



COUNCIL OF GOVERNORS

ANNUAL STATE OF DEVOLUTION ADDRESS BY H.E. ANNE WAIGURU, EGH CHAIRPERSON COUNCIL OF GOVERNORS 30TH JUNE, 2023

***Excellency Governors,
Government representatives,
Development Partners,
Members of the Press,
Fellow Kenyans,***

On behalf of the Council of County Governors (CoG), I am pleased to deliver the Tenth State of Devolution Address (SODA). This was a significant Financial Year since we ushered in new administrations as a country after the August 2022 elections. Eleven (11) Governors earned a direct re-election. Eight (8) pioneer Governors were re-elected to lead their respective Counties. Twenty-eight (28) Governors are new, and forty (40) Deputy Governors are new with two former Deputy Governors being elected as Governors. Fifteen (15) of the new Governors crossed over from the 12th Parliament. This is the new team that the devolution baton was passed to.

On behalf of all the County Governments, allow me to share the significant strides Counties have made in this ending financial year.

1. AGRICULTURE

According to the 2023 Economic Survey report, the Agriculture, Forestry and Fishing sector contracted by **1.6 percent** majorly attributed to failed rains and the drought conditions experienced in 2022. Despite this phenomenon, agriculture remained the dominant sector, accounting for about **21.2 per cent** of the overall GDP.

Above notwithstanding, the volume of sugarcane deliveries increased from 7.8 million tonnes in 2021 to **8.7 million tonnes**, showcasing notable growth. Additionally, coffee production saw a significant rise, increasing from 34.5 thousand tonnes in the crop year 2020/21 to **51.9 thousand tonnes** in 2021/2022.

During this period, County Governments purchased an additional 12 tractors, resulting in a total of 362 tractor capacity across the Counties. This investment will significantly improve access to mechanization services, ultimately reducing the costs associated with ploughing, planting, and harvesting.

Further, the total area under cultivation currently stands at 2,409,748 hectares, with 135,136 hectares benefiting from irrigation practices within the Counties. In a commendable move towards farmer-led irrigation, County Governments have distributed **296 irrigation kits and procured 11 greenhouses**, which have been subsequently allocated to those in need.

County Governments have made significant purchases and distributions. These include 30,200 tissue culture bananas benefiting 2,420 beneficiaries, 33 tonnes of cowpeas seeds, 2,000 bamboo seedlings, 153 tonnes of bean seeds, 941 tonnes of maize seeds, providing support to 1,049,896 farmers. Additionally, 196 tonnes of sorghum seeds have been distributed, benefiting 93,507 farmers, along with 185 tonnes of green gram seeds benefiting 90,590 farmers.

County Governments' commitment to promoting agroforestry and diversification was evident through the purchase and distribution of various seedlings. This includes 12,340 macadamia seedlings, 1,000 pawpaw seedlings, 1,300 passion fruit seedlings, 1,047,091 coffee seedlings with 9,295 beneficiaries, 62,000 mango seedlings, 615,791 tea seedlings reaching 877 beneficiaries, 11 tonnes of potato vines, 129,933 avocado seedlings, and 11,100 citrus fruit seedlings.

To support the fisheries sub-sector, County Governments purchased and distributed 2,968,646 fish fingerlings targeting 2,606 beneficiaries.

In the livestock sub-sector, County Governments have successfully vaccinated 2,673,486 animals, procured 87,920 straws of semen, and distributed 336,667 chicks to 21,690 beneficiaries. Additionally, the purchase of 27,547 breeding stock has further enhanced livestock rearing. The construction of 40 new cattle dips and the rehabilitation of 133 others are noteworthy achievements. Moreover, 10 new hay stores have been built, alongside the rehabilitation of two existing ones. Lastly, the installation of 22 milk coolers has significantly improved milk aggregation within the Counties.

Within the same reporting period, County Governments have constructed seven (7) new grain stores, while two others have undergone rehabilitation. The establishment of 28 market linkages and the completion of 26 value addition projects are steps in the right direction to boost our agricultural economy. Finally, our extension services have provided support to an impressive number of farmers, covering a total of 3,955,182 individuals.

2. ARID AND SEMI-ARID LANDS & DISASTER MANAGEMENT

Prone to natural disasters like floods, droughts, and landslides, Kenya endured various calamities that have significantly impacted the lives and livelihoods of its people during the fiscal year 2022/2023. These included:

- A severe drought that affected roughly **5.2 million** individuals, and around **9.8 million livestock** lost.
- Floods that disrupted the lives of **127,271 citizens**, causing widespread damage to **farmland, livestock, homes, and essential infrastructure** such as roads and health facilities.
- Landslides that impacted **22,020 people**.

