



**COUNTY GOVERNMENT OF KWALE  
COUNTY TREASURY**

**COUNTY BUDGET IMPLEMENTATION REVIEW  
REPORT, 2025**

**September 2025**

©County Budget Implementation Review Report (CBIRR) 2025

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## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

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### FOREWORD

This 2025 County Budget Implementation Review Report (CBIRR), the third under the new administration has been prepared in compliance to the provisions of the Public Finance Management Act (PFMA) ,2012 and its Regulations,2015(For County Governments). It provides an overview of how actual performance of the financial year (FY) 2024/25 budget affected compliance with the fiscal responsibility principles outlined in the PFMA,2012 and the financial objectives set out in the 2025 County Fiscal Strategy Paper (CFSP). It also presents the recent economic developments, macroeconomic and fiscal projections, and indicative sector ceilings for the FY 2026/27 budget and the medium term. The 2025 CBIRR will form the basis for the development of the 2026 County Fiscal Strategy Paper that will give details on the various programmes and initiatives that will be undertaken during the FY 2026/27 being the fourth year of implementing the third Generation County Integrated Development Plan 2023-2027.

The 2025 CBIRR is prepared at a time when the world economy is experiencing modest recovery the projected growth of 3.0 percent in 2025 to 3.1 percent in 2026. This is due to the easing of monetary policy resulting in decreased inflationary pressures, the increased domestic demand in the emerging markets and developing economies and a gradual recovery in the global trade. The

world economy is projected to rebound albeit with risks arising from climate related shocks, debt vulnerabilities and emerging geopolitical tensions.

In the domestic front, the National economy is projected to grow to 5.3 percent in 2025 and 2026 from the growth of 4.7 percent in 2024. The Kenya's economy shows resilience courtesy of implementation of prudent fiscal and monetary policies; favorable weather conditions resulting in improved agricultural performance; a robust services sector and industrial recovery. Economic outlook will be reinforced by the implementation of the strategic interventions under the **Bottom-Up Economic Transformation Agenda (BETA)**, which aims to reduce the cost of living, eliminate hunger, create job opportunities, expand the tax base, and improve foreign exchange reserves and promote inclusive growth through a value chain approach. BETA focuses on five key pillars namely: -Universal Health Care; Agricultural Transformation and Inclusive Growth; Micro, Small and Medium Enterprise (MSME) Economy; Housing and Settlement; and the Digital Superhighway and Creative Economy.

Kwale County demonstrated a robust and diversified economic performance anchored by three key pillars: mining, agriculture, and tourism towards the end of the year 2024. The agricultural sector has shown resilience, benefiting from favorable weather conditions and development programs such as the National Value chain development program (NAVCDP), and the Kenya Marine Fisheries and Socio- Economic Development (KEMFSED) which supports smallholder farming communities and the fisherfolk in improving their livelihoods. These coupled with

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Kwale County's strategic positioning of the coastal tourism provide multiple revenue streams for sustained growth. The County's economic prospects are further enhanced by ongoing infrastructure investments and development programs such as tarmacking of County main access roads, and the recovery of the construction industry.

The budget execution for the FY2024/2025 period was quite satisfactory. The County Government received Kshs **14.8 billion**, out of which Kshs **9.3 billion** was equitable share, **Kshs 3.8 billion** were balances brought forward from the previous financial period and Kshs 1.2 billion from conditional grants and loans. The County Government, during this period collected **Kshs 292.9 million** from own source revenue, and **Kshs 255.9 million** from facility improvement fund. The total expenditure for the period under review amounted to Kshs 10.18 billion against a budget of Kshs 14.8 billion. This represents an absorption capacity of **68.44 percent**. Recurrent expenditure amounted to Kshs 7.07 billion against a budget of Kshs 7.9 billion, implying an absorption rate of **89.25 percent**. Development expenditure in the same period amounted to **Kshs 3.11 billion** against a budget of **Kshs 7.0 billion**. This implies an absorption capacity of **44.72 percent**. The underperformance on development expenditure was on account of delayed disbursements of funds for development projects.

Implementation of the FY 2025/26 is on track but is likely to be affected by the implementation of the Electronic Government Procurement (**e-GP**) system. The system faces challenges of inadequate infrastructure, poor integration with existing systems and lack of a supportive and regulatory framework. Given the reality of resources constraints, the County Government will implement a fiscal policy strategy that will ensure robust revenue mobilization and prudent public spending. The County Government will continue to ensure that revenue projections and expenditure estimates for FY 2025/2026 remain aligned with those in the approved 2025 CFSP.

Going forward in the FY 2026/2027, allocative efficiency of resources will be critical given the fiscal constraints. Departments will be required to regularly review all planned programmes and projects to be funded in the FY 2026/2027 and the medium-term budget. Departments will be required to prioritize essential spending and focus on interventions that improve livelihoods, create employment, support business recovery and drive overall economic recovery.



**HON.CPA BAKARI HASSAN SEBE,  
COUNTY EXECUTIVE COMMITTEE MEMBER,**

**2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT**

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**EXECUTIVE SERVICES, FINANCE AND ECONOMIC PLANNING**

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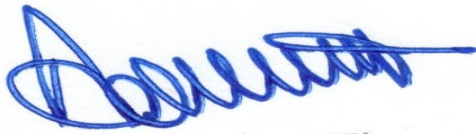
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### ACKNOWLEDGEMENT

The 2025 County Budget Implementation Review Report has been prepared in accordance with the provisions of the Public Finance Management Act 2012 and its Regulations ,2015(For County Governments). The main purpose of preparing of this 2025 CBIRR is to review the actual fiscal performance of the FY 2024/25 budget. This information will give a basis for revision of the FY 2025/26 budget in the context of supplementary estimates and development of the 2026 County Fiscal Strategy Paper that will outline programmes and initiatives to be undertaken in the fourth year of implementing the third Generation of the County Integrated Development Plan (CIDP III) 2023-2027.

The preparation of the 2025 County Budget Implementation Review Report (CBIRR) has been through the collaborative efforts of a number of players. We would like to extend our heartfelt gratitude to all those who contributed to the successful production of this paper. First and foremost, we thank the County Executive Committee for their unwavering support and guidance in the early stages of the budget making process for FY 2026/2027. The committee reviewed this document to ensure its compliance with PFM Act 2012. We sincerely thank all the, Departments and Agencies, and spending units for their timely submission of data and insights on the implementation of the FY 2024/25 budget. The document incorporated key inputs from various Directorates within the County Treasury. Special appreciation goes to the Budget and Economic Planning for effectively coordinating the finalization of the CBIRR.



**CPA ALEX THOMAS ONDUKO  
COUNTY CHIEF OFFICER,  
EXECUTIVE SERVICES, FINANCE AND ECONOMIC PLANNING**

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### ABBREVIATIONS AND ACRONYMS

A-in- A	Appropriation In -Aid
BETA	Bottom – Up Economic Transformation Agenda
BER	Budget Execution Rate
BRIICS	Brazil Russia India China and South Africa
CADP	County Annual Development Plan
CARA	County Allocation of Revenue Act
CARB	County Allocation of Revenue Bill
CBK	Central Bank of Kenya
CBR	Central Bank Rate
CBIRR	County Budget Implementation Review Report
CRF	County Revenue Fund
CFSP	County Fiscal Strategy Paper
CIDP	County Integrated Development Plan
COVID-19	Coronavirus disease of 2019
DANIDA	Danish International Development Agency
DoRA	Division of Revenue Act
DoRB	Division of Revenue Bill
EAC	East African Community
EMDEs	Emerging Market and Developing Economies
EU	European Union
EPZ	Export Processing Zone
FIF	Facility Improvement Financing
FLLOCA	Financing Locally Led Climate Action
FY	Financial Year
GBPS	Gigabits Per Second
GCP	Gross County Product
GDP	Gross Domestic Product
GVA	Gross Value Added
HR	Human Resources
ICT	Information Communication Technology

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IMF	International Monetary Fund
KBRR	Kenya Banks Reference Rate
KEMFSED	Kenya Marine and Fisheries Socio Economic Development
KNBS	Kenya National Bureau of Statistics
KUSP	Kenya Urban Support Programme
MPC	Monetary Policy Committee
MTEF	Medium Term Expenditure Framework
MTP	Medium Term Plan
M3	Money Supply
NAVCDP	National Value Chain Development Project
NDA	Net Domestic Assets
NFA	Net Foreign Assets
OSR	Own Source Revenue
O&M	Operations and Maintenance
PFMA	Public Finance Management Act
PFMR	Public Finance Management Regulations
PWDs	Persons with Disabilities
SGR	Standard Gauge Railway
SMSs	Short Messaging Services
UDG	Urban Development Grant
UIG	Urban Institutional Grant
VAT	Value Added Tax
WEO	World Economic Outlook
WSDP	Water and Sanitation Development Project

**LEGAL BASIS FOR THE PREPARATION OF THE COUNTY BUDGET IMPLEMENTATION REVIEW REPORT**

Section 118 of the Public Finance Management Act, 2012 states that: -

1. The County Treasury shall prepare and submit to the County Executive Committee for approval, by 30th September in each financial year, a County Budget Review and Outlook Paper which shall include: -
  - a) Actual fiscal performance in the previous financial year compared to budget appropriation for that year;
  - b) Updated economic and financial forecasts with sufficient information to show changes from the forecasts in the most recent County Fiscal Strategy Paper
  - c) Information on how actual financial performance for the previous financial year may have affected compliance with fiscal financial responsibility principles or the financial objectives in the latest County Fiscal Strategy Paper;
  - d) The reasons for any deviation from the financial objectives together with proposals to address the deviation and the time estimated to do so.
2. County Executive Committee shall consider the County Budget Review and Outlook Paper with a view to approving it with or without amendments, not later than fourteen days after its submission.
3. Not later than seven days after the County Budget Review and Outlook Paper has been approved by the Executive Committee, the County Treasury shall: -
  - a) arrange for the Paper to be laid before the County Assembly
  - b) as soon as practicable after having done so, publish and publicize the Paper

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## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

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### EXECUTIVE SUMMARY

The 2025 CBIRR has been prepared in line with the requirements of Section 118 of the PFM Act, 2012. This policy document reviews the county government's fiscal performance for FY2024/25, assesses adherence to fiscal responsibility principles outlined in the PFM Act 2012. and the financial goals given in the 2025 County Fiscal Strategy Paper. It also provides updates on the recent economic developments, the macroeconomic and fiscal projections for FY2026/2027, and the indicative sector ceilings for FY 2026/2027 budget. This information is useful in the preparation of supplementary budget estimates for FY 2025/2026, the FY 2026/2027 budget and forms the basis for preparation of the 2026 County Fiscal Strategy Paper which will outline the programmes and initiatives that will be undertaken in the fourth year of implementing the Third Generation County Integrated Development Plan (CIDP III) 2023-2027.

The 2025 CBIRR has been prepared against a backdrop of modest global economic recovery with global growth projected to pick up to 3.1 percent in 2026 from 3.0 percent in 2025. This reflects the positive impact of further easing of monetary policy as inflationary pressures subside, stronger domestic demand in emerging markets and developing economies, and a gradual recovery in global trade. Overall, the outlook suggests a cautiously optimistic rebound, though risks from geopolitical tensions, debt vulnerabilities, and climate-related shocks remain significant. Domestically, the economy has demonstrated remarkable resilience over the past three years, consistently growing at a pace that outperforms both the global and regional averages. Going forward, growth is projected to improve to 5.3 percent annually for 2025 and 2026 from 4.7 percent in 2024, largely supported by a stable macroeconomic environment sustained by prudent fiscal and monetary policies, strong performance in the agriculture sector, a recovery of industrial activities, and the resilience of services sector. Economic outlook will be reinforced by the implementation of the strategic interventions under the **Bottom-Up Economic Transformation Agenda (BETA)**, which aims to reduce the cost of living, eliminate hunger, create job opportunities, expand the tax base, and improve foreign exchange reserves and promote inclusive growth through a value chain approach. BETA focuses on five key pillars namely: -Universal Health Care; Agricultural Transformation and Inclusive Growth; Micro, Small and Medium Enterprise (MSME) Economy; Housing and Settlement; and the Digital Superhighway and Creative Economy.

Kwale County demonstrated a robust and diversified economic performance anchored by three key pillars: mining, agriculture, and tourism towards the end of the year 2024. The agricultural sector has shown resilience, benefiting from favorable weather conditions and development programs such as the National Value chain development program (NAVCDP), and the Kenya Marine Fisheries and Socio- Economic Development (KEMFSED) which supports smallholder farming communities in improving their agricultural returns. These coupled with Kwale County's strategic positioning of the coastal tourism provide multiple revenue streams for sustained growth. The County's economic prospects will further be enhanced by the ongoing infrastructural

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investments such as tarmacking of County main access roads and a recovery of mineral-construction industry.

The budget execution for the FY2024/2025 period was quite satisfactory. The County Government received Kshs **14.8 billion**, out of which Kshs **9.3 billion** was equitable share, **Kshs 3.8 billion** were balances brought forward from the previous financial period and Kshs 1.2 billion from conditional grants and loans. The County Government, during this period collected **Kshs 292.9 million** from own source revenue, and **Kshs 255.9 million** from facility improvement fund. The total expenditure for the period under review amounted to Kshs 10.18 billion against a budget of Kshs 14.8 billion. This represents an absorption capacity of **68.44 percent**. Recurrent expenditure amounted to Kshs 7.07 billion against a budget of Kshs 7.9 billion, implying an absorption rate of **89.25 percent**. Development expenditure in the same period amounted to **Kshs 3.11 billion** against a budget of **Kshs 7.0 billion**. This implies an absorption capacity of **44.72 percent**. The underperformance on development expenditure was on account of delayed disbursements of funds for development projects.

The County Government made significant milestones in the implementation of the FY 2024/2025 budget. Among the major achievements include the following: -

Under Agriculture, Livestock and fisheries, the County Government spent Kshs 468.8 million out of the budgeted Kshs 598.6 million representing 78.3 percent absorption. The department made the following milestones: -ploughed about 5,000 acres of land through the tractor programme, provided certified seeds and seedlings for food and cash crops respectively; livestock disease control through the annual vaccination programme, provided acaricides and repellants, constructed and rehabilitated cattle dips. For fisheries, the County Government supported sea weed farmers, undertook overhaul of boats and provided fishing boats and accessories.

The department of Environment and Natural Resources had a budget of Kshs 800 million and absorbed Kshs 346 million about 43 percent. Most of the funding for the department came from conditional allocations which had not been disbursed as at the end of the financial year. The department carried out survey and adjudication of Vigurungani scheme and land subdivision for settlement in Mwereni. In addition, under the FLLoCA program, the County Government through this department distributed 530 Galla breeding bucks, 124 dairy goats and 15 in-calf heifers and 15 beef breeding bulls.

Health as the key priority area for the County Government had the highest allocation of the budgetary resources. The department had a total allocation of Kshs 3.6 billion and absorbed Kshs 3.0 billion implying an absorption rate of 78 percent. Curative and rehabilitative services had an absorption rate of 89 percent while Preventive and Promotive services absorbed 47 percent of the

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allocated resources. Under Health, the County Government established 30 new facilities and recruited 63 health personnel and increased the number of specialists by additional 25. Specialized units as well as medical equipment were installed including intensive care units (2), renal units (2), CT scans (2), X-ray machines (5) and 3 functional drugs stores were established. The implementation of the Community Health Strategy by increased the number of registered Community Health Promoters (CHPs) to 166 from 63.

Education is another priority area of the County Government of Kwale. The department was allocated Kshs 1.4 billion and spent Ksh 1.1 billion representing 79 percent absorption. Under Education, the County Government carried out rehabilitation of ECDE centres including Nzora, Mabanda, Mudomo, Kidziweni, Matoroni, Jasini, Chidundumo among others. In the Vocational Training section, the department rehabilitated Mazeras, Lukore, Kinango and Sabrina VTCs. The department also disbursed bursaries amounting to Ksh 138 million during the period under review.

Improvement of key infrastructure including roads and water is also priority of the County Government of Kwale. The water services department was allocated Ksh 2.03 billion and absorbed Ksh 708 million which is about 35 percent. The low absorption is due to late disbursement of the grant of Ksh 1 billion under the water and sanitation development project. The objective of the water sector is to increase the access to water from the current 55 percent to 75 percent by the end of the CIDP III period 2023-2027. To achieve this objective, the County Government through the department of Water enhanced service delivery through the construction of 39 pipelines, drilling and equipping of 51 boreholes and construction of 13 medium sized dams. Another area in the improvement of key infrastructure is Roads and Public Works. The department was allocated Kshs 1.2 billion and spent Kshs 613 million representing 50.6 percent absorption. To improve on connectivity, the County Government under the Roads and Public Works department opened 22.5 kilometres of roads, tarmacked 5.85 kilometres of road; graded and graveled about 98.7 and 5.4 kilometres of roads respectively. Under public lighting, 5 floodlights were installed in the major trading centres and 1 scheme of streetlights was installed.

Economic empowerment of the youth and women through entrepreneurship and industrialization is a key component of the county socio economic transformation agenda. Under this strategic objective, the County Government through the department of Tourism and Enterprise development constructed seven market shades, equipped two Biashara centres, developed policy, legal and regulatory framework for the Biashara revolving fund and installed electricity in markets. Under tourism promotion, the County Government constructed cabro paved roads in Diani including Watatu-Watano road, Mvureni-Kinondo and leisure lodge roads. To improve on sports, the County Government completed the construction of the Kwale County stadium, established two public libraries and rehabilitated sports field in the wards. To enhance economic

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empowerment of women and the youth, the department of social services and talent management assisted in the registration of more than 300 companies for the women and youth and 50 were able to secure procurement opportunities in the County Government.

Budget execution for the FY 2025/26 is on track but is likely to be affected by the implementation of the Electronic Government Procurement (**e-GP**) system. The system faces challenges of inadequate infrastructure, poor integration with existing systems and lack of a supportive and regulatory framework. Given the reality of resources constraints, the County Government will strengthen governance in public finance management by curtailing the growth of recurrent expenditures to save resources and channel them to the development priorities. To guarantee funding of priorities, the County Government will strengthen revenue mobilization through enforcement on the major revenue streams and enhancing automation for efficient tax administration. The County Government will continue to ensure that revenue projections and expenditure estimates for FY 2025/2026 remain aligned with those in the approved 2025 CFSP. It is foreseen that risks may arise through the FY 2025/2026 and the medium-term budget process. These may emanate from revenue shortfalls, delays in the release of funds from the National Exchequer and late implementation of development programmes due to delayed procurement processes as the county addresses bottlenecks of the new e-GP system. The County Government will monitor such risks and institute mitigation measures.

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

### Summary of Financial Performance Review

#### Revenue performance (Amount in Kshs)

Source	Annual CARA, 2024	Actual Funds received-Kshs	Variance	Actual Receipts as % of CARA Allocation
Equitable Share of Revenue	8,625,411,603	9,312,139,711	686,728,108	108
County Own Source Revenue (Target)	350,000,000	292,877,699	(57,122,301)	84
Facility Improvement Fund (AIA)	300,000,000	255,858,770	(44,141,230)	85
<b>Sub-Total</b>	<b>9,275,411,603</b>	<b>9,860,876,180</b>	<b>585,464,577</b>	<b>106</b>
<b>Conditional Allocations from National Government</b>				
Basic Salary Arrears for County Government Health Workers	28,773,123	-	(28,773,123)	-
Roads Maintenance Fuel Levy Fund	-	71,758,747	71,758,747	-
Community Health Promoters (CHPs) Project	59,140,000	-	(59,140,000)	-
Kenya Devolution Support Programme (KDSP)- Level 1 Grant	37,500,000	-	(37,500,000)	-
Aggregated Industrial Park Programme Grant	250,000,000	174,736,842	(75,263,158)	70
<b>Sub-Total</b>	<b>375,413,123</b>	<b>246,495,589</b>	<b>(128,917,534)</b>	<b>66</b>
<b>Conditional Allocation from Development Partners Loans &amp; Grants</b>				
Primary Healthcare in Devolved Context (DANIDA)	39,553,000	8,994,375	(30,558,625)	23
National Agricultural Value Chain Development Project (NAVCDP)	151,515,152	63,957,449	(87,557,703)	42
NAVCDP Surplus from Exchange rate variation	4,701,951	-	(4,701,951)	0
SWEDEN-Kenya Agricultural Business Development Project (KABDP)-SIDA Grant	10,918,919	-	(10,918,919)	0
Water and Sanitation Development Project (WSDP)	1,000,000,000	717,436,049	(282,563,951)	72
Kenya Informal Settlement Improvement Project KISIP II	120,188,971	80,188,971	(40,000,000)	67
World Bank Loan for Kenya Urban Support Program-Urban Institutional Grant UIG	35,000,000	-	(35,000,000)	0
World Bank Loan for Kenya Urban Support Program-Urban Development Grant UDG	81,159,202	32,309,300	(48,849,902)	40
United Nations Fund for Population Activities (UNFPA)	6,660,000	12,500,577	5,840,577	188
Financing Locally Led Climate Action (FLLoCA)	-	14,083,749	14,083,749	0

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Source	Annual CARA, 2024	Actual Funds received-Kshs	Variance	Actual Receipts as % of CARA Allocation
<b>Sub-Total</b>	<b>1,449,697,195</b>	<b>929,470,470</b>	<b>(520,226,725)</b>	<b>64</b>
<b>Total Grants</b>	<b>1,825,110,318</b>	<b>1,175,966,059</b>	<b>(649,144,259)</b>	<b>64</b>
Income Brought Forward	3,775,541,683	3,775,541,683	-	100
<b>Sub-Total</b>	<b>3,775,541,683</b>	<b>3,775,541,683</b>	<b>-</b>	<b>100</b>
<b>Grand Total</b>	<b>14,876,063,604</b>	<b>14,812,383,922</b>	<b>(63,679,682)</b>	<b>100</b>

### Summary of Expenditure by Economic Classification for FY 2024/2025

Expenditure Classification	FY2024/2025		Absorption (%)	Percentage of Total Expenditure
	Approved Estimates	Revised Actual Expenditure		
<b>Current Expenditure</b>	<b>7,922,610,523</b>	<b>7,070,742,950</b>	<b>89.25</b>	<b>69.45</b>
Compensation to Employees	3,705,739,712	4,087,140,633	110.29	40.15
Use of Goods and Services	4,216,870,811	2,983,602,317	70.75	29.31
<b>Capital Expenditure</b>	<b>6,953,453,081</b>	<b>3,109,708,349</b>	<b>44.72</b>	<b>30.55</b>
Other Development	6,953,453,081	3,109,708,349	44.72	30.55
<b>Total Expenditure</b>	<b>14,876,063,604</b>	<b>10,180,451,299</b>	<b>68.44</b>	<b>100.00</b>

Source: Kwale County Treasury

### Summary of Departmental Expenditure Performance FY2024/2025

Vote	Revised Estimates	Actual Expenditure	Absorption Capacity (%)	% of Total Expenditure
3061 Finance and Economic Planning	1,035,954,769	1,015,307,606	98.01	9.97
3062 Agriculture, Livestock and Fisheries	598,575,351	468,821,481	78.32	4.61
3063 Environment and Natural Resources	800,241,017	346,147,606	43.26	3.40
3064 Curative and Rehabilitative Health Services	3,269,249,392	2,912,211,191	89.08	28.61
3065 County Assembly	1,345,909,649	980,091,223	72.82	9.63
3066 Trade and Cooperative Development	735,790,515	255,769,904	34.76	2.51
3067 Social Services and Talent Management	412,538,837	357,010,671	86.54	3.51
3068 County Executive Services	181,299,457	137,333,110	75.75	1.35
3069 Education	1,400,318,517	1,112,234,036	79.43	10.93
3070 Water Services	2,034,675,404	708,179,247	34.81	6.96
3071 Roads and Public Works	1,213,567,775	613,489,488	50.55	6.03
3072 ICT and Tourism	150,451,599	90,360,236	60.06	0.89
3073 County Public Service Board	93,616,810	53,133,339	56.76	0.52
3074 Public Service and	622,795,387	555,277,650	89.16	5.45

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Administration				
3075 Kwale Municipality	152,653,099	127,860,738	83.76	1.26
3076 Diani Municipality	167,815,675	79,460,483	47.35	0.78
3077 County Attorney	181,333,069	101,328,512	55.88	1.00
3078 Lungalunga Municipality	84,469,928	71,436,229	84.57	0.70
3079 Kinango Municipality	78,964,555	44,077,097	55.82	0.43
3080 Preventive and Promotive Health Services	315,842,801	150,921,452	47.78	1.48
<b>TOTAL</b>	<b>14,876,063,606</b>	<b>10,180,451,299</b>	<b>68.44</b>	<b>100.00</b>

**Source:** *Kwale County Treasury*

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### CHAPTER ONE: INTRODUCTION

#### 1.0 Overview

1. Kwale is one of the 47 county governments which came into being following the promulgation of the 2010 Kenya's Constitution. The 47 county governments are governed by laws and Acts, among them is the Public Finance Management Act (PFMA)2012. The PFMA 2012 provides for the preparation of a County Budget Implementation Review Report (CBIRR). The 2025 CBIRR, the fourth to be developed under the new administration has been prepared pursuant to the provisions of the PFM Act2012 and PFM (County Governments) Regulations 2015. This 2025 CBIRR provides an assessment of the County fiscal performance for the financial year 2024/2025 and its implications on the fiscal responsibility principles of the PFMA 2012 and the financial objectives in the 2025 County Fiscal Strategy Paper .Information provided in this paper will lay the foundation for preparing the FY 2026/2027 budget and the medium term as well as the programmes and initiatives the County Government will undertake in the implementation of the County Integrated Development Plan 2023-2027 in the FY 2026/2027.

#### 1.1 Objective of the 2025 County Budget Implementation Review Report

2. The 2025 CBIRR aims to provide an assessment of the County's fiscal performance for the FY 2024/2025, as well as an analysis of how such results affect the financial objectives as outlined in the 2025 County Fiscal Strategy Paper (CFSP) and the fiscal responsibility principles espoused in the PFM Act 2012. This information, coupled with the updated macroeconomic outlook and fiscal projections will serve as the basis for revising the FY 2025/2026 approved budget, as well as other fiscal information necessary to guide subsequent budget and the medium-term spending plans. The annual budget process aims to improve the efficiency and effectiveness of revenue mobilization and Government spending to stimulate rapid socio-economic transformation.

3. This 2025 CBIRR has provided provisional sector expenditure ceilings for MTEF budget FY 2026/2027. The sector ceilings have been prepared on the basis of the medium-term macro-fiscal forecasts and estimated resources envelop shown in Section IV of this document. These ceilings will guide the budget preparation process for the FY 2026/27 and the medium term. The 2026 CFSP will give more details about the fiscal framework, budget performance, medium-term projections, priorities, and sector ceilings. The sector ceilings will be firmed up once approved by the County Assembly in the 2026 CFSP. The County Government in developing the provisional sector ceilings has taken into consideration the crucial objective of adequately funding the development priorities in the next MTEF period to foster rapid socio- economic transformation.

4. The 2025 CBIRR further aims to entrench linkages between policy, planning and budgeting. The 2025 CBIRR will provide insights into the mid- term review of the 3<sup>rd</sup> Generation County Integrated Development Plan (CIDP) 2023- 2027 and assist in evidence-based decision making when finalizing the County Annual Development Plan (CADP) FY 2026/2027 and the 2026

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CFSP. The 2025 CBIRR will further provide the preliminary linkage between national development planning policy under the Medium-Term Plan (MTP) IV which is implementing the Bottom Up Transformation Agenda (BETA) initiatives and the County Integrated Development Plan through the annual budget process. Performance Management can also use the findings in this 2025 CBIRR to make better assessment and review and influence future decision making.

5. The 2025 CBIRR forms the basis for the development of the 2026 CFSP that will give more information on the progress made in the implementation of the priority programmes and projects of the County Government contained in the County Integrated Development Plan 2023-2027. It will also lay the foundation for the preparation of the FY 2026/27 and the medium-term budget that will be guided by the Budget Calendar. The Budget Calendar for FY 2026/2027 is guided by the timelines provided by the PFMA 2012 and has the following steps: -

- i. Issuance of the Budget Circular for preparation of the FY 2026/27 and the Medium-Term Budget on 5<sup>th</sup> August 2025;
- ii. Preparation of the County Annual Development Plan (CADP) FY 2026/27 and submission to the County Assembly on 1<sup>st</sup> September 2025;
- iii. The 2025 CBIRR will be submitted to the County Executive Committee on 30<sup>th</sup> September 2025 for approval and subsequent submission to the County Assembly on 21<sup>st</sup> October 2025;
- iv. Preparation of the 2026 CFSP will be informed by the Sector Working Groups reports and the feedback from the public;
- v. The 2026 CFSP will be submitted to the County Executive Committee for approval by 25<sup>th</sup> February 2026 and to the County Assembly on 28<sup>th</sup> February 2026;
- vi. The Budget Estimates FY 2026/2027, the Appropriation Bill, 2026 and the Finance Bill 2026 will be submitted to the County Executive Committee for approval by 21<sup>st</sup> April 2026 and to the County Assembly by 30<sup>th</sup> April 2026 and
- vii. Presentation of the Budget Statement to the County Assembly on 23<sup>rd</sup> June 2025 and approval and assent of both the Appropriation Bill 2026 and the Finance Bill 2026 by 30<sup>th</sup> June 2026.

6. This 2025 CBIRR has been categorized into four main sections: Section I introduces the paper, Section II reviews the fiscal performance for FY 2024/2025 budget, and compliance with the fiscal responsibility principles; the recent economic developments and fiscal outlook are illustrated in Section III ; Section IV gives detailed resource allocation framework with projected sector budget ceilings and Section V concludes the paper and gives the next steps.

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**CHAPTER TWO: REVIEW OF COUNTY FISCAL PERFORMANCE  
FY2024 – 2025**

**2.0 Overview**

7. This section provides details of the county’s fiscal performance for the previous financial period, FY2024/2025. It entails a detailed analysis of county revenue and expenditure performance for the period ending 30<sup>th</sup> June, 2025. It will also demonstrate how the fiscal performance has affected the financial goals in the 2025 CFSP and the fiscal responsibility principles of the PFM Act 2012.

8. The County Government of Kwale, in the period under review, had an approved revised budget of Kshs 14,876,063,604 which represented a slight expansion compared to an approved revised budget of Kshs 14,259,668,763 in the previous financial period 2023/2024. Recurrent budget amounted to Kshs 7,922,610,523 (53.26%) while Kshs 6,953,453,081 (46.74%) was for development activities. Under the recurrent expenditure, personnel emoluments accounted for 25.14 percent of the total budget, while operations and maintenance was 28.12 percent.

9. The budget execution for the FY2024/2025 period was quite satisfactory, though hampered by delays in the disbursement of funds from the National Exchequer and underperformance in both Own Source Revenue (OSR) and Facility Improvement Fund (FIF). Despite these challenges, however, the County Government received Kshs 14.8 billion, out of which Kshs 9.3 billion was equitable share, Kshs 3.8 billion were balances brought forward from the previous financial period and Kshs 1.2 billion from conditional grants and loans. The County Government, during this period collected Kshs 292.9 million from own source revenue, and Kshs 255.9 million from facility improvement fund.

10. The total expenditure for the period under review amounted to Kshs 10.18 billion against a budget of Kshs 14.9 billion. This represents an absorption capacity of 68.44 percent. Recurrent expenditure amounted to Kshs 7.07 billion against a budget of Kshs 7.9 billion, implying an absorption rate of 89.25 percent. The below target expenditure on the recurrent category is mainly attributed to the below target expenditure under operations and maintenance.

11. Development expenditure in the same period amounted to Kshs 3.11 billion against a budget of Kshs 7.0 billion. This implies an absorption capacity of 44.72 percent. The underperformance on development expenditure was on account of delayed disbursements of funds for development projects, as highlighted above.

**2.1 Revenue Performance**

12. The global economy in 2024 showed resilience with solid growth, though signs of a slowdown and weakening prospects emerged later in the year and into 2025, driven by lingering inflation, higher interest rates, geopolitical instability, and policy uncertainty. While a global

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recession was not anticipated, growth for the year was robust, with estimates around 3.2 percent. Key challenges included persistent inflation, particularly in services, which complicated monetary policy normalization, and rising trade policy uncertainty that weighed on confidence and growth prospects.

**13.** Domestically, Kenya's economic performance in 2024 was marked by a slowdown, with a GDP growth rate of 4.7 percent, down from 5.7 percent in 2023. This deceleration was mainly due to subdued performance in the agriculture and construction sectors, challenges in private sector credit access, and impacts from poor rainfall and potential political unrest or flood-related damage. However, the economy showed resilience through strong growth in sectors like tourism, manufacturing, and ICT, and accommodation and food services experienced significant gains

**14.** During the review period, total actual revenue, including Appropriations – in – Aid (AIA) amounted to Kshs 14,812,383,922.00. This fell short of the target of Kshs 14,876,063,604.00 by Kshs 63,679,682.00 on account of shortfalls in internal revenue sources and conditional grants and loans. Actual receipts from equitable share amounted to Kshs 9,312,139,711.00, conditional grants and loans Kshs 1,175,966,059.00, and Kshs 3,775,541,683.00, being balances brought forward from the previous financial year 2023/2024. In the same period, the county raised Kshs 548,736,469.00, comprising Kshs 292,877,699.00 from own source revenue and Kshs 255,858,770.00 from the facility improvement fund (AIA), respectively. The total transfers from the Exchequer amounting to Kshs 10.5 billion including equitable share and conditional grants and loans accounted for 70.81 percent of the total funds received and 70.5 percent of the total targeted revenues in the financial period 2024/2025. This represents a decline from 78.25 percent of the total actual revenues received in 2023/2024.

