(No. 118)



Third Session Morning Sitting (1258)

REPUBLIC OF KENYA

THIRTEENTH PARLIAMENT - THIRD SESSION

THE NATIONAL ASSEMBLY

VOTES AND PROCEEDINGS

THURSDAY, DECEMBER 5, 2024 AT 9.30 A.M.

- 1. The House assembled at Thirty Minutes past Nine O'clock.
- 2. The Proceedings were opened with Prayer.
- **3. Presiding -** the Sixth Chairperson of Committees

4. QUORUM AT COMMENCEMENT OF THE HOUSE

There being no Quorum present to commence business, the Sixth Chairperson ordered that the Quorum Bell be rung for ten minutes;

And Quorum having been attained within the ten minutes, proceedings commenced.

5. COMMUNICATION FROM THE CHAIR

The Sixth Chairperson of Committees issued the following Communication to the House-

Consideration of the President's Memorandum on the County Allocation of Revenue Bill (Senate Bill No. 25 of 2024)

"Honourable Members, I wish to notify the House that I am in receipt of a Message from the Senate on its consideration of the President's Memorandum on The County Allocation of Revenue Bill (Senate Bill No.25 of 2024). The Message from the Senate conveys its resolution on the President's Memorandum on the County Allocation of Revenue Bill, 2024 passed yesterday Wednesday, 4th December, 2024. The Message further conveys that the Senate passed the Bill with amendments.

Honourable Members, to give a background on this matter, you will recall that the President's Memorandum was informed by the rejection of the Finance Bill, 2024, which resulted in a revenue shortfall of approximately Kshs. 346 billion which had to be shared between the national and county governments.

To this end, and in respect of the revenue shortfall to be borne by the county governments, on 10th July, 2024, His Excellency the President referred back the County Allocation of Revenue Bill, 2024 to the Senate for reconsideration pursuant to Article 115 of the Constitution. The President's Memorandum proposed that the equitable share of revenue for the financial year 2024/2025 be

reduced by Kshs. 20 billion, from Kshs. 400 billion as allocated by the Division of Revenue Act, 2024 to Kshs. 380 billion.

However, as Members are aware, last week, both Houses approved the mediated version of the Division of Revenue (Amendment) Bill, 2024 that allocated Kshs, 387 billion as the equitable share of revenue for the financial year 2024/25. The Bill was subsequently assented to yesterday, 4^{th} December, 2024 by His Excellency the President.

Honourable Members, with this background, I wish to guide the House on the manner of consideration of the President's Memorandum. Article 115 of the Constitution as read with Standing Order 154 provides for the manner of consideration of a President's Memorandum. Article 115 provides that the Assembly shall either pass a Bill with amendments that fully accommodate the President's reservations or with amendments that do not fully accommodate the President's reservations.

Where the House passes a Bill with amendments that fully accommodate the President's reservations, the amendments must be supported by a simple majority of the Members in the House, present and voting, in accordance with Article 122(1) of the Constitution. This implies a majority of the members in the House present and voting. However, where the House passes a Bill without fully accommodating the President's reservations, the amendments must be supported by a vote supported by two-thirds of all the Members of this House.

Honourable Members, with the foregoing in mind, with respect of the President's Memorandum, the House must be cognizant that by assenting to the Division of Revenue (Amendment) Bill, 2024, His Excellency the President in effect consented to the set amount of set amount of 387 billion as the equitable share of revenue to the counties which is to be allocated among the Counties.

The question of whether the passage of the County Allocation of Revenue Bill, 2024, based on the figure of 387 billion fully accommodates the Presidents reservations and recommendations becomes moot in light of the passage of the mediated version of the Division of Revenue (Amendment) Bill, 2024 and its subsequent assent by H. E. the President.

Honourable Members will note that by having assented to the Division of Revenue (Amendment) Bill, 2024, H. E. the President effectively agreed to the amount of Kshs. 387B being shared to and allocated to the counties. Indeed, it will be noted that representatives of the National Treasury participated in the Mediation and endorsed the agreed amount of the equitable share.

In light of the foregoing, I wish to guide that noting that the National Treasury participated in the mediation and endorsed the agreed amount of the equitable share to the county governments and the fact that H.E. the President consented to the figure by assenting to the Division of Revenue (Amendment) Bill, 2024, agreement with the President's Memorandum on the County Allocation of Revenue Bil, 2024 only requires a simple majority of the Members present and voting, subject to the attainment of quorum.

Given the urgent need for the Houses of Parliament to dispense with the Bill, I have instructed the Clerk of the National Assembly to include the consideration of the President's reservation and the content of the Message from the Senate to the Bill in today's Order Paper for consideration. This will unlock the balance of

shareable revenue payable to our forty-seven counties, the balance, without any further legislative delays.

The House is thus accordingly guided. I thank you!"

6. MESSAGES

The Sixth Chairperson reported the following Message from the Senate—

Passage of the County Allocation of Revenue Bill (Senate Bills No. 25 of 2024)

"Honourable Members, pursuant to provisions of Standing Order 41(4), I wish to report to the House that I have received a Message from the Senate regarding the passage of the County Allocation of Revenue Bill (Senate Bill No. 25 of 2024). Honourable Members, the Message conveys that on Wednesday 4th December 2024, the Senate considered and passed the President's reservations to the County Allocation of Revenue Bill (Senate Bill No. 25 of 2024) with amendments that do not fully accommodate the Presidents reservations.

Honourable Members, the reconsideration of the Bill was necessitated by the referral of the Bill back to the Senate by His Excellency the President on the 10th July 2024 in accordance with the provisions of Article 115 of the Constitution. The Senate having concluded the consideration of the Bill, this House is now required to consider the President's reservations to the Bill in line with the provisions of Article 115 of the Constitution.

Honourable Members, the centrality of the County Allocation of Revenue Bill, 2024 in unlocking the budget process in counties for the financial year 2024/25 calls for its expedited consideration. In this regard, as you have noticed, I directed the Clerk to schedule consideration of the President's Reservations and recommendation of the County Allocation of Revenue Bill, 2024 and the contents of the Message from the Senate as Order No. 12 in today's Order Paper. I therefore urge the leadership and indeed all Members to rise to the occasion and conclude the matter before the House proceeds on the long recess at the rise of the House today.

The House is accordingly guided. I thank you!"

