



**REPUBLIC OF KENYA**

**THIRTEENTH PARLIAMENT**

**NATIONAL ASSEMBLY**

**THE HANSARD**

**4<sup>th</sup> March 2026**

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## THE HANSARD

Wednesday, 4<sup>th</sup> March 2026

The House met at 2.30 p.m.

*[The Deputy Speaker  
(Hon. Gladys Boss) in the Chair]*

### PRAYERS

### QUORUM

**Hon. Deputy Speaker:** Sergeant-at-Arms, ring the Quorum Bell for 10 minutes.

*(The Quorum Bell was rung)*

You can stop the Quorum Bell. First Order! Hold on, there is a Petition.

*(Hon. Deputy Speaker consulted  
with the Clerk-at-the-Table)*

You may proceed to the next Order.

### PAPERS

**Hon. Owen Baya** (Kilifi North, UDA): Hon. Deputy Speaker, on this solemn afternoon after the requiem service of our late brother, Hon. Ng'eno, I beg to lay the following Papers on the Table:

1. The following Treaties from the Prime Cabinet Secretary and Cabinet Secretary, Ministry of Foreign and Diaspora Affairs—
  - (a) Inter-Governmental Authority on Development (IGAD) Protocol on Transhumance; and
  - (b) Agreement on establishment of the Inter-African Coffee Organisation (IACO);
2. Intergovernmental Partnership agreement between National Government through the Ministry of Education and the County Government of Kisumu which will be referred to the Departmental Committee on Regional Development.
3. Report on the Performance of the Special Groups (Women, Youth and Persons with Disability) for the year 2025 from the Public Procurement Regulatory Authority.
4. Reports of the Auditor-General and Financial Statements for the year ended 30<sup>th</sup> June 2025 and the certificates therein in respect of—
  - (a) Affordable Housing Board;
  - (b) Auctioneers Licensing Board;
  - (c) Chevaywa Technical and Vocational College;
  - (d) Deposits Accountability Statements – The Judiciary;
  - (e) Estate Agents Registration Board;

- (f) Gichugu Technical and Vocational College;
- (g) Independent Electoral and Boundaries Commission;
- (h) Judicial Service Commission;
- (i) Justice and Freedom Party of Kenya;
- (j) Kabete National Polytechnic;
- (k) Kamukunji Technical and Vocational College;
- (l) Kenya Forestry Research Institute;
- (m) Kenya Wildlife Services;
- (n) Khwisero Technical and Vocational College;
- (o) Kibra Technical and Vocational College;
- (p) Kirinyaga Central Technical and Vocational College;
- (q) Laikipia University;
- (r) Mabadiliko Party of Kenya;
- (s) Michuki National Polytechnic;
- (t) National Cancer Institute of Kenya;
- (u) National Construction Authority;
- (v) National Industrial Training Authority;
- (w) National Land Commission;
- (x) National Rainbow Coalition (NARC);
- (y) Physical Planners Registration Board;
- (z) Receiver of Revenue – State Department for Lands and Physical Planning;
- (aa) Revenue Accountability – Kenya Revenue Authority;
- (bb) Rwabura Irrigation Development Project No.1109118900 – National Irrigation Authority;
- (cc) Simlaw Seeds Company (Uganda) Limited;
- (dd) Sirisia Technical and Vocational College;
- (ee) State Department for Medical Services;
- (ff) State Department for Tourism;
- (gg) Technical University of Kenya;
- (hh) Judiciary Mortgage and Car Loan Scheme;
- (ii) United Democratic Party;
- (jj) University of Nairobi Enterprises and Services Limited;
- (kk) University of Nairobi Press limited;
- (ll) University of Nairobi;
- (mm) Wildlife Research and Training Institute; and,
- (nn) Wiper Democratic Movement Party.

*[The Deputy Speaker  
(Hon. Gladys Boss) left the Chair]*

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

Thank you, Hon. Speaker.

**Hon. Speaker:** Thank you. Chairperson of the Departmental Committee on Blue Economy, Water and Irrigation, Hon. Bowen.

**Hon. Kangogo Bowen** (Marakwet East, UDA): Hon. Speaker, I beg to lay the following Paper on the Table –

Report of the Departmental Committee on Blue Economy, Water and Irrigation on its consideration of the Fisheries Management and Development Bill (National Assembly Bill No. 29 of 2023).

Thank you, Hon. Speaker.

**Hon. Speaker:** Next Order.

### NOTICE OF MOTION

**Hon. Speaker:** Chairperson, Department of the Committee on Agriculture and Livestock. Hon. (Dr.) Mutunga, are you ready?

**Hon (Dr) John Mutunga Kanyuithia** (Tigania West, UDA): Hon. Speaker, I beg to give notice of the following Motion:

THAT, this House adopts the Report of the Departmental Committee on Agriculture and Livestock on its enquiry into the pricing of...

**Hon. Speaker:** Hon. Mutunga, just hold on. The clerk tells me that your Motion has not been approved for giving notice. Has it? I can see you are reading from your phone and not from the Order Paper.

**Hon (Dr) John Mutunga Kanyuithia** (Tigania West, UDA): Hon. Speaker, this Motion was laid before this House in the last Session of Parliament before we closed.

**Hon. Speaker:** In the Order Paper, it is indicated 'subject to Speaker's approval'. If the Speaker has approved, we could not have this disclaimer. Can you step back for tomorrow?

**Hon (Dr) John Mutunga Kanyuithia** (Tigania West, UDA): Hon. Speaker, I have a function in Meru tomorrow.

**Hon. Speaker:** Can you approach the Chair?

*(Hon (Dr) John Mutunga Kanyuithia  
consulted with the Speaker)*

### ADOPTION OF REPORT ON PRICING OF TEA IN KENYA

**Hon (Dr) John Mutunga Kanyuithia** (Tigania West, UDA): Hon. Speaker, I beg to give notice of the following Motion:

THAT, this House adopts the Report of the Departmental Committee on Agriculture and Livestock on its inquiry into the pricing of tea in Kenya, laid on the Table of the House on Thursday, 4<sup>th</sup> December 2025.

Thank you, Hon. Speaker.

### QUESTIONS AND STATEMENTS

#### REQUESTS FOR STATEMENTS

#### WITHHOLDING OF ACADEMIC CERTIFICATES BY HEADS OF INSTITUTIONS

**Hon. Abdul Haro** (Mandera South, UDM): 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 Education regarding the reported withholding of academic certificates by heads of institutions. The Ministry of Education recently issued directives requiring heads of institutions to release all academic certificates held in their custody to the

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respective learners or their authorised parents or guardians. Section 10(1)(b) of the Kenya National Examination Council Act, 2012 (CAP. 214A) provides that once a certificate is issued, no person or institution can lawfully withhold such certificate.

Despite these directives and clear statutory provisions, there continue to be persistent complaints from parents and learners that schools are withholding academic certificates and are imposing unlawful conditions, such as clearance of outstanding fees balances, before the release of certificates. Article 53 of the Constitution provides that every child has the right to free and compulsory basic education, and the arbitrary withholding of examination certificates undermines the constitutional rights of learners to education.

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. A report on the number of national examination certificates being withheld by schools, complaints received and investigations conducted concerning the withholding of national examination certificates.
2. A report on administrative, supervisory or disciplinary action taken by the Ministry of Education (MoE) and the Teachers Service Commission (TSC) against heads of institutions, boards of management or schools found to be contravening the directive on the release of examination certificates.
3. Steps taken to strengthen enforcement and plans to enhance awareness among schools, learners, parents and other stakeholders regarding the directives.
4. Measures put in place by the Ministry to protect affected learners, including mechanisms to ensure that students are not disadvantaged in accessing further education.

**Hon. Speaker:** Thank you. Chairperson of the Departmental Committee on Education, when will you bring the Statement?

*(Hon. Clive Gisairo  
spoke off the record)*

Yes, what is your point of order? Do you sit in the Committee, Hon. Gisairo?

**Hon. Clive Gisairo** (Kitutu Masaba, ODM): Hon. Speaker, even the Member requesting for the Statement sits in that Committee.

**Hon. Speaker:** Yes, but he cannot be a judge in his own case.

**Hon. Clive Gisairo** (Kitutu Masaba, ODM): He even has the answer, but we will bring it in two weeks' time.

*(Laughter)*

**Hon. Speaker:** Hon. Haro, is that correct?

**Hon. Abdul Haro** (Mandera South, UDM): Hon. Speaker, that is not correct. I do not have the answer. That is why I am seeking a Statement.

**Hon. Speaker:** Okay. Hon. Gisairo, inform your Chairperson that he is required to bring a response in two weeks' time.

Hon. Ojiambo Oundo.

ASSAULT OF KENYAN WORKER  
BY FOREIGN NATIONAL

**Hon (Dr) Ojiambo Oundo** (Funyula, ODM): Hon. Speaker, pursuant to the provision of Standing Order 44(2)(c), I rise to request for a Statement from the Chairperson of the

Departmental Committee on Labour regarding a reported assault of a Kenyan worker by a foreign national at the TCM Mabati Factory in Eldoret.

Hon. Speaker, one Andrew Tabu Kagwa Waliera, a resident of Sibinga Sub-Location, Nambuku Location in Funyula Constituency, was captured on video being violently assaulted, demeaned and threatened by his Chinese supervisor, Mr Shi Zhendhing. This reprehensible act, now in the public domain, has sparked widespread outrage and raised serious concerns about the treatment of Kenyan workers by certain foreign employers operating in our country.

Hon. Speaker, the victim is currently in poor health, nursing serious injuries sustained during the assault. He has been unable to resume his duties effectively and shockingly, is now reportedly facing threats of dismissal from employment. Even more worrying is the allegation that he was coerced into recording a video with his assailant, purporting to “forgive” him, an act clearly aimed at suppressing the truth and obstructing justice. The matter goes far beyond an isolated case of assault. It touches on the dignity of Kenyan workers, the sovereignty of our labour laws, and the responsibility of the State to protect its citizens from abuse, intimidation and unlawful treatment within their places of work.

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

1. Lawful actions being taken against the Chinese national, Mr Shi Zhendhing, in accordance with the provisions of the Kenyan labour, migration and criminal laws.
2. Steps being initiated to ensure adequate compensation and medical support for the victim, Mr. Andrew Waliera Kagwa, for the injuries, trauma, and economic losses he has suffered.
3. Immediate and long-term measures the Government has put in place to prevent the recurrence of such assaults, mistreatment, and violation of Kenyan workers by foreign employers, and to guarantee a safe, dignified and lawful working environment for all employees.

Thank you, Hon. Speaker.

Just for record purposes, this Request for Statement was made on 25<sup>th</sup> November last year but, unfortunately, we went on recess before it was responded to. The matter still remains unresolved. I would request that, if possible, you get an answer next week or immediately we resume from the short recess. I will be most obliged for the benefit of the suffering Kenyan who has been mistreated at the hands of foreign investors.

**Hon. Speaker:** Hon. (Dr) Oundo, if it is an assault, it is a criminal offence. Have you advised your constituent to report the matter to the police?

**Hon. (Dr) Ojiambo Oundo** (Funyula, ODM): Hon. Speaker, he has reported the matter to the police, but there has been a lot of intimidation. That is why we had to come to this House. Nothing has been done to date. I brought the matter to the House because this is the House that can arbitrate if there is no action being taken by the relevant authorities to protect the rights of a Kenyan.

**Hon. Speaker:** Is the Chairman of the Departmental Committee on Labour present? Who is the Chairman this Committee? Is it Hon. Ken Chonga? Is he here? Inform him to bring a response in two weeks' time.

Hon. Anthony Mupe, Member for Rabai.

**Hon. Kenga Mupe** (Rabai, PAA): Thank you.

**Hon. Speaker:** Give him another microphone.

**Hon. Kenga Mupe** (Rabai, PAA): Thank you, Hon. Speaker.

## PLIGHT OF WORKERS IN KILIFI COUNTY

**Hon. Kenga Mupe** (Rabai, PAA): 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 Labour regarding the plight of workers in various companies across the country, with particular concern for industries operating in Rabai Constituency.

Hon. Speaker, it is deeply concerning that a significant number of industry workers across the country continue to face poor remunerations, harsh working conditions and general mistreatment in their workplaces. Many of these workers endure low wages, delayed salaries, lack of job security and excessively long working hours without fair compensation. Even more disturbing is the fact that employees who attempt to voice their grievances or demand fair treatment are often subjected to intimidation, harassment or victimisation by their employers.

Hon. Speaker, despite the clear provisions of the Employment Act, 2007 and other labour-related laws that outline employees' rights and welfare, many employers continue to flout these legal requirements with impunity. In Rabai Constituency, several companies have been consistently cited by workers for engaging in unfair labour practices, including underpayment, excessive working hours, lack of formal contracts and inhumane working conditions. The companies reported to be of particular concern include Ms Tamal Ltd, Ms Twaweza EPZ, Ms Pickling Division, Ms Iron Africa Ltd, Ms Standard Rolling Mills, Ms Sanghani/Kaburus, Ms Jumbo Steel Mills, Ms Simba Cement, Ms Mombasa Canvas, Ms Synergy Ltd, Ms Roofings Ltd, Ms Kavee Quarry, Ms Victoria Engineering, Ms Karsan Ramji quarry, Ms Kaydee Quarry, and Ms Dhanjal Brothers Ltd. The management of these companies undermining the dignity and well-being of Kenyan workers, particularly the youth, who form the backbone of Kenya's industrial and economic development.

Hon. Speaker, reports indicate that these companies have persistently disregarded labour standards, thereby creating an environment of economic exploitation and social injustice. Such practices not only demoralise workers, but also undermine national productivity and the Government's efforts to promote decent work and inclusive economic growth.

It is against this background that I seek a Statement from the Chairperson of the Departmental Committee on Labour to address the following:

1. Specific measures the Ministry of Labour and Social Protection is taking to ensure that workers in Rabai Constituency are provided with permanent and legally binding contracts, in line with the provisions of the Employment Act and other relevant labour regulations.
2. State plan(s) to conduct a fact-finding visit to the affected industries in Rabai Constituency to investigate and verify the legitimacy of the complaints raised by workers.
3. Report on the number of industries in Kilifi County that have been found in breach of labour laws, including those accused of mistreating or underpaying workers, and indicate what punitive or corrective measures are being taken against such entities.

**Hon. Speaker:** Thank you, Hon. Kenga. Hon. Chairman, Departmental Committee on Labour and Social Protection. Hon. Leader of Majority Party, inform them to bring a response in two weeks' time.

Next is Hon. Weytan.

RESERVATION OF COMMUNITY LAND IN  
MANDERA EAST CONSTITUENCY

**Hon. Hussein Weytan** (Mandera East, ODM): Hon. Speaker, pursuant to the provisions of Standing Order 44(2)(c), I request for a Statement from the Chairperson of the Departmental Committee on Lands regarding the reservation of land parcel L.R. No. 33285 for the Ministry of Defence in Mandera East Constituency.

Hon. Speaker, the National Land Commission (NLC), vide Gazette Notice No.1903 of 13<sup>th</sup> February 2026, vested the care, control and management of land parcel L.R. No. 33285 in Mandera East Constituency, measuring approximately 12,072 acres, to the Ministry of Defence. The said parcel constitutes communal grazing land upon which over 30,000 residents drawn from Arabia, Libahiya and Khalalio wards in Mandera East Constituency depend for their livelihoods. These pastoral communities rely on the land for access to River Dawa water points, grazing corridors and traditional salt licks, which are critical to livestock rearing. The reservation of this community land for Government use poses a direct and significant threat to the socio-economic stability of the affected communities.

Hon. Speaker, it is noteworthy that Omarjillo Military Camp is situated within five kilometres of the gazetted parcel, raising legitimate questions as to the operational necessity of acquiring additional land for military purposes in the same locality. The affected residents have also raised concerns about the apparent absence of public participation and community consultation prior to the issuance of the Gazette Notice, despite the reservation directly impairing their primary source of livelihood.

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 legal basis and justification for the reservation of L.R. No. 33285 for the Ministry of Defence, including whether due process was followed under the Constitution, the Land Act (Cap. 280) and Community Land Act (Cap. 287) to convert the land from community land to public land.
2. An indication on whether public participation and consultation with the affected communities were undertaken prior to the issuance of Gazette Notice No. 1903 of February 13, 2026 and if not, the remedial measures taken by the Ministry of Lands, Public Works, Housing and Urban Development.
3. The operational justification for the acquisition of additional land for military purposes having regard to the proximity of the existing Omarjillo Military Camp.
4. The measures put in place to safeguard continued access by the pastoral communities to River Dawo water points, grazing corridors and traditional salt licks that are essential to their livelihoods.
5. The measures put in place by the Government to nullify the purported reservation and to ensure that the land reverts to community land status.

**Hon. Speaker:** Thank you, Hon. Chairman, Departmental Committee on Lands. Do we have any Member from that Committee? Inform the Leader of the Majority Party to tell the Hon. Chairman to respond in two weeks' time. Hon. Lydia Haika has sent a message that she is caught up in traffic from church in Karen. Therefore, we defer her Request for Statement to tomorrow.

*(Request for Statement deferred)*

Let us have Hon. Kagucia.

DELAYED CONSTRUCTION  
OF ROAD IN MUKURWEINI

**Hon. Kaguchia John** (Mukurweini, UDA): Hon. Speaker, pursuant to the provisions of Standing Order 44(2)(c), I rise to request for a Statement from the Chairperson of the Departmental Committee on Transport and Infrastructure regarding the delayed construction of Gaikundo–Kanunga–Kaheti–Nyaguathi–Wakulima Road in Mukurweini Constituency.

This road forms a critical link within Mukurweini Constituency and serves vital public institutions, trading centres and agricultural zones. It further connects neighbouring constituencies and supports the movement of persons, goods and services within the region. However, despite repeated Government commitments and the inclusion of the project in successive financial years' work plans, the road remains incomplete with no contractor on site currently. The prolonged delay in implementation has exposed residents to persistent transport challenges and hindered local economic activity. It is concerning that the project has undergone multiple procurement processes over the years without yielding tangible progress. This has raised legitimate concerns among residents regarding the Government's commitment to actualising the project.

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 classification of the Gaikundo - Kanunga - Kaheti - Nyaguathi - Wakulima Road, the designated implementing agency, the approved project scope, and the current stage of implementation.
2. A detailed report on the procurement history of the project, including the outcome of previous tender processes and the specific administrative or technical factors that have prevented award of contract and commencement of works.
3. An implementation framework specifying confirmed budgetary provisions, procurement timelines, contractor engagement, and the definite date for commencement of works.

**Hon. Speaker:** Thank you, Hon. Kaguchia. Chairperson of Departmental Committee on Transport and Infrastructure, Hon. GK, when can you bring a response?

**Hon. George Kariuki** (Ndia, UDA): Hon. Speaker, I will bring a response in the first week after the recess.

**Hon. Speaker:** Thank you. Before I call the next Member, allow me to acknowledge students from some institutions seated in the galleries.

We have students of Mwihoko Secondary School from Ruiru Constituency, Kiambu County, seated in the Speaker's Gallery. In the Public Gallery, we have students of Kenya Children Assembly from Embakasi West, Nairobi and Kenya Children Assembly from Embakasi East, Nairobi. We also have students of Nguviu Boys High School from Manyatta Constituency, Embu County.

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

*(Applause)*

Hon. Mwenje has requested for an opportunity to welcome the students from his constituency. Go ahead, Hon. Mwenje.

**Hon. Mark Mwenje** (Embakasi West, JP): Thank you, Hon. Speaker. I want to welcome the students from the Kenya Children Assembly from Embakasi West, those from Embakasi East along with students from the other schools. The House should note that the

unique thing about those students is that they have been elected by their colleagues. Among those elected representatives up there, there is a governor, a Speaker, a Sergeant-at-Arms, and a clerk. They will soon graduate to be elected at the county level and hopefully, the national level. Those are the true leaders of tomorrow.

I would like to thank Ms Lilian Mulevu, whom I know is up there, for coordinating the representation of both the Embakasi East and Embakasi West constituencies.

**Hon. Speaker:** Thank you, Hon. Mwenje. Next is a response to a Request for Statement by Hon. John Kaguchia. Chairperson of the Departmental Committee on Transport and Infrastructure, are you ready? Give Hon. Kariuki the microphone.

**Hon. George Kariuki** (Ndia, UDA): Thank you, Hon. Speaker. I know that Hon. Mwenje raised this matter before.

**Hon. Speaker:** The response is to a Request for Statement by Hon. Kaguchia, not Hon. Mwenje. Are you ready?

**Hon. George Kariuki** (Ndia, UDA): Yes, I am ready.

**Hon. Speaker:** Go ahead.

## STATEMENT

### STATUS OF CONSTRUCTION OF GIKONDI - THAARA ROAD AND MWIRERI - MUTWEWATHI ROAD

**Hon. George Kariuki** (Ndia, UDA): Hon. Speaker, on 12<sup>th</sup> February 2026, the Member for Mukurweini Constituency, Hon. John Kaguchia, requested for a Statement from the Chairperson of the Departmental Committee on Transport and Infrastructure regarding the status of construction of Gikondi-Thaara Road and Mwireri-Mutwewathi Road in Mukurweini Constituency. In the Request, Hon. John Kaguchia sought to establish the following, among other things:

1. The current status of the said roads, including the approved scope of works and the percentage of completion of each project.
2. The reasons for delays, stalled works and any non-payment or delayed payment of the contractors.
3. The measures being taken to establish timely completion of the two roads, including budgetary provisions, resolution of contractor claims, or the engagement of alternative contractors where necessary, particularly for the Mwireri-Mutwewathi Road.
4. The specific timelines within which residents of Mukurweini Constituency can expect the completion and commissioning of Gikondi-Thaara and Mwireri-Mutwewathi roads.