**15.** Compared to the revenue performance in the previous financial year 2023/2024, there is a significant increase in the amount of equitable share received. In financial year 2023/2024, the County received Kshs 7,897,375,394 as equitable share revenue, which increased to Kshs 9,312,139,711.00 in FY2024/2025, implying an increase of about 17.91 percent. Conditional grants performance showed a slight decline from Kshs 1,196,690,337.00 received in FY2023/2024 to Kshs 1,175,966,059.00 in FY2024/2025. In FY2023/2024, only 40 percent of the anticipated amount of conditional grants and loans were received, while in FY2024/2025, the county received 64 percent against a target of Kshs 1,825,110,318.00. Performance of the own source revenue collection improved from Kshs 427,380,000.00 collected in FY2023/2024 to Kshs 548,736,469.00 in FY2024/2025, implying an increment of about 28.4 percent.

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**Table 2-1: Revenue Performance FY2024/2025**

Source	Annual CARA, 2024 Allocation-Kshs	Actual Funds received-Kshs	Variance	Actual Receipts as % of CARA Allocation
Equitable Share of Revenue	8,625,411,603	9,312,139,711	686,728,108	108
Own Source Revenue	350,000,000	292,877,699	(57,122,301)	84
Facility Improvement Fund (AIA)	300,000,000	255,858,770	(44,141,230)	85
<b>Sub-Total</b>	<b>9,275,411,603</b>	<b>9,860,876,180</b>	<b>585,464,577</b>	<b>106</b>
<b>Conditional Allocations from National Government</b>				
Basic Salary Arrears for County Government Health Workers	28,773,123	-	(28,773,123)	-
Roads Maintenance Fuel Levy Fund	-	71,758,747	71,758,747	-
Community Health Promoters (CHPs) Project	59,140,000	-	(59,140,000)	-
Kenya Devolution Support Programme (KDSP)- Level 1 Grant	37,500,000	-	(37,500,000)	-
Aggregated Industrial Park Programme Grant	250,000,000	174,736,842	(75,263,158)	70
<b>Sub-Total</b>	<b>375,413,123</b>	<b>246,495,589</b>	<b>(128,917,534)</b>	<b>66</b>
<b>Conditional Allocation from Development Partners Loans &amp; Grants</b>				
Primary Healthcare in Devolved Context (DANIDA)	39,553,000	8,994,375	(30,558,625)	23
National Agricultural Value Chain Development Project (NAVCDP)	151,515,152	63,957,449	(87,557,703)	42
NAVCDP Surplus from Exchange rate variation	4,701,951	-	(4,701,951)	0
SWEDEN-Kenya Agricultural Business Development Project (KABDP)-SIDA Grant	10,918,919	-	(10,918,919)	0
Water and Sanitation Development Project (WSDP)	1,000,000,000	717,436,049	(282,563,951)	72
Kenya Informal Settlement Improvement Project KISIP II	120,188,971	80,188,971	(40,000,000)	67
World Bank Loan for Kenya Urban Support Program-Urban Institutional Grant UIG	35,000,000	-	(35,000,000)	0
World Bank Loan for Kenya Urban Support Program-Urban Development Grant UDG	81,159,202	32,309,300	(48,849,902)	40
United Nations Fund for Population Activities (UNFPA)	6,660,000	12,500,577	5,840,577	188

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Source	Annual CARA, 2024 Allocation-Kshs	Actual Funds received-Kshs	Variance	Actual Receipts as % of CARA Allocation
Financing Locally Led Climate Action (FLLoCA)	-	14,083,749	14,083,749	0
<b>Sub-Total</b>	<b>1,449,697,195</b>	<b>929,470,470</b>	<b>(520,226,725)</b>	<b>64</b>
<b>Total Grants</b>	<b>1,825,110,318</b>	<b>1,175,966,059</b>	<b>(649,144,259)</b>	<b>64</b>
Income Brought Forward	3,775,541,683	3,775,541,683	-	100
<b>Sub-Total</b>	<b>3,775,541,683</b>	<b>3,775,541,683</b>	<b>-</b>	<b>100</b>
<b>Grand Total</b>	<b>14,876,063,604</b>	<b>14,812,383,922</b>	<b>(63,679,682)</b>	<b>100</b>

Source: County Treasury

**Table 2-2: Comparison of Revenue Performance FY2022/2023 - FY 2023/2024**

Source	Annual CARA, 2023 Allocation-Kshs	Actual Funds received-Kshs	Actual Receipts as a % of CARA Allocation	Annual CARA, 2024 Allocation-Kshs	Actual Funds received-Kshs	Actual Receipts as a % of CARA Allocation
Equitable Share of Revenue	8,584,103,693	7,897,375,394	92	8,625,411,603	9,312,139,711	108
County Own Source Revenue (Target)	600,000,000	427,380,000	71	350,000,000	292,877,699	84
Facility Improvement Fund (AIA)			-	300,000,000	255,858,770	85
<b>Sub-Total</b>	<b>9,184,103,693</b>	<b>8,324,755,394</b>	<b>163</b>	<b>9,275,411,603</b>	<b>9,860,876,180</b>	<b>106</b>
<b>Conditional Allocations from National Government</b>						
Basic Salary Arrears for County Government Health Workers	-	-	-	28,773,123	-	-
Roads Maintenance Fuel Levy Fund	-	-	-	-	71,758,747	-
Community Health Promoters (CHPs) Project	-	-	-	59,140,000	-	-
Kenya Devolution Support Programme (KDSP)- Level 1 Grant	-	-	-	37,500,000	-	-
Aggregated Industrial Park Programme Grant	-	-	-	250,000,000	174,736,842	70
Provision of Fertilizer Subsidy Programme	90,011,220	-	-	-	-	-
Allocation for Mining Royalties	1,166,507,886	-	-	-	-	-
<b>Sub-Total</b>	<b>1,256,519,106</b>	<b>-</b>	<b>-</b>	<b>375,413,123</b>	<b>246,495,589</b>	<b>66</b>
<b>Conditional Allocation from Development Partners Loans &amp; Grants</b>						
DANIDA Grant to Supplement Financing of County Health facilities	14,206,500	14,206,500	100	39,553,000	8,994,375	23
World Bank Grant for Universal Health Care Project	22,171,888	-	0	-	-	-

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Source	Annual CARA, 2023 Allocation-Kshs	Actual Funds received-Kshs	Actual Receipts as a % of CARA Allocation	Annual CARA, 2024 Allocation-Kshs	Actual Funds received-Kshs	Actual Receipts as a % of CARA Allocation
World Bank Loan for National Agricultural and Rural Inclusive Growth Project	38,900,000	4,261,826	11	-	-	-
National Agricultural Value Chain Development Project (NAVCDP)	252,807,271	199,781,175	79	156,217,103	63,957,449	41
De-risking and Value Enhancement (DRIVE)	63,341,980	-	0	-	-	-
Kenya Marine Fisheries and Socio-Economic Development	100,730,260	107,043,100	106	-	-	-
Agricultural Sector Development Support Programme-ASDSP	31,711,863	1,111,669	4	-	-	-
SWEDEN-Kenya Agricultural Business Development Project (KABDP)-SIDA Grant				10,918,919	-	-
Kenya Informal Settlement Improvement Project (KISIP II)	112,211,667	112,211,667	100	120,188,971	80,188,971	67
Urban development Grant (UDG)	33,395,288	-	0	81,159,202	32,309,300	40
Urban Institutional Grant (UIG)	11,426,233	-	0	35,000,000	-	-
Financing Locally-Led Climate Action (FLLoCA)	11,000,000	11,000,000	100	-	14,083,749	-
United Nations Fund for Population Activities (UNFPA)				6,660,000	12,500,577	188
County Climate Change Resilient Investment (CCCRI)	117,811,727	117,811,727	100	-	-	-
EU-IDEAS Tranche III	11,000,000	-	0	-	-	-
Water and Sanitation Development Project	900,000,000	629,262,672	70	1,000,000,000	717,436,049	72
<b>Sub-Total</b>	<b>1,720,714,677</b>	<b>1,196,690,336</b>	<b>70</b>	<b>1,449,697,195</b>	<b>929,470,470</b>	<b>64</b>
<b>Total Grants</b>	<b>2,977,233,783</b>	<b>1,196,690,336</b>	<b>40</b>	<b>1,825,110,318</b>	<b>1,175,966,059</b>	<b>64</b>
Income Brought Forward	2,098,331,286	2,098,331,286	100	3,775,541,683	3,775,541,683	100
<b>Sub-Total</b>	<b>2,098,331,286</b>	<b>2,098,331,286</b>	<b>100</b>	<b>3,775,541,683</b>	<b>3,775,541,683</b>	<b>100</b>
<b>Grand Total</b>	<b>14,259,668,762</b>	<b>11,619,777,016</b>	<b>81</b>	<b>14,876,063,604</b>	<b>14,812,383,922</b>	<b>100</b>

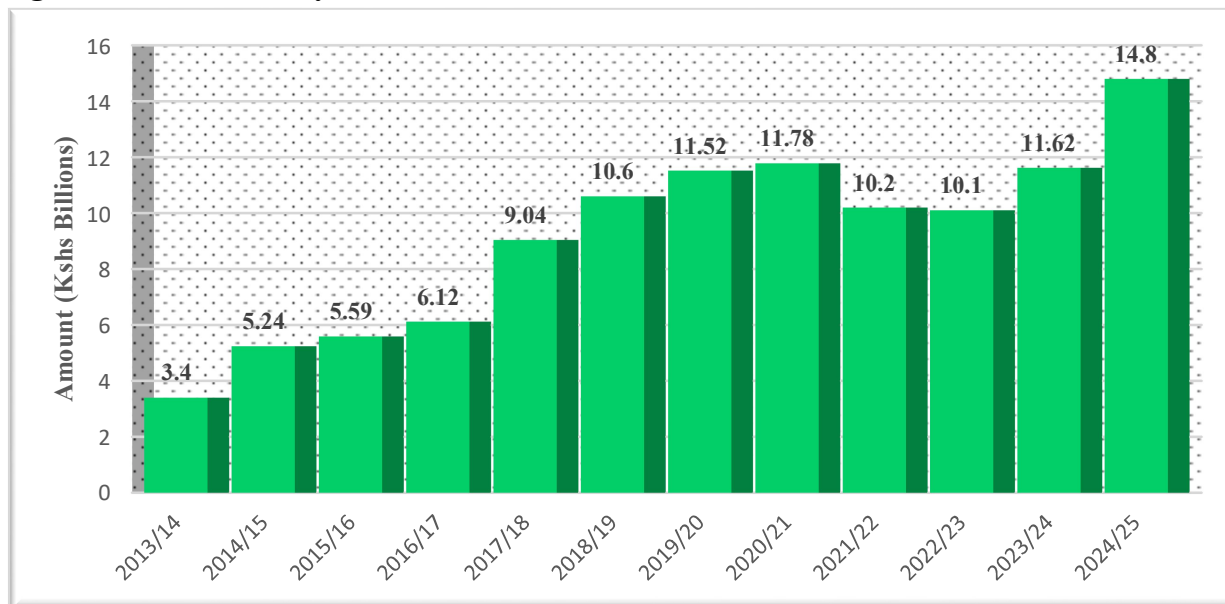
Source: County Treasury

16. Figure 2-1 below provides a trend analysis in the actual funds received from 2013/2014 to 2024/2025. It shows a steady increase in revenue from Kshs 3.4 billion in 2013/2014 to about

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Kshs 14.8 billion in 2024/2025. The highest amount of funds were received in FY2020/2021 of about Kshs 11.78 billion.

**Figure 2-1: Trend Analysis of Actual Funds Received FY2014/14 – FY2024/25**



**Source:** County Treasury

### 2.1.1 Details on Performance of Revenue by Category

#### 2.1.1.1 Performance of Equitable Share

17. The County reported an increase in the actual transfers from the National Government allocation of the equitable share. During the 2024/2025 financial period under review, Kshs 9,312,139,711.00 was received compared to Kshs 7,897,375,394.00 received in the previous period, FY2023/2024, representing a 17.91 percent increase. The actual receipts exceeded the approved target by Kshs 686,728,108.00, which represents the last disbursement for the period 2023/2024, which was received in the 2024/2025 financial period. Additionally, delays in the disbursement of funds from the exchequer continue to be the primary challenge in budget execution. For example, in this period, a total of Kshs 3.62 billion was disbursed in the fourth quarter of the period under review. This accounts for the increasing amount of pending bills recorded by the County Government in the review period.

**Table 2-3: Schedule of Equitable Share Disbursement FY2024/25**

Period	Amount	Date	Funds Transfer	Percent of
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	Received	Received	No.	Quarterly receipts to Approved Allocation
First Quarter	686,728,299	26-Jul-24	FT24208C82ZN	
	729,648,814	24-Sep-24	FT24268WLBZJ	
	<b>1,416,377,113</b>			<b>16.42</b>
Second Quarter	686,728,295	17-Oct-24	FT24291S8VP9	
	729,648,814	14-Nov-24	FT24319QDBPQ	
	686,728,295	18-Nov-24	FT24323ZH5C	
	13,631,548	16-Dec-24	FT24351859RC	
	733,159,970	16-Dec-24	FT24351XZSFM	
	<b>2,849,896,922</b>			<b>33.04</b>
Third Quarter	690,032,913	19-Feb-25	FT250505T2MC	
	733,159,970	25-Mar-25	FT25084C6QHH	
	<b>1,423,192,883</b>			<b>16.5</b>
Fourth Quarter	733,159,970	24-Apr-25	FT25114PV7H4	
	690,032,913	15-May-25	FT25135XYMF0	
	776,287,027	28-May-25	FT25148V3D4D	
	733,159,970	20-Jun-25	FT2517199MGN	
	690,032,913	26-Jun-25	FT251776N1V3	
	<b>3,622,672,793</b>			<b>42</b>
	<b>9,312,139,711</b>			<b>108</b>

**Source:** County Treasury

18. According to the figures presented, quarterly disbursements from the exchequer were allocated at 16.42 percent, 33.04 percent, and 16.5 percent for the first, second, and third quarters, respectively. The fourth quarter saw the most substantial release of funds at 42.0 percent. This uneven distribution, with nearly half of all funds disbursed in the final quarter, resulted in the delayed absorption of development funding observed during this period.

### 2.1.1.2 Performance of Conditional Grants

19. Based on the table provided, the County Government received Kshs 1,175,966,059.00 in conditional grants and loans during FY2024/2025, compared to the budgeted target of Kshs 1,825,110,318.00 in the approved revised budget. This actual receipt constituted 64.0 percent of the projected conditional grants. The performance demonstrates a slight reduction of 1.73 percent in conditional grants and loans disbursement when compared to the preceding financial year, FY2023/2024.

**Table 2-4: Grants Received for FY 2024/2025**

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Period	Date Received	Activity	Amount Received	Funds Transfer Number
Quarter 1	25-Sep-24	CAIPS	52,631,579	FT24269PXSDC
	11-Jul-24	UNFPA	5,251,780	FT24193VFC3Y
Quarter 2	-	-	-	-
Quarter 3	28-Mar-25	UNFPA	7,248,797	FT25087BTWCW
Quarter 4	12-May-25	CAIPS	76,923,076	FT251329CT11
	18-Jun-25	RMFL	71,758,747	FT25169GN3NP
	01-Jul-25	CAIPS	45,182,187	FT251820ZLQ7
	04-Jul-25	KUSP	32,309,300	FT25185BKWD7
	04-Jul-25	KISIP II	80,188,971	FT25185FLNCV
	04-Jul-25	NAVCDP	63,957,449	FT25185WSFZ1
	10-Jul-25	DANIDA	8,994,375	FT251912BCGK
	10-Jul-25	WSDP	717,436,049	FT25191T7C3T
	17-Jul-25	FLLOCA	14,083,749.00	FT251983PCLT
<b>TOTAL</b>			<b>1,175,966,059</b>	

Source: County Treasury

### 2.1.1.3 Performance of Own Source Revenue (OSR)

20. Over the review period, Kwale County Government realized Kshs 551,250,223.00 from internal revenue sources against the annual projection of Kshs 650,000,000, registering a performance level of 84.81 percent. The total comprised Own Source Revenue collection of Kshs 292,877,699.00 against a target of Kshs 350,000,000.00, alongside the health sector's Facility Improvement Fund collection of Kshs 258,372,524.00 against a target of Kshs 300,000,000.00. This represents a significant 20.64 percent increase from the previous period's collection total of Kshs 427,380,000.00.

**Table 2-5: Analysis of Own Source Revenue from FY 2013/2014- 2024/2025**

Financial Year	Approved Revised Budget (Kshs Million)	Actual Receipt (Kshs Million)	Percentage Collected
2013/2014	370	203	54.86
2014/2015	500	253	50.6
2015/2016	300	249	83
2016/2017	261	221	84.67
2017/2018	275	226	82.18
2018/2019	303	315	103.96
2019/2020	325	254	78.15
2020/2021	365	250	68.49
2021/2022	438	302	68.95
2022/2023	454	393	86.56

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2023/2024	600	427	71.17
2024/2025	650	551	84.81
<b>TOTAL</b>	<b>4,841</b>	<b>3,644</b>	<b>75.27</b>

**Source:** *County Treasury*

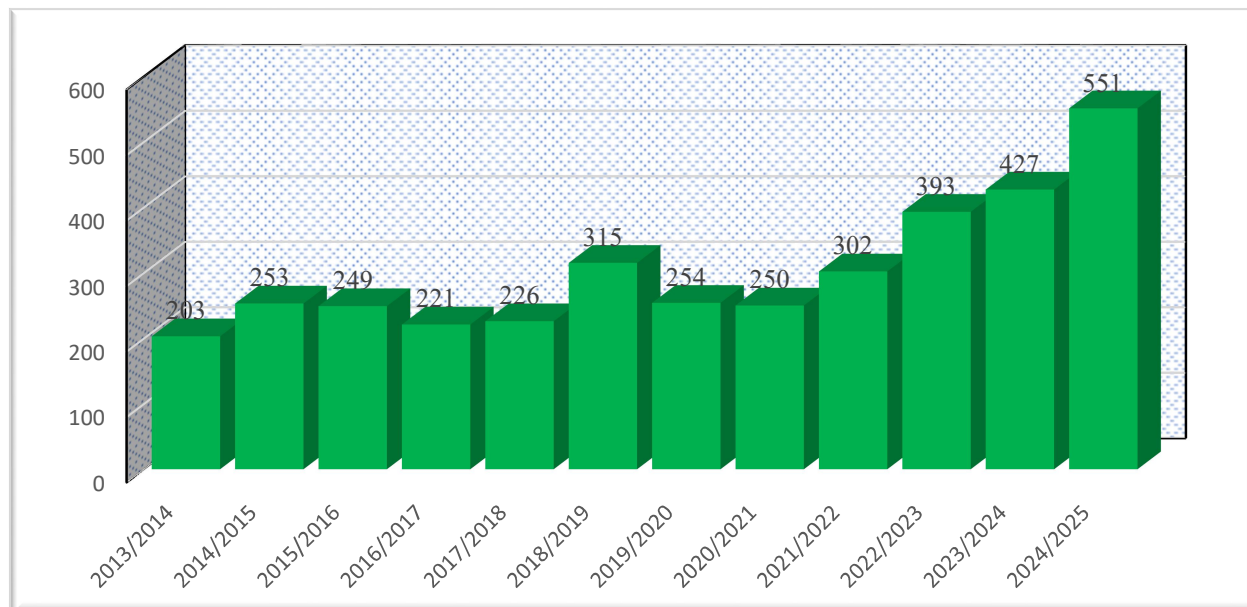
**Table 2-6: Summary of Own Source Revenue Collection**

<b>Revenue Stream</b>	<b>Approved Revised Target</b>	<b>Actual Receipts</b>	<b>Variance</b>	<b>Percentage Collection</b>
Cess	41,941,000	35,129,966	(6,811,034)	83.76
Land Rates	82,659,000	50,728,037	(31,930,963)	61.37
Single Business Permit	88,455,000	80,513,759	(7,941,241)	91.02
Conservancy Administration	6,140,000	4,320,000	(1,820,000)	70.36
Administration Control Fees and Charges	16,006,000	12,854,578	(3,151,422)	80.31
Other Fines, Penalties, and Forfeiture Fees	150,000	133,074	(16,926)	88.72
Public Health Service Fees	7,500,000	8,120,055	620,055	108.27
Physical Planning and Development	12,560,000	11,495,256	(1,064,744)	91.52
Parking Fees	43,674,000	23,619,605	(20,054,395)	54.08
Market Fees	14,370,000	10,526,370	(3,843,630)	73.25
Property Rent	11,251,000	6,265,748	(4,985,252)	55.69
Advertising	20,883,000	30,276,168	9,393,168	144.98
Hire of County Assets	2,740,000	861,000	(1,879,000)	31.42
Miscellaneous Receipts	1,671,000	18,034,083	16,363,083	1079.24
<b>TOTAL</b>	<b>350,000,000</b>	<b>292,877,699</b>	<b>(57,122,301)</b>	<b>83.68</b>

**Source:** *County Treasury*

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**Figure 2-2: Kwale County historical trends in own source revenue collection**



Source: County Treasury

**Table 2-7: Summary of Health Sector's Facility Improvement Fund Collection**

Facility Level	Facility Name	Target	Amount (Kshs)	Variance	Percentage Achievement
2	Mtumwa Dispensary	260,000	225	(259,775)	0.09
2	Busa Dispensary	250,000	675	(249,325)	0.27
2	Pongwe Kidimu Dispensary	300,000	1,000	(299,000)	0.33
2	Wasini Dispensary	300,000	1,000	(299,000)	0.33
2	Kizibe Dispensary	200,000	1,125	(198,875)	0.56
2	Mwangulu Dispensary	300,000	1,854	(298,146)	0.62
2	Mwamanga Dispensary	200,000	2,700	(197,300)	1.35
2	Kiteje Dispensary	300,000	2,925	(297,075)	0.98
2	Shimoni Dispensary	300,000	3,250	(296,750)	1.08
2	Chanzou Dispensary	300,000	4,500	(295,500)	1.50
2	Vwivwini Dispensary	250,000	5,290	(244,710)	2.12
2	Bofu Dispensary	300,000	10,154	(289,846)	3.38
2	Kilimangodo Dispensary	200,000	11,875	(188,125)	5.94
2	Kilibasi Dispensary	250,000	20,225	(229,775)	8.09
2	Mwanda Dispensary	200,000	22,249	(177,751)	11.12
2	Mwananyamala Dispensary	250,000	23,349	(226,651)	9.34
2	Zigira Dispensary	250,000	26,186	(223,814)	10.47
2	Mbita Dispensary	250,000	28,707	(221,293)	11.48
2	Ganja La Simba Dispensary	200,000	29,248	(170,752)	14.62
2	Ngathini Dispensary	250,000	30,319	(219,681)	12.13

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Facility Level	Facility Name	Target	Amount (Kshs)	Variance	Percentage Achievement
2	Mbuwani Dispensary	250,000	38,516	(211,484)	15.41
2	Gombato Dispensary	250,000	39,077	(210,923)	15.63
2	Mbuguni Dispensary	250,000	64,309	(185,691)	25.72
2	Mazumalume Dispensary	250,000	66,821	(183,179)	26.73
2	Mwangwei Dispensary	250,000	73,325	(176,675)	29.33
2	Mzizima Dispensary	200,000	76,047	(123,953)	38.02
2	Makamini Dispensary	150,000	77,744	(72,256)	51.83
2	Magaoni Dispensary	100,000	112,951	12,951	112.95
2	Kafuduni Dispensary	150,000	166,253	16,253	110.84
2	Gozani Dispensary	180,000	170,673	(9,327)	94.82
2	Pemba Dispensary	200,000	235,224	35,224	117.61
2	Mtaa Dispensary	350,000	254,243	(95,757)	72.64
2	Mackinonroad Dispensary	500,000	289,825	(210,175)	57.97
2	Mwanguda Dispensary	200,000	298,116	98,116	149.06
2	Mwaluphamba Dispensary	250,000	314,140	64,140	125.66
2	Gazi Dispensary	500,000	335,793	(164,207)	67.16
2	Silaloni Dispensary	450,000	370,699	(79,301)	82.38
2	Matuga Dispensary	260,000	391,334	131,334	150.51
2	Mamba Dispensary	300,000	397,575	97,575	132.53
2	Matumbi Dispensary	370,000	415,886	45,886	112.4
2	Mwaluvanga Dispensary	270,000	438,013	168,013	162.23
2	Mazola Dispensary	180,000	470,748	290,748	261.53
2	Gulanze Dispensary	280,000	477,683	197,683	170.6
2	Lukore Dispensary	450,000	519,625	69,625	115.47
2	Kinagoni Dispensary	200,000	556,674	356,674	278.34
2	Mbegani Dispensary	300,000	561,647	261,647	187.22
2	Kombani Dispensary	600,000	606,558	6,558	101.09
2	Gandini Dispensary	600,000	676,070	76,070	112.68
2	Waa Dispensary	260,000	852,876	592,876	328.03
2	Mvinden Dispensary	1,500,000	902,166	(597,834)	60.14
2	Taru Dispensary	400,000	938,953	538,953	234.74
2	Mbwaleni Dispensary	500,000	965,078	465,078	193.02
2	Ndavaya Dispensary	1,500,000	1,141,591	(358,409)	76.11
2	Vyongwani Dispensary	1,000,000	1,353,734	353,734	135.37
2	Lutsangani Dispensary	2,200,000	1,440,169	(759,831)	65.46
2	Vigurungani Dispensary	550,000	1,500,066	950,066	275.24
2	Mwabila Dispensary	500,000	1,018,723	518,723	323.74
2	Ng'ombeni Dispensary	880,000	2,941,052	2,061,052	334.21
3	Vanga Health Centre	400,000	41,403	(358,597)	10.35
3	Other Facilities	31,090,000	64,600	(31,025,400)	0.21

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Facility Level	Facility Name	Target	Amount (Kshs)	Variance	Percentage Achievement
3	Shimba Hills Health Centre	8,000,000	328,360	(7,671,640)	4.10
3	Tiwi Rural Health Training Centre	4,200,000	1,079,963	(3,120,037)	25.71
3	Mazeras Health Centre	1,320,000	1,226,040	(93,960)	130.76
3	Mkongani Dispensary	3,400,000	2,546,055	(853,945)	74.88
3	Mnyenzi Health Centre	1,500,000	3,625,316	2,125,316	241.69
3	Kikoneni Health Centre	3,400,000	3,827,998	427,998	112.59
3	Magodzoni Dispensary	3,000,000	4,387,733	1,387,733	179.59
3	Diani Health Centre	12,000,000	11,583,518	(416,482)	99.86
4	Samburu Sub County Hospital	25,000,000	16,632,752	(8,367,248)	66.53
4	Lunga Lunga Sub County Hospital	25,000,000	18,986,483	(6,013,517)	75.95
4	Kinango Sub County Hospital	35,000,000	31,483,574	(3,516,426)	89.95
4	Kwale Sub County Hospital	40,000,000	40,324,652	324,652	100.81
5	Msambweni Referral Hospital	84,000,000	97,943,490	13,943,490	116.6
<b>TOTAL</b>		<b>300,000,000</b>	<b>255,858,770</b>	<b>(44,141,230)</b>	<b>86.12</b>

Source: County Treasury

### 2.2 Expenditure Performance and Analysis by Economic Classification

21. During the FY2024/2025 review period, total expenditure amounted to **Kshs 10,180,451,299.00** against a revised target of **Kshs 14,876,063,604.00**. This translates to an absorption rate of **68.44 percent**. This shows a decline in absorption from the previous financial year FY 2023/24 where the absorption rate was **81 percent**.

22. Recurrent expenditure amounted to **Kshs 7,070,742,950.00** (including payments of commitments from previous financial year) against a revised target of **Kshs 7,922,610,523**. This represents an **89.25 percent** absorption against the revised target. The underperformance of **Kshs 851,867,573.00 (10.75 %)** can be partly accounted for by the shortfall recorded in the OSR collection during the same period. In the same period in FY2023/2024, recurrent expenditure amounted to **Kshs 7,122,716,219.00** (including payments of commitments from previous financial year) against a revised target of **Kshs 8,131,343,268** implying a funds utilization rate of **88 percent** out of the total budget allocation and an under performance of **Kshs 1,008,627,049 (12.4 percent)** can be partly accounted for by the shortfall recorded in the OSR collection during the same period.

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23. On the other hand, development expenditure during the same period stood at **44.72 percent** translating to **Kshs 3,109,708,349.00** against an approved target of **Kshs 6,953,453,081.00**. Delayed disbursement from the national exchequer and slow tendering processes account for the underperformance during this period. Development expenditure during the same period in FY 2023/2024 recorded an absorption rate of **49.95 percent** with **Kshs 3,061,090,657.00** being the total actual expenditure against the target of **Kshs 6,128,325,495.00**. This shows a decline in development expenditure between FY2023/2024 and FY2024/2025.

**Table 2-8: Summary of Expenditure by Economic Classification for FY 2024/2025**

Expenditure Classification	FY2024/2025		Absorption (%)	Percentage of Total Expenditure
	Approved Estimates	Revised Actual Expenditure		
<b>Current Expenditure</b>	<b>7,922,610,523</b>	<b>7,070,742,950</b>	<b>89.25</b>	<b>69.45</b>
Compensation to Employees	3,705,739,712	4,087,140,633	110.29	40.15
Use of Goods and Services	4,216,870,811	2,983,602,317	70.75	29.31
<b>Capital Expenditure</b>	<b>6,953,453,081</b>	<b>3,109,708,349</b>	<b>44.72</b>	<b>30.55</b>
Other Development	6,953,453,081	3,109,708,349	44.72	30.55
<b>Total Expenditure</b>	<b>14,876,063,604</b>	<b>10,180,451,299</b>	<b>68.44</b>	<b>100.00</b>

Source: Kwale County Treasury

24. The table below gives a comparison of the expenditures by Economic Classification between FY2023/24 and FY2024/2025.

**Table 2-9: Summary of Expenditure by Economic Classification between FY2023/2024 and FY2024/2025 (Amount in Kshs Billion)**

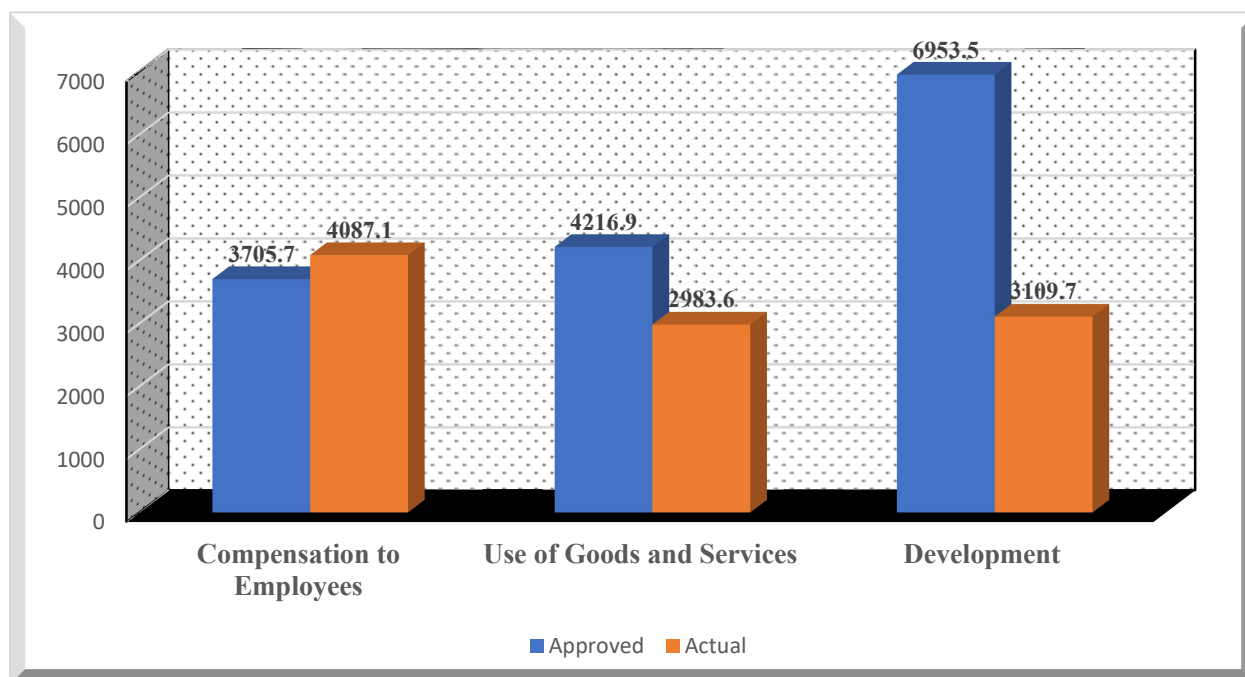
Expenditure Classification	Approved Estimates		Actual Expenditure		Absorption (%)	
	FY2023/24	FY2024/25	FY2023/24	FY2024/25	FY2023/24	FY2024/25
<b>Current Expenditure</b>	<b>7.1</b>	<b>7.9</b>	<b>6.8</b>	<b>7.1</b>	<b>96</b>	<b>90</b>
Compensation to Employees	3.4	3.7	3.2	4.1	94	111
Use of Goods and Services	3.7	4.2	3.6	3.0	97	71
<b>Capital Expenditure</b>	<b>4.9</b>	<b>7.0</b>	<b>2.9</b>	<b>3.1</b>	<b>59</b>	<b>44</b>
Other Development	4.9	7.0	2.9	3.1	59	44
<b>Total Expenditure</b>	<b>12</b>	<b>14.9</b>	<b>9.7</b>	<b>10.2</b>	<b>81</b>	<b>68</b>

Source: Kwale County Treasury

The above information can be summarized using a graph as shown below.

