



REPUBLIC OF KENYA

THE NATIONAL ASSEMBLY

THIRTEENTH PARLIAMENT – FIFTH SESSION – 2026

DIRECTORATE OF DEPARTMENTAL COMMITTEES

DEPARTMENTAL COMMITTEE ON REGIONAL DEVELOPMENT

REPORT ON

THE BUDGET IMPLEMENTATION OVERSIGHT FOR THE FY 2025/26 FOR:

- A. VOTE 1032: STATE AND DEPARTMENT FOR DEVOLUTION
- B. VOTE 1033: STATE DEPARTMENT FOR SPECIAL PROGRAMMES
- C. VOTE 1036: STATE DEPARTMENT FOR ASALs & REGIONAL DEVELOPMENT

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 13 OCT 2026	DAY: TUESDAY
TABLED BY:	HON. WIZA CHEWHE, CBS, MP (VICE CHAIRPERSON)
CLERK-AT THE-TABLE:	INZORU MWALE, HSC

DIRECTORATE OF DEPARTMENTAL COMMITTEES
CLERK'S CHAMBERS
PARLIAMENT BUILDINGS
NAIROBI

OCTBER 2026



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CHAIRPERSON'S FOREWORD

Article 95 (4) (b) and (c) of the Constitution requires the National Assembly to appropriate funds for the National Government and National state organ expenditures and exercise oversight over national revenue and expenditure. Further, Standing Order 245A (2) mandates the Departmental Committee to examine and report on the expenditures and non-financial performance of the budget of the National Government and examine the conformity of the implementation process with the principles and values of public finance as set out in Article 201 of the Constitution.

The National Assembly is additionally mandated to oversee the utilization of allocated public resources in a transparent and effective manner, ensuring the provision of public goods and services in line with the provisions of Article 228(6) of the Constitution and Sections 66(h) and 83(5) of the Public Finance Management Act, CAP 412A.

Additionally, the National Assembly through its Departmental Committees is required to continuously engage the Ministries Departments and Agencies under their purview and assess quarterly progress in implementing the approved budget in line with the provisions of Article 95 (4) (c) of the Constitution and Standing Order 216 (5) (ba).

In this regard and pursuant to Standing Order 216 (5) (ba), the Departmental Committee on Regional Development held a total of four (4) sittings to deliberating on the implementation of the national budget for FY 2025/26 for all the agencies under its purview. The Agencies made written submission to the Committee regarding the implementation of the allocated budget for FY 2025/26. The Committee noted among other thing, there was inadequate funding to the sector that lead to below target execution of planned projects and activities. The Committee considered and unanimously adopted its report on the implementation of the national budget for the FY 2025/26 for the agencies under its purview.

I would like to take this opportunity to thank the members of the Committee for their dedication and commitment to duty, which made it possible to successfully scrutinize the budget's execution for the agencies under its jurisdiction. I would also like to express my profound appreciation to the Committee secretariat for providing technical and logistical support, as well as to the Offices of the Speaker and Clerk of the National Assembly for providing general direction and guidance.

On behalf of the Departmental Committee on Regional Development and pursuant to the provisions of Standing Order 216 (5) (ba), it is my pleasant privilege and honour to present to this House the Report of the Committee on the Budget Implementation Oversight for FY 2025/26 for the State Departments under its purview.

Hon. Lochakapong Peter, MP.
Chairperson, Departmental Committee on Regional Development

CHAPTER ONE

1.0 Preface

1.1 Establishment and mandate of the Committee

1. The Departmental Committee on Regional Development is one of the twenty (20) Departmental Committees of the National Assembly established under **Standing Order 216** whose mandate pursuant to the **Standing Order 216 (5)** is as follows: -
 - (i) *investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned ministries and departments;*
 - (ii) *study the programme and policy objectives of ministries and departments and the effectiveness of the implementation;*
 - (iii) *on a quarterly basis, monitor and report on the implementation of the national budget in respect of its mandate;*
 - (iv) *study and review all legislation referred to it;*
 - (v) *study, assess and analyze the relative success of the ministries and departments as measured by the results obtained as compared with their stated objectives;*
 - (vi) *Investigate and inquire into all matters relating to the assigned Ministries and Departments as they may deem necessary, and as may be referred to them by the House;*
 - (vii) *vet and report on all appointments where the Constitution or any law requires the National Assembly to approve, except those under Standing Order 204 (Committee on Appointment;*
 - (viii) *examine treaties, agreements and conventions;*
 - (ix) *make reports and recommendations to the House as often as possible, including recommendation of proposed legislation;*
 - (x) *consider reports of Commissions and Independent Offices submitted to the House pursuant to the provisions of Article 254 of the Constitution; and*
 - (xi) *Examine any questions raised by Members on a matter within its mandate.*

1.2 Subjects under the Committee

2. The Second Schedule of the Standing Orders on Departmental Committees further outlines the subjects of the Committee, as follows
 - (a) Regional development, including regional development authorities;
 - (b) Refugee affairs;
 - (c) Devolution;
 - (d) Inclusive growth;
 - (e) Arid and semi-arid areas;
 - (f) Disaster risk management;
 - (g) Drought, famine and disaster response; and
 - (h) Post- disaster recovery and rehabilitation.
3. The Committee in executing its mandate oversees the **State Department for Devolution, State Department for Special Programmes** and **State Department for Arid and Semi-Arid Lands (ASALs) and Regional Development**

1.3 Committee Membership

4. The Committee was constituted by the House on Thursday 27th October, 2022 and comprises the following Members:

Chairperson

Hon. Lochakapong Peter, M.P.
Sigor Constituency

United Democratic Alliance (UDA)

Vice Chairperson

Hon. Chelule Liza, M.P.
Nakuru Constituency

United Democratic Alliance (UDA)

Members

Hon. Abuur Paul, M.P.
Rongo Constituency

Orange Democratic Movement (ODM)

Hon. Munyoro Joseph Kamau, M.P.
Kigumo Constituency

United Democratic Alliance (UDA)

Hon. Njeru Pamela Njoki, M.P.
Embu Constituency

United Democratic Alliance (UDA)

Hon. Sudi Oscar Kipchumba, M.P.
Kapseret Constituency

United Democratic Alliance (UDA)

Hon. Majimbo Joseph Kalasinga, M.P.
Kabuchai County

FORD-Kenya Party

Hon. Tungule Charo Kazungu, M.P.
Ganze Constituency

Pamoja African Alliance (PAA)

Hon. Maina Mwago Amos, M.P.
Starehe Constituency

Jubilee Party

Hon. Abdi Khamis Chome, M.P.
Voi Constituency

Wiper Democratic Movement

Hon. Basil Robert Ngui, M.P.
Yatta Constituency

Wiper Democratic Movement – Kenya

Hon. Hassan Ahmed Maalim, M.P.
Banissa Constituency

United Democratic Alliance (UDA)

Hon. Nabulindo Peter Oscar, M.P.
Matunga Constituency

Orange Democratic Movement (ODM) Kenya

Hon. Mawathe Julius Musili, M.P.
Embakasi South Constituency

Wiper Democratic Movement (WDM) –

Hon. David Kipsang Keter, M.P.
Emurua Dikirr Constituency

United Democratic Alliance (UDA)

I.4 Committee Secretariat

5. The Committee is facilitated by the following staff:

Mr. Jimale Mohammed
Clerk Assistant I/Head of Secretariat

Ms. Violet Nabwire
Clerk Assistant III

CPA Cyrille Mutali
Fiscal Analyst II

Mr. Moses Mwariri
Legal Counsel I

Ms. Rose Tabuke
Research Officer III

Mr. Peter Muthethia
Audio Officer II

Ms. Mary Kamande
Public Communication Officer III

Ms. Mwanasha Juma
Assistant Sergeant-at-Arms II

CHAPTER TWO

2.0 Introduction

6. Article 95 (4) (b) and (c) of the Constitution requires the National Assembly to appropriate funds for the National Government and National state organ expenditures and exercise oversight over national revenue and expenditure. Further, Standing Order 245A (2) mandates the Departmental Committee to examine and report on the expenditures and non-financial performance of the budget of the National Government and examine the conformity of the implementation process with the principles and values of public finance as set out in Article 201 of the Constitution.
7. The National Assembly is additionally mandated to oversee the utilization of allocated public resources in a transparent and effective manner, ensuring the provision of public goods and services in line with the provisions of Article 228(6) of the Constitution and Sections 66(h) and 83(5) of the Public Finance Management Act, 2021.
8. In this regard and pursuant to Standing Order 216 (5) (ba), the Departmental Committee on Regional Development held sittings to deliberating on the implementation of the national budget for FY 2025/26 for all the agencies under its purview. The Agencies provided a written submission regarding the implementation of the allocated budget for the FY 2025/26. The Committee noted among other things, that there was inadequate funding to the sector that lead to below target execution of planned projects and activities. The Committee considered and unanimously adopted its report on the implementation of the national budget for the FY 2025/26 for the agencies under its purview.

CHAPTER THREE

3.0 Overall Budget Implementation For FY 2025/26

3.1 State Department for Devolution

9. The Principal Secretary, for the State Department for Devolution, Mr. Loikenu Lenasalon, appeared before the Committee on Friday, 28th August 2026 and submitted as follows;

Overall Budget Absorption Rate in the FY 2025/26

10. In the FY 2025/26, the State Department was allocated a total budget of Kshs. 15,549.70 million, consisting of Kshs. 1,373.58 million for recurrent expenditure and Kshs. 14,176.12 million for development expenditure.
11. Total expenditure during the period amounted to Kshs. 10,987.18 million, representing an aggregate absorption rate of 71%. Recurrent expenditure reached Kshs. 1,373.57 million, achieving a 100% absorption rate, while development expenditure stood at Kshs. 9,613.61 million, reflecting a 68% absorption rate.

