#### THEME:

"Deliver. Transform. Measure. Remaining Accountable"

4th to 8th March, 2019

Kirinyaga University, Kirinyaga County

**6<sup>th</sup>Annual Devolution Conference Report 2019** 

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## **Abbreviations and Acronyms**

AG	Auditor General
AGPO	Access to Government Procurement Opportunities
AAK	Architectural Association of Kenya
ADR	Alternative Dispute Resolution
ASGTS	Agricultural Sector Growth and Transformation Strategy
ASAL	Arid and Semi-Arid Land
AWAK	Association of Women in Agriculture in Kenya
CBS	Chief Of The Order of the Burning Spear
CAF	County Assemblies Forum
CAJ	Commission on Administrative Justice
CEC	County Executive Committee
CHVs	Community Health Volunteers
CIDPs	County Integrated Development Plans
COG	Council of Governors
CPF	County Pension Fund
CRA	Commission on Revenue Allocation
CPRM	County Peer Review Mechanism
DCI	Directorate of Criminal Investigation
DPP	Director of Public Prosecution
EACC	Ethics and Anti-Corruption Commission
EGH	Elder of the Order of the Golden Heart of Kenya
FAO	Food Agriculture Organization
GODAN	Global Open Data for Agriculture and Nutrition
HIGDA	Health Informatics Governance and Data Analytics
ICT	Information and Communication Technology
IFMIS	Integrated Financial Management Information System
IGRTC	Intergovernmental Relations Technical Committee
IT	Information Technology
KAM	Kenya Association of Manufacturers
KCB	Kenya Commercial Bank
KEMSA	Kenya Medical Supplies Agency
KEPSA	Kenya Private Sector Alliance
KIDA	Kirinyaga Investment Development Authority

KIPPRA	Kenya Institute of Public Policy, Research and Analysis
KIWASH	Kenya Integrated Water, Sanitation and Hygiene Project
KMTC	Kenya Medical Training College
KRA	Kenya Revenue Authority
KUSCCO	Kenya Union of Savings and Credit Cooperatives
MBS	Moran of the Order of the Burning Spear
MDAs	Ministries, Departments and Agencies
MGH	Moran of the Order of the Golden Heart
MoDA	Ministry of Devolution and ASAL
MOU	Memorandum of Understanding
MP	Member of Parliament
MSMEs	Medium, Small and Micro-Enterprises
NCIA	Nairobi Centre for International Arbitration
NEPAD	New Partnerships for Africa's Development
NGO	Non-Governmental Organization
NHIF	National Hospital Insurance Fund
OGW	Order of the Grand Warrior
PHC	Primary Health Coverage
PPP	Public Private Partnership
PWDs	Persons with Disabilities
SDGs	Sustainable Development Goals
SMEs	Small and Medium Enterprises
SRC	Salary Regulatory Commission
UHC	Universal Health Coverage
UK AID	United Kingdom Aid
UN	United Nations
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
WASH-FIN	Water, Sanitation and Hygiene Finance
WSP	Water Service Provider

### **Foreword**



"As a Governor who served in the first period of devolution, I must say that Counties have achieved significant milestones in the fourteen (14) devolved functions."

The 6<sup>th</sup> Annual Devolution Conference marked an important milestone in our journey in implementing devolved governance. In line with the conference theme, "Transform, Measure, Deliver. Remaining Accountable." the conference offered a platform for Counties and other devolution stakeholders to explore strategic possibilities that will drive the fulfilment of the Big Four Agenda. The conference was also a forum for networking and benchmarking among Counties and offered opportunities for showcasing of best practices and peer learning.

As a Governor who served in the first period of devolution, I must say that Counties have achieved significant milestones in the fourteen (14) devolved functions. Various sectors have experienced transformation in the way services are delivered. Thus the reason why devolution conferences have become important in our calendars; they provide both levels of government, development partners, civil society and all devolution stakeholders a space to celebrate the successes of the devolved system of governance and examine the challenges with a view to agreeing on practical solutions.

The 6<sup>th</sup> Annual Devolution Conference in Kirinyaga was timely as it allowed the National Government and County Governments to look at the progress made in the implementation of the Big Four Agenda. It emerged that for this development blueprint to succeed, close collaboration and consultation between the two levels of government is required and that adequate resources should be allocated for the delivery of this promise to Kenyans.

As I conclude, I would like to thank the Steering Committee, the Planning Committee, the CoG Secretariat, our partners and all who took time to travel and participate in the conference. May the synergy that was witnessed in the planning and execution of the conference be extended to the implementation of the communique that was generated from the deliberations of the conference.

H.E. Hon. FCPA. Wycliffe Ambetsa Oparanya, EGH, CGJ

Chairman, Council of Governors

## Acknowledgements



"Our special appreciation goes to the President of the Republic of Kenya, His Excellency Uhuru Kenyatta, CGH, for gracing the conference as the Chief Guest."

We would like to acknowledge the support received from the Ministry of Devolution & ASALs and the County Assemblies Forum for their dedication and zeal during the planning of the 6th Annual Devolution Conference that was held at Kirinyaga University in Kirinyaga County. We appreciate the leadership of the Co-chairs of the Steering Committee and the members.

Our special appreciation goes to the Chief Guest, the President of the Republic of Kenya, His Excellency Uhuru Kenyatta, CGH. His commitment to making devolution work has been unwavering.

To the Deputy President, H.E. Dr. William Ruto, EGH, EBS, for finding time to attend the conference and participating in the closing ceremony – we say thank you.

We would like to convey special appreciation to the Rt. Hon. (Eng). Raila Odinga, EGH, AU High Representative for Infrastructure Development in Africa, who also participated in the conference.

We cannot forget the host Governor of Kirinyaga County, H.E. Anne Waiguru, EGH, OGW, and the host Senator Hon. Charles Kibiru, for their support in ensuring that the conference was a success. We would also like to appreciate the management of Kirinyaga University for graciously availing the facility for the duration of the conference.

Gratitude is also conveyed to the overall conference facilitator, Prof. Karuti Kanyinga, the sector facilitators, moderators and all the session panelists for making the deliberations vibrant and for their valuable contributions.

We would also like to appreciate the internal team of editors: Clemency Dorah, Esther Njagi, Rosemary Njaramba and Yvonne Ogwang, that supported the review and editing of the report.

Lastly, our heartfelt gratitude goes to Safaricom Plc who were our platinum sponsor for the conference; and to all our other sponsors and partners, and all the institutions and organizations that participated in the exhibitions – asanteni.

Jacqueline Mogeni, MBS

CEO, Council of Governors

### **Executive Summary**

The 6th Annual Devolution Conference was convened jointly by the Council of Governors (CoG), Ministry of Devolution and ASALs (MoDA), Senate and County Assemblies Forum (CAF) between 4th and 8th March, 2019 at the Kirinyaga University, Kirinyaga County. In line with the overall conference theme "Deliver. Transform. Measure. Remaining Accountable.", the conference's overall objective was to take stock of development initiatives existing in the devolution space and to provide delegates with an opportunity to examine the challenges and existing opportunities, share experiences and lessons derived from implementing the Big Four Agenda. The conference provided a platform for Counties to explore strategic possibilities in implementing the Big Four Agenda with an approach to networking and benchmarking among Counties and showcasing the success stories of inter-County and regional blocs' agreements.

The report presents the official opening by His Excellency Uhuru Kenyatta, CGH, the President of the Republic of Kenya, His Excellency Dr. William Ruto, EGH, EBS, the Deputy President, Rt. Hon. (Eng). Raila Odinga, EGH, AU High Representative for Infrastructure Development in Africa and the Host Governor; Her Excellency Ann Waiguru, EGH, OGW, Governor, Kirinyaga County.

The keynote messages during the official opening were delivered by Hon. Eugene Wamalwa, Cabibnet Secretary, MoDA; Hon. Justice William Ouko, President, Court of Appeal; Rt. Hon. Sen. Kenneth Lusaka, EGH, MP, Speaker of the Senate; Hon. SC. Sen. Orengo, EGH, MP, Minority Leader, Senate; Hon. Sen. Kipchumba Murkomen, EGH, MP, Majority Leader, Senate; Sen. Charles Kibera, MP, Kirinyaga County; H.E. Mwangi Wa Iria, Muranga County and Vice Chair, CoG and H.E. Wycliffe Oparanya, Kakamega County, and Chair, CoG.

Development Partners who gave official remarks included H.E. Nic Hailey, British High Commissioner; Mr. Mostafa Slisli, Oru Fogar; Mr. Siddirath, UN and Mr. Joseph Ogutu, Safaricom PLC.

The report captures the Big Four sectoral session discussions, which included Health, Affordable Housing, Trade and Manufacturing and Agriculture with a cross cutting theme on Water and Sanitation that were further broken down into three platforms for deliberation by delegates for the three (3) days. The proceedings of the sessions were captured and articulated the key emerging issues and recommendations. Each sector resolutions were summarized and made up the final comprehensive conference resolutions read in the communiqué that was duly signed by the three (3) Chairpersons and Secretary of the Devolution Conference Steering Committee on the last day of the conference.

# Chapter 1: Introduction, Pre-Conference Activities and Opening Remarks

#### 1.1 Introduction

The Annual Devolution Conference is considered an important event in the Kenyan calendar because it provides a platform through which all devolution stakeholders evaluate performance of both levels of government in matters of policy, accountability, good governance, and service delivery among others.

The 2019 Conference adopted a sector approach in line with the President's Big Four Agenda, with a focus on Health, Agriculture, Affordable Housing and Trade & Manufacturing. The conference also incorporated a Water and Sanitation session.

For each sector, the conference offered a platform for the National Government, County Governments, Private Sector, Civil Society, Development Partners and Citizens to:

- i. Assess the progress and status of the sectors, and the best practices;
- Examine the key enablers for the implementation of the Big Four Agenda that would determine the achievement of the desired results; and
- iii. Set targets for each sector for the next one (1) year.

The conference brought together 7864 participants, with 4724 conference delegates (female=2324, male=5540), both local and international, participating in plenary discussions. On the third day, the conference adopted a 17-point communique which will guide policy and legislative discourse and reform for the next one year.

#### 1.2 Pre-Conference Activities

The conference was preceded by a football tournament at the Kerugoya Boys' Secondary School in which the following teams participated: Senate, CAF, CoG and Kerugoya Boys. Governors, Deputy Governors, Senators and Members of the County Assemblies took part in the exciting matches with cheering squads being drawn from conference stakeholders in government and private sector.

The Senate team emerged the winner and took home the trophy.







Left & Centre: Senators Ken Lusaka and Kipchumba Murkomen tackling a player during the football match at the Kerugoya grounds

Right: Players during the football tournament at the 6th Annual Devolution Conference

<sup>&</sup>lt;sup>1</sup>Annexed in this report is the duly signed conference communique

#### 1.3 Opening Remarks

#### 1.3.1 Chief Guest Speech: H.E. Uhuru Kenyatta, CGH,

President of the Republic of Kenya and Commander in Chief of the Kenya Defense Forces



The Chief Guest, H.E. President
Uhuru Kenyatta, delivering his speech
during the opening ceremony of the
6th Annual Devolution Conference in
Kirinyaga County

In his opening remarks, President Uhuru Kenyatta noted that devolution was one of the reasons that had led to a majority of the citizens supporting and voting for the 2010 Constitution. The two-tier system was designed to foster national unity, promote accountability and exercise power in decision-making, with the aim of ensuring equitable development.

Affirming his resolve and commitment to the fight against corruption at all levels of Government, President Kenyatta said his administration had put in place a proactive programme of prevention as well as asset recovery that would serve to guard the public purse. "I expect all of us to desist from creating barriers, hurdles and obstacles in the work of all state agencies involved [in the fight against corruption] and in turn cooperate with them as they discharge their respective mandates," said the President.

The President highlighted that his Government had taken bold steps to create a stable political environment in which the goodwill and support for good governance could flourish. He further noted that the country has made significant impact on the economic, social and political spheres due to devolution. Some of these included:

- Health: The collaboration between National Government and County Governments which led to tremendous progress and building of a strong foundation for the enrollment of the UHC. At the time, the program was being piloted in four Counties and would later be implemented in the remaining Counties.
- **Infrastructure:** Improvement and upgrading of rural road networks thereby opening markets by linking producers to buyers. This had facilitated increase in self-employment.
- Manufacturing: Some Counties had created processing factories for value addition which had led to job creation as well as income generation. Other Counties were urged to emulate such innovations.
- Entrepreneurship: There was need for better licensing and regulatory policies

The President at the same time called on all Governors to join him in the war against graft, terming it a 'generational struggle' in which all Kenyans must emphatically say no to, and rein in on the corrupt within their respective Governments.

"As we strive to build our nation and fill the national basket with the fruits of our labour, it is unfortunate that some have their hands in that basket, taking away the necessary resources needed to build a better Kenya for all," said the President.

He said that with the renewed zeal against graft, Kenyans would be assured of the brightest days ahead. The President therefore called on all Kenyans to support the war on graft, saying that winning the war would ensure better utilization of resources aimed at building a better country for all.



H.E. President Uhuru Kenyatta receiving a gift from Kirinyaga County presented by Governor Anne Waiguru



Photo session with H.E. Uhuru Kenyatta and H.E. Dr. William Ruto during the official opening of the 6<sup>th</sup> Annual Devolution Conference in Kirinyaga County

#### 1.3.2 H.E. Dr. William Ruto, EGH, EBS

Deputy President, Republic of Kenya



H.E. Deputy President Dr. William Ruto, EGH, EBS, delivering his speech during the opening ceremony of the 6<sup>th</sup> Annual Devolution Conference held in Kirinyaga County

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In his opening remarks, H.E Dr. Ruto noted that the Fifth and Sixth Devolution Conferences had indeed proved devolution to be a success. He commended President Uhuru's regime for its efforts that facilitated devolution success seen so far.

In his speech, he highlighted the following:

**Trade and Manufacturing:** There is greater appreciation from the Governors of what can happen in the Counties today. In order to achieve greater strides in the manufacturing sector, there is need for an enabling environment and infrastructure to facilitate manufacturing in every County.

**Resources:** The National Government and County Governments had not been able to reach a consensus on sharing of the revenue. The National Government was aware of the needs of the Counties, however, they had limited resources. There is therefore need for both levels of government to come together and identify innovative ways to generate more revenue.

**Big Four Agenda:** Some of the Big Four sectors are devolved functions, however, it is important to note that the government is one. Therefore, the two levels of government need to work together to make a better Kenya through collaboration and consultation as provided for in the Constitution.

#### 1.3.3 Rt. Hon. (Eng). Raila Odinga, EGH.

AU High Representative for Infrastructure Development in Africa



Rt. Hon. Raila Amolo Odinga delivering his speech during the opening ceremony of the 6<sup>th</sup> Annual Devolution Conference held in Kirinyaga County

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In his speech, he said that he continued to believe that devolution was the best thing that Kenyans chose for Kenya, and that was what had inspired his frequent attendance in the devolution conferences. He further recognized the Governors and their work as the people on the ground. He added that Governors had a good picture of what works, what does not, what should remain, what should be improved and what should be scrapped outright. "And that is also why I continue to call for a closer and more cordial working relationship between the National Government County Governments", he added.

He encouraged County Governments to cooperate with the NEPAD Secretariat in Nairobi to support Counties to implement County Peer Review Mechanism (CPRM) with the aim of entrenching African Peer Review Mechanism governance principles in our Counties. He noted that there is a need for clearer modalities for embracing, promoting and institutionalizing the principles of cooperation, collaboration, consultation, coordination, consensus and concurrence between the two levels of government, and, in particular, a clearer framework for money following functions in a more structured and predictable manner. "We need a clearer framework for involvement County Governments in the realization of the Big Four agenda of housing, agriculture, manufacturing and healthcare," he concluded.

#### 1.3.4 Hon. FCPA. Wycliffe Ambetsa Oparanya, EGH, CGJ

Governor, Kakamega County and Chairman, Council of Govornors

Hon. FCPA. Wycliffe Ambetsa Oparanya, Governor, Kakamega County and Chairman, CoG, delivering his remarks during the 6<sup>th</sup> Annual Devolution Conference in Kirinyaga County



In his remarks, H.E. Oparanya noted that Counties had been the key providers of key services in the country such as health, water, road networks and early childhood education. He mentioned that Counties had made significant achievements in all the aforementioned areas. He highlighted that following progress from Counties:

**Health:** Coast General Hospital successfully conducted the first open heart surgery in 2015 while Embu Level Four Hospital successfully conducted the first brain surgery in 2018. Despite the milestones made, the health sector had been facing challenges with funding and human resource. According to H.E. Oparanya the governors were willing to make Kenya a world class hub for health services and, as such, were ready to support the Universal Health Care Program.

**Agriculture:** Counties had expanded agricultural mechanizations and made significant achievements in crop and animal production. These included value addition projects, green houses, new market linkages for farmers, and extension services.

**Water:** In the water sector, the following achievements had been made: piped water connections in more households; rehabilitation and construction of dams, water pans and boreholes; development and sustaining of water projects through the support of non-state actors and private public partnership.

