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# REPUBLIC OF KENYA THE NATIONAL ASSEMBLY

THIRTEENTH PARLIAMENT - FOURTH SESSION- 2025

DEPARTMENTAL COMMITTEE ON TRANSPORT AND INFRASTRUCTURE

## **REPORT ON:**

THE CONSIDERATION OF THE KENYA ROADS (AMENDMENT) (NO. 2) BILL, (NATIONAL ASSEMBLY BILL NO. 16 OF 2025)

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SPEAKER'S OFFICE P. O. Box 41842, NAIROBI.

Report of DC-on Transport & Infrastructure on its consideration of the Kenya Roads (Amendment) (No.2) (National Assembly Bill No. 16 of 2025)

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## **ABBREVIATIONS**

CEO - Chief Executive Officer

CPSEs — Central Public Sector Enterprises (India)

DPE - Department of Public Enterprises (India)

PSC – Public Service Commission

SCAC - State Corporations Advisory Committee

SOEs - State-Owned Enterprises

# LIST OF ANNEXURES

Annexure I: Signed list of Members who attended the sitting that considered and adopted the report.

Annexure 2: Minutes of the Committee on sittings considering the Bill and adoption of the report

Annexure 3: Copy of the Kenya Roads (Amendment) (No.2) Bill, 2025.

Annexure 4: Correspondence to stakeholders requesting for submission of Comments.

Annexure 5: Newspaper advertisement inviting the public to submit memoranda on the Bill.

Annexure 6: Written submissions from Stakeholders.

#### CHAIRPERSON'S FOREWORD

The Kenya Roads (Amendment) (No. 2) Bill (National Assembly Bill No. 16 of 2025) was read a First Time on 16<sup>th</sup> April, 2025 and subsequently committed to the Departmental Committee on Transport and Infrastructure for consideration and reporting to the House pursuant to National Assembly Standing Order 127.

While conducting public participation, the Committee placed advertisements in the print media of 18<sup>th</sup> April, 2025, seeking comments from the public on the Bill pursuant to the provisions of Article 118 of the Constitution and Standing Order 127(3). The Committee also invited relevant stakeholders, namely the Ministry of Roads and Transport, the State Corporation Advisory Committee (SCAC), the Engineers Board of Kenya and the Public Service Commission, to submit comments on the Bills. Their submissions are included in this report.

The Committee is grateful to the Offices of the Speaker and the Clerk of the National Assembly for the logistical and technical support accorded to it during the consideration of the Bill. I wish to express my appreciation to the Committee Members and the Committee Secretariat for their resilience and devotion to duty, which made the consideration of the Bill successful. Finally, I wish to express gratitude to the Members of the public who submitted their views and comments on the Bill in the course of public participation. Their views and comments indeed were vital in the consideration of the Bill.

On behalf of the Committee and pursuant to the provisions of Standing Order 199 (6), it is my pleasant privilege and honor to present to this House the report of the Committee on its consideration of the Kenya Roads (Amendment) (No. 2) Bill (National Assembly Bill No. 16 of 2025).

HON. GK GEORGE KARIUKI, CBS, MP CHAIRPERSON

#### **CHAPTER ONE**

#### 1.0 PREFACE

## I.I Introduction and Committee Mandate

- 1. The Departmental Committee on Transport and Infrastructure is established under the National Assembly Standing Orders No. 216 (1). The functions and mandate of the Committee as per Standing Orders, No. 216(5) include:
  - a) To investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned ministries and departments;
  - b) To study the programme and policy objectives of Ministries and departments and the effectiveness of their implementation;
  - c) To study and review all the legislation referred to it;
  - d) To study, access and analyse the relative success of the Ministries and departments as measured by the results obtained as compared with their stated objectives;
  - e) To investigate and inquire into all matters relating to the assigned Ministries and departments as they may deem necessary, and as may be referred to them by the House;
  - f) To vet and report on all appointments where the Constitution or any law requires the National Assembly to approve, except those under Standing Order No.204 (Committee on appointments);
  - g) To make reports and recommendations to the House as often as possible, including recommendation of proposed legislation;
  - h) To consider reports of Commissions and Independent Offices submitted to the House pursuant to the provisions of Article 254 of the Constitution; and
  - i) To examine any questions raised by Members on a matter within its mandate.
  - j) To examine treaties, agreements and conventions;
- 2. The subject matter of the Departmental Committee on Transport and Infrastructure are stated in the Second Schedule of the National Assembly Standing Orders as follows: Transport, including non- motorized transport and maintenance of Roads, rails, air and marine transport, seaports and national integrated infrastructure policies and programmes and transport safety.

