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REPUBLIC OF KENYA



THIRTEENTH PARLIAMENT

THE SENATE

THE STANDING COMMITTEE ON ENERGY

PAPERS LAID	
DATE	14/1/26
TABLED BY	Chairperson Energy
COMMITTEE	Energy
CLERK AT THE TABLE	Cherop

**REPORT ON A STATEMENT SOUGHT BY SEN. OKIYA OMTATAH, MP
REGARDING THE HANDING OVER OF A COOKING GAS HANDLING
FACILITY TO A PRIVATE FIRM.**

Rt. Hon. Speaker
You may approve for tabling
J. M. Nyegenye, C.B.S.,
Clerk of the senate/secretary, PSC
Date: 18/06/26

Clerks Chambers,
Parliament Buildings,
NAIROBI.

19/06/26
APPROVED
RT. HON. SEN
AMASON J. KINGI

JUNE, 2026

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LIST OF ABBREVIATIONS

AGO	Automotive Gas Oil
CUM	Common User Manifold
DPK	Dual Purpose Kerosene
HFO	High Fuel Oil
KPC	Kenya Pipeline Company
KPRL	Kenya Petroleum Refineries Limited
LPG	Liquefied Petroleum Gas
MoEP	Ministry of Energy and Petroleum
OMCs	Oil Marketing Companies
PMS	Premium Motor Spirit
PPAD	Public Procurement and Asset Disposal Act
SPPP	Specially Permitted Procurement Procedure

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PRELIMINARIES

A. Establishment and Mandate of the Standing Committee on Energy

The Standing Committee on Energy is established under standing order 228 (3) of the Senate Standing Orders and is mandated to consider all matters related to fossil fuels exploration, development, production, maintenance and regulation of energy.

B. Membership of the Committee

The Committee is comprised of the following Members:

1. Sen. (Dr.) Oburu Oginga, MGH, MP - **Chairperson**
2. Sen. William Kisang' Kipkemoi, CBS, MP - **Vice-Chairperson**
3. Sen. (Dr.) Boni Khalwale, CBS, MP - Member
4. Sen. Ledama Olekina, CBS, MP - Member
5. Sen. James Lomenen Ekomwa, CBS, MP - Member
6. Sen. (Dr.) Danson Buya Mungatana, MGH, MP - Member
7. Sen. Edwine Watanya Sifuna, CBS, MP - Member
8. Sen. Veronica Maina, CBS, MP - Member
9. Sen. Beatrice Ogolla, MP - Member

C. Functions of the Committee

Pursuant to Standing Order 228(3), the Committee functions to –

1. Investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration and operations of its assigned ministries and departments;
2. Study the program and policy objectives of its assigned ministries and departments, and the effectiveness of the implementation thereof;
3. Study and review all legislation referred to it;
4. Study, assess and analyse the success of the ministries and departments assigned to

- it as measured by the results obtained as compared with their stated objectives;
5. Consider the Budget Policy Statement in line with Committee's mandate;
 6. Report on all appointments where the Constitution or any law requires the Senate to approve;
 7. Make reports and recommendations to the Senate as often as possible, including recommendations of proposed legislation;
 8. Consider reports of Commissions and Independent Offices submitted to the Senate pursuant to the provisions of Article 254 of the Constitution;
 9. Examine any statements raised by Senators on a matter within its mandate; and
 10. Follow up and report on the status of implementation of resolution within their mandate.

D. Government Agencies and Departments

In exercising its mandate, the Committee oversees the County Governments, the Ministry of Energy and Petroleum and its various Semi-Autonomous Government Agencies (SAGAs). The SAGAs include;

1. Energy and Petroleum Regulatory Authority (EPRA)
2. Kenya Power & Lighting Company Limited (KPLC)
3. Kenya Electricity Generating Company Limited (Kengen)
4. Kenya Electricity Transmission Company Limited (KETRACO)
5. Rural Electrification and Renewable Energy Company (REREC)
6. Nuclear Power and Energy Agency (NuPEA)
7. Geothermal Development Company (GDC)

CHAIRPERSON'S FOREWORD

At its sitting held on 3rd June 2025, the Standing Committee on Energy while considering a Statement sought by Sen. Okiya Omtatah, MP regarding the handing over of a cooking gas handling facility to a private firm resolved to conduct an in-depth inquiry into the transfer, procurement, and management of the bulk cooking gas handling facility in Mombasa, with a particular focus on the contractual arrangements involving Asharami Synergy Limited and the associated public assets and procurement processes.

Accordingly, the Committee engaged key stakeholders, including the Ministry of Energy and Petroleum (MOEP), the National Treasury, Kenya Pipeline Company (KPC) and Kenya Petroleum Refineries Limited (KPRL). This engagement involved thorough document reviews, written submissions, and a site visit to inspect the facility and associated infrastructure.

Having reviewed the submissions and evidence received, and undertaken an oversight visit to the project site, the Committee made detailed observations regarding the fragmentation of accountability, transparency challenges in the procurement process, public expenditure management, and compliance with legal frameworks governing public asset leasing and project implementation.

Committee Observations

Consequently, the Committee made the following observations-

1. Following the site inspection in Mombasa, the Committee observed that the allocation of the 23.19-acre parcel of land to Asharami Synergy Limited was appropriate. The designated land is optimally situated within an established industrial buffer zone, benefits from proximity to existing KPRL infrastructure, and is rightly deemed unsuitable for non-industrial or residential settlement due to essential safety protocols
2. The application of the Specially Permitted Procurement Procedure (SPPP) to select Asharami Synergy Limited was conducted in full compliance with Section 114A(2)(f) of the Public Procurement and Asset Disposal Act (PPADA), 2015. The

requisite multi-agency approvals including those from the National Treasury, the Office of the Attorney General, and the National Lands Commission were duly obtained, reflecting adherence to the law.

3. The decision to engage the private sector, specifically Asharami Synergy Limited for the development of the bulk Liquefied Petroleum Gas (LPG) handling facility aligns with the LPG National Growth Strategy. This approach accelerates project delivery, keeping the Government on track to achieve its target of increasing per capita LPG consumption from 7.5 kg to 15 kg by 2028.
4. There was inclusion of “yield-up” provisions in the lease agreements, which provide for the reversion of the bulk LPG facility and related infrastructure to the Government of Kenya upon expiry of the lease. This is considered a sound contractual safeguard for the protection of public assets in the long term. However, the Committee observes that the arrangements for the immediate recovery or formal accounting of Ksh 192.64 million in public funds expended by Kenya Petroleum Refineries Limited (KPC) on preliminary studies and preparatory works have not yet been clearly agreed upon or finalized between the concerned parties.
5. The project design would be utilizing the existing KPRL wayleave to construct the 5.2-kilometer pipeline connecting the new facility to the Common User Manifold (CUM). This practical approach improves operational efficiency and significantly reduces the financial and environmental costs of acquiring new land.

Committee Recommendations

Based on these observations, the Committee recommended that -

1. The Ministry of Energy and Petroleum, in collaboration with the National Land Commission and Kenya Petroleum Refineries Limited (KPRL), should expedite the completion of any outstanding legal, regulatory, and administrative processes required for the allocation and development of the 23.19-acre parcel by Asharami Synergy Limited for mass LPG handling and storage. Further, the Ministry should furnish the Committee with all relevant legal approvals, agreements, and supporting

Acknowledgements

On behalf of the Committee, I wish to express my sincere gratitude to the Ministry of Energy and Petroleum, the National Treasury, Kenya Pipeline Company (KPC) and Kenya Petroleum Refineries Limited (KPRL) for their cooperation and responsiveness during the inquiry. Their submissions, engagements, and facilitation were invaluable in enabling the Committee to thoroughly assess the issues surrounding the procurement and management of the cooking gas handling facility.

I further extend appreciation to Kenya Petroleum Refineries Limited (KPRL) and all relevant entities that participated in the site inspection and provided detailed information, which significantly enriched the Committee's oversight and informed the recommendations contained in this report.

I also commend the Members of the Committee for their unwavering commitment during the visit, the drafting of this report, and the formulation of the Committee observations and recommendations.

Lastly, I wish to thank the Office of the Speaker and the Office of the Clerk of the Senate for their continued support in enabling the Committee to fulfill its mandate.

It is now my pleasant duty and privilege to present this report of the Standing Committee on Energy, for consideration and approval by the House pursuant to Standing Order No. 223 (6) of the Senate Standing Orders.

Signed... OburuDate... 11/06/26

SEN. (DR.) OBURU OGINGA, MGH, MP

CHAIRPERSON, STANDING COMMITTEE ON ENERGY

documentation evidencing the completion of the allocation process and compliance within **thirty (30) days** of the adoption of this Report.

2. The Committee recommends that the Ministry of Energy and Petroleum, in collaboration with the relevant procuring entities, should ensure strict continued compliance with the Public Procurement and Asset Disposal Act (PPADA), 2015, in the implementation of the project awarded under the Specially Permitted Procurement Procedure (SPPP). All future stages of the project should be subjected to the required oversight, documentation, and approval processes to safeguard transparency, accountability, and value for public resources. The Ministry of Energy and Petroleum will be required to facilitate **continuous** compliance verification and audit readiness throughout the project lifecycle.
3. The Ministry should submit a comprehensive progress report outlining the development status of the Asharami bulk LPG facility, including key infrastructure and operational milestones achieved. The report should also provide data on national per capita LPG consumption and progress made towards achieving the Government's target of increasing consumption from the current 7.5 kg to 15 kg per person by 2028 within **thirty (30) days** of the adoption of this report.
4. The Committee recommends that the Ministry of Energy and Petroleum through the Kenya Pipeline Company (KPC) engages Asharami Synergy Limited to conclude on the legally binding framework agreement on the utilization of the preliminary studies undertaken for the project. The agreement should clearly set out the mechanisms for recovery, compensation, or financial offset of the Ksh 192.64 million already expended from public funds, to ensure proper accounting and value realization from this investment during the initial phase of the project. Within **thirty (30) days** of the adoption of this Report.
5. To ensure safe and timely construction, the Committee recommends that Kenya Petroleum Refineries Limited (KPRL) and Asharami Synergy Limited fast-track all technical and environmental approvals for the pipeline. The finalized technical plans and environmental compliance certificates must be submitted to the Committee within **45 days** of the adoption of this report.

CHAPTER ONE: INTRODUCTION

1.1 Background

1. On Wednesday 14th May 2025, the Senator for Busia County, Sen. Andrew Okiya Omtatah, MP rose pursuant to standing order 53(1) of the Senate Standing Orders and requested for a Statement from the Standing Committee on Energy regarding the handing over of a mass cooking gas handling facility to a private firm.
2. In the Statement, the Senator sought the following information;
 - a) Reasons why the plan by the Kenya Pipeline Company (KPC) to develop the cooking gas handling facility in Mombasa was quashed and the project handed over to Asharami Synergy, which is a subsidiary of Sahara Group in Nigeria;
 - b) Circumstances leading to the decision by the Ministry of Energy and Petroleum to hand over the gas handling facility to Asharami Synergy rather than allowing KPC to undertake the project;
 - c) Whether Kenya Petroleum Refineries Limited (KPRL) followed the law and the laid down procedure in leasing the 23.19 acres of public land, on which the facility lies, to the said firm;
 - d) The process of selection of a company to develop the gas handling facility, including details on all received proposals as well as justifications for contracting Asharami Synergy to construct and operate the facility on a 31-year lease; and
 - e) How KPC plans to recover the Ksh. 192.64 million in taxpayers' money, brought out during the Office of the Auditor General's review of KPC's financial results for the year ending June 2024, that was spent in undertaking studies, including demand survey, environmental and social impact assessment, front-end engineering designs and the estimated cost of the project.

