

3rd SUMMIT RESOLUTIONS
8th December, 2014
State House, Nairobi

A. Ministry of Devolution and Planning providing offices: - It was noted that the Ministry cannot provide office space for each Governor; the Governors were therefore to take care of their own office space.

B. Legislation on Water sector reforms: - Cabinet Secretary for Environment, Water and Natural Resources informed the summit that the Water Bill has gone through its second reading in parliament. The chair of the committee is working on the amendments as they proceed into the third reading. The committee is expected to invite the Governors committee on water as well as officials from the Ministry of Environment, Water and Natural Resources for discussion on the bill. It was suggested that this would be a suitable forum in which the council of Governors could propose their amendments. The County Policing Authority Regulations were gazette and appointments expected to follow.

C. Depletion of forest cover: - The Cabinet Secretary Environment, Water and Natural Resources informed the summit that they had convened a meeting with technical teams from Kenya Forestry Research Institute, Kenya Forest Service, and the Ministry to determine the mandate of national and county governments. It was noted that the resolutions would inform the current Forest Bill.

D. Intergovernmental Budget and Economic Council (IBEC): - Matters deliberated and agreed upon include;

1. The Sub-national borrowing framework was adopted during the last IBEC held on 29TH October 2014.
2. IBEC is engaged with the Commission on Revenue Allocation on the process of developing a second-generation formula that will see some changes on how resources are shared between the two levels of government.
3. IBEC through the commission of Revenue Allocation, the National Treasury and the Council of Governors will hold a consultative meeting to discuss ways of streamlining the taxation efforts by all counties to ensure that businesses operating in and across counties are not affected.
4. IBEC has made various proposals to the senate to amend the PFM to ensure financial prudence. The proposed amendments are also aimed at strengthening the role of the County Executive Member of Finance in all counties to exercise their mandate as stipulated in section 130 of the Public Finance Management Act. IBEC will hold an extra ordinary session to discuss and approve the amendments before forwarding the proposals to the senate.

5. Regulations on the Equalization Fund have been completed and submitted to Parliament. An Equalization Funds Board has been established. The fund of Ksh 3.4 billion allocated to it and the secretary (accounting officer) has been appointed. The fund will serve as a conditional grant to counties with marginalized communities.

The Chair of the Finance Committee of COG noted that there might be need for further engagement on the following issues;

1. Creation of an independent Loans and Grants council within 6 months with representation from both the national and county levels of government.
2. Harmonization of county taxes and levies.
3. County budget ceilings in line with prudence and fiscal responsibility.
4. IBEC and senate should seek closer partnerships.
5. IBEC and Commission of Revenue Allocation should convene meetings to deliberate on double taxation laws and policies.

E. The status of Makueni County: - The summit formally received the petition to dissolve Makueni County. According to the law, the summit is required to make a decision on whether to progress the petition by forming a commission to review the matter or to decline the petition. Once signatures were verified, the summit recommended that a commission of inquiry to be set up.

F. Roads sector; Status on classification of roads and sharing of roads equipment: - Matters deliberated and agreed upon include;

1. The Cabinet Secretary, Transport and Infrastructure and COG will work together on the allocation of 805 of the roads equipment by 15th December 2014.
2. A sub-committee on roads will be formed and chaired by the president with membership from the Council of Governors, Senate Transport/Roads Committee, Ministry of Transport, and Members of Parliament to try and resolve the issue of classification of roads.
3. A special summit meeting should be convened to deliberate the findings of the sub-committee on roads. The special summit meeting should take place in mid to late January before the next court date of 4th February 2014.

G. Funding for Level 5 hospitals: - The chairman requested for time to consult with the Cabinet Secretary for the National Treasury and the Governors of Wajir, Nyeri, Mombasa and Kisumu to agree on a way forward.

H. Progress of verification of assets and liabilities of the defunct local authorities: - It was resolved that this matter be postponed for future discussion.

I. Intergovernmental Structures and secretariat: - On the appointment of the members of the Intergovernmental Relations Technical Committee the Summit received the report of the Recruitment Committee and resolved as follows;

1. The successful candidates for the position of Members of the Intergovernmental Relations Technical Committee be gazette immediately pursuant to the Act.
2. The three names of the candidates for the position of Chairperson should be forwarded to the Ethics and Anti-Corruption Commission for clearance in compliance with chapter 6 of the constitution. The highest ranked candidate as per the Recruitment Panel report would be the person to be formally appointed to the position of the Chair if he is cleared by the EACC. If not, then the next person in ranking would be gazette and the same would apply in sequence.
b) On the matter of budgets for the Council of Governors Secretariat. The chairman directed the Cabinet Secretary Treasury to release any outstanding allocated funds to COG secretariat.

J. National Security: - On the matter on County Security Coordination:

1. Guidelines for County Policing Authority have been signed by the Cabinet Secretary for the interior and National Coordination. The Gazettement process was in progress.
 2. There have been continuous border disputes between counties and there was need for mechanisms to reduce tensions.
 3. For cross-county threats there were regional structures and initiatives in place to deal with the same.
- Governors reiterated their support and cooperation on security matters. It was resolved that as soon as the new CS, Interior was in office, a meeting with the County Governors will be scheduled to deliberate on Security matters.