Understanding the pressing needs of their populations, County Governments largely focused on **reinforcing the Disaster Risk Management (DRM) sector** by developing comprehensive policy and legal frameworks to support the sector. During FY 2022/2023, the following interventions were undertaken:

- ✓ **26 Counties have enacted a DRM Act.**
- ✓ 24 Counties have formulated county-specific operational plans for efficient DRM.
- ✓ Functional Directorates of Disaster Management have been established in **32 Counties**.
- ✓ County Governments collectively allocated a **substantial budget of KES 7.88 billion in response to disasters** and established more than **61 emergency operation centers** across the country.
- ✓ Response efforts comprised procuring essential supplies like food, livestock feeds, range cubes, molasses, and mineral blocks. Water trucking was organized to meet the needs of the impacted communities.
- ✓ Funds were allocated to procure spare parts for the boreholes, vaccines, and veterinary drugs.
- ✓ To reduce increasing school dropout rates, most ASAL Counties enhanced their bursary programs and introduced school feeding programmes.

3. HEALTH

1. HUMAN RESOURCES FOR HEALTH

Currently, the health workforce in our 47 Counties accounts for a remarkable **66%** (**125,400**) of the total core health workforce of **190,000** in public and private facilities. Furthermore, County Governments have been actively supporting health workers in pursuing further studies, resulting in increased healthcare specialists and a more diverse skill set within our public hospitals. I am pleased to inform you that the CoG has successfully negotiated and secured an extension of an **additional three contractual years for health staff** who had been recruited under the Universal Health Coverage (UHC) initiative.

2. HEALTH FINANCING

Counties have progressively increased or maintained their health allocation at 30% of the County budgets. This is a demonstration of Counties' commitment to the delivery of affordable, accessible and quality healthcare. Further, ring-fencing health funds remains a priority to ensure health facilities can comfortably self-finance their operational and maintenance costs. Thus far, **27 Counties** have enacted the Facility Improvement Financing (FIF) Act and **16 Counties** are already implementing their FIF Acts. The other 20 other Counties are in the process of having the FIF legislation enacted.

3. SERVICE DELIVERY

County Governments have made substantial strides in enhancing access to quality healthcare at the grassroots level by recruiting approximately **107,839 Community Health Volunteers (CHVs)**. CHVs play a pivotal role in advancing primary healthcare, and their invaluable contribution is recognized through stipends provided by the Counties.

The recently released Kenya Health Demographic Survey report highlights the positive impacts of devolution on the delivery of health services since the last assessment in 2014. Notably, the rate of skilled birth deliveries has increased by **13% to reach an impressive 89%**, while deliveries in facilities have improved by **10%, now at 82%**. Furthermore, over **62% of expectant women** attended up to four ANC visits, emphasizing the importance of comprehensive antenatal care.

We are also proud that our collective efforts have significantly reduced child mortality rates. The under-5 mortality rate has decreased from **52 per 1,000 to 41 per 1,000**, and the infant mortality rate has declined from **39 to 32 per 1,000**. To ensure an uninterrupted supply of essential commodities in our facilities, Counties' outstanding bills owed to KEMSA have been reduced by an impressive **30%, from KES 3.9 billion to KES 2.7 billion**. However, we recognize the need for further improvement, particularly in order fill rates, which currently remain below 50%. Some County Governments have forged partnerships with KEMSA to train their staff on the integrated Logistics Management Information System (LMIS), empowering facility staff to make informed orders based on consumption trends and benefit from early warning and alert systems.

4. INFRASTRUCTURE

More than **20,000 medical oxygen cylinders** have been distributed across all 47 Counties, including establishment of **22 oxygen plants and 14 hospital bulk storage tanks** to strengthen health systems. These cylinders have been deployed to **320 Primary Healthcare (PHC) facilities**. This significant investment will substantially increase county's capacity to provide timely and life-saving interventions.

5. TECHNOLOGY AND INNOVATION

County Governments are embracing technological advancements to enhance the efficiency of health service delivery. Drones are being utilized for emergency vaccine and blood product transportation, automated medical records are streamlining patient information management, and technology is being harnessed to monitor and address non-communicable diseases effectively. Additionally, innovative approaches embraced are improving antenatal care attendance among expectant mothers. These initiatives reflect our commitment to leveraging technology for improved healthcare outcomes.

4. FINANCE, PLANNING, ECONOMIC AFFAIRS, AND ICT

The total projected revenue for budget implementation in the FY 2022/2023 amounted to **KES 484.1 billion**, which consists of: equitable share allocation of **KES 399.6 billion** including the Ksh.29.6 billion being the June 2022 allocation carried forward from the FY 2021/22; additional allocations from both National Government and Development Partners amounting to **KES 22.52 billion**; and projected Own Source Revenue (OSR) of **KES 61.98 billion**. Out of these allocations, a total of **KES 399.9 billion** has so far been disbursed to County Governments as equitable share, equivalent to **100%** and **KES 14.52 billion** of the **KES 17.16 billion** additional allocations from development partners representing **85%** of the total allocation.

