



COUNTY GOVERNMENT OF ELGEYO MARAKWET

THE COUNTY TREASURY

Elgeyo Marakwet County Revenue Mobilization Strategy

(FY 2025/26 – FY 2027/28)

October, 2025

Table of Contents

LIST OF ACRONYMS.....	3
Executive Summary.....	5
CHAPTER ONE:.....	8
CHAPTER TWO:.....	10
SITUATIONAL ANALYSIS	10
2.1 Constitutional and Legal Provisions	10
2.2 National Policy on Enhancement of County Own Source Revenue (2019)	10
2.3 County Legislative Framework	11
2.4 Institutional and Administrative Arrangements	12
2.5 Coordination and Oversight Mechanisms.....	12
2.6 Revenue Performance Analysis, Reporting and Forecasting.....	13
2.7 Automation and Integration of Systems.....	15
2.8 Current Status in Elgeyo Marakwet County	15
2.9 Internal Control and Audit Mechanisms	16
CHAPTER THREE:	18
STRATEGY RATIONALE AND OBJECTIVES	18
3.1 Rationale.....	18
3.2 Objectives	18
3.3 STRATEGIC FOCUS AREAS AND INTERVENTIONS	19
1. Revenue Automation and Digitization.....	19
2. Revenue Base Expansion and Diversification	20
3. Compliance, Enforcement, and Policy Reforms.....	20
4. Governance, Transparency, and Accountability.....	20
5. Capacity Development and Institutional Strengthening	21
6. Stakeholder Engagement and Public Awareness	21
7. Data Management and Performance Monitoring.....	21
CHAPTER 4.....	22
IMPLEMENTATION FRAMEWORK	22
4.1 Overview.....	22
4.2 Institutional Arrangements.....	22
4.3 Resource Mobilization.....	23
4.4 Implementation Timeline.....	23
4.5 Risk Management and Mitigation.....	24
4.6 Coordination and Reporting Mechanism.....	24
CHAPTER 5.....	25
MONITORING, EVALUATION, AND REPORTING FRAMEWORK.....	25

5.1 Overview.....	25
5.2 Objectives of Monitoring and Evaluation.....	25
5.3 Performance Indicators	25
5.4 Monitoring Mechanism	26
5.5 Evaluation Approach	26
5.6 Reporting Framework.....	27
5.7 Feedback and Learning Mechanism	27
CHAPTER 6.....	28
CONCLUSION AND WAY FORWARD.....	28

List of Tables

Table 1: Implementation Timeline -----	23
Table 2: Risk management and mitigation-----	23
Table 3: Performance indicators-----	25

List of Figures

Figure 1 : Revenue performance various years -----	14
--	----

LIST OF ACRONYMS

ADP	Annual Development Plan
AMS	Agriculture Mechanization Services
CBEF	County Budget Economic Forum
CECM	County Executive Committee Member

CFSP	County Fiscal Strategy Paper
CIDP	County Integrated Development Plan
COB	Controller of Budget
CoK	Constitution of Kenya
COG	Council of Governors
CRA	Commission on Revenue Allocation
GoK	Government of Kenya
KESRA	Kenya School of Revenue Administration
KRA	Kenya Revenue Authority
OAG	Office of Auditor General
OSR	Own Source Revenue
PFMA	Public Finance Management Act
SBP	Single Business Permit
TNT	The National Treasury

Executive Summary

The Constitution of Kenya (2010) ushered in a devolved system of governance that established 47 County Governments with the primary objective of promoting democratic and accountable exercise of power, equitable sharing of national and local resources, and the participation of citizens in decision-making. Specifically, Article 174(d) emphasizes the importance of devolved units in “recognizing the right of communities to manage their own affairs and to further their development.”

Under Article 209(3) and (4) of the Constitution, County Governments are granted the authority to impose:

- a) Property rates,
- b) Entertainment taxes, and
- c) Any other charges for services they provide.

This constitutional mandate gives County Governments fiscal powers to raise revenue directly from within their jurisdictions, thereby complementing national transfers and strengthening local service delivery. The Public Finance Management (PFM) Act, 2012 further reinforces this by requiring each County Government to establish sound financial management systems that ensure transparency, accountability, and prudent use of public resources.

Fiscal Rationale for Revenue Mobilization

The success of devolution depends largely on the ability of counties to mobilize sufficient financial resources to fund their functions and deliver quality services. While counties receive equitable share transfers from the national government, these allocations often fall short of the resources required to meet increasing development and recurrent expenditure demands. Therefore, Own Source Revenue (OSR) serves as a critical supplement that enhances fiscal autonomy, strengthens accountability, and promotes innovation in service delivery.

For Elgeyo Marakwet County, OSR mobilization is particularly vital due to its vast geographical coverage, diverse economic potential, and unique development needs. The County’s revenue base spans a range of opportunities including property rates, market fees, single business permits, livestock and agricultural levies, natural resource exploitation, and

tourism-related charges. The county government is implementing the Wealth Creation Strategy which requires adequate resources.