**Education:** There had been increased enrollment in ECD, building new structures, rehabilitation of classrooms, equipping ECD centers and recruiting ECD teachers.

He further pointed out some of the challenges in the implementation of the devolved system, including, but not limited to, insufficient allocation and delays in disbursement of funds by the National Treasury; lack of funding for some devolved functions such as libraries and museums; overlapping and duplication of functions by state agents, corporations and regional development authorities; and lack of a unified framework for pensions for County Government employees.

#### 1.3.5 Rt. Hon. Kenneth Lusaka, EGH, MP

Speaker of the Senate



Senator Kenneth Lusaka delivering his remarks during the opening ceremony of the 6<sup>th</sup> Annual Devolution Conference held in Kirinyaga County

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In his opening remarks, the Speaker of the Senate introduced the Senators as the 2019 champions during the football tournament held at Kerugoya Boys on 4th March 2019. He went on to mention that the match had not been easy, and that he had learned that focus was crucial in winning a match.

Senator Kenneth Lusaka noted that if individuals remained responsive and accountable, then the priority would be to ensure that there was effective public participation in government business. He pointed out that it was the desire of the Senate that all programmes be initiated through consultations and agreed upon by the majority of the key stakeholders. This explained why the public participation bill has been prioritized by the Senate.

He continued to emphasise that public participation should genuinely reflect the public input and be shielded from elite capture, thus preventing the exercise from being a mere ritual. "It should be collective, inclusive and on a need basis", he added. He affirmed that upon enactment of the public participation law, there would be improved participatory process and enhanced understanding of citizens in order to build community support for development programmes and activities.

#### 1.3.6 Hon. Eugene Wamalwa, EGH

Cabinet Secretary, Ministry of Devolution & ASALs



Hon. Eugene Wamalwa delivering his remarks during the 6<sup>th</sup> Annual Devolution Conference

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He stated that the purpose of the conference was to celebrate the gains of devolution. Six (6) years down the line, success stories that had been shared at the conference included those of Counties that previously had no tarmac roads but now had them, such as Mandera and Wajir; Counties that previously had no medical equipment yet now boasted modern medical equipment such as Turkana, and other Counties, such as Samburu County, where maternal deaths that had been very high being brought down by almost by 79% because of equipment in hospitals. He said that these success stories gave a clear indication that devolution was working.

He noted that one of the opportunities on the horizon of devolution was technology. Some Counties that had automated their revenue collection processes had doubled their revenue collection. He mentioned that the launch of the Joint National Resources Mapping by His Excellency the President had the potential of increasing revenue collection, enhancing revenue management in the Counties, and enhancing revenue generation, which would strengthen own source revenues.

He further noted that there was a policy intervention by the National Government on own source revenue which had already been passed in Cabinet, with a Bill pending before Parliament. He continued to say that this would go a long way in strengthening the policy framework to aid Counties in building their capacities. He also mentioned the policy on Regional Economic Blocs which had been developed and was currently before the Cabinet. He added that the policy, if passed, would go a long way in strengthening Counties to transform into investment magnets, enabling Counties to enjoy economies of scale, and working together to carry out major infrastructure projects that could not have been achieved by each County on its own.

#### 1.3.7 Governor Mwangi Wa Iria

Muranga County and Vice Chair, CoG

Governor Mwangi Wa Iria giving the status of the implementation of the 5<sup>th</sup> Annual Devolution Conference Resolutions during the opening ceremony of the 6<sup>th</sup> Annual Devolution Conference in Kirinyaga



Murang'a County Governor Mwangi Wa Iria, Vice-chairperson of the Council of Governors and Chairperson of the Devolution Conference Steering Committee gave the status on action points from the 5th Annual Devolution Conference joint communiqué as follows:

**Intergovernmental Relations:** To anchor the CoG Secretariat, a draft amendment bill on the Intergovernmental Relations Act 2012 had been developed and was awaiting validation before tabling to the Parliament. On the administrative framework for intergovernmental sector reforms, regulations had been developed to aid in the standardization.

**Governance and Leadership:** It had been noted that there was a need to have an effective public participation approach and genuinely engage citizens in determining development priorities. The following had been effected:

- 40 Counties from the previous 27 had established County Budget and Economic Forums
- ❖ 37 Counties from the previous 22 had enacted public participation laws
- A national policy on public participation was in the process of development
- All Counties were holding public participation forums when approving their budgets and CIDPs
- 31 Counties had audit committees as guided by the Public Finance Management Act

**Knowledge Management:** In order to promote knowledge sharing among Counties, at least five inter-County knowledge sharing forums, spearheaded by CoG's Maarifa Centre, had taken place, where 357 senior National and County officials participated.

**Gender:** The following had been effected in the area of gender inclusion and mainstreaming of women, minorities, youth, persons with disabilities and marginalized groups in the planning and implementation of programs:

- Leadership and governance training held for 247 women Counties' executive and ward representatives
- ❖ Access to government procurement opportunities (AGPO) adhoc training for 758 women, youth and persons with disabilities. 26 Counties were fully compliant with adhoc reporting requirement

**Access to Government Services:** Huduma Centers had incorporated County Government counters to provide key services such as licensing.

#### Finance:

- Automation of Exchequer releases to Counties had been automated.
- The verification of all the existing pending bills had been completed by all County Governments and a settlement scheme developed and shared with the Controller of Budget and the Auditor General. The Auditor General was on the ground in all the 47 Counties auditing the pending bills and a report was expected to be released.
- The verification exercise of the assets and liabilities of the defunct local government for the remaining 16 Counties had been completed.

Health: There was need to address the governance and health leadership on health sector. To this effect:

- UHC pilot projects had kicked off in four Counties
- ❖ 838 medical officers had been facilitated by County Governments to undertake post-graduate specialized training
- Integrated human resource system software has been installed in at least 20 Counties
- Requisition of medical supplies from KEMSA was being done online by all the 47 Counties

**Agriculture:** To enhance production efficiency, strengthening farmers extension services, addressing youth and gender gap, adoption of advanced technology, managing risks, the following measures were being taken:

- Agricultural transformation and gross storage had been developed
- Agricultural guidelines had been developed and disseminated to all the 47 Counties
- 26 agricultural mechanization stations, fully equipped with 350 tractors, had been deployed
- 292 milk coolers had been installed in at least 26 Counties
- 2300 irrigation kits had been distributed to 31 Counties
- 1107 Hectares of land was covered under irrigation

**Urban Development and Infrastructure:** It was resolved that there should be an all-inclusive and integrated mechanism for the delivery of the affordable housing agenda. To this effect, the following had been achieved:

- At least 18 Counties had signed MoUs with the National Government for the implementation of the housing project
- At least 29 Counties were developing County Special Plans, with one County having an approved spatial plan

**Trade and Manufacturing:** It was resolved that there was need to strengthen and provide linkages to MSMEs to access both domestic and international markets. To this effect, the following had been done:

- Linkages between MSMEs and American markets
- A draft policy on Regional Economic Blocs was being developed to enhance inter-County trade and investment

The issue of uncoordinated and punitive tariffs still continued to affect the sector and, as such, there was a need to address it. At the time, there was a policy under development between the National Government and the County Governments aimed at harmonization of tariffs across the Counties.

#### 1.3.8 Host Governor, Ann Waiguru, EGH, OGW,

Kirinyaga County

Governor Anne Waiguru delivering her remarks during the opening ceremony of the 6<sup>th</sup> Annual Devolution Conference held in Kirinyaga County

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In her opening remarks, Governor Anne Waiguru stated that the Sixth Annual Devolution Conference marked an important milestone in the course of the national journey on devolved governance. The concept of annual devolution conferences was largely based on the need to strengthen County Governments in order to fully realize the implementation of devolution. Since its inception six (6) years ago, a lot of achievements had been witnessed in spite of the challenges. Key institutions such as the CoG, Senate, and County Assemblies Forum and the support of National Government through the Ministry of Devolution and ASALs had played a major role in championing devolution on behalf of Kenyans.

Giving an example of Kirinyaga County, the Governor shared some of the success stories and achievements in the following areas:

- Health: After benchmarking with Makueni and Machakos, Kirinyaga County came up with Kiricare and would be rolling it out in a short while so that the residents could access affordable health care.
- Trade and Manufacturing: the local market had been expanded so that farmers could have more opportunities to sell their produce and traders could earn better income. In addition, the County Government had undertaken the building of more markets and developed processing factories for rice and tomatoes. Moreover, Kirinyaga had sourced for a market for its coffee in New York.
- Food Security: Through Wezesha Kirinyaga Program, capacities of women and youth would be enhanced to enable them to participate in the agricultural sector.
- Housing: Kirinyaga was selected to implement the affordable housing project and had received support for urban infrastructure.

She welcomed the participants for the second day of the conference. She commended them for their commitment to the conference, urging them to participate actively in all the sessions by sharing and deliberating on the issues. H.E. Waiguru noted that the end results of the conference needed to be applicable experiences and actionable plans. She reminded participants that Kenyans were determined to see results and, as such, the leaders were to account for good governance, accountability and transparency, which was necessary in building Kenyans' faith and confidence in the realization of a prosperous and equitable nation.

#### 1.3.9 Sen. Kipchumba Murkomen, EGH, MP

Majority Leader, Senate

Senator Murkomen was elated to inform the delegates that the conference had begun the previous day with a football match between the Senate and the CoG, which ended with a barren draw. He jokingly noted that the Tana River Governor had given him a well calculated tackle, while the County Assemblies' team had "bullied" them; however, Senate won 4:0. He noted that the spirit of team building among the County Governors and the Senate should be upheld for bettering the lives of the people.

He highlighted that, six years later, the great improvement of relations between the National Government and County Governments had begun based on partnerships. He added that credible data for the upcoming census would be critical, and thus Senate had formed a special Senate Committee to oversee the census. He noted that there was need to review the formula of resource sharing among County Governments, since the CRA formula was not comprehensive, and thus, Senate and CRA had been working together to ensure equity.

He pointed out that there was need to measure the national policy on critical sectors such as health and agriculture, and hence, there was need to review the policy and ensure that it was participatory and had clarity, for instance, on referral hospitals. He pointed out that there was no clear and updated policy framework in Agriculture, for instance, on the issues of fertilizer, extension services, prevention of diseases and loans and grants - particularly on the disbursement and allocation mechanism - hence the need for Senate to work on the loans and grants parameters.

#### 1.3.10 Sen. SC. James Orengo, EGH, MP

Minority Leader, Senate

He recounted his weekend during which he had been in Kericho County, after which he had gone to Muranga County, was at present in Kirinyaga County and later on would be in Meru County. In just two days, he had visited five (5) Counties without encountering any barriers; thus proving that devolution is working. He noted that there was need to allocate more resources to the Counties. He pointed out that the Senate worked on bipartisan basis and that the Supreme Court ruling on legislation ought to be followed and respected.

He highlighted the Kang'ata Bill, which targets more funding from National Revenue (about 45%) to go to the Counties and reach closer to the people. He reiterated that the opposition was not dead, but was at the forefront of bringing about healing and reconciliation in the country and supporting key projects such as the Big Four Agenda, as well as working on controlling the country's debt position.

#### 1.3.11 Host Senator, Sen. Charles Kibiru

Kirinyaga County

He stressed in his speech that the theme of the devolution is deliver, transform, measure when remaining accountable but from where we sit resources shall never be enough. He suggested that the conference come up with a declaration to take care of the penny (Measure the penny so that the shilling or the pound can take care of itself, urging that, that is the only way we can remain accountable). With those remarks he concluded and welcomed all delegates on behalf of elected leaders of Kirinyaga County, the County of plenty.

#### 1.3.12 Hon. Mr. Justice William Ouko

President, Court of Appeal

Hon. Ouko noted the introduction of two-tier governments as a hall mark of the 2010 Constitution, citing Article 1 of the Constitution, that the sovereign power of the people is vested in National Government and County Governments. He added that the three separate arms of government must be able to collaborate, consult and cooperate, in order to help to address some of the challenges affecting the nation. He added that the new system of government had faced many challenges, such as impeachments, as was witnessed during the first term in the period of 2013-2017.

He mentioned that in this current term, corruption and misuse of funds was seen as the most critical challenge that was facing the County Governments as evidenced by reports from Transparency International and the Office of the Auditor General. Hon. Ouko added that this had in turn caused the majority of Kenyans to lose hope in devolution. He urged the conference participants to discuss these issues, because, if not addressed, corruption would affect the implementation of the Big Four Agenda and potentially kill devolution.

He went ahead to note success stories where some Governors had allocated land for Judiciary in order to bring justice closer to the people. He emphasized that the Judiciary would continue to protect devolution as per the Constitution to enhance rule of law and good governance. He highlighted the need for the citizens and leaders to always remember the principles of devolution as cited in Articles 174 and 175 of the Constitution.

#### 1.3.13 Hon. Johnson Osoi MBS

Chairman, County Assemblies Forum

He mentioned that, under Chapter 11, Article 185 of the Kenyan Constitution 2010, it talks about a paradigm shift, giving clear stipulation on the mandate of County Assemblies as the legislative authority of the County Governments. He also highlighted that in the first year of devolution, there were quite varied experiences, especially on ensuring County legislators undertook their legislative and oversight mandate effectively. This was due to the fact that the system was new to them.

He mentioned that devolution had now become of age. He added that they had had forums of discussion to address some of the pertinent issues, in order to ensure that there was a clear understanding as they executed their roles as the executive and legislature at the County level. However, he mentioned that they were still grappling with County Assemblies over the issue of the financial autonomy of County Assemblies.

He mentioned that there was need to automate budgetary requisition procedures, noting that major delays of financing for County Governments occurred when the process of approval for withdrawal of funds by Controller of Budget was centralized in the city of Nairobi.

#### **1.3.14** H.E. Nic Hailey

British High Commissioner to Kenya

H.E Nic Hailey spoke on behalf of the Devolution Sector Donor Working Group and all development partners. In his speech, he highlighted the following:

He said, "I am particularly proud to be making these remarks from Kerugoya municipality, which was one of the ten municipalities selected by the UK's £60 million Sustainable Urban Economic Development Programme. Following a rigorous application and selection process by 53 out of 59 municipalities who sent in highly competitive applications. The UK is proud to join other development partners in the urban development sector such as the UN Habitat, World Bank, Sweden, France, EU delegation, USAID and Japan, amongst others."

Six years after the start of devolution in Kenya, Mr. Hailey noted that County Governments had devised innovative ways to provide transformative service delivery and inclusive development. Regional Economic Blocs were a good example of this, with Counties laying the foundation for leveraging on their joint comparative strengths to attract investments and enhance trade. On that note, he congratulated the newest member of the economic blocs, the Narok – Kajiado Economic Bloc (NAKEB) and commended the Ministry of Devolution and ASALs, led by Cabinet Secretary Eugene Wamalwa, for leading the inter-agency team that had drafted and validated the Regional Economic Blocs' Policy.

He acknowledged the interest and uptake by Counties to learn from each other. He pointed out that the Governors peer to peer learning that was launched at the Fifth Annual Devolution Conference in Kakamega resulted in the pioneer learning visit to Makueni County in August 2018. In addition to the County showcasing its flagship projects, one of the key highlights was listening directly to the citizens involved in the cascaded public participation model sharing their experiences.

Whilst noting the good progress made by Counties, he mentioned that nearly four (4) million Kenyans still lived in extreme poverty without the means to cover their minimum food requirements according to the Kenya National Bureau of Statistics (KNBS) Study of Basic Wellbeing in Kenya 2018. He gave his assurance that they were pleased to collaborate with the National Government and County Governments on initiatives which sustainably move people out of extreme poverty including a recently formed government – donor working group to focus on this agenda.

"Today, as we mark the Sixth Annual Devolution Conference, my message, on behalf of all development partners to all devolution stakeholders is this: we stand ready to support you as you work to realize the next steps in Kenya's devolution journey," he concluded.

#### 1.3.15 Mr. Siddharth Chatterjee

Resident Coordinator, United Nations

Mr. Chatterjee congratulated County Governors for reducing maternal mortality by one-third in their respective Counties. He noted that it could have not have happened if it were not for the introduction of devolution in the country, and that it was a clear indication that Kenya's devolution was the fastest to happen in the world.

On the Big Four Agenda, Mr. Chatterjee congratulated H.E. Uhuru Kenyatta and his entire leadership for identifying the four critical areas for the growth of the country, without which it would be impossible to generate jobs.

He noted high unemployment among the youth, who comprise of about one million citizens of the age of 15-27 years. According to Mr. Chatterjee, Agriculture, which is one of the Big Four Agenda, was the sector that could absorb the high number of young people. He highlighted that the fight against corruption would make Kenya a model country. Also, the exclusion of women in development would be detrimental to development in that they represented 52% of the country's population, and thus, he advocated for their empowerment. He pledged that the United Nations was working closely with the Government in preparation for the upcoming census in the layout of development agenda in the country. In addition, the International Conference on Population and Development would be held in Kenya in November 2019. The conference, among other things, would discuss issues that continue to affect women, including reproductive health and rights.