As of the first nine (9) months of the FY 2022/23, County Governments generated a total of **KES 28.77 billion** OSR, translating to **46.4%** of the annual target of **KES 61.98 billion**. This was an improvement by **6%** compared to **KES 27.09 billion** generated in a similar period of FY 2021/22. Further analysis of OSR as a proportion of the annual target indicates that **Kitui, Kirinyaga** and **Samburu** Counties achieved the highest performance of **84.6%, 80%** and **69.8%**, respectively.

With respect to the settlement of pending bills, as at the end of the Third Quarter of the FY 2022/23 Counties reported partial settlement of pending bills to a tune of **KES 26.21 billion**. **Elgeyo Marakwet** County has since settled all their outstanding pending bills. However, as of 31st March 2023, the outstanding pending bills for County Governments amounted to **KES 159.73 billion** with Nairobi City County accounting for **64.4%** of pending bills at **KES 102.81 billion**. The high pending bills are largely attributed to delays in disbursing the equitable share by the National Treasury.

On average, the National Treasury is usually 3 months behind in timely disbursement. The implications of the perennial delays include but are not limited to non-compliance with the timely payment of employees' salaries and statutory deductions, incurred interests expenses from bank overdrafts due to Kenya Revenue Authority (KRA) attaching County Governments' Bank Accounts without considering the disbursement status, stalled development projects due to the delayed settlement of suppliers and contractors, exposure to litigation, and under-utilization of budgets affecting Counties' plans for the upcoming financial year.

Regarding County Planning, 25 Counties have so far finalized their third generation County Integrated Plans (CIDPs) that set out the Counties' economic development

blueprint for the next five years (2023-2027). The remaining 22 Counties are at advanced stages of development of the CIDPs with 17 of them before the County Assemblies pending approval.

5. LANDS, HOUSING, AND URBAN DEVELOPMENT

1. UNDER URBAN PLANNING AND DEVELOPMENT

County Governments and Municipalities have demonstrated their commitment to promoting sustainable and orderly urban development within their respective jurisdictions. Integrated Development Plans (IDePs), Integrated Strategic Urban Development Plans (ISUDP)/Local Physical and Land Use Plans, and GIS County Spatial Plans/County Physical and Land Use Plans (CSPs) have been developed, serving as comprehensive frameworks for urban planning.

In the last one year, **eight (8) additional Counties** have approved their County Physical and Land Use Plan /County Spatial Plan, bringing the total to **15 Counties (Mombasa, Nairobi City, Baringo, Kilifi, Lamu, Nakuru, Narok, Trans Nzoia, Makueni, Bomet, Bungoma, Kericho, Kwale, Siaya, and Kajiado)** with approved plans. Further, **18 other County Governments** are at different stages of preparing the County Spatial Plans, underscoring the ongoing commitment to effective urban development.

2. REGISTRATION OF COMMUNITY LAND

We are delighted to report that most Counties' community land registration is work in progress. As part of the European Union-FAO Land Governance Programme, **23 Counties** have submitted inventories of their respective community land in preparation for registration.

Notably, **13 Group Ranches** in Laikipia County have successfully transitioned to Community Lands, fully complying with the Community Land Act 2016. **Il Ngwesi**, a pioneering Group Ranch in the country, has successfully transitioned. Similarly, in Samburu County, over ten registered group ranches operating under the Land Representative Act of Groups are set to operate under the Community Land Act 2016 as required. We aim for all remaining unregistered community land to fully transition to the Community Land Act, ensuring that communities receive their proper registration documents within the next five years.

3. VALUATION FOR RATING TO IMPROVE OWN SOURCE REVENUE:

County Governments are empowered to levy property rates as a means of raising their own source revenue. Recognizing that the previous valuation rolls prepared under the old regime have expired, **29 Counties** have developed new ones. In fact, **three (3) Counties** have already implemented and operationalized their new valuation rolls.

4. URBAN INFRASTRUCTURE DEVELOPMENT

In collaboration with their municipalities, County Governments have made significant investments in urban infrastructure development, leading to impressive achievements. These include:

- i. Construction of **202km of roads** within 59 municipalities.
- ii. Development of **171km of non-motorized transport (NMT)** infrastructure.
- iii. Provision of **5,250 parking spaces** for both private and public transport.
- iv. Construction of **192km of storm water drains** to mitigate flooding.
- v. Establishment of **31km of sewer lines** to improve sanitation.
- vi. Creation of **12 recreational facilities** for the well-being of residents.
- vii. Development of **12 fire stations** in different municipalities to ensure prompt emergency response.

5. URBAN GOVERNANCE AND SUSTAINABILITY:

County Governments continue to establish and strengthen urban institutions, with an additional **26 municipalities** being granted municipal charters in the past year. This brings the cumulative number of municipalities to **90**, underscoring our commitment to effective urban governance.

