



REPUBLIC OF KENYA



BARINGO COUNTY GOVERNMENT

**DEPARTMENT OF
FINANCE AND ECONOMIC PLANNING**

**COUNTY BUDGET REVIEW AND OUTLOOK
PAPER 2020/2021**

30TH SEPTEMBER 2021

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Foreword

The County Budget Review Outlook Paper (CBROP) 2020/2021 financial year has been prepared in accordance with section 118 of the Public Finance Management Act, 2012. In preparing the C-BROP, the County Treasury has provided details of the actual fiscal performance for the year under review by providing comparative analysis of the actual achievements against the targets (Actual-vs.-Budget) as well as providing the economic and financial forecasts for the MTEF period.

The CBROP is presented in five (5) sections, with section I stating the C-BROP objective and highlighting its significance in the budget preparation process especially with regard to the Medium-Term Expenditure Framework within which the government's planning, budgeting and execution of its programmes is managed. Section 11 covers the fiscal performance overview followed by the Review of County Fiscal Performance for the FY 2020/2021 and the implications of the fiscal performance. The section analyzes the actual performance of both revenue and expenditure against the budgets for 2020/2021 FY and provides explanations for variances in performance. The third section of this document highlights the Recent Economic Developments; Medium Term Fiscal Framework and Risks to the Outlook. The aim of the section is to turn the attention from the past County fiscal performance to the present time and the immediate future with a view to focus on the prospects for growth. The Resource Allocation Framework is articulated in section IV with section V providing the conclusion and way forward.

Having highlighted what is entailed in the CBROP it is worth appreciating that the CBROP helps in improving the link between policy, planning and budgeting, transparency and accountability in the use of public resources. This is vital in the preparation of annual budgets, management of public resources, and prioritization of resources to key sectors. Thus, this will help in addressing weaknesses in implementation of spending priorities consistent with government policies of achieving high and sustained economic growth and poverty reduction. The outlook paper also provides an overview of how the actual performance of the FY 2020/2021 affected the financial objectives as detailed in the CFSP and will form a basis for projecting the 2022/2023 budget based on the recent economic development. It is projected that, the revenue and expenditure for 2021/22 will be achieved with strict expenditure controls and enhanced revenue collection measures. This will be achieved through fiscal discipline in

ensuring proper management of public resources and opening up of new as well as maintaining of existing sources of revenue.

The 2021 CBROP spell out broad fiscal parameters for the 2022/2023 budget and the medium term that is consistent with county's strategies. Subsequently, the County Fiscal Strategy Paper (CFSP) for 2022 will provide an update of available resources and set firm departmental ceilings and expenditure priorities.

The CPROP will be made available to the public including members of County Assembly to facilitate understanding of the fiscal situation and proposed county government strategies in line with the objective of improving public transparency and accountability.

Hon. Enock Keston

County Executive Committee Member
Finance and Economic Planning

Acknowledgements

The development of the County Budget Review and Outlook Paper 2021 has been made possible through the participation of many individual officers. Special thanks go to the Executive Committee Members under the leadership of His Excellency the Governor Stanley K. Kiptis and the Deputy Governor H.E Jacob Chepkwony for their steadfast leadership, guidance and support during the entire process of writing the paper. Special gratitude goes to the Executive Committee Member for Finance and Economic Planning Hon. Enock Keston for his invaluable input and leadership in preparation of this document. The Finance and economic Planning unit would like to appreciate Chief Officers from various departments and the following officers from accounting unit; Mr. Gikono Kiptoo, Mr. David Rerimoi, Mr. Francis Karimi, Mr. Festus Kiptui and Mr. Nicholas Kiprotich for generously availing data that was used in the report.

Also, special appreciation goes to the core team from the Budget and Economic Planning section who coordinated the entire process and helped piece up the document. These officers include the head of budget Mr. Jacob Kendagor, Mr. Michael Ngetich, Mr. Solomon Kimuna, Mr. Richard Tumeyo, Mrs. Roxana Kandie and Ken Nadeiwa.

Finally, we are grateful to everyone not individually mention here particularly staff from various departments whose input, efforts and personal dedication led to timely submission of this document.

We are hopeful that the implementation of the interventions provided in this document will be useful in the preparation of the 2022/23 budget as well as the implementation of 2021/22 budget.

William Kurere
Chief Officer Economic Planning

Acronyms and Abbreviations

CADP	County Annual Development Plan
CBROP	County Budget Review and Outlook Paper
CFSP	County Fiscal Strategy Paper
CIDP	County Integrated Development Plan
DANIDA	Danish International Development Agency
FSI	Financial Services
FY	Financial Year
GDP	Gross Domestic Product
HSSF	Health Sector Services Fund
KNBS	Kenya National Bureau of Statistics
M&E	Monitoring and Evaluation
MTEF	Medium Term Expenditure Framework
SWGs	Sector Working Group

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Legal Framework for County Budget Review and Outlook Paper

Legal Basis for the Publication of the County Budget Review and Outlook Paper

The County Budget Review and Outlook Paper is prepared in accordance with Section 118 of the Public Financial Management Act, 2012, states that:

- (1) A County Treasury shall:
 - (a) Prepare a County Budget Review and Outlook Paper in respect of the county for each financial year; and
 - (b) Submit the paper to the County Executive Committee by the 30th September of that year.
- (2) in preparing its county Budget Review and Outlook Paper, the County Treasury shall specify
 - (a) the details of the actual fiscal performance in the previous year compared to the budget appropriation for that year;
 - (a) the updated economic and financial forecasts with sufficient information to show changes from the forecasts in the most recent County Fiscal Strategy Paper;
- (3) The County Executive Committee shall consider the County Budget Review and Outlook Paper with a view to approving it, with or without amendments, within fourteen days after its submission. (4) Not later than seven days after the County Budget Review and Outlook Paper is approved by the County Executive Committee, the County Treasury shall—
 - (a) arrange for the Paper to be laid before the County Assembly; and
 - (b) as soon as practicable after having done so, publish and publicize the Paper.

Executive Summary

The County Budget Review Outlook Paper (CBROP) is prepared in accordance with section 118 of the Public Finance Management Act, 2012. It reviews the actual fiscal performance of the financial year 2020/2021 and makes comparisons to the budget allocations in the same year. It presents the Budget performance for FY 2020/2021 and how the budget adhered to the fiscal responsibility principles and financial objectives as set out in the PFM Act, 2012. The updated fiscal forecasts therein also provide the basis to revise the FY 2020/2021 budget in the context of supplementary estimates.

An overview of the 2020/2021 FY fiscal performance indicate that the County government budget was KShs **7,912,538,919**. The expected revenue was to be raised from various sources as follows: KShs 5.095 billion (**64%**) as equitable shares from the National Government, KShs 1,645 billion (**15%**) as total conditional grants, KShs 346.08 million (**4%**) as own-source revenue, KShs 1.171 billion as unspent balances from the previous FY 2019/2020 and KShs 129.33 million (**2%**) for medical staff allowance and Covid-19 fund. A review of the revenue performance for the financial year 2020/2021 however reveal that County managed to raise actual revenue of KShs **7,286,533,764.47** against the anticipated revenue of KShs **7,912,538,919** which represents 92% performance. The drop in the revenue performance was occasioned by uncollected local revenue and conditional grants.

Further review on the Expenditure performance for the FY 2020/2021 indicates a cumulative absorption of KShs **5,381,946,599** against a budget of KShs **7,913,538,919** reflecting an overall performance of 68%. Specifically, the County absorbed KShs **4,494,518,796** in re-current expenditure against a budget of KShs **4,651,467,647** and KShs **887,427,803** in development expenditure against a target of KShs **3,261,071,272** reflecting performances of **97%** and **27 %** respectively.

The FY 2020/21 budget adhered to the fiscal responsibility principles as set out in the PFM Act, 2012, by allocating 30% of the budget to development and 70 percent recurrent.

Moving forward, implementation of 2021/22 F/Y budget and formulation subsequent budgets in the medium term will be premised on the lessons drawn from the performance of the period

under review. The issue of under-performance in revenue collection due to effects of COVID-19 pandemic, low absorption and increasing wage bill should be addressed. The prudent management of resources and continued timely release of funds by the national government, peaceful co-existence in the county and favorable weather conditions is expected during the period to realize the set objectives.

In the FY 2020/21, own source revenue collection was KShs 205.203 million against a target of KShs 346.088 million. The shortage was occasioned by effects of covid-19 pandemic coupled with weather vagaries. It is estimated that KShs. 258.97 million will be collected in the FY 2021/2022. Within the MTEF period, it is projected that own source revenue will be KShs. 322.08 million, KShs. 367.54 million and KShs. 439.70 million for the FY's 2022/23; 2023/24 and 2024/25 respectively. This MTEF revenue performance will be underpinned by on-going investments on revenue sources, revenue administration and change in policy

The risks to the medium-term framework include: persistence of the Covid-19 global pandemic, pressures on expenditures especially recurrent related to new salary demands, political situations in the country and climate change: floods and droughts. To mitigate these risks, the County will closely monitor the developments and undertake appropriate measures to safeguard its economic stability should these risks materialize. The County Government will also continue with its policy of expenditure prioritization with a view to achieving the transformative development agenda which is anchored on provision of core services, ensuring equity, and minimizing costs through the elimination of duplication and inefficiencies, and improving the general welfare of the people.

SECTION 1: INTRODUCTION

The objective of 2021 County Budget Review and Outlook Paper (CBROP) is to provide a review of fiscal performance for the FY 2020/2021 and how this performance impacts on the financial objectives and fiscal responsibility principles set out in the 2021 County Fiscal Strategy Paper (CFSP) and PFM Act, 2012. The 2021 CBROP will provide requisite guide for the development of the 2022 CFSP that will summarize the various projects and initiatives undertaken during the Third Medium Term Plan (MTP III 2018-2022).

