



ENERGY, INFRASTRUCTURE AND ICT SECTOR REPORT FOR THE MEDIUM-TERM EXPENDITURE FRAMEWORK FY2026/27 – 2028/29

PRESENTATION

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Outline

- I. Introduction
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- III. Analysis of Expenditure Trends for FYs 2022/23-2024/25
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- V. Resource Allocation for FYs 2026/27- 2028/29
- VI. Emerging issues/Challenges
- VII. Conclusion
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I. Introduction- Sector Vision and Mission

Vision

A world-class provider of cost-effective public utilities, infrastructure facilities and services in Energy, Transport, ICT, Maritime industry and built environment.

Mission

To provide efficient, affordable and reliable infrastructure and services for sustainable economic growth and development.



I. Intro' - Strategic Goals

- i. Sustainable infrastructure development;
- ii. Universal access to ICT, Transport and built environment services;
- iii. Enhanced shipping and maritime industry for socio economic development;
- iv. Accessible, affordable, reliable, quality and competitive energy and petroleum products and services; and
- v. Efficient and effective air transport system



I. Intro'- Strategic Objectives

- i. Formulate/ review and coordinate policies, legal and institutional frameworks;
- ii. Expand, modernize and maintain an integrated, safe and efficient transport system.
- iii. Facilitate access to adequate, descent and affordable housing
- iv. Strengthen infrastructure quality, safety, security, and compliance in developing sustainable and environmentally friendly infrastructure
- v. Enhance access to reliable petroleum products.
- vi. Exploit energy resources.
- vii. Enhance access to clean, reliable and competitive energy services.
- viii. Create reliable and affordable telecommunication infrastructure.
- ix. Facilitate Information and Communications development.
- x. Promote shipping and maritime affairs.
- xi. Develop a safe and efficient aerospace.

Intro' – Sector Composition

The Sector comprises 10 Sub-Sectors, 12 Autonomous Government Agencies (AGAs) and 35 Semi Autonomous Government Agencies (SAGAs).

The Sub-Sectors are :

- | | |
|----------------------------------|--|
| 1. Roads | 6. Aviation and Aerospace Development |
| 2. Transport | 7. ICT and Digital Economy |
| 3. Shipping and Maritime | 8. Broadcasting and Telecommunications |
| 4. Housing and Urban Development | 9. Energy |
| 5. Public Works | 10. Petroleum |



II. Key Achievements during FY2022/23-24/25

1. Roads

- i. Constructed 1,798.25 km of Roads,
- ii. Rehabilitated 305.87 km of Roads,
- iii. Routine maintenance of 102,561.61 km,
- iv. Periodic maintenance of 2,111.3 km,
- v. Performance-Based Contracts maintenance of 28,844.55 km



II. Key Achievements during FY2022/23-24/25 cont'd..

2. Transport

- i. Constructed Miritini MGR Station - Mombasa Terminus, New MGR Link and Railway Bridge across Makupa Causeway to provide first and last mile connectivity for SGR passengers.
- ii. Completed development of Shimoni Fish Port and equipped Berth 16 in Mombasa Port.
- iii. Completed refurbishment of Terminals 1B & C at Jomo Kenyatta International Airport.
- iv. Developed the National E- Mobility Policy.
- v. Developed the National Road Safety Action Plan 2024-25
- vi. Developed the National Logistics and Freight Strategy for horticulture exports and Naivasha Dry Port Masterplan.