6. BUILDING URBAN RESILIENCE

In line with our vision for resilient cities, **five Counties** have successfully developed urban resilience strategies for selected cities, including **Nairobi, Mombasa, Kisumu, Eldoret, and Nakuru**. These strategies will serve as models for other municipalities and towns, enabling effective city management, enhancing adaptation to shocks and stresses, and providing resilient urban services to all, particularly the urban poor. Furthermore, municipalities are actively pursuing resilient infrastructure projects, including constructing disaster risk management centers, storm water drainage systems to combat flooding and improved sewer networks.

7. URBAN SOCIO-ECONOMIC DEVELOPMENT

County Governments have been instrumental in facilitating the development of retail markets, benefiting over **100,000 traders**. These markets have not only created more **jobs** but have also enhanced revenue generation for municipalities. Additionally, the construction of recreational parks and innovation and training hubs has provided valuable opportunities for our youth to acquire essential skills vital for economic growth and nation-building.

6. TRANSPORT, INFRASTRUCTURE, AND ENERGY

1. ROADS

In the current national road register, County Governments have been allocated over **127,000 km** of the total road network in the country. The investments made in the roads sector have yielded impressive results, including:

- i. Opening **8,248 km of new roads**, expanding connectivity, and improving accessibility within and between counties.
- ii. Upgrading **6,193 km of roads to bitumen standard** to enhance durability and safety.
- iii. Rehabilitating **13,457 km of rural roads**, improving mobility, and boosting economic activities in rural areas.
- iv. Establishing county road safety committees in **15 County Governments**.

County Governments have prioritized capacity building within the roads sector, employing over **91 Civil Engineers** who are vital in spearheading infrastructural developments.

2. ENERGY

In the Energy Sector, County Governments have made significant strides in developing County Energy Plans (CEPs) to guide the sustainable utilization of energy resources within their jurisdictions. Currently, **15 Counties** have already **developed their CEPs**, with others actively working on theirs. These plans are crucial in promoting efficient and sustainable energy usage.

Notable achievements in the energy sector include:

- i. Installation of **14,145 street lights and 81 high mast lighting systems (primarily solar powered)** across Counties.
- ii. Implementation of **898 renewable energy projects**.
- iii. Distribution of **clean cook stoves to 13,581 households**.
- iv. Implementation of **5 wind projects in Counties**.
- v. Utilization of **solar power in 26 Counties** for various applications, including street lighting, mini-grids, hospital backup power, and solar water pumping.
- vi. Adoption of biogas energy in **16 Counties** to generate clean and sustainable energy.

7. TRADE, INVESTMENTS, AND MANUFACTURING

In FY 2022/2023, County Governments have constructed **94 new markets** and renovated **172 existing ones** to provide conducive spaces for businesses to thrive, creating more opportunities for our entrepreneurs. Further, County Governments have prioritized automating **business registration services and licensing processes**. **26 Counties** have automated these services, simplifying registration procedures, reducing fees, and expediting licensing processes, making it easier for micro, small, and medium-sized enterprises (MSMEs) to formalize their operations.

These efforts have yielded remarkable results, with the number of registered enterprises across Counties increasing by **35.2 percent to reach 344,150** in the financial year 2022/23. Additionally, over **18,547 MSMEs** have received comprehensive capacity building, equipping them with essential skills in registration, financial management, and business opportunities, ensuring our MSMEs contribute effectively to job creation and economic growth.

To attract and retain investments, Counties have implemented a range of incentives, including credit guarantee schemes, county industrialization policies, investment portals, and investment and development corporation acts. Counties have also provided tax incentives, waivers, and comprehensive mapping of various sectors' investment opportunities. All these aim at creating an enabling environment that encourages businesses to flourish and expand.

Access to finance is a critical aspect of supporting our entrepreneurs. In the past year **32 Counties** established the **County Business Enterprise Funds** and other financing programs, leading to the disbursement of **KES 1.73 billion to 7,975 MSMEs** for business expansion, ensuring that access to finance remains accessible and affordable.

Lastly, Counties have taken significant steps to promote county-level investments by establishing investment agencies, **special economic zones**, and County Aggregation and industrial Parks. Others have supported cooperative societies in value addition and made significant investments in infrastructure to create an enabling environment for businesses to thrive.

8. TOURISM AND WILDLIFE

1. TOURISM:

Regarding the management and regulation of tourism activities, **17 Counties** have developed tourism-related acts, policies, and regulations, while **9 Counties** have established wildlife-related acts, policies, and regulations. Narok County's initiative in developing the Maasai Mara Ecosystem Management Plan sets a notable precedent for effective management of conservation areas, serving as a potential model for other Counties to emulate.