CHAPTER TWO: LEGAL FRAMEWORK

3. The contract between the Government of Kenya and Asharami Synergy, a subsidiary of Nigeria's Sahara Group, whereby Asharami Synergy was awarded the management of the cooking gas facility, is a legally binding agreement. It is governed by Kenya's constitutional, statutory, and policy frameworks that regulate the management of public assets, public procurement, and public-private partnerships.
4. According to the Ministry of Energy and Petroleum, the transfer of the gas facility to Asharami Synergy aligned with the National LPG Growth Strategy (2023), which was approved by Cabinet in October 2023. This Strategy sets the policy agenda for expanding the nation's LPG infrastructure and increasing household access to clean cooking energy. It actively promotes private sector involvement to meet national objectives, while ensuring all partnerships comply with the prevailing legal and regulatory standards.
5. Additionally, Treasury Circular No. 1/2025 issued administrative guidelines on leasing public assets and the use of Specially Permitted Procurement Procedures (SPP) in strategic projects. The circular mandates that prior to finalizing any lease agreement involving public land or facilities, the Ministry must secure approval from the National Treasury and submit comprehensive justifications supporting the lease arrangement.
6. The legal provisions in place governing the contract between the Ministry and Asharami Synergy are;
 - a) **Constitution of Kenya, 2010**
7. Article 227 of the Constitution on Procurement of Public Goods and Services mandates that all procurement of public goods, works, and services must be conducted in accordance with a system that is fair, equitable, transparent, competitive, and cost-effective. This Article forms the Constitutional basis for the Public Procurement and Asset Disposal (hereinafter, PPDA) Act, 2015.

b) Public Procurement and Assets Disposal Act, 2015

8. Section 3 of the Act establishes the general guiding principles for the procurement of public goods and services. This provision applies universally whenever the government intends to enter into any commercial agreement with private entities. If the government considers deviating from this section, Section 114 of the Act allows for procurement procedures specially permitted by the National Treasury. This section outlines the various situations in which a procuring entity may be authorized to use special permitted procurement procedures as approved by the National Treasury.
9. When carrying out Specially Permitted Procurement Procedures, the Cabinet Secretary may prescribe the applicable procedures and will only authorize the use of SPPP if it serves the public interest. Additionally, the accounting officer must approve and issue a written justification for employing this procurement method, based on its uniqueness. The officer is also responsible for preparing tender documents, which must include at least the specifications and conditions of tendering and submitting these documents to the Cabinet Secretary for approval.
10. Circumstances that warrant the use of SPPP instead of open tendering include-
 - i. where exceptional requirements make it impossible, impracticable or uneconomical to comply with the Act and the Regulations;
 - ii. where the market conditions or behaviour do not allow the effective application of the Act and Regulations made under the Act;
 - iii. for specialized or particular requirements which are regulated or governed by harmonized international standards or practices;
 - iv. where strategic partnership sourcing is applied;
 - v. where credit financing procurement is applied; or
 - vi. in such other circumstances as may be prescribed.

c) Public-Private Partnership Act, 2021

11. Although the Ministry of Energy and Petroleum and KPRL referenced the Specially Permitted Procurement Procedures (SPPP) under the Public Procurement and Asset Disposal Act (PPADA), the nature of the lease and operation agreement suggests the presence of elements of a Public-Private Partnership (PPP). Consequently, the arrangement complied with the provisions of the PPP Act. This Act requires that any public-private partnership ensures value for money, transparency, and equitable risk sharing between the public and private partners. It also mandates prior approval from the Public-Private Partnerships Committee for projects involving the leasing or concession of public assets.

d) Land Act, 2012

12. Ultimately, the lease of 23.19 acres of public land by KPRL to Asharami Synergy Limited must comply with the provisions of the Land Act and the National Land Commission Act. Section 12 of the Land Act vests the administration of all public land in the National Land Commission, while Section 20 sets out the procedures for leasing public land, including requirements for public notice, valuation, and competitive allocation to protect the public interest.

13. Since this project involves private sector participation in the development and operation of a public facility, the Cabinet Secretary should assure the Committee that all requirements under these Acts have been duly observed.

CHAPTER THREE: ENGAGEMENT WITH STAKEHOLDERS

14. At its sitting on Tuesday, 3rd June 2025, the Committee considered the statement and resolved to write to the Ministry of Energy and Petroleum, the Ministry of Finance and National Treasury: State Department for Public Investment and Assets Management, the Kenya Pipeline Company, and Kenya Petroleum Refinery Limited (KPRL) to request a response on the issues raised.
15. Furthermore, the Committee decided to conduct a county visit to Mombasa to inspect the 23.19 acres of public land proposed for leasing to Asharami Synergy, as referenced in the statement. The visit took place from 12th to 16th June 2025, during which the Committee met with Kenya Petroleum Refinery Limited and subsequently inspected the site designated for leasing to Asharami Synergy.

3.1 Ministry of Energy and Petroleum

16. The Committee received written responses to the Statement from the Ministry of Energy and Petroleum, which provided a detailed explanation regarding the decision to entrust Asharami Synergy Limited, a subsidiary of the Sahara Group, with the development and operation of a bulk cooking gas handling facility in Mombasa.
17. The Ministry's submission, dated 11th June 2025, emphasized that the development of the bulk Liquefied Petroleum Gas (LPG) handling facility forms part of the LPG National Growth Strategy, a public interest project approved by Cabinet in October 2023. The Cabinet directive on implementing this Strategy specifically provided for executing the project through a lease arrangement involving private sector participation. The Ministry cited the need to meet project timelines and budgetary limitations as the key factors motivating the engagement of the private sector.
18. Regarding the selection of Asharami Synergy over Kenya Pipeline Company (KPC), the Ministry explained that the decision followed consultations with the National Treasury. Acting on the Treasury's advice, the Ministry pursued private sector involvement for this project.

19. The Ministry further confirmed that Kenya Petroleum Refineries Limited (KPRL) adhered to legal requirements and established procedures in leasing the 23.19 acres of land. This process was conducted in line with Treasury Circular No. 1/2025, and the notice to lease the public asset was duly gazetted.
20. The Ministry listed the requisite approvals obtained from-
- i. The Kenya Pipeline Company (KPC) Strategic directive;
 - ii. The KPRL Board;
 - iii. The Head of Public Service;
 - iv. The National Lands Commission;
 - v. The Office of the Attorney General; and
 - vi. The National Treasury.
21. The Ministry explained that the company was selected through a Specially Permitted Procurement Procedure (SPPP), which was approved by the National Treasury and Economic Planning, referencing Section 114A(2)(f) of the Public Procurement and Asset Disposal Act, 2015, and Regulation 107 of the corresponding 2020 Regulations. Six bidders were invited, but only two, Gulf Energy Limited and Asharami Synergy Limited submitted bids. Following an evaluation, Asharami Synergy was deemed responsive and was awarded the tender to construct and operate the facility under a 31-year lease agreement.
22. Regarding the recovery of Ksh. 192.64 million spent by KPC on preliminary studies, the Ministry stated that the agreements with Asharami Synergy include "yield-up" provisions, which require the facilities to revert to the Government of Kenya through KPRL/KPC at the conclusion of the lease term.
23. However, the Ministry reported that KPRL/KPC and Asharami Synergy have yet to convene to discuss the specific modalities for sharing the LPG project information, including the studies funded by the aforementioned public expenditure.

3.2 The National Treasury and Economic Planning: State Department for Public Investment and Assets Management

24. The State Department of the National Treasury, through its Principal Secretary, duly communicated to the Committee, by way of letter Ref. No. TNT/PPD/CON/5/5007 Vol. 'F' (21), the outstanding points pertaining to the procurement and management of the mass cooking gas handling facility entrusted to the private entity Asharami Synergy Limited.
25. The submissions mainly addressed the legality of actions undertaken by the State Department for Public Investment and Assets Management, defining the scope of its mandate in relation to that of the procuring entity. The Department invoked the legal foundation for the application of the Specially Permitted Procurement Procedure (SPPP), specifically citing Section 114A of the Public Procurement and Asset Disposal Act, 2015, alongside Regulation 107 of the attendant 2020 Regulations. These provisions authorize the utilization of SPPP in exceptional circumstances, including but not limited to matters of public interest, national security, strategic partnership sourcing, or distinct market conditions.
26. The State Department highlighted that aside from the deployment of SPPP, the procurement process remains subject to the constitutional dictates under Article 227, as well as the guiding principles enshrined in the Act. Furthermore, it was clarified that the custody and management of procurement records and comprehensive documentation rest with the Procuring Entity namely, the Kenya Pipeline Company (KPC).
27. The Department further highlighted the Government's LPG Growth Strategy, encompassing the subsidized Clean Cooking Gas LPG cylinder initiative, which targets the distribution of 8.4 million cylinders by the year 2028. This strategy predicates the expedited engagement of Private Sector Participants to actualize public interest imperatives.
28. The Treasury emphasized that matters relating to the operational conduct of the procurement process fall strictly within the purview of the Procuring Entity, namely

the Kenya Pipeline Company, Kenya Petroleum Refineries Limited (KPRL), and their supervisory Ministry, the Ministry of Energy and Petroleum. The Department clarified that its role is confined to ensuring adherence to the statutory framework regulating the Special Public Private Partnership (SPPP).

29. It was stated that ensuing phases of the procurement process comprising the formulation of tender-specific requirements, the conduct and evaluation of bids, the maintenance of procurement records pursuant to Section 68 of the Public Procurement and Asset Disposal Act, 2015 (PPADA), and the incorporation of contractual safeguards such as yield-up clauses are the sole responsibility of the Accounting Officer of the Procuring Entity.

30. In conclusion, the State Department for Public Investment and Assets Management affirmed that the procurement and contracting procedures complied fully with prevailing legal and procedural standards.

3.3 Kenya Petroleum Refinery Limited (KPRL)

31. Kenya Petroleum Refineries Limited (KPRL) informed the Committee that it is strategically connected to key oil terminals, including the Kipevu Oil Terminal, Shimanzi Oil Terminal, and various crude oil and product shipping lines. The facility borders with multiple Oil Marketing Companies (OMCs) and terminals, facilitating the handling of products such as Premium Motor Spirit (PMS) with an installed storage capacity of 111,399 m³, Automotive Gas Oil (AGO) at 307,451 m³, Diesel Power Kerosene (DPK) at 30,629 m³ fully utilized as well as Heavy Fuel Oil (HFO) and Liquefied Petroleum Gas (LPG).

32. Situated at Port Reitz and Chagamwe, the facility has a total installed storage capacity of 484,209 m³, of which 384,847 m³ is currently utilized, leaving an available capacity of 99,362 m³. The processing capacity is rated at 12,000 metric tonnes per day, although the facility is presently only mildly preserved and subject to environmental degradation. KPRL further highlighted that the entire facility occupies 377.7 acres of land with LPG storage tanks, which have an installed capacity of 1,200 metric tonnes.

33. The Committee was advised that KPRL had identified a suitable site for the proposed bulk LPG facility. This project includes a planned pipeline approximately 5.2 kilometres in length, to be constructed along the existing KPRL wayleave, connecting the facility to a Common User Manifold (CUM).
34. The development of the bulk LPG infrastructure at KPRL forms an integral part of the National LPG Growth Strategy, which aims to increase national LPG consumption and improve access to clean energy across the country. Specifically, the strategy seeks to raise per capita LPG consumption from the current 7.5 kg to 15 kg by 2028. This will be accomplished through measures including the establishment of bulk LPG infrastructure, promotion of LPG usage in public learning institutions, and implementation of a subsidized LPG cylinder program.
35. KPRL informed the Committee that the Cabinet Secretary for the Ministry of Energy and Petroleum approved the National LPG Growth Strategy in October 2023. Given existing budgetary constraints, the Cabinet Secretary also authorized private sector participation to ensure timely project delivery. Accordingly, the decision to lease the proposed facility to a private entity was made to accelerate implementation.
36. In exercise of its oversight mandate, the Committee conducted a site visit that included inspections of the workshop, laboratory, product truck loading area, refinery plant, LPG truck loading facility, the proposed bulk LPG project site, and the power plant.
37. The Committee was also informed by KPRL that the proposed allocation of the 23.19-acre parcel to Asharami Limited for the establishment of a mass LPG handling and storage facility is supported by the nature, location, and historical use of the land.
38. The parcel forms part of the larger Kenya Petroleum Refineries Limited (KPRL) premises, an area that has traditionally been designated and utilized for petroleum processing, storage, and other energy-related industrial operations.