II. Key Achievements during FY2022/23-24/25 cont'd..

3. Shipping and Maritime

- i. Inspected eligible Ships docking at Port of Mombasa and 3,242 small boats and vessels to improve maritime safety and security;
- ii. Trained 13,455 youths in various maritime courses;
- iii. Recruited 4,821 seafarers to serve on international vessels;
- iv. Signed four (4) Memoranda of Understanding (MoUs) with Seychelles, Angola, Egypt, and South Korea to strengthen maritime relations and facilitate recruitment of Kenyan seafarers; and
- v. Commenced construction of Kisumu Maritime Rescue and Coordination Centre, (20% complete) and the Survival Training and Certification Centre in Mombasa(17% complete)



II. Key Achievements during FY2022/23-24/25 cont'd..

4. Housing

- i. Completed **2,185** affordable housing units: **605** in Bondeni; **1,080** in Mukuru; **110** in Homabay, and **390** institutional units.
- ii. Constructed **83,044** affordable housing units to an average of 32%; **44,803** social housing to an average of **17%**, and **11,527** institutional housing units at an average 22% completion levels.
- iii. Completed **44 markets** (**10 market** sheds, **30 Economic Stimulus Programme markets**, and **4 modern** markets), and **239** markets (**34 modern** and **205 ESP**) under construction at an average of **48%** completion level.
- iv. Installed **2,176** security lights, **82** flood lights, upgraded **65 km** of access roads to bitumen, constructed **75 km** of drainage systems, issued **2,029** title deeds under Kenya Informal Settlement Improvement Project (KISIP II).



II. Key Achievements during FY2022/23-24/25 cont'd..

5. Public Works

- i. Completed construction of New Mokowe Jetty.
- ii. Completed construction of 22 footbridges country-wide for safe crossing of rivers and movement in difficult terrain.
- iii. Designed, documented and supervised 264 new government building projects and 225 buildings for rehabilitation and maintenance.
- iv. Inspected and audited 3,402 buildings and structures for safety.
- v. Developed and initiated implementation of the National Building Code 2024, to modernize Kenya's construction standards and regulatory framework.
- vi. Registered 34,566 contractors and accredited 71,532 skilled construction workers for quality assurance.



II. Key Achievements during FY2022/23-24/25 cont'd..

6. ICT and Digital Economy

- i. Laid 7,152 km of fibre optic cable under the National Optic Fibre Backbone.
- ii. Connected 82 hospitals and 1,114 public institutions to high-speed internet.
- iii. Digitalized and onboarded 17,668 government services to the e-Citizen platform for enhance access.
- iv. Trained 1,556,561 youths through the Ajira Digital Programme and Presidential Digital Talent Programme.
- v. linked 182,568 youths to online job opportunities, promoting digital inclusion and employment



II. Key Achievements during FY2022/23-24/25 cont'd..

7. Broadcasting and Telecommunications

- i. Produced 17,521 TV news items and disseminated 73,323 print news items.
- ii. Produced and disseminated 150 MyGov pullout editions, 730 Information, Education, and Communication (IEC) materials and three (3) editions of the Kenya Yearbook.
- iii. Provided on-the-job training to 11,656 individuals , accredited 28,011 journalists and trained 2,186 media practitioners.
- iv. Allocated and utilized 7,897 public broadcasting hours.
- v. Constructed and equipped seven (7) digital content production centres.



II. Key Achievements during FY2022/23-24/25 cont'd..

9. Energy

- i. Increased the installed power generation capacity by 160MW to the national grid from 3,076MW to 3,236 MW.
- ii. Constructed 405 Kms (route length) of transmission lines, 5 new High Voltage substations, 1,321.9 Kms of Medium Voltage (MV) distribution lines and 20 MV distribution substations.
- iii. Constructed 5 new hybrid mini grids and installed 169,494 Standalone Solar Home Systems in off grid areas.
- iv. Connected 1,185,481 customers to electricity including 2,082 public facilities and installed 27,027 street lighting points.
- v. Constructed 8 institutional and 621 domestic biogas plant and, subsidized 14,071 clean cook stoves.



