



KENYA

April 2021

TECHNICAL ASSISTANCE REPORT—IMPROVING THE QUALITY OF FISCAL AND PUBLIC DEBT DATA (OCTOBER 7–16, 2019)

This Technical Assistance report on Kenya was prepared by a staff team of the International Monetary Fund. It is based on the information available at the time it was completed on October 2019.

Disclaimer:

This document was prepared before COVID-19 became a global pandemic and resulted in unprecedented economic strains. It, therefore, does not reflect the implications of these developments and related policy priorities. We direct you to the [IMF Covid-19 page](#) that includes staff recommendations with regard to the COVID-19 global outbreak.

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TECHNICAL ASSISTANCE REPORT

KENYA

Improving the Quality of Fiscal and Public Debt Data in Kenya

OCTOBER 2019

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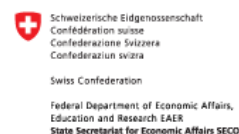


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Glossary

AFE	AFRITAC East
AFR	IMFs African Department
AGD	Accountant General Department
BCG	Budgetary Central Government
CBK	Central Bank of Kenya
CDP	Capacity Development Program
CS-DRMS	Commonwealth Secretariat Debt Reporting and Management System
EAC	East African Community
EBUs	Extrabudgetary Units
FY	Fiscal Year
GFS	Government Finance Statistics
GFSY	Government Finance Statistics Yearbook
ICS	Integrated Correspondence System
GFSM	Government Finance Statistics Manual
GG	General Government
GIPE	Government Investment and Public Enterprise
IFMIS	Integrated Financial Management and Information System
KNBS	Kenya National Bureau of Statistics
LG	Local Government
M&FAD	Macro and Fiscal Affairs Department
OCOB	Office of the Controller of the Budget
PC	Public Corporations
PDMO	Public Debt Management Office
PSDS	Public Sector Debt Statistics
PSIT	Public Sector Institutional Table
QEBR	Quarterly Economic and Budgetary Review
RBM	Results-Based Management
SCOA	Standard Chart of Accounts
SSF	Social Security Funds
TA	Technical Assistance
TNT	The National Treasury
TWG	Technical Working Group

SUMMARY OF MISSION OUTCOMES AND PRIORITY RECOMMENDATIONS

1. In response to a request from the Government of Kenya, an AFRITAC East (AFE) government finance statistics (GFS) technical assistance (TA) mission was conducted in Nairobi, Kenya, during October 7–16, 2019. The primary objective of the mission was to support staff in improving the quality of fiscal and public debt data for the general government and migration of the fiscal framework to *Government Finance Statistics Manual 2014 (GFSM 2014)* concepts to facilitate fiscal and debt policy analysis for improved public financial management. This is a continuation of the ongoing efforts in capacity development aimed at supporting member countries to adopt the *GFSM 2014* and the *Public Sector Debt Statistics Guide (PSDSG 2011)*.

2. The mission held discussions with management and GFS compilers in the National Treasury (TNT), the Central Bank of Kenya (CBK), and Kenya National Bureau of Statistics (KNBS).¹ The mission reviewed the quality of the annual budgetary central government (BCG) data produced by TNT and KNBS with the aim to reconcile classification differences and for having consistency between annual and quarterly BCG data for Kenya disseminated in the IMF databases. It reviewed the quarterly debt data and its coverage expansion to the whole public sector, the compilation of financial balance sheet to report in the government finance statistics year book of the IMF (GFS Yearbook, GFSY) and in the Kenya's Quarterly Economic and Budgetary Review (QEBR) report, and the compilation of fiscal data classified by function of government (COFOG) for general government. In addition, the mission initiated the migration of the fiscal framework to the *GFSM 2014* concepts and reviewed the progress in the implementation of the recommendations of previous GFS TA missions.

3. Kenya reports annual consolidated general government fiscal data to the GFSY and is expanding coverage to the public sector. The country collects annual and quarterly extrabudgetary units (EBUs) and public corporation financial reports as required by the Public Finance Management Act, 2012. The country is keen to publish high frequency BCG data (quarterly) and compile monthly BCG that meets the *GFSM 2014* framework to facilitate internal policy analysis and formulation. There is commitment to compile quarterly central government (BCG and EBUs) and public corporation data to facilitate a deeper fiscal analysis. Good progress has been made on the migration of the fiscal framework to *GFSM 2014* concepts and the country aims at completing the process by 2020/21. Kenya will disseminate public sectors debt statistics covering quarterly data for BCG and is keen to expand coverage to the entire public sector through a phased approach.

¹ See Appendix XII.

4. **There is need to enhance the capacity of staff in TNT and KNBS since expanding coverage to the public sector and the compilation of high frequency data in a sustainable manner requires significant capacity.** Availability of high-quality fiscal data is critical in accessing international financial markets and for sound fiscal policy formulation.

5. **Management of TNT and GFS compilers have a keen interest in improving the quality of fiscal and public debt data; migrating the fiscal framework to *GFSM 2014* concepts and its use for internal policy analysis.** In addition, the authorities are committed to expanding gradually the coverage to the public sector.

Figure 1. Selected Benchmark for Improving Public Sector Fiscal Data in Kenya

Block	Baseline	Target
Public Sector Institutional Table (PSIT)	PSIT update	PSIT disseminated to the public by KNBS by December 2019
Quarterly BCG data	Compiled and not disseminated timely to IMF's integrated correspondence system (ICS)	Series updated and future dissemination done with a lag of 45 days by March 2020
Compile annual and quarterly EBU's data	Compilation of annual data for FY2016/17 and FY2017/18 with partial coverage. Quarterly data initiated.	Full coverage of annual data by end of March 2020 Full coverage of quarterly data by end of March 2020
Annual and quarterly public corporation data	Annual data for FY2016/17 and FY2017/18 compiled	Full coverage compilation of annual data by December 2019 in the Annual Statistical Abstract published annually in September.
County government (LG) quarterly data compilation	Quarterly LG source data collected	Full coverage and compilation of quarterly LG data by March 2020.

Source: TNT & AFE mission

The priority recommendations during the mission are indicated in the table below:

Table 1. Priority Recommendations

Target Date	Priority Recommendation	Responsible Institutions
September 2020	TNT (M&FAD) and KNBS will review and publish annual public sector data.	TNT and KNBS
September 2020	TNT (M&FAD), KNBS and CBK will review and publish the annual public sector financial balance sheet.	TNT, KNBS and CBK

Further details on the priority recommendations and the related actions/milestones can be found under Detailed Technical Assistance to Kenya.

IMPROVING THE QUALITY OF FISCAL AND PUBLIC DEBT DATA FOR GENERAL GOVERNMENT IN KENYA

A. Assessment of Status of Implementation of Previous GFS TA Missions

6. The mission reviewed the progress made on implementation of recommendations of previous government finance statistics (GFS) technical assistance (TA) missions and noted that out of 26 recommendations from previous missions, nine had been completed, while the rest are all work in progress. The authorities need to develop strategies to ensure implementation of the recommendation of previous TA missions. The detailed status of implementation of outstanding recommendations is provided in Appendix I.

B. Reconciliation of TNT's and KNBS's GFS BCG's Statements of Operations

7. The mission reviewed the quality of the annual budgetary central government (BCG) data produced by the National treasury (TNT) and Kenya National Bureau of Statistics (KNBS) with the aim to reconcile classification differences and for having consistency between annual and quarterly BCG data provided by them to the government finance statistics year book of the IMF (GFSY²) and the integrated correspondence system (ICS³) and in having consistency between the annual GFS data published in the TNT's Annex of Quarterly Economic and Budgetary Review (QEBR) Report and KNBS's Economic Survey (Chapter 5). As disclosed in Box 1 and Appendix II there are quite many classification differences in the GFS annual Tables produced by TNT and KNBS that need to be reconciled.⁴ Examples of the main differences are as well shown in the Appendix III. To facilitate the reconciliation of BCG's GFS data produced, the mission worked on a bridge table (Appendix III) in cooperation with TNT and KNBS that should be used to reconcile their GFS Tables, both annual and quarterly.