# 1.2 Committee Subjects and Oversight

- 3. The Committee is mandated to consider the following subjects as per the second schedule of the Standing Orders:
  - (i) Transport, including non-motorized transport;
  - (ii) Construction and maintenance of roads;
  - (iii) Rails, air and marine transport; Seaports and national integrated infrastructure
  - (iv) policies and
  - (v) programmes; and
  - (vi) Transport safety.
  - 4. The Committee oversights the Ministry of Roads and Transport which has three (3) state departments namely:
  - i) The State Department for Roads;
  - ii) The State Department for Transport; and
  - iii) The State Department for Aviation and Aerospace Development.
- 5. Further, Committee oversights the State Department for Shipping and Maritime Affairs which is under the Ministry of Mining, Blue Economy, and Maritime Affairs.

# 1.3 Committee Membership

6. The

Committee

comprises

the

following

Members:

The Hon. G.K. George Kariuki, CBS, M.P - Chairperson
Ndia Constituency
United Democratic Alliance Party

The Hon. Mutua Didmus Wekesa Barasa, M.P- Vice- Chairperson Kimilili Constituency

# United Democratic Alliance Party

The Hon. Arama Samuel. M.P Nakuru Town West Constituency

**Jubilee Party** 

The Hon. Abdul Rahim Dawood, M.P. North Imenti Constituency

Independent

The Hon. Kiunjuri Festus Mwangi, M.P.

Laikipia East Constituency

The Service Party

The Hon. Bady, Bady Twalib, M.P.

Jomvu Constituency

**Orange Democratic Movement Party** 

The Hon. Naicea, Johnson Manya, CBS, M.P.

Mumias West Constituency

**Orange Democratic Movement Party** 

The Hon. Elsie Muhanda, M.P.

Kakamega County

**Orange Democratic Movement Party** 

The Hon. Francis, Kajwang' Tom Joseph,

CBS, MP

Ruaraka Constituency

Orange Democratic Movement Party

The Hon. Chege John Kiragu, M.P.

Limuru Constituency

United Democratic Alliance Party

The Hon. Kiaraho, David Njuguna, M.P. Ol

Kalao Constituency

Jubilee Party

The Hon. Abdirahman, Husseinweytan

Mohamed, M.P.

Mandera East Constituency

**Orange Democratic Movement Party** 

The Hon. Komingoi Kibet Kirui, M.P.

Bureti Constituency

**United Democratic Alliance Party** 

The Hon. Saney Ibrahim Abdi, M.P.

Wajir North Constituency

**United Democratic Alliance Party** 

The Hon. Jhanda Zaheer, M.P

Nyaribari Chache Constituency

**United Democratic Alliance** 

#### 1.4 Secretariat

7. The following Members of Staff service the Committee:

# Head of Secretariat Ms. Tracy Chebet Koskei Principal Clerk Assistant II

Mr. Mohamednur M. Abdullahi

Clerk Assistant

Ms. Clare Chopper Doye

Clerk Assistant

Mr. Abdinasir Y. Moge

Fiscal Analyst

Mr. Erick Kariuki

Research Officer

Ms. Faith Makena

Serjeant-at-Arms II

Mr. Clinton Sindiga

Legal Counsel

Ms. Rinha Saineye

Media Relations Officer

Mr. Danton Kimutai

Audio Officer

## **CHAPTER TWO**

#### 2.0 BACKGROUND

#### 2.1 Introduction

- 8. The Kenya Roads (Amendment) (No. 2) Bill (National Assembly Bill No. 16 of 2025) is sponsored by Hon. Kimani Ichung'wah, EGH, M.P, the Leader of the Majority Party. The Principal object of the Bill is to amend Section 13 of the Kenya Roads Act, Cap 408, to align the Act with the *Mwongozo* Code of Governance for State Corporations.
- 9. The Code of Governance provides that Chief Executive Officers or equivalent positions of State Corporations shall serve for a term of three (3) years, renewable once, subject to satisfactory performance of the person holding the office.