**Figure 2-3: Summary of Expenditure by Economic Classification**

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Source: Kwale County Treasury

25. During the same period, total transfers from other government entities stood at Kshs 627,656,906.00 as shown in the table below.

**Table 2-10: Transfers from other Government Entities**

Name of the MDA/Donor: Transferring the funds	Date received as per the bank statement	Nature: Recurrent/Development/Others	Total Amount - KES	Statement of Financial Performance	Total Transfers during the Year
<b>3062 Department of Agriculture, Livestock and Fisheries</b>					
World Bank	03/03/2025	Development	43,301,951	43,301,951	43,301,951
<b>3063 Department of Environment and Natural Resources</b>					
World Bank	11/09/2024	Development	70,000,000	70,000,000	70,000,000
World Bank	29-01-2-25	Development	42,211,667	42,211,667	42,211,667
<b>3069 Department of Education</b>					
Kwale Bursary Fund	25/10/2024	Recurrent	38,000,000	38,000,000	38,000,000
Kwale Bursary Fund	12/05/2024	Recurrent	100,000,000	100,000,000	100,000,000
Kwale Bursary Fund	07/07/2025	Recurrent	60,000,000	60,000,000	60,000,000
County VTCs	13/03/2025	Development	20,000,000	20,000,000	20,000,000
County VTCs	-	Development	10,000,000	10,000,000	10,000,000
<b>3070 Department of Water Services</b>					

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Name of the MDA/Donor: Transferring the funds	Date received as per the bank statement	Nature: Recurrent/Development/Others	Total Amount - KES	Statement of Financial Performance	Total Transfers during the Year
World Bank	03/03/2025	Development	217,830,000	217,830,000	217,830,000
<b>3080 Department of Preventive and Promotive Health Services</b>					
DANIDA	03/03/2025	Recurrent	26,313,288	26,313,288	26,313,288
<b>TOTAL</b>			<b>627,656,906</b>	<b>627,656,906</b>	<b>627,656,906</b>

Source: County Treasury

### 2.2.1 Departmental Expenditure Performance

26. During the period under review, the department of Finance and Economic Planning posted the highest absorption rate at **98 percent**, followed by the department of Public Service and Administration at **89.16 percent**, and the department of Curative and Rehabilitative Health Services at **89.08 percent**. Departments that recorded the lowest absorption capacities were Trade and Cooperative Development, Water Services and Environment and Natural Resources at **34.76 percent**, **34.81 percent**, **43.26 percent**, respectively.

**Table 2-11: Summary of Departmental Expenditure Performance FY2024/2025**

Vote	Revised Estimates	Actual Expenditure	Absorption Capacity (%)	% of Total Expenditure
3061 Finance and Economic Planning	1,035,954,769	1,015,307,606	98.01	9.97
3062 Agriculture, Livestock and Fisheries	598,575,351	468,821,481	78.32	4.61
3063 Environment and Natural Resources	800,241,017	346,147,606	43.26	3.40
3064 Curative and Rehabilitative Health Services	3,269,249,392	2,912,211,191	89.08	28.61
3065 County Assembly	1,345,909,649	980,091,223	72.82	9.63
3066 Trade and Cooperative Development	735,790,515	255,769,904	34.76	2.51
3067 Social Services and Talent Management	412,538,837	357,010,671	86.54	3.51
3068 County Executive Services	181,299,457	137,333,110	75.75	1.35
3069 Education	1,400,318,517	1,112,234,036	79.43	10.93
3070 Water Services	2,034,675,404	708,179,247	34.81	6.96
3071 Roads and Public Works	1,213,567,775	613,489,488	50.55	6.03
3072 ICT and Tourism	150,451,599	90,360,236	60.06	0.89

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3073 County Public Service Board	93,616,810	53,133,339	56.76	0.52
3074 Public Service and Administration	622,795,387	555,277,650	89.16	5.45
3075 Kwale Municipality	152,653,099	127,860,738	83.76	1.26
3076 Diani Municipality	167,815,675	79,460,483	47.35	0.78
3077 County Attorney	181,333,069	101,328,512	55.88	1.00
3078 Lungalunga Municipality	84,469,928	71,436,229	84.57	0.70
3079 Kinango Municipality	78,964,555	44,077,097	55.82	0.43
3080 Preventive and Promotive Health Services	315,842,801	150,921,452	47.78	1.48
<b>TOTAL</b>	<b>14,876,063,606</b>	<b>10,180,451,299</b>	<b>68.44</b>	<b>100.00</b>

**Source:** *Kwale County Treasury*

27. The table below further shows the analysis on the departmental expenditure per economic classification for the FY2024/2025 budget.

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**Table 2-12: Analysis of Departmental Expenditure Performance FY2024/2025**

Vote	Recurrent Expenditure FY2024 /25		BER	Development Expenditure FY2024/25		BER	Total Expenditure		BER
	Target	Actual		Target	Actual		Target	Actual	
3061 Finance and Economic Planning	1,008,397,750	1,006,039,440	100	27,557,019	9,268,166	34	1,035,954,769	1,015,307,606	98
3062 Agriculture, Livestock and Fisheries	190,756,389	174,075,369	91	407,818,962	294,746,112	72	598,575,351	468,821,481	78
3063 Environment and Natural Resources	122,069,568	89,775,574	74	678,171,449	256,372,032	38	800,241,017	346,147,606	43
3064 Curative and Rehabilitative Health Services	2,931,113,860	2,766,914,578	94	338,135,532	145,296,613	43	3,269,249,392	2,912,211,191	89
3065 County Assembly	739,799,205	735,394,748	99	606,110,444	244,696,475	40	1,345,909,649	980,091,223	73
3066 Trade and Cooperative Development	101,869,772	61,890,510	61	633,920,743	193,879,394	31	735,790,515	255,769,904	35
3067 Social Services and Talent Management	131,029,792	89,114,160	68	281,509,045	267,896,511	95	412,538,837	357,010,671	87
3068 County Executive Services	181,299,457	137,333,110	76	-	-	-	181,299,457	137,333,110	76
3069 Education	980,541,267	905,338,592	92	419,777,250	206,895,444	49	1,400,318,517	1,112,234,036	79
3070 Water Services	133,894,626	114,149,259	85	1,900,780,778	594,029,988	31	2,034,675,404	708,179,247	35
3071 Infrastructure and Public Works	180,796,083	122,715,150	68	1,032,771,692	490,774,338	48	1,213,567,775	613,489,488	51
3072 Tourism and ICT	107,400,755	61,818,840	58	43,050,844	28,541,396	66	150,451,599	90,360,236	60
3073 County Public Service Board	78,616,810	53,133,339	68	15,000,000	-	-	93,616,810	53,133,339	57
3074 Public Service and Administration	613,842,355	547,251,091	89	8,953,032	8,026,559	90	622,795,387	555,277,650	89
3075 Kwale Municipality	40,193,472	17,903,840	45	112,459,627	109,956,898	98	152,653,099	127,860,738	84

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Vote	Recurrent Expenditure FY2024 /25		BER	Development Expenditure FY2024/25		BER	Total Expenditure		BER
	Target	Actual		Target	Actual		Target	Actual	
3076 Diani Municipality	41,034,609	30,383,422	74	126,781,066	49,077,061	39	167,815,675	79,460,483	47
3077 County Attorney	181,333,069	101,328,512	56	-	-	-	181,333,069	101,328,512	56
3078 Lungalunga Municipality	16,438,726	11,121,341	68	68,031,202	60,314,888	89	84,469,928	71,436,229	85
3079 Kinango Municipality	23,741,453	6,116,995	26	55,223,102	37,960,102	69	78,964,555	44,077,097	56
3080 Preventive and Promotive Health Services	118,441,507	38,945,080	33	197,401,294	111,976,372	57	315,842,801	150,921,452	48
<b>TOTAL</b>	<b>7,922,610,525</b>	<b>7,070,742,950</b>	<b>89</b>	<b>6,953,453,081</b>	<b>3,109,708,349</b>	<b>45</b>	<b>14,876,063,606</b>	<b>10,180,451,299</b>	<b>68</b>

Source: Kwale County Treasury

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28. The table below give a comparison of the expenditures by Vote between FY 2023/24 and FY2024/2025.

**Table 2-13: Summary of Expenditure by Vote between FY2022/2023 and FY2023/2024**

Department & Vote	Expenditure FY 2024 - 2025		BER	Expenditure FY 2023 - 2024		BER
	Revised Estimates	Actual Expenditure		Revised Estimates	Actual Expenditure	
3061 Finance and Economic Planning	1,035,954,769	1,015,307,606	98	1,369,914,162	1,297,650,413	95
3062 Agriculture, Livestock and Fisheries	598,575,351	468,821,481	78	963,842,815	445,681,621	46
3063 Environment and Natural Resources	800,241,017	346,147,606	43	532,939,118	286,687,151	54
3064 Curative Health Services	3,269,249,392	2,912,211,191	89	3,324,234,532	2,863,177,967	86
3065 County Assembly	1,345,909,649	980,091,223	73	1,091,212,566	791,119,187	72
3066 Trade and Cooperative Development	735,790,515	255,769,904	35	347,768,096	212,468,822	61
3067 Social Services and Talent Management	412,538,837	357,010,671	87	372,790,521	225,477,081	60
3068 County Executive Services	181,299,457	137,333,110	76	189,242,924	153,053,995	81
3069 Education	1,400,318,517	1,112,234,036	79	1,789,055,557	1,391,173,478	78
3070 Water Services	2,034,675,404	708,179,247	35	1,844,842,085	1,240,003,803	67
3071 Infrastructure and Public Works	1,213,567,775	613,489,488	51	1,013,041,481	448,809,802	44
3072 Tourism and ICT	150,451,599	90,360,236	60	171,636,516	78,315,253	46
3073 County Public Service Board	93,616,810	53,133,339	57	75,581,290	56,395,726	75
3074 Public Service and Administration	622,795,387	555,277,650	89	445,969,456	358,492,727	80
3075 Kwale Municipality	152,653,099	127,860,738	84	116,131,653	77,781,892	67
3076 Diani Municipality	167,815,675	79,460,483	47	107,206,237	63,434,905	59
3077 County Attorney	181,333,069	101,328,512	56	70,163,600	46,699,858	67
3078 Lungalunga Municipality	84,469,928	71,436,229	85	54,500,000	14,627,771	27
3079 Kinango Municipality	78,964,555	44,077,097	56	50,000,000	23,965,705	48
3080 Preventive Health Services	315,842,801	150,921,452	48	329,596,154	108,789,719	33
<b>TOTAL</b>	<b>14,876,063,606</b>	<b>10,180,451,299</b>	<b>68</b>	<b>14,259,668,763</b>	<b>10,183,806,876</b>	<b>71</b>

**Source:** Kwale County Treasury

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### 2.2.1.1 Departmental Recurrent Expenditure Performance

29. During the FY2024/2025 review period, the County Government had an approved revised recurrent budget of **Kshs 7,922,610,523.00**, comprising **53.26 percent** of the total approved revised budget for the same period. The actual recurrent expenditure during this period stood at **Kshs 7,070,742,950.00**, implying an absorption capacity of **89.25 percent**. This indicates an underperformance of 10.75 percent, mainly on account of delays in the disbursement of equitable share from the national treasury and a shortfall in the own-source revenues. In the same period in FY 2023/2024, recurrent expenditure amounted to **Kshs 7,122,716,219.00** (including payments of commitments from the previous financial year) against a revised target of **Kshs 8,131,343,268.00**, implying a funds utilization rate of 87.69 percent out of the total budget allocation and an underperformance of **Kshs 1,008,627,049.00**. This shows there was a slight increase in recurrent expenditure from an absorption rate of 87.60 percent in FY 2023/2024 to 89.25 percent in FY 2024/2025.

30. During this period, the highest absorption capacities were recorded in the departments of Finance and Economic Planning, County Assembly, and Curative and Rehabilitative Health Services at **100 percent, 99 percent, and 94 percent**, respectively. On the other hand, Kinango Municipality, the department of Preventive and Promotive Health Services, and Kwale Municipality recorded the least budget execution rates on recurrent budgets at **26 percent, 33 percent and 45 percent**, respectively.

**Table 2-14: Summary of Total Recurrent Expenditure**

Vote	Recurrent Expenditure FY2024 /25		Variance	BER	% of Total Expenditure
	Approved Revised Estimates	Actual Expenditure			
3061 Finance and Economic Planning	1,008,397,750	1,006,039,440	- 2,358,310	100	14.23
3062 Agriculture, Livestock and Fisheries	190,756,389	174,075,369	- 16,681,020	91	2.46
3063 Environment and Natural Resources	122,069,568	89,775,574	- 32,293,994	74	1.27
3064 Curative and Rehabilitative Health Services	2,931,113,860	2,766,914,578	-164,199,282	94	39.13
3065 County Assembly	739,799,205	735,394,748	- 4,404,457	99	10.40
3066 Trade and Cooperative Development	101,869,772	61,890,510	- 39,979,262	61	0.88
3067 Social Services and Talent Management	131,029,792	89,114,160	- 41,915,632	68	1.26
3068 County Executive Services	181,299,457	137,333,110	- 43,966,347	76	1.94
3069 Education	980,541,267	905,338,592	- 75,202,675	92	12.80
3070 Water Services	133,894,626	114,149,259	- 19,745,367	85	1.61
3071 Infrastructure and Public Works	180,796,083	122,715,150	- 58,080,933	68	1.74
3072 Tourism and ICT	107,400,755	61,818,840	- 45,581,915	58	0.87
3073 County Public Service	78,616,810	53,133,339	- 25,483,471	68	0.75

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Vote	Recurrent Expenditure FY2024 /25		Variance	BER	% of Total Expenditure
	Approved Revised Estimates	Actual Expenditure			
Board					
3074 Public Service and Administration	613,842,355	547,251,091	- 66,591,264	89	7.74
3075 Kwale Municipality	40,193,472	17,903,840	- 22,289,632	45	0.25
3076 Diani Municipality	41,034,609	30,383,422	- 10,651,187	74	0.43
3077 County Attorney	181,333,069	101,328,512	- 80,004,557	56	1.43
3078 Lungalunga Municipality	16,438,726	11,121,341	- 5,317,385	68	0.16
3079 Kinango Municipality	23,741,453	6,116,995	- 17,624,458	26	0.09
3080 Preventive and Promotive Health Services	118,441,507	38,945,080	- 79,496,427	33	0.55
<b>TOTAL</b>	<b>7,922,610,525</b>	<b>7,070,742,950</b>	<b>- 851,867,575</b>	<b>89</b>	<b>100</b>

*Source: Kwale County Treasury*

**31.** From the table above, the departments that recorded the highest expenditures in absolute terms are Curative and Rehabilitative Health Services, accounting for **39.13 percent** of the total county's actual expenditure, Finance and Economic Planning (**14.23%**) and Education (**12.80%**). The Municipalities of Kinango, LungaLunga, and Kwale, respectively, recorded the least expenditures of **0.09 percent, 0.16 percent, and 0.25 percent.**

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

**Table 2-15: Analysis of Recurrent Expenditure Performance FY2024/2025**

Vote	Personnel Emoluments		BER	Operations and Maintenance		BER	Recurrent Expenditure		BER
	Target	Actual		Target	Actual		Target	Actual	
3061 Finance and Economic Planning	177,409,591	236,021,646	133	830,988,159	770,017,794	93	1,008,397,750	1,006,039,440	100
3062 Agriculture, Livestock and Fisheries	136,658,370	148,650,158	109	54,098,019	25,425,211	47	190,756,389	174,075,369	91
3063 Environment and Natural Resources	28,788,121	67,279,971	234	93,281,447	22,495,603	24	122,069,568	89,775,574	74
3064 Curative Health Services	1,745,971,324	1,914,329,896	110	1,185,142,536	852,584,682	72	2,931,113,860	2,766,914,578	94
3065 County Assembly	272,102,311	268,781,099	99	467,696,894	466,613,649	100	739,799,205	735,394,748	99
3066 Trade and Cooperatives	34,492,649	37,724,616	109	67,377,123	24,165,894	36	101,869,772	61,890,510	61
3067 Social Services	34,895,661	38,224,806	110	96,134,131	50,889,354	53	131,029,792	89,114,160	68
3068 Executive Services	69,756,120	77,034,003	110	111,543,337	60,299,107	54	181,299,457	137,333,110	76
3069 Education	565,029,482	617,826,802	109	415,511,785	287,511,790	69	980,541,267	905,338,592	92
3070 Water Services	42,353,950	46,159,235	109	91,540,676	67,990,024	74	133,894,626	114,149,259	85
3071 Roads and Public Works	56,733,867	68,893,677	121	124,062,216	53,821,473	43	180,796,083	122,715,150	68
3072 ICT and Tourism	21,547,275	25,816,274	120	85,853,480	36,002,566	42	107,400,755	61,818,840	58
3073 County Public Service Board	30,607,116	33,491,543	109	48,009,694	19,641,796	41	78,616,810	53,133,339	68
3074 Public Service and Administration	477,009,373	494,522,405	104	136,832,982	52,728,686	39	613,842,355	547,251,091	89
3075 Kwale Municipality	-	-	-	40,193,472	17,903,840	45	40,193,472	17,903,840	45
3076 Diani Municipality	-	-	-	41,034,609	30,383,422	74	41,034,609	30,383,422	74
3077 County Attorney	12,384,502	12,384,502	100	168,948,567	88,944,010	53	181,333,069	101,328,512	56
3078 Lungalunga Municipality	-	-	-	16,438,726	11,121,341	68	16,438,726	11,121,341	68
3079 Kinango Municipality	-	-	-	23,741,453	6,116,995	26	23,741,453	6,116,995	26
3080 Preventive Health Services	-	-	-	118,441,507	38,945,080	33	118,441,507	38,945,080	33
<b>TOTAL</b>	<b>3,705,739,712</b>	<b>4,087,140,633</b>	<b>110</b>	<b>4,216,870,813</b>	<b>2,983,602,317</b>	<b>71</b>	<b>7,922,610,525</b>	<b>7,070,742,950</b>	<b>89</b>

**Source:** Kwale County Treasury

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

### 2.2.1.1.1 Personnel Emoluments Expenditure Performance

32. The actual expenditure on personnel emoluments in the FY2024/2025 period was **Kshs 4,087,140,633.00** against an approved target of **Kshs 3,705,739,712.00**, representing a budget execution rate of **102.92 percent**. The overspending on compensation to employees was on account of under-provision made in the approved revised budget for the same period. However, the actual expenditure remained within the provisions of the Public Finance Management Regulations 2015 that capped expenditure on salaries and other benefits to 35 percent. During the same period in FY 2023/2024, the County Government spent a total of **Kshs 3,805,359,785.00** on personnel emoluments against a revised annual target of **Kshs 3,997,188,297.00**. This represented 26.75 percent of the total County Government's revenue during the same period.

33. The department of Medical and Public Health Services spent **Kshs 1.91 billion**, which accounted for **47 percent** of the total expenditure on personnel emoluments, due to its large staff establishment. Other departments with bigger expenditures on personnel emoluments were Education at **Kshs 617.8 million (15%)** and Public Service and Administration at **Kshs 494.5 million (12%)**.

**Table 2-16: Summary of Departmental Expenditure Performance on Personal Emoluments**

Vote	Approved Estimates	Personnel Emoluments		BER	% of Total Expenditure
		Revised Estimates	Actual Expenditure		
3061 Finance and Economic Planning	225,749,082	177,409,591	236,021,646	133	6
3062 Agriculture, Livestock and Fisheries	159,761,423	136,658,370	148,650,158	109	4
3063 Environment and Natural Resources	31,965,024	28,788,121	67,279,971	234	2
3064 Curative Health Services	1,959,564,394	1,745,971,324	1,914,329,896	110	47
3065 County Assembly	308,612,771	272,102,311	268,781,099	99	7
3066 Trade and Cooperative Development	43,265,810	34,492,649	37,724,616	109	1
3067 Social Services and Talent Management	42,541,441	34,895,661	38,224,806	110	1
3068 County Executive Services	80,850,085	69,756,120	77,034,003	110	2
3069 Education	700,858,816	565,029,482	617,826,802	109	15
3070 Water Services	51,922,129	42,353,950	46,159,235	109	1
3071 Roads and Public Works	62,413,437	56,733,867	68,893,677	121	2
3072 ICT and Tourism	27,667,865	21,547,275	25,816,274	120	1
3073 County Public Service Board	35,850,876	30,607,116	33,491,543	109	1
3074 Public Service and Administration	218,435,018	477,009,373	494,522,405	104	12
3075 Kwale Municipality	4,708,771	-	-	-	-
3076 Diani Municipality	6,946,759	-	-	-	-
3077 County Attorney	13,446,950	12,384,502	12,384,502	100	-
3078 Lungalunga Municipality	1,598,227	-	-	-	-
3079 Kinango Municipality	1,598,227	-	-	-	-
<b>TOTAL</b>	<b>3,977,757,106</b>	<b>3,705,739,712</b>	<b>4,087,140,633</b>	<b>110</b>	<b>100</b>

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**Source:** Kwale County Treasury

**34.** The approved expenditure on personnel emoluments dropped from Kshs 3.997 billion in the approved estimates to approximately Kshs 3.706 billion in the approved revised estimates. The actual expenditure during the same period was Kshs 4.09 billion, representing an absorption rate of **110 percent**. The overspending was occasioned by the under-provision in the approved revised budget, as earlier stated.

**35.** The table below shows the comparison of expenditures on personnel emoluments between FY2023/2024 and FY2024/2025.

**Table 2-17: Summary of Expenditures on Personnel Emoluments by Vote between FY 2023/2024 and FY 2024/2025**

Vote	FY 2023/2024			FY2024/2025		Absorption Capacity (%)
	Approved Revised Estimates	Actual Expenditure	Absorption Capacity (%)	Approved Revised Estimates	Actual Expenditure	
3061 Finance and Economic Planning	264,607,391	264,505,097	100	177,409,591	236,021,646	133
3062 Agriculture, Livestock and Fisheries	156,172,416	144,583,074	93	136,658,370	148,650,158	109
3063 Environment and Natural Resources	49,055,744	45,941,055	94	28,788,121	67,279,971	234
3064 Curative and Rehabilitative Health Services	2,032,406,939	1,952,531,366	96	1,745,971,32	1,914,329,896	110
3065 County Assembly	293,276,232	277,502,229	95	272,102,311	268,781,099	99
3066 Trade and Cooperative Development	41,583,708	39,767,432	96	34,492,649	37,724,616	109
3067 Social Services and Talent Management	40,306,465	39,491,208	98	34,895,661	38,224,806	110
3068 County Executive Services	78,809,427	74,894,672	95	69,756,120	77,034,003	110
3069 Education	640,808,811	592,304,095	92	565,029,482	617,826,802	109
3070 Water Services	49,230,993	44,739,366	91	42,353,950	46,159,235	109
3071 Infrastructure and Public Works	68,742,682	61,161,507	89	56,733,867	68,893,677	121
3072 ICT and Tourism	27,400,616	25,344,487	92	21,547,275	25,816,274	120
3073 County Public Service Board	31,996,290	28,855,185	90	30,607,116	33,491,543	109
3074 Public Service and Administration	222,790,583	213,739,012	96	477,009,373	494,522,405	104
3075 Kwale Municipality	-	-	-	-	-	-
3076 Diani Municipality	-	-	-	-	-	-
3077 County Attorney	-	-	-	12,384,502	12,384,502	100
3078 Lungalunga Municipality	-	-	-	-	-	-
3079 Kinango Municipality	-	-	-	-	-	-
3080 Preventive and Promotive Health Services	-	-	-	-	-	-
<b>TOTAL</b>	<b>3,997,188,297</b>	<b>3,805,359,785</b>	<b>95</b>	<b>3,705,739,712</b>	<b>4,087,140,633</b>	<b>110</b>

**Source:** Kwale County Treasury

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### 2.2.1.1.2 Operations and Maintenance Expenditure Performance

36. The actual expenditure for the period under review was **Kshs 2,983,602,317.00**, compared to a revised budget of **Kshs 4,216,870,811.00**, resulting in a **70.75 percent** absorption rate. The county's essential expenditures under operations and maintenance include the Elimu Ni Sasa programme, where the scholarship and bursary programme is implemented. Others are the provision of medical drugs under the Department of Health Services, and the staff medical cover under the Department of Finance and Economic Planning.

37. During the same period in FY2023/2024, the actual expenditure on operations and maintenance was **Ksh 3,317,356,434.00** against a revised budget of **Ksh 4,134,154,971.00**, depicting an **80.23 percent** absorption rate. This shows that the absorption rate went down between FY2023/2024 and FY2024/2025, implying a significant decline in operations and maintenance expenditure. This is attributable to delays in the disbursement of funds, resulting in huge pending bills and non-disbursement of the bursary and scholarship program funds due to a legal suit in the High Court of Kenya, rendering it impossible to proceed with the implementation of the program. The department with the highest absorption rate for operations and maintenance expenditures is the County Assembly at **100 percent**. Others are Finance and Economic Planning, at **93 percent**, Water Services, and Diani Municipality, both at **74 percent**.

**Table 2-18: Expenditure Performance on Operations and Maintenance FY2024/2025**

Vote	Approved Estimates FY2024/2025	Operations and Maintenance		BER	% of Total Expenditure
		Target	Actual		
3061 Finance and Economic Planning	708,673,738	830,988,159	770,017,794	93	26
3062 Agriculture, Livestock and Fisheries	50,325,822	54,098,019	25,425,211	47	1
3063 Environment and Natural Resources	81,543,265	93,281,447	22,495,603	24	1
3064 Curative and Rehabilitative Health Services	568,983,553	1,185,142,536	852,584,682	72	29
3065 County Assembly	376,888,524	467,696,894	466,613,649	100	16
3066 Trade and Cooperative Development	48,280,339	67,377,123	24,165,894	36	1
3067 Social Services and Talent Management	71,296,266	96,134,131	50,889,354	53	2
3068 County Executive Services	74,240,300	111,543,337	60,299,107	54	2
3069 Education	611,382,500	415,511,785	287,511,790	69	10
3070 Water Services	46,625,283	91,540,676	67,990,024	74	2
3071 Infrastructure and Public Works	37,780,553	124,062,216	53,821,473	43	2
3072 ICT and Tourism	35,922,861	85,853,480	36,002,566	42	1
3073 County Public Service Board	49,355,000	48,009,694	19,641,796	41	1

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3074 Public Service and Administration	93,317,435	136,832,982	52,728,686	39	2
3075 Kwale Municipality	3,110,116	40,193,472	17,903,840	45	1
3076 Diani Municipality	32,772,697	41,034,609	30,383,422	74	1
3077 County Attorney	47,884,258	168,948,567	88,944,010	53	3
3078 Lungalunga Municipality	9,983,457	16,438,726	11,121,341	68	0
3079 Kinango Municipality	3,362,359	23,741,453	6,116,995	26	0
3080 Preventive and Promotive Health Services	83,984,185	118,441,507	38,945,080	33	1
<b>TOTAL</b>	<b>3,035,712,511</b>	<b>4,216,870,813</b>	<b>2,983,602,317</b>	<b>71</b>	<b>100</b>

**Source:** Kwale County Treasury

**38.** The table below shows the comparison on operations and maintenance expenditures between FY2023/2024 and FY2024/2025.

**Table 2-19: Summary of Expenditures on Operations and Maintenance for FY2023/2024 and FY2024/2025**

Vote	FY2023/2024		BER	FY2024/2025		BER
	Revised Estimates	Actual Expenditure		Revised Estimates	Actual Expenditure	
3061 Finance and Economic Planning	1,076,926,771	1,013,145,316	94	830,988,159	770,017,794	93
3062 Agriculture, Livestock and Fisheries	45,671,826	18,074,081	40	54,098,019	25,425,211	47
3063 Environment and Natural Resources	49,751,069	33,489,898	67	93,281,447	22,495,603	24
3064 Curative Health Services	891,949,021	736,941,937	83	1,185,142,536	852,584,682	72
3065 County Assembly	500,852,573	413,948,851	83	467,696,894	466,613,649	100
3066 Trade and Cooperative Development	49,448,747	18,320,020	37	67,377,123	24,165,894	36
3067 Social Services and Talent Management	98,567,731	72,902,844	74	96,134,131	50,889,354	53
3068 Executive Services	98,593,011	78,159,323	79	111,543,337	60,299,107	54
3069 Education	631,971,564	561,965,301	89	415,511,785	287,511,790	69
3070 Water Services	90,508,372	62,463,610	69	91,540,676	67,990,024	74
3071 Infrastructure and Public Works	96,266,683	49,082,856	51	124,062,216	53,821,473	43
3072 ICT and Tourism	64,590,910	13,415,142	21	85,853,480	36,002,566	42
3073 County Public Service Board	43,585,000	27,540,541	63	48,009,694	19,641,796	41
3074 Public Service and Administration	181,248,884	111,966,757	62	136,832,982	52,728,686	39
3075 Kwale Municipality	14,357,105	5,184,037	36	40,193,472	17,903,840	45
3076 Diani Municipality	28,104,000	16,450,618	59	41,034,609	30,383,422	74
3077 County Attorney	70,163,600	46,699,858	67	168,948,567	88,944,010	53
3078 Lungalunga	3,898,788	1,151,870	30	16,438,726	11,121,341	68

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Municipality						
3079 Kinango Municipality	3,100,000	1,588,983	51	23,741,453	6,116,995	26
3080 Preventive and Promotive Health Services	94,599,316	34,864,591	37	118,441,507	38,945,080	33
<b>TOTAL</b>	<b>4,134,154,971</b>	<b>3,317,356,434</b>	<b>80</b>	<b>4,216,870,813</b>	<b>2,983,602,317</b>	<b>71</b>

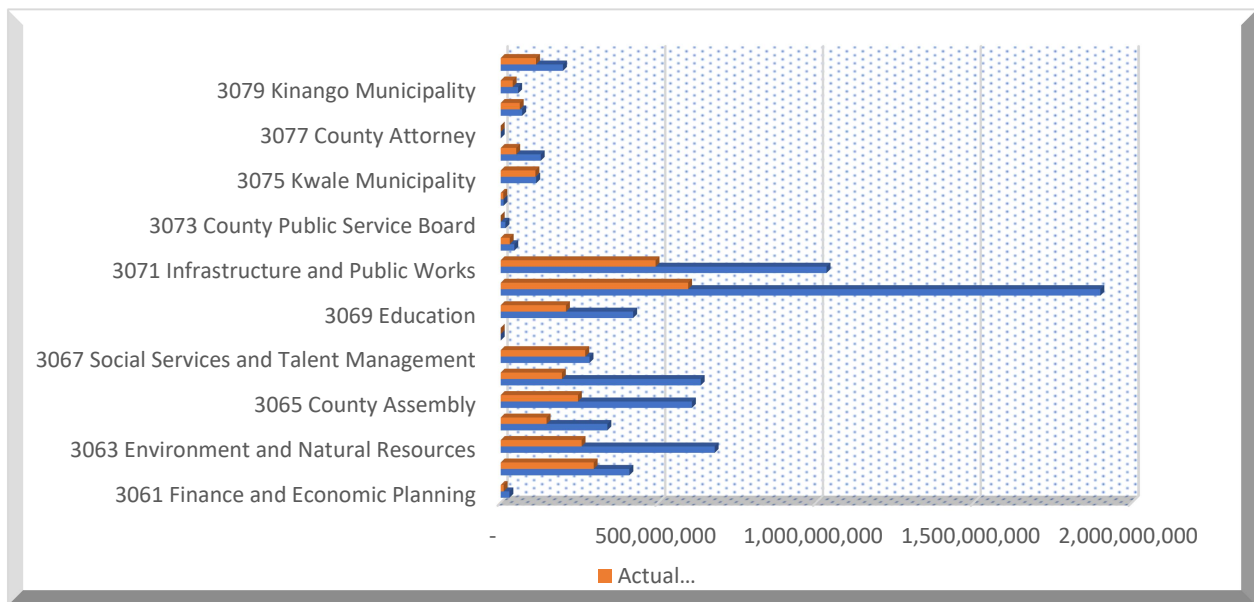
**Source:** Kwale County Treasury

### 2.2.1.2 Development Expenditure Performance

39. During the review period, FY2024/2025, the County Government of Kwale allocated **Kshs 6,953,453,081.00** on development expenditure (including payments on commitments from previous financial year), representing **46.74 percent** of the total revised estimates. In the same period, the actual expenditure on development programmes amounted to **Kshs 3,109,708,349.00**, representing a budget execution rate of **44.72 percent** and an under performance of **Kshs 3,843,744,732.00**. The underperformance can be attributed to delays in the disbursement of funds to the County Revenue Fund (CRF).

