

COUNTY GOVERNMENT OF KILIFI



THE COUNTY TREASURY

2024 COUNTY FISCAL STRATEGY PAPER

FOSTERING ECONOMIC RESILIENCE: UNIFYING STRATEGIES FOR SUSTAINABLE PROSPERITY

FEBRUARY, 2024.

FOREWORD

The County Treasury is honored to present the County Fiscal Strategy Paper for Kilifi County, outlining broad strategic priorities and policy goals for the fiscal year 2024/2025. This document reflects our commitment to prudent financial management, economic sustainability, and effective service delivery for the benefit of all residents as outlined in the Governor's manifesto.

In developing this strategy, we have taken a rigorous and economically sound approach, ensuring that our initiatives are not only impactful but also sustainable in the long term. Our focus on monitoring and evaluation is integral to this process, as it allows us to track progress, identify areas for improvement, and make data-driven decisions to optimize resource allocation.

Economic development is at the forefront of our agenda. We recognize the importance of formulating proactive economic policies to create an enabling environment for businesses to thrive. By enhancing revenue collection mechanisms and stimulating enterprise growth, we aim to bolster our local economy, attract investment, and generate employment opportunities for our citizens.

Effective financial management and procurement processes are essential for ensuring transparency, accountability, and efficiency in the utilization of public funds. We are committed to strengthening these processes through robust monitoring and evaluation mechanisms, which will enable us to identify and address any inefficiencies or irregularities promptly.

Access to basic services such as clean water, irrigation, and healthcare is fundamental to improving the quality of life for our residents. Through targeted investments and continuous monitoring, we will ensure that these services are delivered efficiently and effectively, reaching those who need them most.

Infrastructure development and connectivity play a crucial role in facilitating economic growth and improving access to markets and services. We will focus on improving our infrastructure networks while ensuring that resources are allocated wisely and projects are implemented in a timely manner. Through rigorous monitoring and evaluation, we will track the progress of these projects and address any challenges that may arise.

Investing in education and talent development is key to unlocking the full potential of our people and driving innovation and growth. By supporting early childhood education and fostering talent development initiatives, we will equip our citizens with the skills and knowledge they need to succeed in an increasingly competitive global economy.

Embracing innovation and technology is essential for enhancing efficiency, improving service delivery, and driving economic growth. We will leverage technology and automation initiatives across all sectors of the county, while closely monitoring their impact to ensure that they are delivering tangible benefits to our residents.

Towards this end, I would like to express my gratitude to all stakeholders who have contributed to the development of this strategy. Together, we have laid the foundation for a prosperous and sustainable future for Kilifi County. By embracing sound economic principles and prioritizing monitoring and evaluation, we will ensure that our strategic priorities are achieved, and the needs of our citizens are met.

HON. JOHN RAYMOND NGALA
COUNTY EXECUTIVE COMMITTEE MEMBER
FINANCE, ECONOMIC PLANNING AND RESOURCE MOBILIZATION

ACKNOWLEDGEMENT

It is with great pleasure and pride that we acknowledge the successful crafting of the County Fiscal Strategy Paper for the fiscal year 2024/2025. This pivotal document, which outlines the broad strategic priorities and policy goals for Kilifi County, is the culmination of extensive collaboration and diligent effort from various stakeholders across our county government.

First and foremost, we express our gratitude to the County Executive Committee Member for Finance, Economic Planning, and Resource Mobilization, Hon. John Raymond Ngalla, whose unwavering guidance and leadership have been instrumental throughout the entire process. His vision and commitment to promoting economic development and fiscal responsibility have been a driving force behind the formulation of this strategy.

We extend our heartfelt appreciation to all County departments, County Executive Members, Chief Officers, and technical staff for their active participation in defending their sector priorities and resource requirements. Their valuable insights and expertise have enriched the content of the Fiscal Strategy Paper, ensuring that it reflects the diverse needs and aspirations of our community.

Special recognition is also due to the acting Subcounty administrators and Ward administrators for their invaluable role in facilitating the public participation process. Through their efforts, members of the public across all 35 wards of Kilifi County were provided with the opportunity to engage with the document and gain a deeper understanding of its technical aspects.

We commend the dedicated technical team of economists, statisticians, monitoring and evaluation officers, and fiscal analysts within the County Division of Economic Planning. Their meticulous analysis, data-driven insights, and rigorous review have contributed significantly to the robustness and credibility of the Fiscal Strategy Paper.

Furthermore, we express our sincere appreciation to all members of the public who actively participated in the public consultation process. Your feedback and input have been invaluable in shaping the priorities and objectives outlined in the document, ensuring that they are reflective of the needs and aspirations of our diverse communities.

In conclusion, we acknowledge the collective effort and collaboration of all stakeholders involved in the crafting of the County Fiscal Strategy Paper. It is our collective commitment to implementing the strategic priorities and policy goals outlined in this document that will drive sustainable development, economic prosperity, and improved service delivery for the people of Kilifi County.

**CPA JACINTA ISMAIL,
CHIEF OFFICER
FOR ECONOMIC PLANNING.**

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This 2024 County Fiscal Strategy Paper (CFSP) has been compiled using latest information, some of which is unaudited or subject to revision.

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LEGAL BASIS FOR THE PREPARATION OF COUNTY FISCAL STRATEGY PAPER

The CFSP 2024 has been prepared in accordance with the provisions outlined in section 117 of the Public Finance Management Act (PFMA), 2012, which stipulates:

Pursuant to section 117(1) and (6) of the PFMA, 2012, the County Treasury is mandated to prepare and submit the Fiscal Strategy Paper to the County Executive Committee for approval. Subsequently, the approved CFSP is to be submitted to the County Assembly by 28th February of each year. The document is also required to be published and publicized within seven days after submission to the County Assembly.

- i. In line with section 117(2) of the PFM Act, the County Treasury has aligned the proposed revenue and expenditure plan with the national financial objectives contained in the Budget Policy Statement (BPS) for 2024. The fiscal policies are geared towards fostering a multiplier effect to support the national theme of Sustaining Bottom-Up Economic Transformation Agenda.
- ii. The County Treasury, in preparing the County Fiscal Strategy Paper, specifies the broad strategic priorities and policy goals that will guide the county government in budget preparation for the FY2024/25-FY2026/27 period.
- iii. The County Treasury includes in the County Fiscal Strategy Paper the financial outlook for County Government revenues, expenditures, and borrowing for the upcoming financial year and over the medium term.

In the preparation of the County Fiscal Strategy Paper, the County Treasury has taken into account the views of:

- i. The commission;
- ii. The public;
- iii. Any interested persons or groups; and
- iv. Any other forum established by legislation.

These legal provisions provide the framework for the drafting and formulation of the CFSP 2024, ensuring alignment with national financial objectives and comprehensive stakeholder engagement in the process.

OVERVIEW

The County Government understands the importance of expanding the county's fiscal space in achieving sustainable development and improving the lives of its citizens. This paper also describes many major enablers aimed at creating a suitable climate for economic growth and increasing tax collection. These policies will pave the path for more investment and entrepreneurial activity, resulting in a stronger financial basis for the county.

Economic Development

To create a conducive environment for investment and economic growth the government will work towards ensuring the following policies are operational; revenue policy, procurement policy, asset management policy, statistics policy, monitoring and evaluation policy, public investment management policy, social protection policy, pre-primary school policy, liquor policy and the renewable energy policy. These will be proactive in bolstering the economy of the county.

Additionally, the county government shall boost revenue collection through the following strategies; optimization of cess station processes, upholding fair and accurate taxation, automating the collection of revenue, enhancing staff capacity as well as conducting land and property reforms through operationalizing the valuation roll and conducting land audits.

To boost entrepreneurship, the county aims to simplify business registration processes, protect property rights, enhance contract law enforcement, build investor confidence, increase citizens' access to finance, incorporate business education in vocational training and to citizens in general, upgrading existing markets, mainstreaming bodaboda operations as well as promoting tourism. Additionally, the county government is working towards establishing the Kilifi County Investment Corporation aimed to create an entity to focus on attracting investments by streamlining investment processes.

Access to Clean water

The County government places a strong emphasis on access to clean water and the use of irrigation fed agriculture. This aligns with several Sustainable Development Goals (SDGs), including SDG 6 (Clean Water and Sanitation), SDG 2 (Zero Hunger), and SDG 13 (Climate Action). The County Government plans to invest in the following: construction of water supply systems, development of boreholes and wells, establishment of water treatment plants, expansion and rehabilitation of existing infrastructure, integration of smart water management technologies and promotion of irrigation through new schemes and revamped existing infrastructure.

Health Services Provision

The County Government of Kilifi outlines a comprehensive plan to strengthen the health system. This focusses on the following strategies; infrastructure development and maintenance, supply chain management, health workforce development, primary healthcare strengthening, quality improvement initiatives.

Infrastructure and Connectivity:

Investing in infrastructure development, specifically rural roads and bridges, is crucial for facilitating connectivity, fostering economic growth, and improving the quality of life for residents in rural areas. This strategy involves feasibility studies, engineering design, construction management, quality assurance, and community engagement. These strategies improve the infrastructure within the county and consequently; increase economic activity, reduce cost of transportation and attracts both large- and small-scale investors. All these directly or indirectly increase revenue collection.

Education and Talent Development:

This strategy focuses on empowering early childhood education (ECE) through targeted funding allocation, professional development for educators, establishment of quality standards and monitoring, parental engagement, and integration of technology. Additionally, it emphasizes nurturing talent and sustainability through investments in education, entrepreneurship support, and skills development programs through vocational training and establishment of a music and film hub. With these strategies in place, the county government efforts to invest in education and talent development eventually will; increase human capital, reduce social spending and establish a skilled workforce.

The Kilifi County Fiscal Strategy Paper (CFSP) is a comprehensive document outlining the county's financial plans for the 2024/2025 fiscal year. It comprises five key sections:

STRUCTURE OF THE COUNTY FISCAL STRATEGY PAPER

The Kilifi County Fiscal Strategy Paper (CFSP) is a comprehensive document outlining the county's financial plans for the 2024/2025 fiscal year. It comprises five key sections:

Chapter 1: Provides background information and the legal basis for the CFSP's preparation.

Chapter 2: Details the major thematic areas and overarching strategic priorities for the upcoming fiscal year.

Chapter 3: Analyzes the macroeconomic environment and its impact on the county's overall fiscal ecosystem.

Chapter 4: Assesses the county's adherence to public finance standards and principles, outlining the fiscal responsibility framework for the coming year.

Chapter 5: Concludes the document.

CHAPTER TWO: FOSTERING ECONOMIC RESILIENCE: UNIFYING STRATEGIES FOR SUSTAINABLE PROSPERITY

2.1 General context

1. The 2024 Budget Policy Statement (BPS) underpins the Kenyan government's commitment to the Bottom-Up Economic Transformation Agenda (BETA), echoing the principles outlined in the Fourth Medium Term Plan of Vision 2030. Amid global challenges such as supply chain disruptions, extreme weather events, and fluctuating commodity prices, the government has implemented bold policy responses to stabilize the economy and enhance resilience. The BETA agenda focuses on agricultural transformation, MSME development, housing, healthcare, and digital infrastructure, aiming to spur employment, income distribution, and foreign exchange earnings. Despite global uncertainties, Kenya's economy exhibited resilience, with a projected growth of 5.5% in 2023 and 2024, supported by private sector growth and policy interventions. To achieve sustainable prosperity, the government prioritizes human capital development, market expansion, domestic resource mobilization, institutional reforms, and digitization.
2. Aligned with the national agenda, Kilifi County's Fiscal Strategy Paper (CFSP) for FY 2024/25 adopts the theme of "Fostering Economic Resilience: Unifying Strategies for Sustainable Prosperity." The County's six strategic priorities encompass economic development, financial management, basic services provision, infrastructure, education, talent development, and innovation and technology. Strategies such as boosting revenue collection, promoting enterprise growth, enhancing health services, and implementing technology initiatives mirror the national focus on inclusive growth, job creation, and poverty alleviation. Kilifi County's efforts to strengthen infrastructure, improve education, and leverage technology align with the BETA agenda's emphasis on market development, human capital investment, and digitization. By fostering economic resilience and pursuing sustainable prosperity, Kilifi County contributes to the broader national goal of transformative development and shared prosperity.
3. Kilifi County is poised to embark on piloting the Value Chain Approach to budgeting, recognizing its potential to revolutionize resource allocation and service delivery. Given the fierce competition for resources and persistent challenges of duplication and fragmentation, the county stands to benefit significantly from adopting this methodology. The proposed framework, as advocated by the National Government and reflected in the BPS 2023 and BPS 2024 (Budget Policy Statement), offers a structured and strategic approach to budgeting and program implementation.
4. By organizing departments into sectors and aligning funding with identified clusters, Kilifi County will streamline its efforts, minimize redundancy, and enhance overall efficiency in resource utilization. Piloting this initiative represents a proactive step towards optimizing service delivery, reducing inefficiencies, and achieving a more transparent and accountable budgeting process. With the potential to achieve cost savings, enhance resource allocation, and mitigate duplication, the Value Chain Approach holds promise for Kilifi County as it endeavors to address its development challenges and meet the needs of its residents effectively.
5. The county Government of Kilifi aims to focus on the following six overarching strategic priorities

in the FY 2024/2025 fiscal year:

2.1.1 Economic development

6. Economic development lies at the heart of Kilifi County's agenda for sustainable prosperity in the fiscal year 2024/25. To achieve this, the county is poised to implement a multifaceted approach focused on crafting proactive economic policies, boosting revenue collection, and fostering enterprise growth. Through the crafting of proactive economic policies, Kilifi aims to create an enabling environment conducive to investment and economic growth. By aligning regulatory frameworks and incentives, the county seeks to attract both local and foreign investors, stimulating economic activity across various sectors.
7. Additionally, the emphasis on boosting revenue collection underscores the county's commitment to financial sustainability and resource mobilization. By leveraging innovative tax administration and policy reforms, Kilifi aims to increase its revenue base, thereby enhancing its capacity to fund development initiatives. Furthermore, fostering enterprise growth is paramount to unlocking the full potential of the county's economy. Through targeted support programs and capacity-building initiatives, Kilifi endeavors to empower local entrepreneurs, spur innovation, and create employment opportunities, ultimately driving inclusive economic growth and prosperity for all residents.

2.1.1.1 Crafting proactive economic policies

8. In pursuit of economic growth and sustainable development, the County Government of Kilifi is poised to enact a series of proactive economic policies for the fiscal year 2024/25. Aligned with the County Integrated Development Plan (CIDP), these policies aim to foster a conducive environment for investment, entrepreneurship, and inclusive economic participation.
9. At the core of these policies lies the Revenue Policy, which will provide a transparent and efficient framework for tax collection, ensuring fairness and accountability in revenue generation. Simultaneously, the Procurement Policy will streamline procurement processes, promoting integrity and value for money in government contracts, thus attracting investors and stimulating local business activity.
10. Furthermore, an Asset Management Policy will optimize the utilization of county assets, enhancing financial sustainability and facilitating economic growth. Complementing these efforts, the Statistics Policy will ensure reliable data collection and analysis, enabling evidence-based decision-making for targeted interventions and resource allocation.
11. Underpinning these policies is a robust Monitoring and Evaluation Policy, facilitating the tracking of economic development initiatives and their impact on the local economy. By evaluating program effectiveness and adjusting strategies accordingly, the County can maximize the benefits of its investments and enhance overall economic resilience.
12. Moreover, the development of a Public Investment Management Policy will guide the prioritization and implementation of key infrastructure projects, catalyzing private sector investment and job creation. Concurrently, the Pre-primary School Policy underscores the importance of early childhood education in nurturing future generations of skilled workers and innovators, thereby fueling long-term economic prosperity.

13. Addressing social welfare concerns, a Social Protection Policy will provide a safety net for vulnerable populations, promoting social equity and inclusion. Meanwhile, a Liquor Policy will regulate alcohol consumption, mitigating its adverse effects on public health and productivity.
14. In alignment with global sustainability goals, the Renewable Energy Policy and County Energy Bill will promote the adoption of clean energy solutions, reducing carbon emissions and fostering green economic growth. By investing in renewable energy infrastructure, the county can unlock new opportunities for job creation and technological innovation.
15. In essence, these proactive economic policies reflect the County Government of Kilifi's commitment to fostering a dynamic and resilient economy that benefits all residents. By prioritizing transparency, accountability, and sustainability, Kilifi County is poised to realize its full economic potential and create a prosperous future for generations to come.

2.1.1.2 Boosting revenue collection

16. The County Government of Kilifi is embarking on a series of proactive strategies aimed at augmenting revenue collection to spur economic development within the region. These initiatives are meticulously designed to ensure fiscal resilience while facilitating the achievement of pivotal developmental goals.
17. In the fiscal year 2024/25, Kilifi County will roll out a comprehensive suite of own-source revenue strategies, prominently featuring the optimization of revenue collection processes through the technological enhancement of cess stations. This pivotal strategy involves equipping cess stations with cutting-edge technology to elevate the efficiency, precision, and transparency of revenue collection procedures, consequently bolstering revenue streams essential for economic advancement.
18. Furthermore, the county is committed to upholding fair and accurate taxation practices by implementing the 2016 valuation roll and supplementary valuation roll for property assessments. This adherence to standardized valuation methodologies is geared towards fortifying the integrity of property taxation systems, thus maximizing revenue collection while instilling investor confidence in the local economic landscape.
19. Moreover, the county plans to fully automate revenue collection processes through the Kilifipay System. This sophisticated approach not only streamlines revenue collection but also minimizes discrepancies and fosters transparency in financial transactions. Additionally, the transition to paperless transactions further enhances operational efficiency and diminishes administrative burdens, facilitating a seamless financial ecosystem conducive to economic expansion.
20. Land and property reforms constitute another cornerstone of revenue enhancement endeavors. By operationalizing the completed valuation roll and conducting land audits, Kilifi County aims to ensure appropriate land use zoning and accurate fee charging, thereby optimizing revenue collection from land-related transactions.
21. Aligned with the Governor's manifesto, Kilifi County will actively pursue land rate defaulters and organize revenue clinics to heighten public awareness regarding tax compliance. Moreover, the establishment of functional markets and the enforcement of stringent mechanisms will further fortify revenue collection efforts, cultivating a culture of compliance among taxpayers.

22. Investing in staff capacity through training initiatives and resource mobilization will be pivotal in enhancing revenue collection endeavors. By empowering staff and providing essential tools and resources like mobile weighing units, the county endeavors to enhance accuracy in determining cess materials' tonnage and overall efficiency in revenue collection.
23. The proactive revenue collection strategies undertaken by the County Government of Kilifi are central to fostering economic development and realizing the Governor's visionary objectives outlined in the manifesto. Through these concerted efforts, Kilifi County endeavors to ensure fiscal sustainability, promote transparency, and create an enabling environment for investment and inclusive economic growth.

2.1.1.3 Fostering enterprise growth

24. In pursuit of fostering enterprise and growth, the County Government of Kilifi will undertake a series of technical initiatives aimed at streamlining regulatory processes and creating a favorable business environment. This entails:
 25. **Simplification of Business Registration Procedures:** Implementing streamlined processes for business registration to reduce bureaucratic hurdles and enhance efficiency. This involves digitizing registration forms and documentation, establishing online portals for application submissions, and optimizing approval workflows to expedite the registration process for entrepreneurs.
 26. **Permitting Optimization:** Rationalizing permit issuance procedures by standardizing application requirements, timelines, and review processes. The government will establish clear guidelines for obtaining permits, licenses, and approvals, ensuring transparency and consistency in decision-making to facilitate timely issuance and compliance for businesses.
 27. **Property Rights Protection:** Strengthening mechanisms for property rights protection to safeguard investments and assets. This includes enhancing land registration systems, improving land tenure security, and enforcing property rights laws to prevent disputes and ensure legal certainty for property owners and investors.
 28. **Contract Law Enforcement:** Enhancing enforcement mechanisms for contract law to uphold contractual obligations and resolve disputes effectively. The government will establish legal frameworks for contract enforcement, including alternative dispute resolution mechanisms such as arbitration and mediation, to provide recourse for parties in commercial disputes and maintain confidence in business transactions.
 29. **Investor and Entrepreneur Confidence Building:** Implementing outreach and awareness campaigns to educate investors and entrepreneurs about regulatory reforms and business-friendly policies. This includes disseminating information about regulatory changes, providing guidance on compliance requirements, and fostering trust and confidence in the business environment through proactive engagement with stakeholders.

