

GOVERNMENT OF NAIROBI CITY COUNTY

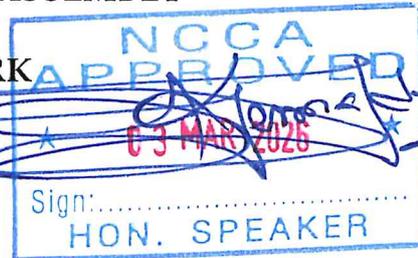


THE NAIROBI CITY COUNTY ASSEMBLY

OFFICE OF THE CLERK

THIRD ASSEMBLY

(FIFTH SESSION)



NCCA/TJ/PL/2026(45)

3<sup>RD</sup> MARCH 2026

---

PAPER LAID

---

Pursuant to Standing Order 211 (4) (b), I beg to lay the following Paper on the Table of the Assembly, today Tuesday 3<sup>rd</sup> March, 2026:

— THE REPORT OF THE AD HOC COMMITTEE ON THE CONSIDERATION OF THE COOPERATION AGREEMENT BETWEEN THE NATIONAL GOVERNMENT OF THE REPUBLIC OF KENYA AND THE NAIROBI CITY COUNTY GOVERNMENT.

(The Chairperson, Ad Hoc Committee on Cooperation Agreement)

Copies to:  
The Speaker  
The Clerk  
Hansard Editor  
Hansard Reporters  
The Press

*Paper laid by the leader  
of Majority party on 3<sup>rd</sup> March,  
2026.*

*(Signature)  
3/3/26*

Handwritten text, possibly a signature or name, located in the upper left quadrant of the page. The text is faint and difficult to decipher but appears to include the characters "L. & S." and "1875".



# Nairobi City County Assembly

## Report of the Ad Hoc Committee

on

**The Consideration of the Cooperation Agreement  
between the National Government and the Nairobi  
City County Government.**

Agreement entered into on 17<sup>th</sup>  
February 2026 pursuant to  
Section 6 of the Urban Areas and  
Cities Act, 2011.

The Clerk's Chambers

March 2026





## TABLE OF CONTENTS

<b>CHAPTER ONE - INTRODUCTION</b> .....	2
<b>PREFACE</b> .....	2
1.1. Establishment of the Committee.....	2
1.2 Committee Membership.....	3
1.3 Secretariat.....	4
1.4. Methodology.....	4
1.4.1. Meetings of the Committee.....	4
1.4.2. Public Participation and Stakeholder Engagement.....	5
1.5. Executive Summary.....	5
1.6. Acknowledgement.....	8
<b>CHAPTER TWO – THE COOPERATION AGREEMENT</b> .....	9
<b>2.0. UNBUNDLING THE COOPERATION AGREEMENT.</b> .....	9
2.1. Background.....	9
2.2. Analysis of the Agreement.....	9
2.2.1. Outline of the Agreement.....	9
2.2.2. Implications of the Agreement.....	11
<b>CHAPTER THREE– PUBLIC PARTICIPATION</b> .....	15
<b>3.0. CONDUCT OF PUBLIC PARTICIPATION.</b> .....	15
3.1. Public Participation Proceedings.....	15
3.3. Summary of the Public Participation views: .....	19
3.3.1. General Support.....	19
3.3.2. Concerns Raised.....	20
<b>CHAPTER FOUR – OBSERVATIONS AND RECOMMENDATIONS</b> .....	21
<b>4.0 COMMITTEE OBSERVATIONS.</b> .....	21
<b>5.0. COMMITTEE RECOMMENDATIONS.</b> .....	24
<b>ANNEXURES</b> .....	27
<i>Annex 1- Message from H.E. the Governor and the Agreement</i> .....	27
<i>Annex 2- Notice of Motion for Establishment of the Committee</i> .....	27
<i>Annex 3 - Minutes of the Committee proceedings</i> .....	27
<i>Annex 4 – Public Participation Advert Notice</i> .....	27
<i>Annex 5 – Public Participation Report and Committee Matrix</i> .....	27



## CHAPTER ONE - INTRODUCTION

### PREFACE

#### 1.1. Establishment of the Committee.

1. On Thursday, 19<sup>th</sup> February 2026, the Hon. Speaker, pursuant to Standing Order 45(2) of the Nairobi City County Assembly Standing Orders, conveyed a Message to the Hon. Members informing them that he was in receipt of a Message from H.E. the Governor, **Johnson Arthur Sakaja**.
2. The Governor's Message, referenced NCCG/GOV/CA/015/2026 and dated 18<sup>th</sup> February 2026, formally notified the County Assembly of the execution of a Cooperation Agreement between the National Government and the Nairobi City County Government for the promotion of social and economic development within the Capital City (*Attached and marked Annex 1- the Message from H.E. the Governor and the Agreement*).
3. At the time the Message was received, the County Assembly sittings had been interrupted and therefore, in compliance with the provisions of Standing Order 45(2) the Speaker caused the Message to be transmitted electronically to every Member. The Message was thereafter formally conveyed on the Floor of the House during a Special Sitting convened on **Friday, 20<sup>th</sup> February 2026**.
4. While conveying the Message, the Hon. Speaker informed the House that the Cooperation Agreement had been submitted to the County Assembly to enable it, in exercise of its constitutional oversight mandate, to facilitate public participation and to consider and determine the viability of the said Agreement.
5. The Speaker additionally noted that the Agreement was expressed to take effect within fourteen (14) days, a period that was set to lapse on 3<sup>rd</sup> March 2026, thereby constraining the time available to the Assembly for its consideration. Accordingly, pursuant to Standing Order 211, the Hon. Speaker directed the establishment of an *Ad Hoc* Committee with the following mandate: -
  - (i) *To study the said Cooperation Agreement and unpack its contents and implications;*
  - (ii) *To examine the role of the County Assembly as far as implementation of the Agreement is concerned;*
  - (iii) *To assess the impact of the Agreement on the Budget-making process for the Financial Years 2025/2026 and 2026/2027;*
  - (iv) *To conduct public participation on the Cooperation Agreement in line with Article 196 of the Constitution of Kenya, 2010 and all relevant laws; and,*
  - (v) *To table a report before the County Assembly of Nairobi recommending approval of the Agreement, with or without amendments, or otherwise.*



