

KENYA PLANT HEALTH INSPECTORATE SERVICE

BUDGET FOR THE YEAR 2024/2025



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KEPHIS OVERVIEW

VISION

Excellence in plant health and quality assurance in agriculture.

MISSION

To assure plant health, quality of agricultural inputs and produce towards a food secure nation and safe trade.

CORE VALUES

To accomplish our vision and mission, KEPHIS commits itself to observing the highest ideals of:

Customer focus
Professionalism
Integrity
Teamwork
Innovation

KEPHIS IN BRIEF

Kenya Plant Health Inspectorate Service (KEPHIS) is a regulatory body established under the KEPHIS Act No.54 of 2012. KEPHIS is a state corporation in the Ministry of Agriculture and Livestock, Development, State Department of Agriculture.

The role of the Corporation is to undertake regulatory function in the agricultural sector on matters regarding plant protection, seeds, and plant varieties to assure quality of agricultural inputs and produce. KEPHIS is the designated National Plant Protection Organization, the National Designated Authority on Seed Quality, and the National Plant Breeders Rights Office.

The functions of KEPHIS as encapsulated in the Act are to:

- (a) regulate matters relating to plant protection, seeds, and plant varieties.
- (b) administer and enforce sanitary and Phytosanitary measures.
- (c) support the administration and enforcement of food safety measures.
- (d) establish service laboratories to monitor the quality and levels of toxic residues in agro-inputs, irrigation water, plants, soils and produce.
- (e) be the principal advisor to the Government on issues relating to seeds and planting material.
- (f) implement plant variety protection in Kenya, administer plant breeders' rights and maintain the Plant Breeders' Rights Register.
- (g) undertake plant variety testing and description, seed certification and plant quarantine control.
- (h) undertake inspection and grading of plants and plants produce at the ports of entry and exit.
- (i) in consultation with other relevant agencies, develop and implement standards for seed and plant materials.

- (j) implement and enforce national biosafety regulations on the introduction and use of genetically or living modified species of plants, insects and micro-organisms, plant products and other related species.
- (k) regulate import and export of plants and plants materials.
- (l) in consultation with other relevant agencies, regulate the commercial exploitation of naturally occurring plants and plant-related micro-organisms.
- (m) register and license seed merchants, seed growers, agents and any other person who may be required to be registered under the provisions of this Act or any of the laws specified in the First Schedule.
- (n) enter into association with such other bodies or organizations or authorized persons as the Board may consider desirable or appropriate in furtherance of the purposes for which the Service is established, and
- (o) be the liaison office for international conventions relating to plant variety protection, plant protection, seed certification and dealing with endangered species or any other related conventions.

POLICY ISSUES

The Corporation's key establishment and regulatory legislations include the KEPHIS Act No. 54 of 2012, the Plant Protection Act CAP 324, and the Seeds and Plant Varieties Act CAP 326. The respective regulations are in place and additional ones are being developed from time to time. During the period, KEPHIS shall pursue finalization of the reviewed Plant Protection Act, CAP 324 bill which has been submitted for enactment. The National Phytosanitary policy was finalized and shall guide issues on plant health in the country.

KEPHIS SHORT TERM OBJECTIVES

The six (6) key result areas (KRAs) identified to enable achievement of KEPHIS vision and mission as anchored on the mandate are as follows:

Plant Health: This will be attained by putting measures to mitigate against the risk of introduction and spread of plant pests and enhancing early warning, emergency response and management of pests.

Seed Quality Assurance and Plant Variety Protection: This will be accomplished by facilitating access to high quality seeds and protecting new varieties of plants.

Trade Facilitation: To be achieved by facilitating expansion of export market of agricultural products/produce and ensuring export compliance of agricultural produce and products.

Institutional Capacity: To be attained by strengthening corporate governance; attracting and retaining competent and motivated workforce; enhancing service delivery; improving the working environment and enhancing financial sustainability.

Climate Change Mitigation: To be achieved through the implementation of initiatives to respond to the effects of climate change affecting the core mandate areas of KEPHIS. The corporation shall also put in place measures in its operations that contribute to reduction of greenhouse gas emissions.

KEPHIS PERFORMANCE REVIEW AND OUTLOOK

In the period under review, the Corporation's notable achievements being; review of the legal framework, enhanced ICT infrastructure and use of technology through integration of export certification system with IPPC e-phyto hub, implementation of Enterprise Resource Planning (ERP) and Electronic certification systems (ECS), Seed Certification System, maintained and expanded scope of accreditation of laboratories, certification to Quality Management Systems (QMS), Information Security Management Systems (ISMS), compliance with market requirements to maintain and open new markets, expanded its service delivery by opening new offices, ease of doing business through operating in 24 hour system, integrated KENTRADE trade facilitation system and operationalization of the One Stop Border Post and capacity building of staff and clients.

The Corporation participated in standard setting and harmonization activities to support market access and represent the interests of Kenya in regional and international forums. KEPHIS successfully reviewed and implemented its Human resource instruments and internal policies to comply with relevant legislation and best practices. KEPHIS hosted one Phytosanitary Conference, developed two journals in the period and undertook training of Phytosanitary practitioners in Kenya, the region, and the world through the Centre of Phytosanitary Excellence.

KEPHIS also undertook sustainability programs targeting women, youth, and persons with disabilities. The Corporation also enhanced its stakeholder alliances and partnerships through collaboration and cooperation with partners and other Ministries, Departments and Agencies.