#### 1.3.16 Mr. Joseph Ogutu

Chief Special Programs Officer, Safaricom PLC

He noted that with the implementation of the Big Four Agenda, there was an opportunity for Public Private Partnerships (PPPs) to help accomplish the objective of improving human life. In this regard, the basics of Universal Healthcare (UHC), food security, affordable housing, and manufacturing were noted as critical components in the country's ability to create sustainable development by Mr. Ogutu. He further stated that it was universally acknowledged that the private sector played a pivotal role in driving economic growth.

He mentioned that Safaricom had made a very deliberate decision to invest in non-traditional services within the telecoms environment through various partnerships. In line with the purpose of transforming lives, Safaricom had invested in innovative digital solutions that targeted key sectors. For example, when the pilot of the UHC was launched in the previous year, M-TIBA, a product of Safaricom had been deployed in Kisumu, Machakos, and Nyeri. In the first three months, M-TIBA was used to register 2.6 million residents of the three (3) Counties to the platform. The registered people were in a position to set aside a small amount of money to regularly cater for their healthcare. He added that with M-TIBA, it was possible to register for NHIF Supa-Cover, which offered enhanced benefits for members. He also highlighted that M-TIBA brought together partnerships between private sector and both levels of government to ensure affordable healthcare for Kenyan Citizens.

Mr. Ogutu emphasized that technology was being used to accomplish things that were not possible a decade ago, and that, by studying data and using technology, informed decisions could be made about service delivery. Because of this, he explained, two (2) years ago, Safaricom launched Digifarm, an M-agribusiness product designed to answer fundamental question of why Kenya small holder farmers remain small. He added that through Digifarm, Safaricom hoped to address the structural inefficiencies that had made farming complex and unprofitable for millions of Kenyan farmers.

He noted that Safaricom, in addressing youth unemployment, had digitized the curricula so that the National Industrial Training Authority (NITA) could expand the reach of technical and vocational education, therefore developing the skills desperately required in sectors such as housing and manufacturing. Mr. Ogutu added that Safaricom continued to be strong advocates of meaningful partnerships characterized by commitment to the common goal and willingness to invest in better long term futures.

Safaricom was the platinum sponsor for the Conference.

#### 1.3.17 Mr. Mostafa Slisli

Representative, Oru Fogar

He mentioned that the conference theme – transform, deliver, measure, and remain accountable – significantly summarized the challenges of decentralization and its undisputed role in the implementation of territorial public policy. He added that he would like to approach the subject by relating the important role played by ORU Fogar in the mobilization of the regions at the intra-territorial level with the main objective of ensuring coordination and integration of vision action programs in territorial development.

He highlighted one of its objectives as "unification of regions all over the world in order to be part of a representative structure to bring out the voice of intermediate Government in all international bodies and to encourage the Governments to incorporate regional dimensions in their agendas."

He noted that in many reports, there was decentralization in many European, African and Asian countries, an observation attributed to the creation of reformist dynamics in territorial governance system; leaving regionalism standing out as territorial development model based in the institution and cultural specificities of the countries.

Finally, he added that, in a globalized world, this awareness concerning the inescapable and intermediate role of governance to the national and local level had led to the networking of this level around ORU Fogar as a forum exchange of information and good practices for the benefits of the region all over the world. He was grateful for being invited.

## **Chapter 2: Plenum Sessions**

DAY 1: TUESDAY 5TH MARCH, 2019

2.1 Sub-Theme 1: County Practical Experiences and Progress in the Implementation of the Big Four Agenda



Panelists during the high plenum session

#### **Session Objective:**

To assess the progress of implementation, showcase best practice and strategic intervention areas required for the effective implementation of the Big Four Agenda

Moderator: Sen. Prof. Margaret Kamar EGH, MP, Uasin Gishu County

Panelists: - Governor Hon. Prof. Anyang' Nyong'o, EGH, Kisumu County

**Governor Edward Mutahi Kahiga,** Nyeri County

Governor Dr. Mohammed Kuti, EGH, Isiolo County, CoG Chair, Health Committee

Governor Josphat Nanok, EGH, Turkana County

Governor Dr. Alfred Mutua, EGH, Machakos County

Governor Francis Kimemia, EGH, CBS, Nyandarua County

Ms. Sicily K. Kariuki, EGH, MBS, CBS, Cabinet Secretary, Ministry of Health

Dr. Peter Kamunyo, Chief Executive Officer, Medsource Group Limited

#### 2.1.1 Introduction

During this session, a case study of the UHC pilot Counties (Kisumu, Nyeri, Isiolo and Machakos) was presented. It provided an opportunity for other Counties to draw lessons on the rollout and management of UHC in their respective jurisdictions.

#### 2.1.2 Emerging issues

- 1. The key concerns in the implementation of UHC are accessibility, affordability, availability and sustainability.
- 2. Finance is a key driver in the delivery of UHC. Limited funding continues to affect the sustainability of affordable healthcare.
- 3. Over the last year, both levels of government have had to grapple with industrial action instituted by national unions of medical practitioners. Counties have experienced challenges in human resource for health: shortage of personnel in health facilities; and limited capacity of personnel to operate highly specialized equipment.
- 4. There are instances when health facilities are located far away from populations, thereby making accessibility of health services difficult. The most affected populations are women and children.
- 5. With poor coordination and lack of referral facilities in every County, national referral hospitals are overstretched by the burgeoning number of patients. This may be caused by the fact that doctors are not at the dispensaries' levels to deal with issues that could have been dealt with at that level.

#### 2.1.3 Way Forward/Recommendations

- ❖ The National Government needs to allocate more resources in the equitable share to Counties to enable them deliver UHC.
- Adequate financing will allow for the maintenance of physical infrastructure and human resource in the health sector. There is need for Counties to work together with the private sector and development partners in order to support financing gaps in the rollout of UHC.
- There is need for County Governments to expand their scope of partnerships so that they can leverage on opportunities in the private sector, development assistance and foundations.
- There is need to find amicable and long-term solutions for the regular strikes. Both levels of government should consider developing a framework that will put medical practitioners on contractual terms.
- County Governments need to focus and invest in primary healthcare and Community Health Workers that can provide services to the lowest levels of governance.
- Both levels of government need to leverage on technology to achieve universal health care.
- Both levels of government need to create an enabling environment by providing proper infrastructure for UHC to be achieved.
- ❖ The National Government and County Governments through the health sector intergovernmental forum should develop a sustainable policy and legal framework to support implementation of UHC.
- Both levels of government should invest in maternal and sexual reproductive healthcare to reduce maternal and child mortality.
- The referral system needs to be reengineered so that issues that can be solved at the dispensary level are handled at that level and only complicated issues are escalated to the referral hospitals.

#### DAY 2: WEDNESDAY 6TH MARCH, 2019

## 2.2 Sub-Theme 2: Creating an Enabling Environment for the Successful Implementation of the Big Four Agenda (Cross Sectoral Approach)



H.E James O. Ongwae, (center) CBS, EBS, OGW, Chair, CoG Human Resource, Labour and Social Welfare Committee with fellow panelists during a session and Prof. Peter Wanyande the Moderator of the session

#### **Session Objective:**

To deliberate on the key practical factors that if adopted will create a cross sectoral enabling environment for the successful implementation of the Big Four Agenda by both levels of government

Moderator: Prof. Peter Wanyande, Department of Political Science, University of Nairobi

Panelists: Governor James O. Ongwae, CBS, EBS, OGW, Kisii County and CoG Chair, Human Resource, Labour and Social Welfare Committee

Mr. Andrew Wakahiu, Presidential Delivery Unit

Mr. Charles Sunkuli, CBS, Principal Secretary, Ministry of Devolution & ASAL

Mr. Hosea Kili, OGW, Chief Executive Officer, County Pension Fund (CPF)

Prof. Karega Mutahi, CBS, Chair, IGRTC

Ms. Zebib Kavuma, Country Director, UN Women

**Ms. Fiona Asonga,** Chief Executive Officer, Technology Service Providers of Kenya (TESPOK)

#### 2.2.1 Introduction

The realization of the Big Four Agenda is dependent on multi-sectoral coordination. This session examined ways in which sectors can work together to deliver the objectives of the Big Four Agenda.

#### 2.2.2 Emerging issues

 The National Government and County Governments are working together in the planning and implementation of the Big Four Agenda. Nevertheless, their efforts to coordinate have been faced by the following challenges:

- Poor coordination between both levels of government in delivery of national projects
- Corruption and misappropriation of funds
- Inadequate public participation and engagement of citizens
- · Sub-optimal utilization of resources by both levels of government
- Weak performance management systems
- Weak monitoring and evaluation systems to track the status of projects across the country
- 2. There is poor sensitization on the Big Four Agenda policy document.
- 3. There have been multiple legislations introduced in Parliament on County staff pension which has resulted in confusion on matters pension at the County level.
- 4. There is need for effective management of ICT infrastructure.

#### 2.2.3 Way Forward/Recommendations

- There is need to develop policies so as to outsource medical personnel.
- There is need to strengthen performance management systems in the Counties.
- Public participation and sensitizations programs should be bolstered in both levels of government.
- There is need to strengthen coordination between the two levels of government in development and delivery of services.
- There is need for the National Government to leverage on the unique abilities of County Governments in the delivery of the Big Four Agenda.
- The finalization of the identification and verification of assets and liabilities by IGRTC will allow Counties to increase their resource base, which can be used towards implementing the Big Four Agenda.
- Both levels of government should apply alternative dispute resolution mechanisms where disputes arise between them.
- There is need for reform in order to ensure that the policy and legislative environment is compliant with the Constitution and, by extension, the devolved system of governance.
- ❖ Both levels of government need to invest in ICT as an enabler of the Big Four Agenda.

## 2.3 Sub-Theme 3: Good Governance and Accountability



Governor Hon. Amason Kingi, EGH, Kilifi County and CoG Chair, Legal Affairs and Human Rights Committee (centre) with other panelists

#### **Session Objective:**

To deliberate on how to strengthen institutions and systems in the promotion of transparency and accountability in service delivery at both levels of government

Moderator: Deputy Governor John Mwaniki, Chair, Deputy Governors Forum

**Panelists: Governor, Hon. Amason Kingi, EGH,** Kilifi County and CoG Chair, Legal Affairs and Human Rights Committee

Sen. Mutula Kilonzo Jnr. MP, Senator, Makueni County

Hon. Ndegwa Wahome, MBS, Speaker, Nyandarua County

FCPA. Edward R. O. Ouko, CBS, Auditor-General

Arch. (Rtd) Eliud Wabukala, EBS, Chair, Ethics and Anti-Corruption Commission (EACC)

Hon. Florence Kajuju, MBS, Chair, Commission on Administrative Justice (CAJ)

Ms. Wanjiru Gikonyo, National Coordinator, The Institute for Social Accountability (TISA)

#### 2.3.1 Introduction

Accountability is a key component of good governance and requires that those who occupy positions of leadership in government must give account to the electorate and be transparent in their operations. The session focused on measures that have been put in place by various institutions in combating corruption and promoting social accountability and transparency to the public.

#### 2.3.2 Emerging Issues

 It was noted that there are weak structures and systems in County audit processes leading to discrepancies in numbers recorded by IFMIS and reports submitted by County Governments.

- 2. Some Counties have not established the County audit committees in line with the Public Finance Management Act.
- 3. The Office of the Auditor General needs adequate funding in order to ensure their independence and to enable them carry out their functions.
- 4. Due to the centralized nature of the IFMIS system, as well as challenges with the technological infrastructure in the Counties, efficiency of IFMIS processes in the Counties is affected.
- 5. The Office of the Auditor General has embraced technology in order to make the audit process more efficient which in turn will allow Counties to attract investors.
- 6. The oversight institutions need to respect their jurisdictions to avoid duplication which will bring clarity and effectiveness in their oversight roles.
- 7. There has been low appreciation for social accountability mechanisms among the County Governments and the public.
- 8. One of the challenges facing the Office of Director of Public Prosecutions is intimidation of witnesses and loss of evidence.
- 9. County officers and the public have been sensitized on the Access to Information Act by CAJ.
- 10. Good governance and accountability are critical in the fight against corruption because they ensure that public resources are utilized for the purposes for which they were intended.

#### 2.3.3 Way Forward/Recommendations

- There is need for all County Governments to have functional audit committees that ensure compliance with the Public Finance Management Act.
- There should be continuous capacity building for County officials in the finance dockets in matters related to audit.
- ❖ IFMIS should be decentralized to all County Governments.
- There is need for the Ministry of ICT to ensure the connection of all County headquarters to the National Optic Fibre Backbone (NOFBI).
- County Governments need to ensure that their management systems are automated and integrated for purposes of accountability.
- There needs to be a legal and policy framework to guide the parameters of oversight.
- There is need for civil society organisations to increase their efforts in equipping citizens with social accountability skills.
- There is need for the EACC, DPP, DCI and Judiciary to work together to fight corruption.
- There is need for all public officers to cooperate with DCI and ODPP in prosecution of corruption matters.
- The Ministry of ICT, in consultation with relevant stakeholders, should speed up the development of regulations for the Access to Information Act and ensure implementation of the same.
- ❖ Both levels of government should avail information to the members of the public on how they have allocated 30% of procurement to women, youth, and persons with disabilities.
- County Assemblies can ensure accountability through political goodwill, respect for rule of law, and respect for public resources.
- Stoppage of funds to Counties should be done in accordance with the Public Finance Management Act.

## 2.4 Sub-theme 4: National Discourse on Constitutional Change within the Devolution Context



Rt. Hon. (Eng.) Raila Amolo Odinga, EGH, (center) during the high level plenum on Constitutional Reform

#### **Session Objective:**

To deliberate on possible areas of constitutional amendment that will strengthen devolution

Moderator: George Kigoro, Executive Director, Kenya Human Rights Commission (KHRC)

**Panelists: Rt. Hon. (Eng). Raila Odinga, EGH,** AU High Representative for Infrastructure Development in Africa and Former Prime Minister

Governor Hon. Kiraitu Murungi, EGH, Meru County

Governor Prof. Kivutha Kibwana, EGH, Makueni County and Whip CoG

Sen. Prof. Kithure Kindiki, EGH, MP Deputy Speaker, Senate

**Hon. Jeremiah Kioni,** Chair, Constitution Implementation Oversight Committee of the National Assembly (CIOC)

Hon. Johnson Osoi, MBS, Chair, County Assemblies Forum

**Arch. Lee Karuri,** Chairman, Kenya Private Sector Alliance (KEPSA) Foundation

Ms. Diana Sifuna, Chairperson, Youth Agenda

#### 2.4.1 Introduction

There is a national discussion regarding the possibility of constitutional reforms. This can be traced back to the Building Bridges Initiative which was launched in March 2018 by the President, H.E. Uhuru Kenyatta, CGH, and the Rt. Hon. (Eng). Raila Odinga, EGH. As County Governments, it is important to ensure that devolution is strengthened in the Constitution.

#### 2.4.2 Emerging Issues

- There is an opinion in the public domain that Kenyans are overrepresented and therefore there is need to reduce the number of political and administrative units. Citizens are concerned with the burgeoning wage bill.
- 2. The positions for regional commissioners do not correspond to the constitutional architecture of governance in Kenya.
- 3. Hiring of personnel, for instance, in health, should be considered as part of development expenditure and not recurrent expenditure.
- 4. Eradication of corruption should be undertaken objectively.
- There are concurrent functions under the Fourth Schedule of the Constitution that are yet to be unbundled.
- 6. There are some ethnic groups have been continually excluded from leadership.
- 7. Delayed disbursement of funds from the National Treasury to County Governments continues to hamper delivery of services.
- 8. The realization of the 2/3 Gender Rule in the Constitution has been slow.
- 9. There are concerns about the use of agricultural land for infrastructural development such as housing projects, which will affect food security in future.
- 10. The Constitution does not anchor the office of the deputy speaker of the County Assembly.
- 11. There is an issue of financial independence and autonomy of the County Assemblies which needs to be addressed to enable them to effectively play the role of oversight.
- 12. There is a huge concern among the youth about the allocation of resources towards job creation and employment opportunities.

#### 2.4.3 Way Forward/Recommendations

- There is need for the constitutional reform agenda to objectively review the structure of devolution in order to rationalize the governance units and reduce the national wage bill.
- There is need to for adequate resources to be allocated to the County Governments for effective and efficient service delivery. The CoG and Senate will push for a minimum of 40 per cent revenue allocation.
- Funds should follow functions, whereby monies sent to County Governments should be commensurate to the functions they perform.
- ❖ The concurrent functions of the Fourth Schedule of the Constitution require unbundling and clarification to reduce confusion and duplication of roles.
- There is need for constitutional amendments that accommodate all ethnic groups to avoid the current winner takes it all situation.
- ❖ There is need for urgent implementation of the 2/3 Gender Principle so that women have opportunities in governance and national development.
- There is need to anchor the EACC in Chapter Fifteen of the Constitution as opposed to being established by a legislation.
- ❖ It is important for citizens to actively participate in the constitutional reform agenda and be offered opportunities to propose what reforms are required for the amendment of the Constitution.
- There is need to classify the Constitutional amendments to determine which ones will go through either Parliament or referendum in order to have quick gains.

