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KENYA NATIONAL ASSEMBLY

TENTH PARLIAMENT- SECOND SESSION

CONSTITUENCIES FUND COMMITTEE

REPORT ON THE APPOINTMENT OF THE CDF BOARD CHIEF EXECUTIVE OFFICER

Clerk's Chambers
Parliament Buildings,
NAIROBI.

February, 2009

1.0 FOREWORD

Mr. Speaker, Sir,

The Constituencies Fund Committee is a Select Committee of Parliament constituted pursuant to Section 27 (1) of the Constituencies Development Fund (Amendment) Act, 2007.

Its mandate pursuant to section 27 (4) is;-

- (a) to determine the allocation and distribution to each constituency and the utilization of any unspent funds intended for use by the Board;*
- (b) to consider and report to Parliament, with recommendations, names of persons required to be approved by Parliament under the Constituencies Development Fund Act ;*
- (c) to consider and recommend to Parliament any matter requiring action by the National Assembly pursuant to the provisions of the Constituencies Development Fund Act;*
- (d) to oversee the implementation of the CDF Act and in this respect, shall after every two years submit a report to the National Assembly and where necessary, propose any amendments to this Act, in particular, with respect to the quantum of funds repayable into the Fund in accordance with section 4 of the Act.*
- (e) to oversee the policy framework and legislative matters that may arise in relation to the Fund;*
- (f) to continually review the framework set out for the efficient delivery of development programmes financed through the Fund; and*
- g) to carry out any other functions relevant to the work of the Fund.*

Mr. Speaker, Sir,

The Membership of the Committee comprises of the following;

- (i) The Hon. Ekwere Ethuro, MP - Chairperson**
- (ii) The Hon. Moses Kiprono Lesonett, MP**
- (iii) The Hon. Nyammo F. Thombe, MP**
- (iv) The Hon. Ombui Wilfred, MP**
- (v) The Hon. (Dr.) Nuh Nassir, MP**
- (vi) The Hon.(Eng) Nicholas Gumbo, MP**

- (vii) The Hon. Magerer J. Kiprono, MP
- (viii) The Hon. Evans Bulimo Akula, MP
- (ix) The Hon. Charles Lilechi Lugano, MP
- (x) The Hon. Charles Mutisya Nyamai, MP

Mr. Speaker, Sir,

During a meeting of the Committee held on Thursday, 29th January, 2009, the appointment of the CDF Board CEO, the Committee deliberated on the names presented to it by the Minister of State for Planning, National Development and Vision 2030 and resolved that Ms. Agnes Odhiambo who had met the requirements for the vacancy, be appointed as the CDF Board CEO.

Mr. Speaker, Sir,

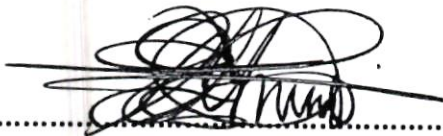
Section 5 (6) of the CDF (Amendment) Act 2007 states that the name of the person proposed to be appointed as the Chief Executive Officer shall be submitted to Parliament for approval before the appointments are made.

Section 27 4 (b) states that, the Constituencies Fund Committee shall consider and report to Parliament with recommendations, names of persons required to be approved by Parliament under the CDF (Amendment) Act 2007.

Mr. Speaker, Sir,

Pursuant to Standing Order 162 (2), it is my pleasure on behalf of the CDF Committee, to table this report before the House, and recommend for adoption and approval, the appointment of Ms. Agnes Odhiambo, as the CDF Board CEO.

I thank you.



SIGNED:.....

Hon. Ekwere Ethuro, M.P
Chairperson, Constituencies Fund Committee

DATE:..... 23RD FEBRUARY, 2009

2.0 EXECUTIVE SUMMARY

2.1 Background

The Constituencies Development Fund is a Fund that was set up by an Act of Parliament that came into being in 2003 and was published in the Kenya Gazette Supplement No. 107(Act No. 11) dated 9th January 2004. The Act was reviewed and amended in 2007.

2.2 Reasons for Recruitment.

The CDF Board has been operating with an acting CEO for the last one year. The position of the CEO fell vacant after the establishment of the CDF Board in the CDF (Amendment) Act 2007.

Pursuant to Section 7(1) of the CDF (Amendment) Act 2007, the CDF Board is mandated to appoint the Chief Executive Officer of the Board.