The COVID-19 Pandemic, depressed rains and insecurity amongst other challenges had significant impact on the business environment and occasioned a depressed outcome in local revenue collection in FY 2020/21. Further, the effects of the Covid 19 pandemic and the other challenges which necessitated project implementors to observe the MOH Covid protocols hampered smooth implementation of projects within the FY hence resulting in low absorption rate. Therefore, 2021 CBROP presents fiscal outlook taking into account the revenue performance and implementation of projects by end June 2021 and impact of COVID-19 and other uncertainties on the economic activities.

As required by the PFM Act, 2012, budget process aims to promote the efficient and effective revenue collection, deliberate prudent financial spending to ensure sustainability and stimulate economic activity. The updated macro-economic and fiscal forecasts therein set out the broad fiscal parameters for the FY 2022/23 budget and the medium term. The sector ceilings will be based on the overall resource envelope that is informed by the medium-term macro-fiscal projections as presented in this document. This CBROP proposes that the sector ceilings will be aligned to the projects implementation status, sector absorption rate and the implementation of the County Social-Economic Re-engineering Recovery Strategy, the CIDP, Governors Manifesto, the “Big Four” Agenda and other priority programmes outlined in MTP III of the Vision 2030.

The rest of the paper is organized as follows: Section II provides a review of the fiscal performance in FY 2020/2021 and its implications on the financial objectives set out in the 2021

CFSP. Section III that provides brief highlights of the recent economic developments and updated macroeconomic outlook in the country. Section IV provides the resource allocation framework, while Section V gives the conclusion and recommendations.

SECTION 2: REVIEW OF THE FISCAL PERFORMANCE FOR 2020/2021 FY

This section details the county's fiscal performance for the FY 2020/2021. The section covers three sub-sections namely the overview, fiscal performance, and the implications of the fiscal performance.

i) Overview

During the FY 2020/2021, the County government total budget was KShs **7,912,538,919**. The expected revenue was to be raised from various sources as follows: KShs 5.095 billion (**64%**) as equitable shares from the National Government, KShs 1,645 billion (**15%**) as total conditional grants, KShs 346.08 million (**4%**) as own-source revenue, KShs 1.171 billion as unspent balances from the previous FY 2019/2020 and KShs 129.33 million (**2%**) for medical staff allowance and Covid-19 fund.

A review of the revenue performance for the financial year 2020/2021 however reveal that County managed to raise actual revenue of KShs **7,286,533,764.47** against the anticipated revenue of KShs **7,912,538,919** which represents 92% performance. The drop in the revenue performance was occasioned by uncollected local revenue and conditional grants that were not realized within the FY and spilled over to the subsequent year

Further, a review of the County Expenditure performance for the FY 2020/2021 indicates a cumulative absorption of KShs **5,381,946,599** against a budget of KShs **7,913,538,919** reflecting an overall performance of 68 per cent. Specifically, the County absorbed KShs **4,494,518,796** in re-current expenditure against a budget of KShs **4,651,467,647** and KShs **887,427,803** in development expenditure against a target of KShs **3,261,071,272** reflecting performances of **97%** and **27%** respectively.

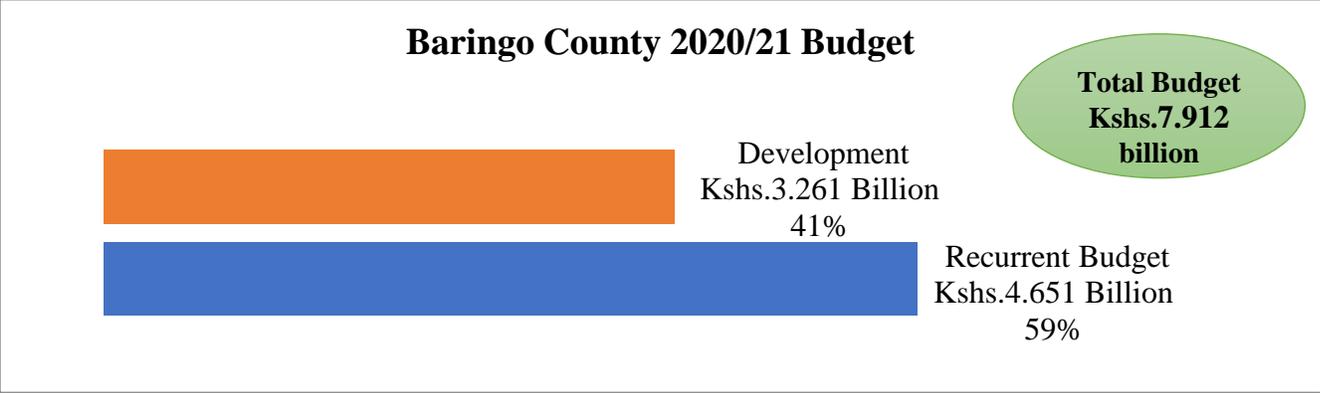


Figure 1: Baringo County 2020/21 Budget

FY 2020/21 Fiscal Performance

Revenue Performance

As highlighted in the overview, the County Government total budget is KShs **7,912,538,919**. The expected revenue was to be raised from various sources as detailed in the table below. However, by the close of the FY 2020/21 the County government had collected revenue amounting to KShs **7,286,533,764.47** reflecting a revenue performance of 95%. The deficit of 5% in the revenue performance was as a result of conditional grants that were not collected within the FY but spilled over to the subsequent FY.

The county’s revenue consists of Local revenues, equitable share, grants and donor funds. In the previous years, the County Local revenues have been increasing significantly however, within the FY under review there was a significant drop attributed to the adverse effects of Covid-19 pandemic major sectors such as tourism, agriculture, SMEs amongst others sectors. In terms of the Equitable share the County received an equivalent of the previous year allocation.

Table 1: Revenue performance for the 2020/2021 FY

S/No	Revenue Sources	Revenue	Receipts	Percentage
1.	Equitable Share	5,095,650,000	5,095,650,000	100%
2.	Grants/conditional allocation/Donations	1,645,778,324	814,569,480	49 %
3.	Balance Carried Forward FY 2019/2020	1,171,110,595	1,171,110,595	100%
4.	Local Revenue	346,088,720	205,203,689	59%
	Total	7,912,538,919	7,286,533,764	92%

(i) Expenditure Performance

As stated earlier in the overview section, the County Expenditure performance for the FY 2020/2021 indicates a cumulative absorption of KShs 5,381,946,599 against a budget of KShs 7,913,538,919 reflecting an overall performance of 68%. Specifically, the County absorbed KShs 4,494,518,796 in re-current expenditure against a budget of KShs 4,651,467,647 this expenditure includes personnel emolument and operation and maintenance of KShs 3,231,466,628 and KShs 1,263,052,168 respectively. Additionally, the county absorbed KShs 887,427,803 in development expenditure against a target of KShs 3,261,071,272 reflecting cumulative performances of 97% and 27% respectively. Table 2 below provides the expenditure details and the comparative analysis for the last two financial years.

Table 2: Expenditure per Economic Classification

Department	Approved Budget 2018/2019	Actual Expenditure	Approved Budget 2019/2020	Actual Expenditure	Approved Budget 2020/2021	Actual Expenditure
Total Recurrent Expenditure	4,528,481,686	4,394,107,935	4,882,372,857	4,600,777,520	4,651,467,647	4,494,518,796
Employee Compensation	3,129,182,813	3,107,375,102	3,284,081,865	3,238,440,813	3,233,556,980	3,231,466,628
Operation and Maintenance	1,399,298,873	1,286,732,833	1,598,290,992	1,362,336,707	1,417,910,667	1,263,052,168
Total Development	3,596,545,770	1,151,217,629	3,502,972,550	1,775,206,914	3,261,071,272	887,427,803
Development expenditure	3,596,545,770	1,151,217,629	3,502,972,550	1,775,206,914	3,261,071,272	887,427,803
Total Expenditure	8,125,027,456	5,545,325,564	8,385,345,407	6,375,984,434	7,912,538,919	5,381,946,599

(ii) Implications of the fiscal performance

A review of the County fiscal Performance for the FY 2020/2021 indicates that the county achieved highly in the Revenue performance at 92%, on the other hand the overall expenditure performance stood at 68%. The re-current expenditure performance was 97% while development expenditure was 27%.

Table 3: Expenditure Per Economic Classification

Department	Total Recurrent			Development			Total		(%)
	Budget	Actual	%	Budget	Actual		Budget	Actual	
County Assembly	687,926,864	686,866,138	99.8%	26,598,192	19,964,291	75%	714,525,056	706,830,429	98.9%
Governor/County Executive Services	421,736,497	421,650,033	100%	16,357,641	4,388,953	27%	438,094,138	426,038,985	97.2%
County Treasury Services	366,568,692	366,559,398	100%	260,775,571	24,107,625	9%	627,344,263	390,667,023	62.3%
Transport and Infrastructure	60,833,963	60,071,142	99%	920,067,104	170,307,239	19%	980,901,067	230,378,381	23.5%
Industrialization, Commerce and Cooperative	80,765,925	80,407,364	99.6%	81,632,662	23,379,614	29%	162,398,587	103,786,978	63.9%
Education, Youth, Culture, Sports and Social Services	342,854,949	340,486,400	99.3%	245,438,112	47,199,665	19%	588,293,061	387,686,065	65.9%
Health	2,201,571,180	2,051,778,464	93.2%	362,078,995	82,903,106	23%	2,563,650,175	2,134,681,570	83.3%
Lands, Housing & Urban Development	91,754,961	90,503,648	98.6%	113,959,252	34,054,991	30%	205,714,213	124,558,639	60.5%
Agriculture, Livestock, Fisheries & Marketing	238,767,191	238,185,579	99.8%	520,185,330	330,961,148	64%	758,952,521	569,146,727	75.0%

