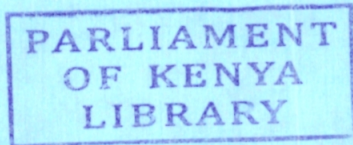


SPECIAL ISSUE

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REPUBLIC OF KENYA

KENYA GAZETTE SUPPLEMENT

SENATE BILLS, 2025

NAIROBI, 18th June, 2025

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**THE EQUALISATION FUND APPROPRIATION
BILL, 2025**

ARRANGEMENT OF CLAUSES

Clauses

- 1—Short title.
- 2—Issue of monies out of the Equalisation Fund.
- 3—Appropriation of the money granted.
- 4—Exclusion of Equalisation Fund from being paid into the County Revenue Fund.
- 5—The approval granted shall not lapse until all the projects identified are completed.
- 6—Withdrawals from the Equalisation Fund.

**SCHEDULE: ALLOCATION TO BENEFICIARY
COUNTIES FROM THE
EQUALISATION FUND**

THE EQUALISATION FUND APPROPRIATION BILL, 2025

A Bill for

AN ACT of Parliament to authorize the issue of a sum of money out of the Equalisation Fund and its application towards the service of the year ending 30th June, 2026; to appropriate that sum for certain public basic services; and for connected purposes.

ENACTED by Parliament of Kenya, as follows—

1. This Act may be cited as the Equalisation Fund Appropriation Act, 2025 and shall come into force on the date of publication in the *Gazette*.

Short title and commencement.

2. The Equalisation Fund Secretariat may issue the sum of Kenya Shillings sixteen billion, eight hundred million, being the allocation for Financial Year 2025/26, out of the Equalisation Fund and apply it towards the supply granted for the service of the year ending on the 30th June, 2026.

Issue of monies out of the Equalisation Fund.

3. The sum issued under section 2 is deemed to have been appropriated on 1st July, 2025, for the basic services under Article 204(1) of the Constitution and the Public Finance Management Act and the Public Finance Management (Equalisation Fund Administration) Regulations for the Equalisation Fund Secretariat, counties and constituencies in the manner specified in the Schedule.

Appropriation of the money granted.
Cap. 412A.
Legal Notice No. 54 of 2021.

4. The funds issued under section 2 shall not, pursuant to Article 207(1) of the Constitution and section 109(2)(c) of the Public Finance Management Act, be paid into the County Revenue Fund.

Exclusion of Equalisation Fund from being paid into the County Revenue Fund.
Cap. 412A.

5. Despite the provisions of this Act, the approval granted under section 2 shall continue in force until all the projects identified in each constituency specified in the second column of the Schedule are completed and this Act shall be sufficient authority for the Controller of Budget to authorise withdrawal of funds from the Equalisation Fund for the amounts specified in the third column of the Schedule for each county specified in the first column of the schedule, where the projects are implemented for a period beyond one financial year.

The approval granted shall not lapse until all the projects identified are completed.

6. The authorisation by the Controller of Budget of a withdrawal from the Equalisation Fund, together with written instructions from the Secretary of the Equalisation Fund Advisory Board through National Treasury requesting for the withdrawal, shall be sufficient authority for the Central Bank of Kenya to pay amounts from the Equalisation Fund Account in accordance with the approval and instructions given.

Withdrawals from
the Equalisation
Fund.

SCHEDULE**(s2)****ALLOCATION TO BENEFICIARY COUNTIES FROM THE
EQUALISATION FUND**

1	2	3
	Recurrent Expenditure	KSh
Equalisation Fund Secretariat	The amount required in the year ending 30th June 2026 for Equalisation Fund Secretariat expenses	504,000,000
	<i>Sub-class total</i>	504,000,000
	Development Expenditure	Ksh.
COUNTY	CONSTITUENCY	FY 2025/26
BARINGO	The amount required in the year ending 30th June, 2026 in Baringo County for development expenses (provision of basic services including water, roads, health facilities and electricity)	967,681,327
	BARINGO NORTH	86,554,756
	BARINGO SOUTH	134,368,950
	MOGOTIO	164,233,062
	TIATY	582,524,558
BOMET	The amount required in the year ending 30th June, 2026 in Bomet County for development expenses (provision of basic services including water, roads, health facilities and electricity)	31,249,275
	CHEPALUNGU	31,249,275
BUNGOMA	The amount required in the year ending 30th June, 2026 in Bungoma County for development expenses (provision of basic services including water, roads, health facilities and electricity)	95,592,537
	MT ELGON	95,592,537
BUSIA	The amount required in the year ending 30th June, 2026 in Busia	

