



REPUBLIC OF KENYA

THIRTEENTH PARLIAMENT

NATIONAL ASSEMBLY

THE HANSARD

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THE HANSARD

Tuesday, 30th September 2025

The House met at 2.30 p.m.

[The Speaker (Hon. Moses Wetang'ula) in the Chair]

PRAYERS

QUORUM

Hon. Speaker: Serjeant-at-Arms, ring the Quorum Bell.

(The Quorum Bell was rung)

Order Members! We now have quorum to transact business. As we start, for the convenience of the House and at the request of the Leader of the Majority Party, after Order No.7, we will go to Committee of the whole House at Order No.9. Under that Order, we will deal with the Air Passenger Service Charge (Amendment) Bill and the County Governments Additional Allocations (No.2) Bill. There is a request that the Virtual Assets Service Providers Bill be stayed to Thursday afternoon, and I have acceded to that request. Members who have any issues with those two Bills at the Committee of the whole House stage should take note.

Clerk-at-the-Table, call out the Orders.

*(Hon. Kimani Ichung'wah and Hon. George Murugara
consulted the lead Clerk-at-the-Table)*

Thank you. Leader of the Majority Party and Hon. George Best, take your seats.

COMMUNICATION FROM THE CHAIR

VISITING DELEGATION FROM PARLIAMENT OF UGANDA

Hon. Speaker: Hon. Members, allow me to recognize a delegation from the Parliament of Uganda. I wish to introduce to you a delegation comprising a Member and staff of the Uganda Parliamentary Sports Club from the Parliament of Uganda, who are seated in the Speaker's Row and the Speaker's Gallery, respectively. The delegation, led by Hon. Basalirwa Asuman, Member of Parliament and Chairperson of the Uganda Parliamentary Sports Club, is accompanied by the Deputy Clerk, Mr Waiswa Henry, and four other officers. They are in the country for a three-day benchmarking visit to learn from Kenya's experience in successfully hosting the East African Community Parliamentary Games in 2024 as Uganda prepares to host the games. I hope they will not be learning from us how to lose games the way you did in Mombasa, or how to lose at home.

(Laughter)

On my own behalf and that of the National Assembly, I welcome them to Parliament and wish them fruitful engagements during their stay in the country.

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I want to add that last week, I was in Uganda, accompanied by the Member for Rarieda. Uganda graciously agreed to step in, in place of Burundi that had expressed inability to host the games. Uganda is now going to be our hosts.

(Applause)

I encourage the leadership in the House to appreciate that the foundation of the East African Community is Kenya, Uganda and Tanzania. In the event that any of our other members who joined late are unable to transact any matter, we must rise to the occasion and take their place and keep the Community going.

Thank you.

PAPERS

Hon. Speaker: Leader of the Majority Party.

Hon. Kimani Ichung’wah (Kikuyu, UDA): Hon. Speaker, I beg to lay the following Papers on the Table of the House:

1. Legal Notice No.156 of 2025 Relating to the Kenya Roads Board Fund (Additional Funding) Regulations, 2025, Including Report on Pre-publication Scrutiny, Reports on Public Participation, and the Explanatory Memorandum from the Ministry of Roads and Transport.
2. Legal Notice No.159 of 2025, Relating to the National Police Service Commission (Recruitment and Appointment) Regulations, 2025, Including Evidence of Public Participation, Written Memoranda on the Draft National Police Service Commission (Recruitment and Appointment) Regulations, 2025 from Stakeholders, and the Explanatory Memorandum from the National Police Service Commission.

Hon. Speaker, with your indulgence, allow me to register my profound gratitude to yourself, as the Speaker of the National Assembly and Chairman of the Parliamentary Service Commission and all Members of Parliament, including those from the Senate, who stood with me during the recent demise of our father. You stood with my family and supported us in a very big way to give our late father a very befitting send-off.

Allow me also to take this opportunity, besides my thanks to all my colleagues in this House, to, in a very special way, thank other political leaders in the country who sent me messages of condolences, including His Excellency the President, who also attended the funeral, the Deputy President, the Prime Cabinet Secretary and the Right Hon. Raila Odinga, who was very gracious to call me at a time when he was indisposed to express his condolences. I also thank the former Vice-President, Hon. Kalonzo Musyoka, who also graciously sent me a message of condolence. The Kenya African National Union (KANU) party leader, Hon. Gideon Moi and many other political leaders, including Members of Parliament from the Republic of Tanzania, Uganda and South Sudan as well as diplomats who also condoled with us.

I take this opportunity, from the Floor of this House, to express my very sincere gratitude on behalf of myself, my family and the people of Kikuyu. I also use the Floor of this House to thank, in a very special way, the great people of Kikuyu. They not only showed us solidarity but true love in the way they condoled with us. I thank all of them and wish them all the best. I extend my prayers and those of my family to all of you who condoled with us.

May the Lord bless you and grant you the kind of long life that He gave to my father. May you all live to be beyond the 105 years that the Almighty God gave to my father. As I said during his send-off, may we live to emulate his legacy, especially the many good things he did,

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including taking care of orphans – and I can hear the Member for Taveta whispering - also taking care of all your ex-girlfriends! This is on a light note.

(Laughter)

That caused a bit of excitement in the country, but that is the man that we celebrated. He was a great man who lived his life well, did his bit and has left us with a very rich legacy not just as a family and the people of Kikuyu, but also as a country. I also take this time to honour him, even as he rests in peace. May the Lord rest his soul in eternal peace.

Thank you.

Hon. Speaker: Thank you, Leader of the Majority Party. We join you in prayers for your late dad's soul.

Hon. Members, before the next call, allow me to acknowledge students from the following schools, who are seated in the Speaker's Gallery:

1. Kamune Primary School from Mathioya, Murang'a.
2. Ilalu Comprehensive School from Mwingi North, Kitui.

Students, when your school is mentioned, you stand up to be acknowledged. In the Public Gallery, we have students from the following schools:

1. Lucky Junior Primary from Embakasi West, Nairobi.
2. Kalanga Primary School from Mwingi Central, Kitui County.
3. Davik's Bright Hope School from Narok South, Narok County.

On my behalf and on behalf of the House, we welcome the students, their teachers and all those who are accompanying them to the House of Parliament.

Hon. Mwenje, what is it?

Hon. Mark Mwenje (Embakasi West, JP): Hon. Speaker, I request for your indulgence to welcome the students from Lucky Junior Primary School from Kariobangi South Ward as well as students from all the other schools. It is always a privilege when we have our students visiting us to see the business that we transact. Some of them endeavour to come and join us much later. We encourage them to keep coming and we thank them for visiting the House.

Hon. Speaker: Thank you, Hon. Mwenje. Next, we have papers to be laid by Chairperson of the Departmental Committee on Environment, Forestry and Mining.

Hon. Vincent Musau (Mwala, UDA): Hon. Speaker, I beg to lay the following papers on the Table:

Reports of the Departmental Committee on Environment, Forestry and Mining on its consideration of:

- (i) Sessional Paper No.5 of 2024 on the National Green Physical Incentives Policy Framework; and,
- (ii) The Privileges and Immunities (The Global Centre for Adaptation) Order, 2025.

Thank you, Hon. Speaker.

NOTICES OF MOTIONS

Hon. Speaker: Chair of Departmental Committee on Environment, Forestry and Mining, Hon. Kawayu.

Hon. Vincent Musau (Mwala, UDA): Hon. Thank you, Hon. Speaker. I have notices of two Motions.

THE PRIVILEGES AND IMMUNITIES (THE GLOBAL
CENTRE FOR ADAPTATION) ORDER 2025

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Hon. Speaker, I beg to give notice of the following Motion:

THAT, this House adopts the Report of the Departmental Committee on Environment, Forestry and Mining on its consideration of the Privileges and Immunities (The Global Centre for Adaptation) Order, 2025, laid on the Table of the House on Tuesday, 30th September, 2025, and approves the Privileges and Immunities (The Global Centre for Adaptation) Order, 2025.

ADOPTION OF REPORT ON SESSIONAL PAPER NO.5 OF 2024 ON THE
NATIONAL GREEN PHYSICAL INCENTIVES POLICY FRAMEWORK

Hon. Speaker, I beg to give notice of the following Motion:

THAT, that this House adopts the Report of the Departmental Committee on Environment, Forestry and Mining on its consideration of Sessional Paper No.5 of 2024 on the National Green Physical Incentives Policy Framework, laid on the Table of the House on Tuesday, 30th September, 2025, and approves Sessional Paper No.5 of 2024 on the National Green Physical Incentives Policy Framework.

Thank you, Hon. Speaker.

Hon. Speaker: Thank you. Next Order.

QUESTIONS AND STATEMENTS

REQUESTS FOR STATEMENTS

Hon. Speaker: Hon. Caleb Amisi.

RISE IN DEFILEMENT AND MURDER CASES IN SABOTI CONSTITUENCY

Hon. Caleb Amisi: Thank you, Hon. Speaker. Pursuant to the provisions of Standing Order 44 (2) (c), I rise to request for a statement from the Chairperson of the Departmental Committee on Administration and Internal Security regarding the rise in incidences of defilement and murder cases in Naikara Village, Saboti constituency.

Hon. Speaker, over the past year, Naikara Village in Saboti Constituency has witnessed a distressing surge in insecurity, with cases of defilement, rape and murders being reported and yet, no visible action has been taken to curb them.

On 26th August 2025, Prezzy Nafula, aged seven, was defiled and murdered on her way home after being sent home from school. Earlier in the same month, on 2nd August 2025, Zibbora Gorosia, aged four, was similarly defiled and murdered by unknown persons.

Despite those incidents being reported to the police, no arrests have been made to date, thus raising concern among residents regarding the safety of their children and the adequacy of response by security agencies.

It is against this background that I request for a statement from the Chairperson of the Departmental Committee on Administration and Internal Security on the following:

1. A report on the status of investigations into the defilement and subsequent murders of Prezzy Nafula and Zibbora Gorosia in Naikara Village, Chebukaka area in Saboti Constituency.
2. The specific measures being implemented to address the rising cases of defilement and murder in Naikara Village, Saboti Constituency.

3. Reasons for the apparent inadequacy of security agencies in the region, particularly in Naikara Village.
4. A report on the status of resource allocation to Saboti Police Station in terms of personnel and equipment as well as accountability measures to ensure effective police response.
5. The immediate and long-term strategies the Government plans to employ to restore security in the area.

I thank you, Hon. Speaker.

Hon. Speaker, I want to emphasise that...

Hon. Speaker: Order, Hon. Caleb Amisi. The rules require that you just read the request for statement as you wrote it and as approved by the Hon. Speaker and you end there. You will seek for supplementary information when you get a response. Those are your rules. If you had additional words, you should have put them in the request for statement. That is not just to Hon. Caleb Amisi but to all of you. You do not request for a statement and start debating it.

Hon. Mark Mwenje.

Hon. Mark Mwenje (Embakasi West, JP): Hon. Speaker, I request the Serjeant-at-Arms to just hold the students from my constituency as I raise my request for statement.

Hon. Speaker: That is not the duty of the Serjeant-at-Arms.

INSECURITY IN NAIROBI CITY COUNTY

Hon. Mark Mwenje (Embakasi West, JP): Hon. Speaker, pursuant to the provisions of Standing Order 44(2)(c), I rise to request for a statement from the Chairperson of the Departmental Committee on Administration and Internal Security regarding insecurity in Nairobi City County.

In the recent months, residents in Nairobi City County have witnessed an alarming rise in cases of violent crime, including armed robberies and homicides. Those incidents have instilled fear among residents and continue to undermine the safety and security of our people. Despite numerous reports and public outcry, criminal gangs operating under names such as *Chinje*, *Mbogi* and *Bad Bunny* continue to operate with impunity in several parts of the City, particularly in the informal settlements and estates, where residents have fallen victim to brutal attacks.

On 9th September 2025, the late Mathew Kyalo Mbobu, an advocate and academician, was shot and killed in a drive-by attack in Karen, Nairobi. In addition, on 26th August 2025, 15-year-old Joshua Kubiti succumbed to injuries while receiving treatment at Radiant Hospital in Umoja following violent clashes in Umoja Estate.

Hon. Speaker, it is against this background that I request for a statement from the Chairperson of the Departmental Committee on Administration and Internal Security regarding the following:

1. A report on the investigations into the murders of Mr Mathew Kyalo Mbobu, who was shot and killed on 9th September 2025 in a drive-by attack in Karen, Nairobi, and Mr Joshua Kubiti, who was attacked by a criminal gang in Umoja Estate on 26th August 2025.
2. Immediate measures that the Government is putting in place to address the recent surge of criminal gangs in Nairobi City County.
3. Measures being put in place to ensure that the safety of residents of Nairobi City County is guaranteed.

I thank you, Hon. Speaker.

Hon. Speaker: Thank you, Hon. Mwenje.

(Hon. Clive Gisairo and Hon. (Dr) Otiende Amollo consulted loudly)

Order, Hon. Members! Hon. Caleb Amisi, I gave directions on when your response will be brought. It should be here in two weeks' time from today. I do not see the Chairman of the Departmental Committee on Administration and Internal Security. Hon. Kahangara, are you a member of the Committee?

(Hon. Kahangara Mburu spoke off the record)

The same timeline applies to Hon. Mark Mwenje's response. Bring a response in two weeks' time from today.

The next request for statement is by Hon. Linet Chepkorir Toto.

DEPLORABLE STATE OF NYANGORES RIVER
BRIDGE IN BOMET COUNTY

Hon. Linet Chepkorir (Bomet County, UDA): Hon. Speaker, pursuant to the provisions of Standing Order 44(2)(c), I rise to request for a statement from the Chairperson of the Departmental Committee on Transport and Infrastructure regarding the deplorable state of the Nyangores River Bridge in Bomet County.

Nyangores River Bridge, which connects key social and economic facilities in Bomet County, has become a death-trap for motorists and pedestrians alike. On 23rd August 2025, tragedy struck when two men drowned at the bridge. One slipped into the river and the second one perished while attempting to rescue him. Their bodies were later on retrieved, marking yet another incident at that unsafe crossing.

Sadly, similar accidents have been reported in the past, leaving families devastated and livelihoods disrupted. The bridge remains narrow, poorly maintained and lacks adequate safety features such as guard rails, signage and lighting. Despite repeated concerns raised by the local community, no comprehensive remedial action has been taken to address that glaring safety hazard.

Hon. Speaker, it is against this background that I request for a statement from the Chairperson of the Departmental Committee on Transport and Infrastructure on the following:

1. Immediate measures that the Ministry has undertaken to secure the bridge and protect users from further accidents and fatalities.
2. Plans by the Ministry, including timelines and budgetary allocations, for the rehabilitation and expansion, or complete reconstruction of the Nyangores River Bridge, including the provision of a dedicated pedestrian pathway.
3. Long-term strategies by the Ministry to ensure that all bridges and related road infrastructure across the country are subjected to regular safety audits and timely maintenance to avert such tragedies.

I thank you, Hon. Speaker.

Hon. Speaker: Thank you, Hon. Toto. Is the Chairperson of the Departmental Committee on Transport and Infrastructure in the House? Is there any Member of that Committee? Hon. Dawood, when can you bring a response? Give him the microphone. Hon. Dawood, there is a microphone behind you.

Hon. Rahim Dawood (North Imenti, Independent): Hon. Speaker, we will reply within two weeks.

Hon. Speaker: Thank you. Next is Hon. Abubakar Talib, who is a Nominated Member.

TRAFFIC CONGESTION ON ROADS IN MOMBASA COUNTY

Hon. Abubakar Talib (Nominated, WDM): Hon. Speaker, pursuant to the provisions of Standing Order 44(2)(c), I rise to request for a statement from the Chairperson of the Departmental Committee on Transport and Infrastructure regarding traffic congestion on Changamwe-Port Reitz and Changamwe-Jomvu-Miritini roads.

There has been an increase in traffic congestion in the recent past along Changamwe Roundabout-Port Reitz Road and Changamwe-Jomvu-Miritini roads in Mombasa. This is largely occasioned by trucks heading to the container depots in the vicinity. Notably, the container depots are operating at an approximate capacity of over 90 per cent, which is above the international standard operational capacity of not more than 70 per cent. The high operational capacity has led to congestion due to long queues of container trucks along the road, causing significant delays in movement of goods and services in the area. This has also negatively affected motorists using the roads to access the Miritini Standard Gauge Railway (SGR) Station and Mombasa-Nairobi Highway.

Hon. Speaker, it is against this background that I request for a statement from the Chairperson of the Departmental Committee on Transport and Infrastructure on the following:

1. Measures being put in place by the Government to ease congestion along the Changamwe-Port Reitz and Changamwe-Jomvu-Miritini Roads in Mombasa to ensure a smooth flow of traffic in the area.
2. Long-term measures that the Government is putting in place to address traffic congestion in the area, including plans, if any, to relocate the container depots to alternative locations.
3. Detailed steps that the Government is taking to ensure that Kenya Ports Authority (KPA) embraces technological changes to adapt to and meet the demand of the fast-growing shipping industry.

I thank you, Hon. Speaker.

Hon. Speaker: Thank you, Hon. Abubakar. Chairperson of Departmental Committee on Transport and Infrastructure, Hon. Arama, when will you bring the response? Give him the microphone.

Hon. Samuel Arama (Nakuru Town West, JP): Hon. Speaker, we shall give a response in two weeks' time.

Hon. Speaker: Two weeks is all right. Let us move to Responses to Statements. Is Hon. Leah Sankaire in the House? Hon. Kahangara, are you responding? Hon. Sankaire is not here. So, we will stay the response to another day.

Is Hon. Fatuma Zainab in the House? She is not.

Hon. Kahangara, you will stay that one as well. Is Hon. Thuddeus Nzambia in the House? That is also stayed. Is Hon. (Dr) Oundo Ojiambo in the House? That is also stayed. Is Hon. Josses Lelmengit in the House? That is stayed as well. Is Hon. Hussein Barre in the House? He is not here either. So, all the responses, from No.1 to No.6, are stayed until next week.

Hon. Milemba, do you have an issue?

(Hon. Omboko Milemba spoke off the record)

Hon. Members, as I had directed, we will skip Order No.8 and go to Order No.9(i) and (ii). We will then come back to Order No.8 and go on to Order No.10. Thereafter, we will follow the Order Paper sequentially.

Next Order.

(The lead Clerk at-the-Table consulted with the Speaker)

Hon. Deputy Speaker, I am told you have a Statement to make. Please go ahead.

PUBLICATION AND CIRCULATION OF THE
7TH EDITION OF THE STANDING ORDERS

Hon. Gladys Boss (Uasin Gishu County, UDA): Thank you, Hon. Speaker. I rise, pursuant to the provisions of Standing Order 44(2)(d), to make a Statement regarding the publication and circulation of the 7th Edition of the National Assembly Standing Orders.

The House may recall that during the Official Opening of the 13th Parliament on Thursday, 29th September 2022, His Excellency the President, Dr. William Samoei Ruto, asked the Houses of Parliament to consider putting in place a mechanism in the Standing Orders to facilitate the attendance by Cabinet Secretaries. This is to articulate Government agenda, explain Government policy, and to answer questions on the Floor of the House in a bid to enhance Executive accountability to the people of Kenya through their elected representatives in Parliament. Subsequently, on 9th December 2022, the President submitted a Memorandum to that effect to the House, following which you referred it to the Procedure and House Rules Committee for consideration.

The House may also recall that subsequent to that referral, the Procedure and House Rules Committee, which you Chair, considered the President's Memorandum and proposed amendments to the 6th Edition of the Standing Orders, pursuant to the provisions of Standing Order 262 on proposals for amendment by the Procedure and House Rules Committee. The amendments, which were approved by this House on 9th March 2023, provided for the appearance by Cabinet Secretaries before the House...

(Loud consultations)

Hon. Speaker: Order, Members! That *Kamukunji* is illegal. Go on.