Hon. Speaker, the Committee received a response from the Ministry of Roads and Transport through the Clerk of the National Assembly, which I now wish to share.

Regarding the current status of the Gikondi-Thaara and Mwireri-Mutwewathi Roads, including the approved scope of works and the percentage of completion for each project, the Ministry submitted that the contract of upgrading to bitumen standards and performance-based maintenance (PRBM) of Thaara - Karaba – Muthuthini - Gikondi and Gaikundo - Gakindu Mukurweini roads was awarded to M/S Roben Aberdare Kenya Limited in 2020. This comprised a construction period of 30 months and 36 months for the PBRM. It commenced in August 2020 and is currently at 48 per cent completion, with 14 kilometres completed to bitumen standards against a total of 29 kilometres.

The upgrading to bitumen standards of the four-kilometre Mwireri - Mutwewathi Road, on the other hand, is 11 per cent complete, having commenced in September 2022. The project

was awarded to M/s Gragab Agencies Limited for a period of 12 months. However, it is currently undergoing termination in view of re-tendering it due to non-performance by the contractor.

Regarding the reasons for delays, stalled works, and any non-payment or delayed payment of contractors, the Ministry of Roads and Infrastructure submitted that the Thaara - Karaba - Muthuthini - Gikondi and the Gaikundo - Gakindu Mukurweini Roads Project has experienced significant delays in completion arising from the contractor's withdrawal from the site since November 2024, citing a lack of budgetary allocations. The contractor has, however, been fully paid all certified works to date valued at Ksh707,000,000.

The Mwireri - Mutwewathi Road Project on the other hand stalled due non-performance by the contractor despite not having any pending payments or funding gaps.

Hon. Speaker, Regarding the measures being taken to ensure timely completion of the two roads include budgetary provision, resolution of contractor claims or engagement of alternative contractors where necessary, particularly for the Mwireri - Mutwewathi Road. The Ministry has allocated Ksh133 million in the current Financial Year (2025/26) for the Thaara - Karaba - Muthuthini Road Project. Consequently, the contractor has committed to a full resumption of works by this month.

As earlier alluded to, the Ministry, through the Kenya Rural Roads Authority (KeRRA), has commenced termination of the contract awarded to M/s Gragab for the Mwireri-Mutwewathi Road Project. This shall enable re-tendering of the works and subsequent awarding of the same to a suitable contractor to complete the project.

Regarding the specific timelines within which residents of Mukurweini Constituency can expect the completion and commissioning of the Gikondi - Thaara Road and Mwireri-Mutwewathi Road, the Ministry has submitted that the Thaara - Karaba - Muthuthini - Gikondi and Gaikundo - Gakindu - Mukurweini Road Project is projected for completion in December 2027, subject to adequate funding. The Mwireri - Mutwewathi Road Project shall be completed within 12 months upon the awarding of a new contract.

Hon. Speaker, back to the amount paid...

**Hon. Speaker:** Hon. GK, it is too long. Can you give us a summary?

**Hon. George Kariuki** (Ndia, UDA): I remind Hon. Kaguchia that one of the contractors has been paid Ksh707,000,000 and this money was raised through the securitisation of the Road Maintenance Levy Fund (RMLF). I remember Hon. Kaguchia at some point was very opposed to securitisation of the RMLF. I assure him that the projects will be completed. Part of the money that will be used to complete these projects will come from the proposed Infrastructure Fund.

**Hon. Speaker:** Hon. Kaguchia.

**Hon. Kaguchia John** (Mukurweini, UDA): Thank you. I would like to start from where the Chair ended. I inform him that the Ksh707,000,000 that was paid was not from the Securitisation Fund. This amount of money had been paid well before the Securitisation Fund was conceived in this House. As a matter of fact, the only work that has been done during the period the Chairman has been in office is four kilometres, which has already been paid for. It was paid before the conception of the Securitisation Fund. However, I note that the Ksh133,000,000 that has been proposed for this road project will come from the Securitisation Fund. The amount is not sufficient because the amount of money that is required is Ksh600,000,000. I wish this money is allocated through the supplementary budget that we are going through, and through the main budget for the forthcoming financial year.

It is also important for the roads to be maintained before the construction commences to take care of very problematic areas like Rwarai Bridge leading to Mukurweini Town. We also have Rwarai Bridge at the Karindi area, and the remaining section between Karendi and Gakindu. Some of these sections are quite problematic. I also note that the Chairman has

mentioned that the contractor will be on site on 16<sup>th</sup> March 2026. I want to get that assurance. It is now raining heavily. I want to be sure so that I can communicate to the residents that on a particular date, even though it is still raining, we are going to have the contractor reporting on site.

On the Mwireri - Mutwewathi Road, as the relevant Government entity does the new procurement, I wish it could include the Kaheti-Kanunga-Wakulima Road. We also need to have the Mwireri section included. The procurement should be done together to ensure the works are completed.

**Hon. Speaker:** There is a point of order from the Leader of Majority Party.

**Hon. Kimani Ichung'wah** (Kikuyu, UDA): I have heard Hon. Kaguchia speak of money coming from the securitised funds or rather construction of one of the roads in Mukurweini being financed through securitised funds. I just want Hon. Kaguchia to clarify whether he is saying that it is okay to securitise some funds and build roads in Mukurweini, but it is not okay to securitise the same funds to build roads in other parts of the country. The funds securitisation money being utilised in Mukurweini is the same money being utilised in Migori. I heard Hon. Kaguchia opposing the securitisation of some funds while speaking from the Floor of this House. I do not know why the Chairman would allow Hon. Kaguchia to get money from the securitisation fund.

**Hon. Speaker:** Hon. Kaguchia.

**Hon. Kaguchia John** (Mukurweini, UDA): Hon. Speaker, you realise that the seven shillings that has been given for securitisation was never debated in this House. The seven shillings that have been securitised was raised through a notice that was done by the Cabinet Secretary, Hon. Murkomen, at that time, and it was done behind our back as a House. I do not think the Securitisation Fund has been debated in this House. I might be having a problem with how we are raising money, but the issue of Mukurweini versus other constituencies does not arise. I, Hon. Kaguchia, do not represent Kikuyu Constituency. I do not represent Ndia Constituency. I represent Mukurweini Constituency in Nyeri County. I have every right to ask for money to be allocated to Mukurweini at any time because I represent Mukurweini Constituency. I would also want to raise to the Chairman...

**Hon. Speaker:** Seek your clarification in response to what you have got.

**Hon. Kaguchia John** (Mukurweini, UDA): I have heard the Chairman of the Departmental Committee on Transport and Infrastructure allude to the fact that some of the money that will be used to complete the construction of Gikonde Road will come from the Infrastructure Fund. Does he understand that, according to the Bill that has been presented to this House, the Infrastructure Fund will only be dealing with commercially viable road projects, which will be tolled to return the money? I do not know whether he is very clear about that provision. That is why I am saying that for the Gikonde - Thara Road Project, we need to have the money allocated in the national budget and drawn from the Consolidated Fund.

**Hon. Speaker:** You have made your point. Yes, Leader of the Majority Party.

**Hon. Kimani Ichung'wah** (Kikuyu, UDA): Just to assist the Chairman of the Departmental Committee on Roads and Infrastructure, the National Infrastructure Fund is taking up the commercially viable infrastructure projects in order to allow the people of Kenya, including the people of Mukurweini, an opportunity to get projects money through the national budget. If you lift the balance sheet off the budget, there will be a fiscal space that will have to be filled to raise funds to complete the commercially viable infrastructure projects.

What Hon. Kaguchia is saying is not correct. The seven shillings that were securitised were brought to this House through Regulations. The Regulations were tabled in this House and approved by the Committee on Delegated Legislation, to which I think Hon. Kaguchia was a Member at that time, if not a Member of the Justice and Legal Affairs Committee (JLAC). I think he was in the JLAC at that time. Were you not in JLAC? He was in this House when

we approved the Regulations. We also approved them in the Committee. Therefore, he cannot claim that the Regulations were done behind our backs. They may have been done when he was not in the House, but that does not mean that anything was done behind the back of other Members. That Member was absent.

**Hon. Speaker:** Chairman.

**Hon. George Karuiki** (Ndia, UDA): To wind up that debate, Hon. Kaguchia did not listen to me. I did not say the National Infrastructure Fund. I said Infrastructure Fund. All funds allocated to roads are under the Infrastructure Fund. Therefore, Hon. Kaguchia must make a deliberate effort to support Government initiatives if he wants his people to benefit.

Hon. Kaguchia should know that the reason roads are being constructed in Mukurweini is not because of his assertiveness. We must serve all the people of Kenya, regardless of their political positions. A Member does not have to put too much effort into that. The people of Mukurweini are Kenyans and will be served like any other part of the country, regardless of the position a Member takes.

**Hon. Sarah Korere (Laikipia North, JP): On a point of order, Hon. Speaker.**

**Hon. Speaker:** Hon. Korere, what is your point of order?

**Hon. Sarah Korere** (Laikipia North, JP): Thank you, Hon. Speaker. I rise to seek your guidance on a matter that came up in this House. Ordinarily, you apprise us whenever a Member who has been excluded from the service of the House due to unbecoming conduct complies with the measures imposed by the House to be allowed back.

Hon. Speaker, we are confused regarding Hon. Kibagendi, whose matter came up on 17<sup>th</sup> February 2026. It is more than a fortnight since the Member's conduct outside Parliament was noted as deeply disparaging of this House. Therefore, an appropriate apology must be submitted. However, I have heard and seen the Member continue to make adverse comments on the matter. I am sure other Members are also confused.

Hon. Speaker, has the Member apologised to the House? If so, where does that leave the rest of the disparaging statements the Member made after he apologised? Should we move a Motion for his additional expulsion? I seek your guidance.

**Hon. Speaker:** Thank you, Hon. Korere. You are right in raising your point of order. The matter of Hon. Kibagendi came before the Floor of this House on 17<sup>th</sup> February 2026. Contrary to what I have seen in the formal and informal media, there was no indefinite suspension of Hon. Kibagendi. He was given a conditional suspension. All he needed to do was tender an apology to the House for disparaging its image. To the best of my knowledge, no apology has been tendered to the Clerk. If anything, I heard the Member make more felonious utterances out there about the House and the person of the Speaker.

This is not without precedent. When Hon. Koimburi was suspended and directed to apologise, within a day or two, he tendered an apology to the office of the Clerk, which the House Business Committee accepted, and he returned to the House. It is now up to the Member to decide. You make your bed, you lie on it. If he complies with the House's direction, he will be back tomorrow if the House Business Committee accepts the apology. If he does not, it is entirely his choice. I am informed he has gone to court on the matter. That is not a matter for the Speaker to comment on.

So, Hon. Korere, you are right. Hon. Members were elected to sit in this House and represent their people within the context of the Standing Orders.

*(Hon. Raphael Wanjala spoke on the phone)*

**Hon. Speaker:** Order, Hon. Wanjala. You are completely out of order. Can you apologise to the House for taking a phone call and speaking loudly?

**Hon. Raphael Wanjala (Budalangi, ODM):** Hon. Speaker. I apologise. It was an emergency, so I picked it. I am sorry.

**Hon. Speaker:** Apology accepted. Hon. Korere, we shall leave the matter there. If the Member wants to do what Hon. Koimburi and many others before him have done, it is his decision.

The Chairlady, Liaison Committee, Hon. Deputy Speaker.

*(Hon. Faith Gitau consulted loudly)*

Hon. Faith Gitau, you are out of order.

#### ELECTION OF CHAIRPERSONS AND VICE CHAIRPERSONS OF COMMITTEES

**Hon. Gladys Boss (Uasin Gishu County, UDA):** Hon. Speaker, pursuant to the provisions of Standing Order 44(2)(b), as read together with Standing Order 179(14), I rise to make a Statement regarding the leadership of select committees.

Standing Order 179(14) requires the Chairperson of the Liaison Committee, by way of a Statement, to notify the House of the duly elected chairpersons and vice-chairpersons of committees when the House next sits after the conduct of an election.

Hon. Speaker, at the commencement of the 5<sup>th</sup> Session on 10<sup>th</sup> February, 2026, *vide* Communication No. 1 of 2026, you informed the House that the term of two sessional committees, namely, the Committee on Members' Services and Facilities and the Committee on Parliamentary Powers and Privileges, had lapsed pursuant to our Standing Orders and practice. You also directed the Committee on Selection to hasten the process of placing new Members of Parliament into committees to enable their full participation in matters of representation, legislation, and oversight.

Consequently, Hon. Speaker, pursuant to Standing Order 173, the Committee on Selection submitted to the House a Motion on the reconstitution of committees. In this regard, on Tuesday, 24<sup>th</sup> February 2026, the House approved the appointment of Members to the two sessional committees. Also, it made changes to the Membership of various committees to ensure that our newly elected colleagues are able to serve on committees.

Upon approval of the Motion, the Clerk of the National Assembly, in exercise of the powers conferred under the provisions of Standing Order 179(2), declared vacancies in the offices of the chairperson for the Committee on Members' Services and Facilities and the Constitutional Implementation Oversight Committee. The Clerk also declared vacancies in the offices of the vice-chairperson for the Public Investments Committee on Governance and Education and the Committee on Members' Services and Facilities, respectively.

To facilitate elections, and in line with Standing Order 179(2), the Clerk appointed Tuesday, 3<sup>rd</sup> March 2026, as the date to conduct elections in those committees. Upon conclusion of the elections, I wish to report to the House that the three Committees elected their leadership as follows:

#### **Committee on Members' Services and Facilities**

1. Chairperson - Hon. (Dr) Stephen Wachira Karani.
2. Vice- Chairperson - Hon. Robert Ngui Basil

#### **Constitutional Implementation Oversight Committee**

Chairperson - Hon. Bernard Kitur

#### **Public Investments Committee on Governance and Education**

Vice Chairperson - Hon. Boyd Were Ong'ondo

Finally, Hon. Speaker, I take this opportunity to congratulate all the Members who were elected and vested with the responsibilities of being chairpersons and vice-chairpersons. I urge them to use their leadership offices to efficiently discharge the mandate of this House through their respective committees for the welfare of our people and the advancement of the prosperity of our country. Thank you, Hon. Speaker.

**Hon. Speaker:** Next Order.

## BILLS

### *First Readings*

THE LAW OF CONTRACT (AMENDMENT) BILL  
(National Assembly Bill No. 49 of 2025)

THE REGISTRATION OF PERSONS (AMENDMENT) BILL  
(National Assembly Bill No. 52 of 2025)

THE KENYA CITIZENSHIP AND IMMIGRATION (AMENDMENT) BILL  
(National Assembly Bill No. 53 of 2025)

THE CRIMINAL PROCEDURE CODE (AMENDMENT) BILL  
(National Assembly Bill No. 55 of 2025)

*(The Bills were read a First Time and  
referred to relevant Committees)*

### *Second Reading*

THE NATIONAL INFRASTRUCTURE FUND BILL  
(National Assembly Bill No. 1 of 2026)

*(Moved by Hon. Kimani  
Ichung'wah on 3.3.2026)*

*(Resumption of debate  
interrupted on 3.3.2026)*

**Hon. Speaker:** Was there anybody on the Floor? Hon. Members, my records show that you agreed, as a House, to speak for five minutes each on this debate. Hon. Mathenge, proceed.

**Hon. Duncan Mathenge** (Nyeri Town, UDA): Thank you, Hon. Speaker. Let me begin by stating clearly that the objective of this Bill is to mobilise long-term resources for national infrastructure, which is both necessary and commendable. Our country urgently requires sustained investment in roads, energy, water systems, logistics corridors, and digital infrastructure to unlock economic growth and opportunities for our people.

Nyeri Town Constituency requires the extension of the dual carriageway road from Marua to Nyeri Town, King'ong'o, Kiganjo, Kimathi University, Mweiga, and Chaka. This Fund would enhance the financing of such a facility. The sustainability of water supply in Nyeri Town Constituency through Nyeri Water and Sanitation Company Limited (NYEWASCO) is highly jeopardised by climate change, which is severely impacting water harvesting from River

Chania. We need to construct a multipurpose mega-dam, the Muhoya Dam, within the Aberdare Forest. This Fund would also greatly accelerate the enhancement of such a project.

Experience has taught us that the success of special funds depends not only on how much money they mobilise, but also on how well that money is protected. A case in point is the Equalisation Fund. Despite this Fund being in the Constitution and nearing its 20-year mark, we have a three-year balance. The National Treasury owes this Fund Ksh62 billion.

Kenya has seen several well-intentioned funds weakened over time by three recurring risks. Firstly, there is the diversion of funds before they reach their intended destination or purpose. Secondly, opaque procurement processes are common in large infrastructure projects. A perfect example is Ruringu Stadium, which has taken eight years to complete and has seen the budgeted funds disappear. Thirdly, accountability mechanisms are weak when public officers misuse resources.

It is, therefore, necessary for this House to address those risks directly while preserving the core intent of this Bill. Introducing automatic allocation of specific revenues, such as mineral royalties and proceeds from infrastructure bonds, directly into the Fund at source would ensure that resources meant for infrastructure cannot be diverted before they reach the Fund.

To ring-fence the Fund, it would be desirable that all money for this Fund are held in a separate account in the Central Bank of Kenya (CBK), thereby protecting infrastructure financing from being absorbed into recurrent and other expenditures during times of fiscal pressure. The identification of high-value projects above a certain threshold would require this House's approval. Major national investments should be subject to democratic scrutiny and collective oversight.

There is a need to introduce better transparency in the utilisation of these funds. The introduction of a public transparency portal that would include the projects financed by the Fund, the contractors involved, procurement documents, payments made, and the revelation of the beneficial owners of the contracted entities would ensure transparency, the strongest safeguard against corruption. Public servants have a history of misappropriating funds. It is important to introduce personal liability for public officers who, with impunity, misappropriate or misdirect these funds. My proposals do not weaken this Bill, but strengthen it to ensure that Kenyans get value for money.

**Hon. Speaker:** Hon. Oundo.

**Hon. (Dr) Ojiambo Oundo** (Funyula, ODM): Hon. Speaker, for the opportunity to also comment on the National Infrastructure Fund Bill, 2025. Without doubt, the need for the Infrastructure Fund, or for this Act of Parliament, cannot be gainsaid. However, there are a few fundamental issues, and I want the owners of the Bill to listen very carefully so that, as a country, we can be very objective in dealing with this matter.

One of the purposes of the Bill is to reduce reliance on public debt to finance commercially viable infrastructure investments. What was sold to the country and the Members here yesterday, when they were moving and seconding the Bill, is that this was going to be the panacea for all infrastructure challenges in this country, and that we are not going to borrow at all to finance commercially viable infrastructure projects. That was what was sold so eloquently and passionately that any discerning person would have taken it as if it were the gospel truth.

Clause 29 of the Bill states that:

The funds of the Fund shall include—

- (a) proceeds from the privatisation disposal of Government assets;
- (b) such money as may be appropriated into the Fund by Parliament.

The elephant in the House is that money from any other source provided to, donated to, or lent to the Fund. The first point is that we are introducing borrowing.

Clause 25(1) of the Bill states that:

The Cabinet Secretary may issue Government support measures to investment projects of the Fund, including—

- (a) a binding undertaking;
- (b) a letter of support;
- (c) a letter of credit
- (d) a credit guarantee, whether partial or full.

Hon. Speaker, I am not an accountant, but a letter of credit or a letter of guarantee is a debt instrument. It is as simple as that. That is the first thing. We need to go on record and disabuse this notion that this is an independent Fund and has nothing to do with public debt. In essence, the basic interpretation of the two clauses is that they will borrow through the back door, using another law to fund commercially viable projects. We must be very clear on this issue. Any funds other than privatisation proceeds constitute public debt. Will it fall within the recorded stock of public debt? We need to proceed and answer that question.

Second and very critical is the criteria. The Bill provides that the board shall develop an investment policy for the Cabinet's approval. The National Assembly, which represents the people of Kenya, has no say in this. We return to the ills committed by Sessional Paper 10 of 1965, which marginalised parts of this country. What measures are put in place to ensure there is public input in the decision to use proceeds for purposes of funding this National Infrastructure Fund?

We have seen very well-drafted Bills, but I want to tell the Leader of the Majority Party this: I have been here with you for eight years now. This is one of the most defective Bills that have come to the Floor under your hand. The sooner you accept we shred it into pieces and make it better, the better for you, so that it does not leave egg on your face.

**Hon. Speaker:** Thank you, Hon. Oundo. Member for Kesses.

**Hon. Julius Ruto (Kesses, UDA):** Thank you so much, Hon. Speaker, for giving me this opportunity to contribute to this critical step that the country of Kenya is taking by institutionalising its agenda on infrastructure.