II. Key Achievements during FY2022/23-24/25 cont'd..

9. Petroleum

- i. Completed pilot phase of the Clean Cooking Gas initiative in 20 public learning institutions and LPG reticulation in 1,080 social housing units in Mukuru.
- ii. Reconstituted and reconfigured Kenya Petroleum Exploration Block Map from 63 to 50 blocks and marketed ten (10) Petroleum Blocks
- iii. Completed evaluation of gas potential and Atlas development for Block 9.
- iv. Implemented the Oil Market Stabilization Programme to stabilize the prices of oil.



Analysis of Expenditure for FY2022/23-FY24/25

- The Sector utilized KSh.1.06 trillion against an Approved Budget of KSh.1.24 trillion translating to an absorption rate of 85.7% over the review period.
- Actual Recurrent expenditure was KSh.458.6 billion against an Approved Budget of KSh.485.6 billion translating to an absorption rate of 94.4%
- Actual Development expenditure was KSh.605.5 billion against an Approved Budget of KSh.756.4 billion translating to an absorption rate of 80.0%.



III. Analysis of Recurrent Expenditure Trends by Economic Classification (KSh. Millions)

Economic Classification	Approved Budget			Actual Expenditure		
	2022/23	2023/24	2024/25	2022/23	2023/24	2024/25
ENERGY, INFRASTRUCTURE AND ICT SECTOR						
Gross	170,118	168,316	147,155	167,144	155,683	135,763
AIA	109,617	125,201	130,790	108,776	114,433	119,929
NET	60,501	43,115	16,365	58,368	41,250	15,834
Compensation to Employees	4,616	4,611	4,825	4,575	4,445	4,796
Transfers	99,098	106,007	119,494	97,679	101,062	114,287
Other Recurrent	66,404	57,698	22,836	64,890	50,176	16,680
Of Which						
Utilities	91	103	127	76	67	113
Rent	368	507	539	355	502	525
Insurance	38	5	5	37	5	5
Subsidies	63,114	54,186	18,575	62,514	47,264	13,193
Gratuity	146	23	38	143	16	36
Contracted Guards & Cleaners Services	181	219	270	171	214	253
Others	2,466	2,655	3,282	1,594	2,108	2,555



III. Analysis of Development Expenditure Trends by Economic Classification (KSh. Millions)

Description	Approved Budget			Actual Expenditure		
	2022/23	2023/24	2024/25	2022/23	2023/24	2024/25
ENERGY, INFRASTRUCTURE AND ICT SECTOR						
Gross	173,648	294,053	288,699	143,686	196,148	265,711
GOK	71,118	92,707	71,091	67,727	55,472	68,354
Loans	70,808	66,806	7 3,833	52,004	57,506	68,419
Grants	2,544	3,298	3,945	729	2,125	2,613
Local AIA	29,178	131,242	139,830	23,226	81,045	126,325



IV. Key Medium Term priorities for FY2026/27- 2028/29

1. Roads

- i. Construction of 1,891 km of Roads,
- ii. Rehabilitation of 515 km of Roads,
- iii. Routine maintenance of 78,320 km of Roads,
- iv. Periodic maintenance of 1,224 km of Roads,
- v. Performance-Based Contracts maintenance of 10,153 Km of Roads



IV. Key Medium Term priorities for FY2026/27-2028/29 cont...

2. Transport

- i. Review Kenya Ports Authority Act Cap 391, Traffic Act Cap 403.
- ii. Develop National Urban Transport Policy, Railways Bill, 50- year Transport Master Plan and 10- year Investment Programme.
- iii. Develop the LAPSSET Corridor Master Plan and the Sustainable Urban Mobility Plan for Nairobi Metropolitan Area (NMA).
- iv. Complete Riruta- Ngong' Metre Gauge Railway Line (MGR).
- v. Develop first berth of Dongo Kundu Special Economic Zone.
- vi. Construct berth 19 of the Port of Mombasa.



