

PARLIAMENT OF KENYA

THE SENATE

THE HANSARD

Thursday, 13th March, 2025

Afternoon Sitting

*The House met at the Senate Chamber,
Parliament Buildings, at 2.30 p.m.*

[The Speaker (Hon. Kingi) in the Chair]

PRAYER

DETERMINATION OF QUORUM AT COMMENCEMENT OF SITTING

The Speaker (Hon. Kingi): Clerk, do we have quorum? Serjeant-at-Arms, kindly ring the Quorum Bell for 10 minutes.

(The Quorum Bell was rung)

Hon. Senators, we do have quorum now, so we will proceed with the day's work. Clerk, you may proceed to call the first Order, please.

COMMUNICATIONS FROM THE CHAIR

SPEAKER'S DIRECTIVE ON CONDUCT OF BUSINESS IN THE HOUSE

The Speaker (Hon. Kingi): Hon. Senators, it has come to the attention of the Presidium, Honourable Senators and myself, that an increasing number of Senators are absent from the Chamber when their business is listed in the Order Paper.

In these instances, some Senators have taken to requesting their colleagues to prosecute the business on their behalf without adhering to the established procedures in the Standing Orders.

Now, hon. Senators, I wish to remind you of the provisions of Standing Order No.51(c) (2), which states as follows-

“A Senator may, in writing, nominate another Senator to ask a question on his or her behalf, where the Senator shall be absent on the day on which the question is listed.”

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This provision is intended to accommodate unavoidable circumstances of unavoidable absence, not to serve as a routine mechanism for delegation. The repeated reliance on this provision by some Senators undermines its intended purpose and erodes the decorum expected of this House.

In light of the foregoing, I hereby direct that henceforth no Senator shall be permitted to move business, request or issue a Statement or ask a question on behalf of another Senator, unless a prior request in writing has been submitted and approved in accordance with the Standing Orders.

Hon. Senators, another matter of growing concern is that certain Senators are bypassing the proper procedure for approval of the business, particularly with regard to Statements. This practice has become frequent and cannot be allowed to persist.

Additionally, I draw your attention to Standing Order No.53(1) and (2), which governs requests for statements and provides as follows-

“A Senator may request for a Statement from a committee relating to any matter under the mandate of the committee that is of countrywide, inter-county, national, regional or international concern. A Senator who wishes to raise a matter shall, at least 24 hours before the Senate meets on the day on which the statement is proposed to be requested, hand to the Clerk a written notification of the matter signed by the Senator.”

Hon. Senators, the presidium undertakes to strictly enforce this provision. No statement or notice of motion shall be approved or entertained by the Chair during proceedings, and Senators are required to adhere to the provisions under Standing Order Nos.51 (c (2), 53(1) and 53(2).

Hon. Senators are accordingly guided to adhere to these directives and the Standing Orders of this House in the conduct of their duties.

I thank you.

VISITING DELEGATION FROM KIAHUKO
PRIMARY SCHOOL, NYERI COUNTY

The Speaker (Hon. Kingi): Again, Hon. Senators, I wish to acknowledge the presence in the Public Gallery this afternoon, of visiting students and teachers from Kiahuko Primary School, Nyeri County. The delegation comprises 65 students and five teachers who are undertaking a study tour of the Senate.

Hon. Senators, on behalf of the Senate and my own behalf, I extend a warm welcome to the delegation and wish them the very best during their visit.

I will call upon the Senator for Nyeri, Sen. Wamatinga, in under one minute, to extend a warm welcome to the delegation.

Sen. Wamatinga: Thank you very much, Mr. Speaker, Sir, for giving me this opportunity to welcome the students from Kiahuko School in Kieni West.

Kieni West is one of the areas that lies in the same dry region. However, the students from Kiahuko are some of the most hardworking. I want to take this opportunity to welcome them to the Senate. As they visit the House in the Senate, I want to acknowledge to them that, yes, this is where we sit. This is where we undertake the

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oversight of the functions of the county government. I want to wish you all the best in your studies.

As you pursue your dreams, I want to tell you that no dream is invalid. No human is limited. You can become whatever you want to be. Looking at the composition of this House, you will see that there are Members from all walks of life who have walked the same journey you are walking today.

In the future, you are the leaders who will take this country to the next generation. Most welcome, and as you go, I will come and see you outside.

Thank you very much.

Sen. Methu: On a point of clarification, Mr. Speaker, Sir.

The Speaker (Hon. Kingi): What clarification are you seeking, hon. Senator?

Sen. Methu: Thank you, Mr. Speaker, Sir. Indeed, your guidance on how we shall be transacting business of this House is quite elaborate, but I just wanted a little clarification on the Standing Order upon which you relied in your Communication.

On the Standing Order No. 51(c)(2)-

“A Senator may, in writing, nominate another Senator to ask a question on his or her behalf, where the senator shall be absent on the day on which the question is listed.”

According to my understanding, this particular Standing Order refers to questions that are listed for business on Wednesday morning sittings. Therefore, I need to get clarification upon which Standing Order we shall be relying on to write to you or to the Office of the Clerk on the other Statements that are prescribed in Standing Order No.53.

The Speaker (Hon. Kingi): Hon. Senator, rely on my ruling. Just rely on the ruling of the Chair.

Next Order.

MESSAGE FROM THE NATIONAL ASSEMBLY

PASSAGE BY THE NATIONAL ASSEMBLY OF THE COUNTY GOVERNMENT'S REVENUE RAISING PROCESS BILL (NATIONAL ASSEMBLY BILLS NO.11 OF 2023)

The Speaker (Hon. Kingi): Hon. Senators, I wish to report to the Senate, that pursuant to Standing Order No. 46(3) I received the following Message from the Speaker of the National Assembly regarding the passage by the National Assembly of the County Government's Revenue Raising Process Bill (National Assembly Bills No.11 of 2023).

The Message, dated Wednesday, the 12th March, 2025, was received in the Office of the Clerk of the Senate on Thursday, 13th of March, 2025.

Pursuant to Standing Order No.46 (4), I now report the Message. Pursuant to the provisions of Standing Order No.41 (1) and 142 of the National Assembly Standing Orders, I hereby convey the following Message from the National Assembly.

“WHEREAS the County Government's Revenue Raising Process Bill (National Assembly Bills No. 11 of 2023), was published via Kenya Gazette Supplement No.37 of 24th March, 2023, as a Bill seeking to inter alia provide for the process to be followed by

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county governments in the exercise of their power under Articles 209 and 210 of the Constitution, to impose, vary or waive taxes, fees, levies, and other charges and provide for the establishment of the Inter-Agency Transitional Committee.

AND WHEREAS the National Assembly considered and passed the said Bill with amendments on Tuesday, 11th March, 2025 and in the form attached herewith. Now, therefore, in accordance with the provisions of Article 110 (4) of the Constitution and Standing Order No.41 (1) and 142 of the National Assembly Standing Orders, I hereby refer the Bill to the Senate for consideration.

Now, Hon. Senators, pursuant to Standing Order No.163, which requires that a Bill which originates in the National Assembly be proceeded by the Senate in the same manner as a Bill introduced in the Senate by way of First Reading, in accordance with Standing Order No.144, I direct that the County Government's Revenue Raising Process Bill (National Assembly Bills No.11 of 2023), be listed in the Order Paper for Tuesday, 18th March, 2025 for First Reading.

I thank you.

Next Order.

QUESTIONS AND STATEMENTS

The Speaker (Hon. Kingi): Now, Statements pursuant to Standing Order No.53(1).

Sen. Catherine Mumma, proceed.

STATEMENTS

Sen. Wakili Sigei: Thank you very much, Mr. Speaker, Sir. In compliance to your ruling which you have just delivered and pursuant to a letter dated 12th March, 2025, referenced CMM/12032025 to yourself and copied to the Clerk, and a copy of which I have received, I wish to request to be allowed to read the Statement on behalf of Sen. Catherine Mumma, which you have just called out.

The Speaker (Hon. Kingi): You may proceed.

Sen. Wakili Sigei: Thank you very much, Mr. Speaker, Sir.

PREVALENCE AND MANAGEMENT OF HEPATITIS B IN KENYA

Sen. Wakili Sigei: Mr. Speaker, Sir, I rise pursuant to Standing Order No.53 (1), to seek a Statement from the Standing Committee on Health regarding the prevalence and management of Hepatitis B in Kenya, particularly in the counties of Baringo, Migori and Turkana, which continue to report disproportionately high prevalence rates.

In the Statement, the Committee should—

(1) Report on the Hepatitis B crisis in Kenya, including the latest statistics on national prevalence, while highlighting the most impacted counties, particularly Baringo, Migori and Turkana counties.

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(2) Apprise the Senate on the measures currently being taken by the Cabinet Secretary for Health and the Kenya Medical Supplies Authority (KEMSA), to ensure the consistent availability and supply of Hepatitis B vaccines, especially in high prevalence regions, given the persisting vaccine shortages.

(3) Inform the Senate of the accessibility rates by percentage per county of Hepatitis B vaccination in Kenya, specifically outlining any ongoing efforts to subsidise costs or provide vaccines free of charge to vulnerable populations.

(4) Investigate the effectiveness of current screening programmes for Hepatitis B, particularly in remote and highly affected areas and highlight any recent or planned initiatives aimed at expanding screening and early detection efforts.

(5) Report on the reach and impact of public awareness campaigns regarding Hepatitis B, detailing any ongoing or new strategies to enhance public education on prevention, transmission and treatment, particularly in counties with high prevalence.

Mr. Speaker, Sir, I will proceed to read the second Statement, which was also approved pursuant to the earlier letter, in compliance with your ruling.

EASY ACCESSIBILITY AND ILLEGAL SALE OF *OZEMPIC*

Sen. Wakili Sigei: Mr Speaker, Sir, I rise pursuant to Standing Order No.53 (1), to seek a Statement from the Standing Committee on Health regarding the easy accessibility and illegal sale of the diabetes prescription injectable drug, namely *Ozempic*, which is sold over the counter in the Kenyan market as semaglutide to be used for quick weight loss.

Diabetes is a growing public health concern in Kenya, with patients relying on prescribed medications to manage the condition effectively. However, there is concern on the widespread over-the-counter sales of *Ozempic* injectable for use as a weight loss agent, with total disregard to the severe side effects, drug interactions and long-term complications, including the hypoglycemia and organ damage that may occur.

In the Statement, the Committee should-

(1) Highlight the regulatory measures in place that are intended to ensure that the sale of all prescription drugs, including *Ozempic*, are only dispensed at registered chemists and pharmacies, upon the production of a valid prescription following a medical consultation.

(2) State the steps being taken by the Pharmacy and Poisons Board to ensure that the regulations on the sale and distribution of medicine, specifically prescription drugs such as *Ozempic*, are strictly adhered to.

