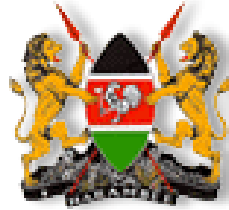


Draft



REPUBLIC OF KENYA

**ENERGY, INFRASTRUCTURE, AND INFORMATION
COMMUNICATIONS AND TECHNOLOGY SECTOR**

MTEF BUDGET REPORT

FY2014/15 – 2016/17

November 2013

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ACRONYMS

ASAL	-	Arid and Semi Arid Lands
BASA	-	Bilateral Air Service Agreement
BROP	-	Budget Review Outlook Paper
BPO	-	Business Process Outsourcing
CAO	-	Civil Aviation Organization
CASSOA	-	Civil Aviation Safety and Security Oversight Agency
CBD	-	Central Business District
CILOR	-	Contribution in lieu of rates
DFID	-	Department of International Development
EII	-	Energy, Infrastructure and ICT Sector
ERB	-	Engineer Registration Board
ERC	-	Energy Regulatory Commission
ERS	-	Economic Recovery Strategy
FAA	-	Federal Aviation Administration
FY	-	Financial Year
GDC	-	Geothermal Development Company
GIS	-	Geographical Information System
GOK	-	Government of Kenya
Ha	-	Hectares
ICT	-	Information and Communications Technology
IMO	-	International Maritime Organization
IPO	-	Initial Public Offering
IPP	-	Independent Power Producer
JKIA	-	Jomo Kenyatta International Airport
CAA	-	Kenya Airports Authority
KCAA	-	Kenya Civil Aviation Authority
KENGEN	-	Kenya Electricity Generating Company
KeNHA	-	Kenya National Highways Authority
KeRRA	-	Kenya Rural Roads Authority
KETRACO	-	Kenya Electricity Transmission Company
KFS	-	Kenya Ferry Services
KIHBT	-	Kenya Institute of Highways and Building Technology
KIMC	-	Kenya Institute of Mass Communication
KMA	-	Kenya Maritime Authority
KMS	-	Kilometres
KNA	-	Kenya News Agency
KoTDA	-	Konza Technopolis Development Authority
KPA	-	Kenya Ports Authority
KPC	-	Kenya Pipeline Company
KPLC	-	Kenya Power and Lighting Company Limited
KPRL	-	Kenya Petroleum Refineries Ltd
KRC	-	Kenya Railways Corporation
KURA	-	Kenya Urban Roads Authority
KUTIP	-	Kenya Urban Transport Infrastructural Programme
LPG	-	Liquefied Petroleum Gas
MOEP	-	Ministry of Energy and Petroleum
MOICT	-	Ministry of Information, Communications and Technology
MOTI	-	Ministry of Transport and Infrastructure
MTEF	-	Medium Term Expenditure Framework
MTP	-	Medium Term Plan
MW	-	Mega Watts
NOCK	-	National Oil Corporation of Kenya
NOFBI	-	National Optic Fibre Network Backhaul Initiative

NMT	-	Non Motorable Transport
PPP	-	Public Private Partnership
RBM	-	Result Based Management
REA	-	Rural Electrification Authority
RRI	-	Rapid Result Initiative
SAGAs	-	Semi Autonomous Government Agencies

EXECUTIVE SUMMARY

The Energy, Infrastructure and Information Communications Technology Sector consists of Energy and Petroleum; Transport and Infrastructure; and Information and Communications Technology Subsectors. In the Kenya Vision 2030, infrastructure development has been recognized as an enabler for sustained development of the economy and particularly for the seven key Sectors identified under the economic pillar. The EII Sector plays a major facilitating role in realization of the key targets under this pillar.

The Kenya Vision 2030 recognizes the importance of development infrastructure as critical for socio-economic transformation. The Infrastructure Sector aspires a world-class provider of cost-effective public utility infrastructure facilities and services' in the areas of energy, transport and ICT that meet international standards to make Kenya a globally competitive and prosperous country. The strategies and measures to be pursued in the medium term include; supporting the development of infrastructure initiatives around flagship projects, strengthening the institutional framework for infrastructure development, raising the efficiency and quality of infrastructure as well as increasing the pace of infrastructure projects so that they are completed as envisaged, protecting the environment as a national asset and conserving it for the benefit of the future generations and the wider international community. Other measures include encouraging Private Sector participation in the provision of infrastructure services through the Public-Private-Partnerships (PPPs) framework.

The Government has continued to commit more financial resources for infrastructural development in the last three years for both Recurrent and Development expenditures. The Government has continued to commit more financial resources for infrastructural development in the last three years for both Recurrent and Development expenditures.

The total approved development expenditure increased from Kshs. 141.27 billion in FY2010/11 to Kshs.182.395 billion in FY2011/12. The increased allocation in the original and actual expenditure was in line with Government commitment and recognition of the country's infrastructure including roads, airports, ports, energy generation and supply as being the foundation of the Kenya Vision 2030.

The approved Recurrent expenditure budget of the Sector increased from Kshs.242.931 billion in 2013/14 financial year to an allocation of Kshs.402.370 billion in 2014/15 FY.

In order to achieve the sector visions, the sector has prioritized ten programmes. The Sector prioritized its programmes using the criteria as derived from Treasury Circular No.11/2013 of August 28, 2013. These are: Information and Communication Services; Road Transport; National Electrification; ICT Infrastructure Development; Rail Transport; Marine Transport; Renewable Energy Resources; Petroleum Exploration and Distribution; Airport Transport; ICT and Mass Media Skills Development; and Government Clearing Services

The trends in expenditure analysis indicate that there has been a general underutilization of development expenditure. The underutilisation is attributed to: procurement challenges particularly donor funded projects; inadequate counterpart funding which affects the expenditure on the donor component; and delayed/inadequate exchequer releases and disbursement of funds from development partners.

In FY 2012/13, the total pending bill for the Sector was Kshs.19.394.8 billion. Bills on the development vote were Kshs.17.800 billion while for recurrent was Kshs.1.594.8 billion. Most bills emanates from backlog in payment of claims towards closure of financial year. Over the last three years, there has been a remarkable improvement in settling of pending bills due to prudent financial management. However, the trend of pending bills has been rising in the development vote mainly as a result of delayed payments for contracted civil works and professional services, variation of contracts, austerity measures and delays in exchequer releases to facilitate payments.

For the Sector to achieve its objectives and above detailed outputs, it will require **Kshs.45.867billion, KShs.47.804 Billion** and **KShs.49.695 billion** Recurrent funding for 2014/15, 2015/16 and 2016/17 financial years respectively. In addition the sector requires **Kshs. 356.503 billion, KShs.346.717 billion** and **Kshs. 339.074 billion** Development funding for 2014/15, 2015/16 and 2016/17 Financial Years respectively. However, the sector has been allocated, in 2014/2015 financial year, **Kshs. 41.606 billion** for Recurrent and **Kshs. 200.301 Billion** for Development.

In view of the findings it is recommended among others: the need for strengthening of E-PROMIS and NIMES systems to ensure timely implementation of programmes; fast track the review of Public Procurement and Disposal Act 2005; and finalize and adopt a public private partnership framework and issuance of infrastructure bonds to complement government resources to support the sector implement projects which require large capital outlays.

CHAPTER ONE

INTRODUCTION

1.1 Background

The Energy, Infrastructure and ICT (EII) Sector consist of Energy and Petroleum; Transport and Infrastructure; and Information Communications and Technology Subsectors. The Kenya Vision 2030 recognises EII sector as an enabler for sustained economic growth.

According to the 2nd Medium Term Plan (MTP) 2013-2017, the development of high quality infrastructure is critical for socio-economic transformation. The strategies and measures to be pursued during the period include; supporting development initiatives around flagship projects, strengthening institutional framework, enhancing efficiency and quality as well as increasing the pace of projects so that they are completed as envisaged. Other measures include encouraging private Sector participation in the provision of infrastructure services through the Public-Private-Partnership (PPP) framework.

The sector aims at improving both the quality and quantity of Infrastructure facilities in order to contribute to the attainment of an accelerated and sustained economic growth. In the long run, the aim is to provide an enabling environment for socio-economic development. This will provide necessary support to the seven sectors in the economic pillar and flagship projects which have been prioritized to drive the Kenyan economy towards achieving the aspirations of the Kenya Vision 2030.

Further, the report has been prepared through a sector wide consultative process involving all subsectors. In addition, the integrated County development plans resulting from stakeholders' consultations and recommendations in all the forty seven counties have been used to inform the sector priorities.

Notwithstanding, the sector faces a number of challenges that include , but not limited to; realignment of the Sector objectives to the new Constitution, capacity gaps and inadequate appropriate skills in various technical cadres, inadequate funding to implement planned programmes, among others.

1.2 Sector Vision and Mission

Vision

A world-class provider of cost-effective public utility infrastructure facilities and services' in the areas of energy, transport and ICT

Mission

“To provide efficient, affordable and reliable infrastructure for sustainable economic growth and development”

1.3 Strategic Goals/Objectives of the Sector

The Strategic goals are:

- Accelerating on-going infrastructure development, focusing on quality, aesthetics and functionality of the infrastructure services;
- Infrastructure development to support identified flagship projects to ensure contribution to the economic growth and social equity goals;
- Improving efficiency and effectiveness of the infrastructure development process at all levels of planning, contracting, and construction;
- Providing a utility Sector that is modern, customer- oriented and technologically-enabled to provide efficient, cost-effective, quality services to all citizens;
- Enable universal access to IT enabled services to promote a knowledge based society;
- Develop modern national ICT infrastructure for sustainable development;
- To ensure affordable, reliable, quality, safe and sustainable access to energy for all while protecting and conserving the environment;
- To develop and enforce regulations and standards to ensure safe, secure and efficient transport and infrastructure systems;
- To develop and maintain sustainable transport and infrastructure to facilitate efficient movement of goods and people;
- To undertake research and implement the findings for an efficient transport and infrastructure systems; and
- To mobilize resources and build capacity for technical and professional staff.

The strategic objectives are:

- Strengthening the institutional framework for infrastructure development and accelerating the speed of completion of priority projects;
- Raising efficiency and quality of infrastructure projects;
- Developing and maintaining an integrated, safe and efficient transport network;
- Benchmark infrastructure facilities and services provision with globally acceptable performance standards targeting enhanced customer satisfaction;
- Enhancing private Sector participation in the provision of infrastructure facilities and services strategically complemented by public Sector interventions;
- Developing and strengthening policies and capabilities of the Sector;
- Enhancing economic productivity by lowering transaction costs;
- Reduction of access to cost of ICT services through affordable connectivity, hardware and software;
- Utilize energy as a tool to accelerate economic empowerment for the National and County Governments as well as urban and rural development;
- Improve access to quality, reliable and affordable energy services;
- Prioritise and promote development of indigenous primary and secondary energy resources;
- Promote energy efficiency and conservation;
- Ensure that a comprehensive, integrated and well informed energy sector plan is put in place for effective development;
- Foster international co-operation in energy trade, investments and development; and
- Provide for the phased transfer of provision of energy services to the Counties in accordance with Article 174 of the Constitution.

1.4 Subsectors and their Mandates

The mandates of the subsectors are drawn from the Executive order No. 2 of May 2013.

1.4.1 Energy and Petroleum Subsector

The Subsector is responsible for:

- Energy Policy and Development;
- Hydropower Development;
- Geothermal Exploration and Development;
- Thermal Power Development; Oil and Gas Exploration;
- Oil/Gas and Minerals sector capacity development;
- Rural Electrification Programme;
- Petroleum products, import/export/marketing policy Management;
- Renewable Energy Promotion and Development;
- Energy Regulation, Security and Conservation; and
- Fossil Fuels Exploration and Development.

1.4.2 Transport and Infrastructure Subsector

The sub sector is responsible for:

- National roads development policy management;
- Transport policy management;
- maritime transport management;
- rail transport and infrastructure management;
- development, standardization and maintenance of roads;
- mechanical and transport services; enforcement of axle load control;
- materials testing and advice on usage;
- standardization of vehicles, plant and equipment;
- civil aviation management and training;
- registration of engineers;
- registration of road contractors;
- protection of road reserves; maintenance of air strips;
- government clearing and forwarding service;
- national transport and safety policy; and
- Implementation of LAPSSET project.

1.4.3 Information Communications and Technology Subsector

The sub sector is responsible for:

- Information Communications and Technology (ICT);
- Broadcasting and Language Management Policies;
- Public Communications;
- ICT Training and Standards Development and Administration;
- Development of National Communications Capacity and Infrastructure;
- Provision of Public Relations Services;
- Promotion of Software and hardware Development Industry;
- Fibre Optics Infrastructure development and Management;
- Infrastructure development through ICT Authority (comprising E-Government, Kenya ICT Board, and Government Information Technology Services);
- Provision of ICT Consulting to other Government departments;

- Provision of advisory services on acquisition of ICT and telecommunication services and equipment to Government ministries and departments;
- Telecommunication services;
- Dissemination of public information through Kenya Broadcasting Corporation (KBC);
- Mass Media Capacity building at Kenya Institute of Mass Communications (KIMC);
- Regulatory services through Communications Commission of Kenya (CCK);
- Postal Corporation of Kenya (PCK);
- National Communications Secretariat (NCS);
- Communications Appeals Tribunal;
- Brand Kenya Board (BKB);
- Kenya Year Book Editorial Board (KYEB); and
- KonzaTechnopolis Development Authority (KOTDA).

1.5 Autonomous and Semi-Autonomous Government Agencies (AGAs and SAGAs)

There are various AGAs and SAGAs in the sector.

1.5.1 Energy and Petroleum Subsector

- Kenya Power and Lighting Company Limited (KPLC) is responsible for electricity transmission (through transmission network existing before KENTRACO was formed) and distribution;
- Energy Regulatory Commission (ERC) is responsible for regulation of the entire energy sector and protects interest of stakeholders;
- Rural Electrification Authority (REA) is responsible for accelerating rural electrification at a pace consistent with government policy;
- Energy Tribunal is responsible for arbitration of disputes between ERC and aggrieved stakeholders in the energy sub sector;
- Kenya Pipeline Company (KPC) is responsible for operation of the oil pipeline system for the transportation and storage of petroleum products;
- National Oil Corporation of Kenya (National Oil) is responsible for petroleum exploration and fuel marketing;
- Kenya Electricity Generating Company (KenGen) is responsible for the main electricity generation, accounting for 87% of the total installed capacity;
- Kenya Petroleum Refineries Ltd (KPRL) is responsible for crude oil refining in the country;
- Geothermal Development Company (GDC) is responsible for development of geothermal resources; and
- Kenya Electricity Transmission Company (KETRACO) is responsible for construction and operation of power transmission lines.

1.5.2 Transport and Infrastructure Subsector

- The Kenya National Highways Authority (KeNHA) is responsible for the development and maintenance of class A, B and C roads. KeNHA will also advise the Minister responsible for Roads on technical issues such as standards, axle load and research development. KeNHA will also create regions of operations countrywide;

- The Kenya Rural Roads Authority (KeRRA) is responsible for all rural and small town roads of Class D and below including Forest Roads, Special Purpose Roads and Unclassified Roads currently under county councils and town councils;
- Kenya Urban Roads Authority (KURA) is responsible for management and maintenance of all roads within cities and major municipalities. However, Local Authorities will remain major stakeholders in prioritizing road works to be implemented by KURA;
- The Kenya Roads Board is responsible for funding maintenance of all roads including approval of maintenance work programmes, technical and financial audits of works funded by the Board;
- Engineers Registration Board;
- Kenya Civil Aviation Authority (KCAA) is responsible for regulation of the aviation industry and ensuring air safety navigation in the country;
- Kenya Airports Authority (KAA) is responsible for adequate efficient and safe airports in Kenya;
- Kenya Ports Authority (KPA) is responsible for management of ports, along the coastline that provides the expansive hinterland of mainland Kenya, Rwanda, Burundi, Sudan and Uganda with cheap transport link to the outside world;
- Kenya Ferry Services (KFS) is responsible for provision of free ferry services to the public across the Likoni and Mtongwe channels on the Indian Ocean;
- Kenya National Shipping Line (KNSL) is responsible for transportation of bulky cargo as a recommendation adopted at an international forum on shipping development;
- Kenya Railways Corporation (KRC) is responsible for provision of rail services that are essential for transportation of commodities to and from the port of Mombasa in addition to providing commuter and passenger services;
- Kenya Maritime Authority (KMA) is responsible for regulation and co-ordinating activities in the Maritime industry; and
- National Transport Safety Authority is responsible for effective management of the road transport sub sector and minimization of loss of life through road traffic crashes.

1.5.3 Information Communications and Technology Subsector

- Communication Commission of Kenya (CCK) is a regulatory body for the Communications sector responsible for regulating Telecommunications, Postal and Radio Communication Services;
- Kenya Broadcasting Corporation (KBC) is responsible for public broadcasting services to inform, educate and entertain the public through radio and television;
- Kenya Films Classification Board (KFCB) is responsible for regulating exhibitions of film content by examining and classifying films for public exhibition;
- Kenya Film Commission (KFC) is responsible for developing and marketing Kenya as a filming destination;
- National Communications Secretariat (NCS) responsible for advising the government on info-communications policies;
- Postal Corporation of Kenya (PCK) responsible for provision of communications, distribution and financial services;
- Communications Appeal Tribunal (CAT) is responsible for arbitration of disputes between parties in the Communications sector;
- Brand Kenya Board (BKB) is responsible for an integrated national brand is created, harnessed and sustained in the long term aimed at improving the national and

international image of Kenya positioning it optimally in terms of investment, creditworthiness, tourism and international relations;

- Kenya Year Book Editorial Board responsible for compiling, editing and publishing the Kenya Yearbook;
- Kenya Information Communication Technology Board is responsible for developing and positioning Kenya as the preferred ICT destination in Africa, promote competitive ICT industries, develop world class ICT institutions and increase access and utilization of ICT
- Media Council of Kenya is responsible for regulating media, conducts and disciplines journalists;
- Kenya Institute of Mass Communication (KIMC) is responsible for Mass Media capacity building; and
- Konza Technopolis Development Authority (KoTDA) is responsible for coordination of the planning and development of the SMART city.

1.6 Role of Sector Stakeholders

According to the Article 201 (a) of the Constitution of Kenya, the process of consultations plays a major role in public participation in budget making process for incorporation of the needs into the Sector requirements. Public participation is a sure way of building their confidence in the Sector budget making process.

1.6.1 The National Treasury

The National Treasury's main role is to finance sector priorities and projects. Further, the National Treasury plays a regulatory and facilitative role. In addition the National Treasury streamlines tax regimes and other levies in the Sector.

1.6.2 County Governments

The function and powers of the county governments in this sector as per fourth schedule of the Kenyan constitution include: County transport including county roads, public road transport and ferries and harbors, excluding the regulation of international shipping and matters related thereto; and in the ICT sub sector cinemas, video shows and hiring.

1.6.3 Private Sector Organizations and Professional Bodies

The private Sector plays a crucial role in the provision of infrastructure facilities and services either fully private or through Public-Private Partnerships.

1.6.4 Civil Society Organizations

Non-Governmental Organizations, Community Based Organizations, Faith Based Organizations and other special interest groups are involved in the planning, implementation, and monitoring and evaluating the Sector's programmes and activities.

1.6.5 Development Partners and International Organizations

Development partners and international organizations compliment government efforts through grants and loans to the Sector.

1.6.6 Parliament

The parliament plays a key role in the approval of Sector policies and enactment of enabling legislations.

1.6.7 Academic Institutions

Academic institutions engage with the Sector by providing expertise, professionals, human capacity building, promotion of science and technology and transfer of new innovations. Academic Institutions also support collaborative research and programme development besides collaborating with the Sector on policy guidelines, formulation and building of synergies.