IV. Key Medium Term priorities for FY2026/27-2028/29 cont...

3. Shipping and Maritime

- i. Construction of Survival Training and Certification Centre and the Kenya Lake Victoria Maritime Communication search and rescue Center.
- ii. Inspect eligible Ships docking at the Port of Mombasa for maritime safety.
- iii. Train 23,000 Youths on Maritime Courses.
- iv. Recruit 14,900 Seafarers; and
- v. Clear 4,263 Twenty-foot Equivalent Units of sea cargo and 600 Metric tonnes of Air Cargo.



IV. Key Medium Term priorities for FY2026/27-2028/29 Cont...

4. Housing and Urban Development

- i. Construct 292,713 Affordable and social housing units and 212,438 Institutional Housing units.
- ii. Construct 506 markets.
- iii. Establish 15 Constituency Appropriate Building Materials and Technologies (ABMTs) Training centres and train 600 community groups for promotion of ABMT.
- iv. Construct 230 km urban roads, 80 km drainage systems, 155 kms of walkways, 25 markets, 15 public green parks, install 2,000 solar streetlights and 45 solar security lights under Second Kenya Urban Support Program



IV. Key Medium Term priorities for FY2026/27-2028/29 cont...

5. Public Works

- i. Construct 42 footbridges to enhance access to social amenities;
- ii. Construct 1,000 meters of Ndau and 290m of Kiwayu seawalls;
- iii. Inspect and audit 6,000 buildings and structures for safety and test 360 buildings for structural integrity;
- iv. Register 30,000 contractors, 112,500 construction workers, 16,500 construction projects, and inspect 96,500 construction sites for compliance; and
- v. Develop two (2) prototypes of cost-effective building materials and technologies.



IV. Key Medium Term priorities for FY2026/27-2028/29 cont...

6. Aviation and Aerospace Development

- i. Rehabilitate runway at Wilson International Airport, rehabilitate Kabunde, Ukunda, Kitale, Kakamega and Migori airstrips and, complete soil stabilization at Moi International Airport (MIA).
- ii. Acquire modern aircraft accident investigation testing and simulation equipment and, establish a Mini freight data recorder downloads and read-out facility.
- iii. Maintain aviation safety compliance level of 85%, security compliance level of 93%, ICAO Effective Implementation (EI) score level of 70%, and air navigation service availability level of 98%.
- iv. Achieve 20% completion of optical telescopes, laser ranging facilities, and the establishment of one (1) antenna farm for attracting private sector investment in the aerospace activities
- v. Identify and develop one (1) suitable spaceport site and establish two (2) assembly, integration and testing (AIT) facilities.



IV. Key Medium Term priorities for FY2026/27- 2028/29 cont...

7. ICT and Digital Economy

- i. Install 37,685 Km of Backbone Fibre network.
- ii. Provide internet connectivity to 18,500 public institutions.
- iii. Install 22,456 public Wi-Fi hotspots.
- iv. Digitalize 100% of government services.
- v. Establish National Cybersecurity Agency, National Security Operations Centre and 7 Sectoral Security Operation Centers.
- vi. Register data controllers and data processors.



IV. Key Medium Term priorities for FY2026/27-2028/29 cont...

8. Broadcasting and Telecommunications

- i. Develop and review policies, legal and institutional frameworks to strengthen institutions.
- ii. Operationalize the National Communication Centre (NCC) and, modernize KNA and KBC.
- iii. Publish 50 *MyGov* pullouts and disseminate IEC materials on Government Policies.
- iv. Construct 16 studio Mashinani centres, media technology museum and, install solar systems in 42 KBC transmission stations.



IV. Key Medium Term priorities for FY2026/27-2028/29 cont...

9. Energy

- i. Increase the installed capacity by 275.5MW and install 200MWh of Battery Energy Storage System.
- ii. Construct 2,174 Km of transmission lines, 24 HV transmission substations, 946.4 Km of MV distribution lines and 18 MV distribution substations.
- iii. Construct 38 new hybrid mini grids and install 75,000 Stand-alone Solar Home Systems in off grid areas.
- iv. Connect 900,000 new customers and 1,724 public facilities to electricity and install 45,000 street lighting points.
- v. Construct 36 institutional and 1,800 household biogas plants as well as subsidize 10,000 clean cook stoves.