30. **Access to Finance:** In alignment with its economic development objectives, the Kilifi County Government is strategically leveraging the Wezesha fund initiative to enhance access to finance for Micro, Small, and Medium-sized Enterprises (MSMEs). Through a series of strategic interventions, the government is collaborating with financial institutions to provide affordable and accessible financing options, including grants, loans, and equity investments, aimed at supporting business expansion and investment activities within the county. The government acts as a facilitator, coordinating the implementation of the Wezesha fund initiative in partnership with financial institutions. This involves establishing clear guidelines, eligibility criteria, and application procedures for accessing the fund, ensuring transparency and accountability in the allocation and disbursement of financial resources.
31. **Financial Institution Engagement:** Kilifi County collaborates with a network of financial institutions, including banks, microfinance institutions, and investment funds, to provide diverse financing options tailored to the needs of MSMEs. Through partnerships with these institutions, the government expands the reach of the Wezesha fund and enhances access to financial services for entrepreneurs and businesses across the county.
32. **Entrepreneurship Education and Training:** The Kilifi County government will Integrate entrepreneurship education and training into vocational programs to foster a culture of innovation, creativity, and risk-taking from an early age. The government will also provide entrepreneurship training programs, workshops, and mentorship initiatives to equip aspiring entrepreneurs with the skills, knowledge, and networks needed to start and grow successful businesses.
33. To kickstart economic growth, the County will focus on refurbishing existing markets and providing essential amenities such as water, toilets, and electricity. Operationalizing stalled market projects and installing modern container stalls will upgrade existing infrastructure, creating a conducive environment for business activities.
34. In rural areas, the establishment of market centers equipped with tents aims to promote local entrepreneurship and enhance community engagement. By providing widespread access to economic opportunities, these initiatives empower individuals to invest in and grow their ventures, thereby fostering economic self-sufficiency and community development.
35. Through the development of cooperative legislation, promotion of new cooperative enterprises, and revitalization of dormant cooperatives, the county aims to create a conducive environment for cooperative growth and sustainability. By providing cooperative members with education, training, and marketing infrastructure, the county empowers them to maximize their economic potential and access new market opportunities.
36. The county government of Kilifi is embarking on a transformative project called "boda boda mainstreaming" to formalize and improve the operations of motorcycle taxis in the area. This plan involves registering boda boda operators with the National Transport and Safety Authority

(NTSA) to ensure they comply with regulations and promote safer transport practices. Additionally, the program includes setting up Community-Based Organizations (CBOs) in different areas, empowering operators to address common issues together. Through these organizations, operators will receive essential training on responding to emergencies and administering first aid.

37. In line with the Governor's commitment to promoting tourism, the county has unveiled the Kenyan Riviera tourism product aimed at attracting both local and international tourists. This will boost tourist numbers to 500,000 annually. This initiative, is championed by the Kilifi Riviera Tourist Association, will strategically promote the county's unique tourism attractions globally. By improving infrastructure, enhancing tourism products, and implementing aggressive marketing strategies, Kilifi County seeks to position itself as a premier tourist destination while preserving its natural beauty and cultural heritage. Additionally, the county's efforts to promote sports tourism, as evidenced by the successful hosting of the Magical Kenya Ladies Open, further contribute to economic development by attracting visitors and generating revenue for the local economy.
38. Sport tourism in Kilifi County represents a dynamic and burgeoning sector that holds immense potential for economic growth and community development. With its stunning natural landscapes, vibrant cultural heritage, and a rich array of sporting activities, Kilifi County has emerged as a prime destination for sports enthusiasts from across the globe.
39. At the heart of Kilifi's sport tourism initiatives lies a commitment to showcasing the county's diverse sporting offerings while simultaneously harnessing the economic benefits associated with hosting sporting events. One of the standout achievements in this realm is the successful hosting of the Ladies European Tour at the picturesque Vipingo Ridge golf course. This prestigious event, which has been held multiple times, not only puts Kilifi County on the global sporting map but also serves as a catalyst for tourism promotion and local economic development.
40. The Magical Kenya Ladies Open, held annually, has become a flagship event that attracts top-tier professional golfers and enthusiasts alike. Against the backdrop of Kilifi's breathtaking scenery, players compete on a championship course that offers both challenge and beauty, captivating audiences and leaving a lasting impression on participants and spectators alike.
41. Moreover, the hosting of international golf tournaments not only elevates Kilifi County's profile as a premier golfing destination but also stimulates economic activity in various sectors. From hospitality and tourism services to local businesses and vendors, the influx of visitors during these events generates revenue, creates employment opportunities, and fosters community engagement.
42. Beyond golf, Kilifi County boasts a diverse range of sporting activities that cater to a wide audience. From water sports such as surfing, kiteboarding, and snorkeling along the pristine coastline to land-based activities like cycling, running, and beach volleyball, Kilifi offers something for everyone. These activities not only promote physical well-being and healthy lifestyles but also contribute to the overall appeal of the destination for sports tourism.

43. In addition to hosting sporting events, Kilifi County is committed to investing in sports infrastructure and facilities that enhance the visitor experience and support the growth of local sporting communities. By upgrading facilities, developing training programs, and fostering partnerships with sports organizations, Kilifi aims to position itself as a hub for sports tourism, attracting athletes, teams, and enthusiasts from around the world.
44. Looking ahead, Kilifi County remains dedicated to promoting sport tourism as a key driver of economic development and sustainable growth. By leveraging its natural assets, embracing innovation, and fostering collaboration across sectors, Kilifi is poised to realize its vision of becoming a world-class destination for sports tourism, where athleticism, adventure, and opportunity converge to create unforgettable experiences for all.
45. The Kilifi County Government is currently undertaking the establishment of the Kilifi County Investment Corporation, a significant initiative aimed at fostering economic development and attracting investments into the county. This corporation will serve as a pivotal vehicle for channeling investment opportunities and facilitating partnerships between the public and private sectors. By creating a dedicated entity focused on investment, the county aims to streamline processes, enhance transparency, and provide a conducive environment for businesses to thrive.
46. The Kilifi County Investment Corporation will play a multifaceted role in advancing the county's economic agenda. It will act as a catalyst for economic growth by identifying strategic sectors and projects that align with the county's development priorities. Through strategic planning and rigorous investment analysis, the corporation will identify viable opportunities that have the potential to generate significant returns and create employment opportunities for residents.
47. The enterprise growth strategies outlined by the County Government of Kilifi are integral to enhancing economic development and realizing the Governor's vision of economic empowerment through trade, industry, and commerce. By fostering a conducive business environment, supporting entrepreneurship, and promoting key economic sectors such as tourism and agriculture, Kilifi County is poised for sustainable and inclusive growth in the years to come.
49. Through these strategic interventions, the County Government of Kilifi aims to create an enabling regulatory environment that promotes entrepreneurship, investment, and economic growth. By streamlining regulatory processes, reducing bureaucratic barriers, and strengthening legal frameworks, the government seeks to attract investment, facilitate business expansion, and enhance the overall competitiveness of the County's economy.

2.1.2 Financial Management and Procurement

50. To foster prudent financial management, the County Treasury will implement financial management and procurement strategies that will enhance efficient financial management and procurement processes in Kilifi County. These strategies are aligned with the Governor's vision

and are designed to optimize resource utilization, promote transparency, and ensure compliance with financial regulations. The county Treasury will deploy rigorous budgetary controls and monitoring mechanisms to enforce compliance with allocated budgets and mitigate the risk of overspending. This involves the following strategic steps:

51. ***Establishment of Budgetary Targets:*** The County Treasury will set clear and achievable budgetary targets aligned with strategic priorities and fiscal objectives. These targets will be based on comprehensive assessments of departmental needs, revenue projections, and expenditure forecasts to ensure realistic budget allocations.
52. ***Regular Budget Reviews:*** Implementing a systematic process for conducting regular reviews of the budget to assess expenditure patterns, revenue trends, and budgetary performance. This involves monitoring actual expenditures against budgeted amounts, analyzing variances, and identifying any deviations from the approved budget.
53. ***Implementation of Spending Limits:*** Enforcing spending limits and controls to regulate expenditure levels and prevent overspending. The County Treasury will establish thresholds and controls for different expenditure categories, departments, and programs to ensure that expenditures remain within approved budgetary limits.
54. ***Expenditure Tracking and Monitoring:*** Deploying robust systems and tools for tracking and monitoring expenditures in real time. This includes leveraging the IFMIS and reporting systems to capture expenditure data, track commitments, and monitor spending activities across departments and programs.
55. ***Variance Analysis and Corrective Action:*** Conducting variance analysis to identify discrepancies between budgeted and actual expenditures. The County Treasury will analyze the root causes of variances, assess their implications on budgetary performance, and take timely corrective action to address any deviations from the approved budget.
56. ***Internal Controls and Audit Trails:*** Implementing internal controls and audit trails to enhance transparency, accountability, and integrity in budget execution. This involves establishing clear procedures for authorization, verification, and documentation of expenditures, as well as conducting regular internal audits to ensure compliance with budgetary regulations and guidelines.
57. ***Stakeholder Engagement and Reporting:*** Engaging relevant stakeholders, including department heads, and oversight bodies, in the budget monitoring and control process. The County Treasury will provide regular updates and reports on budgetary performance, expenditure trends, and corrective actions taken to address any budgetary challenges or issues.
58. ***Internal Controls and Audit Trails:*** The County Treasury will Implement internal controls and audit trails to enhance transparency, accountability, and integrity in budget execution. This will involve establishing clear procedures for authorization, verification, and documentation of

expenditures, as well as conducting regular internal audits to ensure compliance with budgetary regulations and guidelines.

59. **Internal Controls and Risk Management:** Strengthening internal controls and risk management frameworks to mitigate financial risks, prevent fraud, and safeguard public assets. This will include implementing segregation of duties, conducting regular internal audits, and enforcing policies and procedures to promote adherence to financial regulations and standards.
60. **Supplier and Contractor Performance Evaluation:** The County Treasury will implement performance evaluation mechanisms to assess the performance of suppliers and contractors against predefined criteria and benchmarks. Regular performance reviews help identify underperforming vendors, address issues promptly, and improve accountability in procurement transactions.
61. **Capacity Building and Training:** The County Treasury will invest in capacity building and training programs for financial management staff and procurement officers to enhance their skills and competencies. Providing training on financial regulations, procurement processes, and best practices improves staff proficiency, fosters a culture of compliance, and ensures effective execution of financial and procurement functions.
62. **Centralized System:** The County Treasury will establish a centralized system for managing the booking of air tickets, reservation of hotels, and coordination of conference logistics for all County government events. This strategic initiative aims to streamline logistics, reduce costs, and enhance coordination by consolidating these activities within the County Treasury.

Key technical aspects of this approach include:

63. **Centralized Procurement Hub:** Setting up a centralized procurement hub within the County Treasury to oversee the procurement of hotels, conference facilities, and air tickets for both domestic and international travel. All procurement activities related to these services will be managed centrally to ensure consistency and efficiency.
64. **Standardized Procurement Processes:** Developing standardized procurement processes and guidelines for requesting and approving the booking of hotels, conference venues, and air tickets. These processes will outline the steps for submitting procurement requests, obtaining approvals, and executing contracts in compliance with procurement regulations.
65. **Budget Allocation and Monitoring:** Allocating budgetary resources for hotel bookings, conference logistics, and air travel within the County Treasury's budget framework. The Treasury will establish spending limits and monitor expenditures to ensure that allocated funds are utilized effectively and in accordance with budgetary constraints.

66. **Approval Authority:** Designating the County Treasury as the central authority responsible for approving all procurement transactions related to hotels, conference venues, and air tickets. Departments and county agencies will be required to seek approval from the Treasury before initiating any procurement activities in these areas.
67. **Vendor Management and Negotiation:** Managing vendor relationships and negotiating contracts with hotels, conference facilities, and airlines to secure favorable terms and pricing. The County Treasury will engage with vendors to obtain competitive quotes, negotiate contracts, and monitor vendor performance to ensure value for money.
68. By centralizing the booking of air tickets, reservation of hotels, and coordination of conference logistics, the County Treasury aims to optimize resource allocation, minimize administrative burden, and improve transparency and accountability in procurement processes related to travel and events within the county government.

2.1.3 Basic Services Provision.

70. In its pursuit of sustainable development and inclusive growth, Kilifi County places a strong emphasis on enhancing the provision of basic services to its residents. This strategic priority encompasses various initiatives aimed at improving access to essential services such as clean water, irrigation, and healthcare. Recognizing the pivotal role of these services in promoting social well-being and economic productivity, the county government is committed to undertaking targeted interventions to address existing challenges and bridge service gaps. By prioritizing access to clean water and irrigation, Kilifi aims to ensure the availability of safe and reliable water sources for domestic, agricultural, and industrial use, thereby supporting livelihoods and fostering agricultural productivity. Additionally, through strengthening the health system, the county seeks to enhance access to quality healthcare services, including preventive, promotive, curative, and rehabilitative care, to improve health outcomes and enhance the overall well-being of its residents. Through these concerted efforts, Kilifi County aims to create an enabling environment where all individuals have equitable access to essential services, laying the foundation for sustainable development and prosperity.

2.1.3.1 Access to clean water and irrigation.

71. Access to clean water and efficient irrigation systems is paramount for sustainable development and the well-being of communities in Kilifi County. His Excellency Governor Gideon Munga'ro has prioritized this crucial area, allocating substantial funding in the forthcoming fiscal year 2024/25 budget to address water access and irrigation challenges. Enhancing access to clean water and irrigation aligns closely with several Sustainable Development Goals (SDGs), including SDG 6 (Clean Water and Sanitation), SDG 2 (Zero Hunger), and SDG 13 (Climate Action).
72. In alignment with our strategic objectives, the County Government of Kilifi is committed to investing in the comprehensive development and maintenance of water infrastructure to improve access to clean and safe drinking water for both urban and rural communities. This strategic

initiative encompasses several key components:

73. **Construction of Water Supply Systems:** The County will undertake the construction of water supply systems to provide reliable access to clean water for residential, commercial, and industrial purposes. This includes the installation of pipelines, pumps, and storage facilities to facilitate the efficient distribution of water to communities across the county.
74. **Development of Boreholes and Wells:** As part of our strategy to enhance water accessibility, we will drill boreholes and construct wells in areas with limited access to surface water sources. These boreholes and wells will serve as alternative water sources, particularly in rural and remote areas where traditional water supply systems may be impractical or cost-prohibitive.
75. **Establishment of Water Treatment Plants:** To ensure the provision of safe drinking water, the County will invest in the establishment of water treatment plants to treat raw water from natural sources, such as rivers, and groundwater. These treatment plants will employ advanced filtration, disinfection, and purification technologies to remove contaminants and pathogens, ensuring that water meets quality standards before distribution.
76. **Expansion and Rehabilitation of Existing Infrastructure:** In addition to developing new infrastructure, the County will prioritize the expansion and rehabilitation of existing water infrastructure to address capacity constraints, reduce losses from leaks and system inefficiencies, and improve overall reliability and performance.
77. **Integration of Smart Water Management Technologies:** As part of our commitment to innovation and efficiency, the County will explore the integration of smart water management technologies, such as remote monitoring systems, leak detection sensors, and automated metering infrastructure. These technologies will enable real-time monitoring and management of water distribution networks, optimizing resource allocation and reducing operational costs.
78. In parallel, the county will promote irrigation by investing in new schemes and revamping existing infrastructure, including the construction of water harvesting structures to capitalize on rainwater for agricultural purposes. This initiative will bolster food security (SDG 2) and agricultural productivity, crucial for economic growth and poverty alleviation in the region.
79. The county government's commitment to addressing water access and irrigation challenges is evident through specific initiatives, including the construction and installation of essential water facilities such as 50 boreholes, 150 kilometers of water pipeline, 69 water storage tanks, 23 water pans/earth dams, and 4 water desalination facilities. These targeted interventions align closely with the overarching goal of the county government to prioritize access to clean water and irrigation as outlined in the County Integrated Development Plan (CIDP) and Governor's manifesto pledges.
80. Promoting access to safe water and fostering irrigation is one of the core areas of focus for His Excellency Governor Gideon Munga'ro. Through strategic investments in water infrastructure and innovative solutions, Kilifi County is poised to significantly improve water access and irrigation efficiency, thereby fostering sustainable development and prosperity for its residents. Through these strategic interventions, the County Government of Kilifi aims to enhance water accessibility, quality, and reliability for all residents. By investing in the development and maintenance of

water infrastructure, we are laying the foundation for improved public health, economic development, and overall well-being within the community.

2.1.3.2 Strengthening the Health System.

I. Infrastructure Development and Maintenance.

81. In the forthcoming fiscal period, the County Government of Kilifi is directing funds towards several key endeavors within the healthcare sector. Specifically, allocations will be made for the continuation of ongoing healthcare facility construction projects, revitalization of stalled facilities, and renovation of existing structures. The overarching goal is to amplify and enhance the county's healthcare infrastructure.
82. This strategic allocation encompasses equipping the Medical Complex, which is slated to serve as a pinnacle healthcare facility offering comprehensive medical services to the populace. The envisioned complex will be outfitted with state-of-the-art medical equipment, cutting-edge technology, and requisite infrastructure to cater to a wide array of healthcare needs within the community.
83. Furthermore, funds will be channeled toward the revitalization of stalled healthcare projects, ensuring their completion and integration into the county's healthcare network. Additionally, resources will be dedicated to the renovation of existing healthcare facilities, aimed at modernizing infrastructure, enhancing functionality, and optimizing service delivery.
84. Through these concerted efforts, the County Government of Kilifi is committed to expanding and upgrading its healthcare infrastructure, thereby bolstering access to quality healthcare services for residents across the county. This strategic investment aligns with our overarching objective of promoting health and well-being while fostering sustainable development within the region.

II. Supply Chain Management

85. In alignment with strategic priorities, the County Government has strategically prioritized the allocation of resources to guarantee the availability of health products and technologies across healthcare facilities. This targeted allocation encompasses pharmaceuticals, medical consumables, and essential healthcare commodities crucial for the delivery of quality healthcare services.
86. To achieve this objective, the government is focusing on enhancing supply chain management systems to optimize procurement, storage, and distribution processes. This involves the implementation of robust inventory management techniques, utilization of advanced tracking and monitoring systems, and establishment of efficient logistics networks.

Key elements of this strategy include:

87. ***Procurement Optimization:*** Implementing streamlined procurement processes to ensure timely acquisition of health products and technologies. This includes leveraging bulk purchasing agreements, negotiating favorable contracts with suppliers, and conducting market assessments to identify cost-effective procurement options.

88. **Inventory Management:** Enhancing inventory management practices to prevent stockouts and minimize wastage. This involves implementing inventory control systems, establishing minimum stock levels, and conducting regular inventory audits to monitor stock levels and replenish supplies as needed.
89. **Storage Infrastructure:** Upgrading storage facilities to ensure the safe and secure storage of health products and technologies. This includes investing in temperature-controlled storage facilities, implementing proper storage protocols, and ensuring compliance with regulatory requirements for storing pharmaceuticals and medical supplies.
90. **Distribution Networks:** The County government aims to establish efficient distribution networks to facilitate the timely delivery of health products and technologies to healthcare facilities. This will involve establishing centralized distribution centers, utilizing dedicated logistics partners, and implementing routing optimization strategies to minimize transportation costs and delivery times.
91. By strengthening supply chain management systems, the County Government aims to prevent stockouts, optimize resource utilization, and ensure the continuity of care for residents across the County. This strategic allocation of resources reflects our commitment to enhancing the availability and accessibility of essential healthcare commodities, thereby improving health outcomes and promoting the well-being of our community.

III. Health Workforce Development

92. In alignment with our healthcare workforce development objectives, concerted efforts are underway to recruit, train, and retain qualified healthcare personnel across various specialties including doctors, nurses, pharmacists, laboratory technicians, and support staff. This comprehensive strategy encompasses investments in capacity-building initiatives, continuing education programs, and performance incentives aimed at enhancing the skills and competencies of healthcare workers and improving service delivery.
93. **Recruitment:** The County Government will be actively recruiting qualified healthcare professionals to fill critical vacancies within the healthcare system. This will involve conducting targeted recruitment drives and leveraging professional networks to attract top talent to serve in key roles across healthcare facilities.
94. **Training and Education:** Substantial investments are being made in training and education programs to enhance the skills and competencies of healthcare workers. This includes providing opportunities for continuous professional development, offering specialized training programs in areas of high demand, and facilitating participation in conferences, workshops, and seminars to stay abreast of the latest developments in healthcare practice.
95. **Capacity Building:** The County Government is committed to building the capacity of healthcare workers to meet the evolving needs of the healthcare sector. This involves providing access to specialized training courses, workshops, and certification programs tailored to the specific needs of different healthcare professions. Additionally, mentorship and coaching programs are being implemented to support the professional growth and development of healthcare workers at all levels.