Box 1. The Main Classification Differences Between TNT and KNBS

- On revenue side, the *Ministerial appropriation in Aid* needs to be reclassified to appropriate revenue categories by KNBS.
- Expenditure on defense, national security and intelligence services (NSIS) and secondary schools need to be reclassified by TNT from *transfers* to *government consumption* to be consistent with KNBS's classification (and the GDP's public consumption).
- TNT needs to be more precise in its classification of current and capital transfers, since in GFS a clear distinction is made between subsidies, current/capital grant and current/capital other expense.

² The KNBS is responsible for submitting annual GFS data for publishing in the IMF's GFSY.

³ The TNT is responsible for submitting quarterly GFS data to the IMF's ICS data base

⁴ These two tables might very well confuse the users of GFS data as they are presented now.

8. In the previous GFS mission (March 2019) it was concluded that forty-seven government entities previously un-sectorized in the Public Sector Institutional Table (PSIT) were considered as BCG entities and should be classified as such. It was understood that these entities were not reflected in the Consolidated Financial Statements produced by the authorities and needed to be added to have a full coverage of the BCG. In line with this conclusion, the mission noted that these entities (see Appendix IV) were not yet reflected in the data of the BCG subsector. Their inclusion (see Appendix V) shows that BCG's revenues would increase by 7.5 percent and BCG's expenditure by 6.2 percent. In 2017/18, 31.6 percent of the revenue of these 47 entities came from grants from BCG and 67.3 percent from sale of goods and services. On the expenditure side, 57.9 percent went to investment in nonfinancial assets, 22.5 percent purchase of goods and services and 18.9 percent as subsidies. The mission worked on these entities in relation to their COFOG classification

Recommended actions:

- *The TNT and KNBS should work closely together for reconciling their BCG's GFS Statements of Operations.*
- *If needed, TNT and KNBS should include in the BCG's statistics all the additional 47 entities that were reclassified to that sub-sector.*

C. Migration of Fiscal Framework to GFSM 2014 Concepts

9. Kenya maintains a fiscal framework based on the 1986 GFS concepts and initiated the process of migration to the GFSM 2014 concepts. The mission facilitated the Macro & Fiscal Affairs Department of TNT to map the existing fiscal framework to the *GFSM 2014* concepts-based framework. Appendix VI reveals the main changes needed for transforming from the 1986 GFS concepts to the *GFSM 2014* concepts and Appendix VII presents the proposed Fiscal Table. The mission pointed out that adoption of *GFSM 2014* concepts for policy analysis contributes to better consistency among all the macroeconomic statistics such as gross domestic product (GDP) and provides for better transparency in the interplay of the different sub sectors of the public sector. The TNT team will refine the proposed *GFSM 2014* based fiscal framework to ensure consistency in the macroeconomic targets. It will be reviewed during the next mission planned in first half of 2020.

Recommended action:

- *TNT will refine the proposed GFSM 2014 based fiscal framework for the next mission planned in 2020.*

D. Compilation of Public Sector Debt Statistics (PSDS)

10. The mission reviewed the public sector debt statistics (PSDS) and noted that the authorities are not reporting PSDS in the IMF/WB data base. The mission reviewed the public sector's debt data and facilitated the development of a phased approach as a strategy for compiling PSDS data for the general government and the public sector. The first phase will be to refine the

available quarterly debt data for the BCG as showed in Appendix VIII.⁵ The second phase will be to refine the available debt data on annual public sector public sector debt statistics (PSDS) since annual financial reports of the extrabudgetary units (EBUs), social security funds (SSF), county governments (LGs) and public corporations (PCs) have been compiled in the GFS (see Appendix IX). As required by the Public Finance Management Act, 2012, the Accountant General collects annual and quarterly financial reports for EBUs and public corporation, so the third phase will be to process and include quarterly public debt data to the quarterly PSDS compilation. The authorities decided that the TNT and the Central Bank of Kenya (CBK) work together in compiling the necessary quarterly PSDS data and that the public debt management office (PDMO) should be responsible for submitting the PSDS data to the IMF/WB data base.

Recommended action:

- *Authorities (TNT (M&FAD and PDMO) and CBK) will refine the available PSDS data as presented in Appendices VI and VII and submit the IMF/WB PSDS Questionnaire before the end of the fiscal year.*

E. Compilation of Financial Balance Sheet for General Government

11. The mission investigated the possibility to compile a financial balance sheet for general government to report in the GFSY and to publish in TNT’s quarterly economic budget report (QEBR). The mission concluded that in the compilation of the debt data as per PSDS requirements, the authorities could extend the compilation to annual financial assets without much effort (see Appendix X). It was decided by the authorities that the TNT, KNBS and CBK should cooperate in the task.⁶

Recommended action:

- *TNT, KNBS and CBK to compile a financial balance sheet for the general government and for public sector on annual basis*

F. Compilation of COFOG for the General Government

12. The mission reviewed the compilation of fiscal data classification by function of government (COFOG) for the general government. It noted that the authorities (i.e. KNBS) are not compiling COFOG data for the whole general government. The COFOG data are compiled for the BCG and the LGs; excluded are COFOG data for EBUs and the SSFs. For international comparisons of COFOG data, it is crucial to compare the General Government⁷ COFOG data since the sub-sectors of GG are of very different size/importance between countries. The COFOG data are showing the total expenditures (i.e. the total expenses and investment in nonfinancial assets) of government by

⁵ This means that quarterly BCG’s debt data need to be classified more precisely in the line of the requirement of the PSDS questionnaire (maturity, short and long term, and debt securities versus loans).

⁶ As noted earlier, KNBS is responsible for submitting the GFS data for publishing in IMF’s GFSY including Table 6 on the government balance sheet.

⁷ Defined as that the sector mostly financed by taxation.

functions, which means that financial categories of the government outlays are not included. This also means that there is a consistency between the total expenditure by economic classification and by functions.⁸ The mission noted that financial categories/data as on-lending and repayments of public debt are included in the total expenditure. Corrected for this inaccuracy, it also noted that there is a small discrepancy between the total expenditures by functions and total expenditure by economic classification for both the BCG's and LGs' subsector (see Appendix XI).

Recommended action:

- *Authorities (KNBS) should revise its presentation of COFOG and exclude financial categories and make the total expenditures by function consistent with the total expenditure by economic classification.*

G. The Consolidated Annual General Government and Quarterly BCG Fiscal Data

13. Kenya compiles and publishes annual consolidated general government (GG) fiscal data. This fiscal information is also reported through the GFSY of the IMF annually with one-year lag.

The mission facilitated the review of the annual consolidated GG fiscal data for FY 2017/18 and noted a need for correction of the consolidation between the BCG, EBUs and the LGs, and it also noted that some of the BCGs grants were wrongly classified on the expense side. The authorities to submit data to the GFSY on stock data (Table 6) and on COFOG data (Table 7) which already are produced.

14. Kenya compiles quarterly budgetary central government fiscal data that follows the GFSM 2014 methodology. The data is reported in integrated correspondence system (ICS) of the IMF although not regularly (see also paragraph B on this task).