Hon. Gladys Boss (Uasin Gishu County, UDA): Thank you, Hon. Speaker. The amendments, which were approved by the House on 9th March 2023, provided for the appearance by Cabinet Secretaries before the House to respond to parliamentary questions and to provide reports to the House in accordance with Article 153 of the Constitution. The new provisions were published as a separate addendum to the 6th Edition of the National Assembly Standing Orders. However, the provisions of the 6th Edition that were either amended or repealed through the addendum remained in the 6th Edition as originally approved on 7th June 2022.

As a result, there has been confusion among Members and, indeed, the public who, sometimes, cite provisions in the 6th Edition Standing Orders oblivious of the fact that they were amended or repealed through the addendum.

To this end, I wish to report that the Procedure and House Rules Committee authorised the Clerk of the National Assembly to address the situation by incorporating the addendum into the 6th Edition Standing Orders, thus yielding to the 7th Edition Standing Orders. I hasten to clarify that the said 7th Edition of the Standing Orders does not contain or include any new provisions. It is a merger of the 6th Edition Standing Orders and the addendum as approved on 7th June 2022 and on 3rd March 2023, respectively.

Consequently, the House and the general public are informed that the 7th Edition of the National Assembly Standing Orders has since been published in three versions; namely, the English version, the Kiswahili version and the Bilingual version, which are available in print and on the Parliament website. Indeed, the Members comprising the leadership of the House

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were issued with the Standing Orders during the Third Leadership Retreat held in Mombasa on 21st and 22nd August 2025.

With respect to the rest of the membership of the House, the Office of the Clerk will facilitate the distribution of the 7th Edition of the Standing Orders commencing today. For the convenience of Members, the Clerk has already set up a table outside the main entrance to the Chamber for this exercise. Members are encouraged to pass by the table and pick the Standing Orders and the Constitution.

I thank you, Hon. Speaker.

Hon. Speaker: Thank you, Hon. Deputy Speaker. That message is well-received. Hon. Members, allow me to acknowledge the presence of students from Kanguutheni Primary School from Mwingi West Constituency, Kitui County, who are seated in the Public Gallery. On my behalf and that of the House, we welcome the students, the teachers and those accompanying them to the House of Parliament.

Next Order.

COMMITTEE OF THE WHOLE HOUSE

(Order for Committee read)

[The Speaker (Hon. Moses Wetang'ula) left the Chair]

IN THE COMMITTEE

[The Chairlady (Hon. Gladys Boss) in the Chair]

THE AIR PASSENGER SERVICE CHARGE (AMENDMENT) BILL (National Assembly Bill No.35 of 2025)

Hon. Chairlady: Hon. Members, we are in the Committee of the whole House to consider the Air Passenger Service Charge (Amendment) Bill, (National Assembly Bill No.35 of 2025). The amendments will be proposed by the Leader of the Majority Party.

Clause 2

Hon. Kimani Ichung'wah (Kikuyu, UDA): Hon. Chairlady, I beg to move the clause with one slight correction. The Order Paper reads, "...is amended in sub-section (3)". That should read "...in sub-section 1(d)".

With that correction, I beg to move:

THAT, Clause 2 be deleted and replaced with the following new clause—

Amendment of
section 3 of
Cap. 475.

2. Section 3 of the Air Passenger Service Charge Act is amended in sub-section I (d) by deleting the expression "Tourism Promotion Fund" and substituting therefor the expression "Tourism Fund".

(Question of amendment proposed)

*(Question, that the words to be left out
be left out, put and agreed to)*

*(Question, that the words to be inserted in place
thereof be inserted, put and agreed to)*

(Clause 2 as amended agreed to)

Hon. Chairlady: Is Hon. GK in the House? Hon. Members, in view of the above amendments to Clause 2, the proposed amendments by Hon. George Macharia Kariuki, Chairperson of the Departmental Committee on Transport and Infrastructure and Hon. John Wanjiku are hereby dropped.

*(Proposed amendments by Hon. George Macharia Kariuki
and Hon. John Wanjiku dropped)*

(Clause 3 agreed to)

(Title agreed to)

(Clause 1 agreed to)

Hon. Chairlady: Mover of the Bill.

Hon. Kimani Ichung'wah (Kikuyu, UDA): Hon. Chairlady, I beg to move that the Committee do report to the House its consideration of the Air Passenger Service Charge (Amendment) Bill, (National Assembly Bill No. 35 of 2025), and its approval thereof with amendments.

(Question proposed)

(Question put and agreed to)

Hon. Chairlady: Hon. Members, we shall proceed with the Committee of the Whole House to consider the County Governments Additional Allocations (No. 2) Bill, (Senate Bill No. 8 of 2025), and then we proceed to reporting of the two Bills.

THE COUNTY GOVERNMENTS ADDITIONAL ALLOCATIONS (NO. 2) BILL
(Senate Bill No. 8 of 2025)

(Clauses 3, 4 and 5 agreed to)

Clause 6

Hon. Chairlady: Mover, to move the amendments.

Hon. Samuel Atandi (Alego Usonga ODM): Thank you, Hon. Chairlady.
I beg to move:

THAT, Clause 6 of the Bill be amended by deleting sub-clause (2).

This clause is making reference to the Roads Maintenance Levy Fund (RLMF) which we are deleting in the Bill.

Thank you.

(Question of the amendment proposed)

*(Question, that the words to be left out
be left out, put and agreed to)*

(Clause 6 as amended agreed to)

(Clauses 7, 8, 9 and 10 agreed to)

(First Schedule agreed to)

Second Schedule

Hon. Chairlady: Mover, to move the amendment.

Hon. Samuel Atandi (Alego Usonga ODM): Thank you, Hon. Chairlady.

I beg to move:

THAT, the Bill be amended by deleting the Second Schedule and replacing therefor the following new Schedule—

Conditional Additional Allocations to County Governments from National Government's Share of Revenue for the Financial Year 2025/26 (Kenya Shillings)								
SN	County	FY 2024/25	FY 2025/2026					
		Total Conditional Additional Allocations	Settlement of Doctors' Salary Arrears	Community Health Promoters (CHPs) Programme	Supplement for Construction of County Headquarters	County Aggregation and Industrial Parks (CAIPs) Programme	Allocations for 0.5% of Housing Levy Fund to the County Rural and Urban Affordable Housing Committees	Total Conditional Additional Allocations
		Column A	Column B	Column C	Column D	Column E	Column F	Column G
1.	Baringo	83,073,318	19,263,318	63,810,000	-	250,000,000	1,987,622	335,060,940
2.	Bomet	95,331,693	21,261,693	74,070,000	-	-	1,987,622	97,319,315
3.	Bungoma	333,254,059	39,854,059	107,400,000	-	-	1,987,622	149,241,682
4.	Busia	276,081,627	23,691,627	66,390,000	-	-	1,987,622	92,069,249
5.	Elgeyo Marakwet	52,885,017	15,685,017	37,200,000	-	-	1,987,622	54,872,640
6.	Embu	279,101,231	32,801,231	60,300,000	-	-	1,987,622	95,088,854
7.	Garissa	293,501,339	32,981,339	74,520,000	-	-	1,987,622	109,488,961
8.	Homa Bay	301,039,251	26,419,251	88,620,000	-	-	1,987,622	117,026,874
9.	Isiolo	149,128,044	12,147,883	21,630,000	59,000,000	-	1,987,622	94,765,505
10.	Kajiado	93,565,118	43,495,118	50,070,000	-	250,000,000	1,987,622	345,552,741
11.	Kakamega	172,029,977	44,529,977	127,500,000	-	50,000,000	1,987,622	224,017,600
12.	Kericho	89,129,856	43,439,856	45,690,000	-	250,000,000	1,987,622	341,117,479
13.	Kiambu	267,268,781	119,957,202	94,680,000	-	133,368,421	1,987,622	349,993,246
14.	Kilifi	174,381,743	58,281,743	116,100,000	-	250,000,000	1,987,622	426,369,365
15.	Kirinyaga	242,049,816	19,389,816	36,660,000	-	-	1,987,622	58,037,438
16.	Kisii	345,101,961	72,428,277	88,200,000	-	127,894,743	1,987,622	290,510,643
17.	Kisumu	165,339,627	75,399,627	89,940,000	-	-	1,987,622	167,327,249
18.	Kitui	117,856,694	43,756,694	74,100,000	-	250,000,000	1,987,622	369,844,316
19.	Kwale	330,913,123	28,773,123	52,140,000	-	75,263,158	1,987,622	158,163,903
20.	Laikipia	65,684,974	40,454,974	25,230,000	-	250,000,000	1,987,622	317,672,596
21.	Lamu	290,553,991	11,301,830	14,520,000	120,000,000	-	1,987,622	147,809,452
22.	Machakos	327,896,293	58,646,293	83,250,000	-	-	1,987,622	143,883,916

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Conditional Additional Allocations to County Governments from National Government's Share of Revenue for the Financial Year 2025/26 (Kenya Shillings)								
SN	County	FY 2024/25	FY 2025/2026					
		Total Conditional Additional Allocations	Settlement of Doctors' Salary Arrears	Community Health Promoters (CHPs) Programme	Supplement for Construction of County Headquarters	County Aggregation and Industrial Parks (CAIPs) Programme	Allocations for 0.5% of Housing Levy Fund to the County Rural and Urban Affordable Housing Committees	Total Conditional Additional Allocations
		Column A	Column B	Column C	Column D	Column E	Column F	Column G
23.	Makueni	144,268,273	30,568,273	113,700,000	-	-	1,987,622	146,255,895
24.	Mandera	38,349,159	19,809,159	18,540,000	-	-	1,987,622	40,336,781
25.	Marsabit	75,118,763	15,028,763	60,090,000	-	250,000,000	1,987,622	327,106,385
26.	Meru	341,395,785	43,915,785	111,480,000	-	-	1,987,622	157,383,407
27.	Migori	302,067,815	27,687,815	88,380,000	-	-	1,987,622	118,055,437
28.	Mombasa	233,213,493	108,971,914	71,610,000	-	133,368,421	1,987,622	315,937,957
29.	Murang'a	155,675,190	56,993,611	46,050,000	-	133,368,421	1,987,622	238,399,655
30.	Nairobi	336,278,649	112,268,649	224,010,000	-	-	1,987,622	338,266,271
31.	Nakuru	242,425,840	90,404,261	99,390,000	-	133,368,421	1,987,622	325,150,304
32.	Nandi	176,056,360	26,764,781	96,660,000	-	133,368,421	1,987,622	258,780,824
33.	Narok	71,296,514	21,496,514	49,800,000	-	250,000,000	1,987,622	323,284,136
34.	Nyamira	116,981,290	19,979,711	44,370,000	-	133,368,421	1,987,622	199,705,755
35.	Nyandarua	57,653,981	16,043,981	41,610,000	120,000,000	250,000,000	1,987,622	429,641,603
36.	Nyeri	129,422,326	55,172,326	74,250,000	-	250,000,000	1,987,622	381,409,948
37.	Samburu	59,219,798	13,079,798	46,140,000	-	-	1,987,622	61,207,421
38.	Siaya	139,165,399	22,723,820	63,810,000	-	133,368,421	1,987,622	221,889,863
39.	Taita Taveta	73,661,911	32,591,911	41,070,000	-	-	1,987,622	75,649,534
40.	Tana River	130,917,307	6,982,057	28,890,000	120,000,000	250,000,000	1,987,622	407,859,679
41.	Tharaka Nithi	110,528,540	24,597,481	37,950,000	30,000,000	-	1,987,622	94,535,103
42.	Trans Nzoia	166,458,256	46,626,677	67,200,000	-	133,368,421	1,987,622	249,182,720
43.	Turkana	99,236,518	24,986,518	74,250,000	-	-	1,987,622	101,224,140
44.	Uasin Gishu	257,580,471	9,600,471	61,980,000	-	-	1,987,622	73,568,093
45.	Vihiga	58,424,112	15,044,112	43,380,000	-	250,000,000	1,987,622	310,411,734
46.	Wajir	265,153,485	19,869,801	60,810,000	-	127,894,742	1,987,622	210,562,165
47.	West Pokot	91,423,594	13,933,594	77,490,000	-	-	1,987,622	93,411,216
	Total	8,417,140,362	1,759,101,729	3,234,930,000	449,000,000	4,448,000,011	93,418,251	9,984,449,991

Hon. Chairlady, we want to align the allocations with what is captured in the 2025/2026 Budget Estimates. For example, under the County Headquarters Allocation, the Ksh459 million that has been captured to be sent to the counties is not aligned with the Ksh454 million that is in the Bill. The excess Ksh5 million had been budgeted under the State Department for operations.

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Secondly, we have done some realignment under the County Aggregation and Industrial Park (CAIPs). We have realised that the Bill is giving allocations to counties that have not started any project under CAIPs, leaving out counties that had made progress. Some counties like Siaya County have done 70 per cent and had no allocation. So, we have reallocated to ensure that the ongoing CAIPs are funded so that they can be ready for use.

Thank you, Hon. Chairlady.

(Question of the amendment proposed)

*(Question, that the words to be left out
be left out, put and agreed to)*

*(Question, that the words to be inserted in place
thereof be inserted, put and agreed to)*

(Second Schedule as amended agreed to)

Third Schedule

Hon. Chairlady: Mover.

Hon. Samuel Atandi (Alego Usonga, ODM): Hon. Chairlady, I beg to move:

THAT, the Bill be amended by deleting the Third Schedule.

The Third Schedule captures allocations under the Road Maintenance Levy Fund (RMLF) to counties. After the Court of Appeal annulled the High Court ruling and gave us 12 months to make the changes, we do not have reasons to give counties any money. That is why we are deleting the entire schedule.

Thank you.

Hon. Chairlady: Thank you.

(Question of the amendment proposed)

*(Question, that the words to be left out
be left out, put and agreed to)*

(Third Schedule deleted)

Fourth Schedule

Hon. Chairlady: Mover, you have an amendment.

Hon. Samuel Atandi (Alego Usonga, ODM): Thank you, Hon. Chairlady. I beg to move:

THAT, the Bill be amended by deleting the Fourth Schedule and replacing therefor the following new Schedule—

Conditional Allocations to County Governments from Loans and Grants from Development Partners for the FY 2025/26 (Kenya Shillings)																				
		FY 2024/25	FY 2025/26																	
S N	County	Total Loans and Grants for FY 2024/25	(IFAD) Loan for the Aquaculture Business Development Project (ABDP)	Financin g of FLL oCA - County Climate Institutional Support (CCIS) Grant	Financin g of FLL oCA - County Climate Resilience Investment (CCRI) Grant	Financin g of FLL oCA - County Climate Resilience Investment (CCRI) Grant	Food System's Resilience Project (FSRP)	Drought Resilience Programme in Northern Kenya (DRPNK)	Kenya Devoluti on Support Program Phase Two (KDSP II) Level 1 Grant	Kenya Devoluti on Support Program Phase Two (KDSP II) Level 2 Grant	Kenya Live stock Commerc ialization Project (KeLCoP)	Kenya Urban Support Project (KUSP)- Urban Institutional Grant (UIG)	Kenya Urban Support Project (KUSP)- Urban Development Grant (UDG)	Kenya Water, Sanitation and Hygiene (K-WASH) Programme	National Agricultural Value Chain Development Project (NAVC DP)	Primary Health Care in Developed Context (PHDC) Programme	Water & Sanitation Development Project (WSDP)	Kenya Informal Settlement Improvement Project (KISIP II)	Kenya Informal Settlement Improvement Project (KISIP II)	Total Loans and Grants for FY 2025/26
		Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O	Column P	Column Q	Column R	Column T
1.	Baringo	453,330,587	-	-	-	-	246,153,846	-	72,909,500	-	65,350,000	-	-	-	-	8,211,000	-	-	-	392,624,346
2.	Bomet	261,694,860	-	-	-	-	-	-	72,909,500	-	-	-	-	-	231,250,000	8,874,000	-	-	-	313,033,500
3.	Bungoma	691,817,130	-	-	-	-	-	-	72,909,500	-	60,550,000	-	-	-	231,250,000	14,331,000	-	-	2,500,000	381,540,500
4.	Busia	376,796,674	13,447,401	-	-	-	-	-	72,909,500	-	60,550,000	-	-	-	231,250,000	9,690,000	-	-	-	387,846,901
5.	Elgeyo Marakwet	942,648,171	-	-	-	-	246,153,846	-	72,909,500	-	65,350,000	-	-	-	-	6,222,000	-	157,000,000	1,000,000	548,635,346
6.	Embu	408,997,184	10,020,926	-	-	-	-	-	72,909,500	-	-	-	-	-	231,250,000	6,936,000	-	-	-	321,116,426
7.	Garissa	1,281,901,230	-	-	-	-	246,153,846	-	72,909,500	-	-	-	-	-	-	11,322,000	150,000,000	-	-	480,385,346
8.	Homa Bay	1,299,909,323	10,866,551	-	-	-	-	-	72,909,500	-	-	-	-	-	231,250,000	10,863,000	-	8,000,000	-	333,889,051
9.	Isiolo	478,809,540	-	-	-	-	246,153,846	-	72,909,500	-	-	-	-	-	-	6,834,000	-	-	-	325,897,346
10.	Kajiado	663,767,837	8,605,999	-	-	-	-	-	72,909,500	-	-	-	-	-	231,250,000	10,353,000	-	65,000,000	-	388,118,499
11.	Kakamega	539,680,915	19,994,377	-	-	-	-	-	72,909,500	-	60,550,000	-	-	-	231,250,000	16,779,000	-	20,000,000	-	421,482,877
12.	Kericho	286,771,820	-	-	-	-	-	-	72,909,500	-	-	-	-	-	231,250,000	8,670,000	-	-	-	312,829,500
13.	Kiambu	2,064,884,057	15,882,359	11,000,000	-	-	-	-	72,909,500	-	-	-	-	-	231,250,000	15,198,000	-	380,000,000	-	726,239,859
14.	Kilifi	2,868,424,744	-	11,000,000	-	-	-	-	72,909,500	-	-	-	-	-	231,250,000	16,830,000	900,000,000	250,000,000	10,000,000	1,491,989,500
15.	Kirinyaga	286,965,538	11,283,380	-	-	-	-	-	72,909,500	-	-	-	-	-	231,250,000	6,834,000	-	-	-	322,276,880
16.	Kisii	359,406,164	15,547,479	-	-	-	-	-	72,909,500	-	-	-	-	-	231,250,000	12,546,000	-	-	-	332,252,979
17.	Kisumu	1,451,265,551	12,616,483	-	-	-	-	-	72,909,500	-	-	-	-	-	231,250,000	11,016,000	-	110,000,000	20,000,000	457,791,983
18.	Kitui	411,362,090	-	-	-	-	-	-	72,909,500	-	-	-	-	-	231,250,000	14,229,000	-	-	-	318,388,500
19.	Kwale	1,454,934,744	-	-	-	-	-	-	72,909,500	-	-	-	-	-	231,250,000	12,546,000	450,000,000	20,000,000	-	786,705,500

