: Export Market Development	Enterprises supported to attend test marketing events	No. of enterprises supported in Product Development & Test Marketing	20	10	15	26	15	34	Activity done in partnership with County Governments and specialists from Academia and government agencies e.g. (KIRDI & KEBS)
	SMEs trained under Export Trade Training and Export Awareness	No. of SME's trained	500	500	340	1006	603	301	More SMEs brought on board in export trade Targets missed due to budgetary constraints
	Enterprises	No. of	10	20	20	30	20	7	Negative variance due

Programme	Key Output	Key Performance Indicators (KPIs)	Planned Target			Achieved Target			Remarks
			2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	
	trained on export readiness training Enterprise Export Capacity Development programme	enterprises trained							to inadequate funding for the programme
	Enterprises linked to export market	No. of Enterprises linked to the export market	10	10	10	5	10	9	Negative variance due to inadequate funding for the programme
SP 1.4: Regional Economic Integration Initiatives	Feasibility study on Kenya's viability to establish commodities exchange	Feasibility study report	N/A	1 Report	N/A	N/A	1 Report	N/A	Activity achieved
	Reviewed standards of the eighteen commonly traded commodities	No. of product standards reviewed	0	5	13	0	5	13	Target met
	Draft amendment to CMA Act on legal framework for Commodity Exchange developed	Draft Amendments to CMA Act	0	0	Draft Amendments	0	0	Draft Amendments to CMA Act	

Programme	Key Output	Key Performance Indicators (KPIs)	Planned Target			Achieved Target			Remarks
			2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	
	Interpretation guidelines for the 18 commonly traded commodities developed	Harmonized Interpretation guidelines	0	0	Interpretation Guidelines for 18 products	0	0	Interpretation Guidelines for 5 products	
SP 1.5: Entrepreneurship and Management Training	Micro Small and Medium Enterprises Trained	No. of MSME operators trained	1680	2000	3500	2343	8875	809	High achievement in 2014/15 was due to external donor funding
	Women, Youth and Persons with disabilities trained on entrepreneurship	No. of WY&PWD trained	0	480	600	0	1798	199	High achievement in 2014/15 was due to external donor funding
	On site consultancy services for SMEs under Human Resource Development (HRD-ID)	No. of enterprises that have received consultancy services	0	0	6	0	0	5	Variance due to withdrawal of one firm due to lack basic requirements
	E - resource material Developed & implemented	No. of e-resource Audio-Visual Training material	1	1	Implementation of e-resource material	2	2	e-resource material implemented	Audio-visual training programme namely Business Planning, Marketing and KAIZEN 5S implemented in 2015/16
<b>Programme 2: Tourism Development &amp; Promotion</b>									

Programme	Key Output	Key Performance Indicators (KPIs)	Planned Target			Achieved Target			Remarks
			2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	
SP 2.1: Tourism Promotion and Marketing (the Programme is currently under Trade)	Level of pride and patriotism enhanced	% level of Pride and Patriotism among Kenyans	82	85	85	83	0	Brand Audit on-going	Brand survey for FY 2015/16 is ongoing while in FY 2014/15 was not done due to limited budget
	Mark of identity Adopted	Number of Firms adopting mark of identity	20	30	36	20	30	41	Target met
	Improved county competitiveness	Number of counties trained on country branding	7	8	2	10	9	2	Target met
<b>Programme 3: International Trade and Investment Promotion</b>									
SP 3.1: International Trade	Trade negotiations attended	Number of negotiation forums attended	9	3	3	9	3	3	Negotiations forums covered WTO, EPA , COMESA, TFTA and AGOA
	Trade agreements & MOUs concluded/ negotiated	Number of Trade Agreements and MOUs negotiated	12	8	7	12	8	7	BTAs/MOUs under negotiations with Angola, Democratic Republic of Congo, Algeria, Mozambique, Botswana, Morocco and Russian Federation
		Number of Trade & Agreements MOUs Concluded	5	6	7	5	6	4	BTAs and MOUs concluded with Nigeria, Sri-Lanka, Ghana and Egypt
SP 3.2:	Kenya's	Number of	10	17	13	10	17	13	11 inward and 6

Programme	Key Output	Key Performance Indicators (KPIs)	Planned Target			Achieved Target			Remarks
			2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	
Foreign Trade and Investment Promotion	Export goods, Investment and opportunities promoted internationally	inward and outward trade and investment Missions facilitated							outward missions; and 21 joint business forums
	County sensitization forums on trade and investment opportunities from bilateral, regional and multilateral trade arrangements conducted	Number of county sensitization forums conducted	10	13	15	10	13	15	Sensitization Nyeri, Embu, Meru, Kajiado, Machakos, Kilifi, Mombasa, Malindi, Nakuru, Uasin Gishu, Eldoret, Kakamega and Kisumu Counties
<b>Programme 4: General Administration, Planning and Support Services</b>									
SP 4.1: General Administration, Planning and Support Services	National Trade Policy Developed	% completion of NTP	50	80	100	50	80	100	NTP finalized and awaiting submission to the Cabinet
	Monitoring and Evaluation reports	No. of quarterly and annual reports	5	5	5	5	5	5	Target achieved

## 2.2.4 East African Community Integration

Sub Programme	Key output(s)	Key Performance Indicators	Planned Target			Achieved Targets			Remarks
			2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	
S.P 1.1: East African Customs Union	Harmonized EAC tariffs complied with	% compliance with harmonized internal tariffs	100	100	100	25	50	75	Draft EAC Policy on Harmonization of Domestic Taxes is in place. Kenya, Uganda and Rwanda have signed the EAC Avoidance of Double Taxation Agreement.
		% of compliance with Common External Tariff	100	100	100	30	50	75	All Partner States implementing a CET structure of 0%, 10% and 25%. Supported by a list of sensitive items.
	EAC Rules of origin applied	No. of Certificates of Origin issued	40,000	100,000	108,000	34,589	114,124	136,948	Target surpassed because of increased usage of Certificate of Origin
	Reduced Road blocks	No. of Road blocks reduced	9	4	2	5	4	2	All roadblocks have been removed in the Northern Corridor due to the Presidential Directive
	Informed and Empowered stakeholders on EAC Customs Union	No of Empowered stakeholders	100	100	100	80	100	100	Regional Integrations Centres have been operationalized to handle disputes and facilitate trade.
		No of joint Cross Border sensitization workshops held	2	1	1	1	1	1	Targets not met due to austerity measures

Sub Programme	Key output(s)	Key Performance Indicators	Planned Target			Achieved Targets			Remarks
			2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	
		No of media campaigns	2			1			Target not met due to austerity measures
S.P 1.2: East African Common Market	Awareness on opportunities from EAC Integration increased	No. of counties sensitized on EAC integration	5	8	12	5	10	16	The Common Market is implemented progressively and additional commitments are being made on continuous basis
	Students, persons and workers facilitated to get permits	No. of students granted permits	1,000	1,200	1,300	1,905	1,586	1,635	
		No. of EAC citizens moving from other Partner States granted stay.	50,000	80,000	82,106	80,959	267,469	81,806	
	Integrated border management system in place	No of One Stop Border Posts (OSBP) Commissioned	1	2	2	0	0	1	
	Regional Integration Centers (RICs) established	No. of RICs established	2	3	2	2	3	0	Establishment RICs awaiting completion of OSBP
S.P 1.3: EAC Monetary Union	Monetary Institute established	No. of Statutes agreed on	1	1	1	0	0	0	A East African Monetary Union Protocol has been ratified and

Sub Programme	Key output(s)	Key Performance Indicators	Planned Target			Achieved Targets			Remarks
			2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	
									instruments of ratification deposited with EAC Secretary-General

### 2.2.5 Tourism Sub-Sector

Programme:	Key Output	Key Performance Indicators	Planned Targets			Achieved Targets			Remarks
			2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	
<b>P. 1: Tourism Development and Promotion</b>									
<b>SP. 1:1 Tourism Promotion and Marketing</b>	International tourism arrivals increased	No. of International tourism arrivals in millions	1.85	1.85	1.5	1.52	1.35	1.18	Target not met because of Ebola outbreak and its aftermath , insecurity and the resultant travel advisories
	Tourism Revenues increased	Amount of tourism revenues (KShs. Billion)	98	119	94	94	87.1	84.6	The decline in arrivals had a corresponding impact on the earnings.
	Domestic bed nights increased	No. of bed nights by Kenyans (Million)	2.8	2.9	3	2.699	2.95	3.154	Attributed to Ministry's marketing interventions and campaigns e.g. Tembea Kenya, Twende <i>Ushago</i> , hello world relay
	New Tourism products	No. of new products	8	8	8	6	8	8	In addition to the traditional beach and safari products, Ministry has

Programme:	Key Output	Key Performance Indicators	Planned Targets			Achieved Targets			Remarks
			2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	
									developed the following:- Golf, MICE, Agro tourism
	Growth in market share in the non-traditional markets	Increase in % of the market share in the nontraditional markets	60	62	62	43	62	49	The non-traditional markets included China, India albeit with low arrivals
SP 1.2 Niche Tourism Product Development and Diversification	Bomas International Convention and Exhibition Centre (BICEC) developed	Transaction advisor Feasibility Study Master Plan	Engage transaction advisor	Engage Consultant to carry out feasibility study	Feasibility Study Master Plan	Transaction advisor on board	Contract for feasibility study Signed	Feasibility Study Report Master Plan in progress	Flow of funds to the project slow leading to pending bills on work done
	Cultural festivals held	No. of cultural festivals held	5	5	5	5	5	5	Participated in Mombasa International cultural, 2 <sup>nd</sup> Turkana Tourism and cultural, Meru Cultural Festival, Luo Cultural Festival, Nyeri Cultural Festival
	Home-stay operators sensitized	No. of Home-stay operators sensitized	N/A	200	600	N/A	100	400	The licensing of home stay operators is waiting for the development of regulations
	Agro Tourism operators sensitized	No. of Agro Tourism operators sensitized	N/A	200	100	N/A	55	100	.

Programme:	Key Output	Key Performance Indicators	Planned Targets			Achieved Targets			Remarks
			2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	
	Conference Tourism promoted	No. of Conference tourism events- International	344	314	225	299	241	218	In spite of the decline of the No. of conferences, high numbers of international delegates' implies that conferences may be fewer but big and global
		No. of participants/arrivals	37,447	42,115	81,741	40,109	77,848	71,620	
		Local Events	2,500	2,900	3,200	2,849	3,077	3,417	
SP 2.3 Tourism Infrastructure Development	Ronald Ngala Utalii College constructed	% completion rate	15	30	50	15	27	40.5	The tabulation is as per the certificates issued.  Missed targets are attributed to delayed release of funding.
SP 2.4 Tourism Training and Capacity Building	Kenya Utalii College graduates	No. of graduates	2,800	2,800	2,900	2,749	2,802	3,000	Demand for KUC training is rising and there is need for more funding to upgrade existing KUC facilities
SP 2.5 Tourism Product Regulation and Standardization	Improved Quality and Standards of tourism products and services	No. of establishments inspected/licensed	1,200	1,500	2,700	1,350	2,169	2,688	Operationalization of TRA has seen improved performance.

Programme:	Key Output	Key Performance Indicators	Planned Targets			Achieved Targets			Remarks
			2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	
	Enhanced destination competitiveness	No. of tourism establishments classified and certified	N/A	75	400	N/A	25	122	Inadequate funding and lack of preparedness by stakeholders hampered the process.
	Trained quality experts in the hospitality industry	No. of trained quality experts from hospitality establishments across the country		900	700		1,315	808	Started in FY2014/15 and has continuously exceeded set target due to the strategies employed by the TRA
	Improved licensing and information capturing	Level of Automated licensing platform and tourism information systems	N/A	25	100	N/A	30	45	The project started in 2014/15 financial year and is lagging behind due to funding
<b>P.2 General Administration, Planning and Support Services</b>									
S.P 2.1 General Administration, Planning and Support Services	Monitoring and Evaluation reports	No. of quarterly and annual reports	5	5	5	5	5	5	The M.E reports are able to bring out the status of tourism sector within and across the years
	Tourism Sector Plan 2013-17	Sector Plan in Place	Sector Plan in Place	N/A	N/A	Sector Plan in Place	N/A	N/A	The Plan is the blue print for the tourism sector in the medium term
	Strategic Plan	% completion of	100	N/A	N/A	100	N/A	N/A	Developed under the former Ministry of

Programme:	Key Output	Key Performance Indicators	Planned Targets			Achieved Targets			Remarks
			2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	
	developed	the strategic plan							East African Affairs Commerce and Tourism but has now been revised to the new Ministry of Tourism
	Operationalization of Tourism Act 2011	No. of Institutions operationalized	3	2	1	0	1	1	Tourism Regulatory Authority was operationalized in 2014/15 while Tourism Research Institute operationalized in 2015/16

## 2.3 Expenditure Analysis

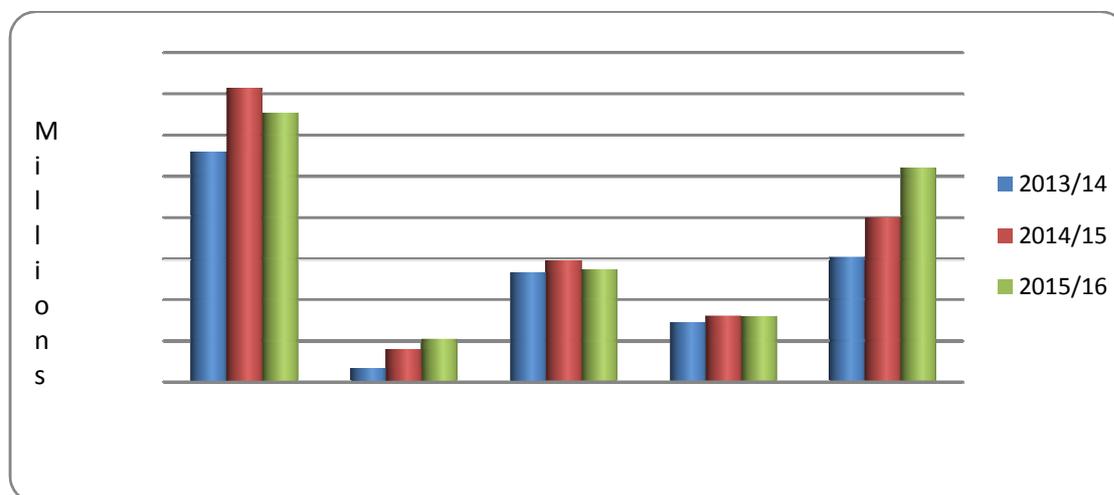
Approved budget for GECA sector increased by KShs. 4.05 billion from Ksh.13.06 billion in 2013/14 financial year to KShs.17.11 billion in 2015/16. The sector therefore experienced a slight increase despite its growing importance especially its contribution to the attainment of the Vision 2030 targets. During the period, the five sub sectors shared the approved funds variedly with Investment & Industry and Tourism Sub Sectors taking the largest share of the funds. In 2015/16, the two sub sectors shared 38.2% and 30.4% of the approved funds respectively. Cooperatives and EAC Integration Sub Sectors had the least share of the funds at 6.1% and 9.3% respectively.

**Table 2.1: Trends in Funding**

Sub sector	Approved (KShs. M)		
	2013/14	2014/15	2015/16
Investment & Industry	5,592	7,136	6,541
Cooperatives	333	783	1,048
Trade	2,658	2,941	2,726
East Africa Community Integration	1,447	1,609	1,587
Tourism	3,035	4,000	5,208
<b>TOTAL</b>	<b>13,065</b>	<b>16,469</b>	<b>17,110</b>

The chart below illustrates the trends in funding during 2013/14 - 2015/16 periods

**Figure 1: Trends in Funding by Sub-sectors (In KShs. Millions)**



### 2.3.1 Analysis of Programme Expenditure

**Table 2.2:** Analysis of Programme/Sub-Programme by Expenditure Analysis (KShs. Millions)

Programme Name	Approved Estimates			Actual Expenditure		
	2013/14	2014/15	2015/16	2013/14	2014/15	2015/16

Programme Name	Approved Estimates			Actual Expenditure		
	2013/14	2014/15	2015/16	2013/14	2014/15	2015/16
<b>Investment and Industry Sub-sector</b>						
<b>PROGRAMME 1: GENERAL ADMINISTRATION AND PLANNING, AND SUPPORT SERVICES</b>						
SP 1.1: General Administration and Planning, and Support Services	617	626	533	546	537	506
<b>Programme 1 Total</b>	<b>617</b>	<b>626</b>	<b>533</b>	<b>546</b>	<b>537</b>	<b>506</b>
<b>Programme 2: Industrial Development and Investment</b>						
SP 2.1: Promotion of Industrial Development	2,494	3,556	3,601	2,411	3,102	3,298
SP 2.2: Promotion of Industrial Training	153	185	159	135	180	77
SP 2.3: Standardization, Metrology and conformity assessment	255	328	449	245	323	430
SP 2.4: Business financing & incubation for MSME	763	1,061	505	742	985	480
SP 2.5: Industrial Research, Development and Innovation	1,476	2,117	1,743	1,513	2,009	1,727
<b>Programme 2 Total</b>	<b>5,141</b>	<b>7,246</b>	<b>6,457</b>	<b>5,047</b>	<b>6,599</b>	<b>6,012</b>
<b>Total Vote</b>	<b>5758</b>	<b>7,872</b>	<b>6,990</b>	<b>5,592</b>	<b>7,136</b>	<b>6,518</b>
<b>Co-operatives Sub-sector</b>						
<b>Programme 1: Co-Operative Development and Management</b>						
SP 1.1: Governance and Accountability	54	114	83	41	96	83
SP 1.2: Co-operative Advisory Services	329	691	660	289	680	655
SP 1.3: Marketing, Value Addition & Research	4	8	11	3	7	10
SP 1.4: Co-operative Development and Investments	0	0	300	0	0	300
SP 1.5: General Administration, Planning and Support Services	Funds captured under State Department of Industries					
<b>Programme 1 Total</b>	<b>401</b>	<b>843</b>	<b>1,054</b>	<b>333</b>	<b>783</b>	<b>1,048</b>
<b>Total Vote</b>	<b>401</b>	<b>843</b>	<b>1,054</b>	<b>333</b>	<b>783</b>	<b>1,048</b>
<b>Trade Sub-sector</b>						
<b>PROGRAMME 1: TRADE DEVELOPMENT AND PROMOTION</b>						
SP 1.1: Domestic Trade Development	286	188	62	201	133	56
SP 1.2: Fair Trade & Consumer Protection	486	414	538	436	354	482
SP 1.3: Exports Market Development	530	541	487	529	541	484
SP 1.4: Regional Economic Integration Initiatives	285	526	413	257	516	328
SP 1.5: Entrepreneurial & Management Training	110	230	121	80	124	110
SP 1.6 Country Branding and Marketing	137	131	124	143	128	153
<b>Programme 1 Total</b>	<b>1,834</b>	<b>2,030</b>	<b>1,745</b>	<b>1,646</b>	<b>1,796</b>	<b>1,613</b>
<b>Programme 2: International Trade and Investment Promotion</b>						
SP 2.1: International Trade	82	170	187	79	146	173
SP 2.2: Foreign Trade and Investment Promotion	222	102	753	149	101	584
<b>Programme 2 Total</b>	<b>305</b>	<b>272</b>	<b>940</b>	<b>228</b>	<b>248</b>	<b>757</b>
<b>Programme 3: General Administration, Planning &amp; Support Services</b>						

Programme Name	Approved Estimates			Actual Expenditure		
	2013/14	2014/15	2015/16	2013/14	2014/15	2015/16
SP 3.1: General Administration, Planning & Support Services	838	802	396	784	898	355
<b>Programme 3 Total</b>	<b>838</b>	<b>802</b>	<b>396</b>	<b>784</b>	<b>898</b>	<b>355</b>
<b>TOTAL VOTE</b>	<b>2,974</b>	<b>3,104</b>	<b>3,081</b>	<b>2,658</b>	<b>2,941</b>	<b>2,726</b>
<b>East African Community Integration Sub-sector</b>						
<b>PROGRAMME 1: CO-ORDINATION OF EAC AFFAIRS</b>						
SP 1.1:East African Customs Union and Common Market	959	0	0	948	0	0
SP 1.2:East African Monetary Union and Political Federation	282	0	0	279	0	0
SP 1.3:Productive and Social sectors	222	0	0	220	0	0
SP 1.4:East African Customs Union	0	585	589	0	554	571
SP 1.5:East African Common Market	0	773	989	0	760	959
SP 1.6:East African Monetary union	0	137	109	0	125	57
SP 1.7:General Administration planning ,Support services and Regional integration plans and Strategies	0	189	0	0	170	0
<b>Programme 3 Total</b>	<b>1463</b>	<b>1684</b>	<b>1686</b>	<b>1447</b>	<b>1609</b>	<b>1587</b>
<b>TOTAL VOTE</b>	<b>1463</b>	<b>1684</b>	<b>1686</b>	<b>1447</b>	<b>1609</b>	<b>1587</b>
<b>Tourism Sub-sector</b>						
<b>Programme 1: Tourism Development and Promotion</b>						
S.P. 2.1: Tourism Promotion & Marketing	997	1,584	3,394	925	1,205	3,286
S.P. 2.2: Niche Tourism Product Development & Diversification	581	885	657	581	846	646
S.P. 2.3: Tourism Infrastructure Development	555	500	687	562	811	687
S.P. 2.4: Tourism Training & Capacity Building	183	240	228	183	240	228
<b>Programme 1 Total</b>	<b>2,316</b>	<b>3,209</b>	<b>4,966</b>	<b>2,251</b>	<b>3,102</b>	<b>4,847</b>
<b>Programme 2: General Administration, Planning &amp; Support Services</b>						
S.P. 3.1: General Administration, Planning & Support Services	838	975	250	784	898	237
<b>Programme 2 Total</b>	<b>838</b>	<b>975</b>	<b>250</b>	<b>784</b>	<b>898</b>	<b>237</b>
<b>TOTAL VOTE</b>	<b>3,154</b>	<b>4,184</b>	<b>5,216</b>	<b>3,035</b>	<b>4,000</b>	<b>5,084</b>

### 2.3.2 Analysis Of Programme Expenditure By Economic Classification

Table 2.3: Programme Expenditure Analysis by Economic Classification (KShs. Millions)

Programme Name	Approved Estimates			Actual Expenditure		
	2013/14	2014/15	2015/16	2013/14	2014/15	2015/16
<b>State Department of Investment and Industry</b>						
<b>PROGRAMME 1: GENERAL ADMINISTRATION AND PLANNING, AND SUPPORT SERVICES</b>						
<b>Current Expenditure</b>						
Compensation of employees	227	282	219	211	279	216
Use of Goods and Services	297	257	271	267	232	257

Programme Name	Approved Estimates			Actual Expenditure		
	2013/14	2014/15	2015/16	2013/14	2014/15	2015/16
Grants and Other Transfers	0	0	0	0	0	0
Other Recurrent	12	5	18	14	5	14
<b>Capital expenditure</b>						
Acquisition of Non- Financial Assets	81	26	26	54	7	19
Capital grants to Government Agencies	0	0	0	0	0	0
Other Development	0	56	0	0	19	0
<b>Programme 1 Total</b>	<b>617</b>	<b>626</b>	<b>533</b>	<b>546</b>	<b>542</b>	<b>506</b>
<b>Programme 2: Industrial Development and Investment</b>						
<b>Current Expenditure</b>						
Compensation of employees	212	130	214	212	128	212
Use of Goods and Services	334	261	186	260	216	104
Grants and Other Transfers	4,222	1,479	1,324	4,219	1,324	1,322
Other Recurrent	0	19	17	0	8	6
<b>Capital expenditure</b>						
Acquisition of Non- Financial Assets	321	5	247	280	3	27
Capital grants to Government Agencies	0	4,360	4,470	0	4,207	4,342
Other Development	0	993	0	0	712	0
<b>Programme 2 Total</b>	<b>5,090</b>	<b>7,246</b>	<b>6,458</b>	<b>4,971</b>	<b>6,599</b>	<b>6,013</b>
<b>TOTAL VOTE</b>	<b>5,707</b>	<b>7,872</b>	<b>6,990</b>	<b>5,517</b>	<b>7,141</b>	<b>6,518</b>
<b>State Department of Co-operatives</b>						
<b>Programme 1: Co-Operative Development and Management</b>						
<b>Current Expenditure</b>						
Compensation of employees	130	108	107	122	112	110
Use of Goods and Services	83	587	48	52	56	40
Grants and Other Transfers	134	108	557	140	582	557
Other Recurrent	0	3	7	0	1	7
<b>Capital expenditure</b>						
Acquisition of Non- Financial Assets	55	6	5	19	2	5
Capital grants to Government Agencies		30	330		30	330
Other Development	0	0	0	0	0	0
<b>Programme1 Total</b>	<b>401</b>	<b>843</b>	<b>1,054</b>	<b>333</b>	<b>783</b>	<b>1,048</b>
<b>Total Vote</b>	<b>401</b>	<b>843</b>	<b>1,054</b>	<b>333</b>	<b>783</b>	<b>1,048</b>
<b>State Department of Trade</b>						
<b>Programme 1: Trade Development and Promotion</b>						
<b>Current Expenditure</b>	<b>1,246</b>	<b>1,467</b>	<b>1,229</b>	<b>1,105</b>	<b>1,406</b>	<b>1,165</b>
Compensation of Employees	294	198	397	221	196	377
Use of Goods and Services	627	589	540	558	529	496
Grants and other Transfers	463	812	415	569	809	445
Other Recurrent						
<b>Capital Expenditure</b>	<b>449</b>	<b>431</b>	<b>392</b>	<b>399</b>	<b>261</b>	<b>296</b>
Acquisition of Non-Financial Assets	449	301	215	399	131	127
Capital Grants to Government Agencies	0	130	166	0	130	81
Other Development	0	0	11	0	0	88
<b>Programme 1 Total</b>	<b>1,695</b>	<b>1,898</b>	<b>1,621</b>	<b>1,504</b>	<b>1,667</b>	<b>1,461</b>
<b>Programme 2: International Trade and Investment Promotion</b>						
<b>Current Expenditure</b>	<b>305</b>	<b>272</b>	<b>940</b>	<b>228</b>	<b>248</b>	<b>757</b>
Compensation of Employees	118	7	7	99	7	0
Use of Goods and Services	141	179	833	96	164	657
Grants and other Transfers	46	87	100	33	77	100
Other Recurrent						
<b>Capital Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Acquisition of Non-Financial Assets	0	0	0	0	0	0