96. **Performance Incentives:** Incentive programs will be introduced to recognize and reward exemplary performance among healthcare workers. This includes performance-based bonuses, merit-based promotions, and other incentives designed to motivate and retain talented individuals within the healthcare workforce.
97. **Retention Strategies:** Efforts are being made to implement retention strategies aimed at reducing turnover and retaining experienced healthcare professionals within the healthcare system, this include providing opportunities for career advancement and professional growth, and creating a supportive work environment that values and recognizes the contributions of healthcare workers.
98. By investing in recruitment, training, and retention initiatives, the County Government aims to strengthen the healthcare workforce, improve service delivery, and ultimately enhance the quality of healthcare services provided to residents across the region. This strategic approach reflects our commitment to building a skilled and resilient healthcare workforce capable of meeting the diverse healthcare needs of our community.

IV. Health Information Systems

99. In line with our healthcare modernization efforts, the County Government is embarking on the implementation of robust health information systems to streamline data management processes, enhance analysis capabilities, and facilitate evidence-based decision-making within the healthcare sector.

Key components of this initiative include:

100. **Health Data Collection and Analysis:** Establishing comprehensive health information systems to systematically collect, aggregate, and analyze data on various health indicators, disease trends, and service utilization patterns. This involves the integration of data sources from healthcare facilities, public health programs, and community health initiatives to provide a comprehensive view of population health.
101. **Electronic Health Records (EHRs):** Implementing electronic health record (EHR) systems across healthcare facilities to digitize patient health information and facilitate seamless data sharing and access. EHRs will enable healthcare providers to capture, store, and retrieve patient information electronically, improving efficiency, accuracy, and continuity of care.
102. **Health Information Exchanges (HIEs):** Establishing health information exchange (HIE) platforms to enable interoperability and data exchange among different healthcare providers and systems. HIEs will facilitate the secure sharing of patient health information across care settings, promoting care coordination, and continuity of care.
103. **Data Integration and Visualization Tools:** Deploying data integration and visualization tools to transform raw health data into actionable insights. This includes the use of data analytics software to identify trends, patterns, and correlations in health data, enabling stakeholders to make informed decisions and prioritize resource allocation effectively.
104. **Decision Support Systems:** Implementing decision support systems to assist healthcare providers and administrators in making evidence-based decisions. This involves the development

of clinical decision support tools, population health management dashboards, and predictive analytics models to improve clinical outcomes and optimize resource utilization.

105. Through the implementation of robust health information systems, the County Government aims to improve data quality, enhance communication and coordination among healthcare facilities, and empower stakeholders with actionable insights to drive informed decision-making. This strategic investment in health information technology will contribute to the delivery of high-quality, patient-centered care and the promotion of population health within the community.

V. Primary Healthcare Strengthening

106. In line with our strategic healthcare priorities, the County Government of Kilifi is placing a strong emphasis on prioritizing primary healthcare as the cornerstone of our health system. This strategic approach underscores our commitment to preventive care, health promotion, and early intervention, aiming to improve overall health outcomes and reduce the burden of disease within our community.

Under this Component, the following strategies will be implemented:

107. ***Expansion of Essential Health Services:*** We are prioritizing the expansion of access to essential health services, including immunizations, maternal and child health services, and chronic disease management. This involves increasing the availability of these services through community-based program(CHPs), outreach programs, and mobile health units to ensure accessibility for all residents, particularly those in underserved areas.
108. ***Focus on Preventive Care and Health Promotion:*** Our primary healthcare strategy places a strong emphasis on preventive care and health promotion initiatives. This includes implementing community-wide health education campaigns, promoting healthy lifestyle choices, and conducting screenings and assessments to identify health risks early on. By empowering individuals to take proactive steps towards better health, we aim to prevent the onset of diseases and promote overall well-being.
109. ***Early Intervention and Disease Management:*** We recognize the importance of early intervention in addressing health issues before they escalate into more serious conditions. As part of our primary healthcare approach, we are investing in early detection and diagnosis programs, as well as comprehensive disease management services for conditions such as diabetes, hypertension, and infectious diseases. By providing timely interventions and ongoing support, we aim to improve health outcomes and reduce the burden of chronic illness within our community.
110. ***Community-Based Clinics and Outreach Programs:*** To improve access to primary healthcare services, we are expanding the network of community-based clinics and outreach programs. These facilities will serve as accessible points of care for residents, offering a range of services tailored to the specific needs of the local population. Additionally, outreach programs will target remote and marginalized communities, ensuring that no one is left behind in our efforts to promote health and well-being.
111. By prioritizing primary healthcare and expanding access to essential services, the County Government of Kilifi is laying a strong foundation for a healthier future for our community. This

strategic approach reflects our commitment to promoting preventive care, empowering individuals to take control of their health, and ensuring equitable access to high-quality healthcare services for all residents.

VI. Quality Improvement Initiatives

112. In accordance with our commitment to excellence in healthcare delivery, the County Government of Kilifi is implementing a comprehensive quality improvement program to uphold established standards of safety, effectiveness, and patient-centeredness across healthcare services.

Key Strategies to this program will include:

113. ***Quality Assurance Mechanisms.*** Implementation of robust quality assurance mechanisms to ensure adherence to established standards of care. This involves developing standardized protocols, clinical guidelines, and best practices to guide healthcare delivery and promote consistency in service provision.

114. ***Regular Assessments and Audits.*** Conducting regular assessments, audits, and performance evaluations to monitor the quality of healthcare services and identify areas for improvement. This includes systematic reviews of clinical outcomes, patient satisfaction surveys, and audits of healthcare processes and procedures to assess compliance with quality standards.

115. ***Performance Indicators and Metrics.*** Establishing performance indicators and metrics to measure key aspects of healthcare quality, such as patient safety, clinical effectiveness, and patient experience. This involves defining measurable targets and benchmarks against which performance can be evaluated and improvements tracked over time.

116. ***Continuous Quality Improvement Initiatives.*** Implementation of continuous quality improvement initiatives to drive ongoing enhancements in healthcare service delivery. This includes fostering a culture of continuous learning and improvement among healthcare providers, promoting innovation and creativity in problem-solving, and empowering frontline staff to identify and address quality issues proactively.

117. ***Feedback Mechanisms.*** Establishing feedback mechanisms to solicit input from patients, caregivers, and healthcare providers on their experiences with healthcare services. This includes encouraging open communication channels, providing opportunities for feedback and suggestions, and actively soliciting input from stakeholders to inform quality improvement efforts.

118. By implementing a comprehensive quality improvement program, the County Government of Kilifi aims to ensure that healthcare services consistently meet established standards of safety, effectiveness, and patient-centeredness. This strategic approach reflects our commitment to delivering high-quality, patient-centered care and continuously improving the health outcomes and experiences of our community members.

2.1.4 Infrastructure and connectivity

119. In pursuit of our objectives to bolster infrastructure and connectivity, the County Government of Kilifi is poised to implement a series of strategies aimed at fostering economic growth, enhancing quality of life, and promoting sustainable development within the region. The County Government is committed to investing in the comprehensive development and maintenance of our infrastructure network, with a specific focus on rural roads and bridges. This initiative is crucial for facilitating connectivity, fostering economic growth, and improving the quality of life for residents in rural areas.

Key elements of this strategy include:

120. ***Feasibility Studies:*** The team of engineers in the County Division of Public Works will conduct thorough feasibility studies to assess the viability and potential impact of proposed roads, walkways and bridge projects. This involves analyzing factors such as terrain, traffic volume, economic benefits, and environmental considerations to inform project decision-making and prioritize investment in areas with the greatest need.

121. ***Engineering Design:*** The team of engineers in the Department of Roads and Public Works will be tasked with designing road, walkways and bridge infrastructure to meet established safety, durability, and performance standards. This includes designing road alignments, determining appropriate bridge spans and structures, and specifying materials and construction techniques to ensure the longevity and reliability of the infrastructure.

122. ***Construction Management:*** The County will implement rigorous construction management practices to ensure the timely and efficient delivery of road and bridge projects. This involves overseeing construction activities, coordinating with contractors and subcontractors, and monitoring progress to ensure adherence to project schedules, budgets, and quality standards.

123. ***Quality Assurance and Control:*** Throughout the construction process, the County Division of Public Works will implement robust quality assurance and control measures to uphold the integrity and safety of the infrastructure. This includes conducting inspections, testing materials, and enforcing compliance with engineering specifications and regulatory requirements to mitigate risks and prevent defects.

124. ***Community Engagement and Stakeholder Consultation:*** The County Government will actively engage with local communities and stakeholders throughout the project lifecycle to solicit input, address concerns, and promote transparency and accountability in project delivery. This includes conducting public consultations, providing regular updates on project progress, and soliciting feedback to inform decision-making and ensure project outcomes align with community needs and priorities.

125. By investing in the development and maintenance of rural roads and bridges, the County Government aims to enhance connectivity, facilitate access to markets and essential services, and stimulate economic development in rural areas. This strategic investment in infrastructure underscores our commitment to improving the quality of life for all residents of Kilifi County.

126. ***Digital Infrastructure Expansion:*** The County through the Division of ICT and E-government is committed to expanding digital infrastructure, including broadband networks, fiber-optic cables, and wireless communication technologies. This entails deploying infrastructure components such as base stations, network switches, and data centers to improve internet connectivity and access to digital services across the county.
127. ***Public-Private Partnerships (PPPs):*** The County government intend to promote public-private partnerships to finance, develop, and operate infrastructure projects. This involves identifying viable PPP opportunities, conducting feasibility studies, and negotiating contractual agreements with private sector partners to leverage their expertise and resources in infrastructure development.

Enhancing infrastructure and connectivity

128. Enhancing infrastructure and connectivity in Kilifi County is paramount for driving economic *growth*, improving accessibility, and raising the standard of living for its residents. A well-developed road network is indispensable in achieving these objectives, as it facilitates the movement of people, goods, and services, thereby stimulating economic activity and social development. Additionally, robust infrastructure is instrumental in advancing several Sustainable Development Goals (SDGs), including SDG 9 (Industry, Innovation, and Infrastructure) and SDG 11 (Sustainable Cities and Communities), by promoting inclusive and sustainable growth.
129. To realize these goals, the county will implement a multifaceted approach that includes the opening up of feeder access roads in rural areas. This strategy aims to improve connectivity to underserved regions, enabling farmers and entrepreneurs to transport their products more efficiently. By reducing transportation costs and stimulating agricultural productivity, this initiative contributes to poverty reduction (SDG 1) and food security (SDG 2), while also enhancing access to education and healthcare services, thereby advancing SDG 3 (Good Health and Well-being) and SDG 4 (Quality Education).
130. Furthermore, the enhancement of parking facilities within urban centers is vital for reducing congestion and promoting tourism and commerce. Adequate parking infrastructure attracts visitors and investors, supporting economic growth and job creation (SDG 8). Moreover, the upgrading and maintenance of roads network systems improve transport logistics, reduce vehicle maintenance costs, and attract investment, contributing to sustainable industrialization and economic diversification (SDG 9).
131. In parallel, the county's commitment to green energy underscores its dedication to environmental sustainability and combating climate change (SDG 7 and SDG 13). By ensuring that every county project or infrastructure adopts green energy considerations, such as harnessing renewable energy sources and promoting energy efficiency, the county not only reduces its carbon footprint but also enhances resilience to climate-related risks.
132. Overall, the county's strategies for enhancing infrastructure and connectivity align with its

broader development agenda and commitment to achieving the SDGs. By investing in roads, drainage facilities, administrative infrastructure, education facilities, and energy infrastructure, Kilifi County seeks to foster inclusive and sustainable growth, improve the well-being of its residents, and create a conducive environment for investment and prosperity.

2.1.5 Education and Talent Development:

A. Empowering Early Childhood Education.

133. The County Government aims to Improve efficiency in early childhood education by employing various strategies to optimize resources, enhance educational quality, and maximize outcomes for children.

Targeted Funding Allocation:

134. In adherence to a data-driven approach, the County Government of Kilifi is committed to allocating funding for early childhood education (ECE) programs based on evidence-based strategies. This entails a meticulous assessment of existing data, including demographic information, socioeconomic indicators, and accessibility metrics, to identify areas where resources are most needed.
135. Utilizing geographic information systems (GIS) and other analytical tools, we will conduct spatial analyses to pinpoint low-income areas or communities with limited access to ECE services within Kilifi County. These analyses will help us prioritize resource allocation and target interventions where they can have the greatest impact on addressing disparities in access and quality.
136. Furthermore, we will draw upon research findings and best practices in the field of ECE to inform decision-making regarding funding allocation. By leveraging insights from empirical studies and evaluations of successful interventions, we can ensure that resources are directed towards initiatives with proven effectiveness in promoting positive outcomes for children and families. The funding allocation process will be guided by a transparent and equitable framework that takes into account the unique needs and circumstances of different communities within the county. Emphasis will be placed on fostering collaboration with local stakeholders, including community organizations, non-profits, and educational institutions, to ensure that resources are deployed in a manner that reflects community priorities and preferences.
137. Through this evidence-based approach to funding allocation, the County Government seeks to maximize the impact of its investments in ECE programs, ultimately advancing equity, accessibility, and quality in early childhood education across Kilifi County.

Investment in Professional Development:

138. In line with our commitment to enhancing the quality of early childhood education (ECE) programs, the County Government of Kilifi is implementing a comprehensive strategy to provide training and ongoing professional development opportunities for early childhood educators. This

initiative is designed to equip educators with the necessary skills, knowledge, and competencies in areas such as child development, teaching methodologies, and classroom management, thereby enhancing their capacity to effectively support children's learning and development.

139. The professional development program will be tailored to address the specific needs and challenges faced by early childhood educators within our county. Training modules will cover a range of topics, including but not limited to:
140. **Child Development:** Educators will gain a deeper understanding of the physical, cognitive, social, and emotional development stages of young children, enabling them to tailor their teaching approaches to meet individual needs and promote optimal learning outcomes.
141. **Teaching Methodologies:** Educators will be exposed to evidence-based instructional strategies and pedagogical approaches that are grounded in best practices for early childhood education. This includes techniques for promoting active learning, fostering creativity, and facilitating meaningful interactions in the classroom.
142. **Classroom Management:** Educators will learn effective strategies for creating positive and inclusive learning environments, managing behavior challenges, and promoting positive social interactions among children. This will contribute to the overall effectiveness of the learning environment and support children's engagement and participation in learning activities.
143. The professional development program will be delivered through a combination of workshops, seminars, online courses, and peer learning opportunities, ensuring flexibility and accessibility for educators with diverse schedules and preferences. Additionally, ongoing support and mentoring will be provided to educators to reinforce learning and facilitate the implementation of new strategies in their classrooms.
144. By investing in the professional development of early childhood educators, the County Government aims to build a skilled and competent workforce that is better equipped to meet the diverse needs of young children and support their holistic development. Ultimately, this initiative will contribute to the overall quality and effectiveness of early childhood education programs in Kilifi County, paving the way for improved outcomes for children and families in our community.
145. **Quality Standards and Monitoring:** In light of the introduction of both the Statistics and the Monitoring and Evaluation Policies, the County Government of Kilifi is strategically positioning itself to establish and enforce robust quality standards for early childhood education (ECE) programs. These standards encompass key aspects such as teacher-to-child ratios, curriculum standards, and health and safety protocols, ensuring that ECE programs within the county adhere to best practices and deliver high-quality services to children and families.
146. Through the implementation of these policies, the County Government aims to create a framework that promotes accountability and transparency in the provision of ECE services. By setting clear benchmarks for teacher-to-child ratios, we ensure that classrooms are adequately staffed to provide personalized attention and support to each child, thereby enhancing learning outcomes and overall program quality.

147. Additionally, standardized curriculum standards will ensure consistency and coherence in the educational experiences offered across different ECE programs within the county. By aligning curricula with established guidelines and best practices, we can enhance the relevance, effectiveness, and developmental appropriateness of educational content delivered to young learners.
148. Moreover, the establishment of health and safety protocols underscores our commitment to creating safe and nurturing environments for children to thrive. These protocols encompass measures to safeguard children's physical and emotional well-being, including hygiene practices, emergency preparedness, and child protection policies.
149. Regular monitoring and evaluation processes will be implemented to assess compliance with established quality standards and identify areas for improvement. Through systematic data collection, analysis, and feedback mechanisms, we can track progress, address challenges, and make informed decisions to enhance the overall quality and effectiveness of ECE programs in Kilifi County.
150. By prioritizing quality assurance through the enforcement of standards and the implementation of robust monitoring and evaluation mechanisms, the County Government is laying the groundwork for a more equitable, inclusive, and impactful early childhood education system that meets the needs of all children and families in our community.
151. **Parental Engagement:** In alignment with our strategic objectives to enhance early child skills development, the County Government of Kilifi is prioritizing parental involvement as a cornerstone initiative. Through targeted efforts such as workshops, support groups, and the provision of educational resources, we aim to empower parents to actively engage in and support their children's learning at home, fostering effective collaboration between parents and educators.
152. **Workshops and Training Sessions:** The County Government will organize workshops and training sessions designed to equip parents with the knowledge and skills needed to effectively support their children's learning and development. These sessions will cover topics such as early childhood development, literacy and numeracy activities, positive parenting techniques, and strategies for creating supportive learning environments at home.
153. **Support Groups:** Support groups will provide parents with opportunities to connect with peers, share experiences, and seek guidance from professionals in the field of early childhood education. These groups will serve as forums for parents to discuss challenges, exchange ideas, and access support networks within their communities.
154. **Educational Resources:** The County Government will provide parents with access to a range of educational resources, including books, interactive learning materials, and online platforms, to facilitate learning activities at home. These resources will be tailored to the developmental needs and interests of young children, enabling parents to engage in meaningful learning experiences with their children outside of formal educational settings.
155. Empowering parents to play an active role in their children's learning is essential for promoting positive outcomes in early childhood development. By fostering collaboration between

parents and educators, we can create a supportive ecosystem that nurtures children's cognitive, social, and emotional development, laying the foundation for lifelong learning and success. Through ongoing evaluation and feedback mechanisms, we will continuously assess the effectiveness of our parental involvement initiatives and make data-driven adjustments to ensure that they meet the evolving needs of families in Kilifi County.

156. **Integration of Technology:** In accordance with our strategic priorities, the County Government of Kilifi is prioritizing the utilization of technology to optimize administrative tasks, improve communication with parents, and enhance educational experiences for children within early childhood education (ECE) programs. To achieve this goal, we will collaborate with the EIDU program, leveraging their digital tools and expertise to streamline operations and enhance learning outcomes.

157. **Administrative Efficiency:** Through the implementation of digital platforms and software solutions, we aim to automate routine administrative tasks such as student enrollment, attendance tracking, and data management. By digitizing these processes, we can reduce paperwork, minimize errors, and free up valuable staff time for more strategic activities.

158. **Communication with Parents:** Digital communication channels, including email, mobile apps, and social media platforms, will be utilized to facilitate real-time communication with parents. This will enable us to share important updates, announcements, and educational resources, as well as solicit feedback and input from parents regarding their children's progress and needs.

159. **Educational Technology Integration:** We will integrate educational technology tools and resources into ECE curricula to enhance learning experiences for children. This may include interactive learning apps, multimedia content, and digital learning platforms that support personalized and engaging educational activities aligned with curriculum objectives.

160. **Collaboration with the EIDU Program:** Through collaboration with the EIDU program, we will gain access to innovative digital tools and methodologies specifically designed to enhance early childhood education outcomes. These tools may include learning apps, assessment platforms, and teacher training resources that leverage technology to improve teaching effectiveness and student learning.

161. By harnessing the power of technology in these key areas, we aim to modernize ECE practices, improve operational efficiency, and enhance educational experiences for children in Kilifi County. Through ongoing monitoring and evaluation, we will assess the impact of technology integration on program outcomes and make data-driven adjustments to optimize our strategies for maximum effectiveness.

162. **Integrated Services:**

163. In pursuit of a comprehensive and integrated approach to service delivery, the County Government of Kilifi is committed to fostering collaboration between early childhood education (ECE) programs and complementary support services, including health care, social services, and family support programs. This integrated approach recognizes the interconnected nature of

children's needs and aims to address them holistically, thereby maximizing the effectiveness of interventions and improving outcomes for children and families.

