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Nairobi, Kenya
20th May, 2020

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The Hon. Attorney General
All Cabinet Secretaries

**17TH CYCLE PERFORMANCE CONTRACTING GUIDELINES FOR 2020/21
FINANCIAL YEAR**

The Government adopted Performance Contracting in 2003 as a key accountability framework in its endeavour to improve service delivery in the public service. Performance Contracting is part of the broader public sector reforms aimed at improving efficiency and effectiveness in the management of the public service.

The Novel Coronavirus (COVID-19) pandemic has greatly impacted on Governments worldwide including Kenya causing disruptions to the economy and delivery of services to citizens. This is expected to lead to other challenges such as decline in economic growth, loss of employment and decline in productivity in key sectors of the economy. It is for this reason that the Government, as part of its Post-COVID-19 Recovery Plan, has committed to enact bold and transformative policies to revive the economy and ensure continuity of service delivery to citizens within resources available.

One of the specific objectives of the Post COVID-19 Government Recovery Strategy is to put in place a Results-Oriented Performance Management Framework that takes cognizance of the resultant pressure on government resources and the opportunity to leverage on the crisis to enhance use of digital services.

In appreciation of the emerging realities of COVID-19, the State Department for Public Service has developed an end-to-end platform for full automation of the Performance Contracting process. The platform will have a negotiation module, vetting module, monitoring & reporting and performance evaluation module. Subsequently, the performance contracting process will become paperless where all the key processes will be done online for rapid decision making.

Consequently, beginning FY 2020/21, there is a paradigm shift in the performance contracting process with the envisaged roles and responsibilities of the identified key players provided in the guidelines. **The Cabinet Secretary** will have the overall responsibility for negotiations, vetting, implementation and Monitoring and Evaluation of the Performance Contract for the Ministry and its State Corporations. **Chairpersons of Constitutional Commissions and Independent Offices** will provide leadership in negotiations, vetting, monitoring and evaluation of Performance Contract as per reviewed PC guidelines.

MDAs, Constitutional Commissions and Independent Offices are encouraged to undertake self-reporting as part of good governance practice. Further, Cabinet Secretaries and Chairpersons of Constitutional Commissions and Independent Offices will publish and disseminate the results of the annual performance evaluation to the relevant stakeholders and citizens as envisaged by the Constitution of Kenya 2010.

MDAs, Constitutional Commissions and Specialized Agencies are guided to strictly adhere to the PC Cycle and ensure that vetting is completed and the vetted PCs are electronically endorsed by **1st July, 2020** for implementation to commence immediately Fiscal Year 2020/21 begins. The Performance Contracting guidelines can be downloaded from the Ministry responsible for Public Service website www.psyg.go.ke. For assistance in the implementation of this Circular, you are encouraged to liaise with the Principal Secretary, State Department for Public Service in the Ministry of Public Service and Gender on Tel. 020 2227411 ext 22491 or 22461.

The purpose of this Circular therefore is request you to bring the contents and the Performance Contracting guidelines contained therein to the attention of all the institutions in your respective State Departments.



JOSEPH K. KINYUA, EGH
HEAD OF THE PUBLIC SERVICE

Copy to: The Cabinet Secretary, Public Service and Gender
All Principal Secretaries
The Comptroller, State House
The Chief of Staff, Office of the Deputy President
The Principal Administrative Secretary, Cabinet Affairs Office
The Chairpersons, Constitutional Commissions and Independent Offices
The Secretary/CEOs, Constitutional Commissions and Independent Offices
The Chairpersons, State Corporations
The Secretary/CEOs, State Corporations