Table 1: Budget Performance for FY 2025/26

Item	Printed Estimates	Revised Estimates	Expenditure	Exchequer issues	Balance	% Absorption
Recurrent Vote						
Compensation of employees	243.90	246.24	246.23	246.23	0.01	99.9%
Operations and Maintenance	361.60	401.59	401.59	401.59	-	100%
Current Grants to Semi-Autonomous Government Agencies	725.80	725.75	725.75	725.75	-	100%
Sub Total Recurrent	1,331.30	1,373.58	1,373.57	1,373.57	0.01	99.9%
Development Vote						
GOK	171.12	171.22	171.12	171.12	-	100%
Loan KDSP II (Donor)	15,744.00	14,005.00	9,442.49	9,442.49	4,562.51	68%
Sub Total Development	15,915.12	14,176.22	9,613.61	9,613.61	4,562.51	68%
Grand Total	17,246.42	15,549.62	10,987.18	10,987.18	4,562.44	71%

Source: MDA Submission

12. The suboptimal absorption rate in development expenditure is attributed to the non-disbursement of funds to county governments, resulting from the performance status of specific Disbursement Linked Indicators (DLIs).

Pending Bills

13. The PS highlighted that the State Department had pending bills amounting to Kshs. 2,728.60 million out of which Kshs. 10.62 million are carry overs from FY 2025/26 while Kshs. 2,717.98 million relate to historical pending bills.

Project Information for Ongoing Capital Projects as at 30th June 2026

Table 2: Capital Projects as at 30th June 2026

Project Name (a)	Project Commencement Date	Expected date of Completion of the project	Source of Funds (GoK/Donor)	Estimated Value of the Project (Kshs.) M	Total funding FY 2025/26		Cumulative Expenditure up to June 2026	Percentage (%) of Completion	Geographical Location
					Donor	GOK			
Kenya Devolution Support Programme II (KDSP II)	1/12/2023	31/12/2027	GOK & WORLD BANK	24,078	14,005	141	9,582.51	48%	47 counties
Maarifa Centre for Knowledge Management Among Counties	21/2/2022	30/6/2026	GOK	60	-	35	35.00	57.83%	COG Headquarters
Total				24,138	14,005	171	9,612.51	68%	

Source: MDA Submission

Key Achievements and Non-financial Outputs during the Implementation of the 2025/26

14. The PS highlighted major achievements in relation to the FY 2025/26. They include:

- a) County Fiscal and Human Resource Management Reforms Supported by KDSP II
- b) Legal, Policy & Coordination Framework:
 - ❖ National policy on devolved governance approved
 - ❖ Intergovernmental relations amendment Bill
 - ❖ Concurrent functions bill
 - ❖ Regulations on transfer of functions between the national government and the county government developed
 - ❖ Developed a coordination framework for development partners in devolution related activities
- c) Joint Devolution Programme II (JDP II): Launched a coordinated framework to strengthen intergovernmental relations, institutional capacity, and service delivery across 8 counties and 8 national agencies.
- d) County Institutional Capacity Building:
 - ❖ Developed and rolled out 2 key frameworks namely; public service management framework and devolution performance results framework
 - ❖ Forty-six (46) counties were supported to establish project level management committees and fifteen of them trained in addition to county staff as a measure to enhance public participation at the county level
 - ❖ Seven (7) county assembly legislative caucuses were established to promote youth engagement and legislative oversight through the scouting movement.
- e) Functions Unbundling & Transfer:
 - ❖ Seven (7) intergovernmental frameworks on asset sharing between the two levels of government in education sector developed

- ❖ Thirty-four (34) intergovernmental frameworks on provision of education support/ bursaries between the two levels of government developed
 - ❖ Four (4) contentious components in six (6) sectors of devolved functions unbundled, delineated and transferred.
- f) Asset & Resource Transfer:
- ❖ Valued, gazetted and transferred 62,248 registrable assets of defunct local authorities and devolved functions to counties.
- g) Intergovernmental Relations and Coordination:
- ❖ Held 6 intergovernmental sector forums and convened 54 sector working groups to enhance intergovernmental coordination and resolve critical issues between the two levels of government.
 - ❖ Held the national coordinating summit meeting to resolve critical issues affecting the two levels of government:
 - ❖ Resolved 23 intergovernmental disputes through ADR mechanism.
 - ❖ Successfully held the national biennial devolution conference in Homabay county geared towards driving progress on maternal health, OSR, affordable housing, value chains, and county assembly financial autonomy. 70% of the resolutions have so far been implemented
- h) County Knowledge Management & Best Practices:
- ❖ Developed knowledge management strategy for the devolved system of government
 - ❖ Published 6 compendiums of county best practices and innovations, enabling peer learning and replication of proven service-delivery solutions across counties.
- i) Urban governance, green skills & leadership frameworks:
- ❖ Developed specialized frameworks for urban governance (model org structures, M&E guide, private sector engagement), youth green-skilling, climate mainstreaming (model environment bill & guidelines), and governors'/sector induction manuals to strengthen leadership capacity.

Challenges in the Implementation of Core mandate

15. Some of the challenges experienced include:

- a) Prolonged resolution of intergovernmental disputes arising from slow involvement of the parties in the dispute and unclear partnership arrangements for the implementation of exclusive functions, resulting in prolonged intergovernmental disputes, role ambiguity, and coordination challenges between national and county actors.
- b) Inadequate funding to the sub-sector leading to below target execution of planned projects and activities. Additionally, lack budgetary provision for historical pending bills resulted in penalties, and additional financial costs.

- c) Delay in approval of policy and legislative frameworks including delays in passage of the Intergovernmental Relations Amendment Bill.

Key Fiscal, Operational or Governance risks identified in the FY 2025/26

16. Further, the PS presented the key fiscal, operation and governance risks identified in the financial year under review. They include:

- a) Inadequate Budgetary Provision for both the core mandate and support programs/activities for example inadequate budgetary provision to cater for holding of sector forums, stakeholder's engagements in validation of the frameworks and guidelines, citizen engagements, capacity building of county executives and county assembly and vehicle maintenance and repair, purchase of ICT equipment and office furniture and equipment.
- b) Increased project costs arising from delayed implementation of the Kisumu convention centre.
- c) Increased court awards arising from delayed payment of historical pending bills
- d) Delayed approval and implementation of intergovernmental frameworks. There are several frameworks that have been finalized but are still waiting cabinet approval. E.g National Civic Education Framework, Local Economic Development (LED) framework and Public Service Management framework

Mitigation Measures and Smart Action Plans

17. The mitigation measures and plans highlighted by the PS include:

Table 3: Mitigation Measures

Risk	Mitigation measures
Inadequate funding	Resource mobilization from development partners – the Joint Devolution Programme is under implementation to fund activities geared towards strengthening of intergovernmental relations, institutional capacity, and service delivery across 8 counties and 8 national agencies. This is in addition to KDSP II. FY 2026/27 State Departmental annual work plan has been aligned with available budget/funds.
Increased project costs arising from delayed implementation of the Kisumu Convention Centre	Engaging the National Treasury to allocate funds for the completion of the project.
Increased Court Awards arising from delayed payment of historical pending bills	Engaging the National Treasury to allocate funds for the payment of pending bills.

Risk	Mitigation measures
Delayed approval and implementation of intergovernmental frameworks	Fast-tracking of the approval process of the pending frameworks by the Cabinet to unlock implementation by the relevant structures.

Source: MDA Submission

SAGAs

18. The State Department oversees three (3) Semi-Autonomous Government Agencies (SAGAs), namely the Intergovernmental Relations Technical Committee, the Council of Governors, and the World Scout Parliamentary Union Kenya. During the period under review, the three SAGAs had a cumulative approved budget estimate of Kshs. 806.13 million, against which a total of Kshs. 804.98 million was spent, translating to an overall absorption rate of 99.86%

Table 4: SAGAs Estimates vs Expenditure (Kshs. Millions)

S/No.	SAGA	Approved Estimates	Total Expenditure	Absorption rate
1	Intergovernmental Relations Technical Committee	524.52	523.37	99%
2	Council of Governors	231.23	231.23	100%
3	World Scout Parliamentary Union Kenya	50.38	50.38	100%
	SUM	806.13	804.98	99.86%

Source: MDA Submission

3.1.1 Intergovernmental Relations Technical Committee (IGRTC)

19. The Chairman of IGRTC, CPA Kithinji Kiragu, submitted as follows;

Overall Budget Absorption Rate

20. During the period under review, IGRTC implemented activities in accordance with the approved annual work plan and budget. The total approved budget for the reporting period was KES 524,520,000.00, against which KES 523,373,690.91 was spent, representing an overall absorption rate of 99.78%.
21. IGRTC does not have any capital projects and AIA.

Table 5: Budget Performance Showing a Detailed Breakdown of the Recurrent Budget against Actual Expenditure FY 2025/2026

Economic Classification	Approved Budget	Actual Expenditure	Variance	Absorption
Personnel Emoluments	239,460,247	239,226,503.27	233,743.73	99.90
Utilities Supplies and Services- Electricity	1,600,000	1,559,777.05	40,222.95	97.49
Telephone, Internet & Courier/Postal Services	6,600,000	6,517,062.00	82,938.00	98.74
Medical Insurance Cover	28,700,000	28,580,000.00	120,000.00	99.58
Rentals	49,400,000	49,366,938.92	33,061.08	99.93
Gratuity for Staff on Contract	17,200,000	17,139,999.30	60,000.70	99.65
Mandate Programs	76,209,753	76,077,382.00	132,371.00	99.83
Printing, Advertising and Services	24,400,000	24,395,559.00	4,441.00	99.98
Fuel Oil and Lubricants	10,000,000	9,796,160.00	203,840.00	97.96
Maintenance - Vehicles and Other Transport Equipment	7,400,000	7,301,801.37	98,198.63	98.67
Other O & M (General Office Supplies and Supplies for Computers and Printers, Routine maintenance of other Assets, Training Expenses, Hospitality Supplies, Cleaning Services, Purchases of ICT & other office Equipment)	63,550,000	63,412,508.00	137,492.00	99.78
TOTAL	524,520,000	523,373,690.91	1,146,309.09	99.78

Source: MDA Submission

Pending Bills

22. As at 30th June, 2026, IGRTC had two pending bills/obligations amounting to Kshs. 141 million. The two pending bills/obligations are related to the following items;