Further, County Governments have implemented various strategies to enhance tourism and wildlife development. Notable examples include:

- i. **Lamu, Homabay, Kisumu, Nairobi, Tharaka Nithi and Kakamega** Counties have successfully organized and conducted cultural and tourism festival platforms to showcase each County's rich cultural heritage, traditions, and local attractions as part of their tourism strategies.
- ii. **Trans Nzoia County** has established a Community Wildlife Committee to facilitate community engagement in wildlife conservation efforts.
- iii. **292 tourist sites have been gazetted** across different Counties.
- iv. Counties have cumulatively established and are managing public recreational facilities, including 74 Public Beaches, 50 Cultural Sites, 49 Parks, 10 Museums, 10 Cinemas, 8 Libraries, and 2 Theatres.

Hosting prominent events like the **Africities Summit in Kisumu County** in April 2022 and the **Embu Mega Business Expo** demonstrates the Counties' commitment to elevating themselves to become Meetings, Conferences and Exhibitions' destinations. With effective promotion, strategic marketing, and targeted investments, these diverse tourism attractions have the potential to generate substantial revenue for the counties and stimulate economic growth while preserving and promoting their cultural and natural heritage.

9. NATURAL RESOURCES MANAGEMENT

1. ENVIRONMENT

County Environment Committees (CECs) are crucial governance structures established under the Environmental Management and Coordination Act of 1999 to undertake overall environmental management at the County level. Currently, there are **21 operational CECs** with budgets allocated for their operations, while **26 CECs have served their terms** and are being reconstituted. The primary responsibility of the CECs is to oversee the proper management of the environment within their respective Counties, which includes the formulation of strategic County Environment Action Plans (CEAP) every five years. Towards this, **19 County Governments have developed their CEAPs.**

2. CLIMATE CHANGE

County Governments have implemented several initiatives to effectively incorporate climate change responses into development planning, decision-making, and implementation. These include:

- ✓ **45 Counties** have enacted **Climate Change-related Acts, Policies, and Regulations** to provide legal frameworks for guiding climate change actions and interventions at the county level.
- ✓ **45 Counties** have **conducted Participatory Climate Resilience Assessments** to evaluate their exposure to climate-related hazards and social vulnerability, identify critical areas of concern, and prioritize actions to build climate resilience.
- ✓ **45 Counties** have developed comprehensive **Climate Change Action Plans** that outline strategic priorities and investment around climate change-related initiatives and program areas for the next five years.
- ✓ **47 Counties have created the County Climate Change Funds**, allocating **1.5% of their development budgets towards these funds**, which will be utilized in financing climate change programs and activities per the County Climate Change Acts.
- ✓ Counties have set up **specialized Climate Change Units** to ensure effective coordination and implementation of climate change initiatives.
- ✓ Counties have also established **County Climate Change and Ward Planning Committees** to identify and prioritize investments in strengthening climate resilience at the local level.

Further, **Baringo, Elgeyo Marakwet, West Pokot, and Turkana Counties** have demonstrated their commitment to sustainable natural resources conservation **by forging an inter-county agreement**. These collaborative efforts highlight their dedication to effectively managing shared resources, with a particular focus on climate change mitigation and adaptation.

3. SOLID WASTE MANAGEMENT:

In the period under review, **31 Counties have enacted Acts, Policies, and Regulations** specifically addressing solid waste management. Further, there has been an increase in waste recycling companies from **95 to 187** and in **material recovery sites from 36 to 53**. County Governments have acquired **595 waste-carrying trucks**, most of which collect waste daily to facilitate efficient waste collection and transportation.

Counties have undertaken various initiatives to promote the transition to a circular economy, including:

- ✓ Promoting clean energy through solarizing water pumps.
- ✓ Conducting environmental education and public awareness on waste reuse and recycling.
- ✓ Establishing an Organic Fertilizer Facility in Kakamega County to promote segregation and recovery of organic waste.
- ✓ Licensing waste recyclers to promote their business.

4. WATER:

34 County Governments have enacted water-related Acts, policies, and regulations for guiding water management and governance at the County level. Additionally, **24 Counties** have developed County Water Master Plans, while **25 have domesticated the National Water Policy**. This progress signifies the Counties' commitment in aligning their water management approaches with the broader national water policy objectives. It ensures harmonization and coordination between the national and County-level water management efforts.

Currently, **142 registered water service providers** are operating within the Counties. There are **4,652 informal** water service providers, including community water projects. Further, County Governments have undertaken significant infrastructure development projects to enhance water access within their jurisdictions. These projects include constructing, maintaining, and rehabilitation of water supply facilities. Examples of such initiatives include the **construction of underground tanks and rock catchments**

for water harvesting, installing metered community water points, and protection of water springs and boreholes through fencing.

