

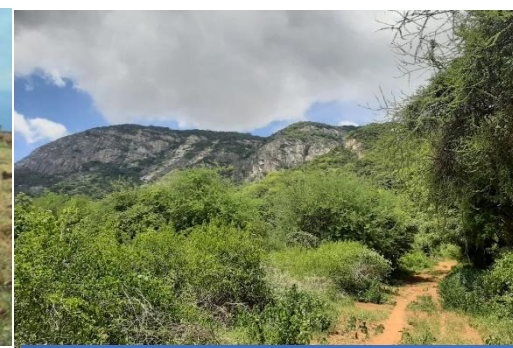


AGRICULTURE, RURAL AND URBAN DEVELOPMENT (ARUD) SECTOR

Medium-Term Expenditure Framework for 2026/27-2028/29

Presented by:

Hon. Jonathan M. Mueke, CBS
ARUD Sector Chairperson



19th November, 2025



Presentation Outline

1. Introduction;
2. Sector Performance Review for the period 2022/23 - 2024/25;
3. Medium-Term Priorities and Financial Plan for the MTEF Period 2026/27 - 2028/29;
4. Emerging Issues & Challenges; and
5. Recommendations.



INTRODUCTION

Sector Composition:

The Agriculture Rural and Urban Development (ARUD) Sector comprises five (5) sub-sectors as follows:

1. Lands and Physical Planning;
2. Livestock Development;
3. Blue Economy and Fisheries;
4. Agriculture; and
5. National Land Commission (NLC).



Sector Composition ...Cont'd

The Sector has:

1. Four (4) Autonomous Government Agencies;
2. Thirty one (31) Semi-Autonomous Government Agencies;
3. Four (4) funds; and
4. One (1) Appeals Board.



Sector Vision and Mission

Vision

- A food secure, healthy and wealthy nation for sustainable socio-economic development.

Mission

- To improve the livelihoods of Kenyans through sustainable management and development of land, crop, livestock and the blue economy.

Overall Goal

- To attain national food and nutrition security, sustainable development and utilization of land and blue economy resources



Sector Strategic Objectives

The Sector objectives are to:

1. Promote sustainable food production, value addition, agro-industrialization and trade;
2. Build resilient food and nutrition security systems for improved livelihoods;
3. Strengthen land rights, secure livelihoods and sustainable management of land and blue economy resources.
4. Enhance investments and financing for accelerated sector transformation;
5. Advance inclusivity and equal livelihoods in the sector;
6. Promote, regulate, and facilitate research in the sector; and
7. Strengthen sector institutional governance mechanisms



Sector contribution to the Economy

- Positively impacts the economy through food security; employment; and foreign exchange earnings.
- According to KNBS Economic Survey Report 2025, the sector contribution to GDP averaged 21.8% between 2000 and 2024.
- As per the CBK-Agriculture Sector Survey of July 2025, the sector employs 40% of the total population and 70% of rural population.



Key Sector Achievements: 2022/23 – 2024/25



The Sector implemented thirteen (13) programmes and achieved the following:

1. Enhanced land rights and access to registration services (issuance of 1,271,087 land title deeds, Land Value indices in 13 counties, Geo referenced 358,717 Land Parcels, Settled 33,583 landless HHs);
2. Supported Agricultural training and research services (graduating 3,096 students and providing internships to 2,913 animal health graduates)
3. Promoted food safety through inspection of 5,886 milk handling premises and testing of 74,641 milk samples.
4. Enhanced livestock breeds and productivity (Production of 2.3 Million straws of semen; and availed 3,980 improved breed livestock to farmers)
5. Reduced post-harvest losses - increasing the milk chilling capacity through provision of 230 milk coolers



Key Sector Achievements: 2022/23 – 2024/25....Cont'd

6. Fisher Folk Livelihood support services – Provided Ksh. 3.67 billion grant to 83,553 fisheries Common Interest Group members;
7. Invested in Fisheries Landing Infrastructure- Completed development/rehabilitation of eight(8) fish landing sites;
8. Provided agricultural input support - 1,108,487.25 MT of assorted subsidized fertilizers to 3,156,086 beneficiaries;
9. Facilitated crop and livestock insurance- benefitting 647,017 crop farmers and 18,894 pastoralists;
10. Supported crop diversification - Provided 4,175,335 assorted seedlings;
11. Resolved 339 land disputes and 52 Historical Land Injustices cases
12. Processed 10,251 allotment letters for public institutions



Sector Expenditure Analysis

	Approved Budget (KSh. Millions)			Expenditure (KSh.Millions)		
	2022/23	2023/24	2024/25	2022/23	2023/24	2024/25
Recurrent	25,413.60	34,054.63	33,072.71	26,535.10	31,396.06	32,045.71
Development	45,785.00	62,039.73	48,361.26	39,674.00	57,257.70	46,580.66
Total	71,198.60	96,094.36	81,433.97	66,209.10	88,653.76	78,626.37

1. Total sector allocation was Kshs.71.20 billion in the FY 2022/23, KSh.96.09 billion in the FY 2023/24 and Kshs.81.43 billion in the FY 2024/25.
2. Expenditures were Kshs.66.21 billion in FY 2022/23, Kshs.88.65 billion in FY 2023/24 and Kshs.78.63 billion in the FY 2024/25.