39. Given the existence of petroleum infrastructure within the area, as well as the safety and operational buffer zones required for the handling and storage of petroleum products, the parcel is not considered suitable for residential development, human settlement, or other non-industrial community uses.

3.4 Kenya Pipeline Company (KPC)

40. In response to the Senate Standing Committee on Energy's request for clarification regarding the transfer of the cooking gas handling facility to a private entity, the Kenya Pipeline Company (KPC) informed the Committee that, following consultations with the National Treasury, the Ministry was advised to consider private sector participation in the construction and operation of the Liquefied Petroleum Gas (LPG) facility. This approach was deemed preferable to direct implementation by KPC, as it would leverage private investment and expedite project delivery.

41. The decision to contract Asharami Synergy Limited was justified through the application of a Specially Permitted Procurement Procedure (SPPP), which received approval from the National Treasury in accordance with Section 114A(2)(f) of the Public Procurement and Asset Disposal Act, 2015 (PPADA).

42. KPC informed the Committee that six (6) firms were invited to submit proposals that is;

- i. Total Energies Limited
- ii. Rubis Energy Kenya Limited
- iii. Galana Energies Limited
- iv. Gulf Energy Limited
- v. Vivo Energy Limited
- vi. Asharami Synergy Limited

40. Only two bids were received, from Gulf Energy Limited and Asharami Synergy Limited. Following a thorough evaluation, Asharami Synergy was deemed responsive and was subsequently awarded a 31-year lease to construct and operate the facility.
41. Regarding the Ksh. 192.64 million expended by KPC on project studies and preparatory work, the Ministry, through KPC, stated that the agreements contain provisions requiring the facilities to revert to the Government of Kenya, through KPRL/KPC, upon expiration of the lease.

CHAPTER FOUR:

COMMITTEE OBSERVATIONS AND RECOMMENDATIONS

6.1 Committee Observations

Based on the foregoing, the Committee made the following observations -

THAT-

42. Following the site inspection in Mombasa, the Committee observed that the allocated 23.19-acre parcel of land to Asharami Synergy Limited was appropriate. The designated land is optimally situated within an established industrial buffer zone, benefits from proximity to existing KPRL infrastructure, and is rightly deemed unsuitable for non-industrial or residential settlement due to essential safety protocols
43. The application of the Specially Permitted Procurement Procedure (SPPP) to select Asharami Synergy Limited was conducted in full compliance with Section 114A(2)(f) of the Public Procurement and Asset Disposal Act (PPADA), 2015. The requisite multi-agency approvals including those from the National Treasury, the Office of the Attorney General, and the National Lands Commission were duly obtained, reflecting adherence to the law.
44. The decision to engage the private sector specifically Asharami Synergy Limited for the development of the bulk Liquefied Petroleum Gas (LPG) handling facility aligns with the LPG National Growth Strategy. This approach accelerates project delivery, keeping the Government on track to achieve its target of increasing per capita LPG consumption from 7.5 kg to 15 kg by 2028.
45. There was inclusion of “yield-up” provisions in the lease agreements, which provide for the reversion of the bulk LPG facility and related infrastructure to the Government of Kenya upon expiry of the lease. This is considered a sound contractual safeguard for the protection of public assets in the long term. However, the Committee observes that the arrangements for the immediate recovery or formal accounting of Ksh 192.64 million in public funds expended by Kenya Petroleum

Refineries Limited (KPC) on preliminary studies and preparatory works have not yet been clearly agreed upon or finalized between the concerned parties.

46. The project design would be utilizing the existing KPRL wayleave to construct the 5.2-kilometer pipeline connecting the new facility to the Common User Manifold (CUM). This practical approach improves operational efficiency and significantly reduces the financial and environmental costs of acquiring new land.

4.2 Recommendations

47. The Ministry of Energy and Petroleum, in collaboration with the National Land Commission and Kenya Petroleum Refineries Limited (KPRL), should expedite the completion of any outstanding legal, regulatory, and administrative processes required for the allocation and development of the 23.19-acre parcel by Asharami Synergy Limited for mass LPG handling and storage. Further, the Ministry should furnish the Committee with all relevant legal approvals, agreements, and supporting documentation evidencing the completion of the allocation process and compliance within **thirty (30) days** of the adoption of this Report.
48. The Committee recommends that the Ministry of Energy and Petroleum, in collaboration with the relevant procuring entities, should ensure strict continued compliance with the Public Procurement and Asset Disposal Act (PPADA), 2015, in the implementation of the project awarded under the Specially Permitted Procurement Procedure (SPPP). In particular, all future stages of the project should be subjected to the required oversight, documentation, and approval processes to safeguard transparency, accountability, and value for public resources. The Ministry of Energy and Petroleum will be required, to facilitate **continuous** compliance verification and audit readiness throughout the project lifecycle.
49. The Ministry should submit a comprehensive progress report outlining the development status of the Asharami bulk LPG facility, including key infrastructure and operational milestones achieved. The report should also provide data on national per capita LPG consumption and progress made towards achieving the Government's target of increasing consumption from the current 7.5 kg to 15 kg per person by 2028 within **thirty (30) days** of the adoption of this report.

50. The Committee recommends that the Ministry of Energy and Petroleum through the Kenya Pipeline Company (KPC) engages Asharami Synergy Limited to conclude on the legally binding framework agreement on the utilization of the preliminary studies undertaken for the project. The agreement should clearly set out the mechanisms for recovery, compensation, or financial offset of the Ksh 192.64 million already expended from public funds, to ensure proper accounting and value realization from this investment during the initial phase of the project. The framework agreement to be submitted to the Committee within **thirty (30) days** of the adoption of this Report.
51. To ensure safe and timely construction, the Committee recommends that Kenya Petroleum Refineries Limited (KPRL) and Asharami Synergy Limited fast-track all technical and environmental approvals for the pipeline. The finalized technical plans and environmental compliance certificates must be submitted to the Committee within **45 days** of the adoption of this report.

ANNEX 1
SCHEDULE
OF
COMMITTEE
SITTINGS

REPUBLIC OF KENYA



PARLIAMENT OF KENYA

THE SENATE

Standing Committee on Energy

13th Parliament | Fifth Session

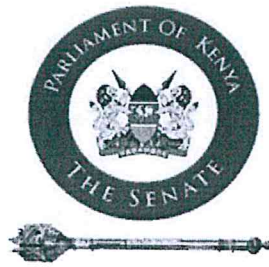
SCHEDULE OF COMMITTEE SITTINGS ON

**THE REPORT OF THE STANDING COMMITTEE ON ENERGY ON A
STATEMENT SOUGHT BY SEN.OKIYA OMTATAH, MP REGARDING THE
HANDING OVER OF A COOKING GAS HANDLING FACILITY TO A PRIVATE
FIRM.**

No.	ACTIVITY	DESCRIPTION	DATES
1.	<i>Meeting with-</i>	a) Inhouse – Committee	3 rd June, 2025
		b) CS, Ministry of Energy and Petroleum	12 th April, 2025
		c) Governor, Mombasa County	13 th June, 2025
2.	<i>Visit to-</i>	d) Kenya Pipeline Company (KPC) Mombasa; and e) Kenya Petroleum and Refineries Limited (KPRL)	13 th – 14 th June, 2025

2.	<i>Consideration and Adoption of -</i>	The Committee Report	11 th June, 2026
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ANNEX 2:
MINUTES OF
THE
COMMITTEE
SITTINGS



**MINUTES OF THE ONE HUNDRED AND SEVENTY-FOURTH SITTING OF
THE STANDING COMMITTEE ON ENERGY HELD ON THURSDAY, 11TH
JUNE 2026 IN COMMITTEE ROOM 8, FIRST FLOOR, BUNGE TOWER AT
11.00 AM.**

PRESENT

- | | |
|--|---------------------|
| 1. Sen. William Kisang' Kipkemai, CBS, MP | - Vice- Chairperson |
| 2. Sen. (Dr.) Boni Khalwale, CBS, MP | - Member |
| 3. Sen. James Lomenen Ekomwa, CBS, MP | - Member |
| 4. Sen. (Dr.) Danson Buya Mungatana, MGH, MP | - Member |
| 5. Sen. Veronica Maina, CBS, MP | - Member |
| 6. Sen. Beatrice Ogolla, MP | - Member |

ABSENT WITH APOLOGY

- | | |
|--|---------------|
| 1. Sen. (Dr.) Oburu Oginga, MGH, MP | - Chairperson |
| 2. Sen. Ledama Olekina, CBS, MP | - Member |
| 3. Sen. Edwine Watenya Sifuna, CBS, MP | - Member |

COMMITTEE SECRETARIAT

- | | |
|--------------------------|---------------------------------|
| 1. Ms. Mary Waqo | - Clerk Assistant |
| 2. Mr. Jeremy Chabari | - Legal Counsel |
| 3. Dr. Evans Kiganda | - Principal Fiscal Analyst |
| 4. Ms. Nancy Mulei | - Research Officer |
| 5. Mr. Washington Otiato | - Media Relations Officer |
| 6. Mr. Rony Nyaga | - Public Communications Officer |
| 7. Mr. Ibrahim Ali | - Serjeant at Arms |
| 8. Ms. Judith Aoka | - Audio Officer |

MIN/SEN/ENG/NO.1202/2026**PRELIMINARIES**

The meeting was called to order at 11.15 a.m. and the sitting commenced with a word of prayer by the Chairperson.

MIN/SEN/ENG/NO.1203/2026**ADOPTION OF THE AGENDA**

The agenda of the meeting was adopted after it was proposed by Sen. James Lomenen Ekomwa, CBS, MP and Seconded by Sen. Beatrice Ogolla, MP as follows-

AGENDA

1. Prayer;
2. Adoption of the Agenda;
3. Confirmation of Minutes of the previous sittings;
4. Matters Arising from the Minutes;
5. Consideration of the Committee Report on-
 - a) The handing over of a cooking gas handling facility from Kenya Petroleum Refineries Limited to Asharami Energy. (*Committee Paper No. 128*).
6. Any Other Business; and
7. Date of the Next Meeting and Adjournment.

MIN. SEN/ENG/NO.1204/2026**CONFIRMATION OF MINUTES OF THE PREVIOUS SITTINGS**

- a) Minutes of the 167th sitting held on Wednesday, 15th April, 2026 were confirmed as the true record of the proceedings after being proposed by Sen. (Dr.) Boni Khalwale, CBS, MP and Seconded by Sen. James Lomenen Ekomwa, CBS, MP;
- b) Minutes of the 169th sitting held on Tuesday, 28th April, 2026 were confirmed as the true record of the proceedings after being proposed by Sen. (Dr.) Boni Khalwale, CBS, MP and Seconded by Sen. James Lomenen Ekomwa, CBS, MP;
- c) Minutes of the 170th sitting held on Tuesday, 5th May, 2026 were confirmed as the true record of the proceedings after being proposed by Sen. James Lomenen Ekomwa, CBS, MP and Seconded by Sen. (Dr.) Boni Khalwale, CBS, MP;
- d) Minutes of the 172nd sitting held on Thursday, 4th June, 2026 were confirmed as the true record of the proceedings after being proposed by Sen. William Kisang' Kipkemoi, CBS, MP and Seconded by Sen. (Dr.) Boni Khalwale, CBS, MP; and

- e) Minutes of the 173rd sitting held on Tuesday, 9th June, 2026 were confirmed as the true record of the proceedings after being proposed by Sen. James Lomenen Ekomwa, CBS, MP and Seconded by Sen. (Dr.) Boni Khalwale, CBS, MP.

MIN. SEN/ENG/NO.1205/2026

MATTERS ARISING FROM THE MINUTES

There were no matters arising.

