COUNCIL OF GOVERNORS

STATE OF DEVOLUTION ADDRESS BY H.E. GOVERNOR PETER MUNYA, CHAIRMAN OF THE COUNCIL OF GOVERNORS

22ND MAY 2017

INTRODUCTION

Excellency Governors,

Fellow Kenyans,

Today marks the second time I've stood before you to report on the State of Devolution. It is an honour to be standing before you again this day.

Excellencies,

THE STATE OF DEVOLUTION UNDER THE RESPECTIVE SECTORS

Excellency Governors and fellow citizens,

Having said that, kindly allow me to highlight proof that indeed devolution is working. Further, allow me to appraise you, on behalf of the forty-seven (47) County Governments, on the work we have done thus far. I am truly honored to present to you a report card of the strides we have made in the last four years we have had devolution.

1. Agriculture

With the advent of devolution, the performance of major agricultural livelihoods witnessed remarkable growth. As illustrated in the Economic Survey 2017, the performance of major crops since the inception of devolution is as follows;

- Tea production -2,119,200 tonnes
- Coffee production – 226,400 tonnes
- Maize production – 202.1 Million bags
- Wheat production – 38.1 Million bags
- Sugarcane Production – 33,167,027 tonnes

- Rice production – 484,959 tonnes
- Recorded milk production – 2.824 Billion Litres
- Horticulture production – 1,139,600 tonnes

Since 2012 the number of selected livestock slaughtered was as follows;

- Cattle and calves – 9,222,900 heads
- Sheep and goats – 32,928,500 heads
- Pigs – 1,353,400 heads

The initiatives by County Governments to upscale farm technology and mechanization services has greatly reduced the burden and drudgery of agriculture work. The purchase of 344 tractors, establishment and rehabilitation of 34 Agriculture Mechanization Centers (AMCs) and 32 Agriculture Training Centers (ATCs), construction and maintenance of 332 milk coolers, purchase and distribution of 1,712 Greenhouses underscore some of the major technological advancements scaled up by County Governments.

Fellow Citizens,

Well-developed rural infrastructure forms the epicenter of agriculture renaissance. In this recognition, County Governments have purchased and distributed 2,604 irrigation kits for use by rural farmers which has greatly transformed rain-fed farming systems to irrigated farming systems.

Since 2013, County Governments have so far established market linkages, established and maintained 249 markets in order to ensure farmers have a ready market for their produce. In addition, County Governments have initiated 231 Value Chain Centers which has promoted long term, farm-level value addition of traditional staples such as dairy products, sorghum and sweet potatoes.

To date, County Governments have vaccinated 45,800,889 animals, artificially Inseminated 1,219,545 livestock, procured and distributed 111,588 liters of semen which has effectively improved the quality and yields from livestock sector. Input Subsidization programs by County Governments has greatly increased the accessibility, availability and affordability of key farm inputs such as fertilizer and seeds. Initiatives by County Government to purchase and distribute 1,596,791 bags (50kgs) of subsidized fertilizer signifies the goodwill and determination by County Governments to reduce cost of farm production. In addition, County Governments have distributed 13,520 tonnes of maize and bean seeds to smallholder farmers, 765,180 tonnes of tissue culture seedlings, 5,344,675 fingerlings.

2. **<u>Health</u>**

County governments have played a critical role in health care transformation by leading innovative efforts to improve the quality of health care while reducing its cost. County governments have continued to allocate an average of 21% of the budget to health services. In the last three (3) financial years, a total of KES. 200 billion out of the KES. 954 billion allocated to counties, was allocated to the health sector.

The health sector has become a model for money flow to the counties from our developing partners. Money from partners such as DANIDA and HSSF now goes directly to the County Revenue Fund, rather than through the national government.

And since the inception of devolution, the health sector has made some significant strides.

In 2012, there were 874 doctors and 6620 nurses in the entire country. Currently, there are 4,080 doctors working at County facilities and 557 doctors at national referral facilities making a growing total of 4,637 doctors. In 2012, there were only 3,757 nurses. Currently the number of nurses at County facilities stands at 24,373 while those at national referral facilities are 1,224 making a total of 25,597 nurses. Though the distribution of health care workers across the country has not attained global standards, the current status is an improvement from the previous era when health was a function of the central government.