(3) State any interventions in place to –

(a) Monitor, track and curb the illegal over-the-counter sale and distribution of *Ozempic* and any other prescription drugs; and,

(b) Seal any loopholes as set out in the Pharmacy and Poisons Board guidelines and to apprehend the rogue chemist/pharmacist.

(4) State how the Pharmacy and Poisons Board has realigned its policies and operational guidelines to the devolved system of governance, to ensure that pharmaceutical oversight is strictly carried out and arrests and interdictions of the non-

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compliant vendors is implemented to read the practise of unscrupulous vendors, while educating the general public on the harms likely to be caused by the casual use of prescription drugs to achieve certain effects on human bodies.

I thank you.

The Speaker (Hon. Kingi): Proceed, Sen. Mundigi.

ENROLMENT PROCESS FOR SENIOR
CITIZENS AND PWDs INTO SHA

Sen. Munyi Mundigi: Mr. Speaker, Sir, I rise pursuant to Standing Order No.53 (1) to seek a Statement from the Standing Committee on Health regarding the enrolment process for senior citizens upon reaching the age of 70 years and Persons with Disabilities (PwDs) into the Social Health Authority (SHA).

In the Statement, the Committee should-

(1) Outline the measures the State Department for Medical Services is taking to ensure that senior citizens are automatically enrolled in the SHA, without delay upon reaching the age of 70 years.

(2) Clarify whether all relevant Government officers have been equipped with the necessary tools for effective data collection to ensure automatic enrolment of individuals who have reached the age of 70 years and PwDs. Also, confirm if the request of Information Technology (IT) system is in place to automatically halt payment to deceased persons.

(3) Indicate whether the State Department for Medical Services has considered the possibility of accepting senior citizens and Persons with Disabilities (PwDs) from contributing to the Social Health Authority (SHA).

The Speaker (Hon. Kingi): Sen. (Prof.) Tom Ojienda, proceed.

Sen. (Prof.) Tom Odhiambo Ojienda, SC: Thank you, Mr. Speaker, Sir. I have three Statements.

RISE IN GAS-RELATED EXPLOSIONS
ACROSS THE COUNTRY

I rise pursuant to Standing Order No.53(1) to request a Statement from the Standing Committee on Energy regarding the alarming rise in gas-related explosions across the country, which have led to significant loss of life, injuries and destruction of property. I am alive that Sen. (Dr.) Oburu is the Chairperson.

In recent months, Kenya has witnessed multiple incidents of gas explosion, including the tragic Embakasi gas explosion in Nairobi, which resulted in several deaths and hundreds of injuries.

Similar incidents have been reported in Mombasa, including the case of Ms. Georgina Okwa, a student at Alliance High School, who succumbed to injuries from a boiler explosion while on holiday. Additionally, gas leaks in learning institutions have posed serious risk to students, as seen in the Makande Girls Secondary School incident, where eight candidates fainted due to inhalation of leaked gas.

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These incidents raise serious concerns about compliance with safe regulations, the effectiveness of regulatory oversight by agencies responsible for gas handling and distribution and the preparedness of emergency response mechanisms.

In the Statement, the Committee should-

(1) Explain the status of investigations into recent gas explosion incidents, including the findings and measures taken against those found culpable, while also investigating the level of compliance with safe regulations and licensing requirements by gas handling and distribution businesses.

(2) Indicate the steps taken by relevant agencies, including the Energy and Petroleum Regulatory Authority (EPRA) and the National Environment Management Agency (NEMA) to prevent illegal gas refilling operations.

(3) State any measures being implemented to enhance public awareness on gas safety and improve emergency response mechanisms, outlining the safety measures implemented, specifically in Kisumu County, to mitigate risks associated with gas-related operations.

(4) Ascertain the emergency response protocols, routine inspections and other safety measures, and frequency of safety inspections and reviews, particularly if facility is managed by the Kenya Pipeline Company (KPC) to ensure that the residents of Kisumu County are adequately protected from potential gas-related hazards.

(5) Explain measures that the Government has put in place to review and strengthen existing laws and policies governing the storage, transportation and distribution of Liquefied Petroleum Gas (LPG) to prevent future tragedies.

PROMOTION AND DEVELOPMENT OF ALTERNATIVE SPORTS

Mr. Speaker, Sir, I rise pursuant to Standing Order No.53 (1) to seek a Statement from the Standing Committee on Labour and Social Welfare regarding the promotion and development of alternative sports in Kisumu County and across the country. While the mainstream sports like football and athletics receive significant attention and funding, there is a growing interest in alternative sports such as Kung fu, roller skating, rugby sevens and water sports.

In Kisumu County, for instance, many young people actively participate in these sports, but face challenges due to limited infrastructure and inadequate funding. Despite their potential to create jobs, empower youths, prevent crime and position Kisumu as a sports tourism hub, especially in water-based sports in Lake Victoria, there is little structured investment in this discipline.

In the Statement, the Committee should-

(1) Outline the Ministry of Sports' plans to promote and develop alternative sports, particularly in Kisumu County, detailing steps taken to provide the necessary infrastructure, including the construction and upgrading of sports facilities, access to training equipment and the establishment of talent development centers to support growth of this business.

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(2) State whether the Government has policies or dedicated funding programmes to support alternative sports. If not, indicate whether there are plans to introduce such initiatives to enhance development and accessibility of alternative sports at both grassroots and national levels.

(3) Explain the measures in place to facilitate Public-Private Partnerships (PPP) and sponsorship programmes aimed at promoting alternative sports as a means of youth empowerment and economic growth.

(4) Indicate whether the Ministry of Education has considered incorporating alternative sports into school sports programmes to nurture talent from an early age.

(5) Assess Kisumu County's potential as a regional hub for water sports and state whether the Government has any initiatives to tap into this opportunity for sports tourism and economic development, specifying any ongoing or planned investment in water sports and training programs.

Mr. Speaker, Sir, the last Statement goes straight to Mr. Eddy's Committee.

PLANS TO EXTEND SGR TO KISUMU COUNTY

I rise pursuant to Standing Order No.53(1) to seek a Statement from the Standing Committee on Roads, Transportation and Housing regarding the plans to extend the Standard Gauge Railway (SGR) to Kisumu County.

In the Statement, the Committee should-

(1) Provide an update on the extension of SGR to Kisumu County, including the current status of feasibility studies and project timelines, highlighting any challenges or obstacles affecting the implementation of the project and outline the measures taken to address them.

(2) Clarify whether the Government has secured funding for the project. If so, provide details of the specific sources of funding, including international lenders, bilateral agreements or PPP, outlining terms of engagement, repayment plans and any conditions attached to funding.

(3) Outline the economic and logistical benefits that the extension is expected to bring to Kisumu County, including impacts on trade, industrialization and job creations, stating whether there are plans to integrate SGR with Kisumu Port and other transport networks.

(4) State the number of people expected to be displaced along the SGR route to avoid a repetition of previous projects, particularly in Kisumu County, providing details on the resettlement and compensation plans developed by Kenya Railways Corporation (KRC).

(5) Explain the mechanisms in place to ensure fair, timely and transparent compensation for those affected, highlighting steps taken to engage and consult the affected communities.

I thank you.

The Speaker (Hon. Kingi): Sen. Mohamed Chute, proceed.

KENGEN PLC WIND POWER PROJECT IN LOYANGALANI

Sen. Chute: Thank you, Mr. Speaker, Sir. I rise pursuant to Standing Order No.53 (1) to seek a Statement from the Standing Committee on Energy regarding the Kenya Electricity Generating Company (KenGen) wind power project in Loyangalani, Marsabit County.

In the Statement, the Committee should-

(1) Provide details of the existing policies, agreements and feasibility studies conducted concerning the wind power project and explain the project's expected environmental and socioeconomic impact, as well as its implementation timeline.

(2) Provide information on the land use, specifying the total land area required for the project, the site selection criteria and the projected electricity output.

(3) Explain whether power generated from the project will be fed into a national grid or allocated for local consumption.

(4) Outline the direct benefits of this project to the Loyangalani community, including proposed compensation for land use, employment opportunities and infrastructure development, and disclose whether adequate public participation was conducted before implementation of the project.

(5) State whether KenGen will establish an operational site in Loyangalan and provide the current status of employment opportunities for local workers and contractors.

(6) Specify the total investment in the project including funding sources, Government incentives and the development of necessary infrastructure such as roadworks.

The Speaker (Hon. Kingi): Next is the Statement pursuant to Standing Order No.57(1) by the Senate Majority Leader.

BUSINESS FOR THE WEEK COMMENCING
TUESDAY, 18TH MARCH, 2025

Sen. (Dr.) Khalwale: Mr. Speaker, Sir, this is a Statement by the Senate Majority Leader on the business of the Senate for the week commencing Tuesday, 18th March, 2025, pursuant to Standing Order No.57(1).

Pursuant to Standing Order No.57(1), I hereby present the business for the week commencing Tuesday, 18th March, 2025. Before I make the presentation, allow me to give the status of legislative business pending before the Senate.

(1) Out of 55 Bills, 43 are at the Second Reading stage while 12 at the Committee of the Whole stage.

(2) There are 31 Motions which are pending conclusion.

(3) There are 36 Petitions that are pending conclusion, out of which 17 are due for reporting by the respective standing committees.

(4) There are 540 Statements, pursuant to Standing Order No.53(1) pending conclusion.

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On the matter of Petitions, hon. Senators will recall that the Standing Orders were amended to have the reports on Petitions debated and adopted. So far, the Senate has considered and adopted eight reports on Petitions.

Standing Order No.225 of the Senate Standing Orders provides for follow-up on implementation of the Senate resolutions. I, therefore, urge the Senate Standing Committees to follow up on the same and ensure that the recommendations on the Petitions are acted upon. I also take this opportunity to urge the Standing Committees that are yet to table reports on Petitions to adhere to the timelines provided for in the Standing Orders.

Mr. Speaker, Sir, as hon. Senators will note from today's Order Paper, Order Nos.8 and 9 relate to financial matters which have timelines. Additionally, Order Nos.10 and 15 relate to business awaiting division. I, therefore, urge hon. Senators to remain in the Chamber for consideration of the reports of the Standing Committees on Finance and Budget on the Budget Policy Statement (BPS) and the Medium-Term Debt Management Strategy (MTDS) and the divisions scheduled to be undertaken today.

On 18th March, 2025, the Senate Business Committee (SBC) will meet to consider the business for the week. The tentative business for that day will include business not concluded from today's Order Paper as well as the business indicated in the Notice Paper.