Department	Total Recurrent			Development			Total	(%)	
Water and Irrigation	119,925,715	119,910,672	100.0%	686,397,367	139,540,872	20%	806,323,082	259,451,543	32.2%
Environment & Natural Resources	38,761,709	38,099,959	98.3%	27,581,046	10,620,299	39%	66,342,755	48,720,258	73.4%
GRAND TOTAL	4,651,467,647	4,494,518,796	96.6%	3,261,071,272	887,427,803	27%	7,912,538,919	5,381,946,599	68.0%

It is observed that all departments absorbed over 95% on their recurrent allocation. In development absorption the County Assembly and Department of Agriculture absorbed over 50% while all the other departments absorbed below 40%. However, despite the low performance in development expenditure, the County government had significant achievements across all departments as detailed in the table below:

Table 4: Recurrent Allocation

SNo.	Department	Key Achievements
1.	County Assembly	<ul style="list-style-type: none"> a) Completion of the Public Gallery & Extension of Offices (Phased) b) Purchase of Land for Speaker's Residence c) Completion of County Assembly Office Block d) Installation of the Lift Core e) Passed 2 bills for enactment
2.	Finance and Economic Planning	<ul style="list-style-type: none"> a) Compilation of third quarter implementation report b) Implementation of CIMEIS – Data cleaning and data entry c) Prepared and submission of 2nd supplementary budget for FY 2020/2021 d) Prepared and submission of budget estimates for FY 2021/2022
3.	Health Services	<ul style="list-style-type: none"> a) Continued COVID 19 Response activities such as active surveillance, contract tracing and testing of suspected cases in the community b) Set up of Covid-19 HDU ward in BCRH ward 4 c) Containment, isolation, treatment and monitoring of covid positive cases d) PPEs were distributed to various facilities for COVID-19 prevention and management of patients. The team was involved in pharmaceutical management of COVID-19 patients. e) Confirmation of 133 staff who were on probation since appointments f) Developed Malaria Epidemic Response plan de g) Developed HIV County Aids Implementation Plan h) Fostered and strengthened partnerships and collaborations.
4.	Industry, Commerce, Enterprise & Co-operative Development	<ul style="list-style-type: none"> a) Developed the SME, Co-operative Fund regulation bill which is in place (Gazetted 28th February 2020) b) Generated Baringo County Economic and Investment Bill 2020 and currently at Government Printers c) Partnered with Equity Bank and Kenya National Chamber of Commerce in the training of business community in Baringo d) Renovated Old Eldama Ravine Market town and constructed more stalls. e) Purchased and supplied 480 Top Bar Hives (bee hives) to Kolowa, Tirioko and Loyamorok Farmers' Co-operative Societies to increase Honey Production. f) Disbursed loans worth KShs. 7,730,000 to 114 SMEs traders on 22nd June, 2020 across

		<p>the County</p> <p>g) Trained over 56 Co-operative Societies across the County</p> <p>h) In Partnership with Fibre Crop Directorate (Sisal and Cotton) supported Kertai Co-operative Society with 2 Machines to add value to their sisal production and support the FCS with market linkages.</p> <p>i) Allocated 1.2 Million through Ward Development Fund to Eldume Co-operative Society to offset the Tractor pending loan at Boresha SACCO</p>
5.	Land, Housing, and Urban Development	<p>a) Completion of County Spatial Plan</p> <p>b) Planning of Emining, Kapakuikui and Ingarua Centres</p> <p>c) Planning of Tangelbei, Pombo, and Chepkalacha Centres</p>
6.	Environment, Natural Resources, Mining, Tourism and Wildlife	<p>a) Raised 90,000 seedlings in the nurseries in Mochongoi, Mogotio and Kabarnet.</p> <p>b) Planting of 1600 assorted tree in Eldama Ravine</p> <p>c) Soil classification and vegetation cover carried out in Koitegan through RECONCILE towards enhancing the management of the forest</p> <p>d) Enhancing of community participatory rangeland management by RECONCILE collaborating with the county government for Kaborion, Paka, Koitegan and Irong, Chuine and Irong Community Conservancies (Lake Bogoria ecosystem)</p> <p>e) Chuine and Irong Conservancies have done sensitizations and mapping and are planning to undertake taxonomy of flora and fauna in the ecosystem</p> <p>f) Establishment of Community Development Agreement Committee (CDAC) for Kositei Diatomite</p>
7.	Devolution, Public Service and Administration, ICT and E-Government	<p>a) Enhance automation of County Government systems such as the Revenue Management System</p> <p>b) Fostered and strengthened partnerships and collaborations</p> <p>c) Continuous Information and Data Security</p> <p>d) Offered industrial attachment opportunities to university and college students</p>
8.	Agriculture, Livestock and Fisheries Development	<p>a) Coffee mill: Completion of Katimok coffee mill at KSHs 100 Million.</p> <p>b) Coffee improvement project - The area under coffee has increased from 896 Ha to over 1800 hectors, production per tree increased from an average of 3kg to 5kgs per year, the quality of the coffee has improved, through direct coffee sales, farmers exported to Korea 63.8 tons earning farmers KShs. 37.8M.</p> <p>c) Distribution of mangoes seedlings, pawpaw, avocados, macadamia and coffee seedlings to increase area of fruit production</p> <p>d) Supply of fingerlings and supplementary feeds worth KSHs. 4M to enhance fish framing</p> <p>e) Procured and distributed of one month old poultry chicks to farmers.</p> <p>f) Sahiwal, Galla Breeding bucks and dorper rams.</p> <p>g) Constructed/rehabilitated of cattle dips for improved vector control.</p> <p>h) Procured and supported cattle dips with 7000 litres of acaricides.</p> <p>i) Construction of 1 milk processing plant (50,000 litres/day) ongoing in Eldama Ravine Sub County (project phased)</p> <p>j) Upgrading of livestock through procurement</p> <p>k) Maoi slaughter house construction to boost value addition of meat</p> <p>l) Three Vaccination programs carried out against FMD, PPR, CCPP and rabies.</p>
9.	Education	<p>a) 13,000 Assorted PP2 text books procured and supplied</p> <p>b) Equipping of 9 ECDE classrooms</p> <p>c) Completion of stalled ECDE classrooms</p>

The general low performance in the development expenditure attributed to various challenges that hampered the smooth and timely implementation of the development projects within the FY. Challenges that had implication on the County fiscal performance includes amongst others:

- a) The prolonged effects of Covid-19 Pandemic resulted in officers working from home hence affecting the speed of project implementation across all departments.
- b) High incidences of insecurity in some parts of the County mainly Tiaty, Baringo North and Baringo South due to cattle rustling.
- c) Inadequate staff especially in technical areas resulting in delay in project designs.
- d) Weak M & E system to support smooth implementation of the development projects.
- e) Inadequate operational funds and mobility facilitation for timely projects supervision.

SECTION 3: NATIONAL RECENT ECONOMIC DEVELOPMENT AND OUTLOOK

Global Economic Performance

This CBROP has been prepared against a background of a projected global economic recovery amidst uncertainty relating to new COVID-19 mutations particularly the Delta variant that could require broader reinstatement of containment measures. Global growth in 2021 is projected at 6% from a contraction of 3.2% in 2020 (WEO July 2021). However, economic prospects vary across countries with the emerging markets and developing economies expected to pick up slowly compared to advanced economies given different country policy responses to the pandemic. The projected recovery in advanced economies, particularly the United States, reflects the anticipated legislation of additional fiscal support in the second half of 2021 and broader vaccinations coverage across the group.

Economic growth in the sub-Saharan Africa region is projected at 3.4% in 2021 from a contraction of 1.8% in 2020 due to improved exports and commodity prices, and the rollout of vaccination programmes.

This growth will also be supported by a recovery in both private consumption and investment as economies re-open. However, the recent increase in infection rates in sub-Saharan Africa are expected to weigh down the region's recovery in 2022.

In 2020, the Kenyan economy was adversely affected by the outbreak of COVID-19 pandemic and the swift containment measures, which disrupted economic activities. Additionally, Kenya faced two other shocks: The invasion of swarms of desert locusts that damaged crops and floods following receipt of above normal rainfall in May 2020. As a result, economic growth slowed down in FY 2020/21. The overall performance of the economy during the first three quarters of 2020 was cushioned from a deeper slump by improved growth in Mining and Quarrying activities (12.6%); Construction (8.6%); Health Services (7.3%) and Agriculture, Forestry and Fishing activities (6.4%). Other sectors of the economy that supported growth in the first three quarters of 2020 are Information and Communication (7.5%); Financial and Insurance activities (5.3%); Real Estate Activities (4%) and Electricity and Water supply (3.3%).

The agriculture sector recorded an improved growth at an average of 6.4% in the first three quarters of 2020 compared to a growth of 3.6% in the corresponding period of 2019. The sector's performance was supported by a notable increase in tea production, exports of fruits and sugarcane production. The Service and Industry sectors were adversely affected by the COVID-19 pandemic. As a result, the sectors contracted by an average of 2.1% in the first three quarters of 2020 down from an average growth of 6.1% in a similar period in 2019.

Economic indicators by sector for the fourth quarter of 2020 point to strong recovery. Agriculture sector is expected to have performed well following favorable weather conditions which prevailed during the fourth quarter of 2020, resulting in improved production of key crops. Industrial activity is also expected to have recovered strongly as reflected in the economic indicators of the following sectors; Construction (cement consumption), Manufacturing (cement production), and Electricity and Water supply (electricity generation). However, performance of some Service sectors (Accommodation and Restaurant and, Transport and Storage) is likely to remain subdued due to the COVID-19 containment measures.

