



REPUBLIC OF KENYA

THE NATIONAL TREASURY AND PLANNING

PUBLIC STATEMENT ON THE STATUS OF PAYMENTS TO COUNTY GOVERNMENTS

- This Statement is issued in public interest pursuant to Article 35(3) of the Constitution and section 7 of the County Allocation of Revenue Act (CARA), 2019. The Statement is intended to inform citizens about the quantum of funds transferred to County Governments in FY 2019/20 and in preceding years.
- By the end of FY 2019/20, County Governments had received Ksh. 286.8 billion from their equitable share of revenue raised nationally, equivalent to 91 percent of the Ksh. 316.5 billion appropriation as per the CARA, 2019. Payments to the Counties are summarized in **Table 1**, while cumulative and per person disbursements to each County are shown in **Table 2**.

TABLE 1: SUMMARY OF PAYMENTS TO COUNTY GOVERNMENTS (KSH. MILLIONS)

Transfer Type	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	Grand Total
1. Equitable revenue share	190,000	226,660	259,774	280,300	302,000	314,000	286,784	1,859,519
2. Conditional transfers towards Covid-19	-	-	-	-	-	-	7,706	7,706
a) From GoK	-	-	-	-	-	-	7,356	7,356
b) From DANIDA	-	-	-	-	-	-	350	350
3. GoK-funded conditional allocations	5,665	3,261	10,901	13,705	12,008	15,017	13,343	73,900
a) Level Five Hospital	3,419	1,863	3,600	4,000	4,200	4,326	4,326	25,735
b) Free Maternal Healthcare*	2,246	1,398	3,321	4,105	-	-	-	11,070
c) Managed Equipment Services	-	-	3,080	4,500	4,908	8,830	6,017	27,335
d) Foregone User Fees Compensation	-	-	900	900	900	900	900	4,500
e) Rehabilitation of Youth Polytechnics	-	-	-	-	2,000	961	2,000	4,961
f) Emergency Medical Service Grant	-	-	-	200	-	-	-	200
g) Construction of County HQs	-	-	-	-	-	-	100	100
4. Additional conditional allocations	-	1,137	5,547	6,063	17,797	31,070	30,020	91,634
a) Road Maintenance Levy Fund	-	-	3,300	4,307	10,262	7,424	7,645	32,938
b) External Loans and Grants	-	1,137	2,247	1,756	7,535	23,646	22,375	58,696
5. Allowances for County medical personnel	-	-	-	4,842	-	-	-	4,842
6. Coffee Cess	-	-	-	107	-	-	-	107
Grand Total (= 1+2+3+4+5+6)	195,665	231,059	276,223	305,016	331,805	360,086	337,853	2,037,707

*** In FY 2017/18, FY 2018/19 and FY 2019/20, Ksh. 3.4 billion, Ksh 4.3 billion and Ksh 4.3 billion respectively, from the National Government's revenue share was paid to the National Hospital Insurance Fund (NHIF) as a grant for Free Maternal Healthcare, to be disbursed directly to Counties on reimbursement basis.**

- The National Government in FY 2019/20 transferred an additional Ksh. 7.7 billion to the Counties, as part of Covid-19 pandemic emergency response measures. The funding, which was not part of CARA, 2019 allocations comprised of:
 - Ksh. 7.4 billion from the National Government's share of revenue:** Of this amount, Ksh. 5 billion was distributed among Counties using the equitable revenue share distribution formula, for the purpose of setting up requisite infrastructure for urgent response to the pandemic. The balance of Ksh. 2.4 billion was distributed based on recommendations by the Salaries and Remuneration Commission (SRC) for the purpose of supplementing allowances for frontline healthcare workers.
 - Ksh. 350 million from the Royal Danish Embassy:** This amount was disbursed through Ministry of Health (MoH).