The tentative business for the morning sitting of Wednesday, 19th March, 2025, will include the scheduled questions to Cabinet Secretaries as approved by the SBC as well as Motions. The scheduled questions include the following-

Question No.008 to the Cabinet Secretary for Water, Sanitation and Irrigation, on the status of compensation of landowners who granted way-leave for the Lower Gucha Irrigation Development Project by Sen. Eddy Oketch, MP;

Question No.009 to the Cabinet Secretary for Water, Sanitation and Irrigation, on the status of construction of Thwake Dam in Makueni County by Sen. Daniel Maanzo, MP;

Question No.002 to the Cabinet Secretary, Ministry of Foreign and Diaspora Affairs, on the repatriation of Kenyan refugees currently residing in Ethiopia by Sen. Mohamed Said Chute, MP;

Question No.024 to the Cabinet Secretary, Ministry of Defence, on the involvement of the Kenyan Defence Forces (KDF) in internal security matters by Sen. (Prof.) Tom Ojienda, SC, MP;

Question No.007 to the Cabinet Secretary, Ministry of Cooperatives, Micro, Small and Medium Enterprises Development, on the non-payment of terminal use to the employees of the former Kenya Cooperative Creameries (KCC) whose services were terminated in 1999. This question is by Senator Eddy Oketch, MP; and,

Question No.042 to the Cabinet Secretary, Ministry of Cooperatives, Micro, Small, and Medium Enterprises Development, on the revival of Kimuri Coffee Factory in Kigumo Constituency by Sen. Veronica Maina, Nominated, MP.

Mr. Speaker, Sir, the tentative business for the afternoon sitting of Wednesday, 19th March, 2025, will include business not concluded from the Order Paper for 18th March, 2025, and the following businesses-

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Bills at the Second Reading, which include; The Public Finance Management (Amendment) Bill, The County Governments (State Officers' Removal from Office) Procedure Bill, The Creative Economy Support Bill, The Livestock Protection and Sustainability Bill, and The County Governments (Amendment) Bill.

The business for the Committee of the Whole will include the following: The Early Childhood Education Bill, The Energy Bill, The County Public Finance Laws (Amendment) Bill, The County Government Election Laws (Amendment) Bill, The County Assembly Services (Amendment) Bill, The Street Vendors (Protection of Livelihood) Bill, The Local Content Bill, The Land Laws (Amendment) Bill, The Cooperative Societies (Amendment) Bill, and The National Disaster Risk Management Bill.

Finally, we will have Motions, namely, establishment of national teaching and referral hospitals in Kenya and consolidation of bursary funds for equitable access to education in Kenya.

Mr. Speaker, Sir, the projected business for Thursday, 20th March, 2025, will include business not concluded in the Order Paper for Wednesday, 19th March, and any other business scheduled by the SBC.

I thank you and hereby lay this Statement on the Table of the Senate this afternoon.

(Sen. (Dr.) Khalwale laid the document on the Table)

The Speaker (Hon. Kingi): Hon. Senators, I will allow comments on the Statements that have been requested from different committees for a maximum of 15 minutes. Therefore, if you get an opportunity to comment on the Statements, kindly speak for not more than three minutes.

Sen. Eddy Oketch, proceed.

Sen. Oketch Gicheru: Mr. Speaker, Sir, I just wanted to make a few comments on the Statement by the Senator for Kisumu County, Sen. (Prof.) Tom Ojienda, on the extension of the SGR.

I know that the Statement will come to our Committee on Roads, Transportation and Housing. That is an important project that must be considered hopefully by the committee, so that we try to make sure that we invest our intellect in ensuring that the idea of SGR extension to Kisumu comes about. It is not just to Kisumu but all the way to Malaba, which is at the border of Kenya and Uganda.

The SGR is a serious economic stimulus project that will open up the country. If you look at the country currently, Mariakani Border is a very important part for services and goods running around the country and across the continent, and so is Migori County where I come from and Malaba Border.

Mr. Speaker, Sir, the conceptualization of the Standard Gauge Railway (SGR) was mistaken because initially, the SGR was thought to be an efficient means of transport predominantly for goods, but now it is becoming a critical integration for moving labour in our country. I hope that with the presence of the SGR, we can envision how we can

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move the labour so easily across the country. Even moving labour today in Nairobi alone has become a problem.

I wish us the courage that, even as the Committee will be looking at this, we start dreaming and having ambition of one day having a metro service within Migori, Mombasa, Malaba, and Kisumu counties. If possible, start with the Nairobi City County, so that we invest on proper movement of labour in the country and make it cheaper to commute and transact business.

This is something we look at keenly. I thank Sen. (Prof.) Ojienda for bringing this up, and hope that with the broad-based arrangement, this will be able to open up the country for all of us to be able to contribute in the economy. I support it. Sen. (Prof.) Ojienda, be assured that I will take this matter seriously together with the Committee and make sure we give it justice.

I thank you.

The Speaker (Hon. Kingi): Proceed, Sen. Kinyua.

Sen. Kinyua: Asante, Bw. Spika, kwa kunipa fursa hii. Nasimama kuchangia taarifa iliyowasilishwa na Sen. Mundigi kuhusu Hazina ya Afya. Wazee wengi ambao wamefikisha umri wa miaka 70 wanaishi kwa hali ya uchochole na umaskini. Kwa hivyo, naunga mkono ya kwamba Kamati itakapokuwa ikishughulikia jambo hili ishughulikie kwa dharura ili wananchi wa Kenya au wazee wetu ambao ni wakongwe waweze kulipiwa hazina ya afya na serikali, kwa sababu hata yale malipo ya uzeeni wakongwe wanapaswa kupatiwa inakuwa ni vigumu sana kwao kupata. Wanakaa miezi mingi bila kulipwa, ilhali hao wazee ni rahisi sana kupata magonjwa kwa sababu unapoendelea kukua kwa miaka, huwezi kukosa kupata magonjwa.

Kila wakati wana madawa ambayo hata kuyanunua ni kazi ngumu. Si hao tu. Pia walemavu wanapata shida nyingi kwa sababu hata kupata ajira kwao ni vigumu sana. Katika gatuzi zetu imesemakana kuwa asilimia fulani inapaswa kutengewa walemavu lakini unapata hiyo haitendeki. Hata Serikali Kuu haiwajiri walemavu.

Kwa hivyo, ni vizuri Kamati itakapokuwa ikishughulikia jambo hili iangalie kwa kindani wakongwe wetu pamoja na walemavu washughulikiwe.

Naunga mkono taarifa iliyotolewa na Sen. (Prof.) Ojienda kuhusu reli kupelekwa moja kwa moja hadi Kisumu, hata mpaka Malaba, mahali mpaka wa Kenya na Uganda uliopo. Hiyo itaongeza biashara. Watu wataweza kusafiri kwa urahisi. Mahali ambapo reli itapitia katika nchi yetu ya Kenya, biashara zitaimarika na wale wengine ambao walifikiria sehemu zao ni kama zimewachwa zitafunguliwa reli itakapopitia hapo na watu wengi watanufaika.

Nashukuru.

The Speaker (Hon. Kingi): Sen. Faki, please, proceed.

Sen. Faki: Asante, Mhe. Spika, kwa kunipa fursa hii ili nichangie Taarifa kuhusu milipuko ya mitungi ya gesi katika miji tofauti. Nampongeza Sen. Ojienda kwa kuleta taarifa hii ambayo imekuja wakati mwafaka. Katika Kaunti ya Mombasa, kila siku kuna mioto isiyopungua miwili au mitatu, na mingi inasababishwa na milipuko ya gesi.

Mara nyingi, ijapokuwa kuna ongezeko ya matumizi ya gesi kwa matumizi ya kinyumbani hakujakuwa na mfumo wote wa kuwasaidia wale ambao wanatumia gesi hizi kupata elimu kuhusiana na matumizi haya. Kwa mfano, Mhe. Spika, mpira *unaconnect*

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mtungi wa gesi na kichwa ambacho kinawaka moto unafaa kubadilishwa baada ya miaka miwili. Lakini, utapata wengine wanatumia ile ile tangu waliponunua mtungi huo. Mara nyingi, hiyo *pipe* huwa inalika ndani na ikilika inasababisha gesi kuvuja. Ikivuja, inasababisha mlipuko ama moto kwa urahisi.

Kwa hivyo, jukumu hili la kupambana na moto pamoja na dharura nyingine ni jukumu la kaunti zetu. Ni lazima kaunti zetu zikishirikiane na Energy and Petroleum Regulatory Authority (EPRA) na wahudumu wa wazima moto waanzishe mikakati ya kuwaelimisha wananchi juu ya matumizi ya gesi kwa sababu mara nyingi wengi wanatumia gesi hizo bila elimu yoyote na inawafanya kuingia katika hatari ambayo ingeweza kuepukika.

Kwa mfano, katika Kaunti ya Mombasa, nyumba moja ya Kiswahili ina *room* karibu kumi na kila mtu ana meko. Kwa hivyo ikilipuka, utapata mlipuko kumi kwa wakati mmoja kwa sababu ule moto unasambaa kwa haraka na vile vile inakuwa ni hatari kwa binadamu na kwa raslimali ama majumba ya watu wao.

Asante.

The Speaker (Hon. Kingi): Sen. Methu, please proceed.

Sen. Methu: Thank you Hon. Speaker, Sir. I would like to comment on the last Statement that has been sought by the Sen. for Kisumu County, Sen. (Pro). Tom Ojienda, especially on the extension of the Standard Gauge Railway, all the way to Kisumu County.

I agree with colleagues who have said that it will ease movement of people and goods. It is an economic viable project. The new Chairperson of the Committee in Roads, Transportation and Housing is here, Hon. Sen. Eddy, whom I have not had an opportunity of congratulating. Congratulations Sen. Eddy.

As you take up this particular mandate, Hon. Eddy, I thought Sen. Kinyua would mention that I would wish that you expand your scope. Even as you look at the extension of the Standard Gauge Railway from Naivasha all the way to Kisumu---

What perplexes the people of Kenya is the fact that governments do not live in perpetuity in terms of projects that they have initiated. On this matter of the Standard Gauge Railway, Sen. Kinyua will tell you that we have a very magnificent railway terminus at a place called Chaka.

We also have another one at Olkalou. The railway line between Gilgil, Olkalou to Nyahururu was rehabilitated. We only saw one train use that railway line and we do not know what became of it. Sen. Kinyua will also tell you that there was even a Standard Gauge Railway that was done all the way to Nanyuki in Laikipia County. However, nothing has been done to these effects. We do not know what became of that project. We have a magnificent railway terminus at Olkalou. We only see it as a white elephant. It was done, commissioned and opened but there is nothing to show for it, yet money of the people of Kenya was spent on these projects. What became of these projects because we cannot just abandon them because they were started by Uhuru Kenyatta nothing is being done to them?