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Conditional Allocations to County Governments from Loans and Grants from Development Partners for the FY 2025/26 (Kenya Shillings)																				
		FY 2024/25	FY 2025/26																	
S N	County	Total Loans and Grants for FY 2024/25	(IFAD) Loan for the Aquacu lture Busines s Develop ment Project (ABDP)	Finan cing of FLL oCA - County Cli mate Insti tuti onal Sup port (CC IS) Gra nt	Finan cing of FLL oCA - County Cli mate Resi lience Invest ment (CC RI) Gra nt	Finan cing of FLL oCA - County Cli mate Resi lience Invest ment (CC RI) Gra nt	Food System s Resilie nce Project (FSRP)	Dro ught Resil ience Prog ram me in Nort hern Ken ya (DR PNK)	Ken ya Dev oluti on Sup port Pro gram Pha se Two (KD SP II) Lev el 1 Grant	Ken ya Dev oluti on Sup port Prog ram Pha se Two (KD SP II) Leve l 2 Grant	Ken ya Live stock Com merc ializ ation Proj ect (KeL CoP)	Ken ya Urb an Sup port Proj ect (KU SP)- Urb an Insti tutio nal Gra nt (UI G)	Ken ya Urb an Sup port Proj ect (KU SP)- Urb an Dev elop ment t Gra nt (UD G)	Ken ya Wat er, Sani tatio n and Hyg iene (K- WA SH) Pro gram me	Nati onal Agri cult ural Val ue Cha in Dev elop ment t Proj ect (NA VC DP)	Pri mar y Hea lth Car e in Dev olve d Con text (PH DC) Pro gram me	Wat er & Sani tatio n Dev elop ment t Proj ect (WS DP)	Ken ya Info rma l Settl ement Imp rove ment t Proj ect (KI SIP II)	Kenya Informal Settle ment Improve ment Project (KISIP II)	Total Loans and Grants for FY 2025/26
		Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O	Column P	Column Q	Column R	Column T
20.	Laikipia	340,145,721	-	-	-	-	246,153,846	-	72,909,500	-	-	-	-	-	-	6,732,000	-	-	-	325,795,346
21.	Lamu	591,169,100	-	-	-	-	246,153,846	-	72,909,500	-	-	-	-	-	-	4,182,000	-	15,000,000	-	338,245,346
22.	Machakos	453,914,825	11,679,038	-	-	-	-	-	72,909,500	-	-	-	-	-	231,250,000	12,495,000	-	-	-	328,333,538
23.	Makueni	286,509,113	-	-	-	-	-	-	72,909,500	-	-	-	-	-	231,250,000	11,934,000	-	-	-	316,093,500
24.	Mandera	556,755,533	-	11,000,000	-	-	246,153,846	-	72,909,500	-	-	-	-	-	-	16,473,000	-	-	-	346,536,346
25.	Marsabit	942,486,800	-	-	-	-	246,153,846	580,002,208	72,909,500	-	70,250,000	-	-	-	-	10,914,000	-	-	-	980,229,554
26.	Meru	674,777,970	17,038,152	-	-	-	-	-	72,909,500	-	-	-	-	-	231,250,000	12,954,000	-	-	11,000,000	345,151,652
27.	Migori	371,829,022	12,788,888	-	-	-	-	-	72,909,500	-	-	-	-	-	231,250,000	10,914,000	-	-	-	327,862,388
28.	Mombasa	1,919,290,169	-	33,000,000	-	-	-	-	72,909,500	-	-	-	-	-	150,000,000	11,373,000	500,000,000	240,000,000	5,000,000	1,012,282,500
29.	Murang'a	315,378,979	-	-	-	-	-	-	72,909,500	-	-	-	-	-	231,250,000	10,149,000	-	-	-	314,308,500
30.	Nairobi City	831,890,169	-	33,000,000	-	-	-	-	72,909,500	-	-	-	-	-	150,000,000	25,653,000	-	550,000,000	30,000,000	861,562,500
31.	Nakuru	1,511,033,830	-	-	-	-	-	-	72,909,500	-	60,550,000	-	-	-	231,250,000	16,881,000	-	230,000,000	36,000,000	647,590,500
32.	Nandi	485,520,259	-	-	-	-	-	-	72,909,500	-	-	-	-	-	231,250,000	8,619,000	-	-	1,000,000	313,778,500
33.	Narok	325,955,472	-	-	-	-	-	-	72,909,500	-	-	-	-	-	231,250,000	12,954,000	-	-	-	317,113,500
34.	Nyamira	410,284,521	-	-	-	-	-	-	72,909,500	-	-	-	-	-	231,250,000	7,752,000	-	-	17,000,000	328,911,500
35.	Nyandarua	567,460,682	-	-	-	-	-	-	72,909,500	-	-	-	-	-	231,250,000	7,854,000	-	30,000,000	30,000,000	372,013,500
36.	Nyeri	688,008,026	16,769,367	-	-	-	-	-	72,909,500	-	-	-	-	-	231,250,000	8,721,000	-	52,000,000	-	381,649,867
37.	Samburu	472,738,784	-	-	-	-	246,153,846	-	72,909,500	-	70,250,000	-	-	-	-	7,446,000	-	-	-	396,759,346
38.	Siaya	336,462,266	12,969,602	11,000,000	-	-	-	-	72,909,500	-	60,550,000	-	-	-	231,250,000	9,333,000	-	-	-	398,012,102

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Conditional Allocations to County Governments from Loans and Grants from Development Partners for the FY 2025/26 (Kenya Shillings)																				
		FY 2024/25	FY 2025/26																	
S N	County	Total Loans and Grants for FY 2024/25	(IFAD) Loan for the Aquacul- ture Busines- s Develop- ment Project (ABDP)	Finan- cing of FLLoCA - Cou- nty Cli- mate In- stitu- tional Support (CCIS) Grant	Finan- cing of FLLoCA - Cou- nty Cli- mate In- vest- ment (CCRI) Grant	Finan- cing of FLLoCA - Cou- nty Cli- mate In- vest- ment (CCRI) Grant	Food System s Resilience Project (FSRP)	Dro- ught Resilience Pro- gram me in North- ern Kenya (DRPNK)	Kenya De- velop- ment Support Pro- gram Phase Two (KDSP II) Level 1 Grant	Kenya De- velop- ment Support Pro- gram Phase Two (KDSP II) Level 2 Grant	Kenya Live- stock Com- mercial- ization Project (KeLCoP)	Kenya Urban Support Project (KUSP)- Urban Insti- tutional Grant (UIG)	Kenya Urban Support Project (KUSP)- Urban De- velop- ment Grant (UDG)	Kenya Water, Sani- tation and Hygiene (K-WASH) Pro- gramme	National Agricultural Value Chain De- velop- ment Project (NAVC DP)	Primary Health Care in De- volved Con- text (PHDC) Pro- gramme	Water & Sani- tation De- velop- ment Project (WS DP)	Kenya Informal Settle- ment Im- prove- ment Project (KISIP II)	Kenya Informal Settle- ment Im- prove- ment Project (KISIP II)	Total Loans and Grants for FY 2025/26
		Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O	Column P	Column Q	Column R	Column T
39.	Taita Taveta	1,300,370,871	-	-	-	-	-	-	72,909,500	-	-	-	-	-	231,250,000	6,834,000	450,000,000	60,000,000	-	820,993,500
40.	Tana River	435,308,033	-	-	-	-	246,153,846	-	72,909,500	-	-	-	-	-	-	9,435,000	-	-	-	328,498,346
41.	Tharaka Nithi	593,697,047	10,489,999	-	-	-	-	-	72,909,500	-	-	-	-	-	231,250,000	6,324,000	-	-	1,000,000	321,973,499
42.	Trans Nzoia	1,035,958,172	-	-	-	-	-	-	72,909,500	-	60,550,000	-	-	-	231,250,000	9,282,000	-	-	3,000,000	376,991,500
43.	Turkana	1,097,542,698	-	-	-	-	246,153,846	696,652,000	72,909,500	-	-	-	-	-	-	16,983,000	-	-	-	1,032,698,346
44.	Uasin Gishu	1,619,740,019	-	-	-	-	-	-	72,909,500	-	-	-	-	-	231,250,000	10,200,000	-	260,000,000	-	574,359,500
45.	Vihiga	260,378,610	-	-	-	-	-	-	72,909,500	-	-	-	-	-	231,250,000	7,497,000	-	-	-	311,656,500
46.	Wajir	1,673,716,058	-	11,000,000	-	-	246,153,846	-	72,909,500	-	-	-	-	-	-	13,770,000	550,000,000	53,000,000	-	946,833,346
47.	West Pokot	408,266,834	-	-	-	-	246,153,846	-	72,909,500	-	-	-	-	-	-	8,058,000	-	-	-	327,121,346
	TOTAL	37,089,957,743	200,000,000	121,000,000	6,187,500,000	1,200,000,000	3,200,000,008	1,276,654,000	3,426,744,000	11,378,240,000	634,500,000	1,300,000,660	10,325,749,524	7,700,000,000	510,000,000	3,000,000,000	2,500,000,000	167,500,000	-	57,735,435,467

*IDA-FLLoCA -CCRI and KFW FLLoCA -CCRI, KDSP Level 2, KUSP2-UDG, KUSP2-UIG and K-WASH grants are to be allocated among County Governments on the basis of the criteria set out in section 6 (2)(e)(j)(n)(q) and (t).

This Schedule captures development funding for counties. Some donors have requested that we align their allocations to reflect what is captured in the estimates.

Thank you.

Hon. Chairlady: Thank you.

(Question of the amendment proposed)

(Question, that the words to be left out be left out, put and agreed to)

(Question, that the words to be inserted in place thereof be inserted, put and agreed to)

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(Fourth Schedule as amended agreed to)

(Clause 2 agreed to)

(Title agreed to)

(Clause 1 agreed to)

Hon. Chairlady: Hon. Members, we have concluded the consideration of the Bill. Mover.

Hon. Samuel Atandi (Alego Usonga, ODM): Hon. Chairlady, I beg to move that the Committee do report to the House its consideration of the County Governments Additional Allocations (No.2) Bill, (Senate Bill No.8 of 2025), and its approval thereof with amendments.

(Question proposed)

(Question put and agreed to)

(The House resumed)

IN THE HOUSE

[The Temporary Speaker (Hon. Martha Wangari) in the Chair]

MOTION

CONSIDERATION OF REPORT ON THE AIR PASSENGER SERVICE CHARGE (AMENDMENT) BILL

The Temporary Speaker (Hon. Martha Wangari): Chairperson.

Hon. Gladys Boss (Uasin Gishu, UDA): Hon. Temporary Speaker, I beg to report that the Committee of the whole House has considered the Air Passenger Service Charge (Amendment) Bill, (National Assembly Bill No. 35 of 2025), and approved the same with amendments.

The Temporary Speaker (Hon. Martha Wangari): Mover.

Hon. Kimani Ichung'wah (Kikuyu, UDA): Hon. Temporary Speaker, I beg to move that the House do agree with the Committee in the said report. I request Hon. Bowen Kangogo to second the Motion for agreement with the report of the Committee of the whole House.

The Temporary Speaker (Hon. Martha Wangari): Hon. Kangogo.

Hon. Kangogo Bowen (Marakwet East, UDA): Hon. Temporary Speaker, I second.

*(Hon. Peter Kaluma consulted
with several Hon. Members)*

The Temporary Speaker (Hon. Martha Wangari): Order Members. Hon. Kaluma, that *Kamukunji* is illegal.

(Question proposed)

(Question put and agreed to)

The Temporary Speaker (Hon. Martha Wangari): Mover, to move Third Reading.

BILL

Third Reading

THE AIR PASSENGER SERVICE CHARGE (AMENDMENT) BILL (National Assembly Bill No. 35 of 2025)

Hon. Kimani Ichung’wah (Kikuyu, UDA): Hon. Temporary Speaker, I beg to move that the Air Passenger Service Charge (Amendment) Bill, (National Assembly Bill No. 35 of 2025), be now read a Third Time.

I request Hon. CPA Rutto to second.

Hon. Julius Rutto (Kesses, UDA): Hon. Temporary Speaker, I second.

(Question proposed)

The Temporary Speaker (Hon. Martha Wangari): Having confirmed that the House is properly constituted, I put the Question.

(Question put and agreed to)

*(The Bill was accordingly read
a Third Time and passed)*

MOTION

CONSIDERATION OF REPORT ON THE COUNTY GOVERNMENTS ADDITIONAL ALLOCATIONS (NO.2) BILL (Senate Bill No. 8 of 2025)

The Temporary Speaker (Hon. Martha Wangari): Chairperson.

Hon. Gladys Boss (Uasin Gishu, UDA): Hon. Temporary Speaker, I beg to report that the Committee of the whole House has considered the County Governments Additional Allocations (No.2) Bill, (Senate Bill No. 8 of 2025), and approved the same with amendments.

The Temporary Speaker (Hon. Martha Wangari): Mover.

Hon. Samuel Atandi (Alego Usonga, ODM): Hon. Temporary Speaker, I beg to move that the House do agree with the Committee in the said report. I request Hon. (Dr) James Nyikal to second the Motion for agreement with the report of the Committee of the whole House.

The Temporary Speaker (Hon. Martha Wangari): Hon. Nyikal.

Hon. (Dr) James Nyikal (Seme, ODM): Hon. Temporary Speaker, I second.

(Question proposed)

(Question put and agreed to)

The Temporary Speaker (Hon. Martha Wangari): Mover, to move Third Reading.

BILL*Third Reading***THE COUNTY GOVERNMENTS ADDITIONAL ALLOCATIONS (No.2) BILL**
(Senate Bill No. 8 of 2025)

Hon. Samuel Atandi (Alego Usonga, ODM): Hon. Temporary Speaker, I beg to move that the County Governments Additional Allocations (No.2) Bill, (Senate Bill No. 8 of 2025), be now read a Third Time.

I request Hon. Kaluma to second.

The Temporary Speaker (Hon. Martha Wangari): Hon. Kaluma.

Hon. Peter Kaluma (Homa Bay Town, ODM): Hon. Temporary Speaker, this is a very important Bill. I second it since the House has gone through it in detail due to the other pending businesses we have.

(Question proposed)

(Hon. Julius Mawathe stood up in his place)

The Temporary Speaker (Hon. Martha Wangari): Hon. Mawathe, you are totally out of order.

(Question put and agreed to)

*(The Bill was accordingly read
a Third Time and passed)*

The Temporary Speaker (Hon. Martha Wangari): Before we go to the next Order this afternoon, allow me to recognise Ruby Kraft Adventist School from Karachuonyo Constituency in Homa Bay County. They are in the Speaker's Gallery. We welcome you to observe the proceedings of the House.

(Applause)

Next Order, Hon. Members. The Motion had been moved. Hon. Wuod Chief, you were on your feet seconding.

MOTION**ADOPTION OF FIFTH REPORT ON AUDITED ACCOUNTS
FOR SELECTED STATE CORPORATIONS**

THAT, this House adopts the Fifth Report of the Public Investments Committee on Social Services, Administration and Agriculture on its examination of financial statements of the following state corporations, laid on the Table of the House on Tuesday, 5th August 2025—

- (i) National Social Security Fund for FY 2020/2021;
- (ii) Kenya Marine and Fisheries Research Institute for FY 2019/2020 to 2020/2021;

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- (iii) National Hospital Insurance Fund for FY 2018/2019 to 2020/2021; and,
- (iv) Kenya Broadcasting Corporation for FY 2013/2014 to 2018/2019.

(Moved by Hon. Emmanuel Wangwe on 23.9.2025)

(Resumption of debate interrupted on 23.9.2025)

Hon. Martin Owino (Ndhiwa, ODM): Yes, Hon. Temporary Speaker.

As I second, allow me to, as well, welcome students from Homa Bay on behalf of Hon. Kaluma.

I rise to second the Motion on consideration of the Fifth Report of the examination of the financial statements of selected State corporations. They are the National Social Security Fund, the Kenya Marine and Fisheries Research Institute, the National Hospital Insurance Fund (NHIF) and the Kenya Broadcasting Corporation (KBC). My Chair, Hon. Emmanuel Wangwe, moved this Motion with effectiveness and detail. The Committee observed some issues that I want to go through briefly.

First, all the corporations had something in common. They lacked entitlement through land ownership by lack of title deeds and legal documents. Especially, KBC had almost 32 parcels of land including where their headquarters are hosted. The NHIF had a very valuable 10-acre parcel in Karen. They did not get into its possession for a long time and it rolled into a dispute. The matter is in court. The State corporations did not take those very valuable assets seriously. The Committee was concerned and still is.

The other issue was delay in availing documents during audit reporting. Auditors were not furnished with documents most of the time, especially the reconciled financial statements and accounting records.

Imprest was the other very glaring issue and of concern to the Committee. The law is very clear that imprest should be surrendered within seven days. Most of those corporations did not, being in breach of Section 71 of the Public Finance Management (PFM) Act. We recommended that, within six months of the adoption of this Report, the accounting officers should be surcharged if they are not acting.

Underfunding and delay in disbursement from the Exchequer was another issue. The Committee understood this pain. Most programmes end up unfulfilled if the disbursement of funds is late especially when we are in a programme-based Budget. We underscored that the National Treasury should be sensitive to this and disburse money on time, for slated programmes to be implemented on time.

We found out that most corporations do not even have debt management policies. A lot of money was lying uncollected for years, some for as long as two years. The Committee recommended that strong policies should be put in place and implemented so that we do not have money outside.

To us, theft was another glaring concern in the corporations. For instance, the Kenya Marine and Fisheries Research Institute lost a deep-sea observatory rover costing Ksh13 million. It was concerning that there was no insurance for the equipment. There was no recovery after it was stolen and yet, it remained in their books. That was a big concern.

The Committee also considered other issues, especially across the four State corporations. There was weak corporate management or governance, so to speak. They did not have elaborate mechanisms, from the board of management to internal controls. There was also lack of coordination with sector auditors and state corporation officers. Actually, most of them would not end up having those audit queries if there was close coordination with those officers.

They would get their act together and give us a report in time. They would even make documents available, as auditors require.

As I said, there was lack of an effective debt management policy. Their policies were very weak while some had none whatsoever. We were wondering how they collect debts without a policy. The corporations depended so much on the Exchequer. They beat the fact that all State corporations were established to invest and be independent to, over a certain period, generate funds to run their affairs. We found out that all of them still rely on the Exchequer. That is why delayed Exchequer releases affect their programmes negatively.

Lastly, we also found that most of them do not update their asset registers. You cannot determine what the State corporation is really worth due to lack of an inventory. I urge Members to read the rest of this detailed Report as moved by my Chair. I ask us to adopt the Report so that all our recommendations are implemented.

The Committee on Implementation should note the recommendations we have made and the resolutions of the House. Some recommendations should be within three months and others within six months. If it is not implemented quickly, days will lapse without the actions we have asked for being taken.

With those few remarks, Hon. Temporary Speaker, I second.

(Question proposed)

The Temporary Speaker (Hon. Martha Wangari): The Member for Funyula.

Hon. (Dr) Ojiambo Oundo (Funyula, ODM): Thank you, Hon. Temporary Speaker. I stand to support the Report by the Public Investments Committee on Social Services, Administration and Agriculture. I commend the Committee for going into the archives and retrieving some long-standing issues in their Report here.

Two issues require clarification and must be put on record. Those matters must be taken seriously by the leadership of the House. The Constitution of Kenya clearly sets the timelines for examining audited accounts, presenting a report, and having them adopted in the House for action. We are currently dealing with the financial statements well beyond the six months that is allowed by the Constitution. It appears that we are working in vain; an exercise devoid of utility that lacks any force of law and cannot be enforced. The Committee has made far-reaching recommendations, such as reprimanding the then accounting officers, among others.

However, the then accounting officer will simply argue that this process is out of time, as the Constitution provides no latitude to deviate from the stipulated timelines. This is a debate, and I hope that, at some point, the House leadership will echo this sentiment and enable those committees to thoroughly review audit reports in a timely manner and make recommendations on the Floor of the House.

The second issue pertains to a recurring recommendation. Many of the PIC reports addressing the State corporations and State departments typically encounter problems related to land, land titles, land grabbing and associated matters. In my capacity as a member of the Association of Surveyors of Kenya, we have advised the ministries, State corporations and the Executive as a whole that, often at times, it is not necessary to navigate the lengthy process of acquiring a title deeds. They simply need to vest the land in the respective organisations and adhere to the provisions of the Land Act regarding boundary identification. Following this, the process becomes significantly simpler.

It is obvious that one cannot apply and enforce adverse possession on public land. This is a settled point of law and thus, anyone occupying such land cannot even be classified as a squatter. They are, in fact, invaders, and the Government does not need to go to court to evict them as adverse possession cannot be claimed on public land. Those are simple matters that anyone could address with urgency, thus avoiding the lengthy narratives that waste people's

time. Sometimes, SAGAs claim they lack the budget to hire a surveyor. However, many areas in this country are already geo-referenced. One can easily identify the boundaries by referring to the coordinates of point one, point two, and point three, which considerably simplifies the process.