164. Through strategic partnerships with healthcare providers, we seek to ensure that children enrolled in ECE programs have access to essential health services, including immunizations, health screenings, and nutritional support. By integrating health care into ECE settings, we can promote early detection and intervention for health issues, thereby improving children's overall well-being and readiness to learn.
165. Collaboration with social services agencies enables us to identify and address the social and emotional needs of children and families, including access to counseling, mental health support, and assistance with housing or financial stability. By working together, we can provide wraparound support to vulnerable families, helping to create a supportive environment for children's development and learning.
166. Furthermore, partnerships with family support programs allow us to engage parents and caregivers in their children's education and development, providing resources, guidance, and encouragement to support positive parenting practices and family well-being. By empowering families to play an active role in their children's education, we can strengthen the home-school connection and promote continuity of learning beyond the classroom.
167. The County Government is committed to establishing collaborative frameworks and communication channels to facilitate seamless coordination between ECE programs and support services. Through shared data systems, regular meetings, and joint planning efforts, we will ensure that resources are aligned, services are coordinated, and the unique needs of children and families are addressed holistically and responsively. By adopting an integrated approach to service delivery, we aim to maximize the impact of our interventions and create a foundation for lifelong success for children and families in Kilifi County.
168. **Public-Private Partnerships:** In the realm of public-private partnerships (PPPs), the County Government of Kilifi is dedicated to fostering collaborations with private organizations, non-profits, and community groups to augment the accessibility and quality of early childhood education (ECE) services. By engaging in PPPs, we aim to harness additional resources and expertise to enhance the delivery of ECE programs across the county.
169. Through strategic alliances with private entities, we aim to leverage their specialized knowledge, innovative solutions, and financial support to expand the reach of ECE services to underserved areas and marginalized communities within Kilifi County. These partnerships offer opportunities to tap into the private sector's resources, including technology, infrastructure, and human capital, to supplement government efforts in ECE provision.

170. Moreover, collaborating with non-profit organizations and community groups allows us to tap into their grassroots networks and community-based initiatives, fostering greater community engagement and ownership of ECE programs. By aligning our objectives and pooling our resources, we can create synergies that lead to more effective and sustainable ECE interventions.
171. The County Government is committed to establishing robust frameworks for PPPs, encompassing clear guidelines, mutual accountability mechanisms, and transparent governance structures to ensure the equitable distribution of resources and the alignment of objectives among all stakeholders. Through ongoing dialogue and collaboration, we will continue to explore innovative PPP models that maximize the impact of our collective efforts in advancing early childhood education across Kilifi County.
172. **Research and Innovation:** The County Government of Kilifi will establish mechanisms to support research and innovation in early childhood education (ECE). This includes the allocation of funding towards research initiatives aimed at identifying emerging trends and best practices in the field. Additionally, we aim to implement pilot programs and experimental interventions to test new approaches and methodologies. Through these efforts, we aim to continuously improve the efficiency and effectiveness of ECE programs in Kilifi County.
173. By leveraging data-driven insights and evidence-based practices, we can better understand the needs of our community and tailor our interventions accordingly. Furthermore, we are fostering collaboration with academic institutions, non-profit organizations, and other stakeholders to facilitate knowledge exchange and capacity building. This collaborative approach ensures that our efforts are grounded in research and informed by diverse perspectives. By staying abreast of developments in the field and embracing innovation, we are positioning Kilifi County as a leader in early childhood education, ultimately driving positive outcomes for our children and families.

B. Nurturing talent and sustainability

174. The County Government of Kilifi is cognizant that nurturing talent and sustainability requires a multifaceted approach that encompasses education, economic development, environmental conservation, and social inclusion. In the 2024/2025 Fiscal year the County Government intends to employ several strategies to nurture talent and sustainability:

I. Investment in Education

175. In the forthcoming fiscal year, the County Government of Kilifi is strategically allocating half a billion Kenya Shillings from the Scholarship Fund to bolster resources dedicated to enhancing access to quality education across all levels. This significant investment is designed to address disparities in educational opportunities and ensure equitable access for all individuals, irrespective of socioeconomic background, to pursue their educational aspirations seamlessly.
176. This substantial financial commitment will be directed towards various educational initiatives spanning from early childhood education through higher education and vocational training

programs. By channeling resources across these educational tiers, we aim to create a cohesive and inclusive educational ecosystem that caters to the diverse needs and aspirations of learners at different stages of their academic journey.

Key areas of focus for resource allocation include:

177. ***Early Childhood Education:*** Investing in early childhood education programs to lay a strong foundation for lifelong learning and development. This will encompass funding for infrastructure development, teacher training, and provision of learning materials and resources.
178. ***Vocational Training and Skills Development:*** Enhancing resources for vocational training and skills development programs to equip individuals with the necessary competencies for the workforce. This will include investment in training facilities, equipment, and industry partnerships to ensure the relevance and effectiveness of vocational training initiatives.
179. ***Scholarship Programs:*** Expanding the scholarship programs to provide financial assistance to academically talented but economically disadvantaged students. Scholarships will cover tuition fees to alleviate financial barriers to education.
180. By allocating substantial financial resources to these educational initiatives, the County Government aims to level the playing field and create equal opportunities for all individuals to pursue their educational aspirations. Through transparent and accountable management of the Scholarship Fund, we are committed to maximizing the impact of this investment and fostering a more educated and empowered citizenry in Kilifi County.

II. Entrepreneurship Support

181. The County Government of Kilifi is embarking on a comprehensive strategy to create an enabling environment for entrepreneurship, with a particular focus on supporting startups and small businesses. This strategy entails a range of initiatives aimed at providing mentorship, incubation programs, access to capital through the Wezesha fund, and regulatory support to facilitate the growth and success of entrepreneurial ventures within the county.
182. ***Mentorship and Incubation Programs:*** The county government will establish mentorship programs that pair experienced entrepreneurs with aspiring startups to provide guidance, advice, and support. Additionally, we will set up business incubators that offer physical workspace, networking opportunities, and access to business support services to help startups develop and scale their ventures.
183. ***Access to Capital through the Wezesha Fund:*** Through the Wezesha Fund the County Government aims to provide financial assistance to startups and small businesses in Kilifi County.

This fund offers grants, loans, and equity investments to eligible entrepreneurs, enabling them to access the capital needed to launch or expand their businesses.

184. **Regulatory Support:** The county government will streamline regulatory processes and provide guidance to startups and small businesses to navigate legal and bureaucratic requirements more efficiently. This includes assistance with business registration, licensing, permits, and compliance with regulatory standards.
185. **Innovation Hubs and Technology Parks:** The county government will establish innovation hubs and technology parks as collaborative spaces where entrepreneurs, innovators, and researchers can come together to exchange ideas, access resources, and develop innovative solutions to local and global challenges. These hubs will serve as catalysts for creativity, collaboration, and economic growth within the county.
186. By implementing these initiatives, the County Government of Kilifi aims to foster a vibrant entrepreneurial ecosystem that nurtures talent, fosters innovation, and promotes economic prosperity. Through targeted support and investment in entrepreneurship, we are committed to unlocking the full potential of our local economy and creating opportunities for sustainable growth and development in Kilifi County.

III. Skills Development Programs

187. In alignment with workforce development objectives, the County Government of Kilifi is poised to establish skills development programs and vocational training initiatives aimed at equipping individuals with the requisite competencies demanded by the contemporary workforce. This strategic endeavor involves collaboration with industries to discern prevailing skill gaps and subsequently customize training programs to address these specific needs.
188. **Skills Development Programs:** The county government will design and implement skills development programs tailored to the evolving demands of the job market. These initiatives will encompass a diverse array of vocational disciplines, including but not limited to information technology, healthcare, construction, agriculture, and hospitality. Through these programs, individuals will acquire practical skills, technical know-how, and industry-relevant certifications, rendering them better prepared to meet the demands of various sectors within the workforce.
189. **Vocational Training Initiatives:** Recognizing the importance of vocational training in fostering economic empowerment and social mobility, the county government will establish vocational training initiatives aimed at providing hands-on learning experiences and practical training in specific trades or professions. These initiatives may include apprenticeship programs, technical workshops, and on-the-job training opportunities, enabling participants to gain valuable work experience and develop marketable skills that enhance their employability.
190. **Collaboration with Industries:** To ensure the relevance and effectiveness of skills development and vocational training initiatives, the county government will collaborate closely

with industries to identify emerging skill needs and labor market trends. Through engagement with employers, industry associations, and trade unions, we will gain insights into in-demand skills, job requirements, and technological advancements shaping the workforce landscape. This collaborative approach will inform the design and delivery of training programs, ensuring alignment with industry standards and enhancing the employability of program participants.

191. By establishing skills development programs and vocational training initiatives in collaboration with industries, the County Government of Kilifi aims to bridge the gap between education and employment, empowering individuals with the skills and competencies needed to succeed in the modern workforce. Through targeted investments in workforce development, we are committed to fostering economic growth, reducing unemployment, and promoting social inclusion within Kilifi County.

192. **Establishing a Dynamic hub for Music and Film Production:** The Kilifi County government is embarking on a transformative initiative to cultivate and elevate the flourishing talents of its youth in music and filmmaking. Central to this vision is the establishment of a dynamic hub for the production of both music and film. This innovative endeavor aims to empower local talent, fostering creativity and skill development within the community. Moreover, by facilitating collaboration and networking opportunities, it will catalyze the growth of a vibrant artistic ecosystem, attracting investment and fostering the emergence of Kilifi County as a cultural and creative hub. Through this strategic investment, the county government endeavors to not only enrich the cultural landscape but also stimulate economic growth by harnessing the untapped potential of its youth in the music and filmmaking industries.

IV. Environmental Conservation:

The County Government will implement policies and initiatives to promote environmental sustainability, such as renewable energy projects, conservation programs, and sustainable land management practices. Encourage green technologies and sustainable business practices to protect natural resources for future generations.

V. Community Engagement and Participation:

Foster community engagement and participation in decision-making processes related to sustainable development. Empower local communities to take ownership of development projects and initiatives that align with their needs and aspirations.

VI. Partnerships and Collaboration:

193. In pursuit of talent development and sustainability objectives, the County Government of Kilifi is establishing a donor and liaison office to facilitate strategic partnerships and collaborations with key stakeholders. Through this office, we will engage with international organizations, non-governmental organizations (NGOs), academia, and the private sector to leverage their expertise, resources, and best practices in talent development and sustainability initiatives.

194. Partnerships with International Organizations: The donor and liaison office will establish partnerships with international organizations such as the United Nations, World Bank, and regional development banks to access funding, technical assistance, and global networks. These partnerships will enable us to implement large-scale projects, share knowledge and expertise, and align our initiatives with international development priorities.
195. ***Collaboration with Non-Governmental Organizations (NGOs):*** We will collaborate with local and international NGOs working in areas such as education, health, environmental conservation, and community development. These partnerships will enable us to leverage NGO expertise, grassroots networks, and community-based approaches to address local challenges and achieve sustainable development goals.
196. ***Engagement with Academia:*** The donor and liaison office will collaborate with universities, research institutions, and academic experts to access research, innovation, and technical expertise. By partnering with academia, we can enhance our understanding of emerging trends, best practices, and evidence-based solutions in talent development and sustainability.
197. Partnerships with the Private Sector: We will engage with businesses, industry associations, and corporate foundations to mobilize private sector resources, expertise, and technology for sustainable development initiatives. These partnerships will include corporate social responsibility (CSR) projects, skills development programs, and technology transfer initiatives that contribute to talent development and economic growth.
198. Through the donor and liaison office, the County Government of Kilifi aims to cultivate a network of strategic partnerships and collaborations that amplify our impact, mobilize resources, and drive sustainable development outcomes. By working together with diverse stakeholders, we aim to harness collective expertise and resources to build a brighter and more prosperous future for the people of Kilifi County.

VII. Monitoring and Evaluation

199. With the implementation of both the Statistics and Monitoring and Evaluation policies, the County Government of Kilifi is poised to establish robust monitoring and evaluation (M&E) mechanisms tailored to talent development and sustainability initiatives. These mechanisms will serve to systematically track progress, measure impact, and identify areas for improvement, ensuring that resources are allocated effectively and policy decisions are informed by data and evidence.

2.1.6 Innovation and Technology.

200. In a bid to embrace innovation and harness the power of technology, Kilifi County is poised to embark on a transformative journey aimed at driving economic growth and fostering

sustainable development. With a strategic focus on implementing technology and automation initiatives, the county government is committed to leveraging modern solutions to address emerging challenges and unlock new opportunities. By integrating ICT in vocational training colleges and establishing county-wide data centers equipped with cutting-edge technology, Kilifi aims to enhance efficiency, transparency, and accessibility in service delivery.

201. Moreover, the rollout of internet connectivity in public spaces and the development of electronic document management systems underscore the county's dedication to embracing digital transformation. Through these initiatives, Kilifi County seeks to position itself as a hub of innovation, driving progress and prosperity for its residents while contributing to the achievement of Sustainable Development Goals.

a. Implementing Technology and Automation Initiatives

202. Implementing Technology and Automation Initiatives in Kilifi County is vital for several reasons. Firstly, it addresses the pressing need to modernize administrative processes and enhance efficiency in service delivery. Many administrative tasks in the county have been traditionally paper-based, leading to inefficiencies, delays, and a higher risk of errors.

203. By embracing technology and automation, the county will streamline processes such as asset management, revenue collection, records management, and budget formulation. For instance, to enhance accuracy, speed, and coordination in financial planning, the county will undertake Digitization of Budget Formulation and Coordination. This initiative aims to replace manual budgeting processes with digital systems, enabling real-time tracking, analysis, and coordination of budgetary allocations.

204. Additionally, the county will implement an Electronic Document Management system to automate records management processes, reducing paperwork and ensuring the security of sensitive information.

205. To improve revenue collection efficiency, the county will leverage technology by acquiring and equipping cess stations with automated systems, making the process transparent and less prone to errors. These technology-driven solutions align with Sustainable Development Goal (SDG) 9 (Industry, Innovation, and Infrastructure) by promoting the adoption of technology and innovation to enhance efficiency and productivity.

206. Key critical aspect of implementing technology and automation initiatives is the promotion of transparency and accountability in data governance. The development of a comprehensive County Statistics Database for all sectors will serve as a centralized data repository, supporting evidence-based decision-making for effective planning and budgeting across various county sectors. This initiative contributes to SDG 16 (Peace, Justice, and Strong Institutions) by enhancing transparency, accountability, and inclusive decision-making at the county level.

207. Additionally, the county's focus on modernizing asset management through the acquisition of an automated asset management system and implementing asset valuation and tagging demonstrates a commitment to improving accountability and stewardship of public resources. By aligning with modern technological solutions, the county aims to enhance transparency and accountability in asset management, contributing to SDG 16.

208. Moreover, the implementation of technology and automation initiatives fosters economic development and innovation in Kilifi County. The establishment of Internet access points in county offices and public spaces, such as markets and sub-county hospitals, promotes digital inclusion and connectivity. This initiative supports SDG 9 by facilitating access to information and communication technology (ICT) infrastructure, which is essential for fostering innovation, entrepreneurship, and economic growth.
209. Additionally, the development of a Citizen Engagement Portal and the equipping of a County Call center aim to enhance citizen participation and feedback mechanisms, fostering a more inclusive and responsive governance process. These initiatives align with SDG 17 (Partnerships for the Goals) by promoting effective partnerships between government and citizens to achieve sustainable development outcomes.
210. The county will implement a Bursary Management System to automate the management of educational bursaries, ensuring fair and transparent allocation of resources to deserving students. This initiative supports SDG 4 (Quality Education) by enhancing access to education and promoting equal opportunities for all.
211. The establishment of the Sub-County Resource Centers, also known as the County Mashinani, underscores the county's commitment to decentralizing services and promoting accessibility to vital resources at the grassroots level. This initiative aims to bring government services closer to the people, particularly in rural areas, by providing a centralized hub for accessing information, support, and assistance.
212. Equipped with modern technology and staffed with trained personnel, the Sub-County Resource Center will serve as a focal point for community engagement, citizen empowerment, and capacity building. By offering services such as internet access, training programs, and information dissemination, the County Mashinani enhances digital inclusion and fosters socio-economic development at the local level. This initiative aligns with the county's broader goals of promoting transparency, accountability, and citizen participation in governance while also contributing to the achievement of Sustainable Development Goal 9 (Industry, Innovation, and Infrastructure) by expanding access to technology and information in underserved communities.
213. Overall, the implementation of Technology and Automation Initiatives in Kilifi County represents a significant step towards achieving efficiency, transparency, accountability, and inclusive governance, while also fostering economic development and innovation in the region. Through strategic investments in technology and automation, the county aims to leverage modern solutions to address administrative challenges, enhance service delivery, and promote sustainable development.

CHAPTER 3: RECENT ECONOMIC DEVELOPMENTS AND MEDIUMTERM OUTLOOK

3.1 OVERVIEW:

214. The global growth outlook for 2024 is estimated at 3.1 percent, followed by a projected increase to 3.2 percent in 2025. This upward revision from the October 2023 World Economic Outlook (WEO) by 0.2 percentage points is attributed to the stronger-than-anticipated resilience observed in the United States, several significant emerging market and developing economies, and the fiscal support provided in China.
215. In most regions, inflation is declining more rapidly than initially anticipated, driven by the resolution of supply-side challenges and the implementation of tighter monetary policies. Projections indicate a global headline inflation rate of 5.8 percent for 2024, followed by a further decrease to 4.4 percent in 2025, with a downward revision to the 2025 forecast.
216. The likelihood of a hard landing in the global economy has decreased due to deflation and steady growth. The risks to global growth are balanced, with faster disinflation potentially leading to easier financial conditions. However, looser fiscal policy may temporarily boost growth, but it may also result in costly adjustments in the future. Structural reforms could increase productivity, but geopolitical shocks, supply disruptions, and persistent inflation could keep monetary conditions tight. In addition, deepening property sector issues in China, as well as tax increases and spending cuts, could lead to growth disappointments.

Table 3.1: Global Economic Performance

| Economy | Growth (%) | | | |
|--|------------|------|-----------|------|
| | Actual | | Projected | |
| | 2021 | 2022 | 2023 | 2024 |
| World | 6.3 | 3.5 | 3.1 | 3.1 |
| Advanced Economies | 5.4 | 2.6 | 1.6 | 1.5 |
| <i>Of which: USA</i> | 5.9 | 2.1 | 2.5 | 2.1 |
| <i>Euro Area</i> | 5.3 | 3.3 | 0.5 | 0.9 |
| Emerging and Developing Economies | 6.8 | 4.1 | 4.1 | 4.1 |
| <i>Of which: China</i> | 8.4 | 3 | 5.2 | 4.6 |
| <i>India</i> | 9.1 | 7.2 | 6.7 | 6.5 |
| Sub-Saharan Africa | 4.7 | 4 | 3.3 | 3.8 |
| <i>Of which: South Africa</i> | 4.7 | 1.9 | 0.6 | 1 |
| <i>Nigeria</i> | 3.6 | 3.3 | 2.8 | 3 |
| <i>Kenya*</i> | 7.6 | 4.8 | 5.5 | 5.5 |

Source: IMF World Economic Outlook, January 2024. *National Treasury Projection

217. Growth in advanced economies is expected to slow from 1.6 percent in 2023 to 1.5 percent in 2024, but then increase to 1.8 percent in 2025. The upward revision of 0.1 percentage point for 2024 reflects stronger-than-expected US growth, partially offset by weaker-than-expected euro-area growth.

218. Growth in emerging and developing economies is projected to reach 4.2 percent in 2025, up from 4.1 percent in 2024. The upward revision of 0.1 percentage point for 2024 since October 2023 reflects improvements in multiple regions. Sub-Saharan Africa's growth rate is expected to increase from 3.3 percent in 2023 to 3.8 percent in 2024 and 4.1 percent in 2025, as earlier weather shocks subside and supply issues improve.

3.2 Domestic Economic Developments

219. Kenya's real GDP is estimated to have grown by 5.5% in 2023, despite a number of challenges. The increase is attributed to a recovery in agriculture and the strength of the services sector. However, the economy continues to face increased fiscal and external vulnerabilities, including high public debt, rising living costs, exchange rate pressures, a global economic slowdown, and tight financial conditions. These factors have posed additional challenges to Kenya's growth momentum. The economy expanded by 5.5% and 5.4% in the first and second quarters, respectively.