These are capital projects. These are not small projects like that of one million *chapatis*, for instance. These are capital projects into which a lot of Government money has been pumped into them. Sen. Eddy, as you bring that report, we would want it to be

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exhaustive. On the day that we will invite the Kenya Railways Service, ensure that these questions do not come with other Senators. Get as many answers as you can so that we can serve the people of Kenya better.

Asante.

The Speaker (Hon. Kingi): Sen. Onyonka, please, proceed.

Sen. Onyonka: Thank you, Mr. Speaker, Sir. I would actually like to pick up from where my brother, Sen. Methu, has stopped; that is, thank you, Sen. Ojienda, for raising that issue. I hope that when this SGR is going to be laid out, Kisii County will not be forgotten. There has been an announcement which was made by the Government that the SGR will pass through Nyamira and go down towards Kisumu.

Secondly, Mr. Speaker, Sir, I hope that the Government will realize that the SGR from Mombasa to Nairobi has a bad name. We spent excessively and no one knows the details of the agreement. I therefore hope that the Government will take it upon itself to do a comparative analysis and look at what the Tanzania-Zambia Railways Authority (TAZARA) Railways has been given from Dodoma to Moshi.

It is important that we compare what our brothers in the East African region have been given so that we look and see whether we are getting value for money. If this project is complete, as the Senator for Kisii County, I will be extremely happy because I will be taking the railway to Kisii when the Maai Mahiu line is not working, hon. Khalwale.

The other issue I would like to seriously look at is the statement that has been sought by Sen. Chute and with all the accolades, this is an important question. The Lake Turkana Wind Power has been generating power from Samburu for the last seven years. No one knows the amount of money they make and the amount of capital investment which was done.

There was a standard agreement between the amounts to be shared with the local community under the 30-70 percent rationale. That has not been made clear to us and the information that some of us are getting is that the Lake Turkana Wind Power is now providing Corporate Social Responsibility (CSR) services. They do toilets, provide one borehole here and there, and yet the amount of land that Lake Turkana Wind Power took is more than 170,000 acres of land.

Mr. Speaker, Sir, the community and the people in that area have never been compensated since this project started. It is assumed that the owners of this company are foreigners. I believe that the local community should at least have been given even one simple director or even make sure that some of the children from that area are taken to university so that one day they take over the running of the project.

In addition, the Kenya Electricity Generating Company (KenGen) wants to do a second phase of this project. This is a very good idea, but how I pray that this project---

The Speaker (Hon. Kingi): Give the Honorable Senator one minute to conclude his remarks.

Sen. Onyonka: Thank you, Mr. Speaker, Sir. How I wish that this project can be open, transparent even if not to all Kenyans or Senators because we have the Committee on Roads, Transportation and Housing. My suggestion would be, let the Government disclose and tell the Committee of this House what it wants to do with KenGen, how much it will cost and whether it is a Public-Private Partnership (PPP).

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No one says that PPPs do not work, but once they are transparent and accountable, no one would have an issue if the project is going to be successful. I thank you, Mr. Speaker, Sir, as I give many accolades to Sen. Chute for bringing this very important matter.

The Speaker (Hon. Kingi): Senator Boni.

Sen. (Dr.) Khalwale: Thank you, Mr. Speaker, Sir. I want to quickly congratulate Prof. Tom Ojienda. I had thought his thinking is limited to law, but I can see he appreciates business.

Considering the issues he has raised on the SGR, the Parliament of Kenya and SGR must put pressure on the Executive to roll out SGR whilst understanding it as the new way to expand the economy of Kenya. Kenya's largest trading partner is Uganda, and therefore if this SGR will go to that direction, then we are speaking to the big picture.

I, therefore, want us to please Sen. Onyonka there in Nyamira and Kisii and the people of Kisumu. That is fine but upon the completion of that development, let it be remembered that SGR must run all the way to Malava through Webuye and Bungoma. That is the route for doing business.

The Executive cannot afford to be doing things half-heartedly. The current SGR is useless. It is a slow thing. We must invest in electric trains. The modern way of transporting goods is guided by speed, and the speed that will make a difference is one of an electric train. Why we are not developing the electric train, only God knows. We are doing technology which is decades old. Kenya must remain on the cutting edge. We do modern things quickly.

Mr. Speaker, Sir, governors are not doing us a favor. I want to address our good Governor of Nairobi. I can see he has totally lost focus. The purpose of the Governor of Nairobi is not to feed people. The purpose of the County Government of Nairobi City is to open up the economy of Nairobi. The Governor of Nairobi should not be talking about chapatis. He should be talking about underpasses, overpasses and metros. That is the future. The people you employ in those areas I have mentioned will feed their children.

Therefore, when I see him talking about chapatis, I say, ah, this thing of saying that the youth should ascend into leadership is a lie.

(Several Senators raised points of order)

It is true, he is talking about chapati.

The Speaker (Hon. Kingi): Sen. Osotsi.

Sen. Osotsi: Mr. Speaker, Sir, I want to comment on the statement by Senator for Kisumu, Sen. Ojienda, on the extension of the Standard Gauge Railway to Kisumu. He has raised very fundamental issues as far as this project is concerned. I am aware that some public participation has already been conducted even in my county as far as the SGR project is concerned and part of the plan is to extend this SGR all the way to Malaba.

I would like to raise a concern because the preliminary plans that are there indicate that this SGR will not pass through Luanda-Maseno-Lela-Luanda route. It is surprising why that should happen because if you use a different route, it means the cost

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of the project will be higher. It will mean that you will have to compensate the land owners along the route and yet we already have railway land, all the way from Kisumu to Luanda.

I wonder why the Kenya Railways has decided to avoid that route and they are using alternative routes, which effectively means that the Kisumu-Luanda portion will be left out of this project. That does not make any economic sense to us, as leaders in that region.

We therefore would like to not only know about the feasibility studies, but we would like the Committee to find out what is the route plan for this project, so that deserving areas like Luanda, which already has railway facilities can also benefit from this project. Luanda area has a lot of infrastructure and not just land.

Recently, the Government also launched an industrial park which makes sense, because if we have the SGR and we have an industrial park, it means the products that will be produced in the industrial park will be transported easily by railway to different parts of the world.

Mr. Speaker, Sir, I, therefore, think this project needs to be re-looked at, because already it is showing signs of--

The Speaker (Hon. Kingi): One minute Senator before you to conclude your thoughts.

Sen. Osotsi: Mr. Speaker, Sir, it is already showing signs of high costs, because clearly, the plans the planners of this SGR have in mind is to try and divert the railway line to areas where they can have land negotiated and bought, leaving out areas which already have land, like the patch between Lela, Maseno and Luanda.

I fully support this Statement. When this matter was brought to my attention, I opposed it and said it was not fair to exclude the Vihiga area, particularly Luanda, from this project.

I support this Statement by Sen. (Prof) Tom Ojienda, my neighbour, who has now officially rejoined the Orange Democratic Movement (ODM) Party.

The Speaker (Hon. Kingi): Next Order.

MOTION

ADOPTION OF REPORT ON THE 2025 BUDGET POLICY STATEMENT

The Speaker (Hon. Kingi): The Chairperson of the Standing Committee on Finance and Budget, proceed.

Sen. Ali Roba: Thank you, Mr. Speaker, Sir. I beg to move-

THAT the Senate adopts the Report on the Standing Committee on Finance and Budget on the 2025 Budget Policy Statement laid on the Table of the Senate on Wednesday, 12th March, 2025, and pursuant to section 25(7) of Public Finance Management Act and Standing Order No.187(7) of the Senate, the Senate approves the 2025 Budget Policy Statement.

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Section 25(2) of the Public Finance Management Act, Cap. 412A, provides that the National Treasury shall submit to Parliament a Budget Policy Statement on or before the 15th of each year. Pursuant to these provisions, the National Treasury and Economic Planning submitted the Budget Policy Statement to Parliament on 13th February, 2025. Subsequently, the 2025 Budget Policy Statement was tabled in the Senate at its plenary sitting held on 13th February, 2025, and thereafter it was committed to this Committee for processing.

The Budget Policy Statement is a Government policy document that sets out broad strategic priorities of the Government and how to fund them, including borrowing. The Budget Policy Statement ordinarily contains an assessment of the current state of affairs of the economy, including the macro-economic forecast as well as Government priorities in terms of the current pillars of growth and strategic directions. It also includes the financial outlook concerning Government revenues and expenditures as well as a borrowing framework to finance the budget over the next financial year and the medium term.

It also includes the proposed expenditure limits for the national Government, including Parliament and the Judiciary, as well as the shareable revenue indicative for county governments. It also includes the fiscal responsibility principles and objectives over the medium term, including limits on the total debt.

The Committee engaged with various stakeholders among them, the Commission on Revenue Allocation (CRA), the Council of Governors (CoG), the Institute of Certified Public Accountants of Kenya (ICPAK), the Bajeti Hub, the County Assemblies Forum (CAF), the Institute of Public Finance, HENET, the Institute of Economic Affairs, Okoa Uchumi, among others. In total, we engaged with 13 constitutional commissions and two independent offices. Members of the public like Mr. Kelvin Ronyo, Mr. Peter Njoroge and Mr. Eliud Matindi, have also submitted their memorandum to the Committee.

The theme of the 2025 Budget Policy Statement is consolidating gains under the bottoms-up economic transformation agenda for inclusive green growth. The Policy envisions global economic growth of 3.2 per cent in 2024 and projected 3.3 per cent growth for 2025 and 2026.

Economic growth in developing economies like ours was projected to stabilise at 4.2 per cent. I am happy to report that ours stabilised at 4.6 per cent in the preceding year, supported by technological advancement, a growing consumer base, and infrastructure development.

The National Treasury initially projected economic growth for 2024-2025 at 5.6 per cent, but the actual performance declined to 4.6 per cent. The Budget Policy Statement projects that in the coming years 2025-2026 and 2026-2027, the economy will grow at 5.3 per cent in both those two years. This expected improvement from 4.6 per cent is attributed to expected agricultural performance favourable in the current financial year to continue in the coming financial year, supported by Government policies such as subsidised fertiliser and stabilisation of our currency.

The Budget Policy Statement indicates that inflation has gone down and remained within the five per cent target band since 2024. It was primarily driven by substantial drops in energy prices globally and ongoing moderation of food prices, which have also

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stabilized. Key contributors to the decline in overall inflation are consistent with negative growth in fuel and food prices in the country between January, 2024 and January, 2025, especially due to currency appreciation of the Kenya shilling, which now stand at about 128.5 to the dollar.

Under the revenue outlook, the projected total revenue collection for the Financial Year 2025/2026 is Kshs3,385.8 billion, which is about 17.6 per cent share of the Gross Domestic Product. This represents an improvement of 11 per cent, which translates to Kshs325.8 billion.

