REPUBLIC OF KENYA

THIRTEENTH PARLIAMENT

NATIONAL ASSEMBLY

THE HANSARD

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THE HANSARD

Tuesday, 25th August 2026

(The House met at 2.30 p.m.)

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

PRAYERS

QUORUM

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

(The Quorum Bell was rung)

Order, Hon. Members. We now have quorum. We are ready to transact business. Proceed.

COMMUNICATION FROM THE CHAIR

NOMINATION OF MEMBERS TO REPRESENT THE NATIONAL ASSEMBLY IN THE MEDIATION COMMITTEE

Hon. Deputy Speaker: Hon. Members, pursuant to the provisions of Standing Order 41(4), I wish to report to the House that I have received a Message from the Senate on consideration of the Kenya Roads (Amendment) (No.3) Bill (National Assembly Bill) No.34 of 2025.

The Message conveys that on Tuesday, 4th August 2026, the Senate considered and rejected the Motion for Second Reading of the Kenya Roads (Amendment) (No.3) Bill (National Assembly Bill) No.34 of 2025. You will recall that this House considered and passed the Bill with amendments on 7th October 2025. Thereafter, I referred the Bill to the Senate for consideration in accordance to the provisions of Article 110(4) of the Constitution.

The decision of the Senate on the Bill effectively commits it to mediation committee pursuant to the provisions of Article 112(1)(a) of the Constitution. To enable the constitution of the mediation committee, the National Assembly is required to appoint nine members to sit on the committee. I, therefore, call upon the leadership of Majority and Minority parties in the House to expeditiously nominate members to represent the National Assembly in the mediation committee. At an appropriate time, I will communicate to the House the members of the National Assembly and the Senate appointed to the mediation committee.

The House is accordingly guided. Thank you.

DELEGATION FROM THE PARLIAMENT OF UGANDA

Hon. Deputy Speaker: Hon. Members, I wish to introduce to you a delegation from the Parliamentary Service Commission of the Parliament of Uganda who are seated in the Speaker's Row. They are:

1. Hon. Susan Jolly Abeja, MP — Backbench Commissioner.
2. Hon. Faith Loru Nakut, MP — Backbench Commissioner.

The delegation is accompanied by the Director of Commission Secretariat, Mr Busiku Peter. The Members are in the country as part of the induction programme for the newly appointed Backbench Commissioners of the 12th Parliament. The visit will also expose them to parliamentary governance systems, institutional best practices and innovative approaches adopted by other legislatures.

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

Before we proceed, allow me to recognise the following students seated in the Speaker's Gallery: students from Chepkolon Green Highlands Academy, Ainamoi Constituency, Kericho County and St. Joseph's R.C. Webuye School, Webuye East Constituency, Bungoma County.

Thank you. Next Order.

PAPERS

Hon. Deputy Speaker: Leader of the Majority Party, proceed.

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

1. Framework Agreement on the Establishment of the International Solar Alliance (ISA) and Explanatory Memorandum from the Prime Cabinet Secretary and Cabinet Secretary for Foreign and Diaspora Affairs.
2. Reports of the Auditor-General and Financial Statements for the Years ended 30th June 2021, 30th June 2022, 30th June 2023, 30th June 2024, 30th June 2025 and the certificates therein in respect of the following:
   (a) A.I.C Saramek Secondary School – Uasin Gishu County.
   (b) Akirang'ondu Secondary School – Meru County.
   (c) Alung'oli Mixed Secondary School – Busia County.
   (d) Bishop Njiru Girls' Kangeta Secondary School – Meru County.
   (e) Busakala Secondary School – Bungoma County.
   (f) Chugu Boys Secondary School – Meru County.
   (g) Embakasi Girls Secondary School – Nairobi City County.
   (h) Friends Secondary School Kimugui Boys – Bungoma County.
   (i) Gikumene Girls Secondary School – Meru County.
   (j) Gikurune Boys Secondary School – Meru County.
   (k) Gogo Mixed Secondary School – Homa Bay County.
   (l) Highridge Girls Secondary School – Nairobi City County.
   (m) Hospital Hill High School – Nairobi City County.
   (n) Kitogo Secondary School – Nyandarua County.
   (o) Kotolian Mixed Secondary School – Narok County.
   (p) Mahoo Girls Secondary School – Busia County.
   (q) Masikonde Secondary School – Narok County.
   (r) Moi High School Kabartonjo – Baringo County.
   (s) Muhuri Muchiri Secondary School – Nairobi City County.
   (t) Mukothima Mixed Day Secondary School – Tharaka Nithi County.
   (u) Muthambi Boys Secondary School – Tharaka Nithi County.
   (v) Mwingi Secondary School – Kitui County.
   (w) Njia Boys Secondary School – Meru County.
   (x) Nkubu Boys High School – Meru County.
   (y) Ntoroni Mixed Day and Boarding Secondary School – Tharaka Nithi County.
   (z) Our Lady of Mercy Girls Secondary School – Busia County.