Recommended action:

- *Authorities (TNT and KNBS) should review the consolidated general government for FY 2017/18 to improve the classification of the data before end of July 2020.*

⁸ Expenditure by COFOG = Expenses + Investment in nonfinancial assets.

DETAILED TECHNICAL ASSISTANCE TO KENYA

The remainder of this report reflects the following technical assistance appendices.

- Appendix I. Implementation of recommendations of previous GFS TA missions
- Appendix II. The BCG Statement of KNBS and TNT, 2018/2019; the need to reconcile!
- Appendix III. A Bridge Table - BCG's Accounts for Reporting on M, Q and Annual Basis
- Appendix IV. The BCG's entities classified to the BCG Sub-sector
- Appendix V. The BCG's Statement of Operations Including 47 Additional Entities
- Appendix VI. The Fiscal Table Presented in GFS 1986 and GFS 2014 Formats
- Appendix VII. Kenyan Fiscal Table, A Proposal of BCG's Fiscal Operations, FY2016/17–FY20/21
- Appendix VIII. WB/IMF PSDS Questionnaire, Table 1.1.1 on Gross BCG's Debt Position
- Appendix IX. WB/IMF PSDS Questionnaire, Table 4 on Gross PS's Debt Position
- Appendix X. The GFS's Balance Sheet of Public Sector, 2017/18 – Preliminary figures
- Appendix XI. The National Government Expenditure Classified by Functions, 2016/19
- Appendix XII. The List of Officials Met During the Mission

Appendix I. Implementation of Recommendations of Previous GFS Missions

No	Priority	Area/Recommendation	Progress as at October 2019
1	Medium	Sectorization project: CBK to continue with the "Sectorization" project and the CS-DRMS projects; monitoring progress closely to ensure success.	In progress. The project on sectorization aimed at identifying debt securities held by EBUs and public corporations and related interest payments is ongoing and additional system is being acquired to complement the current system. Process to be completed by June 2020. Classification of all EBUs and PCs was done in line with GFSM 2014 PSIT. The various accounts for the Central Depository System will be updated in a new system (CDS) and mapped in accordance with the updated PSIT. The new system will facilitate compilation of intra EBUs and PCs transactions.
2	High	Data reported to the WB/IMF PSDS database needs to be revised.	In progress. Meridian software that is being piloted will facilitate improving data quality.
3	Medium	The IMF — AFE will conduct a national training workshop for selected staff of the county governments (local government) by December 2018	In progress: Was rescheduled to FY 2020/21 at the request of TNT.
4	High	TNT will supply quarterly BCG data to the area department starting with Q1, FY2017/18 using the GFSM 2014 standard by March 2018 with detailed breakdown. Thereafter quarterly BCG data will be supplied to area department with a 45 days lag.	Continuous: TNT started supplying quarterly BCG data to area department in FY2017/18 and will strive to progress on sharing the said data with the area department with a lag of 45 days.
5	Medium	TNT and KNBS will compile quarterly GFS for EBUs by September 2018 to facilitate consolidation of CG by December 2018.	In progress: TNT and KNBS have initiated compilation of quarterly EBUs and consolidation to CG by June 2021.
6	High	TNT and KNBS will compile annual GFS for public corporations by April 2019 and progress will be reviewed during the next mission	In progress: Compilation is ongoing for annual public corporation data will be disseminated by September 2020.
7	Medium	The TNT needs to develop a comprehensive strategy to ensure compliance with policies on full reporting by all entities (BCG and County governments) through IFMIS.	In progress: Capacity to use the accounts receivable (AR) module and cash module have been improved in all counties and AR module is 100% operational while progress is being made on reviewing the cash module and the chart of accounts. By July 2020, the bank reconciliation will be produced from the system on monthly basis.
8	High	Authorities (TNT, KNBS and CBK) will refine and publish the PSIT by December 2019	In progress: KNBS will be published PSIT by December 2019.
9	High	Migrate the Fiscal Framework into GFSM 2014 Format	In progress: A GFSM 2014 compliant template developed and migrating the fiscal framework planned to be completed by December 2020

10	Low	The TWG will compile quarterly Local governments (county data that meets the GFSM 2014 methodology by December 2019.	In progress: The process of improving quality of data in IFMIS has been initiated and good quality source data will be available by March 2020.
11	Medium	The authorities (TNT and KNBS) will compile annual and quarterly EBUs data by December 2019 and will be reviewed during the next mission.	In progress: Annual EBUs data has been compiled and quarterly EBUs data compilation has been initiated.
12	Medium	TNT (M&FAD) will compile monthly BCG fiscal data in GFSM 2014 methodology for internal use by December 2019	In progress: Monthly data compilation to be initiated by July 2020.
13	High	TNT and KNBS will refine and incorporate the proposals on economic classification of transactions for quarterly BCG by March 2020.	In progress: Consistency between quarterly and annual BCG is crucial for the data reliability. Reconciliation of quarterly and annual BCG data by March 2020.
14	Medium	TNT (M&FAD) will review and share updated quarterly BCG data series and continuously disseminate with a one quarter lag by March 2020.	In progress: When quarterly and annual BCG data have been reconciled, TNT will update its quarterly BCG data series by March 2020.
15	High	TNT (M&FAD) will migrate the Quarterly Economic and Budget Review (QEBR) report to GFSM 2014 concepts by March 2020.	In progress: When reconsolidation of KNBS annual BCG data and TNT quarterly data has been done TNT will publish the data in QBER by March 2020.
16	Medium	TNT (M&FAD) and KNBS will review and publish annual public-sector data by April 2020.	In progress: KNBS will publish annual public-sector data in its Economic Survey issued in September 2020.
17	Low	TNT (M&FAD) and KNBS will review the annual financial balance sheet and consider the period for its publication.	In progress: KNBS will publish the financial balance sheet in its Economic Survey by April 2021.

Appendix II. The BCG Statement of KNBS and TNT, 2018/2019; The Need to Reconcile

The BCG Statement of Operations of KNBS and TNT, 2018/19; the need to reconcile!