The operations of KEPHIS are within the confines of the KEPHIS Act 2012, the Seeds, and Plant Varieties Act CAP 326 and the Plant Protection Act CAP 324. Kenya is also signatory to various international conventions, agreements, and treaties which KEPHIS implements. These include Common Market for Eastern and Southern Africa (COMESA) and East African Community (EAC), OECD Fruit and Vegetables Schemes, OECD Seed Schemes and OECD Forest Seed and Plant Scheme, the International Union for the Protection of new Varieties of Plant (UPOV), CODEX Alimentarius Commission, the World Trade Organization-Sanitary and Phytosanitary Agreement (WTO-SPS), the International Plant Protection Convention (IPPC) among others.

Plant Health:

Plant health is a core area for KEPHIS and in retrospect; the country has gone through numerous challenges in terms of crop pest and disease emergence that included Maize Lethal Necrosis Disease (MLND), Potato Cyst Nematode (PCN) and Fall Armyworm (FAW) and False Codling Moth (FCM) in roses. In the foregoing period, KEPHIS intends to work with partners and other agencies in developing robust Early Warning and Emergency Response Systems for plant pests to enhance early detection and management. The Corporation shall strengthen research for regulatory decision making. Enhancement of border control and surveillance will also be prioritized towards protecting Kenya's agriculture.

Seed Quality and Plant Variety Protection:

During the current planning period, KEPHIS shall regulate testing, release and commercialization of new varieties of plants, enhance capacity for variety testing, enhance capacity for maintenance of reference collections, regulate productions and distribution of high quality seeds, increase farmer awareness on identification and benefits of using certified seed of superior varieties, promote local production of certified seeds and certify seedlings and vegetative propagated materials, authorize private persons to undertake specified seed certification services as determined by KEPHIS, maintain membership and participation in regional and international organizations, enhance surveillance on the quality of seed in the market, adopt best practices on seed quality assurance system.

As a priority area, KEPHIS shall undertake plant variety protection by administering plant breeder's rights, enhancing harmonization with regional and international systems on plant variety protection, ensuring maintenance of plant breeders' rights and building ISPM capacity for staff and stakeholders on plant breeders' rights.

Trade facilitation:

KEPHIS participates in regional and international standard setting and harmonization activities to facilitate compliance to set standards in EAC, COMESA, AfCFTA and CODEX Alimentarius. In this period KEPHIS will strengthen its participation in trade facilitation fora to enhance market access.

Quality of Agro-inputs and Produce:

KEPHIS will continue focusing on strengthening agricultural inputs and produce testing laboratories. In the previous period, KEPHIS assured the quality of seed, fertilizers, water for irrigation, soil, and pesticide formulations. This was made possible through KEPHIS accredited laboratories at Karen (Headquarters), Muguga, Nakuru and Kitale. Re-accreditation of the laboratories to ISO 17025 was achieved during the period for the Analytical Chemistry Laboratory (ACL) at Headquarters, Plant Health Lab at KEPHIS Muguga and the seed testing laboratory in Nakuru. KEPHIS intends to enhance laboratory services through expansion of testing scopes, accreditation of new methods and acquiring of modern analytical and diagnostic laboratory equipment.

Institutional capacity:

During the period, the Corporation intends to enhance the capacity of its staff and clients for improved service delivery and compliance to regulatory requirements. KEPHIS will also focus on building capacity for farmers, SMEs and players in the national and County Governments as a way of ensuring compliance to set standards for market access and enhance productivity. The Corporation will also sustain progress on staff skill development to meet the necessary competencies required for the agriculture sector. This will also be ensured through the continued operationalization of the Centre of Phytosanitary Excellence (COPE) to become a semi-autonomous entity. This will enable the Corporation to streamline its operations and reposition it as a premier learning and training unit to attract more support and clients.

KEPHIS also intends to enhance our ICT systems through acquiring ICT infrastructure and automation of our operational processes. To enhance the ease of doing business, the Corporation commits to integrating its systems to other Government ICT systems. Results-based management will continue taking center stage with KEPHIS prioritizing the implementation of the Kenya Government Performance Contracting system. In addition, the Corporation has successfully subscribed to and maintained certification to the ISO 9001:2015 Quality Management System and ISO 27001:2013 on Information Security Management System (ISMS)

Climate Change Mitigation:

KEPHIS recognizes the impact of Climate Change globally and its direct effects in the agriculture sector. To respond to the negative effects of the phenomenon, the corporation has proposed and shall implement strategic interventions in the various mandate areas. These shall include aspects on early warning and detection for pests and diseases, adoption of climate smart crop varieties, alternatives to pesticide use and contribution to reduction of greenhouse gas emissions. The corporation will also introduce programs to enhance climate change awareness for its staff and stakeholders.

Strategies that help in mobilization and optimization of resource use and allocation shall be deployed to ensure sustainability for the Corporation. To implement its programs, the estimated budget is for the 2024/2025 period is KES 1,756 million. KEPHIS intends to enhance networks and collaboration with local and international development partners with a view to exploring avenues of cooperation in the areas of plant protection, seed trade facilitation and laboratory work.

KEPHIS takes cognizance of the Corporation's visibility and brand image. Rebranding will be one of the key focus areas in the implementation of this strategy and will endeavor to build and maintain a strong corporate brand. This will be done through greater collaboration with the media, enhancing our digital and social media presence and sustainability initiatives. We will also continue to market and enhance visibility of the services offered including laboratory and analytical tests, capacity building and training courses among others to County governments.