6. In that regard, on **Friday, 20<sup>th</sup> February, 2026**, the County Assembly approved a Motion moved by the Leader of the Majority, Hon. Jateso Peter Imwatok, MCA pursuant to Standing Order 211 that established the said *Ad Hoc* Committee (*Attached and marked Annex 2- the Notice of Motion for Establishment of the Committee*).

### **1.2 Committee Membership.**

7. The Committee comprises of the following Members: -

<b>List of the Ad-Hoc Committee Members</b>	
<b>No.</b>	<b>Member</b>
1.	The Hon. Kennedy O. Ng'ondi, MCA – Speaker, Chairperson
2.	The Hon. Paul Kados, MCA – Deputy Speaker
3.	The Hon. Jateso Peter Imwatok – Majority Leader
4.	The Hon. Anthony Karanja Kiragu, MCA – Minority Leader
5.	The Hon. Moses Ogeto Nyangaresi – Majority Whip
6.	The Hon. Mark Mugambi Macharia, MCA – Minority Whip
7.	The Hon. Waithera Chege, MCA – Deputy Minority Leader
8.	The Hon. Stazo Omugalla, MCA – Deputy Majority Whip
9.	The Hon. Wilfred Oluoch Odalo, MCA
10.	The Hon. Silas Matara Ongwae, MCA
11.	The Hon. Fatuma Abey, MCA
12.	The Hon. Wanjiru Kariuki, MCA
13.	The Hon. Malyuni Abdi, MCA
14.	The Hon. Lawrence Odhiambo, MCA
15.	The Hon. Francis Kimondo, MCA
16.	The Hon. Sospeter Mumbi, MCA
17.	The Hon. Hashim Kamau, MCA
18.	The Hon. Anthony Ngaruiya, MCA
19.	The Hon. Agnes Njeri, MCA
20.	The Hon. Mrk Thiga, MCA
21.	The Hon. Kame Adano, MCA



### 1.3 Secretariat.

8. The secretariat that supported the Committee comprised of the following officers:

<b>Ad-Hoc Committee Secretariat (Cross –Directorate Technical Team)</b>		
No.	Officer	Title
1.	Mr. Edward Gichana	Clerk of the County Assembly
2.	Ms. Pauline Akuku	Deputy Clerk(Administrative Services)
3.	Mr. Sammy Kiplimo Kiptoo	Director Legislative Services
4.	Mr. Francis Kivila	Director Security Services
5.	Mr. Mike Wao	Director, Speaker’s Office
6.	Mr. Kevin Kokebe	Principal Legal Counsel
7.	Mr. Guyo Sankala	Principal Clerk Assistant (Committees)
8.	Mr. Erick Otieno	Principal Fiscal Analyst
9.	Mr. Brian Yambo	Ag. Principal Public Relations Officer
10.	Mr. Shadrack Makokha	Principal Clerk Assistant
11.	Mr. Austin Inyundele	Senior Clerk Assistant
12.	Mr. Adam Kibwana	Senior Clerk Assistant
13.	Mr. Kevin Wasike	Senior Clerk Assistant
14.	Mr. Joshua Mbila	Senior Clerk Assistant
15.	Mr. Allan Otieno	Hansard Officer
16.	Ms. Lorraine Mburu	Research Officer
17.	Mr. Timothy Kiprop	Hansard Officer
18.	Ms. Jolinda Wangui	First Clerk Assistant
19.	Mr. Erick Njoga	First Clerk Assistant

### 1.4. Methodology.

9. In the execution of its mandate, the Committee conducted a number of activities which are set out below; -

#### 1.4.1. Meetings of the Committee.

10. Following its establishment, the Committee held its first meeting on **Friday 20<sup>th</sup> February, 2026**. The first item considered by the Committee was the adoption of the Committee work plan, identified stakeholders and prepared a framework for stakeholder engagement and public hearings. In the course of its mandate, the Committee held a total of four (4) meetings and two (2) retreats, which were attended by the County Executive



Committee (CEC) Members and Chief Officers responsible for the functions identified for collaboration (*Attached and marked Annex 3 - Minutes of the Committee proceedings*).

#### **1.4.2. Public Participation and Stakeholder Engagement.**

11. In fulfilment of its mandate and pursuant to Article 196 of the Constitution, the Committee invited various stakeholders to submit their views. Additionally, the Committee held public hearings at Charter Hall on 26<sup>th</sup> February, 2026 and in the seventeen (17) sub-counties as publicised through a public advertisement in the Daily Nation and the Standard News Papers of 18<sup>th</sup> February, 2026 (*Attached and marked Annex 4 – Public Participation Advert Notice*).
12. The Committee received both oral submissions and written memoranda from various stakeholders and members of the public. The submissions by the public, both oral and written are elaborated in Chapter four of this Report.