#### 2.2 Overview of the Bill

- 10. The Bill contains three (3) clauses for consideration:
  - 1) Clause I of the Bill provides for the short title.
  - 2) Clause 2 of the Bill provides that section 13 of the Act be amended by deleting the word "five" and substituting therefor the word "three".
  - 3) Clause 3 of the Bill is a transitional clause. It provides that "A person who immediately before the commencement of this Act held office as a Director-General shall serve for the unexpired period of his or her term and shall be eligible for a person serving the first term, for appointment for one further term of one year."

## 2.3 Mwongozo Code of Governance

- 11. A State Corporation is a body corporate established under section 3 of the State Corporations Act, Cap 446, or by an act of Parliament, or under the Companies Act, Cap 486, where the Government controls majority or all the shares<sup>1</sup>.
- 12. The Code of Governance for State Corporations, "MWONGOZO," was issued jointly in 2015 by the Public Service Commission (PSC) and State Corporations Advisory Committee (SCAC). The President issued Executive Order No 7 to implement the Code.
- 13. Mwongozo addresses matters of effectiveness of Boards, transparency and disclosure, accountability, risk management, internal controls, ethical leadership and good corporate citizenship. It seeks to ensure that sustainability, performance and excellence become the hallmark of management of state corporations.
- 14. On term limits for Board members, the code provides that:
- 15. The tenure of Board member shall not exceed a cumulative term of six years or two terms of

three years each.

- 16. The renewal of Board Member's tenure for a second term should be subject to a favourable evaluation.
- 17. On appointment, composition and size of the Board, the Code among others provides that the Chief Executive Officer shall be a Board member with no voting rights and Board Membership of all state corporations shall be between seven and nine members.
- 18. The Departmental Committee on Transport, Public Works and Housing in the 12th Parliament considered and recommended amendment to the Kenya Roads Act, 2007 to enhance the term of office and the qualifications for appointment as Director-General under the Act, through the Kenya Roads (Amendment) (No 13) Bill, 2021. The proposal amended section 13 by deleting the word "three" appearing immediately after the words "term of" and substituting therefor the word "five". It was assented on 24th February 2022 and commenced on 21st March, 2022.
- 19. The Committee in its Report observed that the term of office of the Director-General from three years to five-years had been contained in the Kenya Roads Bill, 2017 which was lost at mediation<sup>2</sup>.
- 20. In a court case regarding the appointment of the chief executive officer (CEO) of the Export Processing Zones Authority "Okoiti v The Board, Export Processing Zones Authority & 3 others; Otieno (Interested Party) (Petition E133 of 2021) [2022] KEELRC 3771 (KLR) (29 July 2022) (Judgment), The Employment and Labour Relations Court in its ruling among others observed that:
  - 1) The primary Act, on establishment and governance of State corporations, is the State Corporations Act. The primary instrument on governance of State corporations was the Code of Governance for State Corporations (Mwongozo Code) which aligned the governance of State corporations to the Constitution.
  - 2) The Mwongozo Code had been found to apply in State Corporations governance and had gained the force of law. Its application had been upheld in decisions of the courts. The President issued Executive Order No 7 for implementation of the Code. Although not a piece of legislation, the court stated that the Code had gained acceptance through the decisions of the courts, as a legally binding instrument in State corporations governance. It had been argued that the Code had a statutory underpinning in section 3 of the State Corporations Act, which mandated the President to formulate regulations to streamline governance in State corporations
- 21. Section 5(3) of State Corporations Act, CAP 446, stipulates that "A state Corporation may engage and employ such number of staffs, including the Chief Executive on such terms and conditions of service as the Cabinet Secretary may, in consultation with the Committee, approve". Further, Section 6(2) of the Act provides that the Chief Executive Officer shall be appointed for a renewable period of five (5) years or shorter period as may be specified in the notice of appointment.
- 22. Table I below portrays the tenure of service for some of the state corporations in the energy