IV. Key Medium Term priorities for FY2026/27-2028/29 cont..

10. Petroleum

- i. Undertake geological, geochemical and geophysical surveys in petroleum blocks.
- ii. Market potential petroleum blocks to investors.
- iii. Implement South Lokichar Oil Field Development project.
- iv. Stabilize oil prices through the Oil Market Stabilization Programme.
- v. Fuel marking and monitoring to curb adulteration and diversion of products earmarked for export.
- vi. LPG reticulation in social housing



V. Recurrent Resource Requirement vs. Allocation (KSh. Million) for FY2026/27

No.	SUB-SECTOR	REQUIREMENT FY2026/27	ALLOCATION FY2026/27
1	State Department for Roads	74,478	73,825
2	State Department for Transport	9,617	7,111
3	State Department for Shipping and Maritime Affairs	5,927	4,951
4	State Department for Housing and Urban Development	8,526	5,689
5	State Department for Public Works	4,867	3,398
6	State Department for Aviation and Aerospace Development	13,568	13,208
7	State Department for ICT and Digital Economy	7,302	3,553
8	State Department for Broadcasting and Telecommunications	9,920	5,959
9	State Department for Energy	13,876	13,180
10	State Department for Petroleum	20,577	20,391
	TOTAL RECURRENT BUDGET	168,658	151,265



V. Development Resource Requirement vs Allocation (KSh. Million) for FY 2026/27

#	SUB SECTOR	REQUIREMENT	ALLOCATION
1	State Department for Roads	413,197	158,287
2	State Department for Transport	93,120	56,950
3	State Department for Shipping and Maritime Affairs	3,750	1,351
4	State Department for Housing and Urban Development	140,799	133,647
5	State Department for Public Works	5,853	1,518
6	State Department for Aviation and Aerospace Development	1,427	479
7	State Department for ICT and Digital Economy	32,519	14,415
8	State Department for Broadcasting and Telecommunications	4,184	430
9	State Department for Energy	155,856	64,984
10	State Department for Petroleum	9,835	9,835
TOTAL DEVELOPMENT BUDGET		860,540	441,896



4. Emerging issues/challenges

Cross-sectoral performance has been affected by the following emerging challenges:

- i. **Policy, Legal and Regulatory Gaps:** Inadequate policy, legal and regulatory frameworks, coupled with weak enforcement mechanisms hinder integrated implementation of Programmes for efficient and effective service delivery.
- ii. **Budget Constraints and Funding Gaps:** Limited public resources and shrinking fiscal space lead to restricted capital investments across sectors, thinly spread resources and underfunding of priority programmes and projects.
- iii. **Fragmented Planning and Coordination:** Inadequate coordination frameworks for implementation of policies, programmes and projects result in duplication of efforts, disruption of services and inefficient resource utilization.
- iv. **Inadequate Data and Information Sharing:** Lack of interoperability framework for data sharing between sectors limits integrated and evidence-based decision-making. Further, varying levels of technological adoption across sectors lead to unequal service delivery and poor system integration.



Emerging issues/Challenges cont...

- v. Cybersecurity and Digital Threats:** Emerging Cybersecurity and Digital Threats expose multiple sectors to cyber risks in the wake of digitalization of government services. Misuse of social media has led to misinformation and disinformation that may lead national security challenges.
- vi. Climate Change and Environmental Pressures:** Extreme weather occurrences damage infrastructure assets disrupting energy supply, transport and communication services as well as causing delays in projects implementation. Non-responsive climate-resilient designs and inadequate climate adaptation plans increase systemic vulnerability.
- vii. Skills Gaps and Capacity Constraints:** Shortage of multi-disciplinary professionals coupled with inadequate skills and competencies to develop and manage programmes resulting in weak capacity in programmes management.