Similar to the global economy, Kenya's economy is projected to rebound in 2021 to 6.6% from an earlier projection of 7% in the 2021 budget Policy Statement (BPS). The downward revision was due to the impact of containment measures between March and July period as a result of the third wave of the COVID-19 pandemic

The recovery in 2021 reflects the lower base of 2020 when most service sectors were adversely affected by the closure of the economy thereby recording negative growths. The outlook in 2021 will be reinforced by the prevailing stable macroeconomic environment and the ongoing implementation of the strategic priorities of the Government under the "Big Four" Agenda, Economic Recovery Strategy and other priority programmes as outlined in the Third Medium Term of Vision 2030. Weather conditions are expected to be favorable supporting agricultural output. As a result, export of goods and services will expand as global demand normalizes.

(i) Inflation Rate

Year-on-year overall inflation rate has remained low, stable and within the policy target range of 5+/-2.5 percent since end 2017. The year-on-year inflation rate increased in July 2021 but

remained within the target range at 6.4% from 4.4% in July 2020, mainly on account of higher food and fuel prices, see Figure 2.

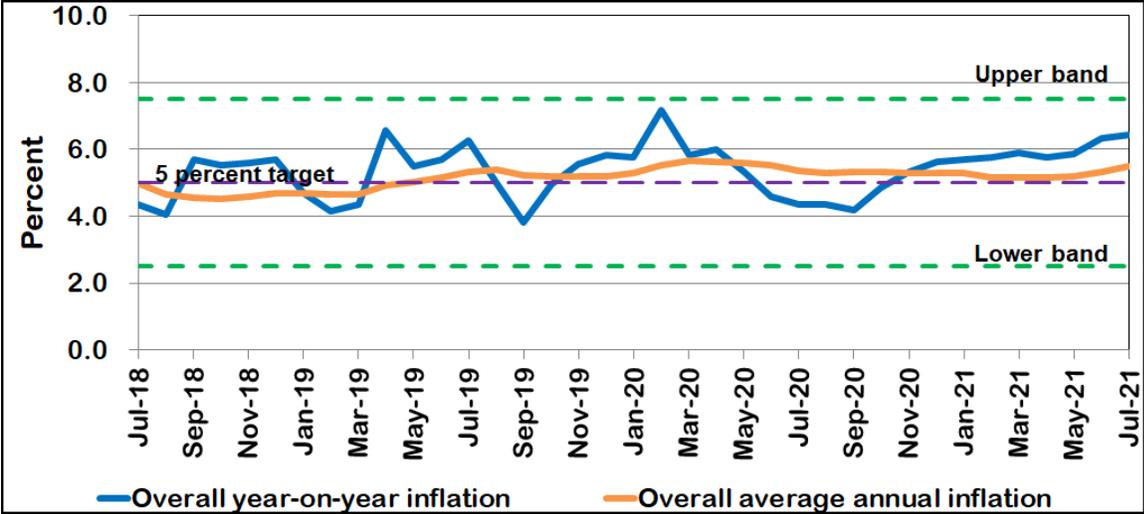


Figure 2: Inflation Rate, Percent - Source of Data: Kenya National Bureau of Statistics

The contribution of core inflation to overall inflation has been low and stable, consistent with the muted demand pressures in the economy on account of prudent monetary policies. The contribution of core inflation to overall inflation rose marginally to 1% points in July 2021 from 0.6 percentage points in June 2020, reflecting a pick-up in economic activity, see Figure 3.

Food inflation remained the main driver of overall inflation in July 2021, contributing 3.5 percentage points, an increase, compared to a contribution of 2.4 percentage points in July 2020. The increase is on account of a rise in prices of key food items particularly Tomatoes, White Bread, Cabbages, Spinach, Sukuma Wiki and Cooking Oil. Fuel inflation contributed 1.9 percentage points to overall inflation in July 2021 compared to 1.2% points in July 2020 following a pickup in international oil prices. Fuel inflation in July 2021 is reflected in higher electricity costs and increased fares attributed to a rise in petrol prices.

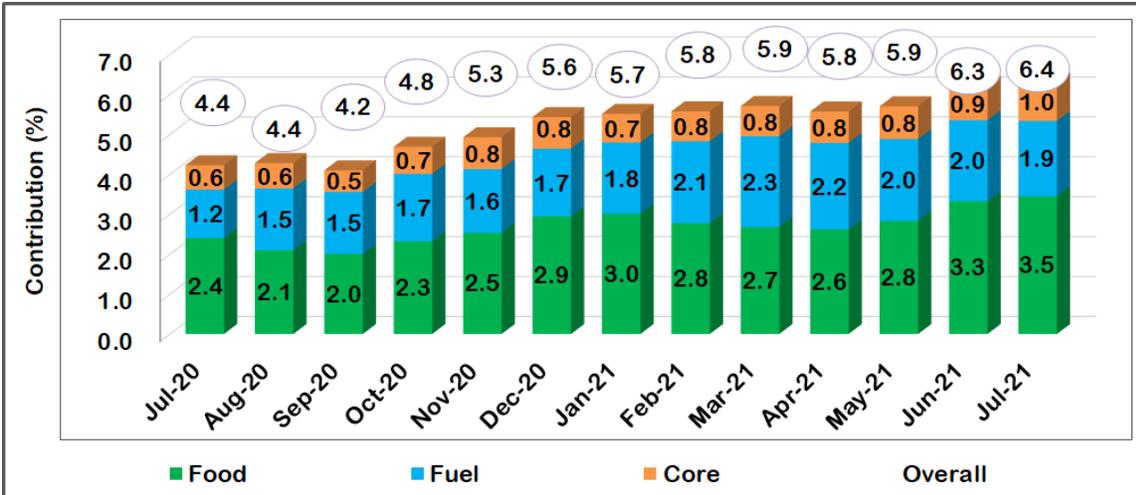


Figure 3: Contributions to Inflation, Percentage Points-Source of Data: Kenya National Bureau of Statistics

Kenya Shilling Exchange Rate

The foreign exchange market has largely remained stable but partly affected by tight global financial conditions attributed to uncertainty regarding the COVID-19 pandemic. In this regard, the Kenya Shilling to the US Dollar exchanged at Ksh 108.1 in July 2021 compared to KSHs 107.3 in July 2020, see Figure 4.

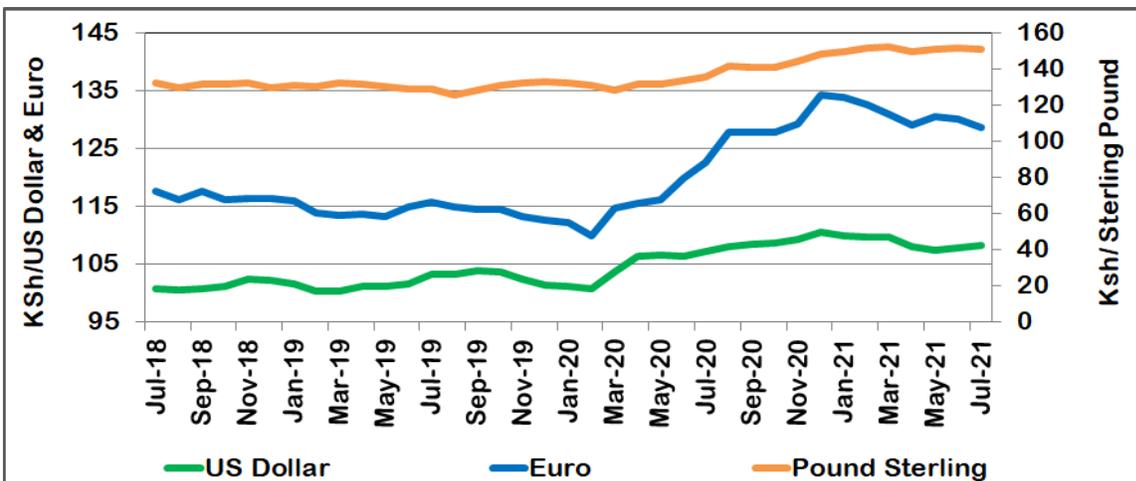


Figure 4: Kenya Shillings Exchange Rate-Source of Data: Central Bank of Kenya.

Short-term interest rates remained fairly low and stable. The Central Bank Rate was retained at 7.0 percent in July 2021 to signal lower lending rates in order to support credit access by borrowers especially the Small and Medium Enterprises distressed by COVID-19 pandemic. The money market was relatively liquid in July 2021 supported by government payments, which offset tax remittances. As such, the interbank rate remained low but increased slightly to 3.3% in July 2021 from 2.1% in July 2020, see Figure 5.

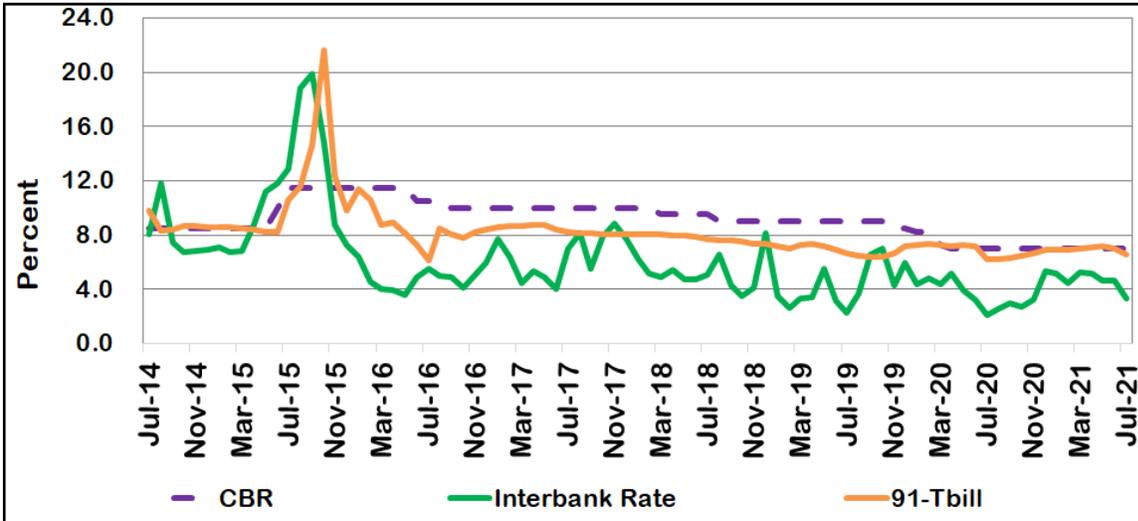


Figure 5: Short Term Interest Rates, Percent-Source of Data: Central Bank of Kenya

(ii) County Economic Outlook and Policies

The County economic outlook depends on global and national economic stability and improvement. With national and international policy in place the county economic will experience a slump given the pandemic. However, the county government will have a comprehensive recovery strategy to mitigate this. County intervention is highlighted below.

