



24<sup>th</sup> April 2023

**PRESS STATEMENT FOLLOWING A FULL COUNCIL OF GOVERNORS MEETING**

***Members of the Press,  
Fellow Kenyans,***

This is a sad day for the Council of Governors and County Governments at large. We have just concluded a full Council Meeting wherein critical issues of common interest to County Governments were discussed as we realize that devolution is under threat from the National Government. We therefore wish to address you as follows:

**1. ON DELAYED DISBURSEMENT OF EQUITABLE SHARE**

As of 24<sup>th</sup> April 2023, the National Treasury has not disbursed a total of **Ksh.94.35 billion**. The arrears are as follows:

1. **Ksh.31.45 billion** owed to 47 Counties for February 2023 allocation.
2. **Ksh.29.6 billion** owed to 47 Counties for March 2023 allocation.
3. **Ksh.33.3 billion** owed to 47 Counties for April 2023 allocation.

The Four month delay is unprecedented in the history of devolution and negates the spirit of the meeting held in Naivasha between His Excellency The President and the Governors.

We, therefore, call upon the CS National Treasury to immediately release the **Ksh.94.35 billion** owed to County Governments without any further delay.

**By dint of this, the Council of Governors hereby issues a 14 days' notice to shut down Counties if February, March and April arrears are not released within two weeks.**

1

We also notify the citizens of Kenya that due to the failure of the National Treasury to disburse the funds, County Governments will not be able to deliver services as expected.

## **2. ON DIVISION OF REVENUE BILL, 2023**

We wish to convey our dissatisfaction with the manner in which the Senate voted on the Division of Revenue Bill, 2023, rejecting an amendment that would have seen the devolved units get **Ksh.407 billion** as equitable share in the FY 2023/24. This is a new low for a House of Parliament Constitutionally mandated to **represent the Counties and serve to protect devolution**. We note with concern that in the history of devolution, the senate has never voted against the spirit of devolution in as far as the increase of resources is concerned. We call upon the Senate to uphold their primary mandate that County Governments are well-resourced in order to perform their functions optimally.

## **3. COUNTY GOVERNMENTS (REVENUE RAISING PROCESS) BILL 2023**

The attention of the Council of Governors has been drawn to various reports published in the local dailies on the proposed attempt by the National Government to claw back on Devolution by seeking to micromanage County Governments mandates on revenue collection as prescribed under Article 209(4) of the Constitution.

There is no reason why County Governments should be submitting particulars of new taxes to the National Treasury and CRA. Chapter 12 of the COK gives the two levels of government distinct mandates on the revenue raising capabilities. Therefore the bill before parliament is unconstitutional. Counties are not subservient to national government.

It should never be mandatory for counties to submit a list of all taxes, fees and levies to the Cabinet Secretary National Treasury.



#### **4. ON REVIEW OF THE PUBLIC FINANCE MANAGEMENT ACT, 2012**

Over the last 10 years, we have been able to identify what works and what needs to be streamlined. One such aspect is the role of the National Treasury in serving the two levels of Government as contemplated in law.

The Ministry of Finance and the National Treasury should be separated. To address this challenge and many other issues clawing back on devolution we call for a comprehensive review of the Public Finance Management Act of 2012.

#### **5. ON MANAGED EQUIPEMENT SERVICES**

Four (4) out of the Five (5) Contracts signed by the Ministry of Health have expired with the last contract coming to an end on 25<sup>th</sup> May, 2023.

**It was agreed that a** comprehensive report on the MES to be completed in two weeks. This report will offer guidance on how the services can be continued within the confines of the law while ensuring value for money. The report to be discussed during a retreat to be held on the 5<sup>th</sup> – 6<sup>th</sup> of June, 2023. In the meantime status quo remains and ensures services are not interrupted. MOH to communicate officially to the Council of Governors on the continuity of services.

#### **6. ON THE PROGRESS OF THE COUNTY AGGREGATION AND INDUSTRIAL PARKS**

The Council unanimously agreed that the coordination of this project will be done by the Council of Governors.

#### **7. DEVOLUTION CONFERENCE**

The Council of Governors along with its partners is in the process of planning the Devolution Conference under the **Theme:** 10 years of devolution: The present and the future and the **Sub-Theme:** Driving Transformation from the local level: County Governments as the Centre of economic development.



The Conference will be held from 15<sup>th</sup> – 19<sup>th</sup> August, 2023 in Eldoret, Uasin Gishu County.

As a precursor, to the Conference, the Council of Governors is also planning the Children’s Devolution Conference scheduled to take place from 3<sup>rd</sup> to 6<sup>th</sup> July, 2023 in Kiambu County during midterm so as not to interfere with the school calendar.

The proposed Theme for the Children’s Conference is **“Empowering young voices: A Decade of Devolution and the Future of Children in Kenya.”**

### **CONCLUSION**

I take this early opportunity to wish all Kenyans a Happy Labour Day. Let us all work towards improving service delivery and building livelihoods. In the Words of Martin Luther King Jr. “All labour that uplifts humanity has dignity and importance and should be undertaken with painstaking excellence.”



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