40. During the same period in FY2023/2024, the County Government had allocated **Kshs 6,128,325,495.00** on development expenditure and spent a total of **Kshs 3,061,090,657**. The departments that posted higher absorption rates are Kwale Municipality, Social Services and Talent Management, and Public Service and Administration at **98 percent**, **95 percent**, and **90 percent**, respectively. However, in absolute terms, the Department of Water Services recorded the highest expenditure of **Kshs 594,029,988.00**, accounting for **19.10 percent** of the total county's actual development expenditure. Others were the departments of Infrastructure and Public Works (**15.78%**), and Agriculture, Livestock and Fisheries (**9.48%**).

**Figure 2-4: Development Expenditure performance analysis and trends**



**Source:** Kwale County Treasury

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41. The table below indicates a summary of departmental development expenditure performance for the period under review.

**Table 2-20: Summary of Departmental Development Expenditure Performance FY2024/2025**

Vote	Development Expenditure FY2024/25		BER	Percentage of Total Expenditure
	Target	Actual		
3061 Finance and Economic Planning	27,557,019	9,268,166	34	0.30
3062 Agriculture, Livestock and Fisheries	407,818,962	294,746,112	72	9.48
3063 Environment and Natural Resources	678,171,449	256,372,032	38	8.24
3064 Curative and Rehabilitative Health Services	338,135,532	145,296,613	43	4.67
3065 County Assembly	606,110,444	244,696,475	40	7.87
3066 Trade and Cooperative Development	633,920,743	193,879,394	31	6.23
3067 Social Services and Talent Management	281,509,045	267,896,511	95	8.61
3068 County Executive Services	-	-	-	-
3069 Education	419,777,250	206,895,444	49	6.65
3070 Water Services	1,900,780,778	594,029,988	31	19.10
3071 Infrastructure and Public Works	1,032,771,692	490,774,338	48	15.78
3072 Tourism and ICT	43,050,844	28,541,396	66	0.92
3073 County Public Service Board	15,000,000	-	-	-
3074 Public Service and Administration	8,953,032	8,026,559	90	0.26
3075 Kwale Municipality	112,459,627	109,956,898	98	3.54
3076 Diani Municipality	126,781,066	49,077,061	39	1.58
3077 County Attorney	-	-	-	-
3078 Lungalunga Municipality	68,031,202	60,314,888	89	1.94
3079 Kinango Municipality	55,223,102	37,960,102	69	1.22
3080 Preventive and Promotive Health Services	197,401,294	111,976,372	57	3.60
<b>TOTAL</b>	<b>6,953,453,081</b>	<b>3,109,708,349</b>	<b>45</b>	<b>100.00</b>

**Source:** Kwale County Treasury

42. The table below provides further analysis of development expenditure performance in the same period.

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

**Table 2-21: Analysis of Departmental Development Performance FY2024/2025**

Vote	Development Expenditure FY2024/25			BER
	Approved Estimates	Revised Estimates	Actual Expenditure	
3061 Finance and Economic Planning	20,000,000	27,557,019	9,268,166	34
3062 Agriculture, Livestock and Fisheries	314,303,103	407,818,962	294,746,112	72
3063 Environment and Natural Resources	328,124,421	678,171,449	256,372,032	38
3064 Curative and Rehabilitative Health Services	165,739,860	338,135,532	145,296,613	43
3065 County Assembly	242,000,000	606,110,444	244,696,475	40
3066 Trade and Cooperative Development	603,320,514	633,920,743	193,879,394	31
3067 Social Services and Talent Management	234,179,771	281,509,045	267,896,511	95
3068 County Executive Services	-	-	-	-
3069 Education	318,785,337	419,777,250	206,895,444	49
3070 Water Services	1,418,437,454	1,900,780,778	594,029,988	31
3071 Infrastructure and Public Works	1,071,373,023	1,032,771,692	490,774,338	48
3072 Tourism and ICT	25,800,000	43,050,844	28,541,396	66
3073 County Public Service Board	15,000,000	15,000,000	-	-
3074 Public Service and Administration	15,096,210	8,953,032	8,026,559	90
3075 Kwale Municipality	56,000,000	112,459,627	109,956,898	98
3076 Diani Municipality	112,000,000	126,781,066	49,077,061	39
3077 County Attorney	-	-	-	-
3078 Lungalunga Municipality	36,160,000	68,031,202	60,314,888	89
3079 Kinango Municipality	40,400,000	55,223,102	37,960,102	69
3080 Preventive and Promotive Health Services	180,340,714	197,401,294	111,976,372	57
<b>TOTAL</b>	<b>5,197,060,407</b>	<b>6,953,453,081</b>	<b>3,109,708,349</b>	<b>45</b>

**Source:** Kwale County Treasury

43. The table below shows the comparison in development expenditures between FY 2023/2024 and FY2024/2025

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**Table 2-22: Summary of Development Expenditures by Vote from FY 2023/2024 to FY 2024/2025**

Vote	FY2023 - 2024			FY 2024 - 2025		BER
	Revised Estimates	Actual Expenditure	Absorption (%)	Revised Estimates	Actual Expenditure	
3061 Finance and Economic Planning	28,380,000	20,000,000	70	27,557,019	9,268,166	34
3062 Agriculture, Livestock and Fisheries	761,998,573	283,024,466	37	407,818,962	294,746,112	72
3063 Environment and Natural Resources	434,132,305	207,256,198	48	678,171,449	256,372,032	38
3064 Curative Health Services	399,878,572	173,704,664	43	338,135,532	145,296,613	43
3065 County Assembly	297,083,761	99,668,107	34	606,110,444	244,696,475	40
3066 Trade and Cooperative Development	256,735,641	154,381,370	60	633,920,743	193,879,394	31
3067 Social Services and Talent Management	233,916,325	113,083,029	48	281,509,045	267,896,511	95
3068 Executive Services						
3069 Education	11,840,486	-		419,777,250	206,895,444	49
3070 Water Services	516,275,182	236,904,082	46	1,900,780,778	594,029,988	31
3071 Roads and Public Works	1,705,102,720	1,132,800,827	66	1,032,771,692	490,774,338	48
3072 Tourism and ICT	848,032,116	338,565,439	40	43,050,844	28,541,396	66
3073 County Public Service Board	79,644,990	39,555,624	50	15,000,000	0	-
3074 Public Service and Administration				8,953,032	8026559	90
3075 Kwale Municipality	41,929,989	32,786,958	78	112,459,627	109,956,898	98
3076 Diani Municipality	101,774,548	72,597,855	71	126,781,066	49,077,061	39
3077 County Attorney	79,102,237	46,984,287	59	-	-	-
3078 Lungalunga Municipality	50,601,212	13,475,901	27	68,031,202	60,314,888	89
3079 Kinango Municipality	46,900,000	22,376,722	48	55,223,102	37,960,102	69
3080 Preventive Health Services	234,996,838	73,925,128	31	197,401,294	111,976,372	57
<b>TOTAL</b>	<b>6,128,325,495</b>	<b>3,061,090,657</b>	<b>50</b>	<b>6,953,453,081</b>	<b>3,109,708,349</b>	<b>45</b>

**Source:** Kwale County Treasury

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

### 2.3 Overall Balance and Financing

44. In line with the performance in expenditure and revenues, the fiscal balance amounted to **Kshs 4,634,446,377.00**. This amount was captured in the approved estimates for FY2025/2026 to implement the intended programmes and projects in the same period.

**Table 2-23: Overall Fiscal balance and Financing FY2024/2025**

	FY2023/24	FY2024/2025		
	Actual	Actual	Target	Deviation
<b>A. TOTAL REVENUE AND GRANTS</b>	<b>11,619,777,016</b>	<b>14,814,897,676</b>	<b>14,876,063,604</b>	<b>- 61,165,928</b>
<b>1. Revenue</b>	<b>8,324,755,394</b>	<b>9,863,389,934</b>	<b>9,275,411,603</b>	<b>587,978,331</b>
Equitable Share	7,897,375,394	9,312,139,711	8,625,411,603	686,728,108
Own Source Revenue	427,380,000	292,877,699	350,000,000	- 57,122,301
Appropriations - In - Aid	-	258,372,524	300,000,000	- 41,627,476
<b>2. Conditional Grants and Loans</b>	<b>1,196,690,336</b>	<b>1,175,966,059</b>	<b>1,825,110,318</b>	<b>- 649,144,259</b>
<b>3. Income Brought Forward</b>	<b>2,098,331,286</b>	<b>3,775,541,683</b>	<b>3,775,541,683</b>	<b>-</b>
<b>B. EXPENDITURE</b>	<b>10,183,806,876</b>	<b>10,180,451,299</b>	<b>14,876,063,604</b>	<b>-4,695,612,305</b>
<b>1. Recurrent</b>	<b>7,122,716,219</b>	<b>7,070,742,950</b>	<b>7,922,610,523</b>	<b>- 851,867,573</b>
Personnel Emoluments	3,805,359,785	4,087,140,633	3,705,739,712	381,400,921
Operations and Maintenance	3,317,356,434	2,983,602,317	4,216,870,811	-1,233,268,494
<b>2. Development</b>	<b>3,061,090,657</b>	<b>3,109,708,349</b>	<b>6,953,453,081</b>	<b>-3,843,744,732</b>
<b>C. OVERALL FISCAL BALANCE</b>	<b>1,435,970,140</b>	<b>4,634,446,377</b>	<b>-</b>	<b>4,634,446,377</b>

Source: *Kwale County Treasury*

### 2.4 Fiscal Performance for the FY2024/2025 in Relation to Financial Objectives

45. The fiscal performance in the FY2024/2025 will affect the financial objectives as set out in the PFM Act, 2012 and outlined in the 2025 CFSP and the budget for FY2025/2026 in many ways: -

46. The baseline ceilings for spending departments were adjusted to factor in the revised resource envelope and the non-implemented programmes and projects under the updated macroeconomic framework. The underspending in both recurrent and development budgets for the FY2024/2025 has implications for the base used to project expenditures in the FY2025/2026 and the medium term. Appropriate revisions have been undertaken in the context of this CBIRR, taking into account the budget outturn for the review period.

47. As highlighted above, the reasons for the deviations from the financial objectives include: shortfalls in internal revenue sources, for both OSR and AIA collection, and delays in the transfer of funds by the National Government to the CRF. This hurts the implementation of both

recurrent and development programmes. To remedy these deviations, the fiscal outlook will focus on strengthening its own sources of revenue by fast-tracking the approval of the 2025 Kwale County Finance Bill, which contains revenue-raising measures.

### **2.5 Compliance with Fiscal Responsibility Principles**

#### **2.5.1 Development Expenditure**

**48.** In managing the County Government's finances, the Public Finance Management Act, 2012 Section 107(b) requires that over the medium term, a minimum of 30 percent of each County Government's budget shall be allocated to development expenditure. In complying with this legal requirement, the County Government of Kwale in the FY2023/2024 allocated 46.74 percent of its budget to its development budget.

#### **2.5.2 Recurrent Expenditure**

**49.** The PFM Act 2012, also in relation to expenditures on recurrent budget stipulates that the total expenditure on recurrent budget should not exceed the county's total revenue. During the period under review the actual recurrent expenditure was 7.07 billion, while the total actual revenue was 14.88 billion.

#### **2.5.3 Personnel Emoluments**

**50.** Regulation 25(1) (b) of the PFM (County Governments) Regulations, 2015, requires that the county government's expenditure on wages and benefits for its public officers shall not exceed thirty-five (35) percent of the county government's total revenue. Again, the County Government of Kwale kept the wage bill below the legal threshold by spending 27.47 percent on personnel emoluments.

#### **2.5.4 Own Source Revenue**

**51.** In line with the provisions of Section 107 (2g) of the PFM Act, 2021, a reasonable degree of predictability with respect to the level of local revenue bases shall be maintained, taking into account any reforms and measures put in place to steer the county along the transformative trajectory.

## CHAPTER THREE: RECENT DEVELOPMENTS AND MACROECONOMIC OUTLOOK

### 3.0 Overview

This chapter highlights the recent developments that could have impacted on the fiscal performance of the period under review. It further provides the macroeconomic outlook impacting into the future.

### 3.1 World Economic Outlook

**52.** Global economic growth is expected to increase slightly from 3.0 percent in 2025 to 3.1 percent in 2026. This improvement comes from several positive factors: central banks will likely continue lowering interest rates as inflation decreases, emerging and developing countries will see stronger consumer spending, and international trade will gradually recover. These gains should help balance out slower growth in wealthy nations, where stricter lending conditions and aging populations continue to limit economic expansion.

**53.** While the forecast shows cautious optimism for a recovery, serious risks still threaten the outlook, including global political conflicts, high debt levels in many countries, and potential disruptions from climate-related disasters.

In wealthy developed countries, economic growth will stay low at 1.5 percent in 2025 and 1.6 percent in 2026. The United States is expected to perform slightly better, growing 1.9 percent in 2025 and 2.0 percent in 2026, as Americans continue spending and borrowing conditions improve. The Euro Area will grow more slowly at 1.0 percent in 2025 and 1.2 percent in 2026. While falling inflation and rising real wages will help European economies, they will still face limitations from long-term structural problems and ongoing geopolitical challenges.

**54.** Emerging markets and developing countries are expected to grow at a moderate pace of 4.1 percent in 2025 and 4.0 percent in 2026. This growth will be driven by strong performance in South Asia and Sub-Saharan Africa, along with steady expansion in the Middle East and Central Asia. However, slower growth in China and Latin America will hold back the overall numbers. Sub-Saharan Africa specifically is forecast to grow at 4.0 percent in 2025 and accelerate to 4.3 percent in 2026, showing a gradual recovery across the region.

**55.** The growth will come from countries that don't depend heavily on natural resources, increased consumer spending, better investment levels, and falling inflation. Despite these positive factors, several challenges will limit growth potential, including high government debt, vulnerability to climate disasters, risks from global trade disputes, unstable commodity prices, and deep-rooted economic problems.

**Figure 3-1: Global Economic Performance**

Economy	Growth (%)			
	Actual		Projections	
	2023	2024	2025	2026
World	3.5	3.3	3.0	3.1
Advanced Economies	1.8	1.8	1.5	1.6
<i>Of which: USA</i>	2.9	2.8	1.9	2.0
<i>Euro Area</i>	0.5	0.9	1.0	1.2
<i>Japan</i>	1.4	0.2	0.7	0.5
Emerging and Developing Economies	4.7	4.3	4.1	4.0
<i>Of which: China</i>	5.4	5.0	4.8	4.2
<i>India</i>	9.2	6.5	6.4	6.4
Sub-Saharan Africa	3.6	4.0	4.0	4.3
<i>Of which: South Africa</i>	0.8	0.5	1.0	1.3
<i>Nigeria</i>	2.9	3.4	3.4	3.2

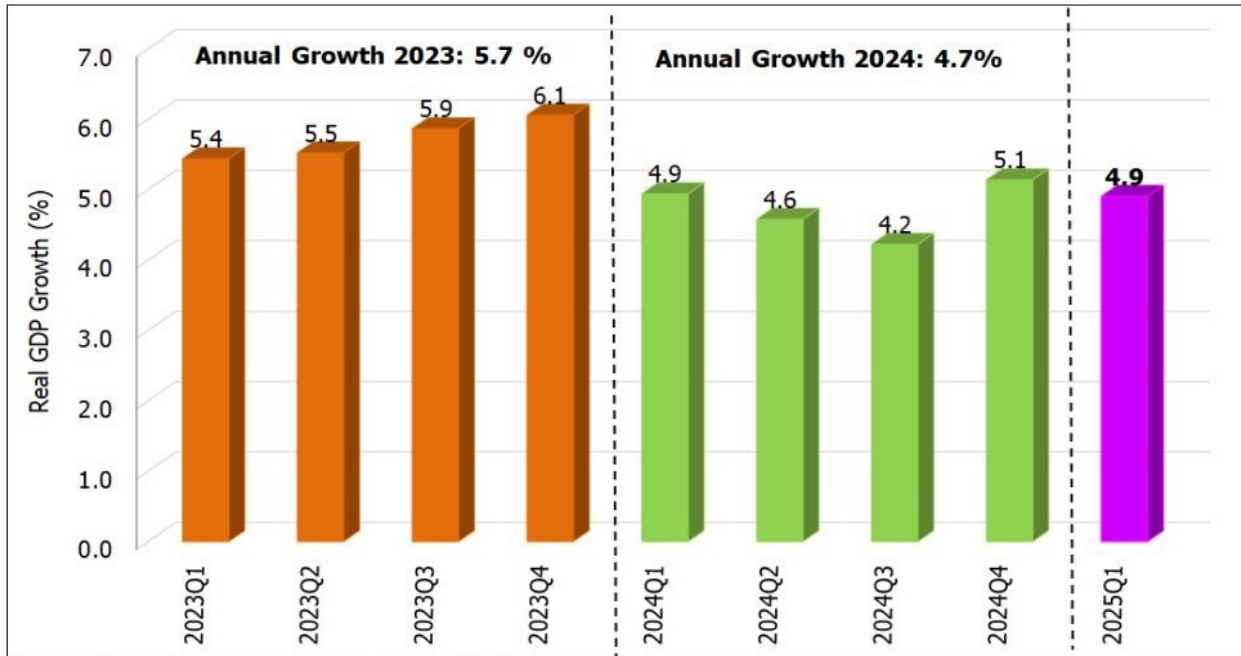
*Source: IMF World Economic Outlook, July 2025.*

### **3.2 Kenya's Economic Performance**

**56.** Kenya's economy has been doing very well for the past three years. It has grown faster than most other countries around the world and in Africa. The government made smart choices about how to run the economy, and Kenya has many different types of businesses and industries. This helped the country stay strong even when there were problems at home and around the world. In 2024, Kenya's economy grew by 4.7 percent. Almost all parts of the economy did well that year. Only the construction industry and the mining industry had some problems.

**57.** The economy continued to do well in early 2025, growing by 4.9 percent in the first three months of the year. This growth happened because farmers had a good year, factories and manufacturing started doing better again, and service businesses stayed strong. Every part of Kenya's economy grew in the first quarter of 2025, though some grew more than others.

Figure 3-2: Real GDP growth rates



Source: Kenya national Bureau of statistics

58. The primary sector, which includes farming, fishing, forestry, and mining, grew by 6.2 percent in the first three months of 2025. This was better than the 4.5 percent growth it had in the same period in 2024. The growth happened because farming, forestry, and fishing did very well, and mining also started to recover. Farming, forestry, and fishing grew by 6.0 percent in early 2025, which was slightly better than the 5.6 percent growth in early 2024.

59. This good performance happened because most parts of Kenya had good weather for growing crops and raising animals. Farmers produced much more sugarcane, cows gave more milk, and Kenya sold more coffee to other countries. The sector also did well because other countries wanted to buy more flowers and vegetables from Kenya. However, tea production went down during this time, which hurt the sector's overall performance.

60. The mining and quarrying industry did much better in early 2025. It grew by 10.0 percent, which was a big improvement from the year before when it actually shrank by 16.1 percent. More companies started mining again and put money into new projects after a difficult period. The entire industry sector grew by 2.6 percent in the first three months of 2025. This was better than the 1.5 percent growth in the same period of 2024. Manufacturing, electricity and water supply, and construction all helped drive this growth.

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**Table 3-1: Sectoral GDP Performance**

Sectors	Annual Growth Rates		Quarterly Growth Rates		
	2023	2024	2023 Q1	2024 Q1	2025 Q1
<b>1. Primary sector</b>	<b>5.7</b>	<b>3.9</b>	<b>5.4</b>	<b>4.5</b>	<b>6.2</b>
1.1. Agriculture, Forestry and Fishing	6.6	4.6	6.5	5.6	6.0
1.2. Mining and Quarrying	(6.5)	(9.2)	(10.6)	(16.1)	10.0
<b>2. Secondary Sector (Industry)</b>	<b>2.6</b>	<b>1.5</b>	<b>2.1</b>	<b>1.5</b>	<b>2.6</b>
2.1. Manufacturing	2.2	2.8	2.1	1.9	2.1
2.2. Electricity and Water supply	3.2	1.9	3.8	2.8	3.6
2.3. Construction	3.0	(0.7)	1.4	0.4	3.0
<b>3. Tertiary sector (Services)</b>	<b>6.8</b>	<b>6.1</b>	<b>6.6</b>	<b>6.8</b>	<b>4.8</b>
3.1. Wholesale and Retail trade	3.3	3.8	3.7	3.6	5.4
3.2. Accommodation and Restaurant	33.6	25.7	46.3	38.1	4.1
3.3. Transport and Storage	5.5	4.4	6.8	4.1	3.8
3.4. Information and Communication	10.3	7.0	10.4	9.2	5.8
3.5. Financial and Insurance	JO.I 5.0	7.6	4.7	9.6	5.1
3.6. Public Administration	6.1	8.2	8.4	7.5	6.5
3.7. Others	9.4	5.2	5.7	5.8	4.4
of which: Professional, Admin & Support Services	7.3	9.4	8.6	9.4	4.6
Real Estate	2.9	5.3	6.6	6.9	5.3
Education	4.5	3.9	3.6	2.4	2.9
Health	3.2	6.3	4.8	5.4	4.8
Taxes less subsidies	5.7	4.4	2.7	2.9	5.7
<b>Real GDP</b>		<b>4.7</b>	<b>5.4</b>	<b>4.9</b>	<b>4.9</b>

*Source: Kenya National Bureau of Statistics*

**61.** Manufacturing grew by 2.1 percent in early 2025, slightly better than the 1.9 percent growth the year before. Both food and non-food factories did well. Food manufacturers benefited from more coffee sales, milk deliveries, sugar production, and soft drink making. Non-food manufacturers also did well, especially companies making cement and metal sheets. The electricity and water supply sector grew by 3.6 percent, up from 2.8 percent the year before. This happened because Kenya produced more electricity overall. Solar and wind power contributed a lot to this growth. However, the country had to use more expensive thermal power while producing less electricity from water and geothermal sources.

**62.** Construction grew by 3.0 percent in early 2025, much better than the tiny 0.4 percent growth in early 2024. Construction companies used more cement, iron, and steel. However, less bitumen was imported, which suggests that fewer roads were being built. The services sector grew by 4.8 percent in the first three months of 2025. This was slower than the 6.8 percent growth it had in the same period of 2024.

**63.** Transportation and storage businesses grew by 3.8 percent in early 2025. This was slightly lower than the 4.1 percent growth they had the year before. The growth came from more activity in moving goods by land and increased work at Kenya's ports. Hotels and restaurants grew by 4.1 percent in the first quarter of 2025. This was much slower than the very strong 38 percent

growth they had in early 2024. The number of tourists coming to Kenya through the two main airports, Jomo Kenyatta International Airport and Moi International Airport, only increased by 0.5 percent in early 2025. This was much less than the 10.4 percent increase in tourists that Kenya saw in the first quarter of 2024.

**64.** The information and communication sector grew by 5.8 percent in early 2025, which was slower than the 9.2 percent growth it had in early 2024. This growth happened because more people made phone calls within Kenya, sent text messages, and used mobile money services like M-Pesa. Internet usage also increased because a new internet company started operating in Kenya.

**65.** The financial and insurance sector grew by 5.1 percent in the first quarter of 2025. This was much slower than the 9.6 percent growth it had the year before. Even though growth slowed down, banks and insurance companies still did well because people made more financial transactions and it became easier to get loans.

**66.** Looking ahead to the middle and end of 2025, Kenya's economy is expected to do even better. Farming will likely perform very well because of good weather and cheaper fertilizers that the government is helping farmers buy. The central bank is also making it easier for businesses to borrow money by lowering interest rates.

**67.** Important service sectors like tourism, technology, and banking are expected to contribute a lot to economic growth. Tourism is bouncing back, and digital technology projects are gaining speed. Construction is expected to grow strongly because the government is paying old debts to contractors, allowing them to start new projects. More cement, stones, and sand are already being used in construction. The government's affordable housing projects are also bringing in more investment and creating jobs for people.

### **3.2.1 Inflation Developments**

**68.** Kenya's inflation rate went down and stayed low throughout 2024 and 2025. The government wants to keep inflation between 2.5 percent and 7.5 percent, with 5.0 percent as the ideal target. Since June 2024, inflation has stayed below this 5.0 percent target. In August 2025, inflation was 4.5 percent, which was almost the same as the 4.4 percent it was in August 2024. Inflation stayed low for several reasons. There was plenty of food available because of good weather, and the government helped make sure people had enough to eat. Fuel prices did not go up much because Kenya's currency stayed stable against other currencies, and oil prices around the world were lower. The central bank's earlier efforts to control inflation also helped bring down prices of many goods.

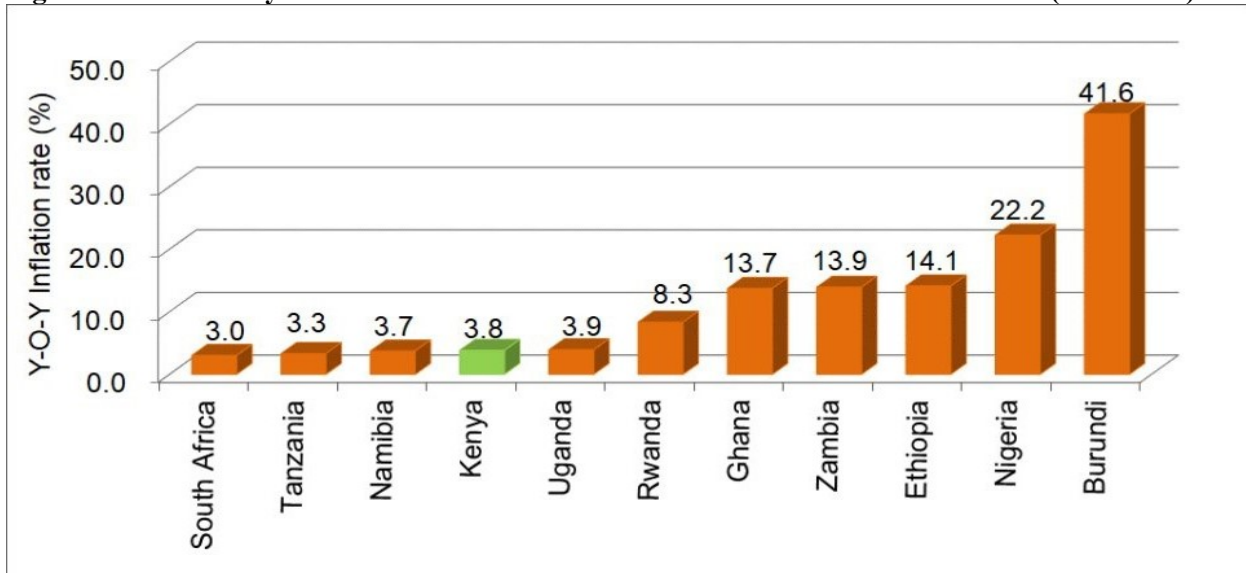
**69.** Core inflation, which measures the prices of basic manufactured goods like processed foods, healthcare, education, and technology services, went up to 3.0 percent in August 2025 from 2.2

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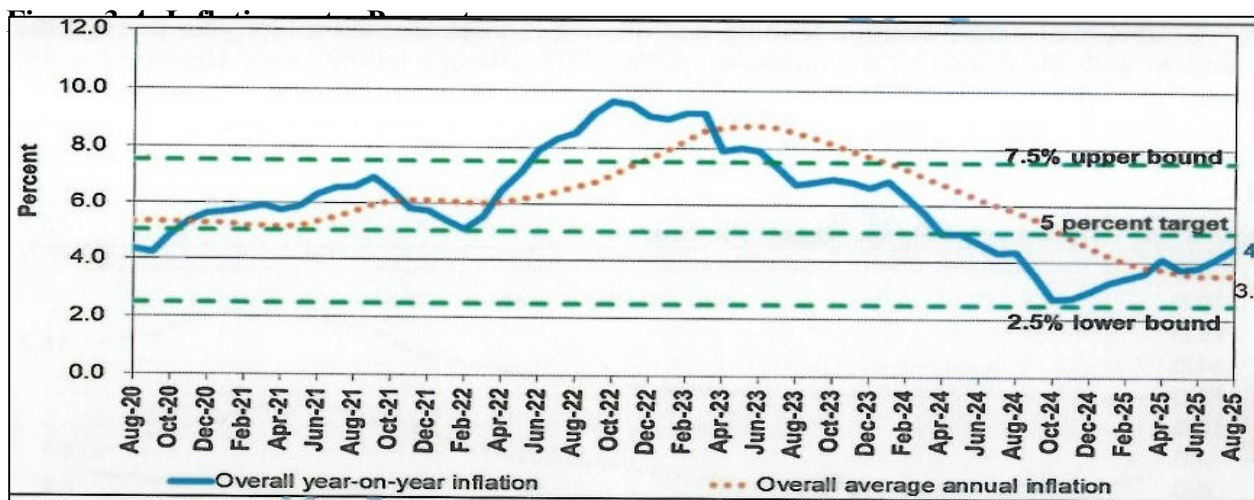
percent in August 2024. This increase was mainly because processed food items became more expensive. Non-core inflation, which measures prices of things like fresh vegetables, energy, and some transport costs, went down to 9.2 percent in August 2025 from 10.3 percent in August 2024. This happened mainly because energy prices were lower. Non-core inflation changes a lot because it depends on things like global oil prices and weather conditions that affect farming.

70. The year-on-year inflation rate varied across countries in the sub-Saharan Africa region. These variances show difference in economic conditions, monetary policies and drought-related impacts across the region. Kenya's year-on-year inflation rate at 3.8 percent in June 2025 was among the lowest rate recorded among the countries in the Sub-Saharan Africa region while a number of these countries recorded double digits year-on-year inflation.

**Figure 3-3: Year-on-year inflation Rates of Selected Sub-Saharan Africa Countries (June 2025)**



Source: Kenya National Bureau of Statistics

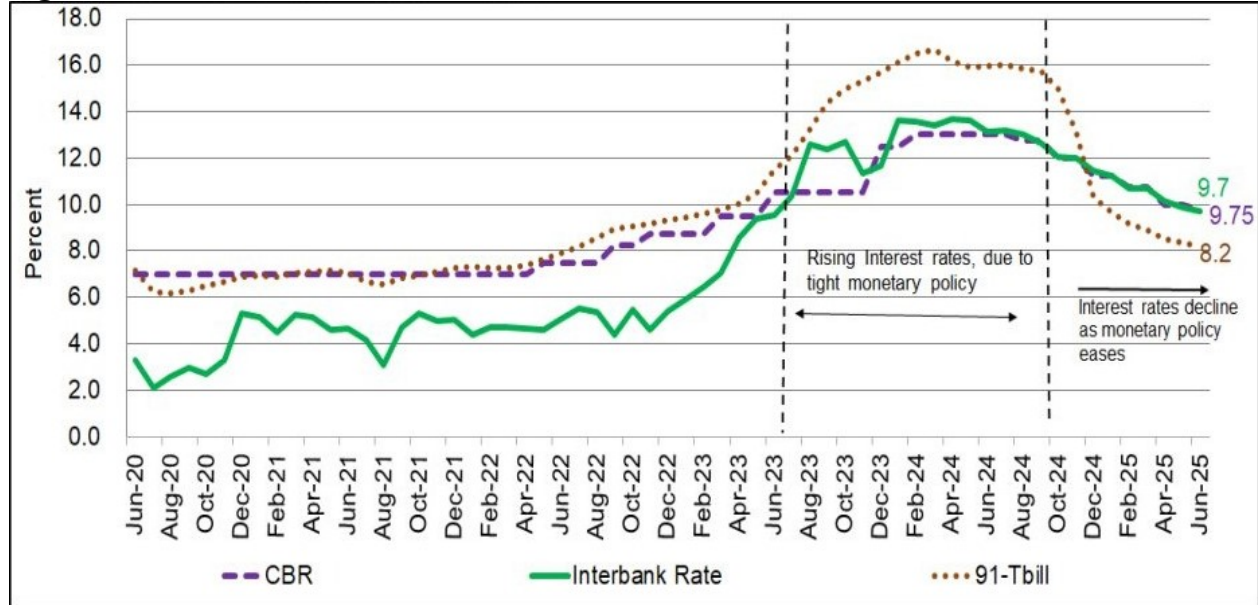


Source: Kenya National Bureau of Statistics

3.2.2 Interest Rates Developments

71. The Central Bank of Kenya has been making it easier and cheaper for people and businesses to borrow money. The bank's main committee, called the Monetary Policy Committee, gradually lowered the main interest rate from 13.0 percent in August 2024 to 9.5 percent in August 2025. They did this to encourage banks to lend more money to private businesses and help the economy grow. The central bank also wants to make sure prices stay stable and Kenya's currency doesn't lose value against other countries' money.