CHAPTER TWO

2 PERFORMANCE EXPENDITURE REVIEW 2010/11-2012/13

In support of the Vision 2030 that aims at making Kenya a newly industrialized middle-income country that provides high quality life for all its citizens by the year 2030, the Energy, Infrastructure and the ICT sector has continued to play its rightful role of providing the necessary infrastructure for the economic growth. The sector provides Energy for industrial development, necessary infrastructure (roads, airports, railway lines) to facilitate movements of persons and goods and ICT infrastructure for promotion of Information Technology and Business Process Outsourcing (BPOs).

In order to execute the mandate of the sector, the Energy, Transport and Infrastructure and the ICT sub-sectors implements the mandates through the programmes and sub-programmes designed in conformity with mandates of the sub-sectors. Since the budget provision is programme based, this chapter provides the review of the programme expenditure for the period 2010/2011, 2011/2012 and 2012/2013

The programmes for the sector during the period under review were as follows;

- National Electrification;
- Renewable Energy Development;
- Petroleum Exploration and Distribution;
- Energy Centralized Support Services;
- Road Development Maintenance and Management;
- Transport Management & Safety;
- Transport Infrastructure Development;
- Kenya Wildlife Services;
- Information & Communication Services;
- Human Resource Development ;
- ICT Infrastructure Development; and
- General Administration Services.

Sector programme delivery outputs for the MTEF period are presented in 2.1 at sub sector levels.

2.1 Performance of sector programmes-delivery of outputs

SUB PROGRAMME	TARGET FOR THE PERIOD	OUTPUTS	REMARKS
ENERGY SUB SECTOR			
Programme 1: National Electrification Outcome: Increased generation capacity and access to electricity SP 1.1: National Grid System	Construction of 268 km 132kV electricity transmission network	268 km 132kV electricity transmission network constructed	122km Kamburu - Meru 132kV line 30km Thika-Gatundu (Nyaga) 132kV line 5km Sangoro-Sondu 132kV line 77Km Kilimambogo -Thika-Githambo 132kV Transmission line 34Km Mumias - Rangala 132kV Transmission line
	Construction of 6 substations	6 substations constructed	Mumias ,Rang'ala, Gatundu,Thika,Githambo and Sangoro
	Award contracts for construction of transmission lines	Construction contracts for five (5) transmission lines awarded.	90Km 220kV Turkwel Ortum – Kitale single circuit line and sub – station at Ortum 153Km 132kV Machakos – Konza – Kajiado – Namanga single circuit line and substations at Machakos, Konza, Kajiado&Namanga 96Km 132kV Meru – Isiolo - Nanyuki transmission line 127 km 400kV Lessos - Tororo line thatwill interconnect Kenya with Uganda

			430 km 400kV Loiyangalani - Suswa transmission line that will evacuate power from Lake Turkana Wind Power plant
	Undertake feasibility studies	Eight (8) transmission projects are under feasibility studies in 2013	38Km 400kV Isinya – Konza line
			205Km 400kV Longonot – Thika – Kangundo – Konza line
			70Km 220kV Kisumu – Kakamega – Musaga line
			235Km 220kV Lake Victoria Ring
			288Km 220kV Kiambere – Maua – Isiolo line
			152Km 220kV Isiolo – Maralal line
			306Km 220kV Isiolo – Marsabit line
			188Km 400kV Loiyangalani – Marsabit line
SP 1.2:Geothermal and Coal exploration	To rank geothermal prospects in Magadi and Kariandusi areas; Elmentaita – Lanet and Otutu – Ndogo areas; Mbaruk – Kasambara and Kong’asis prospect areas.	Carried out Geological, Geophysical and Geochemical exploration of Geothermal energy resources in Magadi and Kariandusi (Gilgil) prospect areas; Elmentaita – Lanet and Otutu – Ndogo areas; Mbaruk – Kasambara and Kong’asis prospect areas.	The geothermal prospects are ranked for development through the following models: <ul style="list-style-type: none"> • GDC to develop up to steam field • Joint venture steam development between GDC and IPPs • IPPs to develop Green fields

	Negotiation completion of concessioning of coal blocks C & D	Concessioning completed	960 MW coal fired power plant to be developed
	Carry out geological, geophysical, geochemical and drilling surveys.	Geological, geophysical and geochemical and drilling surveys done and data interpreted	Coal feasibility report completed for Block C in Mui Basin and pre – feasibility for Kwale and Kilifi Counties done
	Acquire additional data in Blocks A and B	Acquired additional data in Blocks A and B	Preparation for concession of Blocks A and B on going
	Develop and finalize the draft Energy Policy & Bill in harmony with the Constitution	Final draft Energy Policy & Bill in place	The draft Energy Policy & draft Bill finalized
	Identification of drill sites for coal exploration in Kwale and Kilifi counties	10 drill sites identified in each of the two counties	Two reports prepared in preparation for coal reserve estimate contracts in Kwale and Kilifi Counties
	To conduct a baseline survey in Mui Basin & its environs in preparation for coal development	Baseline survey report completed	Baseline survey completed in preparation for commencement of coal development works
	Formation of liaison committees of Mui basin coal Blocks	Liaison committee of coal Block C and D formed.	The committee of coal Block C and D was gazetted, blocks A and B awaiting gazettment
	Electrification of Public Facilities in the Rural Areas and connection of new customers	846,805 new customers connected to electricity. Out of a target of 25,873 public facilities to be electrified, 21,943 had been electrified by June 2013.i.e 10,429 trading centres 7,239 public	846,805 new customers connected to electricity. Out of a target of 25,873 public facilities to be electrified, 21,943 had been electrified by June 2013.i.e 10,429 trading centres 7,239 public sec schools and 4,275 health centers

		secondary schools and 4,275 health centers	
SP1.3: Rural Electrification			
Programme 2: Renewable Energy Resources Outcome: Clean energy sources SP 2.1:Wood fuel Resources Development	Re-afforestation of 500Ha of Upper Tana catchment programme	516.5 Ha of degraded areas were re-afforested in the Upper Tana catchment programme	project is expected to replenish the water catchment levels
	Establishment of 5 new energy centres	Energy centres have been established in Wajir, Lodwar, Mirangini, Garissa and Mitunguu	So far 16 Energy centres have been established for demonstration and dissemination of renewable energy and energy efficiency technologies.
SP 2.2:Renewable Energy Technologies	Installation of solar PVs in 600 public institutions	650 public institutions were installed with Solar PVs.	Public institution off the main grid in ASAL connected to solar energy
	Installation of solar –wind hybrid water pumping systems in ASAL areas.	16 solar-wind hybrid water pumping systems were installed.	The objective is to promote solar-wind hybrid water pumping system.
	Production of 5,000 promotional/ awareness brochures.	7,000 brochures(2000 on energy efficient lighting, 2500 on energy efficient appliances and 2500 on biogas) were printed	The objective of the program is creating awareness on energy efficiency and conservation.
	Updating of wind sector prospectus, wind atlas and Kenya wind sector development plan country wide, installation of 50 wind masts & data loggers and conduct 5 feasibility studies to facilitate private	Wind prospectus and wind atlas were updated and Kenya wind sector plan developed. In addition 50 wind masts and data loggers were installed	The objective of this program in to promote investments in the wind power generation by availing relevant information to the potential investors.

	investment	and lastly 5 feasibility studies were undertaken.	
	Installation of 48 improved institutional stove sin 24 schools (2 per school).	48 improved stoves were installed in 24 schools (2 per school).	The objective of the program is to promote energy efficiency and conservation.
	Installation of 6,000 domestic biogas digesters under the Netherlands supported “Biogas Initiative for Africa	6,000 domestic biogas digesters were installed	The objective is to promote alternative sources of energy
	Conduct Energy Efficiency and Conservation Investment-Grade Audits (IGAs)	40(IGAs) and 60 General (Site) Energy Audits were conducted during the period under review.	The objective of the program is to promote energy efficiency and conservation.
	Installation of 6,000 domestic biogas digesters under the Netherlands supported “Biogas Initiative for Africa	6,000 domestic biogas digesters were installed	The objective is to promote alternative sources of energy
	Distribution of 1.25 million Compact Fluorescent Lamps (CFLs) to households in conjunction with KPLC	1.25 million Compact Fluorescent Lamps (CFLs) distributed to 400,000 customers	An estimated savings of 60 MW was achieved
Programme 3: Petroleum Exploration and Distribution Outcome: Increase data in the unlicensed blocks to attract investment and	Construction of Nairobi – Eldoret 14 inch oil pipeline	Pipeline construction completed and commissioned	The completion of the pipeline has improved availability of petroleum products to Nakuru, Eldoret and Kisumu depots and reduced damage to the roads from reduced transportation of petroleum products by tankers

increase security of supply of petroleum products SP 3.1:Petroleum Exploration and Distribution	To upgrade the spur line from one product to multi – product pipeline from Kipevu to Shimanzi	Completion of the spur line pipeline done	The upgrade of the spurline completed
	Monitor and report on progress of seismic data acquisition in licensed exploration blocks	Seismic data acquired in eight (8) licensed exploration blocks and completion reports produced.	Seismic data acquired and completion reports produced
	Monitoring reports on the results of drilling oil and gas exploration wells	Monitored drilling of five (5) exploration wells	Ngamia 1 and Twiga 1 had oil discoveries, Mbawa 1 well had gas and Paipai well had gas shows. These discoveries have increased interest in oil and gas exploration in Kenya.
	Demarcation of new Petroleum Blocks	Demarcated seven (7) new exploration blocks	New block map produced (awaiting gazette)
	New PSCs signed through NAFFAC for open petroleum blocks with International Oil Companies (IOCs) in order to license them.	Newly signed PSCs for seventeen exploration blocks with IOCs.	Seventeen new PSCs signed for exploration blocks with IOCs accumulating to 44.
TRANSPORT AND INFRASTRUCTURE SUB SECTOR			
Programme 1: Road Development, Maintenance and Management. Outcome: Efficient and Economical	973.83 Km of Roads and 26 new Bridges to be constructed	1,389.5 Km of Roads and 32new Bridges constructed	Target was surpassed by 42% on construction of new roads and 23% on bridges

Road Transport.			
S.P1.1 Construction of: Roads and Bridges	988KM of roads to be reconstructed and rehabilitated	1,377.38KM of roads reconstructed and rehabilitated	Target met and surpassed by 39% in the three year period
S.P1.2 Reconstruction and Rehabilitation of Roads	274,522.4KM of roads were to be maintained under periodic and routine maintenance while 2,184 KM of roads under the ROADS 2000 were to be maintained	262,684.21 of roads were maintained under periodic and routine maintenance while 1,567.4 KM of roads under the ROADS 2000 were maintained.	There was under achievement due to budget cuts
S.P1.3 Maintenance of Roads: 1. Periodic 2. Routine 3. Roads 2000	37 roads projects to be designed under KURA, KeRRA and KeNHA	37 roads projects designed under KURA, KeRRA and KeNHA	Target met
S.P.1.4 Design of Roads and Bridges	4,100 we target to successfully completed their certificates, diploma and post-graduate diploma studies.	2,955 successfully completed their certificates, diploma and post-graduate diploma studies	Target not met due budget cuts
S.P.1.5 Capacity Building for Roads and Buildings			
Programme 2 : Transport Management and Safety Outcome: Efficient and safe transport system	Target	Description	Achievement
Programme SP 2.1 General Administration and Policy Development	Three Transport policies, guidelines and legislations	A session paper on Integrated National Transport Policy	The session paper No.2 of 2012 on Integrated National Transport Policy developed and presented to Parliament

		A draft Policy on development and management of Government airstrips	The draft policy is ready
		Detailed curriculum for training and testing of drivers	Curriculum has been developed by the consultant, and the Ministry is in the process of discussing and adopting the consultant report
	Refurbished Transcom House (painting of Transcom House, Refurbishment of 3rd and 4th floors, creation of open offices)	Painted Transcom House	Painting completed and other civil works ongoing
	Transport data centre	Financial and technical evaluation report	The delay is attributed to slow contractual processes
		Contract between the Ministry and the University of Nairobi	Target met
	Transport Integrated Management System	An integrated transport system that is able to respond to any query on PSVs by use of mobile phones	The system is being advanced further through the assistance of Price Waterhouse Coopers
	50 year Master Plan report	Procurement of a Consultant to develop the 50 year master plan done.	Tendering started after a obtaining a no objection by the World Bank who is financing the study
		Inception report by the Consultant	On going
SP 2.2 Road Transport Safety, Marine Transport	National Road Safety Council	Functional council	A draft bill to create National Safety Authority developed, presented to Parliament and enacted

Services Management	Three Road Transport policies, guidelines and legislations	Traffic Amendment Bill,2012 and the National Transport and Safety Bill,2012	The bills were approved by Cabinet and currently before Parliament
		Legal notices to address road safety challenges	Legal notices nos. 173 of 2009,139 of 2011,130 of 2011,209 of 2010 and 78 of 2012 developed
		Public Vehicles operating under Saccos and Companies	All PSV operators currently operate as Saccos/Companies
	19 licensing officers gazetted	Improved licensing service delivery to PSV owners	The officers posted to stations
		PSVs operating under Saccos and Companies	Target achieved.
	Seventeen Professional and competent sea farers	Twenty two Kenyans trained as seafarers	Target surpassed as a result of the Government of Turkey training five seafarers
	Inter-ministerial committee on Marine enforcement unit	Inter-ministerial committee working on the establishment of the unit	Ministry of defence is leading the established Inter-ministerial committee
	Thirty eight sets of Merchant Shipping regulations and the operational Maritime Conventions and laws	Twenty four Sets forwarded to AG's Office for fairing	The planned output was not met due to long legal process
		A gazetted set of four regulations on the Merchant and Shipping Act 2009	The planned output was not met due to long legal process
		Sixteen Cabinet memos forwarded to cabinet for ratification	Target met
Two workshops held to sensitize stakeholders on maritime affairs	Sensitized population on Maritime affairs through one	Target not met due to inadequate funds as a result of austerity measures	

		workshop	
	Three pieces of legislation reviewed and forwarded to AG and one bill circulated to stakeholders	Merchant shipping act; marine insurance Bill, Kenya Ferries Services bill, KPA Act reviewed	Delay due to long legal process
SP 2.3 Air Transport Services Management	Aircraft accidents investigated	Fifty eight Published preliminary air accidents reports	Target achieved
		Three annual accidents digests released	Target achieved
		One biannual bulletin issued	Target achieved
	Amendment to the Civil Aviation Act	A draft amendment to the Civil Aviation Act forwarded to AG's office	Delay due to long legal process
	Twenty seminars conducted on sensitization of aircrafts safety issues to stakeholders	Ten seminars conducted on sensitization of aircrafts safety issues to stakeholders	Target not met due to austerity measures
	Forty two Bilateral Air Services Agreements reviewed	Thirty two Bilateral Air Services Agreements reviewed	The target not met due to non response by other states
	Six ratified Conventions in place to regulate Air Services	Three Conventions ratified	The other Three conventions are awaiting ratification bill

Programme 3: Transport Infrastructure Development Outcome: Sustained economic development SP 3.1 Development of Air Transport Infrastructure	Upgraded facilities at Kisumu Airport	Extended runway and airfield lighting	The extension of runway completed
		Awarded tender for the development of two taxiways and a cargo apron	Delay due inadequate funds but the project is ongoing
	Modernized Isiolo airport	Fenced airport	works completed
		Reconstructed 1.4Km runway, taxiways and apron, and a terminal building	Works completed
		Acquired land through compensation for expansion of the airport	95% compensation
		Designs reports and tender documents for construction of passenger terminal building, access road, car park and apron area	Design works completed
		Rehabilitated Lodwar airstrip	Repaired and resurfaced runway, taxiways and apron, and constructed security fence
		Designs report and tender documents for construction of passenger terminal building	Designs complete and tender documents ready

	Rehabilitated Kitale airstrip	Design report for construction of terminal building and rehabilitation of runway	Design for terminal building and runway complete pending funding to commence procurement process
	Rehabilitated Eldoret airport	Awarded contracts for the construction of VIP Lounge and for the extension of 4Km boundary fence and rehabilitation of perimeter roads	The works are ongoing for six months from contract commencement date of 30.10.2011
	Rehabilitated Mitunguu airstrip	Tender documents for boundary fencing	The tender documents are under preparation and there are land boundary issues that need resolution
	Rehabilitated Kakamega airstrip	Resurfaced runway, taxiways and apron and completed terminal building	Works completed
		Awarded contract for extension of existing passenger terminal	Contract awarded on 09.02.2012 and works are in progress
	Rehabilitated Nyeri airstrip	Constructed taxiway, apron and access road	Works completed
		Reconstructed and widened from 15m to 23m runway	Works completed
		Designs report for construction of terminal building and elevated water tank	Designs complete and tender documents ready pending funding to commence procurement process

	Rehabilitated Embu airstrip	Widened runway from 15m to 23m ,constructed 100m taxiway, constructed special purpose concrete apron and installed windsock	Work is 95% complete
		Acquired 43 ha of land	Land acquisition process is at an advanced stage
		Designs and tender documents for extension of runway by 600m, and fencing of land acquired under PHI	Designs and tender documents ready pending finalization of land acquisition.
	Terminal unit 4 at Jomo Kenyatta International Airport	Awarded contract for construction of Terminal unit 4	89% progress
		Voice communication system installed	
	Modern Communication, Navigation and Surveillance equipment by Kenya Civil Aviation Authority	Voice logging system installed	The project is completed
		Global Position System Clock	
		Very high frequency communication system	
		Digital Aeronautical Telecommunication Information Services system installed	Target met
		Three Flight Data Processing	

		Systems installed	
		Six Radars installed	Target met
		Eight Doppler Very High Frequency equipment installed	
	Construct second runway at Jomo Kenyatta International Airport	Detailed designs report for the second runway	Detailed designs completed
SP 3.2 Development and Expansion of Ports Facilities	Two new ferries purchased	Two new ferries operating in Likoni channel	The target met. The Corporation needs two additional ferries
	Integrated port security system	Awarded contract for integrated port security	Works completed
	Dredging and deepening of Mombasa Port	-15 metres deepening of Mombasa port to allow docking of post-panamax vessels	The targeted output achieved
	Second container terminal	Construction of two container handling berths, stacking yards, access roads.	52% progress
	LAPSSET Project	Design of first three berths and other port associated infrastructure	Designs completed. Construction of administration block is ongoing
SP 3.3 Development of Railway Network	Nairobi mass rapid transit system(Three light rail corridors and the bus rapid	Feasibility study report for mass rapid transit system	The feasibility study report has been finalized and works on detailed designs are ongoing

	system)		
	Rehabilitated pension scheme assets	Pension scheme assets	Target met
	Modern Commuter Rail Network	Syokimau railway line and station	The line and station completed and commissioned
		Makadara, ImaraDaima and Airport lines	The two lines are 40% complete
		Kikuyu, Ruiru and Embakasi Village lines.	Rails, sleepers and tools received.
		Revised relocation action plan report approved by world bank	The detailed designs are being finalized.
	Improved 624 Km of roads in parks and reserves	624Kilometer roads maintained.	43 kms maintained in Nakuru,Nderit gate-Lake Nakuru main circuit roads
SP 3.4: National Parks & Reserves Management			15 Kms maintained in Hells gate ,Buffalo Circuit 27 kms Maintained in Mwea,Makema-Masinga Dam, circuit. 15 kms tarmacked in Nairobi national park Workshop rd/KWS Hq/Nairobi Park Tarmac section 80 kms maintained in