Appendix II

KSh million

	1 KNBS provisional	2 TNT preliminary	(1-2) Difference	3 TNT Budget	(1-3) Difference ¹	
REVENUE	1,886,002	1,690,772	195,230	1,997,677	-111,675	
Total tax revenue	1,621,723	1,523,909	97,814	1,788,591	-166,868	
Taxes on income, profits and capital gains	781,104	685,390	95,714	836,570	-55,466	
Income tax from individuals (PAYE)	413,257	393,362	19,895	447,635	-34,378	
Income tax from corporations (other income tax)	363,707	292,028	71,679	388,935	-25,228	
Capital gains taxes	4,140	0	4,140	0	4,140	Missing item by TNT!
Taxes on property	3,305	0	3,305	129	3,176	
Tax on property	3,305	0	3,305	129	3,176	
Value Added Tax (VAT)	435,886	416,137	19,749	464,215	-28,329	
VAT on domestic goods and services	242,919					
VAT on imported goods and services	192,966					
Taxes on other goods and services	240,293	269,195	-28,902	312,639	-72,346	
Excise taxes	210,091	258,981	-48,890	292,707	-82,616	
Taxes on use of goods and permission to use goods	5,503	10,214		19,932		
Taxes on goods and services collected by AIA	24,700					
Taxes on international trade transactions	150,539	153,187	-2,648	175,038	-24,499	
Custom duties	120,589					
Other taxes on international trade and transactions	29,949					
Other taxes n.e.c.	10,596	0	10,596	0	10,596	
Total Nontax Revenue	216,796	147,161	69,635	160,599	56,197	
Social security contributions	894	281	613	894	0	
Property income	31,494	29,653	1,841	49,539	-18,045	
Sale of goods and services	16,089	111,752	-95,663	99,948	-83,859	
Fines penalties and forfeits	2,663	2,994	-331	3,566	-903	
Repayment from domestic lending and on-lending	3,925	0	3,925	0	3,925	A financial item, not a revenue item!
Ministerial appropriation in Aid	154,694	0	154,694	0	154,694	Need to be reclassified to right categories!
Other receipts n.e.c.	7,036	2,481	4,555	6,652	384	
Grants	47,483	19,702	27,781	48,487	-1,004	
EXPENSE	2,319,524	2,179,146	140,378	2,324,173	-4,649	
Compensation expenditure on G&S	742,780	587,928	154,852	622,756	120,024	Expenditure of defence, NSIS, secondary schools should be reclassified from
Compensation of employees	515,741	423,132	92,609	440,479	75,262	transfers to right expenditure categories
Use of goods and services	227,039	164,796	62,243	182,277	44,762	
Subsidies	60,549	0	60,549	30	60,519	
Interest	385,980	375,723	10,257	399,981	-14,001	
Domestic interest	271,606	272,351	-745	285,607	-14,001	
External interest	114,374	103,372	11,002	114,374	0	
Current grants	681,234	1,121,249	-440,015	1,155,734	-474,500	TNT grants to BCG entities should be reclassified to right expenditure categories. Examples are Defence, NSIS and Secondary schools.
International organizations	4,253	3,521	732	5,573	-1,320	
General government units	288,517					
County governments	372,742					
Other grants	15,722					
Social benefits	89,660	86,784	2,876	140,672	-51,012	
Other expense	359,321	7,462	351,859	5,000	354,321	
Current	6,180	0	6,180	5,000	1,180	
Capital	353,141	7,462	345,679	0	353,141	
3. Gross Operating Balance (1-2)	-433,522	-488,374	54,852	-326,496	-107,026	
Investment in Nonfinancial assets	209,725	224,301	-14,576	221,344	-11,619	
3. Net Lending/Borrowing (3-4)	-643,248	-712,675	69,428	-547,840	-95,408	
Net Financial Balance	-643,248	-712,675	69,427	-547,840	-95,408	
Net Acquisition of financial assets	20,905	5,011	15,894	3,925	16,980	
6.1 Domestic	20,905	5,011	15,894	3,925	16,980	
6.2 External	0	0	0	0	0	
Net Incurrence of liabilities	631,553	718,933	-87,380	553,169	78,384	
7.1 Domestic	310,089	305,791	4,298	267,556	42,533	
7.2 External	321,464	413,142	-91,678	285,613	35,851	
<i>Statistical discrepancies</i>	<i>32,599</i>	<i>1,247</i>	<i>33,846</i>	<i>1,404</i>	<i>31,195</i>	

Source: KNBS's Economic Survey (Chapter 5) and TNT's QBER (Annex II).

1/ Some differences can be explained by timing of the data.

Appendix III. A Bridge Table BCG's Accounts for Reporting on M, Q and Annual Basis

A Bridge Table - BCG's Accounts for Reporting on Monthly, Quarterly and Annual Basis Appendix III

<i>Ksh millions</i>	GFS codes	Prel. Returns June 2019
TOTAL REVENUE		1,671,071
Ordinary revenue		1,496,930
Taxes on Intl. Trade & Transactions (Import Duty)	1151	107,702
Excise Taxes	1142	194,289
Taxes on Income, Profits & Capital gains (Income Tax)		685,389
Income Tax from Individuals (PAYE)	1111	393,362
Income tax from Corporations (Other Income Tax)	1112	292,028
Taxes on goods and services (VAT)		413,186
VAT on Domestic goods and services	1141	230,600
VAT on Imported goods and Services	1141	182,586
Other Revenue		96,364
Investment Income (CBK)	1412	800
Investment Income - Others	1412	23,775
Other taxes on goods and services	11414	10,214
Capital gains taxes	11414	2,951
Traffic Revenue	1422	4,062
Land Revenue	1415	1,657
Fines and Forfeitures	143	2,994
Loan Interest Receipts	1411	1,122
Others	1422	19,546
Miscellaneous Revenue	1441	2,481
Anti Adulteration Levy	1142	2,299
Taxes on Intl. Trade & Transactions (IDF Fee)	1151	24,182
Reimbursements	1221	281
Tax on property (rent on land)	1415	0
Ministerial Appropriation in Aid		174,140
Recurrent		122,285
RML	1142	62,527
Transit toll	1142	840
Other Recurrent	142	58,918
Development		51,855
RDL	1151	21,303
PDL	1142	2,165
Other Development	142/1142	28,387
TOTAL EXPENDITURE AND NET LENDING		2,405,932
Recurrent Expenditure		1,496,223
Domestic Interest	242	272,351
Foreign Interest due ¹	241	103,372
Pensions etc		70,804
Pensions	2731	66,398
Other CFS	2111	4,406
Contribution to Civil Ser Pension	2111	0
Net Issues/Net Expenditure		936,790
Wages & Salaries ²	2111	417,526
Free Secondary education	22/311	57,912
Free Primary Education	22/311	16,421
Famine Relief	2822	351
Strategic Grain Reserve	312	7,570
General & Bye-Election Expenses	211/22	4,477
KRA	2631	18,855
Defense and NSIS	211/22	135,277
Others	211/22	278,403
Ministerial Recurrent AIA	211/22	112,906
Development		548,969
Domestically Financed (Gross)		314,095
Domestically Financed (Net) ³	311	262,240
Ministerial Development AIA	311	51,855
Foreign Financed ⁵	311	225,427
Net Lending	3214	2,485
Equalization Fund ⁴	3212	6,962
County Transfer		360,740
Equitable Share	263	314,000
Conditional Allocation		46,740
Level Five Hospitals	2631	4,326
Road Maintenance Levy 15%	2631	9,379
Capital Transfers	2632	8,805
Recurrent Transfers	2631	900
Foreign Financed Transfers	2632	23,330

Excise (1142) needs to be separated from sale of service (142)

Split between UoG&S (22) and Investment (311)

Split between salaries (21) and UoG&S (22)

Split between salaries (21) and UoG&S (22)

EF is part of BCG so all its expenditures should be reflected on the BCG's expenditure side in right categories. The payments between TNT and EF should be consolidated

A Bridge Table - BCG's Accounts for Reporting on Monthly, Quarterly and Annual Basis

Appendix III

<i>Ksh millions</i>	GFS codes	Prel. Returns June 2019
Contingency Fund ⁴	3212	0
BALANCE EXCLUSIVE OF GRANTS		(734,862)
GRANTS		19,702
Programme Grants/AMISOM Receipts	131/132	4,315
Projects Grants (Revenue)	131/132	8,437
Projects Grants (AIA)	131/132	6,949
Italian Debt Swap	131/132	0
External Grants to County Governments	131/132	0
BALANCE INCLUSIVE OF GRANTS		(715,160)
Adjustments to cash basis		0
BALANCE INCLUSIVE OF GRANTS (CASH BASIS)		(715,160)
<i>Discrepancy</i>		5,892
TOTAL FINANCING		715,161
NET FOREIGN FINANCING		414,518
Disbursements		680,759
Commercial Financing ⁶		373,712
Export Credit- Commercial Financing	3324	11,107
Sovereign Bond/Syndicated	3323	212,329
TDB Refinancing	3324	25,325
TDB & Standard Bank Refinancing	3324	124,951
Kenya Airways Refinancing	3324	
Other Financing	3324	0
Project Loans AIA	3324	100,622
Project Loans Revenue	3324	41,681
Project Loans SGR_ AIA	3324	35,201
Project Loans SGR_ PHASE 2A_ AIA	3324	44,759
Programme Loans		84,784
P for R Programme Loans	3324	8,168
Development Policy Operations - WB	3324	76,615
Debt repayment - Principal		(266,241)
Afrexim	3324	-
Syndicated (2015) SCB	3324	-
Syndicated (2017) (60% clause) SCB- CITI BANK	3324	(101,529)
Debut SV Bond	3324	(77,722)
TDB	3324	(37,949)
Other repayments	3324	(49,040)
Other Domestic Financing		2,878
Public Works Deposits	3312	0
Domestic Loan Repayments (Receipts)	3314	2,878
Domestic Loan Repayments CBK	3314	0
NET DOMESTIC FINANCING	3314	303,658
Nominal GDP (Fiscal Year)		9,510,446
PRIMARY BALANCE INCLUSIVE OF GRANTS (CASH BASIS)		(339,437)
BALANCE INCLUSIVE OF GRANTS EXCL SGR		(635,200)