Figure 3-5: Short term Interest Rates



Source: Central bank Of Kenya

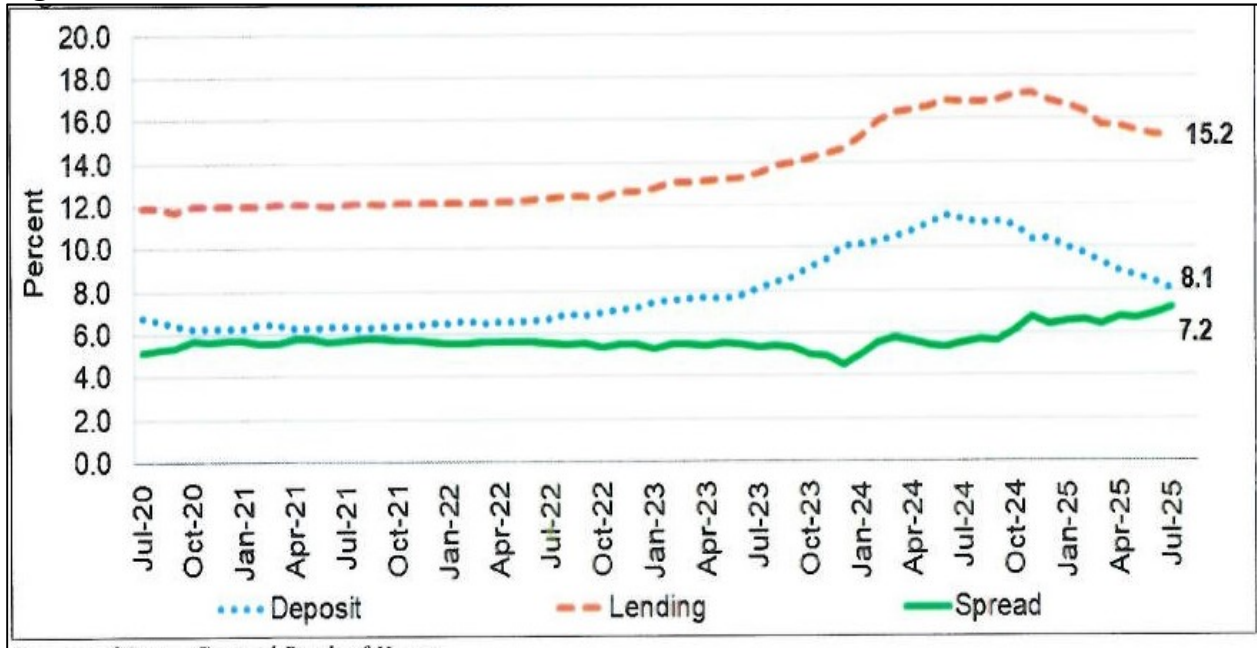
72. In February 2025, the central bank also reduced another rule called the Cash Reserve Ratio from 4.25 percent to 3.25 percent. This means banks have to keep less money with the central bank, so they have more money available to lend to businesses and individuals. Because of these changes, all interest rates in Kenya went down. The rate that banks charge each other for short-term loans fell from 13.0 percent in August 2024 to 9.5 percent in August 2025. This rate stays close to the central bank's main rate, which is what the banks want.

73. Government borrowing rates also went down significantly. The 91-day Treasury bill rate dropped from 15.9 percent in August 2024 to 8.0 percent in August 2025. The 182-day rate fell from 16.7 percent to 8.1 percent, and the 364-day rate dropped from 16.9 percent to 9.6 percent. Because the government can now borrow money at lower rates, it costs less money to pay back its debt.

74. Commercial banks made their interest rates lower during the year ending in July 2025. This happened because the government made its monetary policy less strict. Banks charged borrowers an average of 15.2 percent interest in July 2025, which was down from 16.8 percent in July

2024. At the same time, banks paid depositors an average of 8.1 percent interest in July 2025, compared to 11.3 percent in July 2024. The difference between what banks charge borrowers and what they pay depositors grew bigger. This gap increased to 7.2 percent in July 2025, up from 5.6 percent in July 2024.

**Figure 3-6: Commercial bank rates, Percent**



Source: Central bank Of Kenya

**3.2.3 Monetary and Credit Developments**

75. The total amount of money in the economy, called M3, increased by 7.5 percent in the year ending June 2025. This was higher than the 6.8 percent growth seen in the year ending June 2024. The money supply grew mainly because domestic credit and other local financial assets performed better. However, the banking system's foreign assets grew more slowly during this period.

These foreign assets increased by only 17.7 percent in the year to June 2025, which was much less than the 53.2 percent growth recorded in the year to June 2024. The growth in foreign assets came mainly from the Central Bank increasing its foreign holdings, while commercial banks actually reduced their foreign assets during the same time.

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**Figure 3-7: Money and Credit Developments (12 Months to June 2025, Kshs Billion)**

				Absolute Change		Percent Change	
	2023 June	2024 June	2025 June	2023-2024 June	2024-2025 June	2023-2024 June	2024-2025 June
<b>COMPONENTS OF M3</b>							
1. Money supply, M1 (1.1+1.2+1.3)	2,098.2	2,063.6	2,342.3	(34.6)	278.7	(1.6)	13.5
1.1 currency outside banks (M0)	257.9	274.2	286.0	16.3	11.8	6.3	4.3
1.2 Demand deposits	1,680.7	1,630.6	1,930.8	(50.1)	300.2	(3.0)	18.4
1.3 Other deposits at CBK	159.6	158.9	125.5	(0.7)	(33.4)	(0.5)	(21.0)
2. Money supply, M2 (1+2.1)	3,852.2	4,041.6	4,519.6	189.4	478.0	4.9	11.8
2.1 Time and savings deposits	1,754.0	1,978.0	2,177.3	224.0	199.3	12.8	10.1
Money supply, M3 (2+3.1)	5,037.4	5,381.3	5,786.5	343.9	405.2	6.8	7.5
3.1 Foreign currency deposits	1,185.2	1,339.7	1,266.9	154.5	(72.8)	13.0	(5.4)
<b>SOURCES OF M3</b>							
1. Net foreign assets (1.1+1.2)	591.5	905.9	1,066.3	314.4	160.4	53.2	17.7
1.1 Central Bank	616.9	479.2	810.8	(137.7)	331.6	(22.3)	69.2
1.2 Banking Institutions	(25.4)	426.7	255.5	452.1	(171.2)	1,780.1	(40.1)
2. Net domestic assets (2.1+2.2)	4,445.9	4,475.4	4,720.2	29.5	244.7	0.7	5.5
2.1 Domestic credit (2.1.1+2.1.2+2.1.3)	5,820.2	6,170.1	6,655.5	349.9	485.4	6.0	7.9
2.1.1 Government (net)	2,083.9	2,287.7	2,713.3	203.7	425.6	9.8	18.6
2.1.2 Other public sector	83.7	84.9	61.4	1.3	(23.5)	1.5	(27.7)
2.1.3 Private sector	3,652.6	3,797.5	3,880.9	144.9	83.4	4.0	2.2
2.2 Other assets net	(1,374.3)	(1,694.7)	(1,935.4)	(320.4)	(240.7)	(23.3)	(14.2)

**Source:** Central bank of Kenya

76. NOA increased by 5.5 percent in the year ending June 2025. This was much higher than the 0.7 percent growth seen in the same period in 2024. The main reason for this growth was that banks lent more money to the government. Bank lending to the government rose by 18.6 percent in the year to June 2025, compared to 9.8 percent growth in the previous year. However, lending to other public sectors dropped by 27.7 percent, while it had grown by 1.5 percent in the earlier period.

77. Private sector credit from banks grew by 2.2 percent in the year to June 2025. This was lower than the 4.0 percent growth recorded in the year to June 2024. The growth happened because demand improved as lending interest rates went down. The Shilling also became stronger, which helped reduce problems with foreign currency loans. Some sectors saw less credit growth, including finance and insurance, trade imports, mining, business services, and private households. These sectors have many loans in foreign currencies.

78. Monthly credit flows to private businesses improved significantly. They reached 10.7 billion Kenyan Shillings in June 2025, up from 2.5 billion Kenyan Shillings in June 2024. This improvement happened because the central bank made borrowing cheaper by reducing key interest rates and bank reserve requirements. Economic activities remained strong, creating steady demand for working capital. The Credit Guarantee Scheme for small businesses also helped support more lending to the private sector.

### **3.3 External sector Developments**

**79.** Kenya's current account deficit was 2,098.2 million US dollars in June 2025, which is 1.5 percent of the country's GDP. This was slightly higher than the 1,925.6 million US dollars (also 1.5 percent of GDP) recorded in June 2024. The current account was helped by strong goods exports, better performance in services, and increased income from abroad. The deficit was more than covered by money flowing into the country through financial investments, creating an overall surplus of 2,832.1 million US dollars.

**80.** The trade in goods showed a larger deficit of 10,381.9 million US dollars in June 2025, worsening by 1,166.9 million US dollars. This happened because imports grew faster than exports. Goods exports increased by 7.7 percent, mainly due to higher sales of flowers, vegetables, and coffee to other countries. However, goods imports rose by 9.9 percent as Kenya bought more machinery and materials from abroad. Services income grew by 24.4 percent, helped by more money from transportation and tourism. The primary income deficit became smaller by 91.3 million US dollars, reaching 1,728.0 million US dollars.

**81.** Secondary income remained strong and increased by 431.7 million US dollars during this period because of higher remittances. Money sent home by Kenyans living abroad grew by 12.1 percent to 5,084.0 million US dollars in the year to June 2025, compared to 4,536.0 million US dollars in 2024. These remittances brought foreign currency into the country, with some used for investments and others supporting household spending.

**82.** The capital account balance improved by 102.5 million US dollars, showing a surplus of 257.8 million US dollars in June 2025 compared to 155.3 million US dollars in 2024. Net financial inflows increased significantly to 4,160.9 million US dollars in June 2025 from 364.2 million US dollars in June 2024. Most of this money came through direct investments and other financial arrangements. However, portfolio investments saw money flowing out of the country during this period, partly because global investors became more cautious about taking risks.

#### **3.3.1 Foreign Exchange Reserves**

**83.** The banking system's foreign currency reserves stayed strong at 17,762.1 million US dollars in June 2025. This was higher than the 16,438.0 million US dollars held in June 2024. The increase happened mainly because the Central Bank built up its official foreign currency reserves. The Central Bank's reserves grew significantly to 11,876.7 million US dollars in June 2025, compared to 8,462.7 million US dollars in June 2024. However, commercial banks reduced their foreign currency holdings to 5,885.4 million US dollars from 7,975.3 million US dollars during the same period. The official foreign exchange reserves were sufficient at the end of June 2025. These reserves could cover 5.2 months of imports, which was better than the 3.8 months of import cover available in June 2024. This level is well above the legal requirement of 4.0 months of import cover. Having adequate reserves provides strong protection against sudden

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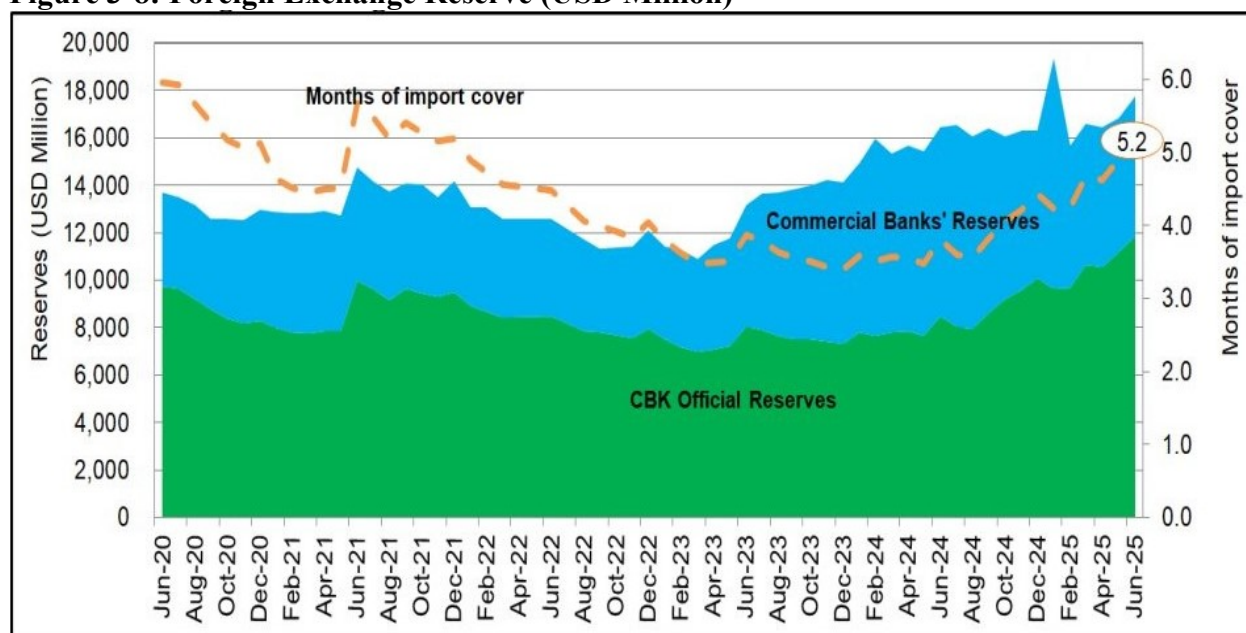
economic shocks from outside the country. It also helps keep the exchange rate stable and makes investors more confident about Kenya's economy.

**Table 3-2: Balance of Payment (USD Million)**

				Year to June 2025		Actuals as a Percent of GDP	
	Jun-23	Jun-24	Jun-25	Change	Percent Change	Jun-24	Jun-25
<b>Overall Balance</b>	<b>1,096.5</b>	<b>658.0</b>	<b>(2,832.1)</b>	<b>(3,490.1)</b>	<b>(530.4)</b>	<b>0.5</b>	<b>(2.0)</b>
<b>A) Current Account</b>	<b>(3,602.5)</b>	<b>(1,925.6)</b>	<b>(2,098.2)</b>	<b>(172.6)</b>	<b>(9.0)</b>	<b>(1.5)</b>	<b>(1.5)</b>
<i>Merchandise Account (a-b)</i>	(10,440.4)	(9,215.0)	(10,381.9)	(1,166.9)	(12.7)	(7.4)	(7.3)
a) Goods: exports	10,724.7	11,841.4	12,752.5	911.1	7.7	9.5	9.0
b) Goods: imports	21,165.1	21,056.4	23,134.4	2,078.0	9.9	16.8	16.3
<i>Net Services (c-d)</i>	1,894.5	1,928.9	2,400.2	471.2	24.4	1.5	1.7
c) Services: credit	7,754.0	7,182.7	8,082.0	899.3	12.5	5.7	5.7
d) Services: debit	5,859.5	5,253.7	5,681.8	428.1	8.1	4.2	4.0
<i>Net Primary Income (e-f)</i>	(1,855.5)	(1,819.4)	(1,728.0)	91.3	5.0	(1.5)	(1.2)
e) Primary income: credit	152.5	219.5	391.8	172.3	78.5	0.2	0.3
f) Primary income: debit	2,008.0	2,038.8	2,119.8	81.0	4.0	1.6	1.5
<i>Net Secondary Income</i>	6,798.9	7,179.9	7,611.6	431.7	6.0	5.7	5.4
g) Secondary income: credit	6,883.3	7,242.0	7,663.7	421.8	5.8	5.8	5.4
h) Secondary income: debit	84.4	62.0	52.1	(9.9)	(15.9)	0.0	0.0
<b>B) Capital Account</b>	<b>125.8</b>	<b>155.3</b>	<b>257.8</b>	<b>102.5</b>	<b>66.0</b>	<b>0.1</b>	<b>0.2</b>
<b>C) Financial Account</b>	<b>(3,488.2)</b>	<b>(364.2)</b>	<b>(4,160.9)</b>	<b>(3,796.7)</b>	<b>(1,042.5)</b>	<b>(0.3)</b>	<b>(2.9)</b>

Source: Central Bank of Kenya

**Figure 3-8: Foreign Exchange Reserve (USD Million)**



Source: Central Bank of Kenya

**3.3.2 Exchange rates Developments**

84. The Kenya Shilling stayed fairly stable against major world currencies. It remained almost the same against the US Dollar in August 2025, trading at an average of 129.2 Kenyan Shillings per dollar compared to 129.3 Kenyan Shillings per dollar in August 2024. However, the Shilling became weaker against the British Pound and the Euro. It lost 3.8 percent of its value against the British Pound and 5.6 percent against the Euro.

85. The British Pound cost an average of 173.7 Kenyan Shillings in August 2025, higher than the 167.3 Kenyan Shillings it cost in August 2024. The Euro averaged 150.4 Kenyan Shillings compared to 142.4 Kenyan Shillings during the same period. Despite these changes, the foreign exchange market remained strong and stable. This stability was supported by steady money coming into the country from agricultural exports and remittances sent by Kenyans living abroad. These steady inflows helped protect the Shilling from big swings in value.

**Figure 3-9: Kenya Shillings Exchange Rate**



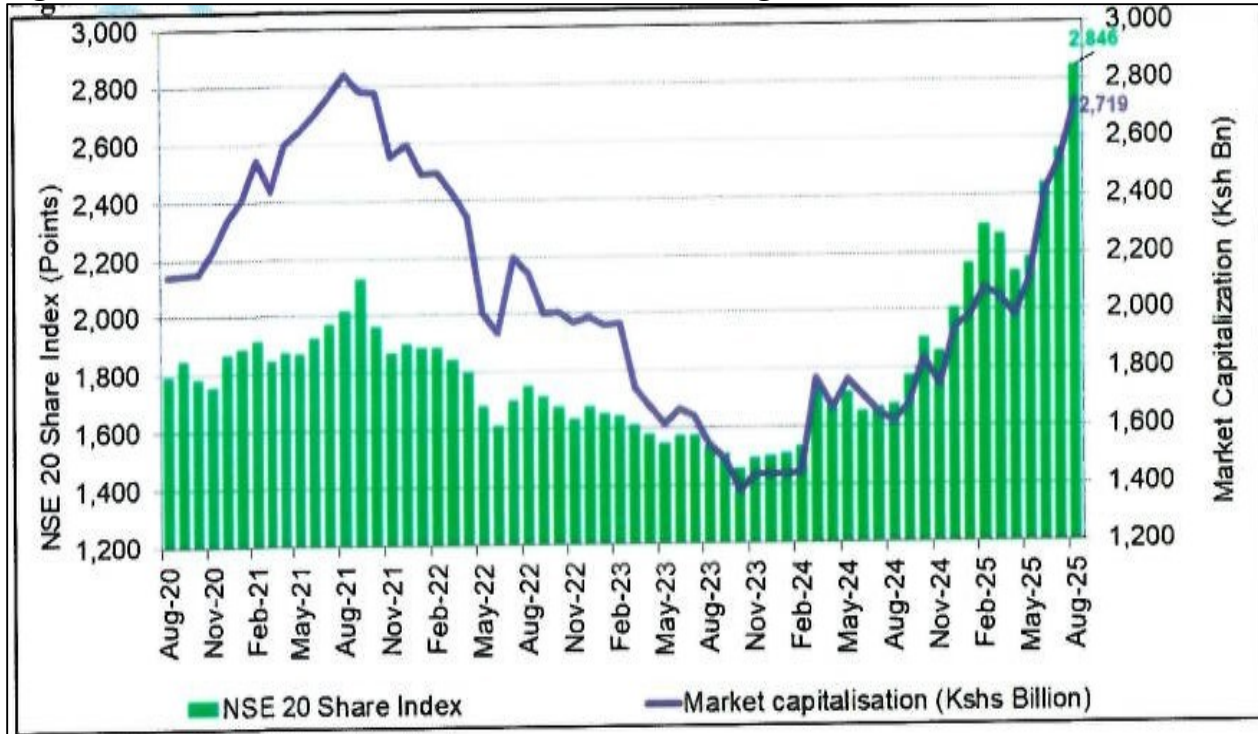
Source: Central Bank of Kenya

**3.3.3 Capital Markets Development**

86. The Kenya Shilling's stability against major world currencies, along with better overall economic conditions, has made investors more confident about Kenya. This has led to more foreign companies investing directly in Kenya and more investors buying stocks on the Nairobi Securities Exchange. The NSE 20 Share Index, which tracks the performance of top stocks, improved significantly by 69.6 percent. It rose to 2,846 points in August 2025 from 1,678 points in August 2024. At the same time, the total value of all stocks listed on the exchange grew by 67.9 percent. Market capitalization increased to 2,719 billion Kenyan Shillings from 1,620

billion Kenyan Shillings during the same period. These increases show that investors feel more positive about the market and that stock prices have become stronger.

Figure 3-10: Performance of Nairobi Securities Exchange



Source: Nairobi Securities Exchange

### 3.4 Kenya’s Macroeconomic Outlook

87. Kenya's economy is expected to grow stronger in 2025 and 2026. The country's real GDP growth is projected to reach about 5.3 percent during this period. Several sectors will drive this economic growth. Agriculture will perform well because of good weather and helpful government programs. When agriculture does well, it helps other industries like food processing and increases exports and household incomes.

88. The industrial sector will also improve because production costs will be lower and the exchange rate will be more stable. The construction industry should recover after the government pays overdue bills to contractors. This will help restart stopped projects and improve cash flow for construction companies. It will also boost manufacturing and materials supply businesses. Kenya's service industries, especially banking and information technology, will continue to grow fast. The government is working to promote environmentally friendly tourism and expand community tourism. They are also investing in port facilities to attract cruise ships, which should help the hospitality industry grow.

**89.** People and businesses will continue to spend money at steady rates because the economic environment will be favorable. Smart monetary policy and lower inflation will help households and companies have more money to spend. Money sent home by Kenyans living abroad will remain strong and provide additional support. Lower interest rates will make it easier for businesses to borrow money for expansion and job creation. This will also help households get loans more easily, which encourages spending and stimulates economic growth. Private investment will increase because businesses will be more confident, the government will stick to its budget plans, and the exchange rate will remain stable. Selling government-owned companies to private investors will attract both foreign and local investment, make businesses run better, and free up government money for other economic activities.

**90.** Government spending will remain controlled as part of the planned budget adjustments. Regular government expenses as a share of GDP will decrease, while development spending will gradually increase to support the government's development agenda. The government plans to fund major infrastructure projects through partnerships with private companies. They will also improve cash flow to private businesses by paying overdue bills, especially those related to road construction. A special bond issued by the Kenya Roads Board will help pay these road sector bills.

**91.** Kenya's trade balance with other countries will remain stable. Exports will increase as trade agreements are put into action and global financial conditions improve. Strong economic growth in Kenya's main African trading partners and low international commodity prices will boost demand for Kenyan exports, especially agricultural products. China's removal of export taxes and better access to European Union markets will help Kenya export more, earn more foreign currency, and improve its trade balance.

**92.** Global economic stability will help maintain steady flows of money from Kenyans living abroad. Tourism and transport earnings will also continue to grow. The expected recovery in service exports will help make up for reduced income from declining foreign aid. Increased domestic demand, supported by a stable exchange rate, will drive import growth. This will mainly happen through importing raw materials for industrial recovery and goods for household consumption.

### **3.4.1 Monetary Policy Management**

**93.** The Central Bank of Kenya (CBK) manages monetary policy with the main goal of keeping prices stable and maintaining financial stability to help the economy grow. The bank uses an inflation-targeting approach and aims to keep inflation at 5 percent, with a range of 2.5 percent above or below this target. In January 2025, the CBK started using new measures called core and

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non-core inflation. These new measures help the bank make better decisions based on data, as core inflation gives a clearer picture of underlying price changes.

**94.** The Monetary Policy Committee is working on reforms described in a White Paper about modernizing monetary policy. These reforms aim to make monetary policy more effective and help control inflation expectations. The CBK is moving toward a new system that focuses on interest rates and looks ahead to future economic conditions. The bank is also improving its tools for managing money supply, making its communications clearer, and upgrading market systems to help monetary policy work well.

**95.** An important change is the new interest rate corridor system, which sets upper and lower limits for short-term market interest rates around the Central Bank Rate (CBR). In April 2025, the committee made this corridor narrower, changing it from 150 basis points above and below the CBR to just 75 basis points. They also changed the discount window rate from 300 basis points above the CBR to 75 basis points above it. These changes should help stabilize interbank rates, make them align better with the CBR, improve monetary policy signals, and strengthen financial markets to boost investor confidence and economic stability.

**96.** The CBK has also introduced a new Risk-Based Credit Pricing Model for banks. This model aims to improve how monetary policy affects lending, make lending more transparent, and encourage responsible lending by linking credit prices to how risky borrowers are. The new model uses the Kenya Shilling Overnight Interbank Average rate (KESONIA) to follow international best practices. It also connects lending rates more closely to the policy rate. Under this model, the total lending rate equals KESONIA plus a premium called "K" that covers lending costs, returns for shareholders, and borrower risk. The total cost of credit includes KESONIA, the premium, and various fees and charges.

**97.** To ensure transparency, banks must publish their average lending rates, premiums, and fees for all loan products on their websites and on the Total Cost of Credit platform. KESONIA applies to all variable rate loans except those in foreign currency and fixed-rate loans. Where KESONIA cannot be used, the CBR serves as an alternative. This new model started on September 1, 2025, for all new variable rate loans and will apply to existing variable rate loans from February 28, 2026, after a six-month transition period.

**98.** The CBK extended the operating hours for the Kenya Electronic Payment and Settlement System and the national Real Time Gross Settlement system starting July 1, 2025. This improvement aims to make Kenya's payment system more efficient, accessible, and reliable. It supports the country's move toward a 24/7 digital economy, makes transactions easier across different time zones, and helps Kenya become more competitive as a regional financial center. In the future, monetary policy management will continue to focus on maintaining the credibility of

the inflation target and improving how policy signals affect lending rates. The CBK will also continue to protect financial stability and ensure that monetary conditions support private sector lending and economic activities, supported by responsible government spending.

### 3.4.2 Risks to Economic outlook

**99.** Kenya's economic future faces several risks that could slow down growth and hurt economic stability. Inside the country, extreme weather events pose a major threat to farming. When droughts and floods disrupt food production, food prices go up, making inflation worse and putting pressure on household budgets. Climate damage to roads, bridges, and other infrastructure can also disrupt business activities and force the government to spend more money on emergency response and rebuilding.

**100.** From outside the country, rising costs of fuel and food imports create problems. These higher costs can happen because of supply shortages or political conflicts in other regions. When import costs rise, inflation increases, which reduces how much households can buy with their money and makes it more expensive for businesses to operate. Uncertainty about trade policies and tariffs can also hurt economic activities. Additionally, unstable financial markets and tighter lending conditions around the world can create more challenges.

**101.** Kenya's economy remains resilient due to the implementation of structural reforms under the Bottom-Up Economic Transformation Agenda (BETA) in the Fourth Medium-Term Plan of the vision 2030 . These reforms include better management of public finances, more efficient government spending, and improved governance. Such improvements could boost investor confidence and encourage more economic activity. A favorable global economic environment would also help Kenya's growth. This includes stable prices for commodities that Kenya trades, lower oil prices, and strong demand from other countries for Kenyan products. These conditions could lead to better-than-expected growth and make Kenya's economy more resilient.

**102.** Continued cooperation between monetary policy (managed by the Central Bank) and fiscal policy (government spending and taxation) is expected to create a stable economic environment. This stability is crucial for encouraging investment, savings, and economic growth. The government is actively watching both domestic and international conditions. If any of the risks mentioned earlier actually happen, the government is prepared to put in place appropriate policy measures to protect the economy from negative effects.

### 3.4.3 Kwale County Recent Economic Developments

**103.** Kwale County's recent economic development has been driven by strategic investments in agriculture, infrastructure, and women and youth empowerment, with a positive future outlook.

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Initiatives aligned with the National Bottom-Up Economic Transformation Agenda (BETA), include a planned Sh750 Million industrial park for agro-processing, infrastructure projects focused on water and roads, and empowerment programs for youth and women. Despite facing challenges such as funding delays from the national government and global economic uncertainties, Kwale has shown progress in increasing its own-source revenue. The county government is focusing on prudent financial management and is projected to benefit from increased agricultural productivity and a resilient services sector. While investments in health and education aim to boost human capital, the county must continue to address issues of poverty, unemployment, and environmental risks to ensure inclusive growth.

**104.** The closure of Base Titanium and Romika Limited has created significant economic challenges for Kwale County. Base Titanium was Kenya's largest mining operation and contributed over \$100 million annually to the country's economy, making its closure a massive blow to both the local and national economy. The mining company generated billions of shillings in taxes and royalties for the Kenyan government over its decade-long operation before officially shutting down at the end of 2024 after running out of commercially viable ore deposits. The job losses have been devastating for local families and communities. Base Titanium employed around 870 to 1,600 people, mostly from the local area, and all these jobs have been lost, directly affecting thousands of households and slowing down the rural Kwale economy.

**105.** The Romika shoe factory, which was a German investment worth about 150 million shillings that began operations in 2020, also closed down as part of several factories that have shut in Kwale County recently due to high operational costs and heavy taxation. These closures have created a ripple effect throughout the county's economy. Beyond the direct job losses, both companies supported many indirect jobs through supply chains, transportation, and local businesses that served their workers. The loss of these major employers means people have less money to spend in local markets, which hurts shops, restaurants, schools, and other service providers.

**106.** Many families who depended on wages from these companies are now struggling to make ends meet. Additionally, community programs like scholarships for local students and small business investments that these companies previously funded have also been affected. The county government is now facing reduced revenue from taxes and business licenses, making it harder to fund local development projects and provide essential services to residents. This economic downturn makes it more difficult for the county to attract new investors and create alternative employment opportunities for the displaced workers.

**107.** However, the establishment of WTS Energy in Kwale County has brought significant positive changes to the region's economy and workforce development. As a global workforce management company specializing in renewable energy staffing and training solutions, WTS Energy has created new employment opportunities in various energy-related fields, including

positions like boiler operators at local facilities in **Bonje, Kwale** County. This job creation is particularly important for the county as it helps address the unemployment crisis caused by the closure of major employers like Base Titanium and Romika Limited.

**108.** Beyond immediate employment, WTS Energy has established a valuable training center that offers courses in renewable energy, health and safety, and technical business skills, allowing local residents to gain new qualifications without traveling to major cities. The company's focus on renewable energy training aligns with global trends toward cleaner energy sources and helps diversify Kwale County's economy away from its traditional dependence on mining and manufacturing. This diversification creates a more skilled local workforce that can attract other energy companies to the region, making the county's economy more resilient and providing new career opportunities for young people while contributing to Kenya's broader transition toward renewable energy sources.

### **3.4.4 Kwale County Economic Performance and Outlook**

**109.** Kwale County demonstrated a robust and diversified economic performance anchored by three key pillars: mining, agriculture, and tourism towards the end of the year 2024. The Kwale mining operations for titanium accounted for almost 65 percent of Kenya's mining industry by mineral output value, with these operations estimated to be adding more than US\$ 100 million to Kenya's Gross Domestic Product annually. The agricultural sector has shown resilience, benefiting from favorable weather conditions and development programs such as the National Value chain development program (NAVCDP), which supports smallholder farming communities in improving their agricultural returns through partnerships with the County department of Agriculture, Livestock & Fisheries and other international development partners.

**110.** Kwale County's economic outlook appears promising despite broader national economic headwinds. While Kenya's overall GDP growth moderated to 4.7 percent in 2024, compared to a revised growth of 5.7 percent in 2023, Kwale County's strategic positioning coastal tourism and agricultural development provides multiple revenue streams for sustained growth. The County's economic prospects are further enhanced by ongoing infrastructure investments and development programs such as tarmacking of County main access roads, Agricultural value addition programs (NAVCDP) that aim to transition agricultural communities toward more productive and sustainable farming practices, positioning Kwale for continued economic expansion in line with national recovery projections of improved growth rates through FY 2025-2026.

### **3.4.5 Kenya's Recent Economic Development and outlook and its Impact on County Economy**

**111.** The projected national economic developments will have significant positive impacts on Kwale County's economy across its three main economic pillars. The expected agricultural growth driven by favorable weather conditions and government programs will particularly benefit Kwale's farming communities, especially those participating in the Kwale Agribusiness

Program. Enhanced agricultural performance will increase household incomes for smallholder farmers and boost food processing activities, creating additional value-added opportunities within the county's agricultural value chain.