			<p>National park ,Various internal circuits 72 Kms of roads Maintained at Tsavo East Kandericirciuts/Mkwaju circuits 56 kms maintained at Tsavo West ,Lake Jipe- Kasigau road 27 kms maintained at Amboseli ,Kitirua Gate - Junction 25 25 Kms Maintained at chyulu National park ,Various internal circuits 27 KMs of Road Maintained at Amboseli ,Observation hill- Public campsite road 82 kms of road Maintained at Tsavo West ,Komboyo-Maktau road 104 Kms of Road maintained at Tsavo east Ndara Plains roads 1 km of road maintained in RumaUpgrading of Ruma Airstrip 28 kms of road maintained in Lake Nakuru, Junction D351-Makaria Bridge- Junction D351 22 kms of road maintained at Mt Elgon National park,Kitum cave andChelulus circuits</p>
	Re-carpeting of Airstrips	7 airstrips were re-carpeted.	Ruma, Isiolo, Mt Kenya, Amboseli, Tsavos, Aberdare and chyulu airstrips re-carpeted.
ICT SUB SECTOR			
PROGRAMME 1: INFORMATION AND COMMUNICATION SERVICES	180,000 KNA stories for print and electronic media	196,214 KNA stories produced and circulated to the media	Target surpassed due to stringent monitoring and evaluation
Outcome: Well informed Citizenry S.P.1.1: News &	Gather and disseminate 5,000 news features	5,500 news features disseminated	Target met

Information Services	Produce and circulate 264,000 rural press magazines	230,408 rural press produced and circulated	Target not met due to austerity measures during the financial year 2012/13
	Digitize 30,000 historical photos	Digitized 35,000 photos.	Target surpassed
	Mount 1,200 mobile cinema shows	3,400 mobile cinemas mounted	Target surpassed due to subjecting all regions to performance contracting
	Mount 12 photographic exhibitions	12 photographic exhibitions mounted	Target met
	Sensitize 300 officers and stakeholders communications for developments.	350 officers sensitized	Target Surpassed
	Construct Nanyuki and Nyando offices	Construction completed and fully operational	Target met
	Modernization of equipments for news gathering and transmission	13 Video camcorders, 100 desktops, 82 laptops, 20 i-pads, 24 PA systems, 12 field audio visual news editor procured	Target met
	Establish 24 rural information resource centres	24 rural resource centres established	Target met and hardware for 12 additional centers procured awaiting funds for installation and operationali-zation.
	Rehabilitate 5 Printing Machines	5 Printing machine rehabilitated	Target met
Modernization of transport system	13 utility vehicles purchased	Target met	
S.P.1.2: Public Relations and Communication services (3)Film Industry	Digitize 5,000 press cuttings	Digitized 15,000 press cuttings	Target surpassed because the department engaged interns
	Compile 100 profiles of prominent personalities	150 profiles compiled	Target surpassed because of increased field visits

	Develop County online template for 47 Counties	Developed online template for 47 Counties	Target met
	Monitor print and electronic media	Weekly media briefings held	Target met
	Develop Department's website	Developed website	Target met
	Develop and circulate Department's Service Charter	Service Charter developed and circulated	Target met
	Produce bi-weekly newsletter	Bi-weekly newsletter produced	Target met
	Develop National Public Communication policy	Draft policy developed	Target not met, process ongoing as it involves external stakeholders
	Produce 3 civic education documentaries	3 civic education documentaries produced	Target met
	Monitor GoK Ministries' websites content	Websites content monitored and reports circulated	Target met
	Support publicity programmes for GoK Ministries/Departments	Communication strategy developed and implemented for various Ministries/ Departments e.g. Konza, Ministry of Justice etc	Target met
	To produce and disseminate 800 documentaries and news features.	Produced & disseminated 959 documentaries and news features.	Target surpassed by 159 because of improved transport and equipment
	To digitize 9200 film titles.	Digitized 10,438 film titles.	Target surpassed by 1,238

	Construct and equip sound and archive studio.	sound and archive studio constructed	Target not met since the studios have not been equipped due to lack of funds
	Issuance of 1000 licenses	1043 Licenses issued	Target surpassed by 43
	Registration of 210 Local film agents	219 film agents registered	Target surpassed 9
	Modernization of film equipment	50% modernized	Target not met due to inadequate funding
	Purchase of five vehicles.	Five vehicles purchased	Target met
	License 2,700 film distributors & exhibitors	Licensed 2,849 film distributors & exhibitors.	Target surpassed 149
	Promote Kenya in nine international festivals	Promoted Kenya in nine international festivals	Target met
	Host animation expo annually	Hosted three Animation expo where over 550 participants attended	Target met
	Train 100 film makers in screen writing and entrepreneurship & marketing	145 film makers trained in screen writing	Target surpassed by 45
	Host KALASHA awards annually	Hosted KALASHA three times	Target met
	Facilitate the local film makers by supporting the screening of 170 films	Facilitated the local film makers by supporting screening of 235 films through KIFF and Kalasha	Target surpassed 65
S.P.1.3: Brand Kenya Initiative	Develop and implement Kenya's Brand Master Plan.	Developed Kenya's Brand Master Plan and Implementation of first phase in progress.	Continuous Process. Funding required for next phase.
	Develop a "Mark of Origin" for Kenyan	Developed a "Mark of	Additional funding required

	goods and services.	origin” for Kenyan goods and services and implementation on-going in collaboration with KEBS	for implementation and registration with Madrid Protocol for the wider European Market.
	Conduct 10 Diaspora and international investor forums.	Conducted 10 Diaspora& Investor engagement forums in China, UAE, UK, South Africa and the Netherlands	Target met
	Develop a “Towns & Cities and County” branding strategy and facilitate implementation.	Developed a generic “Towns & Cities and County” branding strategy and facilitated training and workshops in 3 cities and 20 counties.	Target Met
	Conduct 18 “Youth Attitude Change” workshops across the country.	17 Youth Attitude Change” workshops and peace meetings held across the country	North Eastern Workshop cancelled due to insecurity
	Host and co-ordinate the “Kenya House” project in the London 2012 Olympics.	The “Kenya House” hosted at the London Olympics 2012 leveraging on our athletes’ performance to inspire trade, investment and tourism opportunities	Target met
	Develop and implement a “Public Sector	Strategy developed and disseminated to	Target met

	Branding Strategy”	15 MDAs.	
S.P.1.4: Kenya Year Book Initiative	To produce and publish 10,000 annual copies of Kenya Yearbook	9,000 copies of Kenya yearbook produced.	Target not met due to inadequate funds to print
	Produce & publish 4,000 copies of Moi and Kenyatta Biography series.	1,000 copies of Kenyatta cabinet published and produced. Research and compilation of editorial work is underway of Moi Cabinet series.	Target not met due to inadequate funding.
	Produce and print 3000 copies of Higher Education profiles	Higher education profiles research, editing and other development is done; draft copy is ready and awaiting printing.	Target not met due to inadequate funds
S.P.1.5: Media Regulation Services	Acquisition of two office motor vehicles.	Acquired two office motor vehicles.	Target met
	Resolution of all reported media disputes	100% of reported media disputes resolved by the Complaints Commission of the Council.	Target met
	Develop curriculum for journalism middle level institutions to standardize journalism training	Developed curriculum for journalism middle level training institutions to standardize the quality of journalism training.	Target met, draft curriculum forwarded to KIE
	Monitor print and broadcast media in Kenya	Established a Media Monitoring	Target met, but not fully in use due to lack of funds to recruit adequate personnel.

		system to monitor media in Kenya.	
	Align Media Act 2007 to the current constitution 2010	Reviewed the Media Act 2007 and developed the draft 2011 Media Bill in consultation with stakeholders to align the Act to the new constitution.	Additional funding required for stakeholders validation workshop
	Accreditation of 5000 local journalists operating in Kenya.	Accredited 5,283 local journalists operating in Kenya.	Target surpassed
	Train five thousand (5,000) journalists in the Code of Conduct of Practice of Journalism and other thematic areas.	Trained five thousand (4,268) journalists in the Code of Conduct of Practice of Journalism and other thematic areas.	Target not met due to lack of enough funding.
	Host Eastern Africa Media Convention.	Hosted Eastern Africa Media Convention in May 2012 and May 2013.	Target met

PROGRAMME 2: HUMAN RESOURCE DEVELOPMENT Outcome: Enhanced capacity to use ICT applications and mass media skills. S.P.2.1: ICT and Mass Media Skills Development	Procurement of a 62 seat bus seater and a saloon car	One Bus of 62 seat capacity, One saloon Car for the Principal procured	Target achieved.
	Construction of a 305 bed capacity Hostel	Phase 1 of male hostel with a capacity of 405 completed	phase one completed and phase two commenced
	600 media graduates	660 students in various media fields graduated	target surpassed
	Review of 6 curricular	8 curricular reviewed	target surpassed
	Construct a media	Phase 1 of	Target not met due to

	resource centre	media resource centre completed.	inadequate budgetary allocations
	Three BA degree programmes in Film, TV and Radio	BA in Film, TV and Radio launched.	Target met
	Procure 400 titles (books)	300 titles procured	Budgetary limitations
S.P.2.2:Human Resource Capacity Development and Management	Recruit 84 Information Officers	Recruitment of 84 Information Officers JG 'J' in the Department of Information done.	Target met
	Training of all staff in various fields (minimum of 5 days per year as per circular on training)	Training & development undertaken for 1288 members of staff out of the targeted 1977.	Target not met due to inadequate funding
	Promoting and confirmation of staff who are due on time	Implementation of Staff promotions in time Confirmation of Officers done in time	Target met
	Implementation of GHRIS	Posting of Authorized Establishment to GHRIS Sensitization of officers on GHRIS Improvement of service delivery	Target met
PROGRAMME 3: ICT INFRASTRUCTURE DEVELOPMENT Outcome: Universal access to affordable and quality ICT Infrastructure S.P.3.1: Kenya ICT Board Initiative	Ensuring participation by Kenya in major ICT international fairs and Conferences	Kenya representation in all major international ICT conferences and affairs. Silicon Valley-USA (Benchmarking -REF	Target met, however more funds for promotion to attract multinational players to set up shop or enter into MOUs

		KONZA, Singapore (KNH Project, NSSF), Open Data (Brazil)	
	Marketing and Promotion of ICT adoption as mode of business locally.	Tandaa Digital Content award-700 proposals were received to promote content development by local ICT Incubator. Connected Kenya Summit-brings together ICT players in the region for ICT policy development.	Target met, but funding of ICT events locally need to be increased to raise awareness and encourage participation in ICT entrepreneurial activities
S.P.3.2: Kenya Transparency Communication Infrastructure Project (KTCIP)	Reduction in Broadband/Internet Costs	Reduction in international broadband capacity from \$3500 per MB per month to the current \$ 650 per MB per month done.	Target met, Tremendous improvement in the reduction of the cost of broadband has been noted and it is targeted to continue dropping further to the level of \$200 per MB per month.
	Establishment of Unified Government Communications System(centralization of government communication systems to a unified network.	A Unified Government Communication System pilot has been implemented.	Target not met due to delayed disbursement of funds.
	Virtual Network for Kenya Education Networks (KENET) connecting universities to a single network.	Installation and Commissioning of a National Private Virtual Network for KENET Member Institutions	Target met.
	Narrowing of Digital Divide between Urban and Rural Kenya	53 Digital Villages Revolving Fund. 75	Implementation is Ongoing; however the project implementation faces major Challenges of

	Support to content development	Tandaa and Digital Content grant applicants awarded.	giving loans to startups. -Lack of broadband and electricity especially in the rural area and High default rate in repayment of revolving fund.
	Predigitization and Digitization of Registries in Judiciary and Lands	Finalization of digitization of judiciary records.	Target not met due to resistance to change. Judiciary records have been digitized. -Ministry of Lands Digitization is still pending.
S.P.3.3: e-Government Services	County Connectivity project connecting 47 counties	Connecting county offices with GCCN	Target not realized due to inadequate funds
	Video Conferencing	Commissioned at Office of the President and at the Ministry of Finance	Target met
	Unified Messaging Systems	Hardware procured and distributed	Target not met due to financial inadequacy
	Uniform Standards	Developed standards for hardware, software, websites, network and systems	Harmonization and convergence of government electronic services done.
S.P.3.4: Government Information Technology Services	IFMIS rollout to Counties	Rollout completed in all 47 Counties	Target met
	National Payment Gateway	National Payment gateway developed	Funds are required for rollout
S.P.3.5: Business Processing Outsourcing	Conducting BPO Market sounding in 3 International for a	Conducted 4 BPO market sounding in four international forums Asia, Middle East, USA and Africa done.	Target met but attracting multinationals will require increased funding in showcasing Kenya as an ICT destination.
	Increase of BPO	17,252 BPO	

	seats by 500	Seats have been established	Target met
	Establish Konza Technology City	<ul style="list-style-type: none"> • Completed construction of Konza Site office • Site office connected to power • 6 boreholes drilled and equipped • Access road constructed. • Konza Local Physical Development plan approved. • 10KM buffer zone created • Detailed design for the phase I complete. 	Target met
S.P.3.6: ICT PARK Establishment			
PROGRAMME 4: GENERAL ADMINISTRATIVE SERVICES Outcome: A well regulated ICT Industry S.P.4.1: Review and Development of policies and Regulatory framework for the ICT Sector	Develop Film Policy	National Film Policy Developed	Target met
	Align media Act 2007 to the constitution	Media Bill 2011, Information and Communication Regulation Guidelines 2010	Target met
	Develop one film classification guideline	Film Classification Guidelines	Target met
	Review four ICT policies	Kenya Communication Amendment Act 2009,	Target surpassed, 5 ICT policies reviewed

2.2 Review of Key Indicators of Sector Performance

This section presents a summary of key sector output indicators for the period under review.

2.2.1 Energy Sub sector

- Number of Megawatts generated by source (hydro, geothermal, thermal and wind);
- Number of new Production Sharing Contracts (PSCs) signed;
- Number of solar electricity generators (PVs) installed in public institutions and facilities;
- Number of mini grids and associated diesel power generation stations constructed.
- Number of solar lighting distributed
- Number of public institutions and market centres connected with electricity;
- Number of new households connected with electricity;
- Number of kilometers of transmission and distribution lines constructed;
- Number of substations constructed / rehabilitated;
- Number of exploration and production geothermal wells drilled;
- Acreage re-afforested.
- Number of biogas plants installed.
- Number of households using energy saving stoves and charcoal kilns;
- Number of coal appraisal wells drilled
- Number of geological and geophysical surveys done.
- Number of liaison committees formed
- Number of drill sites identified
- Number of Base line surveys

2.2.2 Transport and Infrastructure Sub sector

- Number of kilometres of roads and bridges constructed
- Number of kilometres of roads and bridges rehabilitated
- Number of kilometres of roads and bridges maintained
- Number of roads and bridges designed
- Number of students graduating
- Number of metres of the port channel dredged
- Number of accidents and fatalities on monthly or on annual basis
- Number of rehabilitated and maintained airstrips across the country

- Reduction of the cargo dwelling time at the port
- Number of Air Accidents Investigations reports
- Number of components of modern communication, navigation and surveillance equipment installed
- Number of components completed under the expansion/upgrading and modernization of the airports
- Feasibility study report for the Lamu Port South Sudan Transport Corridor
- Detailed designs report for the construction of the first 3 berths at the port of Lamu;
- Transport data centre
- Number of Kilometres of Light Railway Line constructed within City
- Number of operational ferries across Likoni channel
- Traffic Amendment Bill, 2012 and the National Transport and Safety Bill, 2012
- Number of Legal Notices drafted to address road safety challenges
- Functional National Road Safety Council
- Feasibility study report for the development of the mass rapid transit system
- Number of Bilateral Air Services Agreements reviewed

2.2.3 ICT Sub sector

- Number of KNA stories for print and electronic media
- Number of news features gathered and disseminated
- Number of rural press magazines produced and circulated
- Number of historical photos digitized
- Number of mobile cinema shows mounted
- Number of equipments for news gathering and transmission modernized.
- Number of rural information resource centers established
- Number of press cuttings digitized
- Number of profiles of prominent personalities compiled.
- Number of online templates for Counties developed.
- Draft of National Public Communication policy developed.
- Number of documentaries and news features produced and disseminated
- Number of film titles digitized.
- Number of Local film agents registered
- Number of international film festivals participated in.

- Number of film makers in screen writing and entrepreneurship & marketing trained.
- Draft of Kenya's Brand Master Plan.
- Number of Diaspora and international investor forums participated in
- Draft of "Public Sector Branding Strategy"
- Number of annual copies of Kenya Yearbook published
- Number of copies of Moi and Kenyatta Biography series produce and published.
- Number of copies of Higher Education profiles produced and printing
- Number of reported media disputes resolved.
- Draft of curriculum for journalism middle level institutions to standardize journalism training
- Alignment of Media Act 2007 to the constitution 2010
- Number of local journalists operating in Kenya accredited
- Number of journalists trained in the Code of Conduct of Practice of Journalism and other thematic areas.
- Number of Eastern Africa Media Convention held
- Construction of a 305 bed capacity Hostel
- Number of graduates in ICT courses
- Number of curriculum reviewed
- Number of Bachelors Degree programmes in Film, TV and Radio launched
- Number of Information Officers recruited
- Number of Staff trained in various fields
- Proportion of GHRIS implemented
- Number of participations in major ICT international fairs and Conferences
- Proportion of reduction in Broadband/Internet Costs
- Level of connectivity of Virtual Network for Kenya Education Networks (KENET) to universities to a single network.
- Digitization of Registries in Judiciary and Lands
- IFMIS rollout to Counties
- Draft Film Policy
- Number of film classification guidelines

2.3 Expenditure Analysis

The expenditure analysis for the sector is presented in the table below.