5. FORESTRY

To facilitate the implementation of the Counties' constitutional mandates on forestry, **22 Counties have enacted Forestry-related Acts, Policies, and Regulations**, while **41 Counties have already signed Forest Transition Implementation Plans (TIPs)**. Further, **7 Counties (Kilifi, Elgeyo Marakwet, Lamu, Nairobi, Nandi, Trans Nzoia, and Uasin Gishu)** have taken significant steps by administering certificates of origin, and movement permits for farm forestry products in line with their mandates. This proactive approach has contributed to the Own Source Revenue generated by the Counties.

In supporting the National Government in achieving the 15-billion tree target in the next 10 years, County Governments have undertaken rigorous tree-growing exercises to mark significant events such as the International Day of Forests, World Environment Day, and the upcoming Devolution Conference 2023. From March 2023, all 47 counties have grown **7,336,548 tree seedlings** and established **100,822 tree nurseries**. These efforts reflect the substantial progress made in reforestation initiatives and underscore the determination of County governments to achieve their environmental objectives.

10. BLUE ECONOMY

To ensure sustainable utilization of blue economy resources, conservation of ecosystems, food security, stakeholder engagement, and social equity, **15 out of 47 Counties (32%)** have developed policies on Fisheries and Aquaculture, marking an improvement from **7 Counties (15%)** in the previous financial year.

Counties have also been implementing several programs to enhance fisheries and aquaculture development, such as the **Aquaculture Development Programme (ABDP) in 15 counties**, the **Kenya Marine, Fisheries, and Socio-Economic Development Project (KEMFSED)** in the **5 Coastal Counties**, and initiatives like the **Green Employment Agriculture Program (GEAP)**, **Agricultural Finance Initiative Program (Agri FI)**, and **Kakamega County Fish Subsidy Programme**.

To support the growth of fisheries and aquaculture, Counties have distributed **760,340 kilograms of fish feed** to farmers and constructed **12 new fish markets across 10 Counties**. Additionally, **22 Beach Management Units, registered as cooperative societies**, have been established in the **7 Coastal Region Counties**.

County Governments have also prioritized education in fisheries and aquaculture, with **14 Counties offering blue economy courses in 26 educational and vocational centers**. This represents significant progress compared to 5 Counties that integrated Blue Economy into their Education Curriculum in the previous fiscal year. As a result, the number of students acquiring skills in the Blue Economy in County Vocational Training Centers has risen from **487** in the FY 2021/2022 to **1,224** in the last financial year.

11. EDUCATION

1. PRE-PRIMARY EDUCATION:

Regarding **Access and Equity** in preprimary education, data for the School Year 2022 demonstrated the following:

- Enrolment in pre-primary education levels 1 and 2 has increased by **4.7 percent**, reaching **2,979,106** in the 2022 compared to **2,845,265** in the previous year.
- The enrolment of boys currently stands at **1,499,806**, while girls' enrolment is **1,479,300**. Gender parity has been achieved at this level of education, as indicated by the gender parity index of **1.02**.
- This increase in enrolment can be attributed to the investments and incentives provided by County Governments in pre-primary centers like feeding program and child friendly facilities.
- In the year **4,164 public** and **533 private** pre-primary centres enrolled Special Needs Education (SNE) learners, with a total SNE enrolment of **39,578**. Overall, more boys than girls with special needs were enrolled at the pre-primary education level.
- Additionally, there has been a **3.7 percent** increase in pre-primary centers from **46,671** in 2021 to **48,412** in 2022. This translates to approximately **39,244** classrooms.
- The number of ECDE teachers employed was **79,864**, with **54,637** employed by County Governments and **25,232** employed by private providers of pre-primary education. Based on the pupil enrollment data, this translates to a pupil-teacher ratio of **41:4**.
- The total number of toilets recorded in pre-primary schools was approximately **104,573**. Of this number, **47,165** toilets were for boys, while **57,408** were for girls.
- In terms of financing, cumulatively, County Governments allocated about **6.2%** of their budgets to the education function.
- Additionally, County Governments cumulatively allocated about **KES 8.68 billion** to the pre-primary education function, translating to an average of **2.2%** of the County's budget. This translates to average spending of **KES 4,090** per learner in the pre-primary level of education.
- However, this is below the recommended spend per learner of **KES 7372**, creating a funding gap of approximately **KES 6.97 billion** that should be translated into a capitation grant to County Governments.

2. VOCATIONAL EDUCATION AND TRAINING:

In the School Year 2022, there has been notable growth in enrolment in vocational education and training programs, primarily due to increased interest among the youth and enhanced investment by County Governments. Here are the key highlights:

- i. The total enrolment in vocational education and training programs reached **162,271, with 85,155 male and 77,162 female students.**
- ii. Currently, there are **1,310 registered centers** for vocational education and training, with **1,222 being public and 88 being private** institutions.
- iii. County Governments have employed approximately **5,957 trainers**, consisting of **3,298 male and 2,659 female trainers**, to facilitate vocational education and training programs.