Table 6: Pending Obligations

No.	Pending Bills/Obligations	Amount (Kshs)	Measures
I.	Service gratuity for IGRTC members who contract lapsed	116,000,000	IGRTC as guided by the National Treasury sought approval to access quarter one and quarter two allocations for the FY 2026/2027 (Kshs 265,600,000) to meet the personnel emoluments for quarter one and use the quarter two allocation for payment of the service gratuity to the members who exited service in June 2026. As guided, the shortfall of Kshs 116,000,000 will be requested for consideration during the Supplementary

No.	Pending Bills/Obligations	Amount (Kshs)	Measures
			Estimates No. 1 for the current financial year 2026/2027.
2.	Government Printer occasioned by bulk publishing of two types of gazette notices for 47 county governments for land assets	25,000,000	IGRTC will request for this shortfall during the Supplementary Estimate Budget process.
TOTAL		141,000,000	

Source: MDA Submission

Key Achievements and Non-Financial Outputs for the FY 2025/2026

23. Some of the key achievements that have been realized during the period include:

- a) Transferred fixed assets of defunct local authorities and fixed assets of national government relating to devolved functions to respective county governments vide Kenya Gazette Vol. CXXVII-No.171 of 11th August, 2025 and specified in the schedules Gazette Notices No. 11164-11206.
- b) Transferred national government houses relating to devolved functions to respective county governments vide Kenya Gazette Vol. CXXVII-No.188 of 5th September, 2025 specified on schedules to Gazette Notice No. 12554-12596.
- c) Transferred the management function relating to Amboseli National Park to Kajiado County Government vide Gazette Notice No. 15230 of 16th October, 2025.
- d) Developed an intergovernmental framework to facilitate the issuance of education support/bursaries as guided by the Controller of Budget between the Ministry of Education and county governments.
- e) Held one (1) National and County Government Coordinating Summit meeting with 90% of resolutions implemented.
- f) Five Intergovernmental disputes were resolved using the ADR mechanism (*County Government of Vihiga and the Kenya National Highways Authority; Coast Water Works Development Agency and Kenya Rural Road Authority; Bomet County Government and the Prisons Department; Laikipia County Government and Nyandarua County Government; Kenya Medical Supplies Authority vs County Governments*).
- g) Unbundling and delineation of devolved functions in twelve (12) counties was undertaken through extensive consultation process between the two levels of government. The agreed components for transfer were gazetted through the Kenya

Gazette on 16th December, 2024. Further, IGRTC, through a participatory and consultative approach, undertook budget rationalization on transferred functions. Consequently, an interim report on indicative budgetary allocations amounting to KES 65.5 B was identified for transfer to county governments.

- h) IGRTC through a multi-agency approach, unbundled the functions of the six Regional Development Authorities in light of the devolution and prepared a report which was handed over to the Executive Office of the President for action. The identified assets, liabilities and personnel of the six RDAs for transfer.

Challenges in the Implementation of Core Mandate

24. The Chairman highlighted the challenges as follows:

- i) Slow pace or lack of full implementation of the IGRTC's programmes. For example, IGRTC has unbundled, delineated and gazetted devolved functions, however, the bit of ensuring the financial attendant resources is transferred to county governments has not been implemented despite IGRTC's intervention with National Treasury and Intergovernmental Budget and Economic Council (IBEC).
- ii) The Intergovernmental Relations Bill has stalled at the 2nd reading in the National Assembly. The Bill is intended to address key legal gaps that have been identified in the effective implementation of devolution and intergovernmental relations.
- iii) Conflicting interpretation of IGRTC mandate by stakeholders in the devolution and intergovernmental relations.
- iv) Non-committal by some parties to the ADR process in resolving intergovernmental dispute.
- v) Limited resource allocation to fully implement the mandate of IGRTC.

Key fiscal, operational or governance risks that require corrective action or policy reforms

25. Some of the key risks that have been realized by the IGRTC for the period include:

- i) Governance risk - IGRTC should be a non-partisan institution serving the two levels of government; however, the national government is represented in the Technical Committee of IGRTC by the PS-State Department for Devolution while the County Governments are not represented.
- ii) Fiscal risk - IGRTC continues to rely on the State Department for Devolution for processing and accessing its budget from the National Treasury since it is treated as a Semi-Autonomous Government Agency under SDD.

- iii) Operational risk - Dependency on State Department for Devolution to transmit funding for IGRTC programmes. Duplication of programmes within IGRTC's mandate by some stakeholders, e.g. valuation of assets.

3.1.2 Council of Governors (CoG)

26. The Director Committees for Council of Governors, Mr. Kizito Wangalwa, on behalf on the CEO, Ms. Mary Mwititi, appeared before the Committee on Friday 28th August 2026 and submitted as follows;

Overall Budget Absorption Rate

27. In FY 2025/26, the Council of Governors approved a budget estimate of Kshs. 231.23M comprised of Kshs. 201.23 million (recurrent) and Kshs. 30 million (development). The Council did not have pending bills as at 30th June 2026.

Table 7: Budget Performance FY 2025/26

Item	Printed Estimates	Revised Estimates	Expenditure	Exchequer Issues	Balance	% Absorption
Recurrent Vote						
Compensation of employees	163.8	163.8	163.8	163.8	-	100%
Operations and Maintenance	37.4	37.4	37.4	37.4	-	100%
Sub Total Recurrent	201.23	201.23	201.23	201.23	-	100%
Development Vote						
Maarifa Centre	30.0	30.0	30.0	30.0	-	100%
Sub Total Development	30.0	30.0	30.0	30.0	-	100%
Grand Total	231.23	231.23	231.23	231.23	-	100%

Source: MDA Submission

Project Information for Ongoing Capital Projects as at 30th June 2026

Table 8: Capital Projects as at 30th June 2026

Project Name (a)	Project Commencement Date	Expected date of Completion of the project	Source of Funds (GoK/Donor)	Estimated Value of the Project (Kshs.) M	Total funding FY 2025/26		Cumulative Expenditure up to June 2026	Percentage (%) of Completion	Geographical Location
					Donor	GOK			
Maarifa Centre for Knowledge Management Among Counties	21/2/2022	30/6/2026	GOK	60.53	-	35	35	57.82%	COG Headquarters
Total				60.53	-	35	35	57.82%	

Source: MDA Submission

Key Achievements and Non-Financial Outputs During the Implementation of FY 2025/26 Budget

28. The Director highlighted major achievements in relation to the 2025/26 financial year. They include:

- i) Strengthened Intergovernmental Sector Coordination through convening 54 Sector Working Groups/Committees with respective MCDAs to address emerging issues in the sector, facilitate resolution of sector-specific issues, enhance policy coordination and promote harmonious intergovernmental relations.
- ii) Convening the 2nd Biennial Devolution Conferences in Homa Bay County with conference reports and implementation matrices developed. The Sub-Sector Provided a national platform for reviewing the progress of implementation of the resolutions, building consensus on emerging issues and tracking implementation of resolutions, with approximately 70% of the resolutions reported as implemented.
- iii) Development and publication of six (6) compendiums of County best practices and innovations on Primary Health Care Networks, Service Delivery, Family Planning, Climate Change, County Innovations, and disseminated to Counties and through the Maarifa Platform.
- iv) Undertook five (5) peer-to-peer learning forums on the best practices to enhance knowledge sharing, replication and adoption of proven service-delivery solutions across counties, reducing duplication of effort and strengthening institutional learning and innovation.
- v) Developed draft Inter-City/Inter-Municipality Forum framework to provide counties and urban boards with standardized tools for stronger urban governance, financing, inclusive planning, institutional organization and monitoring of urban service delivery.
- vi) Development of the Private Sector Engagement Framework for Urban Boards
- vii) Development a Private Sector Engagement Framework providing mechanisms for structured public-private dialogue, private-sector databases, diagnostics, capacity building, communication and performance accountability.
- viii) Development of the Model Environment Bill and Climate Mainstreaming Guidelines and Model County Fisheries Policy and Law
- ix) Development of draft Governors' training and induction manual to strengthen leadership and institutional capacity for devolution, provide structured guidance for induction and continuous capacity development of county leadership.
- x) Developed the draft Youth Skilling Guidelines for Green Jobs for County Governments, to provide standardized approaches to skills development and leveraging County Vocational Training Centres and other local training opportunities.
- xi) Developed key urban governance instruments, including Model Organizational Structures for Urban Areas, Urban Service Delivery M&E Reference Guide, Gender Inclusion and Participation Framework, Model County Financing of Urban Areas Bill.

Challenges in the Implementation of Core Mandate

29. They include:

- i) The budget allocation for FY 2025/26 was below the resource requirement; and
- ii) Budget cuts in supplementary estimates thus affecting the planned projects and activities.

Key Fiscal, Operational/Governance Risks Identified in the FY 2025/26

30. The Director highlighted the following risks:

- i) Inadequate funding of the Council of Governors' mandatory costs as well as its core mandate as prescribed by Section 20 of the Inter-Governmental Relations Act, 2012
- ii) Budget cuts during supplementary budget that saw the mandatory costs for Rent and contracted Guards and Cleaners not funded.
- iii) Delays in disbursement of donor funds under programs affect cash flow, planning and absorption.

Mitigation Measures and Smart Action Plans that will Ensure Effective Implementation of the Mandate of the State Department in the FY 2026/27

31. The Director stated that resourcing of the Council of Governors is inadequate to support its operations.

3.1.3 World Scout Parliamentary Union Kenya (WSPU-K)

32. The Executive Director for the World Scout Parliamentary Union Kenya, Mr. Poppins Misoi, appeared before the Committee on Friday 28th August 2026 and submitted that;

Overall Budget Absorption Rate

33. The WSPU's total expenditure amounted to Ksh. 50.38 million (recurrent) against a budget allocation of Kshs. 50.38 million. This represents an overall absorption rate of 100 percent.