Relative to this projection of Kshs3.60 trillion for the financial year 2024, the outlook is better. The Government expects to collect Kshs2,825,000,000 as ordinary revenue and Kshs550.7 billion from ministries in the form of appropriation-in-aid.

In the first half of 2024/2025, our economy's total performance fell short of the target by Kshs107.7 billion from the projected Kshs1,442,300,000,000 as of December 2024, with a collection that was realised of Kshs1.3 trillion. This was majorly occasioned by the underperformance of ordinary revenue to the tune of about Kshs93.3 billion.

The 2025 Budget Policy Statement proposes several initiatives to improve revenue collection, including operationalising national tax policy and the medium-term revenue strategy from 2025/2026 to 2026/2027.

The proposed overall budget for the Financial Year 2025/2026 is projected to be Kshs4.336 trillion, which is 9.8 per cent, translating to Kshs387.7 billion above the approved expenditures in Supplementary Estimates One for the Financial Year 2024/2025. The main drivers of the increase in the proposed expenditures are the national Government ministerial expenditures, which are set to increase by 11 per cent, translating to Kshs261.6 billion.

Increased expenditures under Consolidated Fund Services (CFS) of Kshs131 billion, and the projected fiscal deficit for Financial Year 2025/2026 at Kshs831 billion, which stands at 4.3 per cent of the Gross Domestic Product (GDP), from the actual borrowing for Financial Year 2023/2024, which was Kshs880.5 billion.

Mr. Speaker, Sir, the shareable or ordinary revenue is expected to grow from the projection of Kshs2,575.9 billion at the end of Financial Year 2024/2025 to Kshs2,835 billion in the Financial Year 2025/2026. Out of this, the Budget Policy Statement (BPS) proposes to allocate Kshs405.1 billion to county shareable revenue, which is equivalent to 14 per cent of the shareable revenue. This is translating to about Kshs17 billion increase from the current Kshs387.4 billion allocated in Financial Year 2024/2025.

Mr. Speaker, Sir, the Government proposes an additional allocation to county government to the tune of Kshs69.8 billion in the Financial Year 2025/2026 as additional revenues to county governments. The additional resources are Conditional Grants, translating to Kshs12.89 which is directly from the national Government share, and proceeds from loans and grants from development partners, translating to Kshs56.91 billion.

Mr. Speaker, Sir, in the Financial Year 2025/2026, the Government proposes to allocate Kshs10.5 billion to the Equalization Fund, out of which Kshs7.8 billion is the 0.5 per cent constitutional requirement and Kshs2.7 billion as contributions towards arrears; which has never literally worked. The arrears now stand at almost 39 billion.

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Mr. Speaker, the fiscal risk relating to county governments also has been indicated in the BPS. From a projection of Kshs80.9 billion of Own Source Revenue (OSR) collection, the county governments for Financial Year 2023/2024 only managed to collect Kshs58.9 billion, which indicates a revenue shortfall of Kshs22 billion.

The Committee held a total of 12 sittings to deliberate on the BPS and made several observations, which include-

(a) The proposed revenue mobilization strategy as contained in the BPS for 2025/2026 is similar with the one that they proposed in 2024/2025 BPS, which raises concern about the effectiveness of these initiatives in regard to expected robust revenue performance as projected by the BPS.

(b) The planned borrowing of Kshs684.2 billion from the domestic market and Kshs146.8 from the external sources to finance the projected budget deficit of Kshs831 billion for Financial Year 2025/2026 may lead to crowding out private sector lending as banks will prefer lending to Government over the private sector.

This also poses a major risk to the private businesses in the country. The most preferable situation is that of larger borrowing from the international lenders and limiting borrowing from the local market.

(c) The ordinary revenue is projected to grow by about 10 per cent, which is an increase of Kshs259.1 billion. However, despite this overall growth, the county equitable share for Financial Year 2025/2026 is proposed to increase by a paltry Kshs17.7 billion.

(d) In December 2024, the Intergovernmental Relations Technical Committee (IGRTC), identified and delineated and transferred several functions to county governments. However, the BPS 2025 does not outline a framework for allocating resources to the transferred functions; which is necessary resources to support these functions.

The absence of clear policy direction contradicts the principle that resources follow functions, potentially hindering effective service delivery at the county level.

Mr. Speaker, Sir, the Government intends to scale up funding for the road sector, including financing and settlement of pending bills. The road sector, as you know, is very key to mobility and economic performance of this country.

However, there are limited finances and there have been accrued pending bills by both levels of Government. However, in this regard, the BPS has not brought out that aspect of clarity on the borrowing of the infrastructure bond that is intended to be floated. This would be financed by the increase levy of Kshs7 per litre that was projected so that we could settle the road sector pending bills. It also includes using part of the Road Maintenance Levy Fund (RMLF) as security to borrow and raise additional funds of about Kshs175 billion to pay pending bills.

Mr. Speaker, Sir, it is not only the national Government which has pending bills on the road sector. The county governments also have pending bills. The additional Kshs7 following the rise of the levy from Kshs18 to Kshs25 in July last year is intended to finance the bond to collect about Kshs175 billion. This major shift means front-loading the use of RMLF by accessing quantum amounts now and use the periodic collection to offset the facility.

The Committee has recommended setting aside Kshs13.9 billion from the expected collection of RMLF for Financial Year 2025/2026 and a proportionate amount as a share of the Kshs175 billion to also facilitate county governments to offset their pending bills on roads.

Mr. Speaker, Sir, while recent Cabinet proposal to merge Kenya Urban Roads Authority (KURA) and Kenya Rural Roads Authority (KeRRA) is a step in the right direction, the BPS has not addressed itself to the issues relating to what that will entail in both those entities.

The Committee made several recommendations which included financial recommendations as follows-

(a) The county equitable share for Financial Year 2025/2026 be increased to Kshs465,001,459,673 for the county government.

(b) The national Government equitable share to be apportioned at Kshs2,359,449,965,860.

(c) That the Equalisation Fund be allocated Kshs10,589,554,076.

(d) That Additional Allocations to counties be Kshs69,802,409,624.

The commissions and independent entities that appeared before this Committee have presented very justifiable reasons why some adjustment in terms of budgetary allocation is to be realized. The cumulative allocation proposed by the Committee is about Kshs2.4 billion for Financial Year 2025/2026.

The justification by the Committee for the proposal of Kshs465 billion to shareable revenue to county governments is as follows-

The Committee's recommendation on the county equitable share to be set at Kshs465 billion is informed by consideration of the prevailing economic conditions in the country such as general economic performance, expected revenue inflation factors, among others. Further, the Committee took into account the non-discretionary expenditure from the national Government priorities expected to be implemented by the counties.

Mr. Speaker, Sir, the Ksh465 billion is based on the approved Division of Revenue Act No.7 of 2024, which contained an allocation of Ksh400.01 billion, adjusted by an inflation factor of about 4 per cent bringing that figure to Ksh416 billion. This normally covers the additional growth in shareable revenue and general inflation in the economy.

On top of this, the committee added the following non-discretionary expenditure to be borne by counties as follows-

The impact of Housing Levy, which is legislation passed at the national level that has a direct impact on the counties, amounting to Kshs4.1 billion; Contributions to National Social Security Fund (NSSF) which was enhanced, that translates to about Kshs6 billion.

In addition to that, we have the matching allocation on county aggregation industrial parks, which is a national Government priority project meant to improve the market situation within the country, amounting to Kshs11.8 billion; matching allocation to Community Health Promoters (CHPs) which was a pronouncement of the national Government, which is shared on 50-50, amounting to Ksh3.23 billion; An annual wage

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increment in the Integrated Personnel and Payroll Database (IPPD) system, which happens automatically, amounting to Kshs6.3 billion cumulatively for the 47 counties; and basic salary increment as per the Doctor's Collective Bargaining Agreement (CBA) 27/2021 execution of return to work formula of Kshs3.5 billion, all totaling to an extra Ksh34.9 billion, which is required to be financed by the counties.

At this juncture, allow me to bring to the attention of the Senate that from the time we suffered COVID-19 pandemic, shareable revenues to county government have stagnated. For two financial years, it remained at Kshs370 billion. Then there was a marginal adjustment that moved it to Kshs385.

The only reasonable movement upward was when we proposed Kshs400 billion. That was later, through an amendment to the Division of Revenue Act, brought it down to Kshs387.7 billion, meaning the county governments for approximately almost four to five years have not realised any substantive revenue increase, while the revenues of Government have continuously performed well in terms of increment year after year, which justifies the position that we as the committee recommend for the House to adopt.

Further, it is expected that the sharing of equitable revenue among counties in the Financial Year 2025/2026 shall be used based on the proposed fourth basis of revenue sharing, which based on the controversies that crowded the third basis of revenue sharing in this same Senate, we envisage a challenging situation ahead.

Based on that, the committee in its wisdom has proposed Kshs14 billion to cushion all counties from the transitional effects of the new basis of revenue sharing. All these add up to Ksh465 billion and hence the committee recommends the House adopt this county equitable share for the Financial Year 2025/2026.

Mr. Speaker, Sir, finally, I appreciate all stakeholders who appeared before this committee other than our traditional stakeholders, we have engaged with 13 constitutional commissions and two independent bodies for the first time.

I extend our appreciation to the Members of the Committee of Finance and Budget who had to endure long hours to be able to engage with these strategic stakeholders to take the input. I also wish to appreciate your office and that of the Clerk for facilitating committee activities flawlessly without any itch.

Mr. Speaker, I request hon. Senators to approve the committee's report on the 2025 Budget Policy Statement (BPS).

As I move, I wish to request Sen. (Dr.) Khalwale, to second.

Sen. (Dr.) Khalwale: Mr. Speaker, Sir, I rise to second this Motion. Before I do so, I beg you to allow me. This Chairman who has just moved the Motion, Sen. Eddy Oketch there, Sen. Abdalla, Sen. Okenyuri, Sen. Mariam and myself have spent a lot of time, painstakingly listening to all commissions, combing through this BPS to bring you a quality report. See the level of participation in the House. We are joking.

We have been saying all over that the Senate should be allowed to look at the budget and that the National Assembly should not be the only one doing it. Where are we today when we are discussing the same matter of the little intervention that we have been given? This deceit must end in this country. Leaders have come to Nairobi to joke with the lives of the people. Today, thanks to the lead that was given by the Chairperson I have made shocking discoveries in the BPS.

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Sen. Richard Onyonka has been speaking time without end about budgeted corruption. Inside this BPS, truly there is documented evidence of budgeted corruption. The way they have done it in this one is that they have taken Kshs29.77 billion that is supposed to go to counties, to the national Government. By taking it to the national Government, before you look at it, you can scream that the principle of the national Government carrying out functions that are meant to be done by a devolved structure of government is the only one they are abusing. They have done far more. In the process, they have made an amorphous reference to projects and programmes that they will never implement.