The parastatals being discussed here hold significant historical importance in this country. My heart bleeds when they paint a very sorry state of the Kenya Broadcasting Corporation (KBC), formerly known as the Voice of Kenya (VoK). Many of us who grew up in those times remember that VoK was the mouthpiece of the Government. Ministers, assistant ministers, permanent secretaries, and directors never failed to listen to the 1.00 p.m. news. I feel a sense of loss when I read in the Report that KBC is practically insolvent. It is distressing to witness KBC entering into dubious loan arrangements or engagements that yield no tangible benefits.

Hon. Temporary Speaker, the British Broadcasting Corporation (BBC) is a government-owned entity that has outlived many governments. It continues to be the premier source of reliable information in the world. The same can be said for the Voice of America. Regardless of their occasional misuse by the current political regime, we must always maintain a national broadcaster that is sustainable, rather than insolvent, capable of disseminating Government information at any time, especially considering that the new Constitution has outlawed biased reporting.

With those very few remarks, I support the Report for the sake of it, as it lacks a constitutional mandate.

Thank you.

The Temporary Speaker (Hon. Martha Wangari): Leader of the Majority Party.

Hon. Kimani Ichung'wah (Kikuyu, UDA): Thank you, Hon. Temporary Speaker. I rise to support this Report of the Public Investments Committee on Social Services, Administration and Agriculture.

Upon reviewing this Report, it is evident that the Committee dedicated considerable man-hours to examining audited reports from various financial years, some dating back to 2013-2014, as Hon. Oundo has stated, particularly concerning KBC and the defunct NHIF. I would like to draw special attention to several issues highlighted in this Report, especially those that are related to the NHIF.

For instance, the Report notes that a car park was constructed at Community, adjacent to the existing NHIF Tower, and it is reported to have cost 337 per cent of its original cost. This is not just illegal; it is criminal, as one cannot vary a contract 337 per cent of its original cost without facing serious repercussions.

It is customary for the Auditor-General to provide reports annually, which are examined by the committees of this House. Recommendations are then tabled before this House for adoption. I sincerely hope that we will support Chairman Wangwe and the Committee in adopting this Report as presented, including its recommendations. At an appropriate time, I will be moving that the Committee on Implementation acts on this matter. I do not see Hon. Karemba in the House at present.

The Committee on Implementation is chaired by none other than the Member for Budalang'i, Hon. Raphael Wanjala. Hon. Wanjala, you, indeed, have your work cut out for you. There is no way this House can convene, adopt reports, and allow nothing to be done thereafter. Hon. Wanjala, the officers at NHIF who authorised that contract increase to 337 per cent must be held accountable. Your committee must ensure that the Ethics and Anti-Corruption Commission (EACC), the Directorate of Criminal Investigations (DCI), and those responsible for addressing economic crimes take appropriate action against the specific officers at the defunct NHIF.

Otherwise, we normalise theft, and it becomes normal for people to just steal public funds and walk away scot-free. Some of those characters, like the former Chief Executive Officer (CEO) of the National Hospital Insurance Fund (NHIF), is now pretending to be running for a governor's seat. How can he be running for governorship in Nakuru County on pilfered funds?

Hon. Members: Shame!

Hon. Kimani Ichung'wah (Kikuyu, UDA): We must not use a public elective office as a laundry for laundering or cleaning people who have pilfered public funds. The former CEO of NHIF must answer to those issues. Hon. Wanjala, you must ensure that, through the Committee on Implementation, Jeff Mwangi, the former CEO, answers for that kind of outright theft of public resources. We must not allow criminals to get away scot-free, then run for public office to hide behind them, and when you are arrested, you start crying that you are being arrested because of politics. There is nothing political when you pilfer public funds.

How do you construct a car park at 300 per cent of its original cost? And to make matters worse, you escalate the costs, and still you do not complete the building. If you go to that building, there are no functional lifts. You cannot park on the level three basement, and your office is on the 17th floor, and you are expected to climb up to the stairs as much as you want to live healthily. Hon. Wanjala, you will see from the Committee's Report that the car park is under-utilised. It is only being utilised at the level of 20 per cent and yet, we have sunk billions. This House should not allow people to just walk scot-free. We must not allow it to happen. That is why I am challenging Hon. Raphael Wanjala to make sure that those culprits, especially those known criminals at the defunct NHIF, are brought to book.

(Applause)

Hon. Raphael Wanjala (Budalang'i, ODM): I have taken up the challenge.

(Laughter)

Hon. Kimani Ichung'wah (Kikuyu, UDA): I hear Hon. Raphael Wanjala saying he has taken up the challenge. I hope we will see people in court.

The Temporary Speaker (Hon. Martha Wangari): I just want to confirm that whatever he has said is not on record at all. Leader of the Majority Party, go on.

Hon. Kimani Ichung'wah (Kikuyu, UDA): I hope he will have an opportunity to speak to this issue so that he not only says in his position that he has taken up a challenge, but confirms to the House that he will ensure those people face their day in court.

Again, if you read that Report, the issue of pending bills at the NHIF is a sticky issue. The Chairman of the Departmental Committee on Health, Hon. (Dr) Nyikal, will tell you that many of the issues that you hear with private, mission and public hospitals emanate from the defunct NHIF. People were accustomed to faking bills and getting money from the defunct NHIF. You have heard stories where people had amputations on the same leg three times.

(Hon. Caroli Omondi demonstrated using his leg)

The Member for Suba South is saying that it is possible to amputate the same leg from below the knee.

Hon. Members: Yes.

Hon. Kimani Ichung'wah (Kikuyu, UDA): Then above the knee and then at the hip.

Hon. Members: Yes.

Hon. Kimani Ichung'wah (Kikuyu, UDA): But we know it was outright theft. Again, those are some of the issues I want to challenge the Committee to ensure that in line with the recommendation that they have put, since the Social Health Authority (SHA) is taking up the work of the defunct NHIF, moves with speed to ensure that they quickly verify all the bills that are owed to public and private hospitals in the country so that those that are payable are paid while those that are not payable are not. And not just not being paid, but also ensure that those who have lodged fake claims to the defunct NHIF are also brought to book. That is the only way of ending that pilferage of public resources.

You do not even deserve to live if you are stealing from the sick. We have seen people stealing NHIF money that belongs to patients. I want to plead with the Committee on Implementation that if and when we adopt this Report, it takes up this matter with NHIF or SHA to ensure that this matter is closed. I have seen a number of mission hospitals saying we are owed many billions by SHA and yet, what they are carrying forward are the bills that are rolled over from NHIF.

I remember one case in the recent past, a Bishop in Kakamega who had to unfortunately eat his own words when he said that SHA owed St. Mary's Hospital in Kakamega billions. He said that they were paid Ksh9 million, contrary to the Ksh90 million they had promised. Unfortunately, he had to eat his words two days later when it became clear after evidence was tabled before him that the hospital had been paid close to Ksh90 million by SHA, as it had been said by the Prime Cabinet Secretary in that function. I plead to our religious leaders to verify things before they say them in public, and also appreciate that there are monies that are owed by the defunct NHIF. As the Committee has recommended, it is important that we verify the payable bills and those that are not real so that they are notified and stop accruing them.

In conclusion, Kenya Broadcasting Corporation (KBC), and Hon. Oundo spoke to it, stands the potential of being a super-rich public institution in this country. It is true that many public broadcasting corporations around the world, even the British Broadcasting Corporation (BBC), which Hon. Oundo was alluding to, get support from the Government. The Exchequer in the UK supports the BBC. However, in this day and age, that does not mean State corporations cannot reinvent themselves and work in a way that they become profitable. KBC stands that potential. That is a very rich institution. It holds enormous land resources. Between Karen and Ngong, around Kerarapon, it has close to 100 acres of land. They also have prime land in Mombasa, Jomvu, and Kisauni. That land can be utilised to make sure that they settle their debts, function and modernise their broadcasting facilities. That way, they will be able to compete with other private sector players in the broadcast industry.

Also, we must challenge them that in this era, they must be more innovative than they have been. At least, I can see now that they have been able to upgrade a bit of their resources, especially around live broadcasting. Also, they should take advantage of programmes of the African Nations Championship (CHAN). Those who are following the CHAN competitions know that in this region, there is nowhere else that sponsors - and Total Energies can confirm that - where there were such good positive vibes and marketing as in the Republic of Kenya, not even in Uganda or Tanzania. Even the participation of our fans in patronising our stadia, cheering the teams that were playing, marketing and promotional services that were being aired on TV is comparable to none. There was no better place than in Kenya. That is the potential that KBC holds.

As we look forward to the Africa Cup of Nations (AFCON) later next year, they should take advantage and ensure that they have broadcast rights for AFCON or even the World Cup, auction those broadcast rights to many other broadcasters around the world and make money. There is no reason why KBC cannot get auction rights to broadcast the World Cup and other sporting activities, including the recent International Athletics Championships. Those are

opportunities that KBC can take advantage of to stand strong as a profitable State corporation that can give us dividends in the near future. I wish the company well.

I thank the Chair of the Committee, Hon. Wangwe. He has churned out a number of reports within the short time he has been Chair of the Committee. We are now coming up to speed in consideration of many audit reports. I encourage other oversight Committees to follow the example that Hon. Wangwe has set. The Committees should not only invite people to Rooms 7 and 9 but also table reports for consideration and adoption by the House. I hope, as I mentioned, that the Committee on Implementation will, immediately upon adoption of this Report, follow up on the issues raised by the Committee to ensure that we hold to account those who pilfer or misuse public resources and those who vary contracts up to 337 per cent and then pretend that they can hide behind politics. They should have their day in court to answer to their misappropriation of public resources.

With those many remarks, Hon. Temporary Speaker, I beg to support. Thank you.

The Temporary Speaker (Hon. Martha Wangari): Very well. Before I give an opportunity to the next Member, allow me to recognise the team in the Speaker's Gallery: The second group from Rubi Kraft Adventist School from Karachuonyo in Homa Bay County. You are welcome to observe the proceedings of the House.

Member for Bomet, do you want to speak to the Motion? Hon. Mutuse Eckomas. Not on this Motion. Hon. Nyikal.

Hon. (Dr) James Nyikal (Seme, ODM): Thank you, Hon. Temporary Speaker. As I support the Report, I want to make only one point on land. Many institutions, not just the ones that have been mentioned in the Report, have large tracts of land, but they do not have their titles. People settle on the land and make claims. Those include schools and police stations. In the case of schools, people whose grandfathers had given land come to claim back the land. The one thing I would like the Committee on Implementation to follow up in this Report is the issue of land. All public institutions must get titles for the lands on which their institutions stand. It is actually going to be a crisis. Look at the issue of NHIF. Their land has now become a court case. KBC does not own many pieces of their land. There is no way it can use the pieces of land to improve their finances. I have spoken to this issue many times, but I do not see much being done. If the institutions cannot do it, then the National Land Commission (NLC) should take up the matter and ensure that all public institutions have titles to the pieces of land that they own.

Thank you, Hon. Temporary Speaker.

The Temporary Speaker (Hon. Martha Wangari): Member for Rarieda.

Hon. (Dr) Otiende Amollo (Rarieda, ODM): Hon. Temporary Speaker, thank you. I rise to support the Report and I hope Hon. Wangwe will be listening. First of all, this Committee has tried. It has gone back over the years. That is very important, because such reports are time-bound. As long as they are outside time, they may be of no legal effect.

I have looked at page 3 on the question of title deeds. This matter has recurred in many institutions. Even the Judiciary at one time lost court land in Eldoret to a grabber. The issue needs a ruthless public officer to take back any grabbed public land then we face the consequences. Page 4 is on the failure to provide audit documents. While I support the Report, I urge the Chairman and the Committee to next time go further. Failure to provide answers to audit queries is already unlawful. Failure to provide documents to the Committee is also expressly unlawful. There are measures the Committee can take, including surcharging the particular officer.

Page 5 is on the question of imprest. I am totally in agreement with the Committee that accounting officers should ensure that imprests are surrendered within seven days. Those who fail to surrender should be surcharged. This should send a message to accounting officers that

they should not wait for the Auditor-General to go to them or for the Committee to sit over what the accounting officers already know is the provision of the law.

On page 7, I like the idea of the Committee reprimanding the particular officer who was in charge of human resource. But that brings me to a different subject. I think it is time, when we write such reports, to abide by what the Constitution says. It says people must take personal responsibility for financial impropriety or for doing wrong things. The idea of saying the accounting officer or the human resource officer does not make them feel the pinch. If it is Otiende Amollo, you should say Otiende Amollo who was in charge at that time should be surcharged and you indicate the amount. If it is a gross misconduct, then you should be prepared to say that the particular officer, who you name, is unfit to hold public office or ought to be removed from public office. As long as you do not do that, they hide under the banner of a State Department and they do not feel the pinch. I realise that the Committee has not done that in this Report. The House had set a precedent when, about five or four years ago, the Public Accounts Committee named officers. Some Members moved amendments and extracted those names. We should support Committees; we should not diminish them. When we diminish them, we diminish ourselves. It is important that we start naming the officers involved. Where the issue is gross, we should say the officers are unfit to hold public office and surcharge them within a timeframe.

Beyond that, the Chair of the Budget and Appropriations Committee should start looking at those reports. Some of the departments that grossly mismanage public resources should suffer the consequences of budget cuts. Otherwise, they feel nothing. All the reports become idle. I support this Committee. We should support all the Public Investments Committees and the Public Accounts Committee. If we must amend their reports, let us amend to strengthen them, not to weaken them.

Hon. Temporary Speaker, I support. Thank you very much.

The Temporary Speaker (Hon. Martha Wangari): Thank you very much. I agree with you. There must be a point of meeting between Audit Committees and Departmental Committees. Departmental Committees are the ones that deal with budget proposals, and those reports should be available when the budget process is ongoing.

The next chance goes to Hon. Mutuse. Are you ready now?

Hon. Mwengi Mutuse (Kibwezi West, MCCP): Thank you, Hon. Temporary Speaker, for giving me the opportunity to contribute to this very important audit Report moved by Hon. Emmanuel Wangwe. As you know, Hon. Emmanuel Wangwe is one of the serious legislators that I have interacted with in this House. He takes his work very seriously. By virtue of his seriousness, I vouch for the seriousness of this Reports of his Committee.

Kenyans need to know that outside the mainstream public service that is superintended by Principal Secretaries, there are a lot of resources that lie in parastatals. Therefore, reports of audit committees relating to parastatals are as relevant as audit reports of the mainstream public service. Because there are a lot of financial, land and property resources within parastatals, audit reports of the peoples' representatives in this House ought to look into the financial and other affairs of those parastatals in a very serious manner so that public resources are safeguarded.

Hon. Temporary Speaker, I am in support of this Report. But even as I support, I urge the audit committees of this House to move from where we are. This is because looking at audit reports every other time; the toughest recommendations we make are normally very lenient. It is now time audit committees recommend that accounting officers who superintend over misappropriation of public resources should be barred from holding public office.

During my time in the Public Accounts Committee (PAC), and reading through many audits Reports, I realised that we have been shy to make radical recommendations in our audit committees. Therefore, as we support this Report, I urge audit committees of this House to be

bold enough such that where they find resources have been misappropriated, to recommend that the people who superintend over that misuse of public resources should never hold public offices. If that is done, that is the moment Kenyans will begin to take this House seriously; and that is the moment this House would have taken a frontal role in the fight against corruption.

Under Chapter 6 of the Constitution, the Leadership and Integrity Act and the practise that has been established in our country, if a person is named in a parliamentary report as not being fit to hold public office, that person can never hold a public office in future. That is when people will realise that public office is a trust and people do not hold public offices to enrich themselves. That is also the time people will realise that Parliament as a peoples' watchdog does not just bark, but can also bite.

Therefore, I congratulate the Committee that is led by my good friend and support their Report. I will add that all our audit committees, beginning from the most premier PAC and the Public Investment Committees (PICs), in their severalties, must make radical recommendations so that going forward, Parliament is taken seriously.

Thank you, Hon. Temporary Speaker.

The Temporary Speaker (Hon. Martha Wangari): Member for Homa Bay Town, Hon. Kaluma.

Hon. Peter Kaluma (Homa Bay Town, ODM): Hon. Temporary Speaker, before I go into the meat of the Report, on behalf of the area Member of Parliament Hon. Andrew Okuome Adipo, let me welcome the students who have come all the way from Karachuonyo to observe the proceedings of Parliament. My grandmother, Margarita Owuor, is Nyar Karachuonyo. So, I am very elated to see those students come to observe the proceedings and to see with their own eyes what Parliament, which is our national legislative House, does. They are welcome to observe the proceedings. I wish them well in their learning tour of matters governance.

Sometimes, I think we need to establish some holding ground for criminals within Parliament. I have keenly listened to this Report when it was moved, seconded and I have also read it. A parking facility for National Hospital Insurance Fund (NHIF), which was contracted at Ksh970 million, has had the contract price move to Ksh3.9 billion and we are talking about it as if it is just an ordinary theft. Social Health Insurance Fund (SHIF), which was the national insurer, is the body we charged with the insurance of our health services in this country. We had cases in the past where people could not be treated or paid for, yet a facility across the road, had its contract price move from Ksh970 million to Ksh3.9 billion and the contractor is still walking free as we talk here. The people in charge of the funds at NHIF are still free and we are being told some even intend to run for public offices. We now need to develop some holding ground for criminals within Parliament.

Theft under construction works in this country is hidden under some engineering rules called the International Federation of Consulting Engineers (FIDIC) rules. If we remember, for quite a long time we would see a crane at that facility whereas no work was going on. That meant the contractor ceased building and employed accountants to forge claims under what they call suspension of works. We would excuse such situations, if ultimately, when the contractor got paid, work was done. However, we are told the lifts that were to be used to convey vehicles to the parking base of the facility have not been installed and the facility is working at 20 per cent. Those are people who should be in jail. I do not know whether it has been recommended succinctly, but this is a matter the Chairman of the Public Investments Committee in charge of public accounts in this particular sphere ought to have forwarded with a recommendation straight to the Ethics and Anti-Corruption Commission (EACC) and the Office of the Director of Public Prosecutions (DPP) to effect arrests immediately. If we were to do that, then we would be a serious House. This Report ought to have gone further and asked EACC to report to the relevant Committee of Parliament regularly, if possible, within every two weeks, so that we analyse progress reports. That would be the role of the Departmental

Committee on Justice and Legal Affairs, the Committee on Implementation and this Committee itself.

What is happening in this area is painful. The other way those people used to steal is on projects such as the police hospital facility we are building along Raila Odinga Road. The Departmental Committee on Administration and Internal Security budgeted Ksh400 million, but that money was taken to the Kenya Defence Forces (KDF), since soldiers are free and have engineers who can build. Ultimately, we are told it is not the soldiers who built the facility, but an individual contractor who was given the facility to build by KDF. The facility is complete and furnished, but for their injuries. Police officers have no stock whereas the Ksh400 million has been used. Do you know why it has not been handed over to the police? The contractor is seeking Ksh1.4 billion on top on the Ksh400 million we paid. I urge Hon. Wangwe, because I see administration also falls under him, to go for that facility immediately, so that it can be released to the police to start serving officers as we deal with it.

It is very sad to hear that Kenya Broadcasting Corporation (KBC) does not have the title of the land it sits on or for other prime properties at the Coast in Mombasa: Nyali, Jomvu or everywhere else. That is up to 32 titles and this is a struggling facility. The properties are being encroached on by individuals, including people we know. Including people we know! We want those reports to not only tell us they have been grabbed. I know the Chairman of the Committee knows the people I am talking about. KBC must recover all the land that it owned or is appropriated to it as a public corporation and they must all be titled. I hope tough recommendations have been made for reclamation and claiming back of those titles so that we have them.

