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REPUBLIC OF KENYA

PARLIAMENT

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SENATE BILLS

(Bill No. 2 of 2022)

**THE COUNTY GOVERNMENTS ADDITIONAL  
ALLOCATIONS BILL, 2022**

(A Bill published in the Kenya *Gazette* Supplement No. 80 of 10<sup>th</sup> May, 2022 and passed by the Senate, with amendments, on 16<sup>th</sup> June, 2022.)

**THE COUNTY GOVERNMENTS ADDITIONAL ALLOCATIONS BILL, 2022**

**ARRANGEMENTS OF CLAUSES**

*Clause*

- 1 — Short title.
- 2 — Interpretation.
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- 4 — Additional allocations to county governments.
- 5 — Conditional allocations to county governments.
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**THE COUNTY GOVERNMENTS ADDITIONAL ALLOCATIONS BILL, 2022**

**A Bill for**

**AN ACT of Parliament to provide for the additional allocations to county governments for the 2022/2023 financial year; the responsibilities of National Government and county governments pursuant to such allocation; and for connected purposes.**

**ENACTED** by Parliament of Kenya, as follows—

Short title.

**1.** This Act may be cited as the County Governments Additional Allocations Act, 2022.

Interpretation.

**2.** In this Act —

“Cabinet Secretary” means the Cabinet Secretary responsible for matters relating to finance;

“additional allocations” means additional resources allocated to county governments from the National Government’s share of revenue or in the form of loans and grants from development partners; and

“county executive committee member” means the county executive committee member in charge of matters relating to finance.

Object.

**3.** The object of this Act is to—

- (a) provide, pursuant to Article 202(2) of the Constitution, for additional allocations for the financial year 2022/23;
- (b) provide for additional allocations from proceeds of loans and grants from development partners; and
- (c) facilitate the transfer of conditional and unconditional allocations made to counties under this Act from the Consolidated Fund to the respective County Revenue Funds and special purpose accounts.

Additional allocations to county governments

**4.** (1) Additional allocations shall be funds agreed upon by the National Assembly and the Senate during the consideration of the Budget Policy Statement and shall comprise of—

- (a) additional allocations from the national government and development partners required for transfer of functions to counties from the National Government as provided for under Article 187 of the Constitution;
- (b) additional allocations provided for under Article 202(2) of the Constitution; and
- (c) additional allocations in form of loans and grants from development partners.

(2) Additional funds allocated under this section shall be included in the respective county governments' appropriation bills.

(3) The National Treasury shall facilitate any agreement between a county government and a development partner and shall table the agreements in the National Assembly and the Senate before inclusion in the Budget Policy Statement.

Conditional  
allocations to  
county  
governments.

5. (1) Conditional allocations to each county government from National Government share of revenue for the financial year 2022/23 shall be as set out in Column D of the First Schedule, comprising —

- (a) conditional allocations for the construction of county headquarters as set out in Column B of the First Schedule; and
- (b) conditional allocations for the leasing of medical equipment as set out in Column C of the First Schedule.

(2) Conditional allocations financed by proceeds of loans or grants from development partners to each county government for the financial year 2022/23 shall be as set out in Column M of the Second Schedule, comprising of—

- (a) conditional allocations financed by a World Bank credit to finance Agricultural and Rural Inclusive Growth Project (NARIGP) as set out in Column B of the Second Schedule;
- (b) conditional allocation financed by a World Bank loan to finance the Kenya Climate Smart Agriculture Project (KCSAP) as set out in Column C of the Second Schedule;
- (c) conditional allocations from EU grant to finance Instruments for Devolution Advice and Support (IDEAS) program as set out in Column D of the Second Schedule;