Programme Name	Approved Estimates			Actual Expenditure		
	2013/14	2014/15	2015/16	2013/14	2014/15	2015/16
Capital Grants to Government Agencies	0	0	0	0	0	0
Other Development	0	0	0	0	0	0
<b>Programme 3 Total</b>	<b>305</b>	<b>272</b>	<b>940</b>	<b>228</b>	<b>248</b>	<b>757</b>
<b>Programme 3: General Administration, Planning &amp; Support Services</b>						
<b>Current Expenditure</b>	<b>806</b>	<b>396</b>	<b>326</b>	<b>731</b>	<b>511</b>	<b>315</b>
Compensation of Employees	257	198	130	238	198	128
Use of Goods and Services	550	339	196	493	312	187
Grants and other Transfers						
Other Recurrent						
<b>Capital Expenditure</b>	<b>32</b>	<b>406</b>	<b>70</b>	<b>53</b>	<b>387</b>	<b>40</b>
Acquisition of Non-Financial Assets	32	406	70	53	387	40
Capital Grants to Government Agencies						
Other Development						
<b>Programme 4 Total</b>	<b>838</b>	<b>802</b>	<b>396</b>	<b>784</b>	<b>898</b>	<b>355</b>
<b>Total Vote</b>	<b>2,974</b>	<b>3,104</b>	<b>3,081</b>	<b>2,658</b>	<b>2,962</b>	<b>2,725</b>
<b>State Department of East African Integration</b>						
<b>Programme 1: Co-ordination of EAC Affairs</b>						
<b>Current Expenditure</b>	<b>1429</b>	<b>1612</b>	<b>1621</b>	<b>1441</b>	<b>1551</b>	<b>1567</b>
Compensation to employees	160	189	180	152	158	171
Use of goods and services	293	419	377	314	396	334
Grants and other Transfers	976	1,003	1,056	975	997	1,056
Other Recurrent	0	0	9	0	0	6
<b>Capital expenditure</b>	<b>34</b>	<b>72</b>	<b>65</b>	<b>6</b>	<b>58</b>	<b>20</b>
Acquisition of Non-financial Assets	34	72	65	6	58	20
Capital Grants to Government Agencies	0	0	0	0	0	0
Other Development						
<b>Programme 1 Total</b>	<b>1,463</b>	<b>1,684</b>	<b>1,686</b>	<b>1,447</b>	<b>1,609</b>	<b>1,586</b>
<b>Total Vote</b>						
<b>Tourism</b>						
<b>Programme 2: Tourism Development and Promotion</b>						
<b>Current Expenditure</b>	<b>1,396</b>	<b>1,138</b>	<b>1,058</b>	<b>1,347</b>	<b>1,147</b>	<b>1,052</b>
Compensation of Employees	14	20	43	10	50	43
Use of Goods and Services	346	52	107	301	102	85
Grants and Other Transfers	1,036	52	908	1,036	995	925
Other Recurrent	0	0	0	0	0	0
<b>Capital Expenditure</b>	<b>920</b>	<b>2,071</b>	<b>3,908</b>	<b>904</b>	<b>1,956</b>	<b>3,793</b>
Acquisition of Non-Financial Assets	920	1,106	0	904	1,106	0
Capital Grants to Government Agencies	0	965	3,258	0	849	3,247
Other Development	0	0.00	650	0	0	546
<b>Programme 2 Total</b>	<b>2,316</b>	<b>3,209</b>	<b>4,965</b>	<b>2,251</b>	<b>3,102</b>	<b>4,846</b>
<b>Programme 3: General Administration, Planning &amp; Support Services</b>						
<b>Current Expenditure</b>	<b>806</b>	<b>569</b>	<b>249</b>	<b>731</b>	<b>511</b>	<b>237</b>
Compensation of Employees	257	228	102	238	198	99
Use of Goods and Services	550	335	147	493	312	137
Grants and Other Transfers	0	0	0	0	0	0
Other Recurrent	0	6	1	0	0	1
<b>Capital Expenditure</b>	<b>32</b>	<b>406</b>	<b>1</b>	<b>53</b>	<b>387</b>	<b>0</b>
Acquisition of Non-Financial Assets	32	1	1	53	387	0
Capital Grants to Government Agencies	0	0	0	0	0	0
Other Development	0	405	0	0	0	0

Programme Name	Approved Estimates			Actual Expenditure		
	2013/14	2014/15	2015/16	2013/14	2014/15	2015/16
<b>Programme 3 Total</b>	<b>838</b>	<b>975</b>	<b>250</b>	<b>784</b>	<b>898</b>	<b>237</b>
<b>Total Vote</b>	<b>3,154</b>	<b>4,184</b>	<b>5,215</b>	<b>3,035</b>	<b>4,000</b>	<b>5,083</b>

### 2.3.3 Analysis of Capital Projects

Table below presents Performance of Capital Projects.

**Table 2.4: Analysis of Performance of Capital Projects**

<b>Investment and Industry Sub-sector</b>		
<b>Project 1: Construction and equipping 210 CIDCs</b>		<b>Location:</b> All the 210 Constituencies
Contract date: March 2013	Contract completion date: June 2015	Expected completion date: June 2018
Contract Cost: 1,935 M	Expected final cost: 1,935M	
Completion stage 2013/14: 45%	Completion stage 2014/15: 55%	Completion stage 2015/16: 55%
Budget Provision 2013/14: 20.4M	Budget Provision 2014/15: Nil	Budget Provision 2015/16: 46.6M
<b>Brief overview of the specific needs to be addressed by the project</b>		
<p>The project aimed to create employment opportunities, encourage innovation in wealth-creation, and spur entrepreneurship in the rural areas. The activities will include completion of the stalled phase 1 buildings, refurbishing of buildings, carrying out construction of phase 2 workshops &amp; ablution block, fencing, connecting electricity &amp; water, equipping of the centres to operationalize phase one &amp; two of the project and payment of security of the facility.</p>		
<b>Project 2: Special Economic Zones – Dongo Kundu SEZ</b>		<b>Location:</b> Mombasa, Dongo Kundu
<b>Contract date:</b> November 2013	<b>Contract completion date:</b> 2020/21	<b>Expected completion date:</b> 2028/29
Contract Cost: Grant From Japan and GoK	Expected final cost: KShs. 500B	
Completion stage 2013/14: 5%	Completion stage 2014/15: 15%	Completion stage 2015/16: 20%
Budget provision 2013/14: 188.75 M	Budget Provision 2014/15: 1.5 B	Budget Provision 2015/16: 108M
<b>Brief overview of the specific needs to be addressed by the project.</b>		
<ul style="list-style-type: none"> <li>▪ To attract both local and foreign investments</li> <li>▪ To expand and diversify production of goods and services for domestic and export markets</li> <li>▪ To promote value addition</li> <li>▪ To promote local entrepreneurship through Small and Medium Enterprises (SMEs)</li> <li>▪ To enhance technology development and innovation</li> <li>▪ To promote rural and regional industrialization by exploiting comparative advantage of local resources</li> <li>▪ Job creation and generating more income</li> </ul>		
<b>Project 2: Ease of Doing Business</b>		<b>Location:</b> Nairobi
<b>Contract date:</b> July 2014	<b>Contract completion date:</b> 2017/18	<b>Expected completion date:</b> 2018/19
Contract Cost: 960M	Expected final cost: 730 M	
Completion stage 2013/14 : N/A	Completion stage 2014/15: 25%	Completion stage 2015/16 : 70%
Budget provision 2013/14: N/A	Budget Provision 2014/15: 120 M	Budget Provision 2015/16: 70M
<b>Brief overview of the specific needs to be addressed by the project.</b>		
<ul style="list-style-type: none"> <li>▪ Improve the country's' Ease of Doing Business Index</li> <li>▪ Improve business environment by enhancing access and efficiency of Government services for both citizens and business</li> <li>▪ Attract more investments both domestic and foreign</li> <li>▪ Coordination of MDAs in the implementation of the business reforms</li> <li>▪ Continued reform on all the ten indicators of ease doing business</li> </ul>		

<ul style="list-style-type: none"> <li>▪ Continued advocacy and sustaining of process reforms in all the ten indicators</li> <li>▪ Institutionalize of the business environmental delivery unit</li> </ul>		
<b>Project 3: Development of the Textiles Sector - Textile Industrial hub</b>		<b>Location:</b> Athi River
Contract date: July 2013	Contract completion date: 2017/18	Expected completion date: 2017/18
Contract Cost: 6,500M	Expected final cost: 6,500M	
Completion stage 2013/14: -	Completion stage 2014/15: 40%	Completion stage 2015/16: 60%
Budget provision 2013/14: Nil	Budget Provision 2014/15: 2,400M	Budget Provision 2015/16: 2,000M
<b>Brief overview of the specific needs to be addressed by the project.</b>		
<ul style="list-style-type: none"> <li>▪ Attract more investments both domestic and foreign</li> <li>▪ Retain, facilitate expansion and sustain existing textile investments targeting export markets for textile and apparel</li> <li>▪ Create more employment opportunities</li> <li>▪ Attract one to two large integrated anchor investors to establish in the country</li> <li>▪ Increase export volume under the AGOA programme</li> <li>▪ Promotion and marketing of the hub</li> </ul>		
<b>Project 4: Development of the Leather Sector – Leather Industrial park</b>		<b>Location:</b> Athi River Kenanie
Contract date: July 2014	Contract completion date: 2017/18	Expected completion date: 2017/18
Contract Cost: 600M	Expected final cost: 4B	
Completion stage 2013/14: N/A	Completion stage 2014/15: 10%	Completion stage 2015/16: 15%
Budget provision 2013/14: N/A	Budget Provision 2014/15: 500M	Budget Provision 2015/16: 338M
<b>Brief overview of the specific needs to be addressed by the project.</b>		
<ul style="list-style-type: none"> <li>▪ Provide one stop shop solution and demand driven facilities and services for leather and leather goods</li> <li>▪ Attracting investments in the leather sector</li> <li>▪ Increase value addition, support expansion of existing tanneries and leather goods manufacturing facilities</li> <li>▪ Promote global branding focused on Kenyan leather.</li> <li>▪ Increase export volume of leather and leather products</li> <li>▪ Increase consumption of leather in the domestic market</li> </ul>		
<b>Project 5: Proposed Research Technology and Innovation Laboratories and related facilities at KIRDI Nairobi South B</b>		<b>Location:</b> Nairobi, South B
Contract date: July 2013	Contract completion date: June 2017	Expected completion date: June 2017
Contract Cost: 4,800M	Expected final cost: 4,800M	
Completion stage 2013/14: 34%	Completion stage 2014/15: 50%	Completion stage 2015/16: 60%
Budget provision 2013/14: 261.5 M	Budget Provision 2014/15: 1,700M	Budget Provision 2015/16: 375.8M
<b>Brief overview of the specific needs to be addressed by the project.</b>		
<ul style="list-style-type: none"> <li>▪ Product development and commercialization of research findings in agro processing, renewable energy, natural products and leather sub-sector.</li> <li>▪ Technical skills development, technological transfers and innovation</li> <li>▪ Incubation of SMEs</li> <li>▪ Job creation in the manufacturing sector</li> </ul>		
<b>Project 6: Proposed Research Technology and Innovation Laboratories at KIRDI Western Region Centre (KWRC)</b>		<b>Location:</b> Kisumu
Contract date: July 2015	Contract completion date: 30/6/2020	Expected completion date: June 2020
Contract Cost: 2,055 M	Expected final cost: 641.44M	
Completion stage 2013/14: N/A	Completion stage 2014/15: N/A	Completion stage 2015/16: 18.1%
Budget provision 2013/14: Nil	Budget Provision 2014/15: 300M	Budget Provision 2015/16: 372 M

<b>Brief overview of the specific needs to be addressed by the project.</b>		
<ul style="list-style-type: none"> <li>▪ Product development and commercialization of research findings in agro processing, renewable energy, natural products and leather sub-sector.</li> <li>▪ Technical skills development, technological transfers and innovation</li> <li>▪ Incubation of SMEs</li> <li>▪ Job creation in the manufacturing sector</li> </ul>		
<b>Project 7: Construction of Kariobangi Centre of Excellence</b>		<b>Location:</b> Kariobangi
<b>Contract date:</b> March 2013	Contract completion date: June 2015	Expected completion date: June 2018
Contract Cost: 114 M	Expected final cost: 250M	
Completion stage 2013/14: 17%	Completion stage 2014/15: 35%	Completion stage 2015/16: 35%
Budget provision 2013/14: 20.4 M	Budget Provision 2014/15: 10M	Budget Provision 2015/16: Nil
<b>Brief overview of the specific needs to be addressed by the project.</b>		
<p>The project is a flagship project under Vision 2030 which will promote technology acquisition and transfer, improve products quality, provide show rooms, and incubation programme. Expected results include: - Roadmap for centre of excellence (CoE), additional workshops, show room, syndicate rooms, modern equipment, skilled youth and technology transfer.</p>		
<b>Project 8: Establishment of an Integrated Iron and Steel Mill –</b>		<b>Location:</b> Mombasa, Lamu or Athi River
<b>Contract date:</b> July 2014	Contract completion date: June 2015	Expected completion date: June 2015
Contract Cost: 12M	Expected final cost: 100,000M	
Completion stage 2013/14: N/A	Completion stage 2014/15: 10%	Completion stage 2015/16: 10%
Budget provision 2013/14: Nil	Budget Provision 2014/15: 12 M	Budget Provision 2015/16: Nil
<b>Brief overview of the specific needs to be addressed by the project.</b>		
<ul style="list-style-type: none"> <li>▪ Establish an integrated steel mill production facilities,</li> <li>▪ Provide the steel products to meet the domestic and export markets.</li> <li>▪ Attract both local and foreign investors</li> </ul>		
<b>Project 10: Construction and equipping of regional laboratories</b>		<b>Location:</b> Eldoret
<b>Contract date:</b>	Contract completion date:	Expected completion date:
Contract Cost:	Expected final cost: 1	
Completion Stage 2012/13 (%):	Completion stage 2013/14(%):	Completion stage 2014/15(%):
Budget Provision 2012/13:	Budget provision 2013/14:	Budget Provision 2014/15:
<b>Brief overview of the specific needs to be addressed by the project.</b>		
<ul style="list-style-type: none"> <li>▪ Ensure efficiency and effectiveness in the provision of services</li> <li>▪ The project is intended to expand the scope of testing to include tests in key sectors of the economy</li> <li>▪ Carry out tests in conducive environment that does not pose risk to staff and the public</li> <li>▪ Expand on site calibration capability in the fields of mass, pressure and temper</li> </ul>		
<b>Project 11: Construction and equipping of Kisumu Laboratories – KEBs</b>		<b>Location:</b> Kisumu
<b>Contract date:</b> July 2014	Contract completion date: June 2016	Expected completion date: June 2016
Contract Cost: 124M	Expected final cost: 124M	
Completion Stage 2012/13: 0%	Completion stage 2013/14: 0%	Completion stage 2014/15: 70%
Budget Provision 2012/13: Nil	Budget provision 2013/14: Nil	Budget Provision 2014/15: 100M
<b>Brief overview of the specific needs to be addressed by the project.</b>		
<ul style="list-style-type: none"> <li>▪ Ensure efficiency and effectiveness in the provision of services</li> </ul>		

<ul style="list-style-type: none"> <li>▪ The project is intended to expand the scope of testing to include tests in key sectors of the economy</li> <li>▪ Carry out tests in conducive environment that does not pose risk to staff and the public</li> <li>▪ Expand on site calibration capability in the fields of mass, pressure and temper</li> </ul>		
<b>Project 12: SME Park</b>		<b>Location: ELDORET</b>
Contract date: July 2014	Contract completion date: June 2018	Expected completion date: June 2018
Contract Cost: 150M	Expected final cost: 150M	
Completion stage 2013/14: N/A	Completion stage 2014/15: 0%	Completion stage 2015/16: 4%
Budget provision 2013/14: N/A	Budget Provision 2014/15: 50M	Budget Provision 2015/16: 50M
<b>Brief overview of the specific needs to be addressed by the project.</b>		
<ul style="list-style-type: none"> <li>▪ To facilitate industrial growth in the region by providing a suitable environment within which small and medium industrial enterprises can thrive.</li> <li>▪ To provide the employment opportunities to the local population.</li> <li>▪ To attract the foreign investments.</li> </ul>		
<b>Project 13: Research, Technology and Innovation Laboratories and Related Infrastructure at KIRDI, Nairobi, South B</b>		<b>Location: Nairobi</b>
Contract Date: 25 <sup>th</sup> Feb.2013	Contract Completion date: 3 <sup>rd</sup> March 2017	Expected completion date 3 <sup>rd</sup> March 2018
Contract Sum: 4.8 billion	Expected Final Cost: 4.8 B	
Completion Stage 2013/14: 34%	Completion Stage 2014/15: 50%	Completion Stage 2015/16: 60%
Budget Provision 2013/14: 261.5 M	Budget Provision 2014/15: 1.7 B	Budget Provision 2015/16: 378.5 M
<b>Brief overview of the specific needs to be addressed by the project:</b>		
Manufacturing industries in Kenya are using out dated/Obsolete technologies and thus making them uncompetitive and therefore the need to develop/adapt modern technologies. This can only be achieved through Advanced technological research and development. To achieve this KIRDI must modernize its Research, Technology and Innovation laboratories to be able to provide modern technological services to the manufacturing sector.		
<b>Co-operatives Sub-sector</b>		
<b>Project 13: Modernization of milk processing equipment/ Machinery</b>		<b>Location: Eldoret</b>
Contract date: March 2016	Contract completion date: December 2016	Expected completion date: 2019/20
Contract Cost: 415M	Expected final cost: 415M	
Completion Stage 2013/14: N/A	Completion stage 2014/15: N/A	Completion stage 2015/16: 50%
Budget Provision 2013/14: N/A	Budget provision 2014/15: N/A	Budget Provision 2015/16: 300M
<b>Brief overview of the specific needs to be addressed by the project.</b>		
<ul style="list-style-type: none"> <li>▪ Increased processing capacity from 110,000L/day to 300,000L/day</li> <li>▪ Reduction in material wastage by 3%</li> <li>▪ Increased number of farmers being served by the factory by 39%. From 18,049 to 25,000</li> <li>▪ Widening market coverage</li> <li>▪ Stimulating growth of animal feeds industry.</li> <li>▪ Contribute to food security by mopping excess milk during oversupply seasons through processing of UHT and powdered milk.</li> <li>▪ Increase farmers farm level earnings from current KShs. 922,313,000 to about KShs 3.5b</li> <li>▪ Stabilizing raw milk price hence cushioning the farmers from price fluctuations. The average rate per litre is KShs 35 from a low of KShs 15 in 2012.</li> </ul>		

<b>Project 14: Risk Based Supervisory(RBS)</b>		<b>Location:</b> Nairobi
Contract date: FY 2013/14	Contract completion date: FY 2017/18	Expected completion date: FY 2019/20
Contract Cost: KShs 230 M	Expected final cost: KShs 230M	
Completion Stage 2013/14: 15%	Completion stage 2014/15: 20%	Completion stage 2015/16: 25%
Budget Provision 2013/14: 30M	Budget provision 2014/15: 30M	Budget Provision 2015/16: 30M
<b>Brief overview of the specific needs to be addressed by the project.</b>		
A prudentially managed Sacco subsector will facilitate increase in member's savings by at least 12% annually that will translate to Sacco's contribution to lending SME's of 18% among other financial services providers. This will result into increase in employment opportunities through SACCO lending component on annual average of 75,000 hence improving the welfare, prosperity and development of Kenyan citizens. DGF will enhance public confidence and will encourage savings through Deposit taking Sacco's, contributing to the long term goal of savings mobilization through SACCOs that will support economic growth from 26.7% currently to 35% of national savings		
<b>Trade Sub-sector</b>		
<b>Project 15: Establishment of Commodity Exchange</b>		<b>Location:</b> National & Regional
Contract date: N/A	Contract completion date: N/A	Expected completion date: December 2018
Contract Cost: 1,210 M	Expected final cost: 1,210 M	
Completion stage 2013/14: N/A	Completion stage 2014/15: 2%	Completion stage 2015/16: 7%
Budget Provision 2013/14: N/A	Budget Provision 2014/15: 27.7M	Budget Provision 2015/16: 57.2M
<b>Overview of the specific needs to be addressed by the Project:</b> The project will address challenges faced by producers in marketing their products and access to affordable credit for production. In addition, it will address issue of value addition, narrow export base and improved competitiveness of Kenyan products.		
<b>Project 16: Establishment of E-Trade Portal</b>		<b>Location:</b> National
Contract date: August 2015	Contract completion date: June 2017	Expected completion date: June 2017
Contract Cost: 35M	Expected final cost: 35M	
Completion stage 2013/14: N/A	Completion stage 2014/15: N/A	Completion stage 2015/16: 5%
Budget Provision 2013/14: N/A	Budget Provision 2014/15: N/A	Budget Provision 2015/16: 5M
<b>Overview of the specific needs to be addressed by the Project:</b> The e-trade portal will provide timely, reliable and comprehensive information to the business community and other interest groups through a web based e-portal integrated system.		
<b>Project 17: Establishment of Maragua Wholesale Hub</b>		<b>Location:</b> Murang'a County (Maragua)
Contract date: N/A	Contract completion date: June 2018	Expected completion date: June 2018
Contract Cost: 6,000M	Expected final cost: 6,000M	
Completion stage 2013/14: 0.1%	Completion stage 2014/15: 0.4%	Completion stage 2015/16: 0.5%
Budget Provision 2013/14: 7.5M	Budget Provision 2014/15: 15M	Budget Provision 2015/16: 5.5M
<b>Overview of the specific needs to be addressed by the Project:</b> The project is to enhance market accessibility and supply chain inefficiencies through proper and reliable storage, right prices and increased product choice and spur economic growth through wealth generation by farmers.		
<b>Project 18: Establishment of Athi-River Tier I retail Market</b>		<b>Location:</b> Machakos County
Contract date: N/A	Contract completion date: June 2018	Expected completion date: June 2018
Contract Cost: 4,500M	Expected final cost: 4,500M	
Completion stage 2013/14: 0.2%	Completion stage 2014/15: 0.5%	Completion stage 2015/16: 0.5%

Budget Provision 2013/14: 7.5M	Budget Provision 2014/15: 15M	Budget Provision 2015/16: Nil
<b>Overview of the specific needs to be addressed by the Project:</b> Aim of the project is to improve supply chain of commodities		
<b>Project 19: Market Surveys and Product Researches in Angola, Nigeria and Ethiopia</b>		<b>Location:</b> Angola, Nigeria and Ethiopia
Contract date: July 2013	Contract completion date: June 2016	Expected completion date: June 2014
Contract Cost: 50M	Expected final cost: 50M	
Completion stage 2013/14: 36%	Completion stage 2014/15: 72%	Completion stage 2015/16: 100%
Budget Provision 2013/14: 18M	Budget Provision 2014/15: 18M	Budget Provision 2015/16: 14M
<b>Overview of the specific needs to be addressed by the Project:</b> The tasks involved conducting a broad economic, commercial and social analysis of the Republic of Angola market , Nigeria and Ethiopia with the view to deduction of relevant market intelligence to establishing future prospects for export development and expansion of Kenyan exports into these markets		
<b>Project 20: Modernization of Legal Metrology Laboratories</b>		<b>Location:</b> Nairobi
Contract date: July 2014	Contract completion date: June 2018	Expected completion date: June 2018
Contract Cost: 371.7M	Expected final cost: 371.7M	
Completion stage 2013/14: N/A	Completion stage 2014/15: 7.5%	Completion stage 2015/16: 11.8%
Budget Provision 2013/14: N/A	Budget Provision 2014/15: 15M	Budget Provision 2015/16: 8.7M
<b>Overview of the specific needs to be addressed by the Project:</b> Modernization of Legal Metrology laboratories strengthen the standards traceability chain in compliance with international requirements. This leads to improved investor and consumer confidence in the Country's measurement systems used in trade thereby encouraging foreign direct investments and consumer spending.		
<b>Project 21: "Development of Mark of Identity for Kenyan Products"</b>		<b>Location:</b> Nairobi
Contract date: March 2016	Contract completion date: March 2019	Expected completion date: March 2019
Contract Cost: 66.9M	Expected final cost: 66.9M	
Completion stage 2013/14: N/A	Completion stage 2014/15: N/A	Completion stage 2015/16: 13%
Budget Provision 2013/14: N/A	Budget Provision 2014/15: N/A	Budget Provision 2015/16: 8.9M
<b>Overview of the specific needs to be addressed by the Project:</b> The "country of origin" plays a key role in the strength of a country brand index. The purpose of this project is to leverage on the international acclaim authentic Kenyan products have won by giving a unique and distinct differentiator hence their preference in the global market.		
<b>Project 22: "Development of County Competitiveness Index"</b>		<b>Location:</b> Nairobi
Contract date: September 2015	Contract completion date: August 2019	Expected completion date: August 2019
Contract Cost: 40.26M	Expected final cost: 40.26M	
Completion stage 2013/14: N/A	Completion stage 2014/15: N/A	Completion stage 2015/16: 23%
Budget Provision 2013/14: N/A	Budget Provision 2014/15: N/A	Budget Provision 2015/16: 9.3 M
<b>Overview of the specific needs to be addressed by the Project:</b> The purpose of the County Competitiveness Index (CCI) project is to determine the competitiveness of counties in order to position them as centers for trade, investment and tourism in order to foster Kenya's economic transformation.		
<b>Tourism Sub-sector</b>		
<b>Project 23: Construction of Conference and Exhibition Centre</b>		<b>Location:</b> Bomas of Kenya
Contract date: July 2009	Contract completion date: June 2015	Expected completion date: June 2015