34. Key outputs and activities for the FY 2025/26 are presented in the table below.

Table 9: Programmes and Activities Undertaken in the FY 2025/26

OUTPUT	ACTIVITIES	COUNTIES/ CONSTITUENCIES	REMARKS
Capacity Building for Members of Parliament, WSPU	Conducted a capacity building for WSPU secretariat		All staff trained by officers from the various Government institutions

OUTPUT	ACTIVITIES	COUNTIES/ CONSTITUENCIES	REMARKS
Secretariat, WSPU County leaders and Affiliate members undertaken.	Conducted Induction training for Members of Parliament- leadership		The president, 3 vice presidents, technical Committee Chair and senior management
	Conducted an Induction training for members of County Assembly chapters on their role to support WSPU activities	Kakamega County Assembly, Samburu County Assembly, Bungoma County Assembly, Samburu County Assembly, Elgeyo Marakwet County Assembly, Homabay County Assembly and Migori County Assembly	
Established County Assemblies, Caucuses and County WSPU chapters	New chapters formed	Kisumu County Assembly Nyeri County Assembly Nairobi County Assembly Migori County Assembly	The Speakers of the Assemblies are Patrons.
Support Scout and youth Activities for youth and Adults in Scouting	Support Scouts with Scout uniforms	Yatta Constituency Starehe Constituency	
	Supported training of the Scout leaders and adults in Scouting	Dagoretti South Constituency	Trained 100 Scout leaders
	Held a training forums on volunteerism, community service, Leadership and governance and government services	Samburu County – Maralal Samburu West and Samburu East	Youth are able to understand their role in county engagement and their role as active citizens
Youth involved in Environmental care, Community Service and Volunteerism in devolved units	Upscaled two youth lead tree nurseries	Nyeri County Embu County	Supported with equipment, seedlings and 20,000 potting bags
	Held a capacity building youth on effective Climate change action mitigation and management	Nyeri County Embu County	
	Participate in tree planting as per presidential National tree planting Programme	Siaya County – Ufinya Dam	1,000 seedlings planted

OUTPUT	ACTIVITIES	COUNTIES/ CONSTITUENCIES	REMARKS
Initiated WSPU Kenya Volunteer and Community service programme	Undertook the University of Scouting programme on Skills Development, Volunteerism and Community Service	Nandi County Nairobi County Siaya County Nyeri County Embu County and Samburu County	50 youth taken through a training by KESAL on soft skills and placed on volunteer work for 3 months.
Hosted the 11 th WSPU General Assembly	Hosted the 11 th WSPU General Assembly in Kenya	Nairobi Nyeri	1,200 youth attended the WSPU Youth Assembly and 500 delegates attended the main Assembly. 52 international delegates from 20 countries attended
	Hosted the 2025 WSPU Global Executive Committee meeting had representatives from Kenya, Thailand, Canada, Korea, Poland and Luxemburg.	Nairobi	Kenya was elected to the post of Presidency 2025 – 2028 and Global Directorship
Purchased a Motor vehicle for WSPU operations	Procured a bus (33-Seater) for WPU operations		In the progress for collection and commissioning

Source: MDA Submission

3.2 State Department for Special Programmes

35. The Principal Secretary for State Department for Special Programmes, Mr. Ismail Madey, appeared before the Committee on Friday 28th August 2026 and submitted that;

Overall Budget Absorption Rate in the FY 2025/26

36. In the FY 2025/26 the State Department had an allocation of Kshs. 13,975 million with a resultant expenditure of Kshs. 13,778 million translating to an absorption rate of 99%.
37. Of the total allocation, Kshs.13,809 million was allocated to the recurrent budget while Kshs.166 million was allocated to the development budget with a resultant expenditure of Kshs.13,612 million and Kshs.166 million thus an absorption rate of 99% and 100% respectively. It is worth noting that the State Department did not target to collect any AIA as its core mandate is provision of relief and humanitarian assistance and is fully exchequer-funded.

Table 10: Budgetary Allocation and Expenditure FY 2025/26

Vote	FY 2025/26 “Kshs. Million”		
	Budget	Expenditure	Absorption (%)
Recurrent	13,809	13,612	99
Development	166	166	100
Total	13,975	13,778	99

Source: MDA Submission

Pending Bills

38. The State Department had pending bills amounting to Kshs.17.9 million under use of goods and services. These payments were not fully processed by the end of Financial Year 2025/26 due to IFMIS downtime.

Project Information for Capital Projects as at 30th June 2026

39. The State Department submitted that it does not have a capital project. However, the State Department had a development budgetary allocation of Kshs. 166 million earmarked for the National Drought Emergency Fund (NDEF). As at the end of the FY 2025/26, the State Department had transferred the entire amount to NDEF with the resources utilized to implement the three components of the Fund, namely: Drought Resilience, Drought Response and Drought Recovery. The table below summarizes activities implemented in each component across different counties:

Table 11: Activities Implemented in Different Counties

S/No.	Component	County Implemented	Activity
1	Drought Resilience	Baringo, Marsabit and Isiolo	Camel restocking programme, support to irrigation infrastructure for Taleh Group Farm, implementation of Garsen Water Supply improvement project and rehabilitation of Oletukati water pan among others.
2	Drought Response	Kilifi, Mandera and Garisa	Water trucking, provision of water storage tanks, repair of strategic water facilities and provision of drought pellets among others.
3	Drought Recovery	Kilifi, Garisa, Marsabit, Wajir and Mandera	Supply and delivery of galla goat bucks, and provision of drought pellets among others.

Source: MDA Submission

Keys Achievements and Non-Financial Outputs During the Implementation of FY 2025/26 Budget

40. The PS highlighted some of the achievements as follows:
- Provision of relief food assistance to 2,889,610 beneficiaries;
 - Provision of non-food relief assistance to 415,807 beneficiaries;

- c) Coordination of all reported disaster incidents effectively through timely mobilization of response efforts and stakeholder collaboration e.g. floods in Nairobi, Collapsed buildings (South C), Mudslide in Chesongoch, Elgeyo Marakwet, road accidents, fire incidents amongst others;
- d) Provision of post disaster support to 37,465 persons translating to 7,493 families who were supported in Elgeyo Marakwet, Kisumu, Tana River, Nairobi, Turkana, Homabay and Siaya;
- e) Implementation of various resilience projects in Nine counties (Baringo, Marsabit, Isiolo, Garissa, Tana River, Narok, Kajiado, Machakos and Mandera);
- f) Implementation of drought response intervention including supply of water tanks, water trucking and repair of boreholes;
- g) Distribution of livestock feeds (drought pellets-242,471 bags (25kg) and Hay – 427,966 bales) in 11 counties; Kilifi, Garissa, Mandera, Tana River, Kwale, Kajiado, Isiolo, Samburu, Marsabit, Wajir and Turkana counties.
- h) Acquisition of office space and partitioned offices at KISM Towers which was at 60% complete;
- i) Development of the State Department's Strategic Plan 2025-2027 to guide in the implementation of the State Department's mandate;
- j) Development of the draft National Relief Assistance Policy and the draft Relief Management Guidelines.

Challenges in the Implementation of Core Mandate

41. They include:

Category	Gap/Challenge	Impact on Effective Implementation
Policy	Logistics and accessibility constraints	Poor road infrastructure, difficult terrain, insecurity and high transportation costs increased the cost and time required to reach vulnerable populations.
	Inadequate information management infrastructure	The absence of an integrated relief management system limited timely access to information required for planning, beneficiary targeting and coordination of relief assistance.
	Community conflict and migration	Community conflicts and migration has led to increased resource pressures contributing to more demand for coordinated humanitarian assistance
Financial	Inadequate and unpredictable funding	Limited financial resources constrain resilience building, preparedness, timely emergency response and recovery efforts, affected the State Department's ability to provide timely and adequate relief assistance.

	Inadequate funding for operationalization of the State Department	Constrained operationalization (inadequate office space, inadequate technical staff, equipping of offices) of the State Department has affected efficient delivery of our mandate
Financial	Insufficient pre-positioning of relief supplies	Inadequate funding for relief supplies and storage facilities limited the capacity to pre-position essential relief items.
	Increasing frequency and intensity of disasters risk	Climate change has increased the frequency and severity of droughts, floods and other emergencies, placing additional pressure on existing policies, response mechanisms and available resources.
Legislative	Inadequate legal framework to guide relief assistance management	Poor coordination, targeting and standardization of relief assistance

Source: MDA Submission

Key Fiscal, Operational/Governance Risks Identified in the FY 2025/26

Risk Category	Key Risk Identified in FY 2025/26	Required Corrective Action / Policy Reform
Governance	Lack of a legal framework guiding relief assistance.	The State Department has developed a draft National Relief Assistance Policy; there is therefore need to Fast-track approval by Cabinet and implementation of the Policy
	Oversight of the Fund: Pursuant to the Public Finance Management (National Drought Emergency Fund) Regulations, 2021, the oversight of the Fund is vested in the NDMA Board, established under the NDMA Act. The Secretary of the NDMA Board is the Administrator of the Fund. The secretariat of the NDMA is the secretariat of the Fund. NDMA is a SAGA under the State Department for ASALs despite the Fund being an Institution under the State Department for Special Programmes.	Review the Public Finance Management (National Drought Emergency Fund) Regulations, 2021, with a view of enabling the NDEF to operate independently from the NDMA.
Fiscal	Inadequate and unpredictable financing of the core mandate: Significant reliance on Article 223 of the Constitution to finance activities through supplementary appropriations undermines budget predictability and effective programme planning and implementation.	Provide adequate and predictable funding through the printed estimates.