Own-Source Revenue

In the FY 2021/2022, the County targets to collect KSHs. 258,927,823 Million. This is targeted to come from additional streams and revision of charges as encapsulated in the Finance Bill for 2021. During the year under review, revenue collected was KSHs 205,203,689 against a target of KSHs 346,088,720; a performance of 59 %. The underperformance is attributable to the effects of Covid-19 pandemic and insecurity in some parts of the County. In the subsequent FY’s 2022/23, 2023/24, and 2024/25 the county projects to collect 322,088,720,367,546,936 and 439,705,719 respectively. Full automation of revenue collection is meant to enhance the

processes and systems that are already in place for revenue collection. Among the major sources of revenue collection are game park fees, hospital user charges, single business permit, market fees, produce cess, and land rates. This will enhance the County Resource envelope which in return will increase development allocation in the subsequent budget within the County.

Monitoring and Evaluation

In the actualization of priorities as set by County Governments, all the implementation plans have been cascaded from the Medium Term III. The County Government will continue to address the remaining policy, legal, regulatory, and governance challenges as a priority to ensure that we attain our full potential. However, The Medium-Term Budget will further support the ongoing priorities for achievement of the Support and Implementation of the policies and programmes under the CIDP III as it is expected to accelerate and sustain inclusive growth, create opportunities for productive jobs, reduce poverty and income inequality for the attainment of the Sustainable Goals.

Monitoring and evaluation of the expenditures will be strengthened by the newly set structures such as the Governor's Delivery Unit amongst others. County Treasury will continue to ensure that fiscal responsibilities will be enhanced in the Medium Term. Policies and guidelines will continue to be prepared and implemented so as to provide quality and timely financial reports with a view to entrench value for money to the County residents and ultimately adhere to the fiscal responsibilities as provided in the Public Finance Management Act, 2012.

Risks to the Domestic Economic Outlook

There are risks to this macroeconomic outlook emanating from domestic as well external sources. On the domestic front, the emergence of new COVID-19 variants that may require broader reinstatement of containment measures, in the country and its trading partners could lead to renewed disruptions to trade and tourism. Other risks relate to lower agricultural output due to potential adverse weather conditions and continued desert locust infestation in the northern region of the country, which could potentially reduce production of food crops and animal feeds. Additionally, increased public expenditure pressures, particularly wage and other recurrent expenditures would put a strain to the fiscal space.

On the external side, risks will depend on how the world responds to the health crisis, including whether the new COVID-19 strains are responsive to vaccines. Additionally, growth would be weaker than projected if logistical hurdles in procuring and distributing vaccines especially in emerging market and developing economies will be slow. The delays would allow the new variants to spread, with possibly higher risks of infections among the vaccinated populations. World economies will be shaped by policies taken to limit persistent economic disruptions; the evolution of financial conditions and commodity prices especially oil in the international market; and, the adjustment capacity of the economies.

County Specific Risks

Some of the risks anticipated to affect the County Fiscal performance include amongst others;

- Emergence of new Covid-19 Variant
- Anticipated shrinking of Revenue within the year under review
- Adverse weather conditions
- Locust infestation
- Increased Public Expenditure pressure
- Inadequate succession planning that will affect critical service delivery
- High insecurity in some parts of the County
- Anticipated Political instability due to forthcoming electioneering period.
- Effects of climate change adaptation, particularly swelling of lake Bogoria and Baringo
- High rates of unemployment

Proposed interventions to the risks

The County will pursue the following to reduce the risks to the County's economic outlook.

- a) Review and implement the existing human resource policies with a view to enhance proper succession planning, promotions, replacements, and recruitments.
- b) To promote and stimulate industrial and technological skills development through youth empowerment programmes.

- c) The county has also put in place measures to address revenue shortfalls, by investing on revenues structures and system and broadening revenue streams i.e. investing on revenue roads, valuation roll, and ICT systems on revenue collection among others.
- d) To enhance revenue collection, the government will train enforcement officers and strengthen internal controls.
- e) Formulate and implement policies to support climate change mitigation at the County level and increase coordination of climate change measures and activities.
- f) To improve on trade and market, the County will formulate policies and regulations that will strengthen the protection of farmers from exploitation by brokers through packaging and also provide the infrastructure necessary for market access.
- g) The government will put up structures that will create an enabling environment to foster business growth and stability. This will ensure recovery of business affected by COVID 19 pandemic.
- h) Strengthen emergency response system including medical services to reduce the spread of pandemic through continuous vaccination, fire, floods, locusts and other natural catastrophes.
- i) The county will strengthen and enhance security in the affected areas in collaboration with national Government and other security agencies.

SECTION 4: RESOURCE ALLOCATION FRAMEWORK

Implementation of 2021/22 Budget

The implementation of FY 2021/2022 has begun in earnest albeit in slow pace occasioned by Ministry of Health protocols on curfew and restriction of movements to contain spread of COVID-19 which has constrained implementation of projects. Revenue collection has improved though dismally as compared to the same period last year thus we may not realize the target which is likely to affect project implementation.

The projected total revenue for the FY 2021/22 is KShs 9.947 billion. The County expects to receive KShs. 6.36 billion as equitable shares, KShs. 0.82 billion conditional grants, KShs. 0.258 billion local revenue and KShs. 2.49 billion as balance brought forward from the previous FY.

On the other hand, expenditures is anticipated at KShs **9.947** billion with recurrent expenditures estimated at KShs **5.241** billion broken down into personnel emolument KShs. **3.442** billion and operations and maintenance at KShs. **1.799** billion while development expenditures is estimated at KShs **4.705** billion.

FY 2022/23 Budget Framework

The FY 2022/23 and the medium-term budget framework builds up on the Government's efforts to stimulate and sustain economic activity, mitigate the adverse impact of COVID-19 pandemic on the economy and re-position the economy on a sustainable and inclusive growth trajectory. This will be achieved through implementation of Sectorial Plans, CIDP, ADP, The County Social Economic Re-Engineering Recovery Strategy, the "Big Four" Agenda, SDG's and other priority programmes outlined in the Third Medium Term Plan (MTP III) of the Vision 2030.

The Government will continue to implement its fiscal consolidation plan to contain expenditure within budget by minimizing on non-priority. In this regard, particular emphasis is placed on aggressive revenue mobilization including policy measure to whip in additional revenue and reign on expenditures to restrict its growth. Expenditure measures will include cost budgeting and adoption of the directive on initiation of new projects, and focus is to completion of ongoing projects and reducing non-priority spending by observing austerity measures.

In the FY 2022/23 projected total revenue is at KShs. **7.317** billion. Of this, local revenue is projected at KShs.**322.088** million, grants at KShs.**631.167** million and Equitable share is at KShs.**6.364** billion. This revenue performance will be underpinned by on-going investments in enhancement of revenue sources, strengthened of revenue administration, formulation and review of policies that boost economic recovery.

Revenue Projections for the MTEF 2022- 2025

Equitable share has been key financing component of the County's budget contributing over ninety percent of the total revenue over the years. In FY 2020/2021 equitable share received was KShs 5.095 billion and increased to Ksh 6.369 billion in the FY 2021/2022. It is projected to remain constant at KShs 6. 369 billion in FY 2022/2023 and rise to KShs 6.45 billion in the FY 2023/2024 and Ksh 6.53 billion in FY 2024/2025.

In the FY 2020/21 the total grants received was KShs 820.63 million, and the amount expected in the FY 2021/2022 is KShs 827.98 million, The projection for subsequent MTEF period KShs 869.38 million in FY 2022/2023, KShs 266.84 million in FY 2023/2024 and KShs 269.94 million in FY 2024/2025.

Grants has been a key contributor to the County's budget and it plays a key role in cushioning the budget against fiscal pressures i.e. recurrent expenditure- operations and maintenance and personnel emoluments.

In the FY 2020/21 own source revenue collected was Ksh 205.203 million against a target of Ksh 346.088 million this was occasioned by effects of covid-19 pandemic coupled with weather vagaries. This revenue performance will be underpinned by on-going investments on revenue sources, revenue administration and change in policy. It is estimated that KShs. 258.97 million will be collected in the FY 2021/2022. Within the MTEF period, it is projected that own source revenue will be 322.08million, 367.54 million and 439.70 for the FY's 2022/23; 2023/24 and 2024/25 respectively.

