Towards Locally Led Humanitarian Action: An Analysis of Disaster and Climate Financing in Kenya's ASAL Counties

Marsabit, Tana River, Nairobi and Garissa

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TABLE OF CONTENTS

Acknowledgment III
Table of Contents IV
Executive Summary VI

1 Introduction and Background 1
1.1 Context 1
1.2 Study Purpose and Objectives 3
1.3 Research Questions 3
1.4 Scope and Coverage 4

2 Conceptual and Analytical Framework 6
2.1 Conceptual Foundations 6
2.2 County Disaster Governance Diagnostic Framework 8

3 Methodology 10
3.1 Study Design 10
3.2 Data Collection Methods and Analysis 10
3.3 Data Analysis 10
3.4 Limitations of the Methodology 11

4 Performance–Budget & Oversight Analysis 12
4.1 Overview of County Disaster Financing Architecture 12
4.1.1 Structure and Purpose of Disaster, Emergency, and Climate Change Funds 12
4.1.2 County Climate Change Fund (CCCF) 26
4.1.3 County Emergency Fund (EF) 33
4.2 System-Wide Gaps in Disaster and Climate Financing Governance 40
4.2.1 Weak Integration of Disaster and Climate Finance into the Budget Cycle 41
4.2.2 Transparency, Reporting, and Internal Audit Remain Weak 41
4.2.3 Capacity Gaps Limit County Leadership in Disaster and Climate Finance 41

5 Key Findings 43
5.1 Legal and Policy Frameworks Are Strong but Weakly Implemented 43
5.2 Fund Institutions Exist in Law but Rarely Operate as Intended 43
5.3 Financing Is Inconsistent, Below Legal Requirements, and Fragmented Across Multiple Budget Lines 44
5.4 Transparency and Reporting Are the Weakest Performing Areas 45
5.5 Participation and Inclusiveness Are Minimal Across All Funds 46
5.6 Gaps in Assessing Coordination and Social Impact Due to Data Limitations 47

6 Conclusion 49

7 Recommendations 51
7.1 Strengthen Institutional Activation and Governance 51
7.2 Improve Predictable and Rule-Based Financing 51
7.3 Enhance Transparency and Financial Reporting 52
7.4 Institutionalize Meaningful and Inclusive Community Participation 52
7.5 Strengthen Data Systems, Monitoring, and Impact Tracking 52
7.6 Strengthen Enforcement and Oversight Mechanisms 53
7.7 Build County Capacity for Effective Fund Management 53
7.8 Strengthen National and Donor Alignment with County Systems 53

8 References 55

Executive Summary

Kenya's devolved system assigns counties primary responsibility for disaster preparedness, response, and climate resilience. Over the past decade, counties have established multiple financing instruments—Emergency Funds (EFs), Disaster Risk Management Funds (DRMFs), and County Climate Change Funds (CCCFs)—intended to enable early action, strengthen local autonomy, and advance locally led humanitarian leadership (LHL). This study examines how these instruments function in practice across four counties—Marsabit, Tana River, Garissa, and Nairobi—and whether they deliver predictable, transparent, and inclusive disaster and climate finance.

The analysis finds that counties are not constrained by the absence of legal frameworks, but by weak and uneven operationalization of those frameworks. While statutory instruments exist, most funds are dormant, underfunded, or weakly governed. Mandated institutions—such as fund boards, steering committees, and ward-level planning structures—are frequently not constituted or inactive, resulting in a persistent gap between legal design and institutional practice.

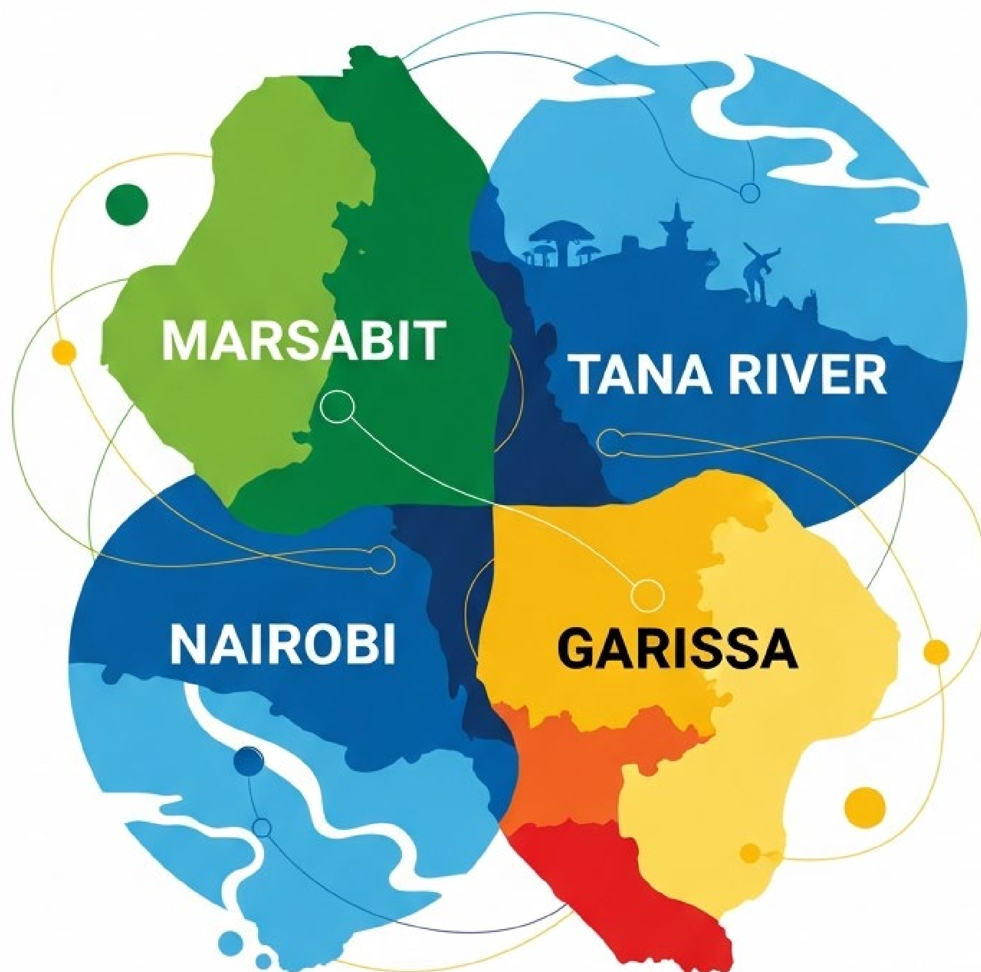
A central finding concerns ambiguity and inconsistency in financing rules, particularly for Emergency Funds. The PFMA treats the EF differently from other extra-budgetary funds by positioning it as a short-term budget management tool rather than a dedicated disaster response instrument. This ambiguity—combined with discretionary allocations and limited reporting—undermines predictability and weakens the EF's contribution to anticipatory and locally led response. By contrast, CCCFs have clearer allocation rules in law, but compliance remains uneven and difficult to verify due to weak disclosure.

Transparency and accountability represent the most significant system-wide weakness. None of the counties consistently publishes comprehensive financial statements for their disaster or climate funds, despite clear PFMA and county-law requirements. Internal audit functions are largely absent from fund governance, and Auditor-General reports repeatedly flag unsupported expenditures, reporting delays, and documentation gaps. Community consultations confirm that affected populations have never seen fund reports, audits, or project lists. While county budget transparency scores do not measure fund-level compliance directly, they provide a useful governance proxy: where baseline transparency is weak, disaster and climate financing instruments are less likely to operate as intended.

In the absence of functional county-led institutions, coordination and decision-making default to external or extra-legal platforms, most notably the County Steering Group (CSG), convened by national authorities and humanitarian actors. Although effective for crisis coordination, the CSG| operates outside county fund governance structures and shifts agenda-setting power away from locally accountable institutions. This reliance on external systems constrains county leadership and reinforces perceptions that humanitarian response is donor- or NGO-driven.

Finally, participation remains largely symbolic. Although CCCF laws envision inclusive, ward-level decision-making, these structures rarely influence final funding decisions. Women, youth, pastoralist groups, and other marginalized communities have limited voice beyond initial needs articulation, weakening accountability and eroding the legitimacy of locally led response.

Overall, the study concludes that locally led humanitarian leadership in Kenya is constrained less by policy gaps than by failures of activation, transparency, and institutional accountability. Counties possess the building blocks of a locally led system—devolved mandates, public funds, and participatory structures—but these remain fragmented and weakly enforced. Strengthening disaster and climate finance will require clearer financing rules, routine public disclosure, functional oversight institutions, and genuine community participation. Without these, counties will continue to rely on external actors and reactive responses, limiting the transformative potential of devolution for resilience and humanitarian leadership.



1 Introduction and Background

1.1 Context

Kenya faces recurrent and overlapping disasters that threaten lives, livelihoods, and fiscal stability. The most frequent include droughts, floods, disease outbreaks, and resource-based conflicts—hazards that have intensified in both frequency and severity due to climate change and ecosystem degradation. According to the *Economic Survey* (KNBS, 2024), disasters cost the country billions annually through crop failure, livestock losses, infrastructure damage, and emergency relief expenditures.

The 2022–2023 drought—the worst in four decades—left over 4.5 million people food insecure across 23 arid and semi-arid (ASAL) counties (UNICEF, 2023; IMF, 2022). The subsequent El Niño–induced floods in late 2023 and early 2024 displaced hundreds of thousands and destroyed critical infrastructure in more than 25 counties (FEWS NET, 2023). These successive climate shocks have placed significant strain on public finances, forcing both national and county governments to reallocate resources from planned development projects toward emergency response.

Evidence from the *Supplementary Appropriation Bill, 2024* (Republic of Kenya, 2024) confirms the extent to which extreme climate events have forced the Government of Kenya to revise national budgets to finance disaster response. The Bill reduced overall development spending by KSh 75.29 billion (USD 580.9 million), redirecting part of these resources to urgent humanitarian interventions. Notably, allocations to the State Department for ASALs and Regional Development increased by KSh 4.3 billion to support relief activities, while KSh 3 billion was channeled toward El Niño disaster management and KSh 1 billion toward rehabilitation of flood-damaged roads (National Treasury, 2024). These reallocations were financed through significant reductions in development budgets for Infrastructure, Housing and Urban Development, and Water and Sanitation.

Over the past decade, Kenya has attempted to develop a more structured approach to disaster governance, linking planning, coordination, and finance across national and county levels. The National Disaster Risk Management Policy (2023) establishes a comprehensive framework for prevention, preparedness, and resilience across national and county levels. The National Disaster Risk Financing Strategy (2020–2030) aims to ensure timely and predictable resources for disaster response through contingency budgets, insurance instruments, and emergency funds, while the National Drought Emergency Fund (2019) provides a dedicated mechanism for rapid response in ASAL counties.

In principle, these instruments are intended to serve as primary and pre-arranged financing mechanisms, with supplementary budget reallocations acting only as complementary measures. Yet it remains unclear whether these national-level tools were activated in a coordinated manner during the 2022–2023 drought and the 2023/24 El Niño floods owing to limited public data on national financing instruments such as contingency funds. The

absence of clear evidence on their deployment suggests a potential disconnect between Kenya's formal disaster financing architecture and actual fiscal practice. Future research should therefore examine the utilization and sequencing in how, for example, resilience investments reduced drawdown on Emergency Funds to assess whether Kenya's structured approach to disaster financing is functioning coherently to build long-term climate change resilience while establishing rapid response capacity.

Globally and nationally, there is growing recognition that humanitarian response must be locally led to ensure inclusion, context sensitivity, and sustainability. The *Grand Bargain (2016)* and subsequent *Localization Agenda* under the World Humanitarian Summit advocate for directing at least 25% of humanitarian funding to local actors. Kenya's humanitarian system increasingly reflects this shift through networks such as the Arid and Semi-Arid Humanitarian Network (AHN), county-based CSOs, and community responders.

Local Humanitarian Leadership (LHL) emphasizes proximity, trust, and agility—qualities often lacking in externally driven interventions. Locally embedded actors understand community dynamics, mobilize faster, and integrate disaster response with long-term development and peacebuilding. Moreover, this localization agenda aligns closely with Kenya's devolution framework, reinforcing counties' constitutional responsibility for disaster risk reduction and climate resilience. However, undue political influence over statutory obligations including disaster assessment, responses and recovery undermine devolved mandates limiting their ability to lead inclusive disaster response and long-term prevention efforts.

However, realizing this model requires robust county capacity, financing mechanisms, and participatory governance structures.

At the county level, Kenya has established a range of financing instruments—including Emergency Funds, County Climate Change Funds (CCCF), and Disaster Risk Management Funds—intended to empower local actors to respond swiftly and finance locally relevant resilience initiatives. These instruments are supported by national legislation such as the Public Finance Management Act (2012) Climate Change Act (2016), the National Climate Change Action Plan (NCCAP), National Disaster Risk Financing Strategy (2020–2030) the National Drought Emergency Fund (2019) which embed disaster risk management and resilience building within national and county planning frameworks.

This study therefore examines how Kenya's disaster governance ecosystem—across national frameworks, county institutions, and local actors—can build on the competitive edge of Kenya's devolved systems to evolve into a more locally led, transparent, and accountable humanitarian system that enhances resilience, strengthens fiscal sustainability, and ensures inclusive development.

1.2 Study Purpose and Objectives

This study examines how counties in Kenya structure, resource, and operationalize their disaster and climate financing systems, and to assess the extent to which these mechanisms enable or constrain locally led humanitarian leadership (LHL). Through analysis of the functioning of extra-budgetary funds—including the Emergency Fund, County Climate Change Fund (CCCF), and Disaster Risk Management Fund (DRMF), alongside other disaster-related budgetary instruments, the study seeks to understand whether counties can lead timely, inclusive, and accountable preparedness and response.

Specifically, the study investigates how institutional arrangements—such as legal frameworks, financing practices, coordination structures, and interdepartmental linkages—shape county-level capacity to anticipate, respond to, and recover from disasters. It explores whether existing systems translate devolved mandates into effective leadership in practice and explores financial and coordination gaps.

The research further examines the transparency and accountability of fund management processes, including compliance with reporting obligations, public disclosure practices, and the availability of financial statements. It also assesses the extent to which data related to gender, age and vulnerability of communities inform planning and spending decisions, and the degree to which communities—particularly women, youth, and marginalized groups—participate in priority-setting, monitoring, and oversight of disaster and climate financing.

By generating evidence on how counties use, govern, and coordinate disaster-related funds, the study aims to identify opportunities for strengthening locally led humanitarian leadership. The findings are intended to inform policy reforms, strengthen county capacity-building, and advocacy efforts that promote more predictable financing, transparent governance, and inclusive, community-anchored disaster and climate response systems.

1.3 Research Questions

The study initially sought to answer the following key questions:

1. How are disaster and climate-related funds, including the Emergency Fund, County Climate Change Fund (CCCF), and Disaster Risk Management Fund (DRMF), structured, allocated, and coordinated at the county level?