Risk Category	Key Risk Identified in FY 2025/26	Required Corrective Action / Policy Reform
	Non-Operational Strategic Food Reserve.	Provide and ring fence resources for a Strategic Food Reserve
Operational	Absence of an integrated Relief Management information System: Lack of a centralized system limits timely access to reliable information on relief needs, beneficiaries, assistance provided and outstanding requirements, potentially delaying decision-making and weakening coordination.	Develop and operationalize Relief Management Information System.
	Inadequate technical personnel constraints institutional capacity and affect effective delivery of the State Department's mandate.	Recruitment of technical staff
Governance	Lack of a legal framework guiding relief assistance.	Expedite approval and implementation of the National Relief Assistance Policy
	Unclear oversight of NDEF:	Strengthen the governance, oversight, reporting and accountability framework for NDEF.
Fiscal	Inadequate and unpredictable financing of the core mandate	Ensure adequate allocation for core-mandate programmes through the Printed Estimates
Operational	Absence of an integrated Relief Management Information System	Develop and operationalize integrated Relief Management Information System
	Inadequate technical personnel	Petition the National Treasury to grant approval for the recruitment of technical personnel

Source: MDA Submission

3.3 State Department for the ASALs and Regional Development

42. The Secretary Administration, Mr. Paul Muraya, on behalf of the Principal Secretary, Dr. Caroline Karugu, appeared before the Committee on Saturday 29th August 2026 and submitted as follows;

Overall Budget Absorption Rate

43. In the FY 2025/26, the State Department had a budgetary allocation of Kshs. 14.598 billion out of which Kshs. 9.622 billion was under recurrent budget while KShs. 4.975 billion was under the development budget.

44. The total expenditure for the State Department was Kshs. 14.191 billion which represents 97.86% overall absorption rate. Under the recurrent vote, the total expenditure was Kshs. 9.515 billion representing 98.88% absorption; while under the development budget, the total expenditure was KShs. 4.676 billion representing 93.98% rate of absorption.

Table 12 : FY2025/2026 Approved Budget vs Actual Expenditure

Budget	Approved Budget	Actual Expenditure	Absorption Rate
Recurrent	9,622,656,046	9,515,452,446.5	98.88%
Development	4,975,689,612	4,676,161,123	93.98%
Total	14,598,345,658	14,191,613,569.5	97.21%

Source: MDA Submission

45. The Budget performance across individual programmes is as per table 13 below;

Programme	Recurrent (millions)			Development (millions)		
	Approved Budget	Actual Expenditure	Absorption Rate	Approved Budget	Actual Expenditure	Absorption Rate
Programme 1: Accelerated ASALs Development	6,738.00	6,734.39	99.94%	1,464.19	1,199.00	81.9%
Programme 2: Integrated Regional Development	2,614.29	2,516.27	96.25%	3,511.50	3,477.16	99%
Programme 3: General Administration Planning and Support Services	270.36	264.79	97.94%	0	0	0
TOTAL	9,622.65	9,515.45	99.88%	4,975.69	4,676.16	93.98%

Table 13: Budget performance across individual Programmes

Source: MDA Submission

46. The detailed budget performance under Recurrent and Development is as per the tables below;

Table 14: Detailed Recurrent Budget Breakdown

Description	Approved Budget	Actual Expenditure	Absorption Rate
Gross	9,622,656,046	9,515,452,446	98.88%
AIA	602,500,000	506,751,550	84.10%
NET	9,020,156,046	9,008,700,896	99.87%

Source: MDA Submission

Table 15: Detailed Development Budget Breakdown

Description	Approved Budget	Actual Expenditure	Absorption Rate
Gross	4,975,689,612	4,676,161,123	93.98%
GoK	3,676,159,612	3,589,671,123	97.65%
Loans	572,000,000	568,710,000	99.42%
Grants	727,530,000	517,780,000	71.17%

Source: MDA Submission

Appropriation In Aid (AIA)

47. The RDAs had targeted to collect Kshs. 602.5 million in AIA during the period under review, the actual AIA collected was Kshs. 506,751,550 leaving a shortfall of Kshs.95,748,450 as illustrated below;

Table 16: Budgeted AIA VS Actual

S/No.	RDA	Budgeted AIA	Actual	Deviation
1.	KVDA	195,000,000	153,413,148	41,586,852
2.	TARDA	157,000,000	138,100,000	18,900,000
3.	LBDA	120,000,000	120,000,000	0
4.	ENSDA	17,500,000	17,500,000	0
5.	CDA	98,000,000	72,980,000	25,020,000
6.	ENNDA	15,000,000	4,758,402	10,241,598
	TOTAL	602,500,000	506,751,550	95,748,450

Source: MDA Submission

Pending Bills

48. At the Headquarters, the State Department has a total pending bill of Kshs.89,757,657. Kshs.19,148,112 incurred during FY 2025/26 was due to construction of boreholes but the contractor had not completed the works as at the closure of the Financial Year and therefore could not be paid, while Kshs.56,285,155 under FY 2024/25 consists of amount due to National Cereals and Produce board for supply of rice and beans which remained unpaid due to insufficient exchequer as at the closure of the Financial Year. Kshs.14,324,390 under FY 2023/24 was for supply of air tickets which was not cleared due to lack of provision under Foreign Travel.
49. Regional Development Authorities (RDAs) have a total current cumulative pending bill of Kshs.3,354,407,129.17 as summarized in the table below.

Table 17: Summary of SAGAs Pending Bills

S/No.	Name of RDA	Amount
1.	LBDA	1,110,962,958
2.	KVDA	101,609,753
3.	ENNDA	463,069,913
4.	TARDA	536,678,419
5.	CDA	696,263,134
6.	ENSDA	445,822,952
	Total	3,354,407,129

Source: MDA Submission

50. Further, historic pending bills amounting to KShs.2,420,544,557.80 under Headquarters and Kshs.11,163,871,356 under the RDAs were submitted to the Pending Bills Verification Committee.

Project Information For All Ongoing Capital Projects as at June 2026

51. In the FY2025/26, the State Department implemented a total of 50 projects as listed in the table below:

Table 18: List of Projects and their Respective Expenditure Allocations

No.	Project Code & Project Title	Implementing Agency	Source of Funds	Allocation for 2025/26	
				GoK	Foreign
				Ksh Million	
1.	Drought Response & Resilience in Arid & Semi-Arid Areas of Kenya.	HQtrs	GoK	335.00	-
2.	Ending Drought Emergencies: Support to Resilient Livelihood II	NDMA	GoK & EU	15.00	30.00
3.	Sustainable Food Systems and Resilience Livelihood	HQtrs	GoK	12.00	-
4.	Ending Drought Emergencies, Ecosystem Based Adapt. in ASAL -TWENDE	NDMA	GoK & GCF	30.00	177.53
5.	Garissa River Bank Flood Protection	NDMA	GoK	15.00	-
6.	Dry Land Climate Action for Community Drought Resilience	NDMA	GoK & EU	35.00	520.00
7.	Gum Arabic and Resins Integrated Development Programme - Headquarter	ENNDA	GoK	116.00	-
8.	Tana Delta Rice Irrigation Project (TDIP) - Headquarters - BETA	ENSDA	GoK	21.00	-
9.	Ewaso Ngiro Leather Factory - Headquarters	KVDA	GoK	20.00	-
10.	Wei Wei Phase 3 Irrigation Project - Headquarters	CDA	GoK	20.00	272.00
11.	Wananchi Cottages in Kilifi County	CDA	GoK	20.00	-
12.	Malindi Integrated Social & Health Dev. Programme (MISHDP) -BETA.	CDA	Govt. of Italy	-	300.00
13.	Kimira-Oluch Smallholder Farm Improvement Project - LBDA	LBDA	GoK	19.50	-
14.	Coast Development Authority -	CDA	GoK	100.00	-
15.	Drought Mitigation Interventions	TARDA	GoK	45.00	-
16.	Drought Mitigation Interventions	KVDA	GoK	120.00	-
17.	Drought Mitigation Interventions	ENSDA	GoK	240.00	-
18.	Cherengany Watershed Conservation Programme	KVDA	GoK	110.00	-
19.	Construction of Wayam Lencho Snake Dam	ENNDA	GoK	120.00	-
20.	Ewaso Ngiro N Integrated Water Drought & Food Security Dev Project	ENSDA	GoK	100.00	-
21.	Della Water supply Project	ENNDA	GoK	30.00	-
22.	Integrated Resilience for Sustainable Food Systems	HQtrs	GoK	14.66	-
23.	Drought Mitigation Interventions	CDA	GoK	60.00	-
24.	Drought Mitigation Interventions	ENNDA	GoK	83.00	-
25.	Chemeron Dam Phase II - Baringo	KVDA	GoK	130.00	-
26.	BETA Priorities and flood control	KVDA	GoK	100.00	-

No.	Project Code & Project Title	Implementing Agency	Source of Funds	Allocation for 2025/26	
				GoK	Foreign
27.	BETA Priorities and flood control	ENNDA	GoK	440.00	-
28.	BETA Priorities and flood control	TARDA	GoK	40.00	-
29.	BETA Priorities and flood control	LBDA	GoK	90.00	-
30.	BETA Priorities and flood control	CDA	GoK	70.00	-
31.	Construction of Dykes in Muhoroni and Nyando Constituencies, Kisumu	LBDA	GoK	100.00	-
32.	Etio Phase II Water Distribution Supply	KVDA	GoK	120.00	-
33.	Drought Mitigation Interventions	NDMA	Gok	260.00	-
34.	Production of 5Billion Fruit Tree seedling	ENSDA	GoK	50.00	-
35.	Eldas Lakoley South Water Supply Project - ENNDA	ENNDA	GoK	10.00	-
36.	Sololo Ramata Water Supply Project	ENNDA	GoK	10.00	-
37.	Pulunga borehole	ENSDA	GoK	10.00	-
38.	Kiserian (Ereteti Borehole)	ENSDA	GoK	10.00	-
39.	Ololtoto Borehole	ENSDA	GoK	10.00	-
40.	St. Celestino Nyangubo girls water project	LBDA	GoK	15.00	-
41.	St. Francis Wiga Girls water project	LBDA	GoK	15.00	-
42.	Sibuoché mixed water projects	LBDA	GoK	15.00	-
43.	Modernizing Ndhwa Honey processing plant	LBDA	GoK	100.00	-
44.	Madhgasi Water Dam	ENNDA	GoK	50.00	-
45.	Ewaso Ng'iro North Catchment Conversation Project - HQ catchment con	ENNDA	GoK	100.00	-
46.	Loyapat Surface Irrigation Scheme	KVDA	GoK	50.00	-
47.	Drilling and Equipping 11 boreholes	KVDA	GoK	120.00	-
48.	Construction of a water pan in Lokakwan Kibish	KVDA	GoK	20.00	-
49.	Climate smart integrated pasture production in Song'ot	KVDA	GoK	30.00	-
50.	Construction of Napuu Farm Guest House	KVDA	Gok	30.00	-
	Total			3,676.16	1,299.53
	Grand Total				4,975.69

Source: MDA Submission

Key Achievements and Non-Financial Outputs During the Implementation of FY 2025/26 Budget

52. The Secretary submitted that during the FY 2025/26, the State Department made significant progress in value addition, water access, food security, infrastructure development, capacity building, humanitarian support and environmental conservation as listed here-under:

A. Value Chains

- ✓ On Value Addition on Leather, the State Department had a target of processing 1,000,000 square feet of finished leather at the Ewaso Ng'iro Tannery and Leather Factory. By the end of the financial year, a cumulative total of 216,949 square feet had been processed. In addition, the Authority had a target of producing 4,000 pairs of shoes, of which 993 pairs were produced.

