Annex 2:

SUMMARY OF DETERMINATION OF THE FORMULAE AND ELECTION CAMPAIGN FINANCE SPENDING AND CONTRIBUTION LIMITS

1.0. Introduction

- The first step in determining the spending limits involved estimation of the average costs incurred at each electoral level namely: County, Constituency, and Ward.
- In determining the average costs, the electoral levels were classified into urban, sparsely populated areas and the other areas based on the criteria for electoral boundaries delimitation as provided in Article 89 of the Constitution.
- In accordance with Section 18(4) of the Election Campaign Finance Act, the determination of the spending limits considered population and the land area.
- The two factors of population and land area have been given a weight of 60 and 40 percent respectively.

The following section provides the average costs for each electoral level derived from a consultative process and experiences from other jurisdictions. The section also provides the model proposed for determining the spending limits as well as the president and political parties limits.

2.0. Average Costs

Table 1: Ward Level Average Costs (Ksh.)

Campaign Expenditure Items	Urban	Sparsely populated Areas	Other areas
Venues	189,000	148,000	98,000
Publicity Materials	485,000	416,000	485,000
Advertising and media	1,760,000	1,425,000	1,465,000
Campaign personnel	225,000	252,000	225,000
Election agents	170,000	170,000	170,000
Transportation	720,000	1,500,000	900,000
Communication	16,100	18,800	18,800
Nomination fees and charges	60,000	60,000	60,000
Security	30,000	30,000	30,000

Accommodation	12,500	7,500	12,500
Administrative cost	176,000	193,000	143,000
Total	**3,843,600**	**4,220,300**	**3,607,300**

Table 2: Constituency level Average Costs (Ksh.)

Campaign Expenditure Items	Urban	Sparsely populated Areas	Other areas
Venues	378,000	296,000	196,000
Publicity Materials	2,400,000	1,675,000	2,400,000
Advertising and media	6,175,000	3,715,000	4,075,000
Campaign personnel	419,000	464,000	419,000
Election agents	735,000	735,000	735,000
Transportation	5,400,000	11,100,000	6,300,000
Communication	65,250	100,250	100,250
Nomination fees and charges	295,000	295,000	295,000
Security	30,000	30,000	30,000
Accommodation	52,500	37,500	52,500
Administrative cost	2,246,000	1,725,000	1,565,000
Total	**18,195,750**	**20,172,750**	**16,167,750**

Table 3: County level Average Costs (Ksh.)

Campaign Expenditure Items	City	Sparsely populated Areas	Other areas
Venues	1,384,000	592,000	392,000
Publicity Materials	2,500,000	1,735,000	2,500,000
Advertising and media	7,585,000	3,915,000	4,395,000
Campaign personnel	669,000	764,000	669,000
Election agents	4,380,000	4,380,000	4,380,000
Transportation	25,920,000	44,400,000	31,500,000
Communication	282,500	282,500	282,500
Nomination fees and charges	450,000	450,000	450,000
Security	60,000	60,000	60,000
Accommodation	67,500	37,500	52,500
Administrative cost	3,542,000	2,358,000	2,258,000
Total	**46,840,000**	**58,974,000**	**46,939,000**

3.0. Proposed Model for determining Spending Limits

Model With Minimum Costs

This model does not classify the electoral levels into any category. The model takes into consideration the costs which do not necessary depend on population and the size of the electoral unit across regions. Thus, for this model there is the minimum costs in addition to the cost which vary with the land area and population across the electoral units

The unit costs derived from the average costs that vary with population and land area as follows:

Table 8: Unit costs (Ksh.) for each electoral level

	Ward	Constituency	County
Minimum Cost	2,246,500	7,691,833	10,165,167
Population	30.07	38.36	24.16
Land Area	1,640	2,093	1,318

Recommendation:

- Model 4 is recommended. The model provides a realistic approach of estimating the spending limits by taking into consideration the minimum costs that do not necessary depend on population and land area across all electoral levels. Due to the minimum cost consideration, the spending limits derived from model 4 provides more objective and equitable limits.

4.0. Presidential Spending Limit

- The President limit has been determined from the average limit obtained from the spending limit of the three electoral levels.

Table 9: President Spending Limit (Ksh.)

	Costing Approach			Average
	County	Constituency	Ward	
Unit Cost (Population)	30.19	67	71.16	
Unit Cost (Land area)	1,647	3,628	3,882	
Population	47,564,296	47,564,296	47,564,296	
Land area	581,307	581,307	581,307	
Presidential Limit	2,393,378,725	5,272,007,480	5,641,309,077	**4,435,565,094**

- **The presidential limit is Ksh. 4,435,565,094.**

The determination of the presidential spending limits was based on model 3 and not 4, since the limit for the presidential level has been inferred from the County, constituency and the ward levels, noting that we did not get the average costs for the presidential level, but rather the average costs for county, constituency and ward levels.

5.0. Political Parties Spending Limits

The political parties limit assumes that all parties will field candidates across all electoral levels. Based on this, the sum of the total spending limits across each electoral level is obtained as follows:

Table 1: Total spending limits at each electoral level

Electoral level	Total spending limits
Ward	5,628,186,714.71
Constituency	5,255,424,591.84
County	2,393,130,333.33
Presidential	4,435,565,094.00
Total	**17,712,306,733.88**

The total spending limit of **Ksh. 17,712,306,733.88** is apportioned to each spending item based on the relationship of each spending item to the total cost at the county level as follows:

Table 2: Political parties spending limits

Spending Items	Limit Cost
Venues	274,578,845.23
Publicity Materials	780,949,545.03
Advertising and media	1,843,087,307.84
Campaign personnel	243,735,106.71
Election agents	1,523,634,301.67
Transportation	11,806,426,529.39
Communication	98,270,933.84
Nomination fees and charges	156,537,770.72
Security	20,871,702.76
Accommodation	18,262,739.92
Administrative cost	945,951,950.76
Political parties spending limit	**17,712,306,733.88**