



REPUBLIC OF KENYA

THIRTEENTH PARLIAMENT

NATIONAL ASSEMBLY

THE HANSARD

10th March 2026

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THE HANSARD

Tuesday, 10th March 2026

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)

Hon. Speaker: Hon. Members, we now have quorum to transact business. Clerks-at-the-Table, I have no Message.

(Several Members entered the Chamber)

Members on their feet, take your seats.

PETITION

INTRODUCTION OF KWS PARK TICKETING PORTAL

Hon. Speaker: Hon. Members, allow me to convey a Petition regarding introduction of the Kenya Wildlife Service (KWS) Park Ticketing Portal and the resulting financial hardship to the tourism industry in the county.

Hon. Members, Article 119 of the Constitution accords any person the right to petition Parliament to consider any matter within its authority. Further, Standing Order 225(2)(b) mandates the Speaker to report to the House any Petition other than those presented by a Member of Parliament.

Hon. Members, in this regard, I wish to report to the House that my Office has received a Petition from Mr Fredrick Odek, Chairman of the Kenya Tourism Federation, representing members of the Kenya's tourism private sector, including, tour operators, hotelkeepers, travel agents, air operators, tourism enterprises, restaurants and entertainment establishments, ecotourism organisations and professional safari guides.

THAT, the Petitioner states that the upgrading of the Park Ticketing and Payment Portal by the KWS has introduced significant changes that have adversely affected stakeholders in the tourism industry. He notes that the system upgrade was undertaken at a time when a valid Court Order issued on 1st October 2025 barred KWS from implementing new park fee rates, yet the new system applied the contested rates in disregard of the Order.

THAT, the Petitioner is concerned that the upgraded portal restricted payment options to M-Pesa and Visa debit/credit cards only, thereby excluding operators whose transactions rely on international bank transfers, corporate accounts, and alternative digital payment

systems. Although bank transfer has since been added, it remains unreliable and non-functional.

THAT, the Petitioner avers that the new system introduced a hidden and discriminatory 5 per cent gateway fee, only revealed at the final payment stage, which results in unequal charges for identical services and imposes an unbudgeted financial burden on industry players, amounting to losses.

THAT, the Petitioner explains that these abrupt changes were implemented without adequate industry consultations, thereby violating principles of fair administrative action and undermining Kenya's competitiveness as a global tourist destination.

THAT, the Petitioner further states that they have made efforts to engage KWS and the Ministry of Tourism and Wildlife on these concerns, but no satisfactory resolution has been issued and the detrimental impacts on the industry continue unabated.

THAT, the Petitioner prays that this House considers making recommendations that will reinstate the previous e-citizen-based park fee payment portal pending full consultations with the tourism industry stakeholders and the removal of the 5 per cent gateway fee, which is allegedly economically punitive and procedurally unjustified.

Hon. Members, having established that the matter raised in the Petition is well within the authority of this House and further, that the matters raised in this Petition are not pending before any court of law, constitutional or legal body, I hereby commit the Petition to the Select Committee on Public Petitions for consideration pursuant to Standing Order 208A.

The Committee is required to consider the Petition and report its findings to the House and to the Petitioner in accordance with Standing Order 227(2).

I thank you. Next Order. Hon. Deputy Leader of the Majority Party.

PAPERS

Hon. Owen Baya (Kilifi North, UDA): Hon. Speaker, I beg to lay the following Papers on the Table:

1. Legal Notice No.197 of 2025 relating to the Capital Markets (Licensing Requirements) (General) Regulations, 2025, the Explanatory Memorandum, Regulatory Impact Statement and Evidence of stakeholder engagement from the National Treasury and Economic Planning.
2. Legal Notice No.3 of 2026 relating to the Mining (Mineral Royalty Sharing) Regulations, 2026, Report of stakeholder consultations on the Mining Act Regulations and the Explanatory Memorandum from the Ministry of Mining, Blue Economy and Maritime Affairs.
3. Reports of the Auditor-General and Financial Statements for the year ended 30th June, 2025 and the certificates therein in respect of—
 - (a) Agricultural Information Resource Centre Revolving Fund – State Department for Agriculture.
 - (b) Agro-Chemical and Food Company Limited.
 - (c) Baringo National Polytechnic.
 - (d) Bondo Technical Training Institute.
 - (e) Bumbe Technical Training Institute.
 - (f) Bura Rehabilitation Development Project Credit Numbers: BADEA 0595, KUWAIT 752, OPEC 1154P – National Irrigation Authority.
 - (g) Bushiangala Technical Training Institution.
 - (h) Chemelil Sugar Company Limited.
 - (i) Communications Authority – Universal Services Fund.
 - (j) Digital Health Agency.

- (k) Ebukanga Technical and Vocational College.
- (l) E-Citizen Revenue Accountability Statements - The National Treasury.
- (m) Executive Office of the President.
- (n) Financial Statements of the State Department for Sports.
- (o) Golf Hotel Limited.
- (p) Government Press Fund.
- (q) Heroes Technical and Vocational College.
- (r) Human Resource Management Professional Examinations Board.
- (s) Hydrologists Registration Board.
- (t) Infrastructure and Public-Private Partnership Project – IDA Credit Number 5157-KE, the National Treasury.
- (u) Kajiado East Technical and Vocational College.
- (v) Kajiado West Technical and Vocational College.
- (w) Kaloleni Technical and Vocational College.
- (x) Kenya Dairy Board Staff Mortgage Scheme.
- (y) Kenya Health Inspectorate Services Mortgage Fund.
- (z) Kenya Health Professions Oversight Authority.
- (aa) Kenya National Congress.
- (bb) Kenya Nuclear Regulatory Authority.
- (cc) Kenya Revenue Authority Staff Mortgage and Car Scheme.
- (dd) Kenya Revenue Authority.
- (ee) Kenya Water Institute.
- (ff) Kiptaragon Technical and Vocational College.
- (gg) Lake Basin Development Authority.
- (hh) Lake Victoria North Water Works Development Agency.
- (ii) Lake Victoria South Water Works Development Agency.
- (jj) Machakos Technical Institute for the Blind.
- (kk) Maasai Technical Training Institute.
- (ll) Masinde Muliro University for Science and Technology.
- (mm) Media Council of Kenya.
- (nn) Migori Teachers Training College.
- (oo) Miwani Sugar Company (1989) Limited (In Receivership).
- (pp) Moi Teachers Training College – Baringo.
- (qq) Muhoroni Sugar Company Limited (In Receivership).
- (rr) Mwea Irrigation Development Project – Loan Agreement No. KE-P27.
- (ss) Narok South Technical and Vocational College.
- (tt) National Biosafety Car Loan and Mortgage Fund.
- (uu) National Livestock Development and Promotion Services for the Six Months Period – State Department for Livestock Development.
- (vv) National Peace Support Operations Fund.
- (ww) National Police Service Commission House Mortgage Scheme.
- (xx) National Security Telecommunications Services.

Hon. Speaker: Chairperson of the Departmental Committee on Finance and National Planning. Hon. Shurie, are you holding brief?

(Hon. Abdi Shurie spoke off the record)

Go ahead.

Hon. Abdi Shurie (Balambala, JP): Hon. Speaker, I beg to lay the following Paper on the Table:

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Joint Report of the Departmental Committee on Finance and National Planning and the Public Debt and Privatisation Committee on the Consideration of Sessional Paper No.3 of 2025 on the Partial Divestiture in Safaricom PLC by the Government of Kenya.

Hon. Speaker: Chairperson of the Departmental Committee on Defence, Intelligence and Foreign Relations, Hon. Nelson.

Hon. Nelson Koech (Belgut, UDA): Hon. Speaker, I beg to lay the following Paper on the Table:

Report of the Departmental Committee on Defence, Intelligence and Foreign Relations on the Approval Hearing of Mr. Kosiom Frank Ole Kibelekenya as the Nominee for Appointment as the Ambassador to Copenhagen, the Kingdom of Denmark.

Hon. Speaker: Chairperson of the Budget and Appropriations Committee, Hon. Atandi.

Hon. Samuel Atandi (Alego Usonga, ODM): Hon. Speaker, I beg to lay the following Paper on the Table:

Report of the Budget and Appropriations Committee on its Consideration of the Division of Revenue Bill (National Assembly Bill No. 2 of 2026).

Hon. Speaker: Next Order.

NOTICES OF MOTIONS

APPROVAL OF PARTIAL DIVESTITURE IN SAFARICOM PLC BY THE GOVERNMENT OF KENYA

Hon. Abdi Shurie (Balambala, JP): Hon. Speaker, I beg to give notice of the following Motion:

THAT, this House adopts the Joint Report of the Departmental Committee on Finance and National Planning and the Public Debt and Privatisation Committee on the consideration of Sessional Paper No.3 of 2025 on the Partial Divestiture in Safaricom PLC by the Government of Kenya, laid on the Table of the House on Tuesday, 10th March 2026, and –

1. Resolves that, pursuant to the provisions of Section 87(A) of the Public Finance Management Act, Cap.412A, the House approves Sessional Paper No.3 of 2025 on the Partial Divestiture in Safaricom PLC by the Government of Kenya; and,

2. Further resolves as follows–

Effective date

- (a) That, the effective date for the approval shall be 1st April 2026 or such later date when all regulatory approvals that form condition precedent in Paragraph 4.1 of the Share Purchase Agreement shall have been obtained.

Completion upon obtaining all regulatory approvals

- (b) That, the Cabinet Secretary for the National Treasury shall, upon obtaining all regulatory approvals in line with the condition precedent in Paragraph 4.1 of the Share Purchase Agreement, undertake and complete

the transaction through the Block Trade Platform of the Nairobi Securities Exchange.

Upfront payment to be made in lieu of future dividends

(c) That, the Government of Kenya shall receive Ksh40.2 billion as an upfront payment in lieu of future dividends on the residual 20 per cent shareholding as per the Dividend Purchase Agreement.

Proceeds to be paid into the National Infrastructure Fund

(d) That, notwithstanding anything contained in the Share Purchase Agreement and the Dividend Purchase Agreement, the proceeds of the divestiture shall be paid into the National Infrastructure Fund.

No redundancy of existing staff

(e) That, to safeguard against loss of jobs for existing staff, there shall be no acquisition-related redundancies in Safaricom PLC.

Preserve the existing business model with Safaricom PLC dealers, agents and other business partners

(f) That, the Cabinet Secretary for the National Treasury shall ensure that within 10 years of the divestiture, there shall be no material change to the current shared prosperity business model in Safaricom PLC that will prejudice the existing Safaricom PLC dealers, agents and other business partners.

Hon. Speaker: Chairperson of the Departmental Committee on Defence, Intelligence and Foreign Relations.

APPROVAL OF NOMINEE FOR APPOINTMENT
AS THE AMBASSADOR TO DENMARK

Hon. Nelson Koech (Belgut, UDA): Hon. Speaker, I beg to give notice of the following Motion:

THAT, taking into consideration the findings of the Departmental Committee on Defence, Intelligence and Foreign Relations in its report on the approval hearing of a nominee for appointment as the Ambassador to Copenhagen, Kingdom of Denmark, laid on the Table of the House on Tuesday, 10th March 2026, and pursuant to the provisions of Article 132(2)(e) of the Constitution, Section 20(2) of the Foreign Service Act, Cap 185E and Sections 3 and 8 of the Public Appointments (Parliamentary Approval) Act (Cap. 7F), this House approves the appointment of Mr Kosiom Frank Ole Kibelekenya as the Ambassador to Copenhagen, Kingdom of Denmark.

Hon. Speaker: Before I call out the next Order, allow me to acknowledge the following institutions in the House. In the Speaker's Gallery, we have students from Gitare Mixed Secondary School from Runyenjes Constituency, Embu County; Machakos Boys School from Machakos Town Constituency, Machakos County; and St Benedict Ikutha Boys from Kitui South Constituency, Kitui County. In the Public Gallery, we have students from Ngwata Primary and Junior Secondary School from Mavoko Constituency, Machakos County; Kirangari Boys High School from Kabete Constituency, Kiambu County; and Kianyaga High School from Gichugu Constituency, Kirinyaga County.

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

(Applause)

Next Order.

QUESTIONS AND STATEMENTS

REQUESTS FOR STATEMENTS

Hon. Speaker: Hon. Members, we will go to Statements. I saw a letter from Hon. Rael Kasiwai. She wrote it to nominate somebody to request the Statement. Was she nominating Hon. Moroto? Clerks-at-the-Table, do you have the letter? Hon. Rael Kasiwai nominated a Member from West Pokot. The Member is not here. We will stay the Statement.

STATUS AND JURISDICTION OF AROO SUB-COUNTY

(Request of Statement deferred)

Hon. Speaker: Hon. Samuel Moroto. I think the letter covered Hon. Moroto as well. They said they were away on some urgent matter. We will stay the two Statements to Thursday afternoon.

IMPLEMENTATION OF TURKWEL-LOKICHAR WATER AND IRRIGATION PROJECT

(Request of Statement deferred)

Hon. Speaker: Hon. Tandaza Kassim, Member of Parliament for Matuga.

BLOCKAGE OF A BANK ACCOUNT BY AL RAHJI BANK

Hon. Kassim Tandaza (Matuga, ANC): 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 Defence, Intelligence and Foreign Relations regarding the blockage of the bank account of Ms. Moussawi Suleiman Mambo, a Kenyan national, by the Al Rajhi Bank in the Kingdom of Saudi Arabia.

Ms. Moussawi Suleiman Mambo of Passport Number AK004 ending with 69 has been living and working in Saudi Arabia for the last two years in which period she opened and operated a bank account with Al Rajhi Bank. On 7th September 2025, while at the airport in Saudi Arabia for her flight back to Kenya, she was able to access her bank account and transact without difficulty.

However, she has been unsuccessful in reaching the bank upon her arrival in Kenya on 8th September 2025. It remains unresponsive and no reasons have been given for blocking access to her account. The account holds her savings accumulated during her period of employment in the Kingdom of Saudi Arabia. It is unfortunate.

Hon. Speaker: Order, Hon. Tandaza. Yes, Hon. Wangwe. What is the point of order?

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Hon. Emmanuel Wangwe (Navakholo, ODM): Thank you, Hon. Speaker. I do not intend to disrupt my very good friend, the engineer. However, your rulings and guidelines guide this House. According to your judgment, is the Member properly dressed to address the Floor?

Hon. Speaker: Which Member? Is it Hon. Tandaza?

Hon. Emmanuel Wangwe (Navakholo, ODM): Yes. The one speaking.

Hon. Kassim Tandaza (Matuga, ANC): Thank you, Hon. Speaker. I am in an official *kanzu*. As a Muslim, this is how I am supposed to dress. I have my coat on top of that. I cannot put a tie on a *kanzu*. I think he is just far from the truth.

Hon. Speaker: Are you in a *kanzu*? Go ahead.

Hon. Kassim Tandaza (Matuga, ANC): For sure. Thank you, Hon. Speaker.

(Laughter)

Hon. Speaker: Hon. Wangwe is used to seeing only white *kanzus*.

Hon. Kassim Tandaza (Matuga, ANC): No, no, no. A *kanzu* does not have to be white. Will I start again or proceed with this interruption from Hon. Wangwe?

Hon. Speaker: Proceed from where you left.

Hon. Kassim Tandaza (Matuga, ANC): With her life savings locked and inaccessible, it is unfortunate that she is now unable to afford basic amenities. That further exacerbates the economic challenges she faces while settling back in Kenya. It is against this background that I seek a Statement from the Chairperson of the Departmental Committee on Defence, Intelligence and Foreign Relations on the following:

1. The steps taken by the Kenyan Embassy in Saudi Arabia, in collaboration with the relevant Saudi Arabian authorities, to facilitate the restoration of Ms. Moussawi Suleiman's access to her bank account to allow utilisation of her funds.
2. The measures put in place to strengthen consular support for Kenyans working in the Gulf region including assistance in financial disputes, documentation challenges, and other forms of distress.

Hon. Speaker: Hon. Nelson Koech, when can you bring a response to that?

Hon. Nelson Koech (Belgut, UDA): As soon as possible, even tomorrow, Hon. Speaker. Just guide me.

Hon. Speaker: Tomorrow afternoon?

Hon. Nelson Koech (Belgut, UDA): Yes, I will bring it.

Hon. Speaker: Excellent. Your colleagues should work like that. Did you have prior knowledge that there was such a Statement coming? Give Hon. Tandaza the microphone. Yes, Hon. Tandaza?

Hon. Kassim Tandaza (Matuga, ANC): Yes. Thank you, Hon. Speaker. It is the second time. I read this question before we went for recess last time. The answer has not been in the Table Office. I believe he could be having it somewhere and can provide it.

Hon. Speaker: Nelson Koech, tomorrow afternoon.

Hon. Nelson Koech (Belgut, UDA): Yes.

Hon. Speaker: Thank you. I am informed Hon. John Makali is away in his constituency on an urgent matter.

NON-PAYMENT OF RETIREMENT
BENEFITS TO A LATE TEACHER

(Request of Statement deferred)

Hon. Dorice Donya. Go ahead.

PERSISTENT DISCHARGE OF RAW SEWAGE INTO
PUBLIC SPACES DURING RAINY SEASONS

Hon. Dorice Donya (Kisii County, 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 Environment, Forestry and Mining regarding persistent discharge of raw sewage into public spaces during rainy seasons.

It is unfortunate that there is a recurrent phenomenon where raw sewage often overflows onto roads, residential estates, marketplaces, and other public areas during heavy rainfall. This poses grave public health dangers including the risk of waterborne diseases such as cholera and typhoid. It compromises environmental integrity, contaminates water sources and infringes on the dignity, safety, and rights of our citizens to a clean and healthy environment.

The situation not only reflects existing systemic deficiencies in our sewer infrastructure, but also raises serious concerns regarding planning, maintenance, regulatory oversight, and compliance enforcement by relevant authorities and other water and sanitation service providers.

It is against this background that I request the following from the Chairperson of the Departmental Committee on Environment, Forestry and Mining:

1. A report on the underlying causes of the recurrent sewer overflows experienced during rainy seasons in urban and peri-urban areas, including an assessment of the condition and capacity of existing sewer infrastructure.
2. The immediate remedial interventions being undertaken to contain the current health and environmental risks including emergency response mechanisms, public health safeguards, and accountability measures against negligent sewerage service providers.