Agency	Position	Tenure	
Kenya Airports Authority	Managing Director	Not Specified  conditions of service shall be determined by the Cabinet Secretary	
Kenya Ports Authority	Managing Director	Not Specified  The Cabinet Secretary shall determine conditions of service; however, the current Managing Director is serving a three-year term.	
Kenya Civil Aviation Authority	Director General	term of <b>four</b> years, eligible for reappointment for one further term of four years.	
Kenya Railways Corporation	Managing Director	Not Specified  The Cabinet Secretary shall determine	
		conditions of service; however, the current Managing Director is serving a <b>three</b> -year term.	
Communications Authority	Director General	Not Specified  The board shall determine the terms and conditions of service	
National Construction Authority	Executive Director	Not Specified  The board shall determine the terms and conditions of service	
National Social Security Fund	Managing Trustee	term of <b>three</b> years and shall be eligible for re-appointment for one further term	
Kenya Medical Supplies Authority	Chief Executive Officer	Term of <b>four</b> years, eligible for reappointment by the Cabinet Secretary for one further term	
Kenya Revenue Authority Commissioner-		Not Specified  The board shall determine the terms and	

Agency	Position	Tenure	
	General	conditions of service	
Kenya Nuclear Regulatory Authority	Director General	Not Specified  The board shall determine the terms and conditions of service	
Kenya Maritime Authority	Director General	Three years, eligible for reappointment	
Energy and Petroleum Regulatory Authority	Director General	Three years, eligible for reappointment for one further term	
Rural Electrification and Renewable Energy Corporation	Chief Executive Officer	Three years, eligible for reappointment for one further term	
Nuclear Power and Energy Agency	Chief Executive Officer	Three years, eligible for reappointment for one further term	
Kenya Pipeline Company	Chief Executive Officer	Three years, eligible for reappointment for one further term	

## 2.4 Comparative Analysis

- 23. In India, the Department of Public Enterprises (DPE) under the Ministry of Heavy Industries and Public Enterprises has established the DPE Guidelines on Corporate Governance ("DPE Guidelines") which aims at helping the Central Public Sector Enterprises (CPSEs) with embracing global business standards and improving their performance in a transparent and ethical way. There are about 250 Central Public Sector Enterprises (CPSEs). Indian companies, including state owned enterprisess, are required to have a minimum of 3 directors if they are a public company, and a maximum of 15 directors.
- 24. There is no specific law or rule that dictates the tenure of a CEO in PSUs. The Public Enterprises Selection Board (PESB) is responsible for appointing CEOs and MDs, and the tenure is usually determined during the appointment process. There is no rule preventing the extension of a CEO's term if deemed necessary.
- 25. In Sweden, the framework for state owned enterprises board governance is clearly set out in the Companies Act, supported by the State's ownership policy and the expectation that SOEs are governed by the Swedish Code of Corporate Governance for listed companies.

- 26. To ensure efficiency, the boards of directors should consist of six to eight directors. The target for gender balance of state-owned enterprises (fully and partially owned) is a minimum of 40 per cent board representation for both women and men. In Swedish state-owned companies, Chief Executive Officers (CEOs) typically serve for an average tenure of around 6 years. Swedish company law does not specify mandatory term limits for CEOs, allowing for longer periods of service if the board of directors deems it appropriate.
- 27. In Morocco, individual and collective responsibilities of board members are stipulated by Law on the State governance and Financial control of Public Enterprises and Establishments . In addition, there is a Code of Good Governance Practices of the Public Enterprises and Establishments, which is based on the principle of comply or explain basis. The Ministry of Finance owns 241 state-owned enterprises and has direct interests in forty-four (44) additional companies.