- The Counties received another Ksh. 43.4 billion in FY 2019/20, which comprised of:
 - conditional allocations worth Ksh. 13.3 billion derived from the National Government's equitable revenue share;
 - Ksh. 7.6 billion from the Roads Maintenance Levy Fund (RMLF) collected by the Kenya Roads Board (KRB), of which 15 percent is set aside for County roads; and,
 - proceeds from external loans and grants totaling Ksh. 22.4 billion earmarked to supplement financing of devolved functions.
- Excluding the Covid-19 pandemic support, aggregate payments to the Counties relating to FY 2019/20 now amount to Ksh. 330.1 billion, representing 87.2 percent of DoRA, 2019 allocations (i.e. Ksh 378.5 billion). The shortfall may be explained as follows:
 - Incomplete disbursement of FY 2019/20 equitable revenue share to the Counties. This was due to unprecedented shortfalls in ordinary revenue experienced during the last quarter of the financial year as a result of the Covid-19 pandemic, and ensuing Government fiscal measures to cushion affected households and businesses. It should however be noted that on August 5th, 2020, the National Treasury disbursed to the Counties a total of Ksh. 26.2 billion of the outstanding amounts. A breakdown of these disbursements is shown in **Table 3**.
 - Failure by some Counties to adhere to requirements of specific conditional allocations. For this reason, the Exchequer could not disburse:
 - Ksh. 617 million for the Water & Sanitation Development Project;
 - Ksh. 338 million for the Transforming Health Systems for Universal Care Project;
 - Ksh. 337 million for the National Agriculture and Rural Inclusive Growth Project (NARIGP);
 - Ksh. 80 million for the Kenya Urban Support Programme (KUSP);
 - Ksh. 385 million for construction of County headquarters; and,
 - Ksh. 1,339 million from the RMLF.
 - Delays by Accounting Officers of some Ministries responsible for specific conditional grants to submit written instructions to the National Treasury to release payments as stipulated in the **Guidelines for the Management of Intergovernmental Fiscal Transfers (2017)**. The delays, which stretched into the last quarter of the financial year, significantly undermined overall resource absorption, in turn requiring the National Treasury to remove from the budget an estimated Ksh 14.7 billion worth of unspent conditional grants funded mostly by development partners. The 'cuts' were intended to create room in the FY 2019/20 fiscal framework so as to enable mobilization and reallocation of resources towards the Covid-19 pandemic. Accordingly, the Exchequer could not disburse: Ksh. 4.9 billion for level II grant of the Kenya Devolution Support Program (KDSP); Ksh. 880 million for the Water Tower Protection, Climate Change Mitigation and Adaptation Programme (WaTER); and, Ksh. 350 million for the Northern Kenya Drought Resilience Programme.
- Including the FY 2019/20 payments, County Governments have now received an estimated Ksh. 2.038 trillion cumulatively since their establishment. In this context, it would be useful for the public to note that:
 - of the above cumulative payments, 91.2 percent comprises of the unconditional equitable revenue share;
 - in all years, County Governments' equitable revenue share has been well above the minimum threshold defined in Article 203(2) of the Constitution, and except for FY 2019/20, the equitable revenue share has been fully disbursed in accordance with Article 219 of the Constitution;
 - during the last seven years, aggregate annual payments to Counties has grown by Ksh. 142.3 billion or 73 percent; and,
 - in per capita (or per person) terms, County payments have grown from Ksh. 4,114 in FY 2013/14 to Ksh. 7,103 in FY 2019/20. This translates to an annual average of Ksh. 6,121, with Nairobi receiving the least (Ksh. 3,067) and Lamu the highest (Ksh. 17,556).

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

TABLE 2: CUMULATIVE AND PER PERSON PAYMENTS TO COUNTY GOVERNMENTS (KSH.)

County	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	Cumulative Payments (2013/14 - 2019/20)	Payments Per Person (Annual Average)
	A	B	C	D	E		G	H = A+B+C+D+E+F+G	I
Baringo	3,281,383,323	3,926,106,431	4,656,934,428	5,233,961,425	5,549,975,184	5,827,026,254	5,346,126,671	33,821,513,715	7,246
Bomet	3,473,870,878	4,162,524,827	4,909,906,160	5,408,349,433	5,709,103,301	6,623,843,955	5,888,307,950	36,175,906,503	5,902
Bungoma	6,271,462,041	6,783,170,481	8,029,195,903	8,876,380,198	9,430,278,865	10,120,206,226	9,559,282,453	59,069,976,166	5,051
Busia	3,463,379,155	4,799,492,252	5,668,513,352	6,256,557,033	6,894,545,788	6,734,461,089	6,380,802,839	40,197,751,508	6,426
Elgeyo Marakwet	2,413,729,091	2,894,583,377	3,471,543,872	3,823,933,460	3,978,773,535	4,468,666,793	4,168,579,087	25,219,809,215	7,927
Embu	3,100,540,129	3,571,958,959	4,205,121,593	4,771,935,686	4,843,574,583	5,332,064,788	5,071,559,213	30,896,754,950	7,252
Garissa	4,431,683,790	5,190,150,287	6,351,245,243	6,911,228,790	7,518,607,376	8,107,741,132	7,756,509,712	46,267,166,330	7,856
Homa Bay	4,182,101,595	4,991,175,873	5,911,122,678	6,516,573,708	7,092,167,990	7,347,022,677	6,917,660,883	42,957,825,404	5,421
Isiolo	2,247,835,837	2,682,961,881	3,199,678,723	3,537,827,614	4,081,810,947	4,448,645,119	4,582,738,856	24,781,498,977	13,210
Kajiado	3,253,239,859	3,890,104,860	4,650,358,927	5,215,256,318	6,198,702,283	6,868,668,078	6,858,827,932	36,935,158,256	4,720
Kakamega	6,931,155,657	8,090,604,228	9,646,227,641	10,703,578,916	11,062,919,682	12,151,853,991	11,364,377,058	69,950,717,173	5,351
Kericho	3,353,059,897	3,973,438,352	4,748,554,101	5,252,797,896	5,656,013,322	6,462,014,445	5,851,807,047	35,297,685,059	5,592
Kiambu	5,980,601,386	6,707,156,605	8,207,917,647	9,264,204,773	10,927,610,972	12,743,464,400	11,685,344,546	65,516,300,330	3,871
Kilifi	5,518,308,482	6,574,938,022	7,842,163,405	8,563,981,588	10,650,268,698	12,071,640,899	10,968,181,930	62,189,483,025	6,111
Kirinyaga	2,621,282,589	3,122,463,813	3,727,560,086	4,159,808,773	4,876,384,036	4,667,131,239	4,672,393,818	27,847,024,355	6,517
Kisii	5,487,250,383	6,361,766,497	7,772,145,310	8,664,058,165	8,592,553,305	9,188,768,347	8,681,167,050	54,747,709,058	6,174