It is worth noting that County governments have embarked on strategies to ensure better working conditions for health workers by improving their remuneration and regularizing labour relations with the respective trade unions.

Excellency Governors,

Counties understand that Universal Health Coverage (UHC) and investments in health systems can accelerate both national and global efforts to ensure access to healthcare to anyone who needs it, leaving no one behind. Universal Health Care is crucial to increase healthy life expectancy, to reduce poverty, to promote equity, and to achieve sustainable development all together.

In Makueni County, for example, citizens register into the healthcare plan with KES. 500 per year which covers the principal beneficiary, their spouse(s) and direct dependents below the age of 18 or 24 for school going dependents. The registration fee ensures pooling of resources and sustainability. It is a scale up of the existing institutional structures and existing programme of healthcare for senior citizens over 65 years that are already in place.

This healthcare innovation has had tremendous impact in the county. More than 10, 888 principal members have registered into the programme. This translates to about 60,000-70,000 direct beneficiaries. This is reduced the average length of hospital stay, reduced waivers and largely reduced dependence on *harambees* to raise cash for hospital bills.

Counties are also embracing technology in attaining better health care outcomes.

In my home county of Meru, for instance, we have used technology to fight the malaria epidemic. As you know, malaria is still a serious public health concern in Kenya. According to World Health Organisation World Malaria Report (2016), Kenya has a three per cent share of estimated total cases of malaria deaths in Africa, with 15,061 malaria deaths reported in 2015. In Meru County, cases of malaria in hospitals have significantly declined in the last five years due to more accurate diagnosis. Data from the county health department shows that in 2016, 38, 000 cases of malaria were diagnosed, down from more than 200, 000 cases diagnosed between 2011 and 2013. This is as a result of proper diagnosis. In 2015, Meru County engaged a Canada-based healthcare information technology service provider known as Fio Corporation, to improve diagnosis, treatment and record keeping. As a result of this initiative, cases of malaria diagnosis have dropped from 32 percent to 0.05%. As a result of proper diagnosis, Meru County significantly reduced expenditure on anti-malarial drugs.

Moreover, in Kericho and Nyamira counties, health care professionals are now using telemedicine- the remote diagnosis and treatment of patients by means of telecommunications technology- to improve the reach, speed, and quality of health care. In Meru County, the availability of 40 units of diagnostic kits from Israel are improving the diagnosis of cervical cancer.

3. Public Finance

One of the objectives of devolution is to ensure the equitable sharing of national and county resources throughout the country.

However, the Council notes with concern the reduction in absolute amounts the equitable share allocation to the County Governments in the 2017/18 financial year by the National Assembly's budget Committee from the National Treasury's proposal of KES. 299 billion to KES. 291 billion without considering the consistent revenue growth that the Country has produced. To put this growth into absolute terms, nationally raised revenues have grown from when the devolved system of governance was effected; 2013/14 shareable revenue was KES. 936 billion, 2014/15 was KES. 1,038 trillion, 2015/16 was KES. 1,251 trillion, 2016/17 was KES. 1,445 trillion and the projected revenues for 2017/18 is KES. 1,500 trillion shillings.

It is important for Kenyans to know, albeit regrettably, that the constitutionally mandated mediation process that was constituted between the two houses of Parliament collapsed due to lack of consensus, this therefore means that the County Governments might go into the new financial year without their budgets in place hence stagnating development and ultimately leading to chaotic transition process. The Constitution obligates Counties to only develop their budgets after the approval of the Division of Revenue by Parliament. We are therefore urging Parliament to treat this issue with the utmost urgency it deserves. The mediation period elapsed on April 30th 2017, the Bill having been forwarded to the mediation team on March 31st 2017.