7. PAPERS

The following Papers were laid on the Table of the House-

- (i) The following Legal Notices from the Ministry of Agriculture and Livestock Development:
 - (a) Legal Notice No. 190 of 2024 relating to the Pest Control Products (Importation and Exportation) Regulations, 2024;
 - (b) Legal Notice No. 191 of 2024 relating to the Pest Control Products (Disposal) Regulations, 2024 (Revoking Legal Notice No. 103 of 2024);
 - (c) Legal Notice No. 192 of 2024 relating to the Pest Control Products (Fees and Other Charges) Regulations, 2024;
 - (d) Legal Notice No. 193 of 2024 relating to the Pest Control Products (Inspection and Certification) Regulations, 2024 (Revoking Legal Notice No. 100 of 2024); and

- (e) Legal Notice No. 194 of 2024 relating to the Pest Control Products (Labelling and Advertisement) Regulations, 2024 (Revoking Legal Notice No. 99 of 2024).
- (ii)Annual Report and Financial Statements of the Privatization Commission for the financial year ended 30th June 2023;
- (iii) The Fourth Annual Report for the Office of the Data Protection Commissioner for the financial year 2023/2024;
- (iv) Report of the First Quarter of the County Governments Budget Implementation Review for the financial year 2024/25 from the Office of the Controller of Budget;
- (v) Reports of the Auditor-General and Financial Statements for the years ended 30th June 2024 and the certificates therein in respect of:
 - (a) Resilient Sustainable Systems for Health (RSSH) KEN-T-TNT 2067 Sub-Recipient- Ministry of Health;
 - (b) Africa Climate Summit (ACS) Africa Climate Week- Ministry of Environment, Climate Change and Forestry;
 - (c) Kenya Youth Employment and Opportunities Project Credit Number: IDA-58120– National Industrial Training Authority (NITA);
 - (d) Kenya Primary Education Equity in Learning Program IDA Grant No. D991-KE and Credit No. 7067-KE and Grants NOS. TF C306-KE and TF C307-KE- State Department for Basic Education;
 - (e) Infrastructure Finance and Public Private Partnerships Projects-IDA Credit No.5157-KE- The National Treasury;
 - (f) Kenya Towns Sustainable Water Supply and Sanitation Program-Credit No.P-KE-E00-011(AFDB Loan No.200200000501) Athi Water Works Development Agency;
 - (g) Women Empowerment for Gender Equality Project (WEGEP) State Department for Gender and Affirmative Action;
 - (h) GOK-UNFPA 10th Country Programme Grant/Credit No.1000702818–State Department for Gender and Affirmative Action;
 - (i) Support of the Health Care Financing Strategy-Reproductive Health-Output Based Approach Project (Credit BMZ No. Kenya 201065853) – Ministry of Health;
 - (j) Kenya Transport Sector Support Project Credit No. 4926 KE and No.5410 KE– Kenya National Highways Authority;
 - (k) Thwake Multi-Purpose Water Development Program Phase 1 (AFDB) Loan No. 2100150029993, 2000200003351, AGTF NO. 5050200000501 and AFDB Grant No. 2100155025973– State Department for Water and Sanitation;
 - (l) Sirari Corridor Accessibility and Road Safety Improvement Project: Isebania-Kisii-Ahero-(A1) Road Rehabilitation- Kenya National Highways Authority;
 - (m) Kapchorwa-Suam-Kitale and Eldoret Bypass Roads Project (Kenya) ID No.P-Z1-DBO-183- Kenya National Highways Authority;
 - (n) East Africa's Centre of Excellence for Skills and Tertiary Education in Biomedical Sciences-Phase 1(Loan No.2100150031997) Project-Ministry of Health;

- (o) Multinational Kenya Tanzania Power Interconnection Project (Kenya Component) (ADF Loan No.2100150032846)-Kenya Electricity Transmission Company Limited;
- (p) Olkaria-Lessos-Kisumu Transmission Lines Construction Project (JICA Loan No. KE-P28)- Kenya Electricity Transmission Company Limited;
- (q) Kenya Development Response to Displacement Impacts (KDRDIP) IDA Credit No.6021-KE and Grant No. TFOA7762-KE -Ministry of East Africa Community (EAC), Asals and Regional Development;
- (r) 50MW Solar Power Plant in Garissa Project (GCL No.2015(10) -Rural Electrification and Renewable Energy Corporation;
- (s) Safe Roads/Usalama Barabarani Programme Grant Number KE/FED/037-778 National Transport and Safety Authority;
- (t) Northern Corridor Rehabilitation Programme-Phase III (Eldoret-Turbo-Webuye-Malaba Road Improvement Project)-Kenya National Highways Authority;
- (u) Kenya Informal Settlements Improvement Project (IDA Credit No.4873-KE, AFD CKE 1055 01J and SIDA -TF:018327) -State Department for Housing and Urban Development;
- (v) Asian Officers Family Pensions Fund The National Treasury;
- (w) Kenya Towns Sustainable Water Supply and Sanitation Program CR. No.P-KE-E00-11 (AFDB Loan NO.20000501)- Central Rift Valley Water Works Development Agency;
- (x) Contingencies Fund The National Treasury;
- (y) Lake Nakuru Biodiversity Conservation Project Grant No.201567916 and Loan No. 2016 65 116 (KFW-German Financial Cooperation)- Central Rift Valley Water works Development Agency;
- (z) Centre of Excellence in Sustainable Agriculture and Agribusiness Management-Egerton University;
- (aa) NEMA-GCF Project Preparation Facility: Devolved Climate Change
 Governance to Strengthen Resilience of Communities in Target Counties
 -Credit No. KEN-PPF-010 National Environment Management
 Authority;
- (ab) Strengthening Forest Management for Improved Biodiversity Conservation and Climate Resilience in the Southern Range Lands of Kenya -IUCN Project No. AVCH-000981 And GEF ID/10292 National Environment Authority;
- (ac) Kenya Gold Mercury Free ASGM Project Grant No.GEF/UNDP/GOK-001088253-State Department for Environment and Climate Change;
- (ad) Strengthening Drought Resilience for Small Holder Farmers and Pastoralists in the IGAD Regional Project No. 03/Dress-EA/07/OSS-KE/20 State Department for Environment and Climate Change;
- (ae) Integrated Programme to Build Resilience to Climate Change and Adaptive Capacity of Vulnerable Communities in Kenya (Credit No; KE/NIE/MULTI/2013/1) National Environment Management Authority;

- (af) National Agricultural Value Chain Development Project (Credit No. IDA-7064-KE)- State Department for Agriculture; and
- (ag) Multi-National Rural Livelihoods Adaption to Climate Change in the Horn of Africa (RLACC) (ADB/ADF Grant No. 555001201) -State Department for Agriculture.

(Deputy Majority Party Whip)

(vi) Report of the Committee on Powers and Privileges on its consideration of the Parliamentary Powers and Privileges (Amendment) Bill (Senate Bill No. 5 of 2022.

(Vice Chairperson, Committee on Powers and Privileges)

- (vii) Third Report on the Implementation Status of reports on petitions and resolutions passed by the House; and
- (viii) Attendance of the GSMA Mobile Word Congress (MWC) and the 2024 Africa Health Tech Summit in Kigali, Rwanda from 29th to 31st October 2024.

(Chairperson, Committee on Implementation)

(ix) Report of the 149th Assembly of the Inter-Parliamentary Union (IPU) and related meetings held in Geneva, Switzerland from 13th to 17th October 2024.

(Hon. Millie Odhiambo-Mabona, Member of the delegation)

8. RE-ORGANISATION OF BUSINESS PURSUANT TO STANDING ORDER 40

Pursuant to Standing Order 40, the Sixth Chairperson of Committees reordered the sequence of business so as to consider **Order No. 8** (Procedural Motion-Reduction of Publication Period of a Specified Bill); **Order No. 9** (Motion-Alleged Unfair Trade Practices by Foreign Investors in Kenya); **Order 10** (Motion-Consideration of Reports on Financial Statements of State Corporations (Nyanza Region); and **Order 11** (The Kenya Institute of Primate Research Bill (National Assembly Bill No. 52 of 2024) on the Order Paper and thereafter revert to **Order No. 7** (Questions and Statements).