- (d) conditional allocations from a World Bank credit to finance Water and Sanitation Development Project (WSDP) as set out in Column E of the Second Schedule;
  - (e) conditional allocations from a grant by DANIDA to finance Universal Healthcare in Devolved System Program as set out in Column F of the Second Schedule;
  - (f) conditional allocations from a World Bank credit to finance Locally-Led Climate Action Program, (FLLoCA) for County Climate Institutional Support (CCIS) as set out in Column G of the Second Schedule.
  - (g) conditional allocations financed by a loan from Government of Sweden to finance Agriculture Sector Development Support Programme II (ASDSP II) as set out in Column H of the Second Schedule;
  - (h) conditional allocations financed by both loan and grant from the German Development Bank (KfW) to finance Drought Resilience Programme in Northern Kenya (DRPNK) as set out in Column I of the Second Schedule;
  - (i) conditional allocations financed by a credit from World Bank to finance Emergency Locust Response Project (ELRP) as set out in Column J of the Second Schedule;
  - (j) conditional allocations financed by a loan from the World Bank to finance Kenya Informal Settlement Improvement Project (KISIP II) as set out in Column K of the Second Schedule; and
  - (k) conditional allocations financed by a grant from the World Bank to finance Locally- Led Climate Program (FLLoCA) for County Climate Resilience Investment (CCRI) grant as set out in Column L.
- (3) Conditional allocations under subsection 2(k) shall be allocated among county governments on the basis of a criteria to be determined as follows-
- (a) the accounting officer responsible for the conditional allocation shall in each eligible county government carry out or cause to be carried out, in accordance with the intergovernmental agreement between the National Government and each eligible county government, an assessment to determine the eligible county governments'

performance score for purposes of determining the Performance allocation for the financial year 2022/2023;

(b) the allocation to the eligible county governments shall be on the basis of the criteria comprising the performance score determined under paragraph (a) and the Revenue Sharing formula approved by Parliament in accordance with Article 217 of the Constitution; and

(c) the Cabinet Secretary shall publish in the Kenya Gazette the allocations determined in terms of paragraph (b).

(4) Each county government's allocation under subsection (1)(a) shall —

(a) be transferred to the respective County Revenue Fund, in accordance with a payment schedule published in the Gazette by the Cabinet Secretary in accordance with section 17 of the Public Finance Management Act; and

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(b) only be accessed by each county government after meeting conditions set by the Cabinet Secretary responsible for that function at the beginning of the financial year.

(5) A county governments' allocation under subsection (2) shall be transferred to the respective County Revenue Fund in accordance with a payment schedule published in the Kenya Gazette by the Cabinet Secretary in accordance with section 17 of the Public Finance Management Act.

(6) The county governments' allocations under subsections (1) and (2) shall, subject to subsection (7), be included in the budget estimates of the National Government and shall be submitted to Parliament for approval.

(7) Allocations shall not be included in the budget estimates under subsection (5) unless —

(a) the National Government and the respective county governments have entered into an intergovernmental agreement in accordance with this Act; or

(b) in the case of a loan or grant by a development partner, the Cabinet Secretary and the responsible development partner have agreed in writing that the funds shall be transferred to the county government.

Equalization  
Fund.

6. Additional allocations to the respective county government from the Equalization Fund for the financial year 2022/23 shall be as set out in the Third Schedule.

Report on actual  
transfers.

7. The Cabinet Secretary shall publish, by the 15<sup>th</sup> day of each subsequent month, a monthly report on actual transfers of all additional allocations to county governments disbursed pursuant to this Act.

Books of accounts  
to reflect national  
government  
transfers.

8. Each county treasury shall reflect all transfers of conditional allocations by the National Government to the respective county government in its books of accounts.

Reporting.

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9. A county treasury shall, as part of its consolidated quarterly and annual reports required under the Public Finance Management Act, report on-

- (a) actual transfers received by the county government from the National Government, up to the end of that quarter or year in the format prescribed by the Public Sector Accounting Standards Board or in the absence of a format prescribed by the Board, in the format prescribed by the National Treasury;
- (b) the actual expenditure by the county government of the allocations made under section 5(1) and (2);
- (c) the extent of compliance with the provisions of this Act and with the conditions of allocations as set out in the intergovernmental agreement entered into by the national government, the development partner and the county government;
- (d) an explanation of any material problems in the expenditure of any allocations made under this Act or compliance with any conditions of allocations set out in an intergovernmental agreement; and
- (e) any other information that may be required by the relevant intergovernmental agreement.