#### CHAPTER THREE

#### 3.0 PUBLIC PARTICIPATION / STAKEHOLDER ENGAGEMENT

- 28. To undertake public participation in the Constitution and Standard Orders, an Advertisement inviting the public to submit memoranda on the Bill was published in the newspaper on 16<sup>th</sup> April, 2025. The Committee also invited comments on the Bill from relevant stakeholders namely; the Ministry of Roads and Transport, the State Corporation Advisory Committee (SCAC), the Public Service Commission, the Kenya Law Reform Commission vide a letter Ref: NA/DDC/T&I/2025/049 dated 2<sup>nd</sup> May 2025; the Engineers Board of Kenya vide a letter Ref: NA/DDC/T&I/2025/044 dated 10<sup>th</sup> June 2025 and the Attorney General vide a letter Ref: NA/DDC/T&I/2025/047 dated 13<sup>th</sup> June, 2025.
- 29. The Committee received submissions from the following stakeholders:
  - 1. The Ministry of Roads and Transport;
  - 2. The State Corporation Advisory Committee (SCAC);
  - 3. The Public Service Commission, the Kenya Law Reform Commission; and
  - 4. The Engineers Board of Kenya.
- 30. The submissions of the stakeholders are outlined below:

# 3.1 Submission by the Ministry of Roads and Transport

31. The Ministry of Roads and Transport in a letter Ref: MOR&T/R/A29.02 Vol 42 dated 14<sup>th</sup> May, 2025, submitted their support for the amendment as it brings the Kenya Roads Act into conformity with the Mwongozo Code of Governance for State Corporations, which prescribes a three-year term (renewable once) for Chief Executive Officers of state corporations.

## 3.2 Submission by the State Corporation Advisory Committee

- 32. The State Corporation Advisory Committee appeared before the Committee on Thursday, 12<sup>th</sup> June 2025 and submitted as follows: -
- 33. SCAC submitted that according to the memorandum and reasons of the Bill, the reduction of the term of service is intended to align the Act with Mwongozo; The Code of Governance for State Corporations (hereinafter referred to as "Mwongozo" or "the Code") and further promote good governance and performance in the day-to-day management of state corporations in the roads sector.
- 34. SCAC submitted that having comprehensively analysed and considered the Bill alongside the State Corporations Act, Cap. 446, Mwongozo and several judicial pronouncements, the Corporation made the following observations, namely;

- 1) The primary legislation governing establishing, controlling and regulating state corporations in Kenya is the State Corporations Act, Cap. 446. This was affirmed by the Employment and Labour Relations Court in the case of Okiya Omtatah Okotii V Attorney-General & 2 Others; Francis K. Muthaura (AMB) & 5 Others (Interested Parties) (2019) eKLR in which the High Court held that, the State Corporations Act is the primary Act on the establishment and governance of state corporations. Consequently, the provisions of any statute establishing a state corporation must be aligned to Cap. 446.
- 2) In addition to Cap. 446, SCAC brought to the attention of the Committee that the Government enacted Mwongozo, which came into force in January 2015 with the sole aim of increasing efficiency and accountability in state Corporations. The High Court has affirmed that, the Code has the force of law in the case of Okotii versus The Board, Export Processing Zone Authority and three others (2022) KEELRC 3771 (KLR). At paragraphs 31 and 32 of the said judgement, the court pronounced itself as follows:
  - a) The primary Act, on establishment and governance of State Corporations, is the State Corporations Act. The primary instrument on governance of State Corporations, is the Code, which aligns the governance of State Corporations to the Constitution of Kenya.
- b) The Code has been found to apply in state corporations governance, and has gained the force of law. Its application has been upheld in decisions of the courts, among them, Court of Appeal in Ben Chikamai & another v Peter Macithi Mulgai & 2 others [2020] eKLR and more recently, E&LRC decision in David Kipchumba Kimosop v Kerio Valley Development Authority [2022] eKLR. The President issued Executive Order No. 7 for the implementation of the Code. Although not a piece of legislation, the Code has gained acceptance through the decisions of the courts, as a legally binding instrument in state corporations governance. It has been argued that the Code has a statutory underpinning in section 3 of the State Corporations Act, which mandates the President to formulate regulations to streamline governance in State Corporations."
- 35. SCAC submitted that the Committee therefore reiterated that any law pertaining to state corporations must be in sync with both the State Corporations Act and Mwongozo. This applies to the Roads Act.
- 36. SCAC submitted that as regards the term of service of the Director-General of the state corporations established under Cap. 408, by dint of being a board member, albeit with no voting rights, the term of service under governance parameter 1.5 of Mwongozo is a cumulative term of six years or two terms of three years each. Further, the renewal of the tenure for a second term is subject to a favorable performance evaluation. As a consequence of the foregoing, SCAC would have no objection to the proposed reduction of the term of service of