9. PROCEDURAL MOTION- REDUCTION OF PUBLICATION PERIOD OF A SPECIFIED BILL

Motion made and Question proposed-

THAT, pursuant to the provisions of Standing Order 120(1)(c), this House resolves to reduce the publication period of the Kenya Institute of Primate Research Bill (National Assembly Bill No. 52 of 2024) from **fourteen (14) days** to **nine (9) days.**

Debate arising;

Question put and agreed to.

10. MOTION- ALLEGED UNFAIR TRADE PRACTICES BY FOREIGN INVESTORS IN KENYA

Motion made and Question proposed-

THAT, this House **adopts** the Report of the Departmental Committee on Trade, Industry and Cooperatives on the Inquiry into Alleged Unfair Trade Practices by Foreign Investors in Kenya, *laid on the Table of the House on Thursday,* 7th March 2024.

(Chairperson, Departmental Committee on Trade, Industry and Cooperatives - 7.03.2024)

Debate having been concluded on Wednesday, December 4, 2024 (Afternoon Sitting);

Question put and agreed to.

11. MOTION- CONSIDERATION OF REPORTS ON FINANCIAL STATEMENTS OF STATE CORPORATIONS (NYANZA REGION)

Motion made and Question proposed-

THAT, this House **adopts** the Report of the Public Investments Committee on Governance and Education on its Examination of the Reports of the Auditor-General on the Financial Statements of State Corporations (Nyanza Region) for the financial year 2018/2019, 2019/2020 and 2020/2021, laid on the Table of the House on Thursday, 25th July 2024 **subject to—**

(a) deletion of paragraph 212 appearing on page 41 of the report and substituting therefor the following new paragraph –

"The Committee recommends that the irregular cash payments made for the casual works done amounting to Kshs. 2,308,996 be surcharged to the Governing Council of Kisumu National Polytechnic. The amount is to be paid within six months after the adoption of this report by the House;

(b) deletion of paragraph 216 appearing on page 41 of the report and substituting therefor the following new paragraph –

"The Committee recommends that the long outstanding imprest of Kshs. 37,800 be written off from the institution's books of accounts since no money was lost; it was as a result of demise of the employee"; and,

(c) effecting the consequential amendments in the report."

(Chairperson, Public Investments Committee on Governance and Education - 25.07.2024)

Debate on the Motion having been concluded on Wednesday, December 4, 2024 (Afternoon Sitting);

Question put and agreed to.

12. THE KENYA INSTITUTE OF PRIMATE RESEARCH BILL (NATIONAL ASSEMBLY BILL NO. 52 OF 2024)

Order for First Reading read;

Bill read a First Time and referred to the relevant Committee pursuant to the provisions of Standing Order 127.

13. REQUEST FOR STATEMENT PURSUANT TO STANDING ORDER 44(2)(c)

The following Statements were requested pursuant to the provisions of Standing Order 44(2)(c)—

- (i) The Member for Dagoretti North (Hon. Beatrice Elachi) requested for a Statement from the Chairperson, Departmental Committee on Communication, Information and Innovation regarding Regulation of Starlink Satellite Internet Services in Kenya;
- (ii) The Member for Trans Nzoia County (Hon. Lillian Siyoi) requested for a Statement from the Chairperson, Departmental Committee Defence, Intelligence and Foreign Relations regarding Disappearance of two Kenyans working in Saudi Arabia;
- (iii) The Member for Tarbaj (Hon. Hussein Abdi Barre) requested for a Statement from the Chairperson, Departmental Committee on Communication, Information and Innovation regarding poor internet and telephone connectivity in Tarbaj Constituency; and
- (iv) The Member for Wajir West (Hon. Yusuf Farah) requested for a Statement from the Chairperson, Departmental Committee on Justice and Legal Affairs regarding compensation of the victims of the *Wagalla* Massacre.

14. RESPONSES TO STATEMENTS PURSUANT TO STANDING ORDER 44(2)(c)

Pursuant to the provisions of Standing Order 44(2)(c), the following Statements were responded to—

- (i) The Chairperson of the Departmental Committee on Administration and Internal Security responded to a Statement requested by the Member for Nandi Hills (Hon. Bernard Kitur) regarding kidnapping and torture of Mr. Pasgalis Kosgei, the Chairman of the Nandi Hills *Boda Boda* Association; and
- (ii) The Chairperson of the Departmental Committee on Blue Economy, Water and Irrigation responded to a Statement requested by the Member for Kinago (Hon. Gonzi Rai) regarding Status of Implementation of *Mwache* Dam Project;
- (iii) The Chairperson of the Departmental Committee on Blue Economy, Water and Irrigation responded to a Statement requested by the Member for Turkana Central (Hon. Joseph Namuar) regarding incomplete projects in Turkana County by the National Water Harvesting and Storage Authority.

15. COMMITTEE OF THE WHOLE HOUSE

Order for Committee read;

IN THE COMMITTEE

In the Chair - First Chairperson of Committees

President's Reservations to the County Allocation of Revenue Bill (Senate Bill No. 25 of 2024)

First Schedule -

amendment proposed-

THAT, the Bill be amended by deleting the First Schedule and replacing it with the following new Schedule –

FIRST SCHEDULE

((s. 4(1))

Revised Allocation for Each County Governments' Equitable Share of Revenue Raised Nationally in the Financial Year 2024/2025

S	Count		2023/	2024					2024/2	025	
N o	У		Allocation ratio)	(Equitable share-0.5 Allocation ratio (*(Formula)		Total equitab le share	0.5 (Allocation ratio*)		(Equitable share** -0.5 Allocation ratio) *(Formula***)		Total equitabl e share***
		Allo cati on rati o	Equitabl e share	Alloc atio n ratio	Equita ble share		Allo cati on rati o	Equita ble share	Alloca tion ratio	Equitab le share	
		Col um n A	Column B	Colu mn C	Colum n D	Colum n E = B + D	Col um n F	Colum n G	Colum n H	Column I	Column J = G + I
1.	Baring o	1.61	2,547,82 5,000	1.80 4755	4,099,9 45,283	6,647,7 70,283	1.61	2,547,8 25,000	1.8057 55	4,002,0 44,213	6,549,8 69,213
2.	Bomet	1.74	2,753,55 0,000	1.85 9527	4,224,3 73,365	6,977,9 23,365	1.74	2,753,5 50,000	1.8595 27	4,123,5 01,123	6,877,0 51,123
3.	Bungo ma	2.81	4,446,82 5,000	2.93 3936	6,665,1 57,910	11,111, 982,91 0	2.81	4,446,8 25,000	2.9339 36	6,506,0 03,080	10,952, 828,080
4.	Busia	1.9	3,006,75 0,000	1.96 7137	4,468,8 35,972	7,475,5 85,972	1.9	3,006,7 50,000	1.9671 37	4,362,1 26,298	7,368,8 76,298
5.	Elgeyo / Marak wet	1.22	1,930,65 0,000	1.26 3699	2,870,8 03,380	4,801,4 53,380	1.22	1,930,6 50,000	1.2636 99	2,802,2 52,533	4,732,9 02,533
6.	Embu	1.36	2,152,20	1.40	3,189,6	5,341,8	1.36	2,152,2	1.4040	3,113,4	5,265,6