However, the County continues to face challenges such as:

- a) Weak legislative and institutional frameworks governing revenue administration,
- b) Inadequate automation and use of technology in collection systems,
- c) Limited taxpayer awareness and compliance,
- d) Leakage of potential revenues due to inefficiencies and corruption, and
- e) Insufficient capacity for monitoring and enforcement.
- f) Governance and Institutional Imperatives

Achieving Elgeyo Marakwet County's financial independence requires strong governance structures and adherence to the principles of public finance as outlined in Article 201 of the Constitution—openness, accountability, public participation, and equitable sharing of burdens and benefits. Effective revenue governance calls for:

- a) Robust revenue legislation – including regularly updated Finance Acts, valuation rolls, and supporting by-laws.
- b) Efficient administrative structures – staffed with trained revenue officers and supported by functional ICT systems.
- c) Transparent collection systems – leveraging digital payment platforms and automated reconciliation processes.
- d) Effective enforcement mechanisms – to ensure compliance and curb leakages.
- e) Stakeholder engagement – through participatory consultations, taxpayer education, and feedback mechanisms.

Purpose of the Revenue Mobilization Strategy

This Revenue Mobilization Strategy provides a structured and coordinated roadmap for enhancing Elgeyo Marakwet County's capacity to raise, manage, and account for its own revenues over the next three fiscal years (FY 2025/26 – FY 2027/28). The Strategy seeks to:

- a) Strengthen the legal and institutional frameworks for OSR administration;
- b) Modernize collection systems through full digitization;
- c) Map and maximize all existing and potential revenue sources;
- d) Foster voluntary compliance through public engagement and taxpayer services; and
- e) Promote fiscal discipline and transparency in the management of public funds.

The implementation of this Strategy is expected to significantly increase Elgeyo Marakwet County's locally generated revenues, reduce overreliance on intergovernmental transfers, and ensure sustainable funding for development priorities identified in the County Integrated Development Plan (CIDP) and Annual Development Plans (ADPs). It also aligns with the objectives of the National Medium-Term Revenue Strategy and the Commission on Revenue Allocation (CRA) Framework on Own Source Revenue Enhancement.



Alphaeus K. Tanui
County Executive Committee Member – Finance and Economic Planning

CHAPTER ONE:

1.1 Introduction

The Constitution of Kenya 2010 established devolved units of governance and envisaged the ability of County governments to manage their own affairs effectively and to further their development (CoK 2010, Art.174 d). Additionally, Article 209 of the Constitution gives County governments powers to impose property rates, entertainment taxes and any other charges for the services they provide.

County Own Sources Revenue is governed by the National Policy to support the enhancement of County governments own sources revenue developed by the National Treasury and national legislation. Specifically, the County Government Act 2012 and the Public Finance Management Act 2012. According to CRA's OSR potential report (2020), County own sources revenue potential accounts for about 4% of total County revenue in FY 2019/20. The 4 per cent contribution to the total budget of the County governments is relatively small, making the Counties over-reliant on equitable share.

Own Sources Revenue mobilization by the County government is a way of strengthening the financial independence of the County governments. If properly managed, then the County government of Elgeyo Marakwet has the potential of funding a substantial percentage of its budget up from the current rate of four (4) per cent. Proper OSR management includes ensuring the revenue legislation are in place, and proper tools and resources for revenue administration and enforcement are available.

1.2 Background

Elgeyo Marakwet County is home to two main communities, the Keiyo and Marakwet, with minority groups such as the Sengwer and Cherangany also residing there. These communities live in specific areas determined by the different ecological zones that support their livelihoods. For example, the minority Sengwer reside in the Cherangany Hills, Embobut, and Kabolot forests, where they practice traditional ways of life. The county headquarters is Iten, which is known as the "Home of Champions" due to its reputation as a training ground for world-class athletes. The county's high altitude and favorable climate makes it an attractive destination for sports training. Agriculture is the mainstay of the country's economy, with over 80% of its population engaged in farming and related activities. Additionally, the county is known for its unique tourism offerings, such as a national game reserve, paragliding, and an abundance of cultural experiences, which contribute to its economic growth.

1.2.1 Position and Size

Elgeyo Marakwet County spans an area of 3029.6km², making up 0.4% of Kenya's total landmass. The county is situated between latitude 0o 10' and 1o 20' North, and longitude 35o 10' to 35o 44' East. It is bordered by West Pokot County to the North, Baringo County to the East, Trans Nzoia County to the Northwest, and Uasin Gishu County to the West. The county has an elongated shape, located between the Uasin Gishu Plateau to the West and the Kerio River to the East. The Kerio River, which originates in the Southern highlands of the county, flows into Lake Turkana.

Strategic Objectives

- a. Increase OSR by at least 15% annually over the strategy period.
- b. Digitize all revenue processes and payment systems.
- c. Map and regularize all county revenue points.
- d. Improve taxpayer compliance and service delivery.
- e. Diversify and expand revenue sources through innovation and partnerships.
- f. Enhance transparency, accountability, and anti-leakage controls.

CHAPTER TWO:

SITUATIONAL ANALYSIS

2.1 Constitutional and Legal Provisions

Under the Constitution of Kenya (2010), the financial resourcing of County Governments is derived from several key sources:

- a) Fiscal transfers from the National Government's equitable share of revenue,
- b) Conditional and unconditional grants from the National Government and development partners,
- c) Equalization Fund allocations for marginalized counties,
- d) Loans and grants approved under national and county borrowing frameworks, and
- e) Locally raised revenues (Own Source Revenue)—comprising of taxes, fees, charges, and service-based collections.