- ❖ There is need for the constitutional reform agenda to be all inclusive.
- There is need for the Constitution to anchor the role of the Office of the Deputy Governor.
- There is need to think about how best Kenya's capital city should be managed and whether there is a need to have it managed at the national level.
- Parliament should consider a legislation that controls the conversion of agricultural land for commercial use.
- ❖ There is need to strengthen the financial independence of County Assemblies.
- There is need to move the management of the equalization fund from the National Government to County Governments.

#### DAY 3: THURSDAY 7<sup>TH</sup> MARCH, 2019

#### 2.5 Sub-theme 5: Financing of the Big Four



Governor, Wycliffe Wangamati, Bungoma County and CoG Chair, Finance, Planning, Economic Affairs and ICT Committee (second from left) with panelists during the session

#### **Session Objectives:**

i) To discuss the resource mobilization strategies that the National Government has put in place to finance the Big Four Agenda

ii) To discuss how County Governments can be adequately financed to support the implementation of the Big Four Agenda, considering the functions are fully devolved

Moderator: Mr. Kwame Owino, Executive Director, Institute of Economic Affairs (IEA)

**Panelists:** Governor Wycliffe Wangamati, Bungoma County and CoG Chair, Finance, Planning, Economic Affairs & ICT Committee

**Sen.(Eng.) Mohamed M. Mahamud, CBS, MP,** Chair, Senate Finance & Budget Committee **Amb. Hussein Dado,** Chief Administrative Secretary, Ministry of Devolution and ASALs

**Hon. Kimani Ichung'wa, CBS**, Chair, National Assembly, Budget & Appropriation Committee

FCPA. Agnes Odhiambo, CBS, Controller of Budget

**Dr. Jane Kiringai,** Chairperson, Commission on Revenue Allocation (CRA)

#### 2.5.1 Introduction

The National Assembly is mandated by the Constitution to carry out three key functions in relation to revenue allocation. These are:

- i. Determine the allocation of national revenue between the two levels of government;
- ii. Appropriate funds for expenditure by the National Government and other state organs and
- iii. Exercise oversight over national revenue and its expenditure.

This calls for a broad consultative process guided by Constitutional provisions and consideration of national interests, public debt obligations and to inform sharing of resources. The country's revenues as a share of GDP declined from 25.2% in 2010/11 to 18.3% in 2018/19 while public debt servicing as a share of GDP has shown very little change at 2.8% in 2010/11 and 2.5% in 2018/19. This is despite public debt servicing taking a priority in expenditure of the country's revenues.

The CRA has come up with the 3rd generation formula to provide some sync with the Big Four Agenda. CRA is still on the stage of public consultation over the draft formula since the DORB is still open before submitting to the Senate. These are the highlights of how the formula is split into four (4) broad baskets and how it harmonizes with the Big Four Agenda:

- i. The first one is the service delivery basket; this acknowledges that the purpose of devolution was to enhance service delivery and therefore must align funding to functions.
- ii. The second basket is to promote balanced economic development across Counties acknowledging that at the onset of devolution the Counties were not in the same level of development.
- iii. The third basket is to encourage Counties to enhance their own sources of revenue.

iv. Lastly, the fourth basket is to encourage County Governments to adhere to principles of fiscal responsibility.

#### 2.5.2 Emerging Issues

- There are austerity measures that affect the allocation of resources to Counties when there is a shortfall in revenue. In addition, there are some key departments that are of national interest like security, foreign policy and national debt which the National Government prioritizes before allocating national revenue.
- 2. The Ministry of Devolution and ASAL has developed a policy for regional economic blocs to create a conducive environment that attracts investors in all sectors of the Big Four Agenda.
- 3. There is need to match revenues and expenditure for both levels of government in order to support the implementation of the Big Four Agenda.
- 4. Both levels of government need to deliberate on the issue of the ratio between the recurrent and development budget, which currently stands at 70:30. There is need to consider shifting it to 50:50 or 40:60.
- 5. There is an increasing national debt obligation which is affecting the limited financial resources that are shared by both levels of government.
- 6. CRA computations in the 3rd generation formula indicate that Counties are under-funded.
- 7. The proposal to reduce sharable revenue to Counties from Ksh. 314 Billion to Ksh. 305 Billion, if effected, will affect implementation of already planned programs and projects especially in relation to the Big Four Agenda in the Counties.
- 8. There is weak cooperation and support between County Governments and the media.

#### 2.5.3 Way forward/Recommendations

- ❖ There is need for clear specification, costing and allocation of adequate resources to implement activities under the Big Four Agenda.
- There is need to prioritize essential services and ensure most of the revenues go to development expenditure.

- Counties should enhance their own sources of revenues.
- Revenue collection at the County level should be automated and Counties should explore partnerships with institutions such as KRA.
- There is need for both levels of government to agree on a framework for revenue collection at the County level that will address issues of double taxation.
- There is need for Parliament to be up to date with the approval of all audited accounts as received from the Office of the Auditor General to ensure optimal revenue allocation to County Governments.

## **2.6 Sub-theme 6:** Entrenching the Role of Citizens in the Devolution Space



Panelists during the session on the citizens' role in the devolution space

#### **Session Objective:**

To assess the role of citizens as ambassadors of devolution

**Moderator : Dr. Lumbi Ya M'Nabea,** Vice-Chairman, Association for the Physically Disabled of Kenya (APDK)

**Panelists: Ms. Dinah Wanja Gichaiya,** Woman Representative of the Kirinyaga County Budget Economic Forum

Mr. Ezekiel Rema, Recycling Business Entrepreneur

Mr. George Jaramba, Youth, Human Rights Network

Ms. Hellen Ongera, Businesswoman, Human Rights Network

Bishop William Kitilit, Faith-based Representative, Human Rights Network

#### 2.6.1 Introduction

The session provided a platform for the youth, women, and persons with disabilities and the marginalized to engage with government stakeholders on matters related to devolution.

For the country to achieve objectives of devolution, the governed must also be part of the system. The panelists sought to assist in understanding this by debating on:

- a) The role of women, youth, persons with disabilities, entrepreneurs (MSMEs), the marginalized and the faith based organizations:
- b) 30% access to government procurement opportunities for youth and women as provided for in the Public Procurement and Disposal Act 2015; and
- c) The rights of the marginalized vis-a-vis what is provided for them.

#### 2.6.2 Emerging Issues

- 1. Businesses in the informal sector receive little support from government.
- It is not easy for business owners in the informal sector to access financing to boost their businesses, and sometimes operate under threats of eviction. Their rights should therefore be protected as it is their only source of income.
- 3. According to the 2009 census, the average age of farmers in Kenya is 60 years old. The youth are not participating in agricultural activities due to low appreciation of agriculture.
- 4. Devolution is about the citizens, leaving no one behind. The youth, women and persons with disabilities should be given a chance to participate in this great cause.
- 5. It is difficult for the youth, women and persons with disabilities to take advantage of the 30% government procurement opportunities.
- 6. Community Health Volunteers play a big role in enhancing the Big Four Agenda in regard to Universal Health Coverage, however, they are not reimbursed for the services rendered.

#### 2.6.3 Way Forward/Recommendations

- The informal sector plays a big role in the country's economy. There is need for both levels of government to create an enabling environment for the informal business sector.
- The County Governments should engage the small enterprises to support the execution of the Big Four Agenda through capacity building in the community, creating awareness for the citizens and even mobilizing them to participate in the CIDPs.
- There is a need for both levels of government to create an environment that attracts the youth to agribusiness.
- There is need to offer capacity building to women, youth and persons with disabilities on how to access the 30% government procurement opportunities (AGPO) as provided for in the Public Procurement and Disposal Act 2015.
- For the Big Four Agenda to succeed there is a need to come up with youth friendly policies and frameworks that would enable the community health volunteers to be transformed into community health workers so that they can be reimbursed for their services.
- To achieve Universal Health Care, community health workers should be used to reach people in the marginalized areas.

## 2.7 Sub-Theme 7: Entrenching County Regional Economic Blocs



Panelists and session discussants during the high plenum

#### Session Objective:

To discuss how to effectively to operationalize County regional economic blocs

Moderator: Mr. Joash Dache, MBS Chief Executive Officer, Kenya Law Reform Commission

Panelists: Hon. Eugene Wamalwa, EGH Cabinet Secretary Ministry of Devolution & ASAL

Sen. Moses Kajwang', Senator, Homa Bay County

Hon. Joshua Kiptoo, Speaker, Nandi County

Mr. Mark Meassick, Mission Director, USAID-Kenya and East Africa

Ms. Sophie Odupoy, Director Communication and Strategy, Vision 2030 Delivery

Secretariat

#### **Session Discussants:**

**Governor Stephen Sang,** representing The Late Governor Dr. Joyce Laboso, EGH, Vice- Chair, Lake Region Economic Bloc (LREB)

**His Grace Arch. Bishop Timothy Ndambuki,** Chair, South Eastern Kenya Economic Bloc (SEKEB)

Governor Francis Kimemia, EGH, CBS, Chair, Central Kenya Economic Bloc (CEKEB)

Governor Capt. Ali Roba, Chair, Frontier Counties Development Council (FCDC)

#### 2.7.1 Introduction

Counties in Kenya have come together to form CREBs. The blocs have demonstrated that they have the potential of transforming Counties through economic growth and development. The rationale for CREBs is mainly to allow the Counties in the bloc to leverage on competitive and comparative advantage through economies of scale, sharing of natural resources and specialization.

For the CREBs to be functional, policy and legal frameworks have to be developed to support their operationalization and management.

### 2.7.2 Emerging Issues

- 1. The growth of hyacinth in the Lake Victoria region has affected maritime transport and fishing thus hampering economic development in the region.
- 2. Respective County taxes and tariffs increase the cost of doing business within the blocs.
- 3. Some of the regional blocs in specific Counties are facing the challenge of balancing between the use of natural resources available and conservation of the environment, hence the need for policy to give guidance.
- 4. There are concerns about the transparency and accountability of the financial resources that will be raised within the regional blocs.
- 5. There are concerns of low awareness among citizens and non-state actors on CREBs, their roles, mandate and development agendas.
- There are concerns over possible duplication of roles between the Regional Development Authorities and the CREBs.
- 7. There are concerns over the policy and legal framework of CREBs and involvement of the County Assemblies.
- 8. There are inter-County conflicts over shared natural resources.
- 9. The challenge of political interference in the regional blocs has been noted with a lot of concern.

### 2.7.3 Way Forward/Recommendations

- There is need for CREBs to adopt business models and investment policies that ensure inclusivity of women, youth, persons with disabilities and marginalized groups.
- There is the need for regional blocs to work on reducing taxes and tariffs across Counties which will ease the cost of doing business and encourage the free movement of goods and services within the regions.
- There is need to come up with policy to ensure proper utilization of natural resources available while conserving the environment.
- There needs to be a policy and legislative framework that will give a clear roadmap for public participation and oversight mechanisms on the use of resources in CREBs.
- There is need to involve all stakeholders in the formation of the development agendas of the regional blocs.
- There is need for both levels of government to develop policy and legal frameworks to guide the operationalization of CREBs.
- There is need for policy and legal framework to address intergovernmental disputes on shared natural resources.
- The CREBs need to develop blueprints that provide a clear road map for implementation and operationalization of their agendas while aligning to the Vision 2030.

### **Chapter 3: Sector Break-outs**

### Health

DAY 1: TUESDAY 5TH MARCH, 2019

3.1 Sub-Theme 1: Preventing Disease is better than Treating Illness: Using Data and County Experiences for Action



Governor Capt. Ali Roba, Mandera County (left) with other panelists during the session

### **Session Objective:**

To identify optimum ways to achieve the UHC goal through disease prevention and health promotion

Moderator: Dr. Joyce Mutinda, Chairperson, National Gender and Equality Commission (NGEC)

Panelists: Sen. Micheal Mbito, Chairperson, Senate Health Committee

**Dr. Marc-Alain Widdwson,** Director, Division of Global Health Protection, US Government

- Center for Disease Control and Prevention (CDC)

Mr. Werner Schultink, Country Representative to Kenya, UNICEF

Dr. Rudi Eggers, Country Representative to Kenya, World Health Organization

Dr. Jonah Manjari, Chief Executive Officer, KEMSA

Rose Nzyoka, Chief of Party, USAID-HIGDA Project

Interventions: Eng. Peter K. Tum, OGW, Principal Secretary, Ministry of Health

Governor Capt. Captain Ali Roba, Mandera County

### 3.1.1 Introduction

Disease prevention programs focus on reducing the spread of diseases and their associated risks, while health promotion programs aim to engage and create awareness to individuals in communities to choose healthy behaviors that minimize the risk of developing diseases. These programs help to reduce the disease and financial burden on a country. They also contribute to the improvement of life expectancy, as well as the economic, social and political status of the country.

This session looks at how UHC can be achieved through application of data.

### 3.1.2 Emerging Issues

- 1. Data is crucial in planning and facilitates creation of interventions that are evidence based. Inadequate use of data results in the adoption of programs that do not align to the needs of the population.
- 2. Health service delivery is dependent on sufficient human resource and well-equipped facilities.
- 3. The achievement of UHC is highly dependent on the delivery of primary health care.
- 4. The disease burden in Kenya is high due to a focus on a more curative as opposed to preventive approach.
- 5. Achievement of UHC is also dependent on capacity building of community health workers.
- 6. Supply and quality of medicine from KEMSA is a challenge.
- 7. There is limited adoption of ICT in achieving of UHC in the Counties.

### 3.1.3 Way Forward/Recommendations

- There is need to invest in the promotion of primary health care in achieving UHC.
- The National Government and County Governments need to invest and adopt approaches that are more preventive than curative.
- The National Government and County Governments shall improve access to primary health care especially at ward and sub-County level.
- There is the need to empower and capacity build community health workers and ensure that they reach the widest populations possible.
- County Governments shall, in the next budget cycle, prioritize responsive interventions towards adolescent health and gender-based violence.
- Both levels of Governments shall invest in ICT to inform strategies, implementation and evolution in the health sector.

### DAY 2: WEDNESDAY 6TH MARCH, 2019

# 3.2 Sub-Theme 2: Applying Technology for Efficient, Equitable, Quality and Sustainable Human Resource for Health to meet UHC Needs



Hon. Amb. Ukur Yatani, Cabinet Secretary, Ministry of Labour & Social Protection with other panelists during the session

### **Session Objective:**

To discuss and recommend innovative and sustainable solutions for Human Resources for Health in management and delivery of Universal Health Coverage

Moderator: Dr. Jacqueline Kitulu, President, Kenya Medical Association

Panelists: Dr. Aloto Abok, Turkana County

Sen. Prof. Sam Ongeri, MP, Senator, Kisii County

Mr. Mark Andrew Meassick, Mission Director, USAID Kenya/East Africa

Ms. Lyn Mengich, Chairperson, Salaries & Remuneration Commission

**Ms. Lynnette Adhiambo,** Member, Technical Working Group Organization of African Youth Kenva

Mr. Adam Lane, Senior Director for Public Affairs, Huawei

Mr. Robert Karanja, Chief Executive Officer, Villgro Kenya

Interventions: Hon. Amb. Ukur Yatani, Cabinet Secretary, Ministry of Labour & Social Protection

#### 3.2.1 Introduction

Achieving UHC is an important objective for all countries to attain equitable, quality and sustainable health care that improves the quality of life and wellbeing of individuals in a community. A functioning health system is organized around people, institutions and resources that have been put in place to improve, maintain and restore the health of a given population. This session will focus on innovative ways to strengthen the health care system and ensure that UHC is realized.

### 3.2.2 Emerging Issues

- 1. There are concerns over the limited budget allocation by the National Government in financing healthcare and high wage bill in the health sector.
- 2. Affordability of health care services by the citizens is a concern.
- 3. The disease burden experienced in the Counties could be occasioned by a focus on a curative rather than a preventive approach.
- 4. Various Counties have witnessed unrest due to industrial strikes of doctors and nurses which have affected service delivery in the health sector.
- 5. The youth have a preference for e-health services due to the confidential nature, particularly on sexual and reproductive health. Lack of youth friendly e-health services has affected the number of youth accessing sexual and reproductive health services.
- 6. There is limited use of technology in Counties which has affected efficiency and effectiveness of service delivery in the implementation of UHC.
- 7. Lack of legislations or policies to guide the use of technology in the health sector and how to handle privacy, data protection and other related issues.
- 8. There is a weak performance management system in the Counties leading to low accountability of some health workers thus hindering service delivery.