Hon. Speaker: Thank you, Hon. Donya. Chair of the Departmental Committee on Environment, Forestry and Mining. Hon. Owen, who is the Chair? Yes, Woman Representative of Kericho County.

Hon. Beatrice Kemei (Kericho County, UDA): Thank you, Hon. Speaker. From what she has said, it is something serious. Please, give us two weeks. I will talk to the Chair.

Hon. Speaker: Are you a Member of the Committee?

Hon. Beatrice Kemei (Kericho County, UDA): Yes. I am a Member of the Committee.

Hon. Speaker: Two weeks?

Hon. Beatrice Kemei (Kericho County, UDA): Two weeks.

Hon. Speaker: Yes, Hon. Donya. Give Hon. Donya the microphone.

Hon. Dorice Donya (Kisii County, WDM): You see the rains are causing havoc. They are not going to get the response from Japan or Ethiopia. It is just within. I think one week or even two days is enough. Serious issues must be taken seriously. They should even be responded to within a day.

Hon. Speaker: Hon. Beatrice Kemei, can your Chair or you bring a response on Thursday afternoon? This is a very straightforward matter.

Hon. Beatrice Kemei (Kericho County, UDA): Maybe next week on Tuesday.

Hon. Speaker: Tuesday will be on recess.

Hon. Beatrice Kemei (Kericho County, UDA): Hon. Speaker, you know it is not one area. It is the whole country, so allow the Chair to do it next week.

Hon. Members: Recess.

Hon. Speaker: Contact your line ministry and bring at least a preliminary response on Thursday afternoon. Hon. Amos Mwago, Member for Starehe.

ISSUANCE OF PROVISIONAL
CERTIFICATE OF TITLE DEED

Hon. Amos Maina (Starehe, JP): 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 Lands regarding delayed issuance of a provisional certificate of Title Deed to Ms. Salamat Bibi Sheikh of ID No.10224231.

Hon. Speaker, Ms. Salamat Bibi Sheikh is the administrator of the estate of the late Rehmat Ali Sheikh, Noor Mohamed Sheikh, Hussein Bibi Sheikh and Abdul Rashid Sheikh. Consequently, she is the registered proprietor of land, L.R.No.209/3605, comprised in Grant Number I.R. 19333 situated along Melili Road, South B Estate in Nairobi City County. In 2020, Ms. Sheikh discovered that the original Certificate of Title for the said property had been misplaced or lost. Despite making extensive efforts to trace the document, her attempts were unsuccessful. She immediately applied to the Ministry of Lands, Public Works, Housing and Urban Development for the issuance of a provisional certificate of title deed.

However, to her dismay, she was informed that even the provisional certificate of title deed was missing from the registry and up to date, she is yet to be issued with a copy of this document. It is deeply concerning that such a crucial document could be misplaced within the custody of the Ministry. This prolonged delay has subjected Ms. Sheikh to financial distress as she has been unable to use the title as collateral for financing or to transact with the property in any meaningful way.

Hon. Speaker, it is against this background that I request for a Statement from the Chairperson of the Departmental Committee on Lands on the following:

1. The circumstances surrounding the disappearance of the provisional certificate of title deed for L.R.No.209/3605 while under the custody of the Ministry of Lands, Public Works, Housing and Urban Development and an indication of whether any efforts have been made to reconstruct the missing file.
2. Specific timelines within which Ms. Salamat Bibi Sheikh will be issued with the provisional certificate of title deed.
3. Safeguards in place to secure the said land from potential irregular transfers pending reconstruction of the file and issuance of the provisional certificate of title deed.
4. The measures put in place by the Ministry to ensure digitisation and secure preservation of land records within its custody to guarantee ease of access and prevent similar occurrences in the future.

Thank you, Hon. Speaker.

Hon. Speaker: Chair of the Departmental Committee on Lands. Hon. Owen Baya. I think I saw the Departmental Committee on Lands in vetting.

Hon. Owen Baya (Kilifi North, UDA): The Chair sits somewhere here.

Hon. Speaker: Can you instruct them to bring a response the first Wednesday after recess?

Hon. Owen Baya (Kilifi North, UDA): Much obliged, Hon. Speaker.

Hon. Speaker: Thank you. Next is Hon. Lochakapong. Hon. Kasiwai, now that you are here, start with your own Statement.

Hon. Rael Kasiwai (West Pokot County): Yes, Hon. Speaker.

Hon. Speaker: Next will be Hon. Moroto's, followed by Hon. Lochakapong.

Hon. Rael Kasiwai (West Pokot County): I will start with the one for Hon. Lochakapong.

Hon. Speaker: Start with your own.

STATUS OF JURISDICTION
OF AROO SUB-COUNTY

Hon. Rael Kasiwai (West Pokot County): 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 status and jurisdiction of Aroo Sub-County Administrative Unit.

The Ministry of Interior and National Administration, vide Gazette Notice No.2969 dated 17th March 2022, established administrative units as service delivery coordination units to enhance the functions of the national Government. Among the eighteen (18) sub-counties created was Aroo Sub-County in Turkana County.

However, there have since emerged concerns and disputes regarding the precise boundary between Turkana County and West Pokot County in Aroo Sub-County. This situation has led to uncertainty among residents and contributed to challenges in coordination of security operations, delivery of public services, land administration processes and general communal relations.

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 on the following:

1. Clarification on the officially recognised boundary between Turkana County and West Pokot County particularly in relation to Aroo Sub-County.
2. The measures being taken by the Ministry to ensure seamless coordination in matters of security operations, service delivery and administrative oversight in Aroo Sub-County and lastly.
3. The steps being taken to safeguard land rights, prevent boundary-related conflicts and promote social stability among communities residing in Aroo Sub-County.

Thank you, Hon. Speaker. On behalf of...

Hon. Speaker: Hold on, Hon. Kasiwai. Chair, Departmental Committee on Administration and Internal Security, Hon. Tongoyo, when can you bring a response?

Hon. Gabriel Tongoyo (Narok West, UDA): We can do it on Wednesday once we resume from recess.

Hon. Speaker: The first Wednesday.

Hon. Gabriel Tongoyo (Narok West, UDA): The first Wednesday, Hon. Speaker.

Hon. Speaker: Thank you. On behalf of Hon. Samuel Moroto, let us have Hon. Kasiwai.

IMPLEMENTATION OF TURKWEL-LOKICHAR
WATER AND IRRIGATION PROJECT

Hon. Rael Kasiwai (West Pokot County, KUP): 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 Blue Economy.

Hon. Speaker: Put it on record that it is on behalf of Hon. Samuel Moroto. It is not your Statement.

Hon. Rael Kasiwai (West Pokot County, KUP): Thank you. On behalf of Hon. Samuel Moroto, the Member for Kapenguria Constituency, 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 Blue Economy, Water and Irrigation regarding the implementation of the Turkwel-Lokichar Water and Irrigation Project under the South Lokichar Field Development Plan.

Hon. Speaker, the Turkwel Dam, located in West Pokot County, is a critical enabler of the South Lokichar Field Development Plan as the source of water and power infrastructure required for oil extraction as well as for irrigation and domestic supply to communities along the Turkwel-Lokichar corridor. The FDP indicates that the planned distribution of benefits from the project between Turkana and West Pokot counties includes access to treated water and large-scale agricultural development.

However, it is noted with concern that while the dam and the key water extraction infrastructure are situated in West Pokot County, the bulk of the irrigation expansion is allocated to Turkana County while West Pokot County is allocated less acreage despite hosting the primary water source. This situation raises serious concerns regarding equity, fairness and proportional benefit sharing in the utilisation of the natural resource and benefits to local communities. It is expected that the Turkwel-Lokichar transmission system will convey water to designated centres and communities along the pipeline routes with multiple off-take points to support domestic use. However, clarity is required regarding the full cost implications of the transmission pipelines, the specific beneficiary communities and the criteria applied in allocating irrigation, acreage and water infrastructure between the host counties.

Hon. Speaker, it is against this background, that I request for a Statement from the Chairperson of the Departmental Committee on Blue Economy, Water and Irrigation on the following:

1. A report on the cost estimates for the Turkwel-Lokichar transmission pipelines including the criteria used in identifying the designated beneficiary communities.
2. A report detailing the specific communities in West Pokot County that will benefit from the treated water transmission system including the number of off-take points and the volumetric allocation guaranteed to residents of West Pokot to support domestic use.
3. The measures put in place by the Ministry of Water, Sanitation and Irrigation to ensure West Pokot County as the primary water source receives its proportional share from the project in terms of irrigation, acreage, water abstraction and associated infrastructure development.

Hon. Speaker: Chairperson, Departmental Committee on Blue Economy, Water and Irrigation, Hon. Bowen, can you respond?

Hon. Kangogo Bowen (Marakwet East, UDA): Hon. Speaker, I do not know. Hon. Moroto is not here. This is something we discussed with the Ministry. I have the answer. It is only that she is asking on behalf of Hon. Moroto, who is not in.

Hon. Speaker: When is Hon. Moroto going to be here? Are you ready to take the answer? Hon. Bowen, tomorrow in the afternoon.

Hon. Kangogo Bowen (Marakwet East, UDA): Thank you, Hon. Speaker.

Hon. Speaker: In fact, we can load tomorrow in the morning. Hon. Kasiwai, will you be here tomorrow morning on behalf of Hon. Moroto?

Hon. Rael Kasiwai (West Pokot County, KUP): I will, Hon. Speaker.

Hon. Speaker: Clerk-at- Table, put that response to tomorrow morning. Hon. Kasiwai on behalf of Hon. Lochakapong.

ROAD SAFETY CONCERNS
IN WEST POKOT COUNTY

Hon. Rael Kasiwai (West Pokot County, KUP): Hon. speaker, on behalf of Hon. Peter Lochakapong', Member for Sigor Constituency, I rise to request for a Statement from the Chairperson of the Departmental Committee on Transport and Infrastructure regarding serious transport and road safety concerns linked to the operations of the Cemtech Limited in Sebit, West Pokot County.

Cemtech Limited is a cement manufacturing factory operating in West Pokot and officially Sebit area. Whereas the company serves as a key economic enabler in the region, heavy commercial trucks belonging to the company are allegedly driven carelessly leading to frequent road accidents and near miss incidences. The absence of adequate traffic control measures in the area has reportedly worsened the situation thereby exposing residents and other road users to heightened risk.

It has further been reported that there are no designated truck parking or holding areas around the factory. Due to this, trucks are dangerously parked along public roads within Sebit area causing traffic congestion, obstructing access routes and increasing likelihood of accidents. This uncontrolled parking has created serious danger to motorists, pedestrians, school children and traders undertaking their daily activities within the town. Numerous complaints to the management of Cemtech Company and local authorities have borne no results.

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. The action being taken by the Ministry to investigate and address the resulting road safety concerns in and around Sebit.
2. Reasons for the absence of designated truck parking or holding areas around the factory.

Thank you, Hon. Speaker.

Hon. Speaker: Chairperson of the Departmental Committee on Transport and Infrastructure, Hon. GK.

Hon. George Kariuki (Ndia, UDA): We will have the response on the first Wednesday of next month.

Hon. Speaker: Thank you. Hon. Members, allow me to acknowledge students who are seated in the Speaker's Gallery. They are: St. Anne's Lioki Girls High School, Kiambu Township, Kiambu County and Sosit Girls Secondary School, Bureti Constituency, Kericho County.

In the Public Gallery, we have Karocho Secondary School from Tharaka Constituency, Tharaka Nithi County. Hon. Komingoi, you have requested that I give you a minute to welcome the school from your constituency and the other students. Give Hon. Komingoi the microphone.

Hon. Kibet Komingoi (Bureti, UDA): Thank you, Hon. Speaker for giving me the opportunity to welcome the beautiful girls and their teachers who are in both the Speaker's and the Public galleries. They are here to see for themselves the discourse that is happening in the House of Parliament.

On behalf of this House, we want to tell the girls that they have the opportunity to transform their lives, communities and the people they surround themselves with. Let them arm themselves with the thoughts, ideas and the messaging that they will send to the communities around them because they have the opportunity to be national figures in this country someday.

I wish them all the best as they study, wish them greater days ahead of them and pray that the Lord will carry them along even as they study and set themselves on stage not only to

change, but also to transform their communities and their own lives for the betterment of our country.

Hon. Speaker, thank you for giving me this opportunity. I welcome the students to Bunge, and especially Sosit Girls Secondary School, Bureti Constituency. They are the most beautiful girls we have, in a beautiful school; in a beautiful setting; and the future ahead of them is quite beautiful. Thank you.

Hon. Speaker: Thank you, Hon. Komingoi. On my behalf and that of the House, we welcome the students, their teachers and those accompanying them to the House of Parliament. Let us have Hon. Njeri

SAFETY OF LEARNERS
IN INSTITUTIONS

Hon. Njeri Maina (Kirinyaga County, UDA): Hon. Speaker, pursuant to the provisions of Standing Order 44(2)(c), I wish to request for a Statement from the Chairperson of the Departmental Committee on Education regarding the safety of learners at Kerugoya School for the Deaf.

On 2nd March 2026, a teacher at Kerugoya School for the Deaf was arrested following allegations of defilement of an eight-year-old female pupil at the institution. Alarming, it is further alleged that the said teacher is facing similar cases before a court of law. The matter has caused widespread anxiety among parents, guardians and the public regarding the safeguards in place for students' safety in schools, especially in special learning institutions.

Hon. Speaker, it is against this background that I request for a Statement from the Chairperson of the Departmental Committee on Education on the following:

1. The circumstances surrounding the alleged incident at Kerugoya School for the Deaf including the actions taken by the school administration and relevant authorities following the arrest of the teacher.
2. An explanation as to why the teacher was allowed to continue teaching at the special learning school while allegedly facing defilement charges before a court of law.
3. Disciplinary actions, if any, taken against the school administration for the alleged failure to take appropriate action against the teacher despite him having allegedly engaged in similar actions prior to this incident.
4. Interventions being taken by the Government to provide psychosocial support to the victim and her family, and to prevent the recurrence of similar incidents in learning institutions across the country.

I, thank you, Hon. Speaker

Hon. Speaker: Thank you, Hon. Njeri. Chairman of the Departmental Committee on Education. I thought I saw Hon. Melly walking in. Hon. Owen, when can you bring a response?

Hon. Owen Baya (Kilifi North, UDA): Hon. Makilap is a Member of the Committee. He can undertake to bring a response, on behalf of the Chair.

Hon. Speaker: Hon. Makilap, bring the response on the first Wednesday upon resumption from the short recess. It will be on 1st April.

Hon. Joseph Makilap (Baringo North, UDA): Much obliged, Hon. Speaker. 1st April will be Fools' Day.

Hon. Speaker: Do not come to fool us. It will be a Fools' Day for fools out there, but not in this House. Hon. Tungule, you said you wanted to find out about a response to an earlier Statement you had requested. Go ahead.

Hon. Kenneth Tungule (Ganze, PAA): Thank you, Hon. Speaker. On 15th October 2025, I requested for a Statement from the Departmental Committee on Defence, Intelligence and Foreign Relations regarding the death and burial...

Hon. Speaker: Hon. Tungule, if you asked for it on 15th October before the long recess, it lapsed. When we came back, I directed that any Member who had a Statement that had lapsed to go to the Table Office and resurrect them. Did you?

Hon. Kenneth Tungule (Ganze, PAA): I missed that Communication, Hon. Speaker.

Hon. Speaker: Discontinue what you are saying, take your seat and then go to the Table Office and embark on resurrecting your request for Statement. Once you do so, I will allocate you time to request once more. If you do it this afternoon, I can slot you on Thursday.

Hon. Members, allow me to acknowledge, in the Speaker's Gallery, students from Kabare Girls High School from Gichugu Constituency, Kirinyaga County. Hon. Gacheri has asked for an opportunity to welcome the students. She has told me that she went to that school. Hon. Gacheri.

Hon. Njeri Maina (Kirinyaga County, UDA): Thank you, Hon. Speaker. It is, indeed, an honour to welcome the girls to the 13th Parliament. I encourage them and tell them that I was once a student at Kabare Girls. My dormitory was Longonot. We used to call it Long Tea. I was the Music Captain. I used to offer some entertainment, if you talked to me nicely.

We are here because the Constitution of Kenya has afforded women the opportunity to be leaders. It has given a clear guideline that once women are given the opportunity, they can lead and perform. We have governors who are female. I know we will have a female president in the near future. If it is not one of us on this Floor today, it must be one of you, girls, seated up there. Please, work hard. Remember to protect your dignity. Remember that we are doing this to shape the path for you. God bless you.

Hon. Speaker: You have said everything except welcoming them to Parliament. Did you welcome them?

Hon. Njeri Maina (Kirinyaga County, UDA): Yes, Hon. Speaker.

Hon. Speaker: Thank you, Hon. Gacheri. Hon. Members, those who have an interest in the policy on hardship areas, the Prime Cabinet Secretary is supposed to come to the House tomorrow to give a Statement on the issue. I have received communication that he is out of the country. Therefore, Hon. Owen Baya, organise with your office to have him here the first Wednesday, 1st April, upon resumption after the short recess.

Hon. Owen Baya (Kilifi North, UDA): Much obliged, Hon. Speaker.

(Several Members entered the Chamber)

Hon. Speaker: Next Order. Members at the Bar, take the nearest seats.

MOTION

APPROVAL OF THE 2026
BUDGET POLICY STATEMENT

*(Moved by Hon. Samuel
Atandi on 5.3.2026)*

(Debate concluded on 5.3.2026)

(Question put and agreed to)

Next Order.

BILL

Second Reading

THE DIVISION OF REVENUE BILL (National Assembly Bill No. 2 of 2026)

Hon. Speaker: Hon. Members, I am sure you know that the Division of Revenue Bill is a regurgitation of the Budget Policy Statement (BPS). The House Business Committee indicated and decided that we will take the shortest time possible on this Motion, so that we can go to the Committee of the whole House.

Hon. Atandi, you may move. Also, have your Secunder ready and let us see how we move thereafter.