Article 209 of the Constitution empowers County Governments to impose:

- i. Property rates,
- ii. Entertainment taxes, and
- iii. Charges for services they provide, often referred to as user fees, which are intended as compensation approximating the cost of benefits or services rendered by the County.

In addition, Article 202(2) and Article 203 of the Constitution outlines equitable sharing of national revenue and establish the basis for counties to access resources commensurate with their functions and service delivery obligations.

The Public Finance Management (PFM) Act, 2012, particularly Sections 109, 157, and 160, provides the regulatory framework for revenue collection, accounting, and reporting. It designates the County Receiver of Revenue as the official responsible for receiving, collecting, and accounting for all County revenues.

2.2 National Policy on Enhancement of County Own Source Revenue (2019)

The National Policy on Enhancement of County Own Source Revenue (2019) underscores the need for standardization and coordination in revenue mobilization across all counties. It recommends that counties:

- a) Identify and classify all revenue sources,
- b) Develop and apply standardized templates for revenue registers,
- c) Segment revenue sources to facilitate targeted management, and

- d) Optimize collection through policy, technology, and administrative reforms.

Elgeyo Marakwet County aligns its Revenue Mobilization Strategy with this national policy by implementing structured reforms to strengthen legal frameworks, revenue mapping, and the automation of collection processes. The County Treasury is committed to adopting national best practices while contextualizing them to the county's unique economic and social realities

2.3 County Legislative Framework

Elgeyo Marakwet County has enacted several pieces of legislation and regulations to facilitate effective revenue collection, including:

- a) Annual County Finance Acts, which prescribe rates, fees, and charges;
- b) Alcoholic Drinks Control Act 2014
- c) Elgeyo Marakwet County Trade Licensing and Markets Act, governing business operations and market fees;
- d) Elgeyo Marakwet County Facilities Improvement Finance Act 2022

Within the period, the county government has proposed enactment of the following primary revenue laws;

- a) Revenue Administration Act
- b) Trade Licensing and Markets Act,
- c) The Agricultural produce cess Act
- d) County Outdoor Advertisement Act.

Moving forward, Elgeyo Marakwet County intends to review, harmonize, and consolidate its revenue related laws to remove overlaps, clarify administrative mandates, and strengthen compliance mechanisms.

2.4 Institutional and Administrative Arrangements

Under the current structure, the Directorate of Revenue, domiciled within the Department of Finance and Economic Planning, is responsible for the collection, recording, accounting, and reporting of all county revenues. The Directorate is headed by the Director of Revenue, who serves as the designated County Receiver of Revenue pursuant to Section 157 of the PFM Act (2012). This office oversees daily revenue operations, including supervision, monitoring, and reconciliation of collections across departments.

For efficiency, the revenue administration system in Elgeyo Marakwet County is devolved up to the revenue collection station level, with each Sub-County Revenue Officer coordinating revenue collection within their area of jurisdiction. These officers manage multiple ward-level collection points, ensuring that cashless payment systems, record-keeping, and reporting standards are maintained consistently.

The Directorate works in close collaboration with:

- a) County Treasury Accounting Services, for consolidation and reporting;
- b) Internal Audit, for oversight and compliance verification;
- c) ICT Directorate, for system automation and data management; and
- d) Departmental revenue units (Trade, Tourism, Lands, Agriculture, etc.), for sector specific revenue streams.

2.5 Coordination and Oversight Mechanisms

Revenue performance is monitored through regular reporting and evaluation mechanisms, including:

- a) Monthly revenue performance reviews, led by the County Treasury;
- b) Quarterly performance reports submitted to the County Executive Committee and County Assembly; and
- c) Annual financial statements, which include detailed Own Source Revenue data in compliance with the Public Finance Management (County Regulations 2015).

These institutional arrangements collectively ensure that Elgeyo Marakwet County's revenue system is governed by clear lines of accountability, transparent processes, and enhanced efficiency—key prerequisites for achieving sustainable fiscal independence and improved service delivery.

2.6 Revenue Performance Analysis, Reporting and Forecasting

Undertaking revenue analysis and forecasting is a critical practice for effective revenue administration, enforcement, and planning. It ensures that the County Treasury and the Directorate of Revenue can make data-driven decisions, identify underperforming revenue streams, and implement timely corrective measures.

(a) Revenue Performance Analysis

Revenue performance analysis involves continuous monitoring, comparison, and evaluation of actual revenue collected against set targets and historical trends. This enables the County Treasury to:

- Identify high-performing and underperforming revenue streams;
- Assess seasonality patterns that affect collection trends (e.g livestock markets, tourism activities, or land transactions);
- Evaluate the impact of enforcement efforts or policy changes on overall revenue performance; and
- Strengthen accountability by ensuring that revenue officers report collections accurately and promptly.

Performance analysis should be undertaken daily, monthly, and quarterly, using automated revenue dashboards and integrated financial management systems. The findings should be reviewed by the County Executive Committee Member (CECM) for Finance and shared with the County Executive Committee and County Assembly to enhance transparency and fiscal discipline.

(b) Revenue Reporting

Accurate and timely reporting is essential for transparency and accountability in revenue management. The Directorate of Revenue shall prepare monthly, quarterly, and annual revenue reports in line with the Public Finance Management Act (PFMA), 2012 and the County Governments (Revenue Raising Process) Regulations.