S Count 2023/2024		2024/2	025								
N o	y	,	Allocation ratio)	sha Allo r	uitable re-0.5 cation atio ormula)	Total equitab le share	(A11	0.5 ocation atio*)	share Allocat	itable e** -0.5 ion ratio) nula***)	Total equitabl e share***
		Allo cati on rati o	Equitabl e share	Alloc atio n ratio	Equita ble share		Allo cati on rati o	Equita ble share	Alloca tion ratio	Equitab le share	
		Col um n A	Column B	Colu mn C	Colum n D	Colum n E = B + D	Col um n F	Colum n G	Colum n H	Column I	Column J = G + I
			0,000	4035	11,152	11,152		00,000	35	47,613	47,613
7.	Gariss a	2.22	3,513,15 0,000	2.08 4563	4,735,5 98,039	8,248,7 48,039	2.22	3,513,1 50,000	2.0845 63	4,622,5 18,453	8,135,6 68,453
8.	Homa Bay	2.13	3,370,72 5,000	2.09 4275	4,757,6 61,238	8,128,3 86,238	2.13	3,370,7 25,000	2.0942 75	4,644,0 54,813	8,014,7 79,813
9.	Isiolo	1.34	2,120,55 0,000	1.22 3064	2,778,4 90,974	4,899,0 40,974	1.34	2,120,5 50,000	1.2230 64	2,712,1 44,420	4,832,6 94,420
10	Kajiad o	2.03	3,212,47 5,000	2.23 9572	5,087,7 39,143	8,300,2 14,143	2.03	3,212,4 75,000	2.2395 72	4,966,2 50,910	8,178,7 25,910
11	Kakam ega	3.29	5,206,42 5,000	3.39 2202	7,706,2 21,946	12,912, 646,94 6	3.29	5,206,4 25,000	3.3922 02	7,522,2 07,935	12,728, 632,935
12	Kerich o	1.7	2,690,25 0,000	1.76 643	4,012,8 80,610	6,703,1 30,610	1.7	2,690,2 50,000	1.7664 3	3,917,0 58,525	6,607,3 08,525
13	Kiamb u	2.98	4,715,85 0,000	3.30 6576	7,511,7 01,407	12,227, 551,40 7	2.98	4,715,8 50,000	3.3065 76	7,332,3 32,280	12,048, 182,280
14	Kilifi	3.3	5,222,25 0,000	3.03 1567	6,886,9 50,761	12,109, 200,76 1	3.3	5,222,2 50,000	3.0315 67	6,722,4 99,823	11,944, 749,823
15	Kiriny aga	1.34	2,120,55 0,000	1.45 2481	3,299,6 68,168	5,420,2 18,168	1.34	2,120,5 50,000	1.4524 81	3,220,8 76,618	5,341,4 26,618
16	Kisii	2.46	3,892,95 0,000	2.36 1901	5,365,6 39,582	9,258,5 89,582	2.46	3,892,9 50,000	2.3619 01	5,237,5 15,468	9,130,4 65,468
17	Kisum u	2.16	3,418,20 0,000	2.17 6122	4,943,5 96,848	8,361,7 96,848	2.16	3,418,2 00,000	2.1761 22	4,825,5 50,535	8,243,7 50,535
18	Kitui	2.79	4,415,17 5,000	2.82 3516	6,414,3 11,696	10,829, 486,69 6	2.79	4,415,1 75,000	2.8235 16	6,261,1 46,730	10,676, 321,730
19	Kwale	2.46	3,892,95 0,000	2.06 4999	4,691,1 53,597	8,584,1 03,597	2.46	3,892,9 50,000	2.0649 99	4,759,1 35,283	8,742,0 85,283
20	Laikipi a	1.32	2,088,90 0,000	1.43 9134	3,269,3 47,172	5,358,2 47,172	1.32	2,088,9 00,000	1.4391 34	3,191,2 79,645	5,280,1 79,645
21	Lamu	0.82	1,297,65 0,000	0.85 3837	1,939,7 00,946	3,237,3 50,946	0.82	1,297,6 50,000	0.8538 37	1,893,5 48	3,191,0 33,548
22	Macha	2.45	3,877,12	2.49	5,670,1	9,547,2	2.45	3,877,1	2.4959	5,534,7	9,411,8

S	Count		2023/	2024					2024/2	025	
N o	y		Allocation ratio)	sha Allo r	uitable re-0.5 cation atio ormula)	Total equitab le share	(A11	0.5 ocation atio*)	share Allocat	nitable e** -0.5 ion ratio) nula***)	Total equitabl e share***
		Allo cati on rati o	Equitabl e share	Alloc atio n ratio	Equita ble share		Allo cati on rati o	Equita ble share	Alloca tion ratio	Equitab le share	
		Col um n A	Column B	Colu mn C	Colum n D	Colum n E = B + D	Col um n F	Colum n G	Colum n H	Column I	Column J = G + I
	kos		5,000	5952	69,429	94,429		25,000	52	73,560	98,560
23	Makue ni	2.34	3,703,05 0,000	2.09 1964	4,752,4 11,232	8,455,4 61,232	2.34	3,703,0 50,000	2.0919 64	4,638,9 30,170	8,341,9 80,170
24	Mande ra	3.23	5,111,47 5,000	2.87 0795	6,521,7 17,584	11,633, 192,58 4	3.23	5,111,4 75,000	2.8707 95	6,365,9 87,913	11,477, 462,913
25	Marsa bit	2.14	3,386,55 0,000	1.83 7286	4,173,8 47,458	7,560,3 97,458	2.14	3,386,5 50,000	1.8372 86	4,074,1 81,705	7,460,7 31,705
26	Meru	2.54	4,019,55 0,000	2.58 5269	5,873,0 74,983	9,892,6 24,983	2.54	4,019,5 50,000	2.5852 69	5,732,8 34,008	9,752,3 84,008
27	Migori	2.14	3,386,55 0,000	2.18 1096	4,954,8 96,513	8,341,4 46,513	2.14	3,386,5 50,000	2.1810 96	4,836,5 80,380	8,223,1 30,380
28	Momb asa	2.23	3,528,97 5,000	1.90 7145	4,332,5 49,375	7,861,5 24,375	2.23	3,528,9 75,000	1.9071 45	4,229,0 94,038	7,758,0 69,038
29	Muran g'a	1.99	3,149,17 5,000	1.90 3651	4,324,6 11,893	7,473,7 86,893	1.99	3,149,1 75,000	1.9036 51	4,221,3 46,093	7,370,5 21,093
30	Nairob i	5.03	7,959,97 5,000	5.33 1619	12,112, 085,11 3	20,072, 060,11 3	5.03	7,959,9 75,000	5.3316 19	11,822, 865,133	19,782, 840,133
31	Nakur u	3.31	5,238,07 5,000	3.67 7942	8,355,3 50,700	13,593, 425,70 0	3.31	5,238,0 75,000	3.6779 42	8,155,8 36,385	13,393, 911,385
32	Nandi	1.69	2,764,42 5,000	2.03 8462	4,630,8 68,268	7,305,2 93,268	1.69	2,764,4 25,000	2.0384 62	4,520,2 89,485	7,194,7 14,485
33	Narok	2.54	4,019,55 0,000	2.27 8744	5,176,7 27,984	9,196,2 77,984	2.54	4,019,5 50,000	2.2787 44	5,053,1 14,820	9,072,6 64,820
34	Nyami ra	1.52	2,405,40 0,000	1.28 9228	2,928,7 98,788	5,334,1 98,788	1.52	2,405,4 00,000	1.2892 28	2,858,8 63,090	5,264,2 63,090
35	Nyand arua	1.54	2,437,05 0,000	1.52 6987	3,468,9 26,889	5,905,9 76,889	1.54	2,437,0 50,000	1.5269 87	3,386,0 93,673	5,823,1 43,673
36	Nyeri	1.71	2,706,07 5,000	1.66 3591	3,779,2 56,505	6,485,3 31,505	1.71	2,706,0 75,000	1.6635 91	3,689,0 3,043	6,395,0 88,043
37	Sambu ru	1.46	2,310,45 0,000	1.44 5524	3,283,8 63,630	5,594,3 13,630	1.46	2,310,4 50,000	1.4455 24	3,205,4 49,470	5,515,8 99,470
38	Siaya	1.83	2,895,97 5,000	1.92 2329	4,367,0 43,569	7,263,0 18,569	1.83	2,895,9 75,000	1.9223 29	4,262,7 64,558	7,158,7 39,558