The establishment of the National Infrastructure Fund through the Bill before this House is a well-thought-out approach to address the challenges that this nation has been facing. Over time, we have come to understand that price increases have driven demand in the budget. On the contrary, as demand and prices are growing, the other side of revenue has not been growing. We all appreciate that the advent of devolution through the new Constitution has led to significant demand for additional revenue beyond the current sources, including taxation and non-tax revenues.

It only calls for a wise administration and a people to address the critical needs of the people and the factors that will enable the economy's growth. This will facilitate transmission and ensure the economy is broadened enough to reduce dependence on people's taxation while meeting the basic needs of the people.

I oversaw the National Infrastructure Bill because I am a Member of the Departmental Committee on Finance and National Planning. During the public participation, we listened to the members of the public. They spoke earnestly about how they have been seeking an opportunity to address the long-standing demand gaps in their areas, due to resource scarcity and an inequitable allocation of resources that does not comply with the Constitution.

Therefore, this particular Fund will facilitate the accumulation of resources for viable, bankable, and catalytic projects, thereby triggering economic growth across all sectors. We will agree that since the country's Independence, most resources have been allocated to a given dimension. But of course, we will agree about the law of diminishing marginal utility in economics. Most of those areas, at the moment, compared to before, are affected by population growth or the extinction of the same focus. There is need to redirect focus to the other areas

that are fighting, so this nation can move. It calls for the strategic measures outlined to arrive at this one. For this purpose, this Fund can grant leeway.

I have heard *Mheshimiwa* Oundo speak about borrowing. I agree with him to some extent, in that the current scenario and fiscal space do not allow us to borrow. Borrowing is not a mistake, nor is it a problem unique to Kenya. Even developed countries keep borrowing whenever they want to address their development gaps and move forward. Even America, in its situation, is also borrowing. Yet, we always regard America as a first-world country.

But for us, because of the shrinking of recurrent and all expenditures, our fiscal space has shrunk to the point that we cannot borrow enough to facilitate our development. For this purpose, setting aside or ring-fencing resources for a specific focus is welcome.

Today, we received a report on the concluded Initial Public Offering (IPO) of the Kenya Pipeline Company, which has surprised us by being over-subscribed, with more than 70,000 Kenyans showing interest. Next week, on Monday, an IPO bell will be rung, and all those funds will have been realised, unlike before, where the money realised through this process would go to the Consolidated Fund. As you know, the tradition of the Consolidated Fund, as guided by law, is, one, to repay debt, two, to focus on Government priorities, and three, to address other issues such as devolution. You will realise that at the tail end is where infrastructure will be given attention.

I rise to support this Fund and to rally my colleagues to support this noble agenda. It is not only Kenya, but countries like Singapore, Canada, and many others have also done it. For Kenya, this particular Fund is long-awaited so that we can move our nation forward together. I support this, but I will also ask for an equitable distribution of these resources.

Thank you so much.

*(Applause)*

**Hon. Speaker:** Hon. Makali Mulu.

**Hon. (Dr) Makali Mulu (Kitui Central, WDM):** Thank you, Hon. Speaker. I want to state some facts. The truth of the matter is that this country faces challenges with public borrowing. Actually, last year we almost defaulted and considered debt restructuring.

The other point is that we require infrastructure, especially the kind targeted by this Infrastructure Fund. But to achieve that, we need a strong legal framework. I think the whole essence of this Bill is to provide that framework. The way it is now, there are gaps that, if left unaddressed, will prevent us from achieving our objective. That is why I want to go on record on some of the things we must do if we get it right. One issue is the public debt. This House passes a document called the Medium-Term Debt Strategy each year, which defines borrowing levels and the mix of borrowing.

The Public Debt and Privatisation Committee properly discusses that document, and its basis is that we agree on how much to borrow and how much not to borrow. What this Fund is doing is borrowing outside that framework, and as a country, we want to get it right. We either agree that this Fund will not borrow, or, if it will, that borrowing will be within the Medium-Term Debt Strategy. In that case, we will know how much we are borrowing and how much we need to pay.

The second issue is critical. If you look at this Bill, it gives excessive powers to the Cabinet Secretary of the National Treasury and Economic Planning, and there is no way you can have a Fund of this nature that has so many resources being put in the hands of a Cabinet Secretary with minimal controls, checks, and balances. That is another area we must address.

The other point is equity. If you look at this Bill, it talks about an investment plan that will be discussed. Over time, we have been saying there are issues of equitable distribution of public resources in this country. When you examine this Fund, there is no attempt at all to tell

Kenyans how they will ensure equity in its distribution. So, even as we discuss commercially viable projects, we know that these funds belong to the country. Issues of equity must be addressed.

The other critical issue, which I hope Members will listen to, is that once we pass this Fund to become an Act of Parliament, there will be minimal oversight by this House. Matters relating to how resources are applied and utilised, so that we can confirm they serve the public interest. If we pass the Bill as it is, there will be a challenge. I wish Members could rise to the occasion so that we do justice to this Bill. I like the sentiments expressed by Hon. (Dr) Oundo.

Hon. Leader of the Majority Party, we have been with you in this House for a long time. If we are to do justice to this Bill, we need to redraft it. Even with amendments, there will be so many changes that, to get it right, you would rather have a new Bill. I propose that if there is an opportunity, you step down this Bill, redraft it, and bring it back to the House so that we get the right Bill for the country.

Regarding the chief executive officer (CEO) and the fund administrator, I recall that the Committee Report mentioned this had been addressed. However, under the Constitution, any Fund created must have an administrator as its top technical officer. We need a fund administrator, not a CEO. That must be sorted. If not, we will face conflicts of interest, and management issues will be a challenge.

Another issue is that the Bill states that matters relating to salaries and allowances will be directed by the Cabinet Secretary for the National Treasury and Economic Planning. Yet, this country has a constitutional commission, the Salaries and Remuneration Commission (SRC), which determines salaries and allowances for public servants and State officers. We must get that right. We must align the Bill with the Constitution and ensure that the correct constitutional office exercises this function.

As I conclude, most of the infrastructure we are discussing is engineering in nature. When we talk about roads, seaports, and airports, we need a clear statement of the role of Public Works in this country, under the Ministry of Lands, Public Works, Housing, and Urban Development, where engineers and architects design these projects.

**Hon. Speaker:** Your time is up, Hon. Makali. Let us have Hon. Bowen.

**Hon. Kangogo Bowen** (Marakwet East, UDA): Thank you, Hon. Speaker, for giving me the opportunity to support the National Infrastructure Fund Bill. I have been in this Parliament for the last 13 years. To date, we have struggled with budgets and supplementary budgets year after year. The reason is that budgets are projections. We project, as a country, how much revenue we expect to collect to meet our expenditure for a period of time. But based on the actual amounts we collect, we introduce supplementary budgets.

Having the National Infrastructure Fund will help address many stalled infrastructure projects across the country. The Fund is intended to support transport infrastructure, including roads and highways, railway networks, airports and ports. These are high-capital projects and financing them through the Exchequer alone has been a challenge. As we speak today, we have a challenge with the pending bills. Like in the water sector, where I chair the Departmental Committee on Blue Economy, Water and Irrigation, there are many pending bills. The same applies in the roads sector. Our airport infrastructure dates back to the colonial period. You have seen that our neighbours, Ethiopia, are building a modern airport. Rwanda, though a small country, is also building a major airport. If we get this National Infrastructure Fund in place, we will be able to expand our airports, railways and roads.

*(Hon. Elisha Odhiambo and  
other Members consulted loudly)*

In the energy sector, you heard our President the other day...

Hon Speaker, you need to protect me from the loud consultations.

**Hon. Speaker:** Order, Hon. Elisha and your team. Hold your conversations in low tones.

**Hon. Kangogo Bowen** (Marakwet East, UDA): Hon. Speaker, you heard His Excellency the President just recently state that he had an arrangement to build a data centre. There was an engagement between the Government of Kenya and Microsoft. However, when investors came in, they found that the country's power capacity was so limited that it could not accommodate a proposed data centre in Naivasha.

With this Infrastructure Fund in place, we will address power generation in our country and the high transmission lines at the geothermal plant in Naivasha, whose potential remains fully untapped. We can also invest in oil and gas. In Turkana, oil was discovered, but has not been fully exploited because we have relied heavily on investors. Even where investors come in, the Government must still contribute. Many dams and water projects have stalled. This Fund will help revive them.

Lastly, ICT and digital infrastructure, the world is moving towards digitisation. We need to expand our national fibre optic network and digitise Government systems. If we are to attract investors through public-private partnership (PPP) arrangements, the Government must provide seed capital so that the National Infrastructure Fund can serve that purpose.

I support.

**Hon. Speaker:** Hon. Onesmus Ngogoyo.

**Hon. Onesmus Ngogoyo** (Kajiado North, UDA): Thank you, Hon. Speaker. I rise to oppose the Bill. At the outset, let me say that one characteristic of a good law is clarity. On the one hand, the Bill proposes to reduce reliance on borrowing. On the other hand, the Fifth Schedule states that one of the board's functions is to borrow. That is already a contradiction.

Secondly, a good law must demonstrate fairness. That anybody who does not have 15 years of experience, the young people, cannot be eligible to be part of this board. A good law must show fairness. There are young graduates in this country who are economists and can make meaningful contributions to financial matters. When you state that to be eligible to serve on the board, you must have 15 years of experience, some of the Members in this House do not have even that experience, yet they make good laws for this country.

The Bill, as proposed, is very ambiguous. It does not clearly state whether the entity falls under a State corporation framework, is a Treasury instrument, or is a Government-owned enterprise. It simply establishes a board. It lacks clarity. In law, you have to say it. A Fund for what? A good example is when you look at the National Government Constituencies Development Fund (NG-CDF) Board, the drafters of that law and what has come to be of it. First of all, due to the nature of the funds it manages, the board members are approved by Parliament. This Bill does not provide for parliamentary approval of board members. It allows the Cabinet Secretary to gazette. What was hard about stating that, even if they are appointed, they must be approved by this Parliament? We have the power of the purse, given that the word borrowing is mentioned in this Bill. One objective of this Bill is to reduce over-reliance on borrowing.

This House approves the NG-CDF committees and the Board. On the proposed Bill, the Executive appoints and gazettes the same. There is no mention of the National Assembly that represents the people. We represent different constituencies. The Bill talks of doing infrastructure projects. When you talk about commercial viability, Kajiado North might not be viable in certain respects. For instance, regarding dams, where do you leave Kajiado North?

When you talk about commercial viability, not all constituencies need to be commercially viable. Potential is not only in commercial viability. This is another introduction to a Sessional Paper that Members discuss here, focusing on high-potential areas. It is another

way of saying that some areas have more potential than others. Therefore, you will set up a Fund to support those areas. What is even more alarming is that, if you are a Member of Parliament and you lose your seat, you cannot be a member of this board. Why discriminate against Members of Parliament or any other political leaders, like governors?

Many good pieces of legislation introduced for the National Hospital Insurance Fund (NHIF) and approved by this House were enacted when the Governor of Marsabit was the NHIF Board's Chairman. He was commended for introducing good legislation because he was once a Member of Parliament. After losing his seat, he served on the NHIF Board. I have never seen such inconsistent legislation as the proposed Bill before us.

I urge Members of this House not to give one person the power to decide where projects go and which projects should be funded. We are giving the President the ability to use the Fund like a campaign tool. That will be very wrong. This House should approve both expenditure and borrowing. It is against the Public Finance Management (PFM) Act to borrow outside this Parliament. Only Parliament approves borrowing. When county assemblies want to borrow, they must do so under a guarantee from the National Treasury. This law lacks clarity. It is not consistent.

**Hon. Speaker:** Your time is up. Hon. Owen Baya.

**Hon. Owen Baya** (Kilifi North, UDA): Thank you, Hon. Speaker. I stand to support the National Infrastructure Fund Bill. The beauty with Parliament and parliamentary procedure is that Members have an opportunity to read a Bill during the First Reading, debate it during the Second Reading and make amendments during the Committee of the whole House stage. It is at this stage that I hope Hon. Ngogoyo, Hon. Oundo, and Hon. Makali will look at what can improve the Bill. Then bring amendments to the Floor of this House so that we can pass a Bill that is good for the country. When we are at the Committee of the whole House stage, I expect Hon. Ngogoyo to be in the House to propose the measures he mentioned to enrich the Bill.

What I understand from this Infrastructure Fund Bill on borrowing is that, for example, the guys who were given the tender to build the expressway probably had only Ksh10 billion to build it. However, they went ahead and borrowed Ksh100 billion and pumped it into the project. The expressway project is now operational, and they are making a profit as they repay their debt. That debt is not a sovereign debt. It is the project's debt, not the Government's. We have the expressway infrastructure, and we are all proud of it. That is the same concept informing the National Infrastructure Fund Bill. I am giving that information to Hon. Ngogoyo. I know he is a young man with a future. However, on these matters, he should allow experts to think through them.

The Bill proposes an innovative way of raising funds for infrastructure without imposing an additional burden on Kenyans. As proposed, it will not impose a burden on Kenyans. If anyone has a doubt, he should come and thrash it out here during the Committee of the whole House stage so that we can pass a good law.

We need to midwife this country as the 13<sup>th</sup> Parliament for the next generation in terms of infrastructure. When the colonialists arrived, they built infrastructure. The successive governments that have been in power since then have put up some modest infrastructure. We now have an opportunity to leapfrog the country to a higher level of infrastructure. That is why we are proposing the National Infrastructure Fund Bill. The Fund will give us national highways, railway networks, seaports, and water reservoirs for irrigation. It will be used to generate more electricity, transport it, and distribute it. That is what we want to do.

This country needs to expand its infrastructure. Everybody sitting here has encouraged us to look at what Ethiopia has done with its dams and airports. Yes, Ethiopia has done well, and we are proud of our sister country. However, what her nationals did was not just sit, oppose things, and watch them grow on their own. They made deliberate steps to raise funds to get to

where they are now. As a country, we have the opportunity to get to that level through the National Infrastructure Fund.

There has been a lot of talk. Some people have said that the Bill is creating new avenues of debt. I want to assure this House that the borrowing the board will undertake will not add to the sovereign debt we have. That is not in our debt book. That is a safeguard that we have. One of the stages that we discuss serious pieces of legislation like this one is the Committee of the whole House stage. All the guys who have spoken here with very flowery language do not come to the House during that stage. They keep off because they know their ideas will be put to a greater test. That is why they run away. We want them to be in the House during the Committee of the whole House stage. We want to hear their ideas. They should amend the Bill to give Kenya better laws. They should not just sit there and wait to see what happens. We have an opportunity as a party...

*(Hon. Ng'elechei and  
Hon. Mathenge consulted loudly)*

**Hon. Speaker:** Order, Members! Who is the convener of that illegal *Kamkunji*? Hon. Caroli Omondi.

**Hon. Caroli Omondi** (Suba South ODM): Thank you very much, Hon. Speaker. I rise to oppose the proposed legislation on constitutional grounds. I want to pose a question on the constitutionality of this particular Bill. In particular, I am struggling to determine which provision of the Constitution this proposed Fund seeks to actualise or operationalise. In other words, what is its legal anchor, or what are its legal legs? One of my colleagues indicated that it is Article 206 of the Constitution. For the benefit of Members, it would be useful to read Article 206(1)(a) of the Constitution so that we are all on the same page. That Article says:

There is established the Consolidated Fund into which shall be paid all money raised or received by or on behalf of the national government, except money that—

(a) is reasonably excluded from the Fund by an Act of Parliament and payable into another public fund established for a specific purpose.

If that is the Article we are relying on, then we need to be very clear. All money received or raised on behalf of the national Government must be paid into the Consolidated Fund. That would naturally include the proceeds of privatisation. Money raised or received by or on behalf of the national Government and which should be paid into the Consolidated Fund can be excluded by an Act of Parliament. I believe this is what this Bill is trying to do, and be paid into another public fund established for a specific purpose. By specific purpose, it means any purpose other than those listed under the Fourth Schedule of the Constitution.

Consequently, the proposed Infrastructure Fund, being established under Article 206(1)(a) of the Constitution, is by itself a subset of the Consolidated Fund. That is what it would be. It would not be a separate fund. It would be a subset of the Consolidated Fund. It can only then receive and hold funds. It cannot be an avenue for expenditure or investments other than by parliamentary appropriation. Any withdrawals from the Infrastructure Fund, like the Consolidated Fund, must be done only by way of parliamentary appropriation and approval or authorisation. Any withdrawal from the Infrastructure Fund must also be approved by the Controller of Budget. These are constitutional provisions. The Infrastructure Fund, like the Consolidated Fund, is to be administered by the Controller of Budget. That is provided for under Article 228 of the Constitution of Kenya. I would like to read it for the benefit of Members so that we are all on the same page.

Article 228 states that the Controller of Budget shall oversee the implementation of budgets of the national and county governments by authorising withdrawals from public funds under Articles 204, 206 and 207. Article 206 is very significant in this case. It is the responsibility of the Controller of Budget to administer the Fund. Consequently, the proposals in this Bill for a board of directors, a chairperson, a CEO and an administrator of the Infrastructure Fund are, by themselves, unconstitutional from a plain reading of those clauses. If one looks at Section 24 of the Public Finance Management Act, which is being invoked for purposes of appointing an administrator for this Fund, that particular section does not apply to a sub-fund of the Consolidated Fund, because it would undermine the constitutional independence and authority of the Controller of Budget. That section of the Public Finance Management Act applies to other funds, other than those that are subsets of the Consolidated Fund under Article 206. It does not apply to this particular Fund.

Hon. Speaker, because I believe this country needs an Infrastructure Fund, and that it must be constitutional, I propose that the Bill be amended to establish an Infrastructure Fund in compliance with Article 206 to receive and hold the proceeds of privatisation under the administration of the Controller of Budget. We can then establish an investment fund for infrastructure within the Capital Markets Authority framework. There are provisions that can enable this. We only need to apply ourselves. If one looks at Section 25 of this proposed Bill, which speaks about guarantees and related matters, and you read it together with Article 214 of the Constitution.

*(The microphone went off)*

**Hon. Speaker:** Your time is up, Hon. Caroli. Hon. Osoro.

*(Hon. Caroli Omondi  
spoke off the record)*

**Hon. Speaker:** Give him a minute. You know you have five minutes. Compose your thoughts.

**Hon. Caroli Omondi** (Suba South, ODM): Yes. Section 25 of this proposed Bill talks about Government support measures, binding undertakings, letters of support, letters of credit, credit guarantees and similar instruments. If that section is read together with Article 214 of the Constitution of Kenya, where public debt is described, it becomes clear that, for purposes of that Article, public debt means all financial obligations attendant to loans raised or guaranteed, and securities issued or guaranteed, by the national Government. We are, therefore, creating a pathway to more debt. There is no point in denying it.

With those remarks, I forewarn that if we pass this Bill, the courts will declare it unconstitutional.

**Hon. Silvanus Osoro** (South Mugirango, UDA): Thank you very much, Hon. Speaker, for the opportunity to contribute. I hope I still hold the position. Hon. Speaker: Yes. I had given you the opportunity.

**Hon. Silvanus Osoro** (South Mugirango, UDA): Hon. Speaker, I will begin by responding, with tremendous respect, to my colleague and learned senior, Hon. Caroli Omondi. I do not know why he read that particular Article, but left out very vital sections. When one reads Article 206(1)(a), it states that there is established the Consolidated Fund into which shall be paid all money raised or received by or on behalf of the national Government, except money that is reasonably excluded from the Fund by an Act of Parliament and payable to another public fund established for a specific purpose. The key phrase here is 'except money excluded from the Fund by an Act of Parliament'. An Act of Parliament is made by this House. Our

responsibility as a House is enshrined under Article 95 of the Constitution, which gives us the legislative mandate. Once we legislate, we make Acts of Parliament upon assent by the President. Therefore, when Hon. Caroli Omondi tells or misleads this House that if we pass this Bill, it will be entirely unconstitutional, he is running away from his own responsibility.

By passing an Act of Parliament, we give effect to the provision under Article 206(1)(a). That is precisely what we are doing. We must be careful in how we conduct our politics. We all come from regions and represent different places. Across the country, we suffer from poor road networks, especially those of us who represent rural constituencies. We must ask ourselves this question: Do we continue putting this country into further debt through additional borrowing? Do we overburden taxpayers through excessive taxation in order to mitigate the challenges of poor road networks? These are the questions that should be addressed by the proposal for the National Infrastructure Fund. Any person who genuinely wants roads and national development should support this concept of a creative way to raise funds to mitigate this challenge.

The alternatives are only two: Imposing additional taxes or further borrowing. If we do not take those two options, then we must create an innovative mechanism. That is what we are doing through the National Infrastructure Fund. We legislate it, pass it as a Bill, and once assented to by the President, it becomes law.

Therefore, the discussion should focus on the content and structure of leadership, which can be addressed at the Committee of the whole House. Matters such as the governance structure of the Fund can be proposed and refined at that stage. It is, therefore, not accurate to dismiss the entire concept as bad.

With those remarks, I beg to support the Bill and ask the House to support it as it is.

