



**REPUBLIC OF KENYA
THE NATIONAL TREASURY AND PLANNING**

STRATEGIC PLAN

2018/19 – 2022/23

**Sustained Socio-Economic Transformation for Job Creation and
Shared Prosperity**

May, 2020



VISION, MISSION AND CORE VALUES

Vision

“Excellence in economic and public financial management, and development planning”

Mission

“To provide leadership in economic and public financial management, and development planning for shared growth through formulation, implementation and monitoring of economic, financial and development policies”

Core Values

The National Treasury and Planning is committed to providing quality services to all and is guided by the following Core Values;

i. Customer focus

We put our customers first and continuously provide timely and quality services that match or exceed their expectations.

ii. Results oriented

The National Treasury and Planning shall relentlessly pursue timely attainment of targeted results at all levels

iii. Stakeholder participation

We adopt a participatory approach to policy formulation, planning, budgeting, monitoring and evaluation to facilitate inclusiveness, ownership and consensus.

iv. Professionalism and Ethical Practices: All staff shall uphold high moral standards and professional competence in service delivery.

v. Transparency and Accountability

We uphold transparency and accountability in service delivery.

vi. Teamwork and commitment

We embrace team work and commitment through collaborative efforts of all actors to achieve common goals.





Always plan ahead.

*It wasn't raining
When Noah built the ark.*

– Richard Cushing

FOREWORD



Consistent with Kenya's aspiration to be a globally competitive and prosperous country with a high quality of life by 2030, the Government has put in place robust economic and structural transformation policies and strategies. These efforts consolidate achievements and lessons learnt from the Second Medium-Term Plan (MTP II) of the Kenya Vision 2030. The National Treasury and Planning through its Strategic Plan 2013/14- 2017/18 has been instrumental in this transformation; it spearheaded policy execution that maintained macroeconomic stability, facilitated enhanced investment in infrastructure, expedited the implementation of Public Financial Management reforms, ensured steady growth in fiscal transfers to County Governments and, in liaison with various stakeholders, oversaw improved ease of doing business that enabled Kenya move up 68 positions from 129 in 2013 to 61 in 2018.

In the same period, the National Treasury and Planning also continued to provide strategic leadership and operational support in National and County Development Planning, capacity enhancement on public financial management and intergovernmental relations, and ensured comprehensive reporting on public expenditure. On the International Cooperation front, it enhanced Kenya's position as a preferred investment destination through effecting a series of international and regional agreements on trade and investment financing.

Despite these gains, the period fell short in its overall target of ensuring sustained economic growth from 5.9% in 2013 to 7% in 2018 anticipated by the above priorities. The downside

scenario is mainly attributable to a less than expected growth in key sectors including manufacturing and exports. Nonetheless, these expectations will be more evident going forward as investments and initiatives for transformation begin to transcend their anticipated lags.

In recognition of the challenges in sustaining the growth momentum, the Strategic Plan 2018/19-2022/23 aligns the policy goals, priority programmes and fiscal framework to support achievement of the objectives of the Third Medium Term Plan (MTP III) and ultimately the Vision 2030. Particular focus is paid to the need for accelerating job creation through manufacturing, improving food and nutrition security, achieving universal health coverage, and supporting affordable housing for Kenyans. Accordingly, this Strategic Plan is prepared under the theme ***“Sustained socio-economic transformation for job creation and shared prosperity”*** and augments the enablers under the Vision 2030 and Sustainable Development Goals (SDGs). In supporting these commitments, the Strategic Plan will focus and place priority on enhancement of enablers such as macroeconomic stability, sustainable financial resource mobilization, effective planning and budgeting, organizational capacity strengthening, prudent allocation and utilization of resources as well as improved intergovernmental fiscal relations and ease of doing business environment.

Notable strategies in the Plan will be the implementation of Public Investment Management (PIM) under the Public Finance Management Act to streamline the initiation, execution and delivery of public investment projects. This is in line with the Government's efforts to increase efficiency, effectiveness, transparency, and accountability of public spending. Additional measures include: leveraging innovations around digital finance, positioning Nairobi as an International Financial Hub and deepening of capital markets. Other important actions include strengthening the framework for enhancing County Governments' Own-Source Revenue and modalities for expanding funding of urban areas and cities, exploitation of opportunities in the Climate Finance Action, and

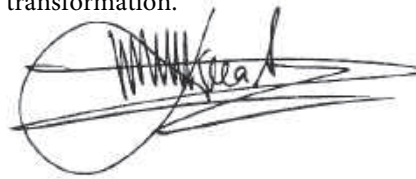


diversifying funding sources including the deployment of Public Private Partnership arrangements in funding infrastructural projects, among others.

Although the National Treasury and Planning is devoted to ensuring that these national commitments are achieved, I acknowledge the immense demand for resources that will be required in actualizing the commitments. Accordingly, we will provide policy direction for enhancing revenue collection including continued investment in technology geared towards automating tax and financial services in order to seal revenue and expenditure leakages. Further, we will ensure effective coordination of monetary and fiscal policies, strengthen the linkage between planning and budgeting and continued

commitment to ensuring prudent borrowing and debt management for overall macroeconomic stability.

This Strategic Plan, therefore, provides the National Treasury and Planning with the necessary framework for executing its core mandate and in tracking the performance of commitments against set targets towards the envisioned socio-economic transformation.



Hon. (AMB.) Ukur Yatani, EGH
Cabinet Secretary,
National Treasury and Planning



PREFACE



This is the Fourth-Generation Strategic Plan for the National Treasury and Planning, following three previous strategic plans for the periods 2004/05 – 2007/08, 2008/09 - 2012/13 and 2013/14 - 2017/18. The Strategic Plan aims at enabling the National Treasury and Planning achieve the objectives of the Third Medium Term Plan (MTP III) of the Kenya Vision 2030 and its Sector Plans, the “Big Four” Plan, the Sustainable Development Goals (SDGs) as well as other global and regional initiatives.

The Strategic Plan 2018-2023 sets out to build on the achievements of the previous Strategic Plans while being aligned to MTP III and the National Transformational Agenda including the “Big Four” Plan. It will also act as a guide for assessing performance and achievements of results in the National Treasury and Planning during this period.

This Strategic Plan identifies five Key Result Areas (KRAs) with the corresponding strategic objectives and strategies for its effective implementation. These KRAs are: Stable and sustainable macroeconomic environment; Resource mobilization for financing public expenditure; Development planning, budgeting and intergovernmental relations; Tracking and reporting on implementation of policies, plans and budgets; and Organizational capacity strengthening. Further, this Plan has incorporated an

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implementation framework to ensure accountability and efficient, effective and equitable delivery of its commitments. Specifically, the framework will ensure monitoring and evaluation of planned activities and prudent financial management. In addition, the Strategic Plan has taken into account emerging critical policy and administrative decisions by government and stakeholders.

During the formulation of this Plan, a consultative and participatory approach was adopted. The consultations were inclusive in order to ensure that the final document reflects both institutional and national aspirations.

We wish to thank all the Heads of Directorates and Departments, staff and stakeholders whose inputs enormously contributed towards the development of this Plan. We also wish to single out the technical team under the leadership of the Director of Economic Development Coordination Department, State Department for Planning, and the Senior Deputy Secretary, National Treasury, for their exceptional commitment, dedication and continuous effort to prepare and finalize this plan.

Special thanks go to the Cabinet Secretary, Hon. (Amb.) Ukur Yatani, EGH, for his strategic leadership and guidance throughout the preparation of the Plan.

Saitoti Torome, CBS
Principal Secretary
State Department for Planning



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DEFINITION OF TERMS

Africa Agenda 2063 - A strategic framework for the socio-economic transformation of the continent over the next 50 years from 2013 to 2063.

Appropriations in Aid (A-in-A) - Revenues generated by MDAS

Big Four Agenda - A four-point Plan by H.E. the President outlining what his Government will focus on during his second term of office, 2017-2022, to improve the living standards of Kenyans. They include: Food and nutrition security, Manufacturing, Affordable housing, and Universal health coverage.

Brexit - The withdrawal of the United Kingdom from the European Union.

Climate Budget Coding - Budget codes that indicate the purpose for which the budget is allocated, and help identify all climate budget activities in the National Government line Ministries, Departments and Agencies (MDAs) and County Governments

Climate Finance Action - Stepped-up efforts to reduce greenhouse gas emissions and strengthen resilience and adaptive capacity to climate-induced impacts, including: climate-related hazards in all countries; integrating climate change measures into national policies, strategies and plans; and improving education, awareness-raising and human and institutional capacity with respect to climate change mitigation, adaptation, impact reduction and early warning.

Conditional Grants to County Governments - Intergovernmental fiscal transfers with set specific conditions, allocated to county

governments pursuant to Article 202 (2) of the Constitution of Kenya, to finance projects and programmes meant to achieve National Governments policy objectives at the devolved level of government.

Contingent Liabilities - Means obligations that arise from a particular discrete but uncertain future event that is outside the control of the government. The occurrence of the trigger event is unknown or cannot be definitively determined. These include but not limited to pending law suits and investigations.

County Allocation of Revenue Bill (CARB) - A Bill for an Act of Parliament, prepared in fulfilment of the requirements of Article 218 (2) of the Constitution and Section 191 of the Public Finance Management Act, 2012, to provide for the equitable allocation of revenue raised nationally among the county governments in every financial year and the responsibilities of national and county governments pursuant to such allocation and for connected purposes.

County Government Cash Disbursement Schedule (CGCDS) - A schedule prepared pursuant to Section 17 (6) & (7) of the Public Finance Management Act, 2012, and provides for monthly inter-governmental (one level to another) fiscal transfer of all allocations due to county governments from the Consolidated Fund Account to their respective County Revenue Fund Accounts held at the Central Bank of Kenya (CBK).

County Government Own Source Revenue - Revenues generated locally by county governments as assigned in Article 209 (3) & (4) of the Constitution. That is, property rates; entertainment taxes; service charges; and any other tax that a county government is



authorised to impose by an Act of Parliament.

Cross-cutting Issues - Matters that have relative significance across the range of Key Results Areas underpinned in this Strategic Plan.

Depository Note - A negotiable certificate that represents ownership of bonds in a company listed in another country.

Depository Receipt - A negotiable certificate that represents ownership of shares in a company listed in another country.

Disaster Risk Management - The substantial reduction of disaster risk and losses in lives, livelihoods and health and in the economic, physical, social, cultural and environmental assets of persons, businesses, communities and countries.

Division of Revenue Bill (DORB) - A Bill for An Act of Parliament, prepared in fulfilment of the requirements of Article 218 of the Constitution and Section 191 of the Public Finance Management Act, 2012, to provide for the equitable division of revenue raised nationally between the National and County Governments in every financial year, and for connected purposes.

Double Taxation Agreement - An agreement between two or more countries for avoidance of double taxation of their residence on the same income.

Emerging Issues - This refers to recent occurrences /events /phenomena which might impact the sector negatively or positively. They include environmental, policy, legal, technological, economic, political, social and cultural.

Equalization Fund - A Fund established pursuant to Article 204 of the Constitution to provide for basic services including water, roads, health facilities and electricity to marginalised areas to the extent necessary to bring the quality of those services in those areas to the level generally enjoyed by the rest of the nation, so far as possible.

Evaluation - Project evaluation is a systematic and objective assessment of an ongoing or completed project. The aim is to determine the relevance and level of achievement of project objectives, development effectiveness, efficiency, impact and sustainability. Evaluations also feed lessons learnt into the decision-making process.

Feasibility Study - A study undertaken to explore the technical, legal, economic, financial, social and environmental viability of undertaking a project.

Fiscal Commitment - “**Fiscal Commitments**” means direct liabilities that are incurred by the government in support of implementing a project. In the Public Private Partnership (PPP), they may take the form of an annuity or availability payment.

Flagship Projects - These are projects with high impact in terms of employment creation, increasing country/county competitiveness, revenue generation, etc. They are derived from the Kenya Vision 2030 (and its MTPs).

Government Assets and Liabilities: Asset (GOK) - Means anything of value whether movable or immovable, tangible or intangible, owned by GOK, e.g. store equipment, land, buildings, animals, inventory or natural resources like wildlife, intellectual property rights vested in the state or property rights;



Liabilities (GOK) refers to present obligations of an entity for an outflow from the entity of resources arising from past events.

Government Digital Payments Unit - A special Unit under the Directorate of Accounting Services and Quality Assurance mandated to digitize all Government services on the digital platform, e-Citizen portal, and to ensure citizens access and pay for all government services online, conveniently, and efficiently on 24-7 basis.

Government Securities Market Makers program /Primary Dealership Program - "Primary Dealership" means financial intermediaries appointed by a Debt Management Office to perform certain specialized functions in the government securities market, e.g. support funding of the government and development of the market.

Green Climate Fund (GCF) - A fund that was established to limit or reduce greenhouse gas (GHG) emissions in developing countries, and to help vulnerable societies adapt to the unavoidable impacts of climate change.

Green Growth Strategy (GGS) - A framework towards enabling Kenya to attain a higher economic growth rate consistent with Kenya Vision 2030 and which embeds the principle of sustainable development in the overall growth strategy.

Human Resource Succession Planning - A systematic process of determining critical roles within the organization, identifying, and assessing possible successors, and providing them with appropriate skills and experience for present and future roles.

Integrated Bank of Projects - This is a database of all projects being implemented by

the government at any particular time.

Integrated Development Planning - A process through which efforts of national and devolved levels of government and other relevant stakeholders are coordinated at local level, through which economic, social, environmental, legal and spatial aspects of development are brought together to produce a plan that meets the needs and sets the targets for the benefit of local communities.

Integrated project appraisal approach - A standardised approach for appraisal and review concept notes, pre-feasibility and feasibility studies.

International Public Sector Accounting Standards (IPSAS) - A set of accounting standards for use by Public Sector entities around the world in the preparation of financial statements.

Key Output - The overall product resulting directly from the implementation of activities defined within a procedure.

Knowledge Management - Knowledge Management is the capacity of organizations/individuals to identify, capture, retrieve, share, protect and analyze the knowledge of individuals and groups across the organization.

Local Content - Kenyan materials and workforce used in production.

M&E Culture - Shared understanding and practice of monitoring and evaluation tools, methods and standards.

Mainstreaming - Integration of cross cutting actions into various stages of decision making by sectors.



M-Akiba - A Government of Kenya (GoK) issued retail bond that seeks to enhance financial inclusion for economic development.

Marginalized Group - A group of people who because of laws or practices before, on, or after the effective date were all disadvantaged by discrimination.

Monitoring - Is a continuous assessment that aims at providing all stakeholders with early detailed information on the progress or delay of the ongoing assessed activities. It is an oversight of the activity's implementation stage.

National Cohesion and Values - An indicator that aims to promote national cohesion, national values and principles of governance and create a transformed, cohesive, peaceful and united nation in accordance with Article 10 of the Kenya Constitution.

National Designated Authority (NDA) - A focal point that serves as a core interface between a country and the GCF. It seeks to ensure that activities supported by the Fund align with strategic national objectives and priorities, and help advance ambitious action on adaptation and mitigation in line with national needs.

National Payment System (NPS) - The conduits through which buyers and sellers of financial products and services make transactions and are an important component of a country's financial system.

Operational One-Stop Border Post (OSBP) - A "one stop" form of border crossing point jointly managed by adjoining Partner States, where multiple border agencies cooperate and collaborate with each other, and effectively

coordinate their activities to maximize their operational efficiency.

Ordinary Revenue - Moneys collected from taxes, fees and charges.

Overall Fiscal Balance - The gap between the government's total expenditure and total revenue including grants and Appropriations in Aid (A-in-A).

PFM Institutions - PFM Institutions (in context of this SP) refer to Commissions and Independent Offices established pursuant to Article 248 (2) 9d) & (h) and Article 248 (3), institutions which provide advisory and oversight on PFM related matters for both levels of government. Specifically these are the CRA, SRC, OAG and OCOB.

Preferences and Reservations - "Preference" means the right or opportunity to select a tenderer from an identified target group that is considered more desirable than another; "Reservations" means exclusive preference to procure goods, works and services set aside to identified target group of tenderers with a specified threshold or region.

Project Pipeline - A database of projects that have been appraised and granted the necessary approvals in accordance with these and uploaded in the Public Investment Management Information System (PMIS).

Public Expenditure Review - A critical assessment of public spending, challenges, weaknesses and successes.

Public Financial Management Reforms - These are reforms aimed at strengthening public finance management (PFM) systems in order to enhance effectiveness of the budget processes, improve transparency and



accountability and ensure resources are used prudently and fairly to promote an equitable society.

Public Investment - Expenditure on the development or an acquisition, hiring or leasing of an asset or service(s) by the Government and its entities to deliver public goods, services or results but does not include government investments in shares and equities.

Public Investment Management Information System (PMIS) - An integrated ICT based information system for managing identification, appraisal, selection, monitoring, evaluation and reporting on public investment projects.

Public Sector Superannuation Scheme - A contributory Pension Scheme for providing retirement benefits to persons in the public service and for connected purposes.

Robust Integrated Assets and Liabilities Management System - Refers to ability for public entities to develop user friendly assets and liabilities management frameworks that are not static and give desired reports with capabilities for continued improvement and possibility of seamless integration with others systems on assets and liabilities management space.

Scheme of Service - A policy document that provides clearly defined career structures, well-defined job descriptions and specifications, standards for recruitment, training, advancement, career planning, and succession management

Socio-Cultural Profile - This is a description of a setting of a particular area to help planners to understand the context (situation) of the area.

Sovereign Bond - A debt security issued by a national government within a given country and denominated in a foreign currency. The foreign currency used will most likely be a hard currency.

Sustainable Development Goals - Also known as the “Global Goals”, are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity.

TradeNet System - An online platform (known as National Electronic Single Window System) that serves as a single entry point for parties involved in international trade and transport logistics to lodge documents electronically to the Customs System and other Government agencies’ systems, for processing approvals and to make payments electronically for fees and levies due to the Government agencies on goods imported or exported in the country.

Treasury Single Account - An account established as per Section 28 (2) at the CBK by the National Treasury in which all revenues received by National Government entities shall be deposited and from which all payments of money to and on behalf of National Government shall be made.

Value for Money (VFM) Audits - To give assurance on prudent utilization of public resources and establish whether funds have been used economically, efficiently and effectively.

Kenya Vision 2030 - A Kenyan long term development blue-print that aims to transform the country into a newly industrializing, middle-income nation providing a high quality of life to all its citizens by 2030 in a clean and secure environment.



ACRONYMS AND ABBREVIATIONS

AC	Audit Committees
AG	Attorney General
AfCFTA	African Continental Free Trade Area
AGAs	Autonomous Government Agencies
A-I-A	Appropriations in Aid
AIDS	Acquired Immune Deficiency Syndrome
APR	Annual Progress Report
APRM	African Peer Review Mechanism
BPS	Budget Policy Statement
BROP	Budget Review and Outlook Paper
CARB	County Allocation of Revenue Bill
CBK	Central Bank of Kenya
CBOs	Community Based Organizations
CCTV	Closed Circuit Television
CFA	Climate Finance Action
CGCDS	County Government Cash Disbursement Schedule
CIDPs	County Integrated Development Plans
CK 2010	Constitution of Kenya 2010
COG	Council of Governors
COMESA	Common Market for Eastern and Southern Africa
CPPMU	Central Planning and Project Monitoring Unit
CRA	Commission on Revenue Allocation
DORB	Division of Revenue Bill
DP	Development Partner
DTAs	Double Taxation Agreements
EAC	East African Community
EACC	Ethics and Anti-Corruption Commission
e-NIMES	Electronic National Integrated Monitoring and Evaluation System
e-ProMIS	Electronic Project Monitoring Information System
ERS	Economic Recovery Strategy
EU	European Union
FCCL	Fiscal Commitment and Contingent Liabilities
FDI	Foreign Direct Investment
FSS	Financial Services Sector
GCF	Green Climate Fund
GDP	Gross Domestic Product
GDPU	Government Digital Payment Unit
GEOCRIS	Geospatial Revenue Collection Information System
GIPE	Government Investments and Public Enterprises



GOK	Government of Kenya
HIV	Human Immunodeficiency Virus
HRMD	Human Resource Management Department
IAGD	Internal Auditor-General Department
IBEC	Intergovernmental Budget and Economic Council
ICE	Inter-Governmental Committee of Experts
ICT	Information & Communications Technology
ICTU	Information & Communications Technology Unit
IFMIS	Integrated Financial Management Information System
IGFR	Inter-Governmental Fiscal Relations
IGRTC	Intergovernmental Relations Technical Committee
IMF	International Monetary Fund
IPPF	International Professional Practice Framework
IPSAS	International Public Sector Accounting Standards
ISO	International Organization for Standardization
KRA s	Key Result Areas
KRA	Kenya Revenue Authority
M&E	Monitoring and Evaluation
MCDA	Ministries, Counties, Departments and Agencies
MDAs	Ministries, Departments and Agencies
MDGs	Millennium Development Goals
MEFMI	Macroeconomic and Financial Management Institute of Eastern and Southern Africa
MOU	Memorandum of Understanding
MTEF	Medium Term Expenditure Framework
MTP	Medium Term Plan
NALM	National Assets & Liability Management
NEPAD	New Partnership for Africa's Development
NGOs	Non-Governmental Organizations
NIFC	Nairobi International Financial Center
NIFCA	Nairobi International Financial Center Authority
NSE	Nairobi Stock Exchange
NT&P	National Treasury & Planning
NTB	Non-Tariff Barrier
OAG	Office of the Auditor General
OCOB	Office of the Controller of Budget
ODA	Official Development Assistance
OTC	Over the Counter
PDMO	Public Debt Management Office
PESTEL	Political, Economic, Social, Technological, Environmental and Legal
PFM	Public Financial Management
PFMA	Public Finance Management Act



PIMU	Public Investment Managing Unit
PMIS	Public Investment Management Information System
PPADA	Public Procurement & Asset Disposal Act
PPD	Public Procurement Directorate
PPP	Public Private Partnership
PPPU	Public Private Partnership Unit
PSSS	Public Service Superannuation Scheme
SC	State Corporations
SDG	Sustainable Development Goal
SMEs	Small and Medium Enterprises
SRC	Salaries and Remuneration Commission
SWOT	Strengths Weaknesses Opportunities and Threats
TICAD	Tokyo International Conference on African Development
NT&P	The National Treasury & Planning
TPU	Tax Policy Unit
UNDAF	United Nations Development Assistance Framework
UNECA	United Nations Economic Commission for Africa
UNECOSOC	United Nations Economic and Social Council
VFM	Value for Money
WTO	World Trade Organization



EXECUTIVE SUMMARY

The National Treasury and Planning was established under the Executive Order No. 1 of June 2018 to oversee the Country's economic policy and public finance management and national and sectoral development planning. To effectively execute its mandate and guide operations, the National Treasury and Planning developed this Fourth Generation Strategic Plan anchored on the Third Medium Term Plan (MTP III) of the Kenya Vision 2030. This Strategic Plan covers a period of five financial years starting 2018/2019 to 2022/2023 in the context of the Third Medium Term Plan with clear focus on the Big Four Plan. It also incorporates the targets in Sustainable Development Goals and Africa's Agenda 2063.