Hon. Samuel Atandi (Alego Usonga, ODM): Thank you, Hon. Speaker. Before I move the Division of Revenue Bill, I want to thank the House for the adoption of the 2026 BPS just now. The adoption of the BPS paves the way for the consideration of the Division of Revenue Bill. The main purpose of the Bill is to essentially share nationally-raised resources between the national Government and the country governments. The formula for sharing is based on the most recent audited accounts.

Hon. Speaker: Hon. Atandi, I prefer that you have no preamble to moving the Bill.

Hon. Samuel Atandi (Alego Usonga, ODM): Okay.

Hon. Speaker: Just move the Bill.

Hon. Samuel Atandi (Alego Usonga, ODM): Thank you, Hon. Speaker. I would like to make a few remarks before I move the Bill.

Hon. Speaker: That is what I am discouraging you from doing. You can make those few remarks within the context of moving the Bill. Say, "I beg to move that the Division of Revenue Bill (National Assembly Bill No.2 of 2026) be now read a Second Time."

Hon. Samuel Atandi (Alego Usonga, ODM): Hon. Speaker, I beg to move that the Division of Revenue Bill (National Assembly Bill No.2 of 2026) be now read a Second Time.

Just like I mentioned, the purpose of this Bill is to allocate resources raised nationally between the county governments and the national Government. Having adopted the BPS 2026, it is time for the House to consider the Bill.

The Division of Revenue Bill is anchored on Article 218 and it has very specific timelines. The law says that the Bill must be passed two months before the end of the financial year. This is in line with the requirement of Article 218.

The consideration of this Bill must meet the contents of Article 218 which also outlines that we must peg the Bill on the most recent audited accounts of revenues. For this case, the most recent audited accounts of revenues, which has already been passed by the House, is the revenues for the Financial Year 2022/2023.

I also would like to add that the Schedule of the Bill provides that the total shareable revenue for the Financial Year 2026/2027 is estimated at Ksh2,901,874,751,144 and the allocation is as follows:

1. National Government share is Ksh2,472,272,597,719.
2. County government equity share is Ksh420,000,000,000.
3. The Equalisation Fund share is Ksh9,602,170,425.

I want to emphasise that as we consider this Bill, we must also indicate that the sharing is vertical sharing based on the most recent audited revenues for the Financial Year 2022/2023.

This Bill also contains the Equalisation Fund. Article 204(1) of the Constitution provides that 0.5 per cent of the revenue collected by the national Government each year, based on the most recent audited and approved accounts of revenue by the National Assembly, be paid into the Fund.

The law requires that before we consider any Bill, we must engage in extensive public participation. I would like to report to the House that the Budget and Appropriations Committee engaged in extensive public participation. We talked to various institutions, including the Council of Governors, the Commission of Revenue Allocation (CRA), the Intergovernmental Relations Technical Committee (IGTRC), Intergovernmental Budget and Economic Council (IBEC), the National Treasury among other stakeholders. This Report is based on the input that we received from those stakeholders.

We received a memorandum from other stakeholders, including members of the private sector and the civil society. As you rightfully said, this Bill is aligned to the BPS which we have just passed. Therefore, I would not like to engage in more further discussions because this Bill mirrors what was discussed. We engaged in extensive discussions when we were going through the BPS last week. So, I do not want to spend more time on this. I just want to indicate that the National Treasury has been meeting the arrears of the Equalisation Fund over the years, but we have not been able to factor in all the arrears.

In this Bill, there is an allocation of Ksh5.6 billion which is going to be partial payments of arrears to the Equalisation Fund which brings the total allocations to the Fund at Ksh15.2 billion for the Financial Year 2026/2027.

Article 218(2) of the Constitution and Section 191(5) of the Public Finance Management (PFM) Act require the National Treasury to give reasons for any deviation between their proposal for revenue sharing between the two levels of government and the CRA proposal. The CRA had proposed Ksh454 billion as shareable revenue while the National Treasury proposed Ksh420 billion in the Bill.

Reasons given for the deviation on revenue sharing include the following: That the National Treasury projects the shareable revenue for the Financial Year 2026/2027 at Ksh2.901 trillion whereas the CRA has a revenue projection amounting to Ksh2.982 trillion. This is a difference of Ksh80.9 billion. The National Treasury attributed their comparatively modest revenue projection to major economic shocks that are likely to negatively affect forecasted revenue for the Financial Year 2026/2027 whereas the CRA projection is based on yearly revenue growth.

To the equitable share, the National Treasury proposes to allocate Ksh2.4723 trillion to the national Government, Ksh420 billion to county governments and Ksh15.2 billion to the Equalisation Fund. This is inclusive of Ksh5.6 billion in arrears whereas the CRA proposes an allocation of Ksh2.512 trillion to the national Government and Ksh9.6 billion to the respective institutions.

The CRA recommendations are partly informed by high estimated share of revenue and the inclusion of attendant resources for the remuneration to the Universal Health Care (UHC) workers hired during the COVID-19 crisis. Their remuneration is normally factored in the County Governments Additional Allocations Bill. However, the Commission on Revenue Allocation recommends that these resources be moved to form part of the county shareable allocations. That recommendation is higher than what the National Treasury has proposed, which is that the resources be retained under the County Governments Additional Allocations Bill.

As I conclude, just as we said when we were considering the Budget Policy Statement (BPS), we hope to raise more resources in the coming financial year due to the recommended reforms in the Kenya Revenue Authority (KRA) and the allocation of more resources. If we achieve our revenue targets, we may increase the allocations to counties. However, since we

have not met our revenue projections in the past, I cannot be optimistic at this stage that we will allocate additional resources to counties.

We will also consider political factors during mediation between the Senate and the National Assembly. I am listening to my leader, Hon. Junet Mohammed, and I want to assure him that this is part of the process of sharing resources. There are more stages ahead of us, which once we reach, the allocations to counties will most likely increase. Therefore, I want to assure Hon. Junet Mohammed not to worry about my presentation on the Floor of the House regarding this Bill.

I beg to move and request Hon. Makali Mulu to second.

Hon. Speaker: Who is seconding? Hon. Makali Mulu? Go ahead.

Hon. (Dr) Makali Mulu (Kitui Central, WDM): Thank you, Hon. Speaker. I want to take this opportunity to second the Division of Revenue Bill (National Assembly Bill No. 2 of 2026). As my Chairman has indicated, the Bill focuses on the vertical sharing of national revenue and is informed by the BPS that we just passed. Even as we approve the Bill, the House should note the following three or four issues, so that we can improve in future.

The first issue concerns audited reports. As we prepared the BPS, we relied on figures for the Financial Year 2020/2021 because those were the latest audited accounts approved by the House. That meant that we were working with figures from four years ago, which do not reflect the reality on the ground. With the latest approvals, we are now dealing with figures for the Financial Year 2022/2023, which are about two years old. The House needs to fast-track the examination of audited accounts, so that we can help the counties receive their rightful share of revenue.

The second issue concerns projected revenue. The figures proposed by the CRA, the House, and the Council of Governors, differ mainly because we are not getting our revenue projections right. We need to improve national revenue. We need to come up with a framework that can minimise these variations between institutions. For instance, the CRA is proposing about Ksh454 billion, while the House is proposing Ksh420 billion. The difference in the analysis is due to the revenue figures. We need to get it right.

Despite giving these figures every year, counties do not get their funds by the closure of the financial year. We closed the last financial year with Ksh34 billion that had not been released. Once the House approves these figures, the National Treasury should make every effort to release the funds as passed in the Act, which will enable counties to implement their budgets as planned. Counties prepare annual budgets and serious challenges arise when resources are not released.

The final issue is the costing of devolved functions. According to the latest report by the Intergovernmental Committee, about Ksh60 billion worth of functions remain at the national level, which should be devolved. The House needs to help the national Government ensure that those functions are devolved. The law is clear that once functions are devolved, resources attached to those functions must also be devolved. If we move in that direction, counties will receive their rightful share and we will make proper laws to support devolution.

With those many remarks, I beg to second.

(Several Members stood in their places)

Hon. Speaker: Members on their feet, take your seats.

(Question proposed)

Yes, Hon. Owen.

Hon. Owen Baya (Kilifi North, UDA): Thank you, Hon. Speaker. I support the Division of Revenue Bill. I want to say the following three things. First, the Division of Revenue Bill is a very important piece of legislation that comes every financial year as part of the budget cycle. Suffice it to note that we are still using accounts for the Financial Year 2020/2021. I consider that a constitutional infringement on the counties. If we were using the current audited accounts, counties would probably get more money. We are using accounts from four years ago thus denying counties their rightful share.

Hon. Speaker: To whom are you complaining?

Hon. Owen Baya (Kilifi North, UDA): I am not complaining, Hon. Speaker.

Hon. Speaker: I also heard Hon. Makali Mulu saying the same thing.

Hon. Owen Baya (Kilifi North, UDA): I will place the blame in the right place. Just allow me to proceed, Hon. Speaker.

Hon. Speaker: Go on.

Hon. Owen Baya (Kilifi North, UDA): Hon. Speaker, audited accounts are brought before audit committees of this House, which must work faster, so that we are up to date. That would be a legacy for this Parliament. Fast-tracking the examination of audited accounts and bringing them up to date will help to properly anchor devolution in our country.

The second issue concerns pending bills in the counties. I keep asking myself why counties are accruing many pending bills. Is it because the National Treasury releases funds late, or is it due to the exigencies of governors and county governments? Where is the problem? Why is it that we are not properly addressing the issue of pending bills in the counties? There have been deliberate efforts at the national level to address pending bills, particularly in the roads sector, where many contractors have been paid. However, every year, the number of pending bills in the counties increases. As much as we allocate funds to the counties, if the Senate is unable to hold governors and the county governments accountable, this House needs to, so that we can get value for money.

The third issue is that even as we appropriate funds to the counties, certain areas are probably neglected. Certain areas, when we appropriate funds to counties, they probably do not get justice when the funds get there, especially on social services programs. Every county wants to build roads and other things and forget that there are services like health and education, especially the Early Childhood Development (ECD) which are important. These are things that are recurrent in nature and matter a lot in terms of bringing counties to the same level. These are issues that we need to tell those that we give the funds, especially through the Division of Revenue Bill. We want more accountability and efficiency in the use of the funds that go to the counties.

I support.

Hon. (Dr) Wilberforce Oundo (Funyula, ODM): Thank you, Hon. Speaker for giving me this opportunity to contribute to the Division of Revenue Bill, which is a routine annual Bill as provided for in the Constitution of Kenya, 2010. As I support, allow me to make two comments on the same. I want to reiterate the words of the Whip and Hon. (Dr) Makali Mulu on the accuracy of the data that we are using for the division of revenue between the national Government and the county governments. The truth of the matter is that this year, we are using the audited accounts of the Financial Year 2022/2023. Why are we lagging behind? The Office of the Auditor General dutifully submits audited accounts on time as required by the Constitution and the Public Audit Act. It is either a matter of backlog or the Parliamentary Service Commission (PSC) does not provide adequate facilitation and logistics to enable the Public Accounts Committee to be up to date. I want to appeal to the leadership of the House and to you, as the Chairman of the PSC, with your technical team, to go back to the drawing board and look at modalities that will ensure that before this Parliament ends next year, we are up to date with the consideration of the audit reports.

I met my governor on Saturday, Dr. Paul Nyongesa Otuoma, and he indicated to me that there was an agreement somewhere that this financial year, counties will receive Ksh450 billion. However, what I am seeing here is Ksh420 billion. Probably, off the record, I will ask my neighbour, the Chairperson of the Budget and Appropriation Committee, to explain that to me. The expectations outside there are that the amount that will be taken to counties will be Ksh450 billion because of the ongoing discussion, so that we can truly entrench devolution as was captured in the National Dialogue Committee (NADCO) Report and the 10-Point Agenda. I leave that debate to the people of Kenya to have a discussion on it.

The issue of delayed disbursement keeps recurring. Many governors routinely complain that it is by design or by happenstance. The money is disbursed the last day which makes it impossible to absorb. That is the sentiment. We can check with the disbursement schedule from the National Treasury on how factual that is. However, I have heard somewhere today of a report that has alleged that all counties receive their money timeously and devolution has been entrenched. I find it very interesting that we are talking at cross-purpose. I leave it to Kenyans to determine who is telling the truth. Is it the Council of Governors or some funny reports that are circulating on the social media arising out of some committee that has presented a report?

On the issue of accountability, the haemorrhage in the counties still remains one of the biggest problems yet we have the county assemblies and the Senate that are charged with oversight responsibility of county governments. The Ethics and Anti-Corruption Commission (EACC) and other investigative bodies are also charged with ensuring that there is accountability. The question I beg to ask is: Do we lack capacity or political goodwill? Could it be because governors have a very close relationship with the Executive and they are being shielded from persecution so that we can feel the weight of devolution as was envisaged by Baba Raila Amollo Odinga?

As I conclude, the issue of pending bills remains a monster that we must find a way of solving it. Counties are unable to pay their bills on time. Because of that, the amount of suffering suppliers and contractors are going through with their families is becoming unbearable. It has made people to regret about devolution. Was devolution required or not? With those few remarks, I support the Bill and I hope the transience we normally find when we go for mediation will not happen this time round because it is tough.

Hon. Speaker: Hon. Bowen.

Hon. Kangogo Bowen (Marakwet East, UDA): Thank you, Hon. Speaker for giving me this opportunity to contribute to the Division of Revenue Bill. It is a constitutional requirement that we have this annual Bill in the name of the Division of Revenue Bill. As a House, it is important that we approve the Bill. The Bill will enable counties to plan their budgets. Once this Bill is approved, counties and county assemblies will plan their budget based on what they are going to receive as per the Division of Revenue Bill.

The Division of Revenue Bill operationalises devolution by ensuring that counties receive their funding and there is equitable development across all the counties. Once we approve the Bill as the National Assembly, it will be taken to the Senate. At times, the Senate desires to amend the Bill to increase what the Budget and Appropriation Committee has provided as the shareable revenue for counties. As a country, we need to work within our budget and share what we have. We cannot budget with what we do not have. So, as we approve this Bill, we want to see that all the money that go to counties improve their health centres and county hospitals. That is basically why we appropriate resources to counties. However, sometimes when patients go to county hospitals, they are told there are no drugs. They are given prescriptions to go and buy drugs elsewhere. Therefore, there must be accountability of the money we give to counties.

On the pending bills that we have as a country, the Budget and Appropriations Committee Chairman will tell you that the big percentage of it is at the counties. The counties

are not paying suppliers, especially when there is a successive regime or when there is a change of regime. Once a new governor takes office, he or she launches new projects, and those initiated by the previous governor stall. Government exists perpetually. Whoever comes in must ensure that the projects started by the previous governor are completed, as the contractors in the counties are Kenyans. These are people who have gone to banks to borrow loans to do business with the counties.

As we work as a House to approve this Bill, we need our friends in the Senate to ensure that they hold governors accountable for the resources we are providing. I also want to ask our county assemblies, the first line of oversight, to fulfil their role. However, you will find that many county assemblies are in bed with the governors. We ask our county assemblies to ensure that governors are accountable to them, so that the resources we are appropriating in this House, as Parliament, go towards helping our people.

With those many remarks, I support.

Hon. Speaker: Hon. Zamzam.

Hon. Zamzam Mohammed (Mombasa County, ODM): Asante sana, Mhe. Spika. Nami leo nizungumzie mgao unaoenda katika *national* na *county governments*. Kwanza nimpungeze *Chair* wa Bajeti na kikosi chake chote kwa kufanya usawa. Muda mrefu, *counties* zimekuwa zikilalamika zikisema mgao wao ni mdogo, na kweli tumeona. Kumekuwa na mambo mengi sana ambayo hawawezi kujifanyia, na hasa ukiangalia upande wa *disaster*. Katika hospitali, saa zingine unaambiwa hakuna madawa, na barabara kule zimeharibika.

Huu mgao ambao umewekwa leo ni wa kuwasaidia waweze *ku-run counties* vizuri. Hatutaki kusikia kuwa pesa zimeingia kaunti na watu wanakosa madawa hospitali, huku barabara na miundombinu ikiwa katika hali mbaya. Hata katika mgao huu tuangalie mambo ya *disaster*. Juzi na jana tumeona mvua imenyeshwa nyingi sana na imeharibu sehemu kubwa. Magavana hupata *Disaster Fund*. Waangalie vizuri miundombinu. Waweze kutengeneza zile barabara ambazo zinahusika na kaunti. Waangalie pia kuwa mashimo ambayo yameziba yamezibuliwa, kwa sababu huu msimu wa mvua tutakuja kuona mambo mengi sana. Wawe wanajitayarisha katika mambo haya badala ya kulia.

Najua jana na juzi hapa tulikuja tukawaongezea pesa zikafika Ksh415 bilioni. Hapa naona pia wameongezewa zingine katika mgao huu. Leo pia nimemsikia Rais akisema kuna ile Ksh70 bilioni ambayo pia ilikuwa haipo kwenye mgao wao. Yote inafika karibu nusu trilioni. Hizi pesa zikiingia mashinani lazima zifanye kazi. Ngingekuwa na raha sana kama ningeona pia sisi kina Mama Kaunti mgao wetu umewekwa humu. Najua kuna mambo mengine ambayo yanaendelea mpaka yamalizwe na yatatuliwe kwanza ndipo tuweze kujua NG-CDF na NGAAF zinaenda vipi. Hata sisi kazi ambayo tunafanya ni ngumu sana, na ni ile ambayo watu ni wengi lakini mgao ni kidogo.

Hata katika Serikali kuu, hizi pesa ambazo wanapata, vile Rais anasema, lazima mgao vile umewekwa, pesa zikishuka chini zishuke kwa mambo ambayo yanaonyesha ujenzi wa taifa kikamilifu. Nimpungeze kwa sababu amekazana na amefanya kazi nzuri sana. Hata akiongezewa hizi pesa haziwezi kwenda kwa sehemu mbaya. Rais amebainisha. Hata ile *Affordable Housing*, pesa zilipoenda huko tulikuwa tunasema ni biashara nyingine. Lakini ameweza *kutu-prove wrong* na akaonyesha waziwazi kuwa nyumba hizi zinajengwa na watu wanaingia. Watu wametolewa katika sehemu mbovu. Kwa hivyo, pesa za *national Government* tumeona zikifanya kazi vizuri sana.