#### **1.5. Executive Summary.**

13. In its consideration of the Corporation Agreement, the Committee aimed to unravel the following issues: -
  - (i) **To determine the constitutional and legal validity of the Agreement.** In this regard, it interrogated whether the framework complied with the provisions of Article 189 of the Constitution of Kenya, 2010, particularly the requirements of mutual consultation, cooperation, and respect for the functional and institutional integrity of each level of government. The Committee also examined whether the Agreement properly fell within the ambit of Section 6(5) and (6) of the Urban Areas and Cities Act, 2011, and whether it amounted to cooperation rather than constitutional transfer of devolved functions under Article 187.
  - (ii) **To determine the scope and clarity of functions contemplated under the Agreement.** It sought to establish whether the areas of collaboration namely; waste management, roads, lighting, water, sanitation, and housing were clearly defined, whether the roles and responsibilities of each level of government were expressly delineated, and whether the arrangement preserved the County Government's executive authority over devolved functions as set out in the Fourth Schedule to the Constitution.
  - (iii) **To establish the financial architecture and resource implications of the Agreement.** It examined the source, scale, and conditionalities of funding;



whether the financing model complied with public finance management principles under Chapter Twelve of the Constitution; whether County Assembly approval was required for expenditure commitments; and whether adequate safeguards existed to ensure transparency, accountability, and audit oversight.

(iv) **To determine the governance and oversight mechanisms established under the Agreement.** It sought clarity on decision-making structures, dispute resolution mechanisms, reporting obligations, and the role of the County Assembly in exercising oversight over implementation. Particular attention was paid to whether joint committees or implementation units would operate within a framework that preserved legislative oversight by the Assembly.

(v) **To determine the implications for devolution and institutional autonomy.** It assessed whether the Agreement respected the distinct and interdependent nature of the two levels of government, and whether it avoided encroachment upon the County Government's constitutional mandate.

(vi) **To evaluate the extent and adequacy of public participation,** in line with Articles 10 of the Constitution, to ensure that residents of Nairobi were meaningfully engaged in reviewing an agreement with significant policy and financial implications.

14. In summary, the Committee's review was guided by the need to establish legality, clarity of mandate, fiscal prudence, governance safeguards, preservation of devolution, and adherence to constitutional principles of public participation and accountability.

15. Upon review, the Committee established the following: -

(i) On constitutional and statutory validity, the Committee finds that the Agreement is firmly anchored in Article 189 of the Constitution of Kenya, 2010, which expressly mandates cooperation, consultation, and mutual support between the two levels of government while preserving their distinct and independent mandates. The Committee is satisfied that the Agreement operationalises intergovernmental cooperation as contemplated under Article 189 and Section 6(5) and (6) of the Urban Areas and Cities Act, 2011. In particular, Section 6(5) and (6) of the Urban Areas and Cities Act, 2011 obligates the National Government and the County Government to enter into a corporation agreement with respect to the management of the Capital City due its uniqueness. It does not amount to a transfer of functions under Article 187 but instead establishes a structured collaboration framework consistent with constitutional design.



- (ii) The framework strategically positions Nairobi for enhanced infrastructure development, service delivery, and economic growth; however, realization of its objectives depends on clear operational planning, measurable targets, proper costing, budgetary integration, and strict compliance with the Public Finance Management framework to prevent duplication, off-budget expenditures, and inefficient allocation of resources.
- (iii) Although the areas of collaboration largely relate to county functions, clearer operational distinction between national and county responsibilities is necessary to avoid duplication and jurisdictional conflict, particularly in jointly executed projects. Sustainability further requires formal handover of completed projects with full technical documentation and asset records.
- (iv) Effective implementation of the projects under the agreement requires active involvement of County technical officers throughout the project cycle to ensure standards compliance and institutional continuity. The two-tier governance structure reflects shared governance but requires clearer delineation of authority, inclusion of County Executive Committee Members at the Steering level, Chief Officers at the Implementation level, and detailed procedural guidelines on quorum, voting thresholds, and dispute resolution.
- (v) Strengthened transparency and oversight mechanisms are necessary, including early submission of a comprehensive project list to the County Assembly, explicit reporting obligations to the Assembly in line with its constitutional mandate, and institutionalized project-level public feedback mechanisms.
- (vi) Prior commitments made by the National Government relating to the collaborative functions give rise to legitimate expectations and should be honoured.
- (vii) While public participation was conducted post-signing, stakeholders emphasized that future agreements should be subjected to public participation in draft form prior to execution. There is also need to strengthen governance safeguards to ensure project completion, protect existing lawful service providers including youth groups, CBOs, PWDs and local.
- (viii) The public generally supported the objectives of the cooperation framework, particularly its potential to enhance service delivery through additional resources and technical expertise. However, they underscored the need for strengthened governance and oversight mechanisms to ensure effective project completion and to avoid the recurrence of pending bills, as witnessed during the tenure of the



Nairobi Metropolitan Services. The Committee further observed the absence of regulations operationalizing Section 6(5) and (6) of the Urban Areas and Cities Act, 2011 which ought to clarify on the nature, form, and procedural requirements of cooperation agreements contemplated under the Act.

16. In conclusion, the Committee finds that the Cooperation Agreement is lawful, constitutionally sound, operationally viable, fiscally responsible, protective of devolution, and beneficial to the residents of Nairobi City. It therefore represents a progressive and structured approach to intergovernmental collaboration in the delivery of essential urban services. In fact, the Capital City has been losing from special support from the National Government since 2011 when the relevant legislation came into force.
17. In light of the foregoing findings, and pursuant to its mandate, the Ad Hoc Committee has recommended that the County Assembly approves the Cooperation Agreement entered into on 17<sup>th</sup> February, 2026 between the National Government and the Nairobi City County Government subject to the recommendations proposed in Chapter Four of this report, to enable its implementation for the benefit of the people of Nairobi City.