2. How transparent and accountable is the management of these funds, and to what extent do counties generate and use gender-disaggregated data on disaster budgets and expenditures?

3. How is public participation in disaster preparedness and response organized and facilitated at the county level?

4. How does the overall management of disaster and climate-related funds influence the effectiveness and impact of disaster response in the counties?

The study was unable to fully answer the final question due to limited county-level data on fund utilization, expenditure outcomes, response timelines, and community-level impacts. The research could not systematically evaluate the social impact dimensions—such as reductions in mortality, displacement, or losses.

1.4 Scope and Coverage

This study focuses on four counties—Marsabit, Tana River, Nairobi, and Garissa—selected to capture diverse risk profiles, administrative capacities, and institutional arrangements for disaster and climate financing. Marsabit, Tana River and Garissa represent high-risk arid and semi-arid (ASAL) contexts with recurrent droughts and floods; Garissa also reflects a mixed ASAL–urban county with chronic humanitarian pressures; while Nairobi illustrates the dynamics of an urban, high-density county facing complex disasters ranging from fires and floods to disease outbreaks.

Table 1: County Level Disasters and Population Displacements

County	Population	Date of Event (Start)	Internal Displacements (number of people)	Hazard Category	Hazard Type
Garissa	841,353	2022-01-01	183000	Weather related	Drought
		2022-01-01	470	Weather related	Flood
Marsabit	459,785	2022-01-01	30000	Weather related	Drought
		2023-03-23	3000	Weather related	Flood
Tana River	315,943	2023-11-19	197,499	Weather Related	Flood
		2024-05-01	34,205	Weather Related	Flood
Nairobi	4,397,073	2021-11-27	200	Weather related	Flood
		2023-03-22	360	Weather related	Flood
		2024-03-24	9300	Weather related	Flood
		2024-01-12	77	Weather related	Flood

Source: International Displacement Monitoring Center, Plan International Report. Link, World Vision Kenya. link

The thematic scope of the study covers three interrelated domains:

Domain	Domain Description
Disaster Risk Management (DRM)	Preparedness, mitigation, response, recovery, and the institutionalization of DRM mandates at county level.
Emergency Response and Rapid Financing Mechanisms	Operational performance of the Emergency Fund established under the Public Finance Management Act.
County Climate Change Fund (CCCF)	Integration of adaptation planning, community-led resilience investments, and climate financing within devolved governance structures.

The temporal scope spans FY2022/23 to FY2024/25, allowing the study to analyze multi-year financing trends, recurrent audit findings, expenditure patterns, and the evolution of legal and institutional reforms during a period marked by major national disasters—including the 2022–2023 drought and the 2023–2024 El Niño floods.

The study engages a broad set of target groups relevant to disaster and climate financing ecosystems at county level through a combination of Key Informant Interviews (KIIs) and Focus Group Discussions (FGDS). These include:

- County Government Departments: Finance and Economic Planning; Environment and Climate Change; Special Programmes/DRM; Water and Agriculture; and other sector departments linked to emergency response.
- Civil Society Organizations (CSOs): including local humanitarian actors, climate advocacy groups, and organizations engaged in community resilience and participatory planning.
- ASAL Humanitarian Networks (AHN): such as the County Steering Group (CSG), Kenya Red Cross, NDMA field offices, and other operational actors involved in early warning, emergency coordination, and response.
- Community Representatives: including ward-level committees, women and youth groups, persons with disabilities, pastoralist community leaders, and other frontline actors who directly experience the effects of disasters and climate shocks.

Together, these parameters define the geographic, thematic, temporal, and stakeholder boundaries of the study, ensuring a focused yet comprehensive analysis of county-level disaster and climate financing systems in Kenya.

2 Conceptual and Analytical Framework

2.1 Conceptual Foundations

Disaster-prone counties increasingly rely on a combination of disaster risk financing instruments, coordination mechanisms, and accountability practices to safeguard lives and livelihoods. This study adopts a conceptual framework that links these elements to the broader social impacts that counties aim to achieve—reduced vulnerability, faster response times, inclusive recovery, and strengthened local leadership in humanitarian action.

Disaster Risk Financing as the Foundation of Local Preparedness and Response

County governments in Kenya are legally empowered to establish public funds—such as the Emergency Fund, Disaster Risk Management Fund (DRMF), and County Climate Change Fund (CCCF)—to allocate resources for preparedness, mitigation, rapid response, and adaptation. These funds form the financial backbone of county-level disaster management systems. However, counties must determine how much to invest in pre-arranged financing instruments, and how much to rely on funding directly from the budget, either through ordinary budget lines or supplementary budget revisions when a disaster strikes.

Effective disaster financing is defined not only by the existence of funds in law, but by the degree to which counties fund, manage, and deploy these instruments in a predictable, timely, and equitable manner, along with other budgeted resources. Predictability and adequacy of funding influence a county's ability to act early, reduce losses, and prevent emergencies from escalating.

Effectiveness of disaster financing is also measured by the extent to which service delivery is safeguarded from disruptions resulting from significant reallocations of budgetary funds towards disaster response. Greater reliance on pre-arranged financing, such as allocations to off-budget funds, can achieve this, but must be balanced against the need to finance services and capital expenditure through the ordinary budget. Striking this balance is not easy, because in the event that a disaster does not strike, money is not spent that could have been used for services or investment.

Coordination as the Operational Link Between Financing and Response

Financing alone does not guarantee effective disaster response. Resources must be connected to decision-making institutions capable of rapidly assessing needs, prioritizing interventions, and mobilizing actors on the ground. The framework conceptualizes coordination as the operational bridge that converts financial resources into action. This includes linkages between:

- Fund administrators and disaster management departments, such as the disaster management fund and the county treasury.

- Multi-stakeholder platforms such as the County Steering Group (CSG).
- National actors such as NDMA; and
- Local humanitarian responders and community structures.

Well-functioning coordination structures ensure that financing is triggered by evidence, deployed with clarity on roles, and aligned with local needs. It also ensures that disaster response is linked to long-term prevention and resilience: a reduction in the impact of disasters.

Transparency and Accountability as Safeguards for Effective and Inclusive Use of Resources

Transparency, oversight, and public reporting determine whether disaster funds are used lawfully, efficiently, and equitably. In this framework, transparency is both a governance principle and a practical mechanism for ensuring that funds serve the purposes they are created for, including reaching affected populations. The measure adopted for transparency largely depends on disclosure of fund information which is also the measure of fund operationalization.

Oversight by the County Assembly, the Auditor-General, and the Controller of Budget—and the disclosure of emergency expenditures—enhances public trust, deters misuse, and provides a basis for adaptive learning. Inclusiveness, particularly participation of communities at risk, the use of gender-disaggregated data and community feedback, is conceptualized as an accountability dimension that shapes the fairness and relevance of emergency spending.

Alignment with Oxfam's Local Humanitarian Leadership (LHL) Agenda

Oxfam's Local Humanitarian Leadership agenda emphasizes shifting power, resources, and decision-making to local actors. This study positions county governments, community institutions, and local CSOs as critical humanitarian leaders, not merely administrative units. Within the conceptual framework, LHL is embedded in three ways:

1. Financing: Stronger, better-funded county funds and responsive budgets enable more autonomous and faster county-led responses, reducing reliance on external humanitarian financing.
2. Coordination: Local platforms such as the CSG, county steering committees, ward committees, and community planning structures serve as hubs of locally led emergency and resilience building decision-making.
3. Accountability: Community participation, transparency in fund reporting, and gender-responsive budgeting are treated as essential pathways for shifting power to those closest to crises.

Fig. 1: Visual Causal Diagram

Weak Participation & Exclusion
Limited Community Voice in DRM & Climate Finance
Poorly Aligned Priorities & Elite / External Control
Discretionary & Opaque Use of Funds
Delayed, Inequitable, Reactive Responses
Lower Resilience & Heightened Climate-Induced Risk

By integrating these dimensions, the framework situates disaster financing within a broader ambition: building county systems that are financially empowered, institutionally coordinated, transparent, and inclusive—core pillars of locally led humanitarian action.

This causal pathway aligns directly with Oxfam's Local Humanitarian Leadership framework:

Oxfam LHL Principle	Governance Mechanism in Study
Shift power	Community participation in fund governance and planning
Shift resources	Predictable, locally controlled DRMF, EF, and CCCF financing
Shift decision-making	County and ward-level institutions functioning as designed
Strengthen accountability	Transparent reporting, audit, and community oversight

Weak participation undermines all four pillars simultaneously. Where participation structures exist only on paper—as evidenced by FGDs and KIIs—local institutions lose authority, external actors fill the governance vacuum, and humanitarian action becomes less effective, less accountable, and less legitimate.

2.2 County Disaster Governance Diagnostic Framework

This study applies an integrated analytical lens that brings together public finance management (PFM) principles, gender and social inclusion, and the humanitarian–development nexus. These perspectives guide how the research interprets county disaster financing systems, evaluates institutional performance, and assesses the extent to which counties are advancing locally led humanitarian leadership. Weak compliance with PFMA reporting obligations is not just a technical issue, it is a governance failure that undermines constitutional devolution.

Public Finance Management Principles

The assessment is grounded in core PFM principles that shape how public resources should be allocated, managed, and overseen. These include:

- Efficiency: examining whether counties allocate and deploy disaster financing in ways that deliver timely, cost-effective, and need-responsive interventions. This involves analyzing budget absorption, fund utilization patterns, and the speed of emergency expenditure.

- **Transparency:** assessing the availability, clarity, and accessibility of financial information—such as independent fund statements, audit reports, and public disclosure of emergency withdrawals. Transparency is a key determinant of public trust and accountability.

- **Accountability:** evaluating the strength of oversight structures, including the role of County Assemblies, Auditor-General, Controller of Budget, and internal controls within County Treasuries. The analysis explores whether legal frameworks translate into real monitoring and corrective action.

- **Participation:** reviewing how counties incorporate community voices into the planning, prioritization, and monitoring of disaster and climate financing. This includes assessing whether fund mechanisms create space for public input, feedback loops, and engagement with civil society actors.

Together, these principles allow the study to determine whether county financing systems conform to good governance standards and whether they are capable of supporting equitable and timely disaster response.

Humanitarian–Development Nexus

The study was designed to adopt a humanitarian–development nexus perspective, recognizing that counties must respond to immediate emergencies while simultaneously investing in long-term resilience and climate adaptation. The analysis therefore, hoped to assess:

- How emergency financing connects with broader county budgets: Clarify the extent to which Emergency Funds interact with—and depend on—the main county budget. This includes whether counties integrate emergency needs into annual budgets, how supplementary budgets are used during crises, and whether off-budget Emergency and Disaster Risk Management Funds reduce pressure on routine budget lines or simply duplicate them.

- The relationship between short-term response and long-term climate investments through funds like the CCCF: Explain how immediate disaster response (via Emergency Funds) is or is not linked to longer-term resilience financing under CCCF structures. This includes whether counties use CCCF investments to reduce future emergency costs, whether coordination exists between DRMCs and CCCSCs, and whether climate investments are informed by lessons from past emergencies.

This approach was meant to situate disaster financing not as a standalone function, but as part of a wider county governance ecosystem that seeks to reduce vulnerability, promote adaptation, and advance locally led resilience pathways. However, as discussed in the limitations section, we could not fully answer these questions.

3 Methodology

3.1 Study Design

The study employed a mixed-methods design, combining quantitative analysis of budget and expenditure data with qualitative insights from legal frameworks, key informant interviews and community perspectives. This approach enabled a comprehensive assessment of how counties structure, finance, and operationalize disaster and climate-related funds.

A comparative analysis was undertaken across the four counties—**Marsabit, Garissa, Tana River, and Nairobi**—to identify similarities, variations, and systemic patterns in fund governance, transparency, participation, and responsiveness. The design allowed for triangulation of findings to strengthen validity and ensure that conclusions are grounded in both empirical data and lived experiences.

3.2 Data Collection Methods and Analysis

Document Review: The study analyzed a wide range of secondary sources, including budget documents, fund legislation, the Public Finance Management Act (PFMA), County Climate Change Acts and Disaster Risk Management (DRM) laws. Oversight reports from the Office of the Controller of Budget (COB) and Office of the Auditor-General (OAG) were reviewed to assess fund allocations, utilization, and compliance.

Key Informant Interviews (KIIs): Interviews were conducted with county officials (Finance, Environment, Special Programmes, Disaster Management, Planning), members of the ASAL Humanitarian Network (AHN), representatives of civil society organizations, and national institutions such as NDMA and NEMA. KIIs provided insights into fund operations, coordination dynamics, and institutional constraints.

Focus Group Discussions (FGDs): FGDs were held with community representatives, including women's groups, youth groups and traditional leaders. These discussions helped assess perceptions of inclusiveness, community engagement, and the gender and social dimensions of fund utilization.

3.3 Data Analysis

Quantitative Analysis: Budget allocations, transfers to public funds, and expenditure levels were compiled for FY2022/23–2024/25. The analysis included:

- Fund allocation across multiple public reports and budget documents
- Trend analysis across counties and financial years
- Compliance checks against legal thresholds (e.g., 2% CCCF requirement)

To strengthen validity, quantitative findings were systematically triangulated with qualitative

evidence. Budget figures and compliance assessments were cross-checked against the Controller of Budget reports and county implementation reports. Interview data from treasury officials and fund administrators were used to clarify discrepancies in allocations, transfers, or reporting practices. Community consultations provided ground-level validation of whether reported expenditures translated into visible activities or services. Where inconsistencies emerged, documentary sources were prioritized, and unresolved discrepancies are clearly noted in the analysis.

This triangulation ensured that financial trends and compliance conclusions were supported by multiple, independent sources of evidence.

Qualitative Analysis: Interview and FGD transcripts were synthesized, focusing on coordination practices, community participation, gender inclusion, transparency, and fund governance. The analysis sought to identify institutional patterns, bottlenecks, and enablers of effective disaster and climate financing.

3.4 Limitations of the Methodology

The study faced several constraints that shaped the scope and depth of the analysis. Mitigation measures were applied to reduce their impact on the robustness of the findings.

Incomplete or inaccessible financial data.

In some counties, fund-specific financial statements and utilization records were unavailable or embedded within consolidated accounts, limiting precise expenditure tracking. To mitigate this, the team triangulated data using Programme-Based Budgets, budget implementation reports, Controller of Budget (COB) reports, and supplementary county records. Financial trends were cross validated through interviews with treasury and fund officials, and the analysis focused on verifiable patterns rather than highly disaggregated figures.

Incomplete access to key officials.

County-level representatives of the Office of the Office of the Controller of Budget (COB) were not interviewed in Garissa, Marsabit, and Tana River. To mitigate this gap, the research team conducted a detailed interview with a national-level OCOB representative, whose insights strengthened interpretation of the fund performance tables and compliance findings reported in official OCOB publications. These perspectives, combined with published OCOB reports, provided authoritative oversight context for the analysis. However, the absence of county-level OCOB interviews limited direct validation of fund withdrawal procedures, compliance monitoring practices, and certain expenditure reporting details, thereby constraining full triangulation in these areas.

Potential recall bias.