- ✓ Under the Mango value chain, we completed the automation and expansion of the mango processing plant in Tot, Elgeyo-Marakwet County. Through the initiative, the processing plant has increased the production of ready to drink juice from 112,789 litres to 132,000 litres generating over Kshs. 20 million in income that benefits farmers. Additionally, 123 tons of mango fruit were procured from farmers.
- ✓ The Honey value chain saw 132 tonnes of semi-processed honey collected from beekeepers in West Pokot and Baringo East and processed at Rokocho Honey processing plant thereby stabilizing honey prices and benefiting farmers who earn over Kshs. 60 million annually.
- ✓ Further, we advanced the modernization of the Ndhiwa Honey processing plant with upscaling works ongoing as at the end of the financial year. Upon completion, the facility will increase its annual crude honey processing capacity from the current 2.5 tonnes to over 8 tonnes, thereby enhancing value addition and expanding market opportunities for local beekeepers in Homa Bay County.
- ✓ We also partnered with Wire Forest Management Association (WIFOMA), a local agricultural support NGO, under which 1,000 farmers were recruited into the programme with 310 farmers receiving training on modern apiculture practices and 200 improved beehives being distributed to participating households.
- ✓ Additionally, we completed and operationalized one processing line under Gums and Resins value chain at the Ewaso Ng'iro North Gum Resins factory and produced 1,030 kgs of essential oil.
- ✓ The Rice Value Chain within the Kimira-Oluch Irrigation Scheme in Homabay County was supported through mechanization of farm activities, rehabilitation of infrastructure, opening up of 2,700 acres within the scheme and assisting farmers with rice nursery preparation and distribution of Rice Seeds leading to higher yields. We also undertook mopping up of harvested rice for processing at the Rice Mill whereby, 150 metric tonnes of paddy rice was mopped up providing a ready market to rice farmers.
- ✓ Rice Paddy mopping up at South West Kano and Bunyala irrigation schemes yielded a total of 1200 metric tonnes while a total of 2,063 tonnes of paddy was produced at the Tana Delta Irrigation Project (TDIP) through a lease partnership with Agri-All Africa (AAA-Kenya).
- ✓ Under the TDIP farmer programme, Community farmers in Hewani and Wema were supported to cultivate 698 acres of green grams.
- ✓ At Hola in Tana River County, we operationalized the Integrated Fruit and honey Processing Plant (IFPP) with a capacity of 1.5 MT per hour for mango processing to reduce post-harvest losses and generate revenue for the Coast Development Authority. Capacity building and provision of a ready market for more than 205 mango growing farmers was also undertaken in FY 2025/26, with a total of 312 farmers trained in collaboration with other stakeholders.

B. Drought Mitigation and flood control

53. Under drought Mitigation and flood control, the State Department implemented key water resource interventions to enhance water access in targeted areas. These interventions included:

Under ENSDA, three boreholes were drilled and equipped (Ereteti, Ololototo and Entarara) and three water pans constructed (Risa, Kitilikini and Endikir Osinyai).

- 1) A total of 21 boreholes were drilled and equipped, 4 water pans and 2 small dams constructed in the Kerio Valley Basin to provide water for consumption for an estimated 300 households and 2000 livestock, as well as for vegetable gardening. The water pans and small dams provided over 300,000 cubic litres of water which reduced the distances travelled by households and livestock to access water.
 - a) Five boreholes were drilled and equipped in ENNDA providing clean water to 1,900 households, 10,000 traders, and 4,900 livestock, and established the Badhia Smallholder Irrigation Scheme, which serves 140 households and irrigates 500 acres.
 - b) During the same period, we disbursed monthly cash transfers to 133,484 households and scale up payments to 226,070 households each receiving Kshs.2,700 through the NDMA. We implemented drought response interventions across 16 of the most affected counties through strategic borehole repairs, water trucking, water facility improvements, fuel subsidies for strategic boreholes, provision of water storage facilities, supply of drought pellets, and coordinated response efforts. This also included the development and review of 31 ward contingency plans, the review of 25 County Drought Contingency Plans, and the development of new County Drought Contingency Plans
 - c) Further on drought mitigation, we drilled and equipped 11 boreholes serving schools and community areas within the Lake Region. Drought resilience and mitigation water structures such as boreholes, water pans, earth-fill dams and djabias were constructed in the coastal region, providing 1,211,700 cubic meters of water when fully filled over the period. This led to increased access to water for domestic, livestock and irrigation use.
- 2) Additionally, we provided 366,400 cubic metres of water from solar-powered boreholes for domestic and smallholders' irrigation schemes at Nakurto in Taveta, constructed seven (7) water structures, namely an earth-fill dam at Dadh Abbas, three (3) boreholes at Buguta, Zungulukani and Kale, and two (2) water pans (Nzovuni and Marungu).
- 3) At Ewaso Ng'iro North Basin, we constructed 64 water harvesting structures with a combined capacity of 3.5million cubic meters, developed 37 boreholes, excavated 15 kilometres of river draining and flood water diversion channels and erected 10 kms of dykes. This benefited over 12,000 households and 100,000 livestock promoting climate change mitigation and communities' adaptive capacity to floods and droughts.

C. Food Security

- 4) On food security, State Department completed implementation of the Weiwei phase III irrigation project, covering 325 ha, this included the construction of irrigation infrastructure, delivery of farm equipment and implements, and capacity building of farmers in modern farming practices. We also completed the Kampsiwet and Chepkum irrigation schemes and laid irrigation infrastructure at the Napuu and Lomut irrigation schemes, bringing an additional 200acres and 275hectares of land under food production respectively.
- 5) In total, 1,141.50 tons of food was produced from the Wei Wei, Napuu, Lomut, Kamsiwet and Chepkum irrigation schemes.
- 6) Under food security information, we exceeded the annual target of 288 bulletins produced by the NDMA due to the preparation of an additional 12 consolidated national early warning bulletins during the reporting period. In addition, a total of 48 biannual food security assessment reports (Long Rains Assessment (LRA) and Short Rains Assessment (SRA)) were produced.
- 7) We opened up 1,189 acres of land for irrigation, of which 1,112 smallholder farmers in Kilifi County (Chakama farmers), Tana River County (Boji farms), and T/Taveta County (Taveta-Challa Tuhire & Kasokoni) undertook smallholders' irrigation initiatives.
- 8) We provided technical support to 312 farmers in the Chakama and Challa smallholders' irrigation projects, who undertook irrigation on more than 200ha, collectively growing high-value crops that have increased household incomes.

D. Infrastructure development

- 9) Under infrastructure development, the State Department revamped the Turkwel Multipurpose dam through construction and refurbishment of the administration block, conference facilities, and guest and staff houses.
- 10) We renovated the Tana Delta Resort Guesthouse to promote local tourism and rehabilitated 2.5 km of flood protection dykes and 13.3 km of service roads within the TDIP. We established three smallholder irrigation schemes in Murang'a and Nyeri, benefiting 1,120 households and irrigating 369 acres.
- 11) Construction of the Kiangochi Muchungucha Irrigation Water Project in Murang'a is ongoing and will irrigate 250 acres serving 2,000 households. We also completed the Katothya Water Pan in Machakos County irrigating 61.5 acres and benefiting 250 households.
- 12) Further, we constructed 5 kilometres of protective dykes in the Nyando River basin in Kisumu to safeguard livelihoods, agricultural land and ecological assets in vulnerable zones affected by recurrent flooding. To support long-term environmental sustainability, the sub-sector produced 250,000 tree seedlings for distribution to communities, schools and institutions for catchment conservation and agroforestry initiatives.

- 13) We further completed construction of the Wananchi Cottages conference facility in Kilifi. The facility includes a 400-pax conference facility, 120-pax outdoor and indoor restaurants, and a 41-room accommodation capacity.
- 14) We also constructed and rehabilitated education facilities, including 24 classrooms, at Buragi, Ngomeni primary and secondary, and Midodoni schools in Magarini.
- 15) Furthermore, we constructed and equipped an ICU and HDU facility at Malindi Hospital, renovated the Mambrui dispensary; and commenced construction of the 12 km Mjanaheri–Ngomeni road in Kilifi County under the Malindi Integrated Social Health Development Programme II (MISHDP II).

E. Capacity building and technology transfer

- 16) Through the Ewaso Ng'iro Tannery and Leather Factory, we trained 10 MSMEs on the leather value chain. On technology transfer and capacity building, we undertook training of 1500 farmers at Weiwei Phase III, 105 farmers at Napuu and 95 farmers at Lomut irrigation projects. A further 55 mango farmers were trained on modern agricultural practices under KVDA.
- 17) Through TARDA, we trained and equipped 32 Community-Based Organizations (CBOs) and built the capacity of 711 farmers on improved crop production technologies, innovation, and apiculture to enhance agricultural productivity and livelihoods.