**1.6. Acknowledgement.**

18. The Committee sincerely appreciates the Office of the Hon. Speaker for the guidance and support accorded during the consideration of the Agreement. The Committee also expresses its gratitude to the CEC Members and Departmental Officers affected by the Agreement for their cooperation and technical input. The Committee further acknowledges and appreciates members of the public and stakeholders who participated in the public engagement process and whose views and submissions enriched the Committee’s deliberations and report to the House. Finally, the Committee further thanks the Office of the Clerk and the Members of the Secretariat for their invaluable technical, procedural and administrative support, which greatly facilitated the Committee’s work.
19. It is now my pleasant duty, to table this report of the *Ad-hoc* Committee on the consideration of the Cooperation between the National Government and the County Government for consideration by the Honourable Assembly.

Signed .....

**Hon. Kennedy O. Ng’ondi, MCA**  
(Chairperson)

**Ad-hoc Committee on the Cooperation Agreement**

Dated this 3<sup>rd</sup> day of March, 2026



## CHAPTER TWO – THE COOPERATION AGREEMENT

### 2.0. UNBUNDLING THE COOPERATION AGREEMENT.

#### 2.1. Background.

20. On 17<sup>th</sup> February, 2026, the National Government and the Nairobi City County Government entered into a Cooperation Agreement establishing a structured framework for intergovernmental collaboration in the delivery of key urban services within Nairobi City.
21. The Agreement was entered into pursuant to the provisions of Article 189 of the Constitution of Kenya, 2010, which obligates the National and County Governments to cooperate, consult, assist, and support one another in the performance of their respective functions while respecting each other's functional and institutional integrity. It is further anchored in Section 6(5) and (6) of the Urban Areas and Cities Act, 2011, which provides for structured collaboration between the two levels of government in the governance and management of the Capital City.
22. The Agreement was conceived against the backdrop of increasing urbanisation pressures, infrastructure deficits, and the growing demand for efficient service delivery in areas such as waste management, roads and drainage, street lighting, water and sanitation, and housing.

#### 2.2. Analysis of the Agreement.

##### 2.2.1. Outline of the Agreement.

23. The key clauses of the Agreement are as follows: -
  - (i) **Clause II (Purpose)** - It anchors the Agreement on Section 6(3) of the Urban Areas and Cities Act, 2011 and establishes the constitutional and statutory basis for collaboration between the National Government and the County Government. It frames the objective as positioning Nairobi as a globally competitive capital while providing infrastructure and services necessary to support its role as the seat of government, host of diplomatic missions, commercial hub, and centre of transport connectivity. The clause also emphasizes service delivery, economic development, and improved living standards, while creating a structured framework for cooperation in planning, financing, and implementation.
  - (ii) **Clause III (Scope and Areas of Collaboration)** – It defines the substantive areas of cooperation and clarifies that collaboration is intended to strengthen county performance and improve service delivery through coordinated planning and resource



mobilization. The listed areas include; **waste management, roads, markets, housing infrastructure, water and sanitation**. The areas largely fall within county functions but allow national participation in support roles.

- (iii) **Clause IV (Roles and Responsibilities of the Parties)** - It outlines joint responsibilities in identifying, funding, implementing, monitoring, and evaluating projects under the Agreement. It promotes shared accountability while maintaining cooperation in good faith. The clause also allows the parties to enter into agreements with third parties subject to compliance with public finance, procurement, and public-private partnership laws. This ensures financial discipline and regulatory oversight. However, effective implementation will depend on clear delineation of responsibilities to prevent duplication or administrative overlap between national and county institutions.
- (iv) **Clause V (Governance Structure and Committees)** - Clause V establishes a two-tier governance framework consisting of a **Steering Committee** and an **Implementation Committee** to oversee and operationalize the Agreement. The Steering Committee, chaired by the Prime Cabinet Secretary with the Governor as Vice-Chair, provides policy oversight and strategic direction, while the Implementation Committee chaired by the Governor handles technical and operational execution. The composition reflects significant representation from national ministries and county officials, promoting intergovernmental coordination.
- (v) **Clause VI (Public Participation)** - Clause VI subjects the Agreement and all related projects to public participation as required by applicable law. This aligns with constitutional principles under Articles 10 and 196 of the Constitution, ensuring transparency and citizen engagement in decision-making. It also confirms that any amendments arising from public participation form part of the Agreement.
- (vi) **Clause VII (Financing of the Agreement)** - Clause VII provides that financing arrangements shall be jointly agreed upon by the parties, including cost-sharing mechanisms and fund flow modalities. It requires that all programmes and projects be properly costed and incorporated into the respective national and county budgets, ensuring alignment with budget cycles. Financial management, disbursement, accounting, reporting, and auditing must comply with the Public Finance Management Act and other applicable laws.
- (vii) **Clause VIII (Entry into Force and Termination)** - Clause VIII provides that the Agreement becomes effective fourteen days after execution and remains in force for an initial period of twenty-four months, subject to renewal. It also allows either party



to terminate the Agreement by giving six months' notice, with termination taking effect after the notice period while preserving ongoing obligations necessary for orderly project completion. This provision ensures continuity of projects while providing flexibility for disengagement if required.