Some respondents relied on memory when describing past events and financing decisions. This risk was reduced through cross-checking interview accounts against documentary evidence and prioritizing recurring patterns confirmed by multiple respondents.

Overall, triangulation, reliance on official documentation, and clear qualification of evidentiary gaps ensured that the findings remain analytically sound and appropriately bounded.

4 Performance–Budget & Oversight Analysis

In this section, we present a comprehensive analysis of the structure, financing patterns, oversight mechanisms, and participation dynamics of the disaster–climate financing architecture across the four study counties: Marsabit, Tana River, Nairobi City and Garissa County. Using budget data, legal frameworks, and institutional reviews, the section assesses whether these counties have established credible, transparent, and inclusive financing systems capable of supporting locally led disaster readiness, response, and resilience.

The analysis reveals significant divergence between *the legal intent* of funds and *their actual operationalization*, highlighting a recurring pattern in which funds exist in law but remain under-funded, dormant, or weakly governed — undermining their intended purpose. Generally, this weakens the local humanitarian leadership ecosystem.

4.1 Overview of County Disaster Financing Architecture

4.1.1 Structure and Purpose of Disaster, Emergency, and Climate Change Funds

The Fourth Schedule of the Constitution of Kenya (2010) assigns disaster management functions to both national and county governments. The Public Finance Management (PFM) Act (2012) empowers each level of government to establish Emergency Funds (EFs) as rapid-response financing mechanisms for unforeseen shocks. Complementing this, the Climate Change Act (2016, amended 2023) and the National Climate Change Action Plan (NCCAP III, 2023–2027) integrate climate adaptation into both national and county development planning and provide for a national Climate Change Fund (CCF), although the latter is yet to be operationalized.

Table 2: Overview of national frameworks governing disaster and climate financing instruments

Legal / Policy Instrument	Level of Gov't	Core Mandate	Financing Instrument(s)	Relevance to Disaster & Climate Action
Constitution of Kenya (2010), Fourth Schedule	National & County	Assigns disaster management functions across both levels of government	—	Establishes shared responsibility for disaster risk management and response
Public Finance Management Act (2012)	National & County	Governs public financial management and emergency expenditures	Emergency Fund (EF)	Enables rapid response financing for unforeseen shocks at both levels of government

Climate Change Act (2016, amended 2023)	National & County	Mainstreams climate change adaptation and mitigation into planning and budgeting	National Climate Change Fund (CCF); County Climate Change Funds (CCCFs)	Anchors climate adaptation in development planning and provides for dedicated climate finance instruments
National Climate Change Action Plan (NCCAP III, 2023–2027)	National (guiding counties)	Operationalizes climate adaptation and resilience priorities	Programmatic and project-based climate financing	Aligns national and county investments toward resilience, early action, and climate risk reduction
Draft National Disaster Risk Management Policy (2023)	National (guiding counties)	Proposes an integrated approach to disaster risk reduction, preparedness, and response	National Disaster Emergency Fund (NDEF); coordination mechanisms	Signals a shift toward anticipatory action, preparedness, and long-term risk reduction
County-Level Legislation (DRMF, EF, CCCF Acts)	County	Establishes county-specific disaster and climate financing mechanisms	DRMFs, EFs, CCCFs	Translates national frameworks into locally led disaster response and climate adaptation systems

Taken together, these constitutional, legal, and policy frameworks reflect a national shift toward resilience, early action, and long-term risk reduction. They also create multiple financing instruments across national and county levels. However, as the analysis later shows, the challenge lies not in the absence of frameworks, but in fragmented operationalization, unclear coordination across instruments, and uneven translation of legal mandates into predictable, transparent, and locally led financing in practice.

Extra-Budgetary Funds in County Disaster and Climate Finance: Design Logic, Governance Risks, and Implications for Local Humanitarian Leadership

The county instruments created under these frameworks—Emergency Funds, Disaster Risk Management Funds (DRMFs), and County Climate Change Funds (CCCFs)—are all forms of public funds or extra-budgetary funds (EBFs). EBFs generally exist outside the annual budget process, maintain their own bank accounts, and are managed by designated fund administrators. EBFs can accumulate resources across years, pool donor and domestic financing, and retain unspent balances, making them suitable for both rapid response and long-term investments such as adaptation and risk reduction. From a public finance perspective, EBFs are justified when governments need:

- Agility to respond to sudden shocks without lengthy budget revisions.
- Reserves ("rainy-day funds") that can be deployed immediately during emergencies.
- Multi-year flexibility to finance long-term investments whose timelines extend beyond a single fiscal year.
- Dedicated mechanisms to combine donor funds with county resources while maintaining separate reporting obligations.
- These advantages align with the goals of locally led humanitarian action (LHL) by ensuring counties have predictable, quickly deployable, and purpose-specific resources for preparedness, response, and adaptation.

However, transferring money from the budget into EBFs also reduces visibility and oversight. Once funds move off-budget, expenditure may not be fully disclosed, legislative scrutiny weakens, and reporting is often inconsistent. Although the PFM Act requires the fund administrators of EBFs to prepare separate financial statements (PFMA 116, 167,168) and subject them to audit by the Auditor-General, these reports are rarely produced or published.

Thus, assessing EBFs requires weighing their potential benefits against risks of opacity. EBFs only strengthen local humanitarian leadership if they operate with high transparency, timely reporting, clear governance structures, and efficient utilization. Across the four counties studied, all have at various points established a combination of the DRMF, Emergency Fund, and CCCF.

Transparency, Reporting, and Accountability in County Disaster and Climate Funds

County performance on disaster and climate financing is shaped by the broader public finance governance environment in which these funds operate. County Budget Transparency Survey (CBTS) scores reveal wide variation in transparency and disclosure across the four counties (Table 3). Nairobi consistently records relatively strong transparency, with a five-year average score of 61.2, while Tana River falls within a moderate transparency range. In contrast, Garissa and Marsabit exhibit weak to very weak transparency, with Marsabit's average score of 24.8 indicating systemic disclosure failures.

Table 3: County Budget Transparency Scores (CBTS), 2020–2024

County	2020	2021	2022	2023	2024	5-Year Average
Nairobi	40	56	68	70	72	61.2
Marsabit	36	8	17	53	10	24.8
Tana River	36	48	49	65	59	51.4
Garissa	20	31	44	28	65	37.6

CBTS scores measure the availability and accessibility of budget information and serve as a proxy indicator for transparency and accountability conditions within which disaster and climate funds operate.

Table 4: Indicative Governance Compliance Bands Based on CBTS Averages

CBTS Average Range	Governance Transparency Interpretation
60 and above	Relatively strong transparency and disclosure practices
45–59	Moderate transparency with notable gaps
30–44	Weak transparency; inconsistent disclosure
Below 30	Very weak transparency; systemic disclosure failures

Table 5: Application to Study Counties

County	CBTS Avg	Governance Compliance Rating
Nairobi	61.2	Relatively strong
Tana River	51.4	Moderate
Garissa	37.6	Weak
Marsabit	24.8	Very weak

These transparency patterns broadly align with, but do not uniformly determine, the study's qualitative findings. Even counties with relatively higher CBTS scores do not exhibit stronger documentation practices, more consistent reporting, or greater legislative engagement. Or, that counties with lower scores more often display dormant funds, limited public disclosure, and weak oversight of Emergency Funds, DRMFs, and CCCFs. For example, even though Tana River and Nairobi score above average, none of these counties publish CCCF.

However, this relationship is not linear or universal. CBTS does not measure fund-level transparency or compliance for extra-budgetary funds directly, and higher overall budget transparency does not automatically translate into effective oversight of disaster and climate financing instruments. Rather, CBTS functions as a useful governance proxy: where baseline transparency norms, reporting routines, and accountability practices are weak, disaster and climate funds are less likely to operate as intended.

Taken together, the CBTS data and qualitative evidence suggest that Kenya's evolving

disaster and climate finance architecture—anchored in the Fourth Schedule of the Constitution, the PFMA (2012), and the Climate Change Act (2016, amended 2023)—faces uneven implementation at county level. While national frameworks increasingly emphasize resilience, early action, and risk reduction, their effectiveness depends on local governance capacity, transparency cultures, and oversight systems rather than legal design alone.

The evidence of fund establishment: Interpreting Controller of Budget (COB) Data

An obvious question is how we would know if a county that has a law or regulation establishing CCCF (or EF or DRMF) actually has an operational fund. We define operational as evidence that money is going into the fund, that the fund has a balance over time, and that money is coming out of the fund. The PFM Act requires reporting on these funds, but no county out of the four evaluated has publicly released a full annual report on their funds' financial or non-financial performance.

We therefore turn to county budgets and Controller of Budget (COB) reports to see if there is evidence of money flowing into and out of CCCFs (or EF or DRMF). We rely on the "Fund Performance" table for each county in COB reports, which provides information on the allocations, exchequer issues, actual expenditures, and the cumulative disbursements to the funds. On the budget estimates (PBB) we first look for a specific fund e.g. Emergency Fund or Disaster Risk Management Fund using their complete fund names. Then, we look for budget lines e.g., programs. The snippet below presents an example from Turkana:

Fig. 2: Sample of COB "Fund Performance" Table

Table 3.295: Performance of County Established Funds in the FY 2023/24

S/No.	Name of the Fund	Approved Budget Allocation in FY 2023/24 (Kshs.)	Exchequer Issues in FY 2023/24 (Kshs.)	Actual Expenditure in FY2023/24 (Kshs.)	Cumulative Disbursement to the Fund (Kshs)	Submission of Annual Financial Statements (Yes/No.)
1	Turkana County Emergency Fund	147,388,667	147,388,667	448,994,500	1,192,388,667	Yes
2	Turkana County Biashara Fund	50,000,000	50,000,000	914,176	360,325,320	Yes
3	Turkana County Youth and Women Empowerment Fund	50,000,000	50,000,000	1,875,921	425,000,000	Yes
4	Turkana County Education and Skills Development Fund	534,219,180	534,219,180	482,333,205	3,264,245,499	Yes
5	Turkana County Cooperative Enterprise Development Fund	-	-	1,931	96,251,070	Yes
6	Turkana County Climate Change Fund	393,443,958	393,443,958	34,034,600	513,443,958	Yes
7	Turkana County Water Service Fund	23,157,696	-	68,085,279	94,334,986	Yes

549 COUNTY GOVERNMENTS BUDGET IMPLEMENTATION REVIEW REPORT FOR THE FINANCIAL YEAR 2023/24

Source: Controller of Budget (OCOB) Report

Note that this table is not entirely clear. We assume that the table is measuring budgeted *flows to* county funds, such that what are labeled as allocations and issues, along with disbursements, are all flows *into* the funds. Initially, the actual expenditure column was ambiguous to us: is this expenditure into the funds or out of the funds?

Typically, the COB reports three things for any budget item: an allocation, an exchequer issue, and an expenditure. In general, the allocation is what was budgeted, the issue is an exchequer release of funds to the entity intending to spend that budget, and the expenditure is what was actually spent by that entity. Applied here, the budget is for the allocation to the fund, issue is to the agency that disburses to the fund (such as the ministry that oversees that fund), and the expenditure should be the spending of that issue to the fund.

However, in the case of such extra-budgetary funds, the interpretation might be different. Expenditure might either refer to (a): the spending of that issue to the fund (flow into the fund) or (b), spending from the fund (flow out of the fund).

The first interpretation (a) is consistent with other parts of the COB report but is at odds with the figure above. For example, it is unlikely that the Turkana EF was budgeted to receive KSh 147 million, that KSh 147 million was released against that budget, but that the EF actually received KSh 449 million. This leaves us with the second option (b): That, the EF spent KSh 449 million, drawing on its balance. Given that the EF had received more than KSh 1 billion in cumulative disbursements, it is conceivable that it had a large reserve and could have spent KSh 449 million in a single year.

To be certain, we reached out to the Controller of Budget (COB) and confirmed that the actual expenditure represents flows out of the fund (Phone communication with COB, Nov 28, 2025). In this case, then the COB provides some information about fund expenditure, though without any details, and provides no information about fund balances. We would need to know both cumulative disbursements to the funds and cumulative outflows in order to calculate these balances. Fund balances could theoretically be gleaned from Auditor General reports, however, as they should be considered assets in county annual financial statements.

Table 6: Fund Establishment Status

Fund / Instrument	Marsabit	Tana River	Garissa	Nairobi
Disaster Risk Management Fund (DRMF)	Not established	Not established	Not established	Not established
County Climate Change Fund (CCCF)	Legally established; partially operational	Legally established; operational	Legally established; operational	Not established
Emergency Fund	Operational	Operational	Operational	Operational

Fund administration

The Public Finance Management (PFM) Act assigns clear roles regarding the establishment and administration of public funds. Sections 110 and 116 empower the County Executive Committee (CEC) Member for Finance to establish public funds with County Assembly approval. The Act explicitly designates the CEC for Finance as the administrator of the Emergency Fund (EF), while all other funds created under Section 116 must be administered by an appointee of the CEC for Finance.

Why should public funds have separate administrators? The distinction between budgeted funds and extra-budgetary funds is rooted in the need to shield certain financing instruments from routine budget pressures. Because extra-budgetary funds sit outside the annual budget framework, they are meant to remain intact even when the county adjusts its budget to cover shortfalls. For instance, if revenues fall short, a supplementary budget may be used to reallocate funds across departments. EBF, however, is legally protected from such reallocations.

This protection becomes weaker when the same individual responsible for budget adjustments—the CEC for Finance—is also the administrator of the EBF. This creates both a perceived and practical conflict of interest: the person with authority to manage revenue shortfalls can be tempted to draw from the off-budget funds. For this reason, Section 116 provides for independent fund administration for other funds, underscoring the principle that extra-budgetary funds should not be treated like ordinary budgetary votes.

The PFMA excludes the EF from the logic described here, by appointing the CEC for Finance as the fund administrator. This suggests that the law envisions a different role for EF, which is not clearly defined, thus setting it apart from other funds. In sum, the legal framework envisions an EF that is administered by the CEC for Finance directly, but all other funds should observe a separation from the CEC.

However, counties do not consistently comply with these provisions. The EF administration requirements are unevenly applied across the four study counties. Both Garissa and Marsabit deviate from PFMA section 111 in practice. Instead of the CEC for Finance, the Director of Accounts in the Treasury heads the fund while in Garissa, the fund has been administered by two different officers, rather than the CEC for Finance, as documented by the Auditor-General (OAG 2021/2022 and 2023/2024 Audits Reports). Tana River's arrangements are more aligned with PFMA requirements, while Nairobi's structure remains unclear due to the absence of an EF Act, however, it is expected that its fund administration will fall back on the PFMA rules.

Table 7.1: Emergency Fund Administration Compliance.

Fund Admin (PFMA)	EF fund administration provisions in county law and in practice							
	Marsabit in:		Garissa in:		Tana River in:		Nairobi	
CEC Finance	Law	Practice	Law	Practice	Law	Practice	Law	Practice
	✓	X	✓	x	✓	✓	✓	✓

These counties have two other relevant funds created under section 116 to which fund administrators are required to be appointed by CEC for Finance as shown in the table below. Only two counties (Tana River and Garissa) have specified, in law, the fund administrators for Disaster Risk Management Fund (DRMF), while three of the four counties have specified their fund administrators for the County Climate Change Fund (CCCF) in compliance with section 116 of the PFM Act.