### 3.6.3 Way Forward/Recommendations

- Counties, especially those in far-flung areas, need to come up with incentives for human resource management that will aim at employee retention.
- There is need to have an inter-County exchange framework that allows for staff to move from one County to another.
- There is need to use data for planning and decision making to inform policies towards improvement of the quality of health care.
- Counties need to work with universities to provide internship for medical schools' students at the facilities in order for them to gain practical experience and fill the human resource gap.
- ❖ Both levels of Government shall in the next six months operationalize the existing Performance Management Framework to increase productivity among health workers.
- There is need to employ Doctors on contractual as opposed to permanent terms.
- National Government and County Governments need to come up with strategies to address industrial strikes in the health sector.
- ❖ Both levels of Government need to invest in ICT to inform strategies, implementation and evaluation of the health sector to make it more efficient and effective in terms of service delivery.
- There is the need to engage all stakeholders in planning in the health sector, particularly the youth, who are key in driving technological innovations, in order to enhance adoption of e-health services for more effective health service delivery.
- The National Government and County Governments need to develop policies, guidelines and legal frameworks that will govern the use of technology in the health sector to ensure proper data privacy and protection.
- Both levels of Government need to invest in scientific research and innovations to improve services on health.
- There is the need for County Governments to increase their budget allocation towards health to facilitate some of its functions.

### DAY 3: THURSDAY 7<sup>TH</sup> MARCH, 2019

## **3.3** Sub-Theme 3: Sustainable Financing for Delivery of UHC



Ongoing deliberations during the session to discuss sustainable financing models for health

### **Session Objective:**

To discuss sustainable financing models including the proposed Health Benefits Package (HBP) that effectively delivers Universal Health Coverage

**Moderator : Ms. Catherine Mumma**, Former CIC Commissioner and Chairperson National Sigalagala Polytechnic

**Panelists: Deputy Governor Caroline Karugu, Nyeri County** 

Sen. Sc. Mogeni Erick Okong'o, MP, Senator, Nyamira County

Dr. Nduku Kilonzo, Chief Executive Officer, National AIDS Control Council

Mr. Arif Nekey, Coordinator, SDG Partnership Platform

Mr. Harrison Mwai, Citizen from Kirinyaga County

Interventions: Kiprono Chepkok, CEC Health, Elgeyo-Marakwet County

#### 3.3.1 Introduction

One of the key goals for UHC is to have improved health systems that enable access to quality and effective health care services. Sustainable and accessible financing is a key enabler for UHC to be realized. This session provided a platform to share experiences, success stories and challenges on the various financing models available with the aim of ensuring that UHC will be achieved.

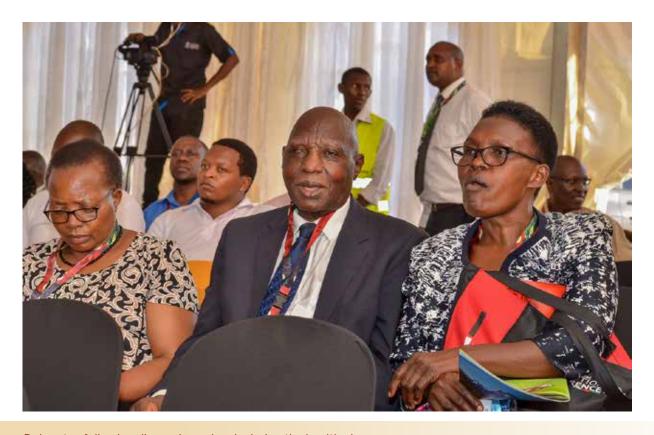
### 3.3.2 Emerging Issues

- 1. Conditional grants are not being utilized for the purpose they were intended for in the Counties.
- 2. National Government and County Governments are investing more in curative than preventive care.

- 3. There are conflicting interests between the National Government and County Governments over the procurement of Managed Equipment Services (MES) which is a County function.
- 4. Lack of feasibility studies in the County Governments lead to inefficiencies such as a mismatch between infrastructure and capacity as in the case of the MES.

### 3.3.3 Way Forward/Recommendations

- ❖ There is need for innovative financing models for UHC.
- There is need for Counties to observe existing mechanisms to ensure proper utilization of conditional grants.
- National Government and County Governments should allocate more resources to the health sector for sustainable UHC.
- There is need to incorporate the use of technology and innovation to support implementation of UHC.
- National Government and County Governments need to invest more in preventive healthcare.
- Health is a devolved function, yet, the donor funding, especially for HIV/AIDS, is still being administered by the National Government.
- National Government and County Governments should invest more in research to inform the gaps in healthcare before the roll out of UHC, in order to come up with interventions that will solve the emerging issues.
- There is the need to focus on strengthening the referral mechanism in the country.



Delegates following discussions closely during the health plenum

### Affordable Housing

DAY 1: TUESDAY 5TH MARCH 2019

**3.4 Sub-Theme 1:** Status of Housing in Kenya and the role of Affordable Housing Agenda



Governor Jackson Mandago, EGH, Uasin Gishu County (second from left) with the moderator and panelists during the session

### **Session Objective:**

To assess the progress, challenges and emerging issues in delivery of affordable housing agenda (Land, Financing, Pricing, Contracting, infrastructure & utilities, Labor and Uptake)

Moderator: Mr. Samson Toniok, Ag, Chief Executive Officer - Net Fund

Panelists: Governor Jackson Mandago, EGH, Uasin Gishu County

Sen. Paul Githiomi Mwangi, MP, Senator, Nyandarua County

Mr. Charles Hinga, Principle Secretary, State department of Housing and Urban

Development

**Mr. Gikonyo Gitonga,** Chairperson Lands, Physical planning and Housing sector board

Kenya Private Sector Alliance (KEPSA)

Dr. Rose Ngugi, Executive Director, KIPPRA

**Interventions : Mr. Charles Hinga**, Principal Secretary, State Department of Housing and Urban Development

### 3.4.1 Introduction

It is a Constitutional right for every Kenyan to have access to decent housing. The supply of affordable housing has not matched the market demand, and this exposes the people to high prices and low-quality housing, including slums. The affordable housing agenda is a new impetus in unlocking the sector's potential **to**wards achieving decent and affordable houses for citizens.

### 3.4.2 Emerging Issues

- 1. The cost of land is very high especially in urban areas.
- 2. High cost of electricity leads to high cost of construction.
- 3. The processes of acquiring houses are long, unstandardized, cumbersome and expensive.
- 4. There is a mismatch between supply and demand in that there is a deficit of 2 million houses per year.
- 5. Land value capture is very critical in being able to implement affordable housing.

### 3.4.3 Way Forward/Recommendations

- There is need to regulate the cost of property development by addressing the cost of land, construction and related processes to incentivize the private sector to operate at normal profit.
- ❖ The professional services including legal, architectural, planning, quantity surveying will require rationalization of the applicable fees and charges as well as the timelines to avoid additional costs in the property development value chain.
- There is need for both levels of government to create an enabling environment for mass production of standardized houses in order to meet the demand.
- ❖ Land value index legislation should be implemented by both levels of government to control land speculation and pricing.
- There is need for regulatory policies and legislation to guide the process of acquisition of land/ housing.
- There is need for increased sensitization for citizens in matters concerning affordable housing.
- ❖ There is need to unbundle and streamline the different functions of the National Government and County Governments in the housing sector.
- The Rent Restriction Act, 1992 should be amended in order to accommodate the current devolved system of government in Kenya.

### DAY 2: WEDNESDAY 6TH MARCH, 2019

# 3.5 Sub-theme 2: Creating an Enabling Environment for the Successful Implementation of Affordable Housing



Governor Hon. Ferdinand Waititu, Kiambu County (right) during the discussion

### **Session Objective:**

To discuss the role of National Government and County Governments and other stakeholders in resolving the impediments to affordable housing \_\_\_\_\_

Moderator: Patrick Obath, Vice Chairperson, Kenya Private Sector Alliance trustee

Panelists: Governor Dr. Wycliffe Wangamati, EGH, Bungoma County and CoG Chair,

Finance, Planning, Economic Affairs and ICT Committee

Governor Ferdinand Waititu, Kiambu County

Sen. Kimani Wamatangi, MP, Senator, Kiambu County

Dr. Nicholas Muraguri, CBS, Principal Secretary, Ministry of Lands and Physical Planning

Dr. Thomas Chiramba, Senior Human Settlement Officer for the United Nations Habitat

Mr. Titus Lotee, CEO, National Government Affirmative Action (NGAF)

### 3.5.1 Introduction

In line with the Big Four Agenda, the National Government targeted to build 500,000 housing units by the year 2022. This includes each County Government developing 2000 housing units, however, two (2) years down the line, both levels of government have not been able to achieve this target. This has been occasioned by the various challenges plaguing the housing sector. In this regard, this session sought to address how both levels of government would resolve these challenges to achieve the affordable housing agenda

### 3.5.2 Emerging Issues

- 1. Integrated planning and role definition: There is need to clarify the roles for each and every stakeholder especially between National Government and County Governments.
- 2. Diaspora Investment and Uncertainties: The people living in the diaspora are ready to invest in the housing sector, however, issues of integrity and governance have impeded foreign direct investment into the sector.
- 3. Role and Benefits of the Special and Vulnerable Groups (Youth, PWDs, Women and Elderly): The special interest groups have not been adequately involved in the affordable housing agenda.
- 4. Social and Environmental Impact Assessments: social and environmental safeguards have not been prioritized in implementing the housing agenda.
- 5. Innovation and technology in housing: Technology has not been adequately incorporated in delivering affordable housing.

### 3.5.3 Way Forward/Recommendations

- It is important for members of the public to undertake due diligence before entering into any contractual obligations when acquiring property.
- There is need for clearly defined roles for National Government and County Governments to guide effective integrated planning.
- The affordable housing agenda should prioritize training of youth through TVETs in skill development.
- The needs of youth, women, and persons with disabilities should be prioritized in the design of affordable houses.
- Social and environmental safeguards should be adhered to when implementing the affordable housing agenda.
- New innovative thinking and technologies need to be embraced to ensure that building materials used are affordable and environmentally-friendly.
- ❖ Both levels of government should collaborate to develop appropriate building technology centres that enhance the use of local knowledge and expertise.
- There is need to have a central register of all affordable housing beneficiaries to ensure transparency in allocation of developed housing units.
- Counties should adopt the Housing Development Fund to achieve the affordable housing agenda at the County level.

### DAY 3: THURSDAY 7<sup>TH</sup> MARCH, 2019

# 3.6 Sub-theme 3: Target Setting, Commitments and Responsibilities for Effective and Efficient Delivery of Affordable Housing in Kenya



Governor Jackson Mandago, EGH, Uasin Gishu County (second from left), Governor Wycliffe Wangamati, Bungoma County (center), Governor Hon. Lee Kinyanjui, Nakuru County and CoG Chair Urban Planning, Housing, Development, Lands, Infrastructure and Energy (third from right) with other panelists during the session discussions

### **Session Objective:**

To identify stakeholder commitments and responsibilities to be implemented in the financial year 2019/2020 realistic (Land, Finance, Policy, Governance, Utilities)

Moderator: Mr. Victor Mose, IESD, Kenya Institute of Public Policy Research and Analysis

**Panelists: Governor Lee Kinyanjui,** *Nakuru County* 

Governor Jackson Mandago, EGH, Uasin Gishu County

Governor Wycliffe Wangamati, Bungoma County

**Mr. Patrick M. Bucha,** Housing Secretary, State Department of Housing and Urban Development

**Mr. Gikonyo Gitonga,** Chairperson, Lands, Physical Planning and Housing Sector Board, Kenya Private Sector Alliance (KEPSA)

Mr. Abdu Muwonge, Senior Development Specialist, World Bank

### 3.6.1 Stakeholder Commitments

- The National Government and County Governments shall put in place measures to reduce the cost of property development by addressing the cost of land, construction, approval processes and financing.
- The National Government and County Governments shall create land banks, mobilize privately owned land, fast-track registration of land, and ensure optimal utilization of land.
- ❖ National Government and County Governments should implement land use development plans including zoning regulations.
- ❖ The National Government and County Governments shall review the following legislations and policy framework: Housing Act, PPP Act, Built Environment Bill, Land Value Index Bill and the Physical Planning Act.
- ❖ The National Government and County Governments shall involve the public in the design and implementation of the affordable housing agenda.
- The National Government and County Governments shall enhance the financing framework to ensure inclusivity, effectiveness and efficiency in the implementation of the affordable housing agenda.
- Through the initiated Urban Sector dialogue, development partners shall continue to collaborate with both levels of government.

### Trade and Manufacturing

DAY 1: TUESDAY 5TH MARCH, 2019

## 3.7 Sub-theme 1: Progress and Status of the Implementation of the Big Four Agenda



Governor Martin Wambora, EGH, Embu County and CoG Chair, Trade, Investment, Manufacturing and Cooperatives Committee (center) with other panelists during the session

### **Session Objective:**

To take stock of the strides made in the actualization of the Big Four Manufacturing Agenda

Moderator: Mr. Peter Kathanga, Director, Corporate Banking, KCB Group

Panelists: Governor Martin Wambora, EGH, Embu County and CoG Chair, Trade, Investment,

Manufacturing and Cooperatives Committee

Governor Prof. John Lonyangapuo, West Pokot County

Sen. Charles Kibiru, MP, Senator, Kirinyaga County

Hon. Peter Munya, MGH, Cabinet Secretary, Ministry of Trade, Cooperatives and Industry

Dr. Wilson Songa, Trade Consultant

**Eng. Michael K. Thubi,** Head of Research & Development, Numerical Machining Complex

### 3.7.1 Introduction

The National Government aspires to grow the manufacturing sector's contribution to GDP from 9.2% to 15% by the year 2022. In this session, case studies of Counties that have made tremendous achievements in the trade and manufacturing sector were examined. In addition, these Counties have implemented strategies that can facilitate the growth of the sector in all County Governments and the country at large.

### 3.7.2 Emerging Issues

- 1. Kenya's biggest trade imbalance is with China, closely followed by India.
- The cost of energy in the country is high thereby increasing the cost of production which negatively affects local and international investment.
- 3. Multiple taxation in National Government and County Governments is a big hindrance to both local and international investors.
- 4. There is low citizen awareness of the bilateral and multilateral agreements among other key policies affecting trade and manufacturing.
- 5. Lack of data and market surveys in manufacturing leads to losses for investors who venture into the sector without adequate information.
- 6. There has been a focus on agro-processing thereby neglecting other areas of manufacturing.
- 7. There is an influx of counterfeits and sub-standard goods in the local market.

### 3.7.3 Way Forward/Recommendations

- ❖ Trade imbalance can be addressed in the following ways:
  - The country should implement import substitution by producing local goods for local consumption.
  - · There is need to ensure that local products can withstand competition in the global market.
  - · To protect the local industries, there is need to increase Common External Tariffs.
  - There is need for the Anti-Counterfeit Authority to collaborate with County Governments to ensure that products in the local market are of good quality, and eradicate counterfeits and substandard goods that are infringing on intellectual property rights.
  - There is need to ensure that imported goods meet technical and health standards before accessing the Kenyan market.
  - Kenya should seek to produce surplus for exports.
  - There is need to attract FDI by giving favorable concessions, taxes and other incentives to attract investment, especially in the labor-intensive industries.
- There is need to create County industrial parks.
- There is need to zone areas to avoid over production and lack of market for products.
- Counties should build on existing local industries within their regions so as to contribute to the national manufacturing agenda.
- There is need to promote value addition and widen markets for local products.
- Both levels of government need to create an enabling environment for trade and manufacturing in Counties.
- ❖ The current bilateral and multilateral agreements should inform the development of trade policies which should be customized in the Counties.
- There is need to fast track the government policy on reducing the cost of power in order to lower the cost of production.
- ❖ There is need for both levels of government to invest in research and development in traditional knowledge to spur the production of pharmaceuticals in Kenya.
- There is need for National Government and County Governments to invest in generation of data on trade and manufacturing in order to empower entrepreneurs and investors.

- There is need to fast track the enactment of the PPP Amendment Bill and the operational frameworks to ensure that it is tailored to meet the needs of both National Government and County Governments.
- Manufacturing in Kenya should go beyond agro processing and further embrace other areas of the manufacturing sector, such as production of motor vehicle spare parts and small engines.
- Up scaling of County specific data and baseline surveys on value addition initiatives to facilitate investments and also enable the measuring and evaluation of socio economic impacts.
- There is need for both levels of government and private sector to support the Buy Kenya Build Kenya policy.