As I second, allow me to draw the attention of this Senate and the whole country to these big jokes. No wonder the Cabinet Secretary of Finance and Economic Planning chickened out. He did not come before us because he knew we were to draw his attention to the Kshs29.77 billion which he is allowing to be taken away from county governments. If that money had been allowed to go to county governments, the shareable revenue would have risen from Kshs387 billion that we have given counties to Kshs419 billion. This is a crime scene.

Mr. Speaker, Sir, allow me, I know you will not refuse, to move a Motion of censure against the Cabinet Secretary for Finance and Economic Planning to send him a clear message. He cannot tell the media that he cannot come before our committee because he expects us to make reference to the presentation he gave in the National Assembly. He is underrating this institution to very high levels.

In this misadventure, a sum of Kshs7.2 billion meant for health by county governments has been removed and brought to Afya House. To do what? A sum of Kshs50 million to go to Kigumo Hospital in Nyeri County. Why can they not allow the Governor of Nyeri to implement that development worth Kshs50 million in his hospital in his county?

Secondly, a sum of Kshs50 million to go to Kibugwa Health Centre in Tharaka Nithi. Why can they not allow the Governor of Tharaka Nithi to preside over that development?

Mr. Speaker, Sir, a figure of Kshs100 million is to go to Kiambu to Lusigetti Hospital in Kikuyu Constituency. This is not equity. In the entire Nyanza province has one such a hospital serving four million people. However, in Kiambu, there are five such hospitals. As to keep on adding insult to injury, they can afford to add them another Kshs100 million. This is a House of equity. We want to call the National Treasury to order. This is deal cutting and not budgeting.

They have also entered an amorphous thing and they call Reproductive Maternal Neonatal Care Child and Adolescent Health Project. They have given it Kshs1.8 billion. They can lie to some of the Senators, but you cannot lie to me. I am a doctor of medicine. I know what you are talking about. This is an opportunity to remove money from the budget. Mr. Speaker, Sir, cause the Cabinet Secretary to come before us. We want to pin him down so that this is corrected before we go to printed estimates.

They have put another provision called Free Maternity Programme. All Kenyans watching me now know that the Linda Mama Programme is not functional. It is the one where mothers used to get free treatment. Now in the budget, they have put Kshs2.04

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billion for a programme that is not functional. On what do they want to expend these Kshs2 billion? This country is so rich. If we can afford the luxury of billions just disappearing at Afya House, imagine if that money would be pumped into our schools or hospitals. We have a great country, but we must do more as leaders.

If you go to the road sector, projects that should have been done by county governments worth Kshs1.011 billion have been taken to the national Government to work on rural access roads. They have allocated Kshs65 million to Kajiado County. Why can they not allow Gov. Ole Lenku of Kajiado to have this Ksh65 million and he will decide using his county assembly, on which access roads will be done? It simply means they want him to use the paltry budget that he has to fix those access roads. There will be double accounting. The people at the Ministry of Roads and Transport will say those roads were fixed at Kshs65 million. It is only Parliament which can correct this anomaly. At this time, we happen to be the parliamentarians. The Senator of Mandera, on your way from Isiolo all the way to Mandera, have you ever in your life seen a Government project of constructing bus stages? These are modern stages being constructed. You go to Kigali in Rwanda, they have constructed proper stages, but we have none.

Consequently, in this budget line number 1091175200 is for construction of such stages. How much money is set aside, a sum of Kshs203 million that will never be spent and that will make some people look richer than me. You are not richer than me I am telling you. You are so poor. You will go to your graves with a big debt of Kshs203 million and I will walk to heaven with no debt of stolen money.

Mr. Speaker, Sir, we cannot allow the Executive to get away with this. How can they allocate Kshs203 million to construct bus stages and yet you have never seen one in Kilifi County? I do not know whether you have seen those bus stages in Migori County. I have served this country as a doctor in Kwale, Mombasa, Kisii, Nairobi, Kirinyaga and Kakamega counties, but I have never seen bus stages being constructed. This is theft.

I want to conclude by speaking to the Kshs300 million, which again has been gutted from the devolved structure of Government. They are telling us they are going to use it on enhancing community resilience and water security. Please take this Kshs300 million to Turkana or let Turkana share with Marsabit, so that they give our children their water. These are children of God.

Women in Turkana County spend their entire lives looking for water. They cannot be economically productive in their families and yet you have Kshs300 million that will sit here at the Ministry of Water, Sanitation and Irrigation at Maji House. People are going to share it and our children will continue scavenging for water in Lodwar, Kibish and all those places, yet the resources of the Republic of Kenya can support this.

I hope colleagues will do us a favour. If you want us to continue working for you, as a Committee of Finance and Budget, then please be here when we bring you the report of our work. Otherwise, I will not be coming to your meetings at 7.30 a.m., missing breakfast with my toothless daughter. When I see her toothless mouth as I eat, I feel very nice. However, you deny me that chance because I am coming to do this work, which looks like a thankless one.

With those many remarks, I second.

(Question proposed)

The Speaker (Hon. Kingi): Now, the Floor is open. Proceed, Sen. Eddy.

Sen. Oketch Gicheru: Mr. Speaker, Sir, I thank you for giving me this opportunity to also share some thoughts on this BPS for this year. I will start my comment today by looking at Chapter 15 of our Constitution. This Chapter is dedicated to commissions and independent offices. It states as follows-

“248. (1) This Chapter applies to the commissions specified in clause (2) and the independent offices specified in clause (3), except to the extent that this Constitution provides otherwise.”

It then goes ahead and lists all the independent commissions that we must have. Additionally, to Chapter 248 of the Kenyan Constitution, we are provoked as a country to think about the objects and authority and further on the funding of these commissions; the independent offices that we have established as a country.

There is a reason for these independent institutions. Prior to 2010, it was very difficult to predict, arrest, deter and eliminate graft in the country. All the commissions are structured to be independent to the extent that you can stop graft in the country. However, this House since inception in 2013 has done disservice to Article 249 (3) of the Constitution. It states that as follow-

“Parliament shall allocate adequate funds to enable each commission and independent offices to perform its function and the budget of each commission and independent offices shall be a separate vote.

This means that while in the mind of our colleagues in the National Assembly the Senate is not supposed to participate in the budget-making process in terms of active allocation and strong Money Bills that come out of this House, this Article of the Constitution makes it mandatory for the Senate to indeed participate in this process.

I congratulate this committee because for the first time all the commissioners were invited as partners to submit and give their eye-bird’s point of view position on the challenges they are facing in the budget-making process.

I am highlighting this because the Cabinet Secretary for the National Treasury and Economic Planning who used to be my party chairman, disparaged this committee by not showing up to listen to the committee’s asks. Our concerns were on the budget-making process and the BPS that is going to be a crux of what is going to inform the Finance Bill that will come in the next few coming months.

It is so wrong for my former chairman of the Orange Democratic Movement (ODM) party and the current Cabinet Secretary for the National Treasury and Economic Planning, Hon. John Mbadi, not to pay attention to this House’s asks to contribute to the budget-making process. This is so bad.

In the submissions made by the Controller of Budget (CoB), one of the biggest problems that we have been struggling with as a House that is supposed to do oversight on counties is the issue of automation of processes of requisition of money going to our counties. This is how this process works.

That is why if you look at this report, the committee has recommended significantly marginal increase on the money that is being given to these commissions.

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We have recommended about 10 per cent on average to all the other commissions. I hope commissions are listening to this House. That they must be added money to effectively make sure that there is no graft in our nation, Kenya.

The two watchdog commissions, the Office of the Auditor-General (OAG) and the CoB, have rightfully gained our respect from their submissions. They have made sure that they can have up to 20 per cent increment of the money that the National Treasury envisioned at what they should be given from the BPS. I will tell you why.

Due to time constraints, I will use an example of lack of automation of requisitions that CoB has to deal with every single moment. We went through this exercise with the Finance and Budget Committee in Migori County. If you go and look at the kind of requisitions that are made in our counties, for instance, you will find that the CoB is given requisition with invoices for commercial entities that have done supplies or any kind of works in counties to the tunes of X amount of money.

Mr. Speaker, Sir, after giving the authorization to governors as per Article 225 of the Constitution, you will find that those invoices are no longer in the Integrated Financial Management Information System (IFMIS) and Internet Banking (IB). If there were 100 invoices given to the CoB at the time of requisition, one invoice is given at the time of payment, consolidating all the other stakeholders who had supplied to a county to the extent that voiding has become part and parcel of our DNA for payment.

Mr. Speaker, Sir, money is getting lost in counties in ways that is embarrassing, demotivating and annoying because of lack of automation in the requisition process by the CoB. What is wrong if the CoB appears this House through our committee and makes a requisition for further financing to make automation possible?

I congratulate this committee for having strongly listened to all the commissioners to the extent that we have taken an active role in making sure that those commissions and independent offices have been added money in this budget-making process.

I hope that the Cabinet Secretary for the National Treasury and Economic Planning will listen to our proposals in this report. He should make sure that those commissions are given what is due to them. The independent offices should be empowered through this budget-making process to get adequate resources to perform their functions.

Second is the submission from the committee that I sit, the Standing Committee on Road, Transportation and Housing, that was given to this committee. Members can find that report. One of the things that we depicted is the fight that has continued to go on within the realms of Parliament and the corridors of court on the issue of Road Maintenance Levy Fund (RMLF).

In this report, we have said that if this report passes in this House, when the Finance Bill comes to these Houses and the issue of RMLF is not solved according to recommendations made by this committee in this report, we will not pass subsequent budgetary Bills in this House. There is a reason for that.

When RMLF came about, the Government was taking about Kshs18 from it. There has been a contention time without number on Kshs10 billion that is supposed to go to counties for a very simple reason. There are county and national Government roads, which are being used by Kenyans. You cannot take money from a levy that you are

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taking from Kenyans and choose to give one part of the Government to maintain those roads and the other is denied. The problem is so endemic.

Today I was dealing with a matter concerning Sang'alo to Kandui road, which is extremely important for the performance of businesses in Bungoma County. It is a national road about six kilometres. That road was given to county government to do it. It is taking a hit on the County Government of Bungoma because it needs about Kshs1.2 billion to do that road. The County Government of Bungoma has struggled and paid Kshs512 million to start that road and it has been tarmacked halfway.

When you look at the portion that the national Government was supposed to do which has made that road to stall, forcing the County Government of Bungoma to start thinking about budgeting for another Kshs212 million in this year's budget to continue with construction of that road, it is unfair. The RMLF has continued to be a battle that we are not winning. This time around, we should win it.