- (viii) **Clause IX (Data Protection)** - Clause IX obligates both parties to protect confidential data exchanged during the subsistence of the Agreement and after its termination, except where disclosure is required by law. Data may only be used for purposes consistent with the Agreement, and both parties must comply with the Data Protection Act. This clause reinforces privacy safeguards and legal compliance in handling information shared during collaboration.
- (ix) **Clause X (Existing Agreements)** - Clause X provides that existing arrangements with third parties remain valid to the extent that they are consistent with the objectives of the Agreement. This ensures continuity of prior commitments while preventing conflicts with the new cooperation framework.
- (x) **Clause XI (Supplementary Arrangements and Amendments)** - Clause XI allows the parties to enter into supplementary arrangements to implement specific projects or programmes within the scope of the Agreement. Such arrangements must be in writing and executed by authorized representatives. Amendments or modifications to the Agreement must also be formally documented and signed by both parties to be valid. This clause ensures procedural certainty while allowing flexibility for operational adjustments.

### **2.2.2. Implications of the Agreement.**

24. The following are the implications of the agreement: -

(i) **Legal Implications –**

- (a) **On framework of corporation** - The Agreement establishes a legally recognised framework for cooperation grounded in Article 189 of the Constitution and the Urban Areas and Cities Act, 2011. Its legal implication is that it does not transfer functions but creates a structured mechanism for coordination between the National Government and the County Government. This preserves constitutional functional allocation while enabling joint implementation of agreed activities.
- (b) **On its legality:** - The express subjection of implementation to the Constitution and relevant statutes strengthens its legality and protects it from being construed as overriding existing laws. However, careful



implementation is required to ensure that national participation in county functions does not amount to functional encroachment. Any action beyond the constitutional mandate of either party may expose the Agreement or specific projects to legal challenge.

- (c) **On the term and amendment of the agreement** - The Agreement is binding for a defined period and contains formal provisions for amendment and termination. Legally, amendments must be executed in writing and by authorised representatives, ensuring procedural validity. Supplementary arrangements are permissible but remain subordinate to the principal Agreement.
- (d) **On public participation and Data Protection** - Public participation requirements enhance legal legitimacy and align with constitutional principles under Articles 10 of the Constitution. Failure to undertake meaningful consultation could render specific projects susceptible to judicial review. However, in the making of this agreement, public participation was to be conducted post its execution. Additionally, the data protection provisions impose statutory obligations under the Data Protection Act, creating potential legal liability in the event of misuse or unlawful disclosure of information.

**(ii) Financial Implications –**

- (a) **Joint financing** - The Agreement introduces a joint financing framework requiring the parties to determine cost-sharing modalities and funding mechanisms collectively. Financial commitments under the Agreement must be incorporated into the respective national and county budgets to ensure compliance with the Public Finance Management framework. While the financial structure promotes accountability it however creates potential fiscal exposure if commitments are made without adequate budgetary allocation. Both governments must ensure that financial obligations correspond with approved appropriations to avoid arrears or unlawful expenditure. There is also a risk of duplication of funding where projects overlap with existing budget lines, requiring careful coordination.
- (b) **Budgeting** - All programmes and projects must be properly costed and subjected to the ordinary budget cycle processes. This requirement prevents off-budget expenditure and ensures oversight by the relevant



legislative bodies and audit institutions. Funds flowing under the Agreement remain subject to established financial management, procurement, accounting, reporting, and audit procedures.

- (c) **Audit** - Audit oversight remains applicable to all funds utilised under the Agreement, meaning financial transparency and documentation are critical. Weak financial controls or unclear cost-sharing arrangements may lead to audit queries, financial inefficiencies, or disputes between the parties.

**(iii) Governance –**

- a) **Two-Tier Governance Model** - The Agreement creates a Steering Committee and an Implementation Committee to manage coordination and execution. This structure introduces formal intergovernmental oversight and operational supervision.
- b) **Steering Committee (Policy Oversight)** - The Steering Committee is primarily strategic and supervisory. It includes the Prime Cabinet Secretary together senior national officials and the Governor, reflecting high-level political coordination. Its role is to provide direction, oversight, and policy alignment. However, its composition is heavily national in representation, which may influence decision-making balance.
- c) **Implementation Committee (Operational Execution)** - The Implementation Committee is responsible for technical execution and day-to-day coordination. It is chaired by the Governor and includes relevant Principal Secretaries and County Executive Committee members. This structure ensures operational involvement of both levels of government.
- d) **Accountability and Reporting Lines** - The governance framework provides for monitoring and reporting mechanisms. However, reporting is directed primarily to the National Cabinet and County Executive rather than explicitly to the County Assembly.
- e) **Decision-Making and Procedural Gaps** - The Agreement allows committees to regulate their own procedures but does not specify quorum requirements or voting thresholds. While this flexibility may promote efficiency, it can create ambiguity in dispute situations or contested decisions.



- f) **Institutional Coordination Implications** - The governance structure institutionalizes collaboration but may increase bureaucratic layers. Effective coordination will depend on clear communication channels, defined roles, and avoidance of administrative duplication.



## CHAPTER THREE- PUBLIC PARTICIPATION

### 3.0. CONDUCT OF PUBLIC PARTICIPATION.

25. In compliance with constitutional and statutory requirements under Article 10 and Article 196 of the Constitution, public participation on the Agreement was conducted at Charter Hall and across the 17 Sub-Counties on 26<sup>th</sup> and 27<sup>th</sup> February, 2026 respectively. The exercise provided stakeholders and residents with an opportunity to review and make submissions on the Agreement (*Attached and marked Annex 5 – Public Participation Report*).