### DAY 2: WEDNESDAY 6<sup>TH</sup> MARCH, 2019

## 3.8 Sub-theme 2: Enablers in Achieving the Manufacturing Agenda



Hon. Prof John Lonyangapuo, Governor, West Pokot County (second from right) with panelists during the trade and manufacturing breakout session

### **Session Objective:**

To examine the drivers for realization of the Manufacturing Agenda

Moderator: Dr. Miriam Omolo, Trade and Investment Expert

Panelists: Governor Prof. John Lonyangapuo, West Pokot County

Deputy Governor Susan Kikwai Chepkoech, Kericho County

Sen. Wambua Enoch, MP, Senator, Kitui County

Prof. Eng. P.N. Kioni, Vice Chancellor, Dedan Kimathi University of Technology Ms. Betty Maina, MBS, Principal Secretary, State Department of Industry Ms. Phylis Wakiaga, CEO, Kenya Association of Manufacturers (KAM)

**Mr. Lawrence Muiruri Ngugi,** Registrar and CEO, Nairobi Centre for International Arbitration (NCIA) NCIA

**Dr. Mohammed Omar,** Commissioner for Strategy, Innovation and Risk Management, KRA

Dr. Rose Ngugi, Executive Director, KIPPRA

### 3.8.1 Introduction

IFor the manufacturing agenda to succeed, both levels of government need to ensure that there is an enabling policy and legislative environment. Coupled with this are research, technology, innovation, skilled labour and reduced cost of doing business. This session looked at the key drivers for the growth of the manufacturing sector in Kenya.

### 3.8.2 Emerging Issues

- The cost of doing business in Kenya is too high because of the government requirements, high tariffs and cost of licenses.
- 2. The cost of energy in the country is high.
- 3. Poor governance and political instability are detrimental to economic growth.
- 4. There are insecurity challenges in some parts of the country especially those neighboring borders which affect cross-border trade.
- 5. Research capacity of universities is not being fully utilized for innovation.
- 6. There is a prevailing mindset that manufacturing can only be done by international investors.
- 7. There is unpredictability in the policy environment e.g. changes in the finance bill.
- 8. Infrastructure challenges hinder the mobility of goods and services.
- 9. There is delay in payments to SMEs therefore presenting challenges for business growth.

### 3.8.3 Way Forward/Recommendations

- There is need to create a conducive policy and legislative environment for business in Kenya.
- County Governments should collaborate with TVETs for purposes of research and innovation.
- There is need to empower the local entrepreneurs to be the main drivers in the manufacturing sector.
- There is need to invest in vocational training to address skill gaps in the market which will encourage youth entrepreneurship and job creation.
- There is need for both levels of government to collaborate with private sector and development partners to support the vocational training centers.

- There is need for both levels of government to motivate the youth to venture into agribusiness.
- Counties need to embrace the One Ward One Product Program to diversify production.
- Investment in cottage industries is necessary to enable them to scale up.
- Counties should avail information to the local investors through county investment profiles.
- The PPP legal framework needs to be flexible enough for Counties to undertake partnerships with the private sector.
- To foster research and development in the manufacturing sector, there is need for collaboration in between academia and institutions such as KIRDI.

## **3.9 Sub-theme 3:** Realizing the Manufacturing Agenda



Panelists during the trade and manufacturing breakout session

### **Session Objective:**

To deliberate on the role of different institutions in realizing the 15% Manufacturing contribution to the GDP

Moderator: Dr. Miriam Omolo, Trade and Investment Expert

Panelists: Governor Ndiritu Muriithi, Laikipia County

**Sen. Dr. Lelegwe Ltumbesi, MP,** Senator, Samburu County

**Dr. Chris Kiptoo, CBS,** Principal Secretary, State Department for Trade

Ms. Safina Kwekwe, Principal Secretary; State Department for Gender Affairs

**Mr. Kavaka Watai Mukonyi, OGW,** Ag. Director, Multilateral Environmental Agreements, Ministry of Tourism and Wildlife

Mr. Kiprono Kittony, Chairperson, KNCCI

Dr. Shem Ochuodho, Chairperson, Kenya Diaspora Alliance

Ms. Sabina Kariuki, Alpha Option and CEO, Lipuka na Employment Connect

### 3.9.1 Introduction

While the trade and manufacturing sector is a key driver for economic growth and development, the sector has been stagnating at about 10% in the last decade. In order to realize its goals and achieve the target of 15% contribution to GDP by 2022, there is need to put in place measures to address some of the challenges in the sector. This session examined ways in which this target can be achieved through a multi-sectoral approach.

### 3.9.2 Emerging Issues

- 1. Unfair trading practices affect the local industries and producers.
- 2. Kenya's exports have increased at a slower rate than imports.
- 3. Delayed payments to suppliers by both levels of government stifle the growth of businesses.
- 4. The policies governing the trade and manufacturing sector have not taken into consideration the needs of women and youth.
- 5. There is lack of enforcement of the available legal frameworks and policies.

### 3.9.3 Way Forward/Recommendations

- There is need for full implementation of the Kenya Trade Remedies Act, 2017 to protect Kenyan manufacturers from unfair competition and ensure fair trading practices.
- Both levels of government should prioritize the payment of approved pending bills.
- There is need to have a policy and legislative framework that prioritize the involvement of women, youth and PWDs in the manufacturing industry.
- There is need to enforce the available policies and legal frameworks in manufacturing.
- Both levels of government need to explore partnership opportunities with the diaspora, KAM and other key stakeholders in the manufacturing sector.
- There is need to embrace innovation and technology in the manufacturing sector.
- The Kenya Trade Remedies Agency should protect SMEs from imports that would create trade imbalances.

There is need to ensure that the high cost of agricultural inputs is addressed to ensure competitiveness of locally manufactured products.

### Agriculture

DAY 1: TUESDAY 5TH MARCH, 2019

# **3.10** Sub-theme 1: Taking Stock of Gains Made: The Agriculture Transformation Scorecard



Governors and Deputy Governors posing with the Kenya Agriculture Scorecard after the session

### **Session Objective:**

To discuss status and share experiences on the implementation of the Big Four Agenda on Food and Nutrition Security

**Moderator: Dr. Gabriel Rugalema**, Country Director, Food and Agriculture Organization (FAO)

**Discussants: Dr. Harry Kimtai,** Principal Secretary, State Department for Livestock

**Prof. Mary Ndung'u,** Vice Chancellor, Kirinyaga University

**Dr. Jane Karuku,** Managing Director, East African Breweries Limited (EABL)

Panelists: Deputy Governor James Nyoro, Kiambu County

Sen. Njeru Ndwiga, EGH, MP, Senator, Embu County

Prof. Hamadi Boga, Principal Secretary, State Department for Crop Development and

Agricultural Research

**Dr. Agnes Kalibata,** President, Alliance of Green Revolution Africa (AGRA) **Mr. Joseph Kamunge,** Country Director, World Food Programme (WFP)

Ms. Trizabel Oliwa, Practicing farmer, Busia

Interventions: Deputy Governor, Dr. Yulita Mitei Cheruyoit, Nandi County

**Prof. Hamadi Boga,** Principal Secretary, State Department of Agriculture and

Research

**Dr. Agnes Kalibata,** President, Alliance of Green Revolution Africa (AGRA)

### 3.10.1 Introduction

Agriculture is the largest sector in Kenya's economy, contributing to 33% of the GDP and providing employment to 18 million Kenyans. Further, the sector is key in achieving the Food and Nutrition Security Pillar of the Big Four Agenda as well as the seven commitments of the Malabo Declaration which form the seven thematic areas of the Agriculture Transformation Scorecard. However, 24.3% of the population is undernourished and the Country has not been able to achieve minimum scores for ending hunger and halving poverty by 2025 as per the Malabo commitments. The panel, focusing on the theme of the conference, sought to discuss what should be done to accelerate service delivery in the sector as well as food production in order to attain the Country's goals and commitments.

### 3.10.2 Emerging Issues

- 1. Farmers have a hard time accessing extension services, and are therefore unable to obtain information on agriculture and agricultural practices.
- 2. Counties are experiencing food insecurity, even those that are the highest producers of food in the country, due to an overreliance on rain fed agriculture.
- 3. The demographic of Kenya's farmers and agricultural professionals is mostly comprised of the elderly population. The average age of a farmer in Kenya is 60 years.
- 4. In Kenya, only 2-3% of the budget goes to agriculture, a very low percentage as opposed to the 10% proposed in the Malabo Declaration.
- 5. Access to credible agricultural data is limited, diminishing informed decision making and resource allocation.
- 6. The agriculture sector is facing a challenge of reduced labour force due to urbanization.

### 3.10.3 Way Forward/Recommendations

- There is need to strengthen the existing intergovernmental mechanisms between the two levels of government, such as the Joint Agriculture Sector Consultation and Cooperation Mechanism (JASCOM).
- ❖ Both levels of government need to invest in irrigation-based as opposed to rain-fed agriculture.
- There is a need to bring the youth on board through interactive and intensive youth agricultural programs with short term returns such as horticulture and bee-keeping.
- \* Farmers should adopt the appropriate technology for the respective agro-ecological zones to enhance agricultural transformation and productivity.
- Both levels of government need to invest in alternative strategies for delivery of efficient extension services to farmers. For example, in Kiambu County, village based advisors, who are practicing farmers and entrepreneurs, provide extension service advice to the farmers. This has reduced the ratio of extension service officer to farmers from 1:1500 to 1:100.
- All actors in the agricultural sector need to collaborate to further the use of data and research for decision-making and resource allocation.

### DAY 2: WEDNESDAY 6TH MARCH, 2019

## 3.11 Sub-theme 2: From Farm to Plate: Unpacking the Pillars of Agriculture Transformation



Panelists during the session

### **Session Objective:**

To discuss the core enablers of agriculture transformation: water and irrigation; extension, technology and innovation; and market development and value addition

Moderator: Dr. Orodi Odhiambo, Senior Lecturer, University of Nairobi

Panelists: Sen. Naomi Waqo, MP, Nominated Senator

**Prof. Fred Segor, CBS,** Principal Secretary, State Department for Irrigation

Mr. Grant Brooke, Chief Executive Officer, Twiga Foods

**Ms. Doris Kaberia,** Programs Director, Millenium Water Alliance

Ms. Caroline Wanjiku Kibui, Practicing farmer, Kiambu County

**Interventions: Governor Patrick Khaemba, CBS, Trans Nzoia County** 

Mr. Grant Brooke, Chief Executive Officer, Twiga Foods

### 3.11.1 Introduction

Food security is one of the key pillars of the Big Four Agenda. In this session, the discussion focused on issues of yield productivity, pricing within the value chain nodes, unifying the purchasing power of markets and food affordability and availability. The panelists discussed three enabling areas: i) water and irrigation ii) extension, technology and innovation iii) market development and value addition, as key transformative drivers in agriculture.

### 3.11.2 Emerging Issues

- 1. Farmer incomes amount to Kshs. 400 per day per farmer which is only slightly above the poverty line.
- 2. The country is 80% arid and relies heavily on rain fed agriculture.
- 3. There has not been targeted investment in the agriculture sector by both levels of government. This has led to implementation of projects that do not address the actual needs of the farmers.
- 4. Investment in water harvesting and storage by both levels of government and other stakeholders has been low.
- 5. Data is necessary for quality decision making. In Kenya, the biggest challenge is real time data that is timely, updated and accessible to everyone.
- 6. Access to markets is one of the main challenges facing farmers in the country. This has left room for exploitation of farmers by various actors in the value chain.
- 7. Less than 5% of farmers in Kenya have access to insurance. This means that a larger percentage is vulnerable to risks related to droughts, floods, diseases and pests. Subsequently, the farmers are unable to increase investments in their farms.

### 3.11.3 Way Forward/Recommendations

- Irrigation is an innovative method to hasten and accelerate food production in the country. There is need to implement the plan to place 700,000 acres of land under irrigation in the next four years.
- Both levels of government need to ensure investment is targeted in the agriculture sector. This will ensure access to critical enablers such as water for irrigation, extension, technology and innovation, among others.
- Both levels of government should put in place proper policy and legislative frameworks that will guide the implementation of the food and nutrition security pillar of the Big Four Agenda. The Senate should fast track the passing the following key bills:
  - The Irrigation Bill seeks to promote and regulate the development and proper management of irrigation in Kenya.
  - The Warehouse Receipt System Bill enables farmers to deposit their grains in exchange for a warehouse receipt. This will provide farmers with appropriate storage for their produce.
  - The Food Security Bill this legislative framework aims to create an enabling policy environment to allow both levels of government to put in place measures that address food insecurity.
- There is need for policies to guide water resource sharing across Counties.
- ❖ There is a need for investments, policies and institutional frameworks to ensure that quality data is available for decision making.
- There is need to embrace technology to provide relevant real time information to farmers, improve access to extension services, link farmers to markets and create new market structures that favor the small-scale farmers.
- There is need for investment in agricultural insurance that caters for small-holder farmers.
- There is need to align existing agricultural policies to the devolved system of governance.

### DAY 3: THURSDAY 7<sup>TH</sup> MARCH, 2019

# 3.12 Sub-theme 3: The 2019 Kiri-Agriculture Declaration: Walking the Talk on Agriculture Transformation, Youth and Women in Business



Prof. Hamadi Boga, Principal Secretary, State Department of Agriculture and Research, delivering his remarks during the session

### **Session Objective:**

Priority setting and commitments towards commercialized agriculture

Moderator: Prof. Margaret Hutchinson, Senior Lecturer, University of Nairobi

Discussants: Ms. Elizabeth Mudogo, Safaricom PLC

Dr. Kiringai Kamau, Africa Program Lead, GODAN

Ms. Ivy Wambui, Practicing farmer

Panelists: Dr. Milgo represented Sen. Susan Kihika, Senator, Nakuru County

**Prof. Hamadi Boga,** Principal Secretary, State Department for Crop Development and

Agricultural Research

Ms. Karin Feug, Chief Executive Officer, AAIN, Ghana

Mr. Ronald Diang'a, Head of KENARAVA group and Practicing youth farmer

**Interventions: Governor Cornel Rasanga, EGH**, Siaya County

**Prof. Hamadi Boga,** Principal Secretary, State Department for Crop Development and

Agricultural Research

Betty Maina, represented Governor Anne Waiguru, EGH, OGW, Kirinyaga County

### 3.12.1 Introduction

Ownership of land and access to quality inputs, skills and markets are some of the key challenges faced by women and youth in the agricultural sector. This session focused on how to improve commercialization of agriculture among women and youth.

### 3.12.2 Emerging Issues

- 1. Women and youth small scale farmers are facing numerous challenges such as; lack of skills, limited access to farm inputs, production of unmarketable products, and cultural barriers
- 2. Women and youth provide majority of the labour in the agriculture sector, yet, only a few own land.
- 3. Existing policies and legislation governing the sector are not gender sensitive.
- 4. There is lack of data and on women and youth in agriculture making it difficult to develop policies and strategies that address their needs.

### 3.12.3 Way Forward/Recommendations

- County Governments should integrate women and youth in the implementation of the sector strategies and take affirmative action to include them when selecting priority value chains.
- ❖ Both levels of government need to adopt innovative technologies in order to address some of the challenges faced by women and attract youth to agriculture.
- County Governments should promote value addition among small holder farmers to enable them produce market ready products.
- County Governments should strengthen extension services in order to build capacity of small holder farmers to enable them choose the right value chains for the right markets.
- Both levels of governments should invest on capacity building and research programs that impart relevant skills on women and youth which will enable them advocate for the policies that address their needs.

### Water and Sanitation

DAY 1: TUESDAY 5TH MARCH, 2019

**3.13 Sub-theme 1:** From Policy to Practice: Improving Governance in Water and Sanitation for Expanded Investments



Governor Mwangi Wa Iria, Vice Chair, CoG, giving his contribution during the session

### **Session Objective:**

To review data on current water and sanitation financing, and explore how County Governments can facilitate increased investments in the water and sanitation sector through improved governance practices

**Moderator: Dr. Barbara Kazimbaya Senkwe,** Global Knowledge Management and Communications Lead, USAID-WASHFIN

Panelists: Governor Mwangi Wa Iria, Muranga County and Vice Chair, CoG

Engineer Robert Gakubia, Chief Executive Officer, WASREB

Mr. Mark Maessick, Mission Director, USAID Kenya and East Africa

Mr. George Nyakongo, Head of Institutional Banking, Sidian Bank

**Prof. Gordon Tanui,** Kenya Water Towers Agency

### 3.13.1 Introduction

Water is a key enabler for the delivery of the Big Four Agenda. Water and sanitation services is a fully devolved function, while water protection and securing of sufficient residual water is a National Government function. In this regard, the two levels of government must coordinate in order to ensure that all Kenyans have access to clean and safe water which is a constitutional right.

### 3.13.2 Emerging Issues

- 1. Not all Kenyans have access to clean and affordable water.
- 2. The water sector faces financing challenges.
- 3. The lack of coordination in the water and sanitation sector has contributed to low investment.
- 4. The water regulator (WASREB) has sometimes overstepped its mandate and performed County functions. Further, there are instances where water companies have failed to work with County Governments, yet water services is a devolved function.

### 3.13.3 Way Forward/Recommendations

- Water service providers should engage local communities in developing simple solutions in the sector.
- Both levels of government should implement the Intergovernmental Framework for the Water Sector.
- County Governments should increase investments to address water inequality by ensuring equal access to water for all households.
- There is need for County Governments to align their water policies and legislations to the national framework.
- County Governments need to partner with private sector to enhance the technical and financial capacity of the water service providers.