**112.** The industrial sector recovery will substantially benefit Kwale's mining operations, which currently contribute over US\$ 100 million annually to Kenya's GDP. Lower production costs and exchange rate stability will improve the profitability of mining activities, potentially encouraging expanded operations and additional investment in the sector. The construction industry recovery, supported by government payment of overdue bills, will create demand for Kwale's mineral products and construction materials, while also opening opportunities for local construction companies to participate in infrastructure projects.

**113.** Kwale's tourism sector stands to gain significantly from the government's focus on environmentally friendly and community-based tourism initiatives. The county's coastal location positions it well to benefit from investments in port facilities designed to attract cruise ships, which will directly boost the local hospitality industry. Enhanced tourism infrastructure and marketing will likely increase visitor numbers to Kwale's beaches, cultural sites, and eco-tourism attractions, generating increased revenue for local businesses and creating employment opportunities.

**114.** The projected improvement in household and business spending power, supported by lower inflation and interest rates, will stimulate local demand for goods and services throughout Kwale County. Easier access to credit will enable local businesses to expand operations and farmers to invest in improved agricultural techniques and equipment. The initiative to economically empower youth and the women through securing government procurement opportunities will enhance households' incomes.

**115.** The stable exchange rate and increased export opportunities, particularly for agricultural products, will benefit Kwale's farming communities by providing better prices for their produce and improving access to international markets. Overall, these national economic trends create a favorable environment for Kwale County to leverage its mining, agricultural, and tourism strengths for sustained economic growth and development.

### **3.4.6 Risks to County Economic Outlook**

**116. Dependence on national disbursements:** The County faces significant challenges due to funding shortfalls and delayed disbursements from the National Treasury. This financial uncertainty hampers the county's ability to implement planned programs effectively and disrupts the continuity of essential services and development projects.

**117. External economic shocks:** Global uncertainties including geopolitical tensions and rising inflation rates create adverse effects on both national and county economies. These external

factors drive up living costs for residents while simultaneously causing currency depreciation, which further strains the local economy and reduces purchasing power.

**118. Climate change threats:** Environmental challenges such as droughts and floods pose serious risks to the county's stability and development. These climate-related events disrupt agricultural activities and threaten food security, making climate risk mitigation and adaptation strategies essential for sustainable long-term development.

**119. Persistent social inequalities:** The County continues to struggle with high poverty and unemployment rates, particularly in areas outside the tourism sector. These social challenges create substantial barriers to economic participation and must be systematically addressed to achieve inclusive economic growth that benefits all residents across different regions and sectors.

## CHAPTER FOUR: RESOURCE ALLOCATION FRAMEWORK

### 4.0 Overview

This chapter provides information on the implementation status of the current financial period FY2025/2026 budget and the challenges affecting the same. It further highlights the fiscal projections of the next financial period FY2026/2027 and the medium term, especially, the revenue projections and indicative expenditure ceilings for the period FY2026/2027 and the medium term.

### 4.1 Implementation of the FY2025/26 Budget

**120.** In FY 2025/26, the County's budget implementation has been stalled mainly by delays in rolling out of the e-GP system which has made the National Treasury not to process the release of funds until the county budget is fully digitized. This has led to unpaid salaries, stalled bursaries, medicine shortages, and suspension of development projects. Late disbursement of the equitable share and the abrupt, unpiloted shift to e-procurement, has deepened financial instability and disrupted service delivery across the counties.

**121.** For the FY 2025/26, Kwale County's total revenues are projected at **Kshs. 15.83 billion** inclusive of the expected grants and verified commitments and pending bills brought forward, with own source revenue estimated at **Kshs. 486.04 million** (3.1 percent of total revenues) and the Facility Improvement Fund contributing **Kshs. 400 million** (2.5 percent). Total expenditure is equally projected at **Kshs. 15.83 billion**, comprising **Kshs. 7.96 billion** (50.3 percent) for recurrent spending and **Kshs. 7.87 billion** (49.7 percent) for development programmes. Within recurrent expenditure, Kshs. 3.65 billion (23.1 percent of the budget) is allocated to personnel emoluments while Kshs. 4.31 billion (27.2 percent) is set aside for operations and maintenance.

**122.** To ensure smooth implementation of the FY 2025/26 budget, the County plans to strengthen cash flow planning, enhance own source revenue through system upgrades and expanded tax streams, and prioritize core and ward-based projects while cutting non-essential spending. Timely integration into the e-procurement system, faster project execution, and strict management of pending bills will be key to sustaining service delivery. The County also intends to intensify monitoring and evaluation, engage the National Treasury and OCoB for timely disbursements, and uphold transparency through regular reporting and citizen involvement.

### 4.2 Fiscal Policy for FY2026/27 and Medium-Term Budget

**123.** The fiscal policy for FY 2026/27 and the medium term will focus on enhancing revenue mobilization efforts, broaden the tax base, and enhance efficiency in collection. The policy also will focus on diversifying income streams beyond equitable share transfers, while ensuring that revenue targets remain realistic and achievable by adopting the following key strategies:

- i. Enhancing Own Source Revenue (OSR) through revamped automation, and integration of all the revenue streams,

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- ii. Undertaking comprehensive revenue mapping and audits to identify untapped and under-collected sources, including trade licenses, cess, parking fees, land rates, and beach operations,
- iii. Strengthened enforcement and compliance mechanisms, including targeted campaigns and penalties for defaulters,
- iv. Building the capacity of revenue staff through continuous training and modern tools to improve efficiency,
- v. Adoption of scientific yet realistic revenue forecasting models to reduce fiscal risks,
- vi. Progressively raise OSR contribution to at least 5% of total revenues by FY 2027/28, reducing overdependence on equitable share.

**124.** On the expenditure side, the County Government intends to rationalize spending, prioritize high-impact programmes, and ensure compliance with fiscal responsibility principles. Focus will be placed on containing non-core expenditures, strengthening financial controls, and adopting systems that improve budget execution and accountability. Key measures will include:

- i. Maintaining a recurrent to development ratio in line with fiscal responsibility principles.
- ii. Rationalizing county spending by containing non-core expenditures and focusing on high-impact service delivery.
- iii. Prioritizing allocations to health, education, agriculture, water, and infrastructure to drive socio-economic growth.
- iv. Clear verified pending bills and cap arrears to below 5% of annual revenues by FY 2028/29.
- v. Systematic adoption of the electronic Government Procurement (e-GP) system to enhance transparency, efficiency, and timely budget execution.
- vi. Strengthen expenditure controls and ring-fence resources for essential services to mitigate risks such as exchequer delays and climate shocks.

### 4.3 Fiscal Projections

**125.** For the FY 2026/27, the county projects total revenues at approximately **Kshs 10.48 billion**, exclusive grants under prudent baseline scenario. This projection includes an equitable share of **Kshs 9.53 billion**, Own Source Revenue (OSR) estimated at **Kshs 510 million** reflecting a 5 percent growth from the current target and the facility Improvement fund at Kshs 400 million. To ensure fiscal discipline, the county targets to reduce balances carried forward and pending bills substantially, down from the higher levels recorded in FY 2025/26. In line with the fiscal responsibility principles, expenditure will be structured to maintain recurrent to development ratio as required by the PFM law, translating to **Kshs 6.9 billion** for recurrent and **Kshs 3.15 billion** for development.

### 4.4 Medium Term Fiscal Projections

**126.** The medium-term fiscal projections in the 2025 CBIRR have been revised from those of the 2025 County Fiscal Strategy Paper estimates taking into account the fiscal outcome of the FY 2024/25 and resource availability. Over the medium term, the County projects revenues to grow moderately in line with national transfers and enhanced local mobilization efforts. The total revenues are expected to rise to about Kshs**11.53 billion in FY 2027/28** and **Kshs12.68 billion in FY 2028/29**, supported by steady growth in equitable share allocations and an annual OSR growth of about 5-10 percent.

**127.** The County will sustain a recurrent to development expenditure ratio within the threshold of approximately **65:35**, with development allocations averaging **Kshs 3.5 billion** annually to support infrastructure expansion, service delivery improvements, and climate-resilient investments. Pending bills are expected to reduce progressively to below 5 percent of total revenues by FY 2028/29, while Own Source Revenue is projected to account for at least 5 percent of the overall resource envelope. Over the medium term, adoption of digital revenue systems, full integration of the e-GP procurement platform, and stronger fiscal controls will be critical in ensuring transparency, efficiency, and fiscal sustainability.

**128.** Despite the positive outlook, several fiscal risks could affect the County's ability to achieve its revenue and expenditure targets. Key risks include delays in exchequer releases, which disrupt cash flow and slow down implementation of planned programmes; low Own Source Revenue performance; and transition risks from the full adoption of the e-GP system, which may temporarily affect procurement and budget execution timelines. In addition, climate-related shocks such as droughts, floods, and coastal erosion pose a threat to livelihoods, service delivery, and revenue performance in key sectors like agriculture, fisheries, and tourism. To mitigate these risks, the County will continue strengthening cash flow management, enhancing revenue enforcement and diversification, building resilience in climate-sensitive sectors, and prioritizing funding for essential services.

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**Table 4-1: County Fiscal Projections, Kshs million**

	FY2023/24	FY2024/25		FY2025/26	FY 2026/27		FY2027/28
	Actual	Target	Actual	Approved Budget	CFSP 2025	CBIRR 2025	CBIRR 2025
<b>Total Revenue</b>	<b>11,619</b>	<b>14,876,</b>	<b>14,812,</b>	<b>15,827,</b>	<b>10,681,</b>	<b>10,482,</b>	<b>11,531,</b>
Equitable Share of Revenue	7,897	8,625	9,312	9,079	9,889	9,532	10,486
County Own Source Revenue (Target)	427	350	293	486	396	510	561
Facility Improvement Fund (AIA)		300	256	400	396	440	484
<b>Sub-Total</b>	<b>8,324,</b>	<b>9,275,</b>	<b>9,861</b>	<b>9,965</b>	<b>10,681</b>	<b>10,482</b>	<b>11,531</b>
Conditional Allocations from National Government	-	375,	246,	656,			
Conditional Allocation from Development Partners	1,196,	1,449,	929,	264,			
<b>Sub-Total</b>	<b>9,521</b>	<b>11,100</b>	<b>11,036</b>	<b>10,885</b>	<b>10,680</b>	<b>10,482</b>	<b>11,531</b>
Income Brought Forward	2,098	3,775	3,775	4,942	-		-
<b>Total Expenditure</b>	<b>10,183</b>	<b>14,876</b>	<b>10,180</b>	<b>15,827</b>	<b>10,680</b>	<b>10,482</b>	<b>11,047</b>
Recurrent	7,122	7,922,	7,070,	7,960	7,110,	7,142	
<i>Personnel Emoluments</i>	<i>3,805</i>	<i>3,705</i>	<i>4,087</i>	<i>3,652</i>	<i>3,835</i>	<i>3,852</i>	
<i>Operations and Maintenance</i>	<i>3,317</i>	<i>4,216</i>	<i>2,984</i>	<i>4,308</i>	<i>3,275</i>	<i>3,290</i>	
Development	3,061	6,953	3,110	7,867	3,572,	3,340	

**Source:** *Kwale County Treasury*

### 4.5 FY2026/27 and Medium-Term Budget Framework

**129.** The County Government of Kwale projects revenues of about Kshs **10.48 billion in FY 2026/27** exclusive of the grants and balances brought forward, rising to Kshs **12.68 billion by FY 2028/29**. This growth will be anchored on equitable share transfers from the National Government, alongside improvements in Own Source Revenue, which is expected to increase from Kshs **510.34 million in FY 2026/27** to Kshs **617.52 million by FY 2028/29**. Revenue growth will be driven by improved automation of collection systems, mapping and expansion of new revenue streams and enforcement of compliance.

**130.** On the expenditure side, the County will maintain the required recurrent to development ratio, ensuring more resources are directed to high-impact sectors such as health, education, agriculture, water, and infrastructure. Expenditure rationalization will focus on containing the wage bill, eliminating non-core spending, and progressively clearing pending bills to below 5 percent of total revenues by FY 2028/29. Development allocations will average about Kshs **3 to 4 billion annually** and above the minimum allowable threshold of 30 percent to support funding of development priorities and other community-based initiatives.

**131.** The County remains committed to fiscal discipline and sustainability by aligning expenditures with revenues, adopting the electronic Government Procurement (e-GP) system to enhance efficiency, and strengthening public financial management practices. Timely disbursements from the National Treasury, diversification of local revenue sources, and climate-

resilient budgeting will be critical in mitigating fiscal risks and sustaining service delivery over the medium term.

### **4.6 Criteria for Resource Allocation**

**132.** In order to ensure equitable, efficient, and transparent use of public resources, the County Government of Kwale will apply the following criteria in allocating resources during FY 2026/27 and the medium term:

- i. Funding will target programmes aligned to the CIDP 2023-2027 and CADP, and the CFSP priorities.
- ii. Mandatory costs like salaries, statutory payments, and pending bills will be financed first.
- iii. Ongoing projects, flagship initiatives, and ward-based programmes will take precedence over new ones.
- iv. Allocation will ensure equity across wards, focusing on marginalized groups and areas.
- v. Priority will go to projects with high socio-economic impact, value for money, and revenue potential.
- vi. Resources will support initiatives that promote sustainability, climate resilience, and disaster preparedness.
- vii. Departments showing readiness and strong absorption capacity will be prioritized.
- viii. Public participation and stakeholder feedback will guide final allocations.

**133.** In line with the resource allocation criteria, the Sector Working Groups (SWGs) are expected to align their budget proposals with the CIDP 2023- 2027 and the FY 2026-27 CADP priorities while focusing on ongoing and high-impact projects. They should rationalize budgets by ensuring value for money, avoiding duplication, and demonstrating clear readiness for implementation through realistic costing and credible timelines. SWGs are also required to integrate cross-cutting concerns such as equity, inclusivity, sustainability, and climate resilience while ensuring citizen inputs and stakeholder feedback are reflected in their submissions.

**134.** Going forward, the County Treasury will continue providing ceilings and technical guidance to SWGs to guarantee consistency with fiscal targets and the medium-term expenditure framework. Emphasis will be placed on strengthening monitoring and review mechanisms, improving absorption rates, and ensuring fiscal discipline. Additionally, efficiency-enhancing reforms such as the adoption of the e-GP system, enhanced revenue collection, substantially reducing the pending bills and improving citizen engagement to promote inclusivity, equity transparency, and accountability.

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**Table 4.2 Medium Term Sector Ceilings, FY 2026/27- FY 2028/29 (Kshs)**

Department/Sector		Approved Budget 2025/26	2025 CBIRR Projections		
			2026/27	2027/28	2028/29
3061 Finance and Economic Planning	<b>Sub Total</b>	<b>690,142,495</b>	<b>725,000,000</b>	<b>868,292,419</b>	<b>955,121,661</b>
	Rec	672,142,495	675,000,000	813,292,419	894,621,661
	Dev	18,000,000	50,000,000	55,000,000	60,500,000
3062 Agriculture, Livestock and Fisheries	<b>Sub Total</b>	<b>181,168,021</b>	<b>275,204,823</b>	<b>302,725,305</b>	<b>332,997,836</b>
	Rec	68,368,021	75,204,823	82,725,305	90,997,836
	Dev	112,800,000	200,000,000	220,000,000	242,000,000
3063 Environment and Natural Resources	<b>Sub Total</b>	<b>484,606,820</b>	<b>309,207,351</b>	<b>340,128,086</b>	<b>374,140,895</b>
	Rec	99,279,410	109,207,351	120,128,086	132,140,895
	Dev	385,327,410	200,000,000	220,000,000	242,000,000
3064 Curative and Rehabilitative Health Services	<b>Sub Total</b>	<b>1,000,165,101</b>	<b>1,092,011,611</b>	<b>1,201,212,772</b>	<b>1,321,334,049</b>
	Rec	765,465,101	842,011,611	926,212,772	1,018,834,049
	Dev	234,700,000	250,000,000	275,000,000	302,500,000
3065 County Assembly	<b>Sub Total</b>	<b>835,406,504</b>	<b>967,947,155</b>	<b>988,841,870</b>	<b>1,087,726,057</b>
	Rec	635,406,504	667,947,155	768,841,870	845,726,057
	Dev	200,000,000	300,000,000	220,000,000	242,000,000
3066 Trade and Cooperative Development	<b>Sub Total</b>	<b>280,325,925</b>	<b>355,700,000</b>	<b>397,332,842</b>	<b>437,066,126</b>
	Rec	55,646,977	55,700,000	67,332,842	74,066,126
	Dev	224,678,948	300,000,000	330,000,000	363,000,000
3067 Social Services an Talent Management	<b>Sub Total</b>	<b>216,364,658</b>	<b>286,533,975</b>	<b>315,187,373</b>	<b>346,706,110</b>
	Rec	78,667,250	86,533,975	95,187,373	104,706,110
	Dev	137,697,408	200,000,000	220,000,000	242,000,000
3068 County Executive Services	<b>Sub Total</b>	<b>122,173,524</b>	<b>105,390,876</b>	<b>142,329,964</b>	<b>156,562,960</b>
	Rec	72,173,524	55,390,876	87,329,964	96,062,960
	Dev	50,000,000	50,000,000	55,000,000	60,500,000
3069 Education	<b>Sub Total</b>	<b>934,315,562</b>	<b>845,289,718</b>	<b>979,868,690</b>	<b>1,077,855,559</b>
	Rec	537,081,562	510,789,718	649,868,690	714,855,559
	Dev	397,234,000	334,500,000	330,000,000	363,000,000
3070 Water Services	<b>Sub Total</b>	<b>383,075,511</b>	<b>412,267,892</b>	<b>457,894,681</b>	<b>503,684,149</b>
	Rec	60,243,538	62,267,892	72,894,681	80,184,149
	Dev	322,831,973	350,000,000	385,000,000	423,500,000
3071 Infrastructure and Public Works	<b>Sub Total</b>	<b>1,089,465,781</b>	<b>472,691,101</b>	<b>523,260,211</b>	<b>575,586,232</b>
	Rec	68,810,092	72,691,101	83,260,211	91,586,232
	Dev	1,020,655,689	400,000,000	440,000,000	484,000,000
3072 ICT and Tourism	<b>Sub Total</b>	<b>88,444,414</b>	<b>156,488,855</b>	<b>111,197,741</b>	<b>122,317,515</b>
	Rec	46,444,414	51,088,855	56,197,741	61,817,515
	Dev	42,000,000	105,400,000	55,000,000	60,500,000
3073 County Public Service Board	<b>Sub Total</b>	<b>82,926,622</b>	<b>80,719,284</b>	<b>94,291,213</b>	<b>103,720,334</b>
	Rec	77,926,622	80,719,284	94,291,213	103,720,334
	Dev	5,000,000	0	0	0
3074 Public Service and Administration	<b>Sub Total</b>	<b>3,855,492,061</b>	<b>3,607,736,675</b>	<b>4,267,000,394</b>	<b>4,693,700,433</b>
	Rec	3,480,992,061	3,557,736,675	4,212,000,394	4,633,200,433
	Dev	374,500,000	50,000,000	55,000,000	60,500,000
3075 Kwale Municipality	<b>Sub Total</b>	<b>74,000,000</b>	<b>119,800,000</b>	<b>131,780,000</b>	<b>144,958,000</b>
	Rec	18,000,000	19,800,000	21,780,000	23,958,000

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	Dev	56,000,000	100,000,000	110,000,000	121,000,000
3076 Diani Municipality	<b>Sub Total</b>	<b>62,343,538</b>	<b>135,570,339</b>	<b>151,327,373</b>	<b>166,460,111</b>
	Rec	34,154,854	35,570,339	41,327,373	45,460,111
	Dev	28,188,684	100,000,000	110,000,000	121,000,000
3077 County Attorney	<b>Sub Total</b>	<b>44,606,886</b>	<b>49,067,575</b>	<b>53,974,332</b>	<b>59,371,765</b>
	Rec	44,606,886	49,067,575	53,974,332	59,371,765
	Dev	0	0	0	0
3078 Lungalunga Municipality	<b>Sub Total</b>	<b>38,832,910</b>	<b>119,066,201</b>	<b>130,972,821</b>	<b>144,070,103</b>
	Rec	17,332,910	19,066,201	20,972,821	23,070,103
	Dev	21,500,000	100,000,000	110,000,000	121,000,000
3079 Kinango Municipality	<b>Sub Total</b>	<b>33,072,910</b>	<b>111,740,201</b>	<b>122,914,221</b>	<b>135,205,643</b>
	Rec	10,672,910	11,740,201	12,914,221	14,205,643
	Dev	22,400,000	100,000,000	110,000,000	121,000,000
3080 Preventive and Promotive Health Services	<b>Sub Total</b>	<b>388,614,139</b>	<b>255,548,075</b>	<b>371,302,883</b>	<b>408,433,171</b>
	Rec	170,498,250	105,548,075	206,302,883	226,933,171
	Dev	218,115,889	150,000,000	165,000,000	181,500,000
<b>GRAND TOTAL</b>	<b>Sub Total</b>	<b>10,885,543,382</b>	<b>10,482,981,707</b>	<b>11,951,835,191</b>	<b>13,147,018,709</b>
Total Expenditure	Rec	7,013,913,381	7,143,081,707	8,486,835,191	9,335,518,709
Total Expenditure	Dev	<b>3,871,630,001</b>	<b>3,339,900,000</b>	<b>3,465,000,000</b>	<b>3,811,500,000</b>

## CHAPTER FIVE: CONCLUSION AND NEXT STEPS

### 5.0 Overview

This chapter concludes the paper. It provides strategies to be implemented in addressing the bottlenecks identified in this paper on programme and project implementation. It also highlights recommendations to enhance efficiency in county government spending.

**135.** The 2025 CBIRR has demonstrated the impact of the FY 2024/25 on the fiscal responsibility principles in the PFM Act 2012 and the financial goals outlined in the 2025 County Fiscal Strategy Paper. The County Government will pursue strategies aimed at addressing the revenue shortfalls by revamping revenue mobilization efforts and curtailing expenditure on non-essential recurrent expenditures. Budget execution will be enhanced through addressing the bottlenecks surrounding the implementation of the e-GP system. The County Treasury will work on establishing monitoring and evaluation framework by developing policy, legal and regulatory framework to ensure close monitoring of the implementation of the FY2025/26 budget by analyzing quarterly expenditures against the approved budget. This will improve outcomes, and guarantee efficiency and effectiveness of County Government spending. In addition to enhancing revenue mobilization, prudent spending and regular monitoring, the 2025 CBIRR recommends that: -

- i. All bottlenecks are identified and eliminated to ensure smooth processes in budget implementation to facilitate smoother execution of development projects.
- ii. Financial management training is provided to both non-finance and finance officers to improve their understanding of budget management and financial reporting.
- iii. All financial reports are generated and communicated promptly to support informed decision-making.

**136.** This 2025 CBIRR has provided provisional sector expenditure ceilings for MTEF budget FY 2026/2027. The sector ceilings have been prepared on the basis of the medium-term macro-economic and fiscal projections and estimated resources envelop. These ceilings will guide the budget preparation process for the FY 2026/27 and the medium term. The 2026 CFSP will give more details about the fiscal framework, budget performance, medium-term projections, priorities, and sector ceilings. The sector ceilings will be firmed up once approved by the County Assembly in the 2026 CFSP.

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### ANNEX I: KWALE COUNTY BUDGET CALENDAR FOR THE FINANCIAL YEAR 2026/2027

No	Activity	Responsibility	Deadline
<b>1</b>	<b>Develop and issue MTEF Guidelines</b>	County Treasury	5-Aug-25
<b>2</b>	<b>Launch of Sector Working Groups</b>	County Treasury	5-Aug-25
<b>3</b>	<b>Performance Review and Strategic Planning</b>	Departments	15-Aug-25
3.1	Review and update of Strategic Plans	"	"
3.2	Review of programme outputs and outcomes	"	"
3.3	Expenditure Review	"	"
3.4	Progress Report on 2024/2025 Budget Implementation	"	"
<b>4</b>	<b>Preparation of County Annual Development Plan (CADP) FY 2026/2027</b>		
4.1	Public participation for the County Annual Development Plan FY 2026-27	County Treasury	11-15Aug-25
4.2	Validation and Prioritization of stakeholders and citizens inputs	County Treasury	20 -Aug -25
4.3	Departments submit drafts CADP Report to County Treasury	Departments	25-Aug-25
4.4	Submit Consolidated CADP FY2026/2027 to County Executive Committee	County Treasury	28-Aug-25
4.5	Submit CADP FY2026/2027 to County Assembly	County Treasury	1-Sep-25
<b>5</b>	<b>Preparation of County Budget Implementation Review Report (CBIRR), 2025</b>		
5.1	Review of Sector Performance Review Reports	County Treasury	5-Sep-25
5.2	Draft C- BR0P	County Treasury	18-Sep-25
5.3	Submit CBIRR to County Executive Committee for approval	County Treasury	30-Sep-25
5.4	Submit CBIRR to County Assembly	County Treasury	15-Oct-25
<b>6</b>	<b>Mid-term review of the 2023-2027 County Integrated Development Plan</b>		
6.1	Finalize mid- term review of 2023-2027 CIDP	County Treasury	25- Oct- 25
6.2	Submit to the County Executive Committee	County Treasury	27- Oct-25
6.3	Submit to the County Assembly	County Treasury	15-Nov-25
<b>7</b>	<b>Preparation of 2023 County Fiscal Strategy Paper (C-FSP) 2026</b>		
7.1	Draft CFSP 2026	County Treasury	5-Jan-26
7.2	Convene Public hearings on the CFSP FY 2026/2027	County Treasury	9-14-Feb-26
7.3	Review and Consolidation of views on the Draft CFSP FY 2026/2027	County Treasury	20-Feb-26
7.4	Submission of Proposed CFSP to County Executive Committee for approval	County Treasury	23-Feb-26
7.5	Submission of Approved CFSP FY 2023/2024 to County Assembly	County Treasury	27-Feb-26
<b>8</b>	<b>Preparation and approval of Budget Estimates for FY 2026/2027</b>		
8.1	Issue Final Guidelines on preparation of the Budget	County Treasury	20-Mar-26
8.2	Submission of Budget proposals to the County Treasury	Departments	3-Apr-26
8.3	Draft Budget Estimates for FY 2026/2027	County Treasury	10-Apr-26
8.4	Convene Public Hearings on the Draft Budget Estimates FY 2026/2027	County Treasury	17-Apr-26
8.5	Submission of Draft Budget Estimates to County Executive Committee	County Treasury	24-Apr-26
8.6	Convene a County Executive Committee to approve the Draft Budget 2026/27	County Treasury	28-Apr-26
8.7	Submission of Budget Estimates to the County Assembly	County Treasury	30-Apr-26
<b>9</b>	<b>Approval of County Budget Estimates for FY 2026/2027</b>		
9.1	Discussion of Budget Estimates by Assembly Committees	County Assembly	6-31May-26
9.2	Budget and Appropriations Committee convene Public Hearings	Budget Committee	15-19June-26
9.3	Consensus building on the Budget Estimates by the County Assembly	County Assembly	25-June-26
9.4	Submission of Report of the County Assembly Resolutions and Adoption	Budget Committee	29-June-26
9.5	Approval of Budget Estimates FY 2026/2027 and Appropriation Bill, 2026	County Assembly	<b>30-June-26</b>
<b>10</b>	<b>Budget Statement and assent to the Appropriation Bill by the Governor</b>	County Secretary/Attorney	<b>30-June-26</b>

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### ANNEX II: STATUS OF CAPITAL/DEVELOPMENT PROJECTS FOR FY 2024/25

#### DEPARTMENT OF FINANCE AND ECONOMIC PLANNING

Project Name & Location	Description of activities	Estimated Cost As per CADP	Target	Achievement	Contract Sum	Actual Cumulative Cost	Status	Remarks
Parking Bay Old Ibiza Market	Construction of Parking Bay	20,000,000	1	1	25,157,018	23,298,166	93%	on going
Upgrading of Revenue Management System	Upgrade of revenue System	10,000,000	1	1	10,000,000	5,970,000	60%	on going
Preparation of Valuation Roll	Preparation of Valuation Roll	10,000,000	1	0	10,000,000	-	0%	Tendering
Installation of stalls(booths) for revenue collection	Installation of stalls(booths)	2,400,000	5	0	2,400,000	-	0%	Tendering

#### DEPARTMENT OF AGRICULTURE, LIVESTOCK AND FISHERIES

Project Name & Location	Description of activities	Estimated Cost as per CADP	Target	Achievement	Contract Sum	Actual Cumulative Cost	Status	Remarks
Provision of Certified Seeds -for food crops	Distribution of Certified Seeds	24,000,000	1	1	24,000,000	24,000,000.	100%	Complete
Provision of seedlings for cash crops	Purchase of Certified Seeds	14,250,000	1	1	14,250,000.	14,250,000	100%	Complete
NAVCDP Counterpart funding	Disbursement of Grant	5,500,000.	1	1	5,500,000.	5,500,000	100%	Complete
Kenya Agricultural Business Development Project Counterpart Funding	Disbursement of Grant	10,000,000	1	1	10,000,000	10,000,000	100%	Complete
<b>Sub Total</b>		<b>53,750,000</b>			<b>53,750,000</b>	<b>53,750,000</b>		
Programme Name: Livestock Production								
Repair of holding pens at Mwangulu livestock market	Repair of holding pens	1,000,000.	1	1	1,000,000.	1,000,000.	70%	ongoing
Construction of a toilet at Meli Kubwa livestock market	Construction of a toilet	1,200,000.	1	1	1,200,000.	1,200,000.	50%	ongoing

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name & Location	Description of activities	Estimated Cost as per CADP	Target	Achievement	Contract Sum	Actual Cumulative Cost	Status	Remarks
<b>Sub Total</b>		<b>2,200,000.</b>			<b>2,200,000.</b>	<b>2,200,000.</b>		
Programme Name: Veterinary Services								
Vector control	Provision of acaricides and repellents	4,750,000	1	1	4,750,000	4,750,000	100%	complete
Treatment drugs and logistic support	Purchase of Vaccines and Sera	4,750,000	1	1	4,750,000	4,750,000	100%	complete
Vaccination Programme	Purchase of Vaccines and Sera	9,500,000	1	1	9,500,000.	9,500,000	90%	ongoing
Support to AI & Synchronization (	Support to AI & Synchronization	1,900,000.	1	1	1,900,000	1,900,000	90%	ongoing
Rehabilitation of operational cattle dip in Lukore -	Rehabilitation of operational cattle dips	2,000,0000	1	1	2,000,000.	2,000,000.	90%	ongoing
Construction of 1 dip-Fumba Moyo (Mwereni)	Construction of 1 dip	4,000,000	1	1	4,000,000	4,000,000	90%	ongoing
Rehabilitation of the cattle dip at Chanzou	Rehabilitation of the cattle dip	2,000,000	1	1	2,000,000.	2,000,000.	90%	ongoing
<b>Sub Total</b>		<b>28,900,000</b>			<b>28,900,000</b>	<b>28,900,000</b>		
Programme: Fisheries Development								
Overhaul of boats	Overhaul of boats	1,600,000	5	5	1,600,000	1,600,000	90%	ongoing
Provision of fishing boats and accessories-	fishing boats and accessories provided	4,800,000	10	10	4,800,000	4,800,000	80%	ongoing
Support to sea weed farmers	Support to sea weed farmers	3,000,000	1	1	3,000,000	3,000,000.	80%	ongoing
<b>Sub Total</b>		<b>9,400,000</b>			<b>9,400,000.</b>	<b>9,400,000.</b>		
Programme: Agricultural Mechanization Services								
Renovation of AMS office block- Msambweni	Renovation of AMS office block	1,600,000	1	1	1,600,000.	1,600,000.	70%	In Progress
Overhaul of tractors	Overhaul of tractors	5,000,000	5	5	5,000,000.	5,000,000	100%	Complete

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name & Location	Description of activities	Estimated Cost as per CADP	Target	Achievement	Contract Sum	Actual Cumulative Cost	Status	Remarks
Agricultural mechanization Services	Fuels and Lubricants provided	15,000,000	1	1	15,000,000	15,000,000	80%	In Progress
<b>Sub Total</b>		<b>21,600,000</b>			<b>21,600,000</b>	<b>21,600,000.</b>		
Total		115,850,000			115,850,000	115,850,000		

Source: Department of Agriculture, Livestock and Fisheries

### DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES

Project Name	Project location	Output	Status	Estimated Cost	Contract sum	Source of Funds
Land Subdivision for settlement-Sub division of Mwereni group ranch in Mwereni ward (Phase II)	Mwereni ward	Spatial and attribute data	Ongoing	14,600,000	14,200,000	GoK
Survey and adjudication of Vigurungani adjudication section phase III	Vigurungani	Spatial and attribute data	Ongoing	8,000,000	7,636,224.38	GoK
Consultancy services for the development of county energy plan and investment prospectus	Head quarters	Energy plan	Ongoing	15,000,000	13,920,000	GoK
Purchase and supply of seeds (cow peas and green grams )	Head quarters	Climate change mitigation	Complete	4,651,400	4,651,400	World Bank
Purchase and supply of seeds (maize and rice)	Head quarters	Climate change mitigation	Complete	19,700,000	19,720,000	World Bank
Supply and delivery of 530 Gala breeding bucks	Head quarters	Climate change mitigation	Complete	12,693,500	12,693,500	World Bank
Supply and delivery of 124 dairy goats (72 in-kid does and 52 bucks)	Head quarters	Climate change mitigation	Complete	2,976,000	2,976,000	World Bank
Supply of 15 in-calf heifers and 15 beef breeding bulls	Head quarters	Climate change mitigation	Complete	3,720,000	3,720,000	World Bank