The Corporation shall implement a robust monitoring framework that will track performance on a continuous basis to ensure that planned strategies, objectives, and activities are achieved. KEPHIS is confident that with the support of all stakeholders and partners, we shall attain our vision of "Excellence in plant health and quality assurance in agriculture."

MAIN ASSUMPTIONS

The following general assumptions were used in guiding the development of 2024/25 budget:

1. GOK funding of recurrent and development budget will be fulfilled as per levels approved in the Agriculture Rural and Urban Sector Report; Medium term expenditure framework 2024/25 – 2026/27.
2. General inflation is projected to be approximately 7%.
3. Stability in both interest rates and exchange rates to stem inflationary pressure.
4. Internally generated revenue is projected to stagnate due to reduced importation of agricultural produce.

KEPHIS STAFFING LEVELS

Staffing levels per cadre are as follows:

Category	In Service 31 st December 2023	In Service 30th June 2025	Optimal Staff	Deficit
Management	12	21	55	34
Technical –Scientists	190	232	566	334
Support Staff	175	210	354	144
Total	377	463	975	512

The optimal staff level is **975** as per establishment.

KEY STRATEGIES, PROGRAMMES AND PROJECTS

No.	Program/Project & Strategies	Expected Outcome	Date of Completion
1	Plant Health		
i	Enhance Phytosanitary import regulation and certification	- Improved service delivery/ advisory on pests and disease diagnosis to local farmers by testing 2,200 samples. - Ensure food safety and quality through compliance checks on imports and issuance of 110,000 Plant and Biological Import Permits.	June 2025
ii	Strengthen quarantine measures	Biosecurity of the country's plant resources ensured through accreditation of 60 quarantine facilities.	June 2025
iii	Enhance pest surveillance and reporting	- Undertake 12 pest surveillances. - Mapping of 3 invasive species and weeds.	June 2025
iv	Enhance early warning, rapid response system and management of pests	- Undertake and participate in 30 plant clinics and farm visits. - Participate in management of 15 new and emerging pests.	June 2025
v	Strengthen collaboration frameworks	- Develop a coordination mechanism and framework for management of new and emerging pests - Establish and implement the National Plant Health Emergency Response Committee and conduct 2 meetings	June 2025
vi	Enhance regulation of biological control agents and articles	- Facilitate release of classical 1 biological control agent. - Undertake 1 market surveillances of biological products.	June 2025
2	Seed Quality Assurance and Plant Variety Protection		
i	Facilitate introduction and production of agricultural inputs and improved technologies	Increased adoption of new technologies by local farmers by release and gazettment of 85 new crop varieties.	June 2025

No.	Program/Project & Strategies	Expected Outcome	Date of Completion
ii	Undertake Plant variety testing and protection	▪ Novel varieties for various crops bred with improved characteristics and qualities by testing of 100 candidate varieties under the National Plant Trials. ▪ Enhanced income and wealth for breeders through royalties by issuance of 30 title grants.	June 2025
iii	Undertake Seed certification	▪ Adequate seed production and availability in the market available to farmers through inspection of 20,000 Ha of seed crop.	June 2025
3	Trade Facilitation		
i	Ensure export certification and inspection	▪ Ensured export produce compliance to market standards hence enhanced trade through inspection of 400,000 consignments and issuance of Phytosanitary certificates.	June 2025
ii	Participate in standard setting, review and harmonization and market access negotiations	▪ Ensure Kenya's trade and development agenda is incorporated in setting of standards by attending 24 standard setting meetings. ▪ Provide new markets for Kenya's fresh produce exporters by participating in 8 market access negotiations.	June 2025
4	Quality of Agro-inputs and produce		
i	Undertake analysis of agricultural produce for pesticide residues and contaminants including aflatoxin	▪ Improved food safety for both local and export market by analysis of 3,800 samples	June 2025
5	Institutional Capacity		
i	Enhanced capacity for stakeholders	Increased awareness for stakeholders and capacity of staff to deliver quality service through awareness and training of 1,500 practitioners.	April 2025
ii	Enhanced ICT infrastructure and systems	▪ Improved ICT infrastructure and efficient service delivery to clients through established	June 2025

No.	Program/Project & Strategies	Expected Outcome	Date of Completion
		ICT and online systems by having 1 ERP in place. ▪ Fully implement the Integrated Import/Export Certification system to allowing clients to process their import and export requests through online systems (ICS and ECS). Cut costs both for exporters, and importers. ▪ Fully implement the Seed Certification and Plant variety protection system.	
iii	Enhance the infrastructural facilities	Improved facilities for the Corporation throughout the country for effective and efficient service delivery by construction of new and upgrade existing office/laboratory facilities.	June 2025
6	Climate Change Mitigation		
i	To enhance mitigation against risks and effects of climate change	▪ Enhance early warning for pests and diseases by developing 1 pest forecasting model. ▪ Enhanced adoption of climate smart seed varieties through testing of 2 varieties and certification of 3,000 tons of climate smart seed. ▪ Contribution to reduced greenhouse gas emissions by inspection of 20 sea freight consignments.	
7	Projects		
i	Horticultural Produce Compliance Enhancement Project	▪ Project Percentage completion rate of 10% ▪ Procurement and modification of 1 mobile facility for fumigation of horticultural produce.	June 2025

No.	Program/Project & Strategies	Expected Outcome	Date of Completion
		▪ Compliant horticultural fresh produce exports through 400 farm audits ▪ Increased capacity of horticultural producers and exporters by training 250 exporters	
ii	KEPHIS Embu office	▪ Construction of KEPHIS Embu office block to 75% completion rate in June 2025. ▪ Equipping of Analytical and diagnostic laboratory	June 2025
iii	COMESA RIIP project	▪ Expansion and diversification productive capacity and export potential. ▪ Provision of enabling policy, trade supportive institutional development and enabling trade facilitation interventions and environment. ▪ Support representation in regional meetings to advance the course of Kenya's market access in the regional market as well as supportive regional policy framework.	June 2025

The detailed budget requirements and projections, and notes are provided below.