Table 3.2: Sectoral GDP Performance

| Sectors | Annual Growth Rates | | | Quarterly Growth Rates | | | | | |
|---|---------------------|------|------|------------------------|---------|---------|---------|---------|---------|
| | 2020 | 2021 | 2022 | 2022 Q1 | 2022 Q2 | 2022 Q3 | 2022 Q4 | 2023 Q1 | 2023 Q2 |
| 1. Agriculture | 4.6 | -0.4 | -1.6 | -1.7 | -2.4 | -1.3 | -0.9 | 6 | 7.7 |
| 2. Non-Agriculture (o/w) | -1.4 | 9.5 | 6.3 | 8.2 | 7.1 | 5.3 | 4.6 | 5.3 | 4.9 |
| 2.1 Industry | 3.3 | 7.5 | 3.9 | 5.6 | 5 | 2.6 | 2.4 | 2.5 | 2 |
| Mining & Quarrying | 5.5 | 18 | 9.3 | 23.8 | 16.6 | -4.5 | 1.6 | 3.3 | 5.3 |
| Manufacturing | -0.3 | 7.3 | 2.7 | 3.8 | 3.6 | 1.8 | 1.8 | 2 | 1.5 |
| Electricity & water supply | 0.6 | 5.6 | 4.9 | 3.2 | 5.6 | 6 | 4.9 | 2.5 | 0.8 |
| Construction | 10.1 | 6.7 | 4.1 | 6 | 4.5 | 3.5 | 2.4 | 3.1 | 2.6 |
| 2.2 Services | -1.8 | 9.8 | 7 | 8.9 | 8 | 5.9 | 5.2 | 6.3 | 5.9 |
| Wholesale & Retail Trade | -0.4 | 8 | 3.8 | 4.9 | 4.1 | 3.6 | 2.7 | 5.7 | 4.2 |
| Accommodation & restaurant | -47.7 | 52.6 | 26.2 | 40.1 | 44 | 16.9 | 14.9 | 21.5 | 12.2 |
| Transport & Storage | -8 | 7.4 | 5.6 | 7.7 | 7.2 | 5.1 | 2.7 | 6.2 | 3 |
| Information & Communication | 6 | 6.1 | 9.9 | 9 | 11.2 | 11.8 | 8 | 9 | 6.4 |
| Financial & Insurance | 5.9 | 11.5 | 12.8 | 17 | 16.1 | 9.6 | 9.4 | 5.8 | 13.5 |
| Public administration | 7 | 6 | 4.5 | 6.2 | 3.8 | 3.4 | 4.7 | 6.6 | 3.8 |
| Professional, Administration & Support Services | -13.7 | 7.1 | 9.4 | 13.1 | 10.9 | 9 | 5.3 | 7.3 | 5.5 |
| Real estate | 4.1 | 6.7 | 4.5 | 6 | 5 | 4 | 2.9 | 5.2 | 5.8 |

| | | | | | | | | | |
|------------------------------|-------|------|-----|-----|-----|-----|-----|-----|-----|
| Education | -9.2 | 22.8 | 4.8 | 4.6 | 4.4 | 3.9 | 6.1 | 3.6 | 4.5 |
| Health | 5.6 | 8.9 | 4.5 | 5.7 | 4.4 | 3.7 | 4.3 | 5.4 | 5 |
| Other services | -14.6 | 12.5 | 5.7 | 8.9 | 4.3 | 5.7 | 4 | 3.2 | 1.6 |
| FISIM | -1.8 | 5.3 | 1.5 | 0.8 | 1.3 | 2.3 | 1.6 | 0.6 | 6.1 |
| 2.3 Taxes on products | -8 | 11.9 | 7 | 9.5 | 6.1 | 7.3 | 5.3 | 5.3 | 3.8 |
| Real GDP Growth | -0.3 | 7.6 | 4.8 | 6.2 | 5.2 | 4.3 | 3.7 | 5.5 | 5.4 |

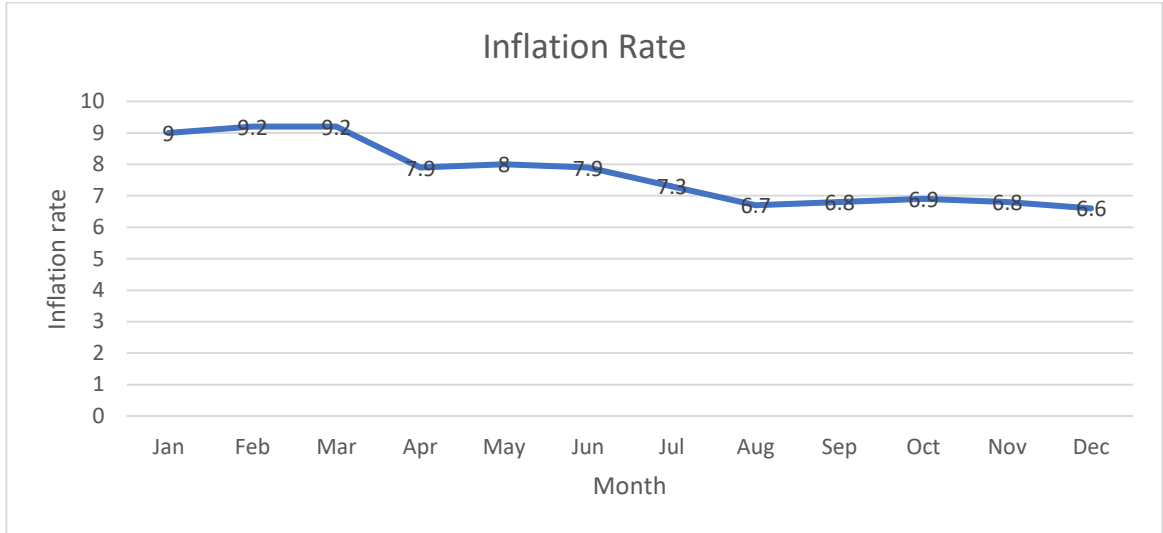
Source: Kenya National Bureau of Statistics

220. The agricultural sector expanded by 6.9% year on year in Q1 2023, following a 2.0% contraction in 2021-2022. The March–May 2023 rainy season improved water availability for agriculture, resulting in increased production of key crops such as tea and coffee. Livestock body conditions also improved, with tea production up 15.2% year on year and coffee exports up 13.7%. However, production of cut flowers and sugarcane declined during the period.
221. Industrial activity in Kenya slowed in the first half of 2023 as a result of low business sentiment and rising production costs. Manufacturing, which accounts for half of industrial sector output, slowed to 1.7% year on year growth, down from 3.7% in the same period in 2022. This slowdown was blamed on rising political tensions, a slowing global economy, a weaker shilling, and foreign currency shortages. Production costs increased as input and borrowing costs rose. Construction activity decreased to 2.8% year on year in H1-2023 from 5.2% in 2022. Kenya's Purchasing Manager Index (PMI) remained in contraction between June and September, but briefly expanded in July.
222. The services sector grew moderately as industrial activity slowed and credit expanded rapidly, boosting financial services. A recovery in agriculture impacted wholesale and retail trade, transportation, and storage. However, a slowdown in industrial activity and a decrease in imports weakened the financial services, transportation, and storage subsectors, resulting in slower growth in H1-2023.

3.2.1 Inflation

223. Inflation in Q3 2023 fell to 6.9% from 7.9% in Q2, owing primarily to lower food prices. Food inflation fell to 8.0% from 10.2%, owing to increased domestic food production and lower international food prices. Fuel inflation rose to 13.2% from 13.2%, owing primarily to higher pump prices and electricity prices. Non-food, non-fuel (NFNF) inflation fell to 3.7% from 4.2%, indicating that the economy's demand pressures are muted. Food inflation remains the primary driver of overall inflation, but its contribution has decreased to 3.1% from 3.9 percentage points in the second quarter. Fuel inflation's contribution remained constant at 2.8 percentage points, while NFNF inflation's contribution fell to 1.1 percentage points from 1.3 percentage points in Q2.

Figure 3.1: Inflation rate, Percent

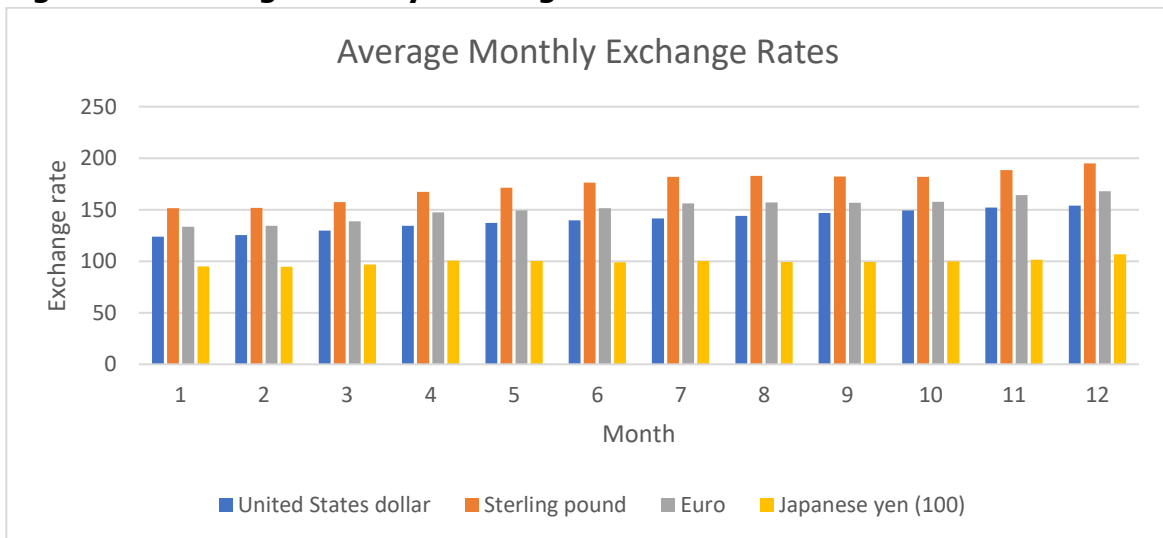


Source: Kenya National Bureau of Statistics

3.2.2 Kenya Shilling Exchange Rate

224. In Q3 2023, the Kenyan Shilling depreciated against all major international trading currencies, compared to Q3 2022. The Kenyan Shilling lost value against the Euro, Pound Sterling, US Dollar, and Japanese Yen by 30.3%, 29.7%, 20.6%, and 15.3%, respectively. The local currency has significantly depreciated against the South African Rand, Tanzanian Shilling, and Uganda Shilling.

Figure 3.2: Average Monthly Exchange Rates



Source: Central Bank of Kenya

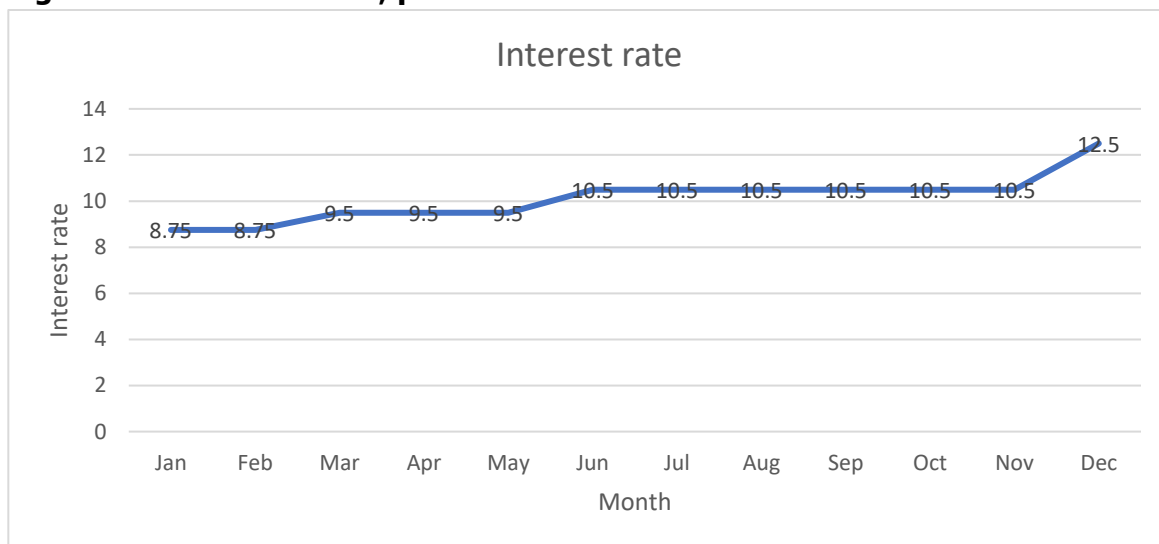
225. The Kenya Shilling exchanged at an average of Ksh 154.0 in December 2023 compared to

an average of Ksh 122.9 in December 2022. Against the Euro, the Kenya shilling weakened to exchange at Ksh 167.98 in December 2023 compared to Ksh 130 in December 2022 while against the Sterling Pound the Kenyan Shilling also weakened to exchange at Ksh 194.9 compared to Ksh 149.8, over the same period. The Kenyan Shilling was supported by increased remittances, adequate foreign exchange reserves and strong exports receipts.

3.2.3 Interest rates

226. The Monetary Policy Committee (MPC) raised the Central Bank Rate (CBR) from 10.50 percent to 12.50 percent in December 2023 due to ongoing exchange rate depreciation, which increased the cost of living and reduced purchasing power. The Committee also observed a rise in public sector external debt service, which offset gains made in fiscal consolidation. The weakening exchange rate also contributed to a significant increase in Kenya's foreign currency denominated debt value. The MPC concluded that adjusting the monetary policy stance was necessary to address these pressures and mitigate second-round effects from global prices, ensuring that inflationary expectations remained anchored and setting inflation on a downward path towards the 5.0 percent target range.

Figure 3.3: Interest rates, percent



227. Interest rates on Government securities increased, primarily due to tight liquidity conditions, while effective coordination between monetary and fiscal policies supported the yield curve, particularly in the execution of the Government's domestic borrowing program.

3.3 Economic Outlook

3.3.1 Global Growth Outlook

228. Global growth, estimated at 3.1 percent in 2023, is projected to remain steady at 3.1 percent in 2024 before modestly rising to 3.2 percent in 2025. This forecast for 2024 is approximately 0.2 percentage points higher compared to the October 2023 World Economic Outlook (WEO),

attributed to upgrades for China, the United States, and large emerging market and developing economies. However, global growth forecasts for both 2024 and 2025 fall below the historical annual average of 3.8 percent due to factors such as restrictive monetary policies, withdrawal of fiscal support, and low underlying productivity growth.

229. Advanced economies are expected to see a slight decline in growth in 2024 before a recovery in 2025, with the euro area bouncing back from low growth in 2023 and growth moderating in the United States. Emerging market and developing economies are anticipated to maintain stable growth throughout 2024 and 2025, albeit with regional variations.
230. World trade growth is projected at 3.3 percent in 2024 and 3.6 percent in 2025, below its historical average growth rate of 4.9 percent. These forecasts are contingent on assumptions of declining fuel and nonfuel commodity prices in 2024 and 2025, along with anticipated decreases in interest rates in major economies. Annual average oil prices are expected to decrease by approximately 2.3 percent in 2024, while nonfuel commodity prices are projected to decline by 0.9 percent.

3.3.2 Domestic Growth Outlook

231. The Kenyan economy, recovering from the COVID-19 pandemic and drought, expanded by 5.6% YoY in Q1 2023, primarily due to a strong recovery in agriculture. However, non-agricultural growth slowed due to tighter policies. Fiscal consolidation continued, delivering a stronger primary balance than initially planned. Monetary policy was tightened by 375 basis points in 2023. The external current account balance improved as real exchange rate depreciated and imports contracted. Exports and remittances remained resilient. However, foreign exchange reserves declined in Q2 2023 due to debt service payments and limited external financing inflows.
232. The near-term outlook for 2024 is resilient, with growth projected at around 5% due to fiscal policy adjustments and external accounts adjustments. Inflation is expected to rise in the first half of 2024 due to global oil price volatility and exchange rate pass-through, but will be contained due to monetary policy tightening and stronger fiscal consolidation. Authorities should be resolute in their actions to maintain confidence.
233. Kenya's medium-term outlook appears promising, with potential for improvement in competitiveness, inclusivity, and governance, along with efforts to combat corruption. Advancements in the country's climate agenda, supported by reforms, are expected to enhance resilience against climate shocks and attract climate finance for ongoing initiatives.

3.4 Risks to the Economic Outlook

234. The Kenyan economy faces both domestic and external risks. Domestically, climate change impacts could lead to unpredictable weather conditions, affecting agricultural production and causing inflation and food insecurity. Tight fiscal space may result from multiple shocks, leading to tight liquidity conditions for budget financing.
235. Externally, geopolitical fragmentations could lead to higher commodity prices, posing risks to domestic inflation and financial conditions. The slowdown in global economic recovery could affect Kenya's exports, foreign direct investments, and remittances. The US dollar's continued strengthening against other currencies presents significant risks to financial flows and exchange

rates, affecting growth and inflation.

236. On the other hand, early easing of global financing conditions and lower international fuel and food prices could strengthen Kenya's external balances. A faster rebound in economic activities could result in higher government revenues and fiscal consolidation. The Kenyan government is monitoring both domestic and external environments and will take appropriate policy measures to protect the economy against these risks.

3.5 Factors Influencing the Overall County's Fiscal Ecosystem

3.5.1 Economic Growth Outlook:

237. With global growth projected to remain steady at 3.1 percent in 2024 and rise to 3.2 percent in 2025, Kilifi County can anticipate a stable external economic environment. However, the slight decline in growth in advanced economies may impact demand for exports from Kilifi, potentially affecting local industries and businesses reliant on international trade. Therefore, county planners may need to focus on diversifying the local economy to reduce dependence on external markets.

3.5.1.1 Inflation Trends:

238. Despite declining global inflation rates, Kenya's inflation remains a concern, particularly driven by factors such as fuel price volatility and exchange rate fluctuations. The inflation rate in Kilifi County may mirror the national trend, affecting the cost of living for its residents and influencing consumption patterns. To mitigate the impact, the county government could implement policies to support local production and stabilize prices of essential goods and services.

3.5.1.2 Exchange Rate Dynamics:

239. The depreciation of the Kenyan Shilling against major international currencies can have several implications for Kilifi County. It may lead to increased costs for imported goods and services, affecting both businesses and consumers in the county. Additionally, it could impact the county's ability to attract foreign investment and finance its development projects. To address this, the county government may need to focus on promoting local industries and attracting investments that contribute to import substitution and export growth.

3.5.1.3 Interest Rate Policies:

240. The tightening of monetary policy, indicated by the increase in the Central Bank Rate (CBR), can affect borrowing costs for businesses and individuals in Kilifi County. Higher interest rates may reduce investment and consumer spending, potentially slowing down economic activity. To counteract this, the county government could explore alternative sources of financing for its projects and provide support to local businesses to access affordable credit.

3.6 Risks to Economic Outlook:

241. The domestic growth outlook for Kenya, with a projected GDP growth of around 5% in 2024, presents opportunities and challenges for Kilifi County. While the resilient economic growth provides a conducive environment for local development initiatives, the risks highlighted in the economic outlook, such as climate change impacts and external shocks, necessitate proactive planning and risk management strategies. The county government may need to prioritize investments in climate resilience, diversification of revenue sources, and strengthening of social safety nets to mitigate the potential adverse effects of external economic factors.
242. The macroeconomic trends and outlook outlined in Chapter 3 have implications for various aspects of planning at the devolved county government of Kilifi. By understanding these dynamics and implementing targeted policies and interventions, the county can navigate challenges and capitalize on opportunities to promote sustainable economic growth and development.

3.7 Fiscal Performance

243. The table below provides an overview of the fiscal performance in terms of total revenue and grants for the fiscal years 2021/22 and 2022/23.
244. In the financial year 2021/22, the total revenue and grants amounted to Ksh 13,555,480,941. In the immediate past financial year, 2022/23, there was an increase in total revenue and grants, reaching Ksh 14,107,796,521. The target for the financial year 2022/23 was Ksh 15,601,765,714, indicating a deviation from the actual revenue collected.
245. The combined revenue from Equity (EQ), Own Source Revenue (OSR), and Grants amounted to Ksh 14,107,796,521 in 2022/23, compared to Ksh 13,555,480,941 in 2021/22 fiscal year. Excluding grants, the revenue from Equity and Own Source Revenue was Kshs 12,649,637,018 in 2022/23, slightly higher than Kshs 12,489,066,155 in 2021/22.
246. The allocation from the national revenue remained constant at Ksh 11,641,592,941 across both years.
247. The total County Own Source revenue increased from Kshs 847,473,214 in 2021/22 to Kshs 1,008,044,077 in 2022/23. This represents a Kshs 263,341,828 deviation from the target of Kshs 1,271,385,905, indicating a negative growth rate of -26 %.
248. There was a significant increase in revenue from both FIF & NHIF, boasting a growth rate of 39%, and from Building Plan approval and Inspection, which saw a 33% increase.
249. Actual recurrent expenditure increased from Kshs 8,347,527,759 in FY 2021/22 to Kshs 9,096,278,866 in FY2022/23 which was a target of the target of Kshs 10,181,471,802 for 2022/23, showing a deviation of Kshs 1,085,192,936, with a negative growth rate of -12%.

250. Actual development expenditure increased from Kshs 3,178,510,805 in 2021/22 to Kshs 4,199,897,173 in 2022/23 which was against a target of Kshs 5,420,293,912 for 2022/23, showing a deviation of Kshs 1,220,396,739, with a negative growth rate of -29%.