THE NATIONAL TREASURY AND PLANNING

County	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	Cumulative Payments (2013/14 - 2019/20)	Payments Per Person (Annual Average)
	A	B	C	D	E		G	H = A+B+C+D+E+F+G	I
Kisumu	4,615,876,577	5,262,002,848	6,324,406,000	6,994,542,675	7,369,015,486	8,668,928,630	8,002,954,342	47,237,726,557	5,840
Kitui	5,348,827,428	6,407,041,897	7,583,499,487	8,389,946,573	9,340,897,458	9,642,235,292	9,366,103,294	56,078,551,429	7,051
Kwale	3,788,132,670	4,531,614,262	5,405,264,065	5,986,544,213	7,781,601,282	8,250,731,235	8,277,600,796	44,021,488,522	7,255
Laikipia	2,557,539,642	3,037,429,843	3,651,034,608	4,104,689,637	4,954,234,811	4,849,785,160	4,443,200,058	27,597,913,758	7,603
Lamu	1,509,775,102	1,802,318,513	2,172,952,802	2,509,540,339	2,756,251,476	4,035,239,884	2,900,546,366	17,686,624,481	17,556
Machakos	5,114,071,345	6,134,394,187	7,346,493,531	8,166,790,848	8,376,122,984	10,348,955,784	9,241,732,805	54,728,561,484	5,498
Makueni	4,403,546,303	5,255,759,064	6,234,615,763	6,857,630,551	7,606,334,087	8,201,942,271	7,877,135,250	46,436,963,288	6,717
Mandera	6,569,847,929	7,851,533,937	9,224,728,949	10,084,615,714	10,354,026,318	11,281,577,308	10,376,501,495	65,742,831,650	10,827
Marsabit	3,805,077,542	4,554,700,287	5,363,688,014	5,861,348,668	7,021,526,717	7,823,178,728	6,896,898,151	41,326,418,107	12,840
Meru	5,006,846,175	5,811,720,035	8,068,730,716	8,695,004,808	8,690,203,884	9,353,128,740	8,772,346,923	54,397,981,281	5,028
Migori	4,339,034,161	5,178,050,161	6,179,702,331	6,742,468,649	6,996,366,222	7,820,468,252	7,485,532,833	44,741,622,609	5,725
Mombasa	4,291,377,471	4,805,790,006	5,856,541,422	6,460,495,121	8,966,848,169	9,352,443,798	8,352,861,230	48,086,357,217	5,685
Murang'a	3,964,995,471	4,733,688,227	5,605,841,727	6,224,115,350	6,717,512,470	6,825,658,407	6,754,270,617	40,826,082,269	5,520
Nairobi	9,729,818,320	11,441,036,548	13,534,170,793	14,946,783,245	16,323,790,299	16,155,037,800	12,275,944,442	94,406,581,448	3,067
Nakuru	6,647,425,748	7,503,232,007	8,909,150,835	9,841,244,944	10,330,202,245	11,705,865,445	11,835,626,599	66,772,747,822	4,412
Nandi	3,513,121,827	4,196,573,747	4,958,627,028	5,469,004,415	5,566,010,582	6,059,176,633	5,887,466,815	35,649,981,046	5,750
Narok	3,897,497,831	4,664,355,024	5,537,068,743	6,064,109,450	7,144,507,576	7,033,037,443	8,241,585,349	42,582,161,416	5,254
Nyamira	3,081,787,287	3,684,498,196	4,358,048,612	4,831,602,226	5,119,041,340	5,392,141,405	5,181,195,051	31,648,314,117	7,466
Nyandarua	3,176,663,544	3,797,904,157	4,490,760,352	4,936,245,833	5,438,755,918	5,851,792,816	5,206,042,897	32,898,165,517	7,363
Nyeri	3,685,716,476	4,138,865,733	5,042,278,330	5,600,339,382	5,748,259,017	6,365,159,120	6,153,112,067	36,733,730,124	6,912
Samburu	2,604,240,722	3,118,803,006	3,700,905,733	4,080,440,211	4,206,339,743	5,009,568,253	4,847,706,557	27,568,004,226	12,691
Siaya	3,717,804,335	4,436,323,009	5,246,071,112	5,797,489,075	6,082,340,216	6,617,589,780	6,051,299,399	37,948,916,926	5,458
Taita Taveta	2,443,413,498	2,922,341,963	3,488,332,869	3,842,745,714	4,264,020,622	4,594,827,610	4,577,484,533	26,133,166,810	10,959
Tana River	2,921,556,211	3,495,601,069	4,137,496,801	4,627,810,651	5,713,763,880	6,022,998,660	6,006,330,570	32,925,557,841	14,888
Tharaka Nithi	2,316,285,957	2,764,643,356	3,305,463,744	3,652,470,953	4,029,081,994	4,101,461,962	4,267,685,324	24,437,093,290	8,879
Trans Nzoia	3,768,041,967	4,490,618,357	5,323,073,849	5,856,599,951	6,134,099,222	6,530,339,029	6,351,147,129	38,453,919,504	5,547
Turkana	7,674,315,857	9,178,804,658	10,748,014,432	11,709,814,817	10,804,298,494	11,535,858,600	10,482,638,028	72,133,744,885	11,117
Uasin Gishu	3,811,462,902	4,564,237,642	5,390,581,097	5,947,601,606	6,175,278,868	7,261,061,866	7,061,214,379	40,211,438,360	4,939
Vihiga	2,860,896,942	3,420,828,036	4,054,531,396	4,470,649,135	4,843,027,689	5,221,923,141	5,198,851,298	30,070,707,636	7,281
Wajir	5,311,159,775	6,355,760,549	7,470,850,704	8,159,999,887	8,716,567,070	9,418,866,978	8,474,445,051	53,907,650,013	9,857
West Pokot	3,177,935,726	3,795,568,370	4,511,622,736	4,942,855,225	5,171,692,585	5,592,259,659	5,252,167,523	32,444,101,825	7,461
Grand Total	195,664,976,833	231,058,635,439	276,222,737,642	305,015,973,635	331,805,308,593	360,086,459,126	337,853,294,216	2,037,707,385,484	6,120