CF is part of BCG so all its expenditures should be reflected on the BCG's expenditure side in right categories. The payments between TNT and CF should be consolidated

Foreign grants can be either from foreign governments (131) or from international organizations (132)

Appendix IV. The BCG's Entities Classified to the BCG Sub-sector

BCG's Entities Classified to the BCG Sub-sector

Appendix IV

		Cofog codes
1	Asian Officers Family Pensions Fund	7102
2	Asiatic Widows and Orphans Pensions Fund	7102/7103
3	Civil Contingencies Fund	
4	Council of Governors (COG)	7011
5	Equalization Fund	
6	European Widows and Orphans Scheme and Fund	7102/7103
7	Humanitarian Fund	7104/7106
8	Intelligence Service Development Fund	7022
9	Kenya Industrial Property Institute	7048
10	Kenya Prison Service (Prison Industries Revolving Fund)	7034
11	Kenya Slum Upgrading Low Cost Housing and Infrastructure Trust Fund	7061/7062
12	National Cohesion and Integration Commission	7036
13	National Communications Secretariat	7046
14	National Government Constituencies Development Fund	7013
15	Occupational Safety and Health Fund	7109
16	Parliamentary Car Loan Scheme Fund	7011
17	Parliamentary Mortgage Scheme Fund	7011
18	Petroleum Development Levy Fund	7043
19	Petroleum Training Fund	7043
20	Political Parties Fund	7036
21	Public Complaints Committee on Environment	7056
22	Railway Development Levy Fund (Operating Account)	7045
23	Rural Enterprise Fund	7049
24	State and Public Officers Car Loan Scheme Fund	7011
25	State Officers House Mortgage Scheme Fund	7011
26	Stores and Services Fund	
27	Strategic Grain Reserve Fund	7042
28	The National Treasury Provident Fund	
29	Treasury Main Clearance Fund	7011
30	Unclaimed Financial Assets Authority	7011
31	Veterinary Services Development Fund (VSDF)	7042
32	Water Tower Conservation Fund	7056
33	Street Families Rehabilitation Trust Fund	7104/7109
34	Tobacco Control Board	7074
35	The Standards Tribunal	7033/7036
36	The Fish Levy Fund	7042
37	Public Health Officers and Technicians Council	7074
38	Radiation Protection Board	7076
39	WPA Motor Car Scheme Loan Fund	7011
40	Ethic and Anti-Corruption Commission Staff Car Loan Scheme	7011
41	Office of Registrar of Political parties- Car Loan	7011
42	Office of Registrar of Political parties- Mortgage Loan	7011
43	Commission on Revenue Allocation Staff Mortgage Scheme Fund	7011
44	Relief and Rehabilitation Cash Transfers	7107
45	Roads Annuity Fund	7045
46	Public Trustee of Kenya	7036
47	Veterinary Medicines Directorate	7042

Appendix V. The BCG's Statement of Operations Including 47 Additional Entities

BCG's Statement of Operations including 47 additional entities.

Appendix V

	FY 2017/18 Prel.	Additional 47 entities	Consoli- dation	Total BCG
Revenue	1,553,230	171,208	-54,186	1,670,252
Tax revenue	1,338,102	0	0	1,338,102
Social contributions	24	0	0	24
Grants	27,600	54,186	-54,186	27,600
International organisation	27,600	0	0	27,600
Other general government	0	54,186	-54,186	0
Current	0	54,148	-54,148	0
Capital	0	38	-38	0
Other revenue	187,504	117,022	0	304,526
Sale of Goods & Services	14,111	115,195	0	129,306
Property income	25,699	1,197	0	26,896
Ministerial AIA	139,057	0	0	139,057
Fines, Penalties & Forfeits	2,372	0	0	2,372
Other transfers NEC	6,265	631	0	6,896
Expense	2,018,656	80,293	-54,186	2,044,763
Compensation of employees	482,905	764	0	483,670
Use of goods and services	233,159	42,931	0	276,090
CFC/Depreciation	0	252	0	252
Interest	323,890	50	0	323,940
Domestic	239,470	50	0	239,520
Foreign	84,420	0	0	84,420
Subsidies	55,477	35,945	0	91,422
Grants	848,262	0	-54,186	794,076
International Organisation	3,518	0	0	3,518
Other General Government	844,744	0	-54,186	790,558
Current	247,110	0	-54,148	192,962
Capital	251,953	0	-38	251,915
County governments	345,681	0	0	345,681
Social benefits	71,984	12	0	71,996
Other expense	2,979	340	0	3,319
NOB	-465,426	90,915	0	-374,511
Acquisition of Non-Financial Assets	191,995	110,326	0	302,320
Acquisition of fixed assets	179,990	110,577	0	290,567
Inventories	10,880	0	0	10,880
Non-produced Assets and Land	3,903	1	0	3,904
Disposal and Consumption of fixed assets	-2,778	-252	0	-3,030
Net lending/Borrowing	-657,420	-19,411	0	-676,832
Net Financial Worth	-657,420	-19,411	0	-676,831
Transactions in Financial assets	90,480	72,797	0	163,277
Currency and deposits	74,563	-28,073	0	46,490
Debt securities	0	-419	0	-419
Loans	18,301	0	0	18,301
Accounts receivable	-2,384	101,289	0	98,905
Transactions in Liabilities	747,901	92,208	0	840,108
Debt securities	490,481	0	0	490,481
Domestic	295,701	0	0	295,701
Foreign	194,780	0	0	194,780
Loans	217,046	-565	0	216,481
Accounts payable	28,825	92,772	0	121,597
Discrepancy	11,549	0	0	11,549

Source: The National Treasury, Central Bank of Kenya and KNBS

Appendix VI. The Fiscal Table Presented in GFS 1986 and GFS 2014 Formats

The Fiscal Table presented in GFS 1986 and GFS 2014 formats

Appendix VI

Article IV: Fiscal Table Kenya

Fiscal Operations of the BCG (GFS 1986)