2.3.1 Analysis of Programme Expenditure

Table: 2.3.1.1 Expenditure Analysis for the sector

Programme	Approved Estimates			Actual Expenditure		
	2010/11	2011/12	2012/13	2010/11	2011/12	2012/13
Energy Sub sector						
National Electrification	33,324	55,354	79,277	28,226	51,958	62,436
Renewable Energy Development	566	566	554	464	492	503
Petroleum Exploration and Distribution	575	895	1,806	546	884	1,701
Centralized Support Services	441	644	672	354	574	380
Energy Sub Total	34,906	57,443	82,309	29,590	55,543	65,020
Transport and Infrastructure						
Road Development, Maintenance and Management	90,189	102,728	109,077	71,400	85,426	87,262
Transport Management & Safety	3,760	4,054	4,381	3,433	3,865	4,138
Transport Infrastructure Development	6,636	13,820	13,202	3,359	4,135	4,151
Transport and Infrastructure Total	100,585	120,602	126,660	78,192	93,426	95,551
ICT Sub sector						
Programme 1. Information and Communications Services	1,497.04	1,839.09	1,596.2	1,493.02	1,799.46	1,596.1
Programme 2. ICT Infrastructure	4,284.79	2,511.21	5,506.9	3,687.0	2,115.2	4,783.5
Programme 3: ICT and Mass media Skills Development			297.8			
Programme 4: General Administration			264.1			
ICT Sub Total	5,781.8	4,350.3	7,665.0	5,180	3,914.7	6,774.5
Sector GRAND TOTAL	141,273	182,395	216,634	112,962	152,884	167,346

2.3.2 Analysis of Programme Expenditure by Economic Classifications

Programmes /FY	Approved estimates Kshs. million			Actual Expenditures Kshs. million		
	2010/11	2011/12	2012/13	2010/11	2011/12	2012/13
Energy Sub sector						

	Approved estimates Kshs. million			Actual Expenditures Kshs. million		
Programme1. National Electrification						
Compensation of Employees	40	24	40	34	24	37
Use of goods and Services	23	24	19	19	24	16
Current Transfers to Govt Agencies	1,800	1,710	1,868	1,700	1,710	1,568
Other Recurrent	2	0.5	2	1	0.4	1
Capital Expenditure						
Acquisition of Non Financial Assets	13,109	41,934	56,266	9,832	38,609	46,586
Capital Transfers to Govt Agencies	18,163	11,489	20,861	16,478	11,489	14,115
Other Development	187	173	221	162	102	113
Total Programme 1	33,324	55,354	79,277	28,226	51,958	62,436
Programme 2. Renewable Energy Programme						
Compensation of Employees	56	67	81	53	66	76
Use of goods and Services	35	48	47	29	44	30
Current Transfers to Govt Agencies	-	-	-	-	-	-
Other Recurrent	5	4	6	2	3	3
Capital Expenditure						
Acquisition of Non Financial Assets	275	297	267	220	242	254
Capital Transfers to Govt Agencies	110	110	120	95	110	120
Other Development	87	40	33	68	27	20
Total Programme 2	566	566	554	464	492	503
Programme 3: Petroleum Exploration Programme						
Compensation of Employees	2	2	1	1	2	2
Use of goods and Services	5	3	3	3	2	17
Current Transfers to Govt Agencies	-	-	-	-	-	-
Other Recurrent	12	19	5	5	16	4
Capital Expenditure						
Acquisition of Non Financial Assets	301	569	866	285	563	797
Capital Transfers to Govt Agencies	160	175	699	160	175	671
Other Development	95	127	232	92	126	210
Total Programme 3	575	895	1,806	546	884	1,701
Programme 4: Centralized Support Programme						
Compensation of Employees	104	143	153	95	141	145

	Approved estimates			Actual Expenditures		
	Kshs. million			Kshs. million		
Use of goods and Services	187	207	209	104	194	180
Current Transfers to Govt Agencies	-	-	-	-	-	-
Other Recurrent	20	8	16	16	7	14
Capital Expenditure						
Acquisition of Non Financial Assets	146	277	288	151	222	36
Capital Transfers to Govt Agencies	-	-	-	-	-	-
Other Development		-	-	-	-	-
Total Programme 3	441	644	672	354	574	380
Total (Energy) Programmes 1, 2, and 3	34,906	57,443	82,309	29,590	55,543	65,020
Transport and Infrastructure Sub sector						
Road Development, Maintenance and Management						
Recurrent Expenditure						
Compensation of Employees	1,123	1,260	1,344	1,123	1,260	1,344
Use of Goods and Services	1,407	1,840	1,335	1,407	1,840	1,335
Current Transfer Govt Agencies	20,556	22,550	29,166	20,556	22,550	29,166
Other Recurrent	519	103	447	519	103	447
Sub Total	23,605	25,753	32,292	23,605	25,753	32,292
Capital Expenditure						
Acquisition of Non-Financial Assets	56	32	36	56	32	12
Capital Transfers to Govt Agencies -Road Authorities	66,196	93,067	76,154	47,739	59,673	54,394
Other development	332	243	595	332	240	564
Sub-total	66,584	76,975	76,785	47,795	59,673	54,970
Programme 2. Transport Management and Safety						
Recurrent Expenditure						
Compensation of Employees	376	203	242	368	200	243
Use of Goods and Services	437	366	444	118	344	400
Current Transfer Govt Agencies	2,804	3,302	3,409	2,804	3,146	3,217
Other Recurrent	-	-	-	-	-	-
Sub Total	3,617	3,871	4,095	3,292	3,690	3,860
Capital Expenditure						

	Approved estimates Kshs. million			Actual Expenditures Kshs. million		
Acquisition of Non-Financial Assets	143	183	286	143	175	278
Capital Transfers to Govt Agencies -Road Authorities	-	-	-	-	-	-
Other development	-	-	-	-	-	-
Sub-total	143	183	286	143	175	278
Programme 3. Transport Infrastructure Development	-	-	-	-	-	-
Recurrent Expenditure	-	-	-	-	-	-
Compensation of Employees	-	-	-	-	-	-
Use of Goods and Services	721	896	936	600	724	875
Current Transfer Govt Agencies	-	-	-	-	-	-
Other Recurrent	-	-	-	-	-	-
Sub Total	721	896	936	600	724	875
Capital Expenditure						
Acquisition of Non-Financial Assets	2,202	2,553	3,211	1,409	1,960	1,600
Capital Transfers to Govt Agencies -Road Authorities	3,713	10,371	9,055	1,350	1,451	1,676
Other development	-	-	-	-	-	-
Sub-total	5,915	12,924	12,266	2,759	3,411	3,276
TOTAL TRANSPORT AND INFRASTRUCTURE	100,585	120,602	126,660	78,192	93,426	95,551
ICT Sub sector						
Programme 1. Information and Communications Services						
Compensation of Employees	356.96	417.00	257.4	338.28	404.01	257.4
Use of goods and Services	344.78	539.63	307.2	363.53	562.54	307.2
Grant and other Transfers	752.00	808.00	409.2	752.00	764.50	257.4
Other Recurrent	43.30	74.46	622.4	39.21	68.41	0
Total Recurrent Expenditure	1,497.04	1,839.09	1,596.2	1,493.02	1,799.46	6,22.4
Development Expenditure	-	-	-	-	-	-
Compensation of Employees	-	-	-	-	-	-
Use of goods and Services	-	-	-	-	-	-
Grants and Transfers	-	-	-	-	-	-
Acquisition of Non Financial Assets	-	-	-	-	-	-
Total Development Expenditure	-	-	-	-	-	-

	Approved estimates Kshs. million			Actual Expenditures Kshs. million		
Total Programme 1	1,497.04	1,839.09	1,596.2	1,493.02	1,799.46	1,596.1
Programme 2. ICT Infrastructure						
Recurrent Expenditure						
Compensation of Employees	-	-	-	-	-	
Subsidies, grants and other Transfers	-	-	723.4	-	-	
Use of goods and Services	-	-	-	-	-	
Acquisition of Non-Financial Assets	-	-		-	-	
Total Recurrent Expenditure	-	-	723.4	-	-	
Development Expenditure	-	-	-	-	-	
Use of goods and Services	-	484.91	-	-	460.91	
Grants and Transfers	2,671.37	700.80	4726.5	2,109.17	788.80	4,726.5
Acquisition of Non Financial Assets	1,613.42	1,325.50	57	1,577.80	865.50	57
Total Development Expenditure	4,284.79	2,511.21	4,783.5	3,686.97	2,115.21	
Total Programme 2	4,284.79	2,511.21	5,506.9	3,687.0	2,115.2	4,783.5
Programme 3: ICT Mass Media Skills Development						
Compensation of Employees	-	-	71.5	-	-	71.5
Subsidies, grants and other Transfers	-	-		-	-	
Use of goods and Services	-	-	95.5	-	-	95.5
Acquisition of Non Financial Assets	-	-		-	-	
Total Recurrent Expenditure	-	-	167.0	-	-	
Development Expenditure	-	-	-	-	-	130.8
Compensation of Employees	-	-		-	-	
Use of goods and Services	-	-		-	-	
Grants and Transfers	-	-		-	-	
Acquisition of Non Financial Assets	-	-	130.8	-	-	
Total Development Expenditure	-	-	130.8	-	-	130.8
Total Programme 3			297.8			
Programme 4: General Administration						
Compensation of Employees	-	-	141.7	-	-	141.7
Grants and other Transfers	-	-	64.8	-	-	64.8
Use of goods and Services	-	-	24.7	-	-	24.0
Acquisition of Non Financial Assets	-	-		-	-	
Social Benefits	-	-	2.4	-	-	
Total Recurrent Expenditure	-	-	233.6	-	-	

	Approved estimates Kshs. million			Actual Expenditures Kshs. million		
Development Expenditure	-	-		-	-	30.5
Compensation of Employees	-	-		-	-	
Use of goods and Services	-	-		-	-	
Grants and Transfers	-	-		-	-	
Acquisition of Non Financial Assets	-	-	30.5	-	-	30.5
Total Development Expenditure	-	-	30.5			
Total Programme 4			264.1			
Total (ICT) Programmes 1, 2, 3 & 4	5,781.8	4,350.3	7,665.0	5,180	3,914.7	6,774.5

2.2.3 Analysis of Capital Projects by Programmes

2.3.3.1 Energy Sub Sector Capital Projects by Programmes (Kshs. Million)

PROJECT TITLE	Estimated cost/ Contract Value	FINANCING		TIME LINES		Actual Accumulated Expenditure up-to June 2013	Budget Estimate FY 2012/13	Revised Budget FY 2012/13	Expected Bal Contract Value As June 30, 2014	Projected Exp FY 2014/15	Projected Exp FY 2015/16	Projected Exp FY 2016/17
		GOK	Donor	Start Date	Expected Completion Date							
National Electrification Programme												
Ngong II Wind – 13.6MW	1,423		1,423		Sep 2014	410	0	412	-	-	-	-
Olkaria IV – 140MW Geothermal Power Project	9,317		9,317	Nov 2010	June 2014	6,858	1,409	6,100	237	-	-	-
Olkaria IV – 140MW Geothermal Power Project	8,223		8,223	Nov 2010	Sep 2014	6,054	1,617	5,700	151	-	237	-
Olkaria I& IV Geothermal Power Plant	14,221	4,106	10,115	Aug-2012	Mar-2014	1,680	1,420	3,722	247	247	151	-
Drilling of 80 wells	38,622	5,794	32,828	Sep 2012	Jan 2016	5,078	8,000	8,500	14,738	10,430	4,308	-
Menengai Phase1 -440 MW Geothermal Power Project	44,126	44,126		SeP 2013	June 2016	0	0	0		22,497.8	16,712.7	4,915.5
Baringo- Silali -800MW Geothermal Power Project.	57,107	57,107		SeP 2013	June 2016					13,833	27,666	15,607.8
Suswa - 150MW Geothermal Power Project.	45,479	45,479		SeP 2013	June 2016					15,159.75	15,159.7	15,159.7
Kilimambogo-Thika	2,940	800	2140	Jun 2010	Oct 2013	2,786	439	200	0	0	0	0
Thika-Nyaga	1,300	600	700	Jun 2010	Oct 2013	40	450	225	0	0	0	0
Mombasa - Nairobi Line	15,391	2,491	12,900	Dec 2010	Mar 2014	11,601	4,793	4,290	1,885	0	0	0
Rabai - Malindi-Garsen - Lamu	9,900	1,200	8,700	Dec 2010	Dec 2013	7,569	3,677	4,996	840	0	0	0

PROJECT TITLE	Estimated cost/ Contract Value	FINANCING		TIME LINES								
Loiyangalani – Suswa	5,887	2,207	3,680	Jan 2014	Nov 2015	503	0	0	2,961	6,911	1,353	0
Power Transmission System Improvement project	7,340	1,837	5,503	Aug 2013	Jun 2015	1,241	1,518	904	2,744	3,302	1,297	0
Nyahuru-Nanyuki												
Lessos-Kabarnet												
Olkaria-Narok												
Bomet-Sotik												
Kitui-Wote –Sultan Hamud												
Ishiara-Kieni-Embu												
Meru –Isiolo-Nanyuki												
Olkaria-Suswa C/o Ken Gen	1,100	1,100		Dec 2012	Dec 2014	70	0	0	0	0	0	0
Nairobi Ring (Suswa – Isinya and substations)	8,475	1,095	7,380	Oct 2012	Dec 2014	1,424	2,929	1,734	4,230	3,482	3,569	0
Olkaria - Lessos – Kisumu	14,300	4,315	9,985	Feb 2014	mar 2016	175	1,619	100	11,686	5,500	3,572	0
Zambia- Tanzania-Kenya	8,000	1,200	6,800	0	0	3	0	0	3,598	3,301	1,100	0
Lessos - Tororo	4,900	1,176	3,724	Sep 2013	Feb 2015	1,279	1,292	589	1,630	1,619	372	0
Eastern Africa Interconnector(Ethiopia)	62,854	4,204	Nov 2014	Apr 2014	Mar 2017	391		170	37,479	41,672	9,685	7,293

PROJECT TITLE	Estimated cost/ Contract Value	FINANCING		TIME LINES								
Indian LOC projects	6,111	1,050	5,061	Oct 2013	May 2015	791	1,147	1,120	2,128	3,192	2,128	0
Eldoret- Kitale (KEEP Project)	5,804	2,080	3,725	Jun 2012	Feb 2015	278	0	0	0	0	0	0
Kisii- Awendo(KEEP Project)												
Kindaruma- Mwingi- Garissa(KEEP Project)												
Olkaria-Suswa C/o Ken Gen	1,100	1,100		Dec 2012	Dec 2014	70	0	0	0	0	0	0
Mariakani sub station	2,530	10	2520	Feb 2014	July 2015	4	0	645	225	405	0	0
Meru - Isiolo-Nanyuki Line	1,950	340	1,610	Oct 2012	Dec 2014	579	308	308	548	1,302	0	0
Total for Energy Sub Sector	230,303	36,810	193,494			50,048	30,618	39,070	84,507	134,894	87,310	42,976

2.3.3.1 Transport and Infrastructure Sub Sector Capital Projects by Programmes (Kshs. Million)

PROJECT TITLE	Estimated cost/ Contract Value	FINANCING		TIME LINES								
		GOK	Donor	Start Date	Expected Completion Date	Actual Accumulated Expenditure up-to June 2013	Budget Estimate FY 2012/13	Revised Budget FY 2012/13	Expected Bal Contract Value As June 30, 2014	Projected Exp FY 2014/15	Projected Exp FY 2015/16	Projected Exp FY 2016/17
Project												
Athi River - Namanga	6,209	6,209		5/11/07	5/11/10	6,209	1,000	1,553.	-	-	-	-
Eldoret- Webuye	3,254	3,254		1/3/11	31/08/12	3,254	400	2,050	-	1500	504	-
Webuye-Malaba	3,859	3,859		1/3/11	31/08/12	3,859	395	2,000	-	1000	859	-
Sultan Hamud-Machakos Turnoff (A109)	4,103	4,103		10/11/2006	1/6/11	4,103	528	-	-	-	-	-
Nairobi-Thika Lot 1	8,030	8,030		28/11/07	27/07/11	8,030	2,489	10,600	-	-	-	-
Nairobi-Thika Lot 2	8,691	8,691		26/01/09	25/07/11	8,691	-	-	-	-	-	-
Nairobi-Thika Lot 3	9,939	9,939		22/01/09	21/07/11	9,939		2,000	-	-	-	-
Voi- Mwatate	2,270	2,270		22/03/11	22/03/13	2,270	210	702	-	1000	568	-
Machakos Turn off-JKIA	5,974	5,974		10/11/2006	1/6/2011	5,974	484	-	-	-	-	-
Mau Summit-Kericho	6,835	6,835		19/07/10	19/07/11	6,835	476		-	-	-	-

(B1)		5			2			-					
Kericho-Nyamasaria	8,070	8,070		19/07/10	19/01/13	8,070	1,001	-			2356	2356	2356
Nyamasaria-Kisumu	5,900	5,900		15/08/11	15/03/13	5,900	833	-			1956	1956	1956
Enjinja-Bumala	1,736	1,736		3/10/2011	2/4/14	1,736	130	200		1,406	512	512	512
Lanet-Dundori	999	999		31/01/11	30/07/12	999	303	200		-	-	-	-
Mariakani-Kaloleni	2,500	2,500		27/11/07	27/11/10	2,500	650,	100		800	800	800	
Stand Khisa-Khumusalaba	744	744		1/10/2007	31/03/09	744	96	-		-	-	-	-
Kendu Bay-Homa Bay	3,360	3,360		31/3/09	30/03/11	3,360	1,200	501		-	2106	1053	
Homa bay-Mbita	3,388,	3,388,		3/2/2010	5/11/2012	3,388,	800,	522,		-	2866	-	-
Ndori-Ngiya	1,364,	1,364,		12/7/2010	12/3/12	1,364,	490,	350,		-	1014	-	-
Londiani-Fortenan	4,456,	4,456,		20/7/10	20/7/12	4,456,	600,	792,		-	-	-	-
Marsabit-Turbi	13,001	13,001		5/4/2011	4/4/14	13,001	81,	4,124,		8,795,	-	-	-
Loruk-Barpelo	5,710	5,710		17/08/2011	16/02/14	5,710	619,	750,		4,341	-	-	-
Isiolo-Merille	4,875,	4,875,		7/11/2007	22/07/11	4,875,	690,	21		-	-	-	-

Narok	1,497,	1,497,			-	1,497,	320,	281				
Othaya-Konyu	968	968			-	968	300,	220	-	-	-	-
Miiri-Itundu	1,101	1,101		8/4/2008	8/4/10	1,101	210	130	-	-	-	-
Keroka-Nyangusu Phase II	1,887	1,887		22/4/08	21/4/10	1,887	-	140	-	-	-	-
Daranjambili- Nyatieko-Eronge-Miruka	1,804	1,804		21/09/07	21/7/09	1,804	286	100	-	-	-	-
Kamukuywa-Kaptama-Kapsokwony	2,700	2,700		22/06/07	22/12/09	2,700	180,	180,	-	-	-	-
Makutano-Kikima-Tawa	1,895,	1,895,		14/9/07	14/9/09	1,895,	275,	100,	-	-	-	-
Ndumberi-LimuruNduota-Kagwaru	1,848,	1,848,		1/4/2008	1/4/10	1,848,	225,	-	-	-	-	-
Nairobi Southern By Pass Project	17,200	17,200		2/7/2012	2/7/15	17,200	-	6,848	7,352	3,000,	-	-
Merille-Marsarbit	13,719	13,719		28/01/2013	27/01/16	13,719	-	1,052,	6,666,	3,000,	3,000	-
Turbi-Moyale	12,062	12,062		12/10/2012	11/10/15	12,062	-	3,141,	6,000,	2,000,	920,	-
Timboroa-Eldoret	3,114	3,114		28/05/2012	28/05/14	3,114	-	1,855,	1,258,	-	-	-
Rumuruti - Mararal	2,741	2,741		6/11/2013	28/12/15	2,741	-	200,	2,000,	541	-	-
Chepterit - Baraton	1,336	1,336		14/08/201	14/02/1	1,336			1,218	-	-	-

University - Kimondi		6		2	4		-	118				
Maumau - Ruambwa - Nyadorera - Siaya	1,908,	1,908,		15/5/2013	31/12/15	1,908,	-	200,	1,708,	-	-	-
<i>Modika - Nuno</i>	1,090,	1,090,		8/3/2012	8/9/13	1,090,	-	1545	936	-	-	-
Kaloleni – Kilifi (C107)	2,300	2,300		18/07/2012	18/07/14	2,300	-	340,	1,960	-	-	-
Chebilat – Ikonge – Chabera (C22)	3,110	3,110		20/07/2012	20/01/15	3,110	-	56	3,053	-	-	-
Kangema – Gacharage (C70)	4,112	4,112		1/8/2012	1/2/15	4,112	-	300	3,812	-	-	-
Chiakariga – Meru (C92)	4,668	4,668		29/05/2012	28/11/15	4,668	-	450	4,218	-	-	-
OljoOrok - Dundori (C83) Road	1,911	1,911		24/5/2013	9/1/16	1,911	-	160	1,751	-	-	-
Kericho - Nyamasaria Road (A1)	8,070	8,070		16/09/2010	16/03/13	8,070	-	-	8,070	-	-	-
Nyamasaria-Kisumu-Kisian including the Kisumu bypass Road A1/B1	5,788	5,788		9/2/2012	9/8/14	5,788			5,788	-	-	-
Kisumu - Kakamega Rd Section	4,452	4,452		5/1/2013	4/1/15	4,452	-	-	4,452	2,000	-	-
Kakamega – Kaburengu (Webuye) Road Section	2,506	2,506		1/4/2013	1/4/15	2,506	-	-	2,506	-	-	-
Rehabilitation of Webuye - Kitale Road	3,315	3,315		10/1/2013	9/1/13	3,315			3,315	-	-	-