Source: Department of Environment and Natural resources

### DEPARTMENT OF HEALTH SERVICES

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name & Location	Output	Status	Estimated Cost	Actual Cumulative Cost	Source of funds
Construction of Maternity Wing at Mwananyamala	Partly delivered	Ongoing	4,369,418	2,530,850	GoK
Proposed Construction of Maternity Wing at Mwachinga Dispensary in Kinango Ward	Partly delivered	Ongoing	1,461,187	567,112	GoK
Proposed Construction of Maternity Wing at Chigato Dispensary in Kasemeni Ward	Not yet done	Ongoing	1,329,308		GoK
Renovation of Msambweni Hospital	Partly delivered	Ongoing	2,480,300	2,099,225	GoK
Upgrading of sewage system at Kinango Hospital in Kinango Ward	Not yet done	Ongoing	2,000,000		GoK
Construction of Mwazaro dispensary in Pongwe Kikoneni Ward	Not yet done	Ongoing	3,410,398		GoK
Construction of Fingirika dispensary in Ramisi Ward	Not yet done	Ongoing	4,638,718		GoK
Construction of staff house at Mkwakwani dispensary in Ukunda Ward	Not yet done	Ongoing	3,164,718		GoK
Construction of a laboratory block at Ndavaya dispensary in Ndavaya ward	Partly delivered	Ongoing	4,075,294	3,638,769	GoK
Expansion of the new COVID-19 unit	Unit expanded	Completed	3,778,038	3,778,038	GoK
Construction of staff house at Ganja la Simba in Kinondo ward	Staff house constructed	Completed	1,962,122	1,673,117	GoK
Electrification of various dispensaries in Ndavaya ward	Not yet done	Ongoing	1,000,000		GoK
Electrification of various dispensaries in Puma ward	Not yet done	Ongoing	1,000,000		GoK
Rehabilitation of staff house at Mwanda dispensary in Mwavumbo ward	Staff house constructed	Completed	500,000	500,000	GoK
Rehabilitation and equipping of a laboratory at Mwabila dispensary in Mwavumbo	Not yet done	Ongoing	1,424,618		GoK
Electrification of various dispensaries in Mwavumbo ward	Not yet done	Ongoing	1,400,000		GoK
Electrification of various dispensaries in Kasemeni ward	Not yet done	Ongoing	1,000,000		GoK
Construction of a dispensary at Miyani in Kasemeni ward	Dispensary in place	Completed	4,701,578	4,701,578	GoK
Construction of a twin staff house at Mnyenzeni Dispensary	Dispensary in place	Completed	4,160,785	4,160,785	GoK

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name & Location	Output	Status	Estimated Cost	Actual Cumulative Cost	Source of funds
Construction of a dispensary at Kazamoyo in Samburu Chengoni Ward	Not yet done	Ongoing	2,568,305		GoK
Construction of Chigutu dispensary in Mackinon Road	Dispensary in place	Completed	1,498,605	1,348,604	GoK
Construction of a dispensary at Mwamose in Vanga ward	Not yet done	Ongoing	2,694,891	571,915	GoK
Construction of staff house at Mwanamamba dispensary in Vanga ward	Staff house constructed	Completed	4,298,064	3,500,784	GoK
Construction of a dispensary at Magwasheni-Kubo South	Not yet done	Ongoing	3,489,913		GoK
Construction of twin staff house at Mbuluni dispensary in Ndavaya ward	Not yet done	Ongoing	2,349,659		GoK
Construction of dispensary at Bahakwenu- Mackinon Road	Dispensary in place	Completed	1,920,291	1,870,290	GoK
Construction of an X - ray block at Mnyenzi Health Centre	Not yet delivered	Ongoing	7,846,841	1,759,998	GoK
Rehabilitation of Kilolapwa dispensary	Not yet done	Ongoing	4,403,500		GoK
Construction of Oncology centre at Kwale Sub county Hospital	Not yet done	Ongoing	17,613,317	8,477,502	GoK
Rehabilitation of Maternity Wing and outpatient block at Vanga Dispensary in Vanga	Not yet done	Ongoing	3,089,628		GoK
Renovation of out patient block at Mtsunga Dispensary in Mwereni Ward	Not yet done	Ongoing	1,105,440		GoK
Rehabilitation of Mazumalume staff houses in Tsimba/Golini Ward	Not yet done	Ongoing	2,000,000		GoK
Construction of a new dispensary at Mlungunipa in Gombato Bongwe ward	Not yet done	Ongoing	10,000,000		GoK
Drilling of a borehole and placenta pit at Gazi dispensary in Kinondo Ward	Not yet done	Ongoing	2,493,101		GoK
Rehabilitation of Makina dispensary in Mackinnon Ward	Rehabilitation done	Completed	1,309,380	1,308,405	GoK
Upgrading of power supply Kwale Hospital	Not yet done	Ongoing	3,921,100		GoK
Construction of a toilet at Waa Dispensary in Waa-Ng'ombeni ward	Not yet done	Ongoing	800,000		GoK
Construction of a waiting bay at Ng'ombeni dispensary	Waiting bay constructed	Completed	1,983,714	1,983,714	GoK

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name & Location	Output	Status	Estimated Cost	Actual Cumulative Cost	Source of funds
Construction of a new Out Patient Block at Kibuyuni Dispensary in Kubo south ward	Not yet done	Ongoing	5,500,000	1,845,850	GoK
Construction of a staff house at Makwenyeni dispensary in Vanga ward	Staff house constructed	Completed	4,298,064	3,430,201	GoK
Construction of dispensary at Makwenyeni in Vanga ward	Dispensary in place	Completed	4,414,000	3,420,000	GoK
Construction of waiting bay at Gombato Dispensary	Waiting bay constructed	Completed	1,001,140	1,001,140	GoK
Construction of maternity wing at Mchinjirini dispensary in Ramisi ward	Not yet done	Ongoing	5,719,062		GoK
Construction of the OPD block at Waa dispensary in Waa-Ng'ombeni	Not yet done	Ongoing	3,098,180	459,128	GoK
Renovation of Mkongani Health centre and construction of an underground water tank	Not yet done	Ongoing	2,800,000		GoK
Supply, Installation and Commissioning of an Oxygen Plant in Msambweni Hospital	Oxygen plant in place	Completed	16,642,800	16,642,800	GoK
Purchase of examination Lamp for Samburu hospital	Equipment delivered	Completed	800,000	680,000	GoK
Construction of general ward at Lutsangani Dispensary in Kinango ward	General ward constructed	Completed	4,354,943	4,354,943	GoK
Construction of a dispensary at Dzivani in Kinango Ward	Dispensary in place	Completed	6,486,607	5,447,801	GoK
Construction of maternity wing at Mwembeni dispensary in Samburu Chengoni Ward	Not yet done	Ongoing	3,600,000		GoK
Full Renovation of Mbuwani dispensary including roof, floor and construction of toilet in Bongwe/ Gombato ward	Renovations done	Completed	5,000,000	5,000,000	GoK
Rehabilitation of Mkwakwani dispensary			4,000,000		GoK
Rehabilitation of Staff houses at Waa dispensary in Waa/Ng'ombeni ward	Staff house rehabilitated	Completed	2,984,558	2,984,558	GoK
Construction of maternity wing at Milalani Dispensary In Ramisi Ward	Not yet done	Ongoing	3,600,000		GoK
Construction of Galana Dispensary in Tsimba Golini	Not yet done	Ongoing	1,200,000		GoK
Construction and Equipping of a Laboratory at Deri Dispensary in Mkongani ward	Laboratory constructed	Completed	5,715,777	4,426,374	GoK

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name & Location	Output	Status	Estimated Cost	Actual Cumulative Cost	Source of funds
Construction of a Maternity Ward at Mwaluphamba Dispensary in Mkongani Ward	Not yet done	Ongoing	3,600,000		GoK
Construction of a single staff house at Kidiani dispensary in Kubo South Ward	Staff house constructed	Completed	1,913,108	1,712,380	GoK
Construction of a dispensary at Kinango Ndogo in Kubo South Ward	Not yet done	Ongoing	14,286,053		GoK
Construction of Single Staff Houses at Kiwegu dispensary In Vanga Ward	Staff house constructed	Completed	4,300,000	3,594,954	GoK
Construction of a single staff house at Chigombero dispensary in Pongwe/Kikoneni	Staff house constructed	Completed	2,051,547	2,051,547	GoK
Construction of a single staff house at Kivuleni dispensary in Pongwe/Kikoneni Ward	Staff house constructed	Completed	4,298,064	3,596,812	GoK
Construction of a twin staff house at Gandini Dispensary in Dzombo Ward	Staff house constructed	Completed	3,665,635	3,663,002	GoK
Construction of Toilet at Mwananyamala Dispensary in Dzombo Ward	Toilet constructed	Completed	798,139	798,138	GoK
Construction of a twin Staff House at Mamba Dispensary in Dzombo Ward	Staff house constructed	Completed	3,422,701	2,514,960	GoK
Equipping of a laboratory Mbwaleni Dispensary in Ndavaya Ward	Staff house constructed	Completed	1,700,000	1,700,000	GoK
Construction of a Dispensary At Rorogi in Puma Ward	Staff house constructed	Completed	3,138,654	3,138,654	GoK
Construction of a single Staff house at Matumbi Dispensary in Mwavumbo Ward	Staff house constructed	Completed	3,600,000	3,594,955	GoK
Construction of a single Staff house at Mwashanga Dispensary in Mwavumbo Ward	Staff house constructed	Completed	2,769,057	2,769,056	GoK
Construction of Chigato Dispensary	Dispensary in place	Completed	3,672,991	3,201,420	GoK
Construction of a laboratory at Makamini dispensary in Mackinnon Road Ward	Laboratory constructed	Completed	5,398,584	4,186,818	GoK
Construction of a general ward ward at Taru Dispensary in Mackinnon Ward	Not yet done	On going	8,469,554		GoK
Construction of a dispensary at Kidomaya in Vanga Ward	Dispensary in place	Completed	2,763,925	2,492,840	GoK
Construction of a single staff house Jego dispensary in Vanga Ward	Staff house constructed	Completed	3,588,367	3,598,749	GoK

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name & Location	Output	Status	Estimated Cost	Actual Cumulative Cost	Source of funds
Perimeter Wall Fencing at Mazola Dispensary	Not yet done	On going	1,820,287		GoK
Construction of a dispensary at Miamba in Mkongani ward	Dispensary in place	Completed	5,500,000	5,500,000	GoK
Construction of a perimeter fencing at Gulanze Dispensary	Not yet done	On going	3,600,000		GoK
Construction of Twin Staff House at Eshu Dispensary in Ramisi Ward	Partly delivered	On going	5,553,529	3,177,971	GoK
Construction of Bonje Dispensary	Partly delivered	On going	6,000,000	1,349,486	GoK
Construction of a dispensary at Mabafweni in Pongwe-Kikoneni ward	Dispensary in place	Completed	4,047,614	3,947,634	GoK
Construction of Maternity wing at Ngathini in Vanga Ward	Not yet done	On going	5,419,062		GoK
Construction of a Modern out Patient Block at Samburu Hospital Phase I	Not yet done	On going	10,000,000		GoK
Construction of a Maternity Ward at Lungalunga Hospital	Maternity ward constructed	Completed	4,598,205	4,598,205	GoK
Construction of maternity wing at Mbita Dispensary	Not yet done	On going	2,500,000		GoK
Rehabilitation of waiting bay and male ward at Kinango Hospital	Not yet done	On going	311,918		GoK
Construction of Gandini Dispensary	Dispensary in place	Completed	2,705,448	1,285,521	GoK
Construction of Mwanamkuu dispensary	Dispensary in place	Completed	908,854	739,558	GoK
Construction of Malomani/Mlunguni dispensary	Dispensary in place	Completed	398,957	338,957	GoK
Construction of Mwanda General Ward	General ward constructed	Completed	1,875,948	1,875,947	GoK
Construction of Gandini Toilet	Toilet constructed	Completed	797,268	797,268	GoK
Construction of Mtsunga Staff House	Not yet done	On going	575,387		GoK
Construction of Lungalunga Maternity Ward	Maternity ward constructed	Completed	3,524,280	3,524,278	GoK
Construction of Mnyenzeni Dispensary	Dispensary in place	Completed	1,756,142	1,756,142	GoK
Construction of CT Scan building in Kinango Hospital	Building not in place	On going	2,296,212		GoK
Construction of a ward at Kilimangodo	Construction done	Completed	516,378	516,378	GoK

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name & Location	Output	Status	Estimated Cost	Actual Cumulative Cost	Source of funds
Supply and delivery of electricals,mechanical materials and terracotta tiles	Equipment not delivered	On going	491,298		GoK
Purchase of CT Scan Kinango hospital in Kinango Ward	Equipment delivered	Completed	5,000,000	5,000,000	GoK
Equipping of Laboratory at Mwamivi dispensary in Tiwi Ward	Equipment delivered	Completed	1,700,000	1,700,000	GoK
Equipping of Laboratory at Mteza Dispensary in Tsimba Golini Ward	Equipment delivered	Completed	1,700,000	1,700,000	GoK
Installation of Septic Tank At Kibuyuni dispensary in Kubo South Ward	Equipment delivered	Completed	997,249	997,249	GoK
Equipping of a Laboratory unit at Mwanamamba dispensary In Vanga Ward	Equipment delivered	Completed	1,700,000	1,700,000	GoK
Equipping of a laboratory Mbwaleni Dispensary in Ndavaya Ward	Equipment delivered	Completed	1,700,000	1,700,000	GoK
Installation of ultra sound machine for Ndavaya Health Centre in Ndavaya Ward	Equipment delivered	Completed	4,990,000	4,990,000	GoK
Purchase of Medical equipments for rural health facilities	Equipment delivered	Completed	5,197,968	5,197,968	GoK
Supply and installation of ultra sound machine at Kikoneni Health Centre in Pongwe/Kikoneni ward	Equipment delivered	Completed	5,000,000	4,950,000	GoK
Purchase of furniture and fittings for Madago Dispensary in Kinondo Ward	Equipment delivered	Completed	1,796,062	1,796,063	GoK
Purchase of furniture and fittings for Chale Dispensary in Kinondo Ward	Equipment delivered	Completed	1,800,000	1,780,000	GoK
Supply and installation of ultra sound machine at Vigurungani Dispensary in Puma ward	Equipment not delivered	Incomplete	5,000,000		GoK
Installation of X-ray Machine at Mnyenzi Health Centre in Kasemeni Ward	Equipment not delivered	Incomplete	4,997,988		GoK
Supply and installation of ultra sound machine at Mnyenzi Dispensary	Equipment delivered	Completed	5,000,000	4,999,900	GoK
Supply and installation of ultra sound machine at Mkongani Health Centre	Equipment delivered	Completed	4,887,457	4,887,457	GoK
Supply and installation of ultra sound machine at Kwale Hospital in Tsimba ward	Equipment delivered	Completed	4,800,000	4,800,000	GoK

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name & Location	Output	Status	Estimated Cost	Actual Cumulative Cost	Source of funds
Reverse Osmosis Plant for Msambweni Hospital	Equipment delivered	Completed	6,000,000	5,528,235	GoK
Purchase of Laundry Machine for Msambweni Hospital	Equipment delivered	Completed	2,932,721	2,932,721	GoK
Supply and delivery of Oxygen concentrators	Equipment delivered	Completed	1,500,000	1,500,000	GoK
Rehabilitation of Msambweni Referral Hospital	Partly delivered	Incomplete	33,600,000	7,389,481	GoK
Grilling of drug store and the blood bank building	Construction done	Completed	985,884	985,884	GoK
Grilling of the oxygen plant, maternity complex and the new COVID-19 Unit	Not yet done	Incomplete	3,099,799		GoK
Construction of waiting bay at the mortuary at the Msambweni Referral Hospital	Construction done	Completed	2,056,789	2,056,887	GoK
Purchase of incubators, neonatal CPAP Machines, Phototherapy equipment, resuscitaire for Msambweni County Referral Hospital	Equipment delivered	Completed	5,064,755	4,998,000	GoK
Supply and delivery of theatre bed for Msambweni hospital	Equipment delivered	Completed	3,920,550	3,920,550	GoK
Construction of the ICU and Renal Unit in Kinango Hospital	Construction not yet done	Incomplete	20,000,000		GoK
Equipping of the ICU and Renal Unit in Kinango Hospital	Equipment not delivered	On going	10,000,000		GoK
Purchase of Medical and Dental Equipment Kinango	Equipment delivered	Completed	5,120,000	5,120,000	GoK
Rehabilitation of the old ward at Kwale Hospital	Rehabilitation not done	On going	10,129,510		GoK
Maintenance of the Kwale Hospital Mortuary	Maintenance done	Completed	1,300,000	1,263,355	GoK
Construction of a Generator house for Kwale Hospital	Generator house constructed	Completed	1,999,405	1,999,405	GoK
Equipping of the ward at Kwale Hospital	Equipment delivered	Completed	7,000,000	6,845,950	GoK
Equipping the 2nd theatre at Kwale Hospital	Equipment delivered	Completed	2,198,800	2,198,800	GoK
Proposed construction of walkways and biodigester at Lunga Lunga Hospital	Construction done	Completed	13,031,706	10,697,378	GoK
Proposed installation of water harvesting system, Lunga Lunga Hospital	Not yet done	On going	3,597,804		GoK
Construction of an incinerator at Diani Health Centre in Bongwe Gombato ward	Construction not yet done	On going	1,500,000		GoK

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name & Location	Output	Status	Estimated Cost	Actual Cumulative Cost	Source of funds
Construction of a Patients Toilet Gombato dispensary in Bongwe Gombato Ward	Construction not yet done	On going	799,279		GoK
Construction of a perimeter wall at Mvinden dispensary in Ukunda ward	Construction not yet done	On going	3,000,000		GoK
Purchase of furniture for Chale dispensary in Kinondo ward	Equipment delivered	Completed	1,998,900	1,998,900	GoK
Construction of a perimeter wall at Mwembeni dispensary in Kinondo ward	Construction not yet done	On going	4,000,000		GoK
Rehabilitation of the OPD block at Mwangwei Dispensary	Rehabilitation done	Completed	2,995,246	2,995,246	GoK
Renovation of twin staff house at Kikoneni health center	Rehabilitation done	Completed	2,990,816	2,990,816	GoK
Rehabilitation of staff house at Mamba dispensary	Rehabilitation done	Completed	3,000,000	992,589	GoK
Construction of female ward Phase II at Mamba dispensary in Dzombo ward	Construction done	Completed	3,695,632	3,695,632	GoK
Construction and equipping of ward at Mwangulu dispensary in Mwereni ward	Construction done	Completed	9,000,000	3,998,671	GoK
Construction of a mortuary at Lunga Lunga Sub County hospital in Vanga ward	Construction done	Completed	10,246,863	2,207,898	GoK
Renovation of Lungalunga sub County hospital kitchen in Vanga ward	Rehabilitation done	Completed	1,996,615	1,996,615	GoK
Renovation and construction of a walk way to the delivery room at Matuga dispensary	Construction not yet done	On going	2,996,170		GoK
Construction and equipping of a laboratory at Waa dispensary	Rehabilitation done	Completed	5,977,215	4,520,949	GoK
Upgrading of Shimba hills dispensary to a health centre	Construction done	Completed	10,114,251	6,951,561	GoK
Construction of 2nd ward at Mkongani Health Centre in Mkongani ward	Construction not yet done	On going	8,700,201		GoK
Construction of a Generator House at Mkongani Health Centre	Construction done	Completed	1,993,186	1,993,186	GoK
Construction of maternity wing at Kalalani dispensary	Construction done	Completed	5,819,062	3,101,763	GoK
Construction of a modern outpatient block at Mnyenzeni Hospital	Construction not yet done	On going	10,000,000		GoK
Supply and installation of an Ultrasound machine at Lutsangani Health Centre	Equipment delivered	Completed	4,948,000	4,948,000	GoK
Purchase of Ultrasound machine for Tiwi RHTC in Tiwi ward	Equipment delivered	Completed	4,995,000	4,995,000	GoK

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name & Location	Output	Status	Estimated Cost	Actual Cumulative Cost	Source of funds
Equipping of Kidiani Dispensary	Equipment delivered	Completed	1,926,816	1,926,816	GoK
Equipping of a laboratory at Silaloni dispensary in Samburu Chengoni ward	Equipment delivered	Completed	2,000,000	287,515	GoK
Supply and delivery of equipment for Rural Health facilities	Equipment delivered	Completed	29,994,000	29,994,000	GoK
<b>TOTAL</b>			<b>667,582,226</b>	<b>349,415,550</b>	

### THE COUNTY ASSEMBLY

Project Name & Location	Description of activities	Estimated Cost	Target	Achievement	Contract Sum	Actual Cumulative Cost	Status	Remarks
MCA'S office Ramisi ward	Construction of MCA office	15,000,000	1	1	13,786,292	13,786,292	100%	Target Achieved
Hansard Equipment	Purchase of Hansard Equipment	100,000,000	5	4	109,969,399	90,147,148	82%	Target Achieved
Renovation of Offices	Renovation of Offices	80,000,000	3	2	74,000,000	63,090,865	85%	Target Achieved
Renovation of Speakers residence	Renovation of Residences	40,000,000	1	1	36,532,822	14,501,854	40%	Below Average
Security Walk scanner & Luggage scanner	Purchase of Scanners	15,000,000	1	1	13,377,700	13,377,700	100%	Target Achieved
County Assembly Data Centre	Establishment of Data Center	70,000,000	1	0	69,300,000	-	0%	Tender Not Awarded
Parking sheds with green energy installation	Construction of Parking shades	200,000,000	1	0	196,844,790	-	0%	Tender Not Awarded
Renovations of offices	Renovations of offices	100,000,000	1	1	92,042,357	39,018,971	42%	Below Average

Source: County Assembly of Kwale

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

### DEPARTMENT OF TOURISM AND ENTERPRISE DEVELOPMENT

Project Name	Project Location	Output	Status	Estimated Cost	Contract Sum	Source of Funds
Construction of Cabro beach access road	Leisure lodge - Gombato Bongwe ward	No. of Beach Roads Constructed	Complete	11,000,000.00	9,925,024.38	GoK
Rehabilitation of Wasini women board walk (phase II)	Wasini-Pongwe Kikoneni Ward	No. of Board Walks rehabilitated	On-Going	6,500,000.00	6,479,922.00	GoK
Opening up, Cabro Paving of Beach Access Road	Watatu-Watano in Ukunda ward	No. of Beach Roads Constructed	Complete	12,000,000.00	11,968,218.00	GoK
Opening and Cabro Paving of Beach Access Road	Canoe-Mvureni – Kinondo Ward	No. of Beach Roads Constructed	Complete	8,500,000.00	8,415,549.00	GoK
Cabro Paving and Landscapping of Tourism Information Centre	Shimoni	No. of Community-Based Tourism Centres Developed	On-Going	3,500,000.00	3,306,557.00	GoK
Expansion of County Telephone System at County Headquarters	Tsimba-Golini Ward	No. of Telephone Headsets Deployed	On-Going	3,500,000.00	3,499,460.16	GoK
Installation of County unified Wi Fi at County Headquarters( All offices, Statistics and boardrooms)	Tsimba-Golini Ward	Operational Unified Wi-Fi	On-Going	3,500,000.00	3,490,500.00	GoK
Upgrade of Server room and Extension of Broadband of Internet Connectivity.	Msambweni County Referral Hospital-Ramisi Ward	Operational Network	Complete	5,000,000.00	4,966,006.40	GoK

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

### DEPARTMENT OF SOCIAL SERVICES AND TALENT MANAGEMENT

Project Name	Project Location	Output	Status	Estimated Cost	Contract Sum	Source of Funds
Construction of a public library at Samburu	Ward admins office-Samburu ward	Librarian office, Studying sections for children, junior and senior, reception and toilet.	Contractor on site 90% completion work done.	4,020,000	4,015,153	Consolidated Funds
Levelling of Dzombo sports field	Mwavumbo Ward	Leveling ,fixing of goal posts	Levelling work was done 30% pending work	5,000,000	4,423,215	Consolidated Funds
Construction of Toilet at Ngeyeni social hall	Mwavumbo ward	Two door toilet and urinal	Work at lental level	1,000,000	992,207	Consolidated Funds
Construction of Kwale stadium phase3	Head quarter	Construction of six terraces with capacity of 13,000 people, changing room, pitch, running tracks,boardroom and offices	Work 98% complete		36,085,368	Consolidated Funds
Proposed levelling of Kafuduni Hot stars playground	Mwavumbo ward	Levelling, and fixing of goal posts	Work 95% complete	5,000,000	4,994,380	Consolidated Funds
Construction of open terraces and a dais in Nyumba Sita sports field	Ramisi ward	Construction of open terraces, dias.	Completely done	10,000,000	9,884,269	Consolidated Funds
Proposed construction of Dias and terraces in Mvindenii sports field in	Ukunda ward	Construction of open terraces, dias.	Completely done	10,000,000	10,000,000	Consolidated Funds
Proposed renovation of Mwangulu sports field	Mwereni ward(Mwangulu trading center)	Rehabilitated field	Renovation 100% complete	7,000,000	6,883,462	Consolidated Funds
Proposed construction of Dias and terraces at Mkelekeleni sports	Kubo South ward	Constructed dias and open terraces	Work 99% complete	10,000,000	10,000,000	Consolidated Funds

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name	Project Location	Output	Status	Estimated Cost	Contract Sum	Source of Funds
Proposed levelling of Mdomo sports field	Mackinnon road (Mdomo Center)	Leveled field and portable goal posts	Work 100% complete	1,300,000	1,293,400	Consolidated Funds
Improvement of Magutu Playground in Ukunda	Ukunda ward	Levelling ,grass planting	Work completely done	5,000,000	4,907,032	Consolidated Funds
Proposed construction of Dziriphe stadium in Vanga ward	Vanga ward	Constructed stadium		36,977,030	36,977,030	Consolidated Funds
Proposed construction of carving and beads workshop for Nyango	Puma ward	Constructed five door stalls	Work 100% Complete	4,129,200	4,105,252	Consolidated Funds
Proposed construction of Kwale stadium phase III	Head quarters	Constructed terraces, offices, pitches,	Work 98% complete	255,000,000	218,494,051	Consolidated Funds
Proposed construction of Kwale stadium phase III	Head Quarters	Constructed terraces, offices, pitches,	Work 98% complete	40,000,000	38,012,527	Consolidated Funds
Proposed construction of Technical benches and rehabilitation of the soccer pitch at the Kwale stadium	Head quarters	Constructed technical benches and rehabilitated soccer pitch	Benches constructed	175,000,000	27,928,856	Consolidated Funds
Construction of kwale library phase3	Head quarters	Supply of furniture	Furniture's supplied	6,000,000	5,596,150	Consolidated Funds
Purchase of department courtesy bus	Head quarters	Courtesy bus delivered	In good condition	15,320,00	15,320,00	Consolidated Funds

**2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT**

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**DEPARTMENT OF EDUCATION**

<b>Project Name</b>	<b>Project Location</b>	<b>Output</b>	<b>Status</b>	<b>Estimated Cost</b>	<b>Contract Sum</b>	<b>Source of Funds</b>
Purchase and provision of instructional Material	All Wards	ECDE Instructional Materials distributed to all ECDE centers	Work in progress	28,249,496	28,249,496	GoK
Renovation of Matoroni ECDE	Vanga	Renovated ECDE Centre	Not started	1,991,558	1,990,520	GoK
Renovation of Kidziweni ECDE	Vanga	Renovated ECDE Centre	Work in progress	2,085,417	2,085,417	GoK
Renovation of Mudumu ECDE	Dzombo	Renovated ECDE Centre	Not started	2,500,000	2,488,838	GoK
Renovation of Mabanda ECDE	Mkongani	Renovated ECDE Centre	Not started	3,166,122	3,070,099	GoK
Purchase installation and repair of water harvesting systems	Mackinon Vanga Kubo Kinondo Ndavaya Kinango Mkongani Kasemeni Mwavumbo	Installed water harvesting system	Work in progress	5,000,000	5,000,000	GoK
Construction of toilet at Jasini ECDE centre	Vanga	Toilet constructed	Work in progress	1,500,000	1,286,658	GoK
Renovation of Nzora ECDE centre	Tsimba/Golini	Renovated ECDE Centre	Not started	3,500,000	3,485,394	GoK
Construction of Chidundumo ECDE centre	Kinango	ECDE Centre constructed	Not started	7,500,000	7,236,857	GoK
Purchase of tools and Equipment for all VTC centres	All Wards	VTCs equipped with tools and equipment	Work in progress	20,885,041	20,885,041	GoK
Renovation of two classrooms at Kinango VTC	Kinango	Two classrooms renovated	Work in progress	2,500,000	2,493,327	GoK
Construction of Phase 1 Sabrina VTC Perimeter wall	Mkongani	Perimeter wall constructed	Work in progress	6,500,000	6,228,026	GoK

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name	Project Location	Output	Status	Estimated Cost	Contract Sum	Source of Funds
Renovation of Lukore VTC 2 classrooms	Kubo South	Two classrooms renovated	Not started	2,700,000	2,678,382	GoK
Electricity connection to Vocational Training Centres	Various Wards	Electricity connected to VTCs	Work in progress	6,500,000	6,500,000	GoK
Construction of Mazeras VTC Phase Triple workshop	Kasemeni	Workshop constructed	Work in progress	6,500,000	6,308,896	GoK
VTC Grant	All Wards	Grant disbursed to VTCs	Disbursed	20,000,000	20,000,000	GoK

### DEPARTMENT OF WATER SERVICES

Project Name	Project Location	Output	Status	Estimated Cost	Contract Sum	Source of Funds
Pipeline extension from Kwa Mwololo to Chilongoni.	Kinango ward	1.5km 2" HDPE Pipeline, 2no. CWP	Ongoing	3,635,000	3,633,763	CGK
Adoption of High Density Polyethylene (HDPE) for Kibaoni Moyeni water pipeline.	Kinango ward	1.5km 8"HDPE pipeline	Complete	15,000,000	14,915,525	CGK
Pipeline extension from moyeni to kwa lukongo in kinango ward	Kinango ward	2km 2" HDPE pipeline, 2no. CWP	Ongoing	3,000,000.00	2,999,234.00	CGK
Expansion and disilting of Kakinduni dam.	Ndavaya ward	9000m3 water pan	Complete	6,000,000.00	5,850,024.00	CGK
Expansion and disilting of Magongoni dam at Mkang'ombe.	Ndavaya ward	11000m3 water pan	Complete	5,000,000.00	4,999,388.00	CGK
Rehabilitation of Bekadzo dam (concrete spillway)	Puma ward	1no. RC weir	Ongoing	8,000,000.00	7,544,424.00	CGK
Pipeline	Tiwi ward	6mtrs Water	Ongoing			CGK

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name	Project Location	Output	Status	Estimated Cost	Contract Sum	Source of Funds
extension from Simkumbe Borehole.		tower, 500m pipeline		2,000,000.00	1,983,871.00	
Rehabilitation of Ngoto Borehole and laying of pipeline to Ngowa Magodzoni.	Tiwi ward	4.8km pipeline, 4no. CWP	Complete	3,000,000.00	2,995,567.00	CGK
Drilling and equipping of a borehole at Madibwani dispensary.	Waa Ng'ombeni ward	1no.borehole	Complete	3,000,000.00	2,798,829.00	CGK
Drilling and equipping of a borehole at Mwatate in Waa-Ngombeni ward	Waa Ng'ombeni ward	1no. Borehole	Ongoing	3,000,000.00	2,999,180.00	CGK
Drilling and equipping of a borehole at Ngombeni - Moshini kwa Mzee Atta in Waa-Ngombeni ward	Waa Ng'ombeni ward	1no. borehole	Ongoing	3,000,000.00	2,997,872.00	CGK
Drilling and equipping of a borehole at Mwele in Waa-Ng'ombeni ward	Waa Ng'ombeni ward	1no. borehole	Ongoing	3,000,000.00	3,000,000.00	CGK
Rehabilitation of Magwasheni-Mbegani Pipeline, construction of supply line to Tiribe and supply and Installation of Mtsangatamu New Pump]	Mkongani ward	Mtsangatamu Genset repair	Complete	7,000,000.00	6,918,240.00	CGK
Equipping of a borehole at Kilindini	Mkongani ward	1no. Submersible pump	Ongoing	2,000,000.00	2,000,000.00	CGK