However, it is worth noting that during the fifth National and County Coordination SUMMIT held between 10th and 11th February 2016 at the Sagana State Lodge, it was resolved that a committee be formed to undertake an analysis of the functions of both levels of government with the aim of eliminating duplication and wastage. There is a report that was finalized in April 2016 with recommendations that are yet to be adopted which include among other things, release of funds to County Governments for the unfunded functions in Library services worth KES.s. 319 million, KES.s. 8.4 billion for the additional 32,000 Kms of roads transferred to County Governments and enhancement of Fuel Maintenance Levy share from the Current 15% to 25%.

Nevertheless, even with the scarce resources, county governments have so far made huge investments with health sector gaining the biggest share of allocations. In 2016/17 financial year, the 47 County Governments have allocated 93.6 billion shillings towards this sector which represents 24.8% total county allocations. The Education sector comprising of the ECD, youth, sports, culture and social services comes thirdly in the County investment with an allocation of KES. 36.4 billion shillings in the 2016/17 financial year with a percentage of 9.65% of the total county allocations.

4. Roads, Infrastructure and Energy

Dear Citizens,

Counties understand the singular importance of infrastructure in the economic development. With this in mind, county governments have allocated KES. 49.6 billion in the roads, infrastructure and public works sector in the 2016/17 financial year - the second largest allocation representing 13.1%.

I am honoured to report to you that the investments have greatly improved our infrastructure. Between 2013 and 2016, the following was achieved in the roads sector: tarmacked roads- 442.25 kilometres; murammed, graded or gravelled roads - 53,033.95 kilometres; new roads that have been opened- 23,384.48 kilometres; and rehabilitated roads total to 20,665 kilometres. This financial year, the roads sector has registered an improvement with 387.95 kilometres tarmacked, 48,395.95 kilometres murammed, graded and gravelled, 19 607.75 kilometres opened and 18, 479.63 kilometres rehabilitated.

In 2016, through the intervention of the court in a matter filed by the Council of Governors, the function of management of county roads was transferred to county governments including outdoor advertising. County governments also got additional allocation of 31,113 kilometers of roads transferred by the Transition Authority bringing the total to 121,113 kilometers. The inter-Agency Taskforce recommended for the reallocation of KES. 8,430 million from the Ministry of Roads to County governments as attendant resources for the construction of the additional kilometers. To date, however, the same has never been implemented. Due the additional transferred kilometers of roads to counties which expanded the road network in the counties, the Inter-Agency Taskforce also recommended the increment of the fuel levy fund from the current 15% of KES. 7.9 billion to 25% which would translate to KES. 13.1 billion. The 13.1 billion is based on the projected KES. 55 billion worth of revenues by the Kenya Roads Board. Its recommendations must be included in the Division of Revenue 2017.

5. Land, Planning and Urban Development

Schedule 4 of the Constitution mandates County Governments to undertake county planning and development. So far all 47 Counties have invested in planning and have made some significant achievements in this regard.

One of the achievements is that counties have initiated the development of Geographic Information System (GIS) based County Spatial Plans which will provide the spatial framework for all development within the Counties.

Moreover, over 289 markets that have been constructed in Urban Areas to facilitate trade in Counties. Counties have also invested in Urban Safety with over 50 urban areas having invested in street lights.

Clear guidelines for spatial planning has been developed and will be launched in the next financial year.

The Council of Governors has involved itself in improving the legal and policy environment in the land sector including involvement in task forces on land regulations and extension of leases.

In addition, the Council of Governors has negotiated for approximately KES. 3 billion funding for counties from World Bank under the Kenya Urban Programme (KENUP) to support urban infrastructure and governance.

Despite these laudable milestones, however, counties continue to face challenges in implementing programmes and projects towards sustainable urban development and land management.

A number of laws that were enacted before county governments were created and therefore needed realignment to recognize the role of county governments. The Urban Areas and Cities Act, for example, still pose serious challenge to counties in terms of determining Urban Areas and establishing relevant governance structures. Even those that were enacted recently like the Community Land Act 2016 have had parts of it suspended by the courts due to its deficiencies.