- the Director-General of the three state corporations established under Cap. 408 from five to three years.
- 37. SCAC brought to the attention of the Committee that in addition to the proposed amendment to section 13 (1) of Cap. 408, SCAC brought to the attention of the Committee the following provisions of the said Act which they proposed that they should be reviewed;
  - a) Cap. 408 does not make provision for the position of a Secretary to the Boards an office referred under Mwongozo as Corporation Secretary which is mandatory under governance parameter 1.20 of Mwongozo and section 244 of the Companies Act, No. 17 of 2015. SCAC therefore proposes that, Cap. 408 should be amended to provide for the position of a Corporation Secretary with clear roles as set out under governance parameter 1.21 of Mwongozo.
  - b) As regards the qualifications for appointment as a member to the Boards of the state corporations under Cap. 408, section 12 (3) of the Act provides that one should be a holder of the Kenya Certificate of Secondary Education or an equivalent. This qualification is too low and in contravention of governance parameter 1.1 (5), (6), (9), (10) and (14) of Mwongozo, which sets the minimum qualification as "a degree in the relevant field from a university recognised in Kenya". (See Attachment 1 to Mwongozo).
  - c) Regarding the qualifications for the position of Director-General, section 14 (a) of the Cap. 408 provides that, for appointment to such a position, one should be a member of the Institution of Engineers of Kenya. SCAC noted that the regulatory body for engineering in Kenya is the Engineers Registration Board of Kenya, established under section 3 of the Engineers Act, Cap. 530 of the laws of Kenya. The Board is responsible for the registration of engineers and firms, the regulation of engineering professional services, the setting of standards, the development, and the general practice of engineering. On the other hand, the Institution of Engineers of Kenya is a professional association of peers and not established under any law in Kenya. Its functions are not set out under any Act of Parliament. They therefore proposed that the Act be amended by deleting the requirement of membership to the said institute for appointment to the position of Director-General.
  - d) On the remuneration of Board Members, section 17 of Cap. 408 provides that, "each Board shall pay its members such remuneration, fees or allowances for expenses as it may determine after consultation with the Cabinet Secretary of the parent ministry and the Cabinet Secretary responsible for Finance." This provision gives the Boards a carte blanche to determine the remuneration of Board members which is in contravention of section 10 of the State Corporations Act, which stipulates:
    - I) The Chairperson and members of a Board, other than the chief executive, shall be paid out of the funds of the state corporation such sitting allowances or other remuneration as the Board may, within the scales of remuneration specified from time to time by the Committee, approve.

- 2) A Board may, within the scales specified by the Committee, refund travelling and other expenses incurred by the chairperson or members of the Board in the performance of their duties."
- 38. SCAC noted that the status is what obtains in all state corporations currently, and the proposed provision could set a dangerous precedent in the remuneration structure of Boards of State Corporations.
- 39. SCAC therefore proposed that section 17 of Cap. 408 should be amended to align with section 10 of Cap. 446.

# 3.2 Submission by the Kenya Law Reforms Commission

40. The Kenya Law Reforms Commission in a letter Ref: KLRC/8/64 (40) dated 9<sup>th</sup> May 2025 submitted that the proposed amendment is aimed at entrenching good governance principles in the road agencies by ensuring that the code of governance for state corporations is followed, by not only having defined terms, but also ensuring that there are clear procedures for reappointment based on performance. They further submitted that the amendment ensures that short but renewable terms help to align leadership with evolving strategy and stakeholder expectations. It reinforces accountability and ensures that terms are not extended arbitrarily.

# 3.3 Submission by the Public Service Commission

- 41. The Public Service Commission in a letter Ref. PSC/LEG/019/25/158 VOL. 1(TY) dated 11th June 2025 noted that the Bill proposes to amend Section 13(3) of the Roads Act, specifically on the term of the Chief Executive Officer/Director General of the Authorities established under his Act, by deleting the word of 'five' years and substituting with the word 'three', to align the Act with the provisions of the Mwongozo Code of Governance for Staff Corporations.
- 42. The Commission submitted that it supports the Amendment as it is in accordance with the provisions of the Mwongozo Code of Conduct for State Corporations. This will be in accordance with the tenure of CEOs of other state corporations.