	County for development expenses (provision of basic services including water, roads, health facilities and electricity)	29,239,974
	BUDALANGI	9,710,807
	TESO NORTH	19,529,167
ELGEYO MARAKWET	The amount required in the year ending 30th June, 2026 in Elgeyo Marakwet County for development expenses (provision of basic services including water, roads, health facilities and electricity)	105,894,890
	KEIYO SOUTH	9,039,410
	MARAKWET EAST	87,509,704
	MARAKWET WEST	9,345,776
GARISSA	The amount required in the year ending 30th June, 2026 in Garissa County for development expenses (provision of basic services including water, roads, health facilities and electricity)	1,026,040,684
	BALAMBALA	256,507,727
	DADAAB	152,216,367
	FAFI	144,459,455
	GARISSA TOWNSHIP	23,942,133
	IJARA	287,356,119
	LAGDERA	161,558,883
HOMA BAY	The amount required in the year ending 30th June, 2026 in Homa Bay County for development expenses (provision of basic services including water, roads, health facilities and electricity)	214,023,965
	HOMA BAY TOWN	10,440,869
	NDHIWA	120,305,473
	SUBA NORTH	29,748,410
	SUBA SOUTH	53,529,213

ISIOLO	The amount required in the year ending 30th June, 2026 in Isiolo County for development expenses (provision of basic services including water, roads, health facilities and electricity)	270,219,210
	ISIOLO NORTH	162,425,832
	ISIOLO SOUTH	107,793,378
KAJIADO	The amount required in the year ending 30th June, 2026 in Kajiado County for development expenses (provision of basic services including water, roads, health facilities and electricity)	674,525,449
	KAJIADO CENTRAL	233,919,794
	KAJIADO SOUTH	102,681,312
	KAJIADO WEST	337,924,343
KERICHO	The amount required in the year ending 30th June, 2026 in Kericho County for development expenses (provision of basic services including water, roads, health facilities and electricity)	99,011,445
	BURETI	10,812,419
	KIPKELION WEST	10,385,463
	SIGOWET/SOIN	77,813,563
KILIFI	The amount required in the year ending 30th June, 2026 in Kilifi County for development expenses (provision of basic services including water, roads, health facilities and electricity)	878,031,953
	GANZE	313,863,249
	KALOLENI	175,930,356
	KILIFI NORTH	11,584,851
	MAGARINI	300,133,840
	MALINDI	53,977,354
	RABAI	22,542,304

KISUMU	The amount required in the year ending 30th June, 2026 in Kisumu County for development expenses (provision of basic services including water, roads, health facilities and electricity)	39,573,290
	MUHORONI	20,167,972
	NYANDO	19,405,318
KITUI	The amount required in the year ending 30th June, 2026 in Kisumu County for development expenses (provision of basic services including water, roads, health facilities and electricity)	646,409,901
	KITUI EAST	215,946,897
	KITUI SOUTH	149,954,477
	MWINGI CENTRAL	95,410,021
	MWINGI NORTH	185,098,505
KWALE	The amount required in the year ending 30th June, 2026 in Kwale County for development expenses (provision of basic services including water, roads, health facilities and electricity)	475,834,422
	KINANGO	265,266,845
	LUNGA LUNGA	130,555,678
	MATUGA	59,410,452
	MSAMBWENI	20,601,446
LAIKIPIA	The amount required in the year ending 30th June, 2026 in Laikipia County for development expenses (provision of basic services including water, roads, health facilities and electricity)	194,020,583
	LAIKIPIA NORTH	182,140,774
	LAIKIPIA WEST	11,879,809
LAMU	The amount required in the year ending 30th June, 2026 in Lamu	

	County for development expenses (provision of basic services including water, roads, health facilities and electricity)	93,697,308
	LAMU EAST	41,721,107
	LAMU WEST	51,976,201
MACHAKOS	The amount required in the year ending 30th June, 2026 in Machakos County for development expenses (provision of basic services including water, roads, health facilities and electricity)	21,016,995
	MASINGA	21,016,995
MANDERA	The amount required in the year ending 30th June, 2026 in Mandera County for development expenses (provision of basic services including water, roads, health facilities and electricity)	1,225,254,814
	BANISSA	157,776,574
	LAFFEY	247,689,943
	MANDERA EAST	209,045,527
	MANDERA NORTH	231,939,825
	MANDERA SOUTH	227,192,791
	MANDERA WEST	151,610,154
MARSABIT	The amount required in the year ending 30th June, 2026 in Marsabit County for development expenses (provision of basic services including water, roads, health facilities and electricity)	763,773,939
	LAISAMIS	302,749,353
	MOYALE	175,933,615
	NORTH HERR	239,618,517
	SAKU	45,472,454
MERU	The amount required in the year ending 30th June, 2026 in Meru County for development expenses	

	(provision of basic services including water, roads, health facilities and electricity)	48,669,736
	IGEMBE SOUTH	19,532,427
	SOUTH IMENTI	9,893,322
	TIGANIA EAST	19,243,987
MIGORI	The amount required in the year ending 30th June, 2026 in Migori County for development expenses (provision of basic services including water, roads, health facilities and electricity)	289,094,906
	KURIA WEST	11,594,628
	NYATIKE	178,265,578
	SUNA WEST	77,917,858
	URIRI	21,316,842
MURANG'A	The amount required in the year ending 30th June, 2026 in Murang'a County for development expenses (provision of basic services including water, roads, health facilities and electricity)	9,236,592
	GATANGA	9,236,592
NAKURU	The amount required in the year ending 30th June, 2026 in Nakuru County for development expenses (provision of basic services including water, roads, health facilities and electricity)	10,465,313
	RONGAI	10,465,313
NANDI	The amount required in the year ending 30th June, 2026 in Nandi County for development expenses (provision of basic services including water, roads, health facilities and electricity)	189,860,206
	NANDI HILLS	20,159,824
	TINDERET	169,700,382