6. <u>Trade, Investment and Cooperatives</u>

Excellency Governors,

Fellow Kenyans,

County Governments have continued to facilitate trade in the counties through construction and rehabilitation of markets across the Counties. The ease of doing business in the County Governments has improved with the introduction of single business licenses among other strategies. This led to Kenya moving by 21 places in the World Bank Index of Ease of Doing Business in the World where it moved from position 113 in 2015 to 92 in 2016. This means that starting and operating small and medium size businesses has been simplified which enhances the capability of the local communities.

Cooperatives sector has been an integral catalyst in improving the socio-economic affairs of the people of this country through creation of wealth, employment and alleviating poverty at the rural and urban areas. The cooperatives movement have grown to over 5,000 co-operatives and employing over 3.5 million people across the country.

The County governments have continues to partner with private institutions and at the same time construct value addition chains. Examples include, honey processing plants, mango processing plant among others. In Tharaka Nithi County, for instance, a move to revitalize the cooperative movement in the county has borne fruit. The aim of the initiative was to focus on one or two commodities in the cooperative structure and build a sustainable value chain around it. East African Breweries Limited, in collaboration with the county government, started a pilot project in the County which led to the production of over 50% of last year's Sorghum supply in the country. The county sensitized the locals, and particularly the youth, to engage in farming to enhance their economic wellbeing, thereby engaging the youth in the value chain. The farming has attracted many young entrepreneurs and encouraged other young farmers to engage in the venture.

The county government of Bomet uses a cooperative model as a means of alleviating poverty. The government has formed 30 ward-level multipurpose cooperative societies each with 1200 members. These cooperatives have been assisted with revolving funds by the county government to a tune of KES.s.34 million to assist them grow their small business. For the last 3 years this fund has grown to a total of KES. 74 million and is rotated within over 30,000 members of the cooperatives.

Every dairy cooperative is provided a milk-cooler and is able to collect up to 10,000 litres per day. The county dairy cooperatives can collect up to 400,000 litres per day which is taken to different processing plants within the county. Beneficiaries that the department has reached is over 112,000 households that have benefited from the intervention. This figure is huge. In the department of agribusiness, this has really boosted food and nutritional security.

All these initiatives are aimed at accelerating investments and create job opportunities at the county level, close to the people. The introduction of small micro loans to youths, women and small cooperatives is further accelerating investments in the counties.

7. Intergovernmental Relations

Fellow Citizens,

All the statutory intergovernmental structures have been established and are operational. The Summit, Council of Governors, Intergovernmental Relations Technical Committee and Intergovernmental Budget and Economic Council. All the above have had sittings and made various policy resolutions.

However, there have been some challenges. The Summit has never fulfilled its statutory obligation of holding meetings at least twice a year. Essentially, by the end of this first regime, the Summit should have been convened at least 8 times. In most cases, the Summit has only been convened once a year. Further, the Summit has never submitted even one annual report, a violation of Section 10 (1) of the IGRA. This means that its decisions have never been made public.

The COG and the IGRTC should be strengthened. The COG has already developed proposed amendments to the IGRA to have its secretariat anchored in law. Both of these institutions must be well funded and be allowed to run their operations independent of the Ministry of Devolution and Planning.

Lastly, I wish to point out that IBEC has no secretariat. The Commission is currently housed under the Office of the Deputy President. IBEC should have its own secretariat.

8. Legal and Human Rights

Excellency Governors,

It is critical that county legislation be published and made available to the public. Article 199 of the Constitution outlines how county laws should be published, that is that they must be published in the Kenya Gazette. Through consultative discussions the Government Press is already punishing county laws in line with Article 199 of the Constitution. It is important to point out that save for the Judiciary, no other institution has supervisory roles over County legislation that has been passed into law. County governments look forward to better collaboration with the Government Press by having County legislation unit to deal with publication of County laws.

As you are aware, the Council of Governors has over the last four years, continuously and tirelessly pushed the two Houses of Parliament to pass legislation needed to fully implement devolution as provided for under the Constitution. The Council is monitoring key legislation in Parliament that have a significant impact on county governments.

I wish to note that the Health Bill, 2015, which to define the functions of National government and devolved functions of the County Government, was referred to Mediation on 15 February 2017 and the report of the Committee has since not been presented to Parliament.