Contract Cost: 800M	Expected final cost: 800M	
Completion stage 2013/14: 81%	Completion stage 2014/15: 100%	Completion stage 2015/16: N/A
Budget Provision 2013/14: 165M	Budget Provision 2014/15: 155M	Budget Provision 2015/16: NIL
<b>Overview of the specific needs to be addressed by the project:</b>		
<ul style="list-style-type: none"> <li>▪ Provision of conference facilities in the tourism industry thus increasing the revenue base for BOK.</li> <li>▪ Enhanced Bomas of Kenya financial sustainability</li> <li>▪ Enhanced business and conference tourism</li> </ul>		
<b>Project 24: Construction of Perimeter Wall ( Phase I )</b>		<b>Location:</b> Bomas of Kenya
Contract date: July 2013	Contract completion date: December 2014	Expected completion date: December 2014
Contract Cost: 30M	Expected final cost: 30 M	
Completion stage 2013/14: 60%	Completion stage 2014/15: 100%	Completion stage 2015/16: N/A
Budget Provision 2013/14: 18M	Budget Provision 2014/15: 12M	Budget Provision 2015/16: N/A
<b>Overview of the specific needs to be addressed by the project:</b>		
<ul style="list-style-type: none"> <li>▪ The construction of the perimeter wall will enhance general security of the organization and also protect the land from any kind of trespass to ensure that the land is safeguarded.</li> </ul>		
<b>Project 25: Renovation and Modernization of KICC ( Security Enhancement Project)</b>		<b>Location:</b> KICC, Nairobi
Contract date: July 2013	Contract completion date: December 2014	Expected completion date: December 2014
Contract Cost: 30M	Expected final cost: 30 M	
Completion stage 2013/14: 60%	Completion stage 2014/15: 100%	Completion stage 2015/16: N/A
Budget Provision 2013/14: 18M	Budget Provision 2014/15: 12M	Budget Provision 2015/16: N/A
<b>Overview of the specific needs to be addressed by the project:</b> One of the key considerations in deciding where to hold an international conference is the security of destination as well as meeting venue. KICC is the only purpose built Convention Centre in Kenya. It has been subject to terrorism threats over years. This project seeks to strengthen safety of delegates and stakeholders and mitigate threats namely crime, terror, information security and public disorder.		
<b>Project 26: Construction of a grilled masonry perimeter Walling including canopy and mild steel gate.</b>		<b>Location:</b> KICC, Nairobi
Contract date: April 2015	Contract completion date: September 2015	Expected completion date: October 2015
Contract Cost: 148M	Expected final cost: 148M	
Completion stage 2013/14: N/A	Completion stage 2014/15: 35%	Completion stage 2015/16: 100%
Budget Provision 2013/14: N/A	Budget Provision 2014/15: 151M	Budget Provision 2015/16: Nil
<b>Overview of the specific needs to be addressed by the project:</b> One of the key considerations in deciding where to hold an international conference is the security of destination as well as meeting venue. KICC is the only purpose built Convention Centre in Kenya. It has been subject to terrorism threats over years. This project seeks to strengthen safety of delegates and Stakeholders and mitigate threats namely crime, terror, information security and public disorder.		
<b>Project 27: Construction of Ronald Ngala Utalii College</b>		<b>Location:</b> Vipingo (Kilifi)
Contract date: July 2013	Contract completion date: June 2018	Expected completion date: June 2018
Contract Cost: 8,900M	Expected final cost: 4,900M	
Completion stage 2013/14: 15%	Completion stage 2014/15: 27%	Completion stage 2015/16: 40%
Budget Provision 2013/14: 1,730M	Budget Provision 2014/15: 1,730M	Budget Provision 2015/16: 689M
<b>Overview of the specific needs to be addressed by the project:</b>		
<ul style="list-style-type: none"> <li>▪ The project is being undertaken by the Tourism Fund. It will be the second Government tourism and hospitality training institution after the Kenya Utalii College. The new college will address the shortage of trained</li> </ul>		

manpower in the tourism and hospitality sector.		
<b>Project 28: Renovation of Duct Pipe Network</b>		<b>Location:</b> KUC, Nairobi
Contract date: July 2012	Contract completion date: June 2015	Expected completion date: June 2015
Contract Cost: 12M	Expected final cost: 12M	
Completion stage 2013/14: 30%	Completion stage 2014/15: 100%	Completion stage 2015/16: N/A
Budget Provision 2013/14: 4M	Budget Provision 2014/15: 5M	Budget Provision 2015/16: Nil
<b>Overview of the specific needs to be addressed by the project:</b>		
<ul style="list-style-type: none"> <li>The project is to modernize, expand and enhance the resilience of the network connectivity for improved customer satisfaction.</li> </ul>		
<b>Project 29: Refurbishment of Utalii Hotel- Watalaamu Restaurant</b>		<b>Location:</b> KUC, Nairobi
Contract date: August 2014	Contract completion date: : August 2015	Expected completion date: August 2015
Contract Cost: 24M	Expected final cost: 24M	
Completion stage 2013/14: N/A	Completion stage 2014/15: 100%	Completion stage 2015/16: N/A
Budget Provision 2013/14: N/A	Budget Provision 2014/15: 24M	Budget Provision 2015/16: N/A
<b>Overview of the specific needs to be addressed by the project:</b>		
<ul style="list-style-type: none"> <li>The works involved renovation of Watalaamu Restaurant to make it much more hospitable and attractive to clients.</li> </ul>		
<b>Project 30: Renovation of Washrooms in Block 8</b>		<b>Location:</b> KUC, Nairobi
Contract date: July 2012	Contract completion date: June 2017	Expected completion date: June 2017
Contract Cost: 40M	Expected final cost: 40M	
Completion stage 2013/14: 15%	Completion stage 2014/15: 20%	Completion stage 2015/16: 40%
Budget Provision 2013/14: 6M	Budget Provision 2014/15: 4M	Budget Provision 2015/16: 4M
<b>Overview of the specific needs to be addressed by the project:</b>		
<ul style="list-style-type: none"> <li>The renovations are meant to enhance hygiene and hospitality for better service delivery.</li> </ul>		
<b>Project 31: Practical Training Block</b>		<b>Location:</b> KUC, Nairobi
Contract date: July 2014	Contract completion date: June 2018	Expected completion date: June 2018
Contract Cost: 700M	Expected final cost: 700M	
Completion stage 2013/14: N/A	Completion stage 2014/15: 2%	Completion stage 2015/16: 5%
Budget Provision 2013/14: N/A	Budget Provision 2014/15: 0.5M	Budget Provision 2015/16: 20.5M
<b>Overview of the specific needs to be addressed by the project:</b>		
<ul style="list-style-type: none"> <li>The project is aimed at up-grading the institution's infrastructure and hence expands its training capacity by 400 students and hence revenue increase.</li> </ul>		
<b>Project 32: Re-roofing of Utalii Village Houses</b>		<b>Location:</b> KUC, Nairobi
Contract date: July 2014	Contract completion date: June 2018	Expected completion date: June 2018
Contract Cost: 50M	Expected final cost: 50M	
Completion stage 2013/14: N/A	Completion stage 2014/15: 5%	Completion stage 2015/16: 5%
Budget Provision 2013/14: N/A	Budget Provision 2014/15: 2.4M	Budget Provision 2015/16: Nil
<b>Overview of the specific needs to be addressed by the project:</b>		
<ul style="list-style-type: none"> <li>The works involved renovations to make the Utalii Village houses much more hospitable and attractive to clients.</li> </ul>		
<b>Project 33: Construction of a Gym</b>		<b>Location:</b> KUC, Nairobi
Contract date: July 2012	Contract completion date: December 2014	Expected completion date: December 2014
Contract Cost: 75M	Expected final cost: 75M	

Completion stage 2013/14: 100%	Completion stage 2014/15: Nil	Completion stage 2015/16: Nil
Budget Provision 2013/14: 25M	Budget Provision 2014/15: N/A	Budget Provision 2015/16: N/A
<b>Overview of the specific needs to be addressed by the project:</b>		
<ul style="list-style-type: none"> <li>The Gym was completed and the facility put into use.</li> </ul>		
<b>Project 34: Acquisition Of Motor Vehicle</b>		<b>Location:</b> Nairobi
Contract date: July 2015	Contract completion date: June 2016	Expected completion date: June 2016
Contract Cost: 36.4M	Expected final cost: 36.4M	
Completion stage 2013/14: N/A	Completion stage 2014/15: N/A	Completion stage 2015/16: 100%
Budget Provision 2013/14: N/A	Budget Provision 2014/15: N/A	Budget Provision 2015/16: 36.4M
<b>Overview of the specific needs to be addressed by the project:</b>		
<p>Provide a brief overview of the specific need to be addressed by the project TRA did not have its own vehicles and has continuously relied on borrowed vehicles from the ministry in its operations. The acquisition of these Motor Vehicle therefore will address the inadequacy and challenges faced by the authority in regulation of activities such as inspection to ensure compliance, licensing and revenue collection. As a result there will be enhanced quality and standard tourism products and services as it will ease the challenge of accessibility to the establishments</p> <p>TRA did not have its own vehicles and has continuously relied on borrowed vehicles from the ministry in its operations. The acquisition of these Motor Vehicle therefore will address the inadequacy and challenges faced by the authority in regulation of activities such as inspection to ensure compliance, licensing and revenue collection. As a result there will be enhanced quality and standard tourism products and services as it will ease the challenge of accessibility to the establishments.</p>		
<b>Project 35: Bomas International Convention &amp; exhibition Centre.</b>		<b>Location:</b> Nairobi
Contract date: November 2015	Contract completion date: June 2018	Expected completion date: June 2019
Contract Cost: 6,000M	Expected final cost: 6,000M	
Completion stage 2013/14: N/A	Completion stage 2014/15: N/A	Completion stage 2015/16: 0.4%
Budget Provision 2013/14: 100M	Budget Provision 2014/15: 100M	Budget Provision 2015/16: 400M
<b>Overview of the specific needs to be addressed by the project:</b>		
<p>Economic and Social Benefits : These includes the following :</p> <ul style="list-style-type: none"> <li>Employment Creation both direct and indirect</li> <li>Increased revenue and self-reliance of Bomas of Kenya and supporting the exchequer</li> <li>Corporate Social responsibility to the adjacent and surrounding communities.</li> </ul>		
<b>Project 36: Construction of Exhibition Stand (KTB)</b>		<b>Location:</b> Germany & United Kingdom
Contract date: July 2013	Contract completion date: June 2016	Expected completion date: June 2016
Contract Cost: 60M	Expected final cost: 60M	
Completion stage 2013/14: 33.3%	Completion stage 2014/15: 67%	Completion stage 2015/16: 100%
Budget Provision 2013/14: 20M	Budget Provision 2014/15: 20M	Budget Provision 2015/16: 20M
<b>Overview of the specific needs to be addressed by the project:</b>		
<ul style="list-style-type: none"> <li>The exhibition stand is a marketing platform to showcase Kenya as a tourism destination</li> </ul>		

## 2.4 Review of Pending Bills

The following is a tabulation of the pending bills for the sector during the review period under the Recurrent and Development votes (Figures in KShs. Millions).

### 2.4.1 Recurrent Pending Bills

Sub Sector	Due to lack of liquidity	Due to lack of provision
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	2013/14	2014/15	2015/16	2013/14	2014/15	2015/16
Investment & Industry	6.15	305.99	10.37	0	0	0
Cooperatives	0	0	1.4	0	0	0
Trade	0	0	31.19	0	0	0
East Africa Community Integration	41.37	62.4	17	0	0	0
Tourism	27.57	91.89	0	0	0	0
<b>Total</b>	<b>75.09</b>	<b>460.28</b>	<b>59.96</b>	<b>0</b>	<b>0</b>	

Under the Investment and Industry Sub Sector, pending bills amounting to KShs. 10.37 million arose due to lack of exchequer releases as at close of financial year 2015/16. Similarly, pending bills of KShs. 6.15 million and KShs. 305.99 million arose in Financial years 2013/14 and 2014/15 respectively under the then Industrialization & Enterprise Development Sub Sector due to lack of exchequer releases as at close of those financial years. Under the Cooperatives Sub Sector, pending bills for the Financial Year 2015/16 amounted to KShs. 1.4 million due to lack of exchequer release as budgeted. Pending Bills under the Trade Sub Sector amounted to KShs. 31.19M mainly due to lack of exchequer release as budgeted.

The Sub-sector of EAC accumulated a pending bill of KShs. 17 Million during the FY 2015/16 as a result of lack of liquidity. The Sub Sector had accumulated pending bill of KShs. 41.37 and KShs. 62.4 million during the financial years 2013/14 and 2014/15 respectively due to lack of liquidity where commitments were made in the system but exchequer not released. The Tourism Sub Sector did not have any pending bills under the recurrent vote during the Financial Year 2015/16. However, the Sub Sector had pending bill of KShs. 27.57 million and KShs. 91.89 million during the financial years 2013/14 and 2014/15 respectively as a result of lack of liquidity emanating from the late approval of the Supplementary budget II of FY2014/15 (i.e. lack of exchequer release).

#### 2.4.2 Development Pending Bills

Sub Sector	Due to lack of liquidity			Due to lack of provision		
	2013/14	2014/15	2015/16	2013/14	2014/15	2015/16
Investment & Industry	97.52	2563.68	482.76	0	0	0
Cooperative	0	0	0	0	0	0
Trade	0	0	32.89	0	0	0
East Africa Community Integration	0	0	0	0	0	0
Tourism	13.81	0	183	0	0	0

	<b>111.33</b>	<b>2563.68</b>	<b>698.65</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total</b>						

Under the Development Vote, the Investment & Industry Sub Sector accumulated a pending bill of KShs 482 million during the financial year 2015/16 due to lack of exchequer releases. The Sub Sector under Industrialization and Enterprise Development sub-sector had a pending bill of KShs. 97.52 million and KShs. 2,563.68 million for financial years 2013/14 and 2014/15 respectively similarly due to lack of liquidity. The Trade Sub Sector accumulated KShs. 32.89 million as pending bills due to lack of liquidity.

Over the review period, Tourism Sub Sector accrued KShs. 183 million as pending bills as result of lack of liquidity. The Sub Sector had KShs. 13.38 million as pending bills in the financial year 2013/14 under the Commerce and Tourism sub sector. Cooperatives and EAC Integration Sub Sectors did not have any pending bills during the period. The total pending bills under development vote for FY 2015/16 amounted to KShs. 698.65 million.

## CHAPTER THREE

### MEDIUM TERM PRIORITIES AND FINANCIAL PLAN FOR 2017/18– 2019/20

#### 3.1 Prioritization of Programmes and Sub-Programmes

- Promotion of Industrial Development and Investment
- Standards and Business Incubation
- Cooperative Development and Management
- Trade Development and Promotion
- East African Affairs and Regional Integration
- Tourism Development and Promotion
- General Administration, planning and support services

##### 3.1.1 Programmes and their objectives

	PROGRAMMES	OBJECTIVE
1.	Promotion of Industrial Development and Investment	To create enabling environment to promote and facilitate industrial development through value addition and investment.
2.	Standards and Business Incubation	To provide standards for industrial products and incubation services to support MSMEs.
3.	Cooperative Development and Management	To promote co-operative sector development and improve governance and management of co-operative societies.
4.	East African Affairs and Regional Integration	To coordinate and monitor implementation of the EAC Council decisions and regional programmes.
5.	Trade Development and Promotion	To promote trade, broaden export base and markets as well as undertake country branding.
6.	Tourism Development and Promotion	To develop tourism product and market Kenya as a tourist destination both locally and internationally.
7.	General Administration, planning and support services	To provide efficient support service delivery.

### 3.1.2 Programmes, Sub-Programmes, Expected Outcomes, Outputs and Key performance Indicators (KIPs) for the sub- Sector

Table 3.1: Programmes/ Sub Programmes, outcomes, outputs and key performance Indicator (KIPs) for the sub-sector

Programme	Delivery unit	Key Outputs	Key performance indicators	Target 2015/16	Actual achievement 2015/16	Target (Baseline) 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
<b>Programme 1: Promotion of Industrial development and Investment</b>									
<b>Outcome: Increased contribution of the manufacturing sector to the GDP, employment, FDI and exports</b>									
<b>Sub-Program 1.1 :</b> Promotion of Industrial Development	1171001809 Special Economic Zones	Operationalize the SEZ Act 2015(Regulations, SEZ Authority, General Fund for SEZ)	% of implementation of the Act	33	15	33	67	80	100
		Development of basic infrastructure in Dongo Kundu/Mombasa SEZ	% Design/Layout Reports for Off-site infrastructure( Roads, Energy, Water & Sewerage) completed	0	0	100	0	0	0
			% Off-site infrastructure (Roads, Energy, Water & Sewerage) in place	0	0	10	30	35	25
			Number of households resettled	0	0	1,500	0	0	0
		Marketing of Dongo Kundu SEZ	No. of marketing/ Promotional forums held	1	0	1	2	2	2

Programme	Delivery unit	Key Outputs	Key performance indicators	Target 2015/16	Actual achievement t 2015/16	Target (Baseline) 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
	Industrial Information & Research Policy	Sectoral Policies Developed	No. of Sectoral Policies	3	3 drafts	3	1	1	1
		Integrated Industrial Database Developed	Industrial Database system (%)	10	30	30	30	-	-
	Kenya Petroleum Technical Assistance	Demand & Supply Analysis	Report	1	0	3	1	1	-
		Skills Gap	Report	1	0	3	1	1	
		Training	Report	1	0	3	1	1	
	Textile Development and Apparel	Textile and apparel Industrial buildings Constructed and marketed	No. of buildings constructed	10	0	15	15	0	0
			No. of investors setting Textile enterprises	0	0	0	5	10	15
			No. of Investment & Marketing Promotional forums held.	0	0	0	10	10	15
	Rivatex East Africa Limited	Spinning weaving and finishing departments equipped with modern equipment	No. of Departments fully equipped with Modern equipment	1	1	2	1	1	0
	Small Scale Industries - field services	County Resource endowment Mapping and Investment Profiling	No. of reports prepared	10	5	15	12	15	0
		SMEs trained on Value Addition per County.	No. of SMEs trained on Value Addition per County.	20	40	40	40	40	40
		SMEs trained on	No. of SMEs	40	20	60	40	40	40

Programme	Delivery unit	Key Outputs	Key performance indicators	Target 2015/16	Actual achievement 2015/16	Target (Baseline) 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
		One Village One Product	trained on OVOP practices /capacity building per Counties.						
	Director of Micro & Small Enterprises Development	MSEs trained on Business Management Services	No. of MSEs trained on Business Management Services per County.	30	0	30	30	30	30
	Leather Development	Develop Basic infrastructure for leather industrial park in Kenanie (effluent treatment plant, water and sewerage systems, power, Upgrading of the internal roads to all weather)	Basic infrastructure in place (%)	10	10	40	60	100	0
		Leather park Marketing and Investment attraction strategy developed	Strategy document	1	1	1	0	0	0
			No. of investors attracted in the park	50	10	20	20	10	20
		Common Manufacturing Facility for Leather Developed in Kariokor	Common Manufacturing Facility for Leather	0	0	1	0	0	0

Programme	Delivery unit	Key Outputs	Key performance indicators	Target 2015/16	Actual achievement 2015/16	Target (Baseline) 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
		SMEs using the Common Manufacturing Facility	No. of SMEs in the Common Manufacturing Facility	0	0	500	1000	2000	3000
	EPZA	local & Foreign investments promoted in EPZs Promote	Amount of Investments in KShs. (Millions)	57	74	83	90	100	110
		Jobs created in EPZ enterprises	No. of jobs created	52,000	52,007	65,000	75,000	80,000	85,000
		Promotion of Export Earnings	value in KShs. (Millions)	66	67	70	75	90	95
	KENINVEST	Local & Foreign Direct Investments promoted in all sectors	Amount of Investments in KShs. billions)	200	224	250	270	290	300
	Ease of Doing Business	Improved Business Environment ranking index	Kenya Competitiveness Index & Ease of Doing Business Index	-	129	108	88	68	48
		Business Reforms implementation for 10 indicators Monitored & Evaluated	M&E Reports for 10 indicators	6	5	10	10	10	10
		Communication Strategy on reengineered, remodelled and implemented Business Reforms	Communication strategy.	1	0	1	-	-	-
		Business Reforms campaigns conducted	No. of Business Reforms campaigns conducted.	1	3	4	4	4	4

Programme	Delivery unit	Key Outputs	Key performance indicators	Target 2015/16	Actual achievement 2015/16	Target (Baseline) 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
	VISION 2030 (Agro-Processing)	Design master plan and feasibility studies	Master plan and feasibility studies reports	3	1	1	1	0	0
		Marketing and promotion forums held	No. of promotion and marketing events/forums	0	0	0	2	2	2
	NMC	Ferrous and non-ferrous foundry products Cast and sold by NMC	Value of product casts sold (KShs. Millions)	15	15	17	18	19	20
		Industrial spares Casting	No. of Production castings in tonnes	210	184	220	250	300	350
		Transmission parts developed	No. of parts	9000	9295	9500	10,000	10,200	10,500
<b>1 Standards and Business Incubation</b>									
<b>Programme outcome: Increased contribution of industry to GDP.</b>									
<b>Sub-Program 1.2:</b> Standards, Metrology and Conformity Assessment	KENAS	Awareness programmes on Accreditation services undertaken	No. of awareness programmes undertaken	85	124	80	85	90	95
		Conformity assessment bodies accredited across sectors	No. of conformity assessment bodies accredited	90	104	104	110	115	120
	KEBS	New standards developed	No. of new Standards Developed	440	533	430	450	460	500
		Products conforming to standards in the market	No. of certified products for SMEs	2080	2296	2300	2400	2500	2600
			No. of products certified for	7415	7427	7500	7600	7660	7700

Programme	Delivery unit	Key Outputs	Key performance indicators	Target 2015/16	Actual achievement 2015/16	Target (Baseline) 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
			large firms						
<b>Sub-Program 1.3: Business Financing &amp; incubation</b>	KIE	Credit disbursed	Amount of credit disbursed (KShs. Millions)	270	183	650	700	700	700
		MSMEs jobs created	No. of jobs created	3850	3900	4000	4500	5000	5600
		New Enterprises Created	No. of new enterprises	540	480	750	800	850	900
	MSEA	Kariobangi Enterprise Development upgraded to a Centre Excellence	% Utilities and completion works done	10	10	10	20	30	50
		Refurbished and equipped Constituency Industrial Development Centres (CIDC)	No. of CIDCs refurbished and equipped	24	0	56	56	56	0
	IDB	Credit disbursed (KShs Million)	Amount of credit disbursed (KShs. Millions)	133	467	300	350	450	500
	ICDC	Eldoret industrial park Developed and promoted	% Basic infrastructure developed	10	0	10	40	40	10
			No. of promotion forums held	1	0	1	2	2	0
		Industrial Credit to Small medium & large enterprises (KShs. Billion)	Amount of credit disbursed (KShs. Billion)	1.3	0.8	1.5	1.5	1.5	0

Programme	Delivery unit	Key Outputs	Key performance indicators	Target 2015/16	Actual achievement 2015/16	Target (Baseline) 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
<b>Sub-Program 1.4:</b> Industrial Research, Development & Innovations	KIRDI	Research, Technology & Innovation Laboratories & related infrastructure developed in Nairobi (South B)	Percentage of completion (%)	75	65	65	75	100	0
		Research, Technology and Innovation laboratories at KWRC equipped with state of the art Research machines & equipment	No of Labs equipped	1	1	1	1	1	1
		Industrial Research, Technology and Innovation projects undertaken	No. of Industrial Research, Technology and Innovation projects undertaken	22	0	23	25	30	20
		Technologies developed	No. of technologies developed	3	12	15	18	20	25
	KIPI	New Trade Marks applications and Registration	No. of new trade marks	3400	6400	5000	5200	5400	0
		Outreach program for IP Technical Advice	No of persons trained	6000	6000	6300	6500	6700	6900
	<b>Sub-Program 1.5:</b> Skills Development	KITI	Students trained in industrial skills	No .of students trained	600	650	650	700	750
New Training machinery and equipment installed			No of New machines installed	50	25	25	25	25	0

Programme	Delivery unit	Key Outputs	Key performance indicators	Target 2015/16	Actual achievement t 2015/16	Target (Baseline) 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
<b>3 General Administration, planning and support services</b>									
<b>Programme outcome: Effective and efficient service delivery</b>									
<b>Sub-Program 3.1: General Administration, planning and support services</b>	Planning	Monitoring & Evaluation	M&E Reports	2	1	2	2	2	2
		Ministerial Programme Review	PPR Reports	1	1	1	1	1	1
		Performance Management Systems	Performance Reports	5	5	5	5	5	5
	Administration	Refurbishment of offices	No of Refurbished offices	3	0	1	1	1	1
		Work Environment Survey	Survey Report	1	0	1	1	1	1
		Automation of offices (%)	Automation Level	55	45	50	70	80	85
<b>Programme</b>	<b>Delivery unit</b>	<b>Key Outputs</b>	<b>Key performance indicators</b>	<b>Target 2015/16</b>	<b>Actual achievement t 2015/16</b>	<b>Target (Baseline) 2016/17</b>	<b>Target 2017/18</b>	<b>Target 2018/19</b>	<b>Target 2019/20</b>
<b>1.Programme Co-operative development and Management</b>									
<b>Programme outcome: Increase contribution of co-operative to the economy</b>									
<b>Sub-Programme 4.1:Governance and accountability</b>	ECCOS	Governance and Anti-Corruption policy enforced in co-operatives	No. of societies complying with the policy	1632	4246	4246	4300	4350	4400
	Co-operative Audit	Registered audited accounts	No. of audited accounts registered	3500	2996	3000	3100	3200	3300
	Co-operative Registration	Inquiries of co-op societies	No of inquiries carried out	0	12	15	15	15	15

Programme	Delivery unit	Key Outputs	Key performance indicators	Target 2015/16	Actual achievement 2015/16	Target (Baseline) 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
	Co-operative Registration	Completion of liquidation of co-op society	No of liquidations completed	0	2	2	3	3	4
<b>Sub-Programme 4.2:</b> Co-operative advisory services	Co-operative Registration	New co-operatives Registered	No. of new co-operatives registered	1500	1861	1800	1850	2000	2100
		New SACCOs in Diaspora	No of Diaspora SACCOs	2	3	2	2	3	3
		Integrated information management system for co-operatives in place	Digitized co-operative services	Developed concept Note  Cleaned registration register  Registration data transferred to excel sheet	Concept Note  Updated registration register  Registration data in excel format	Formation of project steering team  Prepare Business requirements and technical designs  Prepare TORs	Procurement of the technical consultancy including software and hardware	Operationalization of the system  Linking to Huduma Centre	-
	SASRA	Licensed and supervised FOSA SACCOs	Number of FOSA SACCOs licensed and supervised	190	177	185	190	200	205
	Commissioner's office	Savings/deposits mobilized through SACCOs (KShs. Billions)	Amount of savings mobilized (KShs. Billions)	570	600	640	680	720	750
		Outstanding remittances to SACCOs recovered (KShs. Millions)	Amount of outstanding remittances recovered	200	300	250	220	200	150

Programme	Delivery unit	Key Outputs	Key performance indicators	Target 2015/16	Actual achievement 2015/16	Target (Baseline) 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
			(KShs. Millions)						
		Cotton co-operative Strengthened to participate effectively in textile value chain	No of cotton co-operatives with ginneries strengthened	-	-	4	4	2	-
		Transport SACCOs Streamlined	No of Matatu & Boda boda SACCOs streamlined	-	-	5	10	20	30
		Youth in transport co-operatives Capacity built	Number of youth co-operatives covered	35	50	60	70	80	100
		Review Co-operatives Development Policy and Legislations	No of acts/ rules reviewed and disseminated	0	0	2	2	2	0
		Co-operative sector management tools developed	Co-operative handbook Member Recruitment manual Co-operative audit manual	0	0	Co-operative audit manual	Co-operative handbook	Member Recruitment manual	0