County governments zimelia sana. Jumba hili liko hapa kuwasaidia. Kule chini tunajua *health* imekuwa *devolved*. Mambo ya *education* kidogo kama *ECDE*, tuone watoto wanapata chakula vizuri shuleni, madarasa yako sawa, na ile miundombinu ambayo inashughulikiwa na kaunti tuwe tunaiona. Tuliona magazeti yakiandika kuwa kuna wengine ambao hata hawakuweza kutumia pesa kwenye maendeleo. Pesa nyingi zilichukuliwa zikawekwa kwenye mishahara. Magavana wetu wawe wabunifu. Hizi pesa zikishuka chini, muonyeshe wananchi

kuwa kweli ugatuzi unafanya kazi. Ndipo tuweze kujua kuwa hata mkitaka tuongezee pesa kila siku, tutaongeza, lakini tuone umuhimu wake.

Huu mgao uko sawa kabisa. Niwapongeze wale ambao wameandaa, na nipongeze pia juhudi za Rais kusema kuwa hawezi kuchukua *loan* kutoka nje. Tulikuwa tukipiga kelele hapa sana wakati wa bajeti ukifika kwa sababu tuliona pesa zinakopwa sana. Rais amejitahidi na amesema kuwa anataka Kenya iwe *loan-free*. Amesema hataki kuchukua *loan*. Hata zile trilioni za *National Infrastructure Fund* ambazo zimepitishwa hapa Bungeni si pesa ambazo zitakatwa kwa wananchi, wala kuombwa kule nje. Ni pesa ambazo Rais anatumia njia na mbinu zake kutafuta katika vitu ambavyo viko hapa ndani ya taifa letu ili kuwekeza katika mambo ambayo yataweza kusaidia taifa. Kwa hivyo, Wakenya wajue kuwa Kenya pia hatuwezi kuwa nchi ya kukopa. Ikiwa tumelipa *Eurobond* na pesa yote imekamilika, lazima tumpongeze Rais kwa kazi nzuri ambayo anafanya.

Ila tu wale ambao wanashughulika na haya mapeni kule chini, kuna sekta tofauti tofauti. Pesa za *Equalisation Fund* na zingine zikija kwenu, hakikisheni mnazifanyia kazi ili tusiweze kumlaumu mtu mmoja wakati kuna mtu amekaa kando na anafanya ubadhirifu. Wakati mwingine pia, mimi kama Mama Kaunti, naomba *next time*, *Chairman* wa Bajeti tukumbuke pia. Tuwekee vitu hapo kidogo kidogo viweze kutasaidia huko chini. Mambo pia ni magumu kwetu.

Asante sana, na napongeza Kamati ambayo imeandaa hii.

Hon. Speaker: Hon. Martha Wangari.

Hon. Martha Wangari (Gilgil, UDA): Thank you, Hon. Speaker. As I rise to support this Bill, I want to note that this House has dutifully undertaken its duty every year to ensure that money reaches the counties at the right time by approving the Division of Revenue Bill. If you compare the amount we are discussing here with the NG-CDF, it is over a billion versus an average of almost Ksh150 million per constituency. That means we should have more done with this money than what we are currently seeing.

Devolution was meant to change a number of things in the counties, yet we are still struggling with basics such as ECDEs and primary health. What devolution was supposed to do was to ensure that referral hospitals only dealt with referral cases. County governments should have effectively managed issues related to dispensaries and health centres up to Level 4. This would ease the pressure on facilities such as Kenyatta National Hospital and Moi Teaching and Referral Hospital in Eldoret. By now, we should have ensured that issues such as immunisation, HIV management, typhoid, and the common cold do not reach Kenyatta National Hospital. At any level, whether at the dispensary or health centre, these issues should be sorted.

Allow me to speak about one issue I see as a problem with county governments. We are speaking about over Ksh400 billion right now, but we still have other money. Recently, the National Treasury released a list of the 36 counties that are to benefit from World Bank funding amounting to more than Ksh6.7 billion. What we are seeing in the counties is that World Bank projects are being flouted as the main projects being done by county governments. You may go to Gilgil and see cabro works underway in the town, but the county government allocation does not fund them. It is from the World Bank.

You also visit Climate Change Works and find Financing Locally-Led Climate Action (FLLoCA), a World Bank-supported fund, which is doing a lot in counties and constituencies. However, it is not from the county government allocation. Governors must also stop hiding behind World Bank and the National Treasury appropriated projects to fool Kenyans and members of their counties that this is the money they are getting in this allocation. Therefore, this allocation must be accounted for to the shilling as a stand-alone item. It should not be camouflaged in World Bank projects.

Oversight is the other issue I will speak about. I get very discouraged when we try to get cabinet secretaries to this Floor to answer Questions yet we have the mandate to oversee the Executive, but they answer Questions in the Senate. For posterity, whether it is this dispensation or the next, we must get to a point where the attention of the Senate is purely on governors.

The appearance of cabinet secretaries in the Senate has derailed that mandate. They end up spending all the time there yet they do not answer matters of budget to them. They cannot move a censure Motion or an impeachment because their mandate is limited. We have to get to a point where governors know that they can answer questions asked in the Senate. That way, we will hold county governments accountable and ensure that we streamline their role. That way, our people can deal with issues that affect counties.

Hon. Speaker, the Fourth Schedule allocated counties very basic issues. There is the issue of drainage and flooding we are seeing every day. A county government like that of Nakuru has 8,000 or more workers that you do not know what they do. Any time there is a crisis like flooding, the workers should ensure that drainages are unclogged on time. We know when meteorologists say it will rain, we should see this in every town, centre and rural roads. We should ensure the zero mileage and zero distribution of fertiliser to farmers' doorsteps. That is the support we need to see in county governments.

As I support, I hope that members of county assemblies (MCAs) and more importantly the Senate, read and adhere to their mandate. That way, we can ensure oversight is clear and that we are not duplicating or missing the point in supporting devolution. With that, I support.

Hon. Speaker: Hon. Nabii.

Hon. Nabii Nabwera (Lugari, ODM): Thank you, Hon. Speaker. I rise to support the Bill. The Fourth Schedule of the Constitution identifies and allocates functions to each level of government. As we know, money follows functions. We know counties receive money for Early Childhood Development Education (ECDE), health, agriculture and roads, to mention but a few.

My concern is that the foundation is missing in many counties as we allocate money and the national Government develops basic primary, junior secondary and senior secondary education. There are good primary schools with no ECDE centres. There are enough teachers for primary schools, but counties have no ECDE teachers. It raises the question of whether we need to recalibrate, so that audited functional records of what is happening in counties accompany Division of Revenue Bills in years to come.

If you go to constituencies today, all county roads are impassable yet we allocate money for the same. With the rains and changing weather patterns, you will find that ECDE children are unable to go to school because they lack classes. Makeshift classes are what they have. Children in some counties are even attending lessons in churches. This calls for developing much more than what we know as accountability mechanisms.

I recommend that the many non-State actors who have been following us on the National Government Constituencies Development Fund (NG-CDF) and the National Government Affirmative Action Fund (NGAAF) money, spend much more time developing social accountability mechanisms to hold county governments and governors accountable.

Hon. Speaker, this country will have a crisis. The crisis will be that we allocate money through the Division of Revenue Bill and thereafter table something here regarding conditional grants. The very counties will also get money from the World Bank. What happens? Without accounting for it, they use money from conditional grants, the World Bank and what we allocate through the Division of Revenue Bill.

Despite having a basic bearing of using at least 35 per cent of the budget for development, some counties have allocated as little as 10 or 15 per cent towards development. The Controller of Budget has pointed out the mismatch between spending on development and

recurrent expenditures. I am more worried about where the national Government takes over projects started by county governments. When you look in the budget, the same county governments still reflect money to those projects. From my understanding, we are doing double accounting. Therefore, one level of government is lying. It is county governments.

I would like to insist that where the national Government wants...

Hon. Speaker: Yes, Hon. Owen Baya. What is your point of order?

Hon. Owen Baya (Kilifi North, UDA): I am a very good student of one Martin Shikuku who said that the word lying is not parliamentary.

Hon. Speaker: Indeed. Hon. Nabii, lying is not parliamentary language, but misleading is.

Hon. Nabii Nabwera (Lugari, ODM): One level of government is misleading.

Hon. Speaker: Excellent.

Hon. Nabii Nabwera (Lugari, ODM): For sure, Hon. Speaker, what would I have done if I pick money from you with an intention of helping Hon. Atandi and I do not do it?

Hon. Speaker: Cheating.

Hon. Nabii Nabwera (Lugari, ODM): Thank you.

Hon. Speaker: Yes, Hon. Ngusya Nguna. What is your point of order?

Hon. Charles Nguna (Mwingi West, WDM): I am just wondering how one eats money. How do you actually eat money?

(Laughter)

Hon. Speaker: Are you the only stranger in Jerusalem? Go on.

Hon. Nabii Nabwera (Lugari, ODM): Hon. Speaker, my recommendation is that the national Government should take over the whole project where it wants to assist a county government on a project it has started, but it is unable to complete. It then becomes a national Government project. This is the only way we can ensure that we are getting value for money and both levels of government remain accountable.

Finally, this Parliament, along with the Senate, must consider whether we are duplicating functions by allowing national State officers, such as principal secretaries, to address issues they have already covered in the National Assembly, in the Senate. I raise this point to support what Hon. Wangari said, that the Senate is currently chasing shadows and neglecting the real antelope, which is the accountability of county governments. They need to spend more time holding county governments accountable, as what is occurring within these county governments is far from accountability.

Thank you, Hon. Speaker, I support.

Hon. Bernard Kitur (Nandi Hill, UDA): On a point of order.

Hon. Speaker: Yes, Kitur.

Hon. Bernard Kitur (Nandi Hill, UDA): Hon. Speaker, I rise on Standing Order 95. Reading the mood of the House, I propose that the Mover be called upon to reply.

(Loud consultations)

Hon. Speaker: Hon. Members, he has a valid point of order, but let us find a middle ground. This Bill reflects virtually what was discussed in the Budget Policy Statement (BPS). In the interest of good time management, I see that several Members wish to contribute. May I limit your speaking time to two or three minutes?

Hon. Members: Five minutes.

Hon. Speaker: Or let us agree that it is now 4.28 p.m. Can we conclude this debate by 5.00 p.m., and then move into the Committee of the whole House? Remember, these Bills are

constitutionally time-bound. So, if we are to conclude by 5.00 p.m., and I see several hands up, I will use my discretion to allow you three minutes each. Next is Hon. Makilap.

Remember, Charles Dickens said, if you cannot make your point in two minutes, you are unlikely to make any point in one hour.

Hon. Joseph Makilap (Baringo North, UDA): Thank you, Hon. Speaker. You have already eaten into my forty seconds.

I rise first of all to support this Division of Revenue Bill, Bill No. 2 of 2026. Notwithstanding the contradictions, that in this Bill it is Ksh420 billion and elsewhere, it is Ksh450 billion, I will rely heavily on the accuracy of the first amount as it aligns with what was presented in the BPS. I will refrain from delving into the opposing side. The reason is that we are continuously increasing resources for county governments without a clear understanding of the functions that accompany these resources. If we have increased the allocation from Ksh385 billion to Ksh420 billion, it raises the question: What new functions have been devolved to county governments that warrant this additional funding?

We must become truthful in this country. We are not going to allow our taxes to continuously go to people who when regimes change in the county governments, they add more employees even when there is no space for or need to employ more. They even stall projects that were started by their predecessors. It is, therefore, prudent that, going forward, whenever this Bill is presented and there are additional resources compared to the previous financial year, we must be informed of the specific functions that have been transferred to the county governments to justify the need for additional funding.

Secondly, is there accountability? With regard to healthcare within county governments, even with a functional Social Health Authority (SHA), one must ask: What is SHA without medicine? We may have a functioning SHA, but without medicine, it becomes ineffective. Reports from this House indicate that resources have been sent to county governments on time. However, when one visits the villages, the MCAs claim that Members of Parliament are withholding their funds and that their money is stuck in Nairobi. The truth is that they receive resources in a timely manner, but fail to provide the necessary medical supplies to dispensaries in our rural areas. The issue of accountability must be addressed from the county assemblies to the Senate.

Hon. Speaker, it is high time we revisited some functions related to health.

Hon. Speaker: Your time is up. Before Hon. Shakeel takes the Floor, allow me to acknowledge in the Public Gallery students from Oriwo Boys High School in Karachuonyo, Homa Bay, and Kang'ong'i Comprehensive School from Mathioya in Murang'a, as well as Kabare Girls Group 2 from Gichugu, Kirinyaga. Are the Kabare Girls in the Gallery? When your school is mentioned, please, stand up. They have left.

So, who are those in the Speaker's Gallery? I have not seen them respond. We also have Itara Secondary School from Maara in Tharaka Nithi seated in the Speaker's Gallery. On my behalf and on behalf of the House, we extend a warm welcome to the students, their teachers, and those accompanying them to the House of Parliament.

(Applause)

Hon. Shakeel Shabbir, you may proceed.

Hon. Shakeel Shabbir (Kisumu East, Independent): Thank you, Hon. Speaker. As much as I wish to rise and support the Division of Revenue Bill, which is within our mandate, I was a member of the Constitution of Kenya Review Commission (CKRC), and we thoroughly discussed the issue of devolution. Of course, functions and revenue must go hand in hand. One point that we raised, if you recall, is that we did not want the current number of counties; we

wanted 14. We felt that having so many counties would result in the governors acting like mini-presidents.

I have dedicated considerable time to the topic of devolution. Furthermore, we agreed that each budget should be based on zero-based budgeting or performance budgeting. Having served as a mayor, I understand how own-source revenue operates. Currently, the counties in question declare very little own-source revenue and are mostly reliant on the Division of Revenue Bill. While this is okay, the purpose of devolution was to achieve certain outcomes. One outcome we wished to avoid was the devolution of corruption, yet unfortunately, we have indeed, devolved corruption at every level. There are pressing issues in each county government, some of which have become recurrent and are now strangling the counties.

Recently, I saw governors and the Senate arguing over oversight, even though it is an essential part of devolution. If the county governments have been allocated funds under the Division of Revenue Bill (National Assembly Bill No.2 of 2026, they must be subject to oversight. However, once you give them the money, they start changing their priorities to other issues.

Hon. Speaker: Member for Kesses.

Hon. Julius Rutto (Kesses, UDA): Thank you so much, Hon. Speaker. As I rise to support the approval of the Division of Revenue Bill (National Assembly Bill No. 2 of 2026), allow me first to appreciate the Budget and Appropriations Committee and this honourable House, through your leadership, for undertaking its constitutional responsibility to pass critical Bills that will support devolution, one of them being the Division of Revenue Bill (National Assembly Bill No.2 of 2026) that is before us.

We are celebrating over 10 years of devolution. Truth be said, we have to go back to the spirit of our Constitution under the Fourth Schedule on the provision and separation of mandates and roles of the two levels of government. As we speak, Kenyans are questioning the improvement devolution has made since it was implemented. Truth be told, if we took a yardstick and measured the achievements, we would still have a lot of questions about how we are moving.

Today we are discussing the Division of Revenue Bill (National Assembly Bill No. 2 of 2026) that proposes an increase in the money allocated to county governments for devolution, which is around Ksh450 billion when you accumulate sharable revenue and the conditional grant. Despite the revenue growing, the reports from the Controller of Budget indicate that the cost of personnel is increasing. Where are the new employees taken to, and what roles do they play? Is the devolution unit turning into an employment bureau? This is what is eating the fiscal role of devolution.

As we speak, more than 35 per cent provided by the law is being spent on personnel emoluments; on average, every county is doing almost 40 per cent. Even with the increase in the money allocated through the Division of Revenue Bill (National Assembly Bill No. 2 of 2026), that factor remains constant. Is it the role of counties to employ people, and if they do employ, what roles do those employees undertake since we see no change in health, education and road sectors?

We also need to talk about the issue of oversight. County assemblies need to up their game on this, since this is the area where we get a mismatch. I know my time is limited, but we have heard governors ask the Government to disburse bursaries for basic education, yet the ninth function of Part II of the Fourth Schedule talks about the issue of attending to youths and sports, but we have not seen interventions focusing on post-secondary schools by the governors. We need to ask governors to focus on youths' post-secondary school as this House addresses bursaries for the benefit...

Hon. Speaker: Hon. Passaris.

Hon. Esther Passaris (Nairobi City County, ODM): Thank you, Hon. Speaker. I rise to contribute to the Division of Revenue Bill (National Assembly Bill No. 2 of 2026), which determines how resources are shared between the national Government and county governments. This debate is not about the figures; it is about ensuring that resources reach the people and address the realities they face on the ground every day.

Over the past weeks, we have witnessed devastating floods in several parts of our country, including Nairobi. Families have lost homes, livelihoods have been disrupted, and tragically, lives have been lost. These events remind us that climate-related disasters are becoming more frequent and severe. As we approve the Division of Revenue Bill (National Assembly Bill No. 2 of 2026) between the national and county governments, we must ask ourselves whether these resources are being aligned with the risks our people face.

Counties are on the frontline when disasters occur. They are responsible for urban planning, drainage systems, solid waste management, and emergency response. The equitable share allocated to counties must, therefore, translate into stronger local infrastructure, better drainage systems, improved waste management and preparedness when such disasters like floods occur.

Climate change is no longer a theory and debate for conferences; it is a reality watching through our streets and homes. Our fiscal decisions, therefore, must reflect urgency, resilience and responsibility. At the same time, the national Government must continue to invest in major infrastructure that counties cannot handle. In that regard, we are really happy that right now there is a partnership going on between Nairobi County and the national Government. Large-scale flood mitigation projects, river rehabilitation and urban storm water systems require national support and coordination. This is particularly important in rapidly growing urban centres like Nairobi, where population and pressures of environmental challenges require both leadership and county accountability.

The real test for division of revenue will not be the numbers we approve today; it will be whether the counties will use the resources to protect lives, improve infrastructure and build communities that are resilient to the changing climate.

With those remarks, I support the Bill while emphasising the need for responsible use of resources and stronger investments in disaster preparedness and urban resilience.