BUDGET

APPENDIX 1: STATEMENT OF TOTAL FUNDS IN KENYA SHILLINGS:								
		Actual	Actual	Actual	Forecast	Budget	Projection	
		2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
Kshs.		000'	000'	000'	000'	000'	000'	000'
Recurrent Revenue								
1	Internally Generated Revenue	1,178,004	1,250,270	1,334,500	1,557,212	1,579,000	1,667,000	1,750,000
2	Government Grants - Recurrent	200,000	160,500	151,000	120,500	142,000	154,000	167,000
3	Grants, Dev't Partner - Recurrent	86,031	45,099	73,170	32,288	30,000	15,000	15,000
4	Retained surplus from previous years	0.00	0.00	0.00	0.00	0.00	0	0
5	Other Incomes- Recurrent	6,276	7,973	9,055	5,000	5,000	5,000	5,000
6	Total Recurrent Income	1,470,312	1,463,842	1,567,726	1,715,000	1,756,000	1,841,000	1,937,000
Development Revenue								
7	Government Grants - Development	-	-	-	10,000	130,000	130,000	130,000
8	Grants, Development Partner -Dev't	-	-	-	-	-	-	-
9	Retained surplus	-	-	-	-	40,000	40,000	40,000
8	Other Incomes - Dev't	-	-	-	-	-	-	-
9	Total Development Revenue	-	-	-	10,000	170,000	170,000	170,000
10	Total Revenue (5+9)	1,470,312	1,463,842	1,567,726	1,725,000	1,926,000	2,011,000	2,107,000

APPENDIX IIA: STATEMENT OF FINANCIAL PERFORMANCE IN KENYA SHILLINGS:								
NON-COMMERCIAL STATE CORPORATION		Actual	Actual	Actual	Forecast	Budget	Projection	
		2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
		Kshs. "000"	Kshs. "000"	Kshs. "000"	Kshs. "000"	Kshs. "000"	Kshs. "000"	Kshs. "000"
Revenue								
1	Internally Generated Revenue	1,178,004	1,250,270	1,334,500	1,557,212	1,579,000	1,667,000	1,750,000
2	Government Grants - Recurrent	200,000	160,500	151,000	120,500	142,000	154,000	167,000
3	Grants, Dev't Partner -Recurrent	86,031	45,099	73,170	32,288	30,000	15,000	15,000
4	Other Incomes- Recurrent	6,276	7,973	9,055	5,000	5,000	5,000	5,000
5	Total Recurrent Income	1,470,312	1,463,842	1,567,726	1,715,000	1,756,000	1,841,000	1,937,000
Operating Expenses								
6	Personnel Emoluments	574,612	591,703	601,588	773,000	778,000	815,659	858,192
7	Board Expenses	29,750	23,847	31,701	30,000	30,000	31,452	33,092
8	Operating / Administrative Expenses	631,817	750,664	841,578	810,755	799,938	835,316	878,874
9	Repairs and Maintenance	59,389	70,538	76,871	68,311	74,062	69,629	73,260
10	Depreciation	94,891	94,891	77,765	72,935	74,000	88,944	93,582
11	Total Operating Expenses	1,390,459	1,531,643	1,629,503	1,755,000	1,756,000	1,841,000	1,937,000
	**other gains/Losses	(8,511)	(2,723)	(7,634)	-	-	-	-
12	Operating Surplus/(Deficit)	71,342	(70,524)	(69,411)	(41,500)	0	(0)	-
13	Finance Charges (Interest on Loans)	0	0	0	0	0	0	0
14	Retained Operating Surplus	0		0	0	0	0	0
	Ratios							
15	Operating Surplus Margin	0	0	0	0	0	0	0
16	Personnel Costs to Recurrent Costs	41%	39%	37%	45%	44%	44%	44%
17	Personnel Costs to Recurrent Revenue	39%	40%	38%	45%	44%	44%	44%
	Number of Employees							
18	i. Management	22	13	13	21	21	20	19
19	ii. Technical (Scientists)	186	172	184	232	232	217	221
20	iii. Support Staff	186	149	180	210	210	203	204