Table 5: Revenue Projections

	2019/2020		2020/2021		2021/2022	2022/2023	2023/2024	2024/2025
Details	Approved Budget	Actual	Approved Budget	Actual	Approved Budget	Projection		
Roll over	1,422,538,152	1,422,538,152	1,171,110,595	1,171,110,595	2,498,762,283	0	0	0
Grants	1,473,740,964	1,172,760,343	1,299,689,604	822,959,028	820,635,897	631,167,844	266,840,373	269,944,871
Equitable Share	5,095,650,000	5,095,650,000	5,095,650,000	5,095,650,000	6,369,394,592	6,369,394,592	6,450,000,000	6,536,000,000
Own Source Revenue	393,416,291	301,663,645	346,088,720	205,203,689	258,927,823	322,088,720	367,546,936	439,705,719
Total	8,385,345,407	7,992,612,140	7,912,538,919	7,294,923,312	9,947,720,595	7,322,651,156	7,084,387,308	7,245,650,590

Source of data: Baringo County Treasury Budget

Table 6: Local Revenue Projections

PROJECTED LOCAL REVENUE FOR THE MTEF								
	2019/2020		2020/2021			2021/2022	2022/2023	2023/2024
Sources	Approved Budget	Actuals	Approved Budget	Actual	%	Approved Budget	Projections	
Game Park Fees	94,532,668	57,843,830	80,291,077	2,341,450	3%	44,845,850	42,291,077	50,749,292
Animal Stock Sale Fees	18,111,345	10,295,020	6,101,843	8,722,090	143%	6,142,941	8,101,843	10,101,843
Produce & Other Cess	32,744,152	29,456,773	21,565,018	26,136,969	121%	21,620,453	31,565,018	35,565,018
Single Business Permit	40,640,616	23,854,632	32,377,729	37,296,688	115%	32,544,579	42,377,729	42,377,729
Plot Rent/ Rates	22,197,473	10,806,845	39,354,481	13,760,887	35%	36,241,828	47,176,532	47,176,532
Market Fees & Others	41,662,202	31,795,774	26,222,426	28,956,094	110%	26,372,178	26,222,426	26,222,426
Koibatek ATC	5,344,139	920,454	1,169,549.00	2,156,695	184%	4,205,390	8,188,017	9,188,017
Marigat AMS	4,105,915	698,000	1,102,042.00	217,000	20%	9,598,990	9,534,326	9,534,326
Public Health	5,822,358	2,376,210	4,188,017.00	1,942,100	46%	1,424,680	1,169,549	1,169,549
Veterinary	30,445,029	6,052,430	9,534,326.00	1,836,360	19%	1,109,004	1,102,042	1,102,042
Hospital Revenue	97,810,392	127,563,677	124,182,212.00	81,837,356	66%	74,821,932	104,360,162	134,360,162
TOTAL	393,416,291	301,663,645	346,088,720	205,203,689	59%	258,927,823	322,088,720	367,546,936

Source of data: Baringo County Treasury Budget

Expenditure Projections for the MTEF 2022-2025 and Assumptions

The Government is pursuing a fiscal consolidation policy which is aimed at maintaining expenditures within the budget. During FY 2020/21 the county anticipated to spend a total of KShs 7.912 billion in both recurrent and development projects. However, a review of the expenditure performance indicate that the County absorbed Kshs.5.381 billion reflecting a performance of 68%. These expenditures comprise of recurrent KSHs 4.494 billion (97%) against a target of KShs. 4.651 billion and development of KShs 887.427 million (27%) against the target of KShs. 3.261billion.

In the FY 2021/2022, the County government intends to spend KShs. 9.947 billion which comprise of KShs. 5.241billion for recurrent and KShs. 4.705 billion for development. Expenditure projections for subsequent years 2022/23; 2023/24 and 2024/25 is KShs. 7.322 billion, KShs. 7.084 billion and KShs. 7.245 billion respectively. The decline in projection is due to phase out of some of the donor funds.

The wages and salaries are expected to continually increase in real terms for instance; KShs 3.231 billion in FY 2020/21, KSHs 3.442 billion in FY 2021/22, and KShs 3.492 billion in FY 2022 /23, KShs 3.542 billion in FY 2023/24 and 3.592 billion in FY 2024/2025. The investment on revenue generating ventures and an increment of the other revenues like equitable share will reduce the percentage wage to the overall budget.

Table 7: Expenditure Projections

Economic classification	2019/2020		2020/2021		2021/2022	2022/2023	2023/2024	2024/2025
	Approved Budget	Actual	Approved Budget	Actual	Approved Budget	Projection		
Total Recurrent Expenditure	4,382,999,315	4,600,777,520	4,651,467,647	4,494,518,796	5,241,840,672	4,846,903,256	4,904,461,525	5,015,583,938
Employee Compensation	3,355,675,673	3,238,440,813	3,233,556,980	3,231,466,628	3,442,691,787	3,492,691,787	3,542,691,787	3,592,691,787
Operation and Maintenance	1,027,323,642	1,362,336,707	1,417,910,667	1,263,052,168	1,799,148,885	1,354,211,469	1,361,769,738	1,422,892,151
Total Development	4,298,521,687	1,775,206,914	3,261,071,272	887,427,803	4,705,499,035	2,470,353,308	2,179,925,783	2,230,066,652
Development expenditure	4,298,521,687	1,775,206,914	3,261,071,272	887,427,803	4,705,499,035	2,470,353,308	2,179,925,783	2,230,066,652
Total Expenditure	8,681,521,002	6,375,984,434	7,912,538,919	5,381,946,599	9,947,339,707	7,317,256,564	7,084,387,308	7,245,650,590
Project Net Deficit/Surplus								
Development rate of change	50%	28%	41%	16%	47%	34%	31%	31%
Employee Compensation Rate	39%	51%	41%	60%	35%	48%	50%	50%
Operation and Maintenance rate	12%	21%	18%	23%	18%	19%	19%	20%
TOTAL RATE	100%							

Source of Data: *County Treasury*

(i) Assumptions

(ii) That the economy will grow at 6.3%

(iii) That the allocation to counties will be KShs. 370 billion, KShs. 375 billion, KShs. 380 billion and KShs. 385 billion within the MTEF period

(iv) That there will be adverse weather conditions that will affect agricultural sector and businesses

(v) That the Covid -19 vaccination programme will ease the containment measures thus opening the economy

(vi) That the forthcoming general election will not affect project implementation and general economic stability

Challenges Affecting Own -Source Revenue Performance

Challenges that affected revenue collection include:

1. Emergence of COVID-19 Pandemic that led to the closure of markets and cessation of movement that affected the Tourism sector which is the County's leading own source of revenue.
2. Reduced number of tourist due to inaccessibility of lake Bogoria and Lake Baringo arising from submerged key facilities such as the entry gates, ablution blocks and the attraction geyser sites
3. The Covid -19 pandemic scared most of the household from visiting health facilities for minor treatments, majority opted for over the counter treatment. Additionally, the UHC programme waived some charges hence reducing revenue earned.
4. High incidences of insecurity in parts of the county affected livestock trade as well as fresh produce businesses.
5. Inadequate facilitation of Revenue collectors due to insufficient mobility vehicles affected efficiency and effectiveness of revenue mobilization.

Measures Aimed at Strengthening Revenue Administration

To mobilize revenues and cushion against further revenue shortfalls, the County Government has put in place measures aimed at strengthening revenue administration and compliance. These, among others include:

- 1) Providing incentives to land rate defaulters by waiving up to 100% on all interest/penalties
- 2) Facilitated county revenue officers with motor vehicles to mobilize, coordinate and collect all collectable revenues.
- 3) Strengthen revenue monitoring and evaluation system and structures
- 4) Implementation of the valuations roll
- 5) Establishment of a plot transfer committee
- 6) Establishment of the Revenue Board

Medium-Term Expenditure Framework

The County Government will continue with its policy of expenditure prioritization with a view to achieving the transformative development agenda which is anchored on provision of core services, ensuring equity, and minimizing costs through the elimination of duplication and inefficiencies, and improving the general welfare of the people. Realization of these objectives will have implications in the budget ceilings to be provided in this Budget Review and Outlook Paper. The following criteria will serve as a guide for allocating resources:

- a) Completion of the ongoing projects
- b) Prioritization of the Flagship projects
- c) Linkage of Programmes to the 'Big Four' Plan either as drivers or enablers;
- d) Linkage of the programme with the objectives of CIDP, CADP and Third Medium-Term Plan of Vision 2030;
- e) Degree to which a programme addresses poverty reduction;
- f) Degree to which the programme is addressing the core mandate of the Department;
- g) Expected outputs and outcomes from a programme; and
- h) Cost effectiveness and sustainability of the programme.

In addition to supporting County Social Economic Reengineering Recovery Strategy, the county government will prioritize resources towards achievement of the following initiatives under the “Big Four” Agenda;

- a) Enhancing Food and Nutrition Security through investment on agriculture, livestock development and fisheries development;
- b) Providing Universal Health Coverage and Guaranteeing Quality and Affordable Healthcare to our citizens. This is done through investing and improvement of health facilities in the county.
- c) Supporting value addition by investing on Milk products, Meat products, tannery, Honey processing, Affruition, Aloe Vera, coffee processing and cotton production.
- d) Investing in Blue Economy
- e) Land ownership development and urban /semi urban planning
- f) Promotion of Environment protection for sustainable development
- g) Promoting of Tourism investments and product diversification.

SECTION V: RECOMMENDATION AND CONCLUSIONS

The FY 2022/23 and the medium-term budget is being prepared against a background of projected global and domestic economic recovery. The global recovery is supported by fiscal support in a few large economies, monetary easing and COVID-19 vaccinations. Likewise, Kenyan economy is projected to recover from the effects of COVID-19 Pandemic and grow at a rate of 6.2 percent in FY 2021/22 from a slowdown in FY 2020/21. Economic growth is thereafter projected to slow down to 5.9 percent in FY 2022/23, largely due to the uncertainty associated with the general election, and recover to 6.3 percent by FY 2025/26.

In order to strengthen the economy, the budget for FY 2022/2023 and the medium-term will focus on increased revenues collection and reduce non-core expenditure. In this regard, the 2021/22-2023/24 MTEF presented in this CBROP is developed while taking into consideration key County Government's priority policies outlined in the County Integrated Development Plan (CIDP), Sector plans, Annual Development Plan, Social Economic Reengineering Recovery strategy and Third Medium Term Plan towards realization of Vision 2030.