MIN/SEN/ENG/NO.1206/2026

**THE HANDING OVER OF A COOKING
GAS HANDLING FACILITY FROM
KENYA PETROLEUM REFINERIES
LIMITED TO ASHARAMI ENERGY.
(COMMITTEE PAPER NO 128)**

The Report on the Handing Over of a Cooking Gas Handling Facility from Kenya Petroleum Refineries Limited (KPRL) to Asharami Energy was adopted by the Committee, having been proposed by Sen. James Lomenen Ekomwa, CBS, MP and seconded by Sen. (Dr.) Boni Khalwale, CBS, MP.

MIN. SEN/ENG/NO.1207/2026

ANY OTHER BUSINESS

There were no issues deliberated under Any Other Business.

MIN. SEN/ENG/NO.1208/2026

ADJOURNMENT

The meeting was adjourned at 1.02 p.m. The date of the next meeting was to be communicated by notice.

SIGNED..... BoniDATE..... 16/6/26

SEN. (DR.) OBURU OGINGA, MGH, MP
CHAIRPERSON.



**MINUTES OF THE ONE HUNDRED AND THIRTY-THIRD SITTING OF THE
STANDING COMMITTEE ON ENERGY HELD ON FRIDAY, 13TH JUNE, 2025
IN KENYA PETROLEUM REFINERIES LTD BOARDROOM, AT 2.00 P.M.**

PRESENT

- | | |
|--|---------------------------|
| 1. Sen. (Dr.) Oburu Oginga, MGH, MP | - Chairperson |
| 2. Sen. (Dr.) Boni Khalwale, CBS, MP | - Member |
| 3. Sen. Danson Buya Mungatana, MGH, MP | - Member |
| 4. Sen. Beatrice Ogolla, MP | - Member |
| 5. Sen. Andrew Okiya Omtatah, MP | - Friend of the Committee |

ABSENT WITH APOLOGY

- | | |
|--|---------------------|
| 1. Sen. William Kisang' Kipkemai, MP | - Vice- Chairperson |
| 2. Sen. Ledama Olekina, MP | - Member |
| 3. Sen. James Lomenen Ekomwa, MP | - Member |
| 4. Sen. Edwine Watanya Sifuna, CBS, MP | - Member |
| 5. Sen. Veronica Maina, MP | - Member |

COMMITTEE SECRETARIAT

- | | |
|----------------------------|------------------------------|
| 1. Mr. Boniface Lenairoshi | - DDSEC |
| 2. Dr. Christine Sagini | - Senior Clerk assistant |
| 3. Ms. Mary Waqo | - Clerk Assistant |
| 4. Ms. Nancy Mulei | - Research Officer |
| 5. Mr. Wahington Otiato | - Media Relations Officer |
| 6. Mr. Joseph Lekisima | - Fiscal Analyst |
| 7. Ms. Judith Aoka | - Audio Officer |
| 8. Mr. Ibrahim Ali | - Assistant Serjeant at Arms |

IN ATTENDANCE

1. Mr. Joseph Ndoti
2. Eng. Martin Wanyama
3. Ms. Jecinta Seko
4. Eng. Boniface Mailu
5. Eng. Michael Kariuki

KPRL

Ag. MD
Operations
Corporate Communications
Operations
Engineering Manager

MIN/SEN/ENG/NO.912/2025**PRELIMINARIES**

The meeting was called to order at 2.15 p.m. and the sitting commenced with a word of prayer by the Chairperson.

MIN/SEN/ENG/NO.913/2025**ADOPTION OF THE AGENDA**

The agenda of the meeting was adopted after it was proposed by Sen. (Dr.) Boni Khalwale, CBS, MP and Seconded by Sen. Beatrice Ogolla, MP as follows-

AGENDA

1. Prayer;
2. Adoption of the Agenda;
3. Confirmation of Minutes of the previous sittings;
4. Matters Arising from the Minutes;
5. The transfer of a mass cooking gas handling facility to Asharami Energy by KPRL;
6. Any Other Business; and
7. Date of the Next Meeting and Adjournment.

MIN. SEN/ENG/NO.914/2025**CONFIRMATION OF MINUTES OF THE PREVIOUS SITTINGS**

Confirmation of minutes of the previous sittings was deferred to the next sitting.

MIN. SEN/ENG/NO.915/2025**MATTERS ARISING FROM THE MINUTES**

There were no matters arising.

MIN/SEN/ENG/NO.916/2025**THE TRANSFER OF A MASS COOKING GAS HANDLING FACILITY TO ASHARAMI ENERGY BY KPRL**

- a) The Committee noted that while technical staff from the Kenya Pipeline Company (KPC) were present to respond to operational queries, no senior management or executive leadership attended to engage directly with the Committee;
- b) The Committee observed that the Kenya Petroleum Refineries Limited (KPRL) facility holds strategic importance due to its robust connectivity with KPC pipelines, major Oil Marketing Company (OMC) terminals, and multi-modal transport infrastructure. This integration positions the facility as a key hub for national and regional petroleum distribution, supporting the efficient movement of LPG, petrol, diesel, and kerosene;
- c) The Committee noted that the ongoing LPG project from Changamwe to the Bulk LPG site has the potential to be a critical enabler in meeting the country's growing LPG demand, while also contributing to the reduction of reliance on more polluting fuels;
- d) The Committee noted the Ministry of Energy and Petroleum's (MOEP) assertion that it adhered to legal provisions in its engagement with Asharami Energy. However, the Committee sought further clarification on the specific legal frameworks cited and whether all statutory requirements were fully met;
- e) The Committee noted that KPRL reported the identification of a potential site for the proposed Bulk LPG facility. The Committee further noted that the project includes a planned 5.2-kilometer pipeline, utilizing the existing KPRL wayleave;
- f) The Committee noted that Asharami Energy will lease 23 acres of land from KPRL on a 31 year lease;
- g) The Committee was informed of the existence of an unused 9.2 MW power plant, as well as idle grease and bitumen plants, among other dormant assets located on a 377-acre site;
- h) The Committee observed that the planned Bulk LPG Project effectively leverages existing land and infrastructure and could become a cornerstone for improving domestic gas supply. The Committee noted that successful implementation of this project would be instrumental in raising per capita LPG consumption and enhancing access to clean energy, particularly for low-income households.
- i) The Committee observed persistent challenges related to aging infrastructure, tanks in need of urgent rehabilitation, and idle industrial equipment. These issues reflect systemic gaps in asset maintenance, environmental management, and capital planning; and

- j) The Committee reaffirmed that all future infrastructure developments must prioritize strong oversight mechanisms, regular stakeholder reporting, and strict adherence to statutory audit and environmental compliance standards.

MIN. SEN/ENG/NO.917/2025

ANY OTHER BUSINESS

There were no issues deliberated under Any Other Business-

MIN. SEN/ENG/NO.918/2025

ADJOURNMENT

The meeting was adjourned at 4.25 p.m. The date of the next meeting was to be communicated by notice.

SIGNED... OburuDATE..... 9/9/25

SEN. (DR.) OBURU OGINGA, MGH, MP

CHAIRPERSON.



**MINUTES OF THE ONE HUNDRED AND THIRTY-SECOND SITTING OF THE
STANDING COMMITTEE ON ENERGY HELD ON FRIDAY, 13TH JUNE, 2025
IN MOMBASA COUNTY GOVERNORS' BOARDROOM, AT 10.00 AM.**

PRESENT

- | | |
|--|---------------------------|
| 1. Sen. (Dr.) Oburu Oginga, MGH, MP | - Chairperson |
| 2. Sen. (Dr.) Boni Khalwale, CBS, MP | - Member |
| 3. Sen. Danson Buya Mungatana, MGH, MP | - Member |
| 4. Sen. Beatrice Ogolla, MP | - Member |
| 5. Sen. Andrew Okiya Omtatah, MP | - Friend of the Committee |

ABSENT WITH APOLOGY

- | | |
|--|---------------------|
| 1. Sen. William Kisang' Kipkemai, MP | - Vice- Chairperson |
| 2. Sen. Ledama Olekina, MP | - Member |
| 3. Sen. James Lomenen Ekomwa, MP | - Member |
| 4. Sen. Edwine Watenya Sifuna, CBS, MP | - Member |
| 5. Sen. Veronica Maina, MP | - Member |

COMMITTEE SECRETARIAT

- | | |
|----------------------------|------------------------------|
| 1. Mr. Boniface Lenairoshi | - DDSEC |
| 2. Dr. Christine Sagini | - Senior Clerk assistant |
| 3. Ms. Mary Waqo | - Clerk Assistant |
| 4. Ms. Nancy Mulei | - Research Officer |
| 5. Mr. Wahington Otiato | - Media Relations Officer |
| 6. Mr. Joseph Lekisima | - Fiscal Analyst |
| 7. Ms. Judith Aoka | - Audio Officer |
| 8. Mr. Ibrahim Ali | - Assistant Serjeant at Arms |

IN ATTENDANCE

1. Hon. Abdulswamad Sherrif Nassir
2. Dr. Noah Akala
3. Ms. Emily Achieng Okello

MOMBASA COUNTY

Governor
Chief Of Staff
CECM Water, Environment

IN ATTENDANCE

4. Mr. Joseph Ndoti
5. Mr. Boniface Mailu

KPRL

MD
Operations Manager

MIN/SEN/ENG/NO.905/2025**PRELIMINARIES**

The meeting was called to order at 11.15 a.m. and the sitting commenced with a word of prayer by the Chairperson.

MIN/SEN/ENG/NO.906/2025**ADOPTION OF THE AGENDA**

The agenda of the meeting was adopted after it was proposed by Sen. Danson Buya Mungatana, MGH, MP and Seconded by Sen. Beatrice Ogolla, MP as follows-

AGENDA

1. Prayer;
2. Adoption of the Agenda;
3. Confirmation of Minutes of the previous sittings;
4. Matters Arising from the Minutes;
5. Meeting with the Governor, Mombasa County ;
6. Any Other Business; and
7. Date of the Next Meeting and Adjournment.

MIN. SEN/ENG/NO.907/2025**CONFIRMATION OF MINUTES OF THE PREVIOUS SITTINGS**

Confirmation of minutes of the previous sittings was deferred to the next sitting.

MIN. SEN/ENG/NO.908/2025**MATTERS ARISING FROM THE MINUTES**

There were no matters arising.

MIN/SEN/ENG/NO.909/2025**MEETING WITH THE GOVERNOR, MOMBASA COUNTY**

a) During its deliberations, the Committee noted that–

- a) The Committee it is currently considering a statement regarding the transfer of a mass cooking gas handling facility to a private firm. Additionally, the Committee received a letter from residents of Saragota Land, Mainland Mombasa, concerning the allocation of plots within the contested land to Asharami Synergy Limited;
- b) The Saragota land underwent a thorough environmental and technical assessment. Authorities determined that, due to extensive contamination and industrial history, the plot is only suitable for petroleum-related activities. It is not fit for residential, commercial, or community habitation because of significant environmental and safety risks associated with prior and current petroleum operations;
- c) Experts recommended the complete condemnation of the Saragota land for human settlement. Environmental audits confirmed unacceptable levels of pollutants, and the area must now operate strictly as an industrial zone reserved for regulated petroleum storage, processing, or related facilities;
- d) A public participation process, involving the County Government of Mombasa and the affected stakeholders, was undertaken in accordance with national law and policy. Consultations concluded unanimously in support of dedicating the Saragota land to petroleum activities;
- e) The Committee noted with concern that Kenya's per capita liquefied petroleum gas (LPG) consumption remains far below the global average recorded at 6.8 kg in 2023, compared to a world mean of about 225 kg. High prices and lack of access drive low-income households to more polluting fuels.
- f) The Committee was informed of a critical gap in Mombasa's industrial ecosystem: the absence of a systematic, regulatory-compliant mechanism for collecting, treating, and disposing of used oil and oil-related waste. While existing national guidelines specify safe collection, transportation, and recycling protocols for oil sludge and used lubricants, Mombasa lacks suitable, licensed facilities and collection centres, increasing the risk of environmental pollution and public health hazards;
- g) The County Government of Mombasa has prioritized the installation of solar energy systems at Coast General Teaching and Referral Hospital. The primary motivation is to reduce the hospital's vulnerability to electricity disconnections caused by billing disputes with KPLC, thereby safeguarding continuous power supply for essential medical services.