These reports should include:

- Revenue collected per source and sub-county;
- Variance analysis between targets and actual collections;
- Reasons for deviations;
- Proposed corrective measures; and
- A summary of enforcement and compliance activities.

These reports should also inform the Quarterly Budget Implementation Review Reports (QBIRR) submitted to the Controller of Budget and shared with the County Assembly.

(c) Revenue Forecasting

Revenue forecasting is the process of projecting future revenues based on historical trends, economic indicators, and expected policy changes. It enables the County Treasury to:

- Set realistic and achievable annual revenue targets;
- Plan for fiscal sustainability; and
- Inform the budget-making process under the PFMA framework.

To enhance accuracy, the County Government of Elgeyo Marakwet shall adopt evidence-based forecasting models, including:

- Trend analysis (using 3–5 years of historical data);
- Elasticity models (linking growth in revenue to growth in the local economy);
- Scenario analysis (pessimistic, realistic, and optimistic revenue projections); and
- Regression models (for key sources such as property tax, market fees, and cess).

The forecasting process should be conducted annually during the preparation of the County Fiscal Strategy Paper (CFSP) and updated mid-year through the Budget Review.

d) Cashless Collection of revenue

Revenue collection is conducted through both **cashless transactions** through the integrated revenue management system with various channels being implemented including the USSD Code *428#, WhatsApp and bank deposits.

Reconciliation of M-Pesa and bank records is performed periodically to verify the accuracy of collections and ensure accountability for all payments received. The County maintains designated officers responsible for managing and reconciling stored cash receipts and related accounting records.

(e) Challenges

Key challenges affecting effective revenue accounts and records management include:

- Fragmented data storage systems (manual and digital);
- Limited integration between, ICRMS, M-Pesa, and bank reconciliation systems;
- Delays in updating payer records and generating accurate reports; and
- Weak internal controls around record verification and audit trails.

2.7 Automation and Integration of Systems

Automation refers to the application of technologies and digital platforms that enable machines and systems to perform tasks with minimal human intervention. It enhances operational efficiency, reduces errors, strengthens accountability, and ensures transparency in service delivery. Globally, automation in public financial management and revenue administration has been recognized as a **best practice** for achieving efficient, effective, economic, and transparent revenue collection.

(a) Importance of Automation

Automation plays a critical role in modernizing revenue collection by:

- **Reducing human error** and minimizing opportunities for fraud or leakage;
- **Enhancing real-time monitoring** of collections and performance;
- **Improving taxpayer experience** through convenient digital payment options;
- **Strengthening audit trails** and accountability mechanisms; and
- **Enhancing efficiency** by integrating collection, reconciliation, and reporting functions.

Through automation, revenue officers can track collections by source, location, or payer, while management can generate instant performance reports for evidence-based decision-making.

2.8 Current Status in Elgeyo Marakwet County

The County Government of Elgeyo Marakwet has adopted several automated platforms to enhance Own

Source Revenue (OSR) collection. The current trends in revenue are shown below;

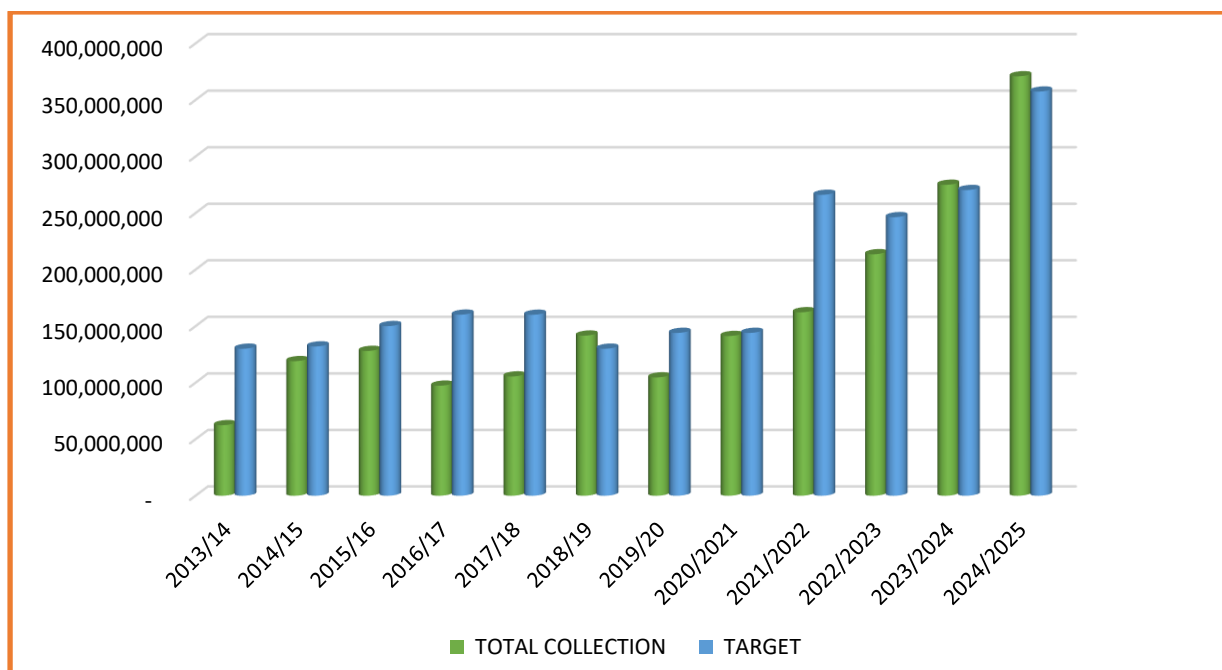


Figure 1 : Revenue performance various years

The various interventions include:

- Liaise with the Kenya Association of Tour Operators (KATO) Agency agreement is used to facilitate the collection of Game Reserve fees, particularly from tourists and tour operators visiting the Rimoi National Reserve;
- Mobile money platforms, especially M-Pesa Pay Bill services, are in use for various revenue streams such as parking fees, Land rates and rent, and market entry charges;

Despite these initiatives, system integration across departments and between the County Treasury, banks, and field revenue units remains limited. Manual processes are still used for reconciliation, reporting, and updating of records, which increases the risk of errors and delays.

2.9 Internal Control and Audit Mechanisms

Effective internal control and audit mechanisms are essential components of a sound revenue management framework. They ensure that revenue collection, recording, and reporting processes are transparent, compliant with laws and regulations, and free from irregularities.

(a) Role of Internal Audit in Revenue Administration

Internal auditors play a critical oversight role in the revenue administration process. Their primary responsibility is to evaluate operational activities, assess risks, identify weaknesses, and recommend corrective measures to management. Internal audits promote accountability, transparency, and efficiency in the collection and utilization of public resources.

The internal audit function is guided by the Public Finance Management Act (PFMA), 2012, and the Public Sector Internal Audit Standards (2017). These require the internal audit unit to provide independent, objective assurance and advisory services aimed at improving operations and ensuring value for money in revenue collection and management.

(b) Internal Control Framework

Internal control is an integrated process of policies, procedures, and actions continuously undertaken by the County leadership and staff to ensure:

- Achievement of revenue and service delivery objectives;
- Reliability and accuracy of financial reporting;
- Compliance with relevant laws, regulations, and county policies; and
- Safeguarding of public resources from misuse, fraud, or loss.

Internal control mechanisms in Elgeyo Marakwet County’s revenue administration include:

1. Segregation of duties among officers involved in collection, recording, and reporting;
2. Daily reconciliation of M-Pesa, Cash, and bank deposits;
3. Authorization and approval procedures for key financial transactions;
4. System access controls within LAIFOMS and other automated platforms; and
5. Periodic audits and spot checks by the internal audit unit.

(c) Risk Assessment and Audit Focus

The Internal Audit Unit uses a risk matrix as part of its audit planning tool. This risk assessment identifies areas of potential vulnerability in revenue administration and prioritizes them for review. Based on recent assessments, the following revenue streams have been identified as high-risk areas due to their volume, frequency, and susceptibility to leakages:

- Game Reserve Fees;
- Land Rates and Plot Rent;
- Single Business Permits (SBP);
- Cess from Livestock Movement and Produce; and
- Liquor Licensing Fees.

These areas are subject to enhanced internal audit scrutiny to ensure that all collections are accurately recorded, reconciled, and banked, and that proper controls exist to prevent loss of revenue.

(d) Audit Reporting and Follow-up

The internal audit unit prepares quarterly and annual audit reports on revenue administration. These reports highlight findings, control weaknesses, and recommendations for corrective action.

Copies of these reports are submitted to:

- The County Executive Committee Member (CECM) for Finance;
- The Chief Officer, Finance; .
- The County Public Service Board, for human resource-related actions; and
- The County Assembly Public Accounts and Investments Committee (CPAIC), for oversight.

Follow-up audits are conducted to confirm implementation of recommendations, and unresolved issues are escalated to the County Audit Committee for policy direction.

CHAPTER THREE:

STRATEGY RATIONALE AND OBJECTIVES

3.1 Rationale

The formulation of the Elgeyo Marakwet County Revenue Mobilization Strategy for FY 2025/26 is guided by the need to strengthen the County's fiscal capacity, enhance service delivery, and reduce overreliance on transfers from the National Government. In recent years, Elgeyo Marakwet County has experienced revenue shortfalls arising from weak enforcement mechanisms, limited automation, inadequate valuation and mapping of revenue sources, low compliance levels, and leakages in the collection process.

This strategy provides a comprehensive framework for addressing these challenges by introducing modern, transparent, and efficient revenue administration systems. It seeks to optimize the potential of existing revenue streams while exploring new sources to expand the county's fiscal space.

The strategy is anchored on key policy documents and legal frameworks, including the County Integrated Development Plan (CIDP) 2023–2027, the Annual Development Plan (ADP) 2025/26, the County Fiscal Strategy Paper (CFSP), and the Public Finance Management (PFM) Act, 2012. It also aligns with the National Treasury's Medium-Term Revenue Strategy (MTRS) and the Kenya Revenue Authority's Digital Revenue Mobilization Framework, ensuring consistency with national fiscal policies.

Ultimately, this strategy aims to create a sustainable revenue ecosystem that promotes accountability, efficiency, and equity in revenue collection and utilization within Elgeyo Marakwet County.