You will remember that last year, there was another levy that was increased on the same Fund, where Kshs7 was added on motorists. That Kshs7 was to further enable RMLF to continue being strong in terms of financing maintenance of the roads. That means that today, we are taking up to Kshs25 out of Kenyans to fund RMLF.

In this BPS, a sum of Kshs7 is not proposed to go and take care of roads that are supposed to be maintained. A figure of Kshs7 billion has been put into a road bond which has been floated in the capital markets. Trade and Development Bank (TDB) and other banks are already participating. The bond will help the national Government to deal with the backlog of pending bills on existing projects.

Currently, national roads have a pending bill of about Kshs175 billion. Out of that Kshs175 billion, we have got projects-affected persons who are still claiming about Kshs39 billion. It means that if it is not solved, then it becomes a crisis. The solution for solving it is RMLF where Kshs7 billion has now been put into a road bond.

The fundamental question we are asking is very simple. If the levy is taken on all Kenyans, why can the bond not also be divided between the national Government and the counties, so that counties that also have serious pending bills like Bungoma that I have just quoted, which has a pending bill of about Kshs212 million for the Sang'alo-Kanduyi Road. Why can they not also get a fair share of that road bond to deal with county government's stuck roads and pending bills that are related to roads that are maintained by the counties? It is in our report.

On the RMLF, the report recommends Kshs13.9 billion that must go to the counties because they deserve it. The report also recommends that we must also make sure that the road bond is shared with the counties.

As I finish, I want to echo the thoughts that have been shared by my brother, Sen. (Dr.) Boni Khalwale. Before I finish, this is such an important issue, but I am realising that there are no Members in this House to discuss. We only have Members of the Committee on Finance and Budget.

Mr. Speaker, Sir, under Standing Order No.1, perhaps you could rule that we are given more time to give the nation some ideas of what is going on. If there are no Members in the House yet this is a very important issue and I only have 20 minutes, but I can do justice to this particular BPS with another five more minutes, it is out of your

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discretion. I know that you have been a generous Speaker to us in this House. Perhaps you will consider that.

Mr. Speaker, Sir, as I said, the issue of budgeting for national functions *vis-à-vis* county functions is something we must confront. Under the Fourth Schedule of the Constitution, it is very clear, like day, functions of counties and those of the national Government. This conundrum of the national Government consistently hiding county functions in the budget-making process and taking it to the national Government instead of financing the counties is why this House was formed. This is why Article 96 of the Constitution exists to protect the interests of the counties and the ideology of devolution.

Mr. Speaker, Sir, I want to be precise and invite this House to see that Kshs29,774,229,484 is money that has been budgeted by the national Government on purely county functions. There is no excuse structurally, ideologically, financially, operationally, politically, or in whichever form you take it. Even in economic policy, there is no excuse to have this money go to the national Government. We cannot allow this. This Kshs29 billion must go to the counties.

In the spirit of the cooperation agreement that President William Ruto and Rt. Hon. Raila Amolo Odinga signed recently on the idea of entrenching, promoting, empowering and making sure that devolution works, they said that there is a possibility of concurrence between Parliament and the Executive to give counties even Kshs450 billion. We are now giving them a scientific solution to make sure that this money goes to the counties. The scientific solution is this---

(The amber light at the timer was switched on)

Mr. Speaker, Sir, I beg for five minutes to go through this.

The scientific solution is very simple. On Vote D133 on the State Department for Environment and Climate Change--- Look at that Vote in the BPS. On National Solid Waste Management, Kshs40 million that has been given to that department under the national Government must go to the counties. Dear Rt. Hon. Raila Amolo Odinga, dear President William Ruto, that money must go to the counties.

On vote D133-1 on Plastic Waste Management---

The Speaker (Hon. Kingi): Allow the hon. Senator a further five minutes.

Sen. (Dr.) Khalwale: On a point of information, Mr. Speaker, Sir.

The Speaker (Hon. Kingi): Sen. Oketch, would you like to be informed by Sen. (Dr.) Khalwale?

Sen. Oketch Gicheru: Sure, Mr. Speaker, Sir. I can always be informed by the Senator.

Sen. (Dr.) Khalwale: Mr. Speaker, Sir, I just want to inform the distinguished Senator for Migori because I can hear him daring and begging the President and the former Prime Minister. That is the beginning of where we get it wrong. The solution lies in this Parliament.

For your information, the Chairman of the Budget and Appropriations Committee is from the ODM. I have forgotten his membership number, but he is Hon. Atandi, MP. Can you please use your internal structure to inform him to carry out this, instead of

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giving the country the impression that the Republic belongs to the two principals; the President and the former Prime Minister?

(Laughter)

Sen. Oketch Gicheru: Mr. Speaker, Sir, that is very valid information, but I think the context is more important than the information. The context here is this. I know that the Senate Majority Whip was not involved in the signing of the cooperation agreement when the President and the former Prime Minister were doing it.

They pronounced themselves on this matter and said that it is possible to give counties Kshs450 billion. The National Assembly and the Senate might not have had a scientific way to get to Kshs450 billion because the committee has already recommended that we give counties Kshs405 billion.

This committee is never out of science and I am adding more science to it. Sen. (Dr.) Khalwale, if you look at the budget that has been proposed in the BPS, there is more money that should be added to Kshs405 billion to make it Kshs450 billion. That is what I am saying. I am informing you that on these Votes, these monies must go to counties.

Mr. Speaker, Sir, on Vote D1331, take the Kshs12 million that is put for sounds, chemical and waste management in Kenya, back to counties.

Enhancing community resilience and water security is a county function, therefore, Kshs300 million, must go to counties. On Vote D1152, State Department for Energy, the money that has been put aside, of Kshs1.4 billion for the last mile electricity connectivity, must go to counties.

Mr. Speaker, Sir, on the same Vote, critical rural access last mile connectivity, Kshs200 million must go to counties. On Vote D1162, State Department for Livestock and Development, Kshs20 million put for livestock production interventions, agriculture, must go to counties. On the same Vote, establishment of feedlots, fodder and pasture, a whopping Kshs50 million, must go to counties. On Vote D1104, State Department of Irrigation, smallholder irrigation program, Kshs7 billion must go to counties.

On community-based irrigation projects, Kshs1 billion must go to counties. On Vote D1091, State Department of Roads, access roads to affordable housing facilities, a whopping Kshs325 million, must go to counties. On access to roads to industrial park facilities, already counties are contributing to this and they are struggling in their physical space. Therefore, a whopping Kshs290 million, must go to counties.

Mr. Speaker, Sir, because of pressure of time, I must say that if I summarize, the old Vote around State Department for Medical Services, a Vote of Kshs7.2 billion, must go to counties. The Vote on State Department for the arid and semi-arid (ASAL) and regional development, a whopping Kshs2.7 billion must go to counties. On the Vote of State Department for Environment and Climate Change, which is coming to about Kshs374 million, must both go to counties.

[The Speaker (Hon. Kingi) left the Chair]

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[The Temporary Speaker (Sen. Wakili Sigei) in the Chair]

Let us insist as a House that we are not going to sit and watch as people claw back on devolution by using processes that deny counties the power to take control of the basic needs of our people, because that is what the Fourth Schedule that allocated these functions to county desired to do. Let counties have money to deal with their basic needs.

Mr. Temporary Speaker, Sir, with that, I support and want to be grateful to the Chairperson and Members of the Senate Standing Committee on Finance and Budget for being here so far until now.

Thank you.

The Temporary Speaker (Sen. Wakili Sigei): Sen. Eddy, thank you for the contributions that you have made to that Budget Policy Statement.

I have requests from Members who are not in the Chamber. Sen. Faki is not in the Chamber.

Sen. Essy Okenyuri, please proceed.

Sen. Okenyuri: Thank you, Mr. Temporary Speaker, Sir, for this opportunity.

First, before I go into contributing to the Budget Policy Statement, allow me to send my sincere condolences to the family and friends of Baby Riwadh Yasir Noor. In the Committee of Health, we were investigating this case of negligence. Unfortunately, we lost the baby and he is being buried today according to the Muslim traditions. It is very unfortunate that even the report on that baby is not yet out, for the family to get justice. May Noor's soul rest in eternal peace.

Mr. Temporary Speaker, Sir, I would like to now get back to the Budget Policy Statement. I am a Member of that Committee and we have taken quite a number of engagements to listen to the different stakeholders who came and their proposals. We had the independent commissions who came by and gave their proposals. Of interest was, the Kenya Human Rights Commission (KHRC).

We learnt that most of these independent commissions have no budget to open their offices in different parts of the country. Looking at the recent conflict that we have had at the border of the Kisiis and Maasais; had we had such a commission, it would be very easy to investigate injustices commissioned in those areas. So, because of lack of budget, this particular commission is not able to have an office in that region and residents in that area end up suffering because they have to travel all the way either to Nairobi or the nearest offices.

Mr. Temporary Speaker, Sir, if I follow what Sen. (Dr.) Khalwale was saying, Parliament has the space to correct some of these issues. We should not leave politics at play to determine what we are going to allocate. If we have the mandate to propose what budgetary allocations should go to what sectors, let us not leave that to appear that we are pleading with the two principles to actually give special consideration as my colleague Sen. Eddy was trying to put into context. There are several other issues that have come to play. Look at the health sector, the roads, and so many other issues which have been highlighted.

I would like to mention this particular issue that the Cabinet Secretary for the Ministry of the National Treasury and Economic Planning who failed to bring his views to this Committee because he had already submitted the same in the National Assembly.

As the Senate we are really missing the point. When the Constitution pronounces itself on what Parliament is, that, Parliament is both the National Assembly and the Senate, and we have a role to play because these are matters which are touching on counties. I feel the conduct of the Cabinet Secretary to this Committee needs to be noted, and the Senate needs to bite, or rather we get an explanation as to why the particular Cabinet Secretary decided to take the route he took, even after we as the Members of the Committee burnt the midnight oil trying to come up with this report to present to the House.

Mr. Temporary Speaker, Sir, overall projections show that inflation is within the targeted ranges that had been given, and this decline shows that we need to add more resources because initially we said inflation levels are very high, so we were cutting down on money that is going down to, for instance, counties.

Now that inflation is coming down, we expect that counties this time round are going to actually get more money. My plea to county chiefs, especially when it comes to use of this money, let us use money wisely so that we are not having county chiefs who are wasting public resources when we in Nairobi are working very hard to ensure that they are getting this money so that we have services closer to the people, are actually taking it for granted.

On the issue of own-source revenue, this is something we also need to touch on because most of the pending bills that we are talking about in this Budget Policy Statement are as a result of counties overestimating their own sources of revenue.

Mr. Temporary Speaker, Sir, I am working behind the curtains to have a proposal that will force counties to state what they can raise basing on their last own-source revenue they had raised. This is so that we do not have counties projecting more than they are able to actualize and then we end up with large amounts of pending bills.

