



**Agriculture, Rural and Urban
Development Sector in Kenya:
Analysis of Budget Estimates FY
2016/2017**
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Sector Overview

Sub-Sector	Ceilings (Kshs)	Budget Estimates 2016/2017 (Kshs)	Variance
MoLHUD	27.84 Billion	28.92 Billion	1.09 Billion
Dept of Agriculture	23.3 Billion	21.6 Billion	-1.73 Billion
Livestock	6.84 Billion	13.28 Billion	6.44 Billion
Fisheries	4.69 Billion	4.18 Billion	-510 Million
National Land Commission	1.38 Billion	1.63 Billion	250 Million
Whole sector	64.1 Billion	69.6 Billion	5.5 Billion



Sub-Sector as % Share of Total Budget

Sub-Sector	Approved Estimates 2015/15	Estimates 2016/17	% of Total Budget 2015/16	% of Total Budget 2016/17
Agriculture	34.46 bn	21.61 bn	2%	1.33%
Livestock	7.1 bn	13.28 bn	0.49%	0.82%
Fishing	4.51 bn	4.18 bn	0.31%	0.26%
NLC	1.54 bn	1.63 bn	0.11%	0.10%
MoLHUD	32.1 bn	28.92 bn	2%	1.78%



% Share of the Total Budget ...

- Maputo Declaration 2003 calls for allocation of at least 10% of total national budget towards agriculture.
- In Africa, the average expenditure on Agriculture is 4.5%. Therefore, Kenya's expenditure is below average at 2% (2015/16) and 1.33% (FY 2016/2017) .
- Despite the increase in budget for NLC from Ksh. 1.54 bn to Ksh. 1.63 bn. The percentage share decreased from 0.11% to 0.10% in 2015/2016 and 2016/2017 respectively.

Land & Housing Sub-Sector

- Priority is given to Metropolitan Planning and Infrastructure = Ksh. 6.59 bn followed Housing Development which ties with Urban Development Planning at Ksh. 5.7 bn.
- In FY 2015/16 the largest portion of the lands budget was allocated to the National Bulk Titling Center (Ksh. 3.58 bn).
- There is no budget vote for Slum Upgrading but the gov't is planning to install social infrastructure in slums. This should be given a priority.



State Department for Fisheries

- The budget for fisheries was cut by Ksh. 324.5 million or by 7.75%. Despite that, the budget has been increasing over the years.
- The dept was allocated KSh.4.0 billion in 2012/13 FY which decreased to KSh.2.9 billion in 2013/14 FY and increased to Ksh 3.2 billion in 2014/15 FY; 4.5 bn in FY 2015/16 and Ksh. 4.1 in FY 2016/17.
- The narrative identifies illegal, unreported & unregulated fishing as the main challenge facing the department but I believe it is a cocktail of pollution and effects of climate change.



National Land Commission

- In 2016/17 a huge portion of NLC budget will be spent on National Land Information Management System (Ksh. 340 Million) or 20.8% of the total NLC budget.
- In 2015/2016, legal & enforcement programme was allocated a huge junk (Ksh. 35.6 M) followed by corporate communication (Ksh. 21.5M).



Questionable Targets

Key Out Put (KO)	Key Performance Indicator	Targets
Increased access for water and Irrigation (pp 483)	Number of acres under irrigation	300
Agric Technical Services	No. of Agricultural Technology Developed	1
Improved Food Safety & reduced post harvest losses (PP. 484)	No. of Maize bags mopped & incinerated	750
Value Added Coffee (pp. 488)	% increase in coffee production	5%
Agric research services	Construction of Tea Research & devt factory	48%



Recommendations

- Kenya should increase funding towards R&D in the Agriculture sector and stop depending on rain-fed agriculture.
- Action should be taken to curb the declining trend of tea production in Kenya.
- Housing Bill should quickly be enacted into law to promote and protect people's right to accessible and affordable housing.
- The Sector should allocated resources towards mitigation of climate change.