Table 7.2: Administrative arrangements as per law across the three Extra-Budgetary Funds

Administration Dimension	Marsabit	Tana River	Garissa	Nairobi
DRMF Administrator	Not Specified	Appointee of CECM for Finance	Chief Executive Officer[1]	NA– no DRMF Act
CCCF Administrator	Chief Officer, Environment	Appointee of CECM for Finance	Chief Officer, Climate Change	*Not applicable* – no CCCF
Emergency Fund Administrator	Treasury / Director of Accounts	CECM for Finance (PFMA-based)	CECM for Finance	CECM for Finance

Disaster Risk Management Fund (DRMF)

Legal and Institutional Framework

The establishment and performance of Disaster Risk Management Funds (DRMFs) vary considerably across the four counties, reflecting differences in legislation, institutional capacity, fiscal space, and the maturity of disaster governance systems. Marsabit and Tana River have had legal frameworks for several years—the Marsabit County Disaster Risk Management Act (2023) and the Tana River Disaster Risk Management Act (2020). Tana River's law provides for the creation of a DRMF to support preparedness, mitigation, response, and recovery while Marsabit is silent on fund establishment. However, we could not find evidence that either of these counties have operationalized the DRMFs. Garissa only recently enacted its Disaster Risk Management Act (2025), which introduces a DRMF for the first time, but it is still due to be operationalized. Nairobi lost its earlier framework following the repeal of

1 This position is not clear. Unless the county intends to create a new position under the DRM law, it is likely to be an error because the position of CEO is not part of the county structure.

the Disaster and Emergency Management Act (2015) to address gaps in functionality (KII's, August 29).

This uneven legal and institutional landscape is summarized in Table 5, which illustrates the status of DRMF establishment and operationalization across counties.

Table 8: Establishment and Operational Status of the DRMF

County	Status of Legal Framework	DRMF Established in Law	Evidence of operationalization
Marsabit	DRM Act (2023)[2]	Yes	None. No evidence of allocations
Tana River	DRM Act (2020)[3]	Yes	Financial Statements (FS) for 2022/2023, OAG Report
Garissa	DRM Act (New, 2025)[4]	Yes	None. DRMF not legally established in the absence of standing law
Nairobi	No DRM law	No	None. DRMF not legally established

Community perspectives (FGD, Marsabit, Tana River, Nairobi and Garissa: August 19, 21, 29 and Oct 27-29, 2025) show that DRM law is practically invisible to communities across all counties. Participants in Marsabit, Tana River, Nairobi, and Garissa reported never hearing of a Disaster Risk Management Fund or DRMF Act. This widespread lack of awareness indicates that even where the DRMF exists in law (Tana River), the Fund is not visible or accessible to frontline communities.

Compliance with public finance requirements on DRMF remains inconsistent in law. The Public Finance Management Act (PFMA) requires every county public fund to keep records of proper books of account, and quarterly and annual reports submitted to the Auditor-General. In practice, only Tana River County has reported on the fund to the OAG in all the three years reviewed: 2021/2022, 2022/2023 and 2023/2024 FYs.

FGDs confirm these reporting gaps: there is little awareness of the laws or funds related to disaster risk spending among communities across all four counties. Tana River is the only county where fund reports should be available, but communities have never seen these reports. This also validates the Auditor-General's finding of weak PFMA compliance and demonstrates that DRMF accountability structures are not functioning in practice.

Financing Patterns and Budget Allocations.

The financing of DRMFs reflects similar disparities. Marsabit and Tana River DRMR laws have not defined the rules of fund allocation. Neither Garissa nor Nairobi had legal frameworks during the period under review, so we do not assess their allocation rules. However, county

2 Marsabit Disaster Risk Management Act 2023.Link
3 Tana River Disaster Risk Management Act 2020.Link
4 Garissa Disaster Risk Management Bill 2023. Link

officials in Tana River (KIIs, Tana River, Oct 21, 2025) stated that the county has committed to allocating 2% of its development budget to the fund annually. Budget analysis confirms that actual allocations have indeed exceeded Tana River's commitment, averaging 4–5% over the review period. According to OAG and COB, the county allocated the DRM in each of the three years. However, the allocation records vary across the two documents as shown in the table below while there is no evidence that the rest of the counties made allocations across the three years. In the absence of a DRM law which establishes DRMF, Garissa and Nairobi counties financed disasters through the budget as shown in table 5.2 below.

Table 5.1: Status of DRM Operational Status (COB) Fund Performance Table and OAG reports (FY 2021/22–2023/24)

County	21/22 (KSh M)			22/23 (KSh M)			23/24 (KSh M)		
	COB*[5]	COB**	OAG	COB*	COB**	OAG	COB*	COB**	OAG
Tana River	0	0	132.2	0	133.3	132.3	0	154.7	140

Source: Controller of Budget and County PBBs 2021/2022, 2022/2022 and 2023/2024

FGDs echoed these financing disparities. In Marsabit and Garissa, communities described the county as "absent" during disasters, relying instead on non-state actors (FDG, Garissa, Marsabit August 19 and Oct 27-29, 2025). In Tana River and Nairobi, communities said they were unaware that a DRMF exists at all, reinforcing the finding that extra-budgetary funds—even where DRMF has been established (Tana River) —are not translating into tangible, visible disaster response or, are less visible.

Table 5.2. Other budgetary allocations for disaster risk management besides DRMF

County	21/22 (KSh M)		22/23 (KSh M)		23/24 (KSh M)		Notes of budgetary allocations to other than DMRF (indicate programs from which total allocation is summed if multiple)
	PBB	COB	PBB	COB	PBB	COB	
Nairobi	573.8	546.5	327.7	937.4	483.1	460.6	The COB allocation is under the Disaster Management & Coordination program. PBB P; 0726005310: Disaster Management Coordination
Marsabit	0	0	0	0	0	0	No allocations

5 denotes data drawn from the relevant table in the COB and ** denotes data drawn from the COB narrative texts.

Tana River	141.6	147.6	134.8	1.5	141.2	3	COB: Program: Drought management (Preparedness, Response, Mitigation and Recovery the drought contingency Program. For 2021/2022 the allocation is from the Natural Disaster Mitigation programme PBB Program 2: Drought management (Preparedness, Response, Mitigation and Recovery
Garissa	11.6	0	0	0	542.94	0	PBB FY2023/24 Program; Disaster Risk Management PBB FY 2021/22 CSP 3.1 Urban Planning and Disaster Management

The comparison highlights two important findings. First, legal requirements do not necessarily translate into strong extra-budgetary financing instruments: Three of the four counties have laws mandating the establishment of DRMF; however, it is only in Tana River that there is evidence that DRMF is established. As seen in the table above, there is a mismatch between COB and PBB on budgetary funds which signifies limited transparency. This also points to the possibility that these counties may have established funds but are not reporting to COB and any public platform. Second, the absence of a DRMF does not prevent counties from financing disaster response. As shown in the table above, albeit not having legal frameworks, the budgetary funds for disaster in both Nairobi and Garissa are relatively greater than Tana River's DRMF. However, it is important to note that there is a risk of unaccountability when budgetary allocations are spread across multiple departmental budget lines and there are no dedicated units to manage disaster management financing.

Coordination and Institutional Functionality

Coordination of disaster governance varies across counties both in law and in practice. The DRM laws across the three counties of Tana River, Marsabit and Garissa create a Disaster Risk Management Committee (DRMC) with varying membership as shown in the table below. NDMA, Kenya Red Cross, County Commissioner and the Governor who chairs the committee are the most consistent members across the DRMCs.

Table 6.1: Membership of County Disaster Risk Management Committees (DRMCs)

DRMC Membership	Tana River	Marsabit	Garissa	Nairobi
Governor or Representative (Chair)	✓✓	✓✓	✓✓	NA
County Commissioner	✓	✓	✓	NA
CECM for Disaster Management	✓	x	✓	NA
CECM Responsible for Finance	✓	x	✓	NA
County Secretary	x	x	✓	NA

CO for Special Programmes	✓	✓	x	NA
CO in charge of DRM; Environment; Finance	x	✓	x	NA
County Liaison for Kenya Red Cross Society	✓	✓	✓	NA
Private Representative	x	x	✓	NA
County Liaison for NDMA	✓	✓	✓	N/A
Director in charge of DRM	x	x	✓	NA
NGO/CSO Consortium/Umbrella	x	✓	✓	NA
Reps for PWD and Women	x	x	✓	NA
4 sub-county residence	x	✓	x	NA

(✓ = Provided for in county legislation; ✓✓ = leadership roles; N/A = No DRMF Act / Committee not established)

Although the Disaster Risk Management Committees (DRMCs) in Garissa, Marsabit, and Tana River appear similar at a high level—each combining elements of prevention, preparedness, coordination, and oversight—their actual mandates differ significantly. Tana River assigns the most operational and response-driven role to its DRMC, including conducting vulnerability assessments, issuing preparedness guidelines, coordinating emergency response, mobilizing volunteers, negotiating on cross-border disasters, implementing national DRM policy, and directly administering the DRMF. Garissa, by contrast, establishes a DRMC with a largely strategic and advisory mandate: promoting integrated DRM across sectors, serving as the county's information hub on risks and disasters, advising county institutions, recommending legislation, endorsing budgets and plans, and promoting research and public awareness. Further, Garissa creates a directorate of disaster risk management to complement the DRMC. Marsabit falls between these two models: its DRMC focuses on oversight, capacity assurance, and intergovernmental coordination, ensuring departments have adequate resources, reviewing risk assessments, advising the governor on disaster declarations, liaising with national and county stakeholders, mobilizing resources, and coordinating response interventions.

Table 6.2. Comparison of DRMC Mandates

Function Category	Garissa DRMC	Marsabit DRMC	Tana River DRMC
Purpose & Orientation	Strategic and coordination-oriented	Oversight, capacity assurance & coordination	Highly operational and response-focused
Risk Assessment	Acts as repository & conduct of risk information	Reviews risk assessments; commissions research	Conducts vulnerability assessments & identifies mitigation measures
Preparedness & Mitigation	Promotes integrated DRM across sectors	Ensure departments have adequate resources for DRM	Issues preparedness guidelines; evaluates readiness across actors
Coordination Role	Coordinates government & non-state actors; advisory role	Coordinates response; liaises across counties & national gov't	Coordinates response; handles cross-border disaster coordination

Advisory Functions	Advises County Assembly, CEC, NGOs & communities	Advises Governor, especially on disaster declarations	Implement national DRM policy; provides county-wide guidance
DRMF Governance	Mobilizes resources; endorses DRM budgets; receives grants	Mobilizes resources & ensures funding availability	Directly administers & mobilizes DRMF resources
Legislation & Planning	Recommendation legislation; approves DRM plans	Commissions studies; supports DRM-related planning	Approves DRM plans; issues directives during disasters
Community Engagement	Disseminates DRM information to communities	Limited explicit provisions	Promotes volunteer recruitment & training
Disaster Declaration	Recommends declaration to Governor	Advises Governor where appropriate	Give directions during disaster events
Intergovernmental Role	Liaises with national government, NGOs, private sector	Liaise with other counties & national gov't	Negotiates with national gov't & other counties

Despite the breadth of these mandates—and the clear differences across counties—none of the DRMCs have been established or operationalized in practice.

Instead, Tana River, Marsabit, and Garissa counties all rely on a County Steering Group (CSG)—a long-standing coordination platform that predates devolution. The CSG reviews funding requests, prioritizes interventions, and coordinates humanitarian actors (GoK 2009; GoK 2012; NDMA 2014–2023; KDRDIP PIM 2017). However, it is not anchored in county legislation, and its mandate remains informal.

The County Steering Group (CSG) is a historical coordination platform whose origins can be traced to national government community development and disaster policies before 2013. These policies proposed multi-stakeholder steering committees at subnational levels, laying the foundation for coordination structures that later evolved into county-level platforms.

Following the establishment of county governments in 2013 under the County Governments Act (2012), the CSG was adopted and expanded as the primary coordination forum used by the national government and development partners. It became institutionalized through major national programmes such as the Kenya Development Response to Displacement Impacts Project (KDRDIP), which formalized its use in approving annual work plans, harmonizing development partners, and coordinating humanitarian responses.

Today, in Garissa, Marsabit, and Tana River, the CSG operates as the de facto platform for coordinating disaster response and broader development interventions. Membership typically includes NDMA (often serving as secretariat), the Kenya Red Cross Society, NEMA, relevant county departments, UN agencies, and local NGOs–most of which are invitational. The CSG is conventionally chaired by the County Commissioner, reflecting its roots as a

national-government-led platform rather than a county-owned governance institution.

Although the CSG does not differ much from the DRMC in membership and provides a functional coordination platform, its role and functioning vary significantly from the mandate of the DRMC. It is primarily response-driven and reactive, limiting the strategic, anticipatory, and community-led planning envisioned under the DRM Act. The CSG's agenda is largely set by national government agencies and development partners, making it ill-suited to replace the DRMC as envisioned in law.

Nairobi represents the weakest coordination model in the sample. With no DRM law, disaster coordination is handled administratively within the Governor's Office. Sub-county disaster officers, ward administrators, and humanitarian partners play key roles, but coordination remains largely ad hoc, event-driven, and unsupported by any formal structure for preparedness, risk assessment, or integrated planning. The contrast between legal and operational coordination arrangements across counties is illustrated in Table 7.

Across all counties, FGDs confirmed the absence of operational DRMF coordination structures. No community member in Nairobi, Marsabit, Tana River, or Garissa could identify a County DRM Committee or DRMF governance body. Instead, participants consistently referenced the County Steering Group (CSG) or NGOs as the de facto coordinators—underscoring the non-operational status of statutory DRMF governance institutions and highlighting the gap between legal provisions and practical implementation.

This historical evolution explains why the CSG remains deeply entrenched in practice yet poorly aligned with county DRM and climate governance frameworks. It underscores the urgency of harmonizing roles, clarifying mandates, and integrating both DRM and climate coordination structures into a coherent system that supports locally led humanitarian leadership.

Table 7: Coordination Structures: Legal Intent vs Actual Practice

County	DRM Committee Established in Law	Operational?	Actual Coordination Platform
Marsabit	Yes	No	CSG
Tana River	Yes	No	CSG
Garissa	Yes	No	CSG
Nairobi	NA	NA	Administrative/Ad Hoc

Financial Reporting, Accountability and Participation

Our assessment of transparency uses the same metric as operationalization of the fund. We measure operationalization using COB reporting under the "County Fund Performance" table, complemented by a search in the county websites for independent fund reports as well as Auditor General Reports. Therefore, as described earlier, it is only one county (Tana River) that has established a fund. In the absence of fund reporting in COB or any public source for the other counties, it is assumed that all the other three counties have no DRM.