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name	Project Location	Output	Status	Estimated Cost	Contract Sum	Source of Funds
Pipeline extension from Msulwa to Majimboni.	Kubo South ward	1no. RC weir	Ongoing	5,000,000.00	4,999,159.00	CGK
Rehabilitation of Shimbahills water Supply system	Kubo South ward	Solar Repair	Complete	1,000,000.00	999,804.00	CGK
Equipping of a borehole at Mawia.	Kubo South ward	1no. Submersible pump	Ongoing	2,500,000.00	2,499,799.00	CGK
Drilling & equpping of a borehole at Kinango Ndogo.	Kubo South ward	1no. Borehole	Ongoing	4,000,000.00	3,998,408.00	CGK
Installation of solar powere pump at Manyatta borehole.	Kubo South ward	1no. Submersible pump	Complete	3,000,000.00	2,996,280.00	CGK
Lutsangani - Mbande - Chidzipwa pipeline extension	Mwavumbo ward	1.5km 2" HDPE Pipeline, 2no. CWP	Complete	4,000,000.00	3,998,542.00	CGK
Construction of Silaloni Dam Phase III: Pipeline extension.	Samburu Chengoni ward	1.3km 3' HDPE pipeline, 100m3 masonry tank	Ongoing	5,000,000.00	4,996,657.00	CGK
Pipeline Extension from Mulika Mwizi to Kwa Kaderu	Mackinnon Rd ward	Pipeline extension	Not yet started	3,473,000.00	2,999,900.00	CGK
Construction of water tower at Kizingo irrigation scheme.	Mackinnon Rd ward	Pipeline rehabilitation Malomani - Mulunguni	Ongoing	2,000,000.00	1,995,200.00	CGK
Mazeras Mabirikani-Mwamdudu water pipeline.	Kasemeni ward	2.5km 2"HDPEpipeline, 2no. CWP	Ongoing	5,000,000.00	3,999,014.00	CGK
Mazeras Mission Off-take	Kasemeni ward	Off-take improvement	Complete	2,000,000.00	2,992,991.00	CGK
Extension of water pipeline from Marigiza	Ramisi ward	2km 2" HDPE pipeline, 3no. CWP	Ongoing	4,000,000.00	4,000,000.00	CGK

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name	Project Location	Output	Status	Estimated Cost	Contract Sum	Source of Funds
water tower to Madzokani, Voroni and Muembeni.						
Drilling & equipping of a borehole at Majimoto	Dzombo ward	1no. Borehole	Ongoing	2,384,000.00	2,383,626.00	CGK
Pipeline extension from Mkuduru A borehole.	Dzombo ward	1.5km 2" HDPE Pipeline, 2no. CWP	Ongoing	4,000,000.00	3,997,685.00	CGK
Drilling and equipping of Mangwei Dispensary Borehole.	Pongwe Kikoneni ward	1no. Borehole	Ongoing	3,000,000.00	2,995,707.00	CGK
Drilling and equipping of Mwahoa Borehole.	Pongwe Kikoneni ward	1no. Borehole	Ongoing	3,500,000.00	3,498,455.00	CGK
Construction of water tower at Dzuho ra Mawe in Mwereni ward	Mwereni ward	50m3 clear water masonry tank	Ongoing	3,000,000.00	2,992,400.00	CGK
Drilling and equipping of a borehole with water tower at Magongoni-Kigaleni.	Kinondo ward	1no. Borehole, 6m RC 4column tower	complete	5,000,000.00	4,959,603.00	CGK
Pipeline Extension from Mwakayamba Borehole	Kinondo ward	Pipeline extension	Ongoing	1,500,000.00	1,500,000.00	CGK
Solarization of wells and rehabilitation of 2km pipeline in Gazi.	Kinondo ward	2km 2" HDPE pipeline, Water tower	Ongoing	4,000,000.00	3,998,542.00	CGK

**Source:** *Water services Sector*

### DEPARTMENT OF ROADS AND PUBLIC WORKS

Project Name & Location	Description of activities	Estimated Cost	Target	Achievement	Contract Sum	Actual Cumulative Cost	Status	Remarks
Upgrading to Bitumen Standard of Vinuni - Tiwi	Upgrading to Bitumen Standard of	35,000,000	1	0	226,138,864	35,000,000	15%	in progress

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name & Location	Description of activities	Estimated Cost	Target	Achievement	Contract Sum	Actual Cumulative Cost	Status	Remarks
Sokoni Road - Phase II	Road							
Cabro paving of Milalani - Vidungeni Rd in Ramisi ward	Cabro paving of a Road	8,606,593	1	1	8,657,401	8,606,593	100%	complete
Grading and murraming of Eshu-Ganzore road with culverts in Ramisi ward	Grading and murraming of a rd with culverts	5,922,078	1	1	5,922,206	5,922,078	100%	complete
Rehabilitation and murraming of Muhaka-Kigaleni road in Kinondo ward	Rehabilitation and murraming of a road	5,795,112	1	1	5,996,864	5,795,112	100%	complete
Murraming and culverting of Kidomaya to Lunga Lunga road vanga ward	Murraming and culverting a road	7,242,576	1	1	7,250,696	7,242,576	100%	complete
Rehabilitation & Murraming Vitsangalaweni/Kwa Masai Road in Dzombo ward	Rehabilitation & Murraming a Road		1	1	7,469,620	-	100%	complete
Murraming of Mamba-Nguluku road in Dzombo ward	Murraming of a rd	3,999,565	1	1	4,000,000	3,999,565	100%	complete
Grading and murraming of Mahoyo -Shamba Jipya road in Dzombo ward	Grading and murraming of a rd	9,328,221	1	1	9,329,880	9,328,221	100%	complete
Opening and Grading of Chikuyu A to Chikuyu B Road in Kasemeni ward	Opening and Grading of Road	3,997,151	1	1	3,997,476	3,997,151	100%	complete
Cabro paving of Kigato- Mng'ongoni road in Waa/Ngo'mbeni ward	Cabro-Paving of a road	8,078,255	1	1	18,316,881	18,186,881	100%	complete
Cabro-Paving of Waa Stage to Waa Dispensary road in Waa/Ngo'mbeni ward	Cabro-Paving of a road	6,252,834	1	1	6,480,237	6,252,834	100%	complete
Cabro paving and streetlighting from Waa-Mbweka road in Waa/Ngo'mbeni ward	Cabro paving and streetlighting road		1	0	18,014,699	-	76%	delayed payments
Installation of floodlight at Ngoto village in Tiwi ward	Installation of floodlight	1,498,111	1	1	1,498,894	1,498,111	100%	complete

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name & Location	Description of activities	Estimated Cost	Target	Achievement	Contract Sum	Actual Cumulative Cost	Status	Remarks
Installation of solar powered from Kisimachande to Mwaembe Hospital in Ramisi ward	Installation of floodlight	1,470,416	1	1	1,471,158	1,470,416	100%	complete
Installation of 20 metres height floodlight at Kiuzini Kwa Naran in Kinondo ward	Installation of floodlight	1,497,463	1	1	1,498,024	1,497,463	100%	complete
Opening, grading and construction of a drift at Masindeni to Magomani to Mtambwe Road in Kinondo ward	Rehabilitation of county access road	-	1	1	5,997,272	-	100%	completed
Installation of floodlight at Mshiu in Pongwe/Kikoneni ward	Installation of floodlight	1,499,281	1	1	1,500,000	1,499,281	100%	complete
Grading and Murraming of Tiribe - Mzinji - Mtsamviani Rd in Mkongani ward	Rehabilitation of county access road	6,065,211	1	1	6,102,760	6,065,211	100%	complete
Rehabilitation of county access road: Jimbo rd -KRB in Vanga Ward	Rehabilitation of county access road	-	1	0	11,254,162	-	0%	on going
Rehabilitation of Odessa -Matumizi-Kwa Mama Betty-N'ngori road in Ukunda ward	Rehabilitation of county access road	-	1	0	2,611,286	-	0%	on going
Murraming of Ajab Godown (Mvinden) - Kwa Mufyu road in Ukunda ward	Murraming of a rd	-	1	1	2,499,800	2,498,966	100%	completed
Murraming of Kingwede kwa Chief - Mivumoni beach road with support from county machinery in Ramisi ward	Murraming of a rd	-	1	1	1,948,220	1,806,035	100%	completed
Cabro paving of Bomani kwa Soro - Vidungeni - Milalani road in Ramisi ward	Cabro paving of road	-	1	1	5,493,065	4,105,372	100%	completed
Cabro paving of Msambweni Hospital Beach park road in Ramisi ward	Cabro paving of road	-	1	1	4,999,310	-	100%	in progress
Cabro paving of Maganyakulo -	Cabro paving of road	-	1	1	2,681,057	2,681,057	100%	completed

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name & Location	Description of activities	Estimated Cost	Target	Achievement	Contract Sum	Actual Cumulative Cost	Status	Remarks
Mabatani road in Waa Ng'ombeni								
Cabro paving of Sokoni-Tiwi rural health centre road in Tiwi ward	Cabro paving of road	-	1	1	11,801,290	8,151,453	100%	completed
Road opening: Kitengerwa to Mashambi road using county machinery in Mkongani ward	Road opening of a rd	-	1	1	1,963,880	1,945,320	100%	completed
Opening and gravelling of Checkpoint-Msulwa in Kubo south ward	Road opening of a rd	-	1	1	5,995,274	5,956,878	100%	completed
Road opening: Kibandaongo - Dzendereni - Boyani in Kinango ward	Road opening of a rd	-	1	1	4,933,271	4,850,589	100%	completed
Murraming of Ngurugani - Mbuyuni road in Kasemeni ward	Muramming of County access road	-	1	1	3,994,170	3,994,170	100%	completed
Provision of Murram for selected county roads	Muramming of County access road	-	1	0	4,000,000	-	0%	Tendered current Financial year 2024/25
Road opening of Dzovuni - Chibuga-Yapha - Kibandaongo rd in Kinango ward	Road opening of a rd	-	1	1	1,999,376	1,998,378	100%	completed
Murraming of Mabokoni-TUM University-Blue Jay Road in Gombato/Bongwe ward-KRB	Muramming of County access road	-	1	1	1,224,088		100%	completed
Upgrading of Mafisini to Magodi roads with two drifts and culverts in Ramisi ward - KRB	Upgrading of roads	-	1	1	5,605,700	4,763,060	100%	completed
Cabropaving of Sokoni-Mkoyo-Kirima-Amani Beach road in Tiwi ward- KRB	Cabropaving of road	-	1	1	5,000,706	4,971,911	100%	completed
Murraming of Vuga Tingeti Dima road in Tsimba/Golini ward -KRB	Muramming of County access road	-	1	1	4,566,484	4,543,139	100%	completed
Gravelling and culverts Kiranze-	Gravelling and culverts a	-	1	1	2,174,888	-	100%	completed

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name & Location	Description of activities	Estimated Cost	Target	Achievement	Contract Sum	Actual Cumulative Cost	Status	Remarks
Mwamtsefu-Manda road in Mwereni ward-KRB	road							
Rehabilitation and Gravelling of Mwangwei-Majoreni Road in Pongwe/ Kikoneni ward-KRB	Rehabilitation and Gravelling of a Road	-	1	1	1,934,582	-	100%	completed
Murraming: Kinango - Amkeni road in Kinango ward - KRB	Muramming of County access road	-	1	1	1,701,596	-	100%	completed
Gravelling of Mwachanda - Mbita rd and installation of drifts before kwa Ruaka and Kakuphani in Ndavaya ward-KRB	Gravelling of a rd	-	1	1	5,409,544	5,378,224	100%	completed
Murraming & drifting of Mwabila-Katsimbalwena road in Mwavumbo ward-KRB	Muramming of County access road	-	1	1	5,349,340	5,349,340	100%	completed
Construction of drifts at Kwa Mgutu & Kwa Ngoloma in Mwavumbo ward-KRB	Construction of drifts	-	1	1	5,228,410	5,224,408	100%	completed
Rehabilitation of Bofu - Guro - Deriya Mnavu Road. And Culverts/ drift installation at Pangani and Kwa Jawa in Kasemeni ward-KRB	Rehabilitation a road	-	1	1	3,921,554	3,920,684	100%	completed
Construction of streetlights at Colorado-Mwisho wa lami road in Kinondo ward	Construction of streetlights	1,499,886	1	1	1,499,927	1,499,886	100%	completed
Installation of floodlight at Mgera in Vanga Ward	Installation of floodlight	-	1	1	1,498,293	1,482,120	100%	completed
Cabro paving of Galu Primary to Neptune road	Cabro paving of a Rd	-	1	1	7,888,394	7,885,007	100%	completed
Cabro paving of Tatu Bila - Bomani Rd in Ramisi ward	Cabro paving of a Rd	-	1	1	9,530,110	9,381,537	100%	completed
Rehabilitation of Lunguma-Mteza road	Rehabilitation of a County access Road	-	1	1	5,853,086	5,844,938	100%	completed
Opening of	Opening of a		1	1			100%	completed

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name & Location	Description of activities	Estimated Cost	Target	Achievement	Contract Sum	Actual Cumulative Cost	Status	Remarks
Pumwani - Gwadu road in Mkongani ward	Rd	-			6,731,712	6,724,984		
Rehabilitation of Tshuni - Mbandi Rd	Rehabilitation of a County access Road	-	1	1	3,191,150	3,013,000	100%	completed
Village unit in Kinango ward								
Opening of Bumburi - Mdomo - Dzivani - Sakake	Opening of a	-	1	1	4,995,888	4,994,554	100%	completed
Rd in Mackinon Road ward	Rd							
Rehabilitation of Maziani - Chengoni - Mtulu Rd in Samburu Chengoni ward	Rehabilitation of a County access Road	-	1	0	5,840,600	-	0%	in progress
Rehabilitation of Kwa Mwanjira-Mlola road	Rehabilitation of a County access Road	-	1	1	3,998,636	3,989,959	100%	completed
Rehabilitation of Mtsangatifu-Dzombo-Kwa Katana-Vuto-Pemba Road in Mwavumbo ward	Rehabilitation of a County access Road	-	1	1	7,609,132	7,604,380	100%	completed
Construction of a Fire Station at Kombani Phase II	Construction of a Fire	-	1	1	8,930,509	8,930,509	100%	completed
Kenya Forest Services Licensing Fees for Jimbo road in Vanga ward	Kenya Forest Services Licensing Fees	-	1	1	4,262,428	4,262,428	100%	completed
Environmental and Social Impact Assessment	Environmental and Social Impact Assessment	-	1	1	1,950,000	1,950,000	100%	completed
Hire of machinery & murraming of Kona ya Maasai Shimba Hills	Street lights installation.	4,980,889	1	1	4,992,060	4,980,889	100%	completed
Phase 2-Matuga - KSG streetlights extension in Waa Ng'ombeni ward	Street lights installation.	-	1	1	1,998,989	1,993,936	100%	completed
Installation of solar powered streetlights from Sawasawa-Balbowa in Ramisi ward	Street lights installation.	-	1	1	1,999,692	1,987,284	100%	completed
Installation of solar powered streetlights from Kisite-Nice View road in Ramisi ward	Street lights installation.	-	1	1	1,995,566	1,987,185	100%	completed
Construction of solar powered	Street lights installation.	-	1	1	1,787,050	1,769,116	100%	completed

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name & Location	Description of activities	Estimated Cost	Target	Achievement	Contract Sum	Actual Cumulative Cost	Status	Remarks
streetlights from Mwachema-Tiwi Hospital Road								
Installation of streetlights from Maganyakulo to Chitsakamatsa (Site for blue Economy College) in Waa/Ng'ombeni ward	Street lights installation.)	-	1	1	1,990,518	1,978,185	100%	completed
Installation of streetlights Vigurungani Hospital - Police Station - Main Rd in Puma ward	Street lights installation.	-	1	1	1,400,000	1,400,000	100%	completed
Putting of street lights at Mackinnon Road Centres in Mackinnon ward	Street lights installation.	-	1	1	1,997,273	1,990,139	100%	completed
Installation of streetlights at Pemba trading centre in Mwavumbo ward	Street lights installation.	-	1	1	1,906,927	1,900,180	100%	completed
Street lights from Mjimkubwa to Mnyenzi Hospital in Kasemeni ward.	Street lights installation.	-	1	1	1,999,280	1,990,480	100%	completed
Streetlights extension at Samburu town in Samburu Chengoni ward	Streetlights extension	-	1	1	2,493,173	2,488,686	100%	completed
Flagship Project 1: Upgrading to Bitumen Standard of Mkilo - Kalalani - Mavirivirini Road - Phase III	Tarmacking of Road	38,418,332	1	0	266,638,692	38,418,332	14%	in progress
Flagship Project 3: Upgrading to Bitumen Standard of Mwangwei-Majoreni road	Tarmacking of Road	-	1	0	97,164,481	30,000,000	31%	in progress
Flagship Project 4: Fire Station - Phase II	Establishment of a fire station	-	1	0	9,999,440	-	0%	in progress
Flagship Project 5: Mechanical Workshop - Phase II	Establishment of Mechanical workshop	-	1	0	9,857,622	-	0%	Terminated
Tarmacking of Kona Ya Police to Msambweni Referral Hospital Road	Tarmacking of Road	-	1	0	74,755,083	18,637,704	25%	in progress

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name & Location	Description of activities	Estimated Cost	Target	Achievement	Contract Sum	Actual Cumulative Cost	Status	Remarks
Grading and murraming of Kidzumbani-Gongonda road in Ramisi ward	Grading and murraming of road	-	1	1	3,953,860	3,952,781	100%	completed
Opening and grading of Chungani-Mwagundu road in Ramisi ward	Opening and grading of road	-	1	1	3,985,760	3,985,615	100%	completed
Murraming and grading of Ngoro Kiuriro road in Ramisi ward	Muramming of County access road	-	1	1	2,992,990	2,984,652	100%	completed
Murraming of Galu-Kigugumo Road in Kinondo Ward	Muramming of County access road	-	1	0	3,347,950		0%	in progress
Opening and murraming of 2kilometres road from Kizimu Kazi to Shine Yetu in Kinondo ward	Muramming of County access road	-	1	1	4,907,380		100%	complete
Murraming of Gazi-Bandarini road in Kinondo ward	Muramming of County access road	-	1	1	4,000,000	3,999,993	100%	completed
Murraming of Mkwambani/Maramba to Magomani Road in Kinondo Ward	Muramming of County access road	-	1	0	4,976,156		0%	in progress
Opening of Vukani-Mlungunipa road in Gombato /Bongwe ward	Opening of road	-	1	0	4,994,550		0%	in progress
Grading and Gravelling of Kibiboni to Kikoneni centre in Pongwe Kikoneni ward	Grading and Gravelling	-	1	0	3,498,560		0%	in progress
Grading and gravelling Masimbani to Mwandeo and Mwauga to Mabafweni road with an extension to Masimabi primary school in Pongwe/Kikoneni ward	Grading and gravelling	-	1	1	4,999,252	-	100%	completed
Grading and spot murraming of Marenje to Mwavumbe road in Dzombo ward	Muramming of County access road	-	1	0	6,233,260	-	0%	in progress

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name & Location	Description of activities	Estimated Cost	Target	Achievement	Contract Sum	Actual Cumulative Cost	Status	Remarks
Murraming Mwangulu - Kilimangodo road in Mwereni ward	Muramming of County access road	-	1	1	5,996,794	-	100%	complete
Rehabilitation of Matsutsuni Mbuluni Kifyonzo Miatsani road in Ndavaya Ward	Rehabilitation of County access road	-	1	1	6,975,892	6,974,732	100%	complete
Rehabilitation of Mwangoni - gulanze road in Ndavaya Ward	Rehabilitation of County access road	-	1	1	6,041,570	6,040,451	100%	complete
Rehabilitation of Mwalukombe - Mwalukombe Girls Secondary School Ndavaya ward	Rehabilitation of County access road	3,997,082	1	1	3,998,322	3,997,082	100%	complete
Opening and grading of Mdomo-Dzivani-Jeza-Sakake-Busho road in Macknon rd ward	Opening of a Rd	-	1	0	5,978,060	-	0%	in progress
Rehabilitation of Mulunguni-Kizingo-Makamini-Kituu road in Macknon rd ward	Rehabilitation of County access road	-	1	1	5,998,650	-	100%	complete
Opening of Taru Minazini - Fuleye - Mbegani - Magale Rd in Macknon rd ward	Opening of a Rd	-	1	0	3,933,908	-	0%	in progress
Opening of Bahakwenu - Dzoyagenu - Kiwanjani Kaporojoni Rd in Macknon rd ward	Opening of a Rd	-	1	1	3,999,877	3,993,741	0%	complete
Muramming of Mavirivirini – Maweu - Pemba road in Mwavumbo ward	Muramming of County access road	-	1	1	6,394,500	6,394,500	100%	complete
Opening ,Heavy grading,Murraming ,Culverts and drifting of Mwanda dispensary -Gobwe road in Mwavumbo ward	Opening ,Heavy grading,Murraming ,Culverts and drifting of a road	-	1	1	6,213,656	6,211,828	100%	complete
Muramming of Mnavuni-Magongo Tisa-Mavirivirini road in Mwavumbo ward	Murraming of a road	-	1	1	6,306,920	6,296,480	100%	complete
Graveling of Mtaa - Mbujaani road in	Graveling of County access	-	1	1	7,251,914	7,249,246	100%	complete

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name & Location	Description of activities	Estimated Cost	Target	Achievement	Contract Sum	Actual Cumulative Cost	Status	Remarks
Kasemeni Ward	road							
Murraming of Vikolani-Bofu road in Kasemeni Ward	Murraming of a road	-	1	1	5,999,612		100%	complete
Opening of feeder road from Chiphangani-Shaurimoyo-Sagalato to Dzendereni (Mawe Gandulu) in Kinango ward	Road Opening	-	1	1	3,966,063	3,963,975	100%	complete
Proposed relocation of floodlights at kinango(3no.) in Kinango ward	Proposed relocation of floodlights at kinango(3no.)	-	1	1	1,996,619		100%	complete
Murraming and Rehabilitation of Deri - Mwangoloto - Kanyumbuni - Bwaga Road in Samburu/ Chengoni	Murraming of a road	-	1	1	5,828,420	5,825,520	100%	complete
Murraming and Rehabilitation of Deri - Mwangoloto - Kanyumbuni - Bwaga Road in Samburu/ Chengoni	Murraming of a road	-	1	1	3,990,400	3,990,400	100%	complete
Installation of 20Mtr solar powered floodlight at Busho in Mackinon Road ward	Installation of floodlight	-	1	1	2,498,734	2,496,517	100%	complete
Cabro paving of Kombani Kwa Chief to Mtsangatifu road	Cabro paving a Road	-	1	1	6,419,660	6,412,786	100%	complete
Cabro paving of Gulf-Cooperative Road around St. Joseph Catholic Primary School	Cabro paving a Road	-	1	1	4,998,099		100%	complete
Cabro paving of Kombani-Zote Road	Cabro paving a Road	-	1	1	7,927,976	7,913,827	100%	complete
Tarmacking of a Section of vyongwani-Lunguma Road at Vyogwani dispensary in Tsimba Golini	Tarmacking of a rd	30,310,642	1	0	94,568,509	30,310,642	79%	in progress
Installation of floodlight mast at Makondeni Village in Waa/Ngo'mbeni	Installation of floodlight mast	-	1	1	1,999,999		100%	complete

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name & Location	Description of activities	Estimated Cost	Target	Achievement	Contract Sum	Actual Cumulative Cost	Status	Remarks
ward								
Murraming of Kwa Mwanyoha - Magodzoni road in Tiwi ward	Murraming of a road	-	1	1	6,506,440	6,487,781	100%	complete
Opening of Kasemeni-Kizingo ECDE -Hillpark road in Tiwi ward	Opening of a road	-	1	1	3,650,404	3,641,181	100%	complete
Installation of floodlight at Kirima in Tiwi ward	Installation of floodlight	1,471,876	1	1	1,472,792	1,471,876	100%	complete
Installation of floodlight at Kirudi village in Tiwi ward	Installation of floodlight	-	1	1	1,499,873	1,498,952	100%	complete
Installation of Floodlight at Simkumbe Village in Tiwi ward	Installation of Floodlight	-	1	1	1,739,632	1,738,005	100%	complete
Installation of Floodlight at Canoe Town in Kinondo Ward	Installation of Floodlight	1,499,281	1	1	1,499,949	1,499,281	100%	complete
Rehabilitation of Mangawani Mkanda dam Maphombe road	Rehabilitation of roads	-	1	0	6,791,800	-	0%	in progress
Rehabilitation of Mkundi Majimoto road	Rehabilitation of roads	-	1	1	2,999,999	2,999,999	100%	complete
Rehabilitation of Katangini-Kinango Ndogo with culverts in Kubo South ward	Rehabilitation of roads	-	1	0	2,300,000	-	0%	in progress
Rehabilitation of Burani-Mwamtobo-Zion road in Mkongani ward	Rehabilitation of roads	-	1	0	9,851,126	-	0%	in progress
Survey and Demarcation of County Roads	Survey and Demarcation	-	1	1	2,999,999	2,999,998	100%	complete
Extension of Street lights along Kona ya Jadini - Lotfa-Beach road	Installation of floodlight	3,997,813	1	1	3,999,116	3,997,813	0%	complete
Cabropaving of Main road to Mwakigwena Primary School Entrance	Cabropaving of Main road	-	1	1	2,999,127	2,916,015	100%	complete
Erection of a floodlight at Tangulia market centre	Installation of floodlight	-	1	1	1,999,943	1,999,322	100%	complete
Installation of floodlight at Mwachande in	Installation of floodlight	-	1	1	1,995,467	1,980,133	100%	complete

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name & Location	Description of activities	Estimated Cost	Target	Achievement	Contract Sum	Actual Cumulative Cost	Status	Remarks
Ramisi ward								
Installation of a floodlight at Mwamanga Giriama	Installation of floodlight	-	1	1	2,000,000	1,984,557	100%	complete
Installation of a floodlight at Magic around Mwaroni	Installation of floodlight	-	1	1	1,999,347	1,998,709	100%	complete
Installation of a floodlight at Darad near Veterinary	Installation of floodlight	1,998,245	1	1	1,999,634	1,998,245	100%	complete
Installation of floodlight at Tswaka trading center in Pongwe/Kiconeni ward	Installation of floodlight	-	1	0	1,997,784		0%	in progress
Installation of floodlight at Majoreni centre in Pongwe/Kiconeni ward	Installation of floodlight	-	1	1	2,000,000	1,998,270	100%	complete
Installation of floodlight at Kidimu in Pongwe/Kiconeni ward	Installation of floodlight	-	1	1	1,499,135	-	100%	complete
Installation of floodlight at Mamba market in Dzombo ward	Installation of floodlight	-	1	1	1,999,796	1,999,301	100%	complete
Installation of floodlight at Menzamwenye trading center	Installation of floodlight	-	1	1	1,499,423	1,498,880	100%	complete
Erection of flood lights for Mwena in Mwereni ward	Installation of floodlight	-	1	1	1,499,423	1,498,967	100%	complete
Installation of floodlight at Kilimangodo trading center	Installation of floodlight	-	1	1	1,499,480	1,498,909	100%	complete
Installation of floodlight at Bishop Kalu Dispensary in Puma ward	Installation of floodlight	-	1	1	1,482,550	-	100%	complete
Installation of floodlight at Moyeni Trading Centre	Installation of floodlight	1,995,885	1	1	1,999,195	1,995,885	100%	complete
Installation of street light at Samburu town	Installation of floodlight	-	1	1	3,999,581	3,998,860	100%	complete
Installation of floodlight at Mwachanda in Ndavaya ward	Installation of floodlight	-	1	1	1,050,000	-	0%	in progress

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name & Location	Description of activities	Estimated Cost	Target	Achievement	Contract Sum	Actual Cumulative Cost	Status	Remarks
Installation of streetlights at Meli Kubwa Town to KENHA market in MacKinnon rd ward	Installation of streetlights	4,995,598	1	1	4,996,398	4,995,598	100%	complete
Installation of floodlight at Tiwi Sports London Mwakulo	Installation of floodlight		1	1	1,500,000	1,497,981	100%	complete
Installation of floodlight at Mtsamviani Trading Centre in Mkongani ward	Installation of floodlight	1,499,807	1	1	1,500,000	1,499,807	100%	complete

### DEPARTMENT OF PUBLIC SERVICE AND ADMINISTRATION

Project Name	Location	Output	Status	Estimated Cost	Source of funds
Purchase of Steel Skip Bins(16) areas outside Municipality	All wards	Steel skip Bins	Tendering process	2,096,210	Gok
Renovation of Dzombo ward office	Dzombo ward	Office rehabilitated	Project Cancelled	3,000,000	Gok
Construction of a County Administrative office at Mackinon	MacKinnon Ward	Office Constructed	Project Cancelled	15,000,000	Gok
<b>TOTAL</b>				<b>20,096,210</b>	

### KWALE MUNICIPALITY

Project Name	Location	Output	Status	Contract Sum	Budget (KES)	Amount Paid (KES)	Source of Funds
Construction of Perimeter Wall and Toilet for Kwale Baraza Park	Kwale	Perimeter Wall Constructed	On Going at Around 55%	17,828,165	19,000,000	9,825,345	GoK
Approved Floodlight at the Junction of Kwale High and Seminary Secondary School.	Kwale	Floodlight Installed	Project Done and Paid	3,998,500	4,000,000	3,998,500	GoK

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Tarmacking of National Cereals and Produce Board-Godoni Road Phase II	Kwale	Road Tarmacked	On Going at Around 30% Now.	147,441,525	61,704,931	44,327,303	GoK
Approved Baraza Park Landscaping, Cabro paving and installation of streetlights (	Kwale	Road Cabro Paved	Project Done and Paid	7,994,356	7,994,356	7,994,356	GoK
Consultancy for ( ESIA) for the approved upgrading to bitumen standards of the KFS-Godoni-Chitsanze road Kwale municipality project	Kwale	Consultancy Services Offered	Project Done and Paid	398,452	398,452	398,452	GoK
Supply and delivery of skip bins	Kwale	Bins Supplied	Project Done and Paid	3,420,000	3,420,000	3,420,000	GoK
Approved street lighting and floodlight in Kwale town	Kwale	Streetlight Installed	Project Done and Paid	3,000,000	3,000,000	2,985,318	GoK
<b>TOTAL</b>				<b>184,080,998</b>	<b>99,517,739</b>	<b>72,949,273</b>	

### DIANI MUNICIPALITY

Project Name	Location	Status	Contract Sum	Budget (KES)	Amount Paid	Source of Fund
Cabro paving of Bahari dhow beach access road	Ukunda Ward	completed	11,460,000	11,460,000	11,277,230	GoK
Streetlights Beach Road (Swahili beach to Neptune)	Ukunda Ward	completed	14,600,000	14,600,000	-	GoK
Murraming of Mabu River/ Hill park road	Ukunda Ward	completed	6,700,000	6,700,000	5,954,373	GoK
Construction of Bus park phase 11	Ukunda Ward	At cabro paving stage	20,000,000	20,000,000	7,046,225	GoK
Installation of Bill Board	Ukunda Ward	Bill Board not erected	26,342,237	26,342,237	22,706,459	GoK
<b>TOTAL</b>			<b>79,102,237</b>	<b>46,984,287</b>		

### KINANGO MUNICIPALITY

Project Name	Location	Status	Contract Sum	Budget (KES)	Amount Paid (KES)	Source of Funding
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## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

Project Name	Location	Status	Contract Sum	Budget (KES)	Amount Paid (KES)	Source of Funding
Provision of Cleaning Services within Timboni, Soweto and Dzitenge	Kinango Ward	Completed	2,479,000	2,500,000	1,214,705	CGK
Design and Development of Kinango waste Management Centre	Kinango Ward	On Going	9,238,050	9,600,000	0.00	CGK
Consultancy services (ESIA) for proposed Kinango municipality waste management and Cemetery	Kinango Ward	Completed	2,275,280	2,400,000	0.00	CGK
Kinango Town Beautification	Kinango Ward	Completed	3,152,880	3,500,000	3,152,880	CGK
Provision of Cleaning Services	Kinango Ward	Completed	2,497,000	2,500,000	1,225,440	CGK
Kinango Municipality Strategic planning	Kinango Ward	Completed	1,998,811	2,000,000	0.00	CGK
<b>TOTAL</b>			<b>20,410,651</b>	<b>22,300,000</b>	<b>20,410,651</b>	

### LUNGALUNGA MUNICIPALITY

Project Name	Location	Status	Contract Sum	Budget (KES)	Amount Paid	Source of Funds
Rehabilitation and Maintenance of Ziwani-Lungalunga Market road	LungaLunga Ward	On Going	7,783,763	7,800,000	6,051,611	GoK
Development of waste collection infrastructure/Skip bins	LungaLunga Ward	Completed	4,897,000	5,000,000	2,497,000	GoK
Purchase of Skip Loader	LungaLunga Ward	Completed	14,737,000	15,600,000	14,737,000	GoK

## 2025 COUNTY BUDGET IMPLEMENTATION REVIEW REPORT

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Installation of a Floodlight at Lungalunga market	LungaLunga Ward	Completed	3,500,000	3,500,000	3,500,000	GoK
<b>TOTAL</b>			<b>30,917,763</b>	<b>31,900,000</b>	<b>26,785,611</b>	

Source: Lunga-Lunga Municipality