The Fourth Generation Strategic Plan is the successor of the Third Generation Plan that covered the period 2013/14-2017/18, implementation of which planned projects and programmes led to improved economic performance and thus contributing tremendously to the economic transformation. Some of the key achievements include stable macroeconomic environment; modernization of tax legislations, operationalization of the Kenya Electronic Single window system; strengthening and broadening of the Financial Sector and Capital Markets which led to issuance of two International Sovereign Bond; Issuance of a debut M-Akiba bond; preparation of MTP III and its 28 sector plans; support to counties on integrated development planning; preparation of Sustainable Development Goals (SDGs) status report for Kenya; and

hosting various international conferences among others.

However, implementation of the plan was faced with several challenges including shortfalls in revenue collection due to drought and political shocks leading to austerity measures, slow-down in global economy, and inadequate staffing levels among others.

Riding on the success of the Third Generation Plan and in order to achieve sustained socio-economic transformation for job creation and shared prosperity, the **Vision** has been set as "Excellence in economic and public financial management, and development planning" while the **Mission** shall be "To provide leadership in economic and public financial management, and development planning for shared growth through formulation, implementation and monitoring of economic, financial and development policies". The Plan will also be guided by the following Core Values: Customer focus, Results oriented, Stakeholder participation, Professionalism and Ethical Practices, Transparency and Accountability, and Teamwork and Commitment.

The Plan identifies five Key Results Areas for implementation during the period 2018/19 – 2022/23. They are: **Key Result Area 1:** Stable and sustainable macroeconomic environment; **Key Result Area 2:** Resource Mobilization for financing public expenditure; **Key Result Area 3:** Development Planning, budgeting, and intergovernmental relations; **Key Result Area 4:** Tracking and reporting on implementation of policies, plans and budgets; and **Key Result Area 5:** Organizational capacity strengthening.



Further, specific strategic objectives and corresponding strategies have been developed for each KRA.

The Plan is organized into five chapters addressing different thematic areas as follows; Chapter One outlines the organizational background; mandate; development agenda and challenges; Chapter Two reviews the level of implementation of the last strategic plan

highlighting the achievements, challenges and lessons learnt as well as (SWOT), (PESTEL) and Stakeholder Analysis. Chapter Three identifies the strategic model including Vision; Mission; Core Values, Key Result Areas; Chapter Four presents the implementation and coordination framework and resources required to implement the Plan and the possible risks; while Chapter Five details the Monitoring, Evaluation and Reporting Framework.



The National Treasury and Planning Cabinet Secretary, Amb. Ukur Yatani(centre), The National Treasury Principal Secretary, Dr. Julius Muia(left) and the Planning Principal Secretary, Saitoti Torome(right) poses for a photograph with The Kenya National Bureau of Statistics(KNBS) Board after a briefing on the 2019 Kenya Population and Housing Census at The Treasury Building.



Chapter 1 INTRODUCTION

1.0. Overview

This chapter contains the background information of the National Treasury and Planning, its mandate/functions as per the Executive Order No. 1 of 2018 on the Organization of the National Government and the Global, Regional and National Development issues specific to its mandate. In addition, the chapter describes the Ministry's role vis-à-vis the National Development Agenda, the "Big Four" perspective and how the strategic plan is organized.

1.1. Background

The planning and finance functions in the Kenyan Government dates back to the pre-independence period and can be traced to the Oliver Lyttleton Constitution of 1954, when the Ministry of Finance and Development was created. Since independence the functions of finance and planning have existed either under the same ministry or separately.

Article 225 (1) of the Constitution of Kenya 2010 (CK2010) provided for the establishment of the National Treasury through an Act of Parliament which stipulates its functions and responsibilities. Accordingly, this is actualized in Part III of the Public Finance Management Act 2012, which provides for its establishment, responsibilities and powers in respect of public financial management, fiscal and budget preparation and execution responsibilities among other functions.

The Executive Order No. 1 of 2018 merged the National Treasury and Planning which expanded the mandate of the established National Treasury to incorporate the economic planning function.

Five-year National Development Plans have been produced as the basis of planning and implementation of development programmes and projects in Kenya. The first development plan was prepared for the period 1964-1970. To date, thirteen development plans have been prepared on a five-year basis. In 2003, the Government prepared the Economic Recovery Strategy for Wealth and Employment Creation (the ERS). Thereafter, in 2008 the Kenya Vision 2030 was launched as the nation's long term development blueprint, to be implemented in 5-year successive Medium Term Plans. The First Medium Term Plan covered the period 2008-2012 while the Second Medium Term Plan covered the period 2013-2017. The Third Medium Term Plan covering the period 2018-2022, was launched in November, 2018.

In 2001, the Government developed and launched a strategy for performance improvement in the Public Service; which culminated into the introduction of Results Based Management (RBM) in 2004. This strategy has since then been implemented through strategic plans which are drawn from respective national development plans.



This Strategic Plan is anchored on the national development blue print - Kenya Vision 2030 - and its Third Medium Term Plan (MTP 2018-2022), the “Big Four” Plan, the Sustainable Development Goals (SDGs) and Africa Agenda 2063. The National Treasury and Planning Strategic Plan 2018-2023 consolidates the achievements made and the lessons learnt in the previous Strategic Plan 2013/14 - 2017/18 as well as the feedback received from various public institutions and other stakeholders.

In order to effectively undertake its functions, the National Treasury and Planning is structured into The National Treasury and the State Department for Planning. The National Treasury has five (5) technical directorates each headed by a Director General to coordinate technical functions and one (1) Administrative and Support Services directorate headed by a Principal Administrative Secretary. Each Director General is responsible for a directorate comprising a cluster of departments responsible for related policy functions. The State Department for Planning is organized into six (6) technical directorates headed by Directors and one (1) Administration Directorate. The Economic Planning Secretary coordinates the technical directorates.

In implementing its mandate, National Treasury and Planning is complemented by 38 Semi-autonomous with distinct functions that cut across and support the achievements of the Key Result areas. However, the Strategies in this Strategic Plans do not include specific strategies for the SAGAs since they have separate Strategic Plans with objectives that are explicit to their functions. The SAGAs are listed in Annex III of this Plan.

1.2. Mandate and Functions of the National Treasury and Planning

The National Treasury and Planning derives its mandate from Article 225(1) of Constitution of Kenya, 2010 that states that an Act of Parliament shall provide for the establishment, functions and responsibilities of the National Treasury whose provision is actualized in the Public Finance Management Act (PFM) Act 2012. Further, the functions and obligations of the National Treasury and Planning are drawn from the Executive Order No.1 of 2018 (Revised). The core functions include:

1. Overall Economic Policy and Public Finance Management;
2. Formulation of National Budget;
3. Public Debt Management;
4. Formulation and Maintenance of Government Accounting Standards and Oversight Over Revenue;
5. Bilateral and Multilateral Financial Relations;
6. Formulation and Management of National Pensions; Market Competition and Consumer protection; Insurance; and Public Procurement and Disposal Policies;
7. Public Investment Policy and Oversight;
8. Development and Enforcement of Financial Governance Standards and Oversight;
9. Management of National and County Governments Financial Systems and Standards;
10. Development of Kenya as International Financial Centre;



11. Custodian of National Government Assets and Property;
 12. National and Sectoral Development Planning;
 13. National Statistics, Census and Housing Surveys Management;
 14. Population Policy Management;
 15. Monitoring and Evaluation of Economic Trends;
 16. Coordination of Implementation, Monitoring and Evaluation of Sustainable Development Goals (SDGs) and Liaison with Economic Commission for Africa and,
 17. Promotion of Equity through the National Government Constituency Development Fund.
4. Provide logistical support to intergovernmental institutions overseeing intergovernmental fiscal relations;
 5. Coordinate the development and implementation of financial recovery plans for County Governments that are in financial distress;
 6. Build capacity of County Governments on public finance management matters for efficient, effective and transparent financial management as well as planning, monitoring and evaluation; and
 7. Administer the Equalization Fund.

1.3. Global, Regional and National Development Challenges

1.3.1. Global challenges

According to World Bank Economic Review 2018 report, the global economy slowed down registering a growth rate of 3.1 percent in 2017. This was attributed to greater development challenges including poverty, inequality, and vulnerability of the economy to internal and external shocks. Forecasts for the global economy indicate that world output will grow at an average rate of 3.7 percent over the period 2018-2022. Growth forecast for emerging markets and developing economies are more favourable. On average, these economies were projected to grow by 4.9 percent in 2018 to 5.0 percent in 2022, thus opening up opportunities to expand trade and investment for Kenya.

Although global growth and expansion continue to be of prime focus to all economies over the past five years; economic uncertainties, trade tensions, financial

The Role of the National Treasury and Planning in the Devolved System of Government

The National Treasury and Planning is mandated by law to:

1. Strengthen financial and fiscal relations between the National Government and County Governments and support for county governments in performing their functions;
2. Issue guidelines on the preparation of county development planning;
3. Prepare the annual legislative proposals on intergovernmental fiscal transfers;



conditions of emerging markets among others have heightened risks to global growth. Crude oil prices have been volatile, reflecting supply influences, including US policy on Iranian oil exports and, more recently, fears of softening global demand of crude oil. Additionally, emerging markets have experienced net capital outflows as investors' lower exposure to riskier markets. China's slowdown in economic activity had negative implications for her trading partners and global commodity prices affected financial and commodity markets globally. Failure to resolve differences and a resulting increase in tariff barriers would lead to higher costs of imported intermediate and capital goods and higher final goods prices for consumers. Equally, the United Kingdom's prolonged plan to exit from the European Union (Brexit) coupled with depreciation of the Sterling Pound and the Euro since 2016 has caused uncertainties the world over.

Towards the 2030 Agenda, there are concerns that progress is slow in many areas. Globally, vulnerabilities are high; deprivations are becoming more entrenched; there is high risk of missing the poverty eradication target; hunger is on the rise; progress towards gender equality and the empowerment of all women and girls is too slow; inequalities in wealth, incomes and opportunities are increasing in and between countries; and biodiversity loss, environmental degradation, discharge of plastic litter into the oceans, climate change and increasing disaster risk continue at rates that bring potentially disastrous consequences for humanity.

This has led to the adoption of a political declaration of the Sustainable Development Goals aimed at gearing up for a decade of action and delivery for sustainable development during the 74th United Nations General Assembly.

Drawing upon this, Kenya has agreed to launch an ambitious and accelerated response to reach a common vision by 2030, and pledged to make the coming decade one of action and delivery. Towards an accelerated response, the National Treasury and Planning has started, in earnest, the preparation of an SDGs acceleration strategy. The development of this strategy is highly participatory and inclusive, with representation from diverse groups, including CSOs, development partners, county governments, the Private Sector, among many other stakeholders.

Key among the areas of concern to be addressed in the strategy are bottlenecks that continue to hinder the realization of the 2030 Agenda, their mitigation measures and strategic areas of focus, both in the short and long term.

1.3.2. Regional Challenges

Africa's economic performance has been resilient against a background of difficult external environment in recent years. As the region largely relies on commodity exports, fall of commodity prices in earlier period of the past five years have negatively affected the region's export earnings. Within this period, labour movement continued to remain static as workers failed to move from low to high productive sectors. Inflationary pressures as a result of depreciation in exchange rates and widening fiscal deficit, stoked by commodity price shock remained volatile.

Growth in Sub-Saharan Africa (SSA) averaged 3.3 percent in 2018 and is projected to increase to 3.9 percent in 2022. However, growth in the East Africa Community (EAC) is expected to average 6 to 8 percent therefore offering opportunities for expansion of regional trade.



In the East African Community (EAC), although the establishment of EAC led to strengthening of economic and political ties among the community Partner States, this did not trigger growth in intra-EAC exports as a share of the region's total exports despite an expansion in intra-regional trade in absolute terms. This notwithstanding, Kenya's intra-EAC exports declined from \$1.6 billion to \$1.1 billion between 2013 and 2017. In addition, the persistence of tariff and non-tariff barriers (NTBs) still affects trade flows, further hindering intra-regional trade and putting integration at risk.

On the security dimension, the fight against terrorism remains fundamental in fostering and maintaining a conducive atmosphere that is a pre-requisite to social and economic development. This will require co-operation and consultations on issues pertaining to peace and security of the Partner States. In West Africa, recession in Nigeria as a result of low oil prices and policy challenges including delays in exchange rate adjustments affected the growth of the country and the region. Notable country specific constraints include: the South Sudan's civil war which contracted the economy's performance.

1.3.3. National Challenges

During the period 2013 to 2017, the economy recorded average annual growth rate of 5.54 percent. According to Economic Survey, 2018 the Kenyan economy recorded growth rates of 5.9 percent in 2013, 5.4 percent in 2014, 5.7 percent in 2015 and 5.8 percent in 2016, all of which were lower than the projected MTP II growth rates 6.1 percent, 7.2 percent, 8.8 percent and 9.1 percent, respectively. The major factors that explain the lower than projected growth were: lower growth of key sectors such as manufacturing occasioned by

imports of cheaper manufactured products and subsequent reduction in the share of Kenya's manufactured export in the regional market; adverse weather patterns which affected growth of the agriculture sector; subdued growth in credit to the private sector; slow uptake of Public Private Partnership projects; and insecurity.

Additionally, inadequate budget provision to implement programmes and projects; inappropriate management of resources; misappropriation of funds as well as consistent growth in county spending patterns without corresponding growth in county own-source revenues due to unrestrained spending and poor performance continue to weaken the country's fiscal performance. Further, the land acquisition process including compensation and resettlement of disputes poses a significant challenge in developing infrastructure projects in the country. This has delayed and at times stalled implementation of key development projects and increased the cost of public as well as private investments.

Related to the above is the poor preparation and inadequate appraisal of projects which leads to bloated project portfolio, inadequate funding and problems related to land acquisition for projects.

Similarly, unemployment and under-employment especially for the youth remains high. This is further compounded by skills mismatch between demand and supply, weak linkage between industry and training institutions and skills shortages in some critical areas within the labour market. In addition, the ever-growing number of retirees has led to increasing pension liability thus putting a strain on the budget relative to development priorities.



A significant proportion of Kenya's population also lack access to basic services such as electricity and safe drinking water; realization of universal access to water remains a significant challenge and requires huge investments in water supply infrastructure.

1.4. The Organization's Development Role vis-à-vis the National Development Agenda

Overall Role

The National Treasury and Planning, in its role of development planning and ensuring mobilization of public resources for the national and county governments, holds a pivotal role in national development agenda. The country is currently looking to implement its MTP III in the fullness of achieving Kenya Vision 2030 goals; Big Four Plan; international Sustainable Development Goals, Africa's Agenda 2063 among other national and international obligations. The Ministry therefore, through its mandate and objectives continually contribute to the country's national development agenda and track its implementation.

Kenya Vision 2030: Flagship Projects

In attainment of the Government's long term development goals, the National Treasury and Planning (NT&P) has been working to implement its flagship projects under the first and second Medium Term Plans, as part of its contribution to Vision 2030. The following are the specific flagship projects that the NT&P is responsible for implementation in collaboration with other stakeholders:

Nairobi International Finance Centre (NIFC): The NIFC aims to establish Kenya as a regional Financial Services Hub, both

expanding Kenya's access to international finance and leveraging the growth potential of the sector. In the Plan period 2013/14-2017/18, NIFC Authority was established in 2014 through an Executive Order and an interim secretariat of the NIFCA established at the National Treasury. Finally, the NIFC Act was passed in June 2017 to provide a comprehensive legal basis for the NIFC.

In furtherance to fully operationalize NIFC during the Plan period, the National Treasury and Planning will undertake the following activities: operationalize the NIFCA; develop NIFC Strategy; create a one-stop shop for incorporation; develop an investor guide; develop the strategic incentives aimed at attracting firms; and, market the NIFC.

Digital Finance: This will be a major cross-government initiative with the aim of exploiting Kenya's established lead in digital finance. During the last Plan, the payment portal, eCitizen, has enabled a move from manual cash based payments to real time electronic payments and electronic invoicing within Government on a 24/7 basis. The following key interventions will be undertaken during the current Plan period: development of strategy and policy framework; strengthening of the national digital identity system; strengthening of business registration services to provide electronic Know Your Customer (eKYC) to all financial sector players; and enhancing retail infrastructure for cashing in and cashing out of digital money. In addition, other initiatives will include: development of new universal national payments addressing system and single payments API; establishment of single national biometric identity standards; digitisation of government payments; and development of policy, legal and institutional frameworks to support FinTech.



Capital Markets Deepening: A ten-year master plan was developed and adopted as a MTP II flagship project to drive the long-term development of capital markets in Kenya. Significant steps have already been made in implementation: The Nairobi Securities Exchange (NSE) has been demutualised; new market segments for Real Estate Investment Trusts (REITS) and Asset Backed Securities were established; a new Code of Corporate Governance for issuers of securities was introduced; an Islamic Finance Project Management Office has been set up bringing together all the financial regulators; frameworks for Global Depository Receipts and Notes (GDR) & (GDN) respectively and Securities Lending and Borrowing have been put in place. In the current Plan period, Financial Services Sector, sector will continue to implement the ten-year Capital Markets Master Plan (2014-2023). Key elements will include implementation of a new derivatives market; diversification of capital market products; strengthening capital markets infrastructure and institutions; promoting cross border trade and supporting infrastructure financing by Counties and National Government through the capital markets.

Role in the ‘Big Four’ Plan

Building on the progress made thus far and with the desire to decisively confront the three perennial challenges of unemployment, poverty and income inequality that this economy continues to face, the Government has identified four key strategic areas of focus over the period 2018-2023 that will accelerate broad based economic growth. These comprise: accelerating job creation through manufacturing, improving food and nutrition security, achieving universal health coverage, and supporting affordable housing for Kenyans. In this respect, the National Treasury and Planning aims to put in place enabling policy guidelines and mobilize adequate financial resources amidst competing needs to support the four pillars of the “Big Four” Plan.

The National Treasury and Planning has also incorporated the “Big Four” initiatives in the Third Medium Term Plan (2018-2022) of the Kenya Vision 2030 and the relevant Sector Plans and will continue to track implementation of MTP III (including the “Big Four” initiatives) through preparation of Annual Progress Reports (APRs) and conducting mid-term and end-term reviews.



Chapter 2

SITUATION ANALYSIS

2.0. Overview

This Chapter presents a review of implementation of the previous strategic plan which entails key achievements, challenges faced as well as the lessons learnt. In addition, it provides an analysis of the Strengths, Weaknesses, Opportunities and Threats (SWOT); Political, Economic, Social, Technological, Environmental and Legal (PESTEL); and the stakeholders.

2.1. Review of Implementation of the Previous Strategic Plan

The review of implementation of the strategic plan for the period 2013/14-2017/18 reveals notable achievements in the targets set despite the challenges associated mainly with the transition to the devolved system of government introduced under the Constitution of Kenya 2010. The key achievements, challenges and lessons learnt are outlined below:

2.1.1. Milestones/Key Achievements

During the 2013/14-2017/18 plan period, the following were the key achievements:

1. Maintenance of a stable macroeconomic environment including an inflation rate at 5% plus/minus 2.5% with the exception of FY 2016/17 in which inflation rate was above target at 8.1; level of foreign reserve stood at over 4 months of import cover;
2. Drafting of sovereign Wealth Bill in FY 2017/18 aimed towards maximization of revenue from oil and gas. Once the Bill is enacted into law it will enhance safeguard of oil and gas revenue and promote efficient use of the revenue in order to avoid the oil curse that affects most oil producing countries;
3. Modernized the tax legislations aimed towards improved revenue collection by developing a new tax regime for extractives, 2014 and Excise Act 2015. In addition, the National Treasury and Planning restructured the revenue administration into domestic tax administration and trade facilitation through ports and border controls and established a unit whose function is to map revenue generating rental premises. Consequently, this led to increased ordinary revenue collection from Ksh. 1.03 trillion in 2014/15 to Ksh. 1.5 trillion in 2018/19;
4. Drafted the Income Tax Bill 2018. Once enacted into law the Act will simplify payment of corporation tax and also ease its collection;
5. Operationalization of the Kenya Electronic Single window system to improve ease of doing business



- ranking which facilitated the country to move from position 129 in 2013/14 to 61 in 2017/18;
6. Strengthened and broadened the Financial Sector and Capital Markets which led issuance of two International Sovereign Bond (debut USD 2.0 billion in 2014 including a tap bond for additional USD 750M and Eurobond valued at USD 2billion in 2017/18);
 7. Issuance of a debut M-Akiba bond in 2016/17 targeting the common Citizens to invest through mobile phones; The National Treasury has been able to successfully issue five (5) tranches of the M-Akiba bond, raising Ksh. 1,100 Million. To date, more than 600,000 retail M-Akiba bond investors have registered in the platform and this product has enhanced Kenya's visibility in the global arena;
 8. Establishment of Nairobi International Financial Centre (NIFC) aimed at establishing Kenya as a regional financial services hub; creating employment in financial sector; and attracting FDI;
 9. Establishment of Public Sector Accounting Standards Board to develop accounting and reporting standards and consolidating the government financial statement;
 10. Establishment of a Climate Change Fund and its regulations aimed at financing priority climate change actions and interventions;
 11. Spearheaded preparation and dissemination of the Second Medium Term Plan (2013-2017) of the Kenya Vision 2030, and its 21 Sector Plans;
 12. Spearheaded preparation of the Third Medium Term Plan (2018-2022) of the Kenya Vision 2030 and its 28 Sector Plans (25 Vision 2030 framework plans and three thematic area plans);
 13. Prepared four Annual Progress Reports (APRs) for MTP II (1st to 4th APRs), Comprehensive Public Expenditure Reviews (2013-2017), MTP I End-Term Review, and MTP II Mid-Term Review reports;
 14. Prepared a Handbook of National Reporting Indicators for MTP II;
 15. Held five M&E conferences (M&E weeks);
 16. Operationalized the National Integrated M&E System (NIMES) and developed the e-NIMES Dashboard;
 17. Provided technical support to counties on integrated development planning by preparing and issuing guidelines for preparation of first



- generation County Integrated Development Plans (CIDPs) and County Annual Development Plans (CADPs);
18. Prepared Millennium Development Goals (MDGs) analytical report (end-term report) and Sustainable Development Goals (SDGs) roadmap and status report for Kenya;
 19. Prepared and disseminated the Key Investment Opportunities report in Kenya;
 20. Developed quarterly policy briefs on Status of the Kenyan economy;
 21. Hosted the United Nations Commission for Africa (UNECA) 20th Inter-Governmental Committee of Experts (ICE) for Africa;
 22. Co-hosted the Sixth Tokyo International Conference on African Development (TICAD VI) with Ministry of Foreign Affairs;
 23. Coordinated Kenya's participation in ACP-EU partnerships, United Nations Economic and Social Council (UNECOSOC), United Nations Economic Commission for Africa (UNECA), South-South and Triangular Cooperation activities, EAC and other regional and international cooperation that led to various outcome documents, MoUs, investment frameworks, and increased trade and financing;
 24. Established four Biashara centres (in Turkana, Kwale, Taita Taveta and Marsabit) as one-stop shops for youth and women entrepreneurial skills development and knowledge sharing under the Economic Empowerment Programme;
 25. Prepared and oversaw the implementation of MTEF Sector Budgets; and
 26. Coordinated the implementation of United Nations Development Assistance Framework (UNDAF) in Kenya.