Kenya: BCG's Statement of Operations (GFS 2014) New Framework - Detailed version

Article IV 2018	2016/17 ¹	Prel	2016/17	Prel
Total revenue and grants	1,426.8		1,426.8	
Revenue	1,219.4		1,219.4	
Income tax	625.0		625.0	
Personal	334.9		334.9	
Corporate	290.1		290.1	
Import duty (net)	89.9		89.9	
Excise duty	165.5		165.5	
Value-added tax	339.0		339.0	
Domestic	192.9		192.9	
Imports	125.9		125.9	
Nontax revenue	181.1			
Investment income	28.5			
Other	57.8			
Ministerial and Departmental Fees (AIA)	75.9			
Railway levy	18.9			
Grants	26.3			
Project grants	19.1			
Program grants	6.8			
Other grants	0.4			
Expenditure and net lending	2,109.9			
Recurrent expenditure	1,470.0			
Transfer to counties	305.0			
Interest payments	271.2			
Domestic interest	212.9			
Foreign interest	58.4			
Wages and benefits (civil service)	336.6			
Pensions and other Consolidated Fund services	64.0			
Defence and NSIS	130.2			
Other	363.0			
Development and net lending	639.9			
Domestically financed	385.1			
Foreign financed	246.4			
o/w SGR project	111.4			
Net lending	2.4			
Overall balance (incl. grants)	-683.1			
<i>Adjustment to cash basis</i>	<i>-14.2</i>			
Unidentified measures (deficit reducing)	0.0			
Overall balance incl. measures	-697.3			
Financing	697.3			
External financing (net)	385.8			
Disbursement	421.7			
Project loans	117.2			
Program loans	6.8			
Commercial borrowings 2/	186.3			
Standard Gauge Railway	111.4			
Phase 1	111.4			
Phase 2	0.0			
Repayment due	-35.9			
Domestic financing (net)	311.5			
<i>Statistical discrepancies</i>	<i>0.0</i>			
Memorandum items:				
Nominal GDP	7,556.0			
Primary balance incl. grants	-426.0			
Total gross public debt, gross	4,407.0			
o/w external debt 3/	2,294.7			
o/w domestic debt	2,112.3			
Total net public debt	3,972.5			
Sources: Kenyan authorities and IMF-staff estimates and projections.				
1/ Fiscal runs from July to June.				
2/ Includes proceeds from syndicated loans and planned sovereign bond				
3/ External debt excludes guarantees.				
Revenue				
Taxes				
Taxes on income, profits & capital gains	625.0			
Personal	334.9			
Corporate	290.1			
Taxes on goods and services	504.5			
Value-added tax	339.0			
Domestic	192.9			
Imports	125.9			
Excises	165.5			
o/w ordinary excises				A need to exclude AIA excises!
Taxes on financial and capital transactions				An alternative would be to have others here!
Others				
Taxes on international trade and transactions	89.9			
o/w Customs and other import taxes				Split up to this category and IDF 5
o/w Railway Development levy				
Grants	26.3			
Programme Grants-AMISOM	7.2			
Projects Grants (Revenue)	19.1			It is assumed that all grants received from abroad are capital grants!
Projects Grants (AIA)				
External Grants to County Governments!!!				
Other revenue	181.1			
Property incomes	33.2			
o/w dividends	28.9			Nontax revenues need to be reclassified to right categories! Taxes to taxes, sale of G&S that, etc.
Sale of goods and services	14.4			This particularly relates to AIA revenues!
Others	133.5			
Expense	1,470.1			
Compensation of Employees	414.7			Defense, NIS and the Secondary schools need to be reclassified to this categories and most likely also the investment in nonfinancial assets! Some "Other expense" might belong to UoG&S!
Wages and salaries	281.8			
Employers' social contributions	514.1			
Use of goods and services	415.1			
Interest	271.3			
Domestic interest	212.9			
Foreign interest	58.4			
Subsidies				Some expense under "Other expense" belongs here!
Grants	305.0			
Grants to EBUS				Can be split further to RML and Electricity levy
Grants to counties	305.0			
Social benefits	64.0			
Pensions and other Consolidated Fund services	64.0			
Other expense				
Current				Some expense under "Other expense" belongs here!
Capital				
Gross operating balance	-43.3			
Net investment in nonfinancial assets	637.5			
Domestically financed	385.1			
Foreign financed	246.4			
o/w SGR project	111.4			
Net lending/borrowing	-680.8			
<i>Adjustment to cash basis</i>	<i>-14.2</i>			
Net lending/borrowing (incl. adjustment to cash/measures)	-695.0			
Net financial balance	-695.0			
Net acquisition of financial assets	2.4			
Currency and deposits				No currency and deposits!
Loans	2.4			
Net lending	2.4			
Other accounts receivable				No Other accounts receivable!
Net incurrence of liabilities	697.3			
Currency and deposits				No overdrafts
Securities	311.5			
Domestic financing (net)	311.5			
External financing (net)				
Loans	385.8			
External loans (net)	385.8			
Project loans	117.2			
Program loans	6.8			
Commercial borrowings	186.3			
Standard Gauge Railway	111.4			
o/w Phase 1	111.4			
Repayment due	-35.9			
Other accounts payable				No Other accounts payable!
<i>Statistical Discrepancy</i>	<i>-0.1</i>			
Memorandum items:				
Defence and NIS expenditures				
Secondary schools				
Total expenditure	2,107.6			
o/w Development	631.5			
o/w Interest, pension and current ministerial exp.				
o/w Equitable share				
Ministerial AIA revenues	14.4			
Recurrent	97.6			
Taxes	60.1			
Other revenue	37.5			
Development	33.9			
Taxes	31.0			
Other revenue	2.9			
Expense AIA	97.6			Transfers to AIA which are classified elsewhere!

Appendix VII. Kenyan Fiscal Table, A Proposal of BCG's Fiscal Operations, FY2016/21

Kenyan Fiscal Table, a Proposal of BCG's Fiscal Operations,
FY2016/17 -2020/21

Appendix VII.

(Billions of Kenyan Shillings)