Trends in Sub-Sectors Allocations and Actual Expenditure, 2022/23 – 2024/25(KSh. Millions)



	APPROVED BUDGET			ACTUAL EXPENDITURE		
	2022/23	2023/24	2024/25	2022/23	2023/24	2024/25
State Department for Lands and Physical Planning	4,292.00	9,229.90	9,688.65	4,231.00	8,967.20	9,607.67
State Department for Livestock Development	8,777.00	11,628.57	11,007.48	7,559.00	10,682.18	10,647.38
State Department for the Blue Economy and Fisheries	7,229.00	10,757.02	11,852.07	6,583.00	10,041.25	11,331.86
State Department for Agriculture	49,419.00	62,725.07	46,630.38	46,355.00	57,209.93	44,785.02
National Land Commission	1,481.60	1,753.80	2,255.37	1,481.10	1,753.20	2,254.43
Total for the Sector	71,198.60	96,094.36	81,433.97	66,209.10	88,653.76	78,626.37



PRIORITIES AND FINANCIAL PLAN FOR FY 2026/27 AND THE MEDIUM TERM



Key priority areas:

1. Enhance Land Rights and access to Registration services (Issuance of 1,320,000 title deeds; Settlement of 60,000 landless Households);
2. Public Land Acquisition Services- for 65 infrastructural development projects;
3. Sustainable Fisheries and Aquaculture services- Construct Kabonyo Regional Training Center of excellence;
4. Sustainable Investment and Management of Blue Economy Resources – stock and quality assessments;
5. Fish Value Chain Development Services -Construct 77 fish landing sites (20 -Indian Ocean and 57 – Inland waters)



Key priority areas Cont'd



6. Farmer Input Support Services- Provision of 1,832,966 MT of subsidized fertilizers to 5,071,027 farmers, 132 MT of assorted oil crop seeds;
7. Post-Harvest Losses Services –Reduce PHLs by installing 500 milk coolers in collaboration with counties;
8. Agri-credit Services – (17,323 MSMEs ; incubate 4,170 youth)
9. Promote Livestock Productivity Improvement Services - Produce and distribute 3.3 million doses of bull semen and 210,000 doses of goat semen;
10. Livestock Disease Management Services - Produce and distribute 150 million doses of assorted livestock vaccines and mass vaccination of 52 million sheep and goats against PPR and 22.7 million cattle against FMD



Total Resource Requirement Vs Allocation by Sub-Sector (KSh. Million)

Sub -Sector	Approved Estimates 2025/26	FY 2026/27		Projected Allocation	
		Requirements	Allocation	2027/28	2028/29
State Department for Lands and Physical Planning	10,762.53	13,392.43	10,949.90	11,317.37	11,698.91
State Department for Livestock Development	10,111.50	27,992.82	15,495.71	14,763.33	15,468.42
State Department for the Blue Economy and Fisheries	8,229.94	9,306.28	7,391.60	5,090.32	7,513.35
State Department for Agriculture	49,943.92	107,361.98	59,747.20	56,964.26	63,603.99
National Land Commission	3,359.33	7,294.37	3,174.86	3,054.28	3,362.90
Total	82,407.22	165,347.88	96,759.27	91,189.56	101,647.57



Recurrent Resource Requirement Vs Allocation by Sub-Sector (KSh. Million)

Sub -Sector	Approved Estimates 2025/26	FY 2026/27		Projected Allocation	
		Requirements	Allocation	2027/28	2028/29
State Department for Lands and Physical Planning	5,780.15	6,375.43	6,109.90	6,357.37	6,688.91
State Department for Livestock Development	5,035.42	7,498.82	5,147.02	5,551.33	5,944.42
State Department for the Blue Economy and Fisheries	2,998.21	4,626.28	3,168.98	3,345.32	3,537.35
State Department for Agriculture	17,792.11	26,575.69	24,349.60	26,375.19	28,543.00
National Land Commission	2,803.23	5,167.72	2,334.37	2,479.28	2,628.90
Total	34,409.11	50,243.94	41,109.87	44,108.49	47,342.58