**Hon. Speaker:** Hon. Bensuda.

**Hon. Atieno Bensuda** (Homa Bay County, ODM): Thank you, Hon. Speaker, for the opportunity to add my voice to this Bill. First, I acknowledge that this is a good initiative. However, I have several reservations that must be addressed for the Bill to serve Kenyans effectively and objectively.

First, the Bill does not clearly define the Infrastructure Fund. I find this somewhat ambiguous. From what I have read, the Fund is expected to support roads, energy, transport, air transport and related sectors. The Bill should clearly specify how each segment will be supported or financed. That gap needs to be addressed.

Second, Kenya has two tiers of government, namely, the national Government and county governments. At the same time, several Ministries are responsible for providing infrastructural services as highlighted in the Bill. The Bill must clearly outline the roles and relationship between the national and county governments in delivering services under this framework.

Third, there is the issue of pending bills, which is a major challenge facing this country. These pending bills are not limited to services, but also include infrastructure projects. The Bill should clearly indicate how this matter will be addressed.

Fourth, there is also a significant gap in the governance provisions. The Bill appears to focus heavily on the roles of the board, yet these roles are not clearly anchored in specific laws. Once the Cabinet Secretary is given the mandate to appoint the administrator of the fund, the use of the word 'may' is ambiguous and inauthentic. There is no authenticity in the proposal, and if there is, there should be clear guidance regarding resource mobilisation to protect citizens from the risk of higher taxation and to protect the funds released by the Exchequer. We should also ensure that the bodies charged with the responsibility of offering infrastructural services are not interfered with.

The oversight role of the Controller of Budget is not clearly explained and highlighted. The House should ensure that we eliminate the glaring gaps on how this Fund will be overseen and anchored into law during the Committee of the whole House stage.

The Fund is a good move. We have water shortages, inadequate road networks and issues with our airspace, which have to be addressed. This is a good initiative, but there are many generalities, ambiguities and lack of clarity. The House must ensure that the Bill does not die, but that it includes components that make it functional to serve Kenyans.

Thank you, Hon. Deputy Speaker.

**Hon. Speaker:** Hon. Deputy Speaker.

**Hon. Gladys Boss** (Uasin Gishu County, UDA): Thank you, Hon. Speaker. As I support this Bill, it is important to be clear on why it has come to be. In the 2025 State of the Nation Address, His Excellency the President outlined the major priorities this country must be involved in, in order to move from a developing nation to a developed nation. He made it clear that we need over Ksh5 trillion to move this country forward and we cannot do so using traditional methods. It will take us centuries to develop if we say that we will wait until we have the Ksh5 trillion in our hands. Therefore, we have to find innovative ways of raising funds and that is what the National Infrastructure Fund Bill is all about.

We must be food sufficient to develop. We have to build dams. We have to stop importing food that we can grow. Construction of dams requires money. We have to expand our energy generation and transmission to all parts of the country. That will require funds. We have to improve our road network. Dualling our roads will take 10 years if we fund it through the usual methods of raising money. The National Infrastructure Fund will help us to accelerate our growth. It will give us more avenues of raising money, so that we can improve our road networks, air transport, electricity transmission and promote agribusiness to enable us to grow our country. That can only happen if we modernise.

Kenya is not the first country to do this. Other countries have done it and that is why we use them as examples. We must stop folding our hands and do something to raise funds. We should not assert that the Government should not increase taxes or borrow, yet do nothing to raise funds. The Infrastructure Fund is the surest way to ensure that we move forward as a country.

With those few remarks, I support the Bill.

**Hon. Speaker:** Thank you. Member for Ndia.

**Hon. George Kariuki** (Ndia, UDA): Thank you, Hon. Speaker. I rise to support this very innovative Bill. I want to remind the House of the four characteristics of African economies, which this Bill seeks to address or cure. First, is the inability to raise resources for development. Our country has struggled to mobilise enough resources to develop our roads, airports, dams, energy sector, and other sectors that need to be addressed for this country to flourish. Second, is dilapidated infrastructure. Third, is weak institutions and fourth, is the debt burden. The Bill is trying to cure those four characteristics. We will not achieve a good level of socio-economic transformation if we do not address our infrastructure, which is not just about railways and roads, but entails many other areas.

Last weekend, my Committee Members and I visited the KQ headquarters at JKIA. When we visited the hangar, it was disheartening to see that KQ loses about 10 tyres every day because the runway is in a bad state. The CEO told us that it costs about Ksh7 million to re-tread a tyre. Therefore, they are unnecessarily spending an extra Ksh70 million per day because the runway is in a bad state. If we do not support the Government's innovative ways of raising resources, we will be stuck with bad infrastructure, which will hinder our growth and deprive our people of the quality of life and services they seek from the Government.

I support the Bill. If you allow me, I will donate one minute to Hon. Komingoi, who is a Member of my Committee.

**Hon. Speaker:** You have no time to donate. Hon. Emathe.

*(Laughter)*

**Hon. Joseph Emathe** (Turkana Central, UDA): Thank you, Hon. Speaker. From the onset, I support Clause 4 of the Bill, which is the heartbeat of the Bill. Water reservoirs, irrigation and agribusiness infrastructure are key aspects of the Bill, especially for those of us who hail from the arid and semi-arid lands (ASALs) of this country.

Kenya has entered into various cross-border agreements such as the Kenya-Uganda Peace and Development Agreement and the Kenya-Ethiopia Peace and Development Agreement. Most Kenyan pastoralists, especially those from Turkana, are in Uganda because it has bigger dams than Kenya. Because our livestock lack water and pasture in Kenya, most of them have moved to Uganda. With such a Fund, Kenya will comfortably construct earth dams and contain pastoralist movement.

I want to speak to the Ksh5 billion tree programme. Water reservoirs in the arid and semi-arid (ASAL) areas can help us achieve this programme and combat desertification. I do not want to belabour so much on food security.

Clause 24 of this Bill speaks to project preparation and implementation, specifically on the standards and procedures. I am very eager to see how this Bill will ring-fence this Fund so that it does not end up like the Equalisation Fund and other funds that stall in court or are misused by county governments. For me, the most important thing about this Bill is how the national Government will implement it and how assessment and reporting issues will be disclosed and reported on the Floor of this House.

Thank you, Hon. Speaker. I support.

**Hon. Speaker:** Hon. Dido Raso.

**Hon. Raso Dido** (Saku, UDA): Thank you very much, Hon. Speaker. I rise to support this Bill. It is a game-changer and a landmark. For those of us serving our third term, this is the first time we are thinking out of the box. For too long, we have depended on others to develop our country and make decisions for us. Mobilising resources locally takes away that mandate, which Bretton Woods have given itself, back to the people of Kenya.

Ethiopia and Rwanda are successful because they have focused, systematic mobilisation, a hands-on approach and clear-minded leadership in delivering development for their countries. The dam that the Ethiopians built, and I am happy our President attended that inauguration, was a clear indicator that if a country must move forward, the leadership must take the lead and make the hard decision.

We have heard lawyers like Hon. Caroli Omondi on this Floor say that the Bill violates different articles of the Constitution. If, indeed, that is true, and this Bill is good for Kenya, as lawmakers, we should align it with the Constitution or remove the clauses that violate the Constitution or are not in line with the Public Finance Management Act. We are doing an injustice to this country in the name of democracy. We want development and good social and economic progress, but at the same time, we are blocking what is good.

The four important projects...

**Hon. Kiborek Reuben** (Mogotio, UDA): On a point of order.

**Hon. Speaker:** Hold on, Hon. Raso. Hon. Kiborek, what is your point of order?

*(Hon. Kiborek Reuben  
spoke off the record)*

Give him the microphone. There is one on our right.

**Hon. Kiborek Reuben** (Mogotio, UDA): I rise on Standing Order 95 to call the Mover to reply.

**Hon. Speaker:** Hon. Raso, finish.

**Hon. Raso Dido** (Saku, UDA): Thank you very much. If commercially viable projects for water, energy, roads, and major projects like the Galana-Kulalu succeed, we will do away with the food insecurity issue in this country. I support this Bill. In the Third Reading, Members who oppose certain clauses can bring amendments, but we cannot kill this Bill.

**Hon. Speaker:** Hon. Yakub

**Hon. Farah Yakub** (Fafi, UDA): Thank you, Hon. Speaker, for giving me this chance to also contribute to this debate on the National Infrastructure Fund. I rise to raise some concerns about this Bill. My concerns are mainly about the regional distribution of the investment of this Fund. I have noted with concern that preliminary Part I categorises the kind of investment the Fund is going to make, say in catalytic national infrastructure, including highways, roads, air, seaports, electricity, water reservoirs, irrigation, and agribusiness.

I note that my region, northern Kenya, largely depends on livestock, and that is not captured. Agribusiness means crop business while water reservoir means the damming of rivers. And there is only one river which passes through Garissa County. Additionally, Wajir has no river, and Mandera has a seasonal river. By design, this Fund might lock out the northern area. I want that polished. I request the drafters of this Bill to amend that and ensure that Kenyans from north eastern see themselves in this Bill.

On the same note, Part II of this Bill speaks to the establishment of a board. This is also related to what I have just raised on the distribution of investments. The board consists of members, but it does not outline how regional representation will be tackled. I would like a point stating that not more than two members of the said board should come from the same region to ensure region representation from all regions. This way, we will feel that the area I come from is included. This will not be another sessional paper to marginalise my area.

Before I joined Parliament, a lot of funds were created by this House. These funds include the Road Maintenance Levy Fund (RMLF), which largely supports the Kenya National Highways Authority (KeNHA) and the Kenya Urban Roads Authority (KURA). In northern Kenya, there is only one A-class road. This means that we are locked out from that Fund. This House also created the Tourism Promotion Fund (TPF), and in our area we have zero. We have also been locked out. This Fund was previously the Catering Levy Trustees (CLT). We have been locked out of funds like the Hustler Fund, the Youth Fund and the Uwezo Fund, because they are not Shariah-compliant. We are also locked out of this one.

Whenever a Fund is created in this House, we get goose bumps. We are never sure if we are included in the said Fund. On this, I do not see that. That aspect of regional representation is not captured in this Bill. Additionally, the person managing this Fund behind the curtains is the Cabinet Secretary. So, if the regional representation clause is included, it will be a relief for me.

Part III of this Bill talks of performance evaluation. It talks of the rewards given for positive performance, but it does not talk of negative performance. So, if this board does not meet the expectations of the Kenyan people, how will they be reprimanded? What actions will the Cabinet Secretary take? This part only talks of incentives for them. Are they negative or positive incentives? These are the issues I wanted to raise.

Part IV speaks of reporting and disclosure. It largely talks of reporting of audited accounts and financials. It does not talk about publishing annual financial plans and investments, so that Kenyans are aware of projects before they take off. It does not even talk of the board's remuneration. That should also come out. That is my contribution to this.

Before I support, I explicitly request the drafters of the Bill to make sure that the region I come from is captured to see itself as a worthy contributor to the Fund.

**Hon. Speaker:** Hon. Martin Owino.

**Hon. Martin Owino** (Ndhiwa, ODM): Thank you, Hon. Speaker. Overall, the Bill intends to cure many things going on in this country. We talk of roads, energy and water. I come from the lake region with the largest freshwater lake that can irrigate the whole area and feed all Kenyans. But our hands have been limited because there was no such infrastructure funding to do that. I think that would cure food security.

We also have the Digital Health Authority (DHA) using digital networks to register Kenyans and provide health services to our country. So many remote areas in this country have not been connected to get these services. Having the Fund will cure this process absolutely.

Debt has been mentioned here many times and that the Fund will reduce public debt, so that we can use what we have. One prominent thing here is that the Bill will ensure intergenerational equity. As we talk of infrastructure in this country, the people of my Ndhiwa Constituency have been paying much money for infrastructure made in towns, but there is no road if you go to the ground. If this Bill goes through, we are talking of equity and rural communities will also benefit.

Lastly, these funds can go to the Fund. We will look into it if it is not properly guided. We can do some amendments so that it lives to the management entity of this Fund. However, withdrawal must be done in a structured way and approved by Parliament. As other Members have said, we do not want this Fund to go the way other funds have gone. That does not negate the Bill.

I rise to support and urge other Members to support. We can make amendments where there is a lacuna in the Bill. This is a good Bill.

**Hon. Speaker:** Hon. Pukose.

**Hon. (Dr) Robert Pukose** (Endebess, UDA): Thank you, Hon. Speaker.

I stand under Standing Order No.95. We debated this Bill until very late at night yesterday. I remember Hon. Oundo and Hon. Makali wanted to contribute and we said that we could extend it to today. They have made contributions. I can see we are repeating. Some of us have been here since yesterday. We now ask that the Mover to be called upon to reply because we are starting to repeat ourselves. We have exhausted this Bill. We will still make some amendments during the Committee of the whole House stage. The Member raising a hand has already spoken to the Bill.

**Hon. Speaker:** Take your seat. What is it, Hon. Kaguchia? I am inclined to put it to the House.

**Hon. Kaguchia John** (Mukurweini, UDA): Hon. Speaker, I was among the people who were here last night, up to very late in the night. I was with Hon. Oundo, Hon. Makali and Hon. Ngogoyo. I have not spoken to this Bill even though the presiding Hon. Temporary Speaker put me on *The Hansard* as the first Member to open the Floor this afternoon. It would be unfair to close without my contribution.

**Hon. Speaker:** Take your seat. Hon. Members, the Member for Njoro has been repeatedly asking me for a chance.

*(Hon. Charity Chepkwony  
stood in her place)*

Hold on, Hon. Charity. I have not given you the opportunity. Take your seat. I will give a chance to Hon. Kaguchia.

*(Several Members raised their hands)*

Put down your hands. I will give Hon. Kaguchia a chance, and then Hon. Charity. Then, I will put it to the House to decide whether you want the Mover to be called upon to reply. Hon. Kaguchia.

**Hon. Kaguchia John** (Mukurweini, UDA): Thank you. It is my considered opinion that the Bill is so faulty that it cannot be amendable. I propose that we withdraw the Bill and redraw it constitutionally. I say this because I am not opposed to raising funds, not at all. That is not a problem. I can see most Members make their contributions looking at how we will raise funds. That is not a problem.

Hon. Speaker, I am also not opposed to development in various sectors and regions in the country. If we have to raise funds, my concern is that we have to do it competitively. If we will engage in the sale of assets of the country, it must be done with public participation. Competitively, it must be subjected to competitive market forces. That is why a Member suggested that it must be taken through the Capital Markets Authority.

The National Assembly having no control on how the Fund will be used is the other issue I consider very important. We are seeking to create another body that will raise funds through the sale of assets, borrowing and other means. The body will also have control on how to use the Fund after it has raised funds. This will be done without the input of the National Assembly. Hon. Members, I want you to consider that we oversee over Ksh3 trillion in our budget. The Fund we are creating will collect up to Ksh5 trillion, decide and choose projects that will be implemented in this republic without our input as the National Assembly or representatives of the people. I think we are neutralising the National Assembly by doing this. We are doing away with its authority as well.

Hon. Members, will you be present in the Board meetings where the funds will be appropriated? That is bestowing excessive executive control over the major fiscal instrument that we are creating here. The Executive will appoint the board that will report vertically to the Executive. The Executive, not the Salaries and Remuneration Commission, will consider the remuneration of the board and the staff. It is unconstitutional.

The Board will also steer policy direction and is vested in the Executive and has been given sweeping powers. Why is the Cabinet Secretary sitting at the centre of every control lever if the board will handle billions, borrow as stated in Clause 5(2)(c) of the Bill, prioritise projects, and structure infrastructure financing? That is not oversight. That is consolidation. We must know that consolidation always precedes abuse and misuse.

The Bill will create a parallel borrowing channel. The Office of the Auditor-General had already raised reservations to the Bill. They publicly warned that the Bill contains oversight and legal gaps, especially on unchecked borrowing. We cannot create a financial engine powerful enough to shape national development yet weak enough in accountability to escape Parliament. The oversight mandate, power and authority of this House will be diminished if this Bill goes through and we vest the control of Ksh5 trillion in this board.

I am not opposed to us collecting money or getting funds to do projects. Let us get it and do it the right way. This Bill is so faulty that it cannot be amended because it goes against every tenet of the Constitution of this republic. The people who drafted our Constitution came up with all controls. If you look at our values...

**Hon. Speaker:** Your time is up. Hon. Kathambi.

**Hon. Charity Chepkwony** (Njoro, UDA): Thank you, Hon. Speaker, for this chance to make my contribution in relation to the National Infrastructure Fund Bill. My first convincing factor is the purpose of the Fund which has been set very clearly. As I was going through the purpose of the Fund, I noted that it talks about accelerating the development in this country in relation to national highways, railways, air, seaport, electricity generation, transmissions, distribution, irrigation, and issues of water. That alone convinces me that this is the right thing to be done.

I stand here today as the Member of Parliament for Njoro Constituency in Nakuru County. In Nakuru County, we have the biggest dam called Itare Dam. Its construction has stalled for very many years because the Ministry of Water, Sanitation and Irrigation does not have a budget and money for this dam. Nakuru County and the surrounding counties hoped to benefit from this Itare Dam. But as I stand here today, it has totally stalled. There are also many roads that would benefit from such a fund and deliver my people from problems. I have one of the mega roads, that is Elementaita-Narok Road, which has also stalled. I get worried when I see anything new and good for Kenyans coming up, and I really feel furious when I see some Members fighting such good ideas. Let us stand for it and support it.

Another reason which convinces me that this Bill must be supported is that in the whole country, most businesses of Kenyans were really affected, especially after COVID-19. If we can have a fund that ensures that there is no more taxation burdening Kenyans, that would be a success story for us. It would be supportive. Most projects in this country have stalled because we have insufficient funds. Therefore, I am standing here to support this Bill.

I know that where we have an airstrip in Njoro Constituency, we were supposed to have an airport. Nakuru County is like the centre of the whole region in that part of our country. It is also the centre of many agribusinesses in flower farms. Most of the time, they experience many challenges because of transport. Therefore, I have a right to support this Bill as quickly as possible.

My comments would only be on the matters of the board of directors. Sometimes in appointments of members of boards of directors in this country, some special groups are often forgotten. Therefore, when the Bill is successful and we get to such a time, we would request that persons with disability (PWDs) and women should be considered. I sincerely support this Bill because when I was going through the role of the board of directors, I realised they will have an investment policy which will give them a platform to come up with priorities of the project, and also the plans of the development for the whole country. This means that with this Bill, the burden or increasing taxes that Kenyans have undergone will be made lighter. This is, therefore, a good Bill. I think it will make our country better. It will ensure that every part of this country is considered.

**Hon. Speaker:** Your time is up. Hon. Kamene, take your seat. Hon. Members, I will go back to the issue raised by Hon. Pukose, and put it to the House that the Mover be called upon to reply.

*(Question, that the Mover be called upon to reply, put and agreed to)*

Mover.

**Hon. Kimani Ichung'wah** (Kikuyu, UDA): Thank you, Hon. Speaker. Let me begin by thanking the many Members who have contributed. A special thanks to the many who have supported this Bill without any reservations, and the five Members who have opposed this Bill. Only five Members have opposed this Bill since we began its debate yesterday afternoon.

Listening to the contributions through from yesterday, and taking into consideration the issues that have been raised by many of the Members, there are a few salient issues that have come out. One, there is a claim that there is weak oversight in this Bill. That is not only incorrect, but very misleading. I thank the Whip of the Majority Party because when I went to have a cup of tea, he responded to Hon. Caroli Omondi on what I had raised on the constitutionality of this Bill. It is important to mention that if any Member feels any legislative proposal before this House is unconstitutional, they have every right to raise that with the Hon. Speaker at any point, in line with our Standing Orders. So far, I am not aware of such. I am sure that had anyone felt that there was anything unconstitutional in this Bill, they would have

raised it with you. Therefore, there is absolutely nothing unconstitutional with this Bill. It is anchored on Article 206 of the Constitution.

I agree with the Whip of the Majority Party that what Hon. Caroli Omondi was reading was very selective. He did not read the one that creates the exception to the Consolidated Fund. If he had read 206(1)(a), it says:

Except money that is reasonably excluded from the fund by an Act of Parliament.

This Bill is creating such Act of Parliament. The National Infrastructure Fund Act is only a Bill now pending approval by ourselves. Besides Article 206, Article 229(4)(b) of the Constitution grants the Auditor-General the mandate to audit the accounts of all public funds; all of them. When the Auditor-General audits all public funds, including the National Infrastructure Fund, should it be established upon passage of this Bill, that fund shall – not may – shall be audited by the Auditor-General. What does the Auditor-General do with his reports? He brings those reports to the National Assembly. Therefore, your effective role of oversight is guaranteed in the Constitution under Article 229(4)(b), through the Office of the Auditor-General. Unless we now want to become the auditors ourselves. We cannot be. Our work is to audit. That is why even the work our audit and oversight committees do is based on reports from the Auditor-General. We cannot be taking over the work of other institutions.

This Bill has a very strong oversight mechanism. Read Clause 26 of the Bill, which states that-

The Cabinet Secretary must submit all annual reports and audited financial statements to the National Assembly.

The National Assembly is you guys. Sorry. You, Members, who are seated here debating and enacting this law.