Therefore, SWGs should carefully consider detailed costing of programmes/projects in addressing county strategic objectives. The Sector Working Group (SWGs) in rolling out preparation of 2022/23 budget to work within the strick timeframes and guidelines provided.

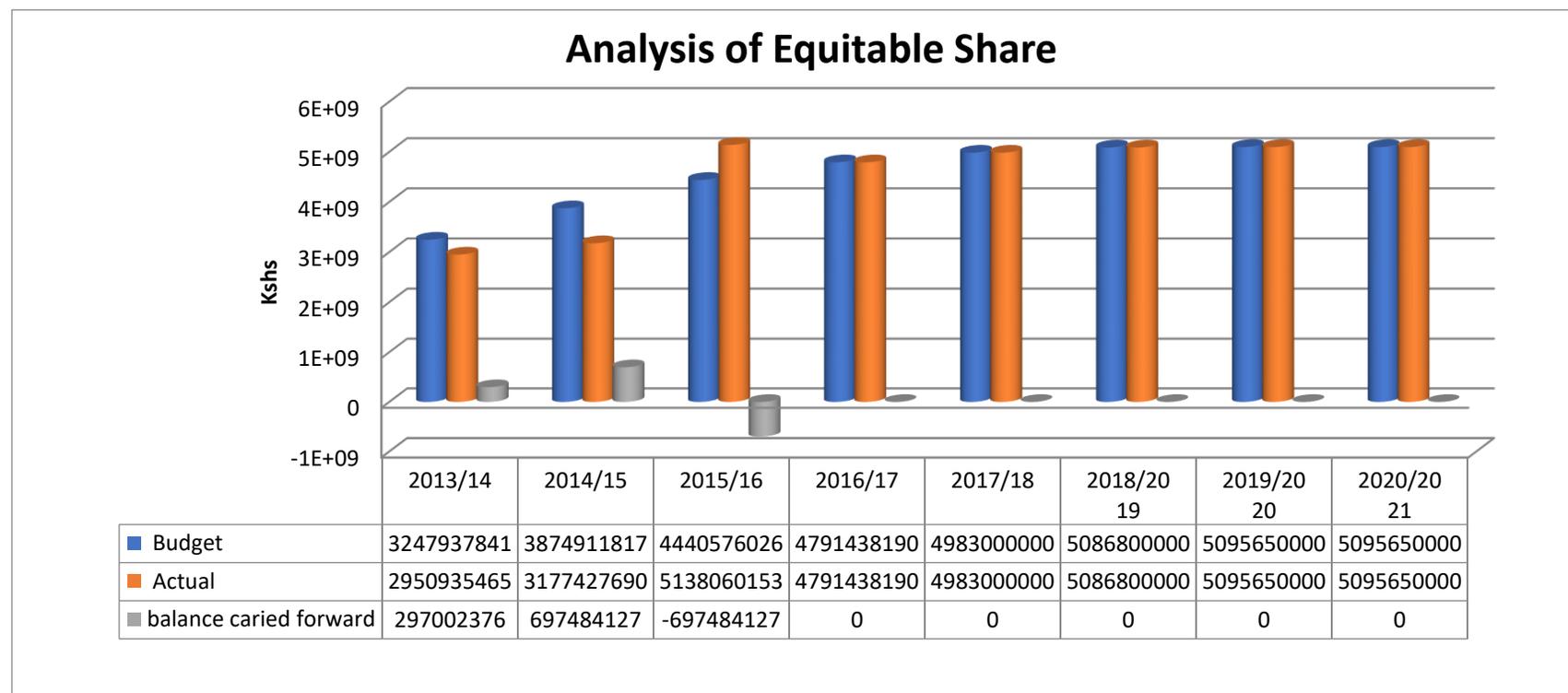
For effective budget implementation, enhanced capacity building will be carried out as well as development of systems for monitoring and evaluation to be used by all relevant departments. This will ensure that resource are utilised effectively and efficiently towards improvement of ivelihoods of the residents.

Going forward, the county shall ensure faster project execution through implementation of monitoring and evaluation policy and Monitoring and evaluation system, use of integrated M&E soft ware and adherence to procurement plan. The monitoring and evaluation framework has been rolled and that sub county and county steering committees will engage various departments in executing development activities and provide timely feedback. When these processes are implemented by all key players, incomplete project funds will be expected to reduce significantly.

Annexes

Annex I: Equitable Share Analysis

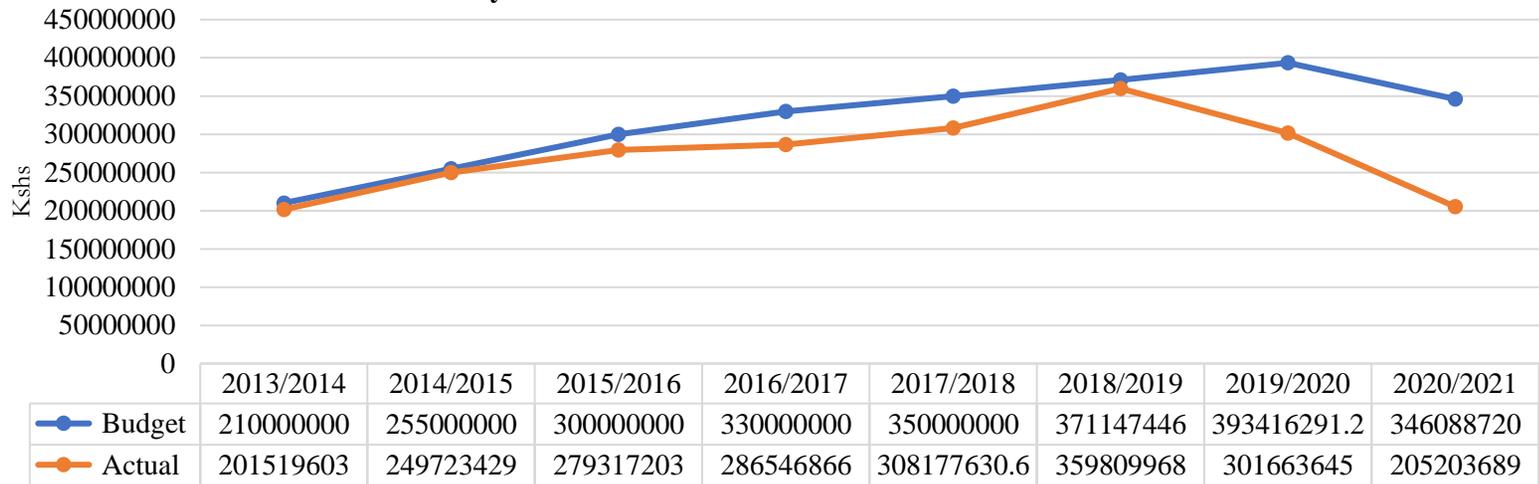
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/2019	2019/2020	2020/2021
Budget	3,247,937,841	3,874,911,817	4,440,576,026	4,791,438,190	4,983,000,000	5,086,800,000	5,095,650,000	5,095,650,000
Actual	2,950,935,465	3,177,427,690	5,138,060,153	4,791,438,190	4,983,000,000	5,086,800,000	5,095,650,000	5,095,650,000
balance carried forward	297,002,376	697,484,127	(697,484,127)	-	-	-	-	-



Annex II: Projected Local Revenue for the MTEF

PROJECTED LOCAL REVENUE FOR THE MTEF								
	2019/2020		2020/2021			2021/2022	2022/2023	2023/2024
Sources	Approved Budget	Actuals	Approved Budget	Actual	%	Approved Budget	Projections	
Game Park Fees	94,532,668	57,843,830	80,291,077	2,341,450	3%	44,845,850	42,291,077	50,749,292
Animal Stock Sale Fees	18,111,345	10,295,020	6,101,843	8,722,090	143%	6,142,941	8,101,843	10,101,843
Produce & Other Cess	32,744,152	29,456,773	21,565,018	26,136,969	121%	21,620,453	31,565,018	35,565,018
Single Business Permit	40,640,616	23,854,632	32,377,729	37,296,688	115%	32,544,579	42,377,729	42,377,729
Plot Rent/ Rates	22,197,473	10,806,845	39,354,481	13,760,887	35%	36,241,828	47,176,532	47,176,532
Market Fees & Others	41,662,202	31,795,774	26,222,426	28,956,094	110%	26,372,178	26,222,426	26,222,426
Koibatek ATC	5,344,139	920,454	1,169,549.00	2,156,695	184%	4,205,390	8,188,017	9,188,017
Marigat AMS	4,105,915	698,000	1,102,042.00	217,000	20%	9,598,990	9,534,326	9,534,326
Public Health	5,822,358	2,376,210	4,188,017.00	1,942,100	46%	1,424,680	1,169,549	1,169,549
Veterinary	30,445,029	6,052,430	9,534,326.00	1,836,360	19%	1,109,004	1,102,042	1,102,042
Hospital Revenue	97,810,392	127,563,677	124,182,212.00	81,837,356	66%	74,821,932	104,360,162	134,360,162
TOTAL	393,416,291	301,663,645	346,088,720	205,203,689	59%	258,927,823	322,088,720	367,546,936

Analysis of local Revenue



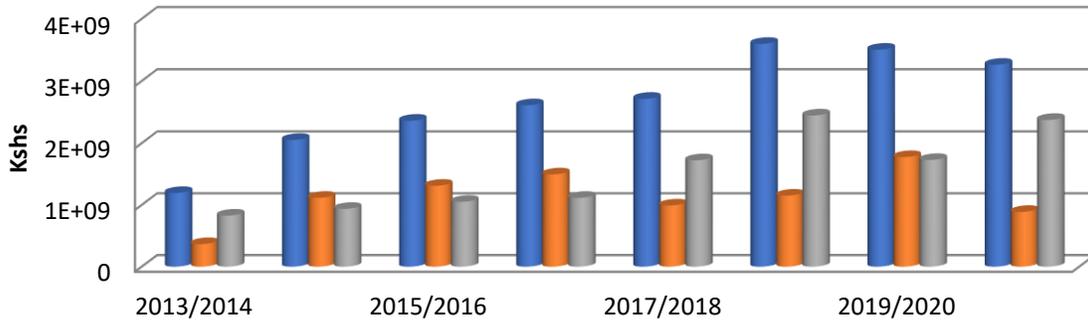
Annex III: Recurrent and Development Expenditure per Department