2.1.2. Challenges

1. There was slow-down in global economy thereby impacting the attainment of growth target of 7% by the FY 2017/18;
2. Procurement challenges impacted the absorption of development budget especially in the first three years of the Plan period;
3. Shortfalls in revenue collection due to drought and relative lack of political calmness especially during and after 2013 and 2017 elections. This led to enforcement of austerity measures, hence impacting the smooth implementation of targets;
4. Delays in enactment of relevant regulation and related legal instruments to facilitate financial sector deepening;



5. Inadequate staffing levels;
6. Delayed approval of the M&E policy;
7. Inadequate M&E capacities at national and county levels; and
8. Litigations which hindered implementation of programmes/projects e.g. tendering process and the Geospatial Revenue Collection Information System (GEOCRIS) meant to expand the categories of tax payers to include revenue generating rental premises.

2.1.3. Lessons Learnt

1. Good will by stakeholders is essential in implementation of the Strategic Plan;
2. Participatory planning, budgeting, monitoring and evaluation of projects and programmes leads to effective implementation and ownership;
3. In order to strengthen and sustain the growing M&E practice in the public sector, there is need for continued sensitization and capacity building;
4. During the election period, it is important to prepare legislative proposal before parliament goes on recess;
5. Streamlining of the human resource function leads to speedy implementation of decisions;
6. Provision of good work environment and working tools enhance staff productivity and service delivery;

7. Counterpart funds should be prioritized for donor-funded projects to enhance absorption rate;
8. Use of digital platforms enhances revenue collection and service delivery; and
9. Mainstreaming of cross-cutting issues into development frameworks ensures inclusion of marginalized groups in the development process thus enhancing the impacts of the initiatives.

2.2. Environmental Scan

The National Treasury and Planning (NT&P) appreciates that there are internal and external factors that will influence the implementation of this Strategic Plan. An environmental scan was conducted through three models namely Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis, Political, Economic, Social, Technological, Environmental and Legal (PESTEL) analysis and Stakeholder analysis.

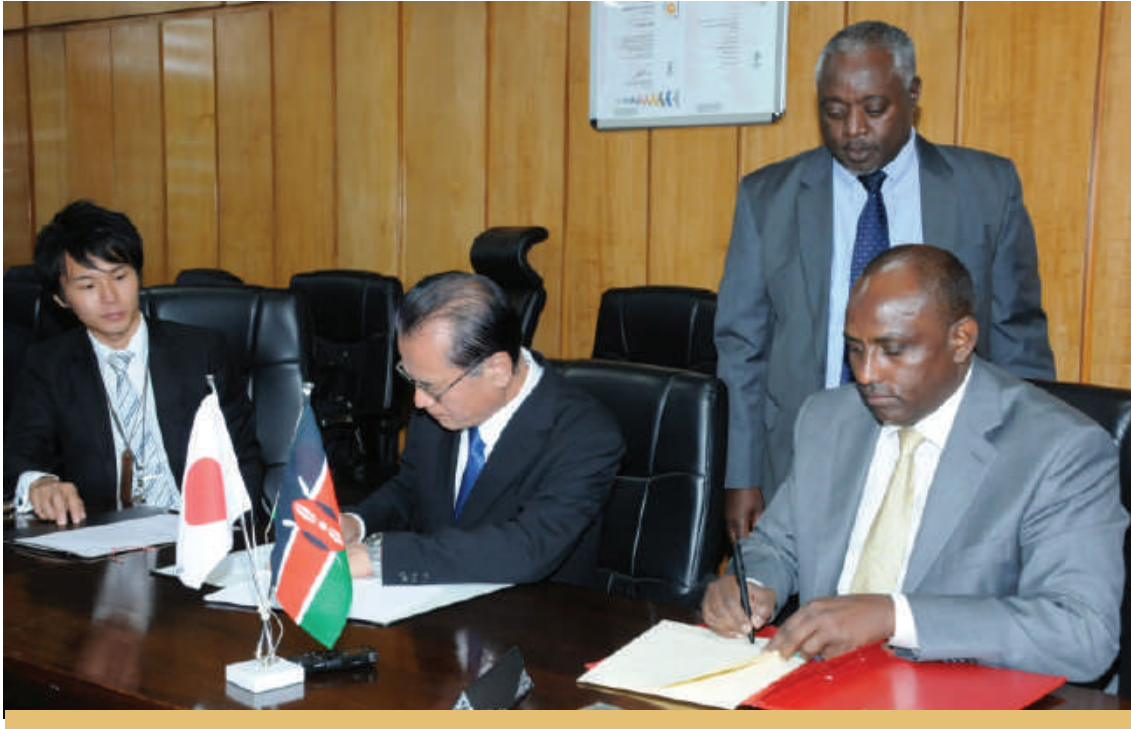
SWOT analysis was undertaken to identify the internal strengths and weaknesses as well as external threats and opportunities as shown in Table 2-1.

For an elaborate scan of the external environment, a PESTEL analysis was undertaken to identify the Political, Economic, Social, Technological, Environmental and Legal environment as shown in Table 2-2.



Further, a Stakeholders Analysis was undertaken to determine the key stakeholders, their expectations as well as

our expectations from them as shown in Table 2-3.



The National Treasury and Planning Cabinet Secretary Amb. Ukur Yatani on behalf of the Government of Kenya and the Ambassador in Kenya H.E. Rhyoichi Horie on behalf of the Government of Japan sign Exchange of Notes on provision of loan credit for the Mombasa Gate Bridge Construction Project and the Mombasa Special Economic Zone at the Treasury Building in September 2019.



Table 2-1: Strengths, Weaknesses, Opportunities and Threats Analysis

<p>Strengths</p> <ul style="list-style-type: none"> ● Legal and institutional framework that is well defined in the Constitution and provided for in the Executive Orders ● Highly skilled and qualified manpower with a wealth of experience and commitment Management support and commitment to achieving set targets ● Adoption of ICT in service delivery Shared responsibility over planning, budgeting and legislation making process ● Progressive systems, policies, regulations and legal framework that guide implementation of activities ● Conducive working environment Strong cooperation networks with government agencies and other stakeholders ● Existence of National Integrated M&E System for effective tracking of development results and real time reporting ● Existence of specialized agencies to support evidence based policy formulation, planning and budgeting 	<p>Weaknesses</p> <ul style="list-style-type: none"> ● Inadequate staff across all cadres ● Lack of a communication strategy ● Inadequate ICT tools, equipment and networking of the ICT system ● Lack of an overarching M&E policy leading to weak M&E of programmes and projects ● Lack of a formal work place gender responsive policy ● Absence of National Government planning units at the county level and inadequate infrastructure in some sub- County Treasuries ● Inability to attract and retain qualified staff due to disparity in remuneration across government departments and agencies ● Weak succession planning and management ● Weak linkages between national level planning and county level planning ● Inadequate office space and equipment ● Ineffective feedback and complaints handling mechanism (External and Internal)
<p>Opportunities</p> <ul style="list-style-type: none"> ● Political stability and goodwill ● Constitutional and legislative provisions that emphasize on proper planning as a basis for resource allocation that facilitates the achievement of Kenya Vision 2030 targets ● Membership to established international and regional frameworks e.g. Common Market for East and Central Africa (COMESA), EAC, New Partnership for Africa Development (NEPAD) and African Continental Free Trade Area (AfCFTA) ● Untapped Foreign Direct Investment (FDI) ● Advancement in ICT infrastructure and capacity development ● Discovery of mineral resources as an avenue for economic growth ● Existence of collaborative frameworks with partners aimed at fostering development planning Established linkages with the County Performance Management Framework (integrated development planning, monitoring and evaluation) ● Training institutions offering tailor-made learning ● Growing culture on M&E and reporting across all MDAs ● Public Sector reforms - Programme Based Budgeting, and Result Based Management in place 	<p>Threats</p> <ul style="list-style-type: none"> ● Tax evasion and contingent liabilities (such as loans contracted by SCs) ● Public Expenditure Pressures arising from the implementation of the Constitution ● Budget austerity measures which affect implementation of planned programmes ● High costs of finance ● Donor conditionality ● Natural calamities/disasters ● Low absorption of funds by MCDA's ● Terrorism and related activities ● Climate change ● Regional instability ● Volatile oil pump prices ● Governance and integrity issues ● There is a potential for catching the Dutch disease if the envisioned revenue flows from discovered natural resources will not be properly managed and used ● High staff turnover ● Emerging issues on technological advancement ● Weak M&E capacity among MCDAs



Table 2-2: Political, Economic, Social, Technological, Environmental and Legal Analysis

Category	Issue	Strategic Implication
Political	Political goodwill	<ul style="list-style-type: none"> ● Involvement of parliament in the budget making process ensures timely approval of the budget estimates ● The current leadership recognises the crucial role of economic planning and budgeting and is also committed to transformation of the public service for efficient and effective service delivery to the citizens. ● Changes in government leadership would have an impact on the Strategic Plan depending on the priorities of the new leadership.
	Constitutional and legislative framework	<ul style="list-style-type: none"> ● The Fourth Schedule of the Constitution and various legislations (e.g. Public Finance Act, 2012 and the County Government Act, 2012) have specific provisions on the economic policy, planning and budgeting
	Regional political stability	<ul style="list-style-type: none"> ● The geopolitics of the Horn of Africa and the East and Central African regions generate unique dynamics that may affect the country negatively in various ways. ● The lack of stability in Somalia, the challenges in South Sudan and the tension between Ethiopia and Eritrea remain key issues of concern in the foreseeable future in terms of their potential to negatively impact the Kenya's security and trade as well as possible influx of refugees.
	Inter-Governmental Relations	<ul style="list-style-type: none"> ● Intergovernmental institutions [such as the National and County Government Coordinating Summit and the Intergovernmental Budget and Economic Council (IBEC)] provide a platform for ensuring harmonious working relationship between the national and county governments ● Intergovernmental Sectoral Forums provide a platform through which the national and county governments and other stakeholders can meet to share information and experiences on devolution matters. This opportunity will be harnessed to strengthen matters related to development planning at the two levels of government ● Strengthened collaboration between the National Treasury and Planning and oversight institutions such as Parliament, especially Senate, will be necessary to ensure county governments comply with development framework set in the law.
Economic	Kenya Vision 2030 and its Medium-Term Plans	<ul style="list-style-type: none"> ● MCDAs' should ensure alignment of their policies, programmes and projects to the national development blueprint so as to ensure realisation of the country's goals
	Resource constraints	<ul style="list-style-type: none"> ● Scarce resources coupled with competing priorities and austerity measures owing to revenue collection shortfalls has been affecting the achievement of set targets
	Globalization	<ul style="list-style-type: none"> ● Since Kenya is part of the global village, its economy is highly susceptible to international shocks, business trends and competition.



Category	Issue	Strategic Implication
		<ul style="list-style-type: none"> On the other hand, globalization can result to increased income generating and employment creation opportunities especially for the youth through effective use of IT-enabled services
	Regional and international economic cooperation	<ul style="list-style-type: none"> Membership to economic blocs such as EAC, COMESA and, AfCFTA has a potential to spur the country's economic growth
	Development effectiveness	<ul style="list-style-type: none"> Efforts should continue to be made towards ensuring effective development assistance through improvements in harmonization, alignment and coordination of external assistance in Kenya
	Macro-economic stability	<ul style="list-style-type: none"> A stable macro-economic environment provides foundation for growth.
	Growing public private-partnership	<ul style="list-style-type: none"> The growing realization within public and private sectors of the significant opportunities that exist if these sectors work together for mutual benefit and for the development of the country for all call for review of the PPP Framework to secure faster approval and implementation of projects.
Social	Increased awareness	<ul style="list-style-type: none"> There is increased public awareness on government services and citizenry entitlement. This enhances public participation hence increases project ownership and sustainability.
	Disease incidences	<ul style="list-style-type: none"> Non communicable diseases, HIV/AIDS continue to consume large amounts of resources which could otherwise be used to develop the economy. Disease pandemics is likely to affect the Plan by way of increased morbidity; loss of skilled manpower; increased costs to the Government in terms of care and support to the infected and affected and increased pension liabilities.
	High poverty levels and inequalities	<ul style="list-style-type: none"> Poverty and income inequalities contribute to resource and social conflict which impact national and county governments negatively. NT&P is committed to reducing income inequalities and poverty by coming up with pro-poor programmes and policies.
	Cross cutting issues	<ul style="list-style-type: none"> The NT&P has always ensured that various cross-cutting issues such as gender, HIV/AIDS, Disaster Risk Reduction and disability are mainstreamed in policies, programmes and projects in order to enhance the impacts and ensure that marginalized groups are incorporated into the development agenda.
	Demographic dividend	<ul style="list-style-type: none"> The youth bulge needs a more vibrant economy that provides more jobs to the youth. There is need to invest more in the sectors that will provide youth with more and decent jobs. This will require mainstreaming youth issues into all development aspects at both the county and national level



Category	Issue	Strategic Implication
Technological	Information and communications Technologies (ICTs)	<ul style="list-style-type: none"> ● Adoption of resource management systems by the NT&P such as IFMIS, e-ProMIS, e-NIMES, e-procurement, e-Citizen has improved efficiency in service delivery in the public sector and enhanced economic performance.
	Visibility and Interaction	<ul style="list-style-type: none"> ● Existence of digital platforms enhances dissemination of information and interaction within the Ministry.
	ICT Infrastructure	<ul style="list-style-type: none"> ● Improved network coverage in the country promotes sharing information amongst government and its stakeholders.
	ICT literacy levels	<ul style="list-style-type: none"> ● A large proportion of the population has positively embraced ICT thus increasing efficiency in access to government services
Environmental	Climate Change	<ul style="list-style-type: none"> ● Actions that are adaptive to climate change and which mitigate its impact should be mainstreamed in development planning. ● Funds have been created at the global and national level that assists in addressing various environmental issues. The funds will assist in mainstreaming environmental issues such as disaster risk management, climate change etc.
	e- waste management	<ul style="list-style-type: none"> ● Continued use of electronic and electrical equipment leads to increase in stock piles of e-waste posing an environmental and health problems
	Disaster risk management	<ul style="list-style-type: none"> ● Disasters and emergencies derail government programmes as scarce resources are diverted from programmed activities to address the disasters and emergencies.
	Green and Blue Economy	<ul style="list-style-type: none"> ● NT&P will collaborate with other MCDAs in ensuring the mainstreaming of the Green and Blue Economy into development planning and provision of requisite resources.
Legal	Legal provisions	<ul style="list-style-type: none"> ● Collaboration with stakeholders to ensure that economic policy and planning matters are incorporated into the relevant Acts and regulations in order to strengthen the development planning framework. ● Realignment of budgets has led to reprioritization thus making it difficult for the National Treasury to adequately provide for programmes and projects undertaken by the National Government.
	Devolution framework	<ul style="list-style-type: none"> ● The existing legal framework spells out clearly and comprehensively the relationship between the two levels of government on development planning. ● Establishment of the county governments by the constitution has put pressure on the limited financial resources. ● Inadequate human resources capacity to handle



Category	Issue	Strategic Implication
		intergovernmental fiscal relations matters in the wake of the devolved systems of government.
	International Commitments	<ul style="list-style-type: none"> NT&P will continue to collaborate with local, regional and international stakeholders to ensure attainment of the targets in the various regional and international commitments and obligations.



Table 2-3: Stakeholders Analysis

Stakeholders Category	Stakeholders' Expectations	NT&P's Expectations
Ministries, Departments and Agencies (MDAs)	<ul style="list-style-type: none"> ● Effective coordination in formulation of government policies, plans and budgets; ● Facilitate capacity building on planning and budgeting; ● Provision of technical support in monitoring, evaluation and reporting; ● Implementation of government policies. 	<ul style="list-style-type: none"> ● Prioritize programmes and projects; ● Effective implementation of policies, programmes and projects; ● Provision of synergy and support in the development of policy, institutional and legal frameworks; ● Timely reporting on implementation of programmes and projects; ● Timely budget preparation and execution; ● Accounting for allocated funds
SAGAs under the NT&P	<ul style="list-style-type: none"> ● Timely release of financial resources; ● Provision of leadership and policy direction. 	<ul style="list-style-type: none"> ● Timely reporting on implementation of programmes and projects; ● Prudent utilization of resources
County Governments	<ul style="list-style-type: none"> ● Guidance on development planning, budgeting, monitoring and evaluation; ● Timely disbursement of funds; ● Provision of technical assistance and capacity building. 	<ul style="list-style-type: none"> ● Share planning information and data; ● Aligning programmes and projects to national government priorities; ● Prudent utilization of resources.
Development Partners	<ul style="list-style-type: none"> ● Policy direction on development planning and budgeting; ● Provide timely programmes and projects' reports and reviews; ● Involvement of stakeholders in the various aspects of national and county planning and budgeting. ● Synergies and partnerships during implementation of policies, programs and projects; ● Accountability for resources availed; ● Advice on monetary and fiscal policies. 	<ul style="list-style-type: none"> ● Financial and technical support in implementation of government priorities; ● Influence inflows of Foreign Direct Influence (FDI) and Overseas Development Assistance (ODA)
Suppliers /Merchants	<ul style="list-style-type: none"> ● Timely payments for goods and services supplied; ● Equal opportunities to all in doing business; ● Sensitization on procurement systems; ● Efficient and reliable e-procurement systems. 	<ul style="list-style-type: none"> ● Timely supply of procured goods and services; ● Supply of quality goods and services that meet contractual obligations; ● Competitive pricing.
Staff	<ul style="list-style-type: none"> ● Commitment to their welfare; ● Conducive work environment; ● Favourable terms and conditions of service; ● Career Progression; ● Training and skills Development; ● Fair appraisal; ● Timely processing of payments. 	<ul style="list-style-type: none"> ● Implementation of Ministry's mandate; ● Providing the necessary manpower; ● Adherence to principles of good governance and national values; ● Adherence to policies, rules and regulations.
Public/Citizens	<ul style="list-style-type: none"> ● Promote participatory planning, budgeting and sustainable development; ● Ensure successful implementation of Kenya Vision 2030; 	<ul style="list-style-type: none"> ● Participate in policy formulation, identification and implementation of development initiatives; ● Timely provision of feedback on service delivery.



Stakeholders Category	Stakeholders' Expectations	NT&P's Expectations
	<ul style="list-style-type: none"> ● Timely response to public complaints and concerns; ● Timely information sharing and dissemination; ● Prudent utilization of resources. 	
Research/academic institutions	<ul style="list-style-type: none"> ● Provide internships/attachments to students; ● Provide complementary data and information; ● Partnership/collaboration in research and policy formulation. 	<ul style="list-style-type: none"> ● Provide necessary technical support/training to the NT&P's staff; ● Collaboration in research and policy making.
Media	<ul style="list-style-type: none"> ● Provide necessary information for public consumption; ● Collaboration and partnerships. 	<ul style="list-style-type: none"> ● Objective promotion and articulation of developmental issues; ● Dissemination of government development policies and strategies; ● Opinion shaping and positive reporting; ● Timely feedback from the public.
Private Sector	<ul style="list-style-type: none"> ● Involvement in the design and implementation of programmes and projects; ● Provision of reliable information on development indicators; ● Collaboration and partnerships 	<ul style="list-style-type: none"> ● Partner in development projects and programmes (PPPs); ● Increased foreign investment into Kenya; ● Support implementation of the national development agenda including Vision 2030, MTPs and the 'Big Four' Plan.
Professional Bodies (Lawyers, Accountants, Economists, KISM, etc.)	<ul style="list-style-type: none"> ● Provision of reliable data and information; ● Collaboration and partnerships; ● Employment opportunities; ● Staff membership and subscription fees; ● Internships and training opportunities. 	<ul style="list-style-type: none"> ● Provide inputs during policy formulation; ● Partner in the implementation of development projects and programmes; ● Provide training and skills development; ● Instil professionalism among the members.
Parliament and County Assemblies	<ul style="list-style-type: none"> ● Submission of draft bills; ● Timely response to parliamentary questions; ● Consultation on issues that require legislation; ● Prudent utilization of resources; ● Policies on development matters. 	<ul style="list-style-type: none"> ● Legislation; ● Budget approval; ● Provide oversight on the usage of public funds.
Judiciary	<ul style="list-style-type: none"> ● Abide by the law to minimize risks and exposure of government to legal cases. 	<ul style="list-style-type: none"> ● Fair, just, timely dispensation of justice.
Ethics and Anti-Corruption Commission	<ul style="list-style-type: none"> ● Implement corruption prevention measures 	<ul style="list-style-type: none"> ● Provide policy guidance on corruption prevention.
AG's office (State Law Office)	<ul style="list-style-type: none"> ● Propose new/changes to the laws to make economy competitive and ensure best practices. 	<ul style="list-style-type: none"> ● Provide support in legal matters.
PFM Institutions (CRA, OCOB, OAG, SRC)	<ul style="list-style-type: none"> ● Provision of leadership and policy direction. ● Synergies and partnerships during implementation of policies, budgets, projects and programmes. 	<ul style="list-style-type: none"> ● Formula for revenue sharing and marginalization policy (CRA); ● Authorize withdrawal of funds and budget oversight (COB); ● Advice on remuneration (SRC); ● Timely Audit reports (OAG).