We thank our Chair for being with Members of the Committee throughout this process and now we have this report for Members to contribute on. Unfortunately, we have few Members this evening and yet, these are matters that touch on their counties. Citizens from all counties are waiting to see what we have to say concerning ordinary people.

The Temporary Speaker (Sen. Wakili Sigei): Sen. Eddy, what is your point of order? Sen. Essy, resume your seat.

Sen. Oketch Gicheru: Mr. Temporary Speaker, Sir, this is a compassionate clause and I did not want to interrupt the Chair of Committee on Trade. I may get in trouble and yet, I have a Bill in that Committee but this is on a lighter note.

After consultations with a few Members on WhatsApp, I have realized that the House is seemingly empty because our colleague, Sen. Betty Montet, lost her husband and the service was today in the afternoon. Most of us were there yesterday on the eve of the service, but today is a major family service and a significant number of colleagues have gone to be with her.

I do not want to say that this is indicative of the House, but I have just been reminded that most of us have gone to be with our sister, Hon. Betty. Some of us are here to make sure that the House business is transacted and we will give this report the justice that it requires.

Mr. Temporary Speaker, Sir, I wanted to speak about this because Sen. Essy is concerned, just the way we are concerned with the population in this House.

The Temporary Speaker (Sen. Wakili Sigei): Thank you, Sen. Eddy. I believe that answers the concern that was raised by Hon. Essy Okenyuri on the whereabouts of the Members of this House.

Sen. Okenyuri: Thank you, Mr. Temporary Speaker, Sir. I also thank Sen. Eddy for being compassionate enough. We share the loss with our colleague, Sen. Montet and hopefully, we will be able to join the rest of our colleagues once we are done here.

I will look at what we, the Committee recommended. In order to bring services closer to the people, all these constitutional commissions need to have their independent offices decentralized to other counties so that we do not have people travelling long distances to get the services they require. This is so that we serve people because that was the whole essence of devolution.

I will not go much into this and I leave for my colleagues to contribute. I therefore support, Mr. Temporary Speaker, Sir.

The Temporary Speaker (Sen. Wakili Sigei): Sen. Mariam Omar Sheikh.

Sen. Mariam Omar: Thank you, Mr. Temporary Speaker, Sir, for giving me this opportunity. I stand here to support the report from the Committee on Finance and Budget considering I am also a Member of that committee.

Before I go on, I pass my condolences to baby--- from Kirinyaga and may the Lord put his soul in eternal peace.

Firstly, on the benefit of the budget, even if the Cabinet Secretary for National Treasury and Economic Planning is in that position, he does not know the benefits of a budget. I will highlight benefits of a budget. Budgets improve financial decision making, help in accountability and transparency. If the Cabinet Secretary knew the benefits of a budget like accountability and transparency, he would have come to the Committee to become accountable and transparent with regard to the budget.

A budget helps in managing debts and credits and encourages saving. The budget addresses unemployment. On unemployment, there is the value chain which the budget touches on and it has the agricultural side but they have left out the pastoralist communities. On the side of the health sector, there is Kshs29 billion budgeted under the Ministry of Health and yet, they are supposed to be devolution projects supposed to be done by counties. This was taken to the Ministry and I believe the Kshs29 billion must go back to counties.

Mr. Temporary Speaker, Sir, the other issue is on pending bills. If we had known the importance of a budget – accountability and transparency, we would not have such volumes of pending bills and they are supposed to be a first charge in the budget. When we were interacting with stakeholders, we realized that we called commissions and independent commissions. We had six of them. This was the first time we called

commissions and that showed that the Senate is fighting for its space and that the budget is for the two Houses and not the National Assembly only.

I was in the Committee listening to the stakeholders and what came to my attention were the oversight agencies - the Controller of Budget and the office of the Auditor-General. Most of their work is travel and expenses and their work is to go through all the documents of counties and the national Government and because of their travel expenses, their budget was cut. In that scenario, we will need the expenditure of the Auditor-General not to be touched because there is the key mandate of auditors.

Mr. Temporary Speaker, Sir, the Controller of Budget had put their budget at Kshs50 million for automation, but this has not been funded. As a Committee we requested for the Controller of Budget offices to be mandatorily automated so that they can link with the Ministry of National Treasury and Economic Planning and the Central Bank of Kenya. This kind of a link needs automation and is required so that when it comes to exchequer transactions and approvals, it will not take time. That is what the Auditor-General concluded.

The allocation of recurrent expenditure is under the Public Finance Management (PFM). In 2025, the projection is 79,123 from the proposals in the budget. The continuation in the increase in the debts service will also take a huge part of the budget which will be expected to be utilized as development budget.

Mr. Temporary Speaker, Sir, the county government's debt to Kenya Power amounted to Kshs4.3 billion as of November, 2024. Last week, there was a conflict between the county government and the Kenya Power. When I researched this conflict, I realised that Kenya Power is mistreating counties because it is a monopoly. Kenya Power should not be a monopoly. Energy and lighting are essential to our people. This is a fundamental right of each and every citizen.

With those few remarks, I support the report.

Thank you.

The Temporary Speaker (Sen. Wakili Sigei): Thank you, Senator Mariam. Omar. Senator Methu, proceed.

Sen. Methu: Thank you, Mr. Temporary Speaker, Sir, for giving me an opportunity to contribute to this particular Motion of the Committee of Finance and Budget, led by an able chairman, Sen. Ali Roba.

I have looked at the work that this particular Committee has done, and they have done justice to the 2025/2026 BPS. I want to save some time so that our colleagues can join our colleague, Sen. Betty Montet, who lost her husband, and the memorial service is ongoing.

I will go straight to the recommendations, especially the financial recommendations made by the Committee on Finance and Budget. I am happy that most independent offices appeared before the Budget and Finance Committee and expressed their frustrations, especially where they feel that the Senate, and particularly Parliament, should support them so that they become better at the work that has been apportioned to them.

I will start with the Office of the Auditor-General. Although we draw a mandate from Article 96 of the Constitution of Kenya and say that we are the body tasked with

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matters of oversight, as a person who has sat on a watchdog committee, I largely depend on the recommendations and work that the Auditor-General does.

If these offices are not well resourced—you know, I heard some people threatening the Auditor-General that if she continues unearthing the things she is on Social Health Authority (SHA) and other Government projects, they will reduce her funding in Parliament. This is a retrogressive statement. It claws back into the gains that we have made in terms of our financial prudence. As Sen. Eddy and I, or any other Senator sitting in any Committee, we just take recommendations raw as they come from the office of the Auditor-General. We may want to play oversight, but do we have the tools as a House? Do we have the expertise? We are just struggling with the oversight fund. We are struggling with the officers who will help us in our oversight offices in the counties. The people who can help us because they have the expertise, knowledge, and continuous training on this particular matter would be the office of the Auditor-General.

I am encouraged that the Committee has proposed that they add the office of the Auditor-General Kshs181 million so that they can hire even more and employ as much expertise as is required. What is Kshs181 million in a budget of Kshs4 trillion? This is an addition to protect resources. There are some people whose hands and fingers itch every time they see public resources. Every time they hear public resources anywhere, be it in the national Government or the county government, their fingers itch.

Unless you put a good and strong watchman, they will continue plundering our resources. I encourage the Committee of Sen. Ali Roba to continue funding and listening to these independent offices. They are our last line of defence. When occasionally Parliament does not step up on such matters out of our political inclination, sometimes, the independent offices always step up. On this particular issue of SHA, had the Auditor-General not come out, you would not have expected that that truth would come from Parliament, the Ministry or the President. So, we must continuously fund the office of the Controller of Budget.

The other office that has been funded is the Controller of Budget. Twice, we met the Controller of Budget as a Committee member of this House. In your county, Bomet, for example, I do not know what the pending bill would be or what the pending bills were in 2022 when your governor came in. The reason you hear that when he came in, the pending bills were Kshs700 million, and right now, they are either at Kshs700 million or are growing because they never pay these pending bills. What they do, and a colleague has aptly put it, is that they will make a requisition that we want to go and pay company X because they supplied goods X and presented the documents. The payment process for the Integrated Financial Management Information System (IFMIS) is 13 or 14 steps. They will upload all your documents to make that requisition, from procurement to step No. 12, which is called validation. Step No.13 is Internet banking one, and step No.14 is Internet banking two. Once that requisition comes to the Control of Budget, they will just look and see. The agreement is that every requisition must include a portion for pending bills. However, once that money has hit the county revenue fund, they do a mischievous thing that they call voiding. They void that transaction.

The money meant to pay Kamau ends up paying Omondi. The money meant to pay Company Y ends up paying Company Z. Company Y's documents will continue to

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be used to draw money from the consolidated fund and confuse the Controller of Budget if we do not resource this office so that we can get a system that the Controller of Budget can trace this money. That the money went straight to the County Revenue Fund, and that money was used for the specific reason why the money was requested, or the requisition was made for.

Maybe you may know or not that the way our Constitution has been made, we are not deficient in the rules that we have. One of the requirements that we have is that the development budget for every county or even the national Government, must be at least 30 per cent of the entire budget. People will make a requisition and say that they are using the money for development. Once that money hits the County Revenue Fund, it is voided and used for recurrent expenditure.

We cannot stop this vice unless the Controller of Budget has a view of how this money is moving from the Consolidated Fund to the County Revenue Fund to the specific account of requisition. If it is X who requested it, that money must end up there. I do not want to buttress that point, but it is extremely important.

I have seen a proposal to add some money to the Commission on Revenue Allocation (CRA). More specifically, I have seen that they want to try to develop a formula and a system that will help---

The Temporary Speaker (Sen. Wakili Sigei): Sen. Methu, there is a point of order from Sen. Ali Roba. Resume your seat.

QUORUM

Sen. Ali Roba: Mr. Temporary Speaker, Sir, I regret stopping my colleague from continuing, but he will have time to finish his discussions.

I rise pursuant to Standing Order No.41 on Quorum during proceedings of the Senate. It seems that we may not have the right quorum to transact the business of the Senate.

Thank you.

The Temporary Speaker (Sen. Wakili Sigei): Clerk, confirm that we do not have quorum. Serjeant-at-Arms, ring the quorum bell for 10 minutes.

(The Quorum Bell was rung)

ADJOURNMENT

The Temporary Speaker (Sen. Wakili Sigei): Hon. Senators, having failed to attain the quorum at the expiry of 10 minutes, the House stands adjourned pursuant to Standing Order No.41(2)(a) until Tuesday, 18th March, 2025 at 2.30 p.m.

When the House resumes, Sen. Methu will have a balance of 10 minutes to contribute to the Motion that was going on at the time of this adjournment.

The Senate rose at 5.20 p.m.

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