APPENDIX III: STATEMENT OF ITEMISED RECURRENT REVENUES AND EXPENDITURES (KSHS 000)							
	Details	Actual	Actual	Actual	Actual	Forecast	Budget
		2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
A	Recurrent Revenue						
1	Internally Generated Revenue	1,060,134	1,178,004	1,250,270	1,334,500	1,557,212	1,579,000
2	Government Grants-Recurrent	190,000	200,000	160,500	151,000	120,500	142,000
3	Grants, Development Partner	269,617	86,031	45,099	73,170	32,288	30,000
4	Other Incomes-Recurrent	19,614	6,276	7,973	9,055	5,000	5,000
5	Total Recurrent Revenue	1,539,365	1,470,312	1,463,842	1,567,726	1,715,000	1,756,000
	Operating Expenses						
6	Personnel Emoluments						
	Basic Pay	313,283	303,423	312,496	308,489	426,453	429,212
	House Allowance	117,681	115,269	110,268	108,296	149,426	150,392
	Casual Labour	60,779	55,887	63,889	80,172	45,926	45,926
	Gratuity and Pension Contributions	56,045	42,051	49,648	46,174	64,808	64,808
	Transfer Allowance	2,538	1,200	1,265	220	3,105	3,105
	Other Personal Allowances	51,514	49,348	47,643	51,642	72,012	72,012
	Overtime	2,446	2,714	2,272	2,710	3,302	3,302
	Passages and Leave Expenses	4,725	4,720	4,222	3,886	10,242	10,242
	Sub Total	609,011	574,612	591,703	601,588	773,000	778,000
7	Board Expenses						
	Medical Expenses -Board	1,004	871	1,123	875	1,287	1,290
	Sitting Allowance	31,745	27,835	21,810	29,816	27,669	27,666
	Honoraria & Telephone Expenses	1,106	1,044	914	1,010	1,044	1,044
	Sub Total	33,855	29,750	23,847	31,701	30,000	30,000
8	Contracted Services						
	Medical Expenses -Staff	47,703	56,019	56,124	63,655	73,291	84,285
	Staff Life and Personal Accident Cover	7,259	8,938	6,390	5,373	7,030	7,382
	Insurance Premiums - Vehicles & Other Assets	8,551	5,832	5,582	6,679	6,449	6,772
	Contracted Professional Services	9,106	8,170	16,772	15,345	14,175	15,593
	Contracted Guards & cleaning Services	29,305	26,954	30,807	31,171	32,836	34,500
	Sub Total	101,924	105,913	115,676	122,223	133,781	148,530
9	Expenses on operation relating to core mandate						

APPENDIX III: STATEMENT OF ITEMISED RECURRENT REVENUES AND EXPENDITURES (KSHS 000)							
	Details	Actual	Actual	Actual	Actual	Forecast	Budget
		2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
	Inspection Costs Travelling and Accommodation Expenses	143,582	153,360	278,068	285,590	252,386	217,758
	External Travel expenses	16,254	2,082	22,421	30,745	16,354	18,905
	Publishing and Printing Expenses	48,649	73,915	45,776	91,164	78,800	80,985
	Trade Shows & Exhibitions	20,622	546	10,089	12,474	7,957	8,196
	Hire of Transport Plant & machinery	977	443	1,353	1,373	2,109	2,172
	Stakeholder Training and Meetings	6,365	4,724	6,832	5,105	7,685	7,916
	Purchase of Laboratory Stores	37,269	31,551	32,781	27,695	32,000	32,960
	Farmer demonstrations and field day demonstrations	22,721	21,029	33,444	36,473	30,420	31,332
	NPT Post control Input supplies/Production	15,168	8,018	7,189	10,426	8,486	8,741
	Sub Total	311,607	295,668	437,954	501,046	436,197	408,964
10	Direct Donor support for phytosanitary, seed, quality control and plant protection	169,006	66,699	25,288	26,211	32,288	30,000
	Administrative expenses						
	Electricity Expenses	19,393	18,390	19,797	18,884	19,945	20,543
	Water and Conservancy Expenses	1,494	1,591	1,020	1,025	1,365	1,406
	Telephone Expenses	4,617	3,626	4,317	5,333	10,218	10,062
	Postage and Telegram Expenses	3,369	4,527	5,194	3,926	3,706	3,817
	Internet, WAN and data back-up services	19,815	14,033	19,760	15,861	17,266	17,784
	Advertising and Publicity	1,787	1,906	3,306	3,901	3,100	3,299
	Payment of Rents & Rates Non-Residential	7,425	8,669	8,017	9,040	12,547	12,924
	Training Expenses (Staff)	8,366	15,473	12,299	8,505	10,000	10,300
	Staff Counselling & support services	-	50	-	-	439	452
	Compensation & Ex-Gratia Payment	-	1,443	865	-	4,000	4,000
	Catering services(reception)	7,638	5,448	6,892	8,579	7,692	7,923
	Education & Library Expenses	1,598	1,447	1,817	2,222	2,140	2,204
	Purchase of Uniform and Clothing	2,397	4,392	2,203	3,131	6,778	6,937
	General office supplies	11,771	14,103	12,756	18,692	18,000	18,540
	Miscellaneous Expenses	564	579	821	568	623	623
	Supplies & Accessories for computers including Software Licenses	21,946	26,257	27,170	31,409	33,860	34,876
	Bank Charges & Commission	5,727	4,369	4,941	4,543	5,292	5,451