2.3 Process of appointing the CDF Board Chief Executive Officer

The CDF (Amendment) Act 2007 provides for the appointment of the CDF Board CEO as indicated here under;-

Section 7 (1) states that, there shall be a Chief Executive Officer of the Board who shall be appointed by the Board on competitive basis and whose terms and conditions of service shall be determined by the Board in the instrument of appointment or otherwise in writing from time to time.

2.4 Qualifications of the CDF Board CEO

Section 7(2) of the CDF (Amendment) Act 2007 stipulates as follows;-

- a) Degree in finance, accounting, engineering, economics, community development, law or a related field from a recognized University;
- b) At least 10 years working experience in the relevant field.

2.5 Functions of the CEO

Section 7(3) of the CDF (Amendment) Act 2007 stipulates that the CEO shall be;

- a) Secretary to the Board,
- b) Responsible for the day to day management of the affairs and staff of the Board.

3.0 APPOINTMENT OF THE CHIEF EXECUTIVE OFFICER

- (i) In recruiting the Chief Executive Officer, the CDF Board engaged and procured the services of a reputable firm in the name of Deloitte Consultants Ltd.
- (ii) The Board received a total of one hundred and eighty one applications for the position of the CEO.
- (iii) Out of the one hundred and eighty one, thirty two candidates met the minimum requirements as per the selection criteria.
- (iv) A joint panel of the CDF Board and Deloitte Consultants Ltd conducted the interviews for the position of the CDF Board CEO.
- (v) On 14th October 2008, the CDF Board forwarded the names and curriculum vita of candidates who were found suitable for the position of the CEO to the Minister of State for Planning, National Development & Vision 2030.
- (vi) On 3rd December 2008, the committee received three names in order of ranking from the Minister of State for Planning, National Development & Vision 2030.
 - a) Mr. Meshack Otieno Kidenda
 - b) Ms. Agnes Odhiambo
 - c) Mr. Joe Ngatia Muriuki
- (vii) The Minister informed the committee that Mr. Meshack Otieno Kidenda (the top candidate) has been appointed the Chief Executive Officer of Kenya Highway Authority and therefore recommended the candidature of Ms. Agnes Odhiambo who was the second best overall.
- (viii) In appointing the CEO, the Committee considered such factors as youth, gender balance and specific qualifications of the candidates.
- (ix) It was noted that in future appointments and recruitments the Committee should be consulted and be part of the process.

MINUTES OF THE NINTEENTH SITTING OF THE CONSTITUENCIES FUND COMMITTEE HELD IN CONTINENTAL HOUSE SECOND FLOOR COMMITTEE ROOM ON THURSDAY, 29TH JANUARY, 2009 AT 10.00 A.M.

PRESENT:

The following Members of the committee were present: -

Hon. Ekwee Ethuro, MP - Chair
Hon. Moses Lesonnet, MP
Hon. Nyammo F.Thombe, MP
Hon. Nicholas Gumbo, MP
Hon. Evans B. Akula, MP
Hon. (Dr.) Nuh Nassir, MP
Hon. Charles Nyamai, MP
Hon. Magerer K. Lang'at, MP
Hon. Charles Lilechi Lugano, MP

ABSENT WITH APOLOGIES

Hon. Ombui Wilfred, MP

IN ATTENDANCE:-

National Assembly

Mr. Boniface Lenairoshi - Clerk Assistant

MIN. NO. 102/2009: INTRODUCTORY REMARKS

The Chairman called the meeting to order at 10:25 a.m and welcomed members to the meeting. The opening prayers were said by Hon. Nicholas Gumbo, M.P.

MIN. NO. 103/2009: ADOPTION OF THE AGENDA

The agenda of the day was adopted by the members present.

MIN. NO. 104/2009: CONSIDERATION OF APPOINTMENT OF THE CDF BOARD CHIEF EXECUTIVE OFFICER.

The chairperson informed the members that the agenda before the committee is the appointment of the CDF Board Chief Executive Officer that was tabled by the Minister on 3rd December 2008. He informed the members that the committee is charged with the responsibility of considering, recommending and reporting to Parliament the names of persons required to be approved by Parliament under the CDF (Amendment) Act 2007.