(aa) R.C.E.A Livingstone Secondary School – Uasin Gishu County.
(bb) Rurii Secondary School – Nakuru County.
(cc) Spinners Boys Secondary School – Kiambu County.
(dd) St. James Nasewa Secondary School – Busia County.
(ee) St. Joseph's Kocholia Secondary School – Busia County.
(ff) St. Michael Sisenye Mixed Secondary School – Busia County.
(gg) St. Theresa's Girls Secondary School – Bungoma County.
(hh) Yururu Girls Secondary School – Meru County.

Hon. Deputy Speaker: Hon. Members, we will still return to Order No.5 shortly. There are Papers to be laid by the Chairperson of the Committee on Education and we will come back to that once they are ready. In the meantime, we can proceed to the next Order. Apologies, we can start with the Chairperson of the Departmental Committee on Justice and Legal Affairs, as we await the Chairperson of the Departmental Committee on Education. Please, proceed.

Hon. George Murugara (Tharaka, UDA): Thank you very much, Hon. Deputy Speaker. I beg to lay the following Papers on the Table:

Reports of the Departmental Committee on Justice and Legal Affairs on its consideration of –

1. The Criminal Procedure Code (Amendment) Bill (National Assembly Bill No.11 of 2026).
2. The Penal Code (Amendment) Bill (National Assembly Bill No.12 of 2026).

Hon. Deputy Speaker: Chairperson, Committee on Delegated Legislation.

Hon. Samwel Chepkonga (Ainabkoi, UDA): Thank you very much, Hon. Deputy Speaker.

I beg to lay the following Paper on the Table:

Report of the Committee on Delegated Legislation on its consideration of the Income Tax Amendment Legal Notice No.15 of 2021 published as Legal Notice No.191 of 2025.

Hon. Deputy Speaker: Thank you. We can now move on to the next Order while we await the Departmental Committee on Education. It seems they are not ready. We will, therefore, proceed and return to them later.

NOTICE OF MOTION

ADOPTION OF REPORT ON INCOME TAX AMENDMENT

Hon. Deputy Speaker: Chairperson of the Committee on Delegated Legislation.

Hon. Samwel Chepkonga (Ainabkoi, UDA): Thank you, Hon. Deputy Speaker. I beg to give notice of the following Motion:

THAT, this House adopts the report of the Committee on Delegated Legislation on its consideration of the Income Tax Amendment, Legal Notice No.15 of 2021, laid on the Table of the House on Tuesday, 25th August 2026, and pursuant to the provisions of Section 13(3) of the Income Tax Act Cap.470, this House approves the Income Tax Amendment, Legal Notice No.15 of 2021, published as Legal Notice No.191 of 2025.

I thank you.

Hon. Deputy Speaker: Next Order.

QUESTIONS AND STATEMENTS

Hon. Deputy Speaker: Member for West Mugirango, Hon. Mogaka.

REQUEST FOR STATEMENT

DELAYS IN PAYMENT OF RETIREMENT BENEFITS TO PENSIONERS

Hon. Stephen Mogaka (West Mugirango, JP): Thank you, Hon. Deputy Speaker. I rise to request for a Statement regarding delays in the processing and payment of retirement benefits to our pensioners.