Average per Capita	4,114	4,858	5,807	6,413	6,976	7,571	7,103	42,841
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TABLE 3: DISBURSEMENTS TO COUNTY GOVERNMENTS ON AUGUST 5TH, 2020

County	Ksh
Baringo	438,255,900
Bomet	473,610,600
Bungoma	764,853,900
Busia	517,161,000
Elgeyo / Marakwet	332,071,800
Embu	370,178,400
Garissa	604,261,800
Homa Bay	579,764,700
Isiolo	364,734,600
Kajiado	552,545,700
Kakamega	895,505,100
Kericho	462,723,000
Kiambu	811,126,200
Kilifi	898,227,000
Kirinyaga	364,734,600
Kisii	669,587,400

County	Ksh
Kisumu	587,930,400
Kitui	759,410,100
Kwale	669,587,400
Laikipia	359,290,800
Lamu	223,195,800
Machakos	666,865,500
Makueni	636,924,600
Mandera	879,173,700
Marsabit	582,486,600
Meru	691,362,600
Migori	582,486,600
Mombasa	
Murang'a	541,658,100
Nairobi City	972,808,690
Nakuru	900,948,900
Nandi	460,001,100

County	Ksh
Narok	691,362,600
Nyamira	413,728,800
Nyandarua	419,172,600
Nyeri	645,444,900
Samburu	397,397,400
Siaya	498,107,700
Taita / Taveta	364,734,600
Tana River	503,551,500
Tharaka - Nithi	337,515,600
Trans Nzoia	495,385,800
Turkana	906,392,700
Uasin Gishu	544,380,000
Vihiga	400,119,300
Wajir	734,913,000
West Pokot	430,060,200
Total	26,215,709,290

Note:

Mombasa County had as at June 30th, 2020 received 100 percent of its FY 2019/20 equitable revenue share.