People have been saying that NHIF was better and that the Social Health Authority (SHA) is not working. Kenyans, SHA is working. You can only say SHA is not working until you get sick.

(Hon. Antoney Kibagendi spoke off the record)

Hon. Kibagendi, I have blood relatives who are being treated through SHA. By the way, people who are shouting the most on how SHA is not working are people from counties, with top-ten highest registered SHA members countrywide. When things are working...

(Hon. Antoney Kibagendi spoke off the record)

Hon. Kibagendi, do not talk when I am talking! You are a first time Member here; I am a senior Member.

Hon. Antoney Kibagendi (Kitutu Chache South, ODM): So, what? I am here for...

Hon. Peter Kaluma (Homa Bay Town, ODM): You keep quiet! There are times when we are talking serious things.

Hon. Temporary Speaker, when something is working, let us say it is working. When there are teething issues and problems to be addressed, let us address them. The people in this Report who keep saying we should go back to National Health Insurance Fund (NHIF), are saying so because NHIF was a milk cow. It was an elephant that had been put down and they were eating it. You are given a contract for Ksh900 million, you get Ksh3.9 billion and you do nothing about it. We are saying that this Parliament killed NHIF, it enacted the law establishing SHA, and whatsoever amount of noise you make because of the systemic corruption for which we killed NHIF, we are not going back there.

Let us encourage all Kenyans to register and acknowledge where we are doing well. We can say very many things. I heard people talking about 'Ruto at three', against *sijui who* at three. There is no government in Kenya since Independence which, at three years, is doing

better than this Government. I can say this without any shame. You know all the others at three years. During the Kibaki regime at three years, the Bomas of Kenya draft had been rejected, Raila and others had been kicked out, and it was now a tribal group running this country. This is the truth. Let us support the Government and those initiatives. I recommend that for once, we see what Hon. Wanjala Raphael and the Committee on Implementation is doing. We must bring people here and not just the people who are in charge of those funds, but also the contractors.

With those very many remarks, I thank you.

The Temporary Speaker (Hon. Martha Wangari): Hon. Member for Igembe Central, Hon. Karitho.

Hon. Daniel Karitho (Igembe Central, JP): Thank you, Hon. Temporary Speaker, for giving me the opportunity to also contribute on this Audit Report.

First and foremost, I congratulate the team led by Hon. Wangwe for doing this great work. The Audit Report's recommendations must be followed to the letter in order for them to be worthy. We need those recommendations followed and we need to be seen working and doing what is right.

I will not dwell much on this SHA, NHIF and issues like that. I will however, dwell mostly on land issues. We have many corporations in this country with huge chunks of land that have no title deeds. It is an embarrassment at this age for corporations like Kenya Broadcasting Corporation (KBC) to have parcels of land without title deeds. In my Constituency, Igembe Central in Meru County, we have public lands that are owned by learning institutions without title deeds. Most of them have been grabbed. The grabbers have gone to an extent of even being forceful and using all corrupt means to make sure they retain the public lands that are meant for public institutions. All this is because of lack of title deeds. Even in the Public Investments Committee on Governance and Education, we are facing the same issues whereby there are universities lands without title deeds. We must categorically encourage and work on this. We must also encourage the Committee on Implementation to make sure that those Reports are acted upon, and all those who are involved, especially those who have encroached on public lands, public institutions and public corporations, are held to account for the grabbing.

It is also discouraging when people who have been looting public funds like NHIF go scot-free. It is a high time we make sure we implement the recommendations of those Reports, have them brought to book so that they can pay, get surcharged and even get jailed for those crimes. This will ensure the young generation learns from them and avoids those evil deeds on our country.

Thank you.

The Temporary Speaker (Hon. Martha Wangari): Very well. Member for Saboti, Hon. Caleb.

Hon. Caleb Amisi (Saboti, ODM): Hon. Temporary Speaker, allow me to pass on this one because I have another Report to give. This will allow other Members to also contribute.

Thank you.

The Temporary Speaker (Hon. Martha Wangari): Very well. Hon. Member for Kangema. He is not in the House. Hon. Member for Mwingi West.

Hon. Charles Nguna (Mwingi West, WDM): Hon. Temporary Speaker, I am interested in the next Motion of the Special Funds Accounts Committee. Kindly skip.

The Temporary Speaker (Hon. Martha Wangari): Very well. Hon. Caroli, where is your card?

(Hon. Caroli Omondi spoke off the record)

The Temporary Speaker (Hon. Martha Wangari): No, it is not! Hon. Caroli, you have the Floor.

Thank you.

Hon. Caroli Omondi (Suba South, ODM): Thank you, Hon. Temporary Speaker. So that we make progress, I will just make two comments on this issue. One is the idea of individual criminal liability for breach of national values and principles on public service, and financial management under our Constitution; in particular, Articles 10 and 232. I think the accountability Committees; the Public Investments Committee and Public Accounts Committees, should clearly emphasise this nexus between breach of those values and criminal liability, in their Reports. So that those public servants who do not use public resources prudently or conspire to have abuse of resources, are actually held accountable. No such case has come forward. But if you read our Constitution and the related legislation carefully, we should actually be holding people criminally liable for even not processing a title deed for an institution that they are responsible for. Because that is part of their core responsibility; to protect and preserve public property. Therefore, instead of complaining and always giving those crooks a free pass, in future, the Reports should single out the individuals who have neglected their duties. This will ensure that we can hold them liable.

The second point I would like to emphasise is on Parliamentary Powers and Privileges Act, and in particular Section 23. No public servant or officer can refuse to give this House or its Committees a document, a record, a report, or anything. Including those state organs that are clustered as security organs. In other words, we have full powers to summon and receive any document that we require for our work. Those who have actually denied the Committee access to certain documents have actually broken the law. Instead of summoning them or fining them, we should file a criminal complaint for them to be taken to court. Because that is what Section 23 of Parliamentary Powers and Privileges Act says. No officer nor State organ, including the security organs, can refuse to give to this House a record, a document or a report if we ask for it.

The story of NHIF with respect to a project in Karen tells you how criminal-minded most of our public officers are. Billions have been spent on designs, consultancy fees, quantity surveyors, architects, engineers and some lawyers. Billions and billions. But there is not a single stone that has been laid on the ground to build the famous Karen Hospital, yet billions have been spent. That is just one example. If you want to know how idle we apply Government resources, KBC has a very big parcel of land in Gem where they have put their masts. It is important for aviation and communication, but there is a university in Yala without enough land to expand its activities. I think it is time that KBC figured out how to support Odera Akang'o Campus which is under Maseno University, by donating some of its idle land to them.

With those remarks, I support. Thank you.

The Temporary Speaker (Hon. Martha Wangari): Member for Busia County, do you want to contribute to the Motion?

Hon. Catherine Omanyi (Busia County, ODM): Thank you, Hon. Temporary Speaker.

This is what my nervous system would identify as walking on glass. By the time public land is transferred to an individual, chiefs, assistant chiefs, village elders and the community are aware that it is public land. By the time the transaction reaches the table of the land registrar before it is finally transferred to an individual, somebody should raise the flag and say that it is public land and refuse to continue with the process. The land registrar can also do the same.

Anybody who takes public land and turns it into personal property, including quantity surveyors and other officers, should be implicated for fraud. We should protect our public land regardless of whether it belongs to the National Hospital Insurance Fund (NHIF) or the National Social Security Fund (NSSF). We can use it for something different in future because

times keep changing. If we do not protect that land today, we will not have space in our nation for creativity.

Thank you, Hon. Temporary Speaker.

The Temporary Speaker (Hon. Martha Wangari): There being no more interest in this Motion, I call upon the Mover to reply.

Hon. Emmanuel Wangwe (Navakholo, ODM): Thank you, Hon. Temporary Speaker.

Allow me to appreciate my colleagues for taking their time to read the Report of the Public Investments Committee on Social Administration Services and Agriculture. I also thank them for their overwhelming input that has enriched the Report, especially the suggestions by Hon. Otiende Amollo, Hon. Kaluma and my very good friend, the Member for Suba North Constituency. It so happens that the Abasuba are part of the Luhya community in another dimension. To capture what Hon. Caroli and two other colleagues have said, I will have to download *The Hansard* and address and incorporate the issues in the next reports that will come to the Floor of the House.

Allow me to also emphasise the issue of the 337 per cent increase. It is outright theft. The 337 per cent increase was not just meant for the construction of the car park. A lot was lumped into that figure. I want the Ethics and Anti-Corruption Commission (EACC) to seriously investigate that figure. If they open up that 337 per cent increase, they will find out that after the closure of the accounts by the officers of the Ministry of Lands, Public Works, Housing and Urban Development, the then Managing Director (MD) opened the books, lumped additional sums of money into the amount and ran away with the funds. Therefore, it is upon the EACC to investigate. Since my colleagues have expressed their anger towards the 337 per cent increase, we want to see action being taken as well as a follow-up by the Committee on Implementation. Otherwise, I am very grateful to my colleagues.

I beg to reply and request that within the reading of Standing Order 53(3); you defer the putting the question to this Report.

Thank you, Hon. Temporary Speaker.

The Temporary Speaker (Hon. Martha Wangari): Very well. Your request is assented to. Putting of the Question would be done in the next Sitting.

(Putting of the question deferred)

Next Order.

BILL

Second Reading

THE PRIVATISATION BILL (National Assembly Bill No.36 of 2025)

The Temporary Speaker (Hon. Martha Wangari): Hon. Members, at the request of the Mover, this Order will be stepped down in today's Sitting.

(Bill deferred)

Next was Order 11. At the request of the Mover, we shall re-arrange the Order Paper to start with Orders 12 and 13. We will then come back to Order 11.

Next Order.

MOTION**ADOPTION OF SIXTH REPORT ON AUDITED ACCOUNTS
FOR SELECTED STATE CORPORATIONS**

The Temporary Speaker (Hon. Martha Wangari): The Chairperson of the Public Investments Committee on Social Administration Services and Agriculture is Hon. Wangwe, but the Motion will be moved by the Member for Saboti Constituency, if I got it right.

Hon. Caleb Amisi (Saboti, ODM): Yes.

The Temporary Speaker (Hon. Martha Wangari): Hon. Caleb.

Hon. Caleb Amisi (Saboti, ODM): Thank you, Hon. Temporary Speaker. Thank you, Hon. Chairperson, for giving me the opportunity to move the Report on your behalf.

The Public Investments Committee on Social Administration Services and Agriculture is one of the six watchdog committees of the 13th Parliament that examines the reports of the Auditor-General that are laid before the National Assembly to ensure efficiency and effectiveness in the use of public resources. Therefore, the Committee is established under the National Assembly Standing Order 206(B).

The Temporary Speaker (Hon. Martha Wangari): Hon. Caleb, maybe, your Chairperson did not guide you on the procedure. Kindly move the Motion as it is on the Order Paper, before you go into the details.

Hon. Caleb Amisi (Saboti, ODM): Okay. Sorry. Hon. Temporary Speaker, I beg to move the following Motion:

The Sixth Report of the Public Investments Committee on Social Administration Services and Agriculture on the adoption of the Auditor-General's reports on the financial statements of four selected State corporations.

The Temporary Speaker (Hon. Martha Wangari): Hon. Caleb, kindly read the Motion as it is in the Order Paper for the record. Do you have the Order Paper?

Hon. Caleb Amisi (Saboti, ODM): I do not, but I can quickly find one.

The Temporary Speaker (Hon. Martha Wangari): Kindly give him the hard copy of the Order Paper.

Hon. Caleb Amisi (Saboti, ODM): Hon. Temporary Speaker, I beg to move the following Motion:

THAT, this House adopts the Sixth Report of the Public Investments Committee on Social Services, Administration and Agriculture on its examination of Financial Statements of the following State Corporations, laid on the Table of the House on Tuesday, 5th August 2025:

1. Agro-Chemical and Food Company Limited for FYs 2015/2016 to 2016/2017.
2. Kenya Animal Genetic Resources Centre for FYs 2011/2012 to 2017/2018.
3. Moi Teaching and Referral Hospital for FYs 2015/2016 to 2016/2017.
4. Public Benefit Organisation Regulatory Authority (formerly NGO Coordination Board) for FYs 1992/1993 to 2006/2007.

Hon. Temporary Speaker, like I said earlier, the Public Investments Committee on Social Services, Administration and Agriculture is one of the six watchdog committees of the 13th Parliament that examines reports of the Auditor-General laid before the National Assembly to ensure efficiency and effectiveness in the use of public resources. The Committee is established pursuant to National Assembly Standing Order 206(B).

The Public Investments Committee on Social Services, Administration and Agriculture examines the reports and accounts of public investments, reports of the Auditor-General on public investments, and the context of the autonomy and efficiency of public investments. It also examines whether public investments are being managed in accordance with sound financial or business principles and prudent commercial practices. This ensures implementation of Article 229(8) of the Constitution on reports laid before the House by the Auditor-General.

The Sixth Report of the Public Investments Committee on Social Services, Administration and Agriculture contains the Committee's examination of the following four State corporations:

1. Agrochemical and Food Company Limited for the Financial Year 2015/2016 and 2016/2017.
2. The Kenya Animal Genetic Resource Centre for the Financial Years 2011/2012 and 2017/2018.
3. Moi Teaching and Referral Hospital for the Financial Years 2015/2016 and 2016/2017.
4. The Public Benefit Organisation Regulatory Authority, formerly the NGO Coordination Board, for the Financial Years 1992/1993 and 2006/2007.

In examining the audited financial statements of those State corporations, the Committee's primary approach was to establish why certain financial and management actions were or were not taken. We were guided by the Constitution, the Public Finance Management Act, 2012 and its regulations, the Public Audit Act, 2015, the State Corporations Act, the Public Procurement and Asset Disposal Act, 2015, the National Assembly Standing Orders and the National Assembly Powers and Privileges Act, 2017.

I will present the general observations and recommendations on the four State corporations and later highlight a few specifics in regard to each corporation. The Committee observed issues relating to land and buildings, particularly the lack of title deeds. As noted in the Fifth Report, several public entities still do not hold title deeds. Some parcels of land have been grabbed or encroached upon, thus denying institutions the ability to use them for public purposes. At the Kenya Animal Genetic Resource Centre, seven parcels of land totalling 168.08 hectares had been valued, yet the Centre did not possess title deeds. Similarly, Moi Teaching and Referral Hospital occupies land where Uasin Gishu Memorial Hospital is situated, which has been subject to a court case between the hospital and former directors for over six years.

The Committee recommends that, within three months of the adoption of this Report, the Accounting Officers of the respective State corporations should, through the principal secretaries of the relevant State departments, the Ministry of Lands and the National Land Commission, fast-track the acquisition of title deeds to resolve ownership disputes and ensure legal action is taken against private individuals who have illegally acquired public land.

Within the same period, the Inspector-General of the Inspectorate of State corporations, in collaboration with the Attorney-General, should compile a report on all public land with ownership disputes pending in court and submit it to the National Assembly. This will form the basis for inquiries into the ownership status of public land and facilitate repossession where applicable. Caveats should also be placed on all parcels of State corporations parcels of land that are in private hands.

The Committee also observed delays in availing documents to the Auditor-General, a recurring issue in previous PIC Reports. In this case, some Accounting Officers failed to provide complete and reconciled financial and accounting records, as well as supporting documentation, in time for audit review and verification. This resulted in unnecessary audit queries that could have been avoided, had the documents been availed as required. This is contrary to Article 226 of the Constitution and Section 68(2) of the Public Finance

Management Act, 2012, which require financial and accounting records to be presented within three months after the close of the financial year. Section 62 of the Public Audit Act, 2015, further obligates Accounting Officers to provide the required documents for audit, failure to which they may be sanctioned.

In our general recommendations, the Committee recommends that the accounting officer then should always comply with the provisions of Section 62(2) of the Public Finance Management Act, 2012, by submitting all the required information for audit within the stipulated timelines. We use the word ‘then’ to indicate that this is the accounting officer who served at that particular time

The second observation on this issue is that the accounting officer who fails to provide the required information for audit pursuant to Article 62(1) of the Public Audit Act, Cap. 412B, should be prosecuted for the offence pursuant to Section 62(2) of the Public Audit Act, Cap. 412B.

There was also the delayed accountability of imprest. This is also a common audit query across those State departments. Similarly, our Committee also observed that some State corporations were in breach of Section 71 of the Public Finance Management Act Cap 412A, and other regulations that require surrender of imprest within seven days upon the conclusion of the assignment for which the said imprest was issued.

Under the guidance of the Chairman, the Committee recommended that accounting officers ensure that imprest advanced to officers is surrendered within the stipulated period of seven days after return to the workstation, in accordance with Section 93 of the Public Finance Management (National Government) Regulations, 2015.

Within three months of the adoption of this Report, any accounting officer who fails to take the necessary steps to recover all outstanding imprest within their jurisdiction should be surcharged the full amount due. The accounting officers should also submit a status report with evidence of recovery to the Auditor-General for audit and reporting.

The Committee then considered specific observations and recommendations for each of the four State departments. One common audit query related to the Agrochemical and Food Company Limited for the Financial Years 2015/2016 and 2016/2017. The Committee noted with concern that, although the company made a profit of Ksh227,711,344, it paid Ksh30,207,376 to Meta Group as management fees in the Year ended 30th June 2016 for seconding a chief executive officer. This was despite the company reporting negative working capital of Ksh7,112,908,196 as at 30th June 2016 and a net loss of Ksh227,711,344.

Hon. Temporary Speaker, the company is currently under privatisation process and due diligence has been done awaiting approval. However, the process has taken quite some time and the company, therefore, is technically insolvent.

So, what are the Committee’s recommendations? The Committee recommended that within three months upon the adoption of this Report, the Ethics and Anti-Corruption Commission (EACC) should review the operations of the company with a view to establish whether there were any improprieties in the running of the company and acquisition of the Government of Kenya loan. EACC should, among other things, review the historical background of the company since inception to date, the shareholding status of the company, capital contribution per shareholder, the CR12 and the terms of management contracts between Agrochemical and META Group and submit a report to Parliament on its findings.

I will go to the second issue that was common in this particular State corporation on the capital works in progress in the Year 2016/2017. The Committee observed that capital work in progress for projects worth Ksh13,469,200 were terminated after being deemed unviable.

The second observation, is that a feasibility study on the construction of new molasses preparation station, was deemed to have been carried out, but eventually upon completion, the cost of implementing the project was way above the budget, hence not viable. It was not clear

how that translated to inefficiency in terms of cost-benefit analysis, if at all the feasibility study was genuine and the project was implemented within the timeline.

Lastly, the Committee observed the contract documents for the projects were not provided to the Committee for review.

So, what are our recommendations? The Committee recommends the following:

That, within three months upon adoption of this report, EACC should review the procurement process for the projects and the feasibility study report with a view to establish whether there were any improprieties. Should any officers be found culpable, the Director of Public Prosecution to take the necessary legal action.

The second issue is on tax matters. The Committee observed that the matter was deliberated on 21st Public Investment Committee (PIC) Report, where the National Treasury approved the waiver of withholding tax and exempted the company from payment of withholding tax on Government-guaranteed loans in September 27th 2010. However, Kenya Revenue Authority (KRA) has not granted the company a letter vacating the demand of the withholding tax.

Secondly, the matter had been referred to the tribunal and the judgement for setting aside the withholding tax that was made in favour of the company. However, there were no documents to show that KRA had vacated the demand and so the recommendation of the Committee in respect to this matter is that within three months upon the adoption of this Report, the Accounting Officer in Agrochemical and Food Company, the Principal Secretary, National Treasury and the Commissioner-General, Kenya Revenue Authority, reviews and expedite the matter of vacating the withholding tax with a view to settling it amicably.

Hon. Temporary Speaker, we will also look at the second State Corporation, which is the Kenya Animal Genetic Resource Centre for the FY 2011, ending 2012 30th June, and I will look at the property plant and equipment as one of the audit queries that came about. The Committee observed a number of issues, among them, the Public Finance Management Regulation (PFMR) National Government Section 139, which requires accounting officers of the national Government to take full responsibility and ensure proper control systems are in place to safeguard the assets.