**Hon. Speaker:** It is good you have corrected yourself. There are no guys here.

*(Laughter)*

**Hon. Kimani Ichung’wah** (Kikuyu, UDA): I was very quick, Hon. Speaker. This is the problem of dealing with teenage children in your house. Even my six-year-old daughter is now calling me ‘bro’.

*(Laughter)*

Clause 27 also obligates the same Cabinet Secretary to publish these accounts. Clause 27(2) also obligates to even publish them on the website. Clause 36(1) provides “to submit to the Auditor-General the accounts of the fund together with statements of income and expenditure for every financial year”. The rest, as I said in line with the provisions of our Constitution, is for you in the National Assembly, not even in the other House, but here in the National Assembly.

The other misconception I heard is that this is another ingenious way of borrowing. That is far from the truth. I had time to explain this to Hon. Oundo after his contribution. I like listening to him and Hon. Makali. They base their arguments on what they have read unlike some of us who have not, and simply oppose for the sake of it. I explained to Hon. Oundo that, unlike what was being said by another Member, who speaks too much in workshops and press conferences opposing everything the Government does, this Fund is an investment vehicle. In fact, Hon. Oundo put it correctly that this Fund is focused on commercially viable projects. The clearest example to all of us here is the Expressway that passes behind this House. I dare anyone to show me where it is in our debt books. It is not there. What happened is that the private equity holders, people with their own capital came and invested in the project. They did not have the Ksh40 billion invested in the Expressway. They leveraged on the small capital

they had, perhaps Ksh5 billion to Ksh10 billion, went to financial and capital markets, raised additional funds and invested in the project. The project is paying for itself. That is why it is not reflected in our national debt books.

That is exactly what we intend to do with the National Infrastructure Fund. If we raise over Ksh100 billion from the Kenya Pipeline Company IPO, which will officially go to the market on Monday, I hope Members will support this Bill so that, by Monday, we have a Fund into which that money will be deposited so that we buttress what the President said here during the State of the Nation Address. He said that proceeds of privatisation will be ring-fenced and channelled into this Fund to grow our economy in the manner I explained yesterday. I do not want to go back to it.

If we get Ksh25 billion out of the Ksh100 billion we will get from the Kenya Pipeline Company IPO and a private investor brings another Ksh25 billion, that gives us Ksh50 billion in equity, shared 50 per cent between the Government of Kenya and the private investor. That can be used, for example, to build a new airport at JKIA. The project will then leverage that capital owned by Kenyans and the private investor. The private investor most likely will be someone with the expertise and capacity to raise funds in global and regional markets. The investor could raise money from pension funds in the global and regional markets and raise Ksh150 billion and we will have a new airport. Yesterday, the Government of Kenya advertised the construction of a new airport at JKIA. The secret to getting that airport is the passage of the National Infrastructure Fund Bill.

I am also glad that even colleagues who have opposed this Bill have used very strong words, calling it unconstitutional, yet none have demonstrated how it is. Some have said it should be shredded because it is unamendable. That is why our constituents elected us to legislate. Legislation is not merely this debate. It happens at the Committee of the whole House. If a Member has credible ideas that will add value to this Bill, the Member is welcome to file amendments with the Office of the Clerk or the Table Office so that they add value to the Bill. If there is anything that should be removed, we are open to that. I listened to Hon. Makali and Hon. Oundo on issues such as the Board setting salaries for staff. If you read the Bill carefully, it states that the Cabinet Secretary may determine a performance incentive for the Board. It says “may” and not “shall”. Legislative drafting language is important. That does not exclude the Salaries and Remuneration Commission from performing its constitutional mandate regarding public officers. However, this remains open to debate. We welcome amendments that may improve the language.

A Member said that the funds we mentioned here such as the Temasek in Singapore, the fund in Dubai, South Africa and Australia are investment companies. This Fund is an investment vehicle for our nation to invest in commercially viable projects or enterprises. Many Members assume that the Fund will finance two kilometres of road in their constituencies. That is not its purpose. It will finance commercially viable projects that can repay themselves. Projects that cannot repay themselves, such as certain local roads mentioned by Hon. Kaguchia in Mukurweini or roads in Kikuyu, Kajiado North, Kajiado West or elsewhere will continue to be funded through the national budget. Nothing in this Fund excludes us from our mandate of budgeting. That is another misconception. I heard somebody, I think it is Hon. Caroli Omondi yesterday night telling another Member that you will now have to kneel before somebody to get anything from this Fund. If you have a commercially viable project, there is no need to kneel before anyone.

The oversight mechanisms in this Bill are solid and do not in any way dilute the mandate of this House. Therefore, I urge Members to contribute. Hon. Makali mentioned the issue of having both a CEO and an Administrator. I agree with him. It is captured in the Committee’s report after the extensive public participation was conducted across the country. I said yesterday that it is important that as we debate, we also glance through the committee’s report.

That is why we charge committees with the responsibility to go out and listen to members of the public through public participation. I must thank the Committee because it did extensive public participation around the country on this Bill. One of the feedback items it got was on the matter of the Administrator and the CEO. Part of the amendments the Committee has proposed in its report is to have either a CEO or an Administrator, and not both. The Committee Chairman will move that amendment.

I believe I have responded to most of the issues raised by Members. Any remaining concerns will be addressed in the Committee of the whole House and at the Third Reading. I urge the House to support this Bill. I am glad that even those who purport to oppose it have acknowledged that they do not oppose the idea of having a National Infrastructure Fund. This is the future. If you read the intent or objectives of the Bill...

*(Microphone switched off)*

I am concluding, Hon. Speaker.

**Hon. Kaguchia John** (Mukurweini, UDA): On a point of order, Hon. Speaker.

**Hon. Speaker:** Yes, Hon. Kaguchia. What is your point of order?

**Hon. Kaguchia John** (Mukurweini, UDA): Hon. Speaker, the Leader of the Majority Party has continuously castigated Members who gave their opinion and contributed to the debate. We have heard him say that Members purport to oppose. Members are not purporting to oppose. Members opposed with the reasons they gave. The Leader of the Majority Party should respect their opinion.

**Hon. Speaker:** Order. That is a matter of semantics. I do not think it goes to the substance of the debate.

**Hon. Kimani Ichung'wah** (Kikuyu, UDA): Thank you, Hon. Speaker. There is nothing worth responding to there at all. I was saying that the purpose of this Fund is in Clause 4. I heard many Members talk about debt. Clause 4(c) of the Bill states that the purpose of the Fund is to reduce reliance on public debt for the financing of commercially viable investments.

**Hon. Speaker:** Wind up, your time is up.

**Hon. Kimani Ichung'wah** (Kikuyu, UDA): That is the entire intent of the Bill, to lift commercially viable infrastructure projects out of the budget and finance them through this initiative.

I, therefore, urge Members to support the Bill. I beg to reply.

Thank you, Hon. Speaker.

**Hon. Speaker:** Hon. Rose Museo, hold on. I want to put the question. Hon. Kamene, take your seat. Hon. Salasya, take the nearest seat.

*(Question put and agreed to)*

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

*(A Member spoke off the record)*

On the same, we have finished the matter. Pardon.

*(Loud consultations)*

She has not even read the second time. What is it, Hon. Oundo?

**Hon. (Dr) Ojiambo Oundo** (Funyula, ODM): Thank you, Hon. Speaker. In view of the great importance of the Bill under consideration, I just want to ask the Leader of the

Majority Party to indulge the Members considering that we have spent the whole morning in the requiem mass of our colleague. A number of our colleagues could be travelling tomorrow in preparation for burial on Friday. Will it be fair? I was just asking if you could indulge us for the Committee of the whole House to be held on Tuesday, next week so as to give Members adequate time to prepare and submit proposed amendments.

Thank you, Hon. Speaker.

**Hon. Speaker:** He has heard you. Go back to Order No.5 and invite the Chairperson of the Budget and Appropriations Committee to lay a Paper on the Table. Hon. Atandi.

### PAPER

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

Report of the Budget and Appropriations Committee on its consideration of the Budget Policy Statement for the Financial Year 2026/2027 and the Medium Term together with a compendium of Departmental Committee reports of the BPS.

Thank you.

**Hon. Speaker:** Let us go to Order No. 6.

### NOTICE OF MOTION

#### ADOPTION OF REPORT ON THE BPS FOR THE FY 2026/2027 AND A COMPENDIUM OF COMMITTEE REPORTS

**Hon. Samuel Atandi** (Alego Usonga, ODM): Hon. Speaker, I beg to give notice of the following Motion:

THAT, this House adopts the report of the Budget and Appropriations Committee on the Budget Policy Statement for the Financial Year 2026/2027 and a compendium of Departmental Committee reports on the 2026 BPS laid on the table of the House on Wednesday, 4<sup>th</sup> March 2026, and pursuant to the provisions of Section 25(7) of the Public Finance Management Act Cap 412 (a) and Standing Order 232 (9) and (10):

- (a) Approves the Budget Policy Statement for the Financial Year 2026 to 2027
- (b) Approves the ceilings for the Financial Year 2026/2027 Budget as contained in the first schedule to the report.
- (c) Makes the policy and financial resolutions contained in the report.

Thank you.

**Hon. Speaker:** Thank you. Order No. 13.

**Hon. Speaker:** There is a school in the Public Gallery. Let us acknowledge their presence. It is Elburgon D.E.B. Secondary School from Molo Constituency, Nakuru County. I hope they are still in the Gallery. If they still there, on my behalf and that of the House, I welcome them to the House of Parliament.

Thank you. Proceed now.

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

**Hon. Kimani Ichung'wah** (Kikuyu, UDA): Hon. Speaker, I beg to move that the Miscellaneous Fees and Levies (Amendment) Bill (National Assembly Bill No.57 of 2025) be now read a second time.

Allow me to take this opportunity to also thank Members of the Departmental Committee on Transport and Infrastructure under the able leadership of Hon. G.K who, just like our colleagues in the Finance and National Planning Committee, took a lot of time to take this Bill through all the stages of public participation and listened to many stakeholders who have interest in the railway development, those that are affected by rail transportation in one way or the other and ordinary Kenyans.

*[The Speaker (Hon. Moses Wetangula) left the Chair]*

*[The Deputy Speaker  
(Hon. Gladys Boss) in the Chair]*

Hon. Deputy Speaker, this Bill proposes to amend the Miscellaneous Fees and Levies Act (Cap. 469) of our laws to strengthen the financial and institutional framework underpinning the railway development levy. As Hon. Members know, currently the Railway Development Levy is established through regulations that were brought by the Cabinet Secretary sometime in the 11<sup>th</sup> Parliament. The amendments in this Bill seek to establish the Railway Development Levy Fund through an Act of Parliament should this Bill come into being. Additionally, the proposed amendments in this Bill seek to expand the use of the Railway Development Levy Fund, or what we popularly refer to as RDLF, to include development, construction, upgrading, rehabilitation and management of railway infrastructure and railway-related transport infrastructure.

The regulations that came from the Cabinet Secretary initially at the inception of this Levy was for the development of the Standard Gauge Railway (SGR). That Levy was to be used for the development of the SGR. What we are seeking to do now is to expand that mandate through an Act of Parliament so that the Levy, as it may be, is not restricted to just development and maintenance of the SGR but to expand it to even take care of other related railway infrastructure and also the Metre Gauge Railway and in the development of rail transportation in this country.

As we move towards a First world nation, we cannot continue doing ordinary things. We cannot continue transporting our people in ramshackle of public transportation or in very unsafe means. We are moving towards a situation where passengers between Ngong Town and the CBD or between Kitengela or Isinya to CBD or those coming from Thika, Limuru or Machakos can use a tram rail. You can alight from the new Jomo Kenyatta International Airport from your flight overseas and go to Kitengela by taking a tram from the airport to Kitengela, Ngong or Kikuyu within a few minutes.

Therefore, the regulation that established the Railway Development Fund had restricted its use to only the development and maintenance of the SGR. Therefore, you could not use it to develop the metre gauge rail. You could not use this Fund to develop, for instance, a passenger tram around the city. This is because we are looking at moving into a First World

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Nation or towards Singapore, as it has been christened. Very soon we will have trams in this city, many urban centres around the city and other towns in the country. We can only do that if we have secure funds to be able to develop such infrastructure. When this Levy started, I cannot remember well, we started at 0.5 per cent and is now almost 1.7 per cent or 1.5 per cent from the last Finance Bill. The way that Fund has grown is now adequate to maintain and construct SGR. It will also help us develop other rail infrastructure and rail-related transport infrastructure including exchange stations in our towns. Many of our towns, including Kikuyu, grew out of a railway station. In fact, when I was growing up, my town, Kikuyu, used to be called *Shesheni*. *Shesheni* was a corruption of station, the railway station town.

Therefore, we will develop more modern railway stations, tram stations, SGR stations, metre gauge stations, and even cargo transportation inland depots along the railway line, either SGR or the metre gauge. What we intend to do with these amendments is to expand, as I said, from maintenance and construction of SGR to development, construction and upgrading; as there are some areas where the Metre Gauge Railway needs upgrading and rehabilitation. There are areas we need to rehabilitate the old railway, and manage the railway infrastructure and railway-related transport infrastructure.

The other intent of the Bill is to create, since you are now converting it under a national plan into a Fund, a board to manage the Fund. The Bill, in a big way, speaks to how the Board will be established. I do not need to go into that. As I said, for context, the Railway Development Levy was initially at 1.5 per cent, not 0.5 per cent as I had indicated, of the customs value of imported goods. Subsequently, through Finance Acts, we have revised that to now two per cent, which we did in the Tax Laws Amendment Act, 2024. It is now expressly provided for in Section 8(2) of the Miscellaneous Fees and Levies Act at two per cent. It moved from that 1.5 per cent to two per cent.

That is why I am saying we can now expand the mandate of this Levy to take care of other infrastructure needs. We constructed SGR Phase One from Mombasa to Nairobi. In the subsequent years, post 2017, we did the Nairobi to what has been christened the railway to nowhere. The SGR went and terminated somewhere after Suswa, around Duka Moja, in a bush somewhere. We cannot afford to continue having that railway terminating somewhere in a bush and it is being christened the railway to nowhere.

That railway must end up somewhere. That railway must get to Kisumu, Eldoret, transport our oil from Turkana to Mombasa, transport our tea from the highlands of Bomet and Kericho to the auction in Mombasa, and must effectively and efficiently transport raw materials from our hinterland to our industries in Nairobi, Mombasa and other major urban centres. That is why we need this Bill like yesterday. That rail cannot be constructed using loans again. It is not going to be feasible. Initially, we had designated this Levy for repayment of that loan for the SGR. Over the years, that has substantially, been reduced and we must look beyond having a levy that only serves the purpose of repayment of a loan. We must leverage these funds to grow that infrastructure in the rail transportation, to finish our SGR to Kisumu, and all the way to our border at Malaba.

We should take another line to Kericho, Eldoret, and all the way to Turkana, linking up to Isiolo, and back to Nairobi and Mombasa. That is the only way we will effectively evacuate the crude oil that will be drilled, courtesy of the approval you gave for the Lokichar wells last week. I can see the Members from Turkana nodding in agreement because they understand that if Kikuyu, Nakuru, Limuru, Thika, Kericho, and Eldoret became the towns and cities they are today due to their growth along the railway line, then Nedapa, Lokichogio, Lokichar and Lodwar must also attain the same status as other towns and cities in the country.

We cannot achieve this without interconnecting our towns, cities, and villages. Doing so will help us address the systemic marginalisation that has persisted in the country. That is why I want to encourage all of us to support this Bill. Since this Levy applies to imported goods

periodically, the Fund continues to grow along with the Levy. Therefore, we have a valuable opportunity to leverage this Levy to raise even more funds globally to finance those large infrastructure projects needed to elevate our country to the next level.

I may sound like repeating myself because I know many Members have read the Bill and have gone through the Report that Hon. George Kariuki tabled earlier this week. Just like I have said about the other Bill, we will consider this Bill in the Committee of the whole House. The amendments that have been proposed by the Departmental Committee on Transport and Infrastructure shall be considered at that point. We shall also consider any that may come from the issues that Members contribute during this debate.

It is also important, because when you create these funds, people may think administrative expenses are an opportunity to go out and spend whatever they want. We are very careful to ensure that, in all these levies, we restrict and embed in this legislation a safeguard to cap expenditure levels beyond which you cannot go. This Bill embeds that strong safeguard to protect the Fund from depletion through administrative expenses, which have been capped at 0.5 per cent of the total Fund, to ensure that the funds are not consumed in the usual office bureaucracies to buy tea, flowers and expensive carpets. This is to ensure that this Fund; the levy that is collected from our imports, go towards the development of rail infrastructure. I look forward to the transformation of this country, which I have no doubts about. I must thank the Members of this House. As the President said during his State of the Nation Address last year, this 13<sup>th</sup> Parliament has a whole chapter in the writing of the history of the transformation of our country. Were it not for the fortitude of the Members of this 13<sup>th</sup> Parliament to withstand the hate-mongering and negativity that has been embedded in our society over the last two to three years, we would not be where we are as a country.

The economy has been resilient because of your sacrifice and focus in doing what is good for the country. Even when we differ, and that is what I was saying in the previous debate about Hon. Oundo and Hon. Makali Mulu, we do so in principle, debate, agree to disagree and at times, agree to agree. That is how we should conduct business in this House. Therefore, for those of us who look at every other legislative proposal coming from the Government, in Government Bills, as an opportunity to oppose and fight for the sake of it, I think you are in the wrong place. It is not my place to tell you that you are in the wrong place. Your constituents will send you back where you belong if you do not act in the best interest of the people who sent you here to legislate, oversee and represent them. Part of that representation is to ensure that you legislate progressive legislative proposals that will improve the lives of the people who have sent you here. This is one such proposal, just like the National Infrastructure Fund is that will speak to the hearts of millions of our people, who today, are languishing in poverty because they have no job opportunities because our economy is so constricted. After all, we have done the same things over and over again, and are expecting different results.

Hon. Deputy Speaker, there is a Member who is fond of speaking in lecture halls to try to look intelligent. When you listen to him, there is a lot of hollowness in what he says. He said that the things we want to do with the National Infrastructure Fund have been done since time immemorial. If you are as educated as you want Kenyans to believe, you should be honest enough to tell them what has been done since time immemorial has not worked in this country. That is why the northern parts of Kenya are the way they are. That is why farmers who work day and night diligently to grow maize and wheat to feed the country in parts of Narok North, cannot transport their produce to the nearest market in Narok Town because of the state of the roads. Our country is where it is because we depend on budgetary allocations only to grow and develop our infrastructure. I agree with His Excellency the President when he says that the biggest problem in this country is leadership. That is what hinders the growth of this nation.

I challenge us, as Members of the 13<sup>th</sup> Parliament. We have exhibited leadership in supporting progressive ideas like the National Housing Levy Fund that is transforming every

corner of our Republic in a big way. You have just passed the Second Reading of the National Infrastructure Fund Bill. You will bear me witness, in the next few years, that it will be a critical investment tool in the transformation of our Republic. When we go for elections next year, we will talk of new Standard Gauge Railways (SGRs), courtesy of Railway Development Fund Bill; new airports, courtesy of the National Infrastructure Fund Bill and many other developments, including the dams that Members from the Northern part of Kenya and the Coast spoke to. Hon. Harrison Kombe said that certain parts of Magarini are productive, but they cannot grow food because they do not have water. They can harvest it. Galana Kulalu Project can feed half of our country today. All we need is water.

The President said something about rain and water last year. People made fun of it. They said President Ruto had told them they do not need rain but water which is true. You need rain to provide you with water. If you can have reservoirs for water to irrigate our farmland, we can feed this country and avoid the shame of Kenyans living without food or the indignity of feeding our people with relief food.

Hon. Deputy Speaker, let me not belabour those many points. I beg to move and urge all of us to support this very progressive piece of legislation. When you pass this Bill, your place in history and heaven, is secure. You are doing God's work by improving the lives of Kenyans. They have charged you with that singular responsibility. They chose you, among many others in your constituency, to come here and legislate to improve their lives. Do not politicise it. Do not just oppose the business of the House for the sake of it. Legislate for the future of our country, our children and generations to come.

I beg to move and request Hon. GK, Chairperson of the Committee that considered this Bill, to second. Thank you.

**Hon. George Kariuki (Ndia, UDA):** Hon. Deputy Speaker, I beg to second that this House adopts the Report of the Departmental Committee on Transport and Infrastructure on the Consideration of the Miscellaneous Fees and Levies (Amendment) Bill (National Assembly Bill No.57 of 2025), which I laid on the Table of the House on Tuesday, this week. Pursuant to the National Assembly Standing Order 216 (1)(c), the Departmental Committee on Transport and Infrastructure is mandated, among others, to study and review all legislation referred to it.

Hon. Deputy Speaker, this Bill expands the purpose of the Levy from construction and operation of the SGR network to cover broader railway transport infrastructure needs. This includes financing, development and construction of railway transport infrastructure, safety and economic regulation of railway infrastructure and upon approval, rehabilitation of railway transport infrastructure. The expanded purpose of the Levy supports the Government's objective of mobilising large-scale, and long-term capital for priority railway transport infrastructure by enabling an innovative financing approach anchored on the Railway Development Levy.

