

2ND SUMMIT RESOLUTIONS
20th May, 2014
State House, Nairobi

A. Report on the Intergovernmental Budget and Economic Council (IBEC):- The National Treasury will be updating Council of Governors (CoG) after presenting budget to the National Assembly.

The matter on the proper base to be used i.e. economic growth or revenue growth be referred to IBEC for further deliberation and decision making.

B. Update on intergovernmental institutions and arrangements: - Ministry of Devolution and Planning shall find existing office space within the Government buildings offices in Nairobi for the Council of Governors.

C. National Security: - Matters deliberated and agreed upon include;

1. County Policing Authorities regulations to be gazette.
2. The National Government via the Ministry of Interior and Coordination of National Government to provide a framework for coordination of security at the county level.
3. The County Security Committee gives the Governors regular security briefings as specified in Sec. 54 (6) of the County Governments Act, 2012The Ministry of Interior and Coordination of National Government convenes a meeting with the CoG Security Committee to discuss a way forward on tackling radicalization and terror.
4. The CS Interior, CS Tourism and CoG Chair of Tourism Committee meet with H.E. the President to discuss tourism matters.

D. Legislative interventions and challenges including water sector reforms; Matter deliberated and agreed upon include;

1. CIC to convene an inter-governmental forum to discuss legislation that is relevant to devolution.
2. The Council of Governors to organize sector engagement meetings on legislation affecting the counties.
3. The CIC to establish a formal way of consulting the counties on bills.
4. CIC to convene a meeting with Council for Governors and CS ENW to make a memorandum on the Water Bill and present it jointly before the relevant parliamentary committee.

E. Roads Sector: - Matters deliberated and agreed upon include;

1. The CS Transport and Infrastructure and the CoG Chair of Roads Committee, meet to conclude the unbundling and transfer of functions and processes.
2. Two weeks be the proposed timeline for an outcome of the unbundling and transfer of functions process.
3. The CS Transport and Infrastructure begin the process of transfer of equipment to the counties on a basis agreed upon by the national and county governments.

F. Funding for County Governments: - Matter deliberated and agreed upon include;

- **Level 5 Hospitals:** - The Equalization Fund be used to fund the Level 5 hospitals but objection was made to such re-direction citing the Constitution's direction of its use which is limited to marginalized communities (Article 204 of the Constitution).
- **Wage bill:** - It was reported that from the agreement of payment of the county wage bill for a period of 6 months by the national government, there was variance in the status of reimbursement of the funds from the counties. Some counties had made full reimbursement, some made partial reimbursement and were in arrears, while others had reimbursed less the amount allied to ghost workers. Multiple Governors raised the issue of the disproportionate amount of their allocation that goes to meeting their wage bill relative to the entire County budget allocation. This scenario has created stagnation in development at their counties due to insufficient funds for development.
- **Retention of funds & refund to National Government:** The National and County Government each contribute 1.7 billion from their budgets towards the funding of Level 5 hospitals.

G. Depletion of Forest Cover in Kenya: - The CS Environment, Water and Natural Resources (EWNK) convene a meeting with the Governors of the Counties affected by depletion of forest cover and present a way forward.

H. National Capacity Building: - That the MoDP and the Council of Governors (or their representative) discuss matters of rationalization and capacity building and present a way forward.

I. The Public Benefits Organizations Act, 2013:- MoDP convenes a meeting with the Council of Governors (or their representative) and other stakeholders of the PBO Act, for further deliberations and to define a way forward.

J. Enhanced working relationship:- H.E. the President and Council of Governors agreed on the need for a symbiotic working relationship based on consultation and cooperation between the National and County governments

K. Date and Venue for future Summit meetings: - That future National and County Government Coordinating Summits be held every second week of May and November.