Section		5					-	-				
One Stop Border Post at Taveta Border Crossing	492	492		20/06/2012	20/09/13	492	-	-	492	-	-	-
One Stop Border Post at Malaba Border Crossing	533	533		26/06/2012	26/09/13	533	-	-	533	-	-	-
One Stop Border Post at Busia Border Crossing	556	556		26/06/2012	26/09/13	556	-	-	556	-	-	-
One Stop Border Post at Lungalunga Border Crossing	470	470		21/06/2012	21/09/13	470	-	-	470	-	-	-
One Stop Border Post at Isebania Border Crossing	395	395		28/06/2012	24/07/14	395	-	-	395	-	-	-
Total Programme 1	247,697	247,697										
Programme 3: Rail Transport												
EAST AFRICA TRADE AND TRANSPORT FACILITATION PROJECT - KRC/MOT RELOCATION ACTION PLAN	7,400	3,000	4,400	6.2011	09.2014	2,860	760	760	4,540	2,200	2,000	340
Total Programme 3	7,400											
Programme 4: Marine transport												
: MASS RAPID TRANSIT SYSTEM FOR FEASIBILITY	250	250		4.2010	6.2012	250	300	133	117	80-	37-	0

STUDY												
EAST AFRICA TRADE AND TRANSPORT FACILITATION PROJECT - MOT - ESTABLISHMENT OF A TRANSPORT DATA CENTRE	2,000	100	1,900	4.2010	6.2014	445	110	110		500	700	-355
									1,555			
2ND CONTAINER TERMINAL CONSTRUCTION	21,000	5,000	16,000	6.2011	7.2015	15,731	10,831	10,831	5,269	5,269	0	0
2ND CONTAINER TERMINAL - COMPENSATION	500	500		5.2011	6.2012	500	0	0	0	0	0	0
LAPSSET PROJECT - FEASIBILITY STUDY	1,980	1,980				1,980	1,980	1,980	0	0	0	0
REPAIR AND EXPANSION OF LIKONI RAMP	90	90				64	340	340	26	26	0	0
REPAIR AND UPGRADING OF PELELEZA MOORING JETTY	316	316				133	-	-	183	100	83	0
REPAIR AND UPGRADING OF MTONGWE MAINLAND AND	280	280				131	-	-	149	100	49	0

ISLAND PONTOONS AND WALKWAYS												
DREDGING OF THE MOMBASA PORT	5,300	5,300		8.2011	9.2012	2,300	300	300	3,000	720	1,500	780
Programme 4 Total	29,716	29,716										
Programme 5: Air Transport												
LODWAR AIRSTRIP RESURFACING & FENCING	95	95		3./011	10.2011`	96	96	95	0	0	0	0
LODWAR AIRSTRIP PASSENGER TERMINAL	22	22				-	-	-	-	22		
REHABILITATION OF ELDORET AIRSTRIP	17	17		10.2011	4.2012	17	17	17	0	0	0	0
REHABILITATION OF MITUNGUU AIRSTRIP	22	22				22	22	22	0	0	0	0
MAINTENANCE AND REHABILITATION OF NYERI AIRSTRIP – PHASE I	157	157		2.2011	7.2011	157	157	157	0	0	0	0
MAINTENANCE AND REHABILITATION OF NYERI AIRSTRIP-	5	5		2.2011	2.2011	0	0	0	5	5	0	0

PHASE II												
KAKAMEGA AIRSTRIP – RUNWAY RESURFACING	82	82		2.2011	8.2011	82	82	82	0	0	0	0-
KAKAMEGA AIRSTRIP – TERMINAL BUILDING	5	5		2.2012	8.2012	5	5	5	0	0	0	0
REHABILITATION OF EMBU AIRSTRIP – PH I	158	158		3.2011	7.2011	148	148	148	10	0	0	0
REHABILITATION OF EMBU AIRSTRIP – PH II	360	360				352	171	171	28	28	0	0
TSEIKURU AIRSTRIP DEVELOPMENT	50	50				50	50	50	0	0	0	0
SUNKA AIRSTRIP REHABILITATION	48	48				0	0	0	48	48	0	0
DEVELOPMENT OF NAKURU AIRSTRIP	400	400				100	100	100	300	100	100	100
HOMABAY AIRSTRIP REHABILITATION	250	250				0	100	100	250	150	0	0
UPGRADING OF KISUMU AIRPORT	2,090	2,090				1,199	299	299	891	300	300	291

2.3.3.3 ICT Sub Sector Capital Projects by Programmes (Kshs. Million)

PROJECT TITLE	Estimated cost/ Contract Value	FINANCING	TIME LINES									
			D o n o r	Start Date	Expected Completion Date	Actual Accumulated Expenditure up-to June 2013	Budget Estimate FY 2012/13	Revised Budget FY 2012/13	Expected Bal Contract Value As June 30, 2014	Projected Exp FY 2014/15	Projected Exp FY 2015/16	Projected Exp FY 2016/17
Establishment of Konza Techno City Phase 1	64,000	GOK	-	20 13	2017	1,300	700	700	63,300	5,000	5,200	5,400
National Address System	1,000	1,000	-	2012	2017	8	7	8	992	500	292	200
Roll out of the National Fibre Optic backbone II	6,240	6,240	-	2009	2014	1,100	1,100	1,100	2,596	800	900	890
Migration from MW to FM Radio	1,500	1,500	-	2006	2017	200	200	200	1,300	800	300	200
Analogue to Digital Migration	2,836	2,836	-	2010	2014	836	405	405	2,000	1,000	500	500
Five Storey Building with capacity of 405 beds	182	182	-	2012	2014	43	100	90	76	76	-	-
Live Television Signal for training	153.76	153.76	-	2013	2015	3	3	3	150	50	50	50
Live Radio Signal for training	93.7	93.7	-	2013	2015	2	2	2	91.7	40	30	21.7
TOTAL FOR: ICT INFRASTRUCTURE PROGRAMME	76,006	76,006				3,492	2,517	2,508	70,505.7	8,266	7,272	7,261.7
Six Floor Conference Complex	340	340	-	2012	2015	0	-	-	340	140	100	100
Modernisation of library	92	92	-	2011	2013	1.8	3.6	3.6	86.6	50	36.6	-
Student Catering unit with 1000 seat capacity	119.5	119.5	-	2012	2015	0.5	-	-	119	69	50	-
Student Health Centre	120.4	120.4	-	2011	2016	-	-	-	120.4	50	50	20.4
Tuition Block	70	70	-	2012	2014	19	19	19	51	20	18	13

PROJECT TITLE	Estimated cost/ Contract Value	FINANCING	TIME LINES									
Multipurpose Hall for 1000 sitting capacity	342.2	342.2	-	2013	2016	-	-	-	342.2	180	120	42.2
TOTAL FOR: HUMAN RESOURCE DEVELOPMENT	964.6	964.4				21.3	22.6	22.6	1059.2	509	374.6	175.6
ICT-4D- Digital Information and Development	29.8	29.8	U N D P	2013	2014	-	-	-	29.8	30	30	-
Modernisation of KNA desk and Press centre	179	179	-	2009	2016	21	21	21	158	100	30	28
Refurbishment of various Field offices	53	53	-	2013	2015	9	15	15	29	10	9	-
Internal Infrastructure and connectivity Department Headquarters	321.5	321.5		2012	2016	80.7	80.7	80.7	240,8	70.3	80.3	90.2
Modernization of KNA Rural Printing Services	435.8	435.8		2013	2016	100	100	100	335.8	130.2	135.1	70.5
Refurbishment and Partitioning of New Premises	372.2	372.2		2012	2016	117.7	117.7	117.7	254.5	74.2	60.3	120
TOTAL FOR: INFORMATION AND COMMUNICATION SERVICES PROGRAMME	1,391.3	1,391.3				328.4	314.4	334.4	1,047.9	414.7	344.7	308.7
Internet Connectivity to Dept.HQ and Field offices	230	230	-	2013	2015	80	80	80	230	130	50	50
Multipurpose News Room	100	100	-	2010	2015	5	5	5	95	50	45	-
Virtual Library	30	30	-	2010	2015	15	15	15	15	15	-	-
Multimedia Resource Centre	35	35	-	2012	2015	5.5	5.5	5.5	20	9	10.5	10
Upgrading of Media Monitoring System	20	20	-	2013	2015	0.5	0.5	0.5	19.5	0.5	9.5	9.5
FILM DEVELOPMENT SERVICES	415	415				106.7	106.7	106.7	379.5	204.5	115	69.5
GRAND TOTAL	78,897	78,897				3,948.5	2,961	2,972	72,992.3	9,394	8,106	7,816

2.4 Review of Pending Bills

For the FY 2012/13, the Sector had pending bills amounting to **Kshs 461.50** million due to lack of liquidity and **Kshs 1,594.80** million due to lack of budgetary provision as shown 231in the table below.

Table 2.4.1 Recurrent Expenditure Pending Bills

Type /Nature	Due to lack of liquidity			Due to lack of provision		
	2010/11	2011/12	2012/13	2010/11	2011/12	2012/13
Energy	2	0	0	0	0	0
Transport and Infrastructure	45	21	389.5	-	-	20.5
ICT	158.406	229	72	461.2	910.30	1,574.30
TOTAL	205.41	250.00	461.50	461.20	910.30	1,594.80

The bulk of the bills due to lack of provision amounting to Kshs 1, 574.3 Million relate to KBC staff emoluments and tax areas due to financial constraints as the corporation during this period experience difficulties immediately after the liberalization of the electronic media industry in 2006 which led to an influx of many private media stations in addition the withdrawal of TV and radio permit fees which collectively reduced the corporation revenue base. Thebills in question relates to Kshs. 452.3Million for VAT and PAYE, Pension Kshs. 600Million and City Council Kshs. 552 Million.

2.4.2 Development Expenditure Pending Bills

Type /Nature	Due to lack of liquidity			Due to lack of provision		
	2010/11	2011/12	2012/13	2010/11	2011/12	2012/13
Energy	3	-	0	-	-	0
Transport and Infrastructure	300	50	4,106	2,213	13.5	17,800
ICT	-	-	197	-	150	-
Total	303	50	4,303	2,213	163.5	17,800

For the FY 2012/13, the Sector had pending bills amounting to **Kshs4,303** million due to lack of liquidity and **Kshs 17,800** million due to lack of budgetary provision.

The junk of pending development bills are for the Transport and Infrastructure sub sector million due to lack of liquidity.

CHAPTER THREE

3 MEDIUM TERM PRIORITIES AND FINANCIAL PLAN FOR THE MTEF PERIOD 2014/15-2016/17

During the MTEF period 2014/15-2016/17, the Energy, Infrastructure and ICT Sector aims at implementing key programmes and sub programmes to ensure development of high quality, affordable, reliable and efficient transport, Energy and ICT infrastructure which are enablers for socio-economic transformation. This will be achieved through implementation of 16 programmes outlined below.

3.1 Prioritization of Programmes and Sub-Programmes

The Sector prioritized its programmes using the criteria below as derived from Treasury Circular No.11/2013 of August 28, 2013.

The Criteria

- 1 Linkage of the programme with the Objectives of Medium Term Plan of Vision 2030 for the period 2013-2017;
- 2 Degree to which a programme is addressing Core Poverty interventions;
- 3 Degree to which a programme is addressing the core mandate of the MDAs
- 4 Expected outputs and outcomes from a programme;
- 5 Backward and forward linkages of a programme with other programmes
- 6 Cost Effectiveness and sustainability of a programme and
- 7 Immediate response to the requirements of the implementation of the Constitution.
- 8 On-going activities of the strategic intervention initiated in the financial year 2013/14

Scoring Method

- All the above 8 **criteria** carry an equal score of 1 mark.
- A programme that meets the above 8 criteria scores **8 marks**.
- Degree to which the programme meets criteria is awarded **0.25, 0.5, 0.75 or 1mark**.

Programme	Criteria/Score								Score	Rank
	1	2	3	4	5	6	7	8		
Information and communication services	1	0.9375	1	0.75	0.8125	0.625	0.75	0.75	6.625	1
Road Transport	1	0.9375	1	0.75	0.75	0.5625	0.75	0.75	6.5	2
National Electrification	1	0.6875	1	0.75	1	0.6875	0.75	0.625	6.5	2
ICT Infrastructure Development	1	0.75	0.9375	0.75	0.8125	0.625	0.6875	0.6875	6.25	4
Rail Transport	1	0.75	0.875	0.6875	0.625	0.8125	0.5	0.6875	5.9375	5
Marine Transport	0.9375	0.625	0.9375	0.75	0.5	0.8125	0.3125	0.75	5.625	6
Renewable Energy Resources	0.75	0.8125	0.875	0.625	0.5	0.8125	0.375	0.6875	5.4375	7
Petroleum Exploration and Distribution	0.875	0.5625	0.875	0.625	0.6875	0.5625	0.375	0.6875	5.25	8
Air Transport	0.75	0.4375	1	0.625	0.5	0.5	0.4375	0.8125	5.0625	9
ICT and Mass Media Skills Development	0.6875	0.6875	0.6875	0.625	0.5	0.4375	0.375	0.625	4.625	10
Government Clearance Services	0.4375	0.375	0.75	0.5625	0.6875	0.5	0.3125	0.5	4.125	11

PROGRAMMES BY ORDER OF RANKING

In view of ranking tool in 3.1.1 below is the priority ranking of sector programmes:

1. Information and Communication Services
2. Road Transport
3. National Electrification
4. ICT Infrastructure Development
5. Rail Transport
6. Marine Transport
7. Renewable Energy Resources
8. Petroleum Exploration and Distribution
9. Airport Transport
10. ICT and Mass Media Skills Development
11. Government Clearing Services

However Planning and Administrative Support Services were not ranked since its cross cutting among Ministries.

3.1.1 Programmes and their Objectives

S/No	Programmes	Objectives
ENERGY & PETROLEUM SUB-SECTOR		
1.	National Electrification	To increase Access to Electricity
2.	Renewable Energy Resources	To promote utilization and development of new and renewable energy resources
3.	Petroleum Exploration and Distribution	To ensure availability of reliable petroleum resources
4.	Centralized Support Services	To support and improve efficiency in service delivery
TRANSPORT AND INFRASTRUCTURE SUB-SECTOR		
1.	Policy Formulation and Administrative Services	To develop and review policies and regulatory guidelines that guarantee provision of efficient, safe and reliable transport
2.	Road Transport	To develop and manage an effective, efficient, and secure road network
3.	Rail Transport	To provide an integrated and seamless railway transport.
4.	Marine Transport	To increase port capacity and safety
5.	Air Transport	To position Kenya as an Aviation hub in the region
6.	Government Clearing Services	To manage costs on government imports and exports
INFORMATION COMMUNICATION TECHNOLOGY SUB-SECTOR		
1.	Information and Communication Services	To collect, collate and disseminate credible information to promote knowledge based society
2.	ICT and Mass Media Skills Development	To build and strengthen the ICT human skills capacity.
3.	ICT Infrastructure Development	To develop a world class ICT infrastructure that ensure availability of accessible, efficient, reliable and affordable ICT services.
4.	General Administration Services	To formulate, review and implement appropriate policies, legal and institutional frameworks that improve efficiency of service delivery.

3.1.2 Programmes, Sub-programmes, Expected Outcomes, Outputs and Key Performance Indicators for the Sector

The section outlines key programmes, sub programmes and expected outputs/outcomes and Key Performance Indicators.

Table 3.1: Programmes, sub Programmes, Expected Outcomes, Outputs and KPI

Programme/Sub-programme	Key Outputs	Key Performance Indicators
ENERGY & PETROLEUM SUB-SECTOR		
Programme 1: National Electrification		
Outcome: Increased generation capacity and access to electricity		
Sub – Programmes		
National Grid System	5,888Km of electricity transmission lines to be constructed	No. of Km of electricity transmission lines constructed
	600,000 new consumers of electricity to be connected	No. of new consumers of electricity connected
	Nuclear Electricity Prefeasibility/ Feasibility study report	Road Map for Kenya’s Nuclear Power Program
	Development of 700-800MW LNG power plant in Dongo-Kundu and conversion of 350 MW from MSD to LNG in Kipevu and Rabai	-Power plant developed in Dongo Kundu -MW of MSD converted to LNG.
Geothermal and Coal Exploration	450MW to be generated in Menengai geothermal fields	No. of MW of geothermal power generated
	200MW of power- to be generated in Bogoria-Silale fields	No. of MW of geothermal power generated
	150MW to be generated in Suswa Geothermal Projects	No. of MW of geothermal power generated
	Survey reports	No. of geological, geophysical and geochemical surveys in Morendat-Malewa, Kigio-Marura and Masamukye prospect areas for ranking purposes.
	2 coal drilling contracts in Kwale and Kilifi and 1 service contract in Isiolo	No. of contracts awarded
	Development of a 960MW coal power	Coal power plant

Programme/Sub-programme	Key Outputs	Key Performance Indicators
	plant in Lamu	developed
	Awarding of tender for development of 960MW coal power plant in Kitui.	Tender awarded.
	Concessioning of block A and B in Mui Basin, Kitui County	No. of blocks concessioned
	Infrastructure development in Mui Basin and other coal prospective areas.	Infrastructure developed.
Rural Electrification	Electrification of 18,214(205 secondary schools; 12,124 primary schools; 2,706 trading centres; and, 3,179 including health and tea buying centres, factories and water projects) public facilities and Generation of 150MW from renewable energy resources is targeted to be installed annually in partnership with potential investors under the sub-programme.	No. of public facilities to be connected to the national grid
Programme 2 : Renewable Energy Resources Outcome: Clean Energy Sources		
Wood fuel Resource Development	7 new energy centres and rehabilitation and expansion of 13 existing ones	No. of Energy Centres established and rehabilitated
	Re-afforestation of 1,400 ha of water towers	No of Ha of water towers
Alternative Energy Technologies.	500 institutions to be connected with solar energy	No. of public institutions
	3000 public primary schools in the government laptop project connected with solar energy	No. of primary schools
	Updating of wind sector prospectus, wind atlas and Kenya wind sector development plan country wide, installation of 50 wind masts & data loggers and conduct 5 feasibility studies to facilitate private investment	No. of reports No. of wind masts installed No of feasibilities undertaken
	Develop national hydropower atlas.	National hydropower atlas
	development of 40 MW from small hydro power based projects	No. of MW from small hydro power based projects
	Development of 10 small hydro power community projects	no. of small hydro power community projects
	installation of 60 wind, solar hybrid water pumping systems in ASAL areas	No. of hybrid systems installed
	Construction of 10 institutional biogas plants.	No. of institutional biogas plants