Thank you, Hon. Speaker.

Hon. Speaker: Hon. Ariko.

Hon. John Namoit (Turkana South, ODM): Thank you, Hon. Speaker. I rise to support the Division of Revenue Bill (National Assembly Bill No. 2 of 2026). The budget and the budget process are political tools and a bargaining arena. It has divided the revenues between the county governments and the national Government, but there is need to have this budget segregated. For instance, it should be possible to know how much Turkana County has been allocated. People from some of the marginalised areas are being underfunded by the Government since their budget is skewed.

The Division of Revenue Bill (National Assembly Bill No. 2 of 2026) is one of the working documents for the preparation of the budget. I urge this House to consider security matters, specifically for the people of Turkana South, since nothing has been budgeted for it. The ministry has been promising that they will buy vehicles for the administration in Turkana South, considering Aroo Sub-County lost five vehicles when bandits burned them two years ago.

I am requesting the budget to be segregated because there are some functions that belong to the national Government and others to the county governments. County governments are not doing what they are supposed to be doing. A case in hand is the paralysed health services in Turkana County. If you go to Lodwar County Referral Hospital, it is terrible, yet almost

20 per cent is allocated to the department of health. If patients go there, be assured they will not survive.

Segregation will also help allocate resources for basic needs required by marginalised communities, like water. A lot has been budgeted for the Ministry of Water, Sanitation and Irrigation services, yet this function has been devolved to county governments, and nothing reaches the marginalised community.

Hon. Speaker: Your time is up. Yes, Hon. Nyenze.

Hon. Edith Nyenze (Kitui West, WDM): Thank you, Hon. Speaker, for giving me this opportunity to also air my views on this Bill. Although I support the Division of Revenue Bill (National Assembly Bill No.2 of 2026), I have some issues to raise.

Before I do so, I want to say that, for the last 10 years, devolution has brought general improvement in our rural areas. There is a lot of improvement because most of the products found in Nairobi can now be found in supermarkets in the rural areas. Devolution has improved our infrastructure and other things. From the Budget Policy Statement (BPS), from which the Division of Revenue Bill is coming, there are some issues that should be improved going forward, especially regarding pending bills. Some State departments do not include pending bills in their budgets even though they have very huge ones. Going forward, pending bills should be a priority. Even in the county governments, they do not prioritise the issue of pending bills. When a governor leaves and another one takes office, they do not care about the pending bills which the previous governor had. This has left many of our people very poor. Some had taken loans and some have even died from stress due to such pending bills.

The other issue that we should also concentrate on in the future is county governments' own revenue. Our county governments do not have good systems to collect their own revenue. This leaves a lot of loopholes that lead to significant corruption. If the own revenue was collected well, it would ease our budget and the division of revenue would be less and the sharing would be better. However, without the system, there are many loopholes. They collect taxes from *mama mbogas* who are left with nothing. They give so much money and this money cannot be accounted for. This is very unfair.

Hon. Speaker: Hon. Fatuma for Migori County.

Hon. Fatuma Mohamed (Migori County, Independent): Thank you, Hon. Speaker. I support the Division of Revenue Bill (National Assembly Bill No.2 of 2026). As much as we are allocating revenue to counties, they are also not doing the right thing. Why should a new governor come in and neglect a project that the previous governor had started and then start his own project? The Auditor-General needs to do a study on such projects which consumed money halfway and are now stalled. Nobody is interested in that because governors want to start their own projects and have their own names. That alone is wasting money.

Hon. Speaker, as we walk towards Singapore, we need to understand that Singapore starts from the counties. It cannot be at the national level only. If governors cannot do their work properly, there is no way the President will deliver us to Singapore. So, we also need to tell them the priorities at national level. County governments and the national Government need to cooperate and the dream of Singapore will arise.

Hon. Speaker, the main issue we have is corruption. No matter how much we give county governments, if corruption is not dealt with at the lower level, the national Government will not manage to deal with it. I tell our counties that as you get your revenue, God is watching you. Please, work for your people. Please, help your people realise the dream of Singapore from Migori, Homabay, Nairobi to Mombasa. When the President takes us to Singapore, he counts his and the county governments count theirs and truly all of us will arrive in Singapore on our way to Canaan.

Hon. Speaker: Hon. Emathe.

Hon. Jospeh Emathe (Turkana Central, UDA): Thank you, Hon. Speaker. First, I want to support and also acknowledge the fact that if it were not for devolution, some counties like Turkana would not have developed as they are today. However, the question that I remain asking even today is why the poverty index, for example, in Turkana, that was brought to 79 per cent, is now going up to 83 per cent. It came from 97 per cent to 79 per cent and now it is going to 83 per cent.

Hon. Speaker, I know it is because of the curse of pending bills in these counties. As at now, the pending bill for Turkana County is Ksh4.8 billion. If you add the wage bill as at now, which is at Ksh5.8 billion, it means that a budget of Ksh17.8 billion would already have been absorbed by either the pending bills or the wage bill. This means that this poverty index, which is now at 83 per cent; the hard-core poverty, which is now at 43 per cent; the food poverty, which is now at 64 per cent, will all keep on rising.

The other issue is counties have taken over the Equalisation Fund projects and made them projects that are funded through the equitable share. They have taken over the *Kreditanstalt für Wiederaufbau* (KfW), a German development bank, projects and all the conditional grants. They have taken them over and made them projects that are done by counties, forgetting that there is an equitable share which should be used to reduce the poverty index in the counties. Therefore, if we will not be cautious, the issue about county governments will be another curse in this country. Speaking about Singapore, there are counties that will not get to Singapore within the time that is allocated because the leadership in those counties could be the wrong leadership. This means that as time goes by, we will need to determine whether the BPS will give us an opportunity to pay pending bills from Nairobi instead of paying them from the counties.

I support.

Hon. Speaker: Member for Lang'ata.

Hon. Phelix Odiwuor (Langata, ODM): Thank you so much, Hon. Speaker, for giving me this chance. From the outset, I support the Division of Revenue Bill more so looking at what has been happening in Nairobi; running a budget of averagely Ksh40 billion a year, with almost 60 per cent still being used to pay personnel and with a surging population in this county every day. The infrastructure that this county still depends on is the colonial infrastructure.

As we speak, Nairobi is going up the sky, that is, we are building skyscrapers and all. Most of the houses that we have were made for single dwelling. A house that was supposed to take care of five or six people has been brought down and a skyscraper has been put up there. The same infrastructure cannot sustain that kind of a surge in population. As we speak, we are facing a very hard time with drainage. We recently had floods that killed many of our people. It is a very sad situation that the county cannot hold with the revenue that it has. That is why we support the collaboration between the national Government and the county of Nairobi. It will help in mitigating some of these issues that Nairobi County has not put enough money on, like drainage, garbage collection, housing, water, and health.

I support this Bill, but counties must also make sure that when more money is allocated to them, the work is done.

Hon. Speaker: Hon. Aseka, but before you take the Floor, allow me to acknowledge learners seated in the Public Gallery from St. Joseph Comprehensive School from Molo, Nakuru County; St. James Comprehensive School from Molo, Nakuru County; and Lady Ann Delamere Secondary School from Gilgil, Nakuru County.

Hon. Martha Wangari, I give you a half-a-minute to welcome the schools on our behalf.

Hon. Martha Wangari (Gilgil, UDA): Thank you so much, Hon. Speaker. I take this opportunity to welcome all the learners and teachers who are visiting us. I thank you and the Clerk of the National Assembly, because the traffic in our Galleries has increased. That is what Parliament is supposed to do in teaching our young generation. As the name suggests, Lady

Ann Delamere was established by Lady Ann who was the wife of Baron Delamere. It is a recent establishment, having started in 2008, unlike the other colonial-era schools. It is a public mixed school. We are working on something under the NG-CDF to ensure that we start a girls' boarding school in the wider Mbaruk in Gilgil Constituency. I welcome them to this House. We hope to meet all the learners after they leave the Gallery, so that they can learn one or two things from us.

Thank you, Hon. Speaker.

Hon. Speaker: I join you, on my behalf and that of the House, to welcome all the students, their teachers, and those accompanying them to Parliament.

Yes, Hon. Aseka. Hon. Atandi, get ready to reply once Hon. Aseka is done.

Hon. Christopher Wangaya (Khwisero, ODM): Thank you, Hon. Speaker, for giving me this opportunity to contribute to the Division of Revenue Bill that distributes revenues between the two levels of government. I confirm that the Budget and Appropriations Committee did a public participation on this Bill and issues raised by the stakeholders were put into consideration. We are allocating Ksh2.4 trillion to the national Government, close to Ksh9 billion to the Equalisation Fund and about Ksh420 billion to county governments.

Having said that, allow me to observe the following. This Bill will only be implementable if the National Treasury collects the Ksh2.9 trillion. As we speak today, the National Treasury has not been able to collect about Ksh110 billion for this financial year budget. If this is not checked, it may create and increase the number of pending bills for contractors across the country. We must also call upon KRA to be realistic in their revenue targets, so that they collect whatever they target 100 per cent or more. For us to implement this Bill well, the National Treasury must address the issue with the Electronic Government Procurement System (e-GP). The report of the Auditor-General says that this system has slowed down economic activities in the economy. This system has reduced the absorption of development funds. So, as we do this, let us also have in mind that the National Treasury must also ensure that all challenges facing the e-GP are addressed.

Lastly, the Constitution envisaged devolution of economic activities within our counties. It did not envisage devolution of corruption and creation of small kings within our counties. It is time to call our governors to order and ensure that the little resources being devolved to the counties are put to good use. My brother said that Turkana County might be left behind on our journey to Singapore. I say those counties that are ready to go to Singapore should start moving.

Hon. Speaker: Hon. Ndindi Nyoro, you will be the last to speak on this one.

Hon. Ndindi Nyoro (Kiharu, UDA): Thank you very much, Hon. Speaker, for this chance to contribute. From the outset, we must start walking the talk when it comes to devolution. When we are reading a budget in the upwards of Ksh4 trillion and it is increasing, of course at a higher percentage even than what we give to our counties, we need an introspection on this matter. Even as we demand more from our county governments, we should do the same when it comes to allocation of resources. If we account for inflation, we will realise that the equitable share has not been growing. Even in the last financial year, you realise that we barely beat inflation. Therefore, this House and the Senate must be deliberate in supporting our county governments. Even as we ask for quality services from the county governments, we need to do likewise in terms of allocation of resources to the devolved units.

There are two important things that we must deliberate on and find a solution to. One, is the ECDE teachers. I am sure Members have come across requests from ECDE teachers across all our counties. I hope that, progressively, we will have an overarching body that harmonises all ECDE teachers, not only in negotiating for better pay and timely disbursement of salaries, but also growth in that area. I know this is much broader than the current discussion today, but I am just throwing this to all of us and we must get a solution to the issue. The ECDE

teachers need a national harmonising body so that their jobs are more or less defined and cut across all the counties.

The third issue is on health professionals – doctors and all the professionals in the health sector in our county governments. Over time, we may need an overarching body like the TSC that takes care of their welfare in terms of promotions or moving from one county to another. I do not think it is a very good thing that when you are hired in the county, for you to get to another county, you have to resign.

Hon. Speaker: Your time is up. Hon. Atandi.

Hon. Samuel Atandi (Alego Usonga, ODM): Hon. Speaker, I thank you for giving me the opportunity. I also thank Members who have articulated on this Bill. When I was moving the Bill, I did it as was presented. Some Members from my party have castigated me for not talking about the Ksh450 billion which was discussed in many forums, including this morning when we had the Kenya Kwanza and ODM Parliamentary Group meeting. I want to assure them that those agreements will somehow find their way into this Bill before it is finally processed.

I also go on record as the Chairman who saw the county shareable allocation go up by the highest margin. In the DORA Act, which is in force, we were able to raise county share of allocation by a whopping Ksh29 billion. This is the highest ever. I need to be celebrated by Members for that.

(Applause)

I also challenge those people who are saying that we are not serious with devolution. Indeed, we are very serious with devolution. Devolution was an idea of former Prime Minister Raila Odinga. You all know, even in the 10-Point Agenda, the Ksh450 billion which was agreed upon was his idea. We want to assure everybody that we are very serious about devolution. However, we also need to challenge governors to do their part, especially in the way they utilise resources. They need to use these resources effectively. Most Members are saying that it is possible that when you go to counties, you will see projects being undertaken by national Government through donors and conditional grants, but when you check with them on the county shareable allocations, you hardly see the projects! This is a fact and something that happens in my county and most counties across the country. In my county, there are many national Government projects, but you will hardly find county government projects that are being undertaken. These are things that we need to discuss as leaders and ensure that the money is working for Kenya.

Hon. Speaker, with those many remarks, I beg to reply.

Hon. Speaker: Leader of the Majority Party, take your seat.

(Question put and agreed to)

*(The Bill was read a Second Time and
committed to Committee of the whole House)*

Hon. Speaker: 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 DIVISION OF REVENUE BILL
(National Assembly Bill No. 2 of 2026)

Hon. Chairlady: Hon. Members, we are now considering the Division of Revenue Bill (National Assembly Bill No. 2 of 2026).

Schedule

Hon. Chairlady: Mover!

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

THAT, the Schedule to the Bill be deleted and replaced with the following new Schedule—

SCHEDULE (s. 4)

ALLOCATION OF REVENUE RAISED NATIONALLY BETWEEN
THE NATIONAL GOVERNMENT AND COUNTY GOVERNMENTS
FOR THE FINANCIAL YEAR 2026/2027

Type/level of allocation	Amount in Ksh.	Percentage (%) of FY 2022/23 audited and approved Revenue i.e. Ksh. 2,050,114,740,913
A. Total Sharable Revenue	2,901,874,758,144	
B. National Government	2,471,624,184,439	
C. Equalisation Fund	10,250,573,705	0.50%
D. County equitable share	420,000,000,000	20.5%

This amendment relates to the Equalisation Fund allocation which has gone up to Ksh10,250,573,705. It has gone up because we are considering the recent audited revenues for the year 2022/2023, which is Ksh2,550,114,740,913 as opposed to the previous consideration, which was based on the audited revenues for the Financial Year 2021/2022. Therefore, it goes up by that amount. All other figures remain the same.

(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)

(Schedule as amended agreed to)

(Clauses 2, 3 and 4 agreed to)

(Title agreed to)

(Clause 1 agreed to)

Hon. Chairlady: Mover, you may move the reporting.

Hon. Samuel Atandi (Alego Usonga, ODM): Hon. Chairlady, I beg to move that the Committee do report to the House its consideration of the Division of Revenue Bill (National Assembly Bill No. 2 of 2026) and its approval thereof with amendments.

(Question proposed)

(Question put and agreed to)

THE MISCELLANEOUS FEES AND
LEVIES (AMENDMENT) BILL
(National Assembly Bill No. 57 of 2025)

Hon. Chairlady: We are now in the Committee of the whole House for the Miscellaneous Fees and Levies (Amendment) Bill (National Assembly Bill No. 57 of 2025).

(Clause 2 agreed to)

Clause 3

Hon. Chairlady: Leader of the Majority Party.

Hon. Kimani Ichung'wah (Kikuyu, UDA): Do we start with mine or Hon. GK's?

(Hon. Chairlady nodded)

Thank you.

Hon. Chairlady, I beg to move:

THAT, Clause 3 be amended in paragraph (c) by—

(a) inserting the following proposed new subsections immediately after the proposed subsection (4B)—

(4BA) A person appointed as a member of the Board under this Act, other than an *ex officio* member, shall serve for a term of three years and be shall be eligible for re-appointment for a further and final term of three years.

(4BB) A member of the Board, other than an *ex officio* member, may—

1. at any time resign from office by notice in writing—
 1. in the case of the chairperson, to the President; or
 2. in the case of a member, to the chairperson;
2. be removed from office if the member—
 1. has been absent from three consecutive meetings of the Board without the permission of the chairperson;
 2. is adjudged bankrupt or enters into a composition scheme or arrangement with his or her creditors;
 3. is convicted of an offence involving dishonesty or fraud;

4. is convicted of a criminal offence and sentenced to imprisonment for a term exceeding six months or to a fine exceeding ten thousand shillings;
5. is incapacitated by prolonged physical or mental illness or is deemed otherwise unfit to discharge his or her duties as a member of the Board;

(b) inserting the following new paragraph in the proposed subsection (4C) immediately after paragraph (c)—

(d) the conduct of affairs and regulation of the business of the Board.

The amendment is just to create a term of office in line with the Government Owned Enterprises Act. It will ensure that the Board appointed for this institution serves for a period of three years, and is eligible for re-appointment for a further and final term of three years. This means that in line with the Government Owned Enterprises Act as passed by this House, any Board member other than the ex-officio, that is the Chief Executive Officer (CEO), can only serve for a period of three years renewable once.

I beg to move.

(Question of the amendment proposed)

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

Hon. Chairlady: Hon. Chairman of the Departmental Committee on Transport and Infrastructure, do you have a further amendment?

Hon. George Kariuki (Ndia, UDA): Yes.

Hon. Chairlady: Go ahead.

Hon. George Kariuki (Ndia, UDA): Hon. Chairlady, I beg to move:

THAT, Clause 3 of the Bill be amended in paragraph (c) by:

(i) Inserting the following new subsection immediately after the proposed new subsection (4B)—

(4BA) The functions of the Board shall be to;

- (a) formulate the strategic direction of the Fund including strategic plans, investment plans and policies.
- (b) set up administrative, governance and financial management structures of the Fund;
- (c) oversee the administration and management of the Fund;
- (d) coordinate the optimal utilisation of the Fund in implementing programmes relating to the purpose for which the Fund is established;
- (e) supervise the performance of the Secretary to the Board, officers and staff of the Fund;
- (f) approve and review the annual work programme and budget of the Fund;
- (g) approve, with the concurrence of the Cabinet Secretary, the investment policy, investment plan and risk threshold of the Fund;
- (h) invest the funds of the Board not immediately required for the purposes of this Act in such a manner as it may determine; and

- (i) perform any other function necessary to promote the objects and purpose of the Fund.
- (ii) Inserting the words “and annually to the National Assembly” immediately after the words “at least once every three months”, in the proposed new subsection (4I). It will therefore read, “the Board shall submit to the Cabinet Secretary and Cabinet Secretaries responsible for matters relating to railway transport at least once every three months and annually to the National Assembly reports detailing the inflows, outflows and balances of the accounts established pursuant to Subsection (4G).”