This Bill provides that a proportion of the funds not exceeding 90 per cent may be applied to secure additional funding for the railway transport infrastructure. The Bill also caps the administrative costs of the funds at 0.5 per cent, ensuring that the Fund remains primarily dedicated to infrastructure outcomes and financing obligations rather than overheads. The Leader of Majority Party emphasised this point in detail.

Hon. Deputy Speaker, this Bill establishes the Railway Development Levy Fund in the Act and provides that the proceeds of the Levy shall be paid into that Fund. Further, the Bill creates the Railway Development Levy Fund Board, capable of holding assets, entering contracts and performing functions necessary for management of the Fund.

The Bill also sets the board composition, including representation from the principal secretaries responsible for railway transport and finance, the Attorney-General and independent members with expertise in infrastructure finance, law, investment and Public Private Partnerships (PPPs).

The railway infrastructure is a critical enabler of socio-economic development, stimulating economic growth in the country by increasing efficiency and lowering the cost of transporting cargo between major ports on the Indian Ocean Coast and hinterland. Railway infrastructure is a cornerstone of Kenya's integrated national transport policy, guiding multimodal integration for efficient movement of goods and people.

Hon. Deputy Speaker, having considered the submissions and analysed documents presented during the public participation, the Committee recommends that the House adopts the Report on the Consideration of the Miscellaneous Fees and Levies (Amendment) Bill (National Assembly Bill No.57 of 2025).

I beg and urge the House to adopt this Report. I second. Thank you.

*(Question proposed)*

**Hon. Deputy Speaker:** Hon. Members who want to be part of this debate, kindly press the intervention button.

Hon. Timothy Toroitich, Member for Marakwet.

**Hon. Timoty Kipchumba** (Marakwet West, Independent): Thank you, Hon. Deputy Speaker, for giving me an opportunity to contribute on this very important Bill.

I rise to support the letter, the intent and the spirit of the Miscellaneous Fees and Levies (Amendment) Bill (National Assembly Bill No. 57 of 2025). Sitting here this afternoon and listening to the just concluded National Infrastructure Fund Bill and the creation of the Railway Development Levy Fund, I have no doubt that we are on the right trajectory to go to Singapore as a country.

This is extremely fundamental. For the first time as a country, we are adopting innovative financing approaches towards development in this country. More often than not, we have been depending on borrowing to finance our local development projects. Looking at the substance of this Bill, I have no doubt that we have found a model of financing our development project as a country, which at the end of it all, will make us self-sufficient in terms of money for development in this country. This country needs to industrialise and grow in terms of its GDP. We need to employ our people. Albert Einstein said insanity is doing the same thing over and over again, expecting different results. We have to do things differently so that we develop our country.

Clause 4 (e) of the Bill states that for the purposes of this, a proportion of the Railway Development Levy, not exceeding 90 per cent of the Fund, may be used to secure additional funds for purposes of financial development and construction of railway transport infrastructure. This means that we can still use this Fund as a security to borrow additional money to finance our transport infrastructure.

Looking at the history of this country, it has developed along the railway line since 1900, when the railway line was initiated in Mombasa. If you look at Mombasa, Nairobi, Eldoret, Kitale or anywhere where a railway line has passed, there is development alongside that railway line. The sections along the Standard Gauge Railway especially from Nairobi to Mombasa have developed. I have no doubt that even if we have a metro in Nairobi using this Fund it will reflect development within the country.

I am also impressed by Clause 4(e), which states very clearly that the administrative costs of the Fund shall not exceed 0.5 per cent of the Fund. This means that we have capped administrative expenses or costs of this Fund to avoid squandering resources within the usage of this particular Fund. These are catalytic and viable projects towards injecting development in this country. These are the kind of projects we need to do. We need to industrialise as a country.

Currently as we speak, in terms of electricity generation, we have 3,000 megawatts. For this country to develop, we need over 20,000 megawatts to industrialise as a country. I believe that this Fund will catalyse development, especially in the transport sector. Recently, we discovered oil in Turkana. What mode of transport shall we use to transport that crude oil from Turkana to Mombasa? If we use roads as the mode of transport, we shall be putting a lot of pressure on our roads. We need to take care of our roads. Therefore, it is important that we have this Fund in place.

As I finalise, on the issue of oversight mechanisms, we have Article 95 of the Constitution. I have listened to my colleagues contribute to the National Infrastructure Fund Bill. I am sure that someone will raise the issue of oversight with regard to that Fund. The Bill states that the oversight of the Fund shall vest in a Board of Directors. However, even though the oversight of the Fund shall vest in a Board, we must ensure that we oversee the Fund as a House.

We have a good President in office, but we are not sure if we will get another President like William Ruto who will ensure that everything is done in accordance with the law. Challenges may arise in future if we have a dictator in power, yet funds are managed by a board that is not overseen by the House. We have a good President, but we will have challenges if we have a dictator in future who does not appreciate the substance of the law and does not abide by it.

I support the RDLF, which is an innovative financing approach. I have no doubt that this country is headed the way of Singapore in terms of development.

I support the Bill.

**Hon. Deputy Speaker:** Thank you. Member for Dagoretti North, Hon. Beatrice Elachi.

**Hon. Beatrice Elachi** (Dagoretti North, ODM): Thank you, Hon. Deputy Speaker. I also rise to support the Bill. I come from Nairobi where transport is very difficult. Going forward, we may need to introduce light trains, so that we can transform our city and better utilise our time because we spend a lot of time in traffic. The Nairobi Expressway has been a game changer for those going to the Jomo Kenyatta International Airport (JKIA). However, it only benefits those going to JKIA or travelling to Mombasa. What about those who live within the city? We need a cost-effective transport system. If we introduce light trains and trams, we will de-congest the city and save time.

The National Infrastructure Fund is an investment, which will make our country better. The world is at war and the United Arab Emirates (UAE) is suffering. There is a railway line from China to Russia, which passengers use to travel to Moscow. That is why the SGR should extend to Kisumu and Malaba. We should appreciate the President for his bold ideas and his firm stance in actualising them. We constructed the SGR up to Naivasha, but then what? Does it benefit the country? No. Does it benefit *wananchi* who travel to Naivasha? No. It passes through Rongai, yet Rongai residents face transport challenges every day. No one has answers to those questions. We should use our resources prudently.

I hope that the RDLF will spur the Kenya Railways Corporation to think of ways to expand the railway line. I always pass where the railway line is, and as the Majority Leader said, I ask myself what the purpose was. Along that railway line, within five to ten kilometres, we have old women from Kawangware whose land was used. They have never been paid, yet the railway itself is not using the same land. It is very unfortunate for our country.

Even as I support this, Hon. Deputy Speaker, I want to ask Kenya Railways to look back at all the people affected under the SGR, especially the SGR from Nairobi to Naivasha. Many have gone to court, they are crying. If this Levy can help unlock all these payments that needed to have been made, I think that would be a better thing.

Having said that, Hon. Deputy Speaker, the Fund now proposes a Board consisting of a Chairperson appointed by the President, the Principal Secretary, the Attorney-General and

others. In both funds we are trying to establish a team. For example, today roads are being constructed and we are having challenges where agencies, such as Kenya Power, come in and say their lines have been interfered with. The contractor leaves the site and these things happen.

As we establish this, is there a way we can ensure within those clauses, that these agencies are brought in so that when something is done, there will be no bottlenecks, where a Government agency comes in to say you must pay because you are using part of the road where we had placed our lines? This is not just about Kenya Power. Even when we are installing internet cables, we need to think through and ask ourselves how Kenya Power poles can be used to carry internet cables, instead of Kenya Power taking over and telling those installing internet cables to stop, yet that internet service is meant to serve everyone. As we do this, let us include every stakeholder who may come after a project has started and say they are about to interfere. Let us have all of them on the table.

As I finalise, Hon. Deputy Speaker, it is this boldness that will make us be counted. Hon. Ng'eno was bold enough to give us housing. Let us be bold enough to ensure that the roads going to Emurua Dikirr and the railway line that is supposed to pass through Narok are completed, for the sake of remembering the boldness of many Kenyans who wish to see their country grow.

With that, I beg to support.

**Hon. Deputy Speaker:** Thank you. Hon. Chonga.

**Hon. Ken Chonga** (Kilifi South, ODM): Thank you, Hon. Deputy Speaker, for giving me this opportunity to contribute to this Bill. By virtue of being in the Opposition party for a long time, I learned today during the requiem mass, that progress can be impeded because every good new initiative that comes up is first viewed from the opposite side. As the 'youth leader', Senator Dr Oburu Odinga, said in the morning, any air crash involving a politician is assumed to be caused by foul play. We do not even look at it from the angle that any human being can die from it. We look at it from the point that the politician has died.

In the same breath, Hon. Deputy Speaker, I thank Parliament for the opportunity to travel outside the country and see how the world is like. With the naivety in me before, I would have opposed the Railway Levy Fund because I would have assumed it was a scam and a concept to enrich some few people. There are many benefits that come along with this initiative. The Railway Development Levy Fund is going to open up not only the transport market, but it is also going to bring us a lot of income by saving a lot of US dollars which we spend importing fuel. Many people who drive to town will leave their cars at home, take a tram or train and get to the city, work and, in the evening, conveniently go back. This is what we see in many developed countries.

On the issue of congestion in the city, in many cities of the world with very wealthy people who can afford all types of cars, most of them just use trains and leave their cars at home. They only use their cars when going for luxury trips. That way, their towns are very clear and people move freely.

On the Fund, the biggest fear would be its management as some of my colleagues have said. The President needs to take cue. We need to be strict on the management of these levies. I am very sure if a person mismanaging the levy is arrested and punished, that will serve as a lesson to many people. By so doing, it will ensure this country moves in the direction of Singapore. Anybody who looks at this initiative from a negative side, indeed, does not know what Kenya wants, what the future generation needs and the direction countries are taking.

Hon. Deputy Speaker, I stand to support this Bill strongly. Thank you.

**Hon. Deputy Speaker:** Hon. Owen Baya. Try to make it five minutes because there seems to be a number of Members who wish to speak.

**Hon. Owen Baya** (Kilifi North, UDA): Thank you, Hon. Deputy Speaker. This is a moment for Kenya. I like the use of the name Singapore. Every Kenyan now talks about

Singapore, a projection for the future. As a country, we have the ability, willpower and resources available. We can harness our resources to reach where others reached earlier.

Let me look at the key proposed amendments to this Bill so that those who may not know what this Bill is about understand that this is not a new Bill. It is an Amendment Bill. The Railway Development Levy has been there for 12 years. Initially, it was charged at one 1.5 per cent. It moved to 2 per cent.

Secondly, and this is important, on what is this charged? Usually, it is charged on imports of goods. Importers actually pay 2 per cent of the customs value of the goods payable by the importer at the point of entry for home use. That is a very important point. So, how has this Fund performed over the years? Over 12 financial years, the Levy has generated approximately Ksh310.845 billion. It averages about Ksh25.9 billion per year, including the partial year up to 23<sup>rd</sup> February 2026. Total collections recorded are approximately Ksh340.23 billion. That is something fundamental to know about this Fund. It is not a new Fund. It has performed at an average of Ksh25.9 billion per year.

These numbers matter and are very important. They demonstrate that the Levy has scale and, importantly, predictability. We can predict and know that from the Railway Development Levy, we will averagely collect Ksh25.9 billion every year. Those two characteristics are precisely what make it suitable for supporting long-term infrastructure finance. If we know that every year we will collect Ksh25.9 billion which is on record, we can use it to plan ahead because we will have an idea that in the next 12 years, we will collect Ksh340 billion. Therefore, we can plan long-term infrastructure development and that is fundamental. I can see Prof. Oundo is listening keenly. Please listen keenly. On this one, I want to teach you a few things, Prof. Oundo. I can lecture you on a few things and I want to go ahead and inform you.

One of the key proposed amendments is expansion of the purpose of the Railway Development Fund. There is an expansion of the purpose. Therefore, this Bill expands the mandate that refines, expands, and modernises the framework governing the Levy. The framework gets expanded in this amendment so that it fully responds to present realities and future demands as well as the need to develop and improve our railway network.

In this regard, the first key reform introduced by this amendment Bill is expansion of the purpose of the Railway Development Levy Fund to include, this is key and you can take notes Prof, development, construction, upgrading, rehabilitation, management and regulation of the railway infrastructure and related transport system. That is the expansion. That is how it gets expanded.

Secondly is the establishment of the Railway Development Levy Fund Board. The initial levy, and this is very important and fundamental, was just established by the Cabinet Secretary using a Gazette Notice. However, this one is established as a Board. It will have a board that will manage it. It used to be managed by the Cabinet Secretary of the National Treasury and Economic Planning wholesomely but now we have a Board, just like we have the National Government - Constituencies Development Fund (NG-CDF) Board that will now be managing this Fund. That is a second key characteristic.

Now, the most important issue is securing additional financing using the Fund. The Bill proposes an innovative and controlled financing mechanism by providing that not more than 90 per cent of the Fund will be used to secure additional financing for the railway. Instead of waiting for 15 to 20 years for the Fund to accumulate so that after it has accumulated, we say it has accumulated for 15 years and now we want to use it to do a new railway, we can use the present Fund that we have as capital for the development of the future. This approach enables us to responsibly convert part of the long-term stream into capital today. That is very important, converting what we have for capital today so that we can build infrastructure now with the appropriate legal safeguards.

I think I have stated the fundamental issues. What is important is that this is strategic leveraging of existing resources to unlock greater capital for the construction of a transformative railway infrastructure. It will enable the country to accelerate railway development without additional taxes on our citizens. I want you to underline that phrase - without additional taxes on our citizens.

The Board will be accountable to the Cabinet Secretary and Parliament to ensure that the money that they get, even when they invest it or use it to get more funding for development today, there is transparency and accountability. This is established in the new amendment we are supporting. With respect to accountability of the funds, the Board is required to submit regular reports to the Cabinet Secretary in charge of railway transport at least every three months detailing the inflows, outflows and balances of the accounts of the Fund. Additionally, all transactions are subject to the Public Finance Management (PFM) Act, the Public Audit Act, 2025 and other relevant laws. Therefore, transparency, accountability and compliance with the new law remains paramount as we amend this.

Hon. Deputy Speaker, expenses of the Board have been capped at 0.5 per cent of the total Fund to ensure that the funds are not consumed by bureaucracy. Concerning the collection of the Levy, this Bill clarifies that the role of the Commissioner-General of Kenya Revenue Authority (KRA) is to eliminate potential institutional overlaps with the Board. This is intended to enhance operational efficiency in the collection and management of the Fund. This is in line with the Bottom-up Economic Transformation Agenda (BETA) that drives infrastructure development.

Through Hon. Deputy Speaker, I want to convince my friend, Hon. (Dr) Oundo. I like his thinking; he is very objective. Sometimes, he gives us insight into things that we have not seen. We like him for that. You have never opposed anything. You only try to improve what we bring here. That is what leadership is about. This is what I expect you to do in this Bill.

*(Laughter)*

Without pre-empting his debate, I know he is a good Kenyan who wishes this country well. The people of Funyula Constituency were right to elect him. However, I want him to be elected in the United Democratic Alliance (UDA) Party next time, so that he can sit in the think-tank and help us see what we cannot see, improve things and make the country better with the contribution of everybody. I thank him because he will see the light, come closer and help us, especially on an important Bill like this by improving it.

I thank you, Hon. Deputy Speaker. I support the Bill.

*(Hon. (Dr) Ojiambo Oundo spoke off the record)*

You have been mentioned positively, but not adversely.

**Hon. Deputy Speaker:** Hon. (Dr) Oundo will have a chance to contribute. Let us have the Member for Tetu, Hon. Wandeto, Hon. (Dr) Oundo and then Hon. Komingoi.

**Hon. Geoffrey Wandeto (Tetu, UDA):** Thank you very much, Hon. Deputy Speaker, for giving me the opportunity to contribute to this Bill that seeks to amend miscellaneous fees and levies. At the outset, as a country, we have lost 86 years of railway development. The last railway, before the construction of SGR, was completed in 1931. We waited 86 years to construct the SGR in 2017. The expansion of the railway is a good thing. I do not think anybody will oppose it. This Bill seeks to expand the mandate of what was previously the Railway Development Levy to now create Railway Development Levy Fund which will have a Board.

I would like to raise a few points regarding the amendments proposed in the Bill. Clause 3(c)(4A) of the Bill clearly states that the Railway Development Levy Fund Board shall be

established which will be a body corporate with perpetual succession and a common seal. However, Clause 3 (c)(4C) of the Bill talks about the appointment of a secretary to the Board. Following the best practices for all bodies corporate, I propose we do not appoint a Board Secretary but have a substantive Chief Executive Officer (CEO) running the Fund. This will be in line with what we see, including what we have just discussed in the National Infrastructure Fund.

Clause 3 (c) (4E) of the Bill deals with the securitisation of some of the monies in the fund to raise additional funds. This will be our fourth securitisation in this country, following similar processes for the Fuel Levy, the Sports Fund and the National Infrastructure Fund. I stand to be guided, but I believe we do not have adequate regulations and policies on securitisation. Most of the time, we read about these matters in the newspapers. They are left to the Cabinet Secretary to issue these regulations most of the times. Securitisation is very important because it commits future revenues and earnings to a specified contract.

We need to have regulations that can clarify a commercially viable thing that should go to securitisation. What sort of return on investment should we look at? Which return will be paid to the person who will bring additional funds from the securitisation? You know we have, for example, the Talanta Stadium which has been a bit difficult to get the figure of the amount we are going to pay for it as a country. I know we securitised the Sports Fund, but what is its return? What return will the investor who brought the money get annually so that, as a country, we can compare it with other stadia? Would we have been better off to go to a development partner or to borrow locally? As we discuss this securitisation – because it keeps coming up – maybe it is time we tighten the rules around it. I do not know whether there is a Bill that I should think about.

Last on Clause 4(f), I join those who have applauded the capping of 0.5 per cent. This is something very important. We need to see more funds. I do not want to revisit the closed debate on the National Infrastructure Fund, but this is a good thing that the National Infrastructure Fund can borrow and have capping of the administration fees, so that money that is raised from taxpayers is not squandered in all manner of expenditure. So, I support, with those exceptions, especially on the issue of securitisation. There are no clear rules as to how this is going to be administered, not just for this Levy, but for all the other four levies where securitisation has been done.

Thank you very much.

**Hon. Deputy Speaker:** Hon. Oundo.

**Hon. (Dr) Ojiambo Oundo** (Funyula, ODM): Thank you, Hon. Deputy Speaker for this opportunity to comment on the Miscellaneous Fees and Levies (Amendment) Bill (National Assembly Bill No. 57 of 2025). This is nothing new. We are just transitioning from a regulation to an Act of Parliament. I am not convinced of its rationale. What mischiefs and problems is it going to cure? Nevertheless, now that they have decided they want to make it an Act of Parliament instead of a regulation, let us proceed and have a look at it.

I am always nostalgic about trains. I remember Kenya Railways very well. When I first came to Starehe Boys' Centre School, I went to Kisumu and boarded a train up to Railways here in Nairobi and went to Starehe School which made me what I am today. My father left me in the hands of my uncle who used to work for the Kenya Railways and he lived at Muthurwa Railway Quarters. That is where my four years or so were spent. I spent most of my weekends and free time within the Muthurwa Railways set up. So, *najua chuma ya reli na chuma rega rega*. In that period, we could at times board the train from Butere or Yala. I did not have to travel all the way from Sio Port to Kisumu. Many times, whenever I was on school holidays, I would go to visit my cousin and uncle in Mombasa using a train. I felt so sad at one time when that service became unreliable and impossible for me to use. However, I was very happy when we used the SGR in 2024 to go for sports in Mombasa after Baba Raila Amollo Odinga gave

us permission to do so. When the SGR came, it was controversial and he had directed us never to dare board the SGR. So, when Baba said it was okay to board, we boarded. That is the history that I have with trains.

Men all over the world transport goods by railway. The things that are associated with rail transport are, it is the most convenient, cheaper, and safer mode of transport. It reduces traffic congestion all over. The first time I went to UK in 1999, I was amazed at the underground bullet trains. I spent my days taking photos without focusing on what took me there. If you may remember, in the last Parliament, we reviewed the levy from one point something to two point something in order to collect additional money.

One of the questions we asked then and vehemently debated this issue was: where are we taking that money to? The increase from this level to that level was initially justified on the basis that the money was required for the purpose of retiring the loan for the SGR. Up to now, we have yet to receive a clear report on the extent to which that objective has been achieved. I hope the Committee on Special Funds can provide such a report.

The spirit of the amendment Bill is plausible. However, there are obvious challenges that we must consider. The expansion of what the Levy can deliver and undertake is welcome. It could probably be expanded even further. For example, we have spoken about infrastructure, but I have not seen an element of training included. We could expand it to allow for training because we cannot continue importing Chinese personnel to operate the railway for us. If training is undertaken locally, several universities and tertiary colleges could train our people. That is an area that we must examine.

I am somewhat uncomfortable with Clause 3(4), especially Clause 4(a), which establishes a Railways Development Levy Fund Board. In my view, this introduces unnecessary bureaucracy. Under the current legal framework, Kenya Railways already has a clear and largely exclusive mandate for the operation and development of railways. I, therefore, question the need to establish another board when the funds could simply be ring-fenced and channelled through Kenya Railways, with proper checks and balances in place. The Fund could be managed in the same way as other public funds, in accordance with the Public Finance Management framework, instead of creating another layer of bureaucracy that slows decision-making and increases costs without any clear justification.