- h) Mombasa County government currently pays approximately Kshs 30 million per month to KPLC for electricity. The county has petitioned for preferential tariff rates, especially for vital services such as hospitals, citing high operational costs that strain county finances and threaten service delivery.
- i) The Committee was apprised that Mombasa County does not currently receive wayleave compensation or a share of the income earned by KPLC from leasing fibre optic cable space on electricity poles. This issue is part of a broader national standoff, as counties argue that they should benefit from infrastructure hosted on their land, especially when KPLC earns significant revenues from sub-letting fibre optic rights to telecommunications firms.

MIN. SEN/ENG/NO.910/2025

ANY OTHER BUSINESS

There were no issues deliberated under Any Other Business-

MIN. SEN/ENG/NO.911/2025

ADJOURNMENT

The meeting was adjourned at 1.25 p.m. The date of the next meeting was to be communicated by notice.

SIGNED OburuDATE.....9/9/26.....

SEN. (DR.) OBURU OGINGA, MGH, MP
CHAIRPERSON.



**MINUTES OF THE ONE HUNDRED AND THIRTY-FIRST SITTING OF THE
STANDING COMMITTEE ON ENERGY HELD ON THURSDAY, 12TH JUNE,
2025 IN COMMITTEE ROOM 4, FIRST FLOOR, BUNGE TOWER AT 11.00 AM.**

PRESENT

- | | |
|--------------------------------------|---------------------------|
| 1. Sen. (Dr.) Oburu Oginga, MGH, MP | - Chairperson |
| 2. Sen. William Kisang' Kipkemoi, MP | - Vice- Chairperson |
| 3. Sen. (Dr.) Boni Khalwale, CBS, MP | - Member |
| 4. Sen. Beatrice Ogolla, MP | - Member |
| 5. Sen. Veronica Maina, MP | - Member |
| 6. Sen. (Prof) Tom Ojienda, MP | - Friend of the Committee |
| 7. Sen. Samson Cherarkey, MP | - Friend of the Committee |

ABSENT WITH APOLOGY

- | | |
|--|----------|
| 1. Sen. Ledama Olekina, MP | - Member |
| 2. Sen. Danson Buya Mungatana, MGH, MP | - Member |
| 3. Sen. James Lomenen Ekomwa, MP | - Member |
| 4. Sen. Edwine Watenya Sifuna, CBS, MP | - Member |

COMMITTEE SECRETARIAT

- | | |
|-------------------------|---------------------------------|
| 1. Dr. Christine Sagini | - Senior Clerk assistant |
| 2. Ms. Mary Waqo | - Clerk Assistant |
| 3. Ms. Zeinab Jirma | - Legal Counsel |
| 4. Ms. Nancy Mulei | - Research Officer |
| 5. Mr. Wahington Otiato | - Media Relations Officer |
| 6. Mr. Joseph Lekisima | - Fiscal Analyst |
| 7. Mr. Rony Nyaga | - Public Communications Officer |
| 8. Ms. Judith Aoka | - Audio Officer |
| 9. Mr. Ibrahim Ali | - Assistant Serjeant at Arms |

IN ATTENDANCE

1. Hon. Opiyo Wandayi
2. Mr. Mohamed Liban
3. Mr. Daniel Kiptoo
4. Mr. Edward Kinyua
5. Eng. Rosemary Oduor
6. Ms. Isabel Githinji
7. Mr. Kigano Margaret
8. Mr. D.N Mutiso

MOEP

Cabinet Secretary
PS Petroleum
DG EPRA
Director, EPRA
GM KPLC
Legal Ass of CS
Communication
PLO Energy

MIN/SEN/ENG/NO.898/2025**PRELIMINARIES**

The meeting was called to order at 11.15 a.m. and the sitting commenced with a word of prayer by the Chairperson.

MIN/SEN/ENG/NO.899/2025**ADOPTION OF THE AGENDA**

The agenda of the meeting was adopted after it was proposed by Sen. William Kisang' Kipkemoi, MP and Seconded by Sen. Beatrice Ogolla, MP as follows-

AGENDA

1. Prayer;
2. Adoption of the Agenda;
3. Confirmation of Minutes of the previous sittings;
4. Matters Arising from the Minutes;
5. Meeting with the Cabinet Secretary, Ministry of Energy and Petroleum to deliberate on legislative business pending before the Committee (*Committee Paper No 107*);
6. Any Other Business; and
7. Date of the Next Meeting and Adjournment.

MIN. SEN/ENG/NO.900/2025**CONFIRMATION OF MINUTES OF THE PREVIOUS SITTINGS**

Confirmation of minutes of the previous sittings was deferred to the next sitting.

MIN. SEN/ENG/NO.901/2025**MATTERS ARISING FROM THE MINUTES**

There were no matters arising.

MEETING WITH THE CABINET
SECRETARY, MINISTRY OF ENERGY
AND PETROLEUM TO DELIBERATE
ON LEGISLATIVE BUSINESS
PENDING BEFORE THE COMMITTEE
(COMMITTEE PAPER NO 107)

- a) The Committee considered and adopted the Committee brief on legislative business pending before the Committee (Committee Paper No. 107). A copy of the document is attached to these minutes for reference.

During its deliberations, the Committee noted that–

On the Statement by Sen. Andrew Omtatah Okoiti, MP, regarding the handing over of a mass cooking gas handling facility to a private firm–

- a) Resource limitations compelled the government to explore private sector partnerships. However, the process by which this decision was reached warrants further scrutiny to ensure transparency and value for money;
- b) The Committee questions the rationale behind the government's decision to utilize public funds for the project, rather than allowing the private sector to undertake the investment from inception. This raises concerns about the prudent use of taxpayers' money;
- c) Concerns have been raised regarding the adequacy of public participation in the acquisition and allocation of land for the gas facility, in Changamwe, Mombasa County particularly in ensuring that local communities are consulted and their interests protected;
- d) The Ministry of Energy and Petroleum (MOEP) submitted to have followed the law in its engagement with Asharami Energy. The Committee seeks further clarification on the specific legal provisions invoked and whether all statutory requirements were met;
- e) It is observed that Kenya Pipeline Company (KPC) had not undertaken any substantive infrastructure development, having only conducted feasibility studies at the time in question;
- f) The Committee resolved to request for a detailed breakdown of the funds expended on feasibility studies and surveys to assess value for money and compliance with budgetary provisions;

- g) The Committee resolved to request submissions on the methodology used to select the six companies involved, especially in light of the ongoing transition of Kenya Petroleum Refineries Limited (KPRL) to KPC control;
- h) There is concern over the increasing number of LPG refilling centres. The Committee seeks assurance that regulatory oversight is effective and that zoning regulations are being enforced to ensure safety and order;
- i) The Committee resolved to request the Ministry of Energy and Petroleum to submit evidence that showed they complied with all legal requirements in its engagement with Asharami Energy, particularly regarding the conditions precedent for Public-Private Partnerships (PPP) and the requisite approvals from the National Treasury;

On the statement regarding the status of renewable energy development in Kisumu County, and the equity of access to clean, affordable, and sustainable energy by households, public institutions and small businesses within Kisumu County-

- j) There are significant delays in the completion of transmission line upgrades in the Muhoroni area, particularly regarding substations. The Committee noted the protracted restoration of power outages and unresolved land compensation issues;
- k) The Committee urged KETRACO to provide a clear timeframe for settling compensation claims, in coordination with the National Treasury;
- l) The responses provided by the Cabinet Secretary for the Ministry of Energy and Petroleum (CS, MOEP) to statements raised by Sen. Samson Cherarkey, MP, and Sen. Okiya Omtatah, MP, were deemed unsatisfactory. Consequently, the Committee requested the CS to appear again on a date to be determined to comprehensively address the issues raised.

MIN. SEN/ENG/NO.903/2025

ANY OTHER BUSINESS

The following issue was deliberated under Any Other Business-

- a) The Committee noted that only four (4) Members had confirmed their attendance for the upcoming visit to Mombasa scheduled for 12th to 16th June 2025. It was resolved that the savings realized from the unutilized per diems and air tickets of the five (5) Members not attending be consolidated with the existing domestic budget balances. These funds will be used to facilitate a report-writing and work-

planning retreat in Kiambu County during the last week of June 2025, in order to prevent the reversion of unutilized Committee funds to the National Treasury.

MIN. SEN/ENG/NO.904/2025

ADJOURNMENT

The meeting was adjourned at 1.25 p.m. The date of the next meeting was to be communicated by notice.

SIGNED..... OburuDATE..... 17/7/25

SEN. (DR.) OBURU OGINGA, MGH, MP

CHAIRPERSON.



**MINUTES OF THE ONE HUNDRED AND THIRTIETH SITTING OF THE
STANDING COMMITTEE ON ENERGY HELD ON TUESDAY, 3RD JUNE, 2025
IN COMMITTEE ROOM 2, FIRST FLOOR, BUNGE TOWER AT 11.00 AM.**

PRESENT

- | | |
|--|---------------------|
| 1. Sen. William Kisang' Kipkemai, MP | - Vice- Chairperson |
| 2. Sen. (Dr.) Boni Khalwale, CBS, MP | - Member |
| 3. Sen. Danson Buya Mungatana, MGH, MP | - Member |
| 4. Sen. Beatrice Ogolla, MP | - Member |

ABSENT WITH APOLOGY

- | | |
|--|---------------|
| 1. Sen. (Dr.) Oburu Oginga, MGH, MP | - Chairperson |
| 2. Sen. Ledama Olekina, MP | - Member |
| 3. Sen. James Lomenen Ekomwa, MP | - Member |
| 4. Sen. Edwine Watanya Sifuna, CBS, MP | - Member |
| 5. Sen. Veronica Maina, MP | - Member |

COMMITTEE SECRETARIAT

- | | |
|-------------------------|---------------------------------|
| 1. Dr. Christine Sagini | - Senior Clerk assistant |
| 2. Ms. Mary Waqo | - Clerk Assistant |
| 3. Ms. Zeinab Jirma | - Legal Counsel |
| 4. Ms. Nancy Mulei | - Research Officer |
| 5. Mr. Wahington Otiato | - Media Relations Officer |
| 6. Mr. Joseph Lekisima | - Fiscal Analyst |
| 7. Mr. Rony Nyaga | - Public Communications Officer |
| 8. Ms. Judith Aoka | - Audio Officer |
| 9. Mr. Ibrahim Ali | - Assistant Serjeant at Arms |

MIN/SEN/ENG/NO.891/2025**PRELIMINARIES**

The meeting was called to order at 11.06 a.m. and the sitting commenced with a word of prayer by the Chairperson.

MIN/SEN/ENG/NO.892/2025**ADOPTION OF THE AGENDA**

The agenda of the meeting was adopted after it was proposed by Sen. Danson Buya Mungatana, MGH, MP and Seconded by Sen. Beatrice Ogolla, MP as follows-

AGENDA

1. Prayer;
 2. Adoption of the Agenda;
 3. Confirmation of Minutes of the previous sittings;
 4. Matters Arising from the Minutes;
 5. Consideration of Pending Legislative Business (*Committee Paper No 106*);
 6. Any Other Business; and
- Date of the Next Meeting and Adjournment

MIN. SEN/ENG/NO.893/2025**CONFIRMATION OF MINUTES OF THE
PREVIOUS SITTINGS**

- a) Minutes of the 124th sitting held on Tuesday, 13th May, 2025 were confirmed as the true record of the proceedings after being proposed by Sen. Danson Buya Mungatana, MGH, MP and Seconded by Sen. Beatrice Ogolla, MP;
- b) Minutes of the 126th sitting held on Tuesday, 20th May, 2025 were confirmed as the true record of the proceedings after being proposed by Sen. (Dr.) Boni Khalwale, CBS, MP and Seconded by Sen. Beatrice Ogolla, MP; and
- c) Minutes of the 127th sitting held on Tuesday, 27th May, 2025 were confirmed as the true record of the proceedings after being proposed by Sen. Beatrice Ogolla, MP and Seconded by Sen. William Kisang' Kipkemoi, MP;

MIN. SEN/ENG/NO.894/2025**MATTERS ARISING FROM THE MINUTES**

There were no matters arising.