This amendment seeks to ensure clarity of the mandate, strengthen accountability, and promote effective and prudent administration of the Fund in line with its objects and purpose.

The amendment is also meant to enhance transparency, strengthen parliamentary oversight, and promote accountability in the utilisation of the Fund.

Hon. Chairlady, I beg to move.

(Question of the further amendment proposed)

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

(Clause 3 as amended agreed to)

(Title agreed to)

(Clause 1 agreed to)

Hon. Chairlady: Mover, move reporting.

Hon. Samuel Atandi (Alego Usonga, ODM): Hon. Chairlady, I beg to move that the House do agree...

Hon. Chairlady: Hold on, Hon. Atandi.

Hon. Kimani Ichung’wah (Kikuyu, UDA): Hon. Atandi is keen to finish the Division of Revenue Bill that he even wants to grab this one.

Hon. Chairlady: Mover, move reporting.

Hon. Kimani Ichung’wah (Kikuyu, UDA): Hon. Chairlady, I beg to move that the House reports its consideration of the Miscellaneous Fees and Levies (Amendment) Bill (National Assembly Bill No. 57 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 MISCELLANEOUS
FEES AND LEVIES (AMENDMENT) BILL**

The Temporary Speaker (Hon. Martha Wangari): Hon. Members, we shall begin with the Miscellaneous Fees and Levies (Amendment) Bill (National Assembly Bill No. 57 of 2025). Chairlady to report.

Hon. Gladys Boss (Uasin Gishu County, UDA): Hon. Temporary Speaker, I beg to report that the Committee of the whole House has considered the Miscellaneous Fees and Levies (Amendment) Bill (National Assembly Bill No. 57 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. Naomi Waqo to second the Motion for agreement with report of the Committee of the whole House.

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

Hon. Naomi Waqo (Marsabit County, UDA): Hon. Temporary Speaker, I second.

Question proposed)

(Question put and agreed to)

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

BILL*Third Reading***THE MISCELLANEOUS FEES AND
LEVIES (AMENDMENT) BILL
(National Assembly Bill No. 57 of 2025)**

Hon. Kimani Ichung'wah (Kikuyu, UDA): Hon. Temporary Speaker, I beg to move that the Miscellaneous Fees and Levies (Amendment) Bill (National Assembly No. 57 of 2025) be now Read a Third Time. I request Hon. Fatuma, Full Network, to second because of the diligence in her work. As you may have noticed, Hon. Temporary Speaker, Hon. Fatuma is among chairpersons of committees who diligently and patiently sit in the House waiting for business. I am aware that she has business that was due here last week when she excused herself to go for *Iftar*. I hope today she will move, at least, part of that business before its time for *Iftar* at 6.50 p.m.

Hon. Temporary Speaker, let me first thank Members for the support in the passage of this Bill that will radically change the management of our railway system and network in this country. We have now provided a framework that will enable us, as a country, to develop our railway infrastructure far beyond the Standard Gauge Railway (SGR) that initially the Railway Development Levy Fund (RDLF) was being used to maintain and construct. The RDLF can be used in the construction of even the Metre Gauge Railway. We can see the development of light railway in this country. I look forward to RDLF and the National Infrastructure Fund being utilised not only to extend the SGR beyond Suswa or Duka Moja to Malaba, Kisumu and

connect us with our neighbouring countries, but also develop a light railway system within Nairobi City.

You saw what happened last week when it rained on Friday. Many people arrived home at 2.00 a.m. or 3.00 a.m. because of traffic congestion. If we have a light railway system within the city, we will not need the many cars that come into the city. I look forward to the implementation of this Bill, upon its passage, because it will radically change how we manage our railway network system.

Thank you, Hon. Temporary Speaker. I beg to move and request Hon. Fatuma Full Network, Member for Migori County, to second.

The Temporary Speaker (Hon. Martha Wangari): Member for Migori, the very diligent one, Hon. Fatuma. I do not oppose that statement.

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

(Question proposed)

Hon. Owen Baya (Kilifi North, UDA): Hon. Temporary Speaker, thank you very much. I take the cue from the Leader of the Majority Party, Hon. Kimani Ichung'wah, who has passed the most fundamental Bills in this Parliament. The most consequential Bills in the whole life of this country have been moved in the 13th Parliament. They always bear the name of Hon. Kimani Ichung'wah. We need to congratulate him.

Having said that, I take the cue from the Leader of the Majority Party on taking the railway to the other side and connecting it to Uganda. We will also use these funds to take the railway from Mombasa to Mtwapa, Vipingo, the New Vipingo City, Kilifi, Malindi, Lamu and connect it to Garissa, Isiolo, and the other side to Lokichar, Somalia and Ethiopia. This will enable the Lamu Port-South Sudan-Ethiopia Transport (LAPPSET) Corridor to have a railway. It will be a fundamental development because where there is a railway station, the town grows and thrives. That is the spirit that we need to take this railway, so that it does not go to the other side alone. We need to take it to the other side. I will be glad to witness that during the reign of President William Samoei Ruto.

I thank you.

The Temporary Speaker (Hon. Martha Wangari): Thank you, Hon. Owen Baya.

(Question put and agreed to)

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

MOTION

CONSIDERATION OF REPORT ON THE DIVISION OF REVENUE BILL

The Temporary Speaker (Hon. Martha Wangari): Chairperson to report to the House.

Hon. Gladys Boss (Uasin Gishu County, UDA): Hon. Temporary Speaker, I beg to report that the Committee of the whole House has considered the Division of Revenue Bill (National Assembly Bill No. 2 of 2026) 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 also request Hon. Mukunji, Member

for Manyatta, to second the Motion for agreement with the Report of the Committee of the whole House.

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

Hon. Gitonga Mukunji (Manyatta, UDA): Thank you, Hon. Temporary Speaker. As I second this Motion, we share revenue in this House. We need to increase and improve the oversight of the divided revenue in the counties. I say this knowing very well that there has been an uproar from the governors, claiming that they do not want to be overseen and asked questions. At one point, my governor apologised in the Senate for diverting Ksh10 million.

As I second this Motion, I call upon this House to see to it that revenue that is allocated to the counties is used well, and our people feel that the money is working for them because it is our well and hard-earned taxes.

Lastly, it is good to say that we had a very challenging year because of the new system of procurement. I still wonder how much of our revenue that we passed in last year's budget has been utilised or absorbed in the various ministries due to the gridlock in the electronic Government procurement (E-GP) programme. Many of the counties lag behind in the usage of the revenue which this House needs to consider.

Hon. Temporary Speaker, I second.

(Question proposed)

(Question put and agreed to)

BILL

Third Reading

THE DIVISION OF REVENUE BILL (National Assembly Bill No. 2 of 2026)

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

Hon. Samuel Atandi (Alego Usonga, ODM): Hon. Temporary Speaker, I beg to move that the Division of Revenue Bill (National assembly Bill No. 2 of 2026) be now read a Third Time.

In the previous Division of Revenue Bills, there is always a clause that in case of revenue shortages, they will be borne by the national Government and not county governments. That clause has been removed in this Bill. Going forward, if there are revenue shortages, all of us will bear them. The national Government has suffered in the process. It has led us to increase fiscal space to accommodate those shortages.

Lastly, I reiterate that the Broad-Based Government supports devolution fully. You can see this by the many engagements that we have, including this morning when the Kenya Kwanza and the Orange Democratic Movement (ODM) held a Parliamentary Group Meeting at the Kenyatta International Convention Centre (KICC). Most of the Members were there and there were resolutions. We are very sure that we did not come up with them in vain. We will adjust figures appropriately.

Hon. Temporary Speaker, I beg to move and request Hon. Mwashako to second.

Hon. Danson Mwashako (Wundanyi, WDM): I second the Bill as proposed by the Mover. Thank you.

The Temporary Speaker (Hon. Martha Wangari): Hon. Mwashako, did you second the Bill?

Hon. Danson Mwashako (Wundanyi, WDM): Can I retake it?

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

Hon. Danson Mwashako (Wundanyi, WDM): I second. Thank you.

(Question proposed)

(Question put and agreed to)

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

The Temporary Speaker (Hon. Martha Wangari): Next Order.

MOTIONS

The Temporary Speaker (Hon. Martha Wangari): Hon. Members, Chairperson of the Special Funds Accounts Committee, as you move, I realise you have two. For the reason raised by the Leader of the Majority Party, you will move them back-to-back. You will prosecute both Orders 11 and 13, and then we will go back to Order 12.

ADOPTION OF REPORT ON AUDITED ACCOUNTS OF JUDICIARY MORTGAGE SCHEME FUND FOR 2011/2012 TO 2021/2022

Ms Hon. Fatuma Mohammed (Migori County, Independent): Thank you for that consideration. 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 Judiciary Mortgage Scheme Fund for the Financial Years 2011/2012 to 2021/2022, laid on the Table of the House on Tuesday, 5th August 2025.

In preparing this Report, the Committee relied on the constitutional and legal provisions of the Public Finance Management Act, 2012, and other enabling legislation as the basis for inviting the Accounting Officer of the Judiciary Mortgage Scheme Fund to respond to issues raised by the Auditor General, as well as the additional information submitted on the administration performance.

Following the examination of the audited reports, the Committee made the following general observations and recommendations, which apply across the eleven financial years under review. The Fund failed to disclose the scheme administrator expenses and charges for eleven financial years, contrary to Regulation 101(4) of the National Government Public Finance Management Regulations. The Committee recommended that, within three months of the adoption of this Report, the Accounting Officer should submit a duly certified loan disbursement and repayment schedule to the Auditor General for audit verification.

The Committee observed that there was no disclosure of interest earned on mortgage disbursements. The Committee realised that the Mortgage Fund that the institution was running needed to follow some of the regulations and borrowing practices from other institutions that operate similar Funds. The Committee realised that the interest they earned, they did not even know how much they had earned, as they left the interest with the bank that was disbursing the loan on their behalf.

The Committee observed that the financial statements of the Fund for each financial year were not submitted to the Auditor General within the statutory timelines following the closure of the respective financial years.

The Accounting Officer was, therefore, found to be in breach of Section 68(2)(k) of the Public Finance Management Act, 2012. The Committee recommended that the Accounting Officer ensures timely submission of the accounting records and documentation required for audit verification in strict compliance with Section 31(4) of the Public Audit Act, 2015. The Judiciary Mortgage Scheme lacks enabling legislation establishing the Fund and has been operating without governing regulations. Consequently, the legality, official designation, and operational framework of the Fund could not be confirmed.

On that note, the Committee recommends that within six months of the adoption of this Report, the Accounting Officer develop and operationalise appropriate regulations for the Fund and submit the same to the Auditor General for audit verification. In conclusion, I wish to register my appreciation to the Members of the Committee, the Office of the Speaker, the Office of the Clerk of the National Assembly, the Parliamentary Liaison Officers from the Office of the Auditor General, and the Committee Secretariat for facilitating the work of the Committee and making the production of this Report possible.

I beg to move and request Hon. Kivasu, who is a Member of our Committee, to second the Motion.

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

Hon. Kivasu Nzioka (Mbooni, WDM): Thank you, Hon. Temporary Speaker. I rise to second the Motion that this House adopts the Report of the Special Funds Accounts Committee on its consideration of the audited accounts of the Judiciary Mortgage Scheme Fund for the Financial Years 2011/2012 to 2021/2022. The examination by the Committee of the reports of the Auditor General over the eleven-year period provides this House with an opportunity to strengthen oversight and ensure that public resources are properly safeguarded.

The Committee realised that the Judiciary Mortgage Scheme Fund, in line with the submission of financial statements, did not submit its financial statements on time, contrary to Section 68(2)(k) of the Public Finance Management Act. In reviewing the findings of the Auditor General, the Committee observed several weaknesses in the financial management of the Fund that persisted over the years under review. For instance, the financial statements did not adequately disclose certain expenses associated with the administration of the scheme, including commission and bank-related charges incurred by the scheme administrator.

In addition, the loan disbursement and repayment records submitted during the audit process were not properly certified, which made it difficult for the Auditor General to verify the completeness and accuracy of the transactions recorded by the Fund. Finally, the Committee noted that the Judiciary Mortgage Scheme has been operating without a comprehensive and legal legislative framework, relying largely on administrative arrangements. Without a clear legal and regulatory structure, the oversight, accountability and operational clarity of the Fund remain limited. It is, therefore, imperative that appropriate regulations and policy frameworks be developed to anchor the Fund within the broader public finance management system and ensure its proper governance going forward.

With those remarks, I beg to second.

(Question proposed)

The Temporary Speaker (Hon. Martha Wangari): Hon. Members, there are many Members indicated on the screen. I am not sure whether it is for this. Hon. Member for Kaiti, are you in the House? Hon. Njeri Maina? Hon. Lotee, are you on this? Hon. Members, for good order, can we indicate through the intervention if you are willing to speak on this? Hon. Mayaka?

Hon. Irene Mayaka (ODM, Nominated): Thank you, Hon. Speaker, for the opportunity to contribute to the debate. I want to thank the Chairlady and her Committee for

bringing this Report to the Floor of the House. Looking at the issues that have been raised by the Committee and what has been observed, it is quite clear that this particular Fund is not being properly managed and that it needs more scrutiny. It does not make sense why the Judiciary has allowed its Mortgage Scheme Fund to be deposited in a bank. Already, the mortgages that the Judiciary members are undertaking are subject to interest. When this particular Fund is again deposited in a bank, interest is accrued to it. That speaks to the accounting language of double interest on the same particular Fund.

This is one issue that I really wish the Committee could delve further into in the reports for the current financial year. If this were happening in the Financial Year 2021/2022, it means that it is probably the same scenario at this particular moment and that it is ongoing. If we can identify this as an issue, I am wondering about the subsequent financial years that the Committee has not been able to review. This particular one is a very serious matter. My contribution to this particular matter is that the Judiciary Mortgage Scheme and the Accounting Officer for the Judiciary need to undertake a review of how they are managing this Fund if they want it to prosper and assist the members.

With those few remarks, I support the Report of the Committee.

The Temporary Speaker (Hon. Martha Wangari): Very well. Member for Kitui Central, Hon. Makali.

Hon (Dr) Makali Mulu (Kitui Central, WDM): I thank you, Hon. Temporary Speaker. You can see I had to relocate from my desk. I do not know what has happened to my system. Somebody went there and did funny things. I can no longer access the system.

The Temporary Speaker (Hon. Martha Wangari): I can see you now.

Hon (Dr) Makali Mulu (Kitui Central, WDM): I thank you for this opportunity and the Special Funds Accounts Committee for this Report on the Judiciary Mortgage Scheme Fund for the Financial Years 2011/2012 to 2021/2022. I have listened to the Chairperson of the Committee moving the Report, seconded by Hon. Kivasu, which raised several fundamental issues, and most of them concern accountability. I was a bit surprised when Hon. Kivasu said we need more laws in terms of regulations and other things. I was wondering whether this country is short of laws governing public finances.

If you look at our Constitution, Chapter 12 covers public finances and provides a broad framework for managing public resources. To emphasise this further, we have the Public Finance and Management Act of 2012, which has been revised several times. That law provides more details than the Constitution on how to manage public resources. To make things worse, we have the Public Finance and Management Act Regulations. These three pieces of legislation provide a very detailed framework on how to use public resources. So, I can say authoritatively that we do not have a shortage of laws. What we have is lack of enforcement of the law.

At times, this is deliberate. Accounting officers have taken public resources as their own pocket money. When it comes to using the resources, they forget that they should adhere to the law as it is written. So, all these issues being raised by this Report, from where I stand, are just deliberate that accounting officers want to take advantage of and as a result, misuse resources. They put such resources into bank accounts. Some of these private banks are where we would expect things to be done correctly, but when we listen to the gaps being explained here, it shows that we need to do something.

What worries me most is what my Chairperson of the Committee on Regional Integration has mentioned. We are looking at a Report for 2021/2022. Imagine that the problem has persisted to date and most likely it has not been captured. We have not addressed the challenge. Even as we look at some of these audit reports coming from our committees, I think it is important we look at what we can do, to some extent, stop this continuous misapplication and misuse of public resources. We cannot be a country where we claim we do not have enough

money, borrowing left and right, yet the little money we get from our taxes, and Kenyans have been very faithful in paying taxes, we cannot manage.

The Constitution is very clear. We need prudent management of public resources. So, for this kind of Report, this House needs to move to the next level, which is sanctions. We need to start talking about what sanctions we can impose on some of the accounting officers who misapply these resources, so that as we move to the future, people will know that when you misapply or misuse public resources, you will be punished for whatever you do. If we go that direction, then we will start getting better audit reports from our committees, and our committees will be taken seriously. Otherwise, the majority of Kenyans think that these reports are just talk shows. We come here and talk about them and we all go home smiling because we have talked about them, yet nothing is done. It is time this House proved to Kenyans that it has teeth and can bite.

With those remarks, I support.

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

Hon. Gitonga Mukunji (Manyatta, UDA): Thank you, Hon. Temporary Speaker. We have discussed many audit reports here, and one consistent thing is the backlog of the audit reports. Today, we are discussing and receiving a Report of the audit reports for 2011/2012 to 2021/2022. That tells you that even if the Committee finds issues with the audit report, you will find that even the officers who were in charge, most likely, have already left those institutions. They will look like it is a simple witch-hunt. This begs the question: Why are we lagging behind on audit?

I look at this and also look at the other side of the private sector. As we say, there is a lot of bureaucracy in Government, but we need to realise that we are handling public funds. As a matter of fact, private institutions that present their audits every year as required in everything that these institutions are doing, are run better, and it is supposed to be the reverse. Public funds are supposed to be keenly audited as a matter of fact, quarterly, and we are supposed to be getting reports in this House in time. If I look at this trend of audit reports, it means that 2030 is when the audit reports of 2025 are going to be tabled in this House. I call upon this House to see what is the best way to ensure that audit reports are up to date and they make an impact.