This is an issue that the Departmental Committee on Transport and Infrastructure should examine carefully. On the one hand, we are reducing state-owned enterprises, boards and parastatals, yet on the other hand we are creating new ones for no apparent reason. That contradiction must be addressed.

If, however, it is insisted that there must be a board, then it will be important for us to examine Clause 4(b)(e), which deals with the number of independent directors and board members to be appointed. What is the procedure for appointing those individuals? In a mature democracy such as Kenya, the appointment process should be democratised rather than left solely to the discretion of the Cabinet Secretary, regardless of the qualifications of those appointed.

The only substantive provision in the Bill is found in Clause 4(e), which deals with securitisation. For all intents and purposes, this is securitisation, and there is no other appropriate term for it. The proposal presupposes that when a certain amount of money has been collected, instead of using it for a specific project or sectional development, it can be raised in a lumpsum and the future revenue streams committed over time to repay it. However, this approach is based on very dangerous presumptions.

First, we do not know the future flow of income or revenue. It is impossible to predict revenue streams 10 years ahead. Even when we conduct predictive modelling, we rarely go beyond five years, because projections beyond that period become increasingly weak and unreliable. Assuming that revenue flows will remain constant, indefinitely and assuming that

the same levels of income will continue is risky. What happens if imports reduce? What happens if we become an export-driven economy where imports decline and the revenue from the Railways Development Levy decreases? How would we then repay funds that have already been securitised and taken in advance?

In effect, we would be creating another non-transparent financial obligation. That has been our argument, although it appears that no one wishes to acknowledge it. We seem to be in a hurry to appear effective, to sound grand and to suggest that we have solved all the problems of this country.

Hon. Deputy Speaker, it is important to solve all problems, but you cannot solve the problems that we have had for 80 years in five years. What is the hurry? Development is gradual. Gradual development has an in-built return mechanism that helps make it sustainable.

Hon. Deputy Speaker, if you read the Medium-Term Debt Management Strategy (MTDS) for the Financial Year 2026/2027 and the Financial Year 2028/2029, the Committee and everybody made remarks, as observed in securitisations concerned; that revenue tying measures, such as securitisation of income streams, may reduce budget flexibility by pre-committing future revenues. We warn and we want this to go on record. Securitisation might look vague and ingenious, but there is a catch. In the event of an emergency, we have no headroom to implement any emergency measures. We must be very careful to ensure that, as we criticize, we have adequate headroom to attend to any emergency or emerging issues. At the right time, we will make amendments to ensure we align the Bill to obvious best market practices. UDA *tawe*.

*(Laughter)*

**Hon. Owen Baya** (Kilifi North, UDA): On a point of information.

**Hon. Deputy Speaker:** What is your point of information, Hon. Owen?

**Hon. Owen Baya** (Kilifi North, UDA): Hon. Deputy Speaker, I like his thoughts on securitisation, that we need to do five years, but this Railway Development Fund has shown us predictability. This is a fund that has been there for the last 12 years. It is not like a new fund. It is not like the seven shillings that we recently added to oil. We have seen its performance at Ksh25.9 billion every year for the last 12 years. Using that data and building on a model, you will be able to say, in the next 12 years, we are likely to do the same. If you look at Kenya's growth, in its imports and exports, you can see that we will probably continue to import for the next 12 years, and therefore, we have a guarantee of the funds.

I also want to inform Hon. Oundo that I want to be nostalgic like him, of the days he used to enjoy the railway. I also want to sit and enjoy a train from Mombasa - Mtwapa - Vipingo Kilifi – Malindi – Lamu - Tana River to the port in Lamu and then connect to Garissa. Having a vision and a way to finance it is how you develop a country. This is equally an opportunity for the coastal people. We started the railway in Mombasa, but we took it upcountry. We now want the railway to start from Mombasa to the North, so that those people can also enjoy that moment. We are able to do that now. I urge Hon. Oundo to give us the benefit of doubt. Many people gave him benefit of doubt as a young man. That is why he is where he is. We want to give this Government benefit of doubt that we are able to get to where we want.

**Hon. Deputy Speaker:** Hon. Owen, I allowed you to inform him but you are now starting to debate again. Next is the Member for Bureti, Hon. Komingoi. Thereafter, I will come to you, Hon. Murugara.

**Hon. Kibet Komingoi** (Bureti, UDA): Thank you, Hon. Deputy Speaker. I will begin from Hon. Oundo's last point on the imagination that five years is not quite enough to do a lot. Five years can also be used as seed time to develop infrastructure thoughts around the railway

system. Whatever is started now may be extended in 10 years' time, as the thinking around infrastructure and development in the country is established.

Secondly, Hon. Deputy Speaker, Hon. Oundo may be reminded that the Kenya Railways is no longer in existence. Probably its extinction was brought about by the government-owned enterprise law, and now we have a Kenya Railways Limited, which is different. Therefore, the Kenya Railways Corporation Act may not be able to support the work that he is proposing be done.

Hon. Deputy Speaker, I support this because it creates and vests power on the Board to carry out the function of identification of projects, and not only identifying, but also executing and financing them. As we speak, the Levy is under the National Treasury. The Constitutional Implementation Oversight Committee is mandated to oversee the levy, but it cannot make any decisions or enter into contracts. This necessitates the creation of the board so that it can contract and make decisions on behalf of Kenyans.

Hon. Deputy Speaker, remember the flooding that happened in Maai Mahiu. It was as a result of the damming of water on the other side of the metre-gauge railway. We might have had so much money in the Levy to fix the railways, but it could not be used to fix the damage caused by the rains. Therefore, the expansion of the scope of this Levy to be used on the metre-gauge railway or any other associated railway activities, including what we have been touting ourselves, the creation of the railway square in Nairobi.

Thousands of people travel using the Standard Gauge Railway from Nairobi to Mombasa. They are then offloaded and left without options to be connected to the City of Mombasa or from Syokimau to Nairobi City. Creating alternative routes along the existing railway lines or developing new lines would be a great idea. This way, the railway will ferry Kenyans who alight from SGR to town to do their business.

When we created the government-owned enterprise, the Kenya Railways Limited, we therefore, in effect commercialised the railway line, similar to how we would build roads, and people bring their vehicles and invest in the road network. This also provides the opportunity for investors to invest within the railway system that has been developed and the railway infrastructure. One can bring their wagons and do business within the railway itself. The Board, being created should provide the capital required and the infrastructure needed. This way, Kenyans will invest not only in the railway system but also into the railway itself. We will create opportunities for Kenyans to work and invest in the businesses that we need.

As I read through the Bill, I came across some issues that need to be thought through. The Bill does not provide clear functions of the board. That is one of the things we should quickly and meticulously clearly define—the functions, term limits of the Board members and their tenure. If we outline this, we will have a clear way of demarcating the appointment, term limits and functions of the Board to the extent of the limits that are provided by the law.

Additionally, we need to outline penalties. This is a huge fund that will be provided to this Board. They will be making decisions on behalf of Kenyans. It is prudent for Parliament to put clear penalty clauses that will safeguard the functions and investments that the Board will make on our behalf.

With that, I support this Bill. I will be proposing these amendments to further improve this Bill for us to invest.

Thank you, Hon. Deputy Speaker.

**Hon. Deputy Speaker:** Thank you. Let us have Hon. Murugara, followed by Hon. Naomi Waqo.

**Hon. George Murugara** (Tharaka, UDA): Thank you very much, Hon. Deputy Speaker. I also rise to support this particular Bill, which is timely. We do not have a lot to talk about when it comes to railways in the country. The history on railways is a chequered one, especially going back to 1896, when the railway, then Uganda Railway, was laid in Mombasa

and somewhere around 1899, it reached Nairobi on its way to Kisumu, and then in Uganda in 1901.

The Hon. Leader of the Majority Party has explained that railways are very important, because wherever a railway passes, a town develops. Major towns developed along the railway line from 1896 to 1901. Right from Mombasa up to the Capital City of Kenya, Nairobi and the Port City of Kisumu developed purely because of the railway. Hence, a railway is very important. We cannot belittle it particularly as the country develops.

However, all these years, we have very little to talk about when it comes to railways, because what became the Kenya-Uganda Railway never made a profit at any one time. The same goes for Kenya Railways, which was the predecessor of the Kenya-Uganda Railway even when we called in South Africans. I remember between 2000 to 2010, some South Africans came over, took over Kenya Railways to try and make it profitable. Nothing came out of it, and they just had to ship back to South Africa.

Therefore, this Bill now tries to ensure that we think outside the box, by ensuring that the railway sector in the country becomes profitable. This is why we are setting up this Fund, so that when we develop Nairobi, the Capital City of Kenya, it will have what are called tramways. These are railways that are supposed to serve the country and they are much better than buses, matatus and boda bodas. We are, therefore, considering strategies to guarantee that tramways service our capital city.

The SGR, which is the latest of the developments the country has had, has also not made any profit. I am not so sure it has, because they say it is a railway to nowhere, terminating somewhere near Naivasha. Nonetheless with this kind of money, we will move it to the rest of the country that is Kisumu and Busia, so that at the end of the day, it becomes transnational; reaches Uganda, Congo, Rwanda and everywhere else.

Additionally, we also need to construct new lines. Let us not follow the old Kenya - Uganda Railway. I know for sure that during the colonial times, the railway was expanded into Taita Taveta. It went all the way to Nanyuki and Meru, but most of these lines do not work anymore. This is the reason there is a provision in this Bill that we will revive and rehabilitate the old lines, which are very important and also put up new ones, because every area of the country is important. We cannot talk about production while some parts of this country are not productive. We will have railways possibly going to North Eastern Kenya, where livestock is the prime factor of production so that we have a way of transporting livestock from North Eastern Kenya to our capital city for export and other uses, using the railway. Also, my constituency, Tharaka. Nothing stops this Bill from extending the railway to Tharaka, so that we can have a mode of transport to bring our grains and produce to the rest of the country.

Two questions were asked by Hon. (Dr) Oundo. The first one was, what exactly is the purpose of this Act when regulations would have been sufficient under the Act, Miscellaneous Fees and Levies Act, 2016? Remember, we have talked about the other Act. We must cushion the money because all funds collected go to the Consolidated Fund, unless there is a specific Act of Parliament that cushions and ring-fences the money into a fund. This is the reason why this Fund is being established this way through an amendment. This will ensure that the money is cushioned to have a fund from which the money can be drawn without having to go to the Consolidated Fund.

The second question he asked was: what is this mischief that goes with securitisation? Securitisation is an innovative way of raising money now so that we get what we want today, and spend a little more time repaying that money. Once we are able to raise this money, we may securitise it and get more money so that we can do a lot more at the present moment in time. Once we achieve that, we have a lull of a certain number of years as we repay back the money. It is an indirect way of borrowing but with guaranteed security.

I know he has raised an issue as to what would happen if this railway does not make money. How do we repay the loans? I do not think that is a principle of investment. We cannot invest here and not make money. Unless we do not make prudent investment. If it is not prudent, we have ourselves to blame and we just have to repay the money the way normal loans are paid.

Therefore, I support this Bill. We may look at any sections that possibly would require amendments, but it is high time we also went into the railway. As we have talked about the Infrastructure Fund which will go to our airports, roads, electricity and water, let us have a fund that will now look at the way we use our railways; not the way they were used in the 1900s, the 30s or the 70s. We now have to look at it afresh. Especially with the SGR, which should now be extending to various parts of the country. Possibly at one time we will have it extending to Somalia.

With those remarks, I beg to support.

**Hon. Deputy Speaker:** Allow me to jump the queue, just to allow Hon. Fatuma Mohammed to give her contribution. She has to go and pray.

**Hon. Fatuma Mohammed** (Migori County, Independent): Thank you, Hon. Deputy Speaker. I sacrificed to be late for my prayers and opening so that at least I could contribute to this.

First, I wanted to take on Hon. Oundo. Unfortunately, he is not here, but I will do it through you. This Fund does exist. As a Chairperson of Special Funds Accounts Committee, this is one of the funds that we look into; we audit it. I stayed here this late for all those reasons. Hon. Oundo asked why we should have a board. We have looked into several funds that do not have boards. Whenever a fund does not have a board, it gives a leeway for corruption to happen. This is because there is no one to look into these funds with seriousness. Again, when it comes to performance of the fund, whenever there is no board, it is a one-man show. It is just the Chief Executive Officer (CEO) or whoever is there, that makes decisions on behalf of the fund. In such cases, that is leeway for corruption and other misleading information about these funds. I therefore agree that the Fund exists and that we need a board. That board will help us in situations where for example, a CEO might come and feel that Migori is not a shareholder. The board can say no to such, that every Kenyan is a shareholder, and railways should go through all these counties.

I also agree with the fact that its purpose will serve. In Clause 4(f) it says that the administrative cost of the Fund shall not exceed 0.5 per cent of the Fund. Most funds that do not have boards come up with figures that do not really make sense, that they spend on particular issues. Whenever you ask them they say that it was not regulated on how much they can spend as the board. This is, therefore, very important. I stand here to say that I support this Levy. I hope that we will pass it. If there is need for any amendments, then they should make sense. Amendments should not be proposed merely for purposes of defeating the Bill. I support the Bill and pray that it passes.

Thank you, Hon. Deputy Speaker.

**Hon. Deputy Speaker:** Hon. Naomi Waqo.

**Hon. Naomi Waqo** (Marsabit County, UDA): Thank you very much, Hon. Deputy Speaker, for giving me this opportunity to add my voice to this very important Bill. I have gone through the Bill and I have been encouraged to support it because it is an Amendment Bill. It confirms that we have been growing because for the past 12 financial years, the RDLF has generated approximately Ksh310.845 billion. That means that it has contributed significantly to our GDP.

I also realised that the Levy was initially implemented at the rate of 1.5 per cent of the value of all imported goods, but was later increased to 2 per cent. That confirms there has been some growth. The past 12 years have demonstrated that we can predict future earnings, with

the hope that once we further improve, we can grow even more. That is why I support the Bill. I encourage other Members to contribute to and support this amendment Bill because it greatly benefits us and the entire country.

The Bill seeks to expand the use of the RDLF to include the development, construction, upgrading, rehabilitation, and management of railway infrastructure and railway-related transport infrastructure. I was brought up in the northern part of Kenya. We had to travel all the way to Nanyuki to see the railway line, which is not even functional today. I hope that we will one day upgrade and establish new railway-related transport infrastructure from Nairobi to Nanyuki, Isiolo, Marsabit, Moyale, and finally to Addis Ababa. That will enable us to conduct meaningful business that will improve our towns, spur development, and strengthen relations between Kenya and Ethiopia. Our businesses will be boosted. We will be assured of continuity in business and growth for our people. I hope that before I expire, I will be able to board a train from Nairobi all the way to Marsabit and beyond.

The RDLF is currently vested in the National Treasury. That is why there is a proposal to establish a Board to manage it as a separate legal entity. Therefore, the Bill seeks to cure the current situation by establishing the RDLF Board, which shall be a body corporate with legal personality to enter into contracts. This will give the entity the necessary autonomy to grow rapidly. We will receive different proposals that will assure us of that development and growth. Once this happens, we will employ many people, thereby creating job opportunities.

The composition of the Board is deliberate to ensure representation of key Government offices while incorporating independent professionals. My only comment here is: when this happens, let us not concentrate only on the areas or regions that are already connected to railway transport, but also make sure that we include all. Parts of northern Kenya, as I said, are going beyond our counties. We must make sure that we open up the areas that have not been opened up as yet. It is also vital to have good representation on the Board and among all the employees. Both should reflect the real face of Kenya, whereby a child from Marsabit or Irelet is given an opportunity to be part of this development.

The working class also contributes to this. We should also reap the fruits of our labour. There is a lot of hope because, as we can see, our country is growing. There is a lot of hope for the future. For many years, we have not been speaking about this, but, today, through the dream of the Kenya Kwanza Administration, we can think of how we can expand the RDLF. We can consider including every part of this country in that development. That way, Kenya can grow together without any part being left behind. That is why, today, I join my President in the dream of making Kenya like Singapore.

With those few remarks, I support.

**Hon. Deputy Speaker:** The Member for Yatta.

**Hon. Robert Basil** (Yatta, WDM): Thank you, Hon. Deputy Speaker. From the onset, allow me to support the amendment of the Railway Development Levy Fund. Look at Ethiopia, India, China, South Africa, and the United Kingdom. All these countries have a railway development fund. There are benefits to this, and the key ones that I see with this particular Fund are de-congestion of roads, safety, and mitigation. On the de-congestion of our roads, currently, if you are travelling from Mombasa to Nairobi, the road is full of trucks. With this particular Fund, and with the Standard Gauge Railway going all the way to Kisumu, we are going to de-congest the roads. We are going to mitigate accidents that come with the congestion of the roads, rather than just the traffic itself. This is what is making us support this particular Bill.

Importantly, the current public debt is at Ksh10 trillion. This is a result of excessive borrowing. With this particular amendment, we are going to reduce pressure on public debt. While I support this particular amendment, I have some observations. If you look at Clause 3A... Let us talk about the modern railway. We finance modern railways. If you go to the United

Kingdom or Italy, you will see metros. In Kenya, what do we have? We have the SGR, which is not electric. We must finance modern railways to ease transport.

Additionally, I have no problem with the clauses of the Bill providing for a board. The board is essential and I support having it in the Bill. Again, I have no objection at all with Clause 4(e) that talks of securing funds to finance other development projects. It is not a bad idea. That is why I say it is important we look for ways not to subject the taxpayer to more borrowing. That is why Clause 4(e) should remain as it is.

On another front, we will make Kenya competitive through the Railway Development Levy Fund. Remember, we are the corridor to landlocked countries to import their products. We are talking of the Republic of South Sudan, Zambia, and the Democratic Republic of the Congo (DRC). They rely on Mombasa as the very solid port to import their products. Kenya has been facing competition from Tanzania because this country has SGR and an electric train all the way from Dar es Salaam to Dodoma.

Having an SGR going all the way to Kisumu or considering having an electric train will make Kenya competitive and more attractive to investors particularly those who want to pursue the line of imports and exports. It will eventually give us a healthy balance of trade or balance of payment by earning foreign exchange in imports and generating revenue.

I have also noted that there will be job creation through the RDLF. The construction of a new railway will generate employment. Many of our youth grappling with unemployment will be employed as a result of the construction of the SGR or a new railway line that will go way beyond Naivasha and Kisumu. Additionally, those who are in the line of farming will get produce from their farms to markets. That is also a way of creating employment. This is particularly to local farmers who rely on farming as a source of income.

On environmental benefits, carbon emissions from the railways and trains are lower compared to trucks. Having the SGR funded by the Levy will support more environmental maintenance. It will lower carbon emissions and protect the ozone layer that contributes to the climate change we have been witnessing over the years. Those are environmental benefits of having this levy. That is why we urge all Members who mean well to the country to support the Amendment Bill.

The other very salient point I see with the amendment Bill is on ring-fencing the Infrastructure Fund. Remember 100 per cent of the Fund will finance road development and expansion. The ring-fencing is also beneficial to us. We will have money to guarantee completion of SGR expansion and introduction of other electric trains that will put us at par with the rest of the world, particularly progressive countries.

I have already given reference to countries like the United Kingdom, the Republic of South Africa that is our neighbour in the SADC region, and Morocco that is at the same level with the Republic of South Africa in supporting foreign direct investment. Having this will put Kenya on the map of progressive nations.

That is why I support the amendments and urge Members to support. Thank you.

**Hon. Deputy Speaker:** Thank you. Member of Magarini Constituency, Hon. Kombe, and then we will be left with Hon. Dick Maungu and Hon. Stephen Mogaka only. Hon. Kosgei, are you contributing to this? Those are the only people left.

Proceed.

**Hon. Harrison Kombe** (Magarini, ODM): Asante Mhe. Naibu Spika kwa kunipatia nafasi hii niongeze sauti yangu katika Mswada huu wa Hazina ya Maendeleo ya Reli.

Kwanza ninachukua nafasi hii kumpongeza Rais wa Jamhuri ya Kenya Mhe. William Ruto kwa maono yake ya kuendeleze nchi hii. Yale maono aliyo nayo, iwapo Wakenya watampa nafasi ya kuyaendeleza na kuyatimiza, basi ninaona tutapiga hatua zaidi na zaidi. Hivyo ninazidi kumwomba Mwenyezi Mungu amjaze na hekima na busara ya kunena na kutekeleza yale yanayowafaa Wakenya na Mungu kwa jumla.

Kiongozi wa Chama cha Walio Wengi humu Bungeni, jinsi anavyofafanua Mswada hii ya maendeleo, ni kitu ambacho kinatusaidia wengine wetu ambao tukiona Mswada wa maendeleo kama huu, moja kwa moja, tunaegemea upande wa kupinga. Lakini kwa hakika tuko hapa na jukumu letu ni kuhakikisha Wakenya wote wanapata haki sawa.