Programme	Delivery unit	Key Outputs	Key performance indicators	Target 2015/16	Actual achievement 2015/16	Target (Baseline) 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
<b>Sub-Programme 4.3:</b> Marketing, Value Addition & Research	Co-operative marketing /new ventures	Value addition technologies promoted and adopted by co-operatives	No of co-operatives utilizing value-addition technologies	20	25	25	25	30	40
		New ventures and innovations in co-operatives promoted	No. of new ventures promoted	1	2	1	2	2	2
		Co-operatives linked to development partners and agencies	No of co-operative linked	25	30	25	30	32	35
		International co-operative collaborations & linkages Strengthened	No of MOUs signed and implemented	2	2	2	3	3	3
		Processing units for fruits and vegetable through co-operatives established	No. of processing units established by co-operatives	-	-	Sensitization and identification of youth co-operatives to participate in fruits and vegetable processing	2	5	10

Programme	Delivery unit	Key Outputs	Key performance indicators	Target 2015/16	Actual achievement 2015/16	Target (Baseline) 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
<b>Sub-Programme 4.4:</b> Co-operative management and investment	NEW KCC	New milk processing machinery and equipment	Modernized Eldoret Milk processing plant	Modern Milk processing machine and equipment	Procurement of TFA and UHT filling machines, Sterilizer, homogenizer, aseptic and CIP systems done	Acquisition of packaging and refrigeration machines, and upgrade of Effluent plant in Sotik  Acquisition of TFA filling machine for Nyahuru plant  Roofing Dandora plant	Upgrading Kiganjo evaporation unit  Installation of Kitale Clean In Place (CIP) system  Installation of a water treatment plant in Miritini plant.	Installation of Industrial Uninterruptable Power Supply System in Nyahuru  Installation of Industrial Uninterruptable Power Supply System and a Milk Separator in Sotik  Installation of Cold Store Equipment and Steam Boiler in Dairy Produce and Cheese Factory in Nairobi  Upgrade of Refrigeration System in Ainabkoi, Kapsabet, Lessos & Molo plants	Installation of Mala processing line in Eldoret Factory  Installation of Cold Store Equipment in Dandora Factory  Installation of Milk Processing Line in Kiganjo Factory  Installation of Ghee Packing Line in Kitale Factory  Upgrade of Refrigeration System in Miritini Factory
	SASRA	Risk Based Supervision system (RBS) fully developed	Operational system	Development of RBS framework	RBS framework developed and tested	Acquisition and installation of RBS ICT infrastructure (software and	Integration of RBS with licensed SACCOs ICT systems	Deposit Guarantee Fund (DGF) operations linked to the	Technical review of RBS and DGF framework for supervisory

Programme	Delivery unit	Key Outputs	Key performance indicators	Target 2015/16	Actual achievement 2015/16	Target (Baseline) 2016/17	Target 2017/18	Target 2018/19	Target 2019/20	
						hardware)		RBS framework	systems update	
<b>Sub-Programme 4.5:</b> General Administration, planning and support services	Planning	Monitoring & Evaluation	M&E Reports	2	0	2	2	2	2	
		Ministerial Programme Review	PPR Reports	1	1	1	1	1	1	
		Review strategic plan	Strategic plan 2016-2021	-	-	1	-	-	-	
	Finance/Planning	MTEF	Sub-Sector/sector report	1	1	1	1	1	1	
	Finance/Planning	Budget Preparation	Report	1	1	1	1	1	1	
	Finance	Budget utilization	Level of funds utilization%	100	100	100	100	100	100	
	Finance	A-in-A collection	Amount collected KShs. millions	6.5	6.5	6.5	6.5	6.5	6.5	
	Administration	Refurbishment of offices	No of Refurbished offices	3	1	1	1	1	1	1
		Ministry's ISO Certification	ISO Certification	1	0	1	-	-	-	
		Work Environment Survey	Survey Report	1	0	2	1	1	1	

Programme	Delivery unit	Key Outputs	Key performance indicators	Target 2015/16	Actual achievement 2015/16	Target (Baseline) 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
		Automation of offices	Automation Level %	55	30	70	80	90	100
<b>P.1: Trade Development and Promotion</b>									
<b>Outcome: Improve business environment and facilitate growth of wholesale and retail trade</b>									
<b>Sub-Programme 1.1: Domestic Trade Development</b>	Department of Internal Trade	Bi-annual interactive forums between the State Department of Trade (SDT) and CECs in charge of Trade.	No. of forums	-	-	2	2	2	2
		Construction of the Maragua Wholesale Hub	Works progress reports	Preliminary Designs	Preliminary Designs created	Detailed designs		Construction of the Maragua Wholesale Hub	Construction of the Maragua Wholesale Hub
		Construction of Athi River Tier 1 Retail Market	Works progress reports	Preliminary Designs	Preliminary Designs created	Detailed designs		Construction of Athi River Tier 1 Retail Market;	Construction of Athi River Tier 1 Retail Market;
		E-Trade Portal	Operational portal	Prototype E-trade portal	Prototype E-trade portal	Operational portal	Operational portal	Operational portal	Operational portal
		E-Commerce Policy	Draft E-Commerce policy	Concept Note, consultation with stakeholders and TOR for consultant on E-Commerce	Concept Note, consultation with stakeholders and TOR for consultant on E-Commerce	Validation workshop Preparation of the final report and cabinet Memo	Development of Legal framework for E-Commerce Policy	Development of Legal framework for E-Commerce Policy	Operationalization of E-commerce policy
		Legal Framework for the Joint Loan Board Scheme in place	Legal Framework	Draft National Trade Development Loan Scheme Bill	Draft National Trade Development Loan Scheme Bill	Final National Trade Development Loan Scheme Bill	Implementation of the Act	Implementation of the Act	Implementation of the Act
		National Trade Policy	National Trade Policy	Draft National Trade Policy	Draft National Trade Policy	Draft National Trade Policy	Commence legislative processes	Implementation of the National	Implementation and monitoring of

Programme	Delivery unit	Key Outputs	Key performance indicators	Target 2015/16	Actual achievement 2015/16	Target (Baseline) 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
							(Trade Development Act)	Trade policy	the National Trade policy
		Empretec Centre	Operational Centre	-	-	-	Centre Established	MSEs Capacity building	MSEs Capacity building
		Buy Kenya Build Kenya Policy developed	Policy			Draft concept note	Finalize Buy Kenya Build Kenya Policy	Implement and monitor the Policy	Implement and monitor Policy
	Trade Monitoring & Research	Trade Data Bank	Data collection tool	Standard data collection tool developed	Collect business/Trade information from all the counties	National Trade Information Portal (E-Portal) established	Collecting, analyzing and updating trade data	Collecting, analyzing and updating trade data	Collecting, analyzing and updating trade data
	KNTC	Improved accessibility of agricultural products/commodities to markets	Warehousing space in 12 strategic regions for Commodities Exchange project	-	-	6	1	2	3
<b>Sub-Programme 1.2: Fair Trade and Consumer Protection</b>	Anti-Counterfeit Agency	Counterfeit cases investigated and prosecuted	Number of cases investigated and prosecuted	212	291	250	300	350	400
		Public awareness outreach activities on counterfeiting	No of workshops activities conducted	35	35	40	45	50	55
		Baseline Survey on the countrywide level of	Baseline Survey report	-	-	-	Baseline	1	1

Programme	Delivery unit	Key Outputs	Key performance indicators	Target 2015/16	Actual achievement 2015/16	Target (Baseline) 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
		counterfeiting							
		Enforcement of case management system	Operational case management system	-	-	-	33% completion	100% completion	-
		Purchase of seized goods holding depots	No. of seized goods holding depots	-	-	1	3	2	0
	Weights & Measures	Calibrated county standards	Certificate of Calibration	300	350	300	350	350	400
		Evaluated patterns	Type evaluation reports	10	11	10	11	12	13
		Verified equipment	Certificate of verification	1000	877	120	120	60	60
		International engagements on legal metrology standards	Number of engagements/meetings held	5	5	5	7	7	9
		Modernized and equipped laboratories	No. of Laboratories modernized and equipped	2	2	2	3	3	2
		Review of legal metrology laws	No. of Bills	2	2	2	4	5	6
		KECOPAC	Surveys on Consumer protection conducted	Advisory Reports	5	5	5	6	7
<b>Sub-Programme 1.3:</b> Exports Market Development	Export Promotion Council	Promotional activities conducted	No. of trade promotion events conducted	10	9	9	15	16	11
		Warehouses Established in target markets	No. of warehouses established.	1	0	0	1	1	1

Programme	Delivery unit	Key Outputs	Key performance indicators	Target 2015/16	Actual achievement 2015/16	Target (Baseline) 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
		Enterprises supported in export Product development	No of enterprises supported in developing new products	15	10	10	15	15	15
		Facilitate potential and existing enterprises including youth and women in export business to increase exports	No of SMEs linked to the export market	20	20	20	20	20	20
		Market surveys conducted	No. of Surveys conducted	2	2	3	2	2	2
		National Export Strategy (NES)	National Export Strategy (NES)	-	-	NES finalized	Development of a Legal Framework for NES.	Implementation of the NES	Implementation of the NES
<b>Sub-Programme 1.4:</b> Regional Economic Integration Initiatives	Regional Trade and Export	Trading Platform for Commodities Exchange established	% completion in establishing a Trading Platform	10	7	10	50	80	100
		Harmonize commodities standards with those of Uganda & Rwanda	No. of commodities standards harmonized	18	18	18	10	10	10
		Develop a Legal & Regulatory Framework for Commodities Exchange	Law on COMEX enacted	-	-	-	Draft Bill	Bill enacted into Law	-
		Develop framework for collateral management operations	% completion of the Framework	-	-	10	50	100	-

Programme	Delivery unit	Key Outputs	Key performance indicators	Target 2015/16	Actual achievement 2015/16	Target (Baseline) 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
		Develop guidelines and systems specifications for COMEX, trading /clearing and settlement operations	Guidelines and system specifications developed	-	-	20	50	100	-
		Warehouse infrastructure and human capacity available for commodities exchange mapped out and analyze	No. of warehouses mapped out	100	100	100	100	100	-
		Establish Commodities Exchange Regulatory Authority (CERA)	% completion in establishment of CERA	-	-	-	-	40	100
<b>Sub-Programme 1.5:</b> Entrepreneurial and Management Training	Kenya Institute of Business Training (KIBT)	Entrepreneurial and Management Training	Number of MSME operators, Women, Youth, Persons with Disabilities and Other Interest Groups trained	3,500	1,020	3,700	3,800	3,800	5000
		MSME operators counseled and follow up on business management	Number of MSME operators counseled and followed up	3800	2500	3860	3900	4000	4000
		On-site consultancy for pilot enterprises Conducted under HRD-ID project	Number of enterprises that have received consultancy services	6	5	7	6	6	6
		Modules for Retail	Number of	-	-	2	3	3	2

Programme	Delivery unit	Key Outputs	Key performance indicators	Target 2015/16	Actual achievement 2015/16	Target (Baseline) 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
		Trade training (RETRAK) Developed	Modules developed						
		Business based impact surveys conducted	No. of reports	-	-	1	2	2	2
		E resource material developed	No. of resource materials developed	1	2	2	1	1	-
		E resource material implemented	E resource implemented	2	2	2	-	-	2
		KIBT Parklands office complex Partitioned, fitted and furnished	% Completion	-	-	-	30	40	30
<b>Sub-Programme 1.6:</b> International Trade	External Trade Promotion Services	Trade negotiations forums attended	Number of trade negotiation forums	3	3	24	30	30	36
		Trade agreements/MOUs negotiated and concluded	Number of Trade Agreements/MOUs negotiated	7	7	15	16	17	20
			Number of Trade Agreements/MOUs Concluded	7	4	10	12	14	16
	Foreign Trade Services	Kenya's export goods, Investment and business opportunities promoted	No. of Exhibitions, business/consultative forums; Trade promotional activities	7	8	10	12	15	20

Programme	Delivery unit	Key Outputs	Key performance indicators	Target 2015/16	Actual achievement 2015/16	Target (Baseline) 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
		Potential export products and export markets mapped out	No. of potential export products mapped out	13	13	6	6	6	7
		Sensitization forums conducted on trade and investment opportunities created	Number of county sensitization programs conducted	15	15	5	6	7	8
		Commercial representation in target markets	No. of commercial offices opened and operationalized	21	21	21	46	54	54
		Reviewed Bilateral Trade Agreements and MOUs	No. of Bilateral Trade Agreements and MOUs Reviewed	N/A	N/A	35	35	-	-
		Global Investment and business forums participated in	No. of investment and business forums held	4	7	8	10	13	16
<b>Sub-Programme 1.7</b> Country Branding & Marketing	Brand Kenya Board (BKB)	Level of pride and patriotism enhanced	% level of Pride and Patriotism among Kenyans	85	0	87	88	89	90
		Adoption of the “Mark of Identify”	No. of firms adopting the “Mark of Identify”	36	41	45	50	55	60
		Adoption of Public Service Branding Guidelines	Cabinet Approval of the Public	Cabinet Approval	-	Cabinet Approval	Awareness creation on the branding	Implementation of the guidelines	-

Programme	Delivery unit	Key Outputs	Key performance indicators	Target 2015/16	Actual achievement 2015/16	Target (Baseline) 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
			Service Branding Guidelines				guidelines		
<b>Sub-Programme 1.8:</b> General Administration, Planning and Support Services	HQs Administrative Services	Support Services to the Programmes	% ISO certification	90	65	100	100	100	100%
			Resource center, CCTV installation and procurement registry established	-	-	-	100%	-	-
			Purchase of eight (8) motor vehicles	-	2	-	6	-	-
	Finance and Procurement	Financial Support Services to the Programmes	% level of resource utilization			100	100	100	100
	Central Planning and Project Monitoring Unit (CPPMU)	Monitoring and Evaluation of projects	No. of Monitoring and Evaluation reports (4 quarterly and 1 annual reports annually)		5	5	5	5	5
Establishment of policy and research department	Department operationalized	% level of operationalization	-	-	-	50	75	100	
<b>P5: East African Affairs and Regional Integration</b>									
<b>Programme Outcome: Integrated EAC region and Improved socio-economic status of all Kenyans.</b>									
Sub Programme	Delivery Unit	Key Outputs	Key Performance Indicators	Target 2015/16	Actual Achievement 2015/16	Target Baseline 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
<b>Sub-Programme 5.1</b> East African	Directorate of Economic Affairs	Harmonized EAC tariffs complied with and	% compliance with harmonized EAC tariffs	100	75	100	100	100	100

Programme	Delivery unit	Key Outputs	Key performance indicators	Target 2015/16	Actual achievement 2015/16	Target (Baseline) 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
Customs Union		Common External Tariff complied with	% of compliance with Common External Tariff	100	75	100	100	100	100
		EAC Rules of origin applied	No. of Certificates of Origin issued	108,000	136,948	150,000	200,000	250,000	300,000
		Reduced Non-Tariff Barriers	No of NTBs eliminated	8	8	10	12	12	12
		Cross border trade disputes resolved	% of cross border trade disputes resolved	100	100	100	100	100	100
		Informed and Empowered stakeholders on EAC Customs Union	No. of joint Cross Border sensitization workshops	1	1	2	3	4	5
	No. of media campaigns		2	1	1	1	1	1	
Public Communications Unit	Citizens sensitized on EAC Anthem & Political Confederation	No of sensitization workshop at National & County level	15	15	50	50	50	50	
<b>Sub-Programme 5.2</b> East African Common Market	Public Communications Unit	Awareness on opportunities from EAC Integration increased	No. of publicity awareness creation fora held in counties	12	16	20	30	40	47
	Public Communications Unit	Digital Outdoor Information Screens at six Border posts installed	No. of LED Digital Outdoor Information Screens installed	2	0	2	2	2	0
	Directorate of Economic Affairs	Students, persons and workers facilitated to get	No. of students permits issued	1,300	1,635	1,800	2,000	2,200	2,400
No. of EAC			82,106	81,806	90,000	100,000	110,000	120,000	

Programme	Delivery unit	Key Outputs	Key performance indicators	Target 2015/16	Actual achievement 2015/16	Target (Baseline) 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
		permits	citizens moving from other Partner States granted stay.						
		One Stop Border Posts (OSBP) Commissioned	No of One Stop Border Posts (OSBP) operationalized	2	1	1	1	1	1
	Integration Secretary	Regional Integration Centers (RICs) established	No. of RICs established	2	0	1	1	1	1
	Supply Chain Management	EAC Flags Procured and distributed	No. of flags procured and distributed	10,000	20,000	20,000	20,000	20,000	20,000
		Flag posts for EAC Flags Procured and distributed	No. of flag posts procured and distributed	10,000	20,000	20,000	20,000	20,000	20,000
		EAC Anthem documents Procured and distributed	No. of copies of EAC Anthem document procured and distributed	10,000	20,000	20,000	20,000	20,000	20,000
EAC Monetary Union	Directorate of Economic Affairs	Monetary Institute established	Framework for EAC Monetary Institute Established	0	0	0	1	1	1
		Regional Integration Process held Monitored & evaluated	M&E reports	0	0	1	2	2	2
<b>P. 1: Tourism Development and Promotion</b>									
<b>Outcome: Increased Tourism Sector contribution to the Gross Domestic Product (GDP)</b>									
<b>Sub-Programme 1.1: Tourism Promotion and Marketing</b>	Kenya Tourism Board	Increased tourism earnings	Earning from tourism (KShs. billion)	94	92.99	100	110	130	150
		Increased international tourist	No. of international	1.5	1.3	1.5	1.7	1.9	2.1

Programme	Delivery unit	Key Outputs	Key performance indicators	Target 2015/16	Actual achievement 2015/16	Target (Baseline) 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
		arrivals	tourist arrivals in million						
		Increased domestic tourism	No. of bed nights occupied by Kenyans in millions	3.0	3.2	3.4	3.8	3.9	4.0
	Tourism Regulatory Authority	Tourist establishments inspected/licensed	No. of registered establishments inspected/licensed	2,700	2,688	3,000	3,300	3,500	4,000
			Revenue collected (KShs. Millions)	63	91	100	150	225	280
		Classified Hotels and Restaurants	No. of classified Hotels and Restaurants	400	122	150	200	250	300
<b>Sub-Programme 1.2:</b> Niche Tourism Product Development & Diversification	Tourism Services – HQs	Agro-tourism operators sensitized	No. agro-tourism operators sensitized	100	100	100	150	150	150
		Cultural Tourism festivals held	No. of cultural tourism festivals held	5	5	4	5	5	5
	Bomas of Kenya Ltd.	New cultural cuisines	No. of new cultural cuisines	4	4	4	4	4	4
	Kenyatta International Convention Centre (KICC)	Increased conference tourism	No. of international conferences held	488	218	229	240	252	265
			Revenue generated from conference tourism. (KShs.	218	205	260	330	380	400

Programme	Delivery unit	Key Outputs	Key performance indicators	Target 2015/16	Actual achievement 2015/16	Target (Baseline) 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
			Millions)						
	Tourism Marketing and Promotion	Home-stays operators sensitized and certified	No. of home stay operators sensitized and certified	600	400	800	1,000	1,000	1,000
<b>Sub-Programme 1.3:</b> Tourism Infrastructure Development	Tourism Fund	Ronald Ngala Utalii College constructed	% of completion rate	50	40	75	95	100%	-
	Tourism Finance Corporation	Concessional loan funds to tourism and tourism related facilities	Number of tourism facilities financed	10	0	10	11	18	33
			Amount of loans provided (KShs. Millions)	500	Nil	500	1,100	1,850	3,300
		Concessional loans disbursed to SMEs and community based enterprises	Amount of loans provided (KShs. Millions)	-	-	-	16,000	18,000	24,000
<b>Sub-Programme 1.4:</b> Tourism Training & Capacity building	Kenya Utalii College	Human resource skills in tourism and hospitality industry developed	No. of KUC graduates	2,658	2,914	3,732	3,850	3,980	4,100
<b>Sub-Programme 1.5:</b> General administration planning and support services	Headquarters Administrative Services	Support services to programs	% ISO certification	100	60	75	85	100%	100%
			% of training needs requirements addressed	90	70	90	92	92%	95%
	Finance and Procurement Services	Financial support services to programs	No. of days to process requests from user	4	4	4	4	4 days	4 days

<b>Programme</b>	<b>Delivery unit</b>	<b>Key Outputs</b>	<b>Key performance indicators</b>	<b>Target 2015/16</b>	<b>Actual achievement 2015/16</b>	<b>Target (Baseline) 2016/17</b>	<b>Target 2017/18</b>	<b>Target 2018/19</b>	<b>Target 2019/20</b>
			programs						
	Central Planning Unit	Monitoring and Evaluation	No of M&E Reports (4 quarterly and 1 annual Reports per year)	5	5	5	5	5	5

## 3.2. Analysis of Resource Requirement versus Allocation

### 3.2.1. Sector Recurrent Estimates

**Table 3.2: Sector Recurrent Requirements Vs Allocations (KShs. Millions)**

The total resource requirement for the Sector against the allocation is as shown in the table below.

Economic Classification	2016/17	Requirement			Allocation		
		2017/18	2018/19	2019/20	2017/18	2018/19	2019/20
<b>Gross</b>	12,606	26,348	27,698	29,782	10,068	10,251	10,399
AIA	1,031	6,049	6,474	6,602	1,010	1,010	1,010
<b>NET</b>	11,575	20,299	21,224	23,180	9,058	9,241	9,389
Compensation to Employees	1,116	1,936	1,986	2,072	1,150	1,183	1,219
Use of Goods and Services	3,971	7,187	7,560	9,090	2,599	2,745	2,857
Transfers	7,467	15,965	16,993	17,397	6,264	6,264	6,264
Other Recurrent	49	1,260	1,159	1,223	54	58	58

#### 3.2.1.1. Subsector recurrent resource requirement Vs Allocation

The total resource requirement and allocation for the Five Sub-Sectors is as shown in the tables below.

##### i. Investment and Industry Sub Sector

R1172	Economic Classification	2016/17 Estimates	Requirement			Allocation		
			2017/18	2018/19	2019/20	2017/18	2018/19	2019/20
	<b>Gross</b>	2,669	4,333	4,524	4,865	2,604	2,644	2,676
	AIA	23	38	48	68	23	23	23
	<b>NET</b>	2,646	4,295	4,476	4,797	2,581	2,621	2,653
	Compensation to Employees	446	877	900	935	375	386	397
	Use of Goods and Services	469	1,275	1,366	1,573	469	496	517
	Transfers	1,730	2,145	2,222	2,268	1,730	1,730	1,730
	Other Recurrent	24	36	36	89	30	32	32

**ii. Cooperatives Sub Sector**

<b>R1173</b>	<b>Economic Classification</b>	<b>2016/17 Estimates</b>	<b>Requirement</b>			<b>Allocation</b>		
			<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>Gross</b>	<b>3,121</b>	<b>806</b>	<b>851</b>	<b>949</b>	<b>366</b>	<b>379</b>	<b>390</b>
	AIA	7	7	7	7	7	7	7
	<b>NET</b>	<b>3,114</b>	<b>799</b>	<b>844</b>	<b>942</b>	<b>359</b>	<b>372</b>	<b>383</b>
	Compensation to Employees	107	220	231	256	195	201	207
	Use of Goods and Services	1,747	401	434	495	100	105	110
	Transfers	1,253	76	76	80	53	53	53
	Other Recurrent	14	109	110	118	18	20	20

**iii. Trade Sub Sector**

<b>R1174</b>	<b>Economic Classification</b>	<b>2016/17 Estimates</b>	<b>Requirement</b>			<b>Allocation</b>		
			<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>Gross</b>	<b>2,919</b>	<b>6,139</b>	<b>5,826</b>	<b>6,494</b>	<b>2,179</b>	<b>2,214</b>	<b>2,244</b>
	AIA	20	9	10	11	1	1	1
	<b>NET</b>	<b>2,899</b>	<b>6,130</b>	<b>5,816</b>	<b>6,483</b>	<b>2,178</b>	<b>2,213</b>	<b>2,243</b>
	Compensation to Employees	222	412	415	424	229	235	243
	Use of Goods and Services	1,268	3,469	3,088	3,563	521	550	572
	Transfers	1,429	2,253	2,323	2,507	1,429	1,429	1,429
	Other Recurrent	-	5	-	-	-	-	-

iv. **East African Community Integration Sub Sector**

R1183	Economic Classification	2016/17 Estimates	Requirement			Allocation		
			2017/18	2018/19	2019/20	2017/18	2018/19	2019/20
	<b>Gross</b>	<b>1,543</b>	<b>3,081</b>	<b>3,680</b>	<b>4,442</b>	<b>1,554</b>	<b>1,579</b>	<b>1,600</b>
	AIA	2	0	0	0	0	0	0
	<b>NET</b>	<b>1,541</b>	<b>3,081</b>	<b>3,680</b>	<b>4,442</b>	<b>1,554</b>	<b>1,579</b>	<b>1,600</b>
	Compensation to Employees	186	244	255	267	192	197	203
	Use of Goods and Services	346	1,775	2,307	2,999	353	373	388
	Transfers	1,002	1,052	1,105	1,160	1,002	1,002	1,002
	Other Recurrent	6	10	13	16	6	6	6

v. **Tourism Sub Sector**

R1201	Economic Classification	2016/17 Estimates	Requirement			Allocation		
			2017/18	2018/19	2019/20	2017/18	2018/19	2019/20
	<b>Gross</b>	<b>2,354</b>	<b>11,989</b>	<b>12,817</b>	<b>13,032</b>	<b>3,365</b>	<b>3,435</b>	<b>3,489</b>
	AIA	979	5,995	6,409	6,516	979	979	979
	<b>NET</b>	<b>1,375</b>	<b>5,994</b>	<b>6,408</b>	<b>6,516</b>	<b>2,386</b>	<b>2,456</b>	<b>2,510</b>
	Compensation to Employees	155	183	185	190	159	164	169
	Use of Goods and Services	141	267	365	460	1,156	1,221	1,270
	Transfers	2,053	10,439	11,267	11,382	2,050	2,050	2,050
	Other Recurrent	5	1,100	1,000	1,000	0	0	0

**3.2.2 Sector Development Estimates**

Table 3.3: Analysis of Development Resource Requirement vs Allocation (KShs. Millions)

Description	2016/17 Estimates	Requirement			Allocation		
		2017/18	2018/19	2019/20	2017/18	2018/19	2019/20
<b>Gross</b>	<b>11,062</b>	<b>32,463</b>	<b>27,026</b>	<b>19,484</b>	<b>9,854</b>	<b>10,191</b>	<b>10,840</b>
GoK	10,367	28,323	19,783	14,715	9,159	9,496	10,145
Loans	304	304	304	304	304	304	304