The Clerk reported on the following;-

That;-

- a) section 5 (5) of the CDF (Amendment) Act 2007 requires that the name of the person proposed to be appointed as the Chief Executive Officer shall be submitted to Parliament for approval before the appointments are done,
- b) section 27 (4) (b) of the CDF (Amendment) Act 2007 requires the CFC to consider and report to Parliament with recommendations, the names of persons required to be approved under the Act,
- c) on 3rd December 2008, the Minister for Planning National Development and vision 2030 tabled the names of the best three candidates in order of merit as follows;-
 - i) Mr. Meshack Otieno Kidenda
 - ii) Ms. Agnes Odhiambo
 - iii) Mr. Joe Ngatia Muriuki
- d) the candidates have been vetted by the government and found suitable for the job,
- e) the curriculum vitae of the first six candidates, Board interview summery report, shortlist report, screened candidates report among

other documents were circulated to the members for verification as requested in the meeting of 3rd December 2008,

- f) Mr. Meshack Otieno Kidenda has since been appointed as the CEO of Kenya Highway Authority,
- g) the Minister is seeking the concurrence of the CFC on the appointment of the second best overall candidate Ms. Agnes Odhiambo.
- h) the aforementioned candidates are qualified in terms of their Education, working experience and are within the age limit of 52 years as per the advertisement.

The members noted with concern that the Minister went public on the appointment of the CEO before the committee had dispensed the matter.

The members thereafter recommended as follows:-

- a) That in future appointments and recruitments the committee should be consulted and be part of the process,
- b) That, the youths who are qualified should be given a chance to demonstrate their competency and be nurtured into leadership positions,

The committee thereafter endorsed the candidature of Ms. Agnes Odhiambo as the second best overall candidate after the appointment of Mr. Meshack Otieno Kidenda to the Kenya Highway Authority.

MIN.NO.105/2009: ANY OTHER BUSINESS.

The following issues were discussed under any other business:-

The members were informed that the committee visited only two constituencies in the first half of financial year 2008/2009 and that the proposed visits for January 2009 were interrupted by the resumption of

Parliamentary sittings. The members however recommended that the committee visits Malindi, Magarini and Garsen constituencies in Coast province on 6th and 7th February 2009.

3. CDF task force

The members noted that the Minister made an under taking before the committee that the proposed task force be put on hold for further consultation and concurrence with the CFC but reiterated his decision and informed the House that the Ministry has set up a task force to review the CDF (Amendment) Act 2007 among other issues.

The members recommended that the report of a joint induction workshop of the CDF Board and CFC be considered before setting up the task force to avoid duplication of duties and wastage of task payers' money. It was also recommended that the same concern be communicated to the Minister in writing.

4. CDF Board Budget

The members recommended that quarterly dates be set for the committee to consider and review the budget.

5. Supplementary Budget on CDF

That, the Minister should ensure that the balance owed to CDF amounting to **Kshs. 1.5 billion** for financial year 2007/2008 and the balance of **Kshs. 1.1 billion** for this financial year is factored in the supplementary budget.

MIN.NO.99/2009: IMPLEMENTATION OF CDF WORK PLAN F/Y 2008/2009

The members reviewed the progress of the committee for the last six months and noted the following:-

- I. That, the committee has not undertaken the inspection of CDF projects as envisioned,

- II. That, despite the financial constraints on foreign trips, the committee should endeavour to inspect projects in various constituencies,
- III. That, the committee should ensure that the work plan is implemented to the later for the remaining six Months.

MIN.NO.100/2009: ANY OTHER BUSINESS.

There being no other business for consideration the Chairperson adjourned the meeting at 11: 45 a.m. The date for the next meeting was set for Monday 26th January 2009 in continental House 5th floor committee room at 2 30 p. m.

Signed: 
(CHAIRPERSON)

Date: ... 23rd February, 2009

MINUTES OF THE SPECIAL SITTING OF THE CONSTITUENCIES FUND COMMITTEE HELD IN CONTINENTAL HOUSE FIFTH FLOOR COMMITTEE ROOM ON WEDNESDAY, 3RD DECEMBER, 2008 AT 4.00 P.M.