# FIRST SCHEDULE

(s. 5(1))

## Conditional allocations to County Governments from National Government Revenue in Financial year 2022/23 (Kenya Shillings)

Additional allocations to County Governments from National Government Revenue in Financial year 2022/23 (Kenya Shillings)						
		FY 2021/22		FY 2022/23		
S/N	County	Total Conditional Grants from the National Government Revenue	Supplement for construction of county headquarters	Conditional Grant- Leasing of Medical Equipment	Total Conditional Grants from the National Government Revenue	
		Column A	Column B	Column C	Column D	
1	Baringo	153,297,872	-	110,638,298	110,638,298	
2	Bomet	153,297,872	-	110,638,298	110,638,298	
3	Bungoma	153,297,872	-	110,638,298	110,638,298	
4	Busia	153,297,872	-	110,638,298	110,638,298	
5	Elgeyo/Marakwet	153,297,872	-	110,638,298	110,638,298	
6	Embu	153,297,872	-	110,638,298	110,638,298	
7	Garissa	153,297,872	-	110,638,298	110,638,298	
8	Homa Bay	153,297,872	-	110,638,298	110,638,298	
9	Isiolo	221,297,872	102,000,000	110,638,298	212,638,298	
10	Kajiado	153,297,872	-	110,638,298	110,638,298	
11	Kakamega	153,297,872	-	110,638,298	110,638,298	
12	Kericho	153,297,872	-	110,638,298	110,638,298	
13	Kiambu	153,297,872	-	110,638,298	110,638,298	
14	Kilifi	153,297,872	-	110,638,298	110,638,298	
15	Kirinyanga	153,297,872	-	110,638,298	110,638,298	
16	Kisii	153,297,872	-	110,638,298	110,638,298	
17	Kisumu	153,297,872	-	110,638,298	110,638,298	
18	Kitui	153,297,872	-	110,638,298	110,638,298	
19	Kwale	153,297,872	-	110,638,298	110,638,298	
20	Laikipia	153,297,872	-	110,638,298	110,638,298	
21	Lamu	191,297,872	24,000,000	110,638,298	134,638,298	
22	Machakos	153,297,872	-	110,638,298	110,638,298	
23	Makueni	153,297,872	-	110,638,298	110,638,298	
24	Mandera	153,297,872	-	110,638,298	110,638,298	
25	Marsabit	153,297,872	-	110,638,298	110,638,298	
26	Meru	153,297,872	-	110,638,298	110,638,298	

27	Migori	153,297,872	-	110,638,298	110,638,298
28	Mombasa	153,297,872	-	110,638,298	110,638,298
29	Muranga	153,297,872	-	110,638,298	110,638,298
30	Nairobi	153,297,872	-	110,638,298	110,638,298
31	Nakuru	153,297,872	-	110,638,298	110,638,298
32	Nandi	153,297,872	-	110,638,298	110,638,298
33	Narok	153,297,872	-	110,638,298	110,638,298
34	Nyamira	153,297,872	-	110,638,298	110,638,298
35	Nyandarua	228,297,872	121,000,000	110,638,298	231,638,298
36	Nyeri	153,297,872	-	110,638,298	110,638,298
37	Samburu	153,297,872	-	110,638,298	110,638,298
38	Siaya	153,297,872	-	110,638,298	110,638,298
39	Taita Taveta	153,297,872	-	110,638,298	110,638,298
40	Tana River	228,297,872	104,000,000	110,638,298	214,638,298
41	TharakaNithi	229,297,872	103,000,000	110,638,298	213,638,298
42	Trans Nzoia	153,297,872	-	110,638,298	110,638,298
43	Turkana	153,297,872	-	110,638,298	110,638,298
44	Uasin Gishu	153,297,872	-	110,638,298	110,638,298
45	Vihiga	153,297,872	-	110,638,298	110,638,298
46	Wajir	153,297,872	-	110,638,298	110,638,298
47	West Pokot	153,297,872	-	110,638,298	110,638,298
	GRAND TOTAL	7,537,000,000	454,000,000	5,200,000,000	5,654,000,000