VII. Conclusion

- i. Energy, Infrastructure and ICT (EII) is an enabler in the realization of the Bottom-Up Economic Transformation Agenda (BETA) and the Fourth Medium Term Plan (MTP IV) 2023-2027 of the Kenya Vision 2030.
- ii. Continuous investment in efficient, affordable and reliable infrastructure will unlock economic growth opportunities and build a resilient economy.
- iii. Leveraging on ICT infrastructure facilities and services will enhance the Country's productivity and competitiveness.
- iv. Exploration and implementation of innovative and sustainable funding models such as Public Private Partnerships (PPP) to supplement government funding.



Recommendations

- i. **Integrated policy, legal, and regulatory frameworks:** development, review and implementation of robust policies, legal, regulatory and strategies, to enhance coordination, infrastructure development and management, and alignment with National priorities.
- ii. **Alternative and innovative financing mechanisms:** diversify funding sources and reduce reliance on the exchequer through initiatives such as Public-Private Partnerships (PPPs), green financing and securitization of funds.
- iii. **Integrated planning and coordination:** development and implementation of integrated land use and infrastructure master plans for coordinated investments and implementation of programmes and projects.
- iv. **Data and Information sharing frameworks:** Development and implementation of data interoperability framework, standards norms and guidelines on data management.



Recommendations Cont..

- v. Deployment of robust Cybersecurity Systems:** deployment of cybersecurity management solutions and establishment of security operation centres for monitoring and management of cyber security and digital threats.
- vi. Adoption of Climate resilient technologies:** climate proofing of infrastructure facilities and related services in the project cycle.
- vii. Human capital management and development:** targeted recruitment, retention and capacity-building programmes in technical areas to enhance skills and competencies.