We wake up every day to questions about the use of our public funds. Today, as we are speaking, there is a newspaper article screaming of a loss of close to Ksh50 billion in our health care insurance system, the Social Health Authority (SHA). There is nothing more painful than reading a newspaper article that says that money that has been contributed by people who want to get better health care has been misappropriated. The only way to avoid this and ensure that these people do not enrich themselves and go away, is to have updated and timely audit reports, so that we can hold people to account, ensure that people go to jail if they have misused resources, and that public resources are used well.

In this regime, taxes have been increased. We have borrowed excessively. The public demands that those resources be used well. This House has a role to play to ensure that audit reports are not just mere reports that will just go to the shelves of this House and nothing happens afterwards.

I beg to submit.

The Temporary Speaker (Hon. Martha Wangari): Hon. Mwashako, I see you beckoning, but I do not see you here in the system. Are you intending to speak on this?

Hon. Danson Mwashako (Wundanyi, WDM): Yes. Thank you, Hon. Temporary Speaker, for giving an opportunity to support the Report from the Committee on Special Accounts Funds. I share the sentiments of my colleagues that the Judiciary can do better than having a mortgage scheme that is solely to support the staff of our able Judiciary. We do not expect Judiciary to abdicate their duty and give this Fund to a commercial bank. I hear and I read the Report. It is clear that the Judiciary has chosen not to manage this Fund themselves,

and instead, they have chosen to give it to a bank, and we know, commercial banks in this country exist to make money. When we came up with this Fund, it was purely for the benefit of our staff who work for the Judiciary and this is similar to what happens in Parliament. We have a Parliamentary Mortgage Scheme that is managed purely by the Parliamentary Service Commission. So, the Judiciary as is constituted should not abdicate their role to a bank. I am told a bank charges about 3 per cent of administrative and management fee. You can imagine, that denies the Fund growth because normally when you offer loans to staff and they pay an interest, the interest is supposed to make sure the Fund grows for sustainability. When you give it to a bank, the bank will make money and the Fund will remain stagnant and in case of any default, then the Fund will not be sustainable. So, I want to call upon this Committee that oversees this Fund to call the Accounting Officer of the Judiciary to order. They must renegotiate what they have with the bank and return this Fund to be managed by the Judiciary itself.

Secondly, Hon. Temporary Speaker, in this country, we have a number of funds and until the last Parliament, under Hon. J.B Muturi's tenure as Speaker, is when the Special Funds Accounts Committee was created. Previously, there was no audit of any special fund in the country and many parastatals, organisations and State-owned enterprises created special funds. I do not want to use the word siphon and misappropriate funds, but it was a silent agreement that they created a special fund and then corruption was part and parcel of the objective of those funds. Today, however, this Special Funds Accounts Committee is doing a commendable job and it looks like it is behind schedule because today we are looking at audited accounts from 2011/2012 to 2021/2022, which is in excess of about 10 years. It looks like we are behind schedule as Parliament, as the Special Funds Accounts Committee, but this is because in the previous years, no committee was overseeing these funds. The Auditor General was also not able to look at the books of these special funds, but today we want to laud that decision that was made in the last Parliament to allow the Committee that is chaired by our sister, so that we can know what happens with the funds. As I sit, it is painful that funds that are intended to support staff, intended to support the growth of staff welfare, sometimes get misappropriated.

As I read this Report, it gets very clear that the Accounting Officer did not cooperate with the Auditor, it seems. For every document that was required, a fraction was provided. Therefore, as a country, we must put more efforts to increase our oversight, but at the same time, take Auditors' reports extremely seriously, so that we can get value for the money that we pay as taxes and every shilling that has been planned to go towards enabling every sector of our economy. Let us get value for the shilling that we put in. So, I support this Report and I request the Committee to continue doing a good job.

The Temporary Speaker (Hon. Martha Wangari): Hon. Passaris? Not on this? Hon. Members, I do not see more interest in this. So, I will ask the Mover to reply.

Hon. Fatuma Mohammed (Migori County, Independent): Thank you, Hon. Temporary Speaker. I want to appreciate all the Members who took their time to contribute and help us understand how we should do it better. I hope the people at the Judiciary Fund are also looking into our comments here. On the comments and the observations that we made, I believe the Committee on Implementation will follow them up so that the Fund grows better than it is now. Thank you, Hon. Temporary Speaker.

The Temporary Speaker (Hon. Martha Wangari): You beg to reply?

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

The Temporary Speaker (Hon. Martha Wangari): Very well. Hon. Members, we shall defer the putting of the Question on this.

(Putting the question deferred)

As directed earlier, the next Order should go to Order Number 13. Hon. Chairperson, Special Funds Accounts Committee.

MOTION

ADOPTION OF REPORT AUDITED ACCOUNTS OF THE COMMODITIES FUND FOR FYs 2018/2019 TO 2021/2022

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

THAT, this House adopts the Fifth Report of the Special Funds Accounts Committee on its consideration of the Report of the Audited Financial Statement for Commodities Fund for the Financial Years 2018/2019, 2019/2020, 2020/2021, 2021/2022, laid on the Table of this House on Thursday, 7th December 2023.

Hon. Temporary Speaker, while reviewing the audited accounts of the Commodities Fund, the Committee received oral and written submission from Ms. Nancy Cheruiyot, Managing Trustee for Commodities Fund, regarding the audited financial statement for the Financial Years 2018/2019 and 2021/2022. The Committee also held meetings with the Principal Secretary, State Department for Crop Development and Managing Director of the Agricultural Finance Corporation, regarding the audit query on uncovered funds transferred to the Ministry of Agriculture and Livestock Development from the Commodities Fund and the audit query raised in the Financial Year 2019/2020 regarding a reconciled inter-Fund transaction. The submission formed the basis of the Committee's observation, findings and recommendations.

Hon. Temporary Speaker, in preparing this Report, the Committee relied on the constitutional and legal provision of the Public Finance Management Act 2012 and other enabling legislations as the basis for inviting the Accounting Officer of the Commodities Fund to respond to issues raised by the Auditor General. Following the examination of the audited accounts, the Committee made the following observations and recommendations which apply across the four years. The Fund inherited non-performing loans from the Agriculture and Food Authority under the Sugar Board and the Coffee Development Fund, including principal and interest arrears. Despite recovery efforts, the loans remain unrecovered due to the nature of the guarantees. The Committee recommends that the Accounting Officer seeks authority under Section 69 of the Public Finance Management Act 2012 to write off the inherited non-performing debts and accrued interest and provide a progress report on the status of the write-off process.

Hon. Temporary Speaker, in all these years, we realised that the questions kept on coming as this was not dealt with. So, they should be helped to find a way of writing it off, as the Committee has recommended, so that we do not waste a lot of time in every financial year as the same issue reoccurs. The Fund had not established a body corporate with perpetual succession and common seal, limiting its liability to sue or be sued. Moreover, the Crop Act No.13 of 2013, which established the Fund, does not clearly define the mandate, powers and responsibility of the Fund's Board of the Trustees, affecting its independence and operational effectiveness. In that regard, if we have a board that is toothless, and so, there is no need of having the board because they cannot make any recommendation. They cannot make any decision and anything that they would say would be null and void because they are toothless. So, we, as the Committee, recommended that the Accounting Officer, through the Cabinet Secretary for Agriculture and Livestock Development, prepare and submit statutory instruments to the National Assembly to address these legal and structural gaps.

The Committee noted that the State Department for Crop Development, the Commodities Fund, the Agriculture Finance Corporation and the Agriculture Food Authority (AFA) had unreconciled balances which had since been reconciled. The parties were currently working on repayment modalities for their outstanding principal and interest. The Committee recommends that the Principal Secretary, State Department for Crop Development, refunds Ksh40 million to the Commodities Fund within the Financial Year 2023/2024. We highly recommend this one. We highly recommend that the Committee on Implementation look into it because if they are not paid the Ksh40 million, then, this Fund will not continue to run. It will definitely flop. That debt has existed for quite a long time.

In conclusion, I wish to register my appreciation to the Members of the Committee, the offices of the Speaker and the Clerk of the National Assembly, the Parliamentary Liaison Office, the Office of the Auditor General, and the Committee Secretariat for facilitating the work of the Committee and making the production of this Report possible.

I must highly appreciate my Committee Members. In fact, the Committee has not lacked quorum since I became the Chairperson. The Committee has 15 Members. We usually have, at least, 12 to 13 Members present at every sitting. We have never adjourned due to lack of quorum.

Hon. Temporary Speaker, I want to bring to your attention that my Committee has eight women. The Chairperson of the Committee is a woman and a first-time Chairperson. That tells you why we always have a quorum. Women can do it. We have done it.

(Laughter)

Hon. Mark Mwenje (Embakasi West, JP): On a point of order, Hon. Temporary Speaker.

The Temporary Speaker (Hon. Martha Wangari): What is out of order, Hon. Mark Mwenje?

Hon. Mark Mwenje (Embakasi West, JP): Thank you, Hon. Temporary Speaker. I did not want to interrupt the Chairperson, but is it in order for her to imply that a Committee can only have quorum if women are present? Is she implying that men do not attend committee sittings? Can she withdraw that remark?

The Temporary Speaker (Hon. Martha Wangari): Hon. Mwenje, Hon. Fatuma has stated facts. Unless you know of a committee which has more male Members and a greater quorum, I do not see what is out of order. Hon. Fatuma.

Hon. Fatuma Mohammed (Migori County, Independent): Hon. Mwenje, it is a reality. Hon. Temporary Speaker, just look around. How many women are currently in the House? Women can do it better. The bottom line is that we are all Members of Parliament and I congratulate all the Members who are present in the House. I also congratulate my Committee Members for making our work easy. I request Hon. Kivasu to second.

Thank you, Hon. Temporary Speaker.

The Temporary Speaker (Hon. Martha Wangari): Hon. Kivasu is amongst the minority in your Committee.

(Laughter)

Hon. Kivasu Nzioka (Mbooni, WDM): Hon. Temporary Speaker, of the seven men in the Special Funds Accounts Committee, I am one of the few who are usually present. We are proud to be led by a lady and we are always there to support her.

I rise to second the Motion that this House adopts the Fifth Report of the Special Fund Accounts Committee on its Consideration of the Report of the Audited Financial Statements

for the Commodities Fund for the Financial Years 2018/2019, 2019/2020, 2020/2021 and 2021/2022.

The Commodities Fund plays a significant role in supporting the agricultural sector by providing credit facilities to farmers for farm inputs, farm improvements, agricultural infrastructure and value addition. The effective management of such a Fund is, therefore, critical to ensuring that farmers have access to affordable financing while safeguarding public resources entrusted to the Fund.

The Committee's review of the Auditor-General's reports revealed notable weaknesses in the management and reconciliation of loan transactions within the Fund. For instance, the Committee noted a significant discrepancy between the loan repayments recorded in the system and the amounts deposited into the bank accounts. This led to some confusion as to whether they are really using a computer system, which when used, one expects to get the right information. It is said, 'garbage in, garbage out' so, I hope they have not been putting in garbage.

The Committee also noted challenges relating to unidentified receipts and long outstanding loan balances. Some receipts deposited into the Fund's accounts could not be linked to specific farmers or loan accounts raising questions as to whether they are using computer or manual systems. That indicates weaknesses in record-keeping and financial monitoring systems.

The Committee further observed that some loan records remained unresolved for several years without adequate explanations or corrective measures. Such gaps in financial management reduced the reliability of financial statements and undermined confidence in the administration of the Fund.

Finally, the Committee observed various financial management challenges affecting the performance of the Fund. They include significant revenue shortfalls and substantial over-expenditure resulting largely from provisions made for bad and doubtful loans. Such trends highlight the need for stronger financial planning, prudent lending practices, and effective recovery mechanisms to protect public resources while ensuring that the Fund continues to serve its intended purpose of supporting agricultural development.

Therefore, I urge this House to adopt the Report of the Committee to strengthen accountability, transparency and sustainability in managing the Commodities Fund.

With those remarks, I beg to second.

(Question proposed)

The Temporary Speaker (Hon. Martha Wangari): Hon. Passaris, is it on this? No.

Hon. (Dr) Makali Mulu (Kitui Central, WDM): The more you listen to these reports, the more you get annoyed as a Kenyan. The Commodities Fund objectives are very important to this country because it is supposed to assist our farmers to access farm inputs and resources to improve their farming activities.

Unfortunately, when you listen to the reports of the Auditor General and our Special Funds Accounts Committee, there are crosscutting challenges relating to this Commodities Fund for four consecutive years. You will hear of challenges such as improperly filed receipts and doubtful dates that could not be recorded properly. You ask yourself whether they have not hired accountants. Is it that they have no financial experts or that someone has buried his or her head in the sand to allow this to happen? To me, the latter is what is more likely. That people have deliberately taken a decision that they are not going to be accountable.

I sit in the Budget and Appropriations Committee, and this country has created a number of Funds. You will be surprised that for the last two years, almost all the Funds we have created have issues. Mainly, accountability issues. The Ksh12 billion in the Hustler Fund

could not be accounted for the other day. It could not be recovered. Look at the Women Enterprise Fund, challenges. Look at the Uwezo Fund and the Youth Enterprise Development Fund, challenges. Now this is another called the Commodities Fund, challenges. We discussed the Mortgage Fund of the Judiciary just before this, and there are challenges.

It is time we said enough is enough with these Funds and allowed people to use money through the general budgeting process. We create the Funds as special-purpose vehicles to serve some very specific objectives, but at the end of the day, they become vehicles of siphoning off public resources and misapplication of resources.

As I have said many times, we must make a serious decision as a country. Either we use public resources as anticipated in our Constitution or we have a free-for-all where every Kenyan takes a share of public resources, goes home and forgets about a country called Kenya.

To me, these reports come to this House to make some of us very annoyed, especially those of us with financial backgrounds because we see serious carelessness in managing public resources. How I wish we could change. I want to repeat what I said earlier that this House must come up with a very clear framework on how to sanction accounting officers who are not able to account for public resources.

I support.

Hon. Temporary Speaker (Hon. Martha Wangari): Member for Kaiti, Hon. Kimilu. He is not in the House. Hon. Mayaka.

Hon. Irene Mayaka (Nominated, ODM): Thank you, Hon. Temporary Speaker, for giving me this opportunity to contribute to this Report. Once again, I thank the very diligent Chairperson, Hon. Fatuma, Full Network, my sister, for the good work she is doing with this Committee. I encourage her to keep up the good work. Looking at this particular Commodities Fund, it is very sad to note some of the observations the Committee made. One of them is that the Fund inherited non-performing loans from the Agriculture and Food Authority, the Defunct Sugar Board and the Coffee Development Fund including principal and interest arrears. This means that this Fund is already experiencing many problems yet additional burdens have been placed on it that it may not even manage.

There is also the issue where they are owed arrears by the Department for Crop Development amounting to Ksh40 million. It is indicated here that the Commodities Fund should have realised this money within the Financial Year 2023/2024 yet we are currently in the Financial Year 2025/2026, meaning this has not yet been resolved.

Hon. Temporary Speaker, even with the challenges this Fund is already experiencing, it is also dealing with arrears and it inherited non-performing loans. This is a grave issue. I commend the Committee because I can see that it has made recommendations that should ideally be implemented as soon as possible. However, the question is: How realistic are these recommendations? When we look at this particular Report, we are examining issues from a couple of financial years back yet we have not even addressed the subsequent financial years. This means that if the problems identified have not been resolved, there may be additional issues piling up on top of the existing ones. This Fund appears to be operating in an environment where it is literally just being held by grace of God because the challenges it faces are numerous.

I really empathise with the Committee because they have to propose workable solutions. I urge the Committee to keep up with the good work and try to catch up with the most recent financial years. This will enable them to determine whether the issues they are raising now are still ongoing or whether new challenges have emerged. That way, they may propose a blanket solution that addresses all these issues affecting the Fund.

With those few remarks, I support and submit.

The Temporary Speaker (Hon. Martha Wangari): Hon. Gitonga John.

Hon. Gitonga Mukunji (Manyatta, UDA): Thank you, Hon. Temporary Speaker. The Commodities Fund is a very familiar term in my constituency. Many of our factories, especially coffee factories, have always had debts from the Commodities Fund. This Fund was established in 2013 under the Crops Act, 2013, in the 11th Parliament. I believe the 11th Parliament passed several consequential laws that now require review and strengthening by the current Parliament.

One of the most progressive ideas that were introduced under the Crops Act of 2013 was the Commodities Fund. One of the reasons I say this is because one of the promises that were made by this regime was something we call guaranteed minimum return on our produce. This regime promised guaranteed minimum return on our produce. One of the reasons this Government might be chased away in 2027 is because of not achieving that.

The mandate of the Commodities Fund is price stabilisation. This is basically guaranteed minimum return on investment. I have a case in my constituency where a factory that does not have assets borrowed Ksh60 million. The money disappeared into thin air. As we speak, we passed Ksh2 billion last year to clear the debt that was borrowed by many coffee factories under the Commodities Fund.

What does that say? Today, we are here receiving reports of the years 2018/2019 to 2020/2021. I hope the Chairperson will be in the House when we will audit the Ksh6 billion allocated to the Commodities Fund in 2023. There is need to re-look at the Crops Act and put in place more stringent measures to ensure that we do not lose the hard-earned taxes of our people. At the same time, let us ensure that we strengthen our farming and produce moving forward.

I also want to take toll to what one of the Members said. We have many Funds. As early as yesterday, the National Infrastructure Fund was signed into law. It is time we discussed this here. I heard the Chairperson say clearly that there is need for the principal secretary to refund Ksh40 million and she said she is not joking with that.

We have created many funds, but others have been ignored. I am yet to hear the Chairperson talk about the Hustlers Fund and its audit report. I know we are going to explode in this House when that report is brought here. The fact of the matter is that this House must put its foot down when it comes to auditing the Fund. That is the only way. I would not be shocked to hear that the Ksh5 trillion that might come to the National Infrastructure Fund has been misused and it is audited when this House has gone beyond even five years.

That tells us that no action will be taken against the culprits who misuse our resources. The same taxpayers that we give power when we form the Funds are the same ones that suffer when resources are not returned. Why would we continue bailing out coffee factories when some funds that were allocated to them was misused by chairmen and leaders of those institutions? Some might have even used the funds to run for political seats and become untouchable.