NAROK	The amount required in the year ending 30th June, 2026 in Narok County for development expenses (provision of basic services including water, roads, health facilities and electricity)	1,254,952,707
	EMURUA DIKIRR	36,323,860
	KILGORIS	350,053,482
	NAROK EAST	148,337,911
	NAROK NORTH	246,547,591
	NAROK SOUTH	278,241,748
	NAROK WEST	195,448,116
SAMBURU	The amount required in the year ending 30th June, 2026 in Samburu County for development expenses (provision of basic services including water, roads, health facilities and electricity)	1,056,572,934
	SAMBURU EAST	308,536,075
	SAMBURU NORTH	498,423,984
	SAMBURU WEST	249,612,875
SIAYA	The amount required in the year ending 30th June, 2026 in Siaya County for development expenses (provision of basic services including water, roads, health facilities and electricity)	51,997,386
	BONDO	20,563,966
	GEM	19,889,310
	RARIEDA	11,544,111
TAITA TAVETA	The amount required in the year ending 30th June, 2026 in Taita Taveta County for development expenses (provision of basic services including water, roads, health facilities and electricity)	21,686,762
	TAVETA	10,305,612
	VOI	11,381,150

TANA RIVER	The amount required in the year ending 30th June, 2026 in Tana River County for development expenses (provision of basic services including water, roads, health facilities and electricity)	719,015,252
	BURA	259,489,901
	GALOLE	196,502,469
	GARSEN	263,022,881
THARAKA NITHI	The amount required in the year ending 30th June, 2026 in Tharaka Nithi County for development expenses (provision of basic services including water, roads, health facilities and electricity)	71,565,664
	MAARA	18,450,370
	THARAKA	53,115,294
TRANS NZOIA	The amount required in the year ending 30th June, 2026 in Trans Nzoia County for development expenses (provision of basic services including water, roads, health facilities and electricity)	12,161,730
	ENDEBESS	12,161,730
TURKANA	The amount required in the year ending 30th June, 2026 in Turkana County for development expenses (provision of basic services including water, roads, health facilities and electricity)	1,860,614,374
	LOIMA	340,702,817
	TURKANA CENTRAL	210,644,168
	TURKANA EAST	190,727,155
	TURKANA NORTH	516,114,959
	TURKANA SOUTH	185,266,354
	TURKANA WEST	417,158,921
WAJIR	The amount required in the year ending 30th June, 2026 in Wajir	

	County for development expenses (provision of basic services including water, roads, health facilities and electricity)	1,187,457,792
	ELDAS	158,053,606
	TARBAJ	197,481,861
	WAJIR EAST	88,428,800
	WAJIR NORTH	242,687,060
	WAJIR SOUTH	335,743,934
	WAJIR WEST	165,062,531
WEST POKOT	The amount required in the year ending 30th June, 2026 in West Pokot County for development expenses (provision of basic services including water, roads, health facilities and electricity)	1,661,556,686
	KACHELIBA	570,382,383
	KAPENGURIA	436,047,654
	POKOT SOUTH	236,170,276
	SIGOR	418,956,373
	<i>Sub-class total</i>	16,296,000,000
Total Equalisation Fund		16,800,000,000

MEMORANDUM OF OBJECTS AND REASONS

Statement of the Objects and Reasons for the Bill

The principal object of the Bill is to provide for payments out of the Equalisation Fund for the financial year 2025/2026. The Equalisation Fund is established under Article 204(1) of the Constitution to facilitate the provision of basic services including water, roads, health facilities and electricity to marginalised areas to the extent necessary to bring the quality of those services in those areas to the level generally enjoyed by the rest of the nation, so far as possible.

The Bill therefore proposes a legal framework for the issuance of monies out of the Equalisation Fund to counties in which marginalized areas fall for the provision of crucial basic services.

Statement on the delegation of legislative powers and limitation of fundamental rights and freedoms

The Bill does not delegate legislative powers nor does it limit fundamental rights or freedoms.

Statement on how the Bill concerns county governments

The Bill seeks to provide for the issuance out of the Equalisation Fund of monies to provide certain services in marginalized areas. These services include water services, roads and health services which are county functions as designated under Part 2 of the Fourth Schedule to the Constitution.

The Bill is therefore a Bill concerning county governments in terms of Article 110(1) (a) of the Constitution as its provisions affect the functions and powers of county governments as set out in the Fourth Schedule to the Constitution.

Statement that the Bill is not a money Bill, within the meaning of Article 114 of the Constitution

The Bill is a money Bill within the meaning of Article 114 of the Constitution.

However, as it contains provisions that affect the functions of county governments under Part 2 of the Fourth Schedule to the Constitution, the Bill is not a money Bill for purposes of Article 109(5) of the Constitution.

Dated the 12th June, 2025.

ALI IBRAHIM ROBA,
*Chairperson,
Standing Committee on Finance and Budget.*