Stakeholders Category	Stakeholders' Expectations	NT&P's Expectations
Non-State Actors (NGOS, CBOs, FBOs etc.)	<ul style="list-style-type: none"> ● Provide reliable information on development matters; ● Sustainable community involvement and empowerment; ● Collaboration and partnership. 	<ul style="list-style-type: none"> ● Complement implementation of programmes and projects; ● Support community mobilization, advocacy and awareness creation.
Social Partner and Trade Unions (COTU, FKE, SACCOs, etc.)	<ul style="list-style-type: none"> ● Consultation on workers' issues; ● Collaboration and partnership on workers' welfare; ● Timely remittances of SACCOs and union dues. 	<ul style="list-style-type: none"> ● Favourable terms of service; ● Conducive working environment; ● Forums for collective bargaining agreements.
Regional and International Institutions/bodies (EAC, COMESA, UN, NEPAD, WTO, EU, ECOSOC, TICAD, IGAD, etc.)	<ul style="list-style-type: none"> ● Timely submission of the country's subscriptions; ● Advocate for implementation of resolutions; ● Mainstreaming of resolutions in the development planning processes. 	<ul style="list-style-type: none"> ● Consider Kenya's Development Agenda; ● Support activities related to championing of regional and international resolutions.



Chapter 3

STRATEGIC MODEL

3.0. Overview

This chapter gives the strategic model guiding the National Treasury and Planning towards delivery of its mandate. It provides the Vision, Mission, core values, the Key Result Areas, Strategic objectives and strategies that will be employed to realize its goals.

3.1. Vision Statement, Mission Statement and Core values

(a) Vision

“Excellence in economic and public financial management, and development planning”

(b) Mission

“To provide leadership in economic and public financial management, and development planning for shared growth through formulation, implementation and monitoring of economic, financial and development policies”

(c) Core Values

The National Treasury and Planning is committed to providing quality services to all and is guided by the following Core Values:

i. Customer focus

We put our customers first and continuously provide timely and

quality services that match or exceed their expectations.

ii. Results oriented

The National Treasury and Planning shall relentlessly pursue timely attainment of targeted results at all levels.

iii. Stakeholder participation

We adopt a participatory approach to policy formulation, planning, budgeting, monitoring and evaluation to facilitate inclusiveness, ownership and consensus.

iv. Professionalism and Ethical Practices:

All staff shall uphold high moral standards and professional competence in service delivery.

v. Transparency and Accountability

We uphold transparency and accountability in service delivery.

vi. Teamwork and commitment

We embrace team work and commitment through collaborative efforts of all actors to achieve common goals.

3.2. Key Result Areas, Strategic Objectives and Strategies

The National Treasury and Planning has identified 5 (five) Key Result Areas with the corresponding strategic objectives and strategies for effective implementation of the Plan.



The Key Results Areas identified are as follows:

- Key Result Area 1:** Stable and sustainable macroeconomic environment
- Key Result Area 2:** Resource Mobilization for financing public expenditure
- Key Result Area 3:** Development planning, budgeting, and intergovernmental relations
- Key Result Area 4:** Tracking and reporting on implementation of policies, plans and budgets
- Key Result Area 5:** Organizational capacity strengthening

Table 3-1 gives a summary of the Key Result Areas and the corresponding strategic objectives and strategies.

Table 3-1: Summary of KRAs, Strategic Objectives and Strategies

Key Result Area (KRA)	Strategic Objectives	Strategies
Key Result Area 1: Stable and sustainable macroeconomic environment	1.1 To foster and maintain macroeconomic stability and accelerated growth	1.1.1 Develop and implement fiscal policies to support stable macroeconomic environment 1.1.2 Oversee the implementation of the CBK’s monetary policy programme 1.1.3 Align macroeconomic and fiscal policies with the government priorities 1.1.4 Rationalize National Government expenditure 1.1.5 Safeguard revenues from minerals, oil and gas
	1.2 To strengthen and broaden the financial services sector	1.2.1 Position Kenya as a hub for investment in financial services 1.2.2 Streamline the architecture and modernize the supervision of the financial services sector 1.2.3 Develop and implement a Digital Finance Strategy Framework (DFSF) 1.2.4 Promote financial education and consumer protection 1.2.5 Strengthen the lending and investment environment 1.2.6 Strengthen EAC Financial Integration
	1.3 To strengthen sectoral policy development	1.3.1 Ensure compliance of sectoral policies to the PFM requirements 1.3.2 Operationalize the Climate Finance Action
	1.4 To create a conducive environment for attracting investment and facilitate trade	1.4.1 Promote regional integration and provide technical support to regional integration negotiations 1.4.2 Promote bilateral and multilateral trade negotiations and investment agreements, financial cooperation, and partnerships
	1.5 To promote efficiency and effectiveness of the Government Debt Market	1.5.1 Implement the Agency Agreement with the CBK on the electronic trading platform for Over the Counter (OTC) Treasury Bills and Bonds 1.5.2 Rollout the Government Securities Market Makers and debt products 1.5.3 Institute systems for tracking debt management activities.
Key Result Area 2: Resource mobilization for	2.1 To enhance resource mobilization to meet the	2.1.1 Ensure prudent borrowing from domestic and external markets



Key Result Area (KRA)	Strategic Objectives	Strategies
financing public expenditure	government funding requirements	2.1.2 Continue to issue innovative borrowing initiatives 2.1.3 Diversify the funding sources 2.1.4 Broaden the tax base and rationalize tax expenditures 2.1.5 Enhance Digital Payments Services
	2.2 To promote Public Private Partnerships	2.2.1 Capacity enhancement and strengthening of contracting authorities 2.2.2 Review PPP legal and regulatory framework
	2.3 To enhance utilization of donor funds	2.3.1 Enhance absorption rate of donor funds 2.3.2 Enhance coordination in the use of donor funds 2.3.3 Strengthen M&E framework
	2.4 To support county governments enhance own source revenue	2.4.1 Implement the policy on support of County Governments own source revenue 2.4.2 Develop a legal framework for County Government tax processes 2.4.3 Enhance the capacity of County Governments on Tax Analysis And Revenue Forecasting
Key Result Area 3: Development Planning, budgeting and intergovernmental relations	3.1 To strengthen planning and policy formulation at national and county levels of Government	3.1.1 Spearhead national development planning 3.1.2 Strengthen modelling and forecasting of national development policies and programmes 3.1.3 Operationalize National Development Planning Offices at county levels 3.1.4 Support county development planning 3.1.5 Enhance internal capacity on planning and mainstreaming of cross-cutting and emerging issues into development plans 3.1.6 Enhance sectoral information generation and sharing to inform policies and plans 3.1.7 Strengthen capacity of Central Planning and Project Monitoring Units (CPMUs) in line Ministries. 3.1.8 Strengthen the ST&I framework, structures and processes
	3.2 To strengthen linkages between policy formulation, planning and budgeting.	3.2.1 Ensure alignment of budgets to priority MTP III policies and programmes
	3.3 To contribute to National Competitiveness through Regional and International Economic Cooperation	3.3.1 Strengthen bilateral, Regional and international economic partnerships
	3.4 To strengthen implementation, monitoring and reporting of SDGs	3.4.1 Map stakeholders and establish partnerships 3.4.2 Create awareness on SDGs among stakeholders 3.4.3 Enhance domestication and localization of SDGs
	3.5 To strengthen Public Financial Management at national and county level	3.5.1. Roll out capacity building programmes for county staff on PFM 3.5.2 Strengthen the financial management system 3.5.3. Develop and implement a PFM reforms Communication Guidelines 3.5.4 Implement Public Finance Management Reforms 3.5.5 Ensure effective cash and Treasury management 3.5.6 Ensure timely and accurate financial reporting
	3.6 To strengthen the capacity of State Corporations (SC) to achieve their mandate	3.6.1 Support SCs in financial reporting, performance contracting, and capacity enhancement 3.6.2 Develop Public Investment Policy and Guidelines 3.6.3 Ensure SCs budgets are aligned to government priorities 3.6.4 Develop a framework for monitoring performance



Key Result Area (KRA)	Strategic Objectives	Strategies
		of SCs
	3.7 To promote local industries and support marginalized groups to participate in public procurement	3.7.1 Build capacity of marginalized groups to participate in public procurement 3.7.2 Enhance growth of local industries 3.7.3 Develop a Preference and Reservations (PR) M&E Framework 3.7.4 Build capacity at both levels of government on public procurement and asset disposal
	3.8 To formulate and implement the national budget	3.8.1 Review and formulate budget policies and guidelines 3.8.2 Formulate National Budgets in line with government priorities
	3.10 To enhance policy, legal and institutional framework for the intergovernmental fiscal relations	3.10.1 Prepare legislative proposals on sharing of resources between the two levels of governments and among the counties. 3.10.2 Implement the Second-Generation Policy on identification and funding of marginalized areas from the Equalization Fund
	3.11 To safeguard government assets and management of liabilities	3.11.1 Develop assets and liabilities management policies 3.11.2 Enhance accountability on Government Assets and Liabilities 3.11.3 Operationalize the National Assets and Liabilities Management Department
	3.12 To strengthen the pensions sector	3.12.1 Ensure effective pension provision 3.12.2 Establish a pensions database
	3.13 To effectively manage National sub- County Treasuries	3.13.1 Supervise National Sub-County Treasuries 3.13.2 Ensure compliance to Public Sector Accounting Standards
	3.14 To strengthen fiduciary assurance and transparency	3.14.1 Strengthen internal auditing functions in line with International Public Practice (IPPF) and international best practices in public entities 3.14.2 Support the establishment and implementation of Risk Management Framework 3.14.3 Strengthen governance structures in all public entities 3.14.4 Ensure effective use of public resources
	3.15 To Strengthen design, appraisal and selection of public investments projects	3.15.1 Develop standardized methodologies, tools and techniques for public investment management 3.15.2 Develop and maintain an Integrated Bank of Projects or Project Pipeline or basket of approved projects 3.15.3 Operationalize Public Investment Management Department 3.15.4 Strengthen legal, institutional framework and capacity in the management of public investments projects 3.15.5 Build capacity of MDA's on Public Investment Management processes, methodologies and systems
	3.16 To enhance monitoring, evaluation and feedback mechanism for intergovernmental fiscal relations and PFM	3.16.1 Monitor compliance by county governments to statutory reporting and fiscal responsibility principles of PFM Act 3.16.2 Develop an electronic system on County PFM and county profiles
Key Result Area 4: Tracking and reporting on implementation of policies, plans and budgets	4.1 To strengthen tracking of implementation of policies, plans and budgets	4.1.1 Enhance tracking of macroeconomic trends 4.1.2 Improve monitoring, evaluation and reporting systems, projects programmes, strategies and policies 4.1.3 Provide timely, quality and reliable information for evidence-based decision making



Key Result Area (KRA)	Strategic Objectives	Strategies
		4.1.4 Strengthen M&E capacity at both levels of government 4.1.5 Promote M&E culture and practice 4.1.6 Fast-track implementation of Kenya Vision 2030 MTP Social Pillar flagship projects and other programmes 4.1.7 Enhance tracking and reporting on the SDGs
Key Result Area 5: Organizational capacity Strengthening	5.1 To enhance and sustain delivery of quality services	5.1.1 Conform service delivery with international quality standards 5.1.2 Enhance and maintain a conducive work environment 5.1.3 Improve security management systems 5.1.4 Ensure an effective government fleet management system
	5.2 To promote Ethics, National Values and Good Corporate Governance	5.2.1 Institutionalize corruption prevention policy 5.2.2 Institute measures to promote national cohesion and values 5.2.3 Enhance the registration of Access to Government Procurement Opportunities Enterprises 5.2.4 Mainstream Government policies on cross cutting issues 5.2.5 Conduct Annual Audits
	5.3 To enhance capacity building and productivity of the workforce	5.3.1 Streamline Human Resource Planning and Management 5.3.2 Enhance Human Resource Training and Development
	5.4 To ensure a reliable and effective M&E system	5.4.1 Develop an M&E system 5.4.2 Mainstream M&E in all departments 5.4.3 Continuously enhance the capacity of M&E staff
	5.5 To enhance financial management in the National Treasury and Planning	5.5.1 Prudent utilization of funds 5.5.2 Ensure compliance with financial reporting standards 5.5.3 Ensure compliance with the provisions of PPADA 5.5.4 Enhance resource mobilization strategies and implementation of the departmental budget
	5.6 To strengthen communication function	5.6.1 Improve internal and external communications mechanism 5.6.2 Improve media management and engagement 5.6.3 Develop, design and produce communication materials 5.6.4 Branding and reputation Identity 5.6.5 Enhance transparency through information sharing
	5.7 To improve Information and Communication Technologies for better service delivery	5.7.1 Develop an information technology strategy 5.7.2 Automate key National Treasury and Planning operations 5.7.3 Strengthen staff capacity on emerging ICT needs 5.7.4 Enhance Information Management Systems 5.7.5 Strengthen institutional ICT capacity 5.7.6 Automate service delivery
	5.8 To institutionalize Knowledge Management for Socio-economic development	5.8.1 Develop a Knowledge Management Policy for Kenya 5.8.2 Capacity Build MCDAs on Knowledge Management principles and practices 5.8.3 Conduct a baseline survey on Knowledge Management awareness and practices in the Public sector



Chapter 4

IMPLEMENTATION AND COORDINATION FRAMEWORK

4.0 Overview

This chapter provides information on the resources required to implement the strategic plan. This includes the Ministry's human resource capacity needs, financial resource requirement, and proposed organization structure, strategies for resource mobilization, as well as performance and risk management strategy.

4.1 Structure of the National Treasury and Planning

Prior to the Executive Order (Revised) No 1/2018 dated June, 2018 the National Treasury and State Department for Planning existed as two distinct entities as detailed in the organograms in Figures 4-1 and 4-2.

In order to enhance efficiency and effectiveness in implementation of its mandate, the National Treasury and Planning has proposed a new organisational structure as shown in the organogram in Figure 4-3.



Affordable Housing:

President Uhuru Kenyatta launches the Kenya Mortgage Refinance Company (KMRC) at a Nairobi hotel. KMRC will extend long term loans at fixed rates to financial institutions secured against mortgages so that they can extend the maturity of their housing loans to end borrowers hence increasing affordability.