3.2 Objectives

The overall objective of the Elgeyo Marakwet County Revenue Mobilization Strategy is to enhance the County's capacity to generate adequate, reliable, and sustainable own-source revenue to support effective service delivery and development priorities.

The specific objectives are to:

1. Enhance efficiency in revenue collection through full automation, integration of systems, and improved data management.
2. Expand and diversify the revenue base by identifying, valuing, and tapping into new and underutilized revenue sources.
3. Strengthen compliance and enforcement mechanisms to minimize leakages and improve revenue realization.
4. Improve governance, transparency, and accountability in revenue administration through effective internal controls and regular audits.
5. Build institutional and human capacity of revenue staff through continuous training, performance management, and resource support.
6. Review and harmonize the legal and policy framework governing revenue administration to ensure fairness and alignment with national laws.
7. Promote stakeholder participation and taxpayer education to foster voluntary compliance and public trust in the county's revenue system.

3.3 STRATEGIC FOCUS AREAS AND INTERVENTIONS

To achieve the objectives of this strategy, the Elgeyo Marakwet County Government will implement targeted interventions across key strategic areas aimed at enhancing efficiency, compliance, and sustainability in revenue mobilization. These focus areas are aligned with the County Integrated Development Plan (CIDP), the Annual Development Plan (ADP) 2025/26, and national fiscal reforms.

1. Revenue Automation and Digitization

Objective: To enhance efficiency, transparency, and accountability in revenue collection.

Key Interventions:

- Upgrade and integrate the County Revenue Management System (CRMS) with payment platforms such as eCitizen and mobile money.
- Implement real-time monitoring dashboards for revenue reporting and analytics.
- Develop and maintain a comprehensive database of all revenue sources, clients, and payments.
- Establish electronic receipting and reconciliation processes to reduce cash handling.

2. Revenue Base Expansion and Diversification

Objective: To identify and exploit new and underutilized revenue sources to enhance the County’s fiscal space.

Key Interventions:

- Conduct a detailed revenue mapping and valuation exercise for all sub-counties.
- Introduce new revenue streams such as outdoor advertising, parking fees, solid waste management levies, and quarry royalties.
- Review fees and charges schedules to reflect current market values and inflation trends.
- Promote public-private partnerships (PPPs) to enhance revenue-generating infrastructure such as markets, slaughterhouses, and parking spaces.

3. Compliance, Enforcement, and Policy Reforms

Objective: To strengthen revenue administration through effective enforcement and supportive legal frameworks.

Key Interventions:

- Review and harmonize revenue-related by-laws and policies to align with national laws and best practices.
- Establish a Revenue Enforcement Unit to enhance compliance monitoring and recovery of arrears.
- Introduce taxpayer identification systems and compliance tracking mechanisms.
- Institute penalties and incentives to encourage voluntary compliance.

4. Governance, Transparency, and Accountability

Objective: To promote integrity and trust in revenue administration.

Key Interventions:

- Implement internal controls and audit trails within all revenue systems.
- Conduct regular internal and external audits of revenue operations.
- Adopt transparent reporting mechanisms for all revenue collections.
- Strengthen oversight roles of the County Assembly and Audit Committees in monitoring revenue performance.

5. Capacity Development and Institutional Strengthening

Objective: To enhance the competence, motivation, and productivity of revenue staff.

Key Interventions:

- Conduct continuous professional training on revenue administration, ICT, and customer service.
- Provide adequate logistical support and working tools to field officers.
- Introduce performance-based management systems and incentives.
- Strengthen coordination between the Department of Revenue and other departments involved in revenue collection.

6. Stakeholder Engagement and Public Awareness

Objective: To promote a culture of tax compliance and partnership in revenue mobilization.

Key Interventions:

- Conduct county-wide taxpayer education and awareness campaigns.
- Establish regular consultative forums with business associations, community leaders, and national agencies.
- Create feedback and grievance redress mechanisms for taxpayers.
- Enhance communication and visibility of the county's revenue initiatives through media and community outreach.

7. Data Management and Performance Monitoring

Objective: To ensure evidence-based planning, decision-making, and performance tracking.

Key Interventions:

- Establish a centralized revenue database and data analytics system.
- Develop and implement key performance indicators (KPIs) for revenue units.
- Conduct periodic revenue performance reviews and publish quarterly reports.
- Use data analytics to identify high-potential areas and monitor collection trends.

CHAPTER 4

IMPLEMENTATION FRAMEWORK

4.1 Overview

The successful implementation of the Elgeyo Marakwet County Revenue Mobilization Strategy will depend on effective coordination, clear roles and responsibilities, adequate resourcing, and continuous monitoring. The implementation framework provides the institutional and operational arrangements necessary to ensure that the proposed interventions are executed efficiently and within the planned timeframe.

The Department of Revenue, under the County Treasury, will take the lead in coordinating the implementation process, supported by other departments, sub-county revenue offices, and relevant stakeholders. Implementation will be phased over the FY 2025/26 period in alignment with the County Annual Development Plan and the budget cycle.