/ 7				2024/2	025						
N o	y	0.5 (Allocation ratio)		sha Allo r	(Equitable share-0.5 eq Allocation ratio (*(Formula)		(A11	0.5 (Allocation ratio*)		(Equitable share** -0.5 Allocation ratio) *(Formula***)	
		Allo cati on rati o	Equitabl e share	Alloc atio n ratio	Equita ble share		Allo cati on rati o	Equita ble share	Alloca tion ratio	Equitab le share	
		Col um n A	Column B	Colu mn C	Colum n D	Colum n E = B + D	Col um n F	Colum n G	Colum n H	Column I	Column J = G + I
39	Taita/ Taveta	1.34	2,120,55 0,000	1.28 5301	2,919,8 77,641	5,040,4 27,641	1.34	2,120,5 50,000	1.2853 01	2,850,1 54,968	4,970,7 04,968
40	Tana River	1.85	2,927,62 5,000	1.70 0488	3,863,0 77,124	6,790,7 02,124	1.85	2,927,6 25,000	1.7004 88	3,770,8 32,140	6,698,4 57,140
41	Tharak a-Nithi	1.24	1,962,30 0,00	1.06 347	2,415,9 33,913	4,378,2 33,913	1.24	1,962,3 00,00	1.0634 7	2,358,2 44,725	4,320,5 44,725
42	Trans Nzoia	1.82	2,880,15 0,000	2.03 3534	4,619,6 73,103	7,499,8 23,103	1.82	2,880,1 50,000	2.0335 34	4,509,3 61,645	7,389,5 11,645
43	Turka na	3.33	5,269,72 5,000	3.46 6154	7,874,2 22,120	13,143, 947,12 0	3.33	5,269,7 25,000	3.4661 54	7,686,1 96,495	12,955, 921,495
44	Uasin Gishu	2	3,165,00 0,000	2.31 5872	5,261,0 73,377	8,426,0 73,377	2	3,165,0 00,000	2.3158 72	5,135,4 46,160	8,300,4 46,160
45	Vihiga	1.47	2,326,27 5,000	1.29 449	2,940,7 52,717	5,267,0 27,717	1.47	2,326,2 75,000	1.2944 9	2,870,5 31,570	5,196,8 06,575
46	Wajir	2.7	4,272,75 0,000	2.45 6659	5,580,9 05,707	9,5853, 655,70 7	2.7	4,272,7 50,000	2.4566 59	5,447,6 41,333	9,720,3 91,333
47	West Pokot	1.58	2,500,35 0,000	1.79 3121	4,073,5 15,788	6,573,8 65,788	1.58	2,500,3 50,000	1.7931 21	3,976,2 45,818	6,476,5 95,818
	Total	100	158,250, 000,000	100	227,17 4,618, 319	385,42 4,618, 319	100	158,25 0,000, 000	100.0 00001	221,750 ,000,00 0	380,000 ,000,00 0
					227,17 4,620, 590	385,42 4,620, 590				221,750 ,002,21 8	380,000 ,002,21 8

(Deputy Majority Party Whip)

Question of the amendment proposed;

Debate arising;

Question of the amendment put and agreed to;

Further amendment proposed-

THAT, the President's recommendations to the First Schedule be deleted and replaced thereof with the following—

FIRST SCHEDULE

(s.4(1)) Allocation of Each County Government's Equitable Share of Revenue Raised Nationally in the FY 2024/25.

		FY 2023/24			FY 2	024/25	
		Total Equitable Share	0.5 (Allo	cation Ratio*)		able Share**- location Ratio) iula***)	Total Equitable Share***
SN	County					Equitable Share	
		385,424,616,0 62	Allocati on Ratio	158,250,000 ,000	Alloc ation Ratio	229,175,000, 000	387,425,000,00 0
		Column A	Column B	Column C	Colu mn D	Column E	Column F=C+E
1	Baringo	6,647,771,186	1.61	2,547,825,00	1.80	4,136,048,223	6,683,873,223
2	Bomet	6,977,924,070	1.74	2,753,550,00 0	1.86	4,261,571,755	7,015,121,755
3	Bungoma	11,111,983,608	2.81	4,446,825,00 0	2.93	6,723,848,599	11,170,673,599
4	Busia	7,475,585,295	1.90	3,006,750,00 0	1.97	4,508,185,582	7,514,935,582
5	Elgeyo/ Marakwet	4,801,453,188	1.22	1,930,650,00 0	1.26	2,896,082,019	4,826,732,019
6	Embu	5,341,810,744	1.36	2,152,200,00 0	1.40	3,217,696,832	5,369,896,832
7	Garissa	8,248,748,101	2.22	3,513,150,00 0	2.08	4,777,297,365	8,290,447,365
8	Homa- Bay	8,128,387,250	2.13	3,370,725,00 0	2.09	4,799,555,800	8,170,280,800
9	Isiolo	4,899,041,209	1.34	2,120,550,00 0	1.22	2,802,957,187	4,923,507,187
10	Kajiado	8,300,213,576	2.03	3,212,475,00 0	2.24	5,132,538,610	8,345,013,610
11	Kakameg a	12,912,646,262	3.29	5,206,425,00 0	3.39	7,774,078,320	12,980,503,320
12	Kericho	6,703,129,925	1.70	2,690,250,00 0	1.77	4,048,215,302	6,738,465,302
13	Kiambu	12,227,552,449	2.98	4,715,850,00	3.31	7,577,846,674	12,293,696,674