#### 3.1. Public Participation Proceedings.

26. The public participation proceeded as follows-

I. **Charter Hall** - During the public participation forum held at Charter Hall on 26<sup>th</sup> February, 2026, members of the public raised the following key issues: -

- **Liability of the Parties** - Participants expressed concern regarding potential liabilities arising from the Agreement. They emphasized the need for clear provisions apportioning responsibility between the parties to prevent the County Government from inheriting unsettled obligations, as previously experienced under the Nairobi Metropolitan Deed.
- **Clear and Defined Funding Model** - The public underscored the importance of establishing a transparent and well-defined funding framework within the Agreement. They called for clarity on sources of funds, cost-sharing arrangements, and financial management mechanisms to avoid ambiguity during implementation.
- **Overlapping Roles and Duplication of Functions** - Concerns were raised regarding possible duplication of duties between the National and County Governments. Participants urged that the Agreement clearly delineate roles and responsibilities to prevent operational conflicts and inefficiencies.
- **Accountability Framework for Public Funds** - Members of the public questioned how the projected expenditure of KES 80 billion would be accounted for. They sought clarity on accountability mechanisms, particularly in joint projects, and how responsible officers would be subjected to oversight by the respective legislative arms of government



- **Composition of the Steering and Implementation Committees -** Participants expressed the view that the National Government appears over-represented in the governance structures established under the Agreement. They recommended a more balanced composition to safeguard equitable participation and protect county interests.
- **Issuance of Market Stalls -** The public proposed that the County Government should retain primary responsibility for the allocation of market stalls upon project completion. Concerns were raised that external political influence, particularly by Members of Parliament, could disadvantage affected traders if clear allocation criteria are not established.
- **Housing Projects: Timelines and Prioritization -** Residents raised concerns regarding delays in housing projects and called for firm timelines and adherence to completion schedules. Particular emphasis was placed on prioritizing the Jivanjee and Pangani Urban Renewal Housing Projects to minimize prolonged uncertainty and disruption to affected residents.
- **Waste Management and Youth Participation -** Youth-led public benefit organizations expressed interest in partnering with government in waste management initiatives. They advocated for structured inclusion in waste collection and management projects, highlighting opportunities for job creation, capacity building, and strengthening youth participation across the waste management value chain.

## **II. Seventeen (17) Sub-Counties.**

The Committee undertook public participation in all the seventeen sub-counties on 27<sup>th</sup> February, 2026. The following views emanated from the public participation forums in the sub-counties: -

### **i) Administration of the Agreement**

- General public support for collaboration between the National Government and Nairobi City County, recognizing Nairobi's status as the capital city.
- Concern that Nairobi may be treated under a framework different from the other 46 counties, potentially affecting the principle of devolution.



- Request for assurance that the Agreement does not amount to a permanent transfer or “takeover” of devolved county functions.
- Proposal to expressly include the health sector among the areas of collaboration and to prioritize increased funding for health services.
- Clarification sought on whether the roles of county officers whose functions are shared will be affected.
- Need for clarity on whether the Agreement establishes additional offices beyond those already indicated.
- Recommendation that future agreements be subjected to public participation before signing and approval by the County Assembly.
- Assurance requested that amendments raised during public participation be considered in the final Agreement.

**ii) Projects Identification and Execution**

- Prioritization of street lighting, especially in insecurity-prone areas and blind spots.
- Immediate completion of stalled and pending projects initiated by the defunct Nairobi Metropolitan Services (NMS).
- Renovation and modernization of existing markets, and completion of stalled markets before construction of new ones.
- Equitable sharing of resources among the 85 wards through clear allocation modalities.
- Strengthening garbage management at the ward level and incorporating Community Based Organizations (CBOs).
- Alignment of all projects with the CIDP, ADP, and approved sectoral plans to prevent duplication and ensure sustainability.
- Consideration and fair compensation prior to any demolitions undertaken for development purposes.
- Improvement of roads, including repairs, construction of walkways and cycling lanes.

**iii) Oversight and Accountability**

- Clear identification of the procuring authority and responsible parties for procurement and accountability under the Agreement.
- Explicit provisions addressing responsibility for stalled or unfinished projects.



- Clear funding mechanisms to enhance transparency and accountability.
- Clarification on how the wage bill and pending bills will be managed under the cooperation framework.
- Steering and Implementation Committees to prioritize resolution of pending bills.
- Clarification on oversight roles of the County Assembly vis-à-vis the National Assembly, particularly concerning the Kshs. 80 billion allocation.
- Proposal for the Assembly Liaison Committee to link the Steering and Implementation Committees.
- Provision for quarterly reporting to facilitate monitoring, evaluation, and Assembly oversight.
- Timely feedback to the public following engagement forums to enhance transparency.

#### **iv) Employment Opportunities**

- Protection of existing agreements between the County Government and Community Based Organizations in solid waste management.
- Assurance that the Agreement will not displace youth employed under programs such as the Green Army environmental initiative.
- Introduction of structured programs to engage youth through contracts and employment opportunities.
- Prioritization of youth, women, and enterprises owned by Persons with Disabilities (PWDs) in procurement opportunities.

#### **v) Housing and Lands**

- Implementation of existing county housing and regularization plans under the Nairobi City County Regularization Act, 2025.
- Concern that transferring housing functions to the National Government may reduce accountability for funds invested by residents and SACCOs.
- Clarification on housing interventions under the Agreement and measures to improve living standards.
- Reclamation of grabbed public land and its use for public infrastructure such as markets, playgrounds, and youth facilities.