Secondly, the International Accounting Standards require entities to disclose sufficient, relevant and representationally faithful information about property, plant and equipment to enable users of those financial statements to understand and evaluate the effects that the property, plant and equipment have on the financial position. Financial performance and cash flows of the entity. Secondly, the Accounting Officer failed to include in the Financial Statements the value of parcel of land LR No.22375 and LR No.22387 of approximately 75 acres and 358 acres, respectively, due to lack of ownership documents. The last observation, among others, is that the centre had developed the land with investments in buildings with a net value of Ksh41,328,566 as well as other developments, though the land belongs to the former Ministry of Livestock Development.

What was the Committee recommendation to this query? The Committee recommends reprimanding of the then Accounting Officer for failure to adhere to the relevant laws and the standards guiding on presentation of property, plant and equipment, such as Public Finance Management, National Government Regulations 2015 and International Public Sector Accounting Standards. Subsequently, the Accounting Officer must always ensure the correct value of assets are disclosed in the financial statements.

The other issue on this particular State Corporation's financial performance is this: The Committee observed that the centre had explored strategies to increase revenue generation or minimise operational costs in a sustainable manner. However, there was no evidence of implementation of those strategies to reverse the negative financial trend and sustain its operations in the long term.

Secondly the Committee observed that the centre recorded a substantial loss of Ksh22,798,845 for the year under review. A considerable decline in performance from the previous year's loss of Ksh3,044,465, thus worsening their financial performance. The ongoing financial losses and the negative reserves could lead to liquidity challenges, inability to meet operational expenses and a potential insolvency.

What was the Committee's recommendation? The Committee recommended that the centre should always ensure that receipts and expenditures are properly managed to control financial losses and negative reserves that could lead to liquidity challenges, inability to meet operational expenses and a potential insolvency is mitigated. I will now go to the next issue in the Financial Year 2014/2015, on receivables.

Hon. Temporary Speaker, the Committee observed several issues on receivables among them, the staff imprests amounting to Ksh156,100 were not surrendered for over three months with some as old as 18 months, contrary to Regulations 93(5) of the Public Finance Management Act, which provides that a holder of a temporary imprest shall account or surrender the imprest within seven working days after returning to the duty station.

Secondly, the centre failed to incorporate in its financial statements a provision for bad and doubtful debts. One of the Committee's recommendations to this is that the Accounting Officer should always ensure adherence to Regulation 93(5) of the PFM Act 2015. Secondly, the Accounting Officer should always provide for bad and doubtful debts in their financial statements.

Hon. Temporary Speaker, bad and doubtful debts is an accounting practice and procedure that most often, are not followed. I will go to the Financial Year 2015/2016. The Committee observed the following on the receivables: That the Centre failed to incorporate in its financial statements a provision for bad debts, just like I mentioned above. So, the Committee recommends that the Accounting officer should always provide for the bad and the doubtful debts as it is required by the Financial Acts guiding the accounting principles.

There is also the issue of non-payables that was observed in 2016/2017 Financial Year. The Committee observed the following in that particular financial year:

The trade and payables amounting to Ksh40,295,136 had been outstanding for over a year. The Accounting Officer was in breach of Section 53(8) of the Public Procurement and Asset Disposal Act (Cap.412C), which prohibits the commencement of any procurement proceeding, until certified that there are sufficient funds to meet the obligations of the resulting contract, and are reflected in the approved budget estimates.

Hon. Temporary Speaker, what was the Committee's recommendation regarding this observation? It reprimands the then Accounting Officer for failing to adhere to Section 53(8) of the Public Procurement and Asset Disposal Act (Cap. 412C). The word 'erstwhile' is used in some paragraphs to indicate the former Accounting Officer. It is the same thing.

We also observed receivables from exchange transactions in the 2017/2018 Financial Year amounting to Ksh8,175,196. It relates to debts that had been outstanding for over 120 days from Kenya Animal Genetic Resources Centre agents. Secondly, receivables amounting to Ksh11,205,625 are for agents who had exceeded their credit limits. Further, receivables amounting to Ksh15,434,519 are for agents without credit limits or contracts.

What is the Committee's recommendation? It recommends that the then Accounting Officer be reprimanded for giving credit beyond the agreed limits and without contracts.

Secondly, the Committee recommends that within three months upon the adoption of this Report, the accounting officer should furnish us with the current status of Ksh11,205,625 related to credits issued beyond credit limits and Ksh15,435,519 related to credits given to agents without credit limits and/or contracts.

Some issues were noted in the biological assets. For record and for the sake of those who may not know, biological assets encompass trees, animals and generally livestock that

have economic value, but reproduce biologically. Some of those State corporations own such assets. Therefore, they ought to be accounted for in the normal accounting process. The Committee observed that trees valued at Ksh1,058,000 were excluded from the statement of financial position on 30th June 2018 under biological assets, contrary to the accounting laws. They require biological assets to be recognised at fair value. The accuracy of the financial statements prepared by Kenya Animal Genetic Resources Centre was doubtful and their asset management controls, tracking and reporting were weak.

What is the Committee's recommendation? It recommends that within three months, upon the adoption of this Report, the Principal Secretary for the State Department for Livestock Development, in conjunction with the National Lands Commission, fast-track the issue of Kenya Animal Genetic Resources Centre's land. Their Accounting Officer should value the biological assets and include them in the financial statements.

I will now go to our third State corporation, which is Moi Teaching and Referral Hospital, and observe a few issues that are specific to it. Those are on land, property, plant and equipment. The Committee observed that the audit issue had been addressed in the 21st Public Investments Committee's Report. It recommended that the hospital should expedite the court case hearing and conclusion, and ensure that its assets are registered in the hospital's name. The case is still pending in the Court of Appeal. It has been forwarded to the National Lands Commission for appropriate determination.

Lastly, the ownership status of the land valued at Ksh71,037,687 cannot be established, until the court case is concluded.

The overall Committee recommendation on this issue is that, within three months upon the adoption of this Report, the Inspectorate of State Corporations, in collaboration with the Attorney-General, should compile a report of all public lands with ownership disputes in various courts and submit it to the National Assembly. It will serve as a basis of initiating inquiries into the ownership status of the public lands and for repossession, where applicable.

There is an issue that was also observed in this organisation on supply, delivery and installation of patients' monitors. The Committee noted that they were not procured through an open tender. This is contrary to the requirements of Article 227 of the Constitution which gives guidelines. It has generated the issue of Electronic Government Procurement. The law provides for competition and use of both manual and electronic procurement processes. The law relevant to acquiring patients' monitors states that when a State organ or any other public entity contracts for goods or services, it shall do so in accordance with a system that is fair, equitable, transparent, competitive and cost-effective. This aligns with Section 91 of the Public Procurement and Asset Disposal Act (Cap. 412C), which requires open tendering as the preferred method for procuring goods, works and services.

Hon. Temporary Speaker, the hospital did not provide a valid signed contract agreement with the suppliers for the Committee's audit verification.

Lastly, there was no justification to circumvent procurement laws. The conditions prescribed for using procurement methods, other than the preferred open tender, were not fulfilled. It was not demonstrated why the hospital did not procedurally renew the contract. What is our recommendation on this observation? The Committee reprimands the then Accounting Officer for violating Article 227 of the Constitution and Section 91 of the Public Procurement and Asset Disposal Act. Breach of the requisite accounting laws is a serious offence. That is why the Committee issued this specific recommendation to curb that particular accounting menace.

We also looked at 2016/2017 Financial Year on land encroachment. The Committee observed that the National Lands Commission has not concluded on the legality of the occupation of the hospital land by Family Care Medical Centre. Therefore, it is unclear how

Family Care Medical Centre acquired the title deed for land inside the boundary of Moi Teaching and Referral Hospital.

What does the Committee recommend? It recommends that within three months upon the adoption of this Report, the National Lands Commission should expedite the conclusion of the ownership of the disputed land and submit its report to the National Assembly.

The second issue concerns irregular procurement of a 64 slice CT scan machine. The Committee observed that the management issued the Local Purchase Order (LPO) with a value of more than the contract sum by US\$30,986. This led to an overpayment and loss of public funds. Second, the management did not include procurement of the equipment in the procurement plan. They used direct procurement method contrary to Section 91(1), Section 91(3) and Section 53(2) of the Public Procurement and Asset Disposal Act 2015.

Third, the valuation report of a technical expert for the CT scan machine indicated a value of US\$100,286, which is equivalent to Ksh10,300,000, while contract documents indicated a value of US\$85,000, equivalent to Ksh8,730,018. This resulted in an unexplained difference of US\$15,286.15, equivalent to Ksh1,569,981.50. This contravenes the provisions of Section 164(3) of the Public Procurement and Asset Disposal Act 2015.

The Committee recommends that within three months upon the adoption of this Report, EACC should investigate whether the provisions of the Public Procurement and Asset Disposal Act 2015 with respect to trading of the old CT scan machine and the acquisition of the 64-slice CT scan machine were complied with, and whether there were improprieties in the process. If any officer is found culpable, he or she should be held personally liable for the loss. The Director of Public Procurement should also initiate a legal process to recover the amounts lost from the concerned officer at the prevailing Central Bank of Kenya rates.

The last State Corporation is the Public Benefit Organisation Regulatory Authority, which previously was the NGO Coordination Board. We looked at the financial reports for the years 1992/1993 all the way to 2006/2007. The prominent issues here were unqualified reports in the first instance. In the reports for financial years 2000/2001 and 2001/2002, the Committee observed several issues. For instance, the board was issued with an unqualified report for the Financial Year 2000/2001. An unqualified report is one of the audit rating parameters of audit reports. The Committee recommended that the Accounting Officer continue to uphold sound financial management practices.

In the Financial Year 2001/2002, the Committee observed irregular donations. The Board irregularly incurred an expenditure of Ksh129,000 in respect of donations for harambees and funeral expenses, contrary to Section 12 of the State Corporation Act, Cap 446. The Committee recommends, therefore, that the Accounting Officer should, at all times, comply with the requirements of Section 12 of the State Corporation Act, Cap 446. In the Financial Year 2003/2004, the Committee observed that the Board was issued with an unqualified report. The recommendation was that the accounting officer should continue to uphold sound financial management practices.

In the Financial Year 2004/2005, the Committee observed that the Board was again issued with an unqualified report. The recommendation was the same: The Accounting Officer should, at all times, uphold sound financial management practices. In the Financial Year 2005/2006, the Committee observed an unqualified report. The recommendation was that the Accounting Officer should continue to uphold sound financial management practices. In the Financial Year 2006/2007, the audit also resulted in an unqualified report. The Committee observed the same and gave the same recommendation.

As I conclude, when you look at these fostered departments, juxtaposed with the previous report that has been deliberated on by Members of this Parliament, you will note recurring issues, particularly on land and title deeds. Many of those public institutions have long-standing problems with the acquisition and ownership of title deeds, dating back many

years, since the inception of the institutions. This Parliament, in its wisdom, saw the need to establish three Public Investments Committees to:

One, look at education and administration, another to look at energy and commercial affairs, and the other to look at agriculture and social services.

This was to enable the processing of reports that have been pending before this House for many years. Audit reports, by law, are supposed to come to this House within three months of auditing. The audit process itself gives the Office of the Auditor-General a timeline between June and December, six months, to do the audit and give the audit report to Parliament, which is supposed to process the reports and give a report within three months. If you look at that timeline, the audit report is supposed to come to Parliament in December, when the House is on recess. In January, Parliament is still in recess. That leaves only one month to look at audit reports for almost 200 to 300 State corporations. It is practically impossible. This has condemned some of the reports to be long overdue and unconsidered for a long time.

We are now looking at audit reports of State corporations, dating back to 1992, before even the Vice-Chairman was born.

Temporary Speaker (Hon. Martha Wangari): Actually, I wanted to note that some of these statements are from before you were born.

Hon. Caleb Amisi (Saboti, ODM): Exactly. Some of these reports have been here since before I was born. Where will you even get the erstwhile accounting officers to respond to these audit queries? The managing directors of the time are no longer there. Documents are not available to peruse and decipher, to help the Committee establish the truth about the loss of public funds. These issues, from land ownership to lack of documents, stem from the fact that these reports have been delayed for far too long. That is why one of the general recommendations of this Committee - and I know my Members will attest to this because it is our frustration - is that we must fast-track work.

We must look at the law and amend it where necessary to allow efficiency in dealing with audit reports by this Parliament. Otherwise, we will be forced to hurriedly bring reports within one month, and even when we do so, having gone beyond the specific time that is laid out in law and Standing Orders, we have been taken to court before. People recommended for action by the EACC have taken this Parliament to court, arguing that the report was produced outside the legal time period. These are the general lamentations of the Committee. This House needs to help the Committee amend the law where necessary. Under the leadership of Hon. Wangwe, the Chairman, our Committee was rated highly last year in terms of efficiency and effectiveness. We are daring to go. We are ready, but we must be helped where necessary by Parliament to amend laws to help us bring the culprits to book, and also enable the Ethics and Anti-Corruption Commission (EACC) and the Directorate of Criminal Investigations (DCI) to take action on the culprits. The Committee on Implementation should also be helped because there is too much work that goes there. We keep on filing and piling work at that Committee. Therefore, something needs to be done so that they are also helped in a way that makes their work efficient.

With those few remarks and without much ado, I will request my Chairman, Hon. Wangwe, to second, if he does not mind.

The Temporary Speaker (Hon. Martha Wangari): Hon. Wangwe, I am not sure of the "few words", but you have the Floor to second.

Hon. Caleb Amisi (Saboti, ODM): Thank you, Hon. Temporary Speaker, for giving me the opportunity to have those 'long words'.

Hon. Emmanuel Wangwe (Navakholo, ODM): Thank you, Hon. Temporary Speaker. Allow me to second this Report and make a very light comment on the Vice-chairman who has ably moved this Report, while I was listening. Allow me to congratulate him for having graduated a few days ago with his Master's in International Relations and top of the class from

one of the greatest universities in this country. It is important that you always have someone who can take over the mantle when the time comes. You can see what he has done when he is tested. He is commendable. He has delivered.

The Temporary Speaker (Hon. Martha Wangari): Are you saying that Hon. Caleb has only done this because he recently graduated?

Hon. Emmanuel Wangwe (Navakholo, ODM): I have congratulated him. Allow me to extend it as the Chairman of the Committee and as a friend. To graduate with a Master's degree is not easy, which I did quite sometime back, and I have always been encouraging him that it is important to be acquainted. It is not just an issue of being a politician, but being a scholar in a politician, which I do congratulate him for and accord him the necessary salute.

Back to this Report, I just have a few issues that I want to reiterate. There is an issue that came up in the administration of one corporation — Agrochemical and Food Company. That is a company whose management is between the Government of Kenya and the Meta Group of Companies. The Meta Group has appointed the CEO, and the company is what you cannot really put or term as cooperation between the Kenya Government and the Meta Group. This is because whereas the corporation borrowed money from the Kenya Government, the money has been paid back by the National Treasury, but the books still show a huge debit. So, what does it mean? It means that when you are preparing your trading account, month in, month out, the company is making profits. However, the company is unable to declare dividends to the national Government because when they load the management accounts into the final accounts and make the balance sheet with the loan, it wipes out all the profit. So, year-in, year-out, Kenyans are losing money in form of dividends to the Exchequer just because there is a loan which was extended to the company that has not been cleared in the books.

I want to call upon Hon. John Mbadi, FCPA, to come to the aid of that corporation and clean the books, so that, that money is not wasted. You find an expert in the name of the CEO earning a lot of money and taking money back to Uganda, but the Kenyans who are supposed to be paid dividends are not getting anything. It defeats logic to invest in such a corporation. Hon. John Mbadi, you are such a special person. You are academically gifted, and you can come to the aid of that corporation.

I want to comment on the issue of Moi Teaching and Referral Hospital, where one of the properties has been encroached by Uasin Gishu Hospital. The tussle has been on for six years, but nobody seems to be concerned that there is an issue. The land belonging to Moi Teaching and Referral Hospital and must revert to the hospital. Even if there is any kind of encroachment, it must be formalised. The relationship between Moi Teaching and Referral Hospital and National Hospital Insurance Fund (NHIF) is playing out in this Report. The NHIF extended credit to Moi Teaching and Referral Hospital in form of assets, but what happens when you look at the books of NHIF and those of Moi Teaching and Referral Hospital? The same transaction, different positions. What does it mean? One entity is not speaking to the other. Therefore, the Committee calls upon the relevant ministries to make sure they align what is happening when it comes to extending the credit. Yes, NHIF played its role and said it is allowed to give credit through the Ministry to Moi Teaching and Referral Hospital. In the books of Moi Teaching and Referral Hospital, the figures are not the same. I feel those are issues which we need to highlight and bring them to this House so that it can be seized of them.

Finally, as I conclude, is the issue of biological assets. What is the implication of not booking assets into the financial statements? It means you are over-stating your books. You are cheating the people that your books are healthy and yet, what you are showing is not the true and fair position of your financial status. Kenya Animal Genetic Resources Centre (KAGRIC), did not consider biological assets and yet, they had the ability to do so. What happens is that many a times, the CEOs and the Chairpersons of the boards end up harvesting those trees and cannot account for the proceeds because from the word go, they were not

booked into the books of the accounts of that corporation. Therefore, with those highlights, we wish to request all corporations to have their books of accounts declared properly.

Finally, there is an issue on tax matters, especially where Kenya Revenue Authority (KRA) has already been cleared to waive off taxes from a certain corporation. For some reason, it is adamant. This Report refers to the 21st Report of Public Investments Committee of the last Parliament, where the National Treasury approved the waiver of withholding tax and exempted the Agrochemical Company from paying withholding taxes on Government-guaranteed loans. They have not effected that. What is the problem? Why is it that KRA cannot listen to the National Treasury? Why is it that upon National Treasury issuing such a document, KRA cannot honour and waive the necessary tax? The main Government basket is held by the National Treasury, not KRA. Therefore, I feel this is defiance by public officers and should be called to order. If the National Treasury has made a request, let that request be respected. For that matter, the financial position of that State corporation appears in zigzag. It is not a true and fair position, as stated by the Auditor-General. I want to agree with the Auditor-General's position that this matter should be resolved. This House, upon approving this recommendation and the Committee on Implementation following it up, should now ensure that the National Treasury and KRA conclusively conclude this matter, so that our corporations are free from any undue tax obligations.

Otherwise, I appreciate the opportunity to contribute. With me are several of my Members, some of whom might not have the card, but would want to shed more light. I wish to invite them to contribute.

Thank you, Hon. Temporary Speaker. I beg to second.

(Question proposed)

The Temporary Speaker (Hon. Martha Wangari): Member for Turkana East, Hon. Nicholas Ngikolong.

Hon. Nicholas Ng'ikor (Turkana East, JP): Thank you for giving me this chance to contribute to the Report from my Committee, the Public Investments Committee.

I would like to start by congratulating my colleague the Vice-Chairman for what he has achieved in his life and career. Much has been said about the Report. Looking at the entire Report that the Auditor-General forwarded to our Committee on all parastatal bodies, you can see the need for this House to have laws to guide the implementation of activities of those organisations when it comes to money, the utilities they have, and all issues affecting parastatal bodies.

According to the Report and accounts of witnesses who came before our Committee on the running of parastatals, many delays exist in giving documents that the Auditor-General needs on finances of the organisations. Therefore, there is a need to have laws that go a long way into the entire work and running of the organisations.

As you can see, witnesses raised issues when they came before the Committee. Some witnesses gave evidence that was not even supposed to be mentioned there. Some of those people lack information to be used in giving services when dealing with the common wananchi.

When we tried to take witnesses through the reports, we found that some officers did not even have the basics on how parastatals run. According to recommendations of our Committee on the reports, there is need for this House to adopt it so that we use the recommendations to strengthen the running of those parastatals for them to continue giving services to the people in the right way.