MIN/SEN/ENG/NO.895/2025**CONSIDERATION OF PENDING
LEGISLATIVE BUSINESS
(COMMITTEE PAPER NO 106)**

- a) The Committee considered and adopted the Committee brief on pending legislative Business before the Committee (Committee Paper No. 106). A copy of the document is attached to these minutes for reference.

During its deliberations, the Committee resolved that–

- a) The Cabinet Secretary, Ministry of Energy and Petroleum to be invited to appear before the Committee on Thursday, 12th June, 2025 to respond to the eleven (11) pending statements;
- b) The Committee resolved to visit Mombasa County regarding the handing over of a mass cooking gas by the Ministry of Energy and Petroleum to Asharami Energy rather than allowing Kenya Pipeline Company to undertake the project and to tour Kenya Pipeline Company Line 5 leak detection system from 12th – 15th June, 2025; and
- c) The secretariat to prepare a brief and action plan on all outstanding issues regarding National Oil Cooperation of Kenya's including its assets and liabilities.

MIN. SEN/ENG/NO.896/2025

ANY OTHER BUSINESS

There were no issues deliberated under Any Other Business-

MIN. SEN/ENG/NO.897/2025

ADJOURNMENT

The meeting was adjourned at 12.05 p.m. The date of the next meeting was to be communicated by notice.

SIGNED..... OburuDATE..... 22/07/25

SEN. (DR.) OBURU OGINGA, MGH, MP

CHAIRPERSON.

ANNEX 3:
STATEMENT
BY SEN.
ANDREW
OMTATAH
OKOITI, MP

① Mr. Mbayi

This is resubmitted
for processing.
LAD

07/06/2025

③ DC CMA

Submitted for further
processing.



REPUBLIC OF KENYA

THIRTEENTH PARLIAMENT – (FOURTH SESSION)

THE SENATE

REQUEST FOR A STATEMENT

ON THE HANDING OVER OF A COOKING GAS HANDLING FACILITY TO A
PRIVATE FIRM

Mr. Speaker, Sir,

I rise, pursuant to Standing Order 53(1), to seek a Statement from the Standing Committee on Energy on a matter of national concern regarding the handing over of a massive cooking gas handling facility to a private firm.

Mr. Speaker, Sir,

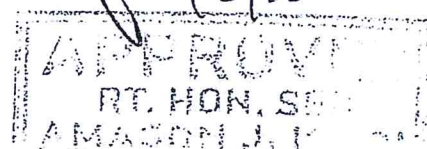
The Kenya Pipeline Company (KPC) has been left counting losses amounting to millions of shillings after its plan to develop a 30,000-metric-tonne liquefied petroleum gas (LPG) facility in Mombasa, aimed at making gas more affordable and accessible to consumers, was halted. The project will now be undertaken by a private firm, Asharami Synergy, leaving KPC to bear the costs of preparatory work already completed as Kenya Petroleum Refinery Limited (KPRL) has now announced that it will lease 23.19 acres of its land to Asharami Synergy on a 31-year lease to develop, operate and maintain the plant.

In the Statement, the Committee should address the following:

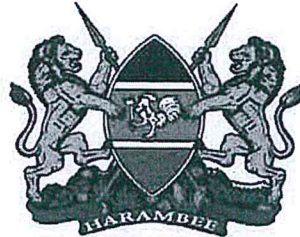
- 1) Reasons why the plan by the Kenya Pipeline Company (KPC) to develop the cooking gas handling facility in Mombasa was quashed and the project handed over to Asharami Synergy, which is a subsidiary of Sahara Group of Nigeria.
- 2) Circumstances leading to the decision by the Ministry of Energy and Petroleum to hand over the gas handling facility to Asharami Synergy rather than allowing KPC to undertake the project.
- 3) Whether Kenya Petroleum Refineries Limited (KPRL) followed the law and the laid-down procedure in leasing the 23.19 acres of the public land, on which the facility lies, to the said firm.
- 4) The process of selection of a company to develop the gas handling facility, including details on all received proposals as well as the justifications for contracting Asharami Synergy to construct and operate the facility on a 31-year lease.
- 5) How KPC plans to recover the KES. 192.64 million taxpayers' money, brought out during the Office of the Auditor General's review of KPC's financial results for the year ending June 2024, that was spent in undertaking studies, including demand survey, environmental and social impact assessment, front-end engineering designs and the estimated cost of the project.

SEN. ANDREW OMTATAH OKOITI, MP
SENATOR, BUSIA COUNTY

DATE: 6th May, 2025



ANNEX 4:
SUBMISSIONS
BY THE
MINISTRY OF
ENERGY
AND
PETROLEUM



REPUBLIC OF KENYA

MINISTRY OF ENERGY AND PETROLEUM

**RESPONSE TO THE STANDING COMMITTEE ON ENERGY REF No.
SEN/DSEC/ENERGY/304/2025 dated 21st May 2025**

Date of the Response: 11th June 2025

Preamble

The Senate through a letter ref. Ref. SEN/DSEC/ENERGY/304/2025 dated 21st May 2025 requested the Cabinet Secretary, Ministry of Energy and Petroleum to provide comprehensive response to a statement on the handling over of a cooking gas facility to a private firm. The concerns raised by the standing committee are as follows:-

1. State reasons why the plan by the Kenya Pipeline Company (KPC) to develop the cooking gas handling facility in Mombasa was squashed and project handed over to Asharami Synergy which is a subsidiary of the Sahara Group in Nigeria;
2. Provide the circumstances leading to the decision by the Ministry of Energy and Petroleum to hand over the gas handling facility to Asharami Synergy rather than allowing KPC to undertake project;
3. State whether the Kenya Petroleum Refineries Limited (KPRL) followed the law and the laid down procedure in leasing the 23.19 acres of public land on which the facility lies to the said firm;
4. Explain the process of selection of a company to develop the gas handling facility including details of all received proposals as well as justifications for contracting Asharami Synergy to construct and operate the facility on a 31 years lease; and
5. Explain how KPC plans to recover the Ksh.192.64 million in taxpayers' money, brought out during the Office of the Auditor General's review of KPC's financial results for the year ending June 2024, that was spent in undertaking studies, including demand survey, environmental and social impact assessment, front-end engineering designs and the estimated cost of the project.

We wish to respond as follows:-

- 1. State reasons why the plan by the Kenya Pipeline Company (KPC) to develop the cooking gas handling facility in Mombasa was quashed and project handed over to Asharami Synergy which is a subsidiary of the Sahara Group in Nigeria;**

Response:

The development of the bulk Liquefied Petroleum Gas (LPG) infrastructure at Kenya Petroleum Refineries Limited (KPRL) is a component of the LPG National Growth Strategy ; which is a project of public interest aiming at increasing LPG consumption in the country from 7.5 to 15 kg/capita by the year 2028 through initiatives such as development of bulk LPG infrastructure, LPG for Public Institutions of Learning, and LPG for subsidised Cylinders. The LPG National Growth Strategy was approved by the Cabinet in October 2023.

The execution of the cooking gas handling facility in Mombasa (project) by way of a lease arrangement to private sector is expressly provided for in the Cabinet directive on the implementation of the National LPG Growth Strategy. This method will also deliver the project within the required timelines. The Government opted for the Private Sector Participants given the existing budgetary constraints.

- 2. Provide the circumstances leading to the decision by the Ministry of Energy and Petroleum to hand over the gas handling facility to Asharami Synergy rather than allowing KPC to undertake project;**

Response:

Following engagements between the Ministry of Energy and Petroleum and the National Treasury on construction of Bulk Importation, Storage and Handling Facilities for LPG in Mombasa, the Ministry was advised to explore private sector participation to implement the project.

- 3. State whether the Kenya Petroleum Refineries Limited (KPRL) followed the law and the laid down procedure in leasing the 23.19 acres of public land on which the facility lies to the said firm;**

Response:

The law was followed in leasing of the 23.19 acres of public land. The approvals were sought and granted in line with established procedures. The process was done in accordance with Treasury Circular No. 1/2025 on requirements for seeking Approval to Lease public assets, the notice to lease action to public was gazetted on 8th April 2025. The following were the approvals granted for lease of the land

- a) Strategic directive from KPC
- b) The KPRL Board;
- c) Head of Public Service;
- d) National Lands Commisison;
- e) Office of the Attorney General.
- f) The National Treasury.

- 4. Explain the process of selection of a company to develop the gas handling facility including details of all received proposals as well as justifications for contracting Asharami Synergy to construct and operate the facility on a 31 years lease; and**

Response:

The company was selected through the Specially Permitted Procurement Procedure. KPRL was granted approval by the National Treasury and Economic Planning (TNT) to use the Specially Permitted Procurement Procedure (SPPP) as provided in Section 114A(2)(f) of the PPADA, 2015 as read together with Regulation 107 of the PPADA Regulations, 2020.

Six bidders as follows were invited to submit their proposals

- a) TotalEnergies Limited;
- b) Rubis Energy Kenya Limited;

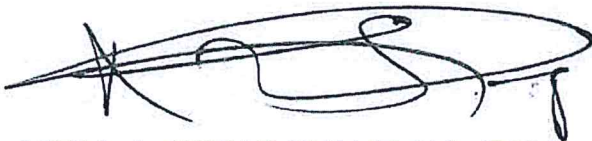
- c) Galana Energies Limited;
- d) Gulf Energy Limited;
- e) Vivo Energy Limited; and,
- f) Asharami Synergy Limited.

Two bids were received ie Gulf Energy Limited and Asharami Synergy and following an evaluation process, Asharami Synergy Limited was responsive to the bid and therefore evaluated the tender.

5. Explain how KPC plans to recover the Ksh.192.64 million in taxpayers' money, brought out during the Office of the Auditor Generals review of KPC's financial results for the year ending June 2024, that was spent in undertaking studies, including demand survey, environmental and social impact assessment, front-end engineering designs and the estimated cost of the project.

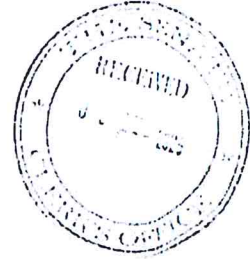
Response:

The Agreements have yield-up provisions for where the facilities shall revert to Government of Kenya through KPRL/KPC. KPRL/KPC and Asharami are yet to meet to discuss the modalities of sharing the LPG project information.



**HON. J. OPIYO WANDAYI, EGH
CABINET SECRETARY**

ANNEX 5:
SUBMISSIONS
BY THE
NATIONAL
TREASURY
AND
ECONOMIC
PLANNING



REPUBLIC OF KENYA
THE NATIONAL TREASURY

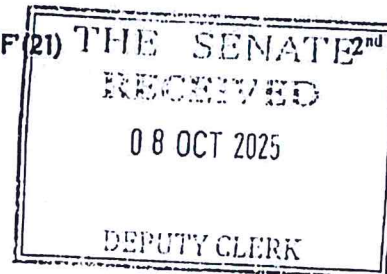
STATE DEPARTMENT FOR PUBLIC INVESTMENTS AND ASSETS MANAGEMENT
OFFICE OF THE PRINCIPAL SECRETARY

Telegraphic Address: 22921
Finance - Nairobi
FAX NO. 310833
Telephone: 2252299
When Replying Please Quote

THE NATIONAL TREASURY
P O BOX 30007-00100
NAIROBI

Ref. No. TNT/PPD/CONF/5/5007 Vol. 'F' (21) THE SENATE 2nd October, 2025

Jeremiah Nyegenye, CBS
Clerk of the Senate
Parliament Building
Nairobi



Dear Clerk

INVITATION TO A MEETING BY THE STANDING COMMITTEE ON ENERGY

We make reference to your letter Ref. SEN/DSEC/ENERGY/320(2)/2025 of 26th September, 2025 on the above captioned subject.

We have reviewed your letter in regard to statement raised by Senator Andrew Omtata MP, regarding the handing over of mass cooking gas handling facility to a private firm and have responded with the statement herein attached.

