

**SPEECH BY THE CABINET SECRETARY, MINISTRY OF DEVOLUTION AND ASALs,  
ON THE LAUNCH CEREMONY FOR THE KENYA DEVOLUTION SUPPORT  
PROGRAMME (KDSP) LEVEL II GRANTS FOR COUNTY INVESTMENTS ON 8<sup>TH</sup>  
AUGUST, 2018 AT THE LAICO REGENCY HOTEL, NAIROBI**

**H. E. Governors  
Principal Secretaries  
County Secretaries  
County Assembly Speakers  
County Assembly Clerks  
Chief Executive Officers  
Auditor General  
The World Bank representative  
County Executive Committee members  
All Protocols observed;**

**Ladies and Gentlemen.**

I take this opportunity to welcome you all to this gathering whose objective is broadly to “**Make Devolution Work**”. We are gathered here today, to deliberate on the devolution journey and mark the beginning of implementation of the country’s “**BIG FOUR**” agenda.

As you are aware, the National Government and in particular my Ministry provides support to County Governments to enable them perform their functions. The vision of the National Government is to build capacities of County Governments as reflected in the National Capacity Building Framework (NCBF) and Medium Term Interventions (MTI), which were developed in consultation with the Council of Governors and supported by donor partners including, the European Union, USAID, UNDP and the World Bank among others.

**Ladies and Gentlemen,**

The Kenya Devolution Support Program (KDSP) is an initiative of the Government supported by the World Bank whose objective is to build capacities for improved devolved service delivery. Commendable achievements have been realized at the County Governments from level 1 grants, which all 47 counties voluntarily participated in. County Capacities are being built across key thematic areas namely; public finance management, planning, monitoring and evaluation, human resource and performance management, civic education and public participation, and environmental and social safeguards.

The disbursement of KDSP funds is made upon achievement of certain disbursement linked indicators (DLIs). I am delighted to note that all County Governments have evidently achieved respective level 1 Disbursement Linked Indicators (DLIs) and have so far received Ksh **2.1 billion** for capacity building. A further **Ksh.1.95 billion** for level II has been disbursed as Capital investment grants to 13 County Governments, making a total disbursement of **Ksh4.1billion**. We urge the qualifying County Governments to channel these additional funds to the “**BIG FOUR**” agenda.

It is my pleasure to note that a further **Ksh6.3billion** capacity and performance grants has been set aside in Financial Year 2018/19 budget for County Governments capacity building and capital investments. I urge all counties to improve on their annual assessment so as to absorb the funds that have been set aside.

**Ladies and Gentlemen,**

Ingrained in the program is an annual capacity and performance assessment (**ACPA**) that gives feedback on the impact of capacity support by the National Government and Development Partners. The assessment is also used to determine the size of the capacity and performance grant for qualifying counties.

As I mentioned earlier, 13 Counties have qualified for level two investment grants. These are: Busia, Nyandarua, Kiambu, Baringo, Makueni, Kisii, Laikipia, Siaya, Narok, Kirinyaga, Kajiado, Garissa, Mandera. **Congratulations to you all!**

**Ladies and Gentlemen,**

The Ministry being the coordinator of the KDSP program has invited you here today to witness the launch of the disbursements of Level II capital investments grants to the County Governments. This will be followed by a detailed training to the County technical teams in developing investment plans for the grant.

I urge you to send your teams to participate in the exercise and identify projects that will contribute to the country's development agenda, "**Big Four Blue Print**". The projects to be financed will be identified from the County Integrated Development Plans (**CIDPs**) which I believe were all inclusive in their formulation. Implementation of these projects should take into consideration environmental safeguards and grievance redress mechanism.

It is important to note that County Governments recently submitted Capacity Building plans for Financial Year 2018/19. These plans should provide the framework for coordinating all capacity building support in the County under the National Capacity Building Framework. In addition, the capacity building plans must be developed in tandem with the budgeting process, to ensure that all county implemented activities are fully funded in the budget. Additionally, an inclusive approach involving county executive and assemblies should be embraced in planning and implementing the capacity building programs. This is the reason we have invited both County executives and assemblies here today.

**Ladies and gentlemen,**

I wish to urge all the officials from the County Governments present today to support the implementation of KDSP at both levels to enable us realize the program's overall objective. I want to emphasize the need to support the teams spearheading and implementing KDSP at the county level to ensure consistency.

During the implementation of level 1 of the program, several challenges were observed such as; lapses in coordination at the county level, inadequate involvement of county assemblies in KDSP activities, inconsistency of county KDSP implementation teams and focal persons, and provision of Technical Assistance to counties. I am looking forward to resolution of these challenges through your support and also at the Technical and Joint Steering committee levels.

As I conclude, I wish to acknowledge other Development partners who are supporting the devolution process. These include the EU through the Instruments for Devolution Advise and Support (**IDEAS**) Programme whose objective is to build the capacities of both National and County Governments to facilitate fiscal decentralization and Local Economic Development (**LED**). The programme targets 15 counties, which will receive a grant of **Kshs.110 million** each to implement their proposed LED Projects.

The UNDP and USAID have also given immense support to my Ministry, County Governments, Council of Governors and Commission for revenue Allocation among others on matters devolution. As a Ministry, we are grateful for these support

With these remarks, **Distinguished Ladies and Gentlemen**, I wish now to officially launch the level two grants disbursement.

**Thank you**  
**EUGENE WAMALWA, EGH**  
**CABINET SECRETARY**  
**8<sup>TH</sup> AUGUST, 2018**