Programme/Sub-programme	Key Outputs	Key Performance Indicators
	construction of 250 domestic household biogas digesters	No. of domestic household biogas digesters
	Undertake 40 Industrial Investment Grade Audits, 60 General Audits and 8 public building energy efficiency audits.	No. Of Audits undertaken and energy savings realised.
	Development and distribution of 15,000 promotional/awareness energy efficiency lighting & appliances and biogas brochures	No of brochures printed and distributed.
	Provision of 200 institutional improved cooking stoves and 50 sustainable charcoal kilns.	-no. of institutional improved cooking stoves -no. of sustainable charcoal kilns
	Development of 1 community woodlot per county in 7 counties.	No.of counties with a community woodlot
	Documentation of all renewable energy activities in the country and updated renewable energy database	A database
	Bio energy research on cook stoves emission, feed stock for bio fuels and efficiency improvement on bio energy production and usage	Report
	Undertake energy efficiency audits in 10 government buildings	No. of government buildings
	support of 180 households and three institutions biogas plants	No. of households and institutions.
Programme 3 : Petroleum Exploration and Distribution Outcome: Increase data in the unlicensed blocks to attract investment and increase security of supply of petroleum products		
Petroleum Exploration and Distribution	Creation and gazettment of New petroleum blocks	No. of blocks gazetted
	Seismic data acquisition reports	No. of reports
	Drilling monitoring reports	No. of reports
	Establish a national petroleum data centre	Tender documents
	Restructuring of NOCK	Proposal on modalities for restructuring
	14 inch 450km Mombasa-Nairobi new pipeline	No. of KM
	6 inch 121km Parallel oil pipeline from Sinendet to Kisumu	No. of KM

Programme/Sub-programme	Key Outputs	Key Performance Indicators
	Development of 2,225 MT LPG storage and handling facilities in Nairobi	No. of tanks and their capacities.
	Kenya-Uganda oil pipeline project	No. of Km
	Installation of a 3 rd pump in Mombasa-Nairobi pipeline and all associated facilities at Samburu, Maungu, Manyani, Mtito Andei, Sultan Hamud and Konza pump stations	Pump and associated facilities.
	Loading facilities at Eldoret deport	No. of loading arms
	Integrated security system	Integrated security system Installed.
	Expanded NOCK 's share of petrol stations in the market	Percentage of the retail market share
	Establishment of the National strategic oil reserves	90 days stock
	Review Petroleum Exploration and Production Act	A new Petroleum Exploration and Production Act
	Trained officers at masters and short courses	No. of officers trained
	Mombasa petroleum tank farm of at least 800,000MT	No. of MT of Storage tanks constructed
Programme 4 : Centralised support services		
Outcome: Efficient delivery of services		
Administrative Services	Administrative services offered	Efficient administration
Planning and Project Monitoring	12 monitoring reports	No. of project monitoring reports
Financial Services	Financial Services offered	Efficient financial management in the Energy Subsector
TRANSPORT AND INFRASTRUCTURE SUB-SECTOR		
Programme 1: Policy Formulation and Administrative Services		
Outcome: Efficient and cohesive institutional and regulatory framework for the transport sector		
Policy Formulation and Administrative Services	Bills drafted and submitted to the National Assembly.	No. of bills drafted and submitted to NA
	Transport policies	No. of transport policies formulated
	All Staff trained on competency skills	No. of staff trained
	All staff sensitized on HIV/AIDS, alcohol	No. of staff sensitized on HIV/AIDS, alcohol and drug

Programme/Sub-programme	Key Outputs	Key Performance Indicators
	and drug abuse	abuse
	All statutory reports prepared and submitted on time	No. of statutory reports prepared and submitted on time
	30% of tenders awarded to youths	% of tenders awarded to women
	30% of staff recruited and promoted should be from either gender	% of staff recruited and promoted from either gender
Programme 2: Road Transport		
Outcome: Increased national and regional road connectivity		
1. Construction of Roads and Bridges	New roads and bridges	No. of KM of new roads and bridges constructed
2. Rehabilitation of Roads and Bridges	Rehabilitated roads and bridges	No. of KM of roads and bridges rehabilitated
3. Maintenance of Roads and Bridges	Maintained roads bridges	No of KM of roads and bridges maintained
4. Design of Roads and Bridges	Designed roads and bridges	No. of Designed roads and bridges
5. Road Safety Interventions	20% Reduction in road fatalities	% of reduction of road fatalities
Programme 3: Rail Transport		
Outcome: Increased capacity of rail transport		
Rail Transport	Standard gauge rail	No. of KM of SGR constructed
	Upgraded commuter rail system	No of new and upgraded stations No. of KM of commuter rail maintained and rehabilitated
	Light rail system	No. of KM of light rail constructed
Programme 4: Marine Transport		
Outcome: Enhanced container handling capacity		
Marine Transport	Free Trade Port at Dongo Kundu	% completion of the Dongo Kundu free port
	Second container terminal	% completion of the second terminal

Programme/Sub-programme	Key Outputs	Key Performance Indicators
	Lamu Port	% completion of the Lamu Port
	Modern equipped search and rescue centres at Mombasa and Kisumu	Time taken to conduct search and rescue operations
Programme 5: Air Transport		
Outcome: Enhanced air transport system connectivity		
Air Transport	Expanded airport facilities	No. of passengers served by the airport
	Modernized aviation facilities	% installation
	Bilateral air service agreements	No. of new BASAs
	Constructed/rehabilitated airports/airstrips	No of airstrips/airports rehabilitated and maintained
Programme 6: Outcome: Government Clearing Services		
Outcome: Reduced costs of government imports and exports		
Government Clearing Services	10% reduction in government costs on imports and exports	% reduction in government costs on imports and exports
INFORMATION COMMUNICATIONS AND TECHNOLOGY SUB-SECTOR		
Programme 1: Information and Communication Services.		
Outcome : Informed Citizenry		
News and Information Services	165, 000 Stories	No. KNA stories disseminated
	6000 News Features	No. of news features produced
	14500 Still Photographs	No. of photographs (still)
	20 News gathering Vehicles	No. of news gathering vehicles acquired
	88,000 Rural Press Magazines	No. of rural press magazines produced & circulated
	200 Cinema Shows	No. mobile cinema shows shown
	6800 Digital Photographs	No. of Photographs digitized
	9100 TV News articles	No. of television news articles
	60 News Collection Equipment	No. of modernized news collection equipment for

Programme/Sub-programme	Key Outputs	Key Performance Indicators
		dissemination and transmission
	15 Resources Centres	No. of resource centres
	300 Mass media personnel	No. of new mass media personnel trained on new technologies
	9 County Information Offices	No. of constructed county information offices
	30 Rehabilitated field offices	No. of rehabilitated field offices
	12 Re-branded radio services	No. of re-branded radio services
	Re-branded TV services	No. of re-branded TV services
	10 County Editions	% of completion of County Edition online
	24000 Mawasiliano copies	No. of Mawasiliano copies
	180 Media monitoring software	% of implementing use of media monitoring software
	2 Digitization software	No. of digitization software
	1 Online editing software	No. of online editing software
	5000 Reading and catalogue materials	No. of titles, reading and catalogue materials
	250 Directory on GOK activities	% of developed directory on GOK activities
Film production Services	350 Documentaries	No. of documentaries titles produced and disseminated
	715 Film licenses	No. of filming licences issued
	265 Accredited film agents	No. of local film agents accredited
	6 International Film Festivals	Kenya International Film Festivals
	100% Film Makers Secretariat	Pan-African Federation of Film Makers Secretariat Office
Film Development Services	550 Trained filmmakers	No. of filmmakers trained
	450 Local films screened	No. of local films screened
	3 Kalasha Festivals	No. of Kalasha Festivals held
	90 Films projects	No. of films projects funded
	4200 Digitized Films	No. of films titles digitized

Programme/Sub-programme	Key Outputs	Key Performance Indicators
SUB-PROGRAMME 3: BRAND KENYA AND KENYA YEARBOOK INITIATIVE		
Brand Kenya Initiative	100% Brand Master plan	Percentage of the National Brand Master Plan implemented
	50 Branded MDAs	No. of MDAs Branded
	10 Vision 2030 flagship projects	No. of Kenya Vision 2030 flagship projects branded
	750 Branded goods and services.	No. of goods and services branded.
	8 Youth attitude change programme	No. of youth attitude change Workshops
	23 Branding facilitation workshops	No. of towns, cities and counties branding facilitation workshops
	3 Diaspora & Investor Engagement Forums.	No. of Diaspora & Investor engagement Forums conducted.
Kenya Yearbook Initiative	2000 Kenya Year Book Editions	No. of copies of Kenya Year Book 2013, 2014 and 2015 Edition including abridged version.
	2000 Higher Education profiles	No. of copies of Higher Education profiles produced after 2yrs
	12,000 Monthly magazines and profiles	No. of copies of public sector monthly magazines and profiles
	1000 Cabinet publications	No. copies of Kenyatta, Kibaki, Moi and Uhuru Cabinets publications
	2000 Investment opportunities publications	No. of copies of Investment Opportunities publications
	3000 publications	No. of copies of county specific editions
	3000 Microscopic yearbooks	No. of copies of microscopic yearbooks
	Media Regulation Services	2500 Media personnel
5000 Accredited journalist and media enterprises		No. Accredited journalist and media enterprises

Programme/Sub-programme	Key Outputs	Key Performance Indicators
	1 Journalism code of conduct and practices	Reviewed Journalism code of conduct and practices
	3 East African media convention and awards	Host Eastern Africa Media Convention and Awards
	100% Media dispute arbitration	100% Media dispute arbitration.
	3 Curriculum for journalism- Middle level	No. of curriculum developed for middle level
PROGRAMME 2: ICT AND MASS MEDIA SKILLS DEVELOPMENT		
Outcome: Enhanced Capacity to use ICT applications and Mass Media Skills		
ICT and Mass Media Skills	Phase II 405 capacity students' hostel	% of completion of Phase II 405 capacity students' hostel
	Ultramodern Multipurpose lecture Halls	% of completion of ultramodern Multipurpose lecture Halls
	catering unit and cyber	% of completion of catering unit and cyber
	Live TV training Studio	% Of completion of Live TV training studio
	Radio Studio	% of completion of Radio Studio
	Student Health Centre	% of completion of Student Health Centre
	Modernization and Automation of KIMC Library	% Modernization and Automation of KIMC Library
	Installation of Emergency backup	Installation of Emergency backup
	Training facilities rehabilitated and modernized	No. of training facilities rehabilitated and modernized
	Modernization of transport fleet at KIMC- No of Vehicles procured	No of Vehicles procured
PROGRAMME 3: ICT INFRASTRUCTURE DEVELOPMENT-		
Outcome: Universal access to efficient, effective and affordable quality ICT infrastructure		
NOFBI Phase II	700 KM of Fiber cable laid connecting 47 counties	Kilometers of Fiber cable layer across the land
Konza Technology City	Konza City Basic Infrastructure (Boreholes, Access road and Energy) established	% of completion of phase I basic infrastructure e.g. water, energy, access road
Kenya Broadcasting Services	Kenya land mass covered by digital signal	% of Kenya land mass covered by digital signal

Programme/Sub-programme	Key Outputs	Key Performance Indicators
	2 Radio stations modernized to FM	No. of radio stations modernized to FM
National Addressing System	National Addressing System roll-out within Nairobi	% of National Addressing System roll-out
IBM laboratory	75% of completion of IBM laboratory	% of completion
LANs and WANs	Government offices LANs & WANs installed	No. of government offices LANs & WANs installed
ICT and BPO development services	23,000 BPO jobs created	No. of BPO jobs created
	Huduma Centres Automated	No. of Huduma Centres automated
	47 County ICT incubation Hubs	No. of County ICT incubation Hubs
	Rollout of the 4G Networks	Rollout of 4G Networks
	Enhanced Kenya Open Data	% of Data populated
	BPO Digital Villages	No. of BPO Digital Villages
IFMIS rollout	47 Counties connected to IFMIS system	No. of counties connected to IFMIS system
Digitization of birth and death registry	40M Government Records digitized	No. Of records digitized
Cyber security, policy development and implementation	Cyber Security Policy developed	% of implementation
Upgrade of LAN network in MDAs	LAN network in MDAs in Nyayo, Kilimo and Jogoo house and 5 state lounges (Mombasa, Eldoret, Sagana, Nakuru and Kisumu upgraded	No. Of institutions upgrade with LAN network
GCCN extension to MDAs	MDAs connected to GCCN network	No. Of MDAs connected to GCCN network
Establishment of the public media facilities	72 rural information resource centres established	No. of rural information resource centres established
	Film/video archive established	% completion of a film/video archive
	Sound library/studio Established	% completion of a sound library/studio
	Broadcast Monitoring Units Established and upgraded	Broadcast Monitoring Units Established and upgraded
PROGRAMME 4: GENERAL ADMINISTRATION AND SUPPORT SERVICES		
OUTCOME: Well regulated ICT Industry		
ICT and Media Policy	5 policy reviewed and implemented	No. of policies reviewed and implemented

3.2 ANALYSIS OF RESOURCE REQUIREMENT VERSUS ALLOCATION

During the MTEF 2014/15-2016/17 the Energy, Infrastructure and ICT Sector was allocated **KShs. 241,908.1 Million** of which **KShs. 41,606.7 Million for Recurrent and KShs.200, 301.4** for Development.

The sector requirement for the MTEF period is **KShs. 402,370.97 Million** of which **Kshs 45,867.68** million is for Recurrent and **KShs.356,503.29 Million** for Development. The sector resource allocation has a short fall of **KShs. 118,856.2 Million** comprising of **Kshs. 4,260.98 Million** for Recurrent and **KShs. 156,201.9 Million**. This will impact negatively on the sector programmes implementation and undermines the sector's ability to live upto its mandate as envisaged in Kenya Vision 2030.

3.2.1 ENERGY, INFRASTRUCUTURE AND ICT SECTOR (RECURRENT AND DEVELOPMENT)

Expenditure Classification	Baseline Estimates 2013/14	Resource Requirements	Resource Allocation	Projected Estimates	
		2014/15	2014/15	2015/16	2016/17
Recurrent Expenditure	35,014.00	45,867.68	41,606.7	47,804.03	49,695.97
Capital Expenditure	207,917.9	356,503.29	200,301.4	346,717.19	339,074.57
Total Expenditure	242,931.90	402,370.97	241,908.1	394,521.22	388,770.54

3.2.2 SECTOR RECURRENT AND DEVELOPMENT BUDGET

Both recurrent and development estimates for the sector has been indicated below.

	Estimates 2013/14	Requirement 2014/15	Allocation 2014/15	Projected Estimates	
				2015/16	2016/17
ENERGY AND PETROLEUM SUB-SECTOR					
Recurrent	2,400.4	4,502	2,452.90	5,166.5	5,592.1
Development	77,436.09	170,768.39	80,676.25	107,752.6	74,369.4
SUB-TOTAL	79,836.49	175,270.39	83,129.15	112,919.1	79,961.5
TRANSPORT AND INFRASTRUCTURE SUB-SECTOR					
Recurrent	21,483	36,608	21,749	39,670	38,634
Development	103,973	194,145	128,449	268,260	298,144
SUB-TOTAL	125,456	230,753	150,198.4	307,930	336,778
INFORMATION COMMUNICATIONS TECHNOLOGY (ICT) SUB-SECTOR					
Recurrent	2,355.60	4,757.68	2,532.9	5,047.53	5,469.87
Development	9,133.70	15,914.79	9,825.31	16,624.62	19,505.17
TOTAL ICT	11,488.60	20,672.47	12,358.21	21,672.15	24,975.04
SECTOR TOTAL	216,781.09	426,695.86	245,685.76	442,521.25	441,714.54

N/B Sector totals are not tallying with sector totals for both recurrent and Development (Above 2 tables)

In 2014/2015 F.Y, Transport and Infrastructure sub-sector has been allocated a higher figure (Kshs. 198.974 Billion) due its critical role it plays in the economy. This is followed by Energy

and Petroleum Subsector with Kshs. 83.129 Billion.

3.2.3 PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Estimates 2013/14	Requirement 2014/15	Allocation 2014/15	Projected Estimates	
				2015/16	2016/17
ENERGY AND PETROLEUM SUB-SECTOR					
Programme 1: National Electrification					
Sub – Programmes					
National Grid System	34,953.79	83,778.63	36,448.2	31,068.68	27,665.1
Geothermal and Coal exploration	36,695.2	70,696.6	38,264.1	67,210.4	39,315.38
Rural Electrification	6,341.0	18,302.0	6,612.1	12,237.0	10,464.0
Sub-total for P.1	77,989.99	172,777.23	81,324.15	110,516.1	77,444.4
Programme 2: Renewable Energy Resources					
Wood fuel Resources Development	319.85	473.4	402.78	484.9	557.02
Alternative Energy Technologies	168.5	618.7	212.12	595.2	637.86
Sub-total for P.2	488.35	1,092.1	614.90	1,080.1	1,194.89
Programme 3: Petroleum Exploration and Distribution Programme					
Sub – Programmes					
Petroleum Exploration and Distribution	1,067.65	1,055.46	1,189.85	940.4	957.7
Sub-total for P.3	1,067.65	1,055.46	1,189.85	940.4	957.7
Programme 4: General Administration and Support Service					
Sub – Programmes					
Administrative Services	232.7	251.4	232.7	291.9	256.68
Planning and Project Monitoring	19.4	42.5	19.4	42.1	46.9
Financial Services	38.4	51.7	38.4	48.5	60.8
Sub-total for P.4	290.5	345.6	290.5	382.5	364.4
ENERGY AND PETROLEUM SUB-SECTOR TOTAL EXPENDITURE	79,836.49	175,270.39	83,129.15	112.9	79,961.5
TRANSPORT AND INFRASTRUTURE SUB-SECTOR					
Programme 1: Policy Formulation and Administrative Services					
Policy Formulation and Administrative Services	3,997	4,474	4,263	5,000	5,500
Programme 2: Road transport					
Construction of Roads and Bridges	29,676	53,600	29,773.3	80,000	96,000
Rehabilitation of Roads and Bridges	27,000	50,000	27,082.5	65,000	66,500
Maintenance of Roads and Bridges	16,166	28,500	16,227.1	26,000	28,000
Design of Roads and Bridges	2,224	2,000	2,229.4	1,500	2,000
Road Safety Interventions	402	1,794	403.0	2,080	2,290
Sub-Total	75,468	135,894	75,715.3	174,580	194,790
Programme 3: Rail Transport					

Programme/Sub-programme		Estimates 2013/14	Requirement 2014/15	Allocation 2014/15	Projected Estimates	
					2015/16	2016/17
		24,933	50,424	45,754.8	97,715	106,472
Programme 4: Marine transport						
		15,504	28,962	18,818	16,609	16,429
Programme 5: Air transport						
		5,304	12,151	5,421.9	13,372	13,203
Programme 6: Government Clearing Services						
		250	642	250	654	384
TRANSPORT AND INFRASTRUCTURE TOTAL EXPENDITURE		125,456	230,753	150,198	307,930	336,778
INFORMATION COMMUNICATION AND TECHNOLOGY SUB-SECTOR						
Programme		Baseline Estimates 2013/14	Requirement s 2014/15	Allocation 2014/2015	Projected Estimates	
					2015/16	2016/17
Programme 1: General Administration, Planning and Support Services						
SP. 1.1	Development and review of ICT Policies and Regulatory framework	492.27	620	595.90	1,442.76	1,550
Total Expenditure of P.1		492.27	620	595.90	1,442.76	1,550
P.2: Information and Communication Service						
	<i>Sub-Programme (SP)</i>					
SP. 2.1	News and Information Services	452.15	1081.3	557.53	895.7	911.7
SP. 2.2	Film Industry Development	185.5	382.3	192.76	386.4	418.4
SP. 2.3	Brand Kenya and Kenya Yearbook Initiative	262.7	735	262.7	819	954
SP. 2.4	Media Regulation Services	68.96	238	68.5	310	403
SP. 2.5	Public Relations and Communication Services	98	585	119.4	595	610
Total Expenditure of S.P. 2		1,067.31	3,021.60	,200.89	2,827.60	3,101.70
P.3. ICT and Mass Media Skills Development						
SP. 3.1	ICT and Mass Media Skills Development	256.96	781.76	376.61	876.65	1,183.1
Total Expenditure of P.2		257.08	681.76	376.61	876.65	1,183.1
P4: ICT Infrastructure Development						
	<i>Sub-Programme (SP)</i>					
SP.4 .1	Information and Communication Technology Services	2,322.14	3,683.35	2,367.64	3,462.10	3,709.60
SP. 4.2	Kenya Transparency and Communications Infrastructure Initiative	3,066	1750	1750	1,050	1,056