Grants	391	347	272	272	391	391	391
Local AIA	0	3,489	6,667	4,193	0	0	0

### 3.2.2.1 Subsector Development Estimates

#### i. Investment & Industry Sub Sector

D1172	Description	2016/17 Estimates	Requirement			Allocation		
			2017/18	2018/19	2019/20	2017/18	2018/19	2019/20
	Gross	5,380	15,145	11,091	10,704	4,815	4,969	5,266
	GoK	4,750	14,559	10,580	10,193	4,185	4,339	4,636
	Loans	304	304	304	304	304	304	304
	Grants	326	282	207	207	326	326	326
	Local AIA	0	0	0	0	0	0	0

#### ii. Cooperatives Sub Sector

D1173	Description	2016/17 Estimates	Requirement			Allocation		
			2017/18	2018/19	2019/20	2017/18	2018/19	2019/20
	Gross	530	950	720	555	630	653	698
	GoK	530	950	720	555	630	653	698
	Loans	0	0	0	0	0	0	0
	Grants	0	0	0	0	0	0	0
	Local AIA	0	0	0	0	0	0	0

#### iii. Trade Sub Sector

D1174	Description	2016/17 Estimates	Requirement			Allocation		
			2017/18	2018/19	2019/20	2017/18	2018/19	2019/20
	Gross	245	1,990	1,485	619	513	532	568
	GoK	245	1,990	1,485	619	513	532	568
	Loans	0	0	0	0	0	0	0
	Grants	0	0	0	0	0	0	0
	Local AIA	0	0	0	0	0	0	0

**iv. East African Community Integration Sub Sector**

D1183	Description	2016/17 Estimates	Requirement			Allocation		
			2017/18	2018/19	2019/20	2017/18	2018/19	2019/20
	<b>Gross</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>65</b>
	GoK	-	-	-	-	-	-	-
	Loans	-	-	-	-	-	-	-
	Grants	65	65	65	65	65	65	65
	Local AIA	-	-	-	-	-	-	-

**v. Tourism Sub Sector**

D1201	Description	2016/17 Estimates	Requirement			Allocation		
			2017/18	2018/19	2019/20	2017/18	2018/19	2019/20
	<b>Gross</b>	<b>4,842</b>	<b>14,313</b>	<b>13,665</b>	<b>7,541</b>	<b>3,831</b>	<b>3,972</b>	<b>4,243</b>
	GoK	4,842	10,824	6,998	3,348	3,831	3,972	4,243
	Loans	0	0	0	0	0	0	0
	Grants	0	0	0	0	0	0	0
	Local AIA	0	3,489	6,667	4,193	0	0	0

### 3.2.3 Programme and Sub-Programmes Resource Requirement (KShs. Millions)

#### i. Investment & Industry Sub Sector

<b>P.1 General Administration, Planning and Support Services</b>												
	<b>2016/17</b>			<b>2017/18</b>			<b>2018/19</b>			<b>2019/20</b>		
	<b>Current</b>	<b>Capital</b>	<b>Total</b>									
S.P: 1.1 General Administration, Planning and Support Services	543	374	917	1,651	2,060	3,711	1,745	1,669	3,414	1,919	247	2,166
<b>Total for Programme 1</b>	<b>543</b>	<b>374</b>	<b>917</b>	<b>1,651</b>	<b>2,060</b>	<b>3,711</b>	<b>1,745</b>	<b>1,669</b>	<b>3,414</b>	<b>1,919</b>	<b>247</b>	<b>2,166</b>
<b>Programme 2: Promotion of Industrial Development &amp; Investment</b>												
S.P 2.1: Pro. of Industrial Dev&Inv	681	3,803	4,484	986	5,552	6,538	1,085	3,200	4,285	1,247	4,202	5,449
S.P 2.2: Pro. of Industrial Training	540	-	540	172	-	172	174	-	174	186	-	186
<b>Total for Programme 2</b>	<b>1,221</b>	<b>3,803</b>	<b>5,024</b>	<b>1,158</b>	<b>5,552</b>	<b>6,710</b>	<b>1,259</b>	<b>3,200</b>	<b>4,459</b>	<b>1,433</b>	<b>4,202</b>	<b>5,635</b>
<b>Programme 3: Standardization Metrology &amp; Conformity assessment</b>												
S.P 3.1: Standardization Metrology & Conformity assessment	115	343	458	115	916	1,031	115	515	630	115	278	393
S.P 3.2: Business Financing & Incubation	153	700	853	772	4,690	5,462	768	5,140	5,908	761	5,300	6,061
S.P 3.3: Industrial Research, Technology & Innovations	637	160	797	637	1,927	2,564	637	1,927	2,564	637	677	1,314

<b>Total for Programme 3</b>	905	1,203	2,108	1,524	7,533	9,057	1,520	7,582	9,102	1,513	6,255	7,768
<b>Total for Vote 1172</b>	2,669	5,380	8,049	4,333	15,145	19,478	4,524	12,451	16,975	4,865	10,704	15,569

**ii. Cooperatives Sub Sector**

	2016/17			2017/18			2018/19			2019/20		
	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total
<b>Programme 4: Cooperative Development and promotion</b>												
S.P 4.1: Co-operative governance and Accountability	51	0	51	64	80	144	66	50	116	134	60	194
S.P 4.2: Co-operative advisory Services	2,554	230	2,784	489	500	989	497	340	837	502	160	662
S.P 4.3: Co-operative Marketing, Value Addition and Research	16	0	16	23	120	143	23	100	123	24	20	44
S.P 4.4: Co-operative Management and Investment	500	300	800	0	250	250	0	230	230	0	315	315
S.P 4.5 General Administration, Planning and Support Services	0	0	0	230	0	230	264	0	264	289	0	289
<b>Total for Programme 4</b>	<b>3,121</b>	<b>530</b>	<b>3,651</b>	<b>806</b>	<b>950</b>	<b>1,756</b>	<b>850</b>	<b>720</b>	<b>1,570</b>	<b>949</b>	<b>555</b>	<b>1,504</b>

**iii. Trade Sub Sector**

	2016/17	2017/18	2018/19	2019/20
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	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total
<b>Programme 5: Trade Development and Promotion</b>												
S.P 5.1: Domestic Trade Development	59	30	89	128	250	378	139	220	359	143	80	223
S.P 5.2: Fair Trade and Consumer Protection	361	45	406	654	398	1,052	791	415	1,206	898	55	953
S.P 5.3: Exports Market Development	305	80	385	842	544	1,386	802	196	997	854	20	874
S.P 5.4: Regional Economic Integration Initiatives	4	70	74	6	440	446	6	412	418	11	200	211
S.P 5.5: Entrepreneurial and Management Training	69	-	69	208	132	340	168	139	307	155	106	261
S.P 5.6: International Trade	1,723	-	1,723	3,534	-	3,534	3,209	-	3,209	3,674	-	3,674
S.P 5.7: Country Branding and Marketing	105	20	125	225	106	331	189	103	292	209	158	367
S.P 5.8 General Administration, Planning and Support Services	293	-	293	542	120	662	522	-	522	550	-	550
<b>Total for Programme 5</b>	<b>2,919</b>	<b>245</b>	<b>3,164</b>	<b>6,139</b>	<b>1,990</b>	<b>8,129</b>	<b>5,826</b>	<b>1,485</b>	<b>7,311</b>	<b>6,494</b>	<b>619</b>	<b>7,113</b>

**iv. East African Affairs and Regional Integration Sub Sector**

	2016/17			2017/18			2018/19			2019/20		
	Current	Capital	Total									
<b>Programme 6: East African Affairs and Regional Integration</b>												
S.P 6.1: East African Customs Union	621	0	621	925	0	925	1,042	0	1,042	1,186	0	1,186
S.P 6.2: East African Common Market	877	0	877	1,901	0	1,901	2,306	0	2,306	2,825	0	2,825
S.P 6.3: EAC Monetary Union	43	65	108	255	65	320	332	65	397	431	65	496
<b>Total for Programme 6</b>	<b>1,541</b>	<b>65</b>	<b>1,606</b>	<b>3,081</b>	<b>65</b>	<b>3,146</b>	<b>3,680</b>	<b>65</b>	<b>3,745</b>	<b>4,442</b>	<b>65</b>	<b>4,507</b>

**v. Tourism Sub Sector**

	2016/17			2017/18			2018/19			2019/20		
	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total
<b>Programme 7: Tourism Development and Promotion</b>												
S.P 7.1: Tourism Promotion & Marketing	876	1,561	2,437	2,801	1,937	4,738	3,064	2,123	5,187	3,474	2,336	5,810
S.P 7.2: Niche Tourism Product Dev't Diversification	351	160	511	1,692	7,761	9,453	2,109	7,963	10,072	2,242	2,025	4,267
S.P 7.3: Tourism Infrastructure Development	0	1,000	1,000	4,607	2,643	7,250	4,663	2,157	6,820	4,095	2,180	6,275
S.P 7.4: Tourism Training & Capacity Building	854	200	1,054	1,489	398	1,887	1,631	0	1,631	1,821	0	1,821

S.P 7.5: General Administration, Planning and Support Services	273	1,921	2,194	1,400	1,574	2,974	1,350	1,422	2,772	1,400	1,000	2,400
<b>Total Programme 7</b>	<b>2,354</b>	<b>4,842</b>	<b>7,196</b>	<b>11,989</b>	<b>14,313</b>	<b>26,302</b>	<b>12,817</b>	<b>13,665</b>	<b>26,482</b>	<b>13,032</b>	<b>7,541</b>	<b>20,573</b>
<b>Grand Total for the Sector</b>	<b>12,604</b>	<b>11,062</b>	<b>23,665</b>	<b>26,348</b>	<b>32,463</b>	<b>58,806</b>	<b>27,697</b>	<b>28,386</b>	<b>56,083</b>	<b>29,782</b>	<b>19,484</b>	<b>49,266</b>

### 3.2.4 Programme and Sub-Programmes Resource Allocation (KShs. Millions)

#### i. Investment & Industry Sub Sector

<b>P.1 General Administration, Planning and Support Services</b>												
	2016/17			2017/18			2018/19			2019/20		
	Current	Capital	Total									
S.P: 1.1 General Administration, Planning and Support Services	543	374	917	449	303	752	473	304	777	487	303	790
<b>Total for Programme 1</b>	<b>543</b>	<b>374</b>	<b>917</b>	<b>449</b>	<b>303</b>	<b>752</b>	<b>473</b>	<b>304</b>	<b>777</b>	<b>487</b>	<b>303</b>	<b>790</b>
<b>Programme 2: Promotion of Industrial Development &amp; Investment</b>												
S.P 2.1: Promotion of Industrial Development & Investment	681	3,803	4,484	710	3,526	4,236	723	3,630	4,353	747	3,957	4,704
S.P 2.2: Provison of Industrial Training	540	0	540	541	0	541	543	0	543	538	0	538
<b>Total for Programme 2</b>	<b>1,221</b>	<b>3,803</b>	<b>5,024</b>	<b>1,251</b>	<b>3,526</b>	<b>4,777</b>	<b>1,265</b>	<b>3,630</b>	<b>4,896</b>	<b>1,285</b>	<b>3,957</b>	<b>5,242</b>
<b>Programme 3: Standardization Metrology &amp; Conformity assessment</b>												
S.P 3.1: Standardization	115	343	458	115	120	235	115	170	285	115	140	255

Metrology & Conformity assessment												
S.P 3.2: Business Financing & Incubation	153	700	853	153	350	503	153	350	503	153	350	503
S.P 3.3: Industrial Research, Technology & Innovations	637	160	797	637	515	1,152	637	515	1,152	637	515	1,152
<b>Total for Programme 3</b>	<b>905</b>	<b>1,203</b>	<b>2,108</b>	<b>905</b>	<b>985</b>	<b>1,890</b>	<b>905</b>	<b>1,035</b>	<b>1,940</b>	<b>905</b>	<b>1,005</b>	<b>1,910</b>
<b>Total for Vote 1172</b>	<b>2,669</b>	<b>5,380</b>	<b>8,049</b>	<b>2,605</b>	<b>4,814</b>	<b>7,419</b>	<b>2,644</b>	<b>4,969</b>	<b>7,613</b>	<b>2,677</b>	<b>5,265</b>	<b>7,942</b>

## ii. Cooperatives Sub Sector

	2016/17			2017/18			2018/19			2019/20		
	Current	Capital	Total									
<b>Programme 4: Cooperative Development and promotion</b>												
S.P 4.1: Co-operative governance and Accountability	51	0	51	63	80	143	62	120	182	63	80	143
S.P 4.2: Co-operative advisory Services	2,554	230	2,784	160	300	460	161	140	301	163	60	223
S.P 4.3: Co-operative Marketing, Value Addition and Research	16	0	16	23	0	23	24	163	187	25	243	268
S.P 4.4: Co-operative Management and Investment	500	300	800	0	250	250	0	230	230	0	315	315

S.P 4.5 General Administration, Planning and Support Services	0	0	0	120	0	120	132	0	132	139	0	139
<b>Total for Programme 4</b>	<b>3,121</b>	<b>530</b>	<b>3,651</b>	<b>366</b>	<b>630</b>	<b>996</b>	<b>379</b>	<b>653</b>	<b>1,032</b>	<b>390</b>	<b>698</b>	<b>1,088</b>

### iii. Trade Sub Sector

	2016/17			2017/18			2018/19			2019/20		
	Current	Capital	Total									
<b>Programme 5: Trade Development and promotion</b>												
S.P 5.1: Domestic Trade Development	59	30	115	60	60	120	61	40	101	62	20	82
S.P 5.2: Fair Trade and Consumer Protection	361	45	432	362	75	437	363	70	433	364	154	518
S.P 5.3: Exports Market Development	305	80	385	305	80	385	305	80	385	305	80	385
S.P 5.4: Regional Economic Integration Initiatives	4	70	74	4	140	144	4	92	96	4	158	162
S.P 5.5: Entrepreneurial and Management Training	69	0	69	70	108	178	71	80	151	72	106	178
S.P 5.6: International Trade	1,723	0	1,827	969	0	969	969	0	969	969	0	969
S.P 5.7: Country Branding and Marketing	105	20	125	105	50	155	105	50	155	105	50	155
S.P 5.8 General Administration, Planning and Support Services	293	0	293	304	0	304	337	120	457	363	0	363

<b>Total for Programme 5</b>	<b>2,919</b>	<b>245</b>	<b>3,164</b>	<b>2,179</b>	<b>513</b>	<b>2,692</b>	<b>2,214</b>	<b>532</b>	<b>2,746</b>	<b>2,244</b>	<b>568</b>	<b>2,812</b>
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**iv. East African Community Integration Sub Sector**

	2016/17			2017/18			2018/19			2019/20		
	Current	Capital	Total									
<b>Programme 6: East African Affairs and Regional Integration</b>												
S.P 6.1: East African Customs Union	621	-	621	634	-	634	659	-	659	680	-	680
S.P 6.2: East African Common Market	877	-	877	878	-	878	878	-	878	878	-	878
S.P 6.3: EAC Monetary Union	43	65	108	43	65	108	43	65	108	43	65	108
<b>Total for Programme 6</b>	<b>1,541</b>	<b>65</b>	<b>1,606</b>	<b>1,555</b>	<b>65</b>	<b>1,620</b>	<b>1,580</b>	<b>65</b>	<b>1,645</b>	<b>1,601</b>	<b>65</b>	<b>1,666</b>

**v. Tourism Sub Sector**

	2016/17			2017/18			2018/19			2019/20		
	Current	Capital	Total									
<b>Programme 7: Tourism Development and promotion</b>												
S.P 7.1: Tourism Promotion & Marketing	864	1,561	2,425	834	1,170	2,004	834	1,600	2,434	834	1,900	2,734
S.P 7.2: Niche Tourism Product Dev't Diversification	363	160	511	404	160	564	407	0	407	410	0	410
S.P 7.3: Tourism Infrastructure Development	0	1,000	1,000	0	1,200	1,200	0	1,500	1,500	0	2,000	2,000
S.P 7.4: Tourism Training &	854	200	1,054	884	270	1,154	884	230	1,114	884	0	884

Capacity Building												
S.P 7.5: General Administration, Planning and Support Services	273	1,921	2,194	1,243	1,031	2,274	1,310	642	1,952	1,361	343	1,704
<b>Total for Programme 7</b>	<b>2,354</b>	<b>4,842</b>	<b>7,196</b>	<b>3,365</b>	<b>3,831</b>	<b>7,196</b>	<b>3,435</b>	<b>3,972</b>	<b>7,407</b>	<b>3,489</b>	<b>4,243</b>	<b>7,732</b>
<b>Grand Total for the Sector</b>	<b>12,604</b>	<b>11,062</b>	<b>23,666</b>	<b>10,070</b>	<b>9,853</b>	<b>19,923</b>	<b>10,253</b>	<b>10,191</b>	<b>20,244</b>	<b>10,401</b>	<b>10,839</b>	<b>21,234</b>

### 3.2.5 Programmes and Sub Programmes allocation by economic classification

#### i. Investment & Industry Sub Sector

Expenditure Classification	Requirement (Ksh. Millions)				Allocation Ksh. Millions			
	2016/17	2017/18	2018/19	2019/20	2016/17	2017/18	2018/19	2019/20
<b>Programme 1:General Administration, Planning and Support Services</b>								
<b>Current Expenditure</b>	<b>1,110</b>	<b>1,651</b>	<b>1,745</b>	<b>1,919</b>	<b>544</b>	<b>448</b>	<b>473</b>	<b>487</b>
Compensation of employees	522	662	677	703	258	213	220	226
Use of goods and services	558	959	1,043	1,180	264	216	233	237
Grants and Transfers	5	7	2	2	2	0	0	0
Other recurrent	25	23	23	34	20	19	20	23
<b>Capital Expenditure</b>	<b>2,295</b>	<b>2,060</b>	<b>1,669</b>	<b>247</b>	<b>374</b>	<b>304</b>	<b>304</b>	<b>304</b>

Acquisition of Non-financial Assets	991	1,778	1,462	40	70	304	304	304
Capital Grants to Government Agencies	0	0	0	0	0	0	0	0
Other Development	1,304	282	207	207	304	0	0	0
<b>Total for Programme 1</b>	<b>3,405</b>	<b>3,711</b>	<b>3,414</b>	<b>2,166</b>	<b>918</b>	<b>752</b>	<b>777</b>	<b>791</b>
<b>Programme 2:</b>	<b>Industrial Development &amp; Investments</b>							
<b>Current Expenditure</b>	<b>1,220</b>	<b>1,158</b>	<b>1,259</b>	<b>1,433</b>	<b>1,220</b>	<b>1,251</b>	<b>1,431</b>	<b>1,715</b>
Compensation of employees	188	215	223	232	188	161	165	171
Use of goods and services	205	316	323	393	205	254	422	695
Grants and Transfers	823	614	700	753	823	825	825	825
Other recurrent	4	13	13	55	4	11	19	24
<b>Capital Expenditure</b>	<b>3,803</b>	<b>5,552</b>	<b>3,200</b>	<b>4,202</b>	<b>3,803</b>	<b>3,200</b>	<b>4,354</b>	<b>5,354</b>
Acquisition of Non-financial Assets	0	0	0	0	0	0	0	0
Capital Grants to Government Agencies	3,300	4,552	1,700	1,702	3,300	2,700	2,854	2,854
Other Development	503	1,000	1,500	2,500	503	500	1,500	2,500
<b>Total for Programme 2</b>	<b>5,023</b>	<b>6,710</b>	<b>4,459</b>	<b>5,635</b>	<b>5,023</b>	<b>4,451</b>	<b>5,785</b>	<b>7,069</b>
<b>Sub – Programme 2.1</b>	<b>Promotion of Industrial Development and Investment</b>							
<b>Current Expenditure</b>	<b>680</b>	<b>986</b>	<b>1,085</b>	<b>1,247</b>	<b>680</b>	<b>710</b>	<b>830</b>	<b>1,041</b>
Compensation of employees	145	161	167	174	145	120	123	127
Use of goods and services	112	201	208	270	112	160	271	476

Grants and Transfers	422	614	700	753	422	422	422	422
Other recurrent	1	10	10	50	1	8	14	16
<b>Capital Expenditure</b>	<b>3,803</b>	<b>5,552</b>	<b>3,200</b>	<b>4,202</b>	<b>3,803</b>	<b>3,200</b>	<b>4,354</b>	<b>5,354</b>
Acquisition of Non-financial Assets	0	0	0	0	0	0	0	0
Capital Grants to Government Agencies	3,300	4,552	1,700	1,702	3,300	2,700	2,854	2,854
Other Development	503	1,000	1,500	2,500	503	500	1,500	2,500
<b>Total Sub –Programme 2.1</b>	<b>4,483</b>	<b>6,538</b>	<b>4,285</b>	<b>5,449</b>	<b>4,483</b>	<b>3,910</b>	<b>5,184</b>	<b>6,395</b>
<b>Sub – Programme 2.2</b>	<b>Promotion of Industrial Training</b>							
<b>Current Expenditure</b>	<b>540</b>	<b>172</b>	<b>174</b>	<b>186</b>	<b>540</b>	<b>541</b>	<b>543</b>	<b>538</b>
Compensation of employees	43	54	56	58	43	41	42	44
Use of goods and services	93	115	115	123	93	94	94	88
Grants and Transfers	401	0	0	0	401	403	403	403
Other recurrent	3	3	3	5	3	3	3	3
<b>Capital Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Acquisition of Non-financial Assets	0	0	0	0	0	0	0	0
Capital Grants to Government Agencies	0	0	0	0	0	0	0	0
Other Development	0	0	0	0	0	0	0	0
<b>Total Sub-Programme 2.2</b>	<b>540</b>	<b>172</b>	<b>174</b>	<b>186</b>	<b>540</b>	<b>541</b>	<b>543</b>	<b>538</b>
<b>Programme 3:</b>	<b>Standards and Business Incubation</b>							

	<b>905</b>	<b>1,524</b>	<b>1,520</b>	<b>1,513</b>	<b>905</b>	<b>905</b>	<b>905</b>	<b>905</b>
<b>Current Expenditure</b>								
Compensation of employees	-	-	-	-	-	-	-	-
Use of goods and services	-	-	-	-	-	-	-	-
Grants and Transfers	905	1,524	1,520	1,513	905	905	905	905
Other recurrent	-	-	-	-	-	-	-	-
<b>Capital Expenditure</b>	<b>1,203</b>	<b>7,533</b>	<b>7,582</b>	<b>6,255</b>	<b>1,203</b>	<b>985</b>	<b>1,035</b>	<b>1,005</b>
Acquisition of Non-financial Assets	-	-	-	-	-	-	-	-
Capital Grants to Government Agencies	930	7,333	7,432	6,135	930	885	885	885
Other Development	273	200	150	120	273	100	150	120
<b>Total Programme 3</b>	<b>2,108</b>	<b>9,057</b>	<b>9,102</b>	<b>7,768</b>	<b>2,108</b>	<b>1,890</b>	<b>1,940</b>	<b>1,910</b>
<b>Sub – Programme 3.1</b>	<b>Standardization, Metrology and Conformity Assessment</b>							
<b>Current Expenditure</b>	<b>115</b>	<b>115</b>	<b>115</b>	<b>115</b>	<b>115</b>	<b>115</b>	<b>115</b>	<b>115</b>
Compensation of employees	0	0	0	0	0	0	0	0
Use of goods and services	0	0	0	0	0	0	0	0
Grants and Transfers	115	115	115	115	115	115	115	115
Other recurrent	0	0	0	0	0	0	0	0
<b>Capital Expenditure</b>	<b>343</b>	<b>916</b>	<b>515</b>	<b>278</b>	<b>343</b>	<b>120</b>	<b>170</b>	<b>140</b>
Acquisition of Non-financial Assets	0	0	0	0	0	0	0	0

Capital Grants to Government Agencies	70	716	365	158	70	20	20	20
Other Development	273	200	150	120	273	100	150	120
<b>Total Sub-Programme 3.1</b>	<b>458</b>	<b>1,031</b>	<b>630</b>	<b>393</b>	<b>458</b>	<b>235</b>	<b>285</b>	<b>255</b>
<b>Sub – Programme 3.2</b>	<b>Business Financing and Incubation</b>							
<b>Current Expenditure</b>	<b>153</b>	<b>772</b>	<b>768</b>	<b>761</b>	<b>153</b>	<b>153</b>	<b>153</b>	<b>153</b>
Compensation of employees	0	0	0	0	0	0	0	0
Use of goods and services	0	0	0	0	0	0	0	0
Grants and Transfers	153	772	768	761	153	153	153	153
Other recurrent	0	0	0	0	0	0	0	0
<b>Capital Expenditure</b>	<b>700</b>	<b>4,690</b>	<b>5,140</b>	<b>5,300</b>	<b>700</b>	<b>350</b>	<b>350</b>	<b>350</b>
Acquisition of Non-financial Assets	0	0	0	0	0	0	0	0
Capital Grants to Government Agencies	700	4,690	5,140	5,300	700	350	350	350
Other Development	0	0	0	0	0	0	0	0
<b>Total Sub-Programme 3.2</b>	<b>853</b>	<b>5,462</b>	<b>5,908</b>	<b>6,061</b>	<b>853</b>	<b>503</b>	<b>503</b>	<b>503</b>
<b>Sub – Programme 3.3</b>	<b>Industrial Research, Technology and Innovation</b>							
<b>Current Expenditure</b>	<b>637</b>	<b>637</b>	<b>637</b>	<b>637</b>	<b>637</b>	<b>637</b>	<b>637</b>	<b>637</b>
Compensation of employees	-	-	-	-	-	0	0	0
Use of goods and services	-	-	-	-	-	0	0	0

Grants and Transfers	637	637	637	637	637	637	637	637
Other recurrent	-	-	-	-	-	0	0	0
<b>Capital Expenditure</b>	<b>160</b>	<b>1,927</b>	<b>1,927</b>	<b>677</b>	<b>160</b>	<b>515</b>	<b>515</b>	<b>515</b>
Acquisition of Non-financial Assets	-	-	-	-	-	0	0	0
Capital Grants to Government Agencies	160	1,927	1,927	677	160	515	515	515
Other Development	-	-	-	-	-	0	0	0
<b>Total Sub-Programme 3.3</b>	<b>797</b>	<b>2,564</b>	<b>2,564</b>	<b>1,314</b>	<b>797</b>	<b>1,152</b>	<b>1,152</b>	<b>1,152</b>