		FY 2023/24			FY 2	024/25	
		Total Equitable Share	0.5 (Allo	cation Ratio*)		location Ratio) ula***)	Total Equitable Share***
SN	County					Equitable Share	
		385,424,616,0 62	Allocati on Ratio	158,250,000 ,000	Alloc ation Ratio	229,175,000, 000	387,425,000,00 0
		Column A	Column B	Column C	Colu mn D	Column E	Column F=C+E
14	Kilifi	12,109,200,498	3.30	5,222,250,00	3.03	6,947,593,476	12,169,843,476
15	Kirinyaga	5,420,217,528	1.34	2,120,550,00 0	1.45	3,328,722,719	5,449,272,719
16	Kisii	9,258,588,608	2.46	3,892,950,00 0	2.36	5,412,885,688	9,305,835,688
17	Kisumu	8,361,797,770	2.16	3,418,200,00 0	2.18	4,987,128,573	8,405,328,573
18	Kitui	10,829,486,936	2.79	4,415,175,00 0	2.82	6,470,793,099	10,885,968,099
19	Kwale	8,584,103,693	2.46	3,892,950,00 0	2.06	4,732,461,603	8,625,411,603
20	Laikipia	5,358,246,532	1.32	2,088,900,00	1.44	3,298,134,732	5,387,034,732
21	Lamu	3,237,350,707	0.82	1,297,650,00 0	0.85	1,956,780,723	3,254,430,723
22	Machako s	9,547,295,309	2.45	3,877,125,00 0	2.50	5,720,098,940	9,597,223,940
23	Makueni	8,455,460,962	2.34	3,703,050,00 0	2.09	4,794,258,272	8,497,308,272
24	Mandera	11,633,191,646	3.23	5,111,475,00 0	2.87	6,579,143,560	11,690,618,560
25	Marsabit	7,560,398,412	2.14	3,386,550,00 0	1.84	4,210,601,194	7,597,151,194
26	Meru	9,892,625,172	2.54	4,019,550,00 0	2.59	5,924,790,480	9,944,340,480
27	Migori	8,341,446,108	2.14	3,386,550,00 0	2.18	4,998,526,399	8,385,076,399
28	Mombasa	7,861,523,820	2.23	3,528,975,00	1.91	4,370,699,038	7,899,674,038

		FY 2023/24					
		Total Equitable Share	0.5 (Allo	cation Ratio*)		location Ratio) jula***)	Total Equitable Share***
SN	County					Equitable Share	
		385,424,616,0 62	Allocati on Ratio	158,250,000 ,000	Alloc ation Ratio	229,175,000, 000	387,425,000,00 0
		Column A	Column B	Column C	Colu mn D	Column E	Column F=C+E
				0			
29	Murang'a	7,473,786,703	1.99	3,149,175,00 0	1.90	4,362,692,031	7,511,867,031
30	Nairobi City	20,072,059,115	5.03	7,959,975,00 0	5.33	12,218,736,95 7	20,178,711,957
31	Nakuru	13,593,424,693	3.31	5,238,075,00 0	3.68	8,428,922,646	13,666,997,646
32	Nandi	7,305,294,033	1.69	2,674,425,00 0	2.04	4,671,646,107	7,346,071,107
33	Narok	9,196,276,899	2.54	4,019,550,00 0	2.28	5,222,310,519	9,241,860,519
34	Nyamira	5,334,198,486	1.52	2,405,400,00 0	1.29	2,954,587,994	5,359,987,994
35	Nyandaru a	5,905,976,056	1.54	2,437,050,00 0	1.53	3,499,471,652	5,936,521,652
36	Nyeri	6,485,331,051	1.71	2,706,075,00 0	1.66	3,812,534,255	6,518,609,255
37	Samburu	5,594,312,489	1.46	2,310,450,00 0	1.45	3,312,778,509	5,623,228,509
38	Siaya	7,263,019,462	1.83	2,895,975,00 0	1.92	4,405,498,431	7,301,473,431
39	Taita- Taveta	5,040,427,430	1.34	2,120,550,00 0	1.29	2,945,588,383	5,066,138,383
40	Tana- River	6,790,702,542	1.85	2,927,625,00 0	1.70	3,897,093,834	6,824,718,834
41	Tharaka- Nithi	4,378,234,821	1.24	1,962,300,00 0	1.06	2,437,208,312	4,399,508,312
42	Trans- Nzoia	7,499,822,440	1.82	2,880,150,00	2.03	4,660,350,922	7,540,500,922
43	Turkana	13,143,946,933	3.33	5,269,725,00	3.47	7,943,558,320	13,213,283,320

		FY 2023/24			FY 2	024/25		
		Total Equitable Share	0.5 (Allo	cation Ratio*)	(Equit 0.5 Al *(Form	location Ratio)	Total Equitable Share***	
SN	County				Alloc	Equitable Share		
		385,424,616,0 62	Allocati on Ratio	158,250,000 ,000	ation Ratio	229,175,000, 000	387,425,000,00 0	
			Column		Colu			
		Column A	В	Column C	mn D	Column E	Column F=C+E	
				0				
44	Uasin- Gishu	0.406.000.600		3,165,000,00				
		8,426,072,635	2.00	0	2.32	5,307,398,961	8,472,398,961	
45	Vihiga	5,267,026,885	1.47	2,326,275,00	1.29	2,966,646,648	5,292,921,648	
46	Wajir	9,853,656,422	2.70	4,272,750,00	2.46	5,630,049,041	9,902,799,041	
47	West Pokot	6,573,866,403	1.58	2,500,350,00	1.79	4,109,385,714	6,609,735,714	
	Total	385,424,616,0 62	100.00	158,250,000 ,000	100.	229,175,000, 000	387,425,000,00	

(Chairperson, Budget and Appropriations Committee)

There being no debate arising;

Question on the amendment put and agreed to;

<u>First Schedule</u> - as amended <u>agreed to</u>.

<u>Second Schedule</u> - <u>amendment proposed-</u>

THAT, consequential to the proposed amendments to the First Schedule, the Bill be amended by deleting the Second Schedule and replace thereof the following–

SECOND SCHEDULE

	(Figures in Kenya Shillings)									
		County Asser	nbly Ceilings	County Executive Ceilings						
SN	County	FY 2023/24	FY 2024/25	FY 2023/24	FY 2024/25					
1	Baringo	828,250,102	757,858,506	628,507,168						
					811,330,131					
2	Bomet	826,903,256	677,847,307	525,981,274						
					675,271,762					
3	Bungoma	1,030,966,304	1,019,575,196	593,145,551						
					794,269,934					
4	Busia	890,557,352	804,254,206	565,353,297						
					740,954,156					
5	Elgeyo-	688,567,522	642,494,863	540,143,817						
	Marakwet				682,571,452					

County Government Budget Ceilings on Recurrent Expenditure in Financial Year 2024/25 (Figures in Kenya Shillings)