Figure 4-1: Current Organogram for the National Treasury

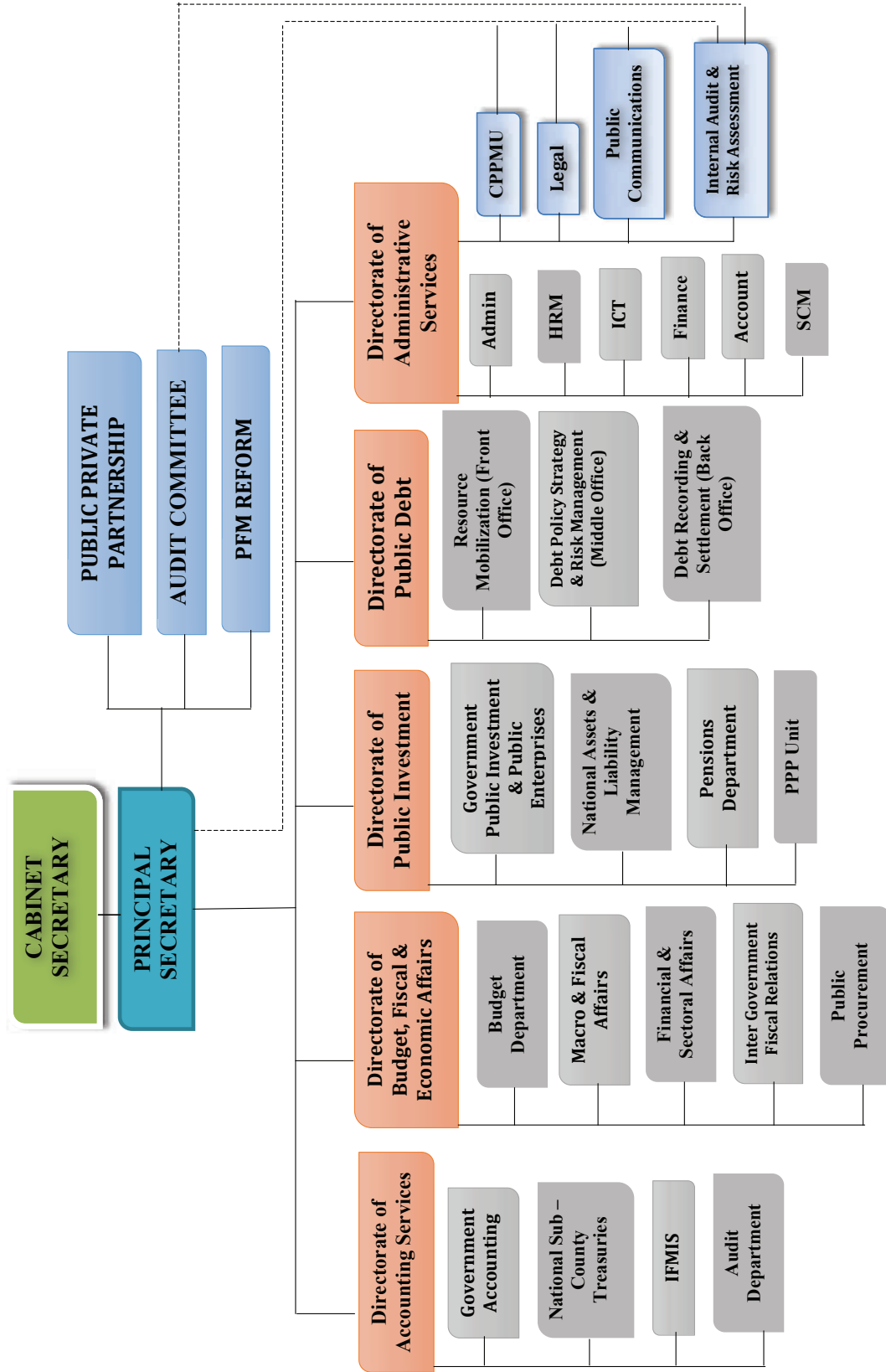


Figure 4-2: Current Organogram for State Department for Planning

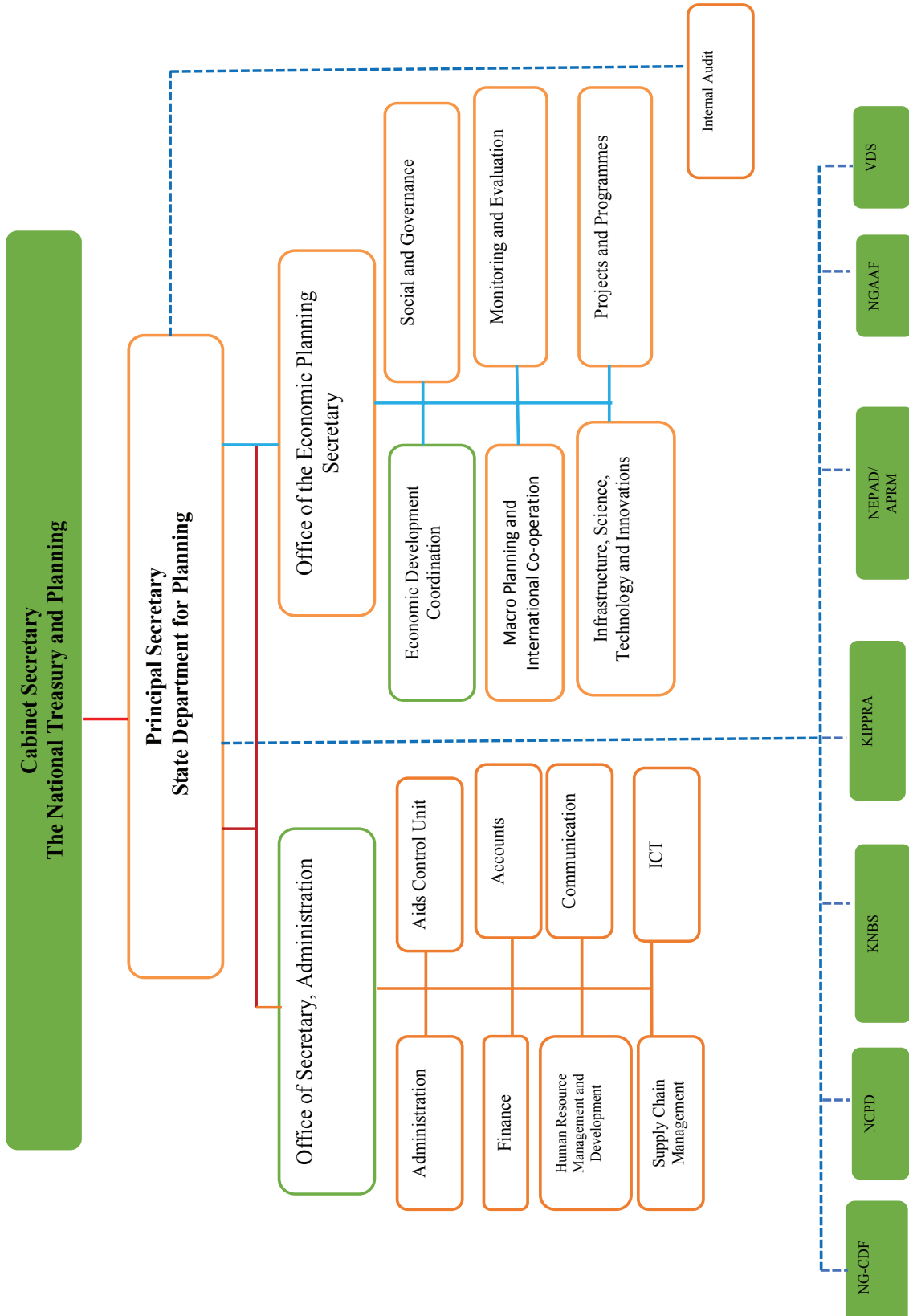
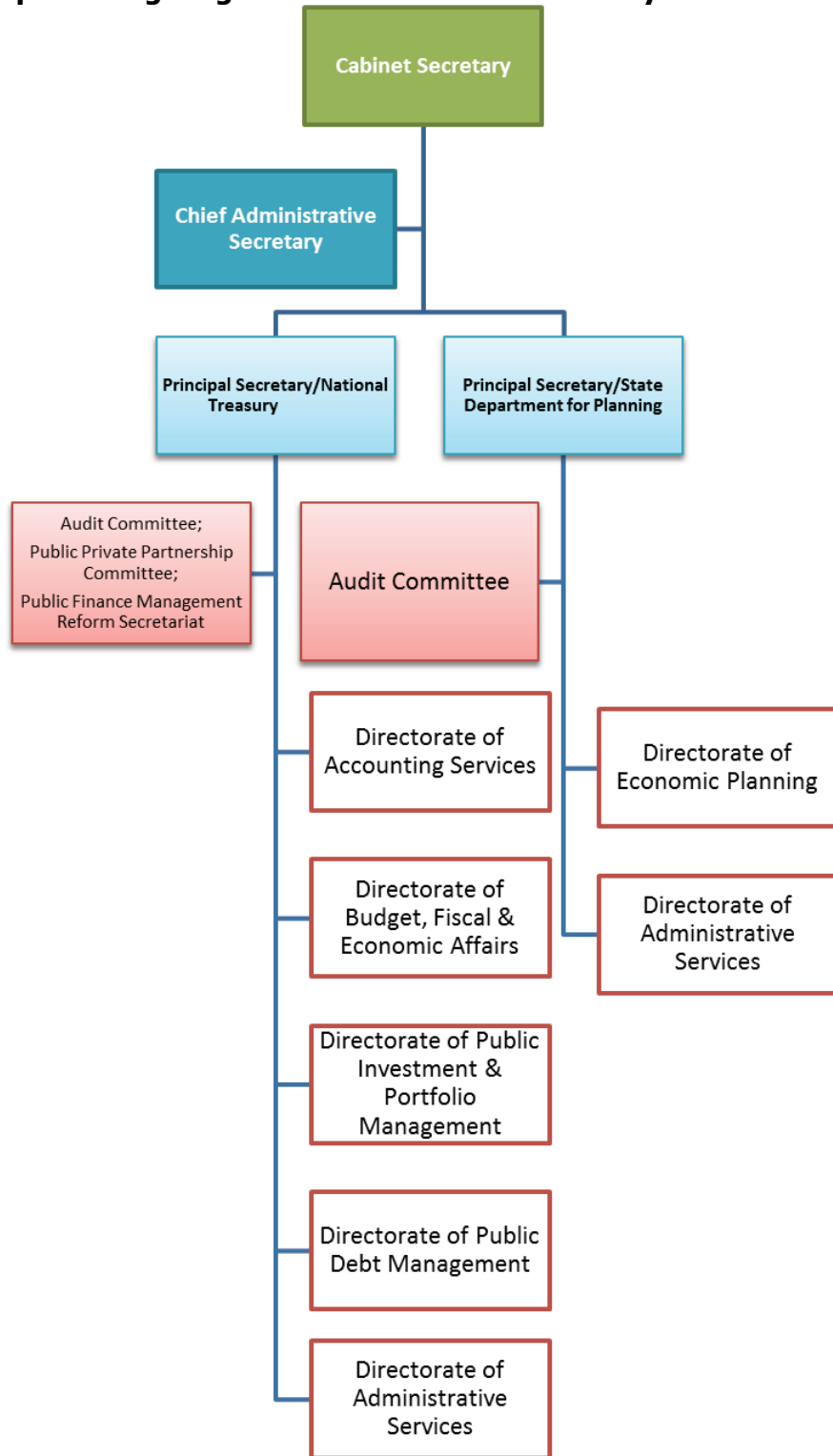


Figure 4-3: Proposed Organogram for the National Treasury and Planning



4.1.1 Directorates/ Departments/Units

The Directorates, Departments and units of the National Treasury and Planning include:

- I. Directorate of Accounting Services comprises the following departments:**
 - a) Government Accounting Services
 - b) National Sub-County Treasuries
 - c) Integrated Financial Management Information System
 - d) Digital Finance
 - e) Internal Auditor General
- II. Directorate of Budget, Fiscal & Economic Affairs comprises the following departments:**
 - a) Budget
 - b) Macro & Fiscal Affairs
 - c) Financial & Sectoral Affairs
 - d) Intergovernmental Fiscal Affairs Relations
 - e) Public Procurement
- III. Directorate of Public Investment and Portfolio Management comprises the following:**
 - a) Government Investment & Public Enterprises
 - b) National Assets & Liability Management
 - c) Pensions
 - d) Public Private Partnership Unit
 - e) Public Investment Management Unit
- IV. Directorate of Public Debt Management Office comprises the following:**
 - a) Resource Mobilization
 - b) Debt Policy Strategy and Risk Management
 - c) Debt Recording and settlement
- V. Directorate of Economic Planning comprises the following;**
 - a) Macro Planning and International Economic Partnerships
 - b) Economic Development Coordination
 - c) Social and Governance
 - d) Infrastructure Science Technology and Innovation
 - e) Monitoring and Evaluation
 - f) Sustainable Development
- VI. Directorate of Administrative Services comprises the following**
 - a) Administration Services
 - b) Accounting
 - c) Finance
 - d) Human Resource Management and Development
 - e) Central Planning Project Monitoring Unit
 - f) Supply Chain Management
 - g) Legal Unit
 - h) Public Communications
 - i) Information Communication Technology
 - j) Internal Audit and Risk Management Unit



4.2. Staff Establishment

4.2.1 Proposed establishment, staff strength and variance

The National Treasury and Planning has proposed an establishment of 5,210 Staff strength of 3,093 and a variance of 1,615 as detailed in Table 4-1.



The Treasury Building



Table 4-1: Staff Analysis, Proposed Establishment, Staff Strength and Variance

	Job Group Range	Authorized Establishment	Proposed Establishment	In post	Variance	% of In post to Proposed Established	% of the Variance to the Proposed Est.
Top Management							
Cabinet Secretary	4	1	1	1	0	100.00	-
Principal Secretary	U	2	2	2	0	100.00	-
Chief Administrative Secretary	U	1	1	1	0	100.00	-
Principal Administrative Secretary	U	1	1	1	0	100	0
Technical Staff Occupational Categories							
Director General, Budget Fiscal & Economic Affairs	U	1	1	1	0	100	0
Director General, Accounting Services & Quality Assurance	U	1	1	1	0	100	0
Director General Public Debt Management	U	1	1	1	0	100	0
Director General Investment and Portfolio Management	U	1	1	0	-1	0	100
Director General Economic Planning	U	1	1	0	-1	0	100
Budget/Finance Officers	J-T	81	73	66	(7)	90.41	9.59
Macro and Fiscal Policy Officers	K-T	46	50	22	-24	44.00	56.00
Financial & Sectoral Affairs Officers	K-T	33	36	17	-16	47.22	52.78
Intergovernmental Fiscal Relations Officers	K-T	27	27	11	-16	40.74	59.26
Supply Chain Management Officers	K-T	118	130	47	-70	36.15	63.85
Accountants	J-T	1,608	2,044	1,106	(496)	54.11	45.89
Internal Auditors	H-T	867	866	529	-338	61.09	38.91
IFMIS Officers.	K-T	54	55	-	-54	-	100.00
Resource Mobilization Officers	K-T	46	46	27	-19	58.70	41.30
Debt Policy, Strategy and Risk Management Officers	K-T	19	28	6	-13	21.43	78.57
Debt Recording & Settlement Officers	K-T	20	20	1	-19	5.00	95.00
Investment Officers	K-T	42	42	23	-19	54.76	45.24
Pensions Officers	H-T	218	227	112	-106	49.34	50.66
PPP Officers	J-T	29	29	5	-24	17.24	82.76
National Assets & Liabilities Officers	K-T	18	18	2	-16	11.11	88.89



	Job Group Range	Authorized Establishment	Proposed Establishment	In post	Variance	% of In post to Proposed Established	% of the Variance to the Proposed Est.
Economists	K-T	278	344	148	-196	43.02	56.98
The National Treasury and Planning Technical Staff		3,509	4,040	2,125	(1,435)	52.60	47.40
Support Services							
Administration Officers	J-S	26	22	19	0	86.36	13.64
HRM& D Officers	H-T	62	44	29	-15	65.91	34.09
Records Management Officers	H-P	51	46	37	-3	80.43	19.57
ICT Officers	H-S	79	76	36	-32	47.37	52.63
Librarians	K-N	11	9	3	-5	33.33	66.67
Public Communication Officers	L-R	25	14	4	-8	28.57	71.43
Legal Officers	S1-S8	2	4	2	0	50.00	50.00
Telephone Officers	E-M	14	14	12	-3	85.71	14.29
Office Administrative Services	G-P	307	286	238	-45	83.22	16.78
Clerical Officers	E-K	410	350	370	20	105.71	(5.71)
Drivers	F-J	129	126	76	-50	60.32	39.68
Security Officers	F-M	14	14	10	-6	71.43	28.57
Artisans	E-J	3	3	3	0	100.00	-
Support Staff	0	204	157	124	-33	78.98	21.02
National Treasury and Planning Administrative Services		1342	1170	968	-180	82.74	17.26
Technical + Administrative Services		4,851	5,210	3,093	2,117	59.37	40.63
<hr/>							
In post as a % of the Proposed Est of NT					59.37		
In post for Tech Staff as a % of the proposed EST for Tech staff					52.60		
Variance for tech staff against the proposed Est for tech staff					47.40		
<hr/>							
In Post for Administrative staff as a % of the Proposed Est of NT & P					82.74		
Variance for Administrative staff against the proposed Est for admin staff					17.26		



4.2.2. Human Resource Development Strategies

In order to enhance capacity development and productivity of employees, the National Treasury and Planning shall pursue the following strategies:

- i. Implement the proposed organization structure and authorized establishment to achieve the desired staffing levels with clear reporting structure.
- ii. Implement the Human Resource Policies and Procedures Manual and any other policies that shall be released by the Public Service Commission from time to time to ensure fairness and parity treatment of employees.
- iii. Implement the succession management policy to address the staffing gaps and technicalities on the requirements in the schemes of service.
- iv. Capacity building in terms of equipment, skills, number of employees and provide conducive environment for productive service delivery.
- v. Implement online staff appraisal management system.
- vi. Develop and implement the National Treasury and Planning scheme of service.
- vii. Implement work environment policy and Occupational Safety and Health Act, 2007 to ensure health and safety of employees.

4.3 Financial Resources

4.3.1 Financial Resource Requirements

The total estimated financial resource requirements for the Plan period is Ksh. 40,375,900,000 against an estimated allocation of Ksh. 653,965,610,000. The huge difference in the resource allocation versus requirement is due to the following reasons;

- Some of the funds budgeted under the National Treasury and planning are for strategic interventions across Government and are not available for the implementation of the Strategic Plan. They include Constituency Development Fund, Strategic Intervention in State Corporations and whole of Government reform initiatives among others.
- Equalization and Contingency Fund financial allocations are also budgeted for under the National Treasury vote. However, they are transferred to the relevant implementing Institutions as soon as they are required to facilitate execution of planned activities.
- Subscriptions to International Organisations



Table 4-2 summarizes the resource requirements for the National Treasury and Planning's strategic plan for the period 2018/19 to 2022/23.

Table 4-2: Financial Resource Requirements, Year 1 – Year 5

Category	Resource Requirements (Ksh. Mn)					
	Year 1	Year 2	Year 3	Year 4	Year 5	Total
KRA1: Stable and sustainable macro-economic environment	724.00	684.00	634.00	489.00	414.00	2945.00
KRA2: Resource mobilization for financing public expenditure	534.00	969.50	645.00	713.00	671.00	3,532.50
KRA 3: Development Planning, budgeting, and intergovernmental relations	2,582.20	2,557.20	2,544.20	2,285.20	2,340.20	12,309.00
KRA 4: Tracking and reporting on implementation of policies, plans and budgets	91.40	92.70	261.70	45.20	134.70	625.70
KRA 5: Organizational capacity strengthening	492.70	1105.70	620.20	624.20	613.70	3456.70
<i>Personnel Emoluments (PE)</i>	3232.32	3361.61	3496.08	3635.92	3781.36	17,507.29
Total	7,656.62	8,770.71	8,201.18	7,792.52	7,954.96	40,375.99

4.3.2 Projected Resource Allocations

Table 4-3 shows the projected estimates of the resources that will be allocated for implementation of the strategic plan during the five years' period.

Table 4-3: Projected Estimates, Year 1 – Year 5

Expenditure	Projected Estimates (Ksh. Mn)				
	Year1	Year 2	Year 3	Year 4	Year 5
Recurrent	79,994.45	88,730.70	88,768.91	97,555.98	97,597.22
Development	42,743.56	39,341.77	39,401.54	39,884.85	39,946.63
Total	122,738.01	128,072.47	128,170.45	137,440.83	137,543.85



4.3.3 Resource Mobilization Strategies

In order to facilitate the implementation of this strategic plan the National Treasury and Planning shall pursue the following strategies

- a. Continue lobbying for increased funding from the Exchequer through the MTEF budget Sector Working

Groups and Parliamentary committees to increase GoK funding.

- b. Develop donor engagement framework for increased resource mobilization and efficient utilization.
- c. Leverage on ICT towards improving administrative efficiency. This is expected to reduce costs, thereby releasing resources to priority needs

4.4. Risks Analysis and Mitigation Measures

The matrix below shows the various risks that are likely to affect implementation of this strategic plan, risk categorization and the mitigation measures.

Risk	Category	Mitigation Measure
Inadequate organizational capacity arising from staff turnover	High	Staff motivation
		Develop Staff retention measures
		Improve work environment
		Capacity building
Provision of tools of work		
Corruption	High	Up hold professionalism and financial prudence in all areas of operations
Litigation	High	Enforce the rule of law, Stakeholder engagement, Use of Alternative Dispute Resolutions
Organizational Bureaucracy	High	Enforcement of Service Charter
		Regular senior management and departmental meetings
		Team building activities
Political interference	High	Stakeholder involvement
Volatility in revenue performance leading to inadequate funding	Medium	Enhance revenue collection measures
Conflict between National and County governments	Medium	Stakeholders engagement
Government coordination	Medium	Stakeholder engagement
Development Partners conditionalities	Medium	Strategic Negotiations at the contract stage and adhere to the existing laws and regulations
Strategic reorganization of government Ministries/Departments	Low	Enforce existing policies and Current development strategies



Chapter 5

MONITORING, EVALUATION AND REPORTING

5.0 Overview

This chapter presents the monitoring, evaluation and reporting framework of the Strategic Plan. This will involve a systematic and continuous process of collecting and analysing information based on the indicators, targets and provision of feedback. An implementation matrix with clear outcomes, outputs, output indicators and targets for the five-year duration plan is annexed to facilitate monitoring and evaluation of the Plan. The results of M&E will be used to make corrective actions, improve implementation of activities and also inform future plans of the National Treasury and Planning.

5.1 Monitoring Implementation of the Strategic Plan

Monitoring the implementation of the plan will act as an early warning system to detect potential bottlenecks and help to make adjustments where necessary. Monitoring will involve collecting and analyzing information relating to the various indicators in the implementation matrix of the strategic plan. During the plan period, the National Treasury and Planning will ensure seamless, accurate and timely information on implementation using electronic systems.

Activities that will require re-scheduling or revision of targets will be adjusted through a re-negotiated process with the top management.

5.2 Evaluation of the Strategic Plan

Evaluation will involve a systematic and objective process of examining the relevance, effectiveness, efficiency and impact (both expected and unexpected) of the strategies. Evaluation will be done through formal surveys and assessments and will look at what will be accomplished against the set targets. Three major evaluation activities will be undertaken. These include mid-term evaluation; end-term evaluation and ad hoc evaluation (where necessary).

5.2.1 Mid-Term Evaluation

The National Treasury and Planning will conduct a mid-term evaluation of this Strategic Plan to examine the progress towards achieving the set targets. The evaluation will be spearheaded internally by the Strategic Plan Implementation Committee. This will be undertaken in the financial year 2020/2021.



The recommendations of mid-term evaluation will help in making improvements to the Strategic Plan implementation process.

5.2.2 End-term Evaluation

End-term evaluation will be conducted at the end of the Strategic Plan period and the achievements, challenges, lessons learnt and recommendation will inform the next cycle of the strategic planning process in the Ministry.

5.2.3 Ad hoc Evaluation

Ad hoc evaluation may be commissioned by the Cabinet Secretary in case of significant and unexplained variance between the planned and achieved performance targets. Such variances will be identified through the regular quarterly and annual reports.

5.3 Reporting

All Directorates in the National Treasury and Planning will be involved in monitoring and reporting on the progress of

achievement of results and objectives based on the key indicators agreed upon in this Strategic Plan. This will be achieved by ensuring collection and provision of timely and accurate data during the plan period. The directorates will be expected to generate reports on quarterly, bi-annual and annual basis or as outlined in the implementation matrix in the annexes.

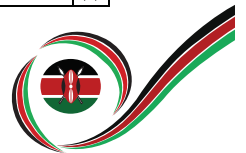
5.4. Linkage between the Strategic Plan & Performance Contracts

To enhance implementation of the Strategic Plan and achievement of its objectives, performance contract targets will be drawn from the implementation matrix provided in the Annex. This linkage will also ensure that each staff of the National Treasury and Planning makes a contribution to the strategic plan implementation and realization of the Vision of the Ministry.



ANNEX I: Implementation Matrix

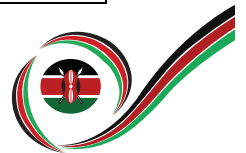
Strategic Objective	Expected Outcome	Strategy	Expected Output	Output Indicators	Target for 5 Years	Targets (Annual)					Budget (Ksh. Mn)					Responsibility			
						2018/19	2019/20	2020/21	2021/22	2022/23	2018/19	2019/20	2020/21	2021/22	2022/23				
KRA 1: Stable and sustainable macroeconomic environment																			
1.1 To foster and maintain macroeconomic stability and accelerated growth	Stable macroeconomic environment and accelerated growth	1.1.1 Develop and implement fiscal policies to support stable macroeconomic environment 1.1.2 Oversee the implementation of the CBK's monetary programme	Budget and fiscal Statement	Policy-No of Documents	5	1	1	1	1	1	3	3	3	3	3	Macro and Fiscal Affairs Department (MFA)			
			Stable Average annual inflation rates	Inflation rate	5 +/- 2.5%	5 +/- 2.5%	5 +/- 2.5%	5 +/- 2.5%	5 +/- 2.5%	5 +/- 2.5%	5 +/- 2.5%	1	1	1	1	1	1	1	
			Low and stable interest rate	Low and stable lending rate	CBK +4%	CBK +4%	CBK +4%	CBK +4%	CBK +4%	CBK +4%	CBK +4%	CBK +4%	1	1	1	1	1	1	1
			Stable and competitive exchange rate	Exchange rate of June of preceding FY	+/- 10%	+/- 10%	+/- 10%	+/- 10%	+/- 10%	+/- 10%	+/- 10%	+/- 10%	1	1	1	1	1	1	1
			Strong Official foreign reserves	Months of import cover	7.4	7.0	7.1	7.2	7.3	7.4	7.4	7.4	1	1	1	1	1	1	1
1.2 To strengthen	Increased	1.1.3 Align macroeconomic and fiscal policies with the government priorities 1.1.4 Rationalize National Government Expenditure 1.1.5 Safeguard revenues from minerals, oil and gas	Inclusive and sustainable growth	%GDP Growth rate	7.2	6.3	6.2	6.5	6.9	7.2	1	1	1	1	1	1	1		
			fiscal deficit as a % of GDP including grant	% of fiscal deficit	(3.8)	(6.8)	(5.6)	(4.7)	(4.2)	(3.8)	(3.8)	10	10	10	10	10	10	10	
			Reduction in expenditure and net lending	Expenditure and net lending as a % of GDP	22.8	26.9	259	23.6	23.1	22.8	22.8	20	20	20	20	20	20	20	20
			Kenya Sovereign Wealth Fund Act	Enactment of the Bill	1	Bill Approved by the cabinet	Bill enacted by Parliament	-	-	50	50	50	50	50	50	50			
			1.2.1 Position Kenya as	NIFCA	NIFCA	NIFCA	NIFCA	NIFCA	NIFCA	1	-	-	-	-	20	20	20		



