



What is Medium Term Expenditure Framework (MTEF)?

MTEF is a transparent planning and budget formulation process within which the Cabinet and central agencies establish credible contracts for allocating public resources to their strategic priorities while ensuring overall fiscal discipline. The process entails two main objectives: the first aims at setting fiscal targets, the second aims at allocating resources to strategic priorities within these targets.

“Allocation to strategic priorities” requires determination of government wide priorities by the Cabinet collectively and portfolio-wide priorities by Ministries individually. Transparency requires that the priorities of the Cabinet are explained in a Budget Policy Statement whereas the priorities of individual ministries are explained in their Corporate Plans.