		County Asser	nbly Ceilings	County Execu	tive Ceilings
SN	County	FY 2023/24	FY 2024/25	FY 2023/24	FY 2024/25
6	Embu	655,164,072	612,356,235	470,665,205	599,617,223
7	Garissa	928,822,377	805,632,232	517,163,240	693,214,915
8	Homa-Bay	951,617,005	865,455,765	612,652,603	807,946,650
9	Isiolo	539,314,722	455,851,471	384,717,582	483,811,987
10	Kajiado	836,365,718	739,100,667	543,625,285	705,785,753
11	Kakamega	1,400,821,103	1,277,560,747	702,976,417	954,360,037
12	Kericho	828,466,755	753,482,865	574,171,331	742,119,652
13	Kiambu	1,352,347,776	1,122,733,276	689,615,145	937,949,817
14	Kilifi	942,241,093	811,428,332	552,882,777	732,390,410
15	Kirinyaga	673,319,674	626,637,101	463,453,685	591,357,406
16	Kisii	1,112,890,743	994,072,293	635,010,868	
17	Kisumu	827,121,358	862,083,652	548,429,020	842,938,395
18	Kitui	1,042,409,957	946,077,555	787,239,883	720,990,566
19	Kwale	667,712,409	625,406,505	436,816,651	1,034,274,047
20	Laikipia	545,809,049	477,594,112	429,430,142	561,039,626
21	Lamu	493,148,394	466,864,730	349,978,277	543,968,003
22	Machakos	1,021,331,660	924,156,126	618,887,863	439,219,777
23	Makueni	882,052,960	780,912,038	597,330,868	817,384,477
24	Mandera	983,911,204	825,043,653	537,192,934	772,648,310
25	Marsabit	714,092,325	666,740,178	477,791,217	709,410,958
26	Meru	1,105,946,626	991,451,371	802,472,137	620,635,223
27	Migori	1,003,508,709	907,920,737	609,089,597	1,046,885,894
28	Mombasa	837,169,783	700,845,894	414,726,825	803,308,177
29	Murang'a	830,709,033	755,814,834	633,050,405	550,949,872
30	Nairobi City	1,924,120,608	1,596,625,912	640,180,465	822,212,796
31	Nakuru	1,160,413,432	1,034,293,969	703,777,688	924,648,890
		, , ,	, , ,,	-, -,	949,692,125

	County Government Budget Ceilings on Recurrent Expenditure in Financial Year 2024/25 [Figures in Kenya Shillings]										
\		<u>, </u>	mbly Ceilings	County Execu	itive Ceilings						
SN	County	FY 2023/24	FY 2024/25	FY 2023/24	FY 2024/25						
32	Nandi	796,999,461	727,658,319	647,212,948	829,614,196						
33	Narok	911,202,495	834,927,075	545,667,285	715,936,269						
34	Nyamira	746,578,493	650,614,404	458,194,685	584,106,355						
35	Nyandarua	770,438,804	706,936,676	533,107,285	683,959,845						
36	Nyeri	776,126,610	710,551,514	605,347,631	779,895,747						
37	Samburu	593,254,286	557,171,977	482,789,720	611,274,116						
38	Siaya	775,678,151	710,085,117	540,322,777	701,924,604						
39	Taita-Taveta	681,840,554	635,498,816	439,488,905	567,140,475						
40	Tana-River	677,653,973	605,987,033	436,641,663	558,967,389						
41	Tharaka- Nithi	517,563,626	485,355,131	445,463,668	561,403,884						
42	Trans-Nzoia	685,259,476	636,754,015	427,107,865	557,198,937						
43	Turkana	966,834,859	770,739,999	526,961,505	704,903,707						
44	Uasin-Gishu	796,524,510	727,164,370	474,407,171	623,694,943						
45	Vihiga	714,071,318	659,816,891	487,678,963	628,658,777						
46	Wajir	992,922,326	784,444,072	599,569,960	791,932,190						
47	West Pokot	683,634,469	637,364,488	589,135,145	743,044,332						
	Total	40,612,656,492	36,369,242,228	25,825,556,393	33,756,814,187						

(Chairperson, Budget and Appropriations Committee)

There being no debate arising;

Question of the amendment put and agreed to:

<u>Second Schedule</u> - as amended <u>agreed to</u>.

President's Reservations to the County Allocation of Revenue Bill (Senate Bill No. 25 of 2024) to be reported <u>with</u> amendments.

16. HOUSE RESUMED - the Sixth Chairperson in the Chair

President's Reservations to the County Allocation of Revenue Bill (Senate Bill No. 25 of 2024) reported <u>with</u> amendments.

Motion made and Question proposed-

THAT, the House do agree with the Report of the Committee of the Whole House on its consideration of the President's Reservations to the County Allocation of Revenue Bill (Senate Bill No. 25 of 2024).

(Deputy Majority Party Whip)

There being no debate arising;

Question put and agreed to.

17. MOTION- CONSIDERATION OF MEDIATED VERSION OF THE CONFLICT OF INTEREST BILL (NATIONAL ASSEMBLY BILL NO. 12 OF 2023)

Motion made and Question proposed -

THAT, pursuant to the provisions of the Article 113(2) of the Constitution and Standing Order 150(3), this House **adopts** the Report of the Mediation Committee on the Conflict of Interest Bill (National Assembly Bill No. 12 of 2023), *laid on the Table of the House on Wednesday, 4th December 2024*, and **approves** the Mediated version of the Conflict of Interest Bill (National Assembly Bill No. 12 of 2023).

(Chairperson, Mediation Committee on the Conflict of Interest Bill, 2023)

Debate arising;

Rising in his place on a Point of Order pursuant to Standing Order 95, the Member for Dagoretti South (Hon. John Kiarie) claimed to move that "the Mover be now called upon to reply";

And the Sixth Chairperson, being of the opinion that the claim was not an abuse of proceedings or infringement on rights of Members;

Thereupon, Question put and agreed to;

Mover replied;

Question <u>deferred</u>.

18. THE EQUALISATION FUND (ADMINISTRATION) BILL (SENATE BILL NO. 14 OF 2023)

Order for Second Reading read;

Order deferred.

19. COMMITTEE OF THE WHOLE HOUSE

Order for Committee read;

IN THE COMMITTEE

The First Chairperson of Committees in the Chair

(i) The Startup Bill (Senate Bill No. 14 of 2022)

<u>Clause 3</u> - <u>amendment proposed</u>—

THAT, Clause 3 of the Bill be amended –

- (a) in paragraph (c) by inserting the words "incubators, accelerators and investors" immediately after the word "startups";
- (b) in paragraph (e), by deleting the word "and"
- (c) by inserting the following new paragraphs immediately after paragraph (f)—
 - "(fa) for recognition of startups;
 - (fb) for establishment, development, financial support and growth of startups;
 - (fc) for catalysing the growth of the startup ecosystem through infrastructural enhancement, innovation and talent development, entrepreneurial culture growth and ecosystem coordination;
 - (fd) enhancement of private sector investments in startups and Kenya's positioning in the global innovation and startup economy; and"

(Chairperson, Departmental Committee on Trade, Industry and Cooperatives)

Question of the amendment proposed;

No debate arising;

Question of the amendment put and agreed to;

<u>Clause 3</u> - as amended <u>agreed to.</u>

<u>Clause 4</u> - <u>amendment proposed-</u>

THAT, the Bill be amended by deleting Clause 4 and inserting the following new Clauses—

Role of the Agency and the Estate in implementation of the Act.