Looking at some of our recommendations and as my Vice-Chairman has said, some age to sometime back. Some crimes were committed just because there were entirely no laws to govern financial processes. That is why our Committee has given so many recommendations

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on running finances, delivery of supplies, and installation of properties like infrastructure, land and so many other things. You can see that from the Report of the Committee.

Just to end my contribution, if we look at the reports and how information was received, some witnesses gave reports that lacked guidelines. That is why we recommend it is good for this House to adopt the Report so that the recommendations assist to run all our parastatals in the country. Then, they will deliver good services to the people of Kenya.

Thank you, Hon. Temporary Speaker. I support the Report.

The Temporary Speaker (Hon. Martha Wangari): Very well. Member for Mandera, Hon. Umul Kheir.

Hon. Umul Kheir Kassim (Mandera County, UDM): Thank you for giving me this opportunity. As a member of the Committee, I do not take it lightly. I will speak about cross-cutting things in the Report like unavailability of documents to the Auditor-General. It looks like accounting officers are actually notorious. They cannot even explain those issues when they appear before us. We need action taken against such.

As the Chairman said, the Agro-Chemical and Food Company Limited is the other issue. This is a convoluted system of management whose CEO was seconded from the Meta Group of Companies in Uganda. We do not know what he is doing here because the company is making losses. It is a burden to the shareholders and the taxpayers.

Land is the other issue. Surprisingly, even the Report that was here two or three months ago had land issues. We have institutions that have developed land without title deeds. They are in courts tussling with other institutions. A good example is Uasin Gishu District Hospital and the Moi Teaching and Referral Hospital.

The Cabinet Secretary (CS) and the Principal Secretary (PS) in charge of lands should appear before this House to explain what they are doing about the status of public institutions' land. I think there are things that we do not understand here. We have either people working with land grabbers or people interested in this matter. We really need to take these things seriously.

We have the College of Insurance in South C. Unfortunately, its land has been grabbed and private developers are developing it. We thought that the people tasked to protect Government institutions are doing that.

The Temporary Speaker (Hon. Martha Wangari): Are you on this or the next one, Member of Busia, Hon. Omanyo?

Hon. Catherine Omanyo (Busia County, ODM): Yes, I am waiting for the Motion by the Special Funds Accounts Committee.

(Hon. Mary Emaase raised her hand)

The Temporary Speaker (Hon. Martha Wangari): Hon. Mary Emaase, where is your card? Why are you lifting your hand? Give Hon. Emaase the microphone.

Hon. Mary Emaase (Teso South, UDA): Thank you, Hon. Temporary Speaker. Unfortunately, I seem to have misplaced my card today. I want to contribute to this Motion if I have the microphone.

I support the recommendations by the Committee on Implementation. I want to touch on a few areas. One of them is land. It is cross-cutting and affects very many parastatals and Government institutions.

[The Temporary Speaker (Hon. Martha Wangari) left the Chair]

[The Temporary Speaker (Hon. Peter Kaluma) took the Chair]

Many Government organisations do not have land ownership documents. I am really surprised that Kenya Broadcasting Corporation (KBC) has 32 parcels of land with no title deeds. As I said, this cuts across and is mirrored in many other institutions.

What I like about the recommendation is that the Committee proposes that the Cabinet Secretary for Lands, Public Works, Housing and Urban Development puts a caveat on all the parcels of land that do not have title deeds. Lack of title deeds or ownership documents has been the creator of the appetite of land grabbing. It encourages land grabbing of Government lands because they do not have title deeds. I also like the recommendation that all titles of Government land be under the name of the National Treasury to hold trust of the lands for the Government.

On imprest, we have looked at many other audit reports of Ministries, Departments and Agencies (MDAs). Many officers are given imprest, but they do not surrender it within the stipulated period as per the Public Finance Management (PFM) Act Cap 412A, which demands that imprest be surrendered within seven days from the day it is issued. What is surprising is that an officer is given imprest repeatedly and yet the officer has not surrendered previous imprest. The recommendation by the Committee that if such cases persist or continue to happen, the accounting officer be surcharged, is commendable.

On the issue of land litigation, cases take too long. The Committee should have recommended that the Cabinet Secretary for Lands, Public Works, Housing and Urban Development liaise with the Chief Justice so that the cases can be fast-tracked and be concluded to allow for those institutions to acquire ownership of their lands.

Thank you, Hon. Temporary Speaker.

The Temporary Speaker (Hon. Peter Kaluma): Hon. Catherine Omanyoo, do you want to contribute to this?

Hon. Catherine Omanyoo (Busia County, ODM): These controversial land issues should be concluded very fast. I am waiting to contribute on the Special Funds.

The Temporary Speaker (Hon. Peter Kaluma): Hon. Caleb Luyai, do you want to contribute to this? Is that Hon. Beatrice? Do you want to contribute to this?

Hon. Beatrice Kemei (Kericho County, UDA): Yes,

The Temporary Speaker (Hon. Peter Kaluma): Proceed. You are the last one to contribute because after you, there is no interest shown to debate this matter further. The Mover should be ready to reply. Proceed.

Hon. Beatrice Kemei (Kericho County, UDA): Thank you, Hon. Temporary Speaker. First, I appreciate the Committee for the Motion on the Adoption of the Auditor General's Report on the Financial Statements of State Corporations. Specifically, I want to talk about the issues of land that are very emotive. Land in this country means a lot, especially in the Rift Valley where I come from. The Moi Teaching and Referral Hospital case, about its title deed, has not been sorted out. Court cases take very long. I really appreciate the Committee's Report but, at the same time, ask that the cases about title deeds that are pending in courts, should be done very fast. They should be concluded fast so that the concerned corporations are in a position to use the land as required.

As much as we appreciate what the National Land Commission does, I am not happy with the fact that the cases they file in court take very long. When that happens, even the people who are concerned have issues with it and, therefore, the land cannot be used effectively. So, I would appreciate it if cases were concluded as fast as possible.

Second, I have noted that in most of those corporations, imprest is taken and before it is returned, another amount is given out. I do not understand why such a thing should be done. When imprest surrender is delayed or not accounted for, it becomes an issue. Some of the officers concerned may even lose the receipts. I have seen cases where staff in many companies are deducted money because they lost receipts or they did not surrender imprest. I ask officers

to surrender imprest within the stipulated seven days. There is laxity with the concerned people. If the officers forget or take long to surrender, the concerned accounting officers should make sure that their employees surrender the imprest. This is one of the issues that affects many officers. Imagine somebody earning very little and does not surrender imprest on time. A lot of money is deducted from them. This brings issues to the family, especially if it is a man. The wife and children would be waiting for money at home and will not understand when it is not forthcoming. They will imagine that, maybe, the officer has given it out or has used the money in other areas and yet, it is being deducted. Such an officer will borrow from other areas to pay the imprest and that becomes a social issue.

I want to appreciate this Committee and wish that the recommendations are implemented to the letter. Thank you, Hon. Temporary Speaker.

The Temporary Speaker (Hon. Peter Kaluma): Hon. Caleb Luyai will now reply.

Hon. Caleb Amisi (Saboti, ODM): Thank you Hon. Temporary Speaker. First, I really appreciate Hon. Members who have contributed to this Motion led by my Chairman, Hon. Wangwe, who contributed and seconded. I also appreciate Hon. Mary Emaase, Hon. Omanyoo, Hon. Kassim, Hon. Nicholas and many others who have really augmented the voice of the Committee's Report on the four State corporations.

To sum up all that they have said, the issue of land is pronounced in most audit reports from public institutions. This should be the last time we are talking about land-related audit issues when we have the National Land Commission and the Ministry of Lands, Public Works, Housing and Urban Development that should work in collaboration with public institutions. If public institutions are crying about land ownership, what about the ordinary citizens? This issue needs to be solved by the National Land Commission once and for all. We should rub it off from our audit reports because it beats logic why we have public institutions.

The issue of failure to adhere to standard accounting procedures is common. We wonder whether we have competent accounting officers, or whether it is just mere reluctance, or an avenue to evade procedures, therefore, commit financial crimes. That is very pronounced in our audit reports.

Another common issue is the provision on doubtful debts, whether intended or otherwise. It seems as though public officers who are mandated in this area use this accounting provision as a way of siphoning money under the pretext that either we have not provided for it, or they irregularly provide for doubtful and bad debts.

With those few remarks, and having gratefully thanked the Members who contributed to this Motion, I beg to reply.

Hon. Temporary Speaker, I request that, pursuant to Standing Order 53(3), please, defer the putting of the question to a later date.

Thank you, Hon. Temporary Speaker.

(Putting of the question deferred)

The Temporary Speaker (Hon. Peter Kaluma): Next Order.

ADOPTION OF REPORT ON AUDITED ACCOUNTS FOR THE WATER SECTOR TRUST FUND

Is the Mover now ready? Proceed, Hon. Fatuma.

Hon. Fatuma Mohammed (Migori County, Independent): Thank you, Hon. Temporary Speaker, for giving me this opportunity.

I beg to move:

THAT, this House adopts the following audited financial statements for the Water Sector Trust Fund for the financial years 2018/2019 and 2022/2023.

The Committee received oral and written submissions from Mr Willis Ombai, the Chief Executive Officer of the Water Sector Trust Fund, regarding the audited financial statements for the financial years 2018/2019 to 2022/2023. The submissions formed the basis of the Committee's observations, findings and recommendations. These are also contained in the minutes and *The Hansard* reports of the Committee's proceedings.

In preparing and developing this Report, the Committee relied on constitutional and legal provisions on public finance management and other enabling legislations as the basis for inviting the Accounting Officer of the Water Sector Trust Fund to respond to issues raised by the Auditor-General, as well as additional information submitted on the administration and performance of the Fund. This was so as to come up with general recommendations that are geared towards effective management and operations of the Fund, as well as improved accountability and financial reporting. During the examination of the audited reports, the Committee made the following general observations, amongst others, which apply across the five financial years.

The Fund's RN register application did not have a password configuration in place that would allow administrators to implement a secure password policy as required by the organisation's Information Communication and Technology (ICT) standards. The Committee recommended that the accounting officer ensures that the RN register application has a password configuration in place to allow administrators to implement a password policy in line with the organisation's ICT policy.

The Fund incurred expenditure for the installation of a system to support operations of water service providers. However, this was done without evidence of approval for reallocating resources as required under the grant framework. The Committee recommended that the management should provide a report to the Auditor-General on the regularisation of the expenditure and ensure strict compliance with financial management standards and applicable regulations.

Consequently, the Committee generally recommended that the accounting officer should ensure that all applicable accounting and financial control systems, standards, laws and procedures are followed in the preparation of financial statements, in compliance with the Public Finance Management Act, 2012.

The Temporary Speaker (Hon. Peter Kaluma): Order, Hon. Fatuma. I know you moved the Motion, but I am informed that you did not do it in the required format. For the avoidance of doubt, kindly move the Motion as per procedure, and then continue with the debate.

Hon. Fatuma Mohammed (Migori County, Independent): Thank you, Hon. Temporary Speaker.

Hon. Temporary Speaker, I beg to move that this House to adopts the following audited financial statements for the Water Sector Trust Fund for the Financial Years 2018/2019 to 2022/2023.

The Temporary Speaker (Hon. Peter Kaluma): Order, Hon. Fatuma. Just read the Motion as it is on the Order Paper. I know you want to recast our style as a linguist from the lakeside, but just bear with the traditions of our procedures and read the Motion as it is on the Order Paper. You may now proceed.

Hon. Fatuma Mohammed (Migori County, Independent): Thank you, Hon. Temporary Speaker.

Hon. Temporary Speaker, I beg that this House adopts the Report of the Special Fund Accounts Committee on its consideration of the audited accounts for the Water Sector Trust Fund...

The Temporary Speaker (Hon. Peter Kaluma): Hon. Fatuma, I did not hear the word “move”.

Hon. Fatuma Mohammed (Migori County, Independent): Hon. Temporary Speaker, I beg to move:

THAT, this House adopts the Report of the...

The Temporary Speaker (Hon. Peter Kaluma): Hon. Fatuma is a linguist and wants to avoid going by our format.

Hon. Fatuma Mohammed (Migori County, Independent): Hon. Temporary Speaker, I have begged severally.

The Temporary Speaker (Hon. Peter Kaluma): In substance, you are right.

Hon. Fatuma Mohammed (Migori County, Independent): Hon. Temporary Speaker, honestly, this is the fourth time I am begging.

The Temporary Speaker (Hon. Peter Kaluma): I know.

Hon. Fatuma Mohammed (Migori County, Independent): Thank you, Hon. Temporary Speaker. I beg that this House adopts the Report of the Special Funds Accounts Committee...

The Temporary Speaker (Hon. Peter Kaluma): Order, Hon. Fatuma.

Hon. Fatuma Mohammed (Migori County, Independent): Hon. Temporary Speaker, I beg to move the following Motion:

THAT, this House adopts the Report of the Special Funds Accounts Committee on its consideration of the audited accounts for the Water Sector Trust Fund for the financial years 2018/2019 to 2022/2023, laid on the Table of the House on Tuesday, 29th July 2025.

Can I resume from where I had reached in the debate or should I start afresh?

The Temporary Speaker (Hon. Peter Kaluma): You can resume.

Hon. Fatuma Mohammed (Migori County, Independent): Thank you, Hon. Temporary Speaker.

The Fund incurred expenditure for the installation of a system to support operations of water service providers, but this was done without evidence of approval for re-allocation of resources as required under the grant framework. The Committee recommended that the management should provide a report to the Auditor-General on the regularisation of the expenditure and ensure strict compliance with financial management standards and applicable regulations.

Consequently, the Committee generally recommended that the accounting officer should ensure that all applicable accounting and financial control systems, standards, laws and procedures are followed in the preparation of financial statements, in compliance with the Public Finance Management Act, 2012, and in accordance with the standards prescribed by the Public Sector Accounting Standards Board as per the regulations.

Hon. TJ Kajwang' (Ruaraka, ODM): On a point of order, Hon. Temporary Speaker.

The Temporary Speaker (Hon. Peter Kaluma): What is out of order, Hon. TJ Kajwang'?

Hon. TJ Kajwang' (Ruaraka, ODM): Hon. Temporary Speaker, the Member for Migori County is armed with very good notes, which are relevant to the proceedings. The House is in the mood to learn today. Could she turn those good notes into an address without necessarily reading every word, so that the next time we have a packed House, she debates rather than reads?

The Temporary Speaker (Hon. Peter Kaluma): Hon. Kajwang', I have not seen the Member for Migori County read anything. As long as the Speaker has not seen anything, the Member for Migori County will proceed in the manner she deems fit to move the Motion.

Proceed, Hon. Fatuma.

Hon. Fatuma Mohammed (Migori County, Independent): Thank you, Hon. Temporary Speaker. Hon. TJ Kajwang', I studied Public Relations. It is said that a bright student should have 70 per cent off their head and 30 per cent written. In Kiswahili, it is said, *usiandikie mate na wino ungalipo*. I am doing exactly that.

Despite the challenges observed, the Committee acknowledged measures undertaken by the Fund to strengthen governance, compliance and accountability. The Fund has implemented a robust risk management policy and framework which enhances risk management in the project implementation cycle. The projects with identified issues are flagged on a regular basis and appropriate mitigation measures are undertaken promptly.

Regular governance assessment of various water service providers and other implementing partners are undertaken. Areas of improvement are identified and agreed upon for implementation, thus leading to better compliance and accountability in project execution.

While some outstanding disbursements were occasioned by delays in remitting budgeted funds by both development partners and the Government of Kenya, the matter has since been adequately addressed. This will ensure smoother budget execution going forward.

The Fund has developed a project implementation manual which provides a clear roadmap from the procurement stage to project closure. It sets out critical obligations and responsibilities of different project stakeholders as part of financial contract management.

Adequate resources have been allocated to strengthen monitoring and evaluation of funded projects. This has enhanced accountability, improved tracking of deliverables and facilitated evidence-based and best decision-making.

Hon. Temporary Speaker, as I conclude, the Water Sector Trust Fund is very important to this country and most of its funding is from donors. To this point, the Chief Executive Officer (CEO) has done a great job because there are no serious issues that have been raised by the Auditor-General. Had there been serious indications of mismanagement of funds, our stakeholders and supporters of the Water Sector Trust Fund would have queries that could have made it not move forward. I congratulate the Chief Executive Officer for a job well done and for showing confidence. As long as the monies received outside our budget are managed well, the investors and the donors have a good report on us. That is good for the country. I congratulate the CEO and request other CEOs to follow suit and manage monies that are donated to Kenyans and use it to the letter, so that more donors are attracted to help our country.

On behalf of the Special Funds Account Committee, I am proud to move this Motion on the Consideration of the Report of the Auditor-General on the Financial Statements for the Water Sector Trust Fund. I beg to move and now request Hon. Catherine Omanyoo, the County Women Representative for Busia, my sister and an active Member of the Committee, to second this Motion.

Thank you, Hon. Temporary Speaker.

The Temporary Speaker (Hon. Peter Kaluma): Hon. Catherine Omanyoo.

Hon. Catherine Omanyoo (Busia County, ODM): Thank you, Hon. Temporary Speaker. I am a member of the Special Funds Account Committee. We were very mesmerised by the analysis of how the Fund has tried to network and get partners and donors from abroad. This Fund does not depend on the Exchequer. The CEO has refined social skills. With the few donors they have managed to get, the Fund has chosen to improve water and sanitation in under-served counties.

I was so impressed by the management of the Water Sector Trust Fund even with the little money they had. We could not even trace whether the Trump-effect had got to their nerves. The officers involved in resource mobilisation at the Water Sector Trust Fund office are also good at their job. Every coin that is given by donors has been used well. I support that Fund because what we get from the Exchequer is never enough. Our President has been going abroad, and we would love to get more donors so that the many sectors that lack funding are

not left behind in development. There are places that are very dry and others that are very wet. With that kind of funding, we can reach areas that need more attention. For instance, during floods, we can have irrigation in drought-prone areas. We should also preserve or harvest water to ensure that no Kenyan suffers. That way, they get what others also get.

I second this Motion and urge every Kenyan to support that Fund in our country.
Thank you, Hon. Temporary Speaker.

(Question proposed)

The Temporary Speaker (Hon. Peter Kaluma): Hon. Tom Joseph Francis Kajwang', Member of Parliament for Ruaraka, do you want to contribute to this?

Hon. TJ Kajwang' (Ruaraka, ODM): Hon. Temporary Speaker, my console was on during my point of order, but I cannot miss something to say in support of this Motion. I first congratulate the Mover and her Committee for doing what this House is meant for.

This House works in committees to oversee agencies and that role is, perhaps, the most important to keep the Executive in check as "watchdogs". I have listened to the Mover of the Motion who has been seconded by a very senior Member of that Committee. I believe they have looked at the books of that agency and were convinced that the funds have been used prudently and Kenyans got value for their money. The Special Funds Account Committee is seized of its functions because, were it to be on the contrary, many of those agencies would just pass us by without coming to this House to tell Kenyans what they have done with the money.

I am proud when a Committee such as this lays a report before us and discusses it with the country, as National Assembly. Kenyans are then able to see the significant proposals in the Report. Although this may not be within their basic mandate, I would also want them to look at water equity. The County Women Representative for Busia is very happy this afternoon. I request the Chairperson of the Committee to please give me some attention. Even though you are looking at the finances, the coins and the shillings, I would wish that you also consider other principles that apply to water, including water equity. There are parts of this country that do not have water at all and there is no disbursement of funds at all, whether from the donor community or from the Government of Kenya through the Consolidated Fund. I would have wished to know what you think about the national outlook of how those funds have been disbursed across the nation to support water equity. In Migori, where this Member comes from, it is very interesting that his constituency sits on the water shore and yet, just near the shore is almost a desert. The buffer at the water shore is nearly a desert. Thimlich Ohinga is one of the driest places you can find and yet, it is only metres from the lake itself. You can ask the Member for Migori County what *thimlich* is.