Strategic Objective	Expected Outcome	Strategy	Expected Output	Output Indicators	Target for 5 Years	Targets (Annual)							Responsibility			
						2018/19	2019/20	2020/21	2021/22	2022/23	Budget (Ksh. Mn)					
						2018/19	2019/20	2020/21	2021/22	2022/23	2018/19	2019/20		2020/21	2021/22	2022/23
and broaden the Financial Services Sector	Domestic and a hub for investment in financial services	Operational NIFC	Operational NIFC	Operational	1	1	-	-	-	-	20	20	20	20	20	e and Sectoral Affairs (FSAD)
						-	-	-	-	-	15	15	15	15	15	
						1	1	1	1	1	5	5	5	5	5	
						5	1	1	1	1	5	5	5	5	5	
Stable Financial Services Sector	Secure financial system	1.2.2 Streamline the architecture and modernize supervision of the financial services sector	legislative frameworks for streamlining the architecture and modernizing the supervision of the financial services sector developed	No of policies	7	4	2	1	-	-	80	80	80	80	-	FSAD
						-	-	-	-	-	25	25	25	25	-	
						1	1	1	1	1	150	150	150	150	150	
						1	1	1	1	1	25	25	25	25	-	
Increased financial capability of Kenyans	1.2.3 Develop and implement a Digital Finance Strategy Framework (DFSF)	Kenya digital finance policy paper, Digital finance strategy developed	No. of policy	Fin-Tech Strategy	1	-	-	-	-	-	25	25	25	25	-	Government Digital Payments Unit (GDP U)
						1	1	1	1	1	150	150	150	150	150	
						1	1	1	1	1	10	10	10	10	10	
						1	1	1	1	1	55	55	55	55	55	
Increased financial capability of Kenyans	1.2.4 Promote Financial Literacy and consumer protection	Consumer Protection Strategy for financial services	Consumer Protection strategy	Consumer Protection strategy	1	-	-	-	-	-	10	10	10	10	-	FSAD
						1	1	1	1	1	10	10	10	10	10	
						1	1	1	1	1	10	10	10	10	10	
						1	1	1	1	1	10	10	10	10	10	



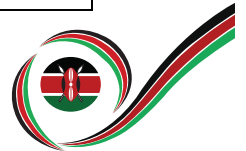
Strategic Objective	Expected Outcome	Strategy	Expected Output	Output Indicators	Target for 5 Years	Targets (Annual)						Budget (Ksh. Mn)					Responsibility
						2018/1	2019/2	2020/2	2021/2	2022/2	2018/1	2019/2	2020/2	2021/2	2022/2		
						9	0	1	2	3	9	0	1	2	23		
			Report														
	Conductive lending and investment environment	1.2.5 Strengthen the lending and investment environment	Credit information sharing framework Policy framework on the leasing market in Kenya	CIS Policy Leasing Market Policy	1 1	1	-	-	-	50	-	-	-	-	-	-	-
			Draft CGS Framework	CGS Policy	1	1	-	-	-	25	-	-	-	-	-	-	-
			Draft KMRC regulation	KMRC regulation	1	1	-	-	-	25	-	-	-	-	-	-	-
			KMRC Company established	Operational KMRC													
			Rural finance policy developed	Rural Finance Policy	1	1	-	-	-	25	25	-	-	-	-	-	-
			EAC finance policies and Strategies	No. of Policies	7	-	-	1	2	4	-	10	20	20	25	-	-
1.3 To strengthen policy linkage between sectoral policies and PFM	Enhanced linkage between sectoral policies and PFM	1.3.1 Ensure compliance of sectoral policies to the PFM requirements 1.3.2 Operationalize the Climate Finance Action	Policies reviewed	Number of policies	15	3	3	3	3	3	1	1	1	1	1	1	1
			Climate Finance policy developed	Climate Finance Policy	1												
			GCF developed	No. of Strategies	2	10	2	2	2	2	-	-	-	-	-	-	-
			Climate Change Fund established in counties	No. of proposals	8	2	2	2	2	2	20	20	20	20	20	20	20
			Proposals prepared for resource mobilization	No. of countries	47	5	15	5	10	12	20	20	20	20	20	20	20
1.4 To Create a conducive environment for attracting investment	Increased FDI	1.4.1 Promote regional integration and provide technical support to regional integration	Proposals prepared for resource mobilization	No. of proposals	2	1	1	-	-	-	10	10	-	-	-	-	-
			Successful implementation of plans	Number of work plans	2	1	1	-	-	-	5	5	-	-	-	-	-



Strategic Objective	Expected Outcome	Strategy	Expected Output	Output Indicators	Target for 5 Years	Targets (Annual)						Budget (Ksh. Mn)					Responsibility
						2018/1	2019/2	2020/2	2021/2	2022/2	2018/1	2019/2	2020/2	2021/2	2022/2		
						9	0	1	2	3	9	0	1	2	3		
and facilitate trade		negotiations	indicators under COMESA Regional Implementation Support Mechanism (RISM)	Quarterly budget implementation reports	2	1	1	-	-	-	5	5	-	-	-	-	
			Country's position paper to the EAC	Number of Country's position papers	5	1	1	1	1	1	3	3	3	3	3	3	3
			Harmonized EAC protocol Book	EAC protocol Books	5	1	1	1	1	1	7	7	7	7	7	7	7
			1.4.2 Promote bilateral and multilateral trade negotiations and investment agreements; signed financial cooperations; and partnerships	Number of Agreements and Memorandums of Understanding (MOUs) MOUs	5	1	1	1	1	1	10	10	10	10	10	10	10
				No. of reports on the outcome of Trade negotiation forums	15	3	3	3	3	3	10	10	10	10	10	10	10
1.5 To promote efficiency and effectiveness of the Government Debt Market	Improved debt management	1.5.1 Implement the Agency Agreement with the CBK on the electronic trading platform for Over the Counter (OTC) Treasury Bills and Bonds	Full implementation of the Single Customs Territory in EAC	Number of operational One Stop Border Posts (OSBPs)	4	-	1	1	1	1	10	10	10	10	10		
			Automated trading platform developed and rolled out	Electronic trading platform operational	Operational Trading platform	Initiate the process	Develop the platform	Stakeholder engagement	Test the system	Roll out the platform	10	10	10	10	10	10	
	1.5.2 Rollout the Government Securities Market Makers and	Lengthened yield curve	Improved public	No. of benchmark bonds issued	20	4	4	4	4	4	5	5	5	5	5		
				New participants	Primary	-	-	-	-	-	5	5	5	5	-		



Strategic Objective	Expected Outcome	Strategy	Expected Output	Output Indicators	Target for 5 Years	Targets (Annual)					Budget (Ksh. Mn)					Responsibility		
						2018/19	2019/20	2020/21	2021/22	2022/23	2018/19	2019/20	2020/21	2021/22	2022/23			
		debt products	participation in the government debt market	in the government debt market	Dealership Program													
		1.5.3. Institute systems for tracking debt management activities.	Debt and borrowing policy developed	Debt borrowing policy	A borrowing policy in place	Initiate the drafting of policy	Stakeholder engagement	Stakeholder engagement	Seek approval	Adoption of Policy	5	5	5	5	5			
			Debt risk management policy developed	Debt management policy		Initiate the drafting of policy	Stakeholder engagement	Stakeholder engagement	Seek approval	Adoption of Risk Management Policy	5	5	5	5	5			
			analytical and web-based debt management system developed and rolled out	web-based debt management system operational	A system interfaced with IFMIS	Develop the system	Develop the system	Test the system	Roll out the system	Fully functional system	5	5	5	5	5			
KRA 2: Resource mobilization for financing public expenditure																		
2.1. To enhance resource mobilization to meet the government funding requirements	Increased funding for government requirements	2.1.1 Ensure prudent borrowing from domestic and external markets	Approved donor project proposals	Number of project proposals approved	10	2	2	2	2	2	-	-	-	-	-			
			Donor Project feasibility reports	Number of feasibility reports	10	2	2	2	2	2	2	-	-	-	-	-		
			Fulfilled donor conditions and funds mobilized	Number of conditions fulfilled	10	2	2	2	2	2	2	-	-	-	-	-		
		2.1.2 Continue to issue innovative borrowing initiatives	M-Akiba Bonds issued	No. of M-Akiba bonds issued	20	4	4	4	4	4	10	10	10	10	10			
			Sharia Compliant	No. of bonds	3	-	-	-	-	-	-	-	-	-	-			



Strategic Objective	Expected Outcome	Strategy	Expected Output	Output Indicators	Target for 5 Years	Targets (Annual)						Budget (Ksh. Mn)					Responsibility
						2018/19	2019/20	2020/21	2021/22	2022/23	2018/19	2019/20	2020/21	2021/22	2022/23		
						9	0	1	2	3	9	0	1	2	3		
			Products / Green bonds issued														
		2.1.3 Diversify the funding sources	New projects initiated under PPP model	No. of projects	20	2	4	3	6	5	60	120	90	180	150		
			New donors engaged	No. of new donors	5	1	1	1	1	1	1	10	0	10	10		
			Issue Sovereign bond	No. of Sovereign bonds issued	3	1	1	1	1	1	500	500	500	500	500		
		2.1.4 Broaden the tax base and rationalize tax expenditures	Staff trained on tax policies	No. of staff trained	20	-	5	5	5	5	-	4	4	4	4	4	MFAD
			Duty Remission Automation System	No. of systems	1	-	1	-	-	-	-	200	-	-	-	-	
			Tax exemption module in the integrated e-module PromIS/iCSM	Tax exemption module operationalized	1	-	1	-	-	-	-	200	-	-	-	-	
			Increased tax collection	Revenue collected as a % of GDP	18.6	18.9	19.7	18.4	18.5	18.6	5	5	5	5	5	5	
			Revised income tax law	New income tax Act	New income tax Act	-	Income Tax Bill approved by Cabinet	Enactment of the New Income Tax Act	-	-	-	3	5	-	-	-	
			Finance Bill	No. of bills	5	1	1	1	1	1	3	3	3	3	3	3	
		2.1.5 Enhance Digital Payments Services	Digital payment platform developed and rolled out to MCDAs	No. of MCDAs services onboarded	1000	200	200	200	200	200	250	250	250	250	250	250	Accounting Services & Quality Services (AS&QS)



Strategic Objective	Expected Outcome	Strategy	Expected Output	Output Indicators	Target for 5 Years	Targets (Annual)								Responsibility				
						2018/19	2019/20	2020/21	2021/22	2022/23	2018/19	2019/20	2020/21		2021/22	2022/23		
2.2 To promote Public Private Partnerships	Successful PPP projects implemented	2.2.1 Capacity enhancement and strengthening of contracting authorities	Staff in MCDAs trained on PPP	No. of officers trained	1200	300	300	200	200	200	60	60	40	40	40	Public Private Partnership Unit (PPPU)		
			Sector model templates developed	No. of sector model templates developed	5	2	3	-	-	-	-	-	-	-	-	-	-	-
			PPP project proposals progressed through the preparation phase	No. of approved PPP project proposals	114	25	16	28	24	21	-	-	125	64	112	96	84	-
			Reviewed and revised legal and regulatory framework for PPPs	Amended PPP Act (%)	100%	60	40	-	-	-	-	-	-	-	-	-	-	-
2.3 To enhance utilization of donor funds	Enhanced donor funds	2.3.1 Enhance absorption rate of donor funds	Funds disbursed	% of Funds disbursed	90%	90	90	92	95	95	-	-	-	-	-	PDMO		
			Procurement tracking tool	Procurement tracking tool	1	-	1	-	-	-	5	-	-	-	-	-	-	
			Stakeholders Coordination reports	No. of reports	20	4	4	4	4	-	-	-	-	-	-	-	-	
2.4 To support county governments enhance own source revenue	Enhanced County Governments Own Source Revenue	2.3.3 Strengthen M&E framework	M&E Framework	No. of M&E Framework reports	1	-	1	-	-	-	-	2	-	-	-	-		
			M&E reports	No. of M&E reports	20	4	4	4	4	-	-	-	-	-	-	-	Intergovernmental Fiscal Relations Department (IGFRD)	
			Guidelines on institutional framework	Issued Guidelines	Issued Guidelines	-	-	-	-	-	-	5	5	-	-	-	-	
			Guidelines on Standardized ICT based Revenue administration system	Issued Guidelines	Issued Guidelines	-	-	-	-	-	-	-	5	5	5	5	5	-
2.4.2 Develop a legal framework for County Government Tax Administration Processes	Develop a legal framework for County Government Tax Administration Processes	2.4.2 Develop a legal framework for County Government Tax Administration Processes	County Tax Revenue Legislation	No. of Legislations	1	-	1	-	-	-	-	1.5	-	-	-			
			County Tax Revenue Legislation	No. of Legislations	1	-	1	-	-	-	-	-	-	-	-	-	-	



Strategic Objective	Expected Outcome	Strategy	Expected Output	Output Indicators	Target for 5 Years	Targets (Annual)						Budget (Ksh. Mn)					Responsibility
						2018/19	2019/20	2020/21	2021/22	2022/23	2018/19	2019/20	2020/21	2021/22	2022/23		
						9	0	1	2	3	9	0	1	2	2		
			Tax Processes and Revenue Administration Act Regulations	No. of Legislations	1	-	-	1	-	-	-	5	-	-	-		
		2.4.3 Enhance the capacity of County Governments on Tax Analysis and Revenue Forecasting	Trained Trainers (ToTs) on Tax Analysis and Revenue Forecasting	No. of Trained ToTs	20	10	-	-	-	5	6	-	-	-	-		
		2.4.3 Forecasting	Trained CG Revenue Officers on Tax Analysis and Revenue Forecasting	No. of CG Officers trained on Tax analysis and Revenue Forecasting	235	-	135	100	-	-	6	6	-	-	-		
KRA3: Development Planning, budgeting, and intergovernmental relations																	
3.1 To strengthen planning and policy formulation at both levels of government	Improved planning and policy formulation at both levels of government	3.1.1 Spearhead national development planning	Medium Term Plans prepared and disseminated	Medium Term Plans	1	-	-	-	1	-	-	-	-	-	300	Macro Planning and International Cooperation	
		3.1.1.1	MTP Sector Plans prepared	No. of Sector Plans prepared	28	-	-	-	28	-	-	-	-	-	10		
		3.1.1.2	Key investment opportunities prepared and disseminated	Key investment opportunities prepared in place	1	-	1	-	-	-	20	-	-	-	-		
		3.1.1.3	Guidelines on preparation of Sector Plans prepared and shared with MDAs	No. of sector plan preparation and guidelines shared with MDAs	1	-	-	-	1	-	-	-	-	-	0.1		
		3.1.2	T21 database updated	Updated T21 database	2	-	1	-	1	-	0.4	-	-	-	-		
		3.1.2.1	Reports based on T21 model prepared	No. of T21 model reports	2	-	1	-	1	-	0.2	-	-	-	-		
		3.1.2.2	Staff in MDAs trained on modelling and forecasting	No. of MDAs' staff trained	90	-	45	45	45	-	20	20	20	20	20		
		3.1.3	Operationalize National county	No. of operational county	47	-	47	-	-	-	122.7	122.7	122.7	122.7	122.7	Econo	



Strategic Objective	Expected Outcome	Strategy	Expected Output	Output Indicators	Target for 5 Years	Targets (Annual)						Budget (Ksh. Mn)					Responsibility		
						2018/19	2019/20	2020/21	2021/22	2022/23	2018/19	2019/20	2020/21	2021/22	2022/23				
						9	0	1	2	3	9	0	1	2	3				
			countries	developed and disseminated															
			Inter-county development framework developed and disseminated	Inter-county development planning framework	1	-	1	-	-	-	15	-	-	-					
		3.1.5 Enhance internal capacity on planning and mainstreaming of cross-cutting and emerging issues into development plans	Technical staff trained on cross-cutting and Emerging issues	No. of Technical staff trained on cross-cutting and Emerging issues	90	30	15	15	15	15	3	3	3	3	3	3	3	3	
			Technical staff trained on county planning process	No. of technical staff trained on county planning process	120	-	30	30	30	30	-	6	6	6	6	6	6	6	
		3.1.6 Enhance sectoral information generation and sharing to inform policies and plans	MDAs staff sensitized on knowledge management practices	No. of staff sensitized on knowledge management practices	5	1	1	1	1	1	9	9	9	9	9	9	9	9	Sectoral and Governance Division (SGD)
			KM (Knowledge Management) platforms and networks for information and knowledge sharing established	No. of KM Champions established in MDAs	5	1	1	1	1	1	2.5	2.5	2.5	2.5	2.5	2.5	2.5		
			Implementation of the e-Social Intelligence Reporting (SIR) platform in counties coordinated	No. of counties implementing e-Social Intelligence Reporting (SIR) platform in counties coordinated	100	20	20	20	20	20	3	3	3	3	3	3	3		
			Counties official trained on Child Sensitive Budgeting.	No. of Counties official trained on Child Sensitive Budgeting	25	5	5	5	5	5	3	3	3	3	3	3	3		
			Counties official trained on Child Sensitive Budgeting.	No. of Counties official trained on Child Sensitive Budgeting	25	5	5	5	5	5	7.5	7.5	7.5	7.5	7.5	7.5	7.5		



Strategic Objective	Expected Outcome	Strategy	Expected Output	Output Indicators	Target for 5 Years	Targets (Annual)						Budget (Ksh. Mn)						Responsibility
						2018/1	2019/2	2020/2	2021/2	2022/2	2018/1	2019/2	2020/2	2021/2	2022/2			
						9	0	1	2	3	9	0	1	2	3			
			Participatory Poverty Assessments (PPA) report prepared	Participatory Poverty Assessments (PPA) report	1	-	-	1	-	-	-	3	13	3	3	3		
			Kenya National Human Development Reports prepared (KNHDR) and disseminated	Published Kenya National Human Development Reports	2	-	1	-	-	1	-	5	-	-	-	5		
		3.1.7 Strengthen capacity of Central Planning and Project Monitoring Units (CPMUs) in line Ministries.	CPPMUs information sharing forums held	No. of CPMUs information sharing forums held	4	-	1	1	1	1	-	7	7	7	7	7		
		3.1.8 Strengthen the ST&I framework, structures and processes	CPPMUs service delivery capacity assessment conducted	No. of reports prepared	4	-	1	1	1	1	2	2	2	2	2	2		
			ST&I stakeholders forums held	No. of ST&I stakeholders forums held	5	1	1	1	1	1	3	3	3	3	3	3		
3.2 To strengthen linkages between planning, policy formulation and budgeting.	Increased level of implementation of Medium-Term Plan projects and programmes	5.2.1 Ensure alignment of budgets to priority MTP III policies and programmes	Budget making technical support provided	No. of budget sectors provided technical support	50	10	10	10	10	10	6	6	6	6	6	6	Directorate of Economic Planning	
3.3 To contribute to National Competitiveness through regional and international economic cooperation	Improved regional and international trade investments	3.3.1. Strengthen bilateral, Regional and international economic partnerships	Reports on regional and international trade and investment trends and their impact on the economy prepared and disseminated	No. of reports	15	3	3	3	3	3	10	10	10	10	10	10	Macro Planning and International Cooperation (MP&I CD)	
			Annual implementation status reports on TICAD VI programmes prepared	No. of reports	6	1	1	1	1	2	1	1	1	1	1	2		



Strategic Objective	Expected Outcome	Strategy	Expected Output	Output Indicators	Target for 5 Years	Targets (Annual)						Budget (Ksh. Mn)					Responsibility		
						2018/1	2019/2	2020/2	2021/2	2022/2	2018/1	2019/2	2020/2	2021/2	2022/2				
						9	0	1	2	3	9	0	1	2	3				
3.5. To strengthen Public Financial Management at national and county level	Prudent Management of Public Finances in County Governments	3.4.2 Create awareness on SDGs among stakeholders	IEC materials on SDGs and materials on developed and disseminated	No. of IEC materials on SDGs developed and disseminated	10	2	2	2	2	2	25	25	25	25	25	25	25		
			SDGs curriculum in collaboration with KSG developed and implemented	SDGs curriculum in place	1	1	-	-	-	5	-	-	-	-	-	-	-	-	-
			MCDAs' staff sensitized on SDGs	No. of sensitization forums	5	1	1	1	1	1	9	9	9	9	9	9	9	9	9
3.5.1 Roll out capacity building programmes for county staff on PFM	County governments capacity built on implementation of SDGs	3.4.3 Enhance domestication and localization of SDGs	SDGs mainstreamed into planning framework	Planning frameworks with SDGs mainstreamed	1	1	-	-	-	9	7	7	7	7	7	7	7		
			County governments capacity built on implementation of SDGs	No. of County governments capacity built on implementation of SDGs	10	5	-	5	-	6	-	-	6	-	-	-	-	-	-
			Training Curriculum developed	No. of Training curriculum	1	-	-	-	1	5	5	5	5	5	5	5	5	5	
3.5.2. Strengthen the financial management system	Trained County Executive officers on PFM	3.5.2. Strengthen the financial management system	Trained County Executive officers on PFM	No. of officers trained	1880	470	-	470	470	470	-	-	30	30	30	30	30		
			Trained County Assembly on PFM	No. of officers trained	470	-	-	-	-	-	-	25	25	25	25	25	25	25	
			IFMIS modules developed and implemented	Number of Modules	10	5	1	2	2	220	44	44	44	44	44	44	44	44	
3.5.2. Strengthen the financial management system	IFMIS Integrated with other stand-alone	3.5.2. Strengthen the financial management system	IFMIS Integrated with other stand-alone	Full compliance	100%	50	80	100	100	100	345	345	345	345	345	345	345		
			IFMIS Integrated with other stand-alone	Full compliance	100%	50	80	100	100	345	345	345	345	345	345	345	345		
			IFMIS Integrated with other stand-alone	Full compliance	100%	50	80	100	100	345	345	345	345	345	345	345	345		



Strategic Objective	Expected Outcome	Strategy	Expected Output	Output Indicators	Target for 5 Years	Targets (Annual)						Budget (Ksh. Mn)					Responsibility	
						2018/19	2019/20	2020/21	2021/22	2022/23	2018/19	2019/20	2020/21	2021/22	2022/23			
	treasury management																	
	Enhanced accuracy and reliability of financial reporting	3.5.6 Ensure timely and accurate financial reporting in reporting	Treasury Memorandum to Public Accounts Committee (PAC) on feedback on compliance to recommendations	Submitted Memorandum to PAC	5 Memorandums	1	1	1	1	1	8	8	8	8	8	8	ASD	
			Accounting technical staff trained on accounting standards in public sector	No. of staff trained	1000	200	200	200	200	200	30	30	30	30	30	30		
3.6 To support State Corporations (SC) to improve their performance	Improved Performance of SC	3.6.1 Support SCs in Financial Reporting, performance contracting, and capacity enhancement 3.6.2 Develop Public Investment Policy and Guidelines 3.6.3 Ensure SCs budgets are aligned to government priorities 3.6.4 Develop a framework for monitoring performance of SCs	Reviewed Financial reports Performance contracts Capacity of staff built Policy on investments	% Financial reports reviewed % of Performance contracts reviewed Training reports Policy	100 100 4 Policy developed	15	20	25	30	100	62	71	82	84	109	Government		
						100	100	100	100	100	31	36	41	47	54	Digital Payments (GIPE)		
						-	-	1	1	1	-	-	-	-	-	-		
						100	100	100	100	100	10	10	10	10	20	20		
						100	100	100	100	100	11	16	11	17	24			
3.7 To promote local industries and support marginalized groups to participate in public procurement	Enhanced capacity for marginalized groups to participate in public procurement	3.7.1 Build capacity of marginalized groups to participate in public procurement 3.7.2 Enhance growth of local industries	Trained marginalized groups Guidelines on local content developed	No. of target beneficiaries trained Level of development of guidelines	10,000 100%	2,000	2,000	2,000	2,000	2,000	10	15	25	30	40	Public Procurement Department (PPD)		
						-	40	60	-	-	-	6	10	12	15			