Another key law that is pending in Parliament is the County Boundaries Bill, 2016 which seeks to define the boundaries of the counties of Kenya; provide for the resolution of county boundary disputes through the establishment of a county boundaries mediation committee; and to give effect to Article 188 of the Constitution on the alteration of county boundaries.

The County Outdoor Advertising Control Bill, 2015 is also before Parliament. The Bill seeks to give effect to Section 3 of Part 2 of the Fourth Schedule to the Constitution which provides outdoor advertising as one of the functional areas of county governments.

Another crucial legislation pending is the County Governments Disaster Management Bill, 2014. The essential purpose of the Bill is to provide for the management of disasters and emergencies in Counties by effective planning and risk reduction, response and recovery procedures and promotion of coordination amongst the response agencies.

Other key bills pending before the Senate include the County Pensions Scheme Bill, which seeks to harmonise county workers' pension schemes; the Intergovernmental Relations (Amendment) Bill, 2014 to set up establish the CoG Secretariat and to entrench the Council of County Assemblies in law; the Impeachment Procedure Bill, 2016 to clarify the impeachment process and; the Public Participation Bill, 2016.

These bills are crucial as they hold the key to successful devolution. We, therefore, strongly urge the National Assembly and the Senate to fast track their passage.

9. Tourism

Excellencies,

Kenyans,

Devolution has emerged as the biggest driver of domestic tourism. Both international and local tourism have recently become important in counties' hospitality industry. Since the inception of the new Constitution, the tourism sites in counties have increased from 401 to currently 632 while others are still opening up.

The grading and classification of the hotels done by Tourism Regulatory Authority in 2016 shows a significant increase of vacation hotels and lodges after devolution. Data collected in 41 counties indicated 15 hotels and lodges were rated five-star, 41 as four-star and 53 were rated three-star. Tourism has increased by 12 percent in the year 2016. The accommodation and food services sector grew by 15.3 percent in the same period.

10. Natural Resource Management

Water

The total number of operational boreholes has increased from 4,967 in 2013 to 6,498 in 2015 , 52 Additional water dams have been added across the counties from the previous number of 1,191 in 2013 to 1243 dams. The average distance covered to access water has reduced from 6.21 km in 2013 to 2.72km in 2016.An additional 500,000 Households have been connected with piped water from previous 1.6M to 2.1M households. A total of 1,520Hospitals, Health Centers and dispensaries in 18 counties are connected to boreholes. Counties in collaboration with the Ministry of Water and Irrigation and Development Partners like JICA have embarked on a project to strengthen the capacity of Water Service Providers to minimize Non-Revenue water.

Forests

Over the last 5 years forest cover has increased from 5% to 7%, according to Kenya Forest Service Annual Report. Counties together with the National Government are working to ensure the constitutional requirements of 10 % is achieved. Since 2013, there has been an increase in the number of Community Forest Association (CFAs) resulting in increased protection of water towers. The Council of Governors in partnership with the Kenya Forest Service has developed 47 Forest Transition Implementation Plan (TIPs). This is a framework to formally devolve certain Forestry functions to the Counties.

Climate Change

Counties are working to ensure that climate change is mainstreamed in the County Plans. This is through the development of climate change model laws premised on domesticating the Climate change Act 2016. Counties like Wajir, Garissa, Kitui, Makueni and Isiolo have also formed County climate Change Funds(CCCFs) legislations.

11. Education, Gender, Youth, Sports, Culture And Social Services

The County Governments have continued investment in the education, youth, gender and sports in the last three financial years. We have demonstrated this through increase in budgetary allocation standing at 8.2% of the total county budgets from KES. 21.41 Billion in the financial year 2013/2014 to KES.. 29.6 Billion in financial year 2015/16.

School Bursary for Post-Primary

Majority of the County Governments have established scholarships and bursary funds benefiting secondary, college and university students. This has ensured the girl child to access education especially secondary and tertiary level in marginalized areas both urban and rural.