251. There was an overall increase in total revenue and grants; however, the county fell short of its revenue target for the financial year 2022/23. This shortfall can be attributed to discrepancies in county own revenue, with certain revenue streams experiencing significant declines. These results underscore the importance of strategic financial management and efforts to diversify revenue sources in order to meet future revenue targets.

| A. TOTAL REVENUE & GRANTS 1. Revenue (Total) | Year before last | Immediate past financial year | | Deviation (Ksh) | % Growthh |
|---|-------------------------|--------------------------------------|---------------------|------------------------|------------------|
| | 2021/22 | 2022/2023 | | | |
| | Actual(Ksh) | Actual(Ksh) | Targets(Ksh) | | |
| EQ+OSR+GRANTS | 13,555,480,941 | 14,107,796,521 | 15,601,765,714 | | |
| EQ+OSR | 12,489,066,155 | 12,649,637,018 | 12,912,978,846 | | |
| National revenue allocation | 11,641,592,941 | 11,641,592,941 | 11,641,592,941 | - | 0% |
| County own revenue (Totals) | 847,473,214 | 1,008,044,077 | 1,271,385,905 | 263,341,828 | -26% |
| Revote of budget | | | 972,581,977 | | |
| County taxes | a | b | c | c-b | (b-c)/b |
| FIF & NHIF | 280,113,841 | 407,626,966 | 250,000,000 | 157,626,966 | 39% |
| Land Rates and other Land Revenue | 107,510,206 | 141,343,503 | 319,066,961 | 177,723,458 | -126% |

| | | | | | |
|--|-------------------|--------------------|--------------------|-------------------|-------|
| Cess on natural resources | 244,805,804 | 244,369,392 | 259,034,054 | 14,664,662 | -6% |
| Business Permit | 50,045,462 | 61,586,826 | 72,613,623 | 11,026,797 | -18% |
| Parking fees | 25,163,907 | 23,915,034 | 51,306,811 | 27,391,777 | -115% |
| Market fees | 9,769,231 | 9,193,837 | 25,000,000 | 15,806,163 | -172% |
| Billboards & Signage | 31,270,722 | 21,945,488 | 30,000,000 | 8,054,512 | -37% |
| Building Plan approval and Inspection | 36,172,097 | 37,163,021 | 25,000,000 | - 12,163,021 | 33% |
| Rent/Stall rents | 7,900,250 | 9,968,225 | 15,000,000 | 5,031,775 | -50% |
| Survey fees and plot rents | 697,050 | - | 1,266,000 | 1,266,000 | |
| Sale of Tender Documents | | - | - | - | |
| Plot ground rent | 4,792,982 | 7,460,159 | 10,000,000 | 2,539,841 | -34% |
| House rent | 9,807,862 | 6,003,684 | 40,000,000 | 33,996,316 | -566% |
| Refuse Collection | 1,632,600 | 2,224,900 | 1,262,000 | - 962,900 | 43% |
| Food Hygiene Fees | 3,779,710 | 1,476,005 | 10,000,000 | 8,523,995 | -578% |
| Liquor licence | 6,657,000 | 7,378,700 | 6,000,000 | - 1,378,700 | 19% |
| AMS \$ATCs | 4,327,310 | | 25,000,000 | 25,000,000 | |
| LEASING OF PLANTS AND EQUIPMENT | | | 16,387,528 | 16,387,528 | |
| Slaughter House and Livestock sale Yards | 1,499,520 | 1,379,065 | 10,000,000 | 8,620,935 | -625% |
| Others | 21,527,660 | 25,009,273 | 104,448,928 | 79,439,655 | -318% |
| 2. Grants | 1,066,414, | 1,458,159,5 | 1,716,204,8 | 258,045,38 | |

| (Totals) | 786 | 03 | 91 | 8 | |
|---|------------|-------------|-------------|-------------|-------|
| Leasing of Medical Equipment | | 110,638,298 | 110,638,298 | | |
| National Agricultural and Rural Inclusive Growth Project (NARIGP) | | 148,120,023 | 328,154,152 | 180,034,129 | -122% |
| DANIDA Grant (Universal Healthcare in Devolved System Programme) | | 13,117,500 | 33,598,125 | 20,480,625 | -156% |
| Water Sanitation Development Programme (WSDP) | | 893,321,391 | 900,000,000 | 6,678,609 | -1% |
| World Bank Credit to Finance Locally-Led Climate Action Program | | 11,000,000 | 22,000,000 | 11,000,000 | -100% |
| Kenya Devolution Support Programme (KDSP) Level II Grant | | - | 37,044,750 | 37,044,750 | |
| Agricultural Sector Development Support Programme (ASDSP) II | | 11,235,088 | 11,235,089 | 1 | 0% |

| | | | | | |
|---|-----------------------|-----------------------|-----------------------|----------------------|------|
| Kenya Urban Support Programme (KUSP)-Urban Institutional Grant | | 3,534,474 | 3,534,477 | 3 | 0% |
| Kenya Informal Settlement and Improvement Project (KISIP) | | 200,000,000 | 200,000,000 | - | 0% |
| World Bank Credit National Agricultural ValueChain Development Project (NAVCDP) | | 67,192,729 | 70,000,000 | 2,807,271 | -4% |
| EXPENDITURE | | | | | |
| TOTAL | 11,526,038,564 | 13,296,176,039 | 15,601,765,714 | 2,305,589,675 | -17% |
| 1. Recurrent | 8,347,527,759 | 9,096,278,866 | 10,181,471,802 | 1,085,192,936 | -12% |
| Operation and maintenance | 4,165,106,638 | 4,773,812,833 | 5,346,046,548 | 572,233,715 | -12% |
| Executive Permanent wages and salaries | 3,460,012,338 | 3,581,057,251 | 4,076,935,235 | 495,877,984 | -14% |
| Executive Casual wages | 192,918,764 | 195,918,764 | 213,000,000 | 17,081,236 | -9% |
| County Assembly Permanent wages and salaries | 498,280,019 | 512,280,019 | 512,280,019 | - | 0% |
| County Assembly Casual wages | 31,210,000 | 33,210,000 | 33,210,000 | - | 0% |
| 2. Development expenditure | 3,178,510,805 | 4,199,897,173 | 5,420,293,912 | 1,220,396,739 | -29% |
| Development projects | 3,178,510,805 | 4,199,897,173 | 5,420,293,912 | | -29% |

| | | | | | |
|------------------------------|---------------------------|--------------------|----------|--|--|
| | 5 | | | | |
| SURPLUS (DEFICIT) | 2,029,442,3 77 | 811,620,482 | - | | |

3.8 REVISED ESTIMATES

252. The total approved budget for Fiscal Year (FY) 2022/23 was initially set at Kshs 15,831,254,403. However, due to various factors, the budget was revised downwards to Kshs 15,601,765,714. This revision was attributed to the following reasons:

- Under-collection of revenues due to capacity constraints or economic downturns;
- Unforeseen expenditures such as drought which the emergency fund could not cover
- Re-prioritization of programmes and projects including capital ones;
- Funding carryovers as some programs and projects were not fully funded

3.9 COUNTY SPECIFIC FISCAL RISKS

253. The County Treasury is required under Section 107 of the PFM, Act 2012 to manage their public finances in accordance with the principles of fiscal responsibility. Among the fiscal responsibility principles set out in Section 107 (2) is the requirement for the County Treasury to manage its fiscal risks prudently.

254. A number of fiscal risks that require prudence in management by the County are as follows;

- i. Cash Flow Issues: Pending bills strain the cash flow of the county government, leading to difficulties in meeting immediate financial obligations such as payroll, payment of utilities, projects and essential services.
- ii. Credit Rating Downgrades: Persistent delays in settling bills alleviate financial instability for suppliers who rely on bank loans, potentially resulting in lower credit ratings for them. Consequently, this could increase their borrowing costs and limit their access to capital markets. Moreover, due to the county's reputation for tardy payments, local banks may decline financing to suppliers holding Local Service Orders (LSOs) or Local Purchase Orders (LPOs) with the Kilifi County Government.
- iii. Supplier and Vendor Relations: Unpaid bills strain relationships with suppliers and vendors, reducing goodwill, strained negotiations for future contracts, and even disruptions in the provision of goods and services crucial for county operations.
- iv. Legal and Regulatory Compliance: Failure to promptly settle bills may lead to legal and regulatory compliance issues, including lawsuits, penalties, and reputational damage for the county government.

- v. Budgetary Constraints: Pending bills create uncertainties in budget planning and execution, as funds earmarked for other purposes might need to be redirected to address outstanding obligations, potentially leading to budgetary shortfalls in other areas.
- vi. Diminished Public Trust: Persistent delays in paying bills erode public trust in the county government's financial management capabilities, leading to decreased confidence among taxpayers, investors, and stakeholders
- vii. Political pronouncements that introduce unplanned projects that eats into the budget.
- viii. Delayed exchequer releases and underperformance of own source revenue: Below target Own Source Revenue Collections that results to unfunded budget deficits and accumulation of pending bills negatively affecting service delivery to the citizens
- ix. Pension: non-disclosure of pension funds accumulated.
- x. Wage bill; Pending promotions if effected will indubitably interfere with the county fiscal responsibility principles as per the PFM Act that salaries should not exceed 35% of the wage bill unless there is significant improvement in OSR collection.

255. To mitigate these risks, the county will prioritize effective financial management practices, including budgetary discipline, timely monitoring of expenditures, transparent communication with stakeholders, and proactive measures to address cash flow challenges and outstanding obligations.

3.9.1 Public Investment Management/ Public Private Partnerships

256. The County Government envisages mobilizing Ksh 2 billion within the next FY 2024/25. With the County Government's focus in achieving infrastructural developments through the PPP framework, it plans to work with the private sector to develop projects in priority sectors which include Water, Solid waste Management, Industrial parks, Renewable energy, Agriculture, ICT, Health, amongst others.

257. There are potential fiscal risks stemming from the Public Private Partnership (PPP) Projects including possible breaching of contract obligations, unfunded additional obligations and those stemming from movements in inflation and exchange rate. To mitigate these risks, the County Government will reduce implementation bureaucracy, establish Kilifi County Investment Corporation, improve governance, promote the framework for balancing risk with affordability and value for money, while guaranteeing rapid service delivery through cutting down execution timelines, and promoting local content for greater national value capture in PPPs.

CHAPTER 4: FISCAL POLICY AND BUDGETARY FRAMEWORK

4.1. County Fiscal Outlook

258. Implementation of the FY23/24 encountered significant challenges, including prolonged drought, El Niño, and geopolitical tensions such as the Russia-Ukraine conflict. These events disrupted activities and programs, impacting budget execution in terms of expenditure and revenue collection.
259. As of December 31, 2023, revenue collected amounted to 479,181,846.50 Ksh, which fell short of initial predictions. However, there is optimism for improved revenue mobilization and diversification efforts, which may enhance own-source revenue (OSR) collection in the latter half of the fiscal year.
260. On the expenditure side, the absorption rate stands at 29% for the total budget. The recurrent absorption rate is at 42%, while the development absorption rate is at 13%. Revision of the main budget to address unforeseen expenditures such as emergencies not covered by the emergency fund and under-collection of revenues due to capacity constraints or economic downturns is essential for effective financial management.
261. The revision will ensure that the County government can accommodate its needs and finalize ongoing projects, thereby enhancing absorption and fostering economic growth. The anticipated multiplier effect will contribute to microeconomic prosperity within households in the County.

4.2 Fiscal Policy

262. The 2024 CFSP outlines priority areas for the County in the upcoming fiscal year. The fiscal policy stance is guided by both the priority sectors within County departments and the fiscal responsibility principles outlined in the PFM Act, 2012. These principles include:
- i. Ensuring that recurrent expenditure does not exceed the County Government's total revenue;
 - ii. Allocating a minimum of thirty percent of the County Government's budget to development expenditure over the medium term;
 - iii. Limiting the County Government's expenditure on wages and benefits for its public officers to thirty-five percent of the County Government's total revenue, as prescribed by the County Executive member for finance in regulations and approved by the County Assembly;
 - iv. Utilizing Government borrowings solely for the purpose of financing development expenditure over the medium term, not for recurrent expenditure;
 - v. Maintaining County debt at a sustainable level, approved by the County assembly, and not exceeding twenty percent of the county government's total revenue at any one time;
 - vi. Managing fiscal risks prudently; and
 - vii. Increasing the absorption of resources allocated for development purposes to over 80%, thereby fostering economic development and improving the credibility of the budget.
263. In the FY2024/25, the fiscal policy aims to stimulate economic growth through a consolidated approach to own-source revenue mobilization and collection. This involves mapping revenue entities and implementing a results-based approach to mobilization and collection. The

implementation of the valuation roll is expected to significantly contribute to revenue collection. However, OSR predictions will be kept at realistic levels to maintain sound expenditures.

264. Regarding expenditure, priority will be given to core programs and projects aligned with H.E the Governor's manifesto and development agenda. Emphasis will also be placed on addressing pending bills, ongoing projects, and new initiatives in the first phase. Non-core expenditures will be curtailed, with a focus on social sectors and strategic investments that yield quick gains and benefits, ensuring continuous service provision to the citizenry.

4.3 Fy2022/23 Budget Framework

265. In FY2024/25, the focus will be on allocating resources towards essential expenditures, such as personnel emoluments, ensuring stability in non-discretionary spending. Additionally, there will be targeted expenditure in social sectors to ensure efficient service delivery and provision of core services to the citizenry. Significant allocations will also be directed towards programs aimed at implementing flagship and key projects across the county, with the aim of stimulating economic activity and fostering growth.

266. This fiscal year, the emphasis will be on addressing the following thematic areas: Economic Development, Financial Management and Procurement, Basic Services Provision, Infrastructure and Connectivity, Education & Talent Development and Innovation & Technology. During FY2024/25, resources will be strategically allocated to address these thematic areas, ensuring comprehensive development and sustainable progress across the county.

4.4 Revenue Framework

4.4.1 Own Source Revenue (OSR)

267. In the fiscal year 2024/25, the County will approach its own-source revenue (OSR) projections with a conservative outlook. This cautious stance stems from a comprehensive assessment of various factors, including the prevailing macroeconomic conditions, historical revenue performance over past fiscal years, and the outcomes observed in the initial half of FY2023/24.

268. The County will meticulously consider the efficacy of revenue consolidation measures already in place. These measures have been strategically implemented by the County government to streamline revenue collection processes and enhance efficiency. The aim is to ensure that the revenue projections accurately reflect the potential revenue streams while accounting for any uncertainties or fluctuations in the economic landscape.

269. Furthermore, the County will prioritize its efforts in revenue mobilization, directing resources and attention towards initiatives aimed at optimizing revenue generation. This strategic approach underscores the County's commitment to bolstering its fiscal capacity and maintaining financial sustainability in the face of evolving economic dynamics. By adopting a conservative yet proactive stance towards OSR projections, the County aims to foster fiscal

Figure: COMPARING OSR BETWEEN JULY – DEC 2022 & JULY – DEC 2023

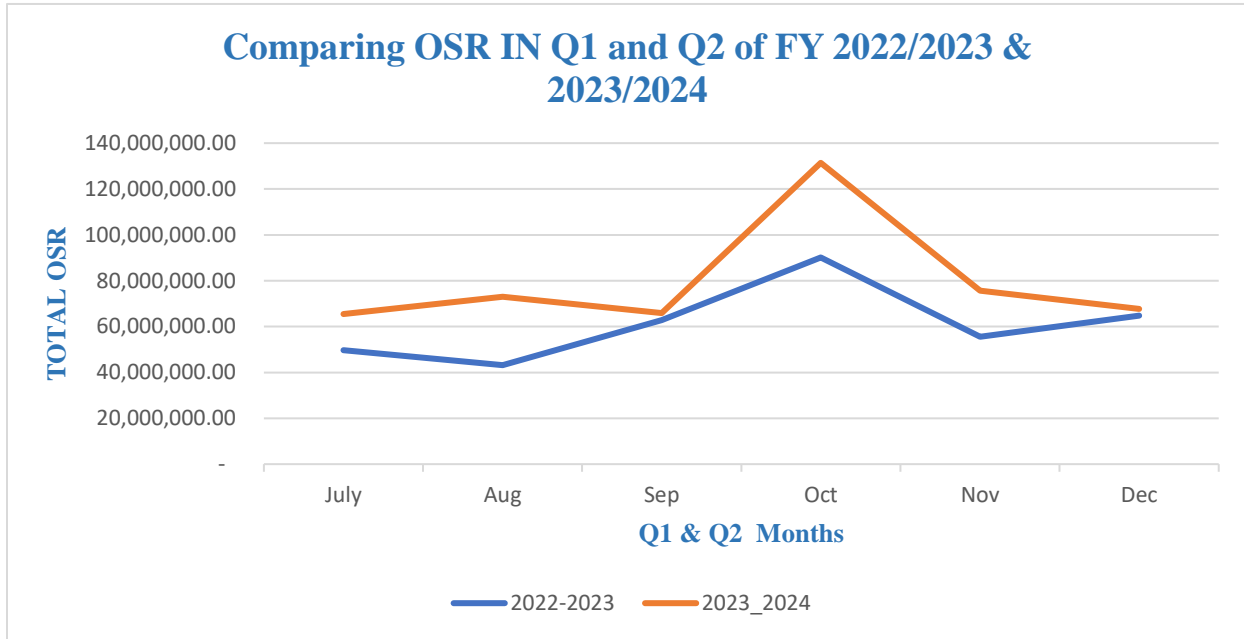


TABLE: OSR AS OF 31ST DEC 2023

| REVENUE CLASS | ACTUALS | | | | OSR AS OF 31ST DEC 2023 |
|-----------------------------------|-------------|-------------|-------------|----------------|-------------------------|
| | 2019 /20 | 2020/21 | 2021/22 | 2022-2023 | |
| FIF & NHIF | 179,400,631 | 162,517,034 | 280,113,841 | 404,392,901.50 | 208,972,699 |
| Land Rates and other Land Revenue | 131,437,899 | 170,329,040 | 107,510,206 | 147,899,106.43 | 46,941,232 |
| Cess on natural resources | 276,601,301 | 273,840,434 | 244,805,804 | 233,503,005.00 | 145,077,090 |
| Business Permit | 42,495,339 | 57,731,023 | 50,045,462 | 61,516,822.65 | 11,634,958 |
| Parking fees | 29,805,584 | 25,515,572 | 25,163,907 | 23,915,034.00 | 9,404,008 |
| Market fees | 7,439,593 | 9,285,225 | 9,769,231 | 9,193,837.00 | 6,377,948 |
| Billboards & Signage | 24,837,467 | 29,147,422 | 31,270,722 | 25,484,587.00 | 4,133,932 |

| | | | | | |
|--|-----------------------|-----------------------|-----------------------|-------------------------|-----------------------|
| Building Plan approval and Inspection | 6,817,100 | 51,174,860 | 36,172,097 | 35,680,021.10 | 23,350,005 |
| Rent/Street rents | 5,411,657 | 7,432,190 | 7,900,250 | 9,968,225.00 | 5,145,621 |
| Survey fees and plot rents | 1,179,405 | 537,730 | 697,050 | - | - |
| Plot ground rent | 7,292,635 | 5,686,017 | 4,792,982 | 7,360,158.70 | 2,253,067 |
| House rent | 30,478,756 | 2,677,814 | 9,807,862 | 6,003,683.79 | 2,799,050 |
| Refuse Collection | 4,384,327 | 2,267,500 | 1,632,600 | 2,224,900.00 | 589,600 |
| Food Hygiene Fees | 4,152,351 | 5,035,910 | 3,779,710 | 1,476,005.00 | 389,413 |
| Liquor licence | - | - | 6,657,000 | 7,378,700.00 | 1,507,000 |
| AMS & ATCs | - | - | 4,327,310 | 1,524,145.00 | 959,310 |
| Leasing of Plants and Equipment | - | - | - | - | - |
| Slaughter House and Livestock sale Yards | 3,526,063 | 1,045,190 | 1,499,520 | 1,379,065.00 | 934,200 |
| Others | 38,452,949 | 25,494,690 | 21,527,660 | 24,744,607.73 | 8,712,714 |
| TOTAL | 793,713,057.00 | 829,717,651.00 | 847,473,214.00 | 1,003,644,804.90 | 479,181,846.50 |

4.5 Equitable Share

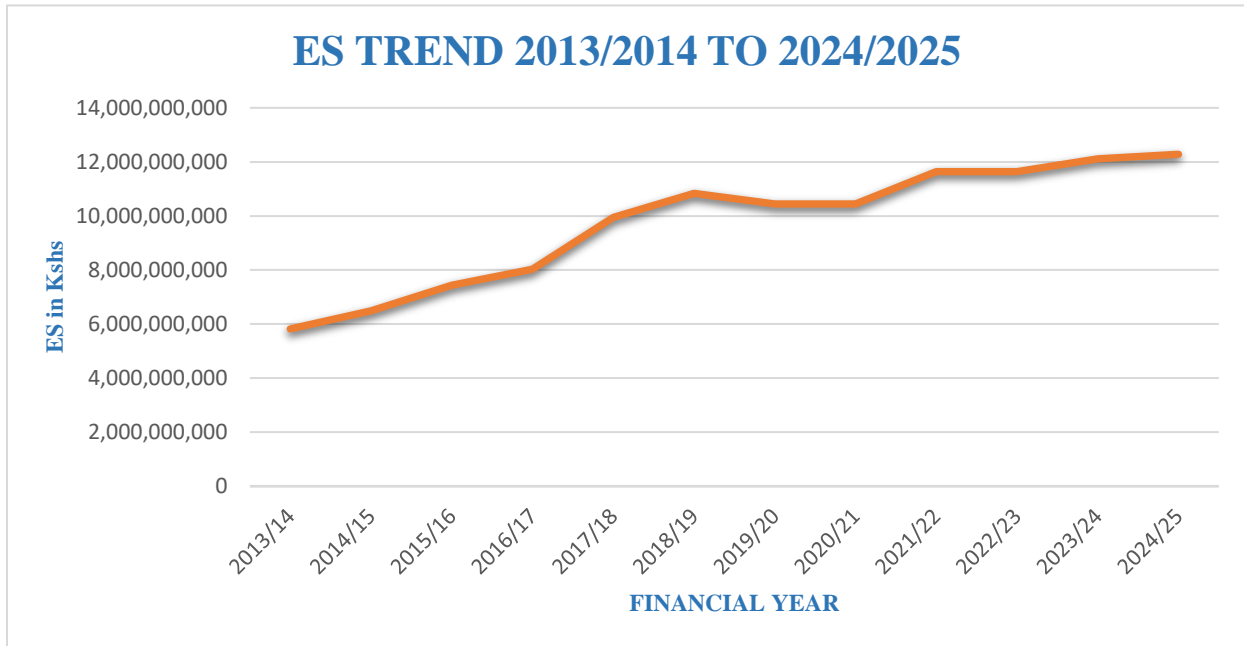
270. Over the past years, Kilifi County has consistently received its fair share of the nationally raised revenue, primarily through equitable allocations. As per the draft Budget Policy Statement (BPS) 2024, for the fiscal year 2024/25, the County's equitable share will be determined based on the third revenue-sharing basis adopted by Parliament in 2020. Consequently, Kilifi County is set to receive KES 12,281,762,633, marking an increase of KES 168,028,514 from the previous financial year.