APPENDIX III: STATEMENT OF ITEMISED RECURRENT REVENUES AND EXPENDITURES (KSHS 000)							
	Details	Actual	Actual	Actual	Actual	Forecast	Budget
		2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
	Refined fuel & lubricants for transport	29,739	30,611	34,045	46,344	44,059	47,347
	Professional & Institutional subscriptions to Internationals and Local Bodies	6,523	5,887	3,703	6,800	5,058	7,004
	Audit Fees	-	-	1,922	2,883	1,922	1,922
	Corporate Social Responsibility	30	737	901	453	1,000	1,030
	Sub Total	154,199	163,538	171,747	192,098	208,490	212,444
11	Repairs and Maintenance						
	Maintenance expenses for motor vehicles & other transport costs	30,334	29,474	35,621	35,368	28,875	31,763
	Maintenance of Plant Machinery & Equipment	15,798	12,850	14,892	20,436	19,565	21,522
	Maintenance of Buildings and Stations	17,549	17,065	20,025	21,067	19,870	20,777
	Sub Total	63,681	59,389	70,538	76,871	68,310	74,062
12	Depreciation	94,891	94,891	94,891	77,765	72,935	74,000
13	Total Operating Expenditure	1,538,174	1,390,459	1,531,643	1,629,503	1,755,000	1,756,000
	**other gains/Losses	(20,300)	(8,511)	(2,723)	(7,634)	0.00	0.00
14	Operating Surplus/(Deficit)	(11,000)	76,816	(70,524)	(69,411)	(41,500)	0.00
15	Finance Charges (Interest on Loans)	0.00	0.00	0.00	0.00	0.00	0.00
16	Retained Operating Surplus	(11,000)	76,816	(70,524)	(69,411)	(41,500)	-

APPENDIX IV: STATEMENT OF CAPITAL BUDGET (FIGURES IN KSHS.'000')[illegible]

APPENDIX IV: STATEMENT OF CAPITAL BUDGET (FIGURES IN KSHS.'000')										
Project in Order of Priority and Justification		Projected Cost			Amount Required to completion	% of ongoing project as of 30th June 2024	Timeline		Proposed Budget 2024/2025	Sources of Funds: GoK, AIA, Dev. Partners, Borrowings
		Initial Project Cost	Revised Project Cost	Actual cumulative Expenditure up to June 2023			Start Date	Expected Date of Completion		
Capital Projects										
	Other Incomes- Dev't(Specify)									
	Total Funds								244,000	

Appendix VI: (Financial Position in Kenya Shillings "000")								
		Actual	Actual	Actual	Forecast	Budget	Projections	
		30.06.2021	30.06.2022	30.06.2023	30.06.2024	30.06.2025	30.06.2026	30.06.2027
Assets:								
Non-Current Assets								
	Land, Buildings & Plant	779,406	766,612	2,768,812	2,758,353	2,798,155	2,848,155	2,873,270
	Property & Equipment	227,434	192,754	268,175	248,631	276,473	262,363	252,464
	Motor Vehicles	87,343	83,495	138,549	136,984	140,381	138,460	129,461
	Computers & Accessories	21,695	28,937	40,615	53,430	52,401	51,681	51,177
Total Non-Current Assets		1,130,631	1,115,878	1,071,798	3,216,151	3,197,399	3,267,411	3,300,659
	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Current Assets								
	Inventories	25,926	63,175	31,611	23,500	21,286	10,013	9,563
	Accounts Receivables	127,690	143,693	165,495	95,208	38,083	19,042	13,329
	Prepayments	72,868	55,783	37,337	30,839	30,000	30,000	30,000
	Cash & Bank Balances	96,252	23,721	27,123	21,450	15,540	13,006	13,456
	Total Current Assets	322,735	286,372	261,567	170,997	104,909	72,061	66,348
Total Assets		1,498,613	1,418,170	3,537,717	3,428,396	3,432,320	3,432,720	3,432,720
Financed By:								
	Revenue Reserves	1,287,789	1,216,628	3,337,720	3,337,720	3,337,720	3,337,720	3,337,720
	Total Equity	1,287,789	1,216,628	3,337,720	3,337,720	3,337,720	3,337,720	3,337,720
Non-Current Liabilities								
	Total Non-Current Liabilities	-	-	-		-	-	-
Current Liabilities								
	Accounts Payable	210,824	201,542	199,996	90,676	94,600	95,000	95,000
	Total Current Liabilities	210,824	201,542	199,996	90,676	94,600	95,000	95,000
Total Equity & Liabilities		1,498,613	1,418,170	3,537,717	3,428,396	3,432,320	3,432,720	3,432,720
Ratios	i. Current ratio	1.1	1.6	1.4	1.4	2.0	1.9	1.2
	ii. Debt to Assets Ratio	0.2	0.1	0.1	0.1	0.1	0.1	0.1
	iii. Total Assets Turnover	0.1	0.1	0.2	0.1	0.1	0.1	0.1

APPENDIX VII: CASH FLOW STATEMENT IN KENYA SHILLINGS							
		Actual	Actual	Forecast	Budget	Projections	
		2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
		KShs. "000"	KShs. "000"	KShs. "000"	KShs. "000"	KShs. "000"	KShs. "000"
Cash Flows from Operating Activities							
1	Cash generated from Operating Activities	(22,253)	38,454	38,586	96,990	120,216	123,035
2	Corporation Tax Paid						
3	Interest Paid						
4	Net Cash Generated from Operating Activities	(22,253)	38,454	38,586	96,990	120,216	123,035
Cash Flows from Investing Activities							
5	Purchase of Non- Current Assets	(50,914)	(38,068)	(45,680)	(104,500)	(124,500)	(124,500)
6	Interest Received	155	155	100	100	100	100
7	Proceeds from Sale of Non-Current Assets	482	2,861	1,320	1,500	1,650	1,815
	Net Cash Generated from Investing Activities	(50,277)	(35,051)	(44,260)	(102,900)	(122,750)	(122,585)
Cash Flows from Financing Activities							
9	Repayment of Long-Term Borrowings		-	-	-	-	-
10	Proceeds from Long Term Borrowings		-	-	-	-	-
11	Dividends Paid			-	-	-	-
12	Net Cash Generated from (Used in) Financing Activities		-	-	-	-	-
13	Increase (Decrease) in Cash & Cash Equivalents	(72,530)	3,403	(5,674)	(5,910)	(2,534)	450
14	Cash & Cash Equivalents at the Beginning of the Year	96,252	23,721	27,124	21,450	15,540	13,006
15	Cash & Cash Equivalents at the End of the Year	23,721	27,124	21,450	15,540	13,006	13,456
16	Overdraft Limit	-	-	-	-	-	-