The Temporary Speaker (Hon. Peter Kaluma): For the avoidance of doubt, that is not speaking in another language. Thimlich Ohinga is a noun, not a sentence.

Hon. TJ Kajwang' (Ruaraka, ODM): Thimlich Ohinga is one of the driest part I can think of. One should think of how the water can be supplied so that the whole nation can walk together in terms of water equity.

I thank you, Hon. Temporary Speaker. I support.

The Temporary Speaker (Hon. Peter Kaluma): Hon. Emmanuel Wangwe.

Hon. Emmanuel Wangwe (Navakholo, ODM): Thank you, Hon. Temporary Speaker. Allow me to appreciate the Mover of this audit Report on the Water Sector Trust Fund. I also thank the Secunder, famously known as *Kipepeo* in another world of politics. But for purposes of this Motion, she is the great Member for Busia County.

The Mover indicated two things that are very fundamental in business establishment. First is the issue with management. There is a scholar who said that numbers do not lie. Once

numbers have spoken, they do not indicate any mishap. It is upon you, the reader, to lie, not the numbers. Therefore, by virtue of the Mover indicating to us that, that organisation has established itself well, she has made us to think in this manner: That planning is the only way. If you fail to plan, you have identified yourself with planning to fail.

From what she said, I have taken note of three things. The fact that the institution is compliant with risk management is a good indicator of a good planner. The organisation is ready to receive donor money, implement projects and give a report on what they borrowed the money for or why they received a donation. They then relay that information both within a framework of numbers and in written language.

The Mover also indicated to us that the institution is clean and clear on the project implementation manual. From audit review, we have always insisted to agencies to give us the project implementation manual, but it never comes. There is a building that was started in 2008 is still drawing resources from the Exchequer. That is a very good example of poor planning. They have planned to fail by not planning to succeed. It is a good thing that the Water Sector Trust Fund has an implementation manual of their programmes. We urge the CEO to keep it up and make sure that each project has an implementation manual, so that each programme has its own flexibility and complexity. It goes without saying that the way to go is to have a project implementation manual to keep the project on track. Whoever comes after you will always say you moved from A to B to C. A vector can never bend. It will always be on a straight line. A project implementation manual will keep the project on a positive implementation matrix.

Finally, it is important to ascertain that you are doing the right thing, moving in the right trajectory and implementing all the matrices within your reach properly. The Mover has said that, that institution is compliant with monitoring and evaluation tools. Once the tools of monitoring and evaluation are in place, no organisation will get it wrong. Those of us who were young during the days of the late President can remember him stating that donors always said that the money for donation is not a problem. They, however asked why they should donate money for thieves to dance on their shoes. He always reminded us that we should not allow donors to ask us that question. When we get donor money, it should not be stolen.

I want to thank the Committee for having gone through the Water Sector Trust Fund. I realised that there is one negative issue that they picked on reallocation of funds. Let us reallocate funds within the budget. Funds that are meant for development cannot be reallocated for recurrent expenditure. The Public Finance Management (PFM) regulations and the PFM Act do not allow reallocation of resources at will. Instead, they envisage a situation where you can go back to the authority – the Board of Water Sector Trust Fund – and seek re-budgeting of the resources in supplementary estimates rather than reallocation. That is wrong. Nothing goes wrong when the left is undershot by the right. Therefore, I want to suggest that we support the Report as stated by the Chair of the Committee.

Thank you.

The Temporary Speaker (Hon. Peter Kaluma): Thank you, Hon. Wangwe.

Hon. Zamzam Chimba, the Member for Mombasa County.

Hon. Zamzam Mohammed (Mombasa County, ODM): Ahsante sana, Mhe. Spika wa muda. Kwanza, naipongeza Kamati kwa kuandaaa na kutuletea Ripoti hii Bungeni. Pia, nampongeza Bwana CEO ambaye alisimamia mradi huu mpaka sasa ripoti inapotolewa. Amewasilisha hesabu zake na pesa alizopata alizitumia vizuri. Maji ndio uhai wa maisha yetu. Bila maji, hatuwezi kufanya ukulima. Hii *Fund* ilikusudiwa kufaidi sehemu ambazo ni kame. Wale ambao huenda sehemu kama vile Marsabit na Tana River, watu husimamisha magari yao wanapopita barabarani na kuwaomba maji ya kunywa. Inasikitisha sana kupoteza hii *Fund*.

Tusiwe watu wa kutegemea kusaidiwa na mataifa ya nje. Ikiwa tutaangalia taifa letu...Wakenya inafaa waelewe kuwa Rais hufinya hela kuhakikisha kuwa mapeni yanapatikana ili yaende kwa miradi ...

The Temporary Speaker (Hon. Peter Kaluma): Order, Hon. Zamzam. Hon. Wangwe, kindly approach the Chair.

Proceed, Hon. Zamzam.

Hon. Zamzam Mohammed (Mombasa County, ODM): Ahsante, Mhe. Spika wa Muda. Hata kama tunaona tunafinyika, ni vizuri, Mhe. Kajwang', tuweze kujitegemea kama taifa. Tusiwe watu wa kuombaomba kisha wanapochukua vya kwao, tunakwama. Tusimgeuze Rais wetu awe mtu wa kwenda kutafuta hela kwa mataifa mengine kwa kuwapigia magoti. Tunaweza kujipanga kama taifa la Kenya ili tupate maji safi sehemu zote. Naomba katika mgao ujao wa sekta ya maji, *Exchequer* itoe mgao ambao utatumika kwa lengo hili ili maji yafike katika sehemu ambazo ni kame. Maji yakipatikana sehemu kame kama Turkana, Marsabit na Garissa, taifa hili litapata faida ya rotuba ya udongo kwa kupanda vyakula na kuvuna mazao mengi yatakatotuwezesha kupigana na baa la njaa.

Sehemu kama Ganze, maji ni shida sana. Wanyama kama ndovu hutoka mwituni kuja kutafuta maji katika makazi ya wanadamu. Tunavyozungumza, kuna mzee kule Ganze aliyeenda kuteka maji na ndovu pia akawa ametoka kutafuta maji. Mzee huyo alifumaniwa na yule ndovu akauliwa kinyama. Ndio maana nasema maji ni uhai. Mnyama anatafuta maji, na binadamu anatafuta maji. Wakikutana ndio maana unaona mambo yanaharibika.

Naomba hii *Fund* ambayo ilikuwa katika hii sehemu walikuwa wamepewa na imetolewa, itafutiwe namna katika *budget*, wapewe pesa na waendeleze mradi waliokuwa wanafanya. Kuna sehemu zingine kuna wingi wa maji, lakini utapata kuwa wanaoshughulika na maji kule ndio wanazidi kupeleka. Wanasahau sehemu ambazo zimekauka sana. Kwa hivyo, ningewapa *advice*: Tunasukuma hapa kwenye Bunge hili waweze kupewa pesa. Lakini nao waweke maanani sehemu ambazo ni kavu na Wakenya wanahangaika sana ili wafikiwe na maji. Pia ikiwezekana, Serikali iwekeze kwenye kuzalisha maji. Ama mvua ikinyesha, wenyewe mnaita *water harvesting* kwa kimombo, wachukue yale maji na kuhakikisha kuwa yanaingia sehemu ambazo kuna ukame. La sivyo, itakuwa kila siku twamtuma Rais aende akaombe. Anaomba huku na kule. Tutamuacha atakuwa *beggar*. Atakuwa anaitwa majina mengi. Tunaweza tukajimudu kwa *budget* ambayo tuko nayo kwa kuhahakikisha sehemu ya *budget* kubwa inaendea katika maji kwa sababu yanaleta uzao wa vitu vingine vyote. Tutazalisha vyakula na wanyama kwa sababu ya maji.

Mambo muhimu kama maji, lazima tuangalie. *Exchequer* iweze kuweka pesa katika hii *Fund* na ihakikishe zimeingia sawasawa na Kenya inapata maji bila sisi kumshurutisha Rais kwenda kuombaomba kule nje. Rais pia anachoka. Tunaona madeni ni mengi sana. Tukisema atoke aende kuombaomba, tutakuwa tunachekwa kama taifa. Nimpongeze Rais kwa zile *steps* ambazo ameweza kuzichukua hivi karibuni kuhakikisha kuwa anatafuta mapeni hapa hapa nyumbani, kwa mfano, kama unaona mambo ya *National Social and Security Fund* (NSSF). Toka *Independence*, tulikuwa tumewekeza Ksh300 bilioni. Lakini alivyokuja akaona zile mia mbili tulikuwa tunalipa tangu wakati huo, alisema Hapana. Lazima tuongeze kidogo, mtaji uongezeke. Alitumia akili yake kisawasawa. Leo tunahesabu karibu Ksh700 bilioni. Pengine tukimaliza hatamu hii yake ya muhula wa kwanza, tutakuwa tumefikisha trilion na tunaweza tukajikopa, tukaingiza kwa miradi kama hii ya maji na vitu vingine.

Napongeza Kamati hii. Nimpongeze dadangu kipenzi kutoka kule Migori, Fatuma 'Full Network'. Umefanya *beautiful presentation*. Kamati yako imeangalia mbele na inathamini sana maisha ya Wakenya. Nampongeza sana na naomba *kumsupport*.

Ahsante sana.

The Temporary Speaker (Hon. Peter Kaluma): There is a single interest, Hon. Mary Emaase.

Hon. Mary Emaase (Teso South, UDA): Thank you, Hon. Temporary Speaker, for giving me the opportunity. Today, I had the misfortune of not having my card with me, but thank you for giving me the opportunity.

I am a member of this Committee, and I must support my Chair. I have just one observation on our resolutions: First, there was the issue of password configuration that was lacking and yet that is what is needed for the Fund to allow for the implementation of a secure password policy as per the information technology standards. We recommended that there be compliance with the Fund, which should regularise and, therefore, report to the Attorney-General that they have regularised the issue. There is also an issue on expenditure that was incurred for the installation of a system to manage the operations without following the required procedure in terms of approvals.

Hon. Temporary Speaker, we still recommended regularisation and a report given to the auditor. But I feel we are being too lenient. I see this in many reports where we recommend the accounting officer to comply and regularise. I think we are being too lenient. These regulations are provided for in the Public Finance Management Act and accounting officers are required to comply. I think we should review the regulation if there is no provision for some punitive action against accounting officers who are deliberately refusing or failing to comply. But as I said, among the reports we have seen, this is a fairly-managed fund. As we have been told by the Chair, they have a robust risk management policy and framework which enhances risk management. They have a way of following through the operations and implementation from the procurement stage all the way to the completion of a project. They also have a regular governance assessment for various water providers within the institution.

We also noted delays in disbursement of resources for the projects. It was explained that it was as a result of delays in disbursement of funds provided by the donors and the Government of Kenya (GOK), probably because of the delays in the GOK matching funds and the response was satisfactory. We commend the Fund for that. They have also developed a project implementation manual, which lacks in many institutions. The manner in which they are running the Water Sector Trust Fund shows how organised they are. We also noted that they provided adequate funding and resources to strengthen monitoring and evaluation in the organisation. This guarantees improved accountability and evidence-based decision making, so that when they are making decisions, they are based on data. We commend the CEO of that Fund for doing a good job.

I support.

Thank you, Hon. Temporary Speaker.

The Temporary Speaker (Hon. Peter Kaluma): That being the last request to speak to this Motion, the Mover will now reply.

Hon. Fatuma Mohammed (Migori County, Independent): Once again, thank you, Hon. Temporary Speaker, for giving me this opportunity. I thank all the Members who took their time, followed the Report, read it carefully and contributed positively. I must also commend the Committee for sitting long hours to make sure that we give a considerable report on this matter, considering that water is life and every Kenyan is interested in knowing what the Water Sector Trust Fund does. I must also congratulate the CEO. He gave us an easy task whenever we requested him to supply us with any material that needed to be used in consideration and writing of the Report. He worked promptly with us. He honoured all our invites to the Committee. We invited him severally, queried him severally and he replied to us satisfactorily. I also thank the Auditor-General's Office and our support staff for making our work easy. I thank Hon. Speaker and the House for giving us ample time to consider this Report, table it and debate it today. I thank the Almighty God for all our lives and all Members who contributed. I also thank those who were not able to contribute for other reasons. May Allah bless you all.

Hon. Temporary Speaker, pursuant to Standing Order 53(3), I request that we defer putting of the question to a later date.

Thank you, Hon. Temporary Speaker.

The Temporary Speaker (Hon. Peter Kaluma): The request is granted. The putting of the question to this particular Motion stands deferred to the future when the House Business Committee will schedule the matter again for the consideration of the House.

(Putting of the question deferred)

Hon. Members, before I call the next Order, allow me to recognise several visitors from Homa Bay Town Constituency, who are seated in the Speaker's Gallery. They are here to observe the proceedings of this House. This is a delegation of young and upcoming leaders from the Homa Bay Town Constituency on a training program to learn about Parliament's role in governance. The delegation is led by Mr Stanley Orondo, Mr Elijah Ojwang' and Mr Seblata Kopany. You are welcome to observe the proceedings of this House.

Before we go to the Next Order, Hon. Kajwang', do you want to welcome this delegation of great leaders from Homa Bay Town Constituency to Parliament? I see your request, and it is usually good for upcoming leaders to hear from you.

Hon. TJ Kajwang' (Ruaraka, ODM): Hon. Temporary Speaker, I wish to invite the gentlemen from Homa Bay Town. I am surprised they did not come in a constitutionally balanced manner, as the gender composition is not complete. I am confident they will strive to achieve a constitutionally representative delegation next time.

Hon. Temporary Speaker, I appreciate your efforts, as I know that you mentor many individuals, especially the residents of Homa Bay Town Constituency, who have demonstrated exemplary performance in the public sector. I am sure that the lessons they will take from here will significantly enhance their understanding of public administration and improve their performance wherever they are. Homa Bay is the county of firsts in many respects. Right now, Homa Bay is where everybody must go - even money sleeps there. I thank these young people for showing enthusiasm to know where money comes from and where it sleeps.

Hon Wangwe, I have already sat down and so, there is nothing out of order. However, I am open to a point of information.

The Temporary Speaker (Hon. Peter Kaluma): Hon. Wangwe, you can inform Hon. TJ Kajwang'.

Hon. Emmanuel Wangwe (Navakholo, ODM): Thank you, Hon. Temporary Speaker. There is nothing as prestigious as being a lawyer. Allow me to commend Hon. TJ as a very serious lawyer, one of the few who can even swear in the Chief Justice. But when he says money stays, lies or comes from Homa Bay, he is contradicting the laws of the Central Bank of Kenya. Allow me to inform him that it is the responsibility of the Central Bank of Kenya to govern, host, and manage money in this country.

The Temporary Speaker (Hon. Peter Kaluma): Hon. TJ Kajwang' did you imply that the Central Bank of Kenya is under the influence of a son of Homa Bay? Is that so? Yes, Deputy Leader of the Majority Party. What is out of order?

Hon. Owen Baya (Kilifi North, UDA): Nothing is out of order. I also wish to join Tom Joseph Francis Kajwang' and you in welcoming the gallant sons from Homa Bay Town. This represents the future of our nation and our State. The State is built by young and energetic individuals who are academically talented. They are strong pillars of what we aspire to be in this country, thus I welcome them to this august House. I serve here with your Member of Parliament, and he is one of the anchors of this Assembly in terms of law. We depend upon him for many matters. He is a very reliable legislator. Above all, he is also a very good lawmaker and a lawyer. We look forward to when Hon. Kaluma exits the stage and is replaced by stronger people. That is why you get young men and women of integrity into public service, train and mentor them. We look forward to the time when Hon. Kaluma, Hon. TJ and I have

retired and are elderly, returning to this House and find them doing better than we did in our time.

Hon. Temporary Speaker, I also thank you for the good job you are doing. It is not very easy for a Member of Parliament to train others to be leaders. They always want to fight every young person who pops up their head in leadership. They want to fight them and finish them. What you are doing is noble. It is good and great for the nation. I thank you, Hon. Kaluma, for the good job. *Karibuni sana.*

The Temporary Speaker (Hon. Peter Kaluma): Hon. Fatuma Mohammed, is there any matter that is out of order?

Hon. Fatuma Mohammed (Migori County, Independent): Nothing is out of order. I thank and congratulate you for bringing our young men to this House. I want to address the young men and tell them that when they go back home, they should tell their constituents that the Member seated there today is our Speaker and a gentleman.

I wish that more gentlemen came from Homa Bay. Please, walk in his shoes. He is a true Christian, respects his religion, and is a mentor to all of us, especially me. For everything good you see in me, I get from him. He is my good teacher. I thank him for that. I hope that next time you bring some women so that they can also follow in your footsteps. They will be gentle ladies after you.

Thank you, Hon. Temporary Speaker. Congratulations on mentoring our young men and girls.

The Temporary Speaker (Hon. Peter Kaluma): Lastly, let us have Hon. Zamzam Chimba. I hope you will address whatever you want to address in Kiswahili.

Hon. Zamzam Mohammed (Mombasa County, ODM): Ahsante sana Mhe. Spika wa Muda. Ndio maana nimeamua nisimamame niwakilishe Kiswahili. Nachukuwa fursa hii kuwapongeza vijana wetu ambao wametoka Homa Bay. Hili ndilo Bunge la Taifa linalotunga sheria ambazo mnaona zikifanya kazi kule nje. Karibuni sana. Nina imani kuwa huo mwito ambao mmepata mkaja hapa Bungeni siku moja mtakuwa mahali ambapo ndugu yenu Mhe. Kaluma amekaa. Ni kiongozi ambaye tunamtegemea sana hapa Bungeni na pia kwa kamati zetu. Ni mtu ambaye ana uweledi wa uongozi. Ukikaa naye na akupee mwelekeo, unajiuliza akili yako ilikuwa imekwama wapi; unaona ni kama ulikuwa...

Kiongozi wenu ambaye ametoka Kaunti ya Homa Bay ni mtu ambaye ako *very straightforward*. Nawakaribisha sana katika Bunge hili. Inshallah, kama Mama wa Mombasa, nawaombea siku moja muweze kuwa katika Bunge hili, mtunge sheria na kuwatetea Wakenya. Karibuni sana ndugu zangu.

The Temporary Speaker (Hon. Peter Kaluma): Next Order.

MOTION

ADOPTION OF THE SEVENTH REPORT ON AUDITED ACCOUNTS FOR SELECTED STATE CORPORATIONS

That, this House adopts the Seventh Report of the Public Investments Committee on Social Services, Administration and Agriculture on its examination of financial statements of the following State corporations, laid on the Table of the House on Wednesday, 13th August 2025—

1. National Syndemic Diseases Control Council (Formerly National Aids Control Council), for Financial Year 2017/2018 to 2023/2024;
2. National Social Security Fund for Financial Year 2021/2022 to 2023/2024;

3. National Cancer Institute of Kenya for the Financial Year 2019/2020 to 2023/2024; and,
4. Child Welfare Society of Kenya for the Financial Year 2015/2016 to 2018/2019.

The Temporary Speaker (Hon. Peter Kaluma): The Mover of the Motion under Order 13 has requested that we defer it. It is deferred to a future date for consideration by the House, as and when the House Business Committee schedules it for transaction.

(Motion deferred)

Hon. Members, thank you. It is the first time that I am presiding, and all business of the House for the afternoon has been cleared. It means that we are going to adjourn the House earlier than the scheduled time, which would be 7.00 p.m., about 12 minutes earlier. I thank you for the industry.

Hon. Ndindi Nyoro, you are recognised for coming. I thank you for your dedication to parliamentary business.

ADJOURNMENT

The Temporary Speaker (Hon. Peter Kaluma): Hon. Members, let us be upstanding. The time being 6.44 p.m., this House stands adjourned until Wednesday, 1st October 2025, at 9.30 a.m.

The House rose at 6.44 p.m.

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