PRESENT:

The following Members of the committee were present: -

Hon. Ekwee Ethuro, MP - Chair
Hon. Moses Lesonnet, MP
Hon. Charles Nyamai, MP
Hon. Ombui Wilfred, MP
Hon. Nyammo F.Thombe, MP
Hon. (Dr.) Nuh Nassir, MP
Hon. Nicholas Gumbo, MP
Hon. Evans B. Akuja, MP
Hon. Mogerer K. Lagat, MP

ABSENT

Hon. Charles Lilechi Lugano, MP

IN ATTENDANCE: MOPND & VISION 2030

Hon. Wycliff Oparanya, M.P Minister
Mr. Edward Sambili, Permanent Secretary

NATIONAL ASSEMBLY

Mr. Boniface Lenairoshi - Clerk Assistant
Mr. Derick Epae Koli - Parliamentary Intern.

MIN. NO. 81/2008: INTRODUCTORY REMARKS

The Chairman called the meeting to order at 4:20 pm and welcomed members to the meeting. He informed the members that it was a special meeting which was called by the Minister and thanked the members for coming at such a short notice.

MIN. NO. 82/2008: APPOINTMENT OF THE CDF BOARD CHIEF EXECUTIVE OFFICER.

The Minister informed the members on the following:-

That;-

- i) the CDF (Amendment) Act 2007 requires that any appointment to CDF must be done in concurrence with the CFC,
- ii) the Board procured the services of Deloitte consultants as the recruiting firm,
- iii) the committee of the Board on Finance and Administration assisted in the recruitment exercise,
- iv) one hundred and eighty one applications were received at the close of the advertisement,
- v) thirty two candidates met the minimum requirements as per the selection criteria,
- vi) additional criteria were applied that reduced the number to twenty one,
- vii) nine candidates were selected for the interview based on ranking,
- viii) the Board in consultation with Deloitte decided to include the Ag. CEO and two other applicants to ensure gender balance and regional representation,
- ix) twelve candidates were therefore invited for the interview but three did not show up,
- x) six candidates were selected for further recommendations from the interviews,

- xi) the candidates were put into two groups as indicated here under;-
 - a) **Candidates who are a good fit for the position**
 - i) Ms. Agnes Odhiambo
 - ii) Mr. Judah Abekah
 - iii) Mr. Meshack Kidenda
 - b) **Candidates who are a moderate fit for the position**
 - i) Mr. Caxton Munyoki
 - ii) Mr. Joe Ngatia Muriuki
 - iii) Mr. Nixon Bugo
- xii) the Chairperson CDF Board forwarded names and curriculum vitae of the following three candidates to the Minister for consideration;-
 - i) Mr. Meshack Kidenda
 - ii) Ms. Agnes Odhiambo
 - iii) Mr. Joe Ngatia Muriuki
- xiii) the Ministry requested for a security vetting of the aforementioned candidates,
- xiv) he contacted the three candidates on phone to verify their suitability,
- xv) Mr. Meshack Kidenda has since been appointed as the Chief Executive Officer of Kenya Highway Authority and Mr. Joe Ngatia Muriuki earns Kshs. 950,000 per Month,
- xvi) the only suitable candidate is Ms. Agnes Odhiambo.

Committees Recommendations.

That;-

- i) the Minister should avail the curriculum vitae for the six short listed candidates,
- ii) documentation for Messrs. Kidendas' appointment and Ngatia's salary be availed to the committee for verification,
- iii) the weighting factors used for the interview be availed,
- iv) the criteria for dropping Mr. Judah Abeka who was a good fit for the job and picking Mr. Joe Ngatia Muriuki who was a moderate fit for the job be explained.
- v) the matter be deferred pending the submission of the aforementioned requirements.

MIN. NO. 83/2008: ANY OTHER BUSINESS.

The following issues were discussed under any other business;-

i) CDF Allocation financial year 2003/04 to 2008/09

The Permanent Secretary tabled a response letter addressed to him by the Permanent Secretary Ministry of Finance on CDF allocations financial years 2003/04 to 2008/09.

The members noted that the letter indicated that the CDF allocations should be based on Audited revenue rather than ordinary revenue collected every financial year as provided for in the Act.

The members requested for a meeting with the Minister for Finance to deliberate further on the matter.

ii) Allowance for CFC members

The members noted that there were a lot of discrepancies on the rates of allowance payable to CDF Board and CFC members. The

members requested that the authority for paying the Board members be extended to include the payment of CFC members. The members recommended that the issue be discussed at a joint meeting with the Minister for Finance.

There being no other business for consideration, the Chairman adjourned the sitting at 5:51 pm and the date of the next meeting was to be communicated by notice.



Signed:
(CHAIRMAN)

Date: 17th December, 2008