PHOTOGRAPHS – CAPITAL PROJECTS



Kenol-Sagana –Marua Road Project





Dualling of the Mombasa – Kwa Jomvu (A109) Section





Gitaru Interchange



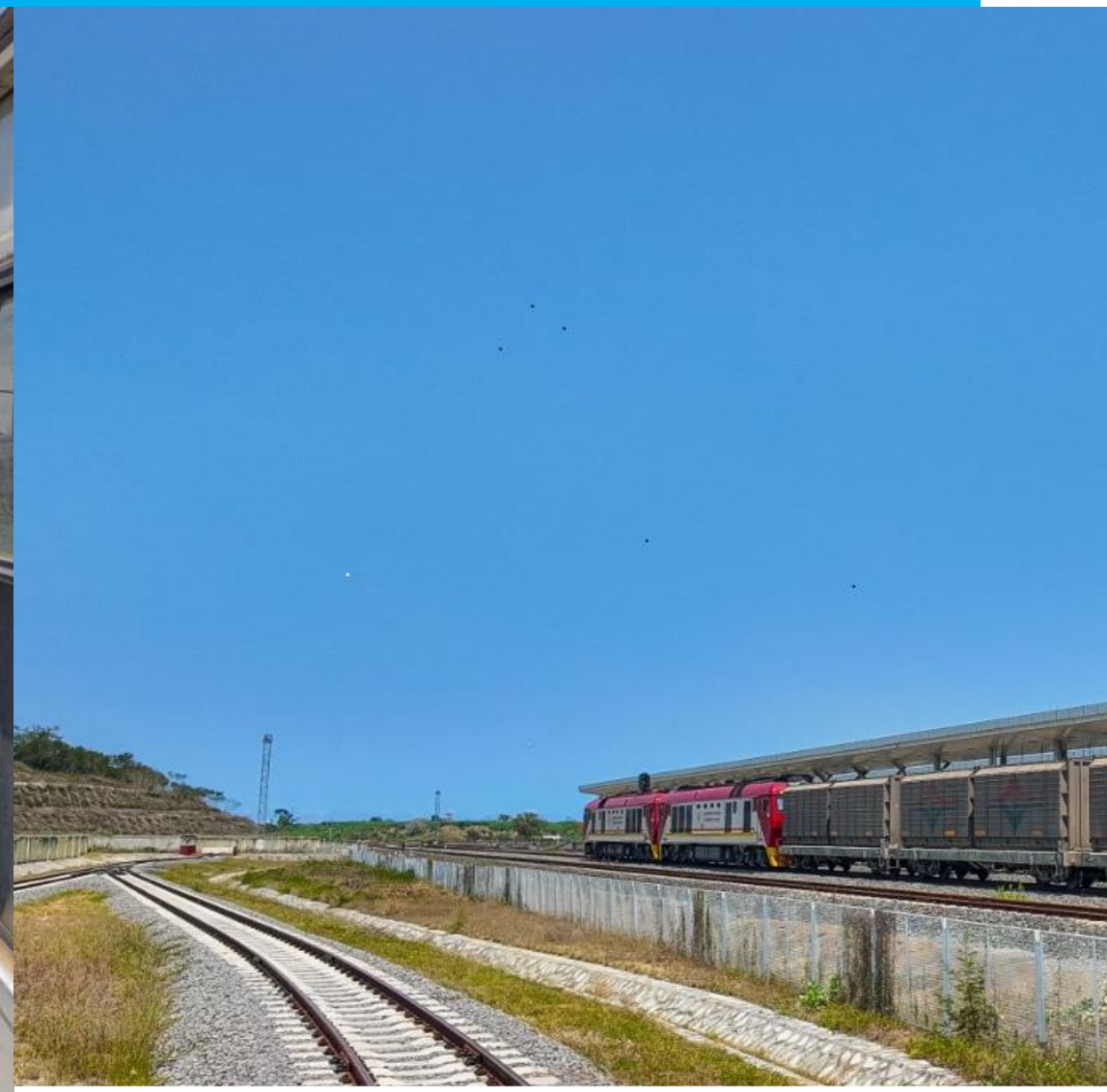


Kiutine-Kina-Garbatulla Road





MGR line linking Mombasa Terminus to Miritini Station and Makupa Bridge





Kisumu Air Navigation Tower





Shimoni Fishing Port





New Mokowe Jetty in Lamu County





Elwasimbi Footbridge in Mumias East Constituency



Before



After

Kenya Advanced Institute of Science and Technology





Horizontal Infrastructure at Konza





Boma Yangu Mukuru Estate – 1,080 units out of 13,248 Housing units





Boma Yangu Homa Bay Estate-Homa Bay

110 Housing units





Bahati Affordable Housing -Nakuru– 220 Housing units





Nakuru Bondeni Affordable Housing-Nakuru- 605 Housing Units





Nyansiongo Market, Nyamira County





Karatina ESP Market





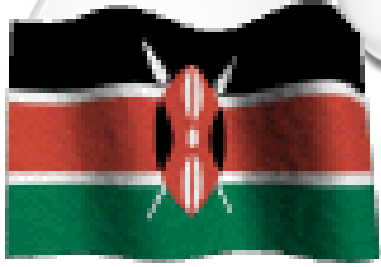
Commissioning at Isiolo Girls High school- LPG reticulation





Construction of Kisumu Maritime Rescue Coordination Centre, a at 15% level of completion





Survival Training and Certification Center



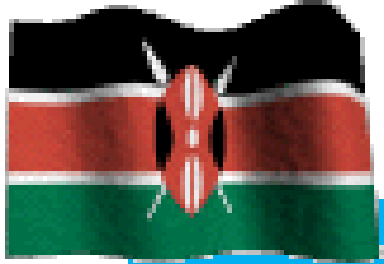
Establishment of the Site Office





Kabianga Distribution Power Station





35MW Menengai Sosian Power plant





Studio Mashinani in Komarock, Nairobi





THANK YOU