**i. Cooperatives Sub Sector**

Expenditure Classification	Baseline	Requirement Ksh. Millions			Allocation Ksh. Millions			
	2016/17	2017/18	2018/19	2019/20	2016/17	2017/18	2018/19	2019/20
<b>Programme 4: Cooperative Development and Management</b>								
<b>Current Expenditure</b>	<b>3,121</b>	<b>805</b>	<b>851</b>	<b>949</b>	<b>3,121</b>	<b>373</b>	<b>386</b>	<b>397</b>
Compensation of employees	107	220	231	256	107	195	201	207
Use of goods and services	1,747	401	434	495	1,747	107	112	117
Grants and Transfers	1,253	76	76	80	1,253	<b>53</b>	<b>53</b>	<b>53</b>
Other recurrent	14	109	110	118	14	18	20	20
<b>Capital Expenditure</b>	<b>530</b>	<b>950</b>	<b>720</b>	<b>555</b>	<b>530</b>	<b>630</b>	<b>653</b>	<b>698</b>
Acquisition of Non-financial Assets	0	600	450	210	200	250	403	315

Capital Grants to Government Agencies	330	350	270	345	330	380	230	383
Other Development	200	0	0	0	0	0	0	0
<b>Total Programme 4</b>	<b>3,651</b>	<b>1,755</b>	<b>1,571</b>	<b>1,504</b>	<b>3,651</b>	<b>1003</b>	<b>1,039</b>	<b>1,095</b>
<b>Sub-Programme 4.1:</b>	<b>Cooperative Governance and Accountability</b>							
<b>Current Expenditure</b>	<b>51</b>	<b>64</b>	<b>66</b>	<b>134</b>	<b>52</b>	<b>63</b>	<b>62</b>	<b>63</b>
Compensation of employees	31	32	33	74	31	37	38	39
Use of goods and services	17	28	30	50	17	22	19	19
Grants and Transfers	0	0	0	0	0	0	0	0
Other recurrent	4	4	4	10	4	4	5	5
<b>Capital Expenditure</b>	<b>0</b>	<b>80</b>	<b>50</b>	<b>60</b>	<b>0</b>	<b>80</b>	<b>120</b>	<b>80</b>
Acquisition of Non-financial Assets	0	80	50	60	0	80	120	80
Capital Grants to Government Agencies	0	0	0	0	0	0	0	0
Other Development	0	0	0	0	0	0	0	0
<b>Total Sub-Programme 4.1</b>	<b>51</b>	<b>144</b>	<b>116</b>	<b>194</b>	<b>52</b>	<b>143</b>	<b>182</b>	<b>143</b>
<b>Sub-Programme 4.2:</b>	<b>Cooperative Advisory Services</b>							
<b>Current Expenditure</b>	<b>2,554</b>	<b>489</b>	<b>497</b>	<b>502</b>	<b>2,554</b>	<b>160</b>	<b>161</b>	<b>163</b>
Compensation of employees	68	69	76	54	68	75	77	79
Use of goods and services	1,723	239	240	260	1,723	28	26	26
Grants and Transfers	753	76	76	80	753	53	53	53
Other recurrent	10	106	106	108	10	4	5	5

<b>Capital Expenditure</b>	<b>230</b>	<b>500</b>	<b>340</b>	<b>160</b>	<b>230</b>	<b>300</b>	<b>140</b>	<b>60</b>
Acquisition of Non-financial Assets	0	400	300	130	0	0	0	0
Capital Grants to Government Agencies	30	100	40	30	30	100	40	30
Other Development	200	0	0	0	200	200	100	30
<b>Total Sub-Programme 4.2</b>	<b>2,784</b>	<b>989</b>	<b>837</b>	<b>662</b>	<b>2,784</b>	<b>460</b>	<b>301</b>	<b>223</b>
<b>Sub-Programme 4.3:</b>	<b>Cooperative Marketing, Value Addition and Research</b>							
<b>Current Expenditure</b>	<b>16</b>	<b>23</b>	<b>23</b>	<b>24</b>	<b>16</b>	<b>23</b>	<b>24</b>	<b>25</b>
Compensation of employees	8	9	9	9	8	13	14	15
Use of goods and services	7	14	15	15	7	10	10	10
Grants and Transfers	0	0	0	0	0	0	0	0
Other recurrent	0	0	0	0	0	0	0	0
<b>Capital Expenditure</b>	<b>0</b>	<b>120</b>	<b>100</b>	<b>20</b>	<b>0</b>	<b>0</b>	<b>163</b>	<b>243</b>
Acquisition of Non-financial Assets	0	120	100	20	0	0	163	243
Capital Grants to Government Agencies	0	0	0	0	0	0	0	0
Other Development	0	0	0	0	0	0	0	0
<b>Total Sub-Programme 4.3</b>	<b>16</b>	<b>143</b>	<b>123</b>	<b>44</b>	<b>16</b>	<b>23</b>	<b>187</b>	<b>268</b>
<b>Sub-Programme 4.4:</b>	<b>Cooperative Management and Investment</b>							
<b>Current Expenditure</b>	<b>500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>500</b>	<b>0</b>	<b>0</b>	<b>0</b>
Compensation of employees	0	0	0	0	0	0	0	0

Use of goods and services	0	0	0	0	0	0	0	0
Grants and Transfers	500	0	0	0	500	0	0	0
Other recurrent	0	0	0	0	0	0	0	0
<b>Capital Expenditure</b>	<b>300</b>	<b>250</b>	<b>230</b>	<b>315</b>	<b>300</b>	<b>250</b>	<b>230</b>	<b>315</b>
Acquisition of Non-financial Assets	0	0	0	0	0	0	0	0
Capital Grants to Government Agencies	300	250	230	315	300	250	230	315
Other Development	0	0	0	0	0	0	0	0
<b>Total Sub-Programme 4.4</b>	<b>800</b>	<b>250</b>	<b>230</b>	<b>315</b>	<b>800</b>	<b>250</b>	<b>230</b>	<b>315</b>
<b>Sub-Programme 4.5:</b>	<b>General Administration, Planning and support services</b>							
<b>Current Expenditure</b>	<b>0</b>	<b>230</b>	<b>264</b>	<b>289</b>	<b>0</b>	<b>120</b>	<b>132</b>	<b>139</b>
Compensation of employees	0	110	114	119	0	70	72	74
Use of goods and services	0	120	150	170	0	40	50	55
Grants and Transfers	0	0	0	0	0	0	0	0
Other recurrent	0	0	0	0	0	10	10	10
<b>Capital Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Acquisition of Non-financial Assets	0	0	0	0	0	0	0	0
Capital Grants to Government Agencies	0	0	0	0	0	0	0	0
Other Development	0	0	0	0	0	0	0	0
<b>Total Sub-Programme 4.5</b>	<b>0</b>	<b>230</b>	<b>264</b>	<b>289</b>	<b>0</b>	<b>120</b>	<b>132</b>	<b>139</b>

ii. Trade Sub Sector

Expenditure Classification	Baseline	Requirement Ksh. Millions				Allocation Ksh. Millions		
	2016/17	2017/18	2018/19	2019/20	2016/17	2017/18	2018/19	2019/20
<b>Programme 5:</b>	<b>Trade Promotion and Development</b>							
<b>Current Expenditure</b>	<b>2,919</b>	<b>6,139</b>	<b>5,826</b>	<b>6,494</b>	<b>2,919</b>	<b>2,179</b>	<b>2,214</b>	<b>2,244</b>
Compensation of employees	222	412	415	424	222	229	235	243
Use of goods and services	1,293	3,524	3,148	3,625	1,293	521	550	572
Grants and Transfers	1,404	2,198	2,263	2,445	1,404	1,429	1,429	1,429
Other recurrent	-	5	-	-	-	0	0	0
<b>Capital Expenditure</b>	<b>245</b>	<b>1,990</b>	<b>1,485</b>	<b>619</b>	<b>245</b>	<b>513</b>	<b>532</b>	<b>568</b>
Acquisition of Non-financial Assets	145	1,050	806	361	145	323	352	379
Capital Grants to Government Agencies	100	940	679	258	100	190	180	189
Other Development	-	-	-	-	-	0	0	0
<b>Total Sub-Programme 5</b>	<b>3,164</b>	<b>8,129</b>	<b>7,311</b>	<b>7,113</b>	<b>3,164</b>	<b>2,692</b>	<b>2,746</b>	<b>2,812</b>
<b>Sub -Programme 5.1:</b>	<b>Domestic Trade Development</b>							
<b>Current Expenditure</b>	<b>59</b>	<b>128</b>	<b>139</b>	<b>143</b>	<b>59</b>	<b>60</b>	<b>61</b>	<b>62</b>
Compensation of employees	30	59	61	62	30	31	32	33

Use of goods and services	29	69	78	81	29	29	29	29
Grants and Transfers	0	0	0	0	0	0	0	0
Other recurrent	0	0	0	0	0	0	0	0
<b>Capital Expenditure</b>	<b>30</b>	<b>250</b>	<b>220</b>	<b>80</b>	<b>30</b>	<b>60</b>	<b>40</b>	<b>20</b>
Acquisition of Non-financial Assets	30	210	140	0	30	30	20	0
Capital Grants to Government Agencies	0	40	80	80	0	30	20	20
Other Development	0	0	0	0	0	0	0	0
<b>Total Sub-Programme 5.1</b>	<b>89</b>	<b>378</b>	<b>359</b>	<b>223</b>	<b>89</b>	<b>120</b>	<b>101</b>	<b>82</b>
<b>Sub-Programme 5.2:</b>	<b>Fair Trade and Consumer Protection</b>							
<b>Current Expenditure</b>	<b>361</b>	<b>654</b>	<b>791</b>	<b>898</b>	<b>361</b>	<b>362</b>	<b>363</b>	<b>364</b>
Compensation of employees	30	36	36	37	30	31	32	33
Use of goods and services	66	137	143	149	66	66	66	66
Grants and Transfers	265	481	612	712	265	265	265	265
Other recurrent	0	0	0	0	0	-	-	0
<b>Capital Expenditure</b>	<b>45</b>	<b>398</b>	<b>415</b>	<b>55</b>	<b>45</b>	<b>75</b>	<b>70</b>	<b>154</b>
Acquisition of Non-financial Assets	45	148	115	55	45	45	40	115
Capital Grants to Government Agencies	0	250	300	0	0	30	30	39
Other Development	0	0	0	0	0	0	0	0
<b>Total Sub-Programme 5.2</b>	<b>406</b>	<b>1,052</b>	<b>1,206</b>	<b>953</b>	<b>406</b>	<b>437</b>	<b>433</b>	<b>518</b>
<b>Sub-Programme 5.3:</b>	<b>Exports Market Development</b>							
<b>Current Expenditure</b>	<b>305</b>	<b>842</b>	<b>802</b>	<b>854</b>	<b>305</b>	<b>305</b>	<b>305</b>	<b>305</b>

Compensation of employees	0	0	0	0	0	0	0	0
Use of goods and services	0	0	0	0	0	0	0	0
Grants and Transfers	305	842	802	854	305	305	305	305
Other recurrent	0	0	0	0	0	0	0	0
<b>Capital Expenditure</b>	<b>80</b>	<b>544</b>	<b>196</b>	<b>20</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>
Acquisition of Non-financial Assets	0	0	0	0	0	0	0	0
Capital Grants to Government Agencies	80	544	196	20	80	80	80	80
Other Development	0	0	0	0	0	0	0	0
<b>Total Sub-Programme 5.3</b>	<b>385</b>	<b>1,386</b>	<b>997</b>	<b>874</b>	<b>385</b>	<b>385</b>	<b>385</b>	<b>385</b>
<b>Sub-Programme 5.4:</b>	<b>Regional Economic Integration Initiatives</b>							
<b>Current Expenditure</b>	<b>4</b>	<b>6</b>	<b>6</b>	<b>11</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
Compensation of employees	1	1	1	1	1	1	1	1
Use of goods and services	3	5	5	10	3	3	3	3
Grants and Transfers	0	0	0	0	0	0	0	0
Other recurrent	0	0	0	0	0	0	0	0
<b>Capital Expenditure</b>	<b>70</b>	<b>440</b>	<b>412</b>	<b>200</b>	<b>70</b>	<b>140</b>	<b>92</b>	<b>158</b>
Acquisition of Non-financial Assets	70	440	412	200	70	140	92	158
Capital Grants to Government Agencies	0	0	0	0	0	0	0	0
Other Development	0	0	0	0	0	0	0	0

<b>Total Sub-Programme 5.4</b>	<b>74</b>	<b>446</b>	<b>418</b>	<b>211</b>	<b>74</b>	<b>144</b>	<b>96</b>	<b>162</b>
<b>Programme 5.5:</b>	<b>Enterprenuerial and Management Training</b>							
<b>Current Expenditure</b>	<b>69</b>	<b>208</b>	<b>168</b>	<b>155</b>	<b>69</b>	<b>70</b>	<b>71</b>	<b>72</b>
Compensation of employees	33	39	40	41	33	34	35	36
Use of goods and services	36	169	128	114	36	36	36	36
Grants and Transfers	0	0	0	0	0	0	0	0
Other recurrent	0	0	0	0	0	0	0	0
<b>Capital Expenditure</b>	<b>0</b>	<b>132</b>	<b>139</b>	<b>106</b>	<b>0</b>	<b>108</b>	<b>80</b>	<b>106</b>
Acquisition of Non-financial Assets	0	132	139	106	0	108	80	106
Capital Grants to Government Agencies	0	0	0	0	0	0	0	0
Other Development	0	0	0	0	0	0	0	0
<b>Total Sub-Programme 5.5:</b>	<b>69</b>	<b>340</b>	<b>307</b>	<b>261</b>	<b>69</b>	<b>178</b>	<b>151</b>	<b>178</b>
<b>Sub-Programme 5.6:</b>	<b>International Trade</b>							
<b>Current Expenditure</b>	<b>1,723</b>	<b>3,534</b>	<b>3,209</b>	<b>3,674</b>	<b>1,723</b>	<b>969</b>	<b>969</b>	<b>969</b>
Compensation of employees	0	141	144	147	0	0	0	0
Use of goods and services	994	2,743	2,405	2,857	994	215	215	215
Grants and Transfers	729	650	660	670	729	754	754	754
Other recurrent	0	0	0	0	0	0	0	0
<b>Capital Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Acquisition of Non-financial Assets	0	0	0	0	0	0	0	0
Capital Grants to Government Agencies	0	0	0	0	0	0	0	0
Other Development	0	0	0	0	0	0	0	0
<b>Total Sub-Programme 5.6</b>	<b>1,723</b>	<b>3,534</b>	<b>3,209</b>	<b>3,674</b>	<b>1,723</b>	<b>969</b>	<b>969</b>	<b>969</b>
<b>Sub-Programme 5.7:</b>	<b>Country Branding and Marketing</b>							
<b>Current Expenditure</b>	<b>105</b>	<b>225</b>	<b>189</b>	<b>209</b>	<b>105</b>	<b>105</b>	<b>105</b>	<b>105</b>
Compensation of employees	0	0	0	0	0	0	0	0
Use of goods and services	0	0	0	0	0	0	0	0
Grants and Transfers	105	225	189	209	105	105	105	105
Other recurrent	0	0	0	0	0	0	0	0
<b>Capital Expenditure</b>	<b>20</b>	<b>106</b>	<b>103</b>	<b>158</b>	<b>20</b>	<b>50</b>	<b>50</b>	<b>50</b>
Acquisition of Non-financial Assets	0	0	0	0	0	0	0	0
Capital Grants to Government Agencies	20	106	103	158	20	50	50	50
Other Development	0	0	0	0	0	0	0	0
<b>Total Sub-Programme 5.7</b>	<b>125</b>	<b>331</b>	<b>292</b>	<b>367</b>	<b>125</b>	<b>155</b>	<b>155</b>	<b>155</b>
<b>Sub-Programme 5.8:</b>	<b>General Administration, Planning and Support Services</b>							
<b>Current Expenditure</b>	<b>293</b>	<b>542</b>	<b>522</b>	<b>550</b>	<b>293</b>	<b>304</b>	<b>337</b>	<b>363</b>
Compensation of employees	128	136	133	136	128	132	136	140
Use of goods and services	165	401	389	414	165	172	201	223

Grants and Transfers	0	5	0	0	0	0	0	0
Other recurrent	0	0	0	0	0	0	0	0
<b>Capital Expenditure</b>	<b>0</b>	<b>120</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>120</b>	<b>0</b>
Acquisition of Non-financial Assets	0	120	0	0	0	0	120	0
Capital Grants to Government Agencies	0	0	0	0	0	0	0	0
Other Development	0	0	0	0	0	0	0	0
<b>Total Sub-Programme 5.8</b>	<b>293</b>	<b>662</b>	<b>522</b>	<b>550</b>	<b>293</b>	<b>304</b>	<b>457</b>	<b>363</b>
<b>Total Vote</b>								

**iii. East African Community Integration Sub Sector**

Expenditure Classification	Baseline	Requirement Ksh. Millions				Allocation Ksh. Millions			
	2016/17	2017/18	2018/19	2019/20	2016/17	2017/18	2018/19	2019/20	
<b>Current Expenditure</b>	<b>1,541</b>	<b>3,081</b>	<b>3,680</b>	<b>4,442</b>	<b>1,541</b>	<b>1,554</b>	<b>1,579</b>	<b>1,600</b>	
Compensation of employees	186	244	255	267	186	192	197	203	
Use of goods and services	346	1,775	2,307	2,999	346	353	373	388	
Grants and Transfers	1,002	1,052	1,105	1,160	1,002	1,002	1,002	1,002	

Other recurrent	6	10	13	16	6	6	6	6
<b>Capital Expenditure</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>65</b>
Acquisition of Non-financial Assets	65	65	65	65	65	65	65	65
Capital Grants to Government Agencies	-	-	-	-	-	-	-	-
Other Development	-	-	-	-	-	-	-	-
<b>Total Programme 6</b>	<b>1,606</b>	<b>3,146</b>	<b>3,745</b>	<b>4,507</b>	<b>1,606</b>	<b>1,619</b>	<b>1,644</b>	<b>1,665</b>
<b>Sub-Programme 6.1:</b>	<b>East African Customs Union</b>							
<b>Current Expenditure</b>	<b>621</b>	<b>925</b>	<b>1,042</b>	<b>1,186</b>	<b>621</b>	<b>634</b>	<b>659</b>	<b>680</b>
Compensation of employees	174	226	235	244	174	179	184	190
Use of goods and services	58	289	376	489	58	65	85	100
Grants and Transfers	388	408	428	450	388	388	388	388
Other recurrent	2	3	3	4	2	2	2	2
<b>Capital Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Acquisition of Non-financial Assets	-	-	-	-	-	-	-	-
Capital Grants to Government Agencies	-	-	-	-	-	-	-	-
Other Development	-	-	-	-	-	-	-	-

	621	925	1,042	1,186	621	634	659	680
<b>Total Sub-Programme 6.1</b>								
<b>Sub-Programme 6.2:</b>	<b>East African Common Market</b>							
<b>Current Expenditure</b>	877	1,901	2,306	2,825	877	878	878	878
Compensation of employees	12	19	21	23	12	13	13	14
Use of goods and services	246	1,231	1,600	2,080	246	246	246	246
Grants and Transfers	614	644	677	711	614	614	614	614
Other recurrent	5	7	9	12	5	5	5	5
<b>Capital Expenditure</b>	-	-	-	-	-	-	-	-
Acquisition of Non-financial Assets	-	-	-	-	-	-	-	-
Capital Grants to Government Agencies	-	-	-	-	-	-	-	-
Other Development	-	-	-	-	-	-	-	-
<b>Total Sub-Programme 6.2</b>	877	1,901	2,306	2,825	877	878	878	878
<b>Sub-Programme 6.3:</b>	<b>EAC Monetary Union</b>							
<b>Current Expenditure</b>	43	255	332	431	44	43	43	43
Compensation of employees	-	-	-	-	-	-	-	-
Use of goods and services	43	255	332	431	44	43	43	43
Grants and Transfers	-	-	-	-	-	-	-	-

Other recurrent	-	-	-	-	-	-	-	-
<b>Capital Expenditure</b>	<b>65</b>							
Acquisition of Non-financial Assets	65	65	65	65	65	65	65	65
Capital Grants to Government Agencies	-	-	-	-	-	-	-	-
Other Development	-	-	-	-	-	-	-	-
<b>Total Sub-Programme 6.3</b>	<b>108</b>	<b>320</b>	<b>397</b>	<b>496</b>	<b>108</b>	<b>108</b>	<b>108</b>	<b>108</b>

iv. Tourism Sub Sector

Expenditure Classification	Baseline	Requirements			Allocation			
	2016/17	2017/18	2018/19	2019/20	2016/17	2017/18	2018/19	2019/20
<b>Tourism Development and Promotion</b>								
<b>Current Expenditure</b>	<b>2,354</b>	<b>11,989</b>	<b>12,817</b>	<b>13,032</b>	<b>2,354</b>	<b>3,365</b>	<b>3,435</b>	<b>3,489</b>
Compensation of employees	154	183	185	190	154	159	164	169
Use of goods and services	150	267	365	460	150	1,156	1,221	1,270
Grants and Transfers	2,050	10,439	11,267	11,382	2,050	2,050	2,050	2,050
Other recurrent	0	1100	1000	1000	0	0	0	0
<b>Capital Expenditure</b>	<b>4,842</b>	<b>14,313</b>	<b>13,665</b>	<b>7,541</b>	<b>4,842</b>	<b>3,831</b>	<b>3,972</b>	<b>4,243</b>
Acquisition of Non-financial Assets	921	1,574	1,422	1,000	921	1,031	642	343
Capital Grants to Government Agencies	2,921	12,639	12,093	6,341	2,921	2,800	3,330	3,900
Other Development	1,000	100	150	200	1,000	0	0	0
<b>Total Sub-Programme 7.5</b>	<b>7,196</b>	<b>26,302</b>	<b>26,482</b>	<b>20,573</b>	<b>7,196</b>	<b>7,196</b>	<b>7,407</b>	<b>7,732</b>
<b>Sub-Programme 7.1:</b>	<b>Tourism Promotion and Marketing</b>							

<b>Current Expenditure</b>	<b>876</b>	<b>2801</b>	<b>3064</b>	<b>3474</b>	<b>876</b>	<b>834</b>	<b>834</b>	<b>834</b>	
Compensation of employees	12	0	0	0	12	0	0	0	
Use of goods and services	0	0	0	0	0	0	0	0	
Grants and Transfers	864	2,801	3,064	3,474	864	834	834	834	
Other recurrent	0	0	0	0	0	0	0	0	
<b>Capital Expenditure</b>	<b>1,561</b>	<b>1,937</b>	<b>2,123</b>	<b>2,336</b>	<b>1,561</b>	<b>1,170</b>	<b>1,600</b>	<b>1,900</b>	
Acquisition of Non-financial Assets	0	0	0	0	0	0	0	0	
Capital Grants to Government Agencies	1,561	1,937	2,123	2,336	1,561	1,170	1,600	1,900	
Other Development	0	0	0	0	0	0	0	0	
<b>Total Sub-Programme 7.1</b>	<b>2,437</b>	<b>4,738</b>	<b>5,187</b>	<b>5,810</b>	<b>2,437</b>	<b>2,004</b>	<b>2,434</b>	<b>2,734</b>	
<b>Sub-Programme 7.2:</b>	<b>Niche Tourism Product Development and Diversification</b>								
<b>Current Expenditure</b>	<b>351</b>	<b>1692</b>	<b>2109</b>	<b>2242</b>	<b>351</b>	<b>404</b>	<b>407</b>	<b>410</b>	
Compensation of employees	7	50	50	50	7	52	54	56	
Use of goods and services	12	100	150	200	12	20	21	22	
Grants and Transfers	332	1,542	1,909	1,992	332	332	332	332	
Other recurrent	0	0	0	0	0	0	0	0	
<b>Capital Expenditure</b>	<b>160</b>	<b>7761</b>	<b>7963</b>	<b>2025</b>	<b>160</b>	<b>160</b>	<b>0</b>	<b>0</b>	
Acquisition of Non-financial Assets	0	0				0	0	0	
Capital Grants to Government Agencies	160	7661	7813	1825	160	160	0	0	
Other Development		100	150	200		0	0	0	
<b>Total Sub-Programme 7.2</b>	<b>511</b>	<b>9453</b>	<b>10072</b>	<b>4267</b>	<b>511</b>	<b>564</b>	<b>407</b>	<b>410</b>	
<b>Sub-Programme 7.3:</b>	<b>Tourism Infrastructure Development</b>								
<b>Current Expenditure</b>	<b>0</b>	<b>4607</b>	<b>4663</b>	<b>4095</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Compensation of employees						0	0	0	
Use of goods and services						0	0	0	

Grants and Transfers		4,607	4,663	4,095		0	0	0
Other recurrent						0	0	0
<b>Capital Expenditure</b>	<b>1,000</b>	<b>2,643</b>	<b>2,157</b>	<b>2,180</b>	<b>1,000</b>	<b>1,200</b>	<b>1,500</b>	<b>2,000</b>
Acquisition of Non-financial Assets	<b>0</b>	<b>0</b>				0	0	0
Capital Grants to Government Agencies	1,000	2,643	2,157	2,180	1,000	1,200	1,500	2,000
Other Development						0	0	0
<b>Total Sub-Programme 7.3</b>	<b>1,000</b>	<b>7,250</b>	<b>6,820</b>	<b>6,275</b>	<b>1,000</b>	<b>1,200</b>	<b>1,500</b>	<b>2,000</b>
<b>Sub-Programme 7.4:</b>	<b>Tourism Training and Capacity Building</b>							
<b>Current Expenditure</b>	<b>854</b>	<b>1,489</b>	<b>1,631</b>	<b>1,821</b>	<b>854</b>	<b>884</b>	<b>884</b>	<b>884</b>
Compensation of employees						0	0	0
Use of goods and services						0	0	0
Grants and Transfers	854	1,489	1,631	1,821	854	884	884	884
Other recurrent						0	0	0
<b>Capital Expenditure</b>	<b>200</b>	<b>398</b>	<b>0</b>	<b>0</b>	<b>200</b>	<b>270</b>	<b>230</b>	<b>0</b>
Acquisition of Non-financial Assets	<b>0</b>	<b>0</b>				<b>0</b>	<b>0</b>	<b>0</b>
Capital Grants to Government Agencies	200	398	0	0	200	270	230	0
Other Development						<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Sub-Programme 7.4</b>	<b>1,054</b>	<b>1,887</b>	<b>1,631</b>	<b>1,821</b>	<b>1,054</b>	<b>1,154</b>	<b>1,114</b>	<b>884</b>
<b>Sub-Programme 7.5:</b>	<b>Tourism General Administration, planning and support services</b>							
<b>Current Expenditure</b>	<b>273</b>	<b>1,400</b>	<b>1,350</b>	<b>1,400</b>	<b>273</b>	<b>1,243</b>	<b>1,310</b>	<b>1,361</b>
Compensation of employees	135	133	135	140	135	107	110	113
Use of goods and services	138	167	215	260	138	1,136	1,200	1,248
Grants and Transfers	0				0	0	0	0
Other recurrent	0	1,100	1,000	1,000	0	0	0	0
<b>Capital Expenditure</b>	<b>1,921</b>	<b>1,574</b>	<b>1,422</b>	<b>1,000</b>	<b>1,921</b>	<b>1,031</b>	<b>642</b>	<b>343</b>