4.2 Institutional Arrangements

a) Department of Revenue

- Lead in implementing all revenue mobilization activities and reforms.
- Coordinate automation, enforcement, and data management initiatives.
- Prepare revenue performance reports and submit to the County Treasury and County Executive Committee.
- Supervise sub-county and ward-level revenue collection teams.

b) County Treasury

- Provide overall policy direction and budgetary support for implementation.
- Integrate revenue targets and priorities into the County Fiscal Strategy Paper (CFSP) and budget.
- Monitor revenue performance and ensure compliance with the PFM Act, 2012.

c) County Executive Committee (CEC)

- Approve key policy decisions, reforms, and resource allocations related to revenue mobilization.
- Facilitate inter-departmental collaboration in implementing revenue enhancement programs.

d) County Assembly

- Review and approve legal and policy instruments related to revenue.
- Exercise oversight on revenue performance, accountability, and expenditure.

e) Internal Audit and Controller of Budget

- Conduct periodic audits of revenue systems, enforcement, and utilization.
- Provide assurance on compliance, risk management, and internal control effectiveness.

f) Stakeholders and Development Partners

- Support the County in capacity building, technical assistance, and financing of revenue-related projects.
- Participate in consultative forums and partnership initiatives for revenue enhancement.

4.3 Resource Mobilization

Implementation will require adequate funding, human resources, and logistical support. The Department of Revenue will work closely with the County Treasury to allocate sufficient resources in the annual budget. Additional resources may be mobilized through:

- Partnerships with development agencies and national institutions (e.g., TNT, COB, OAG
- KRA, CRA, COG).
- Public-private partnerships (PPPs) for revenue infrastructure and automation.
- Capacity-building programs supported by development partners and the National Treasury.

4.4 Implementation Timeline

The strategy will be implemented in phases within FY 2025/26 as follows:

Phase	Key Activities	Timeline
Phase I – Foundation	System audit, data collection, revenue mapping, and baseline review.	Q1 (July–September 2025)
Phase II – Automation & Reforms	Upgrade CRMS, legal reviews, and staff training.	Q2 (October–December 2025)
Phase III – Expansion & Compliance	Enforcement operations, public sensitization, and rollout of new revenue streams.	Q3 (January–March 2026)

Phase	Key Activities	Timeline
Phase IV – Evaluation & Reporting	Mid-year and annual performance review, reporting, and policy adjustments.	Q4 (April–June 2026)

Table 1: Implementation Timeline

4.5 Risk Management and Mitigation

The implementation process may face several challenges. Key risks and mitigation measures include:

Risk	Mitigation Measure
Resistance to change	Conduct sensitization and capacity-building for staff and automation stakeholders
Inadequate funding	Integrate strategy priorities into the annual budget and seek partner support.
Weak enforcement and compliance	Establish a dedicated enforcement unit and enhance monitoring.
System downtime or data loss	Strengthen ICT infrastructure and maintain data backups.
Political interference	Ensure policy and legal frameworks are institutionalized.

Table 2: Risk management and mitigation

4.6 Coordination and Reporting Mechanism

- The Chief Officer for Finance and Economic Planning will chair the Revenue Implementation Committee (RIC) responsible for coordination and progress review.
- The Committee will meet quarterly to review performance, address bottlenecks, and provide progress reports to the County Executive Committee Member for Finance and Economic Planning.
- The County Treasury will prepare semi-annual and annual reports on revenue performance for submission to the County Assembly and the Controller of Budget.

CHAPTER 5

MONITORING, EVALUATION, AND REPORTING FRAMEWORK

5.1 Overview

Effective monitoring and evaluation (M&E) are critical to ensure that the objectives of the Elgeyo Marakwet County Revenue Mobilization Strategy are achieved. The M&E framework provides mechanisms for continuous performance tracking, assessment of progress against set targets, and timely reporting to support decision-making, accountability, and learning.

This framework aligns with the Public Finance Management (PFM) Act, 2012, and the County Monitoring and Evaluation Policy, ensuring that revenue performance is consistently reviewed and integrated into county planning and budgeting processes.

5.2 Objectives of Monitoring and Evaluation

The objectives of the M&E framework are to:

1. Track implementation progress of revenue mobilization activities and outputs.
2. Measure the efficiency and effectiveness of interventions across departments and sub counties.
3. Provide evidence for decision-making, planning, and policy adjustment.
4. Enhance accountability and transparency in revenue collection and management.
5. Facilitate continuous learning and improvement in revenue administration practices.

5.3 Performance Indicators

Performance indicators will be used to measure progress towards achieving the strategic objectives. These indicators will focus on both quantitative and qualitative aspects of performance.

Strategic Focus Area	Key Performance Indicators (KPIs)	Measurement Frequency
Revenue Automation & Digitization	Percentage of revenue streams automated; system uptime; number of electronic transactions recorded	Quarterly
Revenue Base Expansion	Number of new revenue sources operationalized; percentage growth in own-source revenue	Semi-annual
Compliance & Enforcement	Number of compliance checks conducted; value of arrears recovered; compliance rate (%)	Quarterly

Governance & Accountability	Frequency of internal audits; number of audit recommendations implemented	Semi-annual
Capacity Development	Number of staff trained; improvement in staff productivity and customer service ratings	Annually
Stakeholder Engagement	Number of public awareness campaigns conducted; taxpayer satisfaction rate	Semi-annual
Data Management & Performance	Availability of revenue reports; timeliness of data updates; accuracy of records	Quarterly

Table 3: Performance Indicators

5.4 Monitoring Mechanism

Monitoring will be conducted at three levels to ensure comprehensive oversight:

1. Operational Level (Ward/Sub-County):

- a) Revenue officers and sub-county administrators will monitor daily collection activities, system usage, and compliance trends.
- b) Data will be transmitted electronically to the central system for aggregation and reporting.