Strategic Objective	Expected Outcome	Strategy	Expected Output	Output Indicators	Target for 5 Years	Targets (Annual)						Budget (Ksh. Mn)					Responsibility
						2018/1	2019/2	2020/2	2021/2	2022/2	2018/1	2019/2	2020/2	2021/2	2022/2		
						9	0	1	2	3	9	0	1	2	3		
			Guidelines on transfer of technology/skills to local industries developed	Level of development of industries guidelines	100%	-	40	40	20	-	2	8	10	15	25		
	Enhanced compliance to PR schemes	3.7.3 Develop a Preference and Reservations (PR) M&E Framework	PR M&E framework	Level of development of PR schemes	100%	-	20	60	20	-	3	5	8	10	15		
	Improved service delivery in Public Procurement and Asset Disposal	3.7.4 Build capacity at both levels of government on public procurement and asset disposal	Trained persons involved in Procurement	No of staff trained	5,000	1000	1000	1000	1000	1000	10	35	35	35	40		
3.8 To formulate and implement the national budget	Effective allocation of financial resources	3.8.1 Review and formulate budget policies and guidelines	Expenditure review reports	No. of expenditure Performance Review reports	20	4	4	4	4	4	60	60	60	60	60	Budget Department (BD)	
			Budgeting Guidelines	No. of Treasury Circulars & guidelines	20	4	4	4	4	4	4	50	60	70	70	60	
			Policy Statement	No. of Budget Policy Statements	5	1	1	1	1	1	1	35	30	35	35	30	
3.9 To enhance policy, legal and institutional framework for the Intergovernmental fiscal relations	Enhanced Service Delivery to general public by County Governments and Intergovernmental fiscal relations	3.8.2 Formulate National Budgets in line with government priorities	National Budget	No. of budgets	5	1	1	1	1	1	190	200	240	200	200		
			DORB	No. of DORB prepared	5	1	1	1	1	1	3	3	3	3	3	IGFRD	
			CARB	No. of CARB prepared	5	1	1	1	1	1	3	3	3	3	3		
			CGCDS	No. of CGCDS Prepared	5	1	1	1	1	1	0.2	0.2	0.2	0.2	0.2		
			Framework for	No. of Framework for	5	1	1	1	1	1	6	6	6	6	6		



Strategic Objective	Expected Outcome	Strategy	Expected Output	Output Indicators	Target for 5 Years	Targets (Annual)						Budget (Ksh. Mn)				Responsibility	
						2018/19	2019/20	2020/21	2021/22	2022/23	2018/19	2019/20	2020/21	2021/22	2022/23		
			administering conditional grants	Frameworks													
	Quality of basic Services in Marginalized areas uplifted to levels generally enjoyed to the rest of the nation	3.9.2 Implement the Second Generation Policy on identification of funding of marginalized areas from the Equalization Fund	Legal framework	Equalization Fund Appropriation Act	1	9	0	1	2	3	9	0	1	2	3		
			Estimates of Revenue into and expenditure out of the equalization fund	Revenue Report	1	-	-	-	-	-	-	-	-	-	-	5	
3.10 To safeguard government assets and management of liabilities	Safeguarded assets and well managed liabilities	3.10.1 Develop assets and liabilities management policies	Estimates of Revenue into and expenditure out of the equalization fund	No. of estimate Reports	5	1	1	1	1	1	99	99	99	99	99	99	National Assets and Liabilities (NALM)
		3.10.2 Enhance Accountability on government assets and Liabilities.	Complete and Accurate Asset and Inventory	Updated % Records	100% complete and accurate register	20	60	80	100	100	5	20	15	20	10		
			Excellent management of assets and Liabilities	% level of integration ALMIS	of functional, reliable ALMIS	30	50	70	100	100	-	40	15	30	40		
			Optimum utilization of assets	% level of compliance to adoption of optimal Assets the Utilization Framework	of 100% ALMIS	30	60	80	100	100	5	22	15	26	5		
		3.10.3 Operationalize the National Assets and Liabilities Management Department	NALM department realizing its objectives	% level of operationalization of resources for operational	of 100% allocation of resources for operational	40	90	100	100	100	11	108	80	71	39		



Strategic Objective	Expected Outcome	Strategy	Expected Output	Output Indicators	Target for 5 Years	Targets (Annual)						Budget (Ksh. Mn)				Responsibility
						2018/19	2019/20	2020/21	2021/22	2022/23	2018/19	2019/20	2020/21	2021/22	2022/23	
3.11 To strengthen the pensions sector	Enhanced effectiveness in pensions provision	3.11.1 Ensure effective pension provision	Public servants of age 45 years and below are in Public Service Super Annuation Scheme (PSSS)	% of Public Servants of age 45 years and below in Public Service Super Annuation Scheme (PSSS)	100%	20	40	70	85	100	20	20	15	10	10	Pensions Department
			One Pension Scheme for all public servants in counties	Operational Pension scheme for all County Public servants	Draft pension scheme finalized	100	90	80	70	60	30	-	-	-	-	
			Pensions processing reduced from 100 to 60 days.	No. of days taken to process pensions claims	60	100	90	80	70	60	100	90	80	70	60	
			PMIS system	Re-engineered PMIS system	Operational PMIS system	Acquire the PMIS	Train PMIS users	-	-	-	29	50	-	-	-	
		3.11.2 Establish pensions database	Pensions database established	Pensions database	Pensions database	-	-	Establish database	Operational database	20	100	100	20	-	-	
3.12 To effectively manage National sub-County Treasuries	Efficient operations at the National sub-County Treasuries	3.12.1 Supervise National Treasuries 3.12.2 Ensure compliance to Public Sector Accounting Standards	Inspection reports	No. of inspection reports	20	4	4	4	4	4	130	130	130	30	30	AS&QA
			National sub-County Treasuries compliant	No. of NSCTs compliant to PSAS	314	314	314	314	314	314	11	11	11	11	11	
3.13. To strengthen fiduciary assurance	Good governance in	3.13.1 Strengthen internal auditing	Internal Functions	Audit % of quality complying assurance	50%	10	20	30	40	50	40	40	30	30	20	AS&QA



Strategic Objective	Expected Outcome	Strategy	Expected Output	Output Indicators	Target for 5 Years	Targets (Annual)						Responsibility				
						2018/19	2019/20	2020/21	2021/22	2022/23	2018/19		2019/20	2020/21	2021/22	2022/23
and transparency	management of public Resources	functions in line with International Practice Framework (IPPF) and international practices in public entities	with IPPF and Best Practice International Practice	functions complying with IPPF and international best practice	50%	10	20	30	40	50	40	40	30	30	20	AS&QA
						10	20	30	40	50	16	16	16	16	16	
						20	20	20	40	50	18	18	18	18	18	
						100	100	100	100	100	80	80	80	80	80	
3.14 To Strengthen design, appraisal and selection of public investments projects	Improved management of public investment projects	3.13.2 Support the establishment and implementation of Risk Management Framework	Institutional risk management framework established	% of entities that have established IRMF	50%	10	20	30	40	50	16	16	16	16	16	Public Investment Management (PIMU)
						20	20	20	40	50	18	18	18	18	18	
						100	100	100	100	100	80	80	80	80	80	
						20	20	20	40	50	78	78	78	78	78	
3.14 To Strengthen design, appraisal and selection of public investments projects	Improved management of public investment projects	3.13.3 Strengthen governance structures in all public entities	Operationalized audit No. entities that have operationalized audit committees	No. of entities that have operationalized audit committees	150	20	20	20	40	50	18	18	18	18	18	Public Investment Management (PIMU)
						20	20	20	40	50	18	18	18	18	18	
						100	100	100	100	100	80	80	80	80	80	
						20	20	20	40	50	78	78	78	78	78	
3.14 To Strengthen design, appraisal and selection of public investments projects	Improved management of public investment projects	3.13.4 Ensure effective use of public resources	Targeted entities effectively utilize public resources	% of entities compliant to VFM principles	100	100	100	100	100	100	80	80	80	80	80	Public Investment Management (PIMU)
						100	100	100	100	100	80	80	80	80	80	
						20	20	20	40	50	78	78	78	78	78	
						20	20	20	40	50	78	78	78	78	78	
3.14 To Strengthen design, appraisal and selection of public investments projects	Improved management of public investment projects	3.14.1 Develop standardized methodologies, tools and techniques for public investment management	Standardized tools and techniques for project appraisal	No. of Guidelines and Manuals	20	-	3	5	5	7	78	61	63	65	Public Investment Management (PIMU)	
						20	20	20	40	50	78	78	78	78		78
						100	100	100	100	100	80	80	80	80		80
						20	20	20	40	50	78	78	78	78		78
3.14 To Strengthen design, appraisal and selection of public investments projects	Improved management of public investment projects	3.14.2 Develop and maintain an Integrated Bank of Projects or Project Pipeline or basket of approved projects	Database of Bankable Projects	% completion of the database	100	-	-	40	30	30	55	20	20	20	Public Investment Management (PIMU)	
						20	20	20	40	50	78	78	78	78		78
						100	100	100	100	100	80	80	80	80		80
						20	20	20	40	50	78	78	78	78		78
3.14 To Strengthen design, appraisal and selection of public investments projects	Improved management of public investment projects	3.14.3 Operationalize Public Investment Management	Comprehensive Project Portfolio Survey	% completion of Project Portfolio Baseline Survey	100	30	60	80	100	-	35	35	35	-	Public Investment Management (PIMU)	
						20	20	20	40	50	78	78	78	78		78
						100	100	100	100	100	80	80	80	80		80
						20	20	20	40	50	78	78	78	78		78
3.14 To Strengthen design, appraisal and selection of public investments projects	Improved management of public investment projects	3.14.3 Operationalize Public Investment Management	Public Investment Management Department	% level of operationalization	100%	50	20	20	10	-	38	15	8	10	Public Investment Management (PIMU)	
						20	20	20	40	50	78	78	78	78		78
						100	100	100	100	100	80	80	80	80		80
						20	20	20	40	50	78	78	78	78		78



Strategic Objective	Expected Outcome	Strategy	Expected Output	Output Indicators	Target for 5 Years	Targets (Annual)						Responsibility				
						2018/19	2019/20	2020/21	2021/22	2022/23	2018/19		2019/20	2020/21	2021/22	2022/23
		Department	Public Management Regulations	No. of Gazetted Regulations	1	1	-	-	-	-	15	10	5	5	3	
		3.1.4 Strengthen legal capacity for the management of public investments projects.	Public investment management disclosure framework	Disclosure framework manual	1	-	1	-	-	-	-	10	-	-	-	
		3.1.5 Build capacity of MDA's on Investment Management processes, methodologies and systems	MDA official trained on Public Investment Management processes, methodologies and systems	No. of MDA official trained.	5000	1000	1000	1000	1000	1000	85	89	83	80	86	
3.15 To enhance monitoring, evaluation and feedback mechanism for intergovernmental fiscal relations and PFM	Enhanced Compliance with Fiscal Responsibility Principles and Statutory reporting requirement	3.15.1 Monitor compliance by county governments to statutory reporting and fiscal responsibility principles of PFM Act.	County Performance Reports to Policy Briefs on County Fiscal Affairs	No. of Reports	5	1	1	1	1	1	6	6	6	6	6	IGFRD
		3.15.2 Develop an electronic system on County PFM matters and county profiles	Electronic System of County PFM matters and county profiles	Action plan to address Non-compliance of FRPs by CGs	1	47	47	47	47	47	6	6	6	6	6	
			Peer Exchange Forums on fiscal relations held	No. of Peer Exchange Forums	3	-	1	1	1	1	-	5	5	5	-	
Key Result Area 4: Tracking and reporting on implementation of policies, plans and budgets																
4.1 To strengthen tracking of implementation of policies, plans, and budgets	Improved implementation of development policies, strategies and programmes	4.1.1 Enhance tracking of macroeconomic trends	Reports on status of Kenya economy and Macroeconomic policy briefs prepared	No. of Reports/briefs	20	4	4	4	4	4	5.2	5.2	5.2	5.2	5.2	MP&I CD
		4.1.2 Improve Monitoring, valuation and reporting Systems of projects.	National Handbook of Indicator for MTPIII prepared	National Handbook of Indicator for MTPIII	1	1	-	-	-	-	10	-	-	-	-	Monitoring & Evaluation



Strategic Objective	Expected Outcome	Strategy	Expected Output	Output Indicators	Target for 5 Years	Targets (Annual)						Budget (Ksh. Mn)					Responsibility
						2018/19	2019/20	2020/21	2021/22	2022/23	2018/19	2019/20	2020/21	2021/22	2022/23		
		programmes, strategies and policies	National Handbook of Indicator for MTPIII prepared	National Handbook of Indicator for MTPIII	1	1	-	-	-	-	10	-	-	-	-	-	Department (MED)
			e-NIMES dashboard rolled out	Percentage of projects uploaded in e-NIMES by MDAs	100	-	50	-	100	-	2	2	2	2	-		
				Percentage of projects uploaded in e-NIMES by Counties	100	-	50	-	100	-	3	3	3	3	-		
			M&E policy & draft M&E Policy Bill prepared and disseminated	M&E Policy	1	1	-	-	-	-	5	-	-	-	-		
				draft M&E Bill	1	1	-	-	-	-	5	-	-	-	-		
			NIMES Master plan developed	NIMES Master plan	1	-	1	-	-	-	-	-	-	15	-		
			CIMES guidelines prepared and disseminated	Counties using CIMES guidelines	47	20	27	-	-	-	12	18	-	-	-		
			ST&I indicators developed	ST&I indicators	100%	-	100	-	-	-	-	2	-	-	-		Infrastructure Science & Technology Initiation (IS&TI)
			ST&I projects impact reports prepared	No. of ST&I projects impact reports prepared	10	2	2	2	2	2	2	2	2	2	2		
			Conduct surveys on topical issues to inform policy formulation and planning	No. of reports prepared.	20	4	4	4	4	4	8	8	8	8	8		
		4.1.3 Provide timely, quality and reliable information for evidence-based decision	M&E Reports (APR, CPER)	No. of Evaluation Reports	13	2	2	3	4	2	5	5	5	5	5		MED
			Quarterly Economic and Budgetary Review reports	No. of QEBR reports	20	4	4	4	4	4	0	0	0	0	0		MFAD



Strategic Objective	Expected Outcome	Strategy	Expected Output	Output Indicators	Target for 5 Years	Targets (Annual)						Budget (Ksh. Mn)					Responsibility
						2018/1	2019/2	2020/2	2021/2	2022/2	2018/1	2019/1	2020/2	2021/2	2022		
						9	0	1	2	3	9	0	1	2	/23		
		making	report prepared and disseminated	No. of QEBR reports	20	4	4	4	4	4	0	0	0	0	0	0	MFAD
			Budget Review and Outlook paper (BROP) prepared	No. of BROP reports prepared	5	1	1	1	1	1	0	0	0	0	0	0	
			MTP III Midterm Review Report	No. of reports	1	-	-	1	-	-	-	-	-	154	-	-	MED
			MTPIII End-term Review Report	No. of reports	1	-	-	-	1	-	-	-	-	-	-	60	
			Bi-annual M&E Bulletins prepared and issued out	No. of M&E Bulletins prepared and issued out	2	-	1	-	1	-	-	1.5	-	-	1.5	-	
		4.1.4 Strengthen M&E capacity at both level of governments	National and county staff trained on M&E	No. M&E trainings conducted for of National government staff	5	1	1	1	1	1	1	1	1	1	1	1	
			No of counties trained on Results Based M&E	No. of counties trained on Results Based M&E	47	10	10	9	9	9	3	3	3	3	3	3	
			County governments supported in the preparation of County Indicator Handbooks for CIDPII	No. of county governments supported	47	-	20	27	-	-	-	5.5	7.5	-	-	-	
			M&E Curriculum Developed and Rolled out	M&E Curriculum Developed and Rolled out	1	-	-	1	-	-	-	-	2.5	-	-	-	
			Technical support provided to counties in the preparation of M&E supported policies	No. of county governments supported	47	-	20	27	-	-	-	5.5	7.5	-	-	-	
		4.1.5 Promote M&E culture and practice	Annual National M&E conference held	No. of National M&E conference	5	1	1	1	1	1	-	15	-	-	-	-	



Strategic Objective	Expected Outcome	Strategy	Expected Output	Output Indicators	Target for 5 Years	Targets (Annual)						Budget (Ksh. Mn)					Responsibility
						2018/19	2019/20	2020/21	2021/22	2022/23	2018/19	2019/20	2020/21	2021/22	2022/23		
						9	0	1	2	3	9	0	1	2	3		
5.2. To promote Ethics, National Values and Good Corporate Governance	Motivated and productive work force	5.1.2 Enhance and maintain a conducive work environment	Offices and rest rooms Refurbished Functional Lifts	No. of floors refurbished No. of Lifts installed	5 6	6	6	6	6	6	85	90	95	100	105	Admin -NT	
			Furniture	No. of pieces of furniture	300	60	60	60	60	60	6	6	6	6	6		
			Computers	No. of computers	150	30	30	30	30	30	6	6	6	6	6	ICT Unit	
			Installed CCTVs cameras	CCTV Cameras	Cameras Installed		-	-	-	-	-	-	300	-	-	-	Admin / ICT
			Visitors management system installed	Visitors management system installed	No. of systems installed	3	1	1	-	-	10	10	10	-	-	-	
			Integrated Security management system installed	Integrated Security management system installed	Security System	100% Integration	-	-	Security System	Full Integration	-	-	20	10	10	-	
			Fleet management Policy and standard	Fleet management Policy and standard	Policy and standard	Fleet management Unit	Fleet management Policy	-	-	Fleet management Standards	-	-	3	3	3	-	Admin -NT
			Corruption prevention Committee Constituted and capacity built	Corruption prevention Committee Constituted and capacity built	Corruption Prevention Committee	Reduced incidences	Action plan developed	Policy review	Code of ethics review	-	-	5	5	5	10	-	Admin -NT
			Employees sensitized on national Values	Employees sensitized on national Values	No. of Sensitization workshops held	10	2	2	2	2	2	5	5	5	5	5	
			Registered AGPO Enterprises	Registered AGPO Enterprises	No. of Registered Enterprises	140,000	20,000	25,000	30,000	30,000	30,000	10	10	10	10	10	



Strategic Objective	Expected Outcome	Strategy	Expected Output	Output Indicators	Target for 5 Years	Targets (Annual)					Budget (Ksh. Mn)					Responsibility
						2018/19	2019/20	2020/21	2021/22	2018/19	2019/20	2020/21	2021/22	2022/23		
		Government Procurement Opportunities Enterprises				9	0	1	2	3	9	0	1	2		
	Cross cutting issues mainstreamed	5.2.4 Mainstream Government policies on cross cutting issues	Tenders awarded to the youth and vulnerable groups	% of amount of total procurement budget reserved to the youth and vulnerable groups	30%	30	30	30	30	30	150	160	170	180	200	
			Committee members and staff trained and sensitized on disability and HIV and AIDS prevention	No. of Committee members and staff sensitized on disability and HIV and AIDS prevention	250	50	50	50	50	4	4	4	4	4	4	SGD/A DMIN. -SDP
			Ministerial work place policy for PWDs and HIV&AIDS developed and reviewed;	Ministerial work place policy for PWDs and HIV&AIDS developed and reviewed;	5	1	1	1	1	1	0.5	0.5	0.5	0.5	0.5	SGD/A DMIN. -SDP
			Annual reporting to the National Council for prepared Persons with submitted Disabilities (NCPWD) National Aids Control Council (NACC done	No. of reports prepared and submitted	5	1	1	1	1	1	-	-	-	-	-	SGD/A DMIN. -SDP
			Staff trained on National Cohesion & National Values	No. of staff trained on National Cohesion & National Values	300	60	60	60	60	3	3	3	3	3	3	SGD/A ID - MIN. - SDP
			Inputs into the annual	No. of inputs into the annual	5	1	1	1	1	1	1	1	1	1	1	SGD/A



Strategic Objective	Expected Outcome	Strategy	Expected Output	Output Indicators	Target for 5 Years	Targets (Annual)						Budget (Ksh. Mn)			Responsibility						
						2018/19	2019/20	2020/21	2021/22	2022/23	2018/19	2019/20	2020/21	2021/22		2022/23					
5.3 To enhance capacity building and productivity of the workforce	Quality Assurance	5.2.5 Conduct annual audits	presidential report on national values and national cohesion prepared and submitted	the annual presidential report on national values and national cohesion prepared and submitted	20	5	5	5	5	5	0	1	0	1	2	2022/23	DMIN. -SDP				
			Submit quarterly reports to CAJ	Number of reports submitted	5	5	5	5	5	-	-	-	-	-	-	-	-	-	Administration		
			Audit Report	No. of Audit Reports	5	1	1	1	1	1	1	1	2	2	2	2	2	2	2	Internal Audit	
	Improved productivity/ quality service delivery	Human resource function managed effectively	5.3.1 Streamline Human Resource Planning and Management	Auditee committee constituted	No. Of Audit Committees	1	1	-	-	-	-	-	-	-	-	-	-	-	Internal Audit		
				Scheme of Service	% implementation of the Scheme	100%	10	30	50	80	100	100	100	2	4	4	4	4	4	HRM/ D - NT	
				performance appraisal system in place	% implementation of the System	100%	100	100	100	100	100	100	100	0.1	0.1	0.1	0.1	0.1	0.1	0.1	
				Optimal staffing level	% of Vacant positions filled	80%	10	20	30	20	20	20	20	-	-	-	-	-	-	-	
				Succession plan implemented	% implementation of succession plan	100%	10	10	20	60	100	100	100	10	40	40	40	40	40	40	
				Human Resource Plans for the State Department prepared and implemented	No. of Human Resource Plans prepared	5	1	1	1	1	1	1	1	1.5	1.5	1.5	1.5	1.5	1.5	1.5	HRM&D - SDP
				Implementation of the SPAS coordinated	% compliance in SPAS reporting	100%	100	100	100	100	100	100	100	0.1	0.1	0.1	0.1	0.1	0.1	0.1	
	Human Staff Trainings facilitated	5.3.2 Enhance Human Resource Training and facilitated	No. of staff Trainings	5	1	1	1	1	1	1	1	1	1	1	1	1	12				