# 3.3 Submission by the Engineers Board of Kenya

- 43. The Engineers Board of Kenya, through its Registrar and Chief Executive Officer, Eng. Margaret N. Ogai, submitted its comments on the Kenya Roads (Amendment) (No.2) Bill (National Assembly Bill No. 16 of 2025) via a letter dated 17th June 2025.
- 44. In the submission, the Board made the following observations and recommendations:
  - i. The Board noted the proposed amendment to Section 13(3) of the Kenya Roads Act 2007 (Cap. 408), which seeks to reduce the term of the Director General from five years to three years. It supported this proposal, citing alignment with the Mwongozo Code of Governance for State Corporations.

- ii. The Board objected to the proposed transition clause which states:
  - "A person who, immediately before the commencement of this Act, held office as a Director General shall serve for the unexpired period of his or her term and shall be eligible, for a person serving the first term, for appointment for one further term of one year."
- iii. The Board recommended replacing "further term of one year" with "further full term of three years," to ensure alignment with the standard term applicable to the office.

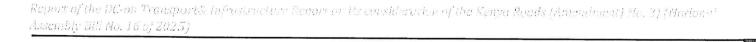
#### Committee observation

45. The Committee rejected this proposal, as it does not align with the object of the Bill. Further, it does not align with the Mwongozo Code of Governance for State Corporations, which mandates a three-year renewable term for Chief Executive Officers/ Director Generals of state corporations.

#### CHAPTER FOUR

## 4.0 COMMITTEE OBSERVATIONS

- 46. The Committee, having had engagements with stakeholders and considered submissions received, made the following observations;
  - 1) Lack of uniformity in tenure provisions- The Committee noted the absence of standardized terms of service for Chief Executive Officers and Director Generals across government parastatals. This lack of uniformity creates inconsistencies in governance structures and operational frameworks. The Committee therefore noted that there was a need for an Omnibus Bill to amend various statutes to cure the discrepancies in different terms of tenure for the Director Generals and Chief Executive officers in the various parastatals, state departments and agencies.
  - 2) Position of Secretary to the Board.-That there is a need for amendments to the Kenya Roads Ac to provide for a Secretary to the Board, a function currently done by the Director Generals, who may not be qualified Company Secretaries; and
  - 3) Proposed Committee Amendments by the Departmental Committee on Transport and Infrastructure- The Committee identified the need to sponsor amendments to the following legislations;
    - a) The State Corporations Act, Cap. 446- to provide clarity on the term of service for all Director Generals and Chief Executive officers in the various parastatals, state departments and agencies to cap it to a three (3) year term, renewable once;
    - b) Kenya Roads Board Act, 1999 (align the term of service for the Director General as provided for in the Act with the Mwongozo Code of Governance.



#### CHAPTER FIVE

# 5.0 COMMITTEE RECOMMENDATION

47. The Committee, having had engagements with stakeholders and considered submissions received, recommends that the House approves the Kenya Roads (Amendment) (No.2) Bill (National Assembly Bill No. 16 of 2025) without amendments.