2. Departmental Level:

- 1) The Department of Revenue will review performance against targets, prepare monthly reports, and convene progress meetings.
- 2) Department heads will identify challenges and recommend corrective measures.

3. County-Level Oversight:

- a) The County Treasury will consolidate reports from departments and prepare quarterly revenue performance reviews for the County Executive Committee and County Assembly.
- b) The County Monitoring and Evaluation Committee (CMEC) will assess the impact of interventions on overall fiscal performance.

5.5 Evaluation Approach

Evaluation will focus on assessing the effectiveness, efficiency, and sustainability of the strategy.

- Mid-Year Evaluation: Conducted in January 2026 to review progress, identify bottlenecks, and recommend corrective actions.

- **End-Year Evaluation:** Conducted in June 2028 to assess overall achievements, lessons learned, and impact on revenue performance.
- **Independent Review:** The County Treasury may commission an independent assessment to validate the results and provide recommendations for the next planning period.

5.6 Reporting Framework

- **Monthly Reports:** Prepared by sub-county revenue offices and submitted to the Department of Revenue.
- **Quarterly Reports:** Consolidated by the Directorate and submitted to the County Treasury for review.
- **Semi-Annual and Annual Reports:** Prepared by the County Treasury and shared with the County Executive Committee, County Assembly, and the Controller of Budget.
- **Public Disclosure:** Key performance outcomes will be published in public forums, county's official website, and newsletters to promote transparency and accountability.

5.7 Feedback and Learning Mechanism

Feedback from evaluations and stakeholder consultations will be used to improve policies, systems, and practices. Regular review meetings will be held to discuss findings and adjust implementation plans where necessary. Lessons learned will inform the preparation of future Revenue Mobilization Strategies and enhance institutional capacity for performance-based management.

CHAPTER 6

CONCLUSION AND WAY FORWARD

The Elgeyo Marakwet County Revenue Mobilization Strategy (FY 2025/26 – FY 2027/28) provides a comprehensive roadmap for enhancing the County’s fiscal sustainability through improved revenue generation, efficient systems, and accountable administration. The strategy emphasizes the need for automation, diversification of revenue sources, strengthened compliance mechanisms, and capacity building to achieve the County’s development priorities and reduce dependency on external transfers.

The successful implementation of this strategy will require strong leadership commitment, collaboration among departments, and active participation of all stakeholders, including citizens, businesses, and development partners. Continuous monitoring, evaluation, and learning will be critical to ensure that interventions remain relevant and impactful.

Moving forward, the County Government will:

- **Institutionalize revenue reforms** within the Directorate of Revenue and ensure adequate resource allocation for sustainability.
- **Enhance policy and legal frameworks** to create a conducive environment for efficient revenue administration.
- **Strengthen coordination and partnerships** with the National Treasury, Kenya Revenue Authority (KRA) and development partners to support technical and financial capacity.
- **Promote transparency and public trust** through regular disclosure of revenue performance by uploading monthly, quarterly and annual revenue reports on the county official website and stakeholder engagement.
- **Integrate revenue performance outcomes** into the County’s annual planning and budgeting processes to ensure alignment with fiscal and development objectives.

Through consistent implementation of this strategy, Elgeyo Marakwet County Government will build a robust and sustainable revenue system capable of supporting quality service delivery, economic growth, and improved livelihoods for its residents.

The Department of Finance and Economic Planning remains committed to driving this agenda forward with integrity, Innovation, and accountability.

Strategic Objective	Key Activities	Responsible Entities	Timeline	Resources Required	Performance Indicators
Strengthen Legal & Policy Framework	- Review existing revenue laws - Draft and enact legislation for each revenue stream - Align with CRA advisories	Revenue Directorate, Legal Dept., County Assembly	Short-term (Year 1)	Legal experts, Policy briefs	Number of revenue laws enacted and operational
Enhance Revenue Administration Systems	- Automate revenue collection systems - Integrate with mobile money and banking platforms - Establish e- invoicing and e-receipting	Finance Dept, Revenue Directorate, Devolution.	Year 1-2	ICT infrastructure, Vendor support	% of revenues collected electronically; Reduced leakages
Improve Revenue Collection Efficiency	- Conduct staff training on revenue collection and customer service - Deploy revenue collectors strategically - Establish revenue performance contracts and appraisals	Revenue Directorate., HR Dept. Devolution	Continuou s	Training materials, HR budget	Increase in monthly collection rates; % staff trained
Expand Revenue Base	- Map and register all revenue sources - Create and update a comprehensive revenue database - Introduce new revenue streams in line with legislation	Revenue Dir, Health dept, Planning Dir, Lands Dept. & Devolution Dept	Year 1-5	GIS tools, Field survey teams	Updated revenue register; % increase in registered taxpayers & % increase in no of patients
Enhance Compliance & Enforcement	- Taxpayer sensitization and education campaigns - Establish compliance monitoring unit - Strengthen enforcement mechanisms	Revenue Dept., Enforcement Unit, Civic Education. & Devolution	Continuou s	Awareness campaign funds, Enforcement officers	Reduction in arrears; Increase in compliance rate