# 3.14 Sub-theme 2: Actualizing a Financially Viable Water and Sanitation Sector at the County Level



Panelists during the Water Sector breakout session

### **Session Objective:**

To discuss practical ways in which County Governments, water service providers and other stakeholders can resolve the impediments to attract investments for water and sanitation services

Session Chair: Governor Hon. Dr. Wilber Ottichilo, Vihiga County

Session Moderator: Ms. Annabel Waititu, Gender and Institutional Development Specialist, USAID-KIWASH

Panelists: Governor Hon. Kiraitu Murungi, EGH, Meru County

Governor Prof. Paul Chepkwony, Kericho County

Ms. Winnie Guchu, Chief Administrative Secretary, Ministry of Water and Sanitation

Mr. Ishmael Shaiye, CEO, Water Sector Trust Fund

### 3.14.1 Introduction

Access to clean water and sanitation is recognized as a human right in the Constitution of Kenya, 2010, which also devolves provision of water and sanitation services to the 47 Counties for effective and efficient service provision to the people. Kenya is classified as a water scarce country and this situation is exacerbated by high population growth and rapid urbanization. Pollution and overexploitation have threatened the country's water resources leading to reduced access to water and consumption of unclean water, which has led to increased public health risks particularly in high-density underserved urban low-income areas. Trend analyses of water and sewerage coverage indicate that as of 2017/18, water coverage and sewerage coverage in the country was 57% and 16% respectively, indicating that a clear majority of Kenyans do not have access to safe water and sanitation.

### 3.14.2 Emerging Issues

- 1. More than half (72%) of the Counties WSPs do not meet operation and maintenance costs since the financing gap in water and sanitation is huge.
- 2. For water supply, about Ksh 1,288 billion is the required investment cost while the available government budget is Ksh 562 billion indicating a deficit of Ksh 726 billion. While for Sewerage total investment required is Ksh 477 billion while available government budget is Ksh 31 billion indicating a deficit of Ksh 446 billion.
- 3. There is disconnect in the sector since Counties are not involved in the appointment of the board members in the water service providers.
- 4. Liabilities remain a key challenge in the seamless transition of water provision between County Governments and water service providers.
- 5. There is lack of reliable data for decision making in the water sector.
- 6. Borrowing of money by water service providers does not follow the PFM Act.

### 3.14.3 Way Forward/Recommendations

- There is need to urgently fast-track the approval of the National Water Policy to ensure that County Governments are guided by a standard framework.
- Closing the financing gap will require a mix of strategies:
- Increasing budget allocation towards water and sanitation to reduce the existing financing gap in the sector.
- Leveraging on alternative non-traditional financing mechanisms to supplement the traditional sources which are deemed inadequate.
  - · Increasing the efficiency of existing finance.
  - · Strengthening WSPs, and tariff reforms.
  - · Raising domestic financing by reducing Non-Revenue Water
  - Adoption of blended loan financing
  - Pooled funding, SWAP
  - Developing credible and bankable proposals and present them to the Water Sector Trust Fund to enable them to be considered for funding through Output-Base Aid
  - · Ring fencing of revenues to enable utilities perform their services optimally
  - Leveraging revenues to access alternative financing
- There is need for accurate and credible data to inform policy and planning at the County level. Counties should strengthen their economic planning dockets to regularly provide this data for decision making.
- Both levels of government should establish excellent transparency and accountability structures to ensure value for money and sustainable service delivery.
- County Governments should be sensitized on how to domesticate the National Water Master Plan.
- There is need to conserve and protect water assets developed for cross-County use.
- County Governments should utilize support from development partners to improve water service delivery.
- There is need to convene a national water congress to conclusively address the challenges within the sector.

### DAY 3: THURSDAY 7TH MARCH, 2019

# 3.15 Sub-theme 3: Target Setting Commitments and Responsibilities for Ensuring Effective Investment in Water and Sanitation in Kenya



Panelists during the water sector target setting session

### **Session Objective:**

To identify stakeholder commitments and responsibilities to be implemented in the financial year 2019/2020

Session Moderator: Jason Oyugi, Water and Sanitation Specialist

**Panelists: Governor Samule Ole Tunai, EGH**, Narok County and CoG Chair, Tourism and Natural Resources Committee

Governor Mwangi Wa Iria, Murang'a County and Vice Chair, CoG

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**Deputy Governor Martin Moshisho,** *Kajiado County* 

Senator Godana Hargura, MP, Marsabit County

Joseph Irungu, CBS, Principal Secretary Ministry of Water and Sanitation

Japheth Mbuvi, Deputy Chief of Party, USAID-KIWASH

### 3.15.1 Introduction

It is important for both levels of government to remain cognizant of the importance of water as a key resource in the implementation of the Big Four Agenda. This session sought to set specific targets for both levels of government and key stakeholders in the provision of water and sanitation.

### 3.15.2 Emerging Issues

- 1. The country faces high water losses through non-revenue water.
- 2. Huge amounts of money have been spent on water projects and yet benefits are not trickling down to the households.
- 3. Expenditures by WSPs are not guided by the IFMIS for expenditure tracking.
- 4. Climate change and rapid population growth are key challenges to provision of safe water and sanitation.

### 7.3.3 Way Forward/Recommendations

- County Governments commit to increase budgets for the water sector.
- ❖ WSPs need to increase system efficiency in order to reduce financial losses.
- . Both levels of government need to address governance issues in the water sector.
- Mutual accountability is required between National Government and County Governments.
- Both levels of government need to invest in better quality data for better decision making.

### **Chapter 4: Closing Ceremony**

### 4.1 Vote of Thanks

### Governor Prof. Kivutha Kibwana, EGH,

Makueni County

He recognized the members present and thanked everyone who made the conference extremely successful. On behalf of the Council of Governors, he thanked the President, His Excellency Uhuru Kenyatta, the Deputy President, His Excellency Dr. William Ruto and the Right Honorable Raila Amolo Odinga for gracing the Sixth Annual Devolution Conference. He mentioned that the three leaders had showed support for devolution. He commended the Deputy President, who had attended the conference for two days.

He recognized the hard work of the steering and planning committees, and all the other institutions represented, who took the time to plan and prepare for the conference. He thanked the Host Governor, Ann Waiguru, for the warm hospitality and mentioned that the guests would leave Kirinyaga with fond memories, especially that "Kirinyaga is lising". He thanked the Governors, Deputy Governors, Speakers and Members of the County Assemblies for staying on for the discussions.

Concerning the Senators who took part in the football matches, he commented that it was a special bonding exercise and that they were looking forward to the continued cooperation with the Senate under a new leadership. He commended Senator Murkomen who showed all who attended the devolution conference that it took commitment, practice and discipline to emerge as champions, a valuable lesson both professionally and at a personal level. He thanked the Speaker of the Senate for working to enhance collaboration between Governors and Senators. He also appreciated the County Assemblies and mentioned that the Governors were aware of their concerns on financial autonomy. He emphasized that smooth collaboration on matters finance would be guaranteed by a legal process.

He thanked the National Government representatives who put in resources and took time to participate in the conference. He also thanked all the Cabinet Secretaries, Principal Secretaries and all staff who participated in the conference, highlighting the participation of the State Department of Gender Affairs, Ministry of Devolution and ASAL, KRA, KIPPRA and the IGRTC. He also recognized the County Executives and all County staff who worked together to make sure the conference was a success. He mentioned that the two levels of Government have been cooperating and doing the country proud by making great strides in making devolution work.

He thanked the sponsors for their consistent support and generosity, since the very first devolution conference was held. He thanked the Private Sector partners for their philanthropy, including the Platinum Sponsor – Safaricom, County Pension Fund, Kenya Commercial Bank, Multichoice, LapFund, Coca-Cola, Cooperative Bank, Isuzu, DT Dobie, Huawei, KenGen, Children Investment Fund Foundation and Chandaria Foundation.

He also thanked development partners, led by the United Nations, who had supported women from Nyamira, Nyandarua, Nandi and Taita Taveta Counties to attend the conference. He noted that the discussions around the participation and representation of women in different sectors emerged, and that it is therefore important to include women in any Constitutional change if the 2/3 Gender Principle is to be achieved in our country. He also recognised the other key development partners who supported and participated in the conference: USAID through AHADI, African Green Revolution Alliance, UKAID, UNDP, World Food Program, SDG Partnership Platform, Food and Agriculture Organization, Water Alliance, and other agencies such as the Nairobi Center for International Arbitration.

He also thanked Civil Society partners: Kenya Human Rights Commission and The Institute of Social Accountability, who had continuously acted as an oversight institution in the devolution journey in particular meetings. He was grateful to the professional consultants, facilitators and moderators for enriching the meetings.

He also thanked the University of Kirinyaga for hosting the event at the institution, despite the university being in session. He expressed gratitude to the Vice Chancellor and the whole fraternity for their generosity. All the vendors and suppliers were thanked for providing quality services throughout the conference period.

He thanked all delegates who ensured that the discussions were rich, and mentioned that the people present at the conference were seen as friends of devolution whose support was appreciated. He mentioned that the communiqué highlighting the resolutions of the conference would be read, and that the task of the members present would be to keenly follow the implementation of the resolutions, since devolution is an act of public participation.

As he concluded, he recognized the exhibitors who did a great job of showcasing their products and services.

### 4.2 Closing Remarks

### 4.2.1 Chief Guest: H.E. Dr. William Ruto, EGH, EBS,

Deputy President of the Republic of Kenya

"This is the sixth year since the Devolution train left the station on a one-way journey to an inclusive, just, equitable and united Kenya. The journey we have travelled has provided us with opportunity to draw necessary lessons and accumulate sufficient experience to better manage our devolution project. The devolution program is young enough to be flexible to accommodate lessons learnt but old enough to expand the array of possibilities on harnessing its benefits.

We are slowly but surely gathering a body of local expertise, knowledgeable leaders and technocrats on the workings of devolved governments, management of devolution challenges and the balance required for intergovernmental relations. The success year on year on the management of successive devolution conferences is a clear testimony that we are getting better. The single most important principle of the 2010 Constitution is no doubt devolution.

The success of our devolution project is printed all over the map of Kenya. Mandera, the furthest and remotest part of Kenya today has Caesarean section births being carried out and the once dusty town roads are now paved and so is the case for many other northern Counties in Marsabit, Wajir and Garissa. County Governments have improved the health sector where we now boast of over 11,000 health centers from about 8,000 in 2012. Turkana County, which had four doctors before devolution set in, now has 73 while the number in Mandera now stands at 38 up from one. For the very first time since independence, an open-heart surgery was performed in Mombasa and a brain surgery in Embu. Before devolution, these services were only possible in Nairobi and at great expense. Overall, the number of doctors in our health facilities has increased from 874 in 2013 to 4,637 in 2017 while the number of nurses rose from 6,620 in 2013 to 25,597 last year. Community health workers now stand at 52,968. Makueni is successfully implementing a model of the universal health programme that is benefitting hundreds of thousands of people in the County. Uasin Gishu County has found an innovative programme to expand opportunities for thousands of youths in TVETs to learn and access paid internships as an excellent starting point to managing youth unemployment. Narok and other Counties have invested heavily in civil works equipment to construct, rehabilitate and make County roads usable benefitting thousands of farmers and other County entrepreneurs. These successes in different aspects of devolved functions in different Counties confirm that devolution is a success story. To complement the efforts of County Governments, the National Government has embarked on an aggressive rollout of major trunk roads in the country to connect various Counties.

An area of the Big Four Agenda that offers tremendous potential for transformative collaboration between national and County Governments is found in the housing pillar. The development framework guidelines and regulations that will govern the Housing Fund recently approved by the Cabinet is before Parliament. It is noteworthy that County Governments are also laying ground to embark on this programme. Twenty-four Counties have already signed MoUs with the National Government on delivery of affordable housing. Five of these Counties, have identified land on which the housing units will be developed and are in the process of alienating the same in preparation for the rollout. We have received an overwhelming response from strategic partners including developers, financiers, contractors and investors. Preliminary assessment indicates that applicants are able to commit up to KSh2.6 trillion to finance the construction of over one million affordable houses. The affordable housing programme has impact beyond delivering shelter; it has huge social and economic benefits. These investment and activities will increase the GDP considerably and grow the construction sector by 14 per cent. It is projected that it will create between 3 and 5 direct jobs and 8 indirect jobs per house constructed. This is another opportunity for national and County Governments to excel in collaboration. I urge County Governments to seize this opportunity, especially given that the National Government has released Kshs

11.1 billion to Counties for spatial planning, infrastructure improvement and capacity building. There is great incentive for Counties to scale up their capacity to implement this programme by institutionalizing affordable housing, fast tracking planning and alienation of land, strengthening public education and engaging the private sector.

I look forward to reports of progress and success stories at the next devolution conference. The success in different Counties in different aspects of devolved functions irrespective of size or population is a clear demonstration that it is not the size of the County that counts but the innovation, the creativity and visionary leadership of County Governments that matters. American writer and humorist Mark Twain remarked "It's not the size of the dog in the fight; it's the size of the fight in the dog that matters." Despite its small size and modest population, Kirinyaga County, has developed her own brand of coffee, which is ready to compete in the international market complete with an outlet to be opened next month in New York. This will benefit the farmers of the County with better farm prices and enhance foreign exchange for Kenya. Despite its size, Laikipia County has through innovation and technology enrolled 62 per cent of its residents, the highest in the country at the moment, under the NHIF programme. Kwale County has creatively rolled out the most comprehensive secondary and university bursary programme, benefiting thousands of needy students, in a County that had the highest school dropout rate in the country.

The success and future of devolution therefore, is not going to be determined by size or population but rather by creative, innovative and visionary leadership. The debate about size and mergers is a treacherous anti-devolution narrative that is simplistic, retrogressive and seeks to reverse the hard earned gains of our reform endeavors. It is a sly attempt to sneak a selfish, self-preservationist agenda into the national conversation with the aim of derailing the country from the development trajectory. In the face of this harsh and stark reality, suggestions for the creation of other layers of Government and bureaucracy, is reckless, pedestrian and out rightly thoughtless.

The future of our great nation just like the success of devolution, is going to be determined by creative, innovative, bold and visionary leadership. Many of the Jubilee administration's achievements from the Standard Gauge Railway, road network construction, electricity connection, the TVETs programme, reform of NHIF are a product of creative and innovative leadership.

Wastage, mismanagement and corruption limit, undermines and ultimately destroys the proper and optimal use of resources. Appreciating this major threat, the Constitution provided for robust, independent, professional institutions to deal with this danger to our development. The Government of Kenya, under our watch has provided the Human and financial Resources necessary for these institutions- EACC, DCI, DPP and the Judiciary to function effectively and efficiently.

The Constitution provides that these institutions are independent and professional. Article 249(1) state that "the objects of the commissions and independent offices are to protect the sovereignty of the people, to secure observance by all state organs of democratic values and principles and to promote Constitutionalism. These commissions are subject to only this Constitution and the law and are independent and are not subject to direction or control by any person or authority."

The biggest threat to the war on corruption is selective prosecutions targeting pre-determined individuals or projects; and secondly, rumor mongers, propagandists and peddlers of half-truths, exaggerations and distortions meant for media headlines to execute covert political schemes, which in and of itself constitute obstruction of justice."

H.E. Ruto concluded by recommending that devolution conference should be held biennially.

### 4.2.2 Hon. FCPA. Wycliffe Ambetsa Oparanya, EGH,CGJ,

Governor, Kakamega County and Chairman Council of Govennors

Governer Oparanya gave his appreciation to all the partners that were involved in the planning of the devolution conference thereby making the event a success. He noted that CoG planned the conference in conjunction with the Senate and the National Government through the Ministry of Devolution. He suggested to the National Government to ensure that all its Cabinet Secretaries attended devolution conferences and used the platform to interact with the entire devolution family. For County Governments to do their work well it is important that they interact with the National Government officials.

He conveyed special thanks to H.E. Uhuru Kenyatta, his deputy H.E. Dr. William Ruto and Former Prime Minister Rt. Hon. Raila for attending the conference.

He noted that there had been deep discussions on issues affecting devolution over the two days of the conference. In addition, participants had learnt from each other, networked and evaluated the strides in the implementation of the Big Four. Citing the communiqué that detailed the resolutions for the 6th Devolution Conference, H.E. Oparanya reminded the participants that there was a lot of work to be done over the next one year before convening the next conference.

He reiterated H.E. Uhuru's sentiments saying that devolution is working. He added that the gathering was aimed at celebrating the success of devolution as well as sharing of best practices. As mandated by the Constitution the leaders needed to deliver to the people. Service delivery should be geared towards significantly changing the lives of Kenyans economically, socially and politically. Thereafter, there is need to measure impact to inform future interventions. What gets measured gets done.

Planning and budgeting should be informed by data so that government actions become targeted. On health, he said that significant strikes had been made in the sector just as H.E. Dr. Ruto had observed during a past summit in Sagana. Maarifa Centre, CoG's Best Practice Centre held good work that was being done in all Counties. H.E. Oparanya noted that Kenyans fought for devolution so that they could have political power and resources devolved to the Counties in an effort to avoid imperial presidency.