If this measure of operationalization is correct, then only Tana River would be expected to produce and publish fund reports for its DRMF. This is how we would assess transparency. We find that Tana River does not publish any fund reports and thus is not transparent. Of course, if other counties do have funds but do not report to the COB, then those funds are even less transparent than Tana River.

Across the four study counties, inclusivity and public participation remain the weakest elements of disaster risk management. Although the laws contain varying provisions for engagement—stronger in Marsabit, minimal in Garissa and Tana River—the absence of operational DRMCs means these requirements remain unimplemented. The result is a system where participation is legally recognized but practically absent.

Community perspectives reinforce this disconnect. Engagement is largely reactive, top-down, and informational rather than participatory. DRM communication flows through administrative structures—chiefs, village elders, and Nyumba Kumi—rather than through structured forums for constructive and proactive engagement (FGD, Tana River, Aug 21, 2025). Even organized groups, such as Bridge Shakers and Comb Green, in Nairobi County, who are involved in environmental or preparedness activities report being funded by NGOs and not the government. Where the government funds initiatives involving communities, such as the Green Army, they are excluded from planning: "*Kwa project planning auko lakini wewe unaambiwa ukuje tu job (..you are not involved in the project planning, but, you can be offered a job*" (FGD, Nairobi, Aug 29, 2025). In Marsabit, community members first learned about disaster funds during the FGD itself, noting: "*Wanakuja wanatusomea projects za budget na wanaenda… tutaaanza kufuatilia sasa (now that we know there are disaster funds, we will start following up*" (FGD, Aug 19, 2025).

Taken together, legal gaps, top-down and one-way institutions, and exclusionary practices have created a model of disaster management where communities—despite being first responders and primary victims—have limited influence over preparedness, mitigation, or the allocation of emergency resources. As a result, the potential of DRM laws to enable accountable, equitable, and locally led disaster governance remains largely unrealized. Strengthening participation mechanisms and operationalizing the institutions mandated by law is therefore essential to close the gap between policy intent and practice and to build a disaster financing system that genuinely reflects community priorities.

4.1.2 County Climate Change Fund (CCCF)

The County Climate Change Fund (CCCF) is the principal instrument for financing climate adaptation and resilience at county level. Marsabit, Tana River, and Garissa have laws establishing CCCFs through county legislation, the Marsabit County Climate Change Fund Act (2020)[6], the Tana River County Climate Change Fund Act (2021)[7], and the Garissa County Climate Change Fund Act (2018)[8], respectively. Garissa county's law was however repealed

6 Marsabit County Climate Change Fund Act (2020). Link
7 Tana River County Climate Change Fund Act (2021). Link
8 Garissa County Climate Change Fund Act (2018). Link

and replaced with a new act in 2025. Nairobi, by contrast, has no climate change law and therefore lacks a dedicated climate finance mechanism.

In the three ASAL counties where CCCFs exist in law, the Funds are designed to operationalize Kenya's climate governance framework—anchored in the Climate Change Act (2016)—by strengthening county-level climate planning, financing, and implementation. While the Act does not prescribe instruments such as Ward Climate Change Planning Committees (WCCPCs), these structures appear across county CCCF laws, reflecting design templates introduced through the World Bank–supported Financing Locally-Led Climate Action (FLLoCA) programme. FLLoCA, a national climate-finance initiative implemented by the Government of Kenya with development partners, promotes "locally led climate resilience actions" by standardizing planning, institutional, and participatory requirements at county level.

This external influence has helped harmonize county approaches, but it also raises questions about the depth of truly "local" leadership in shaping climate finance architecture. Even so, within county legislation, CCCFs embed mechanisms for community participation, decentralized planning, and locally prioritized adaptation, aiming to institutionalize climate finance and integrate resilience investments into county planning and budgeting systems.

Although all three counties have formal legal frameworks, the degree of operationalization varies significantly. Based on the COB reporting under the "County Fund Performance" table, only Garissa has an operational fund while there is no evidence that Marsabit and Tana River have operationalized their CCCF. Nairobi implements climate-related initiatives through departmental budgets in the absence of a county climate change law. This landscape is summarized in Table 8.

Table 8: Status of CCCF Establishment and Operationalization

County	CCCF Act Exists	Fund Established in Law	Fund Operational	Notes
Marsabit	Yes (2020)	Yes	No	No allocations in both COB and PBBs.
Tana River	Yes (2021)	Yes	No	No allocations in both COB and PBBs
Garissa	Yes (2018)	Yes	Yes	Operational with allocations in at least one year, repealed in 2024.
Nairobi	No	No	No	No law creates CCCF

However, FGDs show that communities in Marsabit, Garissa, and Tana River have very limited—and in some cases no—understanding of CCCF mandates, processes, or projects. Instead, residents primarily recognize FLLoCA-funded initiatives. In Tana River, climate activities are associated more with NGOs than with county climate structures, while in Marsabit and Garissa, participants identified only donor-supported FLLoCA projects and were generally unaware that a CCCF exists. Consistent with KIIs, Garissa respondents described FLLoCA projects implemented per ward—for example, the solarization of Gubatu Farm in Iftin Ward—highlighting that FLLoCA, rather than CCCF, is the visible face of local climate action.

Because FLLoCA is intended to strengthen CCCFs (FLLoCA Program Technical Assessment) and county capacity for locally-led climate action, community awareness of FLLoCA but not CCCF indicates that CCCFs remain overshadowed and far less visible or capacitated than envisioned. This reflects weak civic awareness and limited public visibility of CCCF operations.

Fund Administration and Institutional Arrangements

Each CCC Act designates a fund administrator responsible for maintaining accounts, coordinating disbursements, and ensuring compliance with reporting requirements under the PFMA. In Tana River and Marsabit, the CEC Finance is empowered to appoint this administrator—with Marsabit specifying that the appointee must come from the department responsible for Environment. In Garissa, however, the provisions are inconsistent. Section 23(2) assigns fund administration to the Chief Officer for Finance and Climate Change—a position that does not exist—while also stating that the fund shall be managed by the Director of Climate Change and simultaneously empowering the CEC Finance to appoint a fund administrator. In law, Garissa has a fund administrator and a fund manager. By contrast, Garissa's now-repealed CCCA (2018) provided a clearer framework, simply requiring the CEC Finance to appoint the fund administrator.

In practice, Marsabit, Tana River and Garissa have identifiable fund administrators who coordinate ongoing activities: Marsabit, Chief Officer for Environment; Tana River, Chief Officer for Finance; Garissa, Chief Officer for Climate Change. Although fund governance structures are established, the significance of these structures should be the availability of fund performance information including fund reports and information about investments, fund inflows and outflows as well as balances. However, none of the counties has fund performance information available.

Budget Allocations and Funding Patterns

The allocation patterns to the CCCF are among the clearest indicators of a county's commitment to climate resilience. Nationally, counties are expected to allocate at least 1.5% of their total budgets as a condition for accessing the CCRI component of the FLLoCA grants[9]. Marsabit requires a maximum of 2 percent of county revenue to be transferred annually to the fund, while Tana River and Garissa require at least 2 percent of the development budget. Across the counties, however, these legal requirements have been implemented unevenly.

Garissa met its legal threshold in the one year for which data is available (FY 2022/23), allocating KSh 60 million—approximately 2.14% of its development budget– and remains the only county with fund allocations in both the PBB and in the COB reports in at least one of the three years of study–although with disparities. As shown in table 12, Garissa has budgetary allocation in 2021/2022 which is not reflected in the COB report, while the COB data on the fund for 2022/2023 is higher than what is reported in the PBB. Neither Marsabit nor Tana River have fund allocations. However, in FY 2023/24, the COB reports that

9 https://documents1.worldbank.org/curated/en/099902210202538012/pdf/IDU-8df6a22b-a5d4-486e-9398-2fb50dfe0597.pdf

Marsabit has KSh 1.8 million balance carried forward which is presented as revenue, though technically this should be treated as an asset.

Other than Garissa, it is not possible to assess both fund establishment and their compliance with allocation rules in the other counties in the absence of fund reporting data in COB and the complementary sources. These disparities are captured in Table 9, which summarizes the allocation trends and legal compliance.

Table 9: Allocations to CCCF in COB and Corresponding budget Lines in PBBs

County	FY 21/22 (KSh M)		FY 22/23 (KSh M)		FY 23/24 (KSh M)		Notes
	COB	PBB	COB	PBB	COB	PBB	
Nairobi	0	0	0	0	0	442	Fund allocation present in PBB but not reported in COB
Marsabit	0	0	0	0	0	0	No fund allocation in COB documents but, KSh 1.8 million is captured as balance brought forward in revenue table
Tana River	0	0	0	0	0	0	No fund allocation in both documents
Garissa	0	40	60	15.6	0	0	Fund allocation reported at least once in COB

Source: Controller of Budget and County PBBs 2021/2022, 2022/2023 and 2023/2024

Table 10: CCCF Allocations and Compliance with Legal Requirements

County	Legal Requirement	Actual Allocations (FY21/22–23/24)	Compliance	Notes
Marsabit	≤2% of revenue	No public data on fund allocation	NA	COB has no allocation data.
Tana River	≥2% of dev't budget	No public data on fund allocation	NA	COB has no allocation data.
Garissa	≥2% of dev't budget	COB FY 2022/2023: 60M (2.14% dev't budget)	Yes (for available year)	Not calculated for compliance in the absence of COB data for FY 2021/2022 and 2023/2024 FYs
Nairobi	No CCCF	None	N/A	Climate spending via departments

The comparison shows a recurring pattern: strong statutory design but weak implementation and reporting. Even where allocations exist, as in Garissa, the absence of detailed expenditure reports and project-level disclosures limits visibility and constrains oversight.

Community perspectives align with this inconsistency: in all FGDs, participants stated they had never seen climate fund allocations, public notices, or project updates, and were unaware of whether CCCF spending has ever occurred. This indicates that CCCF investments—where they exist—are not publicly communicated and remain invisible to beneficiaries.

Coordination and Institutional Relationships

The governance frameworks for County Climate Change Funds (CCCFs) generally establish a multi-tier system intended to ensure inclusive planning and coordinated climate action. In most counties, this architecture comprises a County Climate Change Steering Committee (CCCSC), a County Planning Committee, Ward Climate Change Planning Committees (WCCPCs), and a fund administrator. Together, these structures are expected to link ward-level priorities with county-wide and national level adaptation strategies and facilitate interdepartmental decision-making.

In practice, however, the coordination landscape is considerably more complex and diverges from what is provided in law. First, the structures operating on the ground are broader and more layered than those envisioned in legislation. In all three ASAL counties (Marsabit, Tana River, and Garissa), the County Steering Group (CSG) functions as the overarching decision-making body. Although influential, CSG does not have a formal legal basis within county climate legislation or policy, yet it routinely approves climate-related proposals and aligns partner interventions.

Second, the establishment of County Climate Units (CCUs) under the Financing Locally Led Climate Action (FLLoCA) programme has reshaped coordination arrangements. Created through a national–World Bank initiative and grounded in the national Climate Change Act, CCUs provide technical support to county climate structures and often serve as the de facto secretariat for the CCCSC in Garissa and Tana River. Marsabit is an exception, where the secretariat's role is assigned to the Chief Officer for Environment. Across all three counties with CC laws, the CCU interfaces with the CCCSC, and together they feed into the CSG—creating a coordination chain that blends formal county structures with extra-legal mechanisms. However, the absence of publicly accessible fund utilization records (e.g. CSG decision memos/minutes approving CCCF funded projects) makes it difficult to track decision flows or understand how roles are shared in practice.

These coordination gaps are evident at the community level. FGDs show that residents attribute climate interventions almost entirely to NGOs or donor-driven programmes such as FLLoCA, rather than CCCF structures. This pattern indicates that county-led CCCF systems are overshadowed and their role as locally led climate finance instruments remains limited.

According to public officials, climate change interventions are financed primarily through a combination of FLLoCA grants which pass through CCCF. WCCPCs, with CCU support, conduct Participatory Climate Risk Assessments (PCRAs), identify priority interventions, and submit ward-level proposals to the CCCSC. The CCCSC conducts initial technical review—assessing alignment with County Climate Change Action Plans (CCCAPs), feasibility, and compliance with World Bank environmental and social safeguards. Qualified proposals are then forwarded to the CSG for final approval and resource allocation.

In contrast, Nairobi County lacks a formal coordination mechanism for climate finance altogether, following the repeal of its CCCF Act. Financing and coordination occur informally

through departmental channels with limited cross-sector integration, resulting in fragmented interventions and weak strategic alignment.

Transparency, Reporting, and Public Disclosure

Transparency of climate finance remains weak across all counties examined. Beyond the general reporting obligations under the PFMA (sections 116, 167, and 168), county climate laws in Marsabit, Tana River, and Garissa explicitly require the preparation and audit of CCCF financial statements by the Office of the Auditor-General (OAG) within three months of the end of each financial year. In practice, however, none of these counties publishes dedicated CCCF financial statements, audited reports, project lists, or disaggregated expenditure data.

Available audit evidence underscores this opacity. In Tana River, an OAG audit of the CCCF for FY 2022/23 was reportedly completed but has not been disseminated publicly, despite legal disclosure requirements. Nairobi presents a different challenge: the absence of CCCF legislation means climate expenditures are embedded within broad departmental budgets, preventing identification of climate-specific allocations or assessment of value for money. Garissa, while having one of the more developed legal frameworks, demonstrates weak compliance. Data from the Controller of Budget (COB) shows a KES 60 million allocation to the CCCF in FY 2022/23, yet county budget documents report only KES 15.6 million for the same year. Similar inconsistencies appear in FY 2021/22, where county records cite a KES 40 million allocation that does not appear in COB reports. These discrepancies highlight systemic weaknesses in reporting consistency and inter-institutional reconciliation rather than isolated accounting errors.

FGDs reinforce these findings. Across all four counties, no community reported ever seeing a CCCF financial report, audit, or publicly available project register. Participants consistently described climate finance as "invisible" and information as "never shared," confirming that opacity is not merely technical but experienced directly by affected communities.

Taken together, these findings suggest that while counties vary in legal design and formal allocations, none has translated CCCFs into transparent, publicly accountable financing instruments. To address this gap, counties should establish simple, publicly accessible CCCF transparency dashboards that consolidate allocations, expenditures, projects, and audit findings—drawing on existing COB and OAG data—so that climate finance becomes visible, traceable, and subject to both legislative and community oversight.

Inclusion and Community Participation

Inclusive participation is central to the CCCF model, which places community-driven planning at the core of climate adaptation. Marsabit, Tana River, and Garissa all establish Ward Climate Change Planning Committees to ensure that residents, including women, youth, persons with disabilities, elders, and local organizations are represented in planning and decision-making regarding climate action. Membership is largely similar except sub-

county government officials and economic sector representatives that are excluded from the membership of some counties. Here is a comparative table for example of memberships of the ward planning committee as per the CCA across the three counties.

