

## **TALKING NOTES FOR THE CABINET SECRETARY, MINISTRY OF ENERGY AND PETROLEUM DURING THE PC SIGNING CEREMONY FOR INSTITUTIONS UNDER THE MINISTRY**

Principal Secretaries, Chairpersons of Boards, Members of the Board, Chief Executive Officers present, distinguished guests, ladies and gentlemen, good morning.

The Government in its effort to improve public service delivery, has entrenched performance contracting as a key accountability tool as part of the broader public-sector reforms aimed at improving efficiency and effectiveness in the management of public service. Therefore, the signing of the 22<sup>nd</sup> Cycle Performance Contracts which have been prepared in accordance with the Guidelines, and cascaded to Departmental levels affirms our commitment to results-based management and delivery of the Ministry's Mandates in line with the national development priorities and the approved budgets.

I am pleased to report that all the Performance Contracts for all State Corporations under the Ministry have been approved for signing.

Over the years, the Ministry of Energy and Petroleum, and its constituent State Corporations, have actively participated in the Performance Contracting process. Consequently, the Ministry has consistently ranked among the top five Ministries as assessed by the Public Service Performance Management Unit.

In the last financial year, the Ministry achieved a composite score of 3.1757 after evaluation, compared to 3.2765 in FY 2023/2024. This falls within the “**Good**” performance range of 3.00 to 3.60. This indicates significant improvement in several performance indicators. Under financial stewardship, absorption of externally mobilized funds improved by 38.94% while Appropriation-in-Aid amount increased by 14.86%. The pending bills ratio remained below the 1% ceiling, demonstrating prudent financial management.

Under service delivery, implementation of the Citizens' Service Delivery Charter and resolution of public complaints improved by 32% and 29% respectively, demonstrating enhanced efficiency and responsiveness. In the Core Mandates performance indicators, thirteen (13) out of eighteen (18) indicators scored 100%, with the promotion of renewable energy technologies exceeding its target by attaining 109%, demonstrating commitment to advancing sustainable energy initiatives. Cross-cutting indicators also recorded significant improvement with asset management and competence development increasing by 32% and 5% respectively, reflecting strengthened asset management and human capacity development.

Similarly, the State Corporations under the Ministry recorded impressive results in FY 2024/25 with six out of eight attaining a “**Very Good**” rating. These include Energy and Petroleum

Regulatory Authority (EPRA) with a score of 2.5783, Kenya Power at 2.6799, Kenya Electricity Generating Company PLC (KenGen) at 2.8606, Geothermal Development Company (GDC) at 2.9163, Rural Electrification and Renewable Energy Corporation (REREC) at 2.8870, Nuclear Power and Energy Agency (NUPEA) at 2.8673 and Kenya Pipeline Company (KPC) at 2.71. The Kenya Electricity Transmission Company Limited (KETRACO) scored 3.0983 while National Oil Corporation of Kenya (NOCK) achieved 3.26 which is a “Good” rating. This overall performance shows alignment with the Performance Contracting framework across the Ministry and its agencies.

These achievements can be attributed to the teamwork and commitment of various players in the process. Ladies and gentlemen, I wish to sincerely thank the Principal Secretaries, Boards of Directors and Heads of Directorates/Departments and all the staff who contributed to this performance.

However, we must also recognize areas where performance requires improvement. In the FY 2024/2025, the Ministry did not perform well in the digitalization of Government services and selected core mandates indicators. While user requirement development was undertaken under the digitization indicator, onboarding of services onto the e-Citizen platform was not achieved. It is my instruction that we ensure full compliance with these indicators in the current PC Cycle.

As we sign the contracts today, let us remember that these commitments are binding governance tools. I urge the Principal Secretaries and Boards to exercise effective oversight ensure performance reviews are undertaken to track progress and implementation of set targets within the approved budgets and timelines.

Once again, thank you for attending this important occasion.