# SECOND SCHEDULE

(s. 5(2))

## Additional Allocations from proceeds of loans or grants from Development Partners in Financial Year 2022/23 (Figures are in Kenya Shillings)

S/N	County	FY 2022/23													Total Loans and Grants
		Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	
			IDA (World Bank) credit (National Agricultural and Rural Inclusive Growth Project (NARIGP))	IDA (World Bank) - Kenya Climate Smart Agriculture Project (KCSAP)	EU Grant (Instruments for Devolution Advice and Support IDEAS)	IDA (World Bank) credit: Water & Sanitation Development Project (WSDP)	DANIDA Grant - Primary Health Care in Devolved Context	IDA (World-Bank) Credit (Financing Locally-Led Climate Action (FLLoCA) Program, County Climate Institutional Support (CCIS) Grant (Level 1))	Sweden - Agricultural Sector Development Support Programme (ASDSP) II	(KRW)- Drought Resilience Programme in Northern Kenya (DRPNK)	World Bank - Emergency Locust Response Project (ELRP)	World bank - Kenya Informal Settlement Improvement Project (KISIP II)	IDA (World bank) Climate Action Program, FLLoCA)		Total Loans and Grants
1	Baringo	528,317,166	100,298,617	95,457,110	15,626,168	-	10,738,700	11,000,000	15,157,989	-	69,207,700	-	-	317,486,284	
2	Bomet	653,181,658	-	83,323,430	-	-	11,605,800	11,000,000	15,590,699	-	-	-	-	121,519,929	
3	Bungoma	542,772,196	-	-	-	-	18,742,700	11,000,000	15,837,026	-	-	36,424,018	-	82,003,744	
4	Busia	447,133,112	-	125,328,154	-	-	12,673,000	11,000,000	15,056,539	-	-	-	-	164,097,693	
5	Elgeyo/Mar akwet	702,054,383	-	85,593,752	-	-	8,137,400	11,000,000	14,162,596	-	75,879,000	8,324,295	-	203,097,043	
6	Embu	453,821,524	260,577,564	-	-	-	9,071,200	11,000,000	17,252,897	-	67,688,700	-	-	365,590,361	
7	Garissa	1,087,727,785	-	75,269,050	-	450,000,000	14,807,400	11,000,000	19,237,689	-	80,912,850	-	-	651,226,989	
8	Homa Bay	454,463,421	169,429,682	-	-	-	14,207,100	11,000,000	16,961,327	-	-	150,000,000	-	361,598,109	
9	Isiolo	592,196,554	-	59,773,034	-	-	8,937,800	11,000,000	15,458,346	-	84,469,550	-	-	179,638,730	
10	Kajiado	576,204,540	-	75,231,220	-	-	13,540,100	11,000,000	15,549,570	-	-	-	-	115,320,890	
11	Kakamega	691,090,920	-	99,110,439	-	-	21,944,300	11,000,000	16,691,828	-	-	-	-	148,746,567	
12	Kericho	569,054,323	-	72,680,579	-	-	11,339,000	11,000,000	16,995,122	-	-	-	-	112,014,701	
13	Kiambu	589,239,254	400,318,542	-	-	-	19,876,600	11,000,000	17,814,189	-	-	42,456,908	-	491,466,239	
14	Kilifi	2,154,008,617	219,997,606	-	-	2,000,000,000	22,011,000	11,000,000	16,633,495	-	-	200,000,000	-	2,469,642,101	