Table 11: Comparison of Legal Provisions for Ward Planning Committee

Member	Marsabit	Tana River	Garissa	Nairobi
One male elder	✓	✓	✓	NA
One female elder	✓	✓	✓	NA
One male youth	✓	✓	✓	NA
One female youth	✓	✓	✓	NA
One male person with a disability	✓	✓	✓	NA
One female person with a disability	✓	✓	✓	NA
One representative of Community-Based Organizations (CBOs) engaged in climate action	✓	✓	✓	NA
The Ward Administrator (ex-officio, non-voting Secretary)	✓	✓	✓	NA
Chairperson	✓	✓	✓	NA
Sub-County Administrator (ex-officio, non-voting member).	✓	x	✓	NA
Economic Sector Representative	✓	x	x	NA

In Marsabit, these committees exist legally and provide a clear mechanism for representing marginalized groups, but practical participation is constrained by limited public awareness and perceptions of political influence. Similarly, in Tana River, the structures are well-defined in law—including mandatory representation of vulnerable groups and publicized nomination processes—yet community knowledge of the committees is low, and participation often remains advisory rather than influential.

Garissa demonstrates a similar pattern: The Act establishes inclusive Ward Climate Change Planning Committees and mandates broad community consultations; however, many community members are unaware of the Fund, and in several wards, committees have limited visibility or operational capacity. Although active WCCPCs have contributed to participatory climate assessments and priority project identification under various donor-funded programmes, community members perceive the forums to have been convened by the area chief (Garissa). Further, WCCPCs are composed of delegates nominated by the community to serve for five years and tend to represent the public instead of facilitating public engagement (KII's, Marsabit, Tana, River Nairobi and Garrisa, River: August 19, 21, 29 and Oct 27-29, 2025) However, community members also question the membership as politically determined. " Watu wenye wako kwa ward committee ni wenye wanajuana na MCAs" loosely translated as "The people who are in the ward committee are those who are known by the Members of County Assembly." (FGD, Marsabit, Tana, River Nairobi and Garissa, River: August 19, 21, 29 and Oct 27-29, 2025).

Overall, across counties, the CCCF presents a promising but unevenly implemented model

for locally led climate finance. Although Marsabit, Tana River and Garissa have operational features, they fall short on transparency, statutory funding requirements and public disclosure. Nairobi's lack of a legal framework for the establishment and management of CCCF leaves climate finance fragmented and uncoordinated. In all counties, inclusive community participation remains more aspirational than fully realized, highlighting the need for stronger civic awareness, transparent reporting, sustained capacity-building and further decentralization of civic engagement below ward levels committees.

4.1.3 County Emergency Fund (EF)

All four counties have operational Emergency Funds, though the legal basis and level of institutionalization differ across them. Marsabit and Garissa have enacted county-specific Emergency Fund laws—the Marsabit County Emergency Fund Act (2014)[10] and the Garissa County Emergency Fund Act (2014)[11]—while Tana River and Nairobi rely on the Public Finance Management Act (PFMA) rules under section 110 as the legal anchor for their Funds. Nairobi previously operated under the Nairobi City County Disaster and Emergency Management Act (2015), but this law was repealed because it proved difficult to implement and required corrective action which included making EF specific law, leaving the PFMA as its default framework.

Interpretation of PFM Sec. 113 on Emergency Fund allocation thresholds.

Relying on national legislation for the EF has limitations, as there are constraints in the law that undermine the purpose of the fund. Section 113 of the PFMA empowers the County Executive Committee Member (CECM) for Finance to authorize urgent payments from the Emergency Fund, up to two percent of the county government's audited revenue from the previous year. A plain reading of the law suggests that the CECM cannot approve payments exceeding the 2 percent ceiling.

While this cap may be intended to enforce fiscal discipline and prevent misuse of emergency funds, it raises a fundamental question: If spending conditions are met during a disaster, why should utilization of a legally established emergency fund be restricted? Moreover, there is no publicly available data on the average cost of emergencies, so it is not clear how the cap compares to actual costs. But what happens if the cost of addressing an emergency exceeds the cap? Are executives then to seek additional approval for spending above the cap on the fund? Or are they forced to reallocate resources from the regular budget to cover the shortfall?

Both options are conceivable but undermine the value of the fund. Seeking additional approvals slows down response time during an emergency, contradicting the purpose of disaster-targeted EBFs—to provide rapid, flexible financing at a moment of need. To be sure, the advantages of flexibility and the rapid response nature of EBFs must be accompanied by strong accountability systems. But a spending cap raises questions about the value of accumulating funds in the EF, if the maximum that can be utilized in a given year is highly restricted.

10 Marsabit County Emergency Fund Act (2014). Link
11 Garissa County Emergency Fund Act (2014). Link

Under this interpretation of the law, the PFMA also raises the question: How should counties determine appropriate allocations to the Emergency Fund? After all, there is little point in accumulating funds off-budget for an emergency if they cannot be used. However, if the CECM could spend above the two percent limit with additional approval, it might be argued that there is still some value in allocating to the fund in advance, to avoid messy fights over budget reallocation later.

County legislation offers little clarity on allocation and drawing rules. Among the four counties we studied as part of this analysis: Marsabit provides that no more than two percent may be allocated to the fund in a given year, and a cap on *accumulation* in the Emergency Fund at 2 percent–both, of audited county revenue. Nairobi (now repealed Act) was silent on allocation rules, while Tana River has no law on EF. Garissa mirrors the PFMA language but avoids specifying spending limits or allocation criteria.

Overall, none of the four counties provides a clear basis for determining how much funding should flow into their Emergency Fund. This gap—combined with Section 113's ambiguity creates uncertainty in how to interpret section 113 which impacts the county's ability to develop and nurture a mature disaster financing ecosystem that supports timely, locally led humanitarian response.

Evaluation of Emergency Funds

Despite these differences, all counties maintain an Emergency Fund in practice, and each is empowered to finance urgent disaster-related needs when conventional budget processes are too slow or inflexible.

However, FGDs reveal that communities are unaware of the existence of county Emergency Funds. Across Nairobi, Marsabit, Tana River, and Garissa, participants consistently stated: "We have never heard of an Emergency Fund." This indicates that although Emergency Funds exist administratively, they are operationally invisible at community level.

Fund Administration and Institutional Arrangements

Under the Public Finance Management Act (PFMA), Section 111, every Emergency Fund must be administered by the County Executive Committee Member (CECM) for Finance, who is responsible for managing the Fund, maintaining a separate bank account, authorizing withdrawals for urgent expenditure, and submitting annual financial statements to the Auditor-General.

In practice, compliance with this requirement varies. Marsabit EF law assigns fund administration to the Director of Accounts within the County Treasury—contrary to Section 111, which requires the CECM Finance to hold this role. Tana River and Garissa's laws align with the PFMA by designating CECM Finance as the administrator. However, Garissa deviates in practice: Auditor-General reports for FY 2021/22 and FY 2022/23 show that the Fund is administered by appointed officers rather than the CECM. Nairobi, following the repeal of

its earlier county law, administers its Emergency Fund directly under PFMA provisions.

Although the PFMA establishes a uniform administrative framework, actual adherence is inconsistent. These variations have direct implications for accountability, reporting obligations, and the overall integrity of fund management across counties.

Budget Allocations and Funding Patterns

Emergency Funds, as an instrument for financing unforeseen and unplanned disasters and emergencies, are intended to provide immediate liquidity during shocks such as floods, fires, disease outbreaks, conflict, or infrastructure failure. Their effectiveness therefore depends on predictable, timeliness of access and sufficient annual capitalization. The PFMA does not prescribe a minimum allocation for Emergency Funds; instead, Section 113 sets a ceiling on spending on the fund of not more than 2 percent of county revenue. As a result, county laws determine whether Emergency Fund capitalization is mandatory or discretionary within the prescribed PFMA guidelines.

As earlier stated, COB reports several things for a fund under the county fund performance table. We look at three of these in the table below: allocation, which is what was budgeted, actual expenditure, which is what was actually spent from the fund, and cumulative disbursement which is what has flowed to the fund over time across four counties.

Table 12: Emergency Fund Allocations, disbursements and expenditure across counties.

Emergency Fund (KSh s Millions)					
Financial Year	**Category**	**Marsabit**	**Tana River**	**Garissa**	**Nairobi**
2021/2022	Allocation	130	132	0	0
	Actual Expenditure**	0	124.7	0	0
	Cumulative Disbursements	0	0	0	0
2022/2023	Allocation	117.5	132	0	0
	Actual Expenditure	117	0	0	0
	Cumulative Disbursements	0	0	0	0
2023/2024	Allocation	50	137.7	70	440
	Actual Expenditure	50	137.7	0	0
	Cumulative Disbursements	826.9	0	70	0

Source: COB Reports for 2021 - 2024

Marsabit and Tana River allocated funds to the EF across the three years of study while Garissa and Nairobi had allocations in the last year only (2023/2024). Marsabit's allocations to the fund have averaged only about 1% of revenue—KSh 130 million in FY 2021/22, KSh 117.5 million in FY 2022/23, and KSh 50 million in FY 2023/24. But allocation varies from audit reports in 2021/2022 when the OAG reports indicate KSh 150 million instead of COB's KSh 130 million as shown in table 15. Tana River county's allocations to the EF have been comparatively stable and align across both COB and OAG for the first two years: at KSh 132.2

million in FY 2021/22 and KSh 132.2 million in FY 2022/23 while the audit for 2023/2024 when the county allocated KSh 137.7 million is not available. Overall, the county's EF allocations averaged two percent of development.

Tana River's approach—using the *development budget* vote as the basis for Emergency Fund allocations (KII, Tana River, August 19, 2025)—deviates from the PFMA, which sets the expenditure cap using *total county revenue*. In Garissa, discrepancies also emerge between what the county reports to oversight bodies. The data captured in Auditor-General (OAG) reports for 2021/2022 and 2022/2023 is not reported in the COB while the audit for 2023/2024–the year in which Garissa reported KSh 70 million to the Controller of Budget is not yet out for comparison. Garissa's EF capitalization indicates a declining funding trend. Nairobi, despite lacking an EF Act, allocated KSh 440 million in FY 2023/24 (COB) and KSh 470 million in FY 2021/22 (OAG General Budget Audit Report.

Taken together, the OAG reports demonstrate that counties *are* producing Emergency Fund financial reports for internal and administrative purposes. However, these reports are not systematically published or easily accessible to the public, limiting transparency and weakening external accountability.

Table 13: Emergency Fund Allocations Across Counties: COB and OAG Reports (FY 2021/22–2023/24)

County	FY 2021/22 (KSh M)		FY 2022/23 (KSh M)		FY 2023/24 (KSh M)		Notes
	COB	OAG	COB	OAG	COB	OAG	
Marsabit	130	150	117.5	0	50	0	≈1% of revenue; below 2% statutory requirement
Tana River	132.2	132.2	132.2	132.2	137.7	0	2% of Development with stable replenishment
Garissa	0	100	0	80	70	0	Below threshold and diminishing overtime even as budgets grow.
Nairobi	0	470.7	0	0	440	440	High, event-driven allocations

Source: COB and OAG Reports for 2021 - 2024

Community perspectives strongly reflect these budgetary inconsistencies. In Marsabit and Garissa, participants described prolonged delays—sometimes months—before any county support arrived in the wake of emergencies, illustrating the practical consequences of under-capitalized Emergency Funds. In Tana River and Nairobi, communities reported that emergency support is generally provided by NGOs or the national government.

Coordination and Institutional Relationships

Effective Emergency Funds require strong coordination between financial administrators, disaster management institutions, and frontline responders. However, none of the four counties' legal frameworks establish a dedicated coordination mechanism for emergency financing. As a result, all counties lack a statutory link between emergency financing and operational disaster governance. The practical consequence is that counties depend on

the multistakeholder platforms–the County Steering Group and humanitarian partners–for coordination: guiding assessments of disasters and emergencies that determine fund activation, response coordination.

Across all four counties, the absence of a statutory coordination structure has resulted in reactive, fragmented, and actor-driven disaster response systems, where accountability over Emergency Fund utilization is weak. Community experiences consistently illustrate this fragmentation. While relief is provided—such as water trucking, non-food items (sufurias, plates, blankets), and cash transfers from agencies like World Vision (KSh 5,000–15,000) and NDMA beneficiary cards—communities reported persistent gaps in coordination (FGDs, Tana River, Nairobi, Garissa, Aug 2025).

Participants highlighted duplication and poor targeting. In Marsabit, for example, non-state actors delivered similar assistance to the same ward while equally affected neighboring wards received nothing. This was described as:

"kulikuwa na overlaps… NGOs walileta msaada sawa kwa ward moja, lakini watu wa ward ingine walibaki bila chochote" (KII, Marsabit, 19 Aug 2025).

Others noted repeated delivery of the same items by multiple actors: *"sasa unapata kila mtu anakuja na unga na ata mahali ya kuishi sina—ukinipea unga ntapikia wapi na nini"* ("everyone brings flour, yet I have nowhere to sleep—if you give me flour, where will I cook and with what?") (FGDs, Nairobi, Tana River, Garissa).

Effectiveness ratings for county responses were consistently low. Communities cited:

- Delayed response: "wanakuja baada ya masaa 2–3 na madhara yamefanyika… saa ingine unashangaa wamekuja kufanya nini" ("they arrive 2–3 hours later when the damage is done… sometimes you wonder why they even came"). In some cases, the delay is extreme. For example, in Tana River County, response takes up to three months.

- No response: "wanauliza madhara gani imefanyika wakiwa ofisini… saa ingine wanaitisha picha watafute pesa nayo" ("they ask what damage happened while sitting in offices… sometimes they ask for photos to look for money").

- Political interference: "Serikali ya kaunti ina siasa… wanagawia wale wanaowajua vizuri. MCA anapeleka chakula kwa kijiji chake na kule kwetu hakuna chochote" ("the county plays politics… they give aid to people they know. The MCA takes food to his own village while ours gets nothing").

- Manipulated beneficiary lists: "majina tunayotoa ya watu 50 inafika juu ikiwa 250—na wale walifaa kupata ni kama 30 tu" ("a list of 50 people shared at the community level becomes 250 at the top, yet, only about 30 of the original list were deserving beneficiaries").

These experiences reveal a structural weakness in disaster financing, especially in the Emergency Fund as main financing instruments. While there is need for additional information to authoritatively conclude ineffectiveness, it does point to a disconnect between financing decisions and operational response mechanisms, leaving Emergency Funds unused or poorly aligned with real needs. Communities consistently identified NGOs, politicians, chiefs, and the County Steering Group (CSG) as the main coordinators of response. Crucially, no FGD participant across any county could identify a legal emergency fund-specific coordination body or formal trigger system, confirming that Emergency Fund utilization is largely unknown. Notwithstanding the importance of awareness, it is important to note that because EF may flow through existing programs or be accessible to actors providing relief. Therefore, it may be difficult for citizens to distinguish resources flowing from EF from other resources. However, as with any public spending, there should be reports that account for disaster-related expenditure and its sources. As a result, while the evidence points to potential fragmentation between financing and response, without sufficient access to EF-specific spending information, it is not possible to ascertain the efficiency of EF as key financing instruments to deliver timely, accountable, and locally led disaster management.