Early Childhood Development and Education (ECDE)

The county governments have increased investment in Early Childhood Development and Education (ECDE) through the inception of devolved units to a total of KES. 6.5 Billion for the last three financial years. This shows a steady increase of allocation to ECDE from KES. 1.2 Billion in Financial Year 2013/2014 to KES. 2.4 Billion in Financial Year 2015/2016.

The number of children benefitting from the school feeding programs implemented by the counties has peaked at 334,277 with 168,041 girls and 166,236 boys benefitting in the three financial years.

Vocational Training Polytechnics

The county governments have increased investment in Technical and Vocational Training Centres since the inception of devolved governance from KES. 523 million in the 2013/2014 financial year to KES. 890 million in the 2015/2016 financial year, representing a 70% increase. The county governments have cumulatively spent 2.1 billion since the 2013/2014 financial year on technical and vocational training centres.

The number of vocational trainees recruited by the county governments increased by 464% from 337 in the 2013/2014 financial year to 1904 in the 2015/2016 financial year. The number of female trainees employed increased from 85 in 2013/2014 to 252 in the 2015/2016 financial year representing a 196% increase while the number of male trainees increased by 87% from 252 in the 2013/2014 financial year to 473 in the 2015/2016 financial year.

The number of trainees benefiting from the sponsorship programs increased from 8,731 in the 2013/2014 financial year to 18,835 in the 2015/2016 financial year. The number of male beneficiaries increased from 5,479 to 11,119, representing a 103% increase; while the number of female beneficiaries increased by 137% from 3252 in 2013/2014 to 7716 in 2015/2016.

The Inaugural Children's Devolution Conference 2017

On 27th February to 28th February, 2017, The 1st Children Devolution conference was held in Nairobi, Kenya. The conference was organized by the Council of Governors and partners working with and for children in Kenya. This conference was unique as it gave the Children of Kenya an opportunity to tell their story of devolution where over 180 boys and girls were in attendance. The Children's devolution conference will continue as a platform to ensure our children are on board as we make devolution a greater success.

12. Knowledge Management and Sharing of Best Practice

Fellow Kenyans,

One of the core mandates of the Council of Governors is to share information on the performance of the counties in the execution of their functions with the objective of learning and promotion of best practices. To this end, the Council has, with the support of Development Partners, established and launched a best practice centre known as Maarifa Centre, which is both physical and virtual, to facilitate and stimulate counties to learn from good practices that have worked locally, internationally and globally.

The best practice centre supports counties with the following services:

a) Sharing of innovations and best practices and providing a platform for counties to share innovations and best practices
b) Promoting peer learning for improved performance and accountability
c) Learning from NEPAD peer review and other mechanisms
d) Support in strengthening data management systems for counties

13. Sustainable Development Goals

County Governments have institutionalized coordination of SDGs implementation at the County level through the planning department in all the 47 Counties. The County Governments have also taken a bold step to mainstream SDGs in the County Integrated Development Plans (CIDPs) and this will be attained through CIDP guidelines. We are therefore confident that with the progress we will be able to achieve the SDGs even before the set target of 2030. We therefore wish to call on the development partners to support counties in this initiative.

The Counties are part of the SDGs National Voluntary Review (VNR) process for Kenya and have done self-assessment on the progress of implementation of SDGs since January 2016, this will form part of the Kenyan report to be shared with the rest of the world during the High level political forum (HLPF) on SDGs in July 2017.

One of the biggest challenge in tracking progress in SDGs implementation is data management by counties. There is need to fast-track the statistic bill and build the capacity of county Government in data collection, synthesis and management.

CHALLENGES

Excellencies,

As I mentioned earlier, realising the fruits of devolution is not an easy task. In this regard, county governments have experienced their fair share of challenges in their pursuit of implementing devolution. These challenges include the following:

Laws and policies have been passed by Parliament with provisions that infringe on and interfere with the functions of county governments. In this regard, some of the bills that the national government ministries have developed are on sectoral policies that ostensibly implement devolution. These policies (most of which we have reviewed) are extremely problematic as they have centralized functions and greatly undermined devolution. The major examples include; the health Policy, the veterinary policy, the Roads policy, Agriculture Policy, the livestock policy, Fisheries Policy among others. Moreover, a review of the National Government Strategy documents such as the National Government strategy on external resources mobilization is anti-devolution reveals little effort to foster devolution.