State Corporation: Kenya Plant Health Inspectorate Service				
APPENDIX IX: BANK DETAILS				
All Bank Accounts cashbook balances as of 31st December 2023				
No	Financial Institutions/Banks	Name of Bank Account	Account No.	Balance
1	KCB	KEPHIS	1108285430	25,341,712
2	KCB	KEPHIS(Dollar)	1104843269	USD 1204.86
3	KCB	KEPHIS	1108285678	344,846
4	KCB	Kephis-Assip	1138298948	289,355
5	KCB	Kephis-Cope	1130043959	8,135,813
6	KCB	Kephis sinking Fund	1128368366	129,982
7	KCB	Kephis EAPP Project	1121039685	259,003
8	KCB	Kephis Kisumu	1104038307	
9	KCB	Kephis Kitale	1108814093	0
10	KCB	Kephis Chief Grader	1101574712	
11	KCB	Kephis Naivasha	1121954359	55,662
12	KCB	Kephis Nakuru	1101844876	
13	KCB	Kephis Plant Quarantine Station	1107093724	172,126
14	KCB	Kephis Embu	1102966649	452
15	KCB	JKIA	1232557609	
16	CBA	Kephis JKIA	6523810017	
17	CBA	USAID Foodscap Project	6523810022	84,574
18	NIC	KEPHIS SMAP	10001569364	5,484
19	National Bank	National Bank	1001017146200	8,630
	TOTAL			

Budget Notes

	Details	Budget	Budget	% Increase or (Decrease)	Notes
		2023/2024	2024/2025		
A	Recurrent Revenue	KSHS 000	KSHS 000		
1	Internally Generated Revenue	1,557,212	1,579,000	1%	Revenues from gazetted service fees are projected to be almost constant at 1% growth due to reduced importation of agricultural produce.
2	Government Grants-Recurrent	120,500	142,000	18%	Grants from Government is based on amount allocated at sector level
3	Grants, Development Partner	32,288	30,000	-7%	No major Project expected, and funds only expected from COPE,RIIP and smaller CABI Projects hence the 7% reduction
4	Other Incomes-Recurrent	5,000	5,000	0%	These are revenues from rent, hire of accommodation facilities, and hired mast space and farming activities. Revenue from this line expected to be constant with minimal growth of app. 2%.
5	Total Recurrent Revenue	1,715,000	1,756,000	3%	
B	Operating Expenses				
6	Personnel Emoluments				
	Basic Pay	426,453	429,212	1%	Projected to be constant with only replacement of exited staff being undertaken.
	House Allowance	149,426	150,392	1%	Projected to be constant with only replacement of exited staff being undertaken.

	Details	Budget	Budget	% Increase or (Decrease)	Notes
		2023/2024	2024/2025		
	Casual Labour	49,605	45,926	-2%	This includes skilled casuals(gap in staffing), workers in seed factories and farms and short engagements. The current level of casual employees will be reduced following recruitment of permanent staff in 2023/24.
	Gratuity and Pension Contributions	64,392	64,808	1%	Projected to be constant with only replacement of exited staff being undertaken.
	Transfer Allowance	3,085	3,105	1%	Facilitates staff on transfer in line with government regulations
	Other Personal Allowances	71,549	72,012	1%	Includes Commuting allowance, responsibility allowance, housing Levy (organization %) and other smaller allowances.
	Overtime	3,281	3,302	1%	Provides for staff overtime costs
	Passages and Leave Expenses	5,209	10,242	100%	Provides for leave allowances. Increment to cater for implementation of house allowances as per instruments.
	Sub Total	773,000	778,000	1%	
7	Board Expenses				
	Medical Expenses - Board	1,287	1,290	1,287	Provision for Board medical insurance cover as per current terms
	Board allowances	27,669	27,666	27,669	Expense line for Board sitting allowances, Mileage, training, and facilitation.
	Honoraria & Telephone Expenses	1,044	1,044	1,044	Budget for payment of allowances for the Chair of the Board.
	Sub Total	30,000	30,000	30,000	

	Details	Budget	Budget	% Increase or (Decrease)	Notes
		2023/2024	2024/2025		
8	Contracted Services				
	Medical Expenses - Staff	73,291	84,285	15%	Provision for staff medical insurance cover. Projected to increase by 15% to cater for increased staff and inflationary adjustments.
	Staff Life and Personal Accident Cover	7,030	7,382	5%	Line utilized for provision of staff life and accident insurance cover.5% inflation included in the budget amount.
	Insurance Premiums -Vehicles & Other Assets	6,449	6,772	5%	Line utilized for provision of assets insurance cover
	Contracted Professional Services	14,175	15,593	10%	Line utilized on legal fees, consultancies such as annual surveys, and professional fees. Included in the amount is 4million for maintenance of the new ERP system
	Contracted Guards & cleaning Services	32,836	34,500	5%	This line is utilized on provision of guard and cleaning services.5% inflationary adjustment factored in.
	Sub Total	133,781	148,530	11%	
9	Expenses on operation relating to core mandate				
	Inspection Costs Travelling and Accommodation Expenses	212,386	217,758	3%	Local travel costs include costs relating to provision of inspection and certification services. Expense Line increased by 3%
	External Travel expenses	18,354	18,905	3%	Budget line utilized on costs relating to essential travel for OECD, IPPC, UPOV, CODEX, EAC and COMESA meetings.