Strategic Objective	Expected Outcome	Strategy	Expected Output	Output Indicators	Target for 5 Years	Targets (Annual)						Budget (Ksh. Mn)					Responsibility
						2018/19	2019/20	2020/21	2021/22	2022/23	2018/19	2019/20	2020/21	2021/22	2022/23		
		Development		facilitated	5	1	1	1	1	1	12	12	12	12	12		
			Team Building Activities conducted	No. of team Building Activities conducted	5	1	1	1	1	1	10	10	10	10	10		
5.4 To ensure a reliable and effective M&E system	Enhanced Mainstreaming of M&E in Departments	5.4.1 Develop an M&E system	M&E System	% Level of implementation of System	100%	-	20	50	70	100	-	20	20	20	20	CPPM U-NT	
		5.4.2 Mainstream M&E in all departments	M & E mainstreamed in the departments	% mainstreaming of M & E framework	100%	10	20	50	70	100	2	5	5	5	5		
		5.4.3 Continuously enhance the capacity of M&E staff	Enhanced M and E Competency	No. of officers trained	150	30	30	30	30	30	5	5	5	5	5		
5.5 To enhance financial management in the National Treasury and Planning	Enhanced fiscal Discipline	5.5.1 Prudent utilization of funds	Reduction in Wastage of funds	% of financial reports unqualified	100%	90	100	100	100	100	0.5	0.5	0.5	0.5	0.5	Finance / Accountants-NT	
	Improved Financial Reporting	5.5.2 Ensure compliance with financial reporting standards	Uniform standards adopted	No. of reports conforming to the standards	20	4	4	4	4	4	15	15	15	15	15		
	Economic, efficient and effective utilization of financial resources.	5.5.3 Ensure compliance with the provisions of PPADA	Goods works and services procured in accordance to the PPADA	% of reports complying to the PPADA	100%	100	100	100	100	100	2	2	2	2	2		
		5.5.4 Enhance resource mobilization strategies and implementation of the departmental budget	State Department MTEF budget proposals prepared and submitted to National Treasury	No. of MTEF budget proposals prepared and submitted to National Treasury	5	1	1	1	1	1	10.5	10.5	10.5	10.5	10.5	Finance-SDP	
			Financial statements prepared	No. of financial statements prepared	5	1	1	1	1	1	0.4	0.4	0.4	0.4	0.4	Accountants-SDP	
				No. of reports prepared	5	1	1	1	1	1	0.8	0.8	0.8	0.8	0.8		



Strategic Objective	Expected Outcome	Strategy	Expected Output	Output Indicators	Target for 5 Years	Targets (Annual)						Budget (Ksh. Mn)				Responsibility	
						2018/19	2019/20	2020/21	2021/22	2022/23	2018/19	2019/20	2020/21	2021/22	2022/23		
						9	0	1	2	3	9	0	1	2	3		
5.6 To strengthen communication function	Improved visibility for the National Treasury and Planning	5.6.1 Improve internal and external Communications mechanism	Reporting of financial position in accordance with PFM act	No. of consolidated departmental procurement plan prepared and approved	5	1	1	1	1	1	0.045	0.045	0.045	0.045	0.045	Procurement-SDP	
			Develop and implement communication strategy	One communication strategy	1	-	-	-	-	6	-	-	-	-	-	-	Communication NT&P
			Prepare and Publish Quarterly magazine	Number of Magazines published	20	4	4	4	4	4	8	8	8	8	8	8	8
		5.6.2 Improve Media Management and Engagement	Information dissemination through print, digital and electronic media	% dissemination of information	100%	100	100	100	100	100	2	2	-	2	2	2	2
			Prepare and Provide briefs and articles to the media and ensure prompt information is shared	No. of briefs and articles prepared and shared	20	4	4	4	4	4	4	4	0.3	0.3	0.3	0.3	0.3
			Organize for Media Breakfast meetings, TV and Press Conferences and Radio Talk shows	No. of breakfast meetings, TV and Press Conferences and Radio Talk shows held	20	4	4	4	4	4	1	1	1	1	1	1	1
5.6.3 Develop, Design and Produce Communication Materials	Produce and air Documentaries, Commercials and infomercials for publicity programmes	Number of Documentaries, Commercials and infomercials produced and aired	10	2	2	2	2	2	2	2	2	2	2	2	2		
	Identified and selected communication Materials such as	No. of Communication Materials	8000	-	2000	2000	2000	2000	2000	-	4	4	4	4	4		



Strategic Objective	Expected Outcome	Strategy	Expected Output	Output Indicators	Target for 5 Years	Targets (Annual)						Budget (Ksh. Mn)					Responsibility	
						2018/19	2019/20	2020/21	2021/22	2022/23	2018/19	2019/20	2020/21	2021/22	2022/23			
						9	0	1	2	3	9	0	1	2	3			
			brochures, booklets, developed, factsheets and other designed IEC Materials designed and produced															
		5.6.4 Branding and Reputation Identity	Branded Department items prepared and distributed for utilization	No. of branded items by category and prepared and distributed	6	-	1	2	2	1	-	2	3	3	2			
			Branded Board rooms, Waiting rooms, Board Reception areas for reputation identity	No. of Branded rooms, Board rooms, Reception areas and reputation identity	20	-	5	5	5	5	1	1	1	1	1			
			Participation in public open days, Prepare and Provide briefs and exhibitions articles to the media and ensure prompt information is shared shows and exhibitions to publicize the State Department Brand and Reputation	No. of Public open days and exhibitions attended or organized	26	2	6	6	6	6	4	7	7	7	7			
	Enhanced internal and external communication	5.6.5 Enhance transparency through information sharing	Interactive website	Updated website	Updated website	Updated website	Updated website	Updated website	Updated website	Updated website	15	15	15	15	15			
5.7. To improve Information and Communication Technologies for better service delivery.	Enhanced adoption of ICT	5.7.1 Develop an information technology Strategy 5.7.2 Automate National Treasury and Planning operations 5.7.3 Strengthen staff capacity on emerging	ICT Strategy Information systems reengineered Training Needs Assessment report	% Level of Strategy development No. of systems	100	20	40	60	80	100	10	10	10	10	10			
			ICT Training Needs Assessment report	ICT TNA Report	2	1	-	-	1	-	10	10	10	10	10			



Strategic Objective	Expected Outcome	Strategy	Expected Output	Output Indicators	Target for 5 Years	Targets (Annual)						Budget (Ksh. Mn)					Responsibility
						2018/19	2019/20	2020/21	2021/22	2022/23	2018/19	2019/20	2020/21	2021/22	2022/23		
						9	0	1	2	3	9	0	1	2	3		
		ICT needs	Staff trained on emerging ICT needs	No. of Staff trained	40	8	8	8	8	8	10	10	10	10	10	ICT - NT	
		5.7.4 Enhance Information Management Systems	Guidelines for systems developed and implemented	No. of Guidelines for systems developed and implemented	3	-	1	1	1	-	-	1	1	1	-	ICT - SDP	
		5.7.5 Strengthen Institutional ICT capacity	Website portal developed	Website portal use	1	-	-	1	-	-	-	-	1.5	-	-		
			Staff Trained in ICT	No. Of Staff Trained	200	40	40	40	40	40	20	20	20	20	20		
			ICT Infrastructure improved	No. of ICT infrastructure projects completed	5	1	1	1	1	1	10	10	10	10	10		
			Group Training of Staff in the use of ICT	No. of officers trained on ICT	200	-	60	70	40	30	-	2	3	1.5	1		
			Take stock and Identify systems and ICT database of equipment that can be shared by different entities in the department	Up-to-date database of ICT systems in the State Department	100%	100	100	100	100	100	-	-	-	-	-		
		5.7.6 Automate service delivery	Services automated	No of services automated	5	-	2	1	1	1	-	2	1	1	1		
		5.8.1 Develop Knowledge Management Policy for Kenya	KM Policy Developed and disseminated	No of KM Policy	1	-	-	1	-	-	-	35	35	3	-	SGD-SDP	
		5.8.2 Capacity Building of MCDAs on Knowledge Management principles and practices	KM Champions Trained	No of KM Champions Trained	80	-	20	20	20	20	-	7	17	17	14		
			MCDAs Staff sensitized on KM	No of MCDA Staff Sensitized	200	-	50	50	50	50	-	7	10	10	10		
		5.8.3 Conduct a baseline	Status on Knowledge	Baseline Survey	1	-	-	1	-	-	-	-	45	10	-		



Strategic Objective	Expected Outcome	Strategy	Expected Output	Output Indicators	Target for 5 Years	Targets (Annual)					Budget (Ksh. Mn)					Responsibility
						2018/1	2019/2	2020/2	2021/2	2022/2	2018/1	2019/2	2020/2	2021/2	2022/2	
		survey on Knowledge Management awareness and practices in the Public sector	Management awareness level and practices in the Public sector	Report		9	0	1	2	3	9	0	1	2		



ANNEX II: Monitoring and Evaluation

Key Result Area	Outcome	Key Performance Indicator	Baseline 17/18	Targets		Responsible Dept./Section/ Unit	
				Mid-Term Period Target (2020/21)	End of Plan Period Target (2022/23)		
KRA 1: Stable and sustainable macroeconomic environment	Stable macroeconomic environment and accelerated growth	Inflation rate	5.2	5 +/-2.5%	5 +/-2.5%	M&FAD-NT	
		Lending rate	13.5	CBR +4%	CBR +4%	M&FAD-NT	
		Exchange rate (of June of preceding FY)	+/-10%	+/-10%	+/-10%	M&FAD-NT	
		Months of import cover	6.9	7.0	7.2	M&FAD-NT	
		GDP Growth rate (%)	5.4	6.2	7.0	M&FAD-NT	
		Fiscal deficit as % of GDP	7.1	3.9	3.0	M&FAD-NT	
		NSE 20 share index	3286	3607	3700	M&FAD-NT	
		Volatility of NSE 20 Share Index	8.68	7.2	7.0	F&SAD-NT	
		% of Adult population accessing financial services	75.6	85	90	F&SAD-NT	
		% increase in access to private sector credit	3.9	>4.7	5.3	F&SAD-NT	
		Improvement in ease of doing business position	82	50	40	F&SAD-NT	
		Enhanced linkage between sectoral policies and PFM	Increase in the number of sectoral policies reviewed and aligned to PFM	3	9	15	F&SAD-NT
		Increased FDI	Increased financing for climate change activities (Ksh. Billion)	5.3	28.45	68.45	F&SAD-NT
Improved debt management	% increase in FDI	27	30	35	F&SAD-NT		
	Reduced Total Public Debt (Net) to GDP ratio	51.5	48.7	43.9	F&SAD-NT		



Key Result Area	Outcome	Key Performance Indicator	Baseline 17/18	Targets		Responsible Dept./Section/ Unit	
				Mid-Term Period Target (2020/21)	End of Plan Period Target (2022/23)		
KRA 2: Resource mobilization for financing public expenditure	Increased funding for public expenditure	Amount of Donor funding disbursed (Ksh.)	588 Billion	1.138 Billion	2.275 Billion	PDMO-NT	
		Increase in revenue collected as a % of GDP	17.9	18.4	18.6	M&FAD-NT	
	Successful PPP projects implemented	Increase in No. of successfully implemented PPP projects	1	3	3	PPPU-NT	
		Enhanced absorption of Donor funds	66%	100%	100%	RMD-NT	
	Enhanced OSR for County Governments	Total OSR in Ksh.	35 Billion	50 Billion	66 Billion	IGFRD-NT	
		Improved planning and policy formulation at both levels of government	% of MTP programmes and projects implemented by MDAs within the MTP period	-	50%	100%	MP&IC-SDP
	% of County Development plans complying with planning and M&E guidelines		-	100%	100%	MP&IC-SDP	
	KRA3: Development Planning, budgeting and intergovernmental relations	Increased level of implementation of Medium-Term Plan Projects and programmes	% of MTP projects allocated resources through the MTEF budget process	-	90%	90%	MP&IC-SDP
			Competitiveness index	4.0 (2017/18)	4.2	4.5	MP&IC-SDP
		Improved regional and international trade and investments	Ease of doing business ranking	80 (2018)	60	45	MP&IC-SDP
SDGs Index (Rank out of 162 countries)			125	80	70	SGD-SDP	
Enhanced implementation, monitoring and reporting on SDGs		Percentage of Counties with Adverse Audit Opinions and Disclaimer opinions	90%	60%	30%	IGFRD-NT	
		Proportion of MDAs undertaking reforms	60%	80%	100%	PFMR-NT	
Enhanced effectiveness in planning for PFM reforms		No. of public entities on-boarded to Treasury Single Account (TSA)	Nil	Pilot 5 state departments	All public entities on-boarded to TSA	AS&QA-NT	
		Reduced number of days to disburse exchequer requests	5	3	2	AS&QA-NT	
Enhanced accuracy and reliability in financial reporting	Cumulative % increase in unqualified financial reports	35%	60%	100%	AS&QA-NT		



Key Result Area	Outcome	Key Performance Indicator	Baseline 17/18	Targets		Responsible Dept./Section/ Unit
				Mid-Term Period Target (2020/21)	End of Plan Period Target (2022/23)	
	Improved Performance of SC	% improvement in Annual Performance Evaluation Results	70	80	90	GIPE
	Enhanced capacity for marginalized groups	No. of registered AGPO groups benefiting from Preference and Reservation Scheme	81,099	110,000	15000	PPD-NT
	Enhanced growth of local industries	% of total public procurement budget spent on procurement of local content	20	30	40	PPD-NT
	Enhanced compliance to PR Scheme	% Level of compliance to preferences	-	50	80	PPD-NT
		% Level of compliance to reservations	60	80	100	PPD-NT
	Improved service delivery in Public Procurement and Asset Disposal	No. of procurement staff trained on public procurement	1000	3,000	5,000	PPD-NT
		No. of registered AGPO groups benefiting from Preference and Reservation Scheme	81,099	110,000	15000	PPD-NT
	Effective allocation of financial resources	Reduced No. of Supplementary Budgets	2	1	1	BD-NT
	Effective execution of National budget	Level of absorption in Budget Execution - Recurrent	85.7	92	98	BD-NT
		Level of absorption in Budget Execution - Development (%)	71.3	84	92	BD-NT
	Enhanced Service Delivery to general public by County Governments Enhanced	Total Transfers to County Government (Ksh.)	One Trillion	1.45 Trillion	1.9 Trillion	IGFRD-NT
	Enhanced Compliance with Fiscal Responsibility Principles and Statutory reporting requirement	Percentage of Compliance	20	50	70	IGFRD-NT
	Safeguarded assets and well managed liabilities	% Level of compliance to optimal Assets and liabilities Utilization Framework/System	-	60	100	NA&LMU-NT
	Enhanced effectiveness in pensions provision	% of Public Servants of age 45 years and below in Public Service Super-Annuation Scheme (PSSS)	-	50	100	Pension-NT
		No. of days taken to process pensions claims	100	80	60	Pension-NT



Key Result Area	Outcome	Key Performance Indicator	Baseline 17/18	Targets		Responsible Dept./Section/ Unit
				Mid-Term Period Target (2020/21)	End of Plan Period Target (2022/23)	
KRA 4: Tracking and reporting on implementation of policies, plans and budgets; KRA 5: Organizational capacity Strengthening	Efficient operations at the National sub county treasuries	No. of NSCT's compliant to IPSAS	314	314	314	AS&QA-NT
	Good governance in management of public Resources	% of public entities audited to ensure quality assurance functions complying with IPPF and international best practice	-	50	100	AS&QA-NT
	Improved management of public investment projects	% of public investment projects complying with Integrated Investment Appraisal and Risk Analysis Approach	-	50	100	PIMU-NT
	Strengthened capacity of MDAs in Investment management process	No. of MDA official trained on Public Investment Management processes, methodologies and systems	-	3,000	5,000	PIMU-NT
	Enhance compliance with fiscal responsibility principle and statutory reporting requirement	Percentage of Compliance	20%	50%	70%	IGFRD-NT
	Improved reporting on implementation of development policies, strategies and programmes	% of MDAs regularly reporting on implementation programmes and projects	65%	85%	100%	MED-SDP
	Improved Quality of Service delivery	ISO 9001-2015 Certification	none	-	Certification	Admin. - NT
	Economic, efficient and effective utilization of financial resources	Absorption rate of allocated resources	83% (Average for: 2015/16 – 2018/19)	100%	100%	NT&SDP
	Safe and Secure work Environment	CCTV Cameras installed	-	CCTV Cameras installed	-	Admin./Proc - NT
	Efficiency in fleet management	No. of Visitors management system installed Fleet management Policy	-	2	3	Admin./Proc - NT
Reduction in corruption incidences	Corruption Prevention Committee	Corruption Prevention Committee	Corruption Prevention Committee reconstituted	Corruption Prevention Committee	Admin. - NT	



Key Result Area	Outcome	Key Performance Indicator	Baseline 17/18	Targets		Responsible Dept./Section/ Unit
				Mid-Term Period Target (2020/21)	End of Plan Period Target (2022/23)	
		No. Corruption Survey Report	1	-	1	Admin. - NT
	A cohesive and ethical work force	No. of sensitisation workshops on National Cohesion & National Values held	1	6	10	Admin. - NT
	Cross cutting issues mainstreamed	% of amount of total procurement budget reserved to the youth and vulnerable groups	30	30	30	Admin./Proc-NT/SDP
	Quality Assurance	% level in reduction in Audit Queries	40	50	100	Internal Audit - NT
	Qualified Staff	% level of implementation of the Scheme	20	70	100	HRM/D-NT
	Improved productivity/ quality service delivery	% level of performance appraisal system implementation	70	100 System implemented	100 System implemented	HRM/D-NT
	Human resource function managed effectively	% of Vacant positions filled	50	70	80	HRM/D-NT
	Improved service delivery	Customer satisfaction index	-	64%	70%	NT&SDP
	Effective delivery of service	% level in implementation of succession plan	10	20	100	HRM/D-NT
	Enhanced mainstreaming of M&E in Departments	% level of mainstreaming M&E in the departments	0	50	100	CPPMU-NT
	Fiscal Discipline	% level of financial reports are unqualified	100	100	100	FCFO/ACT-NT
	Improved Financial Reporting	No. of reports conforming to the financial reporting standards	4	12	20	FCFO/ACT-NT
	Improved adoption of ICT in service delivery	% level of automation	No available data	60%	70%	ICT- SDP
		Staff computer ratio	1.7:1 (309 staff : 182 computers)	1.5:1 (309 staff: 206 computers)	1.3:1 (309 staff: 238 computers)	ICT- SDP
	Improved visibility for the State Department	Increase in awareness creation on SDP Activities through continuous publicity	2018/2019	100%	100%	SDP
	Enhanced adoption of ICT	Level of adoption of ICT	70	80	90	ICT-NT



Key Result Area	Outcome	Key Performance Indicator	Baseline 17/18	Targets			Responsible Dept./Section/ Unit
				Mid-Term Period Target (2020/21)	End of Plan Period Target (2022/23)		
	Strengthened policy and legal framework for Knowledge Management	No of KM Policy developed	-	1	-	SGD-SDP	



ANNEX III: Semi-Autonomous Government Agencies

The National Treasury

1. African Institute for Remittances (AIR)
2. Agricultural Finance Corporation (AFC)
3. Anti-money laundering Advisory Board (AMLAB)
4. Capital Markets Authority (CMA)
5. Central Bank of Kenya (CBK)
6. Competition Authority of Kenya(CAK)
7. Consolidated Bank of Kenya
8. Development Bank of Kenya (DBK)
9. East African Development Bank (EADB)
10. Financial Reporting Centre (FRC)
11. Institute of Certified Investments and Financial Analysts (ICIFA)
12. Institute of Certified Public Accountants of Kenya (ICPAK)/
13. Institute of Certified Public Secretaries of Kenya (ICPSK)
14. Insurance Regulatory Authority (IRA)
15. Kenya Accountants and Secretaries National Examinations Board (KASNEB)
16. Kenya Deposit Insurance Corporation (KDIC)
17. Kenya Institute of Supplies Management (KISM)
18. Kenya Post Office Savings Bank (KPOSB)
19. Kenya Reinsurance Corporation (KRC)
20. Kenya Revenue Authority (KRA)
21. Kenya Trade Network Agency (KENTRADE)
22. Nairobi International Financial Centre (NIFC)
23. Privatization Commission
24. Public Private Partnership (PPP) Petition Committee
25. Public Procurement Administrative Review Board
26. Public Procurement Regulatory Authority
27. Public Sector Standards Accounting Board (PSASB)



- 28. Registration of Certified Public Secretaries Board (RCPSB)
- 29. State Corporations Appeal Tribunal (SCAT)
- 30. The Retirement Benefits Authority (RBA)
- 31. Unclaimed Financial Assets Authority (UFAA)

State Department for Planning

- 32. Kenya Institute for Public Policy Research and Analysis (KIPPRA)
- 33. Kenya National Bureau of Statistics (KNBS)
- 34. National Council for Population and Development (NCPD)
- 35. National Government Constituencies Development Fund Board (NGCDFB)
- 36. National Social and Economic Council (NESC)
- 37. New Partnership for Africa's Development/African Peer Review Mechanism (NEPAD/APRM) Kenya Secretariat
- 38. Vision 2030 Delivery Secretariat (VDS)