Yours Sincerely


CYRELL ODEDE WAGUNDA
PRINCIPAL SECRETARY



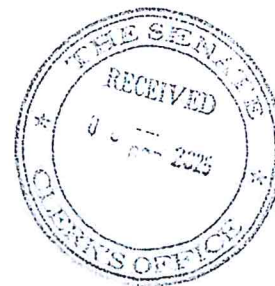
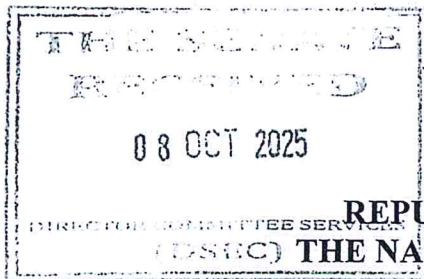
Copy to: Hon FCPA John Mbadi Ng'ongo, EGH(DSEC)
Cabinet Secretary
National Treasury
Nairobi

Kindly deal

Encls. (1)

2 Dr. Sagini
Kindly deal
08/10/25

08/10/2025



**REPUBLIC OF KENYA
(DSEC) THE NATIONAL TREASURY**

**STATE DEPARTMENT FOR PUBLIC INVESTMENTS AND ASSETS MANAGEMENT
OFFICE OF THE PRINCIPAL SECRETARY**

Telegraphic Address: 22921
Finance – Nairobi
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When Replying Please Quote

THE NATIONAL TREASURY
P O BOX 30007 - 00100
NAIROBI

Ref. No. TNT/PPD/CONF/5/5007 Vol. 'F' (21) **THE SENATE** 2nd October, 2025
RECEIVED

Jeremiah Nyegenye, CBS
Clerk of the Senate
Parliament Building
Nairobi



Dear *Clerk*

INVITATION TO A MEETING BY THE STANDING COMMITTEE ON ENERGY

We make reference to your letter Ref. SEN/DSEC/ENERGY/320(2)/2025 of 26th September, 2025 on the above captioned subject.

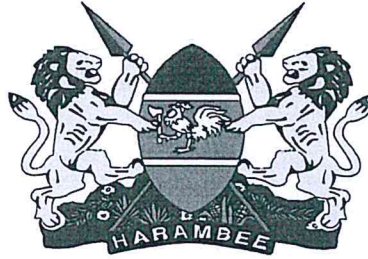
We have reviewed your letter in regard to statement raised by Senator Andrew Omtata MP, regarding the handing over of mass cooking gas handling facility to a private firm and have responded with the statement herein attached.

Yours *Sincerely*


CYRELL ODEH WAGUNDA
PRINCIPAL SECRETARY

Copy to: **Hon FCPA John Mbadi Ng'ongo, EGH**
Cabinet Secretary
National Treasury
Nairobi

Encls. (1)



REPUBLIC OF KENYA
THE NATIONAL TREASURY AND ECONOMIC PLANNING

INVITATION TO A MEETING BY THE STANDING COMMITTEE ON ENERGY

Hon Chairman and Hon. Members of this Standing Committee on Energy, Good Morning.

We are here pursuant to the invitation received from the Clerk of the Senate Ref. SEN/DSEC/ENERGY/320(2)/2025 of 26th September, 2025 inviting me to apprise the Standing Committee on Energy on:

1. Details of the specific criteria and risk assessments applied when approving the use of the Specially Permitted Procurement (SPPP) for the selection of Asharmi Synergy, and how this aligns with the principles of transparency and value for money in public procurement:
2. Provide documentation and a detailed account of the approval process and due diligence conducted on all six invited firms, and explain why only two bids were received, with particular attention to the adequacy of market engagement and under the SPPP;

3. Explain mechanisms that are in place within the SPPP framework to ensure that public interest is safeguarded when private sector participants are involved in strategic national infrastructure, such as the LPG facility in Mombasa;
4. Given the significant public funds (Ksh. 192.64 million) already expended by KPC on preparatory studies, what steps is the Ministry taking to ensure these investments are recovered or leveraged in the new arrangement with Asharami Synergy; and
5. Elaborate on how the agreements with Asharami Synergy ensure that the facility and all related intellectual property will return to the government at the end of the 31-year lease. Explain how the yield -up provisions work to guarantee this transfer and outline what oversight systems are in place during the lease period to make sure these terms are followed.

Honourable Chairman and Hon Members of this committee, I draw your attention to the provisions of Section 114A of the Public Procurement and Asset Disposal Act, 2015 (the Act) which provides that:

(1) A procuring entity may use a procurement procedure specially permitted by the National Treasury.

(2) The National Treasury may allow the use of specially permitted procedure—

(a) where exceptional requirements make it impossible, impracticable or uneconomical to comply with the Act and the Regulations;

(b) where the market conditions or behaviour do not allow the effective application of the Act and Regulations made under the Act;

(c) for specialized or particular requirements which are regulated or governed by harmonized international standards or practices;

(d) where strategic partnership sourcing is applied;

(e) where credit financing procurement is applied; or

(f) in such other circumstances as may be prescribed.

(3) The Cabinet Secretary may prescribe the procedure for carrying out specially permitted procurements under this section

Further Regulation 107(1) & 2 provides as follows:

(1) Pursuant to section 114A(2)(f) of the Act, the National Treasury may permit Specially Permitted Procurement Procedure where such procedure is in the public interest or interest of national security;

(2) Pursuant section 114A(3) of the Act and in applying the Specially Permitted Procurement Procedure referred to under paragraph (1), an accounting officer shall—

(a) approve and issue written justification for use of the procedure upon considering its uniqueness from the other methods of procurement set forth in the Act;

(b) plan the subject procurement and set it forth in its approved annual procurement plan, where applicable;

(c) prepare tender documents for the subject procurement which shall at least include a specifications, conditions of tendering and contracting; and

(d) submit the tender documents and the proposed procedure to the Cabinet Secretary for approval detailing the justification for use of the method.

In line with the provisions cited above, the National Treasury subject each application for use of the Specially Permitted Procurement Procedure to the requirements of the law as spelt above.

Chairman and Honorable Members, it is the responsibility of a Procuring Entity that even in circumstances where use of Specially Permitted Procurement Procedure has been granted, the constitutional requirements as provided for in Article 227 and Guiding Principles provided under section 3 of the Act are adhered to.

Chair and Honorable Members, it is our expectation that the selection of Asharami Synergy by the Procuring Entity was arrived at after a competitive and transparent evaluation process was carried out by the Procuring Entity.

Hon Chairman, as regards the documentation and detailed account of the approval process, due diligence. Section 68 of the Public Procurement and Asset Disposal Act, 2015 clearly provides that the

custodian of procurement record is the Accounting Officer of a Procuring Entity.

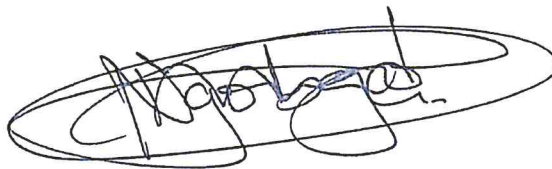
Chairman and Honourable members, in this particular application for use of Specially Permitted Procurement Procedure, the National Treasury took into account the Government Liquidified Petroleum Gas (LPG) growth strategy as a matter of public interest aimed at LPG consumption in the country through key initiatives such as Clean Cooking Gas (CCG) project the subsidized LPG cylinder project. This program aims at providing 8.4 million 6kg subsidized LPG cylinders by the year 2028 and hence the need for an accelerated process to onboard the Private Sector Participant (PSP). Regulation 107(1) allows use of Specially Procurement Permitted Procedure where such a procedure is in the public interest or interest of national security.

In addition, where strategic partnership sourcing is applied, approval for use of Specially Permitted Procurement Procedure may be granted in line with Section 114(2)(d).

Hon Chairman and Members of the Committee, Section 80 of the Act provides guidelines on evaluation of tenders by a Procuring Entity. Therefore, the information being sought by this honorable committee as listed in the invitation letter is in the custody of the Procuring Entity.

Notwithstanding, a Procuring Entity when contracting for goods and services is obliged to comply with the guiding principles of Public Procurement as well as the Constitutional requirements as expounded in Article 227.

Chairman and Honorable members, I submit therefore that the information required and due process followed in this particular matter can be provided by the Procuring Entity through their line ministry.

A handwritten signature in blue ink, enclosed within a large, hand-drawn oval. The signature appears to be 'John Mbadi Ng'ongo'.

**HON. FCPA JOHN MBADI NG'ONGO, EGH
CABINET SECRETARY/THE NATIONAL TREASURY**

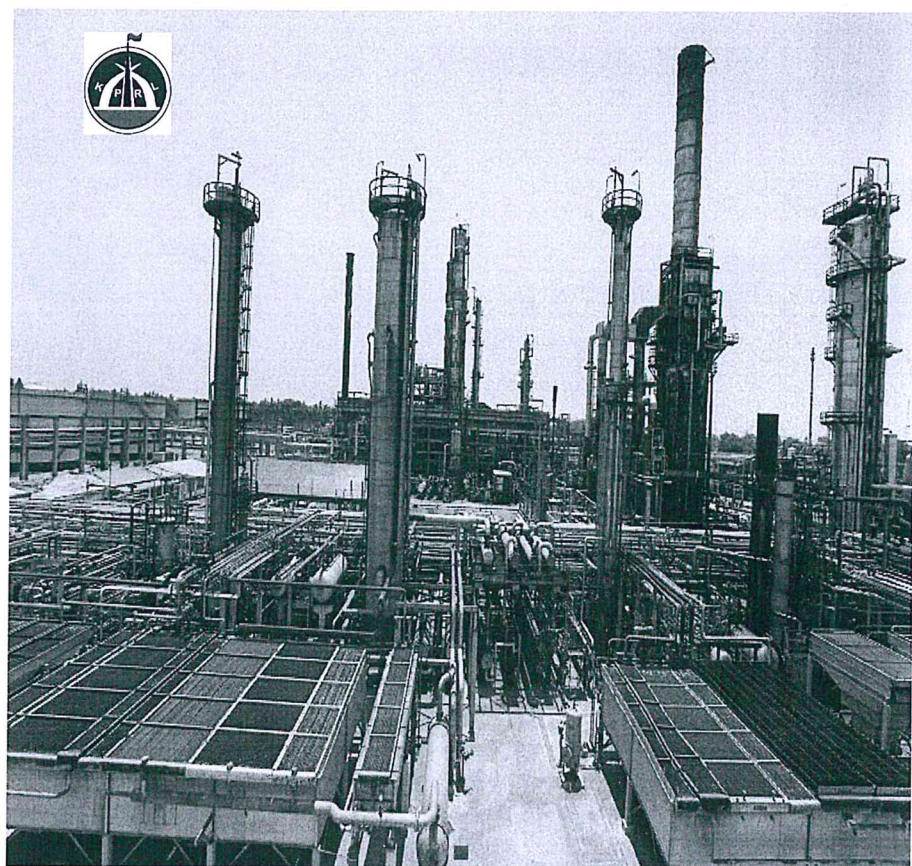
ANNEX 6:
SUBMISSIONS
KENYA
PETROLEUM
AND
REFINERIES
LIMITED
(KPRL)