	Details	Budget	Budget	% Increase or (Decrease)	Notes
		2023/2024	2024/2025		
	Publishing and Printing Expenses	78,800	80,985	3%	Expense line for printing of documents and security paper such as Phytosanitary certificate, plant import permits, seed labels and other related inspection documents.
	Trade Shows & Exhibitions	7,957	8,196	3%	This line provides for participation in various local shows and exhibitions. Services brought closer to the farmers and institution services showcased.
	Hire of Transport Plant & machinery	2,109	2,172	3%	The expense line occasionally supplements institutional transport whenever found inadequate and short-term hire of plant & machinery.
	Stakeholder Training and Meetings	7,685	7,916	3%	Caters for stakeholder training and information dissemination and interaction with the public.
	Purchase of Laboratory Stores	32,000	32,960	3%	Budget line used for procurement of laboratory reagents and consumables for analytical and diagnostic services.
	Farmer demonstrations and field day and Food and ratio	30,420	31,332	3%	Line utilized for meal subsistence allowances as provided by GOK guidelines and other hospitality requirements during farmer meetings, demonstrations, and field days.
	NPT Post control Input supplies/Production	8,486	8,741	3%	The budget line caters for farm input costs. 3% is an inflationary provision.
	Sub Total	398,197	408,964	3%	
10	Direct development partner support for phytosanitary, seed certification, quality control and plant protection activities	32,288	30,000	3%	The institution continues to engage development partners to source for more funds. However, no major Project expected in the coming year hence the 7% reduction.

	Details	Budget	Budget	% Increase or (Decrease)	Notes
		2023/2024	2024/2025		
	Administrative expenses				
	Electricity Expenses	19,945	20,543	3%	Electricity costs plus inflation
	Water and Conservancy Expenses	1,365	1,406	3%	For purchase of water whenever there is shortage from normal water supplies
	Telephone Expenses	10,218	10,062	0%	Telephone costs
	Postage and Courier Expenses	3,706	3,817	3%	Postage and courier costs
	Internet, WAN and data back-up services	17,266	17,784	3%	Internet, WAN, and data back-up services
	Advertising and Publicity	3,203	3,299	3%	Advertising and Publicity
	Payment of Rents & Rates Non-Residential	12,547	12,924	3%	Payment of Rents & Rates Non-Residential
	Training Expenses (Staff)	10,000	10,300	3%	Training Expenses (Staff)
	Staff Counselling & support services	439	452	3%	Staff Counselling & support services
	Compensation & Ex-Gratia Payment	4,000	4,000	0%	Compensation & Ex-Gratia is for supplementing medical cover whenever limits are exceeded and there exists justification for assistance.
	Catering services(reception)	7,692	7,923	3%	This is utilized on costs relating to provision of accommodation and conference services to internal and external customers

	Details	Budget	Budget	% Increase or (Decrease)	Notes
		2023/2024	2024/2025		
	Education & Library Expenses	2,140	2,204	3%	Provision for newspapers, journals, and other relevant publications
	Purchase of Uniform and Clothing	6,778	6,937	2%	Expense Line for purchase of staff uniforms and protective clothing for staff at exit /Entry points, staff undertaking fieldwork and those working in the laboratories.
	General office supplies	18,000	18,540	3%	Line for purchase of office consumables.
	Miscellaneous Expenses	623	623	0%	Miscellaneous Expenses
	Supplies & Accessories for computers including Software Licenses	33,860	34,876	3%	This line is used to procure consumables for computers and printers as well as software licenses
	Bank Charges & Commission	5,292	5,451	3%	This amount is intended for payment of charges levied by banks
	Refined fuel & lubricants for transport	45,968	47,347	3%	This provides for purchase of fuel for the institution's motor vehicles
	Professional & Institutional subscriptions to international and local Membership organizations	6,800	7,004	3%	Caters for OECD, IPPC, ISTA and local membership fees to professional bodies
	Audit Fees	1,922	1,922	0%	No increase projected on this expense line.
	Corporate Social Responsibility	1,000	1,030	3%	Funds used in activities that contribute towards sustainable activities in our local communities.

	Details	Budget	Budget	% Increase or (Decrease)	Notes
		2023/2024	2024/2025		
	Sub Total	206,490	212,444	3%	
11	Repairs and Maintenance				
	Maintenance expenses for motor vehicles & other transport costs	28,875	31,763	10%	Provides for maintenance of vehicles owned by the institution
	Maintenance of Plant Machinery & Equipment	19,565	21,522	10%	Provides for maintenance of laboratory, plant and office equipment
	Maintenance of Buildings and Stations	19,870	20,777	5%	Provides for maintenance of all KEPHIS buildings in all stations and border offices.
	Sub Total	68,311	74,062	8%	
12	Depreciation	72,935	74,000	1%	This will be used to finance capital projects
13	Total Operating Expenditure	1,715,000	1,756,000	2%	
	**other gains/Losses	-	-		
14	Operating Surplus/(Deficit)	-	-		
15	Finance Charges (Interest on Loans)	-	-		
16	Retained Operating Surplus	-	-		