	2016/17	2017/18	2018/19	2019/20	2020/21
	Prel	Prel		Projections	
Revenue	1,426.8	1,426.8	1,426.8	1,426.8	1,426.8
Taxes	1,219.4	1,219.4	1,219.4	1,219.4	1,219.4
Taxes on income, profits & capital gains	625.0	625.0	625.0	625.0	625.0
PAYE	334.9	334.9	334.9	334.9	334.9
Other income tax	290.1	290.1	290.1	290.1	290.1
Taxes on goods and services	504.5	504.5	504.5	504.5	504.5
Value-added tax	339.0	339.0	339.0	339.0	339.0
Domestic	192.9	192.9	192.9	192.9	192.9
Imports	125.9	125.9	125.9	125.9	125.9
Excises	165.5	165.5	165.5	165.5	165.5
Other taxes on goods and services					
Taxes on international trade and transactions	89.9	89.9	89.9	89.9	89.9
o/w Customs and other import taxes					
o/w Railway Development Levy					
Social security contributions					
Grants	26.3	26.3	26.3	26.3	26.3
Programme Grants-AMISOM	7.2	7.2	7.2	7.2	7.2
Projects Grants(Revenue)	19.1	19.1	19.1	19.1	19.1
Projects Grants(AIA)					
Other revenue	181.1	181.1	181.1	181.1	181.1
o/w Property incomes	33.2	33.2	33.2	33.2	33.2
o/w Sale of goods and services	14.4	14.4	14.4	14.4	14.4
Expense	1,470.1	1,470.1	1,470.1	1,470.1	1,470.1
Compensation of Employees	414.7	414.7	414.7	414.7	414.7
Use of goods and services	415.1	415.1	415.1	415.1	415.1
Interest	271.3	271.3	271.3	271.3	271.3
Domestic interest	212.9	212.9	212.9	212.9	212.9
Foreign interest	58.4	58.4	58.4	58.4	58.4
Subsidies					
Grants	305.0	305.0	305.0	305.0	305.0
Grants to EBUS					
Grants to counties	305.0	305.0	305.0	305.0	305.0
Social benefits	64.0	64.0	64.0	64.0	64.0
Other expense					
Gross operating balance	-43.3	-43.3	-43.3	-43.3	-43.3
Net investment in nonfinancial assets	637.5	637.5	637.5	637.5	637.5
Domestically financed	385.1	385.1	385.1	385.1	385.1
Foreign financed	246.4	246.4	246.4	246.4	246.4
Total expenditure	2,107.6	2,107.6	2,107.6	2,107.6	2,107.6
Net lending/borrowing	-680.8	-680.8	-680.8	-680.8	-680.8
<i>Adjustment to cash basis</i>	<i>-14.2</i>	<i>-14.2</i>	<i>-14.2</i>	<i>-14.2</i>	<i>-14.2</i>
Net lending/borrowing (incl. adjustment to cash/meas)	-695.0	-695.0	-695.0	-695.0	-695.0
Net financial balance	-695.0	-695.0	-695.0	-695.0	-695.0
Net acquisition of financial assets	2.4	2.4	2.4	2.4	2.4
Loans	2.4	2.4	2.4	2.4	2.4
Net lending	2.4	2.4	2.4	2.4	2.4
Net incurrence of liabilities	697.3	697.3	697.3	697.3	697.3
Securities	385.8	385.8	385.8	385.8	385.8
Domestic financing (net)					
External financing (net)					
Loans	385.8	385.8	385.8	385.8	385.8
External loans (net)	385.8	385.8	385.8	385.8	385.8
Project loans	117.2	117.2	117.2	117.2	117.2
Program loans	6.8	6.8	6.8	6.8	6.8
Commercial borrowings	186.3	186.3	186.3	186.3	186.3
Standard Gauge Railway	111.4	111.4	111.4	111.4	111.4
Repayment due	-35.9	-35.9	-35.9	-35.9	-35.9
<i>Statistical Discrepancy</i>	<i>-0.1</i>	<i>-0.1</i>	<i>-0.1</i>	<i>-0.1</i>	<i>-0.1</i>
Memorandum items:					
Nominal GDP	7,556.0	7,556.0	7,556.0	7,556.0	7,556.0
Primary balance incl. grants	-426.0	-426.0	-426.0	-426.0	-426.0
Total gross public debt, gross	4,407.0	4,407.0	4,407.0	4,407.0	4,407.0
o/w external debt 3/	2,294.7	2,294.7	2,294.7	2,294.7	2,294.7
o/w domestic debt	2,112.3	2,112.3	2,112.3	2,112.3	2,112.3
Total net public debt	3,972.5	3,972.5	3,972.5	3,972.5	3,972.5
Total expenditure	2,107.6	2,107.6	2,107.6	2,107.6	2,107.6
o/w Development expenditure	631.5	631.5	631.5	631.5	631.5
Defense and NIS expenditures					
Secondary schools					
Ministerial AIA revenues	14.4	14.4	14.4	14.4	14.4
Recurrent	97.6	97.6	97.6	97.6	97.6
Development	33.9	33.9	33.9	33.9	33.9

Appendix VIII. WB/IMF PSDS Questionnaire, Table 1.1.1 on Gross BCG's Debt Position

		Enter Country	Kenya		
		Select Latest	2018Q2		
Millions		Enter Currency	Kenyan Shilling		
		2017Q3	2017Q4	2018Q1	2018Q2
Gross Budgetary Central Government Debt					
<u>By maturity and type of instrument:</u>					
Short-term by original maturity					
Currency and deposits					
Debt securities					
Loans					
Insurance, pensions, and standardized guarantee schemes					
Other accounts payable					
Long-term, by original maturity:		4,482,963	4,574,093	4,884,012	5,055,625
With payment due in one year or less:		61,406	74,308	71,046	104,932
Currency and deposits		61,406	74,308	71,046	88,272
Debt securities					
Loans					
Insurance, pensions, and standardized guarantee schemes					
Other accounts payable					16,660
With payment due in more than one year:		4,421,557	4,499,785	4,812,966	4,950,693
Special Drawing Rights (SDRs)					
Currency and deposits					
Debt securities		2,111,360	2,145,990	2,300,535	2,390,494
Loans		2,310,197	2,353,795	2,512,431	2,560,199
Insurance, pensions, and standardized guarantee schemes					
Other accounts payable					
Total gross debt		4,482,963	4,574,093	4,884,012	5,055,625
Special Drawing Rights (SDRs)					
Currency and deposits		61,406	74,308	71,046	88,272
Debt securities		2,111,360	2,145,990	2,300,535	2,390,494
Loans		2,310,197	2,353,795	2,512,431	2,560,199
Insurance, pensions, and standardized guarantee					
Other accounts payable					16,660
<u>By currency of denomination:</u>					
Domestic currency		2,172,766	2,220,298	2,371,581	2,495,426
Foreign currency		2,310,197	2,353,795	2,512,431	2,560,199
<u>By residence of the creditor:</u>					
Domestic creditors		2,172,766	2,220,298	2,371,581	2,495,426
External creditors		2,310,197	2,353,795	2,512,431	2,560,199

Appendix IX. WB/IMF PSDS Questionnaire, Table 4 on Gross PS's Debt Position

		Enter Country	Kenya		
		Select Latest q	2018Q2		
Millions		Enter Currenc	Kenyan Shilli		
		2017Q3	2017Q4	2018Q1	2018Q2
Gross Public Sector Debt					
<u>By maturity and type of instrument:</u>					
Short-term by original maturity					
Currency and deposits					
Debt securities					
Loans					
Insurance, pensions, and standardized guarantee schemes					
Other accounts payable					
Long-term, by original maturity:					8,043,489
With payment due in one year or les					2,204,759
Currency and deposits					88,272
Debt securities					
Loans					
Insurance, pensions, and standardized guarantee schemes					
Other accounts payable					2,116,487
With payment due in more than one					5,838,730
Special Drawing Rights (SDRs)					
Currency and deposits					
Debt securities					2,390,494
Loans					3,441,646
Insurance, pensions, and standardized guarantee schemes					6,590
Other accounts payable					
Total gross debt					8,043,489
Special Drawing Rights (SDRs)					
Currency and deposits					88,272
Debt securities					2,390,494
Loans					3,441,646
Insurance, pensions, and standardized					6,590
Other accounts payable					2,116,487
<u>By currency of denomination:</u>					
Domestic currency					5,483,290
Foreign currency					2,560,199
<u>By residence of the creditor:</u>					
Domestic creditors					5,483,290
External creditors					2,560,199

Appendix X. The GFS's Balance Sheet of Public Sector, 2017/18 – Preliminary Figures