Programme/Sub-programme		Estimates 2013/14	Requirement 2014/15	Allocation 2014/15	Projected Estimates	
					2015/16	2016/17
	(KTCIP)					
SP. 4.3	National Optic Fiber Backbone Infrastructure	2,550.00	1,351.26	967.93	513.54	513.54
SP. 4.4	ICT and BPO Development Services	310.52	791	855.52	927	1,050
SP. 4.5	Konza Technology City Development Authority Initiative	487.75	5,221.40	3,225.81	5,422.00	5,638.70
SP.4. 6	Kenya Broadcasting Services	904.9	2,952	904.9	2,952	2,952
SP. 4.7	National Addressing System and Digitization of Records	30.6	615	114.8	2,020.00	4,025
	Total Expenditure of P.4	9,671.81	16,364.01	10,141.10	16,346.64	18,944.84
	ICT SUB-SECTOR TOTAL EXPENDITURE	11,488.47	20,687.37	12,359.98	21,672.15	24,975.
	SECTOR GRAND TOTAL	216,556.90	402,370.97	245,685.1	394,521.22	388,770.54
	BROP ALLOCATION			241,908.1		
	DIFFERENCE			4,069.55		

NOTE THAT THE SECTOR ALLOCATION EXCEEDS BROP BY Kshs. 4,069.55 Million. HENCE THE TRANSPORT AND INFRASTRUCTURE NEED TO IDENTIFY THERE REDUCTION IN DONOR COMPONENT LIKE WE HAVE IDENTIFIED UNDER NOFBI FROM 2550M TO 967.93M AND KTCIP PROGRAMM FROM 3066M TO 750M

**3.2.4 SEMI-AUTONOMOUS GOVERNMENT AGENCIES
SECTOR SAGAS RECURRENT RESOURCE REQUIREMENT**

	Estimates 2013/14	Requirement 2014/15	Allocation 2014/2015	Projected Estimates	
				2015/16	2016/17
ENERGY AND PETROLEUM SUB-SECTOR					
KETRACO	396	648		798	889
GDC	878	2,575		2,977	3,211
REA	630	700		770	847
ENERGY AND PETROLEUM SUB-SECTOR	1,904	3,923		4,545	4,947
TRANSPORT INFRASTRUCTURE AND SERVICES					
KeNHA	16,166	17,000	16,166	13,000	13,500
KeRRA	7,000	8,000	7,000	11,000	11,990
KURA	2,000	3,500	2,000	5,000	5,100
Engineers Board of Kenya	0	200	0	300	350
KWS	0	0	0	0	0
KMA	105	157	105	182	190
KFS	0	364	0	364	364
KNSL	0	60	0	80	90
KCAA	2,470	2,900	2,470	3,471	3,500
NTSA	264	1,794	265	2,080	2,290
TRANSPORT AND INFRASTRUCTURE SUB- TOTAL RECURRENT	28,005	33,975	28,006	35,477	37,374
INFORMATION COMMUNICATION TECHNOLOGY (ICT) SUB-SECTOR					
KENYA BROADCASTING CORPORATION (KBC)	598.5	1,152.00	598.5	1,152.00	1,152.00
BRAND KENYA BOARD	106	300	106	334	370
KENYA YEARBOOK	86	185	86	185	196
ICT AUTHORITY	410.8	493.64	410.8	540.7	588.86
MEDIA COUNCIL	59	163	59	220	273
KENYA INSTITUTE OF MASS COMMUNICATIONS	150.88	399.74	150.88	414.62	230.7
KONZA DEVELOPMENT AUTHORITY	42.5	213.4	42.5	222	230.7
ICT SUB-TOTAL RECURRENT	1,453.68	2,906.78	1,453.68	3,068.32	3,279.93
GRAND TOTAL	31,362.18	40,804.30	31,362.18	43,090.24	45,601.40

**N/B. SEMI-AUTONOMUS GOVERNMENT AGENCIES: SECTOR SAGAS
RECURRENT RESOURCE REQUIREMENT FOR ENERGY SUBSECTOR NOT
COMPLETE**

**ENERGY, INFRASTRUCTURE AND ICT SECTOR SAGAS DEVELOPMENT
RESOURCE REQUIREMENT**

Subsector	Estimates 2013/14	Requirement 2014/15	Allocation 2014/15	Projected Estimates	
				2015/16	2016/17
ENERGY AND PETROLEUM SUB-SECTOR					
KETRACO	24,144	78,840		28,825	25,879
GDC	10,669	51,496		59,543	35,688
REA	3,411	13,252		11,467	7,367
Sub-total	38,224	143,588		99,835	68,934
TRANSPORT INFRASTRUCTURE AND SERVICES					
KeNHA	56,561	67,000	56,561	90,000	100,000
KeRRA	14,900	25,000	14,900	40,000	45,000
KURA	2,500	10,100	2,500	15,000	18,000
ENGINEERS BOARD OF KENYA	0	70	0	70	70
KWS	1,200	1,500	1,200	1,500	1,500
KFS	0	1,676	376	676	376
KPA	11,651	11,651	11,651	11,651	11,651
KRC	22,544	37,915	68,131	92,206	103,963
KCAA	1,221	1,484	1,221	1,484	1,484
KAA	1,435	7,514	1,552	8,149	7,944
TRANSPORT AND INFRASTRUCTURE DEVELOPMENT EXPENDITURE	112,012	163,910	158,0920	260,736	289,988
INFORMATION COMMUNICATION TECHNOLOGY (ICT) SUB-SECTOR					
KENYA BROADCASTING CORPORATION	306.3	1,800.00	306.3	1,800.00	1,800.00
BRAND KENYA BOARD	39.8	150	39.8	150	150
KENYA YEARBOOK EDITORIAL BOARD	30	100	30	150	238
ICT AUTHORITY	5,235.13	4,431.64	5,235.13	3,995.54	4,287.06
MEDIA COUNCIL OF KENYA	9.5	75	9.5	70	130
KENYA INSTITUTE OF MASS COMMUNICATION	106.2	382.02	106.2	562.03	713.73
KONZA DEVELOPMENT AUTHORITY	465	5,008.00	465	5,200	5,408.00

ICT SUB-SECTOR TOTAL DEVELOPMENT EXPENDITURE	6,191.93	11,946.66	6,191.93	11,927.57	12,726.79
GRAND TOTAL EXPENDITURE	156,428.31	319,444.21		372,499.02	371,648.84

3.2.5 SECTOR RESOURCE REQUIREMENT BY ECONOMIC CLASSIFICATION

Expenditure Classification	Estimates	Estimates	Allocation	Projected Estimates	
	2013/14	2014/15	2014/15	2015/16	2016/17
Recurrent Expenditure	35,013.94	45,867.61	26,734.8	40,214.02	43,561.89
Compensation to Employees	2,217.68	2,809.55	2,306.0	3,186.99	3,318.45
Use of goods and services	1,130.58	1,574.15	1,625.6	2,896.38	2,971.19
Current Transfers to Government Agencies	30,896.45	40,804.31	22,031.5	33,613.24	36,227.40
Other Recurrent	769.23	679.60	769.0	517.41	1,044.85
Development Expenditure	207,917.88	356,503.26	218,950.5	346,717.22	339,074.27
Acquisition of Non- Financial Assets	68,753.90	133,311.47	118,874.8	80,483.71	81,823.84
Capital Transfers to Government Agencies	127,226.66	217,686.46	89,720.8	231,919.77	229,781.79
Other Development	11,937.32	5,505.33	10,354.9	34,313.74	27,468.64
GRAND TOTAL	242,931.82	402,370.87	245,685.1	386,931.24	382,636.16
BROP			241,908.10		
DIFFERENCE			4,069.55		

SUB-SECTOR RESOURCE REQUIREMENT BY ECONOMIC CLASSIFICATION

ENERGY AND PETROLEUM SUB-SECTOR					
SUBSECTOR	Estimates 2013/14	Requirement 2014/15	Allocation 2014/15	Projected Estimates	
				2015/16	2016/17

Recurrent Expenditure	2,400	4,502	2452.9	5,166	5,592
Compensation of Employees	296	322	303.8	334	334
Use of Goods and Services	188	240	233.10	270	266
Current Transfer Govt Agencies	1,904	3,923	1904	4,545	4,947
Other Recurrent	12	18	12	17	45
Capital Expenditure	77,436	170,768	80,676.25	107,753	74,369
Acquisition of Non-Financial Assets	64,726	128,311	67,966.25	66,300	63,559
Capital Transfers to Government Agencies	10,659	41,830	10,659	38,432	10,405
Other Development	2,051	627	2051	3,020	405
TOTAL ENERGY	79,837	175,270	83,129.15	112,919	79,961

TRANSPORT AND INFRASTRUCTURE SUB-SECTOR

Expenditure Classification	Estimates	Estimates	Allocation	Projected Estimates	
	2013/14	2014/15	2014/15	2015/16	2016/17
1. Current Expenditure					
Compensation to Employees	1,265	1,671	1,303.2	2,003	2,101
Use of goods and services	321	300	548.5	1,497	1,399
Current Transfers to Government Agencies	28,140	33,975	28,140.0	28,080	28,000
Other Recurrent	757	662	757.0	500	1,000
Total Current	30,483	36,608	30,748.7	32,080	32,500
2. Capital Expenditure					
Acquisition of Non-Financial Assets	2,025	26,325	48,243.1	63,510	71,078
Capital Transfers to Government Agencies	94,612	163,910	72,870	181,560	206,650
Other Development	7,336	3,910	7,336.0	30,780	26,550
Total Expenditure	125,456	230,753	150,198	307,930	304,278
	103,973		128,449.1	275,850	

INFORMATION COMMUNICATION AND TECHNOLOGY SUB-SECTOR

Expenditure Classification	Baseline Estimates	Estimates	Allocation	Projected Estimates	
	2013/14	2014/15		2015/16	2016/2017
1. Current Expenditure	2,355.60	4,757.68	2,532.90	5,047.53	5,469.87
Compensation to Employees	679.47	817.05	699	849.73	883.72
Use of goods and services	688.68	1,033.85	843.98	1,129.48	1,306.22
Current Transfers Govt. Agencies	987.45	2,906.78	987.45	3,068.32	3,279.93
Other Recurrent	0				

2. Capital Expenditure	9,133.70	15,914.79	9,825.31	16,624.62	19,505.17
Acquisition of Non-Financial Assets	2,027.80	3,000.20	2,665.45	4,183.51	6,264.84
Capital Transfers to Govt. Agencies	4,555.90	11,946.66	6,191.93	11,927.57	12,726.79
Other Development	2,550.00	967.93	967.93	513.54	513.54
Total Expenditure of Vote:...112.....	11,489.30	20,672.47	12,358.21	21,672.15	24,975.04

3.2.6 Resource Allocation Criteria

1. Linkage of the programme with the Objectives of Medium Term Plan of Vision 2030 for the period 2013-2017;
2. Degree to which a programme is addressing Core Poverty interventions;
3. Degree to which a programme is addressing the core mandate of the MDAs
4. Expected outputs and outcomes from a programme;
5. Linkage of a programmes with other programmes;
6. Cost Effectiveness and sustainability of a programme and immediate response of a programme to the requirements of the implementation of the Constitution;
7. Ongoing activities of the strategic interventions initiated in FY 2013/14.

CHAPTER FOUR

4 CROSS SECTOR LINKAGES AND EMERGING ISSUES/CHALLENGES

4.1 Analysis of other Sectors' Linkages to the Sector

Energy, Infrastructure and Information Communication and Technology (EII) Sector is an enabler to a rapid and sustainable economic growth and development. This is a Sector which is virtually relied upon by all the Sectors of the economy. It has strong linkages both forward and backward with other Sectors. The Second Medium Term Plan (2013 – 2017) of Kenya Vision 2030 targets economic growth of 10.1% by the year 2017. The achievement of this is dependent on availability of secure, efficient, reliable and affordable transport and communications, information and technology and energy, among others. The sector facilitates production, trade, research, health diagnostic and business. It also facilitates interregional trade and regional integration through sharing of surplus power, provision of efficient and affordable transport, information and communication services.

The Government recognizes the critical role the private sector plays in development. In this regard, investment in the infrastructure sector acts as a motivation to the private Sector involvement in the development of the Country. Private Sector organizations are endowed with both human and financial resources that supplement government's effort. Areas of linkages range from consultancy services on planning of programmes/projects, drawing designs, implementation to programme/project monitoring and evaluation. Therefore, mobilization of resources from the private sector supplements government funds in planning and implementation of Sector programmes. Thus developing strong Private Public Partnerships (PPPs) will enhance the existing collaboration between the Government and the Private Sector.

For the sector to undertake its functions and mandates it has to link with other stakeholders in diverse areas of operation. These include mainly land, environment, manufacturing and trade, health and education

Table 4.1 illustrates the linkages of the Energy, Infrastructure and ICT Sector to other MTEF and MTP II Sectors.

Table 4.1: Linkages between EII Sector and other MTEF and MTP II Sectors

MTEF Sector	Medium Term Plan 2 (2013-2017) Sector	Linkage with Energy, Infrastructure and ICT Sector
General Economic and commercial affair	Tourism	<p>The sector provides a significant increase in the customer base of ICT users e.g internet, mobile phones.etc;</p> <p>In addition it facilitates trade between market destinations and contributes to improved tourism in the country;</p> <p>Various measures has undertaken s ensure to ensure road safety for the tourists and other road user; and</p> <p>Through the sector the Provision of accurate and relevant information on tourism.</p>
	Wholesale and retail trade	<p>The sector is implementing measures to make Nairobi a 24 hour trading city and regional hub for trade;</p> <p>Through the sector the provision of accurate and relevant information on trade is vital for the growth of the economy;</p> <p>The sector ensures timely designs and implementations for wholesale and retail markets; and</p> <p>The sector provides coastline infrastructure and foot bridges which ensures accessibility to and from the Land Sea and lakes for the fishermen, traders, students to educational institutions</p>
	Manufacturing	<p>Through the sector the provision of accurate and relevant information on industrialization is vital for the growth of the economy;</p> <p>The sector provide infrastructural facilities which support industrial development;</p> <p>The sector intends to increase power generation to meet the increasing demand; and</p> <p>The Sector is also implementing measures for improving and attracting investment through provision BPO centres and of affordable power for primary and secondary industries.</p>
Agriculture Rural and Urban Development	Agriculture, Livestock and Fisheries	<p>The Sector provides a very important and relevant role in the facilitating production, trade and reducing cost of transport, availability of information on agricultural produce, pricing and marketing that the ICT Subsector conveys to other users to assist them</p>

MTEF Sector	Medium Term Plan 2 (2013-2017) Sector	Linkage with Energy, Infrastructure and ICT Sector
		<p>in decision making;</p> <p>In addition, It ensures rural feeder roads are accessible, availability of markets and storage and facilitates quicker access to international markets for perishable produce;</p> <p>The sector facilitates provision of infrastructural facilities which support industrial development and provide market facilities for agricultural produce;</p> <p>ICT promotes E-Agriculture by focusing on the enhancement of agricultural and rural development through improved information and communication processes. Relaying of agricultural research results can conveniently be done on an ICT platform; and</p> <p>The Sector relies on provision of power for its primary industries and lighting the rural population. Energy is required for processing of agricultural products and for irrigation purposes. Agro-waste such as bagasse is used to generate electricity.</p>
	Population, Urbanization and Housing	<p>The Sector promotes use of ICT applications such Geographical Information System (GIS) help in collecting data and map urban areas;</p> <p>The sector undertook safety and security assessment of buildings and intends to implement the recommendations; and</p> <p>The sector is undertaking and constructing strategic missing links within the metropolis.</p>
Health	Health	<p>The Sector provides infrastructure and building facilities that promotes efficient and safe practice within the health Sector.</p> <p>The sector ensures timely designs and implementations of health facilities</p> <p>For instance ICT applications (E-health) support efficient exchange of information and communication between health professionals, improve clinical effectiveness and facilitate provision of telemedicine and undertakes medical research thus ensuring that the nation has a healthy and productive. .</p> <p>The Sector provides affordable and reliable power supply to health institutions in the country.</p>

MTEF Sector	Medium Term Plan 2 (2013-2017) Sector	Linkage with Energy, Infrastructure and ICT Sector
		<p>The Sector ensures it incorporate HIV and AIDS programmes in the infrastructural programmes due to the effect of the HIV and AIDS in the infrastructural development.</p>
Education	Education	<p>The Sector facilitates the education Sector by providing physical building facilities and ICT infrastructure that supports storage and management of academic information, learning and provision of educational content;</p> <p>Due to the rapid changes in technology, the sector requires frequent research on infrastructure development and therefore close collaboration with the education sector is always there.</p> <p>Te Sector has facilitated learning in schools especially in the rural areas through the installation of solar PVs in these institutions. This initiative has replaced the traditional kerosene lamps that were detrimental to the children’s health while studying. Provision of schools with electricity will improve quality of education e.g. use of IT, laboratories etc</p>
	Science, Technology and Innovation	<p>The Sector provides access to education through provision of transport facilities, energy and providing areas for the construction of the education centres. Due to the changes in technology, the Sector requires frequent research on infrastructure development and therefore close collaboration with the education Sector is always there.</p> <p>The sector ensures a reliable supply of relevant technical manpower required by the ICT Subsector</p>

MTEF Sector	Medium Term Plan 2 (2013-2017) Sector	Linkage with Energy, Infrastructure and ICT Sector
Environmental Protection, Water and Natural Resources	Environment, Water and Sanitation	<p>The Sector recognizes the importance of protecting and conserving the environment during implementation of infrastructure development projects. The Ministry of Public Works ensures that all buildings are environmental friendly and conserve water and undertake rain water harvesting</p> <p>Environmental Impact Assessment is now mandatory before undertaking implementation of all projects to ensure that the activities carried out do not impact negatively on the environment.</p> <p>The sector monitors the air quality for the metropolis</p> <p>ICT applications help in collecting data on environmental issues such as El-nino, Global warming, Tsunami.</p> <p>The Sector ensures provision of safe water, effective sewage disposal and management of solid waste. The main user of the Meteorological department is Civil Aviation in the Transport Sub- Sector where they advise the department on weather status.</p> <p>The Sector recognizes the importance of protecting and conserving the environment during implementation of projects. The subsector endeavours to provide clean energy by diversifying into greener energy options like wind and geothermal. Use of clean energy at household level reduces use of wood fuel hence reducing destruction of forests and water catchments areas</p>
	Oil and Other Mineral Resources	<p>The sector will spur infrastructure development and job creation.</p> <p>The sector will require input such as power and transport infrastructure from the EII sector during exploration, extraction and production.</p>
Governance, Justice, Law and Order	Governance, Judiciary and Rule of Law	GJLO plays important role in Sector's legal reform agenda through enactment of legislations e.g. Roads Act 2007, Energy Policy and the Merchant and Shipping Act 2009, Media Act 2009, Films, Konza Technopolis Development Authority (KoTDA)

MTEF Sector	Medium Term Plan 2 (2013-2017) Sector	Linkage with Energy, Infrastructure and ICT Sector
		<p>Legal Notice No 23 of May 2012 and Stage Play Act, Cap222. Further, the Sector plays a critical role in the integration of EAC.</p> <p>Digitization of government records including registries (Births, Marriage, businesses, immigrations and elections) and court records</p> <p>Access of relevant information by all stakeholders in the Governance, Justice, Law and Order.</p>
Public Administration and International Relations	Financial Services	<p>The Sector interlink with the EIC Sector on issues of planning, policy development and on public expenditure management, budget tracking, monitoring and evaluation of development programmes. For the development of projects and programmes in the IEC Sector the Public and International Relations Sector takes the lead role in sourcing for the funds from the development partners.</p>
	Equity and Poverty Elimination	<p>The Sector improves equity distribution and eliminates poverty through provision of transport facilities, energy in rural area and information sharing</p> <p>Due to the rapid changes in technology, this r requires frequent monitoring and research on infrastructure development programmes that address poverty elimination</p> <p>Infrastructure Sector implements infrastructure projects such as in roads and energy to disadvantaged areas of the country</p>
	Public Sector Reforms	<p>Provision of accurate, relevant and reliable information that is used by other government agencies and the public.</p> <p>Dissemination of information through mass media.</p> <p>The communication technology promotes information sharing in enhancing international relations. Branding the country abroad to improve on international image.</p>

MTEF Sector	Medium Term Plan 2 (2013-2017) Sector	Linkage with Energy, Infrastructure and ICT Sector
		<p>Promotes information sharing thus enhancing international relations.</p> <p>The sector ensures that buildings and foot bridges are not erected on road reserves.</p>
National Security	Security	<p>The sector facilitates periodic media briefing for public awareness on national security issues.</p> <p>There is need to use ICTs to enhance to National Security.</p> <p>The provision of security to strategic facilities such the port and airports is also considered vital</p>
Social Protection, Culture and Recreation	Gender, Vulnerable Groups and Youth	<p>The Sector facilitates the implementation of infrastructure projects such as roads, buildings, recreation facilities, internet connectivity and energy to the all areas of the country to enable them optimize local cultural and recreational opportunities and development control.</p> <p>The Sector provides telecommunications infrastructures that are designed with the capabilities of meeting the special needs of the challenged persons.</p> <p>Subsidizing the transmission of targeted school broadcast programmes.</p> <p>Availing specialized personnel especially for the sign language for the parliament proceedings..</p>
	Labour	<p>The Sector also provides employment opportunities through its labour intensive programmes. It improves infrastructural services such as power, roads, buildings etc to education, health and other social facilities thereby improving living standards. The Sector is implementing programmes taking into account the issue of HIV and AIDS scourge</p>

4.2 Cross Sector Linkages and its Impacts on Resource Allocations

The Energy, Infrastructure and ICT Sector needs to be sufficiently funded as it's an enabler for a rapid and sustainable economic growth and development. With the scarce resources available in

the whole economy, it is not possible to meet the entire resource requirement for the Sector. It is therefore important for the sector to look for alternative ways to raise additional funding for example through mobilization of funding through the public-private partnerships (PPPs).