There has been a lack of adequate resources to implement devolved functions. This has been occasioned by the slow rate of disbursements to counties from the National Treasury and the inability of county governments to access bank overdrafts from the Central Bank due to lack of guidelines on the same.

Rampant disruption of the IFMIS system due to network challenges as well as a new wave of theft through the system have posed significant challenges.

Though County governments have made remarkable achievements, the ICT sector has had its fair share of challenges. For instance limited resources translated to poor infrastructure, inadequate connectivity, limited skill sets required for sustainable growth and inability to provide sufficient technical capacity amongst others.

Reduction in the counties' share of shareable revenue percentages as proposed in the Budget Policy Statements of 2016/2017.

On elections, we urge Parliament to reject the Bill that proposes to bar elected officials at the County level from accessing the Supreme Court in election disputes. As crafted, the Bill before the House will curtail the right to access justice for Members of Parliament and County Governors.

The Division of Revenue Bill, 2017 is yet to be passed. Failure by Parliament to pass the Bill will negatively affect Counties as they are already coming up with their budgets for the 2017/2018 Financial year without knowing how much money Parliament will allocate to them.

Collective Bargaining Agreements with Doctors, Dentists, Pharmacists and Nurses are yet to be signed. The Council is working with all stakeholders to ensure that labour relations challenges with all health workers are addressed. Further, the Council confirms that the Doctors will be paid for the period they were on strike.

THE WAY FORWARD

Fellow Kenyans,

As we prepare to usher in the 2nd Council of Governors, the following issues must be addressed to further entrench and improve service delivery to Kenyans at the County government level -

We need to amend the Constitution to anchor 45% minimum equitable share to Counties Action.

State agencies, corporations and regional development authorities must be restructured to align to the devolved system of government. These include the National Aids Control Council (NACC), Regional Development Authorities and the National AIDS and STIs Control Programme (NASCOP) to mention a few.

Lastly, as recommended by this year's Inaugural Children's' Devolution Conference, counties should enhance protection and participation of children by establishing children rescue homes and centres as well as recognizing the protection of children with disability and undertake programs aimed at taking affirmative action to ensure equal access to services provided by County Governments.

CLOSING REMARKS

Fellow Kenyans,

Numbers do not lie. Numbers can tell a story, or paint a picture. As you can clearly see, the numbers indicate that devolution has been working, is currently working.

Even as I conclude, I must mention that we must keep guard the security of our nation. It is unfortunate that there are still incidents of insecurity being reported especially in the areas such as Garissa, Mandera, Wajir and Baringo among others. Security is an issue that falls within the purview of the national government. It is, therefore, unfortunate and disheartening that issue of security has never been seriously tackled by the national government. Insecurity could affect the electoral process as well as the general development and wellbeing of our citizens.

Allow me to reiterate that devolution is a joint effort, it is a matter of coordination and collaboration among all the stakeholders, including the citizen. The role of the *mwananchi*, as I stated, cannot be overstated, for it all starts with him or her.

To this end, Kenyans have a responsibility of putting into office good leaders who can take devolution to the next level. Even as we prepare for the first general elections with county governments in existence, let us exercise our civic duties diligently and wisely. Let us not waste the currency of our votes, for they are the only weapons of bringing the change that we so much deserve and desire.

I am positive that the first of governors has done a really good job at kick starting devolution. Institutions are now set up and county functions are running. But counties are still facing numerous challenges, as I just outlined. We wish that the second Council of Governors will take care of these issues and take devolution to greater heights.

I urge all of us to remain as one nation. I call on all of you to promote cohesion and inclusiveness as we gear up to the 2017 general elections. Let us be the united nation we have always been as we prepare to open the next chapter on devolution.

Thank you. God bless you and God bless Kenya.

Signed

H.E. Peter Munya,

Chairman, Council of Governors.