Transparency, Financial Reporting, and Public Disclosure

Across all four counties, transparency and financial reporting emerge as the weakest dimension of Emergency Fund (EF) governance. Although the PFMA and county legislation require detailed annual financial statements—including disclosures on withdrawals, beneficiaries, and purposes of expenditure—none of the counties publish Emergency Fund reports, and compliance with reporting requirements is consistently poor. Further, the Internal Audit unit and Audit Committee have not audited the funds. Auditor-General reviews across Marsabit, Garissa, Tana River, and Nairobi reveal similar patterns: unsupported expenditures, unexplained variances, late submissions, and unreconciled balances, making it difficult to establish how funds were used or whether withdrawals met legal thresholds for activation.

Community perspectives strongly corroborate these institutional weaknesses. In all counties, FGD participants reported never seeing records of emergency spending, beneficiary lists, or financial disclosures. However, while there is general awareness on the disaster and emergency funds, OAG, CSOs and Chief's Baraza were the most cited sources of information and awareness, especially on spending. The general sentiment is that awareness of communities in disaster and emergency financing instruments is key to a community's ability to hold the government accountable.

"Distinguishing where and from whom support came from, is hard since they (county and national government, NGO's and political leaders) all come as a team when an emergency emerges. Kwa mfano, atujui ata waheshimiwa ndio wanakujaga na doo na huwezi jua ni yao ama ni ya gava (for example, it is political leaders that bring the finances for support but, we won't know if it is their own money or the public resources" (FGD, Nairobi, August 29, 2025).

Many believed that emergency assistance is channeled through political networks,

reinforcing perceptions that fund management is opaque, inequitable, and vulnerable to political capture. While the severity of reporting failures varies, the underlying trends are consistent:

- Marsabit has one of the most robust legal frameworks—its Act requires detailed annual statements—yet no such reports are publicly available, and Auditor-General findings point to systemic non-compliance and unverifiable cash balances.
- Garissa mirrors this pattern: despite strong provisions in law, implementation is weak, with late or inaccurate submissions and financial statements prepared by unqualified staff.
- Tana River, governed solely by the PFMA, embeds Emergency Fund transactions within consolidated county accounts, offering no breakdown of withdrawals or beneficiaries and showing recurrent audit red flags.
- Nairobi provides no publicly accessible Emergency Fund reports, and expenditures are recorded under broad Office of the Governor budget lines, obscuring the nature and legality of Fund withdrawals.

Overall, the Emergency Fund operates with minimal transparency across all four counties. The combination of weak reporting, absent public disclosures, and audit irregularities severely limits legislative oversight and undermines public trust.

Inclusiveness and Community Participation

Emergency Funds are designed to enable rapid and equitable response, yet participation and representation in decision-making are almost entirely absent across all counties. While real-time consultation may be difficult during an emergency, recovery processes and long-term preparedness and prevention planning can and should benefit from community knowledge, particularly traditional and local coping strategies that strengthen resilience. Public feedback on past emergencies is equally essential for improving future response.

FGDs and KIIs consistently highlighted that communities—especially young people—are the first responders during disasters. Community leaders expressed frustration that these youth, who provide immediate support such as basic first aid and boat rescue, receive no training or structured support (FGD & validation meeting, Oct 27–29, 2025; Nov 25, 2025).

None of the Emergency Fund laws in Marsabit, Tana River, or Garissa include provisions for community representation, consultation, or participation in financing decisions. The PFMA similarly contains no requirements for inclusion in emergency spending, leaving affected communities without a voice in how life-saving funds are prioritized or deployed.

Yet there is considerable evidence of the special vulnerabilities of different groups, such as women and persons with disabilities, in the context of disaster. For example, poorly planned relocations and mixed-gender camps expose different groups—especially girls

and women—to heightened risks. As one participant noted, *"issues like rape especially for the ladies, conflicts in relationships… cases of theft, traumatic experiences, and limited to no psychosocial support means these issues remain unresolved for a lifetime"* (FGDs & KIIs, Tana River and Garissa, August 19 and October 27-29, 2024). PWDS, like women, girls and children are equally exposed to severe losses. "Wheelchair na crutches zinabebwa na maji juu huwezi kimbia haraka before vijana wafike alafu siku ya compensation unapewa unga (PWD loss their wheelchairs and crutches because they cannot help themselves before young people reach them during rescue, yet they received unga as compensation)" (FGD, Nairobi, August 29, 2025).

Participants explained that *"Women, children, and PWDs are highly affected since they are usually at home when these disasters occur and accessing food and non-food items…"* (FGDs & KIIs, Nairobi, Garissa, Tana River, Marsabit). Yet relief distribution decisions appear to follow a pattern where vulnerable groups are sidelined: *"inakuaga mwenye nguvu mpishe" (It ends up being survival of the strongest" (literally: the one with strength or well-connected pushes through / takes priority)* (FGD, Tana River).

Across all counties, gender and inclusion remain weakly integrated into emergency fund governance. Although women, children, and persons with disabilities are consistently the most affected during disasters, they are rarely consulted, represented, or prioritized in the allocation of emergency resources. FGDs across all counties underscored this exclusion: communities reported that they are not involved in identifying needs, setting priorities, or planning responses, despite being the first responders when disasters occur. Instead, political actors—particularly MCAs and MPs—often determine beneficiary lists, reinforcing a top-down and opaque model of emergency financing.

Overall, while the legal frameworks provide a solid basis for disaster financing, the evidence from FGDs, KIIs, and budget analysis shows that weak implementation, dormant or non-operational funds, fragmented budgeting, and limited transparency significantly undermine their impact. Counties that follow legal guidance more consistently—such as Tana River—demonstrate relatively stronger resourcing and utilization, whereas counties with robust laws but weak institutionalization—such as Marsabit—fall behind. Strengthening the link between legal obligations, actual financing practices, oversight systems, and meaningful community participation—especially for vulnerable groups—is critical to realizing an effective, equitable, and locally led disaster management system.

4.2 System-Wide Gaps in Disaster and Climate Financing Governance

While the preceding sections analyze each financing instrument separately—the DRMF, Emergency Fund, and CCCF—several structural issues cut across all three. These systemic gaps weaken the effectiveness, predictability, transparency, and accountability of disaster and climate financing at county level. This subsection synthesizes the cross-cutting challenges that prevent the funds from operating as intended.

4.2.1 Weak Integration of Disaster and Climate Finance into the Budget Cycle

Across all counties, disaster and climate financing remain poorly integrated into core budget processes. Review of COB, PBBs and OAG reports as well as KIIs and FGDS, shows that allocations to the DRMF and CCCF are inconsistently reported, often missing from PBBs or COB reports even in cases where there are audit reports. Rarely, compliance against statutory thresholds is weak or absent. As a result, annual appropriations for EBFs are highly discretionary and vulnerable to political negotiation rather than guided by predictable, rule-based financing commitments. Fragmentation of budget lines across multiple departments further obscures visibility of disaster and climate spending, making it difficult for policymakers and citizens to understand total investments or assess prioritization across functions.

4.2.2 Transparency, Reporting, and Internal Audit Remain Weak

Despite PFMA requirements for quarterly and annual reporting, counties rarely publish financial statements for the DRMF, Emergency Fund, or CCCF. In most cases, financial information is prepared only for internal use—such as submissions to the Auditor-General—and is not accessible to the public. The absence of clear income, expenditure, assets, and liability statements weakens transparency, undermines legislative and public oversight, and contradicts PFMA principles of open financial management.

Internal audit functions—essential for real-time assurance—are largely missing from fund governance. None of the counties assessed could demonstrate internal audit reviews, transaction checks, or follow-up on audit findings related to disaster or climate funds. Auditor-General reports highlight gaps such as unsupported expenditure and inconsistencies in reported spending—issues that robust internal audit systems should detect early. KIIs across Marsabit, Tana River, Garissa, and Nairobi confirmed that audit units are poorly integrated into fund operations and lack the staffing and technical capacity to provide effective oversight. As a result, financial control remains weak, and misuse may go undetected until external audit.

4.2.3 Capacity Gaps Limit County Leadership in Disaster and Climate Finance

County officials consistently identified capacity constraints as a major barrier to effective, locally led disaster and climate action. Staff across finance, environment, and disaster units reported limited training in fund administration, anticipatory action, early-warning integration, community engagement, and coordination between DRMF, Emergency Fund, and CCCF structures. This has left counties reliant on partners such as NDMA, KRCS, and NGOs for assessments, planning, and community mobilization—reflecting broader institutional and skills gaps that constrain local leadership (KIIs, Marsabit, Tana River, Nairobi, Garissa: Aug 19, 21, 29; Oct 27–29, 2025).

Capacity constraints also affect the County Assembly, which plays a central oversight role under the PFMA. Although Section 114 requires Assembly approval within two months of Emergency Fund expenditure, most assemblies lack the technical capacity to scrutinize fund operations, enforce statutory allocations, or demand timely reporting. Weak legislative

oversight further undermines transparency, reduces accountability, and limits counties' ability to manage disaster and climate finance effectively.

In sum, these cross-cutting gaps—weak integration into budget systems, limited transparency and audit, non-operational governance structures, dependence on external actors, and misalignment between instruments—prevent counties from realizing the potential of disaster and climate funds as predictable, accountable, and locally led financing mechanisms

5 Key Findings

This study examined the structure, financing, coordination, transparency, and inclusiveness of three public funds intended to strengthen locally led disaster risk management and climate resilience at the county level: the Disaster Risk Management Fund (DRMF), the Emergency Fund (EF), and the County Climate Change Fund (CCCF). While the legal and policy environment across Marsabit, Tana River, Garissa, and Nairobi have expanded significantly over the past decade, implementation remains inconsistent and fragmented. The result is a landscape where legally established funds exist on paper but seldom function as the effective, accountable, and community-centered instruments envisioned in law. The key findings are summarized below.

5.1 Legal and Policy Frameworks Are Strong but Weakly Implemented

Across the four counties, most fund frameworks—particularly the CCCF and EF—have a clear legal basis, either through county legislation or directly under the Public Finance Management Act (PFMA). Marsabit, Tana River, and Garissa have enacted climate fund legislation, and both Marsabit and Garissa have laws establishing Emergency Funds.

In multiple cases, statutory institutions mandated to manage or oversee the funds—for example, CCSC and WCCPC, and resilience coordination structures—are not constituted or remain dormant. Where these bodies are established, like in Garissa, they are overshadowed by extra-legal platforms such as CSG. Nairobi illustrates the most pronounced gap, where repeal of both the climate change fund and emergency fund laws has left the county without statutory anchoring for either instrument. Overall, counties possess laws but lack the institutional activation needed to make them effective.

Across all counties, communities experienced recurring floods, droughts, fires, and conflicts, and viewed county responses as delayed, inconsistent, or absent. Most disaster response was driven by NGOs or community volunteers, while county coordination structures remained largely invisible. Awareness of emergency, disaster and climate funds was extremely low and political influence shaped targeting of aid. Collectively, these findings reveal systemic gaps in the performance, accountability, and inclusiveness of county-level disaster governance.

The presence of legal frameworks without institutional activation indicates a governance deficit that requires legal enforcement and administrative accountability. For example, CSCs and WCCPCs are not constituted or met irregularly; and County disaster response is largely driven by NGOs. This gap shows that the problem is not only legal design, but enforcement, institutional capacity, and political will, areas where policy reform and donor support are urgently needed.

5.2 Fund Institutions Exist in Law but Rarely Operate as Intended

Across all three funds—the Emergency Fund, the DRMF, and the CCCF—county institutions established in law remain largely non-operational. Although legislation provides for

fund administrators, ward committees, multi-stakeholder DRM committees, and climate coordination structures, these bodies are either dormant, inconsistently constituted, or unknown to communities. In several counties, contradictions in legal frameworks further weaken functionality—for instance, Marsabit's DRM Act assigns fund administration roles to both the CEC Finance and the DRMC, while Garissa's EF law provides no clear guidance on who administers the fund.

In practice, counties rely heavily on the County Steering Group (CSG)—a national–county humanitarian coordination platform convened by the County Commissioner with NDMA support—to fill governance gaps. The CSG leads assessments, prioritizes interventions, and often drives climate-related and humanitarian responses, despite not being provided for in county fund laws. This reliance on extra-legal structures means that key financing decisions are not shaped by county institutions accountable to citizens.

Communities consistently reported that NGOs and humanitarian organizations are the primary responders during disasters. County government action was described as delayed (Nairobi), slow (Marsabit and Garissa), or inconsistent (Tana River). First response efforts almost always fell to community members themselves, underscoring gaps in preparedness, rapid financing, and county-led coordination.

FGDs also revealed that committees established in law—such as ward committees and multi-level DRM structures—are widely perceived as inactive, politicized, or simply unknown. Dormant ward committees represent a missed opportunity for community-led accountability. Duplication of interventions (e.g., multiple actors distributing similar items) illustrates weak county coordination, while oversight mechanisms remain largely invisible to citizens.

Collectively, this results in a persistent disconnect between legal design and institutional practice. External actors effectively fill roles that county structures should perform, sustaining a governance model that is partner-driven rather than locally led. While development partners and humanitarian agencies offer essential operational capacity, over-reliance on them undermines county autonomy and delays the transition to strong, accountable, county-led systems for disaster and climate finance.

Overall, reliance on CSG undermines county ownership and creates a partner-driven system. Without functional county institutions, counties will continue to rely on external actors, undermining locally led systems and accountability.

5.3 Financing Is Inconsistent, Below Legal Requirements, and Fragmented Across Multiple Budget Lines

Across all three funds, financing is characterized by inconsistency and unpredictability. Marsabit and Garissa regularly fall below statutory allocation thresholds for CCCF while limited records of capitalization and ambiguity on fund allocations threshold for EF and DRMF makes it difficult to compare adequacy of financing and compliances with PFMA rules. Tana River remains more consistent in its emergency allocations but lacks public disclosure

on CCCF financing including adhering to its own commitment, in CCAP, to set aside two percent of development of budget vote

Nairobi allocates over KSh 400 million in some years to emergency response—but does so without a legal framework, significantly increasing the risks of misallocation, accountability or misuse. Despite the existence of three distinct funds, there is limited linkage between funds allocation as reported in the COB and corresponding allocations in the budget document. Similarly, where Extra-Budgetary Funds are established, counties continue to spread disaster and climate spending across multiple departmental votes, diluting the visibility, fiscal discipline, and strategic coherence of disaster financing. The absence of predictable, ring-fenced financing undermines preparedness and makes counties reactive rather than anticipatory. Consequently, budgetary funds for service delivery are exposed to disaster and emergency response pressure when funds are required while weakening coordination of and response time.

In summary, lack of ring-fenced budgets and inconsistent allocation undermines planning and preparedness. Inconsistent financing means counties cannot plan, and donors are forced to fill the gaps, reinforcing dependency and weakening local leadership.

5.4 Transparency and Reporting Are the Weakest Performing Areas

Across all four counties, transparency in the management of all three funds is extremely limited. Legal provisions requiring fund financial statements, reports, and annual audits are rarely implemented. No county publishes dedicated fund-level financial reports. In the rare cases where data is available, it is partial, inconsistent, or embedded within consolidated financial statements without disaggregation.