4.3 Emerging Issues and Challenges

In the effort to execute the mandates of the Sector, the Subsectors are faced with various challenges and issues that have to be dealt during the time of implementation of the projects and programmes.

4.3.1 Energy and Petroleum

Emerging issues/Challenges

- Access to and acquisition of land: Difficulty in the acquisition of sites, way leaves, rights of way and easements to facilitate energy infrastructure development is an impediment to fast tracking the improvement and upgrading of the energy systems;
- Absence of a Resettlement Action Plan (RAPs) Framework: Currently, all projects receiving support by World Bank or IFC are required to develop RAPs;
- Inadequate institutional, legal and regulatory framework for management of energy resources;
- High cost of financing, high failure risk and long lead time of developing energy infrastructure projects;
- Lack of adequate port facilities for handling cheaper energy resources including coal and natural gas to support power generation;
- Inadequate capacity to carry out integrated energy planning;
- Delays in project implementation due to cumbersome procurement process, financing challenges, court action (litigations) and poor governance; and
- Underdeveloped road and railway transportation system.
- High price volatility of imports of petroleum products..
- .Limited data due to low intensity of exploration.
Lack of a special purpose vehicle to spearhead exploration, assessment and development of fossil fuels
- Inadequate wind energy industry standards due to fast changing technologies and enhanced capacities of turbines.
- Vandalism on transmission network leading to loss of assets and revenue from power sales.
- High end-user electricity tariffs including standing charges.

- High electricity connection charges.
- Weak and ageing distribution network leading to frequent and prolonged supply interruptions.
- High system losses.
- High operating costs of grids in rural areas due to low population density.
- Limited use of available conservation tools/new technology with increased efficiency leads to energy wastage.
- Land access and permit where exploration blocks fall on private land or cultural heritage areas including game parks/reserves.
- Low foreign exchange earnings through export of energy.
- Lack of energy trading mechanism for spot and long term markets.
- Inadequate promotion of local content in energy technologies.
- Despite the fact that the Fourth Schedule of the Constitution provides for the various roles of the two levels of the government, there is a possibility of operational uncertainty as to the extent of responsibility between the two levels of governments.

4.3.2 Transport and Infrastructure

The Sub-Sector is faced by the following challenges:

- Vandalism of infrastructural facilities like the road guardrails;
- High turnover of trained and skilled technical personnel;
- Encroachment of infrastructure way-leaves;
- Inadequate financial resources to cater for operation and maintenance;
- Lengthy procurement procedures;
- Realignment of the sub-sector's functions to the Constitution of Kenya, 2010;
- Slow disbursement of development partners' funds in addition to unpredictable donor conditionalities;
- Contractual/tendering disputes;
- Land litigation;
- Lack of harmonized spatial national plan;
- Lengthy bureaucratic procedures and delayed legislation on public private partnerships.

- The existing railway track is still a one metre gauge whose capacity is limited.
- The over-reliance on one transport corridor.
- Apart from the increasing demand for an efficient public transport system in the City of Nairobi, the prevailing traffic congestion and environmental pollution in the City still remain major challenges in the transport sector.
- The rapidly growing aviation industry in Kenya faces major challenges including inadequate regulations and enforcement, oversight and accident investigation capacity;
- Safety and Security at Ports and Airports;
- Rapid technological changes in equipment for the provision of Air Navigation Services
- Huge investments required to construct standard gauge railway line and commuter rail services and also the dumping of garbage along the railway line;
- Congestion in Cities and Urban areas; increased use of ‘Boda Boda’ on roads raising safety concerns;
- Huge maintenance backlog of the road network and thus reducing the uptake of new projects;
- High cost/delays in relocation of utilities and services along and across road reserves;
- Political interference in project implementation;
- Inadequate plant and equipment under the Mechanical and Transport fund to meet the ever-increasing demand;
- Lack of adequate local construction capacity;
- Encroachment of road reserves by private developers;
- The reduction of maintenance fund for class DE/Other roads to 10% and the eventual equal distribution of the same to all the constituencies. This has led to resources being spread thinly across all the constituencies. The funds are very minute to make any meaningful difference to a constituency’s road network; and
- Inadequate trained engineers.

4.3.3 Information, Communications and Technology

In the effort to execute the mandates the sub-sector is faced with various challenges and issues that have to be dealt during the time of implementation of the projects and programmes.. Some of the emerging issues which are likely to affect the implementations of the projects and programmes in the ICT sub-sector. ICT infrastructure has not been rolled out to all the Counties

- Inadequate funding leading to slow completion of priority projects;
- Delayed disbursement of funds hence untimely implementation of projects and programmes;
- Inadequate human and financial capacity for research in ICT and film industry for development;
- The legislative base regulating the usage of ICT is not comprehensive enough to warrant broad utilization of ICT in the economy.

- Lack of a communication policy to cover content, standards and guidelines.
- Digital divide between the rural and urban areas limiting the public awareness of the advantages and opportunities of ICT.
- Low adoption of ICT services by learning, social and Government Institutions.
- Lack of open access policies to govern infrastructure development
- Lack of harmonized data management policies that cover storage, use and security
- Low staffing levels (1 field officer serving 4 stations and in cases lack of field staff) impacting on service delivery.

CHAPTER FIVE

5 CONCLUSION

It is widely acknowledged that the Energy, Infrastructure, and ICT (EII) Sector makes significant contribution towards the achievement of the goals and objectives well articulated in the country's vision 2030. The sector is recognized and categorized among the key foundations for development and an enabler which greatly contributes to the economic pillar and poverty reduction.

Over the last 10 years, the Government has invested heavily in the sector to develop modern infrastructure as well as making Kenya a knowledge based economy. It is anticipated that the trend will continue to the 2nd MTP period spanning from 2013 to 2017 and beyond for sustainable development. The Sector has the necessary capacity to implement its prioritized programmes and sub-programmes clearly presented in this sector report. However, notwithstanding other factors, inadequate funding for the sector slows the pace at which programmes and projects are implemented and therefore delays the attainment of the spirit of the vision 2030. It is anticipated that funding to the sector programmes will be enhanced to facilitate timely implementation of earmarked programmes. In addition, there is need for the sector to explore innovative ways of mobilizing resources to complement Government funding.

During the MTEF plan period, 2014/15 – 2016/17, the sector has prioritized and packaged the following programmes for accelerated implementation: Information and Communication Services; Road Development, Maintenance and Management; National Rural Electrification; ICT Infrastructure Development; Railway Transport; Marine Transport; Renewable Energy Resources; Petroleum Exploration and distribution; Air Transport; ICT and Media services and Government clearing services.

The Constitution of Kenya 2010 recognizes the counties, cities and urban areas as engines of development at the devolved levels. In this regard, separately, county governments have been facilitated to undertake various sector related programmes and projects relevant to county governments' mandates as outlined under 4th schedule in the constitution. Specifically, county governments are expected to provide services in the following areas among others: Electricity and gas reticulation, Energy regulation, County transport including county roads, public road transport, ferries and harbours; and Cinema services, Video and hiring.

The Transport sub-sector ensures and enhances connectivity between various parts of the country for critical movement of goods and services. The successful implementation of the subsector programmes creating a multiplier effect which has put this country on a high growth path necessary for improving the overall living standards of the populace.

The country's direct access to sea and air connections to most parts of the world makes the country a preferred destination and a preferred freight connection point. To address and to

ensure road transport safety is improved, a National Road Transport Authority has been approved by the Cabinet to deal with Road Safety issues in all counties.

The Energy Subsector is critical in ensuring sufficient and reliable energy supply and distribution. The subsector is implementing programmes aimed at increasing energy supply capacity to reduce over-reliance on imported petroleum products and hydro power which is negatively affected by frequent droughts and erratic weather patterns. In this report, due emphasis have been given to the development, exploitation, utilization of clean and cheaper energy sources aimed at lowering the cost of access and enhancing the country's competitiveness in the production of goods and services.

The growth of the ICT subsector will make it possible for Kenya to harness, in a coordinated manner, the best possible human capital and technology to position the country in a modern world economy. The proposed programmes are expected to transform Kenya into a knowledge based economy.

CHAPTER SIX

6 RECOMMENDATIONS

To address the implementation challenges highlighted in this report, the following measures should be considered:

General Recommendations

- 1 Prioritize and implement programmes and projects aligned to the constitution of Kenya (2010), Vision 2030, Jubilee Manifesto, Medium Term Plan 2013-2017 and various strategic plans.,
- 2 Strengthening performance monitoring, accountability and project/program planning systems, i.e. to improve governance and productivity of resources.
- 3 Deepening of the infrastructure bonds market base to raise investment funds.
- 4 Reducing levels of bureaucracy in the funds flow process, when processing withdrawal applications, to speed up disbursement from donors.
- 5 Adoption of integrated infrastructure development planning system by the sector.

Specific Recommendations

Energy

- 1 Increased budgetary support for geothermal resources assessment, transmission capacity enhancement and rural electrification expansion.
- 2 Government to provide sovereign guarantees to private investors in power generation and transmission.
- 3 Sourcing concessional funding for major power projects.
- 4 Need to create adequate and effective capacity for projects planning and execution to enhance donor funding absorptive capacity.
- 5 Provision of investment incentives to Independent Power Producers (IPPs), other investors in energy production, services and hardware, and creditors to the energy sector through an attractive fiscal regime as articulated in Sessional Paper No. 4 of 2004 of Energy, e.g. income tax holidays to both investors and creditors.
- 6 Relaxation of the requirement for 35% grant amount to about 20% for long-term energy infrastructure and project loans.
- 7 Periodic review of feed-in-tariffs for power generation.
- 8 Limiting maximum periods of negotiations with investors and approval of energy production contracts.
- 9 Complimentary diesel generation with wind turbines (in windy areas) to reduce fuel costs.

- 10 Use of solar energy cells to complement diesel generators (technology advances to reduce solar based power costs).
- 11 Importation of power from neighbouring countries to spread the risk.
- 12 There is need to develop a bio-fuels policy and blending regulations to streamline and guide development of bio-fuels.
- 13 Develop private sector capacity in construction and maintenance of bio-digesters for successful adaptation of the technology.
- 14 Support research on biogas technology including piloting on adoption of institutional biogas plants.
- 15 Expanding and increasing the number of energy centres in an effort to enhance outreach activities on renewable energy development.

Transport & Infrastructure

- 1 The sector should be facilitated to clear the outstanding arrears for CILOR. It is also recommended that CILOR should be budgeted under the MDAs in future.
- 2 Due to the large capital requirement to implement sector capital projects there is need to finalize and adopt a public private partnership framework and issuance of infrastructure bonds to complement government resources.
- 3 Source for funding to replace the existing one metre gauge with standard gauge railway.
- 4 Provision of additional financial resources for exploration and exploitation of energy resources.

ICTs

- 1 Formulation of enabling policy and legal frameworks to guide ICT's infrastructure development, ICT sector management, usage of ICT's goods and services.
- 2 Identify and address capacity gaps in the areas of BPO, ICT and mass Media skills.
- 3 Sustain ICT infrastructure provision through public and public-private partnerships.
- 4 Enhance public access to government services through automation of key government services for efficient and effective service delivery.
- 5 Allocate adequate funding and implement Konza Technology City as a key visionary project.

7 ANNEX I

The required development funds will finance the following programmes/ projects as envisaged in the 2nd MTP 2013-2017

Energy and Petroleum

Increasing Electricity Availability through Power Generation: The sub sector targets to produce 5,538 MW in 2017 are as follows:250 MW (Diesel Plants);24 MW (Hydropower – Kindaruma and import from Ethiopia);1,646MW (Geothermal Resources: Orpower 4;at Olkaria I; at Olkaria IV; Olkaria V; Olkaria II; Eburu geothermal project; new wellheads; Menengai; and Silali-Bogoria Phase I);630 MW (Wind power –at Ngong, at Lake Turkana, Kinangop Aeolus, Kipeto, Prunus, and Isiolo);1,920 MW Coal; 18 MW co-generation and 1,250 MW LNG Liquefied Natural Gas /Compressed Natural Gas (CNG).

Drilling and Steam Field Development of Wells: the sub-sector targets to drill and develop a total of 620 geothermal steam production at Olkaria (80), Menengai Phase 1(120), Mengai Phase 2 (210) and Silali-Bogoria Phase 1 (210) to be completed by 2017.

Increasing Electricity Access: The Sub-sector targets to increase access to electricity through upgrading and expansion of the national power transmission and distribution network to improve supply and reliability, reduce losses and connect 2 million new customers by 2017. In addition Rural Electrification Authority (REA) targets to connect 6,304 public facilities.

Construction of Pipeline and Storage Facilities: The programme will be implemented through: Development of the Mombasa Petroleum Trading Hub that entails development of Very Large Crude Carrier (VLCC) size tankers and a tank farm of at least 800,000MT through Public Private Partnership to provide storage for strategic petroleum stocks; construction of a new oil pipeline from Mombasa to Nairobi (Line-5); construction of a parallel oil pipeline from Sinendet to Kisumu; Kenya – Uganda Oil Pipeline; construction of additional storage tanks at Nairobi Terminal (4 tanks) and at JKIA Depot (2 tanks); installation of a third pump in the Mombasa – Nairobi oil pipeline; expansion of truck loading facilities at Eldoret depot; installation of integrated security system in all KPC’s depots; and upgrading of the oil refinery.

Development of New and Renewable Sources of Energy: The sub-sector targets to promote development of renewable energy as an alternative source of energy through generation of energy from solar, wind, biogas (“Biogas for Better Life”) and development of bio-energy such as bio-ethanol and diesel value chains.

Transport and Infrastructure Sub Sector

During the MTEF period the sector targets to upgrade facilities at Kisumu Airport, modernize isiolo airport Terminal unit 4 at Jomo Kenyatta International Airport, Construct second runway at Jomo Kenyatta International Airport second container terminal, LAPSSSET Project, Nairobi mass rapid transit system (Three light rail corridors and the bus rapid system), Construction of standard gauge Railway Mombasa to Malaba.

The sub-sector also targets to construct the following roads: Merille River – Marsabit (A2): 240km, Loruk – Barpelo (B4): 124km, Marsabit – Turbi (A2): 242km, Turbi – Moyale (A2); 246km, Eldoret – Webuye (A104): 120 km, Londiani – Fortenan (C35): 162 km, Kisumu – Kakamega- webuye – Kitale (A1) : 145Km, Londiani – Fortenan (C35): 480Km, Marichpass– Lodwar 414km, Upgrading of voi- Mwatate – Taveta Road (114KM).

Information Communication Technology Sub-Sector

The Sub-sector targets to spend Kshs 5 billion establishment of basic infrastructure within the Konza site such as Access roads, Energy, water and sewerages and construction of Sales pavilion in addition to contracting MDP I to assist the KoTDA in the implementation of the projects.

The sub sector also targets to spend KShs 1.8 billion through KBC to finance Analog to Digital Broadcasting TV migration which is expected to be switch off by 2015 by International Telecommunications Union (ITU) agreement. The complete switch off will improve picture quality and widen the TV spectrum thus expanding the broadcasting sectors.

To improve research and innovation in the ICT sub-sector the government partnered with IBM to establish a research Lab at Catholic University which will act as Incubation centre for the young entrepreneurs the Government is required to fund KShs. 170 million annually for 5 years as for actualization of the signed contract for the Kenya IBM Research Laboratory.

To improve utility and emergency service delivery, revenue generation and proper urban planning and management the sub-sector targets to implement the already launched and piloted Integrated National Addressing System at Kshs 600 Million with Nairobi CBD and its environs. The project will be implemented thereafter through a Public Private Partnership.

The sub-sector targets to spend Kshs. 200 Million as counterpart funding for the National Optic Fiber Backbone Infrastructure (NOFBI) Phase II connect the 47 counties headquarters and provision of WIFI networks in major towns this will done through partnership with Chinese Government. Services which will see establishment of 47 County ICT innovation Centres , Automation of Huduma Centres and Information resource centres as envisaged in the 2nd MTP.

The sub-sector targets to spend KShs. 1, 849.0 million to off set its pending bills. The bills comprise of Kshs 1,652 million for recurrent and Kshs 197 Million for development. The bulk of the bills amounting Kshs 1, 574.3 Million relate to KBC staff emoluments and tax areas due to financial constraints at the corporation during this period experience difficulties immediately after the liberalization of the electronic media industry in 2006 which led to an influx of many private media stations in addition the withdrawal of TV and radio permit fees which collectively reduced the corporation revenue base. The statutory obligations were therefore not paid when due but differed until the financial is improved. The bills in question relates to Kshs. 452.3Million for VAT and PAYE, Pension Kshs. 600Million and City Council Kshs. 552 Million.

To fully operationalize KoTDA the sub-sector requires Kshs. 205 million for operations and Maintenance in addition to KShs. 781.6 for KIMC which is a SAGA for operations and capital project. The sector also requires KShs. 100 Million to reallocate Department of Information from Jogoo House to Uchumi House. The additional Kshs. 278 Million for the recruitment of staff in various cadres as per the new staff establishments in the Departments of Public Communications, Information, and Film Services.