F. Catchment conservation

54. Increased efforts towards catchment conservation in the River Basins by undertaking various activities such as;
 - ✓ Raising a total of 811,999 seedlings at KVDA in partnership with community groups and tree nursery operators and planting 1,574,975 tree seedlings within Cherangany watershed.
 - ✓ We produced and planted 3.29 million tree seedlings, including 197,258 fruit tree seedlings, in collaboration with local communities to enhance catchment restoration and environmental conservation at TARDA.
 - ✓ More than 1,200ha of Mwache watershed at CDA were put under catchment management initiatives namely tree growing, marking & pegging of riparian areas, terracing of farmland and development of sub-catchment management plans for 24 Water Resource Users Associations (WRUAs).
 - ✓ We rehabilitated 95 hectares of mangrove, coral reef, and seagrass ecosystems in Kwale, resulting in improved biodiversity and enhanced adaptation to climate change through the Kenya Climate Change and Adaptation Programme (KCCAP). CDA also conserved 446.55 hectares of land under the Mwache catchment management programme to support sustainable land use through terracing technologies. We also propagated 1,645,701 seedlings in collaboration

with local community groups and planted 466,357 tree seedlings in the Coastal Basin.

- ✓ Further, within the Ewaso Ng'iro North River Basin, 1,612 hectares of catchment and riparian areas were rehabilitated through tree planting. 3 camel peace caravans were held to promote environmental awareness and peace.

Challenges in the Implementation of Core Mandates, Projects and Programmes During FY 2025/26

55. During the implementation of the FY 2025/26 budget, the State Department encountered the following challenges;

- Inadequate financial resources.
- Delays in project procurement and implementation.
- Erratic climatic changes and other shock and stressors.
- Monitoring and evaluation constraints: Limited resources for monitoring, supervision and evaluation affected the frequency and coverage of field monitoring activities, thereby creating challenges in tracking implementation and outcomes of some programmes.

Key Fiscal, Operational, or Governance Risks Identified in the FY 2025/26

- Inadequate and unpredictable funding: Limited and delayed release of funds posed a risk to timely implementation of planned programmes, projects and core activities. There is need for more predictable and timely exchequer releases and better alignment between actual resource requirements and approved budgets.
- Accumulation of pending bills: the continued non-payment of pending bills continues to be a risk affecting service delivery and creating additional financial pressure in subsequent financial years. Strengthening commitment controls and ensuring timely settlement of verified obligations is therefore necessary.
- Weak monitoring and reporting capacity: Inadequate resources for monitoring and evaluation affect timely identification of project implementation challenges and measurement of programme results. Strengthening monitoring frameworks and periodic performance reviews would improve accountability and decision making.

Mitigation Measures and Smart Action Plans that will ensure effective Implementation of Core Mandates

56. To address the challenges and risks identified during FY 2025/26, the State Department will implement the following mitigation measures and SMART action plans to enhance efficiency, accountability and effective delivery of its core mandate during FY 2026/27:

- a) Strengthen budget execution and expenditure controls: Ensure that available resources are aligned to priority programmes and activities and closely monitor expenditure against approved work plans and budgets. Monthly and quarterly budget performance reviews will be undertaken to identify variances and take prompt corrective action.
- b) Enhance timely utilisation of allocated funds: We will develop and implement realistic annual procurement and activity plans aligned to the approved budget. All priority procurements and activities will be initiated within the prescribed timelines to minimise delays and improve absorption of funds.
- c) Improve management of pending bills and commitments: Maintaining an up-to-date commitments and pending bills register and prioritise settlement of verified obligations in line with Government guidelines. Quarterly reviews will also be undertaken to prevent accumulation of new pending bills.
- d) Strengthen procurement planning and implementation: Ensuring that procurement plans are prepared and approved within the required timelines and closely monitored throughout the financial year. Procurement performance will be reviewed quarterly to identify and address delays affecting programme implementation.
- e) Prioritise programmes within available fiscal space: Undertaking regular review of programmes and activities to ensure that resources are directed towards high priority and high impact interventions. Emerging activities will only be accommodated subject to availability of resources and appropriate approval.
- f) Strengthen monitoring, evaluation and reporting: Establish a structured quarterly monitoring framework for all major programmes and projects. Implementation progress will be assessed against approved targets, and corrective measures taken where performance falls below expectations.

3.3.1 National Drought Management Authority (NDMA)

57. The CEO for NDMA, Lt. Col. (Rtd) Hared Hassan Adan, appeared before the Committee on Friday 28th August 2026 and submitted as follows:

Overview

58. The National Drought Management Authority (NDMA) is established under the NDMA Act, CAP 388. The Act mandates NDMA to coordinate all matters relating to drought risk management and to establish mechanisms, either on its own or with stakeholders, to end drought emergencies in Kenya.
59. The Authority has a national mandate with operational offices in 23 Arid and Semi-arid Lands (ASAL) counties. The Authority plans to expand to 9 additional counties (Strategic Plan 2023-2027), bringing coverage to 32 drought-prone counties.

Budget Performance - Recurrent and Development Budget

60. During FY 2025/26, the Authority received Ksh. 6,618,636,845 under the Recurrent Budget and recorded an absorption rate of 95%. The variance from full absorption was mainly attributable to funds earmarked for drought interventions that were received towards the end of the fourth quarter, leaving insufficient time for full utilisation within the financial year.
61. Under the Development Budget, the Authority had an approved allocation of Ksh.1,237,530,000 (Ending Drought Emergencies – Support to Drought Risk Management II Project, Dryland Climate Action for Community Drought Resilience (DCADR) Project, Towards Ending Drought Emergencies Project (TWENDE), the National Drought Emergency Fund (NDEF), and Government of Kenya-funded interventions). The Development Budget recorded an absorption rate of 61%.
62. The lower absorption rate arose from non-receipt of Ksh.378 million under the TWENDE donor funding as well as Ksh.110 million earmarked for drought resilience initiatives under Supplementary Estimates II received in July 2026, after the close of FY 2025/26, and could therefore not be utilised within the reporting period.
63. Under the National Drought Emergency Fund (NDEF), the cumulative absorption rate is 69% against the total funds (648.5 million) received since inception, due to delayed exchequer releases over the years and transitions.

Recurrent Budget

Item	Printed Estimates	Actual	Difference
	2025/26	2025/26	2025/26
Gross Revenue	6,618.64	6,618.64	-
Of which is:			-
1. Hunger safety Net Program	5,519.04	5,519.04	-
2. Kenya Drought Early Warning	13.50	13.50	-
3. Drought Recovery Initiatives	350.00	350.00	-
4. Recurrent (P/E & O&M)	736.10	736.10	-
Net	6,618.64	6,618.64	-
Expenditures			
Recurrent – Compensation to Employees	558.33	558.33	-
Others – As explained below	6,060.31	6,060.31	-
1. Hunger Safety Net Program (HSNP)	5,519.04	5,519.04	-
Cash transfer and related costs	5,050.80	5,050.80	-
Registration and Targeting of Households	-	-	-
Nutrition Sensitive Early / Anticipatory action for flood/scalability strategy	-	-	-

Item	Printed Estimates	Actual	Difference
	2025/26	2025/26	2025/26
Other delivery mechanism costs	468.24	468.24	-
2. Kenya Drought Early Warning (KDEWs)	13.50	13.50	-
Field monitors allowances during data collection	13.50	13.50	-
Supervision and verification costs	-	-	-
Fuel & finance costs	-	-	-
3. Other Recurrent (O&M)	177.77	177.77	-
Utilities	5.14	5.14	-
Contractual obligations (Rent, Insurance, guarding & cleaning, Internet & communication costs)	84.67	84.67	-
Board expenses	30.00	30.00	-
Other O&M (Fuel, Repairs & Maintenance, Office stationery)	57.96	57.96	-

Source: MDA Submission

Development Budget

Programme/Project	Allocation (Ksh. millions)			Expenditure (Ksh. millions)	Difference (Ksh. millions)
	GoK	Donor	Total		
1. EU- EDE Support to Resilient Livelihoods and Drought Risk Management II	15	0	15	15	0
2. EU- Dryland Climate Action for Community Drought Resilience - DCADR (GoK/EU)	35	520	555	555	0
3. Towards Ending Drought Emergencies – Adaptation on Kenya ASAL - TWENDE (GoK/IUCN)	30	377.53	407.53	30	377.53
TOTAL	80	897.53	977.53	599.645	377.885

Source: MDA Submission

National Drought Emergency Fund

64. The National Drought Emergency Fund (NDEF) is a multi-donor basket Fund established under the Public Finance Management (National Drought Emergency Fund) Regulations, 2021, as a complementary financing mechanism for Drought Risk Management.

65. NDEF is governed by the NDMA Board as the Fund Board, stipulated under NDEF Regulation 8. The NDEF Regulations provide for its financing through annual appropriations by the National Assembly, which may include contributions from the private sector, donor support and global climate change and disaster risk financing facilities.
66. Since its establishment in 2021, the Fund has received a cumulative total of Ksh.648.5 million (Ksh. 200 million in FY 2021/2022, Ksh.263.3 million in FY 2022/2023, Ksh. 20 million in FY 2023/2024 and Ksh.165.2 million in FY 2025/2026). No resources were provided during FY 2024/2025.

Key Achievements and Non-Financial Outputs

- a) Strengthened drought early warning and preparedness: Produced 288 monthly drought early warning bulletins, comprising 276 county-level bulletins and 12 national bulletins, providing timely and actionable information to guide drought preparedness and response interventions.
- b) Enhanced drought response Interventions: The financial year was characterised by drought conditions that necessitated the implementation of drought response interventions. During the period, the Authority reached 117,800 households across six counties through water trucking and supported 27,415 households across nine counties with livestock feeds.
- c) Scaled up climate resilience investments: During the period, the Authority initiated a total of 37 strategic macro projects valued at Ksh. 599.9 million, across ASAL counties.
- d) Strengthened social protection for drought-affected households: Through the Hunger Safety Net Programme (HSNP), the Authority disbursed Ksh.4.313 billion in cash transfers to 133,484 00 households across eight arid counties, thereby enhancing household resilience to climate and livelihood shocks.
- e) Strengthened resource mobilisation and climate finance readiness: The Authority operationalised its Resource Mobilisation Strategy and advanced institutional readiness towards Green Climate Fund (GCF) accreditation, strengthening its capacity to access and mobilise additional climate finance for drought risk management, resilience building and climate action in the ASALs.