The table below illustrates the equitable share amounts received by the County since its inception:

| FINANCIAL YEAR | EQUITABLE SHARE |
|-----------------------|------------------------|
| 2013/14 | 5,820,419,123 |
| 2014/15 | 6,492,284,172 |
| 2015/16 | 7,441,216,645 |
| 2016/17 | 8,029,167,703 |
| 2017/18 | 9,950,900,000 |
| 2018/19 | 10,833,000,000 |
| 2019/20 | 10,444,500,000 |
| 2020/21 | 10,444,500,000 |
| 2021/22 | 11,641,592,941 |
| 2022/23 | 11,641,592,941 |
| 2023/24 | 12,113,734,119 |
| 2024/25 | 12,281,762,633 |

271. The chart below shows the trend of equitable share from financial years 2013/2014(actual) to 2024/2025(projected)

Figure: Equitable Share Trend across Financial Years



272. Therefore, the total County’s resource basket will be as follows:

Table: Resource Basket for FY2024/25.

| Resource Basket | |
|--------------------|-----------------------|
| Item | Amount |
| Equitable Share | 12,281,762,633 |
| Own Source Revenue | 1,793,263,985 |
| Conditional Grants | 3,629,097,630 |
| Grand Total | 17,704,124,248 |

| Kilifi County Additional Allocations | Amount |
|---|-------------|
| Second Schedule | |
| Conditional Allocations | |
| County Aggregation and Industrial Parks Programme | 250,000,000 |

| | |
|---|----------------------|
| Roads Maintenance Fuel Levy | 242,979,152.63 |
| Community Health Promoters | 90,953,531.44 |
| Transfer of Museum Function | |
| Total Conditional Allocations | 583,932,684 |
| THIRD SCHEDULE | |
| Conditional Allocations from proceeds of loans or grants from Development Partners for Financial Year 2024/25 (Figures in Kenya Shillings) | |
| Primary Healthcare in Devolved Context | 16,087,500 |
| Kenya Informal Settlement Improvement Project (KISIP)II | 750,000,000 |
| National Agricultural Value Chain Development Project (NAVCDP) | 151,515,152 |
| Water and Sanitation Development Project (WSDP) | 1,700,000,000 |
| KDSP-II | 37,500,000 |
| KUSP-UIG | 35,000,000 |
| Total for FY 2024/25 | 2,690,102,652 |
| Gross Total | 3,629,097,630 |

4.6 Expenditure Framework

273. On the expenditure side, the County has in the first half of FY2023/24 managed to spend KES. 5,494,405,000 representing 29% of the County budget. This is illustrated in the table below:

Table: Quarter 2 Expenditure Analysis FY 2023/24

| SECTOR | DIVISIONS | APPROVED ESTIMATES FY 2023/24 | | | QTR 2 ACTUAL EXPENDITURE | | | | | ABSORPTION RATE |
|--|-------------------------------|----------------------------------|--------------------|----------|--------------------------|------------------------------|-------------|----------------------|--------------|-----------------|
| | | RECURRENT(Ksh.M) | DEVELOPMENT(Ksh.M) | TOTAL | RECURRENT(Ksh.M) | REC ABS OPTI ON RATE (Ksh.M) | DEVELOPMENT | DEV ABS OPTI ON RATE | TOTAL(Ksh.M) | |
| Public Affairs and Intergovernmental Relations | 3111000000 County Assembly | 949.21 | 292.12 | 1,241.33 | 474.60 | 50% | 146.06 | 50% | 620.67 | 50% |

| | | | | | | | | | | |
|--|---|----------|-------|--------------|----------|-----|---|----|--------------|------------|
| | 31120 00000 Office of The Governor | 403.66 | - | 403. 66 | 147.69 | 37% | - | | 147.6 9 | 37% |
| | 31220 00000 County Public Service Board | 62.87 | - | 62.8 7 | 16.45 | 26% | - | | 16.45 | 26% |
| | 31230 00000 Public Service Management | 4,976.17 | 75.00 | 5,05 1.17 | 1,958.47 | 39% | - | 0% | 1,958 .47 | 39% |
| | 31240 00000 County Attorney | 136.54 | 24.00 | 160. 54 | 19.07 | 14% | - | 0% | 19.07 | 12% |
| | 31130 00000 County Division for Finance | 483.05 | 55.90 | 538. 95 | 202.99 | 42% | - | 0% | 202.9 9 | 38% |
| | 31250 00000 County Division for Economic Planning | 130.25 | - | 130. 25 | 22.51 | 17% | - | | 22.51 | 17% |
| | 31360 00000 County Division for | 173.42 | - | 173. 42 | 45.14 | 26% | - | | 45.14 | 26% |

| | | | | | | | | | | |
|--|--|--------|--------|--------|-------|-----|--------|-----|--------|------------|
| | Resource Mobilization | | | | | | | | | |
| | 314900000 County Division for Devolution & Civic Education | 60.63 | 42.81 | 103.45 | 1.93 | 3% | 0.94 | 2% | 2.87 | 3% |
| | 315000000 County Division For Special Programmes And Disaster Management | 112.44 | 40.32 | 152.76 | 6.02 | 5% | - | 0% | 6.02 | 4% |
| Agriculture, Rural and Urban Development | 311400000 County Division for Agriculture | 88.93 | 747.44 | 836.37 | 48.57 | 55% | 117.28 | 16% | 165.85 | 20% |
| | 313700000 County Division for Blue Economy | 38.73 | 189.29 | 228.03 | 5.29 | 14% | 27.89 | 15% | 33.18 | 15% |
| | 312600000 County | 36.69 | 157.38 | 194.07 | 14.20 | 39% | 39.93 | 25% | 54.13 | 28% |

| | | | | | | | | | | |
|----------------------------|--|--------|----------|--------------|-------|-----|--------|-----|------------|------------|
| | y Divisi on for Livest ock | | | | | | | | | |
| | 31190 00000 Count y Divisi on for Lands & Ener gy | 109.69 | 257.58 | 367. 27 | 12.22 | 11% | 35.68 | 14% | 47.90 | 13% |
| | 31310 00000 Count y Divisi on for Physic al Planni ng, Urban Devt & Housi ng | 42.76 | 343.48 | 386. 23 | 9.98 | 23% | - | 0% | 9.98 | 3% |
| | Kilifi Munic ipality | 100.38 | 13.00 | 113. 38 | 50.19 | 50% | 6.50 | 50% | 56.69 | 50% |
| | Malin di Munic ipality | 95.00 | - | 95.0 0 | 47.50 | 50% | - | | 47.50 | 50% |
| | Mtwa pa Munic ipality | - | - | - | - | | | | - | |
| | Wata mu Munic ipality | - | - | - | - | | | | - | |
| | Maria kani Munic ipality | - | - | - | - | | | | - | |
| Environ ment Protect | 31380 00000 Count y | 91.95 | 2,256.92 | 2,34 8.87 | 25.99 | 28% | 292.93 | 13% | 318.9 2 | 14% |

| | | | | | | | | | | |
|--|---|----------|--------|--------------|--------|-----|-------|-----|------------|------------|
| ion, Water and Natural Resour ces | Divisi on for Water Servic es | | | | | | | | | |
| | 31390 00000 Count y Divisi on for Enviro nmen t and Natur al Resou rces | 102.39 | 19.00 | 121. 39 | 54.73 | 53% | - | 0% | 54.73 | 45% |
| | 31400 00000 Count y Divisi on for Forest ry and Climat e Chan ge | 18.01 | 72.60 | 90.6 0 | - | 0% | - | 0% | - | 0% |
| Educati on | 31410 00000 Count y Dvisio n for Early Childh ood Educa tion and Vocati onal Traini ng | 449.88 | 635.76 | 1,08 5.64 | 175.00 | 39% | - | 0% | 175.0 0 | 16% |
| Health | 31420 00000 Count y Divisi | 1,250.42 | 849.79 | 2,10 0.21 | 896.77 | 72% | 93.58 | 11% | 990.3 5 | 47% |

| | | | | | | | | | | |
|---|---|--------|----------|----------|-------|-----|--------|-----|--------|------------|
| | on for Health and Sanitation Services | | | | | | | | | |
| Energy , Infrastructure and Information, Communication and Technology | 3143000000 County Division for Roads and Transport Services | 353.34 | 1,174.51 | 1,527.86 | 75.47 | 21% | 132.22 | 11% | 207.69 | 14% |
| | 3144000000 County Division for Public Works | 20.00 | - | 20.00 | 0.60 | 3% | - | | 0.60 | 3% |
| | 3129000000 County Division for Information Communication & Technology | 42.85 | - | 42.85 | - | 0% | - | | - | 0% |
| Social Protection, Culture and Recreation | 3145000000 County Division for Gender and Social | 104.76 | 146.19 | 250.95 | 57.01 | 54% | 24.34 | 17% | 81.35 | 32% |

| | | | | | | | | | | |
|---|---|-----------------------|-----------------|----------------------------|----------------------|------------|----------------------|-----------------|----------------------|------------|
| | Services | | | | | | | | | |
| | 31460 00000 County Division for Youth Affairs and Sports | 15.15 | 151.08 | 166. 23 | 5.35 | 35% | 45.39 | 30% | 50.74 | 31% |
| General Economic and Commercial Affairs | 31470 00000 County Division for Trade Development | 51.05 | 509.31 | 560. 37 | 15.25 | 30% | 106.56 | 21% | 121.8 1 | 22% |
| | 31480 00000 County Division for Tourism Promotion | 54.20 | 35.00 | 89.2 0 | 11.76 | 22% | - | 0% | 11.76 | 13% |
| | 31320 00000 County Division for Cooperative Development | 55.48 | 37.90 | 93.3 7 | 24.35 | 44% | - | 0% | 24.35 | 26% |
| | TOTAL | 10,609. 90 | 8,126.41 | 18, 736 .30 | 4,425.1 0 | 42% | 1,069 .30 | 13 % | 5,49 4.41 | 29% |

4.7 Personnel Emoluments

274. The computations taken into account included actual salaries costs, permanent staff

salaries costs, pension costs and casual wages for the financial year 2024/25 as delineated in the core service area.

4.8 Strategic Interventions

275. This expenditure pocket encompasses essential areas of intervention that require allocated funds to ensure efficient and uninterrupted service delivery. By ring-fencing these allocations, we ensure that designated funds are dedicated to critical services without diversion or interruption. Additionally, this approach enables an objective allocation of departmental ceilings, as they are not factored into the initial ceiling computation process.

276. These interventions include:

Table: Strategic Interventions

| CORE SERVICE AREAS | DELINEATIONS | |
|---------------------------------------|---------------|-------------|
| | REC | DEV |
| County Assembly | 900,000,000 | 100,000,000 |
| Pending Bills | | 400,000,000 |
| Legal fees | 51,000,000 | |
| Personnel emoluments | 4,864,389,181 | |
| Emergency Fund | 250,000,000 | |
| Motor Vehicle Insurance | 100,000,000 | |
| Municipalities | | 530,000,000 |
| Medical Cover | 400,000,000 | |
| Wezesha Fund | | 100,000,000 |
| Scholarship Fund | 500,000,000 | |
| Car Loan & Mortgage | 400,000,000 | |
| Health products & Technologies (HPTs) | 850,000,000 | |
| Nutritious Porridge | | 100,000,000 |
| Kicosca | 20,000,000 | |

| CORE SERVICE AREAS | DELINEATIONS | |
|----------------------|----------------------|----------------------|
| WDP | | 875,000,000 |
| Donations | 40,000,000 | |
| Gratuity | 50,000,000 | |
| County head-quarters | | 200,000,000 |
| Governor's cup | 35,000,000 | |
| Compensation to CHVs | - | |
| Disaster Management | 50,000,000 | |
| Capitation | 50,000,000 | |
| TOTAL | 8,560,389,181 | 2,305,000,000 |

4.9 Operations and Maintenance (O&M).

277. The Operations and Maintenance (O&M) budget encompasses the essential expenditure allocations required for the daily operations of county departments, entities, offices, and other recurrent expenses. This budget is fundamental for sustaining the ongoing functions and activities within the county administration.

278. O&M expenditures have now been disaggregated into mandatory expenditure breakdowns, which include crucial operational necessities such as rent, water, electricity, fuel, routine maintenance of motor vehicles, and other recurrent expenses. These elements constitute the backbone of the operational framework, ensuring that essential services continue to function efficiently and effectively.

Table: Operations and Maintenance (O&M)

| Sectors | Vote | O&M FY 2024/25 |
|---|---------------------------|----------------|
| Public Administration and Intergovernmental Relations | | 527,720,047 |
| | 311100000 County Assembly | |

| Sectors | Vote | O&M FY 2024/25 |
|---|---|--------------------|
| | 3112000000 Office Of The Governor | |
| | 3113000000 County Division For Finance | |
| | 3122000000 County Public Service Board | |
| | 3123000000 Public Service Management | |
| | 3124000000 County Attorney | |
| | 3125000000 County Division For Economic Planning | |
| | 3136000000 County Division For Resource Mobilization | |
| | 3149000000 County Division For Devolution & Civic Education | |
| | 3151000000 County Secretary | |
| Agriculture, Rural and Urban Development | | 132,828,808 |
| | 3114000000 County Division For Agriculture | |
| | 3126000000 County Division For Livestock | |
| | 3137000000 County Division For Blue Economy | |
| | 3152000000 County Division For Lands Physical Planning & Energy | |
| | 3153000000 County Division For Housing & Urban Devt | |
| | Kilifi Municipality | |
| | Malindi Municipality | |
| | Watamu Municipality | |
| | Mtwapa Municipality | |
| | Mariakani Municipality | |
| Energy, Infrastructure and ICT | | 138,790,107 |

| Sectors | Vote | O&M FY 2024/25 |
|--|--|--------------------|
| | 3143000000 County Division For Roads And Transport Services | |
| | 3129000000 County Division For Information Communication & Technology | |
| | 3144000000 County Division For Public Works | |
| General Economic and Commercial Affairs | | 130,972,226 |
| | 3132000000 County Division For Cooperative Development | |
| | 3147000000 County Division For Trade Development | |
| | 3148000000 County Division For Tourism Promotion | |
| Environment Protection, Water and Natural Resources | | 126,946,368 |
| | 3138000000 County Division For Water Services | |
| | 3139000000 County Division For Environment And Natural Resources | |
| Education | | 24,840,595 |
| | 3141000000 County Division For Early Childhood Education And Vocational Training | |
| Health | | 104,860,053 |
| | 3142000000 County Division For Health And Sanitation Services | |
| Social Protection, Culture and Recreation | | 73,590,103 |
| | 3145000000 County Division For Gender And Social Services | |

| Sectors | Vote | O&M FY 2024/25 |
|---------|---|----------------------|
| | 3146000000 County Division For Youth Affairs And Sports | |
| | 3150000000 County Division For Special Programmes And Disaster Management | |
| | TOTAL | 1,260,548,308 |

4.10 Development Budget

279. This represents another substantial expenditure category for the County in FY2024/25. The County will allocate a considerable portion of its resources here to address the expenditure requirements of both new projects and the completion of ongoing projects.

280. Moreover, the County has now disaggregated its development budget to include; ongoing projects, flagship projects, Ward Development Program (WDP), and other development initiatives. This breakdown reflects a strategic approach to allocate resources effectively across various developmental endeavors within the Count

4.11 INDICATIVE BUDGET CEILINGS

281. The following table presents the indicative budget ceilings allocated to each department within the County Government of Kilifi, categorized by sector and divisions. It's important to note that these ceilings are subject to review following public participation and cabinet deliberations before the final submission to the County Assembly.

TABLE: PROPOSED CEILINGS

| Sectors | Vote | TOTAL REC | TOTAL DEV | Gross Total |
|--|---|----------------------|----------------------|----------------------|
| Public Administration and Intergovernmental Relations | | 7,520,609,228 | 1,907,320,411 | 9,427,929,638 |
| | 3111000000 County Assembly | | | |
| | 3112000000 Office Of The Governor | | | |
| | 3113000000 County Division For Finance | | | |

| Sectors | Vote | TOTAL REC | TOTAL DEV | Gross Total |
|---|---|--------------|---------------|---------------|
| | 312200000 County Public Service Board | | | |
| | 3123000000 Public Service Management | | | |
| | 312400000 County Attorney | | | |
| | 312500000 County Division For Economic Planning | | | |
| | 313600000 County Division For Resource Mobilization | | | |
| | 314900000 County Division For Devolution & Civic Education | | | |
| | 315100000 County Secretary | | | |
| Agriculture, Rural and Urban Development | | 132,828,808 | 1,884,250,261 | 2,017,079,069 |
| | 311400000 County Division For Agriculture | | | |
| | 312600000 County Division For Livestock | | | |

| Sectors | Vote | TOTAL REC | TOTAL DEV | Gross Total |
|-----------------------------------|---|-------------|-------------|-------------|
| | 3137000000 County Division For Blue Economy | | | |
| | 3152000000 County Division For Lands Physical Planning & Energy | | | |
| | 3153000000 County Division For Housing & Urban Devt | | | |
| | Kilifi Municipality | | | |
| | Malindi Municipality | | | |
| | Watamu Municipality | | | |
| | Mtwapa Municipality | | | |
| | Mariakani Municipality | | | |
| Energy, Infrastructure and ICT | | 238,790,107 | 545,573,133 | 784,363,240 |
| | 3143000000 County Division For Roads And Transport Services | | | |
| | 3129000000 County Division For Information Communication & Technology | | | |

| Sectors | Vote | TOTAL REC | TOTAL DEV | Gross Total |
|--|--|-------------|---------------|---------------|
| | 3144000000 County Division For Public Works | | | |
| General Economic and Commercial Affairs | | | | |
| | 3132000000 County Division For Cooperative Development | | | |
| | 3147000000 County Division For Trade Development | | | |
| | 3148000000 County Division For Tourism Promotion | | | |
| Environment Protection, Water and Natural Resources | | 126,946,368 | 1,932,531,013 | 2,059,477,382 |
| | 3138000000 County Division For Water Services | | | |
| | 3139000000 County Division For Environment And Natural Resources | | | |
| | Climate Change | | | |
| Education | | 574,840,595 | 202,002,090 | 776,842,685 |

| Sectors | Vote | TOTAL REC | TOTAL DEV | Gross Total |
|--|--|----------------------|----------------------|-----------------------|
| | 3141000000 County Dvision For Early Childhood Education And Vocational Training | | | |
| Health | | 970,947,553 | 500,670,981 | 1,471,618,534 |
| | 3142000000 County Division For Health And Sanitation Services | | | |
| Social Protection, Culture and Recreation | | 178,590,103 | 256,740,615 | 435,330,718 |
| | 3145000000 County Division For Gender And Social Services | | | |
| | 3146000000 County Division For Youth Affairs And Sports | | | |
| | 3150000000 County Division For Special Programmes And Disaster Management | | | |
| | TOTAL | 9,874,524,989 | 7,829,599,260 | 17,704,124,249 |

4.12 Criteria for Resource Allocation

282. The departments will be strongly encouraged to embrace resource allocation efficiency by implementing cost budgeting practices and conducting comprehensive reviews of the portfolio comprising donor-funded projects. Furthermore, County entities will be urged to undertake restructuring and alignment efforts in alignment with the overarching priority programmes of the County Government. The attainment of these objectives will be accomplished while

adhering to the indicative budget ceilings outlined in this County Fiscal Strategy Paper (CFSP). The subsequent criteria will be utilized as a framework for resource allocation:

- i. Alignment with Bottom-Up Economic Transformation Agenda priorities and the Governor's manifesto, emphasizing value chain linkages.
- ii. Alignment with the priorities outlined in Medium-Term Plan IV of Vision 2030, CIDP III, ADP
- iii. 2024/2025 and the Sustainable Development Goals.
- iv. Support for climate change mitigation and adaptation efforts through program linkage.
- v. Priority given to completing ongoing projects, reviving viable stalled projects, and settling verified pending bills.
- vi. Assessment of a program's contribution to job creation and poverty reduction.
- vii. Evaluation of the extent to which a programme aligns with the core mandate of the respective department and as a devolved function.
- viii. Consideration of the programme's cost-effectiveness, efficiency, and long-term sustainability.