FGDs across all counties highlighted severe transparency gaps. Participants had never seen fund reports or lists of beneficiaries, and in all counties, relied primarily on chiefs as communication channels. Complaints about misuse or unfair distribution were common, yet no one had seen corrective action. Access to official information was universally described as "difficult," reinforcing audit findings that counties have weak or nonexistent disclosure practices.

Auditor-General (OAG) reports from recent years consistently flag systemic weaknesses in county public financial management that directly affect disaster and climate funds. Common findings across the focus counties include unsupported payments, late submission of financial statements, unexplained variances between budgeted and actual expenditure, unreconciled cash balances, and non-compliance with statutory reporting requirements. In several instances, counties were unable to provide complete documentation for expenditures related to emergency or contingency spending, while delayed exchequer releases further constrained timely response.

For the Emergency Fund in particular, the near-absence of publicly available reporting makes it impossible to determine who ultimately benefited from emergency withdrawals,

for what purpose, and under what criteria. As one county official noted during a KII, *"once the emergency vote is used, there is no clear trail that the public can follow to see where the money went."* Similarly, community participants emphasized that emergency spending is largely invisible, with one FGD participant observing that *"we hear money was released, but we never see reports or lists of who was supported."*

These audit findings and community perceptions point to a deeper transparency deficit: weak disclosure not only obscures fund utilization but also undermines legislative oversight by County Assemblies and limits corrective action. Without timely, accurate, and publicly accessible reporting, neither auditors nor citizens can assess value for money or equity in emergency and climate spending. Ultimately, this opacity erodes public trust and contributes to inefficient—and potentially inequitable—use of resources intended to support the most vulnerable populations during crises.

5.5 Participation and Inclusiveness Are Minimal Across All Funds

While most fund laws envision inclusive, community-driven structures—especially within the CCCF, where ward-level planning committees are mandated—the reality is markedly different. Public participation in disaster planning and budgeting was described by community members as selective, stage-managed, or dominated by local elites. Communities reported having no role in determining priorities, allocating resources, or monitoring disaster spending. Barriers included corruption, fear of retaliation, chief-controlled processes, and low civic awareness. Participation in climate projects was minimal, with most initiatives perceived to be driven by NGOs rather than county structures.

Emergency Funds perform particularly poorly on inclusiveness, as none of the legal frameworks require participation, and counties rarely consult communities when making urgent financing decisions, especially when planning for prevention and long-term mitigation of recurring disasters is considered. The absence of meaningful inclusion both undermines equity and weakens the legitimacy of fund decisions, particularly in climate-vulnerable, pastoralist-dominated counties where local knowledge is essential for designing effective resilience interventions.

FGDs indicated that county disaster responses rarely incorporate gender- or vulnerability-specific needs. Women, youth, and PWDs were seen as disproportionately affected yet consistently excluded from planning and decision-making. No county documented and used gender-disaggregated data in disaster budgeting or program design, and community members highlighted impacts such as insecurity, trauma during relocation, school dropouts, and disproportionate caregiving burdens.

Overall, without community participation, funds fail to reflect local priorities and risk reinforcing inequalities. County laws must mandate participation and public disclosure, and donors should require inclusive processes as a condition of funding as exclusion weakens legitimacy, reduces effectiveness, and undermines the constitutional principle of public participation.

5.6 Gaps in Assessing Coordination and Social Impact Due to Data Limitations

A key component of the study's conceptual framework was the expected ability to trace how disaster financing links to operational coordination, and how both—together—translate into measurable social impact. Two pillars were especially central:

1) Coordination as the operational bridge between financing and response, and

2) Social impact—efficiency, equity, resilience, and locally led action—as the final outcome of effective disaster financing systems.

However, the study was unable to fully apply these parts of the framework. Across all four counties, data on coordination processes, timelines of response, fund-triggered activities, and community-level outcomes were either unavailable, incomplete, or not independently verifiable. Counties do not maintain publicly available/accessible comprehensive records on activation triggers, disbursement-to-impact timelines, or the populations reached through emergencies or climate-related interventions. Likewise, there is limited documentation of gender, age, or social-group–disaggregated outcomes that would allow assessment of equity or inclusion.

As a result, the study could not rigorously evaluate whether disaster financing systems—Emergency Funds, DRM Funds, and CCCFs—actually improved response speed, reduced losses, strengthened resilience, or enhanced community leadership. The absence of these datasets also made it impossible to judge how coordination between county treasuries, disaster units, and the County Steering Group (CSG) affects real-world impact.

This limitation does not weaken the validity of the legal, institutional, and financial findings, but it does highlight a major evidence gap. For future work, we recommend a dedicated impact-focused study incorporating household-level data, implying that counties cannot prove that funding improves outcomes, making transparency and monitoring framework for disaster financing, including timelines and beneficiary data, a key reform priority.

FOUNTAIN GATE CHURCH
THE RELEVANCE CENTRE
UNHCR

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6 Conclusion

This study shows that while Kenya's counties possess robust legal frameworks for disaster risk management and climate adaptation, these frameworks have not translated into coherent, functional systems. A central source of weakness lies in the ambiguous interpretation and implementation of core financing instruments—most notably the Emergency Fund (EF). Although the Public Finance Management Act provides for the EF as a rapid response mechanism, its distinction from other extra-budgetary funds, deviation, and contradiction between county legislation and blurs the boundaries between short-term fiscal stabilization and disaster response, creates conflicts of interest in fund administration, and contributes to inconsistent financing practices across counties.

Similar ambiguity affects reporting and oversight. Despite COB's mandate to provide clarity on withdrawals from public funds, EF reporting remains irregular, incomplete, or absent. DRMFs and CCCFs face similar opacity, with most counties failing to produce the financial statements required by PFMA regulations. These gaps limit the visibility of fund performance, weaken legislative oversight, and impede counties' ability to build trust with communities and humanitarian partners.

Across the four counties, the broader pattern is clear: institutions exist in law but rarely function as designed. Key structures—fund boards, technical committees, Ward Planning Committees, and climate steering bodies—are either inactive or bypassed in favor of parallel mechanisms such as the County Steering Group. Financing remains fragmented across departmental budget lines, allocations fall short of statutory thresholds, and participation structures intended to foreground community priorities remain weak or underutilized. The cumulative effect is a system that defaults to reactive, partner-driven responses rather than anticipatory, locally led action.

Yet the foundations for a more effective and locally led system are already in place. The statutory instruments are sound; communities consistently articulate the desire for deeper participation; and counties have clear mandates to institutionalize predictable, accountable, and community-anchored disaster spending. Moving forward requires not new laws, but the activation, clarification, and alignment of existing ones—particularly around fund mandates, reporting obligations, and the relationship between short-term contingency financing and long-term resilience investments.

In short, Kenya's counties are limited not by the lack of frameworks, but by gaps in implementation, clarity, and accountability. Bridging these gaps is essential to realizing a coherent, transparent, and locally led disaster and climate financing system that strengthens resilience and restores confidence among citizens, partners, and institutions alike.

SND
NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES
DISABILITY REGISTRATION CERTIFICATE
REF: NCPWD-1234ABCD
1. PERSONAL DETAILS OF THE APPLICANT
FULL NAME:
BIRTH CERTIFICATE NO:
GENDER:
REG NO:
D.O.B:
ETHNICITY:
EMAIL ADDRESS:
TELEPHONE NO:
POSTAL ADDRESS:
CODE:
CONSTITUENCY:
WARD:
COUNTY OF RESIDENCE:
SUB COUNTY:
LOCATION:
SUB LOCATION:
2. DISABILITY DETAILS
DISABILITY CATEGORY
SUB CATEGORY
CAUSE
AGE WHEN DISABILITY WAS ACQUIRED
1. PHYSICAL
CONTRACTURES
COUNTY OF ISSUE:

7 Recommendations

The findings demonstrate that although counties have enacted legal frameworks establishing Disaster Risk Management Funds (DRMFs), Emergency Funds (EFs), and County Climate Change Funds (CCCFs), implementation remains uneven. Governance structures are inconsistently operationalized, allocations fluctuate and are not always rule-based, reporting gaps persist, participation mechanisms are weakly institutionalized, monitoring systems do not adequately track performance, and coordination with national and donor actors lacks clarity. Addressing these gaps requires strengthening institutional activation, fiscal predictability, transparency, enforcement, data systems, and intergovernmental alignment so that county-managed disaster and climate financing systems function predictably, accountably, and in line with locally led humanitarian leadership principles.

7.1 Strengthen Institutional Activation and Governance

The study shows that while counties have strong legal foundations for disaster and climate financing, statutory governance structures—including DRMCs, CCCSCs, and Ward Committees—are often partially constituted, irregularly convened, or insufficiently linked to financing decisions. In several counties, coordination during emergencies shifts toward informal or externally anchored platforms led by County Steering Group (CSG), creating ambiguity between statutory financing authority and operational response leadership.

Counties should fully institutionalize fund governance structures through clear mandates, defined decision-making procedures, and documented reporting lines to County Assemblies, Controller of Budget and other institutions of accountability. County regulations should clarify how committee decisions trigger fund activation and expenditure approvals, and how coordination platforms such as the CSG interface with legally established financing bodies to prevent parallel systems. Activating and clarifying these institutional arrangements ensures that financing decisions are lawful, transparent, and anchored within county accountability structures.

7.2 Improve Predictable and Rule-Based Financing

Budget analysis reveals inconsistent allocation to DRMFs, EFs, and CCCFs, limited tracking of compliance with statutory thresholds. Ambiguities—particularly regarding the structure and allocations to Emergency Funds—have the potential to weaken coherence across financing instruments and reduce counties' ability to act early and independently during crises.

Counties should ensure that allocations to DRMFs and CCCFs are consistently captured across ADPs, CBROPs, CFSPs, and Budget Estimates, with annual compliance against statutory provisions clearly disclosed. Integrating these allocations within Medium-Term Expenditure Framework ceilings would reduce year-to-year discretion and improve predictability. Clarifying allocation rules for Extra-Budgetary Fund and consolidating fragmented disaster-

related budget lines into coherent program structures would strengthen fiscal visibility and internal prioritization. Developing basic risk-layering approaches to distinguish which shocks are financed through county instruments and which require national or external support would further enhance coherence across the disaster risk cycle and reduce reactive reallocations.

7.3 Enhance Transparency and Financial Reporting

Recurring audit findings—including unsupported expenditures, incomplete reporting, and limited disclosure of fund balances—highlight weaknesses in financial transparency and oversight. In several counties, fund-specific financial statements are not regularly published, limiting County Assembly scrutiny and weakening public confidence in disaster and climate financing.

Counties should enforce the requirement that fund administrators produce quarterly and annual financial statements in accordance with the Public Finance Management Act and make them publicly accessible, including at ward level. Disaster and climate reporting should clearly disclose allocations, withdrawals, cumulative expenditures, remaining balances, and project-level implementation status. Strengthening internal audit reviews and institutionalizing timely public responses to Auditor-General findings would reinforce fiscal discipline, improve oversight, and strengthen the credibility of county-led financing systems.

7.4 Institutionalize Meaningful and Inclusive Community Participation

Although legal provisions require community participation in disaster and climate planning, operationalization remains inconsistent. Ward-level committees are frequently under-resourced, irregularly convened, or weakly connected to fund allocation processes, limiting the influence of community priorities and excluding vulnerable groups such as women, youth, pastoralist communities, and persons with disabilities.

Counties should resource and strengthen statutory ward-level structures to ensure regular convening, inclusive representation, and documented consultation processes linked directly to fund approvals. Participation requirements for projects financed through DRMFs and CCCFs should include gender- and age-disaggregated criteria and transparent publication of selected priorities. Establishing structured community feedback and grievance mechanisms connected to disaster and climate interventions would enhance downward accountability and ensure that prevention, response, and recovery investments reflect local realities.

7.5 Strengthen Data Systems, Monitoring, and Impact Tracking

The study finds that while expenditure data is recorded, counties lack standardized monitoring frameworks that link fund allocations to measurable outputs and outcomes. Activation timelines, response speed, beneficiary reach, and prevention investments are not systematically tracked, and disaggregated data by gender, age, or vulnerability status is absent. This limits the ability to assess effectiveness, equity, or value for money.

Counties should develop standardized monitoring and evaluation frameworks for DRMFs, EFs, and CCCFs that track allocation, disbursement, activation triggers, implementation timelines, and outcome indicators. Integrating disaster finance performance indicators—such as response time after shock onset, proportion of funds allocated to anticipatory or preventive action, and percentage of projects originating from participatory processes—into annual reporting cycles would strengthen accountability. Digitizing fund management systems and maintaining disaggregated beneficiary registers would enable impact verification and improve future allocation decisions through evidence-based adjustments.

7.6 Strengthen Enforcement and Oversight Mechanisms

In several counties, statutory committees remain inactive, reporting timelines are unmet, and audit findings recur without clear corrective action, reflecting weak enforcement of existing legal provisions. Without consistent oversight and consequences for non-compliance, disaster and climate funds risk becoming procedural rather than performance-driven instruments.

County Assemblies should conduct regular oversight hearings on disaster and climate fund performance and require formal, time-bound responses to audit findings. Clear administrative consequences for failure to constitute governance committees or publish required reports should be institutionalized within county regulations. National oversight institutions, including the Controller of Budget, should reinforce scrutiny of fund reporting and alignment with approved program-based budgets to strengthen fiscal integrity and compliance across counties.

7.7 Build County Capacity for Effective Fund Management

Technical gaps in anticipatory action planning, monitoring and coordination across financing instruments limit the operational effectiveness of county-managed funds. Ambiguity in the functional sequencing of DRMFs, EFs, and CCCFs across preparedness, response, recovery, and resilience phases further weakens complementarity.

Counties should clarify the distinct but complementary roles of each financing instrument across the disaster risk cycle and develop operational guidelines on risk-informed budgeting and anticipatory action. Targeted capacity-building for fund administrators, finance officers, and technical departments should focus on financial reporting, early-warning integration, monitoring systems, and community engagement. Strengthening institutional capacity in these areas ensures that statutory authority translates into competent, coordinated, and timely disaster response.

7.8 Strengthen National and Donor Alignment with County Systems

The findings highlight coordination ambiguities between national platforms and county financing mechanisms, as well as donor-funded interventions that operate parallel to county systems. These dynamics can fragment response efforts, distort local priorities, and weaken long-term institutional development.

National agencies should formalize coordination arrangements that support the operationalization of DRMFs, EFs, and CCCFs while reinforcing county accountability. Development partners should align emergency and climate financing with county-established funds and planning cycles wherever feasible, avoid parallel governance or reporting structures, and prioritize strengthening county monitoring and transparency systems. Conditioning external support on statutory compliance and inclusive participation would incentivize institutional consolidation and reinforce county ownership of disaster financing decisions.

Reform Coherence

Collectively, these actions respond directly to the gaps identified in institutional activation, financing predictability, transparency, participation, monitoring, enforcement, and coordination. Implemented together, they would strengthen the coherence and performance of county disaster and climate financing systems and enhance their capacity to deliver accountable, data-informed, and locally anchored humanitarian leadership.

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