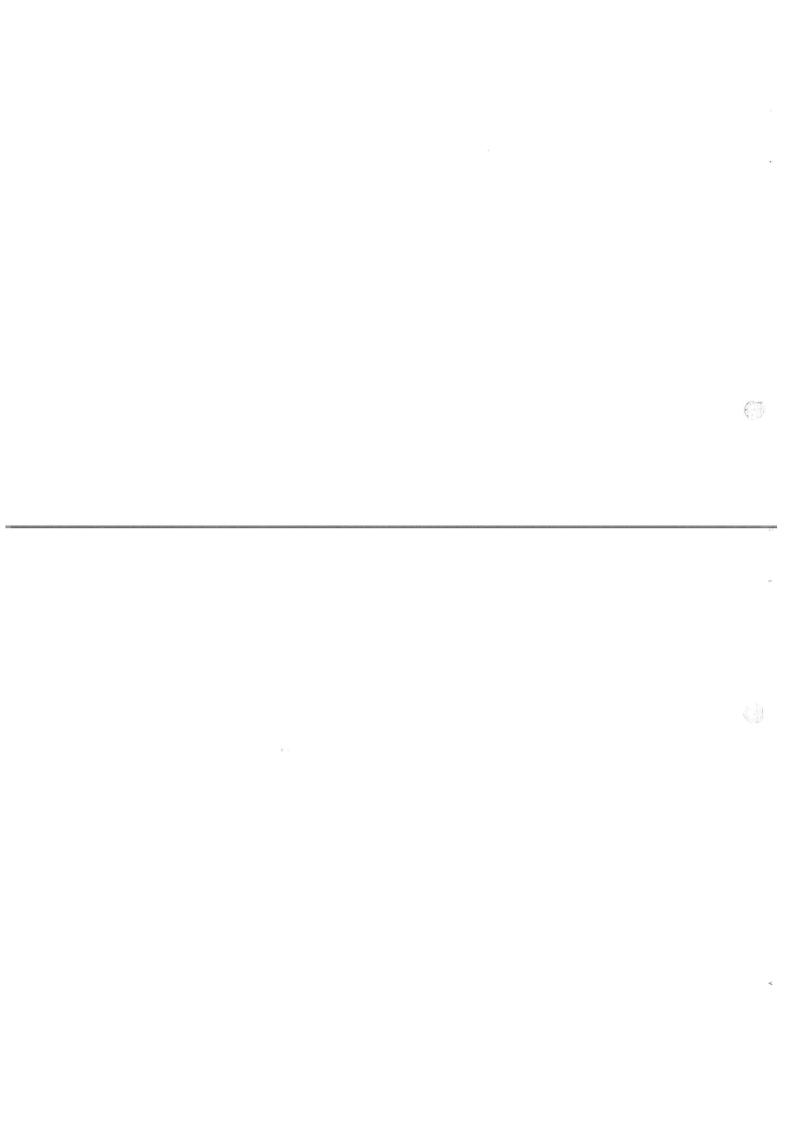
SIGNED DATE 24 106/2025

HON. GK GEORGE KARIUKI, CBS, M.P.

CHAIRPERSON, DEPARTMENTAL COMMITTEE ON TRANSPORT AND INFRASTRUCTURE



Report of the DC-on Transport& Infrastructure Report on its consideration of the Kenya Roads (Amendment) No. 2) (National Assembly Bill No. 16 of 2025)





## REPUBLIC OF KENYA

## THE NATIONAL ASSEMBLY

# 13<sup>TH</sup> PARLIAMENT- FOURTH SESSION- 2025

## DEPARTMENTAL COMMITTEE ON TRANSPORT & INFRASTRUCTURE

MEMBERS ADOPTION SCHEDULE

DATE 24-06-2025 START 1:40 am END 1:20 PM

VENUE ROOM 26 15th Floor, Burge Tower

VENUE 10001 AG 151 110017 PTOTOTO 10000				
AGENDA A OLD PHON Of the BERNA On The Kenya Roads (Amendhous)				
AGENDA Adoption of the Reput on the Kenya Roads (Amendhows) Bill (NO2) Bill (National Assembly No. 16 0+ 2025)				
NO	NAMES	SIGNATURE		
		<u> </u>		
1.	The Hon. GK George Kariuki, CBS, M.P – Chairperson	Dadana		
2.	The Hon. Didmus Barasa, M.P- Vice Chairperson	Borles.		
3.	The Hon. Kiunjuri, Festus Mwangi, M.P.			
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4.	The Hon. Abdul Rahim Dawood, M.P.	202		
5.	The Hon. Arama Samuel, M.P.	A CO		
6.	The Hon. Bady, Bady Twalib, M.P.			
7.	The Hon. Francis, Kajwang' Tom Joseph, CBS, M.P.			
8.	The Hon. Kiaraho, David Njuguna, M.P.			
9.	The Hon. Naicca, Johnson Manya, CBS, M.P.			
10.	The Hon. Chege, John Kiragu, M.P.	Miliage		
11.	The Hon. Elsie Muhanda, M.P.			
12.	The Hon. Saney, Ibrahim Abdi, M.P.			
13.	The Hon. Hussein Weytan Mohamed, M.P.	the new		
14.	The Hon. Jhanda Zaheer, M.P			

The Hon. Komingoi, Kibet Kirui, M.P