He stated that there was a need to emphasize the importance of synergy between National Government and County Governments in order to achieve the development agenda. He emphasized that cooperation, consultation and coordination were the catalysts for the success of devolution. He urged the National Government to involve the Counties in the upcoming census exercise and mentioned the need of strengthening the intergovernmental institutions to enable them contribute effectively in the devolution agenda.

On the Constitutional amendments, the Chair of the CoG noted that all the Governors would support reforms that strengthened devolution. He added that more resources must go the Counties and that the 15 per cent allocation of revenue to Counties should rise to 45 per cent. He emphasized the need to review the Fourth Schedule of the Constitution in order to eliminate ambiguity and make the functions of each level of government clearer. He added that, whether in the public or private sector, there is need for all Kenyans to become champions of healing and reconciliation, since the nation of Kenya is bigger than all of its citizens.

Citing article 10 of the Constitution, he said that the national values and principles should not just be on paper but rather exercised by all Kenyans. He noted that the rampage of graft cases was a wakeup call for Kenyans to embrace their national values, and that economic progress required elimination of corruption, and prioritization and involvement of Kenyans in decision making.

He concluded by reminding leaders that Kenyans expected them to deliver efficient, effective and affordable services.

### 4.2.3 Rt. Hon. Sen. Kenneth Lusaka, EGH, MP,

### Speaker of the Senate

He began by commending all the senators who were present at the conference. It was noted that 41 out of 67 senators were in attendance, which was a clear demonstration of commitment and focus on devolution programs and activities.

He pointed out that the 6th Annual Devolution Conference had exhibited the Counties' vibrant spirit and candid deliberations and expositions, for instance, the innovative strategies Counties had put in place to deliver on the promise of universal health care, food security, trade and industry, and affordable housing. The private sector was also provided a platform to inform on how best to build partnerships and input, new skills and knowledge in improving products and service delivery.

Senator Kenneth Lusaka observed that County Governments' benchmarking was an impressive development as it was not only cost effective and convenient, but also ensured that Counties could find viable solutions by sharing unique home grown projects, abilities and diversities.

He concluded by indicating that the real game changer wass not in the deliberations, rather, it was in the effective implementation and monitoring of progress that would guarantee that all players would take up their

respective roles to ensure that the primary intent was actualized. Further, actualization of the Big Four Agenda, would require that the leaders address issues with measured tones, ensuring political calmness, harmony and tranquility.

### 4.2.4 Hon. Eugene Wamalwa, EGH,

Cabinet Secretary, MoDA

He thanked the team for capturing two critical resolutions in the communiqué: resolutions 6, and 161.

**Under Resolution 6**, the National Government was already in the process of developing the necessary policy and institutional framework to facilitate co-ordination between both levels of Government in implementation of the Big Four Agenda. Starting from last year during the Fifth Devolution Conference, there was an agreement that there would be a partnership between the National Government, County Governments, and Development Partners. There was a need to develop a framework since the Big Four are devolved functions and there must be a framework within which they can all work as partners to be able to succeed.

**Under Resolution 16**, there was a need to invest more in water infrastructure. Looking at the Big Four Agenda, UHC was observed to be doing very well and was the first to be launched in Kisumu. For housing, and Cabinet Secretary, James Macharia, was in the process of preparing the launch of the affordable housing program. He mentioned that manufacturing was growing, however, for food security, there was a challenge of climate change. He mentioned that it was paramount to develop the water infrastructure, increasing water storage, and increasing acreage under irrigation so as to be able to realize the Big Four.

Challenges faced on the issues of the dams needed to be addressed. He highlighted that the challenge of corruption need to be institutionalized and not politicized, and that everyone needed to work together in the fight against corruption.

### 4.2.5 Governor, Anne Waiguru, EGH, OGW,

Kirinyaga County

Governor Anne Waiguru commenced by thanking all the development partners and private sector sponsors that helped to make the event a success. These were Kirinyaga University, Magnet, Almasi Beverages, Equity Bank, Co-operative Bank, Bingwa Sacco, among others. She also went ahead to thank the planning team who worked tirelessly to prepare for the Devolution Conference. H.E. Anne Waiguru expressed her gratitude to the President and Deputy President for gracing the occasion and setting the tone for the conference.

She noted that the 6th Annual Devolution Conference provided a platform for County Governments to examine their performance in line with the Big Four Agenda. She emphasized that the journey towards remaining accountable and delivering, transforming and measuring the impact of devolution should be underscored by a process of continuous engagement among all stakeholders. She highlighted that the devolution conferences should continue to be an important part of the journey to actualizing devolution in Kenya.

In conclusion, she reiterated that the focus should always be on improving the lives of every Kenyan by ensuring service delivery in an accountable and transparent environment.

## Photo Gallery

Dignitaries and delegates making their way to the conference



Photo Sessions with President Uhuru Kenyatta, Deputy President William Ruto and the Former Prime Minister Raila Odinga



At the Exhibitions













## **Appendix**



# COMMUNIQUE OF THE SIXTH ANNUAL DEVOLUTION CONFERENCE HELD FROM 4<sup>TH</sup> TO 8<sup>TH</sup> MARCH, 2019, KIRINYAGA UNIVERSITY, KIRINYAGA COUNTY

The Sixth Annual Devolution Conference was convened jointly by the Council of Governors (CoG), Ministry of Devolution and ASAL (MoDA), Senate and County Assemblies Forum (CAF) between 4<sup>th</sup> and 8<sup>th</sup> March, 2019 at Kirinyaga University, Kirinyaga County. In line with the overall conference theme "Deliver. Transform. Measure. Remaining Accountable", the conference made the following resolutions,

#### THAT:

1. The National Government and County Governments (hereinafter referred to as 'both levels of government') shall, within one (1) year, develop a policy and legal framework for harmonization of revenue collection by both levels of government.

ACTION: National Government and County Governments, Commission on Revenue Allocation (CRA)

- 2. The Kenya National Bureau of Statistics (KNBS) shall enhance their collaboration with both levels of government to produce data and statistics and Parliament shall, in six (6) months, fast track the consideration and passing of the County Statistics Bill.
  - **ACTION: KNBS, Parliament, County Governments**
- Constitutional Commissions and Independent Offices shall ensure provisions on prudent financial management procedures are enforced. ACTION: Office of the Auditor-General (OAG), Controller of Budget (COB), Director of Criminal Investigations (DCI), Office of the Director of Public Prosecution (ODPP)

4. The Penal Code and the Anti-Corruption and Economic Crimes Act, among other laws, shall in the next one (1) year be amended in order to strengthen enforcement of laws and enhance collaboration and coordination of all agencies in the war against corruption.

In the war against corruption, investigative institutions shall strictly follow the law in the execution of their mandate.

ACTION: Parliament, AG, Kenya Law Reform Commission (KLRC), Judiciary, ODPP, DCI, Ethics and Anti-Corruption Commission (EACC)

5. MoDA and the National Government Development Coordination Committee (NGDCC) shall develop a policy and institutional framework to facilitate coordination between both levels of government in the implementation of the Big Four Agenda.

Annually, both levels of government shall publish and publicize the implementation scorecard of the Big Four Agenda initiatives, including information on public finance management.

ACTION: MoDA, NGDCC, CoG, Intergovernmental Relations Technical Committee (IGRTC), County Governments

6. Since the Big Four Agenda focuses on four (4) devolved functions, the National Government shall, in the next budget cycle, allocate resources to facilitate County Governments' support for the implementation of the Big Four Agenda. Key enablers like roads, water, energy and human resource management should be properly funded and prioritized in Counties.

Both levels of government shall invest in Information, Communication and Technology (ICT) to inform strategies, implementation and evaluation of the Big Four Agenda.

ACTION: County Governments, National Treasury, Parliament, CRA, ICT Authority, State Department of ICT, County Governments, Private sector, Development Partners

7. Both levels of government shall, in the next one (1) year, make substantial investment in cottage and agro-processing industries to create employment and wealth generation for women, youth, people living with disabilities, and marginalized groups.

Both levels of government shall, in the next one (1) year, develop a Kenya Industrial Policy to support establishment of cottage industries. ACTION: State Department of Industrialization, State Department of Gender, Ministry of Agriculture, State Department of Vocational Training, County Governments

- 8. Both levels of government shall, in the next six (6) months, operationalize the existing Performance Management Framework.

  ACTION: Public Service Performance Management Unit, State Department of Public Service, County Governments' Service Delivery Units
- 9. Article 203 (3), providing that audited accounts be approved by National Assembly shall, in not more than one (1) year, be amended to ensure timely approval of audited accounts.

For the other constitutional reforms, devolution shall take centre stage and political leaders shall ensure that the discourse on constitutional reform will be all inclusive.

ACTION: Parliament, OAG, AG, County Governments, Building Bridges Initiative (BBI), Civil Society

10. County Governments shall, in the next budget cycle, prioritize responsive interventions towards adolescent and teenage health needs and gender based violence.

ACTION: County Governments, Ministry of Health, Development partners

- 11. County Governments shall, in the next one (1) year, establish County Service Delivery Units to monitor development projects.
  - ACTION: County Governments, Presidential Delivery Unit
- 12. Both levels of government shall, in the next one (1) year, develop a policy to guide water resource sharing across Counties and increase investment in water infrastructure.

Both levels of Government shall, in the next three (3) months, convene a water congress to discuss emerging issues in the water sector including functional assignment.

ACTION: Ministry of Agriculture, Ministry of Water and Sanitation, County Governments, CoG, AG, Senate

13. Both levels of government shall, in the next one (1) year, develop strategies to reduce the cost of doing business in Kenya.

ACTION: State Department of Industrialization, CoG, Private Sector

14. Both levels of government shall, moving forward, partner with research, academic and private sector institutions to provide practical solutions for service delivery.

ACTION: National Government, County Governments, Universities and Research institutions

15. Both levels of government and private sector shall, moving forward, create land banks, mobilize privately owned land and provide critical infrastructure in order to unlock land potential for affordable housing and revenue generation.

ACTION: Ministry in charge of housing and infrastructure, County Governments, Ministry of Lands and Housing, Private sector

16. All County Governments shall, in the next one (1) year, enact Civic Education Laws and establish Civic Education Units in compliance with the County Governments Act.

ACTION: County Governments, Parliament, MoDA, Civil Society

17. MoDA, through the inter-agency team, shall fast-track the finalization of a policy and legal framework for County Regional Economic Blocs policy.

ACTION: MoDA, CoG, IGRTC, Kenya Law Reform Commission (KLRC) Senate, County Assemblies, AG

18. All sector resolutions shall form part of this communique.

#### SIGNED BY:

H.E. Mwangi Wa Iria Co-Chair of the Sixth Annual Devolution Conference and the Vice-Chair of the
Council of Governors
Hon. Eugene Wamalwa, EGH
Co-Chair of the Sixth Annual Devolution Conference and Cabinet Secretary,
Ministry of Devolution and ASAL
Thinistry of bevolution and ASAE
Sen. John Kinyua
Co-Chair of the Sixth Annual Devolution Conference and Chair of the Senate
Committee on Devolution and Intergovernmental Relations
Cartal.
Hon. Eric Mwangi
Secretary- General, County Assemblies Forum
( )



### COMMUNIQUE

# ON CHILDREN'S VOICES AT THE 2ND CHILDREN'S DEVOLUTION CONFERENCE

Held on 17th to 21st February, 2019

Nairobi Primary School, Nairobi City County

THEME: Deliver. Transform. Measure.

SUB-THEME: Prosperous Counties for Children

#### PREAMBLE

We the 300 children from the 47 Counties in the Republic of Kenya, aged 18 years and below, from ECD centers, Primary and Secondary schools in Kenya, with representation from County Children Governments as well as Kenya Children's Assemblies, congregated at Nairobi Primary School in Nairobi County for the 2<sup>nd</sup> Children's Devolution Conference 2019 from the 17<sup>th</sup> -20<sup>th</sup> February, 2019 whose theme was "Deliver. Transform. Measure: Prosperous Counties for Children", focusing on the Big 4 agenda and where Kenya should be by 2030. The aim of the conference was to receive children's perspective on the implementation of the BIG 4 Agenda within the devolved functions.

His Excellency Hon. Uhuru Kenyatta, our President, launched the Big Four Agenda, which focuses on issues that are key to children's welfare, assuring us of His Excellency's commitment to improving the welfare and wellness of children. This focus and commitment has since cascaded to County governments as implementers of the same.

We sincerely appreciate Ambassador (Dr.) Amina Mohamed, EGH CAV, Cabinet Secretary for Education, Lady Justice Martha Koome and all other leaders and stakeholders who joined us. We now share our resolutions developed through county children's forums, discussions, gallery walks and the conference plenaries.

#### CHILDREN'S VOICES

Ultimately, addressing children's issues and their development in Kenya, as in the spirit of the Constitution of Kenya (2010) can only be achieved through a shared responsibility between national and county government, private sector, academia, Civil Society Organisations (CSO's) and all others working with all children in Kenya. This is why we participated in the 2019 Children's Conference to form resolutions that would ensure that holistic needs of children are prioritized by all sectors related to children's issues and the political class. We the children of Kenya would like to be involved in the implementation of the **Big 4 Agenda** as follows:

#### A. ENHANCING MANUFACTURING AND TRADE

 THAT the trade and manufacturing pillar should prioritize young people especially to access employment, internships or/and career guidance;  THAT the Ministry of Transport, Infrastructure, Housing & Urban development and the Ministry of Environment and Forestry ensures that they check the air and noise pollution which affects children development and concentration in school and comfort when at home;

#### B. UNIVERSAL HEALTH COVERAGE

- THAT County Governments provide free nutritional foods and supplements to children infected with HIV/AIDs and those with nutritional deficiencies, in order to boost their immunities against infections and diseases;
- THAT County Governments focus on providing medical assistance, referral systems and medicines in all health facilities, which should be youth-friendly, equipped with supporting infrastructure such as ambulances, mobile clinics and public hotlines;
- THAT National and County Governments address Non-Communicable Diseases (NCDs) like cancer and diabetes which are affecting children by allocating more resources for early detection, treatment and management of NCD's.

#### C. AGRICULTURE (FOOD SECURITY AND NUTRITION)

- THAT the National, County Governments work with development partners involve children in production through reintroduction of 4K Clubs and include them in agroforestry, water harvesting and environment conservation;
- THAT both the National and County Governments ensure that children are free from drugs, harmful substances and negative influence in order to thrive and transform their communities;

#### D. AFFORDABLE HOUSING (Habitable, with proper lighting and sanitation)

- THAT the National Government, County Governments and the private sector fully consider child development needs of all children, including those with disabilities, when building the 500,000 homes;
- THAT the National Government ensures that children have access to decent housing in safe environments, spaces for play and rest, quality toilets, proper ventilation, safe water, adequate lighting and infrastructure that is friendly for children with disabilities.

#### Other pertinent issues

- E. EDUCATION (Infrastructure, curriculum development, user-friendly classrooms, restrooms, kitchen, playgrounds; Technical and Vocational Education Training TVET)
- That the National Government ensures that Children with disability are involved in the roll-out of the Competency Based Curriculum (CBC).
- THAT the County Governments ensures sufficient awareness of available courses in vocational centres

#### F. CHILDREN RIGHTS AND PROTECTION

Devolution is good for all children; Fourth schedule of the constitution of Kenya 2010 mandates County Governments to construct and manage child-welfare centres to ensure the most vulnerable children in the counties are safe.

- THAT County Governments establish child protection units in every police station in Kenya
  and the Ministry of interior and National Coordination enforces the correct procedure for
  handling all the categories of children in their care; children in need of care and
  protection, children in conflict with the law and those in contact with the law.
- THAT the National and County Governments ensure full implementation of the Anti-FGM Act and promote affirmative action and programmes for the girl child.
- THAT the National and County Governments ensure Child participation in decision making in issues affecting them;
- THAT the National Government and County Governments ensure protection of the boy child who are victims of sexual violence, or molestation;
- THAT the Ministry of Education and Teachers Service commission send more teachers to rehabilitation centres;

In conclusion, we wish to thank our President, His Excellency Hon. Uhuru Kenyatta, for launching the Big 4 Agenda, and seek to be involved when implementing the agenda. We also thank the Council of Governors (CoG) and all those who made the 2<sup>nd</sup> Children's Devolution Conference a success.

Endorsed on 20th of February, 2019, in Nairobi County - Kenya.

Asante

H.E Motahi Kahiga Governor, Nyeri County H.E Ruqayya Omar Children's President

## **List of Partners and Sponsors**

Safaricom Plc (Platinum Sponsor)
Ministry of Devolution and ASAL
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Ministry of Public Service, Youth and Gender Affairs State: State Department for Gender
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UN Women
Multi Choice Kenya
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World Vision
Child Fund
Save the Children
Alliance for a Green Revolution in Africa (AGRA)
Intergovernmental Relations Technical Committee (IGRTC)
Water Fund
United Nations Development Programme (UNDP)
Kenya Human Rights Commission (KHRC)
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