Development Resource Requirement Vs Allocation by Sub-Sector (KSh. Million)



Sub -Sector	Approved Estimates 2025/26	FY 2026/27		Projected Allocation	
		Requirements	Allocation	2027/28	2028/29
State Department for Lands and Physical Planning	4,982.38	7,017.00	4,840.00	4,960	5,010
State Department for Livestock Development	5,076.08	20,494.00	10,348.69	9,212	9,524
State Department for the Blue Economy and Fisheries	5,231.73	4,680.00	4,222.62	1,745	3,976
State Department for Agriculture	32,151.81	80,786.29	35,397.6	30,589.07	35,060.99
National Land Commission	556.10	2,126.65	840.49	575	734
Total	47,998.10	115,103.94	55,649.4	47,081.07	54,304.99



Programmes Allocations for FYs 2025/26–2028/29 (KSh. Million)



S/No	Programme	Approved Estimates	Allocations			
		2025/26	2026/27	2027/28	2028/29	
1	Land Policy and Planning	8,328.50	8,607.88	8,688.65	8,870.41	
2	Land Information Management	1,093.31	939.00	1,162.75	1,291.52	
3	General Administration, Planning and Support Services	1,340.72	1,403.00	1,466.00	1,537.00	
4	Livestock Resources Management and Development	10,111.50	15,495.71	14,763.33	15,468.42	
5	General Administration, Planning and Support Services – Blue Economy and Fisheries	199.70	224.38	236.75	247.16	
6	Fisheries Development and Management	7,973.12	6,297.19	4,384.31	3,401.90	
7	Development and Coordination of the Blue Economy	57.12	870.03	469.25	3,864.30	
8	General, Administration, Planning and Support Services – Agriculture	19,677.46	18,975.57	19,225.45	22,271.10	
9	Crop Development and Management	24,404.02	34,628.01	30,810.17	33,481.70	
10	Agribusiness and Information Management	933.67	143.61	190.57	178.51	
11	Agricultural Research and Development	4,928.79	6,000.03	6,738.07	7,672.68	
12	Land Administration and Management Services	3,359.33	3,174.86	3,054.28	3,362.90	
	Total for the Sector	82,407.24	96,759.27	91,189.58	101,647.60	



CROSS-SECTOR LINKAGES

The sector has strong linkages with other sectors through the movement of factors of production, goods and services including but not limited to the following:

- This sector serves as a foundational source of raw materials and food, leading to growth in service industries.
- The sector facilitates the uptake of industrial products and services, including agricultural machinery, agrochemicals, and credit facilities offered by the private sector.



CROSS-SECTOR LINKAGES Cont'd

- Increased sector productivity leads to higher rural incomes, which in turn boosts demand for services and industrial consumer products.
- Higher sector output and income stimulates demand for a wide range of services including transportation, retail, finance, insurance and agri-tourism.
- The sector contributes to job creation within complementary industries and service sectors.



Emerging Issues in ARUD Sector

- i. **Rapid Technological Advancement** – necessitating frequent and expensive system upgrades thus disrupting service delivery;
- ii. **Cyber Security** – a threat to data and information and communication networks of the sector;
- iii. **Urbanization and change in consumption patterns** - Urban consumers are time-conscious and prefer processed foods thereby elongating the food chains;
- iv. **Geo-economic fragmentation and geopolitical tensions** – disruptions in import supply chains leads to increase in sector input and product costs;
- v. **The emergence of invasive and noxious plants** – a threat to economic value to agriculture, livestock, health, fisheries, water bodies and property.



Challenges in the ARUD Sector



- i. **Manual records system** - Inadequate application of modern Technology for digitization and digitalization of records and processes
- ii. **Land fragmentation** - as a result of high population growth, urbanization and infrastructure development.
- iii. **Prevalence of diseases and pests** - which significantly reduces productivity and results in economic losses to farmers and businesses..
- iv. **Climate change** – leading to unpredictable weather patterns, rising sea levels, biodiversity loss, frequent and prolonged droughts, frost, floods, and the emergence of new pests and diseases, pose substantial threats to food security and livelihoods.



Recommendations

In view of the challenges and emerging issues highlighted, the Sector recommends the following:

- Adoption of technology -including ICT and digital system (e-subsidies, e-extension, e-processes and transactions) to enhance productivity and efficiency.
- Promotion of sustainable use of land and blue economy resources.
- Promotion of one-health approach.
- Promotion of alternative financing mechanisms
- Adoption of climate smart strategies and early warning systems technologies



THANK YOU