



REPUBLIC OF KENYA
THE NATIONAL TREASURY AND ECONOMIC PLANNING

STATEMENT BY
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CABINET SECRETARY

DURING THE CELEBRATION OF 20TH ANNIVERSARY OF THE
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT
FUND

FRIDAY 3RD MAY 2024
SAFARI PARK HOTEL AND CASINO, NAIROBI

Your Excellency, the President of the Republic of Kenya, Dr. William Samoei Ruto;

Your Excellency, the Deputy President of the Republic of Kenya, Hon. Rigathi Gachagua;

The Prime Cabinet Secretary, H.E. Dr. Musalia Mudavadi;

Speakers of the National Assembly and the Senate;

Clerk of Senate

Members of National Assembly

The Attorney General;

Cabinet Secretaries;

Chair of the Council of Governors;

Governor, Nairobi County;

Principal Secretaries;

Inspector General of Police;

Private Sector;

Distinguished Guests;

Ladies and Gentlemen;

It gives me great pleasure and privilege to welcome you all today to the 20th Anniversary Celebration of the National Government Constituencies Development Fund (NG-CDF). This commemoration, not only marks two decades of the Fund's existence, but also serves as an opportunity to reflect on the remarkable journey of the Fund, showcase the Fund's accomplishments, milestones, and positive impact on Kenyans.

In the Year 2004, the Kenyan government took a bold step towards decentralization of government resources at the national level and empowerment of citizens on the ground by establishing the Constituency Development Fund. This visionary and constructive initiative was aimed at bringing development closer to the grassroots level while ensuring that each and every constituency in the country had the resources and opportunities to flourish.

The NG-CDF objective therefore resonates well with the Government's Bottom-Up Economic Transformation Agenda (BETA) which recognises that most Kenyans have been left behind and so the time has come to develop a framework of fostering sustainable inclusive growth and economic transformation. The NG-CDF has been, and will therefore continue to be, a contributor to this sustainable development in the country, it is therefore a source of pride.

Ladies and Gentlemen,

As Kenya grapples to mitigate against the negative global and persistent shocks including: global supply chain disruptions due to ongoing conflicts in Eastern Europe and the Israeli-Palestinian war; high interest rates limiting access to credit and exacerbating debt servicing costs; and most importantly, significant losses and damages caused by frequent

extreme weather events e.g. the current floods, the NG-CDF remains a critical factor in the Country's mitigation against the global economic challenges. The other negative side of these persistent and negative shocks is to reduce our resource base such that we lose flexibility due to limited fiscal space.

Notable initiatives used by NG-CDF include: Construction and/or rehabilitation of classrooms and dormitories; Establishment of new Kenya Medical Training Colleges (KMTTC) campuses across the country and infrastructure improvement in pre-existing KMTTC campuses in partnership with the Board of KMTTC; Establishment of Technical Training Institutions (TTIs) across the country in collaboration with the Ministry of Education; and Construction and/or renovation of National Government Administration offices, police posts, police stations including staff houses. The Funds have also been used in the acquisition of school buses, awarding of bursaries to needy students and financing health insurance premiums for vulnerable households.

Your Excellency,

Government's acknowledgment of the impactful work carried out through NG-CDF can be reflected by its commitment to fortify the Fund through consistent increase in resource allocation.

In the original budget for Financial Year 2023/2024, the NG-CDF was allocated a total of **KSh. 53.53 billion**. Under Supplementary Estimate 1, a further **KSh. 4.4 billion** was allocated to the Fund of which **KSh. 3.4 billion** was set aside for the 290 constituencies as a conditional grant towards construction of classrooms and integrated learning centres within Junior Secondary schools. The amount allocated to each

of 290 constituencies was determined based on the Grade 7 (seven) enrolment. The balance of **KSh. 1.0 billion** was additional allocation to seventeen constituencies in Nairobi County for school infrastructure development. This therefore gives the total budget allocation of **KSh. 57.93 billion** for Financial Year 2023/2024.

Despite the tough economic conditions facing the country, the National Treasury and Economic Planning has managed to disburse **KSh. 40 billion** to date and is committed to disburse the remaining amount before the end of the financial year.

Your Excellency

As I conclude, I wish to applaud the dedication and hard work of all those who have been involved in the administration and implementation of the Fund over the years. Your commitment to service delivery and your firm belief in the power of grassroots development has been the driving force behind the Fund's success.

I would like to express my gratitude to the Board of Directors of NG-CDF, the management and staff of NG-CDF; the Constituency NG-CDF Committees and Project Management Committees for their unwavering support in ensuring the NG-CDF achieves its vision.

My office will continue to provide all the necessary support and guidance to ensure the NG-CDF achieves its objectives. I invite you all to join us in celebrating this significant milestone in our country's developments.

Thank You