12. GENDER, YOUTH, SPORTS, CULTURE, AND SOCIAL SERVICES

1. GENDER

In FY 2022/23, Counties allocated a total of **KES 812,308,180** to Gender programs, with **217,334 beneficiaries (163,880 women, 35,762 men, and 17,692 PWDs)** of targeted gender interventions across all 47 Counties. Further, **35% (16 out of 47)** of the Counties offered **KES 933,513,512** worth of credit, benefiting **43,075 women, 18,707 men, and 2,029 PWDs**. **63% (29 out of 47) of Counties** have enacted gender-responsive policies, acts, regulations, and guidelines. Additionally, **11 Counties** have operational Gender-based Violence policies and acts.

Presently, regarding the County Executive Committee Members, out of 463 seats, women hold **156** positions, accounting for approximately 34%, while men hold 307 positions, representing around 66%. For the County Chief Officers, men occupy a majority with 72% (560 positions) compared to women, who hold 28% (216 positions) out of 776 seats. Lastly, women in the County Directors category hold 39% (350 positions), while men occupy 61% (557 positions) out of 907 seats. Indeed, there is need for more concerted efforts to promote women's leadership within the County Governments.

2. CULTURE

County Governments allocated a total of **KES 460,844,676** towards culture initiatives in FY 2022/23, utilizing the allocations on establishing cultural centers, observing cultural events, facilitating youth to participate in drama and music festivals, and developing culture and heritage policies, among others. Presently, there are **485 historical sites, 38 recognized (UNESCO-recognized) heritage sites, and 219 sacred sites** across 47 Counties. **31% (15 out of 47) of the Counties** have legislated on Culture, while 69% have yet to enact any culture-related legislation.

3. SOCIAL SERVICES

The total budgetary allocations for Social Services programs across the Counties for FY 2022/23 was **KES 825,728,904**, with the interventions benefiting **70,806 men, 98,779 women, and 34,005 PWD beneficiaries**. Counties like **Mandera County** resettled the vulnerable by identifying and constructing better housing units and latrines for them. On the other hand, **Kakamega County** built shelters for vulnerable households through its Shelter Improvement Programme, targeting 1,800 families while Wajir county

established disability fund to benefit persons living with disabilities. 64% of the Counties have already enacted social services-related legislation, while 36% have none.

4. YOUTH

County Governments disbursed **KES 881,676,173** for youth interventions, **benefitting 109,886 youth (60,762 male, 42,291 female, and 5,833 PWDs)**. **Kwale, Embu, and Bomet** established talent centers to promote talent identification and development. To further empower the youths, **13% (6 out of 47)** of the Counties have disbursed grants, and **23% (11 out of 47)** offered credit facilities worth **KES.88 million and KES.260.9 million**, respectively. The grants have reached **8,980 (3280 young men, 4300 young women, and 1400 PWD)** youths while the credit facilities have been advanced to 11,877 youths.

County Governments have also ensured the inclusion of youth in decision-making processes. Presently, there are **70 (15%) County Executive Committee Members, 140 (18%) Chief Officers, and 190 (21%) County Directors** across all 47 Counties who are youth. **47% (21 out of 47)** Counties have operational youth policies, bills, and acts, while another 16 are in various stages of development.

5. SPORTS:

County Governments allocated a total of **KES 2.42 billion** towards sports initiatives in FY 2022/23, with **157,995 men, 60,144 women, and 5,253 PWDs beneficiaries**. Presently, **376 operational Sports facilities** are spread across 47 Counties, with the Counties **completing 24 and rehabilitating 41 sports facilities** in FY 2022/23. **42% (19 out of 47)** have enacted sports-related policies, acts, guidelines, and regulations to promote and guide sports development in the Counties.

6. LEGAL, HUMAN RIGHTS, AND INTERGOVERNMENTAL RELATIONS

1. LITIGATION

During the period under review, one key judgment was delivered by the Supreme Court on 7th October 2022 in **Supreme Court Petition no. 24 of 2019: Senate versus The Council of Governors & 6 others**, which gave clarification on the issue as to whether the Senate can summon Governors to appear before it to answer questions on County Government Finances. It was the court's holding that the Senate could summon governors to appear before it in the performance of its oversight role over County revenue. The court also held that County Assemblies have the power of first-tier oversight over County Government revenue, whether nationally allocated or locally generated, while the Senate provides the second and final tier of oversight. Further, the Senate's oversight authority is not limited to nationally allocated revenue but extends to locally generated revenue by the Counties. The court further held that the Senate could not usurp the County Executives' mandates or purport to supervise County Assemblies under the guise of oversight.

The Judiciary's unwavering commitment to ensuring the success of devolution through their insightful interpretations of the law has provided clarity, guidance, and legal precedents that have profoundly impacted the devolved units.