GFS's Balance Sheet Statement of Public Sector*

Appendix X

In million Ksh.	FY 2017/18			BCG and LG % of GDP	FY 2017/18				FY 2017/18		FY 2017/18	
	BCGs	LGs			EBUs	SSFs	NFCs	FCs	SUM***	% of GDP	public sector	PS % of GDP
NET WORTH	6				1,638,938	259,874	642,490	309,438	2,850,740	32.4	1,046,360	
Nonfinancial assets **	61	161,902	7		1,622,777	14,715	1,762,072	38,398	3,437,962	39.1	3,599,870	
Fixed assets	611	157,205	7		482,294	12,899	1,049,935	8,252	1,553,380	17.7	1,710,592	
Inventories	612		0		792,427	1,509	643,897	9,379	1,447,212	16.5	1,447,213	
Valuables	613		0		0	0	0	0	0	0.0	0	
Nonproduced assets	614	4,697	0		348,056	307	68,239	20,767	437,369	5.0	442,066	
NET FINANCIAL WORTH	62-63	-2,033,789	67,500	-22.4	16,161	245,159	-1,119,582	271,040	-587,222	-6.7	-2,553,511	-29.0
Financial assets	62	2,893,400	70,885	33.7	491,101	254,414	374,484	1,383,172	2,503,171	28.5	5,467,456	62.2
Currency and deposits [6212+6222]	6202	35,846	64,543	1.1	177,393	38,340	49,627	587,418	852,779	9.7	953,168	10.8
Debt securities [6213+6223]	6203			0.0	36,045	156,678	19,086	524,620	736,428	8.4	736,428	8.4
Loans [6214+6224]	6204			0.0						0.0	0	0.0
Equity and investment fund shares [6215+6225]	6205	2,850,740		32.4	6,067	36,787	69,453	19,153	131,460	1.5	2,982,200	33.9
Insurance, pension, and standardized guarantee schen	6206			0.0	675	0	3,824	6,669	11,169	0.1	11,169	0.1
Financial derivatives and employee stock options [6216+6226]	6207			0.0	0	0	0	0	0	0.0	0	0.0
Other accounts receivable [6218+6228]	6208	6,813	6,342	0.1	270,922	22,609	232,493	245,312	771,335	8.8	784,491	8.9
Liabilities	63	4,927,189	3,386	56.1	474,940	9,254	1,494,066	1,112,132	3,090,393	35.1	8,020,967	91.2
Currency and deposits [6312+6322]	6302			0.0						0.0	0	0.0
Debt securities [6313+6323]	6303	2,390,495		27.2						0.0	2,390,495	27.2
Loans [6314+6324]	6304	2,520,034		28.7	105,915	0	870,969	10,478	987,362	11.2	3,507,396	39.9
Equity and investment fund shares [6315+6325]	6305			0.0						0.0	0	0.0
Insurance, pension, and standardized guarantee schen	6306			0.0	2,383	0	4,136	71	6,589	0.1	6,589	0.1
Other accounts payable [6318+6328]	6308	16,660	3,386	0.2	366,643	9,254	618,961	1,101,583	2,096,441	23.8	2,116,487	24.1
					8,792.6				8,792.6			8,792.6

Source: National Treasury, KNBS and IMF.

8,792.6

GDP at current market prices, billion Ksh

8,792.6

8,792.6

* Preliminary figures.

** Nonfinancial assets are valued at historical prices and will consequently not give right picture of GG's net worth.

*** Sum of EBUs, SSFs, NFCs and FCs.

Appendix XI. The National Government Expenditure Classified by Functions 2016/19

Appendix XI

National Government Expenditure Classification by Functions of Government, 2016/17 - 2018/19

<i>KSh million</i>	2016/2017	2017/2018*	2018/2019 ⁺	2017/2018* % of GDP
General public services	229,195	228,136	252,703	2.59
Public debt transactions	450,654	668,225	856,615	7.60
Transactions of general character between levels of government	302,199	345,681	372,742	3.93
Defense	129,207	146,268	127,247	1.66
Public order and safety ¹	136,232	150,045	455,985	1.71
Economic affairs	486,799	381,578	164,865	4.34
Environmental protection	11,304	11,333	11,189	0.13
Housing and community amenities	62,551	62,956	112,636	0.72
Health	56,606	61,841	97,525	0.70
Recreation, culture and religion	8,927	8,400	6,086	0.10
Education	325,477	412,455	439,187	4.69
Social protection	83,844	99,147	136,820	1.13
Total outlays	2,282,996	2,576,065	3,033,602	29.30

Source: The National Treasury

GDP at current market prices, billion Ksh

8,793

Total Outlays (1+2+3+4) - Table 5.9	2,274,767	2,573,287	3,020,789	0
Difference	8,229	2,778	12,813	29

<i>KSh million</i>	2016/2017	2017/2018*	2018/2019 ⁺	2017/2018* % of GDP
General public services	229,195	228,136	252,703	2.59
Public debt transactions	215,903	305,589	365,076	3.48
Transactions of general character between levels of government	302,199	345,681	372,742	3.93
Defense	129,207	146,268	127,247	1.66
Public order and safety ¹	136,232	150,045	455,985	1.71
Economic affairs	486,799	381,578	164,865	4.34
Environmental protection	11,304	11,333	11,189	0.13
Housing and community amenities	62,551	62,956	112,636	0.72
Health	56,606	61,841	97,525	0.70
Recreation, culture and religion	8,927	8,400	6,086	0.10
Education	325,477	412,455	439,187	4.69
Social protection	83,844	99,147	136,820	1.13
Total expenditures	2,048,244	2,213,429	2,542,062	25.17

Source: The National Treasury

GDP at current market prices, billion Ksh

8,792.6

Expenditures from the Statements of Operations:

BCG's total expenditure	2,040,015	2,210,651	2,529,249	25.14
Expense	1,816,188	2,018,656	2,319,524	22.96
Investment in nonfinancial assets	223,827	191,995	209,725	2.18
On-lending and public debt redemption	234,751	362,636	491,540	
Counties' total expenditure	350,447	336,397	459,485	3.83
Expense	258,947	259,584	310,501	2.95
Investment in nonfinancial assets	84,888	66,336	137,557	0.75
Acquisition of financial assets	6,612	10,477	11,426	0.12
Grants to general government units	192,267	235,485	288,517	
Grants to counties	302,199	345,681	372,742	
Consolidated BCG & LGs total expenditure (T5.9 + T5.14)	2,088,264	2,201,367	2,615,992	25.04
Consolidated general government total expenditure (T5.16)	2,366,187	2,514,938		28.60
Expense	1,945,117	2,136,856		24.30
Investment in nonfinancial assets	421,070	378,082		4.30

Appendix XII. List of Officials Met During The Mission

No	Name	Institution	Position
1	Mr. Albert Mwenda	TNT/BFEA	DG/BFEA
2	Mr. Samuel Kiiru	TNT/BD	Chief Economist
3	Mr. Johnson Mwangi	TNT/M&FAD	Deputy Director
4	Mr. John Njera	TNT/M&FAD	Chief Economist
5	Mr. Mukulu Musyoka	TNT/M&FAD	Economist
6	Ms. Geraldine Kyalo	TNT/M&FAD	Economist
7	Ms. Rose Malova	KNBS	Assistant Manager
8	Ms. Cynthia Mulama	KNBS	Senior Officer
9	Ms. Lucy Muraya	TNT/M&FAD	Economist
10	Dr. Lydia Ndirangu	CBK	Assistant Director
11	Mr. Nelson Rutto	CBK	Manager
12	Dr. Moses Mathu	CBK	Economist
13	Mr. Cyrus Mugo	CBK	Economist
14	Ms. Pamela Okatch	OCOB	Chief Manager, Finance & Accounts
15	Mr. Edward Wamweya	TNT/GIPE	Senior Investment Officer
16	Mr. Robert Osudi	DPS&RM	Economist
17	Mr. Chrispine Oracha	DR&RM	Accountant
18	Ms. Josephine Cherotich	DR&RM	Economist
19	Mr. Joshua Musyoka	TNT/IGFR	Economist
20	Ms. Carolyn Mwangi	TNT/M&FAD	Economist
21	Ms. Veronica Ndegwa	TNT/M&FAD	Economist
22	Ms. Maryanne Gitimu	TNT/M&FAD	Economist
23	Ms. Beatrice Mwangi	TNT/M&FAD	Economist
24	Mr. Lucas Sagire	TNT/M&FAD	Economist
25	Ms. Miriam Musyoki	TNT/BD	Principal Budget Officer
26	Mr. Victor Onyango	TNT/BD	Principal Budget Officer
27	Mr. Peter Saitoti	TNT/M&FAD	Economist
28.	Mr. Mark Mjambili	TNT/ IFMIS	