- **4**. (1) The Agency and the Estate, shall develop a framework for collaboration among the startup ecosystem players including the county governments.
 - (2) The Agency shall—
 - (a) formulate a national policy framework for the development of the business incubation and acceleration sector and startup system;
 - (b) promote innovation;
 - (c) facilitate the transfer of technology innovation;
 - (d)create and develop a sustainable, globally competitive technology innovation sector that contributes towards the accelerated growth of the economy;
 - (e) promote the linkages between universities and research institutions and the business community.
 - (f) enter into partnerships with local and international business incubators and accelerators in order to promote the establishment and growth of startups in Kenya;
 - (g) establish programmes for the certification and admission of incubators and accelerators into the incubation programmes;
 - (h)setup mechanisms that promote the development of business incubation programmes and create enabling an environment for the promotion of business incubators including fiscal and non-fiscal

- incentives to incubators and startups;
- (i) establish online and other platforms for access to information including the establishment and development of startups, existing incubation programmes, access to fiscal and non-fiscal support and for this purpose, keep and maintain a directory of startups and incubator;
- (j) support any research and development activities undertaken by startups;
- (k) establish mechanisms for pre-incubation of entities and for this purpose, provide training and capacity building programmes to startups registered under this Act;
- (l) establish mechanisms to enable access to entities from marginalized groups through the use of quotas or mechanisms that match them to unused capacity in existing programmes; and
- (m) establish structures that ensure the protection of the innovations of startups at the national and international level.
- (3) The Estate shall
 - (a) develop a framework setting out modalities on funding for commercialization of startups;
 - (b) support startups through partnerships/collaboration with relevant startup ecosystem players for commercialization of startups;
 - (c) enter into partnerships to promote the startup ecosystem based on the Startup Maturity Framework;
 - (d) create an enabling environment for micro, small and medium enterprises to be innovative;
 - (e) design and implement training and capacity building programs for startups, incubators, and accelerators in accordance with this Act;
 - (f) ensure all persons irrespective of their sex, disability or ethnicity is afforded an equal opportunity to establish and benefit from their innovation;
 - (g) promote the creation of employment and wealth creation;
 - (h)establish a database of all commercialized startups; and
 - (i) undertake any other function, which is incidental to the performance of any of the foregoing functions.

(Chairperson, Departmental Committee on Trade, Industry and Cooperatives)

Debate arising;

Question of the amendment put and agreed to;

<u>Further amendment proposed –</u>

THAT, Clause 4 of the Bill be amended in subclause (2) by inserting the following new paragraph immediately after paragraph (e)—

(ea) build a digital system where applications, evaluation and tracking is done in a transparent manner.

(Hon. John Kiarie)

Proposed amendment dropped;

Clause 4 - as amended agreed to.

<u>Clause 5</u> - <u>amendment proposed-</u>

THAT, the Bill be amended by deleting Clause 5.

(Chairperson, Departmental Committee on Trade, Industry and Cooperatives)

No debate arising;

Question of the amendment put and agreed to;

Further amendment proposed -

THAT, Clause 5 of the Bill be amended in subclause (2) by inserting the following new paragraph immediately after paragraph (a)—

(aa) establish a funding program for startups including funding instruments to support various categories of innovators.

(Hon. John Kiarie)

Proposed amendment dropped;

Clause 5 - deleted.

Part III - amendment proposed-

THAT, the title to **PART III** of the Bill be amended by deleting the words "REGISTRAR OF STARTUPS AND ADMISSION INTO INCUBATION PROGRAMME" and substituting therefor the words "ADMISSION INTO INCUBATION PROGRAMME".

(Chairperson, Departmental Committee on Trade, Industry and Cooperatives)

Question of the amendment proposed;

Debate arising;

Amendment to amendment proposed-

THAT, the proposed amendment to Part III be further amended by deleting the words "ADMISSION INTO INCUBATION PROGRAMME" appearing after the words "substituting therefor the words" and substituting therefor the words "LABELLING OF STARTUPS"

(Chairperson, Departmental Committee on Trade, Industry and Cooperatives)

Debate arising;

Question of the amendment to amendment put and agreed to;

Question of the amendment put and agreed to:

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<u>Further amendment proposed –</u>

THAT, the Bill be amended by deleting the words "Registrar of Startups and" appearing in the title to Part III of the Bill.

(Hon. John Kiarie)

Proposed amendment dropped;

<u>Part III</u> - as amended <u>agreed to.</u>

<u>Clause 6</u> - <u>amendment proposed;</u>

THAT, Clause 6 of the Bill be amended by deleting Clause 6. (Hon. John Kiarie)

Question of the amendment proposed;

Debate arising;

Question of the amendment put and negatived;

Further amendment proposed -

THAT, the Bill be amended by deleting Clause (6) and substituting therefor the following new Clause—

Eligibility criteria.

- **6.** (1) An entity is eligible for labelling as a startup if the entity—
 - (a) is registered in Kenya as a
 - (i) private limited company under the Companies Act;
 - (ii) co-operative society registered under Cooperative Societies Act;
 - (iii) sole-proprietorship; or
 - (iv) partnership firm.
- (b) is newly registered or has been in existence for a period of not more than ten years from the date of its incorporation or registration;
- (c) has as its objects the innovation, development, production or improvement and commercialization of innovative products, processes or services or if it is a scalable business model;
- (d) has human resources, total assets, and annual turnover number that does not exceed an amount prescribed by the Cabinet Secretary;
- (e) has its headquarters in Kenya;
- (f) does not distribute profits;
- (g) is fully owned by a citizen of Kenya or majority ownership by citizen or citizens of Kenya;
- (h) falls within the tiered structures as prescribed by the Startup Maturity Framework; and
- (i) has at least fifteen percent of the expenses of the entity spent on activities that relate to research and development.

- (2) This Act shall not apply to an entity that is —
 (a) established or formed as a result of the split,
 - reconstruction, merger or reconstitution of an existing business;
 - (b) a holding company or subsidiary of an existing entity which is not labelled as a startup;
- (3) A startup labelled under this Act shall be granted access to the incentives provided under this Act.

(Chairperson, Departmental Committee on Trade, Industry and Cooperatives)

Question of the amendment proposed;

Debate arising;

Question of the amendment put and <u>agreed to</u>; <u>Clause 6</u> - as amended <u>agreed to</u>.

Bill to be reported with amendments.

20. HOUSE RESUMED - the Sixth Chairperson of Committees in the Chair

The Startup Bill (Senate Bill No. 14 of 2022)

Bill reported with amendments;

Motion made and Question proposed—

THAT, the House do agree with report of the Committee of the Whole House on its consideration of the Startup Bill (Senate Bill No. 14 of 2022).

(Hon. Irene Mayaka – Co-Sponsor)

No debate arising;

Question deferred.

And the time being Seven Minutes past One O'clock, the Sixth Chairperson adjourned the House without Question put pursuant to the Standing Orders.

21. HOUSE ROSE - at Seven Minutes past One O'clock

MEMORANDUM

The Speaker will take the Chair on, Thursday, 5^{th} December 2024 at 2.30 p.m.