2. INTERGOVERNMENTAL RELATIONS

So far, the President has convened one Summit meeting that was held on 11th February 2023, where key issues that affect devolution, including matters to do with health, agriculture, sports, education, and housing, among others, were discussed. While the Summit did not achieve its statutory threshold of two meetings this past year, the CoG will continue to ensure better relations with various intergovernmental bodies to achieve the objectives of devolution.

3. TRANSITION AND INDUCTION

In exercise of its mandate of facilitating capacity building for Governors and County Governments, the CoG undertook sensitization of officers on the Assumption to Office of Governors Act of 2019 and inducted the County leadership. The induction began immediately after the Excellency Governors' swearing-in, with the first induction for Excellency Governors and Deputy Governors being held between 14th and 18th of September 2022. This was followed by sector inductions for County Executive members, Chief Officers, County Attorneys, County Secretaries, and Directors. The

CoG further supported individual County Governments and individual officers who sought support.

Further, the third generation of Governors held their inaugural Council of Governors meeting on 17th September 2022 after a week-long induction I spoke about earlier. In addition, we have held 4 ordinary meetings where key matters have been discussed, including division of revenue, equitable share of revenue, and delayed disbursement of funds.

4. UNBUNDLING AND TRANSFER OF FUNCTIONS

The unbundling and transfer functions featured prominently in the inaugural speech of the H.E. the President, where he committed to transfer all the devolved functions being undertaken by the National Government. Pursuant to this, The Intergovernmental Relations Technical Committee (IGRTC) in October 2022, in collaboration with key stakeholders, including the Council of Governors (COG), embarked on an exercise to provide clarity on all functional areas currently identified to be creating confusion and ambiguity between the two levels of government.

Upon the conclusion of the exercise, a functions analysis Bill shall be submitted to Parliament which will be expected to provide clarity on the performance of all constitutionally assigned functions to the County Governments. An omnibus Bill is also under development to amend all identified legislations found to impede the effective implementation of the devolved functions. This bill once passed shall be provide clarity of the functions assigned to either level of Government.

5. SUSTAINABLE DEVELOPMENT GOALS

Voluntary Local Reviews (VLRs) have emerged as a vital mechanism for Sub-national governments to report on the localization of SDGs, drawing on their communities' experiences and practices and engaging their population in the pursuit of the goals. In this regard, **7 Counties (Busia, Marsabit, Narok, Makueni, West Pokot, Nakuru, and Vihiga)** have actively participated in the Voluntary Sub-national Review.

CoG and the State Department for Economic Planning developed guidelines for County Integrated Development Plans (CIDPs) that effectively incorporate the SDGs. Moreover, the CoG has provided technical support to all 47 County Governments to mainstream the SDGs into their development plans. Also, the CoG organized the SDGs Awards in partnership with the National SDGs Interagency Technical Working Committee. **Makueni, Marsabit, and Vihiga Counties** were rightfully acknowledged for their exemplary commitment. We encourage other Counties to follow their lead.

6. KNOWLEDGE SHARING AND LEARNING

In the financial year 2022-2023, the CoG partnered with USAID to enhance and revamp the Maarifa Centre, primarily focusing on improving its user experience and navigation. This collaboration resulted in a significant 30% upsurge in website visits within six months. As a result, the **Maarifa Centre has firmly established itself as a leading, influential platform for knowledge sharing and peer-to-peer learning.** The online platform (<https://maarifa.cog.go.ke/>) has documented **51 County success stories**, a slight growth from 31 initiatives covered in the previous financial year, highlighting essential County success stories and good and best practices related to service delivery.

The Maarifa Centre partnered with Amref Kenya to develop a **sector-specific compendium on Facility Improvement Financing (FIF) and Community Health Services (CHS)** and hosted peer-to-peer workshops among Counties on FIF and CHS. Additionally, the Maarifa Centre has published the **second, third, and fourth editions of the Compendium of County Innovations and Best Practices**, which serve as a valuable resource for acknowledging and highlighting success stories from diverse Counties. The compendiums are available for download on the Maarifa Centre website, while physical copies can be obtained from the secretariat.

CLOSING REMARKS

Fellow Kenyans,

As I conclude, I want to emphasize the transformative impact of devolution in our nation. I have narrated the gains of devolution by sector, and it is evident that devolution has been the governance game changer in our country.

May I also remind and invite you to the Devolution Conference 2023 to be held in Eldoret, Uasin Gishu County, from the 14th to the 19th of August, 2023. This platform will further provide the opportunity to take stock of the last ten years and chart a way forward.

Ladies and Gentlemen,

I now invite my esteemed fellow Governors to proceed with delivering the State of County Addresses in their respective jurisdictions.

Here's to the prosperity of our 48 governments and the unity of the Kenyan nation!

May God bestow blessings upon all Kenyans.
May God bless our beloved country, KENYA.

I appreciate your attentive presence.
I thank you all very much.

H.E. Anne Waiguru, EGH
Chairperson, Council of Governors