Acquisition of Non-financial Assets	921	1,574	1,422	1,000	921	1,031	642	343
Capital Grants to Government Agencies	0				0	0	0	0
Other Development	1000				1000	0	0	0
<b>Total Sub-Programme 7.5</b>	<b>2,194</b>	<b>2,974</b>	<b>2,772</b>	<b>2,400</b>	<b>2,194</b>	<b>2,274</b>	<b>1,952</b>	<b>1,704</b>

**Table 4.1 Resource requirement and allocation for SAGAs**

**i. Investment and Industry Sub Sector**

Economic Classification	2016/17	Requirements			Allocation		
	Allocation	2017/18	2018/19	2019/20	2017/18	2018/19	2019/20
	KShs. Millions	KShs Millions			KShs. Millions		
<b>1. Kenya Investment Authority</b>							
<b>Current Expenditure</b>	<b>230</b>	<b>446</b>	<b>535</b>	<b>589</b>	<b>230</b>	<b>230</b>	<b>230</b>
Compensation of employees	163	275	329	345	163	163	163
Use of Goods and Services	68	171	206	244	68	68	68
Grants and other Transfers	-		-				
Other Recurrent	-	-	-	-			
<b>Capital Expenditure</b>	<b>200</b>	<b>104</b>	<b>85</b>	<b>87</b>	<b>200</b>	<b>200</b>	<b>200</b>
Acquisition of Non - Financial Assets	200	-	-	-	0	0	0
Capital Grants to Government Agencies			-	-	0	0	0
Other Development	-	104	85	87	430	430	430
<b>TOTAL</b>	<b>430</b>	<b>550</b>	<b>620</b>	<b>676</b>	<b>430</b>	<b>430</b>	<b>430</b>
<b>Summary of Expenditures and Revenues Generated</b>							
<b>Gross Estimates</b>	<b>430</b>	<b>550</b>	<b>620</b>	<b>676</b>	<b>430</b>	<b>430</b>	<b>430</b>
A-in- A	20	20	30	50	20	20	20
Net Exchequer	410	530	590	626	410	410	410
<b>2. Micro and Small Enterprise Authority</b>							
<b>Current Expenditure</b>	<b>103</b>	<b>695</b>	<b>691</b>	<b>684</b>	<b>103</b>	<b>103</b>	<b>103</b>
Compensation of employees	15	122	162	180	15	15	15
Use of Goods and Services	88	573	529	504	88	88	88
Grants and other Transfers	-	-	-	-	0	0	0
Other Recurrent	-	-	-	-	0	0	0
<b>Capital Expenditure</b>	<b>-</b>	<b>3,490</b>	<b>3,940</b>	<b>4,100</b>	<b>0</b>	<b>0</b>	<b>0</b>
Acquisition of Non - Financial Assets	-	-	-	-	0	0	0

Capital Grants to Government Agencies	-	-	-	0	0	0
Other Development	-	3,490	3,940	4,100	0	0
<b>TOTAL</b>	<b>103</b>	<b>4,185</b>	<b>4,631</b>	<b>4,784</b>	<b>103</b>	<b>103</b>

### Summary of Expenditures and Revenues Generated

<b>Gross Estimates</b>	<b>103</b>	<b>4,185</b>	<b>4,631</b>	<b>4,784</b>	<b>103</b>	<b>103</b>	<b>103</b>
A-in- A	3	5	8	10	3	3	3
Net Exchequer	101	4,181	4,623	4,774	100	100	100

### 3. Kenya Industrial Research and Development Institute (KIRDI)

<b>Current Expenditure</b>	<b>634</b>	<b>644</b>	<b>654</b>	<b>664</b>	<b>634</b>	<b>634</b>	<b>634</b>
Compensation of employees	472	482	492	502	472	472	472
Use of Goods and Services	162	162	162	162	162	162	162
Grants and other Transfers	-	-	-	-	-	-	-
Other Recurrent	-	-	-	-	-	-	-
<b>Capital Expenditure</b>	<b>160</b>	<b>1,757</b>	<b>1,757</b>	<b>507</b>	<b>465</b>	<b>465</b>	<b>465</b>
Acquisition of Non - Financial Assets	-	-	-	-	-	-	-
Capital Grants to Government Agencies	-	-	-	-	-	-	-
Other Development	160	1,757	1,757	507	465	465	465
<b>TOTAL</b>	<b>794</b>	<b>2,401</b>	<b>2,411</b>	<b>1,171</b>	<b>1,099</b>	<b>1,099</b>	<b>1,099</b>

### Summary of Expenditures and Revenues Generated

<b>Gross Estimates</b>	<b>794</b>	<b>2,401</b>	<b>2,411</b>	<b>1,171</b>	<b>1,099</b>	<b>1,099</b>	<b>1,099</b>
A-in- A	20	30	40	45	20	20	20
Net Exchequer	774	2,371	2,371	1,126	1,079	1,079	1,079

### 4. IDB Capital

<b>Current Expenditure</b>	<b>124</b>	<b>143</b>	<b>161</b>	<b>194</b>	<b>124</b>	<b>124</b>	<b>124</b>
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Compensation of employees	47	53	59	71	47	47	47
Use of Goods and Services	77	90	102	124	77	77	77
Grants and other Transfers	-	-	-	-	0	0	0
Other Recurrent	-	-	-	-	0	0	0
<b>Capital Expenditure</b>	<b>4</b>	<b>10</b>	<b>8</b>	<b>13</b>			
Acquisition of Non - Financial Assets	-	-	-	-	0	0	0
Capital Grants to Government Agencies	-	-	-	-	0	0	0
Other Development	4	10	8	13	4	4	4
<b>TOTAL</b>	<b>128</b>	<b>153</b>	<b>168</b>	<b>207</b>	<b>128</b>	<b>128</b>	<b>128</b>
<b>Summary of Expenditures and Revenues Generated</b>							
<b>Gross Estimates</b>	<b>128</b>	<b>153</b>	<b>168</b>	<b>207</b>	<b>128</b>	<b>128</b>	<b>128</b>
A-in- A	128	153	168	207	128	128	128
Net Exchequer	-	-	-	-	0	0	0
<b>5. Kenya Industrial Property Institute</b>							
<b>Current Expenditure</b>	<b>259</b>	<b>287</b>	<b>306</b>	<b>322</b>	<b>259</b>	<b>259</b>	<b>259</b>
Compensation of employees	131	138	149	156	131	131	131
Use of Goods and Services	128	149	158	166	128	128	128
Grants and other Transfers	-	-	-	-	0	0	0
Other Recurrent	-	-	-	-	0	0	0
<b>Capital Expenditure</b>	<b>200</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>200</b>	<b>200</b>	<b>200</b>
Acquisition of Non - Financial Assets	200	300	300	300	200	200	200
Capital Grants to Government Agencies	-	-	-	-	0	0	0
Other Development	-	-	-	-	0	0	0
<b>TOTAL</b>	<b>459</b>	<b>587</b>	<b>606</b>	<b>622</b>	<b>459</b>	<b>459</b>	<b>459</b>
<b>Summary of Expenditures and Revenues Generated</b>							
<b>Gross Estimates</b>					<b>459</b>	<b>459</b>	<b>459</b>

	<b>459</b>	<b>587</b>	<b>606</b>	<b>622</b>			
<b>A-in- A</b>	459	587	606	622	459	459	459
<b>Net Exchequer</b>	-	-	-	-	0	0	0
<b>6. Kenya National Accreditation Service</b>							
<b>Current Expenditure</b>	<b>156</b>	<b>243</b>	<b>267</b>	<b>321</b>	<b>156</b>	<b>156</b>	<b>156</b>
Compensation of employees	86	104	107	129	86	86	86
Use of Goods and Services	13	15	18	21	13	13	13
Grants and other Transfers	0	0	0	0	0	0	0
Other Recurrent	57	124	142	171	57	57	57
<b>Capital Expenditure</b>	<b>28</b>	<b>762</b>	<b>454</b>	<b>250</b>	<b>28</b>	<b>28</b>	<b>28</b>
Acquisition of Non - Financial Assets	28	658	369	163	28	28	28
Capital Grants to Government Agencies	0	0	0	0	0	0	0
Other Development	0	104	85	87	0	0	0
<b>TOTAL</b>	<b>212</b>	<b>1,767</b>	<b>1,175</b>	<b>821</b>	<b>212</b>	<b>212</b>	<b>212</b>
<b>Summary of Expenditures and Revenues Generated</b>							
	<b>212</b>	<b>1,767</b>	<b>1,175</b>	<b>821</b>	<b>212</b>	<b>212</b>	<b>212</b>
<b>Gross Estimates</b>							
A-in- A	0	0	0	0	0	0	0
Net Exchequer	212	1,767	1,175	821	212	212	212
<b>7. Kenya Industrial Estates</b>							
<b>Current Expenditure</b>	<b>452</b>	<b>537</b>	<b>562</b>	<b>591</b>	<b>452</b>	<b>452</b>	<b>452</b>
Compensation of employees	220	232	244	256	220	220	220
Use of Goods and Services	147	237	248	261	147	147	147
Grants and other Transfers	-	-	-	-	0	0	0
Other Recurrent	85	68	71	74	85	85	85
<b>Capital Expenditure</b>	<b>749</b>	<b>720</b>	<b>720</b>	<b>720</b>	<b>300</b>	<b>300</b>	<b>597</b>
Acquisition of Non - Financial Assets	239	20	20	20	0	0	0
Capital Grants to Government Agencies	-	-	-	-	0	0	0
Other Development	510	700	700	700	300	300	597

<b>TOTAL</b>	<b>1,201</b>	<b>1,257</b>	<b>1,282</b>	<b>1,311</b>	<b>752</b>	<b>752</b>	<b>1,049</b>
<b>Summary of Expenditures and Revenues Generated</b>							
<b>Gross Estimates</b>	<b>1,201</b>	<b>1,257</b>	<b>1,282</b>	<b>1,311</b>	<b>752</b>	<b>752</b>	<b>1,049</b>
A-in- A	167	368	470	493	167	167	167
Net Exchequer	1,034	889	813	817	585	585	882
<b>8. Kenya Bureau of Standards</b>							
<b>Current Expenditure</b>	<b>4,706</b>	<b>5,890</b>	<b>6,290</b>	<b>6,605</b>	<b>4,706</b>	<b>4,706</b>	<b>4,706</b>
Compensation of employees	2,265	2,753	3,053	3,206	2,265	2,265	2,265
Use of Goods and Services	2,441	3,137	3,237	3,399	2,441	2,441	2,441
Grants and other Transfers	-	-	-	-	0	0	0
Other Recurrent	-	-	-	-	0	0	0
<b>Capital Expenditure</b>	<b>654</b>	<b>964</b>	<b>905</b>	<b>950</b>	<b>654</b>	<b>654</b>	<b>654</b>
Acquisition of Non - Financial Assets	489	744	685	950	489	489	489
Capital Grants to Government Agencies	-	-	-	-	0	0	0
Other Development	165	220	220	-	165	165	165
<b>TOTAL</b>	<b>5,360</b>	<b>6,854</b>	<b>7,195</b>	<b>7,555</b>	<b>5,360</b>	<b>5,360</b>	<b>5,360</b>
<b>Summary of Expenditures and Revenues Generated</b>							
<b>Gross Estimates</b>	<b>5,360</b>	<b>6,854</b>	<b>7,195</b>	<b>7,555</b>	<b>5,360</b>	<b>5,360</b>	<b>5,360</b>
A-in- A	5,343	5,651	6,511	5,835	5,343	5,343	5,343
Net Exchequer/Dev partners	17	1,203	684	1,720	17	17	17
<b>9. Numerical Machining Complex</b>							
<b>Current Expenditure</b>	<b>328</b>	<b>385</b>	<b>461</b>	<b>505</b>	<b>328</b>	<b>328</b>	<b>328</b>
Compensation of employees	179	185	190	194	179	179	179
Use of Goods and Services	149	201	271	310	149	149	149
Grants and other Transfers	-	-	-	-	0	0	0
Other Recurrent	-	-	-	-	0	0	0

<b>Capital Expenditure</b>	<b>50</b>	<b>148</b>	<b>215</b>	<b>215</b>	<b>50</b>	<b>50</b>	<b>50</b>
Acquisition of Non - Financial Assets	50	148	215	215	50	50	50
Capital Grants to Government Agencies	-	-	-	-	0	0	0
Other Development	-	-	-	-	0	0	0
<b>TOTAL</b>	<b>378</b>	<b>533</b>	<b>676</b>	<b>720</b>	<b>378</b>	<b>378</b>	<b>378</b>
<b>Summary of Expenditures and Revenues Generated</b>							
<b>Gross Estimates</b>	<b>378</b>	<b>533</b>	<b>676</b>	<b>720</b>	<b>378</b>	<b>378</b>	<b>378</b>
A-in- A	114	156	208	211	114	114	114
Net Exchequer	264	377	468	509	264	264	264
<b>10. Kenya Leather Development Council</b>							
<b>Current Expenditure</b>	<b>36</b>	<b>101</b>	<b>121</b>	<b>146</b>	<b>36</b>	<b>36</b>	<b>36</b>
Compensation of employees	23	75	83	108	23	23	23
Use of Goods and Services	13	25	38	38	13	13	13
Grants and other Transfers							
Other Recurrent							
<b>Capital Expenditure</b>	<b>1,000</b>	<b>3,542</b>	<b>1,135</b>	<b>900</b>	<b>1000</b>	<b>1000</b>	<b>1000</b>
Acquisition of Non - Financial Assets	126	42	135	100	126	126	126
Capital Grants to Government Agencies							
Other Development	874	3,500	1,000	800	874	874	874
<b>TOTAL</b>	<b>1,036</b>	<b>3,643</b>	<b>1,256</b>	<b>1,046</b>	<b>1,036</b>	<b>1,036</b>	<b>1,036</b>
<b>Summary of Expenditures and Revenues Generated</b>							
<b>Gross Estimates</b>	<b>1,036</b>	<b>3,643</b>	<b>1,255</b>	<b>1,046</b>	<b>1,036</b>	<b>1537</b>	<b>1537</b>
A-in- A	1	1	1	2	1	1	1
Net Exchequer	1,035	3,642	1,256	1,044	1,035	1,035	1,035
<b>11. Export Processing Zones Authority</b>							
<b>Current Expenditure</b>	<b>606</b>	<b>647</b>	<b>691</b>	<b>718</b>	<b>606</b>	<b>606</b>	<b>606</b>
Compensation of employees					290	290	290

	290	300	308	315			
Use of Goods and Services	41	45	50	53	41	41	41
Grants and other Transfers	-	-	-	-	0	0	0
Other Recurrent	275	302	333	350	275	275	275
<b>Capital Expenditure</b>	<b>254</b>	<b>301</b>	<b>350</b>	<b>359</b>	<b>254</b>	<b>254</b>	<b>254</b>
Acquisition of Non - Financial Assets	-	-	-	-	0	0	0
Capital Grants to Government Agencies	-	-	-	-	0	0	0
Other Development	254	301	350	359	254	254	254
<b>TOTAL</b>	<b>860</b>	<b>948</b>	<b>1,041</b>	<b>1,077</b>	<b>860</b>	<b>860</b>	<b>860</b>
<b>Summary of Expenditures and Revenues Generated</b>							
<b>Gross Estimates</b>	<b>860</b>	<b>948</b>	<b>1,041</b>	<b>1,077</b>	<b>860</b>	<b>860</b>	<b>860</b>
A-in- A	50	52	53	55	50	50	50
Net Exchequer	810	896	988	1,022	810	810	810
<b>12. Kisumu Cotton Millers</b>							
<b>Current Expenditure</b>	-	-	-	-	-	-	-
Compensation of employees							
Use of Goods and Services							
Grants and other Transfers							
Other Recurrent							
<b>Capital Expenditure</b>	-	<b>3,000</b>	<b>100</b>	<b>100</b>	<b>50</b>	<b>50</b>	<b>50</b>
Acquisition of Non - Financial Assets							
Capital Grants to Government Agencies		3,000	100	100	50	50	50
Other Development							
<b>TOTAL</b>	-	<b>3,000</b>	<b>100</b>	<b>100</b>	<b>50</b>	<b>50</b>	<b>50</b>
<b>Summary of Expenditures and Revenues Generated</b>							
<b>Gross Estimates</b>	-	<b>3,000</b>	<b>100</b>	<b>100</b>	<b>50</b>	<b>50</b>	<b>50</b>

A-in- A	-	-	-	-			
Net Exchequer	-	3,000	100	100	50	50	50
<b>13. Rivatex</b>							
<b>Current Expenditure</b>	<b>281</b>	<b>321</b>	<b>362</b>	<b>408</b>	<b>281</b>	<b>281</b>	<b>281</b>
Compensation of employees	68	68	72	81	68	68	68
Use of Goods and Services	213	253	290	327	213	213	213
Grants and other Transfers	0	0	0	0	0	0	0
Other Recurrent	0	0	0	0	0	0	0
<b>Capital Expenditure</b>	<b>450</b>	<b>685</b>	<b>2,000</b>	<b>1,000</b>	<b>400</b>	<b>400</b>	<b>400</b>
Acquisition of Non - Financial Assets	450	685	2,000	1,000	400	400	400
Capital Grants to Government Agencies							
Other Development							
<b>TOTAL</b>	<b>731</b>	<b>1,006</b>	<b>2,362</b>	<b>1,408</b>	<b>681</b>	<b>681</b>	<b>681</b>
<b>Summary of Expenditures and Revenues Generated</b>							
<b>Gross Estimates</b>	<b>731</b>	<b>1,006</b>	<b>2,362</b>	<b>1,408</b>	<b>681</b>	<b>681</b>	<b>681</b>
A-in- A	281	321	2,362	1,408	281	281	281
Net Exchequer	450	685	0.0	0.0	400	400	400

**ii. Cooperatives Sub Sector**

	2016/17	Requirements			Allocation		
	Allocation	2017/18	2018/19	2019/20	2017/18	2018/19	2019/20
(KShs. Millions)							
<b>14. New KCC</b>							
<b>Current Expenditure</b>	<b>11,798</b>	<b>12,761</b>	<b>14,258</b>	<b>15,705</b>	<b>12,761</b>	<b>14,258</b>	<b>15,705</b>
Compensation of employees	899	1,008	1,400	1,540	1,008	1,400	1,540
Use of Goods and Services	8,756	9,675	10,836	11,244	9,675	10,836	11,244
Grants and other Transfers							
Other Recurrent	2,144	2,078	2,022	2,921	2,078	2,022	2,921
<b>Capital Expenditure</b>	<b>603</b>	<b>800</b>	<b>500</b>	<b>450</b>	<b>800</b>	<b>500</b>	<b>450</b>

Acquisition of Non- Financial	-	-	-	-	-	-	-
Other Development	603	800	500	450	800	500	450
<b>TOTAL</b>	<b>12,401</b>	<b>13,561</b>	<b>14,758</b>	<b>16,155</b>	<b>13,561</b>	<b>14,758</b>	<b>16,155</b>
<b>Summary of Expenditures and Revenues Generated</b>							
<b>Gross Estimates</b>	<b>12,401</b>	<b>13,561</b>	<b>14,758</b>	<b>16,155</b>	<b>13,561</b>	<b>14,758</b>	<b>16,155</b>
A-in- A	12,101	13,311	14,528	15,840	13,311	14,528	15,840
Net Exchequer	300	250	230	315	250	230	315
<b>15. Sacco Society Regulatory Authority (SASRA)00</b>							
<b>Current Expenditure</b>	<b>317</b>	<b>349</b>	<b>408</b>	<b>458</b>	<b>288</b>	<b>271</b>	<b>293</b>
Compensation of employees	184	203	223	245	203	218	240
Use of Goods and Services	38	42	46	50	32	0	0
Grants and other Transfers					53	53	53
Other Recurrent	95	105	140	163	0	0	0
<b>Capital Expenditure</b>	<b>78</b>	<b>152</b>	<b>98</b>	<b>93</b>	<b>100</b>	<b>40</b>	<b>30</b>
Acquisition of Non- Financial Assets	48	52	58	63	0	0	0
Other Development	30	100	40	30	100	40	30
<b>TOTAL</b>	<b>395</b>	<b>501</b>	<b>506</b>	<b>551</b>	<b>388</b>	<b>311</b>	<b>323</b>
<b>Summary of Expenditures and Revenues Generated</b>							
<b>Gross Estimates</b>	<b>395</b>	<b>501</b>	<b>506</b>	<b>551</b>	<b>388</b>	<b>311</b>	<b>323</b>
A-in- A	308	235	218	240	235	218	240
Net Exchequer	87	267	288	312	153	93	83

iii. Trade Sub Sector

	2016/17	Requirements			Allocation		
	Allocation	2017/18	2018/19	2019/20	2017/18	2018/19	2019/20
(KShs. Millions)							
<b>16. Export Promotion Council</b>							
<b>Current Expenditure</b>	<b>305</b>	<b>842</b>	<b>802</b>	<b>854</b>	<b>305</b>	<b>305</b>	<b>305</b>
Compensation of Employees	148	250	275	303	148	148	148
Use of Goods and Services	157	592	527	551	157	157	157
Grants and other Transfers							

Other Recurrent	-	-	-	-			
<b>Capital Expenditure</b>	<b>80</b>	<b>544</b>	<b>196</b>	<b>20</b>	<b>80</b>	<b>80</b>	<b>80</b>
Acquisition of Non-Financial Assets	-	-	-	-			
Other Development	80	544	196	20	80	80	80
<b>TOTAL</b>	<b>385</b>	<b>1,386</b>	<b>997</b>	<b>874</b>	<b>385</b>	<b>385</b>	<b>385</b>
<b>Summary of Expenditures and Revenues Generated</b>							
<b>Gross Estimates</b>	<b>385</b>	<b>1,213</b>	<b>1,093</b>	<b>2,038</b>	<b>385</b>	<b>385</b>	<b>385</b>
A-in- A	-	-	-	-			
Net Exchequer	385	1,213	1,093	2,038	385	385	385
<b>17. Kenya National Trading Corporation (KNTC)</b>							
<b>Current Expenditure</b>	-	-	-	-	-	-	-
Compensation of Employees	-	-	-	-			
Use of Goods and Services	-	-	-	-			
Grants and other Transfers							
Other Recurrent	-	-	-	-			
<b>Capital Expenditure</b>	-	<b>80</b>	<b>80</b>	<b>80</b>	<b>30</b>	<b>20</b>	<b>20</b>
Acquisition of Non-Financial Assets	-	80	80	80	30	20	20
Other Development	-	-	-	-			
<b>TOTAL</b>	-	<b>80</b>	<b>80</b>	<b>80</b>	<b>30</b>	<b>20</b>	<b>20</b>
<b>Summary of Expenditures and Revenues Generated</b>							
<b>Gross Estimates</b>	-	<b>80</b>	<b>80</b>	<b>80</b>	<b>30</b>	<b>20</b>	<b>20</b>
A-in- A	-	-	-	-			
Net Exchequer	-	80	80	80	30	20	20
<b>18. Brand Kenya Board (BKB)</b>							
<b>Current Expenditure</b>	<b>105</b>	<b>225</b>	<b>189</b>	<b>209</b>	<b>105</b>	<b>105</b>	<b>105</b>
Compensation of Employees	62	94	103	114	62	62	62
Use of Goods and Services	43	131	86	95	43	3	43
Grants and other Transfers							
Other Recurrent	-	-	-	-			
<b>Capital Expenditure</b>	<b>20</b>	<b>106</b>	<b>103</b>	<b>158</b>	<b>50</b>	<b>50</b>	<b>50</b>

Acquisition of Non-Financial Assets	-	-	-	-			
Other Development	20	106	103	158	50	50	50
<b>TOTAL</b>	<b>125</b>	<b>331</b>	<b>292</b>	<b>367</b>	<b>155</b>	<b>155</b>	<b>155</b>
<b>Summary of Expenditures and Revenues Generated</b>							
<b>Gross Estimates</b>	<b>125</b>	<b>278</b>	<b>292</b>	<b>367</b>	<b>155</b>	<b>155</b>	<b>155</b>
A-in- A							
Net Exchequer	125	331	292	367	155	155	155
<b>19. Anti-Counterfeit Agency (ACA)</b>							
<b>Current Expenditure</b>	<b>251</b>	<b>481</b>	<b>612</b>	<b>712</b>	<b>225</b>	<b>225</b>	<b>225</b>
Compensation of Employees	146	231	281	331	146	146	146
Use of Goods and Services	105	251	331	381	79	79	79
Grants and other Transfers					0	0	0
Other Recurrent	-	-	-	-			
<b>Capital Expenditure</b>	<b>-</b>	<b>250</b>	<b>300</b>	<b>-</b>	<b>30</b>	<b>30</b>	<b>39</b>
Acquisition of Non-Financial Assets	-	250	300	-	30	30	39
Other Development	-	-	-	-			
<b>TOTAL</b>	<b>251</b>	<b>731</b>	<b>912</b>	<b>712</b>	<b>255</b>	<b>255</b>	<b>264</b>
<b>Summary of Expenditures and Revenues Generated</b>							
<b>Gross Estimates</b>	<b>251</b>	<b>731</b>	<b>912</b>	<b>712</b>	<b>255-</b>	<b>255</b>	<b>264</b>
A-in- A	-	-	-	-			
Net Exchequer	251	731	912	712	255-	255	264
<b>20. Kenya Consumer Protection Advisory Committee (KECOPAC)</b>							
<b>Current Expenditure</b>	<b>40</b>	<b>55</b>	<b>60</b>	<b>62</b>	<b>40</b>	<b>40</b>	<b>40</b>
Compensation of Employees	-	-	-	-			
Use of Goods and Services	40	55	60	62	40	40	40
Grants and other Transfers							
Other Recurrent	-	-	-	-			

<b>Capital Expenditure</b>	-	-	-	-	-	-	-
Acquisition of Non-Financial Assets	-	-	-	-	-	-	-
Other Development	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>40</b>	<b>55</b>	<b>60</b>	<b>62</b>	<b>40</b>	<b>40</b>	<b>40</b>
<b>Summary of Expenditures and Revenues Generated</b>							
<b>Gross Estimates</b>	<b>40</b>	<b>55</b>	<b>60</b>	<b>62</b>	<b>40</b>	<b>40</b>	<b>40</b>
A-in- A	-	-	-	-	-	-	-
Net Exchequer	40	55	60	62	40	40	40