Challenges in Implementation of Projects and Programmes

- a) Inadequate Budgetary Allocation to the Hunger Safety Net Programme (HSNP): Declining budget allocation to HSNP undermines the Government's commitments to social protection of poor and vulnerable households. HSNP cash transfers provide critical consumption support to targeted households, and failure to disburse these transfers compromises the food and nutrition security of beneficiaries.

- b) Shortfall in GoK Counterpart Funding for the EU-funded DCADR Project: In FY 2025/26, the project received a GoK counterpart allocation of KSh 60 million (approximately 8.3% of the donor contribution), against an expected KSh 201.6 million (28% of the donor contribution) as stipulated in the Financing Agreement. Cumulatively, the Government has an outstanding counterpart funding commitment of KSh 253.4 million under this Agreement.
- c) Shortfall in GoK Counterpart Funding for the GCF-funded TWENDE Project: The GoK counterpart funds allocation of KSh 30 million (8% of donor funds) for the "Towards Ending Drought Emergencies: Ecosystem-Based Adaptation in Kenya's Arid and Semi-Arid Rangelands (TWENDE)" project in FY 2025/2026 falls significantly short of the required matching funds of KSh 164 million under the Financing Agreement.
- d) Underfunding of the Drought Early Warning System: The drought early warning system requires an annual budget of KSh 45 million but has consistently received only KSh 30 million annually. In FY 2025/2026, this allocation has been further reduced to KSh 13.5 million, undermining the system's capacity for timely drought detection and response.
- e) Lack of a Dedicated Budget Line for Food Security Assessments: NDMA coordinates bi-annual multi-sectoral, multi-agency food security assessments at an approximate cost of KSh 60 million, currently financed by development partners. This programme requires a specific Government budget line, which has not been established over time.
- f) Lack of a Dedicated Budget Line for Drought Risk Management Coordination: The Authority requires an annual allocation of KSh 90 million for drought risk management coordination. This has not been considered as a specific budget line by the Government over time.
- g) Institutional Fragmentation in Drought Emergency Governance: Executive Order No. 1 of 2025 placed the National Drought Emergency Fund (NDEF) under the State Department for Special Programmes, while the National Drought Management Authority (NDMA) remains under the State Department for ASALs and Regional Development. This institutional separation creates coordination challenges between the fund and the implementing authority.
- h) Delays in Approval of the EDE CPF II: The Ending Drought Emergencies Common Programme Framework II (EDE CPF II) has experienced delays in progressing through the relevant Government approval and concurrence processes, including securing ownership across responsible portfolios and alignment with the Medium-Term Plans and associated budget frameworks.
- i) Legal and Structural Constraints on NDEF Resource Mobilisation: The Public Finance Management Act, 2012 requires that partner contributions to NDEF be channelled through the National Treasury, limiting the Fund's ability to directly mobilise and manage resources from development partners and the private sector. This constrains NDEF's flexibility to operate as a common basket fund for timely drought preparedness, anticipatory action, response, and resilience building.

Key Fiscal, Operational and Governance Risks

67. The CEO highlighted that:

- a) Diminishing and fluctuating budgetary allocations affecting predictability and implementation of projects, programmes and activities, undermining delivery of institutional mandate.
- b) Shrinking resource mobilisation opportunities among the donor community, limiting resource partnerships for Drought Risk Management (DRM) and Climate Change Adaptation.

Mitigation measures and SMART Action Plans

68. The CEO submitted that:

- a) The Authority to continue engaging the National Assembly through the line committee and the National Treasury with a view to strengthening its resource mobilisation strategies, including ring-fencing of HSNP, NDEF and GoK Counterpart funding.
- b) Advocating for policy reviews and adjustments to streamline programming in drought risk management and climate change adaptation. The Authority has initiated the process of reviewing the various legal instruments.

CHAPTER FOUR

4.0 Committee Observations

69. The Committee having considered the submissions by the agencies made the following observations:

4.1 State Department for Devolution

- (i) The approved budget for FY 2025/26 under the State Department was Kshs. 15.55 billion. As of June 30, 2026, the State Department's total expenditure stood at Kshs. 10.99 billion. This expenditure reflects an absorption rate of 71 percent.
- (ii) The Committee observes that the State Department has pending bills of Kshs. 2,728.60 million out of which Kshs. 10.62 million are carry overs from FY 2025/26 while Kshs. 2,717.98 million relate to historical pending bills, which are presently under review by the National Treasury Verification Committee. The Committee notes that these unresolved obligations pose risks to service delivery and underscore the need for strengthened cash-flow planning and timely settlement of verified claims.
- (iii) The Committee noted the Department's achievements, including County Fiscal and Human Resource Management Reforms supported by KDSP II; development of a Legal, Policy and Coordination framework; launch of the Joint Devolution Programme II; county institutional capacity building; strengthened intergovernmental relations and coordination; county knowledge management and best practice sharing; and urban governance and green skills leadership frameworks.
- (iv) The Committee noted IGRTC's achievements during the period, including the transfer of assets, national government houses and Amboseli National Park to relevant entities; development of an intergovernmental framework; convening of one Summit; resolution of five intergovernmental disputes; and the unbundling and delineation of functions, culminating in a report submitted to the Head of Public Service.
- (v) The Committee observes that IGRTC has two pending bills/obligations amounting to Kshs. 141 million. These include service gratuity for IGRTC – Kshs. 116 and Government Printer – Kshs 25 million.

4.2 State Department for Special Programmes

- (i) The approved budget for FY 2025/26 under the State Department was Kshs. 13.98 billion. As of June 30, 2026, the State Department's total expenditure stood at Kshs. 13.78 billion. This expenditure reflects an absorption rate of 99 percent.

- (ii) The Committee noted pending bills amounting to Kshs. 17.9 million for the period ending FY 2025/26.
- (iii) The Committee noted that NDEF has a cumulative amount of Kshs. 648.5 million against a Kshs. 2 billion requirement as established in the The Public Finance Management (National Drought Emergency Fund) Regulations.

4.3 State Department for ASALs and Regional Development

- (i) The approved budget for FY 2024/25 under the State Department was Kshs. 14.59 billion. As of June 30, 2026, the State Department's total expenditure stood at Kshs. 14.19 billion. This expenditure reflects an overall absorption rate of 98 percent.
- (ii) The Committee noted that the RDAs had targeted to collect Kshs. 602.5 million. The actual AIA collected was Kshs. 506.75 million leaving a shortfall of Kshs.95.78 million.
- (iii) The Committee observed that there exists historical pending bills amounting to Kshs. 2.42 billion under Headquarters and Kshs. 11.16 billion under the RDAs which were submitted to the Pending Bills Verification Committee.
- (iv) The Committee noted that the State Department has a total pending bill of Kshs. 89.76 million, comprising Kshs. 19.15 million incurred during FY 2025/26, Kshs. 56.29 million under FY 2024/25, and Kshs. 14.32 million under FY 2023/24. The Regional Development Authorities (RDAs) have a total current cumulative pending bill of Kshs. 3.35 billion, with LBDA accounting for the largest share at Kshs. 1.11 billion, followed by CDA at Kshs. 696.26 million, TARDA at Kshs. 536.68 million, ENNDA at Kshs. 463.07 million, ENSDA at Kshs. 445.82 million, and KVDA at Kshs. 101.61 million.
- (v) The Committee noted the NDMA's key achievements, including strengthened drought early warning and preparedness systems; enhanced drought response interventions; scaled-up climate-resilient investments; strengthened social protection for drought-affected households; and enhanced resource mobilization and climate finance readiness.
- (vi) The Committee observed that RDAs continue to experience considerable underfunding, particularly with respect to recurrent expenditure, coupled with a lack of adequate support, thereby undermining their capacity to effectively execute their mandate.

CHAPTER FIVE

5.0 Committee Recommendation

70. The Committee made the following recommendations;

- (i) The Cabinet Secretary for the National Treasury & Economic Planning should publicize the report by the Pending Bills Verification Committee by December 2026 in order to ensure amounts owed by the National Government are settled.
- (ii) The Head of the Public Service should by 30th December 2026 issue a formal directive clarifying the institutional mandate and administrative responsibility for the National Drought Emergency Fund (NDEF), taking into account its domiciliation in the State Department for Special Programmes and its management by the Board of the National Drought Management Authority which is domiciled under State Department for the ASALs and Regional Development.
- (iii) The State Department and Agencies should prioritize payment of all pending bills in the FY 2026/27.

SIGNED.......... DATE.....13/10/2026.....

HON. LOCHAKAPONG PETER, M.P., CBS
CHAIRPERSON, DEPARTMENTAL COMMITTEE ON REGIONAL DEVELOPMENT

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 13 OCT 2026	
DAY: TUESDAY	
TABLED BY:	HON. HIRA CHEWLE, CBS, MP (VICE CHAIRPERSON)
CLERK-AT THE-TABLE:	INZAR MWALE, HSC

ADOPTION LIST



THIRTEENTH PARLIAMENT – FIFTH SESSION – 2026

COMMITTEE ON REGIONAL DEVELOPMENT

Adoption of the Report on the Consideration of the Budget Implementation Oversight for the FY 2025/2026 for:-

(i) Vote 1032: State Department for Devolution;

(ii) Vote 1033: State Department for Special Programme; and

(iii) Vote 1036: State Department for the ASALs and Regional Development

We, the undersigned, hereby affix our signatures to this Report to affirm our approval:

DATE: 1/10/2026

	HON. MEMBER	SIGNATURE
1.	Hon. Lochakapong Peter, CBS, M.P. – Chairperson	
2.	Hon. Chelule Liza Chepkorir, CBS, M.P. – Vice Chairperson	
3.	Hon. Basil Robert Ngui, M.P.	
4.	Hon. Mawathe Julius Musili, M.P.	
5.	Hon. Paul Abuor, M.P.	
6.	Hon. Kalasinga Joseph Majimbo, M.P.	
7.	Hon. Nabulindo Peter Oscar, M.P.	
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10.	Hon. Tungule Charo Kazungu, M.P.	
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13.	Hon. Hassan Ahmed Maalim, MP,	
14.	Hon. David Kipsang Keter, M.P.	
15.	Hon. Sudi Oscar Kipchumba, M.P.	