#### **vi) Governance**

- Appointment of a Vice-Chairperson to deputize the Governor in the Technical Committee when absent.
- Inclusion of youth, women, and PWD representatives nominated by both levels of government in the Steering and Implementation Committees.
- Assurance that the constitutional structure of governance remains intact and that county accountability is preserved.
- Clear reporting structures to strengthen monitoring, evaluation, and institutional accountability.

#### **vii) Transition and Sustainability**

- Establishment of a clear legal and institutional framework to ensure continuity of projects beyond the next General Elections.
- Protection of public resources from disruption due to political transitions.
- Strengthening public participation mechanisms to ensure continuous and inclusive engagement throughout implementation.

### **3.3. Summary of the Public Participation views: -**

#### **3.3.1. General Support**

The outcome of the public participation revealed broad support for the proposed cooperation framework. A majority of participants endorsed intergovernmental collaboration between the two levels of government, noting that structured cooperation is consistent with the spirit of devolution and the constitutional principle of consultation and mutual respect. Stakeholders observed that collaboration, if well implemented, would enhance coordination, reduce duplication of functions, and promote efficient utilization of resources. Further, there was a strong desire for improved service delivery within the County. Residents expressed optimism that the cooperation arrangement would inject additional financial resources, technical expertise, and institutional capacity necessary to address longstanding service gaps in critical sectors. The public emphasized that the ultimate measure of success of the Agreement would be tangible and timely improvement in service delivery to residents.



### **3.3.2. Concerns Raised.**

Notwithstanding the general support, participants raised several substantive concerns requiring consideration as follows-

- **The protection of County autonomy.** Stakeholders underscored the need to ensure that the Agreement does not undermine the constitutional mandate, functions, and decision-making authority of the County Government.
- **Clarity on financial obligations under the Agreement.** Members of the public called for explicit provisions outlining funding sources, cost-sharing arrangements, and responsibility for any liabilities that may arise, so as to prevent the accumulation of pending bills or unforeseen financial burdens on the County.
- **The necessity for robust accountability and reporting mechanisms.** The public stressed that clear lines of responsibility should be established, with defined reporting obligations to guarantee transparency in implementation. Closely related to this was the demand for strong public oversight safeguards to ensure continuous citizen involvement, access to information, and protection against mismanagement of public resources.
- **Pre-execution public participation** – The public strongly held that their views should be sought pre-execution of the agreement through the consideration of draft agreement.



## **CHAPTER FOUR – OBSERVATIONS AND RECOMMENDATIONS**

### **4.0 COMMITTEE OBSERVATIONS.**

27. Having carefully examined the Cooperation Agreement and interrogated its provisions and considered the views of the public, the Committee made the following key observations:

- (i) That the Agreement is firmly anchored on Article 189 of the Constitution and Section 6(5) and (6) of the Urban Areas and Cities Act, 2011 thereby providing a lawful basis for intergovernmental cooperation. It does not purport to transfer functions between the two levels of government but instead establishes a coordination mechanism to facilitate collaboration. The Committee further notes that implementation remain within constitutional functional allocations thus avoiding jurisdictional overlap or encroachment.
- (ii) That the Agreement is strategically designed to position Nairobi as a globally competitive capital through structured collaboration in infrastructure development, service delivery, and economic growth. While the objectives are ambitious and policy-driven, the Committee observes that their realization will depend on clear operational planning, measurable targets, and effective implementation frameworks. Broad policy aspirations must therefore be translated into actionable and budgeted programmes.
- (iii) That the identified areas of collaboration largely relate to functions constitutionally assigned to the County Government but allow for national support and coordination. However, there is need for clear operational distinction between national and county responsibilities to avoid duplication of functions and jurisdictional conflict, particularly in projects requiring joint execution.
- (iv) That early disclosure to the County Assembly of a comprehensive list of agreed projects, including descriptions, estimated costs, funding sources, timelines and responsible entities, would strengthen transparency, facilitate budgetary alignment and enhance legislative oversight.
- (v) That sustainability of infrastructure and continuity of service delivery require that all projects undertaken independently or jointly under the Agreement be formally handed over to the Nairobi City County Government upon completion or termination of the agreement, together with all relevant technical documentation and asset records.



- (vi) That active involvement of County technical officers including engineers, planners, quantity surveyors and other professionals throughout the project cycle is essential to ensure compliance with county standards, institutional knowledge transfer and long-term sustainability of public investments.
- (vii) That the Steering Committee is predominantly composed of national government officials, with the Governor serving as Vice-Chair, while the Implementation Committee is operationally chaired by the Governor. Although this structure reflects a framework of shared governance, clarity in the delineation of authority, roles, and decision-making responsibilities is necessary to preserve institutional balance and prevent dominance by either level of government. Further, inclusion of the respective County Executive Committee Members at the Steering Committee level is necessary to ensure policy direction and executive accountability, while the placement of the respective County Chief Officers in the Implementation Committee, in place of the Executive Committee Members is necessary to strengthen technical coordination, administrative efficiency, and functional alignment within the areas of collaboration.
- (viii) That the Agreement does not sufficiently provide for key procedural aspects governing the operations of the two-tier framework, including quorum requirements, voting thresholds, and dispute resolution mechanisms. These elements require clearer and more detailed operational definition to ensure transparency, efficiency, legal certainty, and accountability in the functioning of both the Steering Committee and the Implementation Committee.
- (ix) That the Agreement provides that financing shall comply with the Public Finance Management framework and applicable procurement laws. All programmes and projects must be properly costed and integrated into the respective national and county budgets. The Committee underscores the need for stringent financial oversight to prevent off-budget expenditures, duplication of funding, or inefficient allocation of public resources.
- (x) That prior commitments made by the National Government relating to functions now under collaboration give rise to legitimate expectations that ought to be honoured.
- (xi) That continuity of service delivery and socio-economic empowerment, particularly of youth groups, community-based organizations, persons living with disabilities (PWDs) and other local enterprises, require recognition and priority consideration of existing lawful service providers within the implementation



framework, subject to compliance with procurement and contractual requirements.