**v. Tourism Sub Sector**

	2016/17	Requirements			Allocation		
	Allocation	2017/18	2018/19	2019/20	2017/18	2018/19	2019/20
	(KShs. Millions)						
<b>21. Kenya Tourism Board</b>							
<b>Current Expenditure</b>	<b>1,143</b>	<b>1,776</b>	<b>1,954</b>	<b>2,149</b>	<b>1,143</b>	<b>1,143</b>	<b>1,143</b>
Compensation of Employees	346	380	418	460	346	346	346
Use of Goods and Services	644	1,229	1,355	1,490	644	644	644
Grants and Other Transfers	-	-	-	-	-	-	-
Other Recurrent	153	167	181	199	153	153	153
<b>Capital Expenditure</b>	<b>1,501</b>	<b>1,800</b>	<b>1,980</b>	<b>2,178</b>	<b>1,120</b>	<b>1,600</b>	<b>1,900</b>
Acquisition of Non-Financial Assets	101	150	123	124	0	0	0
Other Development	1,400	1,650	1,857	2,054	1120	1600	1900
<b>TOTAL</b>	<b>2,644</b>	<b>3,576</b>	<b>3,934</b>	<b>4,327</b>	<b>2,263</b>	<b>2,743</b>	<b>3,043</b>
<b>Summary of Expenditures and Revenues Generated</b>							
<b>Gross Estimates</b>	<b>2,644</b>	<b>3,576</b>	<b>3,934</b>	<b>4,327</b>	<b>2,263</b>	<b>2,743</b>	<b>3,043</b>
A-in- A	583	656	722	794	693	693	693
Net Exchequer	2,061	2,920	3,212	3,533	1,570	2,050	2,350
<b>22. Kenya Utalii College</b>							
<b>Current Expenditure</b>	<b>1,224</b>	<b>1,489</b>	<b>1,631</b>	<b>1,821</b>	<b>1,224</b>	<b>1,224</b>	<b>1,224</b>

Compensation of Employees	400	542	596	655	400	400	400
Use of Goods and Services	492	746	820	902	492	492	492
Grants and Other Transfers	-	-	-	-			
Other Recurrent	332	201	215	264	332	332	332
<b>Capital Expenditure</b>	<b>200</b>	<b>398</b>	<b>0</b>	<b>0</b>	<b>270</b>	<b>230</b>	<b>0</b>
Acquisition of Non-Financial Assets	200	398	-	-	270	230	0
Other Development	-	-	-	-			
<b>TOTAL</b>	<b>1,424</b>	<b>1,887</b>	<b>1,631</b>	<b>1,821</b>	<b>1,494</b>	<b>1,454</b>	<b>1,224</b>

#### Summary of Expenditures and Revenues Generated

<b>Gross Estimates</b>	<b>1,424</b>	<b>1,887</b>	<b>1,631</b>	<b>1,821</b>	<b>1,494</b>	<b>1,454</b>	<b>1,224</b>
A-in- A	1,074	1,214	1,329	1,489	1,074	1,074	1,074
Net Exchequer	350	673	302	332	420	380	150

#### 23. Tourism Fund

<b>Current Expenditure</b>	<b>3,252</b>	<b>4,240</b>	<b>4,285</b>	<b>3,705</b>	<b>4,240</b>	<b>4,285</b>	<b>3,705</b>
Compensation of Employees	444	650	680	700	650	680	700
Use of Goods and Services	293	440	453	480	440	453	480
Grants and Other Transfers	2,500	3,130	3,130	2,500	3,130	3,130	2,500
Other Recurrent	15	20	22	25	20	22	25
<b>Capital Expenditure</b>	<b>172</b>	<b>127</b>	<b>127</b>	<b>127</b>	<b>172</b>	<b>127</b>	<b>127</b>
Acquisition of Non-Financial Assets	172	127	127	127	172	127	127
Other Development	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>3,424</b>	<b>4,367</b>	<b>4,412</b>	<b>3,832</b>	<b>4,412</b>	<b>4,412</b>	<b>3,832</b>

#### Summary of Expenditures and Revenues Generated

<b>Gross Estimates</b>	<b>3,424</b>	<b>4,367</b>	<b>4,412</b>	<b>3,832</b>	<b>7,836</b>	<b>7,791</b>	<b>7,211</b>
A-in- A	2,924	3,137	3,182	3,832	7236	7291	7211
Net Exchequer	500	1,230	1,230	0	600	500	0

#### 24. Kenyatta International Convention Centre

<b>Current Expenditure</b>	<b>948</b>	<b>1195</b>	<b>1545</b>	<b>1597</b>	<b>1195</b>	<b>1125</b>	<b>1183</b>
Compensation of Employees	183	220	230	240	220	230	240
Use of Goods and Services	765	975	1,315	1,357	975	895	943
Grants and Other Transfers	-	-	-	-	-	-	-
Other Recurrent	-	-	-	-	-	-	-
<b>Capital Expenditure</b>	<b>287</b>	<b>971</b>	<b>1283</b>	<b>1295</b>	<b>146</b>	<b>283</b>	<b>295</b>
Acquisition of Non-Financial Assets	237	100	100	100	100	100	100
Other Development	50	871	1,183	1,195	46	183	195
<b>TOTAL</b>	<b>1,235</b>	<b>2,166</b>	<b>2,828</b>	<b>2,892</b>	<b>1,341</b>	<b>1,408</b>	<b>1,478</b>

#### Summary of Expenditures and Revenues Generated

<b>Gross Estimates</b>	<b>1,235</b>	<b>2,166</b>	<b>2,828</b>	<b>2,892</b>	<b>1,341</b>	<b>1,408</b>	<b>1,478</b>
A-in- A	1,235	1,341	1,408	1,478	1,341	1,408	1,478
Net Exchequer	0	825	1,420	1,414	0	0	0
<b>25. Tourism Finance Corporation</b>							
<b>Current Expenditure</b>	<b>327</b>	<b>367</b>	<b>378</b>	<b>390</b>	<b>367</b>	<b>378</b>	<b>390</b>
Compensation of Employees	156	181	189	199	181	189	199
Use of Goods and Services	171	186	189	191	186	189	191
Grants and Other Transfers	-	-	-	-	-	-	-
Other Recurrent	-	-	-	-	-	-	-
<b>Capital Expenditure</b>	<b>522</b>	<b>2516</b>	<b>2030</b>	<b>2053</b>	<b>2516</b>	<b>2030</b>	<b>2053</b>
Acquisition of Non-Financial Assets	22	56	30	48	56	30	48
Other Development	500	2,460	2,000	2,005	2,460	2,000	2,005
<b>TOTAL</b>	<b>849</b>	<b>2883</b>	<b>2408</b>	<b>2443</b>	<b>2883</b>	<b>2408</b>	<b>2443</b>
<b>Summary of Expenditures and Revenues Generated</b>							
<b>Gross Estimates</b>	<b>849</b>	<b>2,883</b>	<b>2,408</b>	<b>2,443</b>	<b>2,883</b>	<b>2,408</b>	<b>2,443</b>
A-in- A	349	383	408	443	2283	1408	443
Net Exchequer	500	2500	2000	2000	600	1000	2000
<b>26. Bomas of Kenya</b>							
<b>Current Expenditure</b>	<b>332</b>	<b>347</b>	<b>364</b>	<b>395</b>	<b>347</b>	<b>364</b>	<b>395</b>
Compensation of Employees	164	176	194	207	176	194	207
Use of Goods and Services	-	-	-	-	-	-	-
Grants and Other Transfers	-	-	-	-	-	-	-
Other Recurrent	168	171	170	188	171	170	188
<b>Capital Expenditure</b>	<b>160</b>	<b>6690</b>	<b>6530</b>	<b>530</b>	<b>160</b>	<b>0</b>	<b>0</b>
Acquisition of Non-Financial Assets	160	6160	6,000		160		
Other Development	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>492</b>	<b>7037</b>	<b>6894</b>	<b>925</b>	<b>507</b>	<b>364</b>	<b>395</b>
<b>Summary of Expenditures and Revenues Generated</b>							
<b>Gross Estimates</b>	<b>492</b>	<b>7037</b>	<b>6894</b>	<b>925</b>	<b>507</b>	<b>364</b>	<b>395</b>
A-in- A	92	97	6,104	116	107	124	155
Net Exchequer	400	6940	790	809	400	240	240
<b>27. Tourism Regulatory Authority</b>							
<b>Current Expenditure</b>	<b>201</b>	<b>712</b>	<b>850</b>	<b>1005</b>	<b>281</b>	<b>351</b>	<b>385</b>
Compensation of Employees	66	201	251	258	106	151	159
Use of Goods and Services	135	511	599	747	175	200	226
Grants and Other Transfers	-	-	-	-	-	-	-
Other Recurrent	-	-	-	-	-	-	-

<b>Capital Expenditure</b>	<b>60</b>	<b>137</b>	<b>143</b>	<b>158</b>	<b>50</b>	<b>30</b>	<b>50</b>
Acquisition of Non-Financial Assets	-	137	143	158	-	30	50
Other Development	60	-	-	-	50	-	-
<b>TOTAL</b>	<b>261</b>	<b>849</b>	<b>993</b>	<b>1163</b>	<b>331</b>	<b>381</b>	<b>435</b>
<b>Summary of Expenditures and Revenues Generated</b>							
<b>Gross Estimates</b>	<b>261</b>	<b>849</b>	<b>993</b>	<b>1163</b>	<b>331</b>	<b>381</b>	<b>435</b>
A-in- A	80	150	180	234	80	180	234
Net Exchequer	181	699	813	929	251	201	201
<b>28. Tourism Research Institute</b>							
<b>Current Expenditure</b>	<b>0</b>	<b>313</b>	<b>260</b>	<b>320</b>	<b>30</b>	<b>30</b>	<b>30</b>
Compensation of Employees	0	35	40	50	30	30	30
Use of Goods and Services	0	184	200	250	0	0	0
Grants and Other Transfers	0	0	0	0	0	0	0
Other Recurrent	0	94	20	20			
<b>Capital Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Acquisition of Non-Financial Assets	0	0	0	0	0	0	0
Other Development	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>313</b>	<b>260</b>	<b>320</b>	<b>30</b>	<b>30</b>	<b>30</b>
<b>Summary of Expenditures and Revenues Generated</b>							
<b>Gross Estimates</b>	<b>0</b>	<b>313</b>	<b>260</b>	<b>320</b>	<b>30</b>	<b>30</b>	<b>30</b>
A-in- A	0	0	0	0	0	0	0
Net Exchequer	0	313	260	320	30	30	30

## CHAPTER FOUR:

### CROSS-SECTOR LINKAGES AND EMERGING ISSUES/CHALLENGES

#### 4.1 Cross Sector Linkages

The GECA sector is a key driver of the Economic pillar of Vision 2030 whose aim is the realization of 10% growth of gross domestic product (GDP) and transforming Kenya into an industrializing middle income economy. The performance of programmes and projects of GECA is interlinked and dependent on other Sectors of the economy. The cross cutting linkages of GECA and other sectors are as explained in the table below:

**Table 4.1: Sector Linkages**

Sector	Linkages
Agriculture, Rural and Urban Development	This sector provides land for implementation of key projects in GECA sector, raw materials for processing, commodities for trade, and spatial planning for urban development. In return, GECA provides necessary farm inputs, machinery and markets for agricultural products.
Energy, Infrastructure and ICT	The Sector provides reliable transport infrastructure, affordable energy, ICT services e.g. one area network necessary for promotion of industrialization, tourism, trade and regional integration. GECA sector provides tools and machinery for infrastructural development and consume services from this sector.
Health	Good health for the workforce is critical for the employee productivity in the sector. Health sector provides medical, nutrition, public health care services to the general public. GECA sector provides drugs and pharmaceutical products. It also mainstreams health Programs and coordinates combating cross border diseases.
Education	Education sector is important to GECA on provision for skilled labor for improved performance and competitiveness in the region. In turn GECA provides employment opportunities, industrial attachments and internship opportunities to school graduates. The sector also provides educational materials; equipment and facilitates harmonization of curriculum and quality assurance for tertiary Institutions and public universities within the region.
Governance, Justice, Law and Order	The level of investments in GECA sector is dependent on effective justice, law and order in the country. This sector also facilitates administration of justice particularly resolution of disputes among individuals, businesses and between sectors. GECA provides the sector with relevant goods and

	services to facilitate their operations.
Public Administration and International Relations	The sector is responsible for overall national development and planning including monitoring and evaluation of programmes and projects. In addition the sector promotes Foreign Direct Investment necessary for sustainable economic growth and development of country. The sector is responsible for legislations, policy approvals, financing of projects and programs, youth empowerment and facilitation of trade agreements. GECA sector spearheads sensitization to business communities on potential export markets and available business opportunities, removal of Non-Tariff Barriers (NTB), promotion of Kenyan products both regionally and overseas markets.
National Security	The sector provides security which is paramount for growth and development for the sector as well as full implementation of East Africa community treaty. GECA sector partners with other sectors to ensure adequate security in the country.
Social Protection, Culture and Recreation	The sector formulates labor policies and legal framework necessary for conducive Industrial Relations and employee wellbeing. GECA works closely with in the sector on implementation of relevant laws and guidelines. It is also a consumer of industrial goods like games ware and sporting equipment.
Environment Protection, Water and Natural Resources.	The management of environment, water and natural resources has direct impact on performance of programmes and projects in GECA Sector. It supplies natural resources such as water, minerals and timber. GECA is responsible for management of proper solid waste, industrial waste, minimizing green house and global warming, conserving forests and wildlife as well as water supply.

## 4.2 Emerging Issues and Challenges

In realizing the various goals, GECA Sector is faced with a number of challenges and emerging issues which need to be addressed. The following are the key challenges and emerging issues:

### 4.2.1 Unavailability of Land

The availability of adequate, affordable and accessible land is a crucial factor for implementation of GECA programmes and projects. High cost of land discourages investment in the sector.

Inadequate spatial planning has inhibited proper growth of towns, tourism sites, industries, markets and appropriate infrastructure to support them

#### **4.2.2 Travel Advisories**

There has been dwindling international tourist visits to Kenya and potential investors due to travel advisories issued by some of the source countries due to perceived insecurity. This situation has resulted to low foreign exchange earnings and loss of employment in the hospitality and other industries.

#### **4.2.3 Insecurity**

The sector has been adversely affected by insecurity related issues such as high crime rates, piracy, frauds, cybercrime, cattle rustling, terrorism and radicalization. These have resulted in high insurance costs, costly security programmes and low tourist arrivals. It has also led to sector's products and services being less competitive in the domestic, regional, international markets and reduction in FDI's inflow.

#### **4.2.4 Inadequate Funding**

The sector contributes substantially to the Country's GDP but only receives less than 2% of the total budgetary allocation to fund its priority programmes. This Inadequate budgetary funding due to limitation in the General Economic and Commercial Affairs (GECA) sector ceilings, austerity measures and the fluctuation of the Kenya Shilling against the dollar has negatively affected the implementation of sector programs and facilitation of regional and international trade.

#### **4.2.5 New council and summit decision:**

The 33<sup>rd</sup> Council of Ministers meeting of February 2016, and the 17<sup>th</sup> Summit meeting of March 2016, adopted a confederation model as the structure of the EAC political federation. This calls for sensitization of all Kenyan stakeholders on the impact of the implementation of the confederation model.

#### **4.2.6 Presidential directive on the singing of the EAC Regional Anthem and hoisting of the EAC Flag**

The August 2016 presidential directive on the singing of the EAC regional anthem and hoisting of the EAC flag in all public functions and public institutions tasks the department with procurement of EAC Flags, Music Booklets, Compact disks, flag posts and distribution to all public institutions in the country and popularization of the EAC anthem and flag to the citizenry.

There is also need for operationalization of the six border posts namely; Namanga, Isibania, Busia, Lunga Lunga, Malaba and Taveta. The Department plans to operationalize these six border posts by installing LED digital outdoor information screens, and setting up of a central content management control centre in Nairobi.

#### **4.2.7 Slow implementation of EAC Council Decisions**

Slow implementation of Summit and Council directives by Partner States has hampered timely implementation of projects at national levels. Such regional programmes and projects are not considered a priority at national level; hence conflict in allocation of funds.

#### **4.2.8 4. Establishment of new EAC Institutions/organs**

The EAC Partner States have established new institutions namely: EAC competition Authority temporarily hosted in Arusha, EAC Health and Research Commission hosted in Burundi, EAC Kiswahili Commission hosted in Zanzibar, and EAC Science and Technology Commission hosted in Kigali, Rwanda. These additional Institutions require extra contributions from Partner States and more participation of the department in the EAC institutional programmes and projects.

#### **4.2.9 Unfavorable Business Environment**

The Business environment in any economy is an important factor in determining the level of investments that take place, expansion plans for businesses, employment levels, revenue collected and the general wellbeing of the society. Although some progress has been done, currently businesses face a number of challenges which include; long procedures for starting a business, high energy costs and high taxation. In addition, the sector is also negatively affected by lengthy and costly approval and permitting processes in construction and property transfers, slow cargo clearing processes at the port, unfavorable regulatory framework and inconsistent application of the common external tariff.

#### **4.2.10 Inconsistent Policy, Legislative and Regulatory Framework**

The GECA sector is faced with the challenge of aligning operational laws in the counties with national framework and harmonized policies for effective discharge and enforcement of the sector's mandate. Lack of regulatory frame work has greatly hampered the quality of products and services.

#### **4.2.11 Influx of Sub-Standard, Counterfeits and Contra-Band Goods**

The influx of substandard, counterfeit and contra-band products into the local market has reduced the market share for locally manufactured goods. This has discouraged innovation efforts, negatively impacted on local industrial growth and reduced the government revenue base. Although Anti-Counterfeit Agency has been established, the institution lacks adequate capacity and funding to enforce anti-counterfeit laws and prosecution of cases. Poor standards of products and services especially in the tourism sub sector has had a negative effect on marketing Kenya has a preferred destination.

#### **4.2.12 Multiple Trade Regulations**

Kenya is a member of various trading blocs. The Common External Tariff (CET), Rules of Origin (RoO) and trade facilitation measures such as axle-load limits and transport insurance requirements in these blocs are not uniform. This has led to technical and non-tariff barriers which pose a challenge to the business community in complying with the different trading arrangements. In addition, the sector is faced with the challenge of dealing with unfair competition that is posed by the flow of exports through other Partner States which belong to other trading blocs where the Rules of Origin are not strictly enforced.

The growth and development of the sector depends on the existence of a vibrant market for products and services. Access to markets by Kenyan products to some countries is threatened by new trading arrangements that require compliance with WTO rules and regulations. Under the new global trading arrangements, Kenyan products face stiffer competition in the preferred markets.

#### **4.2.13 Inadequate Human Resources**

The GECA sector has inadequate human resources especially in the technical departments which are charged with the responsibility of coordinating and implementation of GECA programmes and projects. The human resource gap is hampering effective delivery of service.

#### **4.2.14 Technology, Innovation, Research and Development**

Research and Development is vital to support the growth and development of the sector. Although R&D has been identified as a key enabler, there has been low funding, inadequate research and productivity, infrastructural capacity; skills gap in R&D; weak linkages between R&D productivity institutions and the targeted beneficiaries; and low penetration and adoption of research findings.

#### **4.2.15 Low Level of Awareness on Regional Integration Opportunities/Benefits**

There is generally low level of awareness among most Kenyans and business community on the socio-economic benefits and provisions of the EAC and COMESA integration process. In addition, although the Tripartite Summit has launched the EAC-COMESA-SADC tripartite negotiations, the populace and business community is yet to be sensitized on the process. There is also uncertainty in the regional integration process due to perceived fear of loss of national sovereignty, loss of revenues and unemployment. On the other hand, partner States within the EAC bloc are at different levels in implementing the Common Market Protocol (CMP).

#### **4.2.16 Climate Change**

The GECA sector has been negatively impacted by climatic changes such as drought, floods and uncertain seasonal patterns. The decline in rainfall as a result of drought results into decline in water supply leading to interruptions in electricity generation given that most of the electric

power is hydro-generated. The availability of agro-raw materials needed by industries is also adversely affected by the vagaries of weather.

#### **4.2.17 Poaching**

Poaching and illegal trade in wildlife products has affected the sustainability of the wildlife in Kenya. Statistics indicate that poaching has reached an all-time high with more elephants and rhinos having been lost to poachers in the recent past. There is urgent need to step up efforts to address the poaching menace with a view to increasing the population of the vulnerable and endangered species. Wildlife remains a key tourism attraction locally and internationally.

## CHAPTER FIVE

### CONCLUSION

#### 4.0 CONCLUSION

Kenya aspires to transform itself into “a globally competitive and prosperous country with a high quality of life by 2030”. Critical to attainment of this vision is to transform Kenya into an industrial hub and create an enabling environment for investment in domestic and export trade, deepening regional integration, promotion of co-operative development, and tourism. The General Economic and Commercial Affairs Sector is a key engine for economic growth as it immensely contributes to employment creation, poverty reduction, and equitable distribution of resources.

The programmes and projects proposed for funding in the medium term budget 2017/18-2019/20 are anticipated to have greatest impact in creating employment opportunities, attracting Domestic, Foreign and Direct Investments and enhancing export of manufactured goods to improve the country’s GDP. They will also contribute towards the attainment of Global Sustainable Development Goals (SDGs) which aim to end hunger and poverty by 2030.

The country’s manufacturing base has remained static at 11% of the country’s GDP, and its exports have increased marginally over the years. Increasing the manufacturing base is critical for job creation and economic growth. To achieve this, the focus is to turn Kenya into an industrial hub by improving the business environment, lowering the cost of production and enhancing skills and capabilities to attract local and foreign direct investment into the economy.

During the period under review, several projects were earmarked which depended on availability of industrial land, development of infrastructure including integrated industrial parks and factory space, reduced cost of operation, access to finance to SMEs and markets for industrial products; and formulation of investor-friendly policies and legislations. In projects where land was acquired, the sites have progressed well from master planning and feasibility studies to construction stages and equipping.

A number of on-going construction works are about 60% into completion. Furthermore, enabling legislation for industrial parks is in place while the ease of doing business initiative has contributed to the improvement of Kenya’s global ranking index from number 129 in 2015 to 108 in 2016. The other challenges which continue to hamper project implementation include general business environment issues such as security and inadequate physical infrastructure.

The Cooperatives subsector prioritized important programmes critical to delivery of its mandates. These programmes are: regulatory and institutional reforms, Policy and legislative development, improved good governance, value-addition, market access and saving mobilization; and transformation of key institutions. These projects are ongoing and the sector is

fast-tracking the finalization of Co-operative development policy to harmonize cooperatives function at national and county level.

The Trade Sub-Sector is pivotal in accelerating economic growth, employment creation and poverty reduction. These are the critical drivers outlined in the Medium Term Plan II (2013-2017) that contribute significantly towards the attainment of Sustainable Development Goals (SDGs) and the realization of Kenya Vision 2030. Despite the sub-sector realising improved value of exports in 2015, there is still a wide trade imbalance which requires concerted efforts to reverse the trend through product and market diversification, market consolidation, value addition, commercial representation in foreign missions and enhanced bilateral and multilateral negotiations.

The Trade sub-sector has developed various Policy and Legal frameworks which require fast-tracking in the area of fair trade and consumer protection amongst others. With the re-organization of the Government, the Public Service Commission approved a new organizational structure to support the State Department realize its expanded mandate. In addition, the management and transitioning of Joint Loans Board Scheme from National Government to the County Governments has continued to experience bottlenecks. In view of this, there is need to audit the scheme and develop a legal framework to facilitate smooth transfer.

During the review period, various agreements were signed for the implementation of the EAC treaty. Among them include the establishment of the newly EAC created institutions /organs which are the Competition Authority, Health & Research Commission, Kiswahili Commission and Science & Technology Commission. This calls for additional funding to enable the Sub-sector meet the EAC statutory contributions. Further, EAC sub sector registered a significant progress through EAC tariffs policy draft harmonization which reduced non-tariff barriers as road blocks along the northern corridor reduced by 2. Cross border traders were sensitized through workshops and media campaigns and cross border disputes reduced through establishment and operationalization of the Regional Integration Centers (RICs) that handle disputes and facilitate trade. On the monetary union front, one East African Monetary Union protocol was enhanced and ratified. Instruments of ratification were deposited with EAC Secretary General. One integrated border management system was commissioned. The East African e-passport was launched in November 2015 with issuance commencing in January 2017. The 17<sup>th</sup> summit approved the EAC partner states political Confederation and the department developed a cabinet memo on the same.

During the review period the tourism sub sector through tourism promotion and marketing, was able to increase significantly domestic tourism being reflected in the number of bed nights, thus Domestic tourism attracted more numbers than international tourists. On training and capacity building of human resource, there was an increase in number of students trained on tourism and hospitality related courses.

Despite the sector's immense contribution to the economy and the achievements, the sector continues to face challenges and emerging issues which need to be addressed to realize its goals. Some of the challenges are due to delays in exchequer release resulting to less than 100% disbursement and as a result the sector is faced with persisted pending bills. The sector is also not able to finalize on laws and policies due to delays in enactment of legislations. Further, there is persistent inadequate human resource, office accommodations and equipment and transport services challenges. In addition, the sector is faced with: poor/inadequate Infrastructure facilities; unreliable and high cost of energy; low level of awareness on Regional Integration opportunities/benefits, insecurity and adverse impacts of climate change. Other challenges include; complicated trade procedures, regulations and documentation; influx of cheap, substandard, counterfeits and contraband goods, unfavorable business environment; limited access to credit facilities and high interest rates to acquire financial services; obsolete technology & slow adoption of innovation, research and development.

To implement the prioritized programmes, the sector requires a total of KShs 58.594 billion in 2017/18 and has only been allocated a ceiling of KShs 19.922 billion, which translates to 35% funding. This therefore calls for a favourable consideration in resource allocation to enable the Sector address the emerging issues and challenges, complete the ongoing stalled projects, implement the planned projects and recruit more staff to forestall the human resource incapacity issues in the sector.



## CHAPTER SIX

### RECOMMENDATIONS

#### 5.0 Recommendations

In order to enhance the General Economic and Commercial Affairs sector productivity and contribution to the economy and ensure successful implementation of projects planned in the 2017/18 – 2019/20 MTEF period it is recommended that:

1. The National Treasury should provide adequate funding commensurate to the Sector's objectives to enable implementation of key priority projects and programmes;
2. The National Treasury should ensure timely exchequer release for timely implementation of projects and programmes;
3. The national and county governments should establish land banks for the development and expansion of industrial, tourism, retail and wholesale projects;
4. Parliament should fast track various legislations that support the sector to enable it implement reforms on policies, legal framework, and enhance security to improve the business environment for investment, increase investors' confidence, and promote regional integration activities;
5. Security across the country should be enhanced to attract more investments into the Sector as well increase tourist arrivals;
6. Human capacity should be enhanced to address issues of trade, tourism, investment and economic co-operation in the Sector.

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