15	Kirinyaga	573,638,600	148,043,801	-	-	-	8,937,800	11,000,000	15,419,509	-	-	-	183,401,110
16	Kisii	575,643,577	131,476,562	-	-	-	16,408,200	11,000,000	15,840,849	-	-	-	174,725,611
17	Kisumu	769,632,733	-	70,007,432	15,626,168	-	14,407,200	11,000,000	17,503,544	-	278,640,055	-	407,184,399
18	Kitui	505,225,111	153,298,172	-	-	-	18,609,300	11,000,000	17,077,037	-	70,223,000	-	270,207,509
19	Kwale	1,084,696,427	129,364,832	-	-	1,150,000,000	16,408,200	11,000,000	16,384,932	-	-	-	1,323,157,964
20	Laikipia	594,808,504	-	66,193,250	-	-	8,804,400	11,000,000	14,580,064	-	-	-	100,577,714
21	Lamu	387,821,812	-	5,236,636	-	-	5,469,400	11,000,000	15,214,470	-	-	-	236,920,506
22	Machakos	563,831,924	-	68,040,614	-	-	16,341,500	11,000,000	15,404,784	-	67,674,400	-	178,461,298
23	Makueni	600,213,719	182,245,441	-	-	-	15,607,800	11,000,000	16,187,773	-	-	-	225,041,014
24	Mandera	607,418,422	-	81,191,951	-	-	21,544,100	11,000,000	18,686,862	-	91,274,250	-	223,697,163
25	Marsabit	753,314,489	-	55,194,559	16,140,048	-	14,273,800	11,000,000	18,451,009	387,000,000	93,873,850	-	595,933,266
26	Meru	778,344,871	206,960,478	-	-	-	16,941,800	11,000,000	15,209,642	-	75,983,000	-	326,094,920
27	Migori	391,091,244	115,188,436	-	-	-	14,273,800	11,000,000	18,146,589	-	-	-	158,608,825
28	Mombasa	1,313,902,680	-	-	-	950,000,000	14,874,100	11,000,000	14,414,211	-	219,423,444	-	1,209,711,755
29	Murang'a	454,929,372	202,429,735	-	-	-	13,273,300	11,000,000	14,410,294	-	-	-	241,113,329
30	Nairobi City	866,791,349	-	-	-	-	33,550,100	11,000,000	20,945,243	-	350,000,000	-	415,495,343
31	Nakuru	819,265,259	92,144,660	-	-	-	22,077,700	11,000,000	15,827,494	-	300,000,000	-	441,049,854
32	Nandi	524,798,208	155,424,837	-	-	-	11,272,300	11,000,000	14,501,837	-	16,519,088	-	208,718,062
33	Narok	645,965,988	235,246,719	-	-	-	16,941,800	11,000,000	18,136,451	-	-	-	281,324,970
34	Nyamira	563,367,518	171,924,054	-	-	-	10,138,400	11,000,000	14,787,054	-	-	-	207,849,508
35	Nyandarua	683,889,689	-	75,718,650	11,000,000	-	10,271,800	11,000,000	14,157,337	-	25,497,691	-	147,645,478
36	Nyeri	680,265,672	-	124,713,230	-	-	11,405,700	11,000,000	13,627,489	-	102,139,147	-	262,885,566
37	Samburu	470,939,351	89,792,536	-	15,626,168	-	9,738,200	11,000,000	19,131,435	-	91,588,750	-	236,877,089
38	Siaya	540,152,675	-	75,368,050	-	-	12,206,100	11,000,000	14,538,059	-	-	-	113,112,209
39	Taita Taveta	1,379,682,318	-	124,522,005	15,624,929	800,000,000	8,937,800	11,000,000	14,868,457	-	60,000,000	-	1,034,953,191
40	Tana River	468,563,507	-	82,386,194	14,727,370	-	12,339,500	11,000,000	20,261,832	-	-	-	140,714,896
41	Tharaka Nithi	600,268,742	-	122,240,640	-	-	8,270,800	11,000,000	13,846,340	-	68,827,500	80,575,354	304,760,634

42	Trans Nzoia	571,686,484	207,126,690	-	-	12,139,400	11,000,000	14,675,225	-	-	200,000,000	-	444,941,315
43	Turkana Uasin Gishu	786,247,615	124,429,694	-	-	22,211,100	11,000,000	24,393,829	438,000,000	101,918,500	-	-	721,953,123
44		608,853,967	-	84,379,280	-	13,340,000	11,000,000	14,385,267	-	-	200,000,000	-	323,104,547
45	Vihiga	417,314,928	67,413,552	-	-	9,804,900	11,000,000	13,982,977	-	-	-	-	102,201,429
46	Wajir	1,160,065,181	-	78,101,121	15,626,168	18,009,000	11,000,000	22,904,132	-	89,529,250	230,000,000	-	1,015,169,671
47	West Pokot	559,953,126	-	114,909,620	-	10,538,600	11,000,000	18,793,436	-	70,759,700	-	-	226,001,356
	Total	32,343,890,515	3,563,132,210	1,999,970,000	119,997,019	5,900,000,000	517,000,000	775,134,775	825,000,000	1,199,810,000	2,700,000,000	5,433,000,000	23,700,044,004