Presentation on KPRL

To

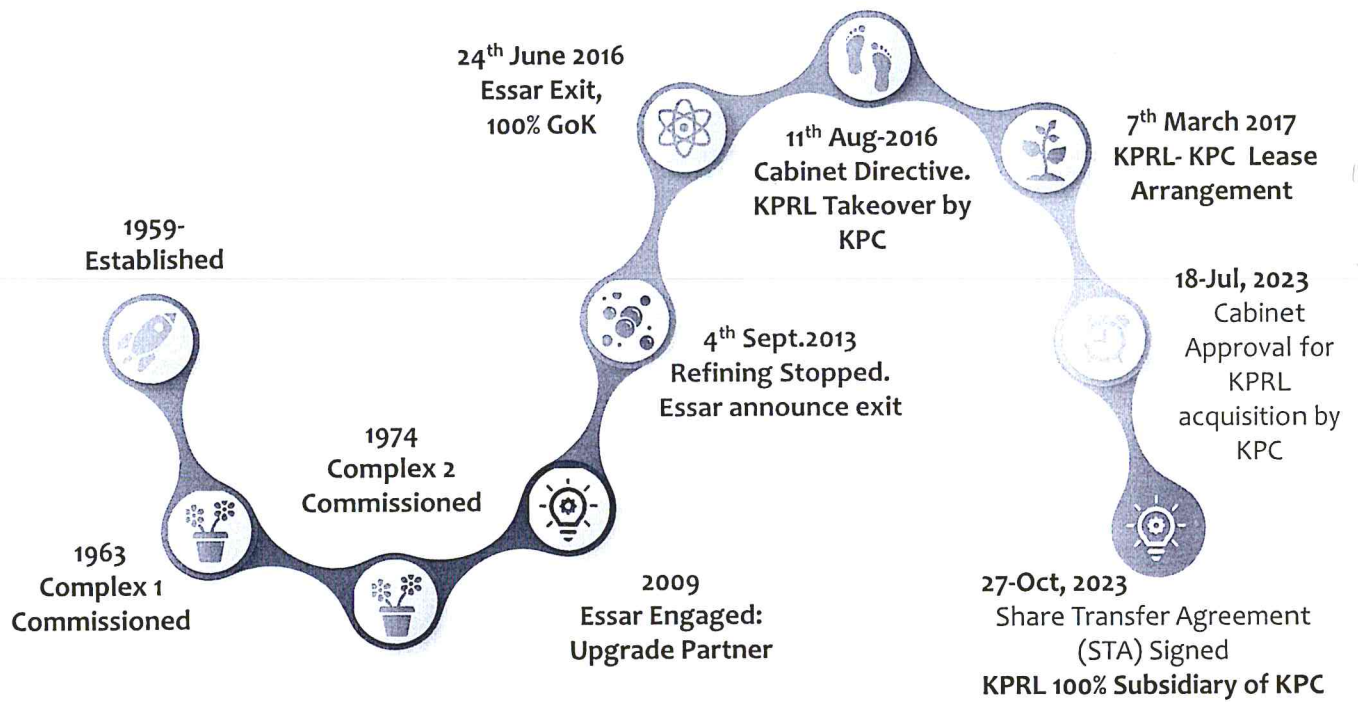
**Senate Standing
Committee on Energy**

13th June 2025



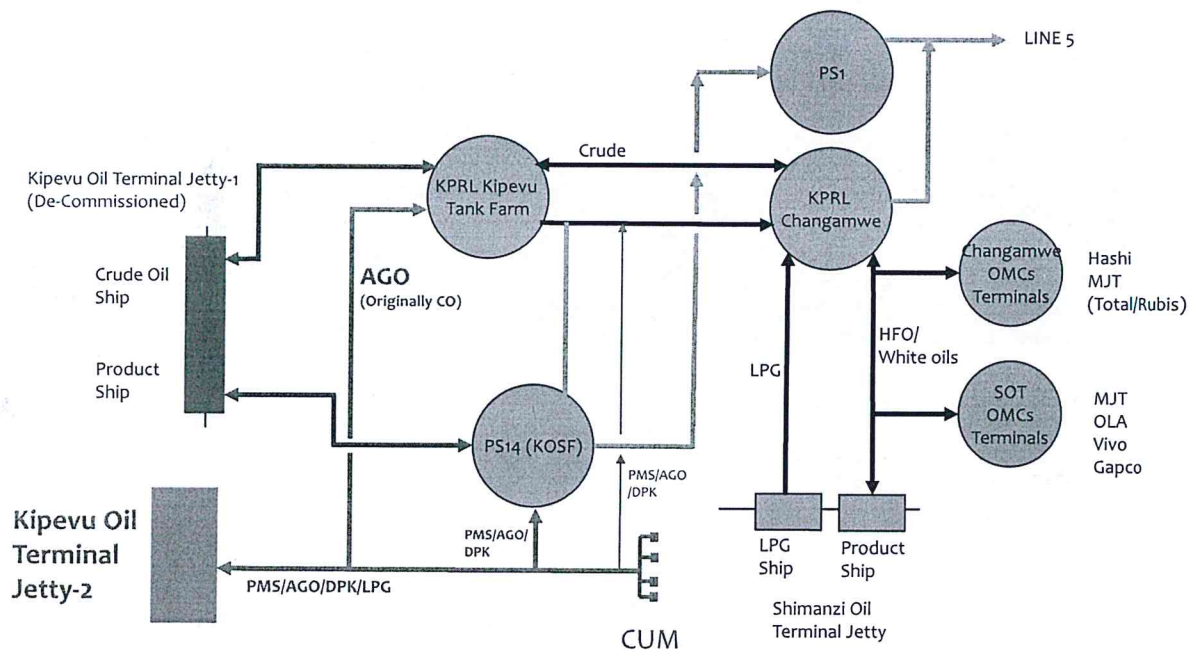


KPRL JOURNEY





KPRL CONNECTIVITY





KPRL CORE FACILITIES



1. Storage Facilities

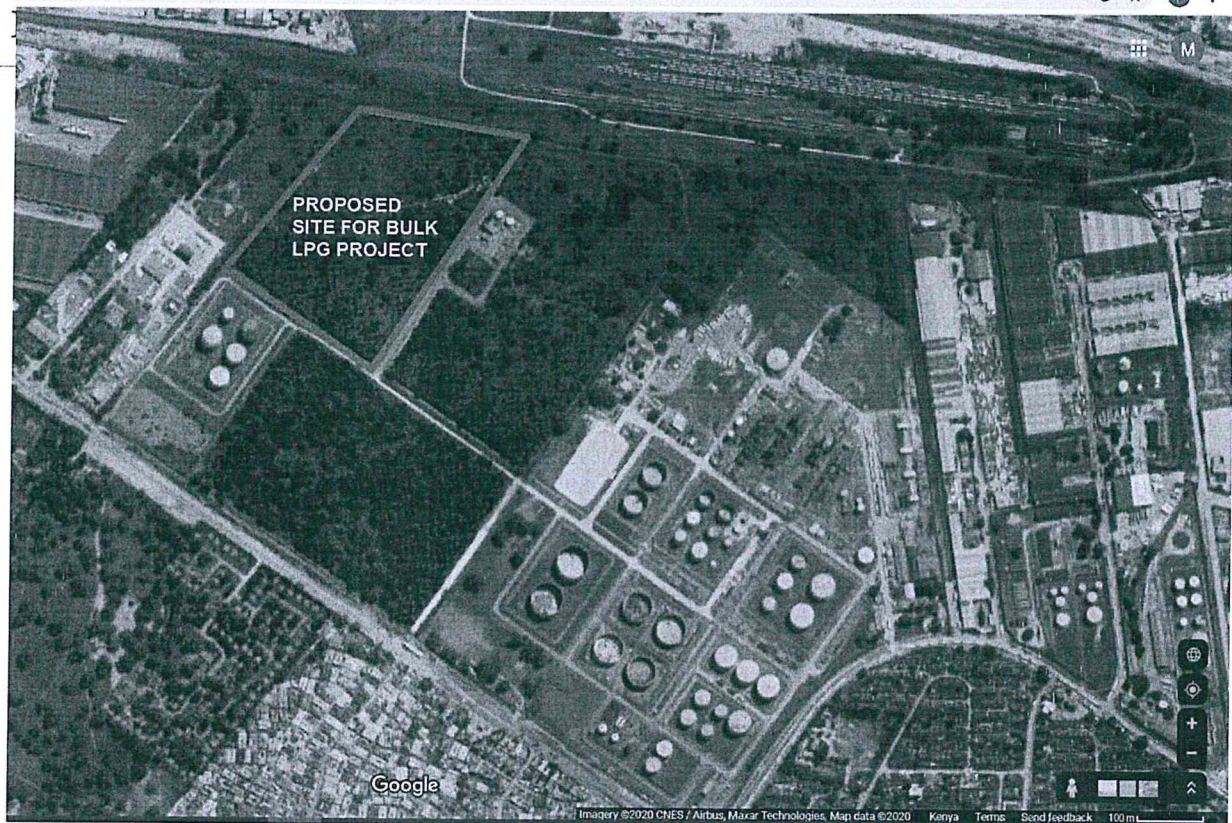
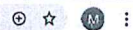
Product	CAPACITY (M ³)		
	Installed Capacity	Current Utilization	Extra Available Capacity*
PMS	111,399	105,989	5,410
AGO	307,451	228,556	78,895
DPK	30,629	30,629	Nil
HFO	34,730	19,673	15,057
TOTAL	484,209	384,847	99,362
LPG (MT)	1,200	1,200	

* Tanks Requires Rehabilitation

- Refinery Complex:** Capacity 12,000MT/d, Mild preserved, degrading due to environmental factors.
- Truck Loading:** MSP (2275 m³/day) and AGO(2170m³/day), HFO (500m³/day) and LPG (5,000 MT/Month).
- Power Plant:** Commissioned in 2012 but idle. Design Generation Capacity of 9.2MW
- Bitumen Plant:** Integrated with the Refinery Plant(150t/d)
- Grease Plant:** Last operation year 2000, Capacity 8MT/d.
- Land:** 377.7 Acres
- LPG Truck loading:** flow rate of 60 m³/hr/ 20 trucks per day

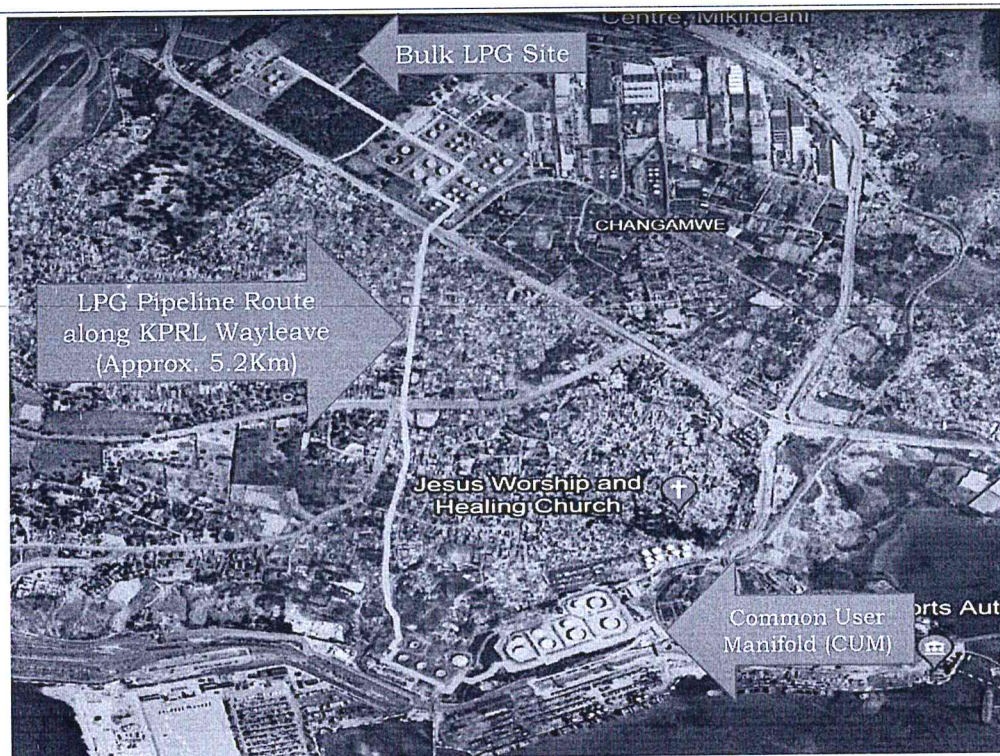


96,1251m/data=!3m1!1e3





LPG PIPELINE ROUTE





SITE TOUR



- 1. Workshop**
- 2. Laboratory**
- 3. Products Truck Loading**
- 4. Refinery Plant**
- 5. LPG Truck Loading**
- 6. Bulk LPG Project Land**
- 7. Power Plant**



Thank
You!