Hon. Temporary Speaker, we appreciate the Chairperson, our team of ladies for making quorum and one man. We need more from your Committee. You have a lot to work on to ensure that you are at par with what we are giving as resources in taxes. This House must also re-look at the Crops Act to ensure that the funds are well-secured and paid in time, so that we do not continue losing resources. The implementation of guaranteed minimum return on commodities such as tea, coffee and macadamia, is something that will determine if this regime will be thrown out in 2027.

I submit.

The Temporary Speaker (Hon. Martha Wangari): Member for Embakasi West, Hon. Mark Mwenje.

Hon. Mark Mwenje (Embakasi West, JP): Thank you, Hon. Temporary Speaker. At the outset, I congratulate the Chairperson and reiterate that I sit in a committee where there are

only two ladies and 13 men, and we have never lacked quorum. You can be sure that the two women, while they give us quorum, must have men in that committee to get quorum.

I support what Hon. Makali mentioned. There are many Funds in this country. We have the Uwezo Fund, Women Enterprise Fund and now the Commodities Fund. They play a very vital role in our country. The Commodities Fund gives out agricultural inputs of various kinds that help our farmers.

Food security in our country is weak, unlike our neighbour on the western side, Uganda, whose food security is better than ours. This is a vital Fund that can help us. We know there is fertiliser, whether subsidised or otherwise, and at times the costs are high. This is where such a Fund can assist. Like other funds such as the Uwezo Fund, we have issues with funds being made available during the budget cycle and more importantly, how these loans are managed. Both the Uwezo Fund and the Women Enterprise Fund face the same challenges. How do we collect the loans? How do we ensure that the resources are not lost? That is the key issue that the Auditor General of Kenya needs to advise us on.

One thing I will request the Chairman to raise with the Auditor General is the safeguarding measures that should be recommended to us. If we need to change the laws governing these Funds, we should do so properly to ensure that this money is not lost.

Secondly, the officers who manage these Funds, the fund managers, must be diligent and ensure that all beneficiaries - whether from the Uwezo Fund, the Women Enterprise Fund or the Commodities Fund - are held accountable. At times, there is favouritism and money ends up going to people who are preferred or favoured. This is something we need to crack down on. It happened with the Uwezo Fund. In areas where we tracked the beneficiaries and identified the right people, the money was recovered easily.

Another issue is training farmers and groups which borrow this money. Often, there is no training because the Funds do not have a training component. Sometimes, they do not even have money to support the committees responsible for managing them. This is something that we need to look into in our budget process and ensure that the funds are available.

If we manage these funds properly, they can work in the same way as the National Government Constituencies Development Fund (NG-CDF) and the National Government Affirmative Action Fund (NGAAF) in this country. They can change the dynamics of our people, especially through the Commodities Fund and its impact in the agricultural sector. I thank the Chairman for a job well done.

I also want to echo Hon. Mayaka's comments that it is important for the audited reports to have legal and binding status on some decisions like the surcharge of an accounting officer. When you bring an audited report for the Financial Year 2018/2019 up to the Financial Year 2021/2022, depending with the language, some of the actions that the Committee might take, may unfortunately be limited because of time. Once these reports are released by the Auditor General, we only have three months to debate them.

If we bring these prior unresolved issues all the way to the current financial year, then the issues remain outstanding and they can be binding. This is the approach this House needs to take when it comes to these reports. I am glad to see that most of the audit committees are doing all the reports up to the Financial Year 2024/2025, so that we can ensure that any action that was taken in the past can be brought forward and action can be taken.

With those remarks, I support.

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

Hon. Esther Passaris (Nairobi City County, ODM): Thank you, Hon. Temporary Speaker. I rise to contribute on the Motion on the Report of the Special Funds Accounts Committee on the audited reports of the Commodities Fund for the financial years under consideration.

First, I commend the Committee under the leadership of Hon. Fatuma Full Network for undertaking its oversight role of reviewing the management and utilisation of the Fund. Oversight is one of the most important responsibilities of this House, particularly where funds are meant to directly support the livelihoods of our people.

Agriculture remains the backbone of our economy and millions of Kenyans depend on agricultural commodities such as coffee, sugar and other crops for their livelihoods. Funds such as the Commodities Fund were established to stabilise these sectors, strengthen community and commodities value chains and support farmers in accessing markets and fair returns.

However, the true measure of any commodity fund is not the reports that we are tabling in Parliament. It is the income a farmer takes home at the end of the season. Many farmers across the country continue to struggle with low prices, delayed payments and weak market structures. This raises the fundamental concern as to whether the resources allocated through such Funds are reaching farmers in a meaningful and timely manner.

As we speak about the empowerment and the Bottom-Up Economic Transformation Agenda (BETA) of our economy, we must remember that farmers form the foundation of this vision. Strengthening the Commodities Fund must, therefore, translate into better prices, improved productivity, access to markets and value addition within the agricultural sector.

At the same time, we must ensure that these funds are managed to the highest standard of transparency, efficiency and accountability, so that they do not become administrative structures that consume resources without delivering tangible benefits to the intended beneficiaries. If properly managed, the Commodities Fund can play a critical role in revitalising our agricultural sector, strengthening farmer incomes and enhancing Kenya's competitiveness in regional and global markets.

With those remarks, I support the adoption of the Committee's Report and urge all those that are entrusted with the various Funds that do so much for our people to start managing those Funds well because this is where we begin to show that we are a Government for our people and for the people.

Whether you are a chairperson, board member or an office executive, if you have been given a Fund, we do not want to have Members standing here and saying that some of those Funds were misused and maybe that Members used them to get re-elected. I mean, we need to honestly have the money to serve the Kenyan people and when we do that, Kenya will be able to transform itself from a developing country to a developed country and from a dependent to an independent one.

Hon. Temporary Speaker, I support and commend the Committee for ensuring that they stay up to date in terms of audits. This was a major challenge when I came in during the last Parliament. In this Parliament, we are making efforts to catch up, so that all the reports we need to table in this House are current.

I support.

The Temporary Speaker (Hon. Martha Wangari): Member for Mumias East, Hon. Salasya.

Hon. Peter Salasya (Mumias East, DAP-K): Hon. Temporary Speaker, I rise to support the Committee's Report on the following grounds. You are all aware that the Commodities Fund is one of the critical Funds that could have transformed this country's economy. I remember last year when the President came to Mumias Sugar Company, one of the issues that I raised there was that we have some loans that are owed by the Mumias Outgrowers Company (MOCO). The Commodities Fund is looking forward to receiving money from MOCO of about Ksh60 million. My question has always been that it has taken us almost a year without getting a clear report on the recommendations. Even when the President advised that we need those loans of MOCO to be written off, to date, there has been no significant report on that in this House.

It is high time the Commodities Fund became serious in its work. If those loans had been written off and the properties held by the Commodities Fund were returned to the farmers of Mumias Sugar Company, the farmers could develop the sugarcane and use it to repay the loan more easily.

My recommendation is that the House note that most of the Funds are not performing well because of a lack of Authority to Incur Expenditure. For example, if you look at the Uwezo Fund, it has achieved tremendous work, but there is insufficient funding to train people on how to repay the loans. This approach should cut across all Funds, including the Women Enterprise Fund (WEF), the Kenya Industrial Estates (KIE) and many more. They can play a very significant role. We came up with the Hustler Fund, yet there are other Funds that have not been fully utilised. I want to support the Report and urge that the outstanding loans be written off immediately. I further recommend that the Commodities Fund return all properties, including tractors and land, to the farmers of Mumias Sugar Company and the Busia outgrowers, to allow the farmers to focus on rebuilding themselves and contributing to the economy.

Thank you, Hon. Temporary Speaker. I support.

The Temporary Speaker (Hon. Martha Wangari): Very well. Member for Kaiti. This is the second time I am calling you.

Hon. Joshua Kimilu (Kaiti, WDM): Thank you, Hon. Temporary Speaker, for the opportunity. I am sorry that you have called me twice.

I want to take this time to first congratulate the Committee for the good job they have done. This Commodities Fund is very important to this country. This Fund can be utilised like what we are doing with the National Government Constituencies Development Fund (NG-CDF), whereby the money is going directly to the ordinary citizen. It can be of benefit. When we talk of agriculture in areas that grow coffee, tea and many more, they need to be supported. Funds like this can also be set aside to help those farmers develop their commodities.

We have a challenge whenever we talk of disaster preparedness in our country. Rains come and go, yet we have the same problem. Some of these Funds can be set aside for disaster preparedness. As a country, we are yet to get to a point where we are properly prepared for disasters. I was keenly listening when the Committee's Report was tabled. I have gone through it and the Committee is doing a good job. We need to support the Report. This is the direction we should go. I want to request the Committee - as my colleagues have said - to update their reports. For example, they could have the current audit report for 2023/2024, so that they are closer to the current financial year to avoid discussing things that are overtaken by events. The Committee is doing a good job and I know they will make it. Next time they will be tabling their report, we will want to see a current report that will capture the current year.

I support.

The Temporary Speaker (Hon. Martha Wangari): Very well. Hon. Waqo.

Hon. Naomi Waqo (Marsabit County, UDA): Thank you, Hon. Temporary Speaker. I support this Report. I also congratulate the Committee for working very hard to bring this very important Report to this House. When you look at the Report, the financial years that it covers are 2018/2019, 2019/2020 and 2020/2021, which were before the current regime's time. It is good that we are trying to catch up on the lost years so that audited reports can be tabled. However, I have heard of Members who are trying to blame the current Government for the delay. That may not work well for them because the audited report is for the previous regime's work. I thank the current Government and the Committee that tabled the Report.

The Commodities Fund is quite important in our nation because it supports our farmers. As we all know, majority of the farmers in this country are not well off and they need a lot of financial support to do large scale farming that will guarantee enough produce. The purpose of

this Fund is to improve farm inputs, farm operations and price stabilisation. Unless we do that, our farmers may not have enough to do their farming to generate enough produce.

The Fund is so friendly. When you look at it, the subsidised interest rate is between 3 per cent and 7.5 per cent which cannot be compared to any loan that one can get from banks. There is a special arrangement for friendly payment plans, which will be very good for our low-income farmers who will service their loans and provide for their families. So, mine is just to say that for sure, we need to have audited reports on time, so that we can manage corruption and mismanagement of funds. We can also have good internal controls in place and encourage those who are in charge to make sure that they do the right thing, by giving the money to the people and visiting them so that they see how farmers are doing. For those who took loans and cannot repay, it is high time their loans are written off, so that farmers can continue with their farming and sustaining their families.

I support the Report.

The Temporary Speaker (Hon. Martha Wangari): The Member for Trans Nzoia County, Hon. Lillian Siyoi.

Hon. Lillian Siyoi (Trans Nzoia County, UDA): Thank you, Hon. Temporary Speaker. I also rise to support this Motion by the Chairperson of the Special Funds Accounts Committee. I have gone through the Report, and I am surprised that we are talking about an audit report of the Financial Year 2021/2022, which has really delayed. The Commodities Fund is a very special Fund to farmers. We have many small-scale farmers who truly need this Fund to improve their livelihoods. However, it is unfortunate that when I go through this document, I realise that there is a Co-operative Development Agency that has taken Ksh40 million from the same Fund and has not returned it for a good number of years.

I would like to urge and thank the Committee because it is important to raise such issues so that we can discuss them and see how the small Funds can be supported. I also want to bring in the Youth Fund, the Uwezo Fund, the Women Enterprise Fund, and a good number of Funds that we have in this country. However, if you look at those Funds, they are not operating at the moment, and I am certain we have similar challenges affecting them. That is why we are not able to see what this Fund is assisting our people with.

I stand to support this Report by Hon. Fatuma Full Network, but we need to ensure that these Funds are well managed and that farmers are properly funded and followed up, so that they repay the loans, enabling others to benefit from the same Fund. I have heard a number of Members of Parliament saying that we need to write them off, but I am trying to imagine what would happen if we did so, given that it is a revolving Fund. What would happen next? We need to ask them to repay because the Fund assisted them, so that it can also assist others who need the same support.

The Temporary Speaker (Hon. Martha Wangari): Very well. Member for Yatta.

Hon. Robert Basil (Yatta, WDM): Thank you, Hon. Temporary Speaker. I rise to support the Report. The Commodities Fund is essential. It is meant to support farmers. We are talking about tea, coffee and cotton farmers, among many others, along the agricultural value chain. If you look at the Commodities Fund and the role it is supposed to play, it is meant to boost small-scale farmers. Most of these farmers depend on this Fund to survive within the agricultural value chain.

However, if you look at the audited report, many questions arise for us as a House. The audited reports fall short on accountability, and you find that many farmers who should have benefited from this Fund did not benefit from it. The impact should be clear and visible, with real stories that demonstrate how the Commodities Fund has helped the farmers, so that we can confidently say that it should be strengthened. Unfortunately, if you look at the audited accounts for the Financial Years 2018/2019 to 2021/2022, they present many grey areas and raise numerous questions about accountability and management.

In principle, although it is supposed to be a revolving Fund, many farmers have not benefited properly from this Fund, and repayment of the loans has also been a problem. When you consider the impact, you find that many farmers, both currently and during the audit period, struggled to repay the loans and to derive meaningful benefits from the Fund.

This House needs to reinforce accountability and ensure that there is value for money, particularly when the objective is to support agriculture, considering that agriculture has historically been the backbone of the Kenyan economy. In the past, we used to hear about the Tea-zones and many other agricultural programmes, but today, most of them have disappeared and are no longer discussed. In fact, many farmers, especially coffee farmers, are selling land that was once used for agriculture to build real estate. This shows that there is much that this House needs to do to reinforce agriculture as the backbone of the economy and to strengthen Funds that support local farmers. That is why I support the Report. I also urge the House to look into strengthening some of these Funds to support farmers now and in the days to come.

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

Hon. Danson Mwashako (Wundanyi, WDM): Thank you, Hon. Temporary Speaker, for giving me an opportunity to support the Report of the audited financial statements for the Commodities Fund for the Financial Years 2018/2019, 2019/2020, 2020/2021 and 2021/2022. This is a good opportunity for the august House to talk about the management of public resources. Kenya is ranked amongst the most corrupt countries in Africa and probably in the world. Corruption is a cancer that eats into public resources. Sadly, most special Funds are used to pilfer public resources.

The Commodities Fund was created under the Crops Act. It gave so much hope to Kenyan farmers that it would solve many of their issues. It was supposed to ensure that farmers got farm inputs and the right seeds, market their crops, and build capacity. Capacity building and creation of awareness has been lacking under the Commodities Fund. Many people in this country do not even realise that we have such a Fund. Many farmers across the country are surprised to hear us talking about the Commodities Fund, which can help them to improve their farms and become profitable.

In previous regimes and in the 1990s, most special Funds were reserved to benefit politically correct farmers. I am impressed by the many proposed recommendations in the Report. More importantly, we must inform Kenyans about the existence of these Funds, so that farmers who grow cashew nuts, coconut, tea, coffee or sugarcane can benefit.

However, it appears that the Fund only supports coffee and tea farming, which are grown in a few places in the country. The Chief Executive Officer (CEO) of the Fund needs to create awareness and disseminate information to all the farmers across the country. The crops that are not included in the Fund should be included, so that all Kenyans can benefit from the funds that we appropriate in the House. We are allocating a lot of money to this Fund. Therefore, it creates an imbalance if it does not reach all parts of the country. We are creating an atmosphere where some parts of the country will remain poor, while farmers from other parts of the country, which have been included, will continue making money and growing.

We have too many Funds. I hear my colleagues talking about the Uwezo Fund, the Hustler Fund, and now we have the National Youth Opportunities Towards Advancement (NYOTA) Fund. However, I have never seen a report in this House indicating whether we are getting value from them. I have not seen any report indicating whether we should continue having these Funds, yet our people remain poor. I would like to know whether this Parliament can legislate to consolidate all these Funds into one or two. Furthermore, we need to implement stringent measures to control wastage and misappropriation, perhaps by creating an anchor body to assess the value we derive from all these Funds.

We say Kenya is an agricultural country. Historically, 80 per cent of our economy was supported by agriculture. It is concerning that despite allocating substantial funds, we cannot

ascertain the value that is derived from this investment. We may be losing money that should benefit our people.

Lastly, there is a lot of duplication. We have the Agricultural Finance Corporation (AFC) and numerous Funds designated for agriculture. It is high time the Agriculture and Food Authority (AFA) collaborate with other bodies under the Ministry of Agriculture and Livestock Management to evaluate the necessity and impact of these Funds. If there is no tangible impact, we should consider redirecting these funds to counties, especially since agriculture is a devolved function. We could collapse some of the ineffective Funds and channel the money to counties, ensuring that agricultural activities are adequately supported. If this is done, many Kenyans will benefit from their farming activities.

With this, I support the Report. We need to do more, so that we do not continue losing public resources.

The Temporary Speaker (Hon. Martha Wangari): Very well. There being no other interest in this, I will call upon the Mover to reply. Hon. Kivasu.

Hon. Kivasu Nzioka (Mbooni, WDM): Thank you, Hon. Temporary Speaker. On behalf of the Chairperson of the Special Fund Accounts Committee, I would like to thank the Members for their deliberation and support regarding the reports of the audited accounts for the Commodities Fund covering the Financial Years 2018/2019 to 2021/2022.

For the benefit of the Members, this Committee oversees approximately 104 Funds. We began this oversight last term, so we are still less than 50 per cent through this responsibility. We hope to implement the suggestions and insights shared by the Members here as we continue to oversee these Funds. We also urge the Committee on Implementation to act upon the recommendations proposed by the Committee to help streamline the financial management of the Commodities Funds.

With that, Hon. Temporary Speaker, I reply.

The Temporary Speaker (Hon. Martha Wangari): Hon. Members, according to the Standing Orders, the putting of the question on this Motion will be deferred to the next appointed time.

(Putting the question deferred)

ADJOURNMENT

The Temporary Speaker (Hon. Martha Wangari): Hon. Members, let us be up standing. The time now being 7.00 p.m., this House stands adjourned until Wednesday, 11th March 2026 at 9.30 a.m.

(The House rose at 7.00 p.m.)

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