**THIRD SCHEDULE****(S.6)****Allocations from the Equalization Fund for the Marginalized areas for the FY 2022-23**

Third Schedule: Allocations from the Equalization Fund for the Marginalized areas for the FY 2022-23				
No. :	COUNTY	FY 2021/2022	FY2022/23	TOTAL
1	Baringo	396,090,056.67	410,201,046.07	806,291,103
2	Bomet	12,790,912.52	13,246,597.86	26,037,510
3	Bungoma	39,127,812.29	40,521,768.37	79,649,581
4	Busia	11,968,468.05	12,394,853.22	24,363,321
5	Elgeyo Marakwet	43,344,757.89	44,888,945.66	88,233,704
6	Garissa	419,977,632.76	434,939,634.02	854,917,267
7	Homa Bay	87,604,010.00	90,724,965.03	178,328,975
8	Isiolo	98,782,717.91	102,301,922.35	201,084,640
9	Kajiado	276,095,875.57	285,931,987.11	562,027,863
10	Kericho	40,527,235.23	41,971,046.75	82,498,282
11	Kilifi	359,394,892.38	372,198,590.51	731,593,483
12	Kisumu	16,198,087.17	16,775,155.52	32,973,243
13	Kitui	264,587,656.25	274,013,779.30	538,601,436
14	Kwale	164,949,142.52	170,825,572.79	335,774,715
15	Laikipia	79,416,251.80	82,245,512.14	161,661,764
16	Lamu	38,352,059.72	39,718,379.07	78,070,439
17	Machakos	8,602,649.08	8,909,124.56	17,511,774
18	Mandera	501,519,700.07	519,386,695.35	1,020,906,395
19	Marsabit	308,685,487.79	319,682,627.39	628,368,115
20	Meru	19,921,432.69	20,631,147.87	40,552,581
21	Migori	118,331,949.45	122,547,609.14	240,879,559
22	Murang'a	3,780,709.85	3,915,400.33	7,696,110
23	Nakuru	4,283,648.32	4,436,256.33	8,719,905
24	Nandi	77,713,331.50	80,481,924.10	158,195,256
25	Narok	513,675,602.75	531,975,660.69	1,045,651,263
26	Samburu	432,475,053.34	447,882,284.07	880,357,337
27	Siaya	17,167,277.61	17,778,874.06	34,946,152
28	Taita taveta	8,876,797.24	9,193,039.44	18,069,837
29	Tana River	294,306,383.64	304,791,257.45	599,097,641
30	Tharaka Nithi	29,293,164.07	30,336,753.83	59,629,918
31	Trans Nzoia	4,978,023.58	5,155,369.20	10,133,393
32	Turkana	761,584,245.26	788,716,224.55	1,550,300,470
33	Wajir	486,048,672.49	503,364,501.43	989,413,174
34	West Pokot	680,106,212.55	704,335,479.10	1,384,441,692
	<b>Total</b>	<b>6,620,557,910.01</b>	<b>6,856,419,984.67</b>	<b>13,476,977,895</b>

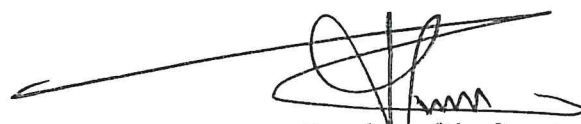
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I certify that this printed impression is a true copy of the Bill as passed by the Senate on Thursday, 16<sup>th</sup> June, 2022.



*Clerk of the Senate*

Endorsed for presentation to the National Assembly in accordance with the provisions of standing order 156 of the Senate Standing Orders.



*Speaker of the Senate*