	RECURRENT		DEVELOPMENT		Total		Absorption
	Budget	Expenditure	Budget	Expenditure	Budget	Expenditure	
County Assembly	687,926,864	686,866,138	26,598,192	19,964,291	714,525,056	706,830,429	99%
Office of the Governor	320,216,668	320,522,891	16,357,641	4,388,953	336,574,309	324,911,843	97%
Baringo south Sub County	18,863,174	17,865,738	-	-	18,863,174	17,865,738	95%
Tiaty Sub County	18,139,445	16,442,169	-	-	18,139,445	16,442,169	91%
Eldama Ravine Sub County	16,630,248	17,572,232	-	-	16,630,248	17,572,232	106%
Mogotio sub county	16,176,354	7,497,607	-	-	16,176,354	7,497,607	46%
Baringo Central Sub County	14,700,716	20,883,456	-	-	14,700,716	20,883,456	142%
Baringo North Sub County	17,009,891	20,865,940	-	-	17,009,891	20,865,940	123%
Finance and Economic planning	366,568,692	366,559,398	260,775,571	24,107,625	627,344,263	390,667,023	62%
Transport and Infrastructure	60,833,963	60,071,142	920,067,104	170,307,239	980,901,067	230,378,381	23%
Trade, Tourism and Wildlife	80,765,925	80,407,364	81,632,662	23,379,614	162,398,587	103,786,978	64%
Education & ICT	305,352,363	303,797,872	163,590,401	30,707,259	468,942,764	334,505,131	71%
Health Services	2,201,571,180	2,051,778,464	362,078,995	82,903,106	2,563,650,175	2,134,681,570	83%
Lands, Housing & Urban Dev	91,754,961	90,503,648	113,959,252	34,054,991	205,714,213	124,558,639	61%
Agriculture, Livestock and Fisheries	238,767,191	238,185,579	520,185,330	330,961,148	758,952,521	569,146,727	75%
Water and Irrigation	119,925,715	36,688,528	686,397,367	139,540,872	806,323,082	176,229,400	22%
Youths & Gender	37,502,586	119,910,672	81,847,711	16,492,406	119,350,297	136,403,078	114%
Environment, Natural Recourses and Mining	38,761,709	38,099,959	27,581,046	10,620,299	66,342,755	48,720,258	73%
Total	4,651,467,647	4,494,518,796	3,261,071,272	887,427,803	7,912,538,919	5,381,946,599	68%

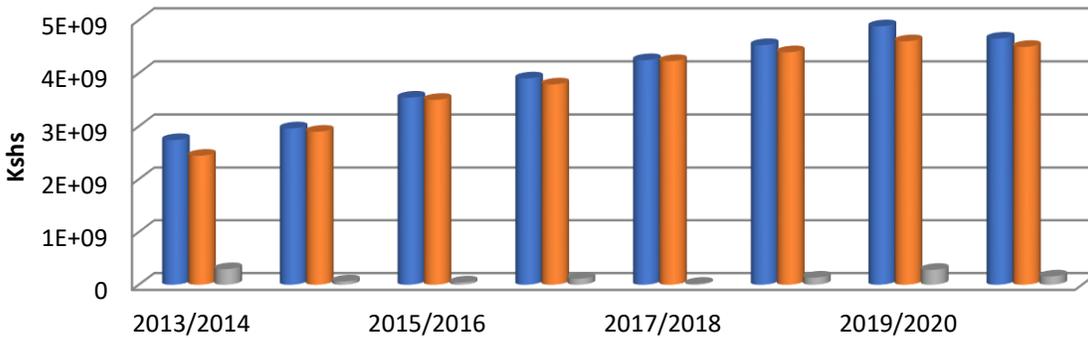
Annex IV: Expenditure per Economic Classification

Expenditure per Economic Classification															
DEPARTMEN T+A2:P15	Employee Compensation			Operation & Maintenance			Total Recurrent			DEVELOPMENT			TOTAL		(%)
	Budget	Actual	%	Budget	Actual	%	Budget	Actual	%	Budget	Actual		Budget	Actual	
County Assembly	378,464, 808	378,461,92 9	100 %	309,462, 056	308,404, 209	100 %	687,926, 864	686,866, 138	99.8 %	26,598,192	19,964,2 91	75%	714,525,05 6	706,830, 429	98.9 %
Governor/Count y Executive Services	230,727, 310	230,697,08 5	100 %	191,009, 187	190,952, 948	100 %	421,736, 497	421,650, 033	100. 0%	16,357,641	4,388,95 3	27%	438,094,13 8	426,038, 985	97.2 %
County Treasury Services	167,569, 074	167,560,24 5	100 %	198,999, 618	198,999, 153	100 %	366,568, 692	366,559, 398	100. 0%	260,775,57 1	24,107,6 25	9%	627,344,26 3	390,667, 023	62.3 %
Transport and Infrastructure	49,133,7 90	48,858,292	99%	11,700,1 73	11,212,8 51	96%	60,833,9 63	60,071,1 42	99%	920,067,10 4	170,307, 239	19%	980,901,06 7	230,378, 381	23.5 %
Industrialization, Commerce and Cooperative	65,960,8 33	65,659,645	100 %	14,805,0 92	14,747,7 19	100 %	80,765,9 25	80,407,3 64	99.6 %	81,632,662	23,379,6 14	29%	162,398,58 7	103,786, 978	63.9 %
Education, Youth, Culture, Sports and Social Services	284,967, 840	284,853,38 3	100 %	57,887,1 09	55,633,0 17	96%	342,854, 949	340,486, 400	99.3 %	245,438,11 2	47,199,6 65	19%	588,293,06 1	387,686, 065	65.9 %
Health	1,664,31 4,556	1,663,786, 578	100 %	537,256, 624	387,991, 886	72%	2,201,57 1,180	2,051,77 8,464	93.2 %	362,078,99 5	82,903,1 06	23%	2,563,650, 175	2,134,68 1,570	83.3 %
Lands, Housing & Urban Development	63,131,2 55	62,591,701	99%	28,623,7 06	27,911,9 47	98%	91,754,9 61	90,503,6 48	98.6 %	113,959,25 2	34,054,9 91	30%	205,714,21 3	124,558, 639	60.5 %
Agriculture, Livestock, Fisheries & Marketing	228,297, 410	228,076,53 6	100 %	10,469,7 81	10,109,0 44	97%	238,767, 191	238,185, 579	99.8 %	520,185,33 0	330,961, 148	64%	758,952,52 1	569,146, 727	75.0 %
Water and Irrigation	74,030,2 03	74,015,787	100 %	45,895,5 12	45,894,8 85	100 %	119,925, 715	119,910, 672	100. 0%	686,397,36 7	139,540, 872	20%	806,323,08 2	259,451, 543	32.2 %
Environment & Natural Resources	26,959,9 00	26,905,448	100 %	11,801,8 09	11,194,5 11	95%	38,761,7 09	38,099,9 59	98.3 %	27,581,046	10,620,2 99	39%	66,342,755	48,720,2 58	73.4 %
GRAND TOTAL	3,233,55 6,980	3,231,466, 628	100 %	1,417,91 0,667	1,263,05 2,168	89%	4,651,46 7,647	4,494,51 8,796	96.6 %	3,261,071, 272	887,427, 803	27%	7,912,538, 919	5,381,94 6,599	68.0 %

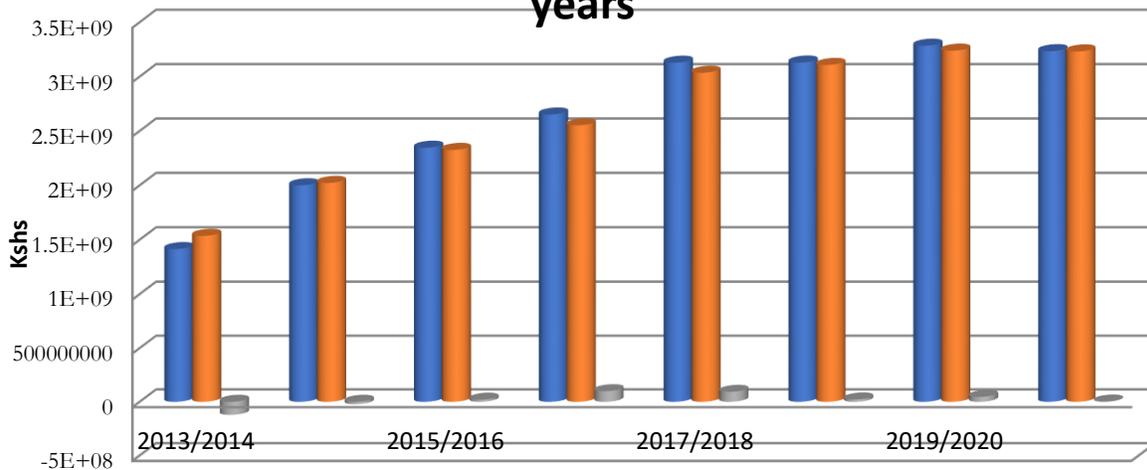
Development Expenditure Analysis



Recurrent Expenditure Analysis



Employee Compensation Analysis for Eight years



Operation and Maintenance Analysis for 2013/14 -2020/21 FY