4.13 Details of Sector Priorities

4.13.1 General Economic and Commercial Affairs Sector

283. Throughout the medium-term planning period, the General Economic and Commercial Affairs sector in Kilifi County has demonstrated remarkable achievements across various fronts. In the realm of trade, the creation of 182 trading spaces, refurbishment of markets, and construction of essential ablution blocks have significantly enhanced the trading infrastructure. The sector's active participation in trade affairs and exhibitions, alongside the review of policies and regulations, has fostered a conducive environment for business growth. Substantial efforts were dedicated to empowering small and medium-sized enterprises (SMEs), with 290 SMEs trained and 42 benefiting from credit disbursements totaling 13.15 million, contributing to economic empowerment and sustainability. Initiatives such as the verification of trade equipment and the collection of revenue have bolstered trade operations and financial resources for county development. In the tourism, notable achievements include active participation in exhibitions, promotion of tourism events, and the printing of marketing materials to enhance the county's visibility. Environmental stewardship was demonstrated through beach cleanups, while cooperative development initiatives saw the enactment of legislation, registration of new cooperatives, and revival of dormant ones, fostering economic inclusivity and community resilience. Extension services, educational workshops, and capacity-building efforts have also empowered cooperative leaders and members, laying a foundation for sustainable growth. These achievements, coupled with infrastructural developments like the completion of a waterfront park and improvements in tourism arrivals, reflect the department's commitment to fostering economic prosperity and enhancing the quality of life for residents in Kilifi County.

284. In the medium-term period 2024/2025-2026/2027, the General Economic and Commercial Affairs sector aims to strategically develop market infrastructure and management, enhance trade promotion, promote fair-trade practices, and strengthen investments promotion. This will involve packaging the county as an investment destination, facilitating investor engagement, and participating in relevant conferences and outreach events to attract both domestic and foreign investments. Efforts will be directed towards promoting tourism by building capacity among stakeholders, improving infrastructure at tourism sites, and

developing new tourism products. The sector also aims to revitalize cooperative ventures by enhancing governance, awareness, and marketing infrastructure, thus fostering sustainable economic growth and development in Kilifi County.

4.13.2 Environment, Water, Natural Resources and Solid Waste Management Sector

285. During the medium-term planning period, the Environment, Water, Natural Resources and Solid Waste Management sector in Kilifi County achieved significant milestones in enhancing access to clean water and environmental conservation. Key accomplishments include the construction of 21 new water boreholes and the rehabilitation of three existing ones, ensuring increased access to safe water sources across the county. Infrastructure development saw the installation of 134 kilometers of new pipelines and the upgrade of 38 kilometers to HDPE material, improving water distribution efficiency and reliability. The construction of eighteen water storage tanks and three water pans bolstered water storage capacity and resilience to water scarcity. Environmental conservation efforts were underscored by the planting of 73,000 mangrove seedlings and the implementation of 65 town cleanups, contributing to marine ecosystem protection and waste management. These achievements reflect the sector's commitment to promoting sustainable water resource management and environmental stewardship in Kilifi County, ultimately enhancing the well-being and resilience of communities.

286. To ensure sustainable management of water and environmental resources, strategic measures will be implemented in the medium-term period 2024/2025-2026/2027. These include the development of water infrastructure, strengthening water governance, and enhancing maintenance practices. Expanding access to clean water will involve exploring new water sources and utilizing alternative energy options. Natural water resources will also be protected to safeguard their integrity.

287. Sanitation services will be improved through the development of sanitation infrastructure, increased awareness campaigns, and the reinforcement of policy and legal frameworks. Environmental governance will be enhanced by developing comprehensive action plans and status reports, monitoring environmental compliance, and integrating environmental assessments into county plans. Furthermore, efforts will focus on training staff and committee members on environmental compliance and equipping forest guards.

288. Solid waste management strategies will entail establishing waste recovery centers, installing waste-to-energy facilities, and constructing sanitary landfills. Policies and regulations regarding environmental management will be reviewed and developed, while community groups will be empowered through sensitization programs.

289. Sustainable management of natural resources will involve empowering artisanal miners, rehabilitating degraded areas, and increasing forest cover through gazettement and establishment of nurseries. Climate change mitigation and adaptation efforts will include establishing information centers, training community members on modern technologies, and mainstreaming climate change considerations into planning and budgeting processes. Additionally, locally led climate actions will be encouraged, and County Determined Contribution plans will be developed and implemented. These strategic interventions aim to promote environmental sustainability and resilience in Kilifi County.

4.13.3 SOCIAL PROTECTION AND RECREATION SECTOR

290. During the medium-term period 2020/2021-2022/2023, the Social Protection and Recreation sector in Kilifi County achieved notable milestones in promoting community well-being, fostering inclusivity, and advancing sports initiatives. Extensive sensitization efforts empowered 500 youth and 3000 women to engage in trade and entrepreneurship, while educational campaigns addressed gender-based violence and substance abuse, reaching over 3000 participants. Collaborative efforts with duty bearers and partners enhanced responses to GBV, with dignity kits distributed to over 20,000 beneficiaries. Capacity-building initiatives in life skills and GBV awareness reached over 25,000 youth, fostering resilience and empowerment. Furthermore, the nomination and training of youth champions for culture and heritage highlighted a commitment to preserving community traditions. Practical measures, such as supervision of gaming premises and inspection of liquor outlets, ensured regulatory compliance and public safety. The sector's dedication to promoting unity and peace was evident through constructive dialogue sessions and support extended to vulnerable groups, including Persons with Disabilities (PWDs) and Orphans and Vulnerable Children (OVCs). Investments in infrastructure, such as the completion of social halls and the upgrading of Gede national monument, enhanced recreational opportunities and cultural preservation.

291. Moreover, the procurement and distribution of sports equipment to all wards, support for the Special Olympics team, and participation in the Special Olympics Unified Cup girls football tournament in the United States demonstrated a commitment to promoting sports excellence and inclusivity. These achievements reflect a comprehensive approach to social protection, recreation, and sports development, aimed at improving the quality of life and fostering holistic well-being for all residents of Kilifi County.

292. During the medium-term 2024/2025-2026/2027 planning period, the Social Protection and Recreational sector in Kilifi County will strategically focus on bolstering community well-being and fostering inclusive development through targeted initiatives. One key strategy involves fortifying child protection services, which entails intensifying advocacy efforts and raising awareness on child rights issues, while concurrently crafting robust legal and policy frameworks and establishing a dedicated child rescue center. Moreover, the sector aims to institute proactive measures such as providing dignity kits to children and appointing child protection volunteers for grassroots mentorship. Simultaneously, initiatives to cultivate positive parenting practices and awareness will be implemented to strengthen family structures.

293. In tandem, the sector will prioritize the enhancement of social protection services, leveraging awareness campaigns to dispel stigma surrounding vulnerable groups like the elderly, Persons with Disabilities (PWDs), and Orphans and Vulnerable Children (OVCs). This will be reinforced by the formulation of a comprehensive social protection policy aimed at ensuring equitable access to essential resources and services. Furthermore, strategies will be devised to facilitate the distribution of assistive devices and essentials tailored to the specific needs of these marginalized populations.

294. Gender mainstreaming and development will be strategically pursued through campaigns aimed at integrating gender-responsive approaches across all sectors of development, thereby promoting gender equality and equity. To combat gender-based violence (GBV), strategic

interventions will encompass multifaceted awareness creation, capacity enhancement, and advocacy efforts, aimed at fostering a culture of zero tolerance towards GBV and promoting survivor-centered support mechanisms.

295. Youth empowerment and employment will be strategically addressed through holistic capacity-building initiatives, concerted efforts to expand job opportunities, and targeted rehabilitation services. The preservation of culture and heritage will be approached strategically through initiatives aimed at enhancing cultural appreciation and identity, including the establishment and enhancement of cultural sites, alongside robust advocacy and awareness campaigns.
296. Regulatory frameworks for betting control and liquor licensing will be strategically crafted to ensure responsible gambling practices and mitigate the adverse effects of alcohol consumption. Efforts to enhance peace and security will strategically focus on the development of comprehensive legal frameworks, the establishment of peace infrastructure, and proactive conflict prevention mechanisms.
297. In sports development, strategic interventions will revolve around the rehabilitation and establishment of sports infrastructure, capacity building, and policy formulation aimed at fostering a culture of sports excellence and inclusivity. Similarly, disaster risk management strategies will prioritize infrastructure development, capacity building, and community resilience-building measures, aimed at minimizing the impact of disasters and promoting sustainable development. These strategic approaches collectively underscore the sector's commitment to fostering social well-being, resilience, and sustainable development in Kilifi County.

4.13.4 Lands, Energy, Physical Planning, and Urban Development

298. The Department of Lands, Energy, Physical Planning, and Urban Development has achieved significant milestones across its various mandates in the past FY 2022/23. It hosted 20 land awareness clinic sessions to educate the public on land-related matters and enhance awareness of land management practices. Alongside, it established a spatial database and a Geographic Information System lab to enable improved spatial analysis and mapping capabilities. Furthermore, it oversaw the creation of three new municipalities—Watamu, Mariakani, and Mtwapa—aimed at fostering sustainable urban growth. In the realm of energy, the department made substantial progress in policy development and infrastructure expansion, crafting a comprehensive energy policy and legislative framework. Additionally, it facilitated private sector investment in renewable energy infrastructure, exemplified by the construction of a 40MW solar energy plant in Lango Baya. These accomplishments underscore the department's dedication to promoting efficient land use, sustainable urban development, and the adoption of renewable energy sources.
299. In the medium-term framework, the Department has outlined several priorities aimed at enhancing land use, physical planning, and energy management. These include preparing the Built Environment Policy and County Physical and Land Use Policy, revising local development plans for Fundisa and Gongoni and Kikambala, surveying 10,000 hectares of land, investing in a Global Navigation Satellite System receiver, registering six community land pieces, and allocating eight settlement schemes, with a focus on the Ganda Squarter Settlement Scheme. Public awareness will be prioritized, with 100 awareness sessions to educate communities on land use, physical planning, and energy-related matters. The department aims to increase

renewable energy adoption, with a target of 14,000 households using it. Infrastructure maintenance will focus on 7,000 streetlights annually, and an energy bill will be developed to regulate energy usage and management. Building inspections will ensure compliance with regulations and standards. These priorities reflect the department's commitment to sustainable development, efficient energy use, and effective land management practices.

4.13.5 Health

300. The Department of Health in the region has made significant strides in improving healthcare services during the fiscal years 2020/21 to 2022/23. This includes the establishment of 16 hospitals with functional operation theaters, five hospitals with functional High Dependency Units, and expanding radiological services. The department upgraded hospitals from 5 to 9 and provided radiological services in seven additional facilities, enhancing diagnostic capabilities and ensuring timely medical imaging. A dedicated call center was established to streamline emergency response efforts and improve response times. The department has 193 facilities equipped for laboratory diagnostic services, enhancing the capacity to diagnose and treat medical conditions promptly. Over 500 outreaches were conducted to increase access to general outpatient services, primarily targeting level 2 and 3 facilities. Additionally, 11 maternity theaters were completed, providing safe and well-equipped spaces for maternal care and delivery services. These achievements demonstrate the department's commitment to strengthening healthcare infrastructure, improving service delivery, and enhancing healthcare access for residents.

301. The health sector is aiming to improve healthcare services and access to preventive, promotive, curative, and rehabilitative care. The Medium-Term Expenditure Framework (MTEF) period will focus on strengthening health administration and support services, expanding universal health coverage, and enhancing health infrastructure and equipment. A key priority is increasing access to preventive and promotive health services, including blood donation initiatives. The sector plans to collect at least 30,000 units of blood from voluntary donors to ensure adequate supply for medical treatments and emergencies.

Efforts will be made to enhance the infrastructure of newly upgraded hospitals, such as Mtwapa, Gede, Marafa, and Rabai, by constructing kitchen and laundry blocks and outpatient departments with Accident and Emergency blocks. The sector also plans to strengthen the vaccine distribution system by constructing two central and sub-county vaccine stores, with a total investment of 60 million.

To improve emergency response and patient transport, at least 20 level 3 and 4 facilities will be equipped with fully functional ambulances, and 700 bicycles will be procured for Community Health Volunteers (CHVs). Additionally, the sector aims to increase access to surgical services by ensuring at least 20 facilities offer theatre services.

302. Lastly, the construction of Neonatal Intensive Care Unit (NBU) facilities at newly upgraded hospitals, Mariakani, and Malindi Hospitals, will be prioritized, with a budget allocation of 60 million.

4.13.6 Education and ICT

303. Education Sector is comprised of two units namely; Vocational training and Pre-primary.

The Sector is a critical player in promoting political, social, and economic development through education and training to create a knowledge-based economy.

304. The department realized a number of achievements during the 2020/21-2022/23 MTEF period. These includes: Construction of 2 second-generation ECDE classrooms, furnished 51 pre-schools with furniture (3553 chairs and 407 tables), introduced a feeding program (porridge) to 812 public pre-primary schools, increased VTC gross enrollment from 6,300 to 7,300 which is a 12.7% increment, equipped 6 vocational training centers with modern tools and equipment, and installed public WIFI in Buntwani, Malindi Sub- County and at Mazingira Park in Kilifi North.
305. In the 2024/25 to 2026/27 MTEF period and in line with the vision "Excellence in Education and ICT", the department endeavours to: Establish new ECDE centres in efforts to reduce the distance to the nearest ECDE from the current 7km to 5km, increase enrollment in ECDE centres from 49,172 children to 60,000 children, and increase the retention rate in ECDE centres by 2 percent from 97 percent to 99 percent. Specific interventions to achieve this include construction of modern and state of the art ECDEs, and rehabilitation and equipping of the existing ones. The County will also implement a school feeding program targeting 49,172 children.
306. The county will upgrade and equip VTCs with modern tools and equipment, strengthen the staffing level through recruitment of Vocational Quality Assurance and Standard officers, introduce market-oriented courses, ICT and improved infrastructure.
307. To increase the enrollment in VTCs from 7,300 trainees to 9,000 trainees and increase the retention rate from 83 percent to 90 percent the County will establish model VTCs, ensure continuous capacity development and refresher courses for instructors and capitation for VTCs, diversify existing trade lines in VTCs and incorporate new and emerging trade lines and also sensitize the community on the various programmes offered. The county will also progressively recruit more teachers to be posted to schools including Special Needs Schools (SNE) to bridge the instructor student ratio.

4.12.7 Roads and Public Works

308. During the period FY2020/21-2022/23, the department realized the following achievements: To improve road motarbility, the department paved 7.25km of road and constructed 5 culverts. Additionally, to improve road networks for socio-economic activities, the department gravelled 210km of road, opened 1200km and patched 200 cubic meters potholes of road. Lastly, to reduce incidences of road accidents, the department constructed/installed 50 road bumps along the major highways.
309. During the FY 2024/25 and the Medium-Term period, the department will implement the following programmes to achieve key strategic interventions as highlighted; Opening up feeder roads in the rural areas, Expansion of the railway line from Mariakani to Lamu, Improving marine related infrastructure for effective and efficient harbor services, Upgrading, rehabilitating and maintaining of roads network Systems, Capacity building of human Resource, Improving public works Facilities, Construct new and maintain existing and new drainage facilities, Upgrade of roads, Opening up of new roads especially in the rural areas and improving of urban and rural parking facilities.

4.12.8 Agriculture, Livestock Development and Blue Economy

310. This sector comprises of three sub-sectors: Agriculture, Livestock Development, and Blue economy. This sector emphasizes on ensuring food and nutrition security as well as sustainable production. The sector prioritizes increasing production in Agriculture livelihood and blue economy sub-sectors, Increased production as well as productivity, Enhance market access of products, value addition and processing and increased access to financial services. Enhanced extension service delivery is also key in achieving the objectives of the sector towards improved food and nutrition security as well as sustained incomes and improved livelihoods.
311. During the 2020/21-2022/23 Medium-Term Expenditure Framework (MTEF) period, the department increased acreage under improved mango crop orchards by 267 acres (from 20,013 to 20,280 acres), increased the acreage under cashew crop orchards by 300 acres (From 37,348 to 37,648 acres), increased Annual Maize production by 116,071 (90kg) bags, improved livestock marketing with annual sales at 500 cattle and 1,500 shoats, increased the number of farmers adopting commercial aquaculture production by 15% and improved the percentage of fish landing sites with quality and safety assurance facilities.
312. During the MTEF period 2024/25 – 2026/27, the department plans to: Promote irrigation, promote use of improved and certified seeds and other appropriate inputs for production, Enhanced extension services, Promote soil fertility management practices, Promotion and operationalization of appropriate modern technologies on mechanization to reduce cost of production, Promote market Access, Promote diversified crop production and Promote farmers access to affordable credit facilities.
313. To improve Livestock production, the department plans to: Promote fodder and pasture development, promote appropriate water harvesting techniques for livestock use, Promote breed improvement Pest and Disease control and management, Farm input subsidies e.g., vaccines, mineral licks, Enhanced extension services, Promote market Access and Diversified livestock production.
314. To improve fisheries production, the department plans to: Promote marine and aquaculture fish production, Enhanced extension services, Promote diversified farming of other marine products, Promote market access, Promote sustainable fisheries governance and Legal/Policy framework.

CHAPTER 5: CONCLUSION

315. As we draw to a close in formulating the County Fiscal Strategy Paper for the fiscal year 2024/2025, it is imperative to emphasize the next steps and underscore the importance of collaborative efforts in realizing our shared vision for Kilifi County's development.
316. The strategic priorities outlined within this document serve as a roadmap for our collective endeavors towards fostering economic growth, enhancing service delivery, and improving the overall well-being of our constituents. From formulating proactive economic policies to implementing technology and automation initiatives, each priority plays a crucial role in advancing our county's prosperity.
317. As we move forward, it is essential for all sectors to maintain expenditure within the fiscal space outlined in this strategy. By adhering to prudent financial management practices, we can ensure the optimal utilization of resources and maximize the impact of our investments in key areas such as infrastructure, education, healthcare, and economic development.
318. Furthermore, collaboration among sectors is paramount in the successful implementation of the 2024/2025 budget. We must work hand in hand, breaking down silos and leveraging synergies to address the complex challenges facing our county. By unifying our strategies and pooling our resources, we can achieve greater efficiency and effectiveness in delivering services and driving development outcomes.
319. Towards this end, I urge all stakeholders to remain committed to the goals and objectives outlined in this County Fiscal Strategy Paper. Let us forge ahead with determination and resolve, mindful of the collective responsibility we bear towards the people of Kilifi County. Together, we can overcome obstacles, seize opportunities, and build a brighter future for generations to come.