Ninaunga mkono Mswada huu kwa sababu hii ni nafasi ya wale wengine wote ambao hawajapata nafasi za maendeleo katika maeneo yao kuyapata. Niko na fikira kwamba mfuko huu utatuwezesha kupata reli kutoka Mombasa kuelekea Malindi hadi Lamu. Ikifika Lamu, itasaidia kile kilindi cha hapo kusafirisha bidhaa ambazo wakati mwingine huwa zimesafirishwa kupitia Bandari ya Lamu. Sio hayo tu. Tukiendeleza reli tutakuwa tumepanua zaidi hali ya usafiri. Kuna maeneo mengi ambayo yanahitaji reli ili watu wengi waweze kuitumia kwa kusafiri.

Nikizingatia huko nyuma, wakati nilipokuja upande huu kwa ajili ya masomo, reli ndiyo ilikuwa njia ya pekee ya kusaidia wanyonge. Wakati huo ulikuwa unasafiri kwa reli kutoka Mombasa hadi Nairobi. Nauli ilikuwa Ksh6 iwapo ungekuwa kwenye *Second Class* na Ksh1.50 pekee kwenye *Third Class* kufika Nairobi. Kwa hivyo wengi walisaidika kwa kusafiri kupitia njia ya reli badala ya kutumia mabasi. Vile vile reli ina usalama zaidi kuliko njia nyingine za usafiri.

Kwa hivyo Mhe. Naibu Spika, ninawauliza wenzangu tuunge mkono Mswada huu na ifikapo wakati wa marekebisho, turekebishe ili kuendeleza huu Mswada. Tuupitishe ili tupate maendeleo Kenya nzima kwa jumla. Asante Mhe. Naibu Spika.

**Hon. Deputy Speaker:** Hon. Member for Luanda.

**Hon. Dick Oyugi** (Luanda, DAP-K): Thank you very much Hon. Deputy Speaker for giving me an opportunity so that I can also add my voice to this important debate.

One great scholar, Albert Einstein, once said that you cannot do the same thing, the same way and expect different results. That would be some level of insanity. He, therefore, encouraged creativity, innovation, and breaking routines. That is exactly what this Bill is up to. For far too long, as a country, we have been used to specific norms, routines and patterns that have given us no success or breakthrough in what we do. Therefore, this Bill is a great innovation. It is breaking the barriers, trying to bring a new way of thinking in how, as a country, we can break historical barriers that have hindered our development and growth. I have looked at the Bill and it goes a long way in trying to improve our railway infrastructure.

When I was a young boy, many a times we would board a train all the way from western Kenya to Nairobi. It was always an enjoyable moment to ride in a train. Fast forward, this piece of infrastructure collapsed and we relied on a road network which got dilapidated because of inadequate funds to sustain and maintain it.

Therefore, the coming into effect of this Bill that brings in the Railway Development Levy Fund, will help us expand, maintain, and improve our railway infrastructure. It is a great boost to our economy. I thank the Committee for coming up with recommendations which, if implemented, will go a long way in ensuring that we have a fund or a kitty that can help us expand, improve, and maintain our key infrastructure in the railway sector.

For far too long, our country has heavily relied on the road infrastructure. This has led to the serious deterioration of roads. Rail transport was supposed to complement the road transport that we have as a country. There is a proposal that we have a board that will improve on the governance aspect and be in charge of managing the funds and the operations of this kitty. To me, this is a great move because governance is an issue that helps us ensure there is accountability and we are able to follow up on public funds that are put in the hands of accounting officers to ensure there is proper use.

One thing that attracts me is Clause 4, which brings in the issue of securitisation. Many have spoken about many other things about securitisation. That is what Albert Einstein said: that insanity is doing the same thing over and over again expecting different results.

Securitisation has broken norms and routines. It has given us access to extra liquidity, credits, and funds that can help us sort out our infrastructure challenges. For example, when Ksh7 was added to the Fuel Levy, that money was securitised. It has gone a long way in trying to revive all the stalled projects that we have. It is courtesy of securitisation!

Therefore, the fact that the Board can actually spend up to 90 per cent of the kitty on securitisation is a great deal to me. On the other hand, we have a caveat or limit of not more than 0.5 per cent to be used on administration. This will ensure that a huge chunk of the money that shall be raised is used for the maintenance, expansion, and management of this infrastructure.

Earlier on, we had the National Infrastructure Fund, which taught us how we could create a fund which would become seed capital for infrastructure improvement, and infrastructure advancement. It will transform our road network, water and energy sectors. Therefore, this is a very bold move by the Government. I support.

Thank you very much.

**Hon. Deputy Speaker:** Member for West Mugirango.

**Hon. Stephen Mogaka** (West Mugirango, JP): Thank you, Hon. Deputy Speaker, for giving me the opportunity to support this most innovative and progressive Bill that is going to transform the railway transport in this Republic. Those who have travelled know that the most cost-effective mode of transport, particularly for cargo, is either water or railway. Most developed countries like the United Kingdom (UK), the United States of America (USA) and China use railway as their mode of transport, even for passengers.

The SGR was intended to give Kenyans an appetite of how railway transport can transform transportation. Otherwise, we are hitherto locked on road transport, which is not only very costly but also very risky because the fatalities we record on our roads are unforgivable in heaven. Railway services have never been extended to the Gusii region. I celebrate the fifth President of the Republic of Kenya for magnanimously accepting that we should not only extend the SGR from Nairobi, Naivasha to Kisumu but also further to Gusiiland, including a station at Ikonge. You do not know how transport will be revolutionised in that region.

The Gusii region does not lack rain. Our small farms are the most productive and high-yielding. However, farmers are frustrated because they cannot take their produce to the market in good time and cost-effectively. This Fund we are creating today opens opportunities not only to expand the SGR to Ikonge as originally approved by His Excellency the President but also to extend a railway line to Homa Bay County, Migori County, and eventually connecting us to our neighbours in Tanzania through Isebania. This will be a game changer because those who frustrate travellers by thinking that we will rely on buses and shuttles will be shocked. Through railway transport, passengers will reach Nairobi faster and cost-effectively. This will reduce the cost of living, cost of operation, and business costs which will increase the profitability of our businesses, investments and agricultural activities.

If this railway reaches my constituency, all the better. You know Gusiiland is very hilly and rocky. In fact, the Gusii people should wake up now. The best gravel and construction materials for roads like ballast come from that region. I look at my people in Rangenyo and the quarries around Kuura. Railway transport will help investors and ballast manufacturers to load cartons or vessels of ballast that will be used by contractors to improve our roads.

Nyamira County is well-endowed with fruits like loquats, avocados, and bananas. We are the best growers of tea, sugarcane, potatoes, and pineapples. However, this produce is not taken to the market. This Levy we are creating today guarantees my region of railway services. Therefore, our farmers will access markets. There is also brick industry in my county. We are endowed with a lot of wetlands where our people manufacture bricks for construction. These bricks flood the Gusii market and do not get to the construction market in this country. How I wish that

this amendment was passed faster and the railway was installed faster, so that our Gusi bricks could get to the market. They are the most beautiful, best compacted and they are going to change the world.

Hon. Deputy Speaker, the precious stone called soapstone is also found in the mines of Gusiiland. If we extend these railway services to the soapstone manufacturing areas where Hon. Silvanus Osoro and the Bonchari Member of Parliament come from, we are going to get those heavy precious stones easily to the market. Those who do not know how beautiful they are will enjoy Gusi soapstone products the moment they get them, since they are admired all over the world.

Hon. Deputy Speaker, the introduction of a board in this Bill makes it a stand-alone and it is the most transparent and accountable manner of collecting levies and public funds in this Republic. Hon. Deputy Speaker, you were my law teacher. You know that any corporation goes with articles that govern its internal regulation. I heard earlier on people complaining about the borrowing power granted to a corporation. Any corporation has an inherent borrowing power, lest you forget. For example, when a cheque is issued and funds have not been drawn or transferred from one account to the checking account, that cheque risks bouncing and embarrassing that corporation. The bank would have had that discretion relying on the borrowing power in the articles of association to clear that cheque and then offset it with the other accounts which are in credit.

Hon. Deputy Speaker, the introduction of the Board and Board members is a very critical safeguard that ensures that public funds are, as the evangelists would have put it, "*itakuwa chini ya mwamba na mwamba juu yake.*" I really thank the Committee that has designed this. The Board members always have a fiduciary duty to act in the best interest of the corporation. So, worry not, Kenyans that once the Board is established, it is going to be a conveyor of corruption or things of that nature. No, it will not. It is the most transparent way of governance, and it gives the Auditor-General a very good framework to track all the funds that have been given to that Board. It is going to help us grow this country.

Hon. Deputy Speaker, I need not say that our road transport is the most unsafe. Railway transport is the second safest mode of transport and we need to introduce it.

I beg to support.

**Hon. Deputy Speaker:** Member for Karachuonyo. I see it is only Bishop Kosgei left. Are you contributing? Proceed, Member for Karachuonyo.

**Hon. Adipo Okuome** (Karachuonyo, ODM): Thank you, Hon. Deputy Speaker, for the opportunity to add my positive voice in support of this Bill. Railway transport is the cheapest mode of travel. It is also the safest, and if improved, it can be very fast. When I see a fund being created for the improvement of railway transport, it is worth supporting. If a fund is created for the railway infrastructure, we are on the right path. As my colleague was saying, we in western Kenya would love to see the railway line reach us. We have various products that can quickly find a market if the railway is expanded to cover those areas.

This Fund is on the way towards helping areas like ours. I see that a Board is to be created to manage it and that is very good. A number of times, questions arise as to what happens to the revenue we collect. If we narrow down to where that Levy is going to be and the place it is to be managed is the Board, then we know exactly the people we can praise if the result is positive for Kenyans or the people to blame if it is the other way round.

So, for people to have confidence and accept paying the Levy, we are on the right path with this Bill to create a fund that will be solely for railway infrastructure and expansion. I need to support this Bill because of that. I know the SGR is supposed to reach Kisumu and other places in the western part of this nation. The SGR is not electric. I look forward to the day when we can have fully-fledged electric railway transportation so that we can save time while travelling or when transporting goods from one point to another.

Hon. Deputy Speaker, I beg to support.

**Hon. Deputy Speaker:** Hon. Bishop Kosgei.

**Hon. (Dr) Jackson Kosgei** (Nominated, UDA): Thank you, Hon. Deputy Speaker. I start by supporting this Bill for two reasons. It has been proven by countries that developed after World War II that railways became a functional unit in development and a fundamental pillar of economic and military power up to date. It has proven that when those countries paid attention to the development of

railway systems, both in their urban areas and inter-city connections, it improved the country by connecting factors of development with efficiency and at the same time, affordability.

I believe this is where we went wrong at the time of implementing our famous Sessional Paper No.10 of 1965. We went into a very expensive mode of transport and began to lessen the privilege of using the affordable railway system. Second, I support this Bill because of the new direction in terms of administration. We seek to move away from just subsidiary rules to be established by the National Treasury and giving powers by establishing a Board to run it. That means that we are paying attention to its functionality. All the rules that govern all boards and parastatals in the country apply. When the time comes for us to discuss each clause, we will propose amendments to areas where we feel there are some gaps.

I support the Bill. Thank you, Hon. Deputy Speaker.

**Hon. Deputy Speaker:** Mover to reply.

**Hon. Kimani Ichung'wah** (Kikuyu, UDA): Thank you, Hon. Deputy Speaker. Let me again thank the Members who have stayed on until late to contribute to this debate on the Bill. I have had very good support for the Bill and I want to thank all those who have contributed. Even the divergent views that I have heard are geared towards improving the Bill, but not strongly opposing it.

I listened to some of the issues that were raised by Hon. Oundo. I agree with some of them like expanding the mandate of this Fund to also cover training in the railway development sector. If the Chairperson of the Departmental Committee on Transport and Infrastructure is present, that is something worth considering. I will relay that to him if he is absent. Hon. Oundo should quickly draft an amendment to include the training of railway development technicians or experts in the mandate of the RDLF. I agree with Hon. Oundo that it is not fair that we continue to use expertise from outside the country in the development and construction of railway infrastructure in this country.

He raised an issue regarding Clause 3 of the Bill on the procedure for appointing Board members of the RDLF Board. The Bill is quite clear on how Board members will be appointed. I also heard him ask why we are establishing the RDLF Board when the Kenya Railways Corporation could do that work. That is precisely the problem that we are trying to cure. The RDLF has been under the Kenya Railways Corporation, which has been responsible for utilising the funds. The regulations just state that the money will be utilised in the development, rehabilitation, or maintenance of the SGR.

Between 2014 when Phase 1 of the SGR was done and post-2017 when Phase 2A was done, how much maintenance was done? What development has been done? Where have those funds been spent? How have they been utilised? We are establishing a Board to oversee the RDLF. The Board will be competitively recruited, which is in line with what we passed in the Government-Owned Enterprises Act. All boards which manage public resources or Government-Owned enterprises will be competitively recruited. The RDLF is no exception because it manages public money. Therefore, the Board members will be competitively recruited, so that we have adequate safeguards to ensure that money is properly utilised.

Hon. Oundo also said that we have not been able to do many things for over 80 years. It is true because it has been 80 years since the existence of the colonial government. Kenya has been independent for 63 years. Hon. Oundo was asking why there is a hurry to undertake all these development projects within such a short time. He portended that development should be slow and that we should implement projects gradually. That is what is said by those of us who are privileged: those of us who have come from areas that were favoured by Sessional Paper No.10 of 1965 but tell a child, today, in the far-flung corners of North Horr that they should wait for development. They have waited for 60 years! Their grandparents and their parents have waited for 63 years and have not seen that development.

There are children, not just them but also adults, 50 and 60-year-olds in this country who have never seen a railway line. That is the urgency. That is the hurry being questioned. Yes, we are in a hurry because we are late as a country. We are very late. If we have been 60 years late, we should not be another 60 minutes late in establishing this Fund. The Fund will help us leverage the resources and revenues we are raising today to develop our country and take it to the next level.

This is so that the child in North Horr, the child in Lokichar, the child in Illeret, and the child in Marsabit, has similar and equal opportunities as the child in Kid Farmaco Estate in Kikuyu, or Hon. Harry's child in Karen or Lavington. That the child in Magarini has equal opportunity as the child in Westlands. We can only do that if we are in a hurry. If we are not in a hurry, we will be like those who came before us and wasted opportunities. We have been told, and we know, that at independence the Asian Tigers were at the same level as us. We are where we are today, and they are where they are, because of the mentality of leaders like Hon. Oundo who keep asking why we are in a hurry. We must be in a hurry. We are in a hurry to pass these Bills. We are in a hurry to establish these funds. We are in a hurry to take this country to the next level of development for the sake of the children whose parents sent us here to legislate and represent them.

With that, I beg to reply and thank all Members. As I sat in the office and listened to the contributions, I heard very good support for this Bill. I think Members do appreciate the need to be in a hurry to take our country to a First World Nation, and to move away from the ordinary, habitual thinking of the past leaders. Growing up, we were always told there is no hurry in Africa and yet when I walk in the streets of Nairobi, I see a lot of people in a hurry, rushing to catch their *matatu* home or a boda boda. When I walk in the streets of London, I see people leisurely walking to the underground tunnel to catch their train home. We must be in a hurry to get to that level and take our country there.

I beg to reply, Hon. Deputy Speaker.

**Hon. Deputy Speaker:** Thank you. We will put the question tomorrow.

*(Putting the question deferred)*

Next Order.

## MOTIONS

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

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, 5<sup>th</sup> August 2025.

**Hon. Deputy Speaker:** The Chairperson of the Special Funds Committee is not here, so we will defer it.

*(Motion deferred)*

Next Order.

CONSIDERATION OF SESSIONAL PAPER NO. 8  
ON THE NATIONAL AVIATION POLICY

THAT, this House adopts the Report of the Departmental Committee on Transport and Infrastructure on its consideration of Sessional Paper No.6 of 2024 on the National Aviation Policy, laid on the Table of the House on Tuesday, 19<sup>th</sup> February 2026 and approves Sessional Paper No.6 of 2024 on the National Aviation Policy.

**Hon. Deputy Speaker:** We will defer that Order. The Chairperson, Transport and Infrastructure is not here.

*(Motion deferred)*

Next Order.

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

THAT, this House adopts the Fifth Report of the Special Funds 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 laid on the Table of the House on Thursday, 7<sup>th</sup> December 2023.

**Hon. Deputy Speaker:** Chairperson, Special Funds is also not here. So, that will be deferred.

*(Motion deferred)*

Next Order.

UKAGUZI WA ASASI ZA JUMUIYA  
YA AFRIKA MASHARIKI

KWAMBA, Bunge la Taifa liridhie Ripoti ya Kamati ya Utangamano wa Kikanda kuhusu Ziara ya Ukaguzi kwa Taasisi Zisizo Huru Kikamilifu za Jumuiya ya Afrika Mashariki na Ushoroba wa Kati katika Jamhuri ya Muungano ya Tanzania, iliyowasilishwa kwenye Meza ya Bunge Jumatano, 9 Aprili 2025.

**Mhe. Naibu Spika:** Hoja itaahirishwa kwa sababu Mwenyekiti, Kamati ya Utangamano wa Kikanda hayuko.

*(Hoja imeahirishwa)*

Next Order.

REPORT OF KENYAN DELEGATION TO THEE  
147<sup>TH</sup> ASSEMBLY OF THE IPU

THAT, this House notes the Report of the Kenya Delegation to the 147<sup>th</sup> Assembly of the Inter-Parliamentary Union (IPU) and related meetings held in Luanda, Angola from 23<sup>rd</sup> to 27<sup>th</sup> October 2023, laid on the Table of the House on Tuesday, 24<sup>th</sup> February 2026.

**Hon. Deputy Speaker:** The Leader of the Delegation is not here. That will be deferred.

*(Motion deferred)*

Next Order.

REPORT OF KENYAN DELEGATION TO THE  
148<sup>TH</sup> ASSEMBLY OF THE IPU

THAT, this House notes the Report of the 148<sup>th</sup> Assembly of the Inter-Parliamentary Union (IPU) and related meetings held in Geneva, Switzerland from 23<sup>rd</sup> to 27<sup>th</sup> March 2024, laid on the Table of the House on Wednesday, 18<sup>th</sup> September 2024.

**Hon. Deputy Speaker:** That is also deferred. The Leader of the Delegation is not here.

*(Motion deferred)*

Next Order.

ADOPTION OF REPORT ON AUDITED ACCOUNTS OF  
NG-CDF FOR FYS 2016/2017 TO 2021/2022

THAT, this House adopts the Tenth Report of the Decentralized Funds Accounts Committee on its consideration of the audited accounts of the National Government Constituencies Development Fund for the financial years 2016/2017 to 2021/2022 laid on the Table of the House on Tuesday, 2<sup>nd</sup> December 2025.

**Hon. Deputy Speaker:** The Chairperson, Decentralised Funds Accounts Committee is not here. That will be deferred.

*(Motion deferred)*

Next Order.

ADOPTION OF REPORT ON AUDITED ACCOUNTS OF  
STATE CORPORATIONS IN WESTERN REGION

THAT, this House adopts the Fifth Report of the Public Investments Committee on Governance and Education on its examination of the audited financial statements of various State Corporations (Western Region) for the financial years 2018/2019, 2019/2020 and 2020/2021, laid on the Table of the House on Thursday, 26<sup>th</sup> February 2026.

**Hon. Deputy Speaker:** The Chairperson, Public Investments Committee on Governance and Education is not here. That is also deferred.

*(Motion deferred)*

Next Order.

ADOPTION OF REPORT ON AUDITED ACCOUNTS OF  
NG-CDF FOR FYS 2016/2017 TO 2021/2022

THAT, this House adopts the Eleventh Report of the Decentralized Funds Accounts Committee on its consideration of the audited accounts of the National Government Constituencies Development Fund for West Mugirango, Bobasi, Awendo, North Imenti, Kirinyaga Central, South Mugirango, Ugenya, Kieni, Kipipiri, Budalangi and Kiharu constituencies for the financial years 2013/2014 to 2021/2022 laid on the Table of the House on Thursday, 4<sup>th</sup> December 2025.

**Hon. Deputy Speaker:** The Chairperson, Decentralized Funds Accounts Committee is not there. That is also deferred.

*(Motion deferred)*

Next Order.

ADOPTION OF REPORT ON AUDITED ACCOUNTS  
OF VARIOUS STATE CORPORATIONS

THAT, this House adopts the Seventh Report of the Public Investments Committee on Governance and Education on its Examination of the audited financial statements of the following State Corporations for the financial years 2018/2019, 2019/2020 and 2020/2021, laid on the Table of the House on Thursday, 26<sup>th</sup> February 2026—

- (a) The Kenya Law Reforms Commission;
- (b) Kenya Copyright Board;
- (c) National Cohesion and Integration Commission;
- (d) Business Registration Service;
- (e) Nairobi Centre For International Arbitration;
- (f) Kenya Accreditation Service; and,
- (g) National Transport and Safety Authority.

**Hon. Deputy Speaker:** The Chairperson, Public Investments Committee on Governance and Education is not there. That is also deferred.

*(Motion deferred)*

**ADJOURNMENT**

**Hon. Deputy Speaker:** Hon. Members, the time being 7.39 p.m. this House stands adjourned until tomorrow, Thursday, 5<sup>th</sup> March 2026 at 2.30 p.m.

*(The House rose at 7.39 p.m.)*

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