- (xii) That the Agreement establishes reporting obligations primarily to executive structures at both levels of government. However, the Committee observes that explicit reference to direct reporting to the County Assembly is absent, notwithstanding the Assembly's constitutional mandate to exercise oversight.
- (xiii) That institutionalisation of project-level public feedback mechanisms would promote sustained citizen engagement, transparency and accountability throughout the implementation period.
- (xiv) That public participation was conducted at Charter Hall and across the 17 Sub-Counties on 26<sup>th</sup> and 27<sup>th</sup> February, 2026. However, the Committee notes that although stakeholder engagement was undertaken post signing of the agreement, the majority view was that public participation should precede execution of such Agreements and that the document ought to be presented in draft form to facilitate meaningful input before it becomes binding. In addition, while stakeholders generally supported the objectives of the cooperation framework particularly its potential to enhance service delivery through additional resources and technical expertise, they emphasized the need to strengthen governance and oversight structures to ensure project completion and prevent the recurrence of pending bills, as experienced during the tenure of the defunct Nairobi Metropolitan Services (NMS).



## **5.0. COMMITTEE RECOMMENDATIONS.**

28. Having considered the Agreement, the submissions from stakeholders, and the observations outlined herein, the Committee makes the following recommendations for consideration and adoption by the Assembly:

(i) **THAT** the Nairobi City County Assembly **APPROVES** the Corporation Agreement entered between the National Government and Nairobi City County Government on 17<sup>th</sup> February, 2026 for the promotion of social and economic development within the Capital City with the following amendments: -

- a) That implementation of projects should clearly distinguish between national and county responsibilities to avoid duplication of functions. Where joint execution is required, written implementation protocols should define the extent of responsibility assumed by each party.
- b) That upon the coming into effect of the Agreement, the Steering Committee shall, within thirty (30) days, submit to the County Assembly a comprehensive and itemized list of all approved projects to be implemented under the framework, ensuring equitable distribution across the eighty-five (85) wards of the County. The submission shall include detailed project descriptions, estimated costs, funding sources, implementation timelines, and designated implementing entities, in order to promote transparency, facilitate alignment with the County's budgetary and development frameworks, and secure prior legislative awareness and effective oversight of the implementation roadmap.
- c) That all projects undertaken, whether independently or jointly pursuant to the Cooperation Agreement, shall upon completion or upon termination of the Agreement, be formally handed over to the Nairobi City County Government. Such handover shall include all relevant documentation, designs, approvals, warranties, asset registers and operational manuals to ensure continuity of management, maintenance, and service delivery.
- d) That the Steering Committee established under the Cooperation Agreement to include the respective County Executive Committee Members responsible for the functions under collaboration, to provide policy direction and executive oversight. Further, in the Implementation Committee, the respective County Chief Officers shall serve in place of the County Executive Committee Members, and shall be responsible for the technical and administrative execution of projects under the



Agreement, thereby ensuring clarity of roles, operational efficiency, and accountability within the County Government structure.

- e) That in all projects implemented either singly or jointly under the Agreement, County technical officers including engineers, planners, quantity surveyors and other relevant professionals ought to be actively involved throughout the project cycle, including planning, design, procurement oversight, implementation, inspection and certification. This shall guarantee institutional knowledge transfer, technical compliance with county standards, and sustainability of infrastructure assets beyond the life of the Agreement.
- f) That all prior commitments, undertakings, or promised support made by the National Government to the Nairobi City County Government outside the Cooperation Agreement, but relating to functions now under collaboration be duly honoured in accordance with the principle of legitimate expectation and the obligation of intergovernmental good faith under Article 189 of the Constitution of Kenya, 2010.
- g) That all current service providers already lawfully engaged by either the County Government or the National Government particularly youth groups, community-based organizations, Persons living with Disabilities (PWDs) and other local enterprises within the sectors under collaboration, be given priority consideration for onboarding into the implementation framework of the Cooperation Agreement, provided they remain willing and meet the requisite legal and contractual standards.
- h) That the Select Committee on Implementation of the County Assembly be provided with regular, structured reports on the progress, financial status, and implementation milestones of all projects undertaken under the Agreement. Such reports shall be submitted by the Steering Committee on a quarterly basis or as otherwise determined by the Assembly, to enable effective legislative oversight in accordance with Article 185 of the Constitution and the oversight mandate of county assemblies.
- i) That public feedback mechanisms should be institutionalised at project level to ensure continued citizen engagement.
- j) That the two-tier governance structure should develop detailed operational guidelines defining responsibilities, quorum, voting procedures/rights, reporting timelines and engagement of stakeholders.



- k) That future amendments or supplementary arrangements under the Agreement shall be submitted to the County Assembly for consideration and approval in accordance with its constitutional oversight mandate.
- l) That in the event of renewal or termination, the County Assembly shall be informed in advance to allow oversight of outstanding obligations and financial commitments. Termination should not disrupt ongoing projects without a clear transition or exit strategy.



## **ANNEXURES**

- Annex 1- Message from H.E. the Governor and the Agreement*
- Annex 2- Notice of Motion for Establishment of the Committee*
- Annex 3 - Minutes of the Committee proceedings*
- Annex 4 – Public Participation Advert Notice*
- Annex 5 – Public Participation Report*