Pursuant to the provisions of Standing Order 44(2)(c), I wish to request for a Statement from the Chairperson of the Departmental Committee on Finance and National Planning regarding persistent delays in processing and remittance of retirement benefits to retired public servants across the country. Having dedicated their productive years to serving the nation, retirees are lawfully entitled to receive their pension in a timely manner so as to meet their basic needs and live with dignity.

Regrettably, many pensioners continue to face prolonged delays in the processing and payment of their benefits, thereby subjecting them to financial hardship during their retirement years. These delays have caused unnecessary suffering, particularly for pensioners who rely solely on their monthly pension to meet daily needs, to access medical care, and to support their families. The situation is even dire for elderly pensioners, some of whom endure extended waiting periods while others tragically pass on before receiving the benefits they earned through decades of public service.

It is against this background that I request for a Statement from the Chairperson of the Departmental Committee on Finance and National Planning on the following:

1. The status of pending pension claims as of June 2026 and the number of pensioners whose retirement benefits remain unpaid across the country.
2. The reasons for the persistent delays in the processing and payment of pensions and retirement benefits.
3. Measures being undertaken by the Government to clear the existing backlog of pension claims and ensure timely payment of benefits.
4. Reforms in place to strengthen the pension administration system to reduce bureaucratic bottlenecks and guarantee that pensioners, including the beneficiaries of deceased pensioners, receive their lawful benefits promptly.

Hon. Deputy Speaker: Who can give an undertaking on behalf of the Chairperson of the Departmental Committee on Finance and National Planning? Proceed, Hon. Ikiara.

Hon. Dorothy Muthoni (Nominated, UDA): Hon. Deputy Speaker, I beg to weigh in on this very important request for a Statement raised by my colleague, Hon. Stephen Mogaka.

The issue of pensioners has been discussed in this House for a long time. It pains me so much when we know too well that dedicated persons, who are so patriotic to this country, are left to fate immediately after serving this nation for such a long time. It is a high time this Government devises a formula to ensure that pensioners receive what is due to them immediately after retirement. I support this Statement. This time, let us get an answer that will satisfy our pensioners countrywide.

Thank you.

Hon. Deputy Speaker: Can someone give an undertaking on behalf of the Departmental Committee on Finance and National Planning?

Hon. Benjamin Lang'at (Ainamoi, UDA): Thank you, Hon. Deputy Speaker.

I thank Hon. Mogaka for raising that issue. In fact, I chaired a committee where we discussed a Statement by Hon. Kibagendi on the delay of pensions for teachers. This is a very serious matter. My Committee will address this and bring a report in two weeks.

Hon. Deputy Speaker: We have a response to a Statement by the Chairperson of the Departmental Committee on Transport and Infrastructure. Hon. Dawood, are you the one submitting the response on behalf of the Committee? Please, proceed.

STATEMENT

STATE OF THIKA SUPER HIGHWAY

Hon. Rahim Dawood (North Imenti, Independent): Thank you, Hon. Deputy Speaker.

This is a response on behalf of the Chairperson of the Departmental Committee on Transport and Infrastructure. The Member for Mathioya, Hon. (Dr) Mugo, requested for a Statement from the Departmental Committee on Transport and Infrastructure regarding the deteriorating state of Thika Superhighway. In the Statement, he sought to establish the following:

A report on the maintenance and rehabilitation plans put in place by the Ministry of Roads and Transport for the Thika Superhighway, particularly the stretch from Ngara to Kenol in Muranga County; the reasons for delay in repairing potholes and other damaged sections of the Thika Superhighway; measures being undertaken to address the deterioration to enhance road safety; and the timelines within which the Government intends to complete the necessary repairs and rehabilitation works to ensure it is in a motorable condition.

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

Regarding the maintenance and rehabilitation plans, the Ministry submitted that the Ngara-Kenol section comprises the Nairobi-Thika Superhighway (S1) and the Thika-Kenol section of the A2 Road. The maintenance interventions undertaken on the sections include surface dressing on the Nairobi-Thika main carriageway in 2019, localised repairs and pothole patching along the service lanes in 2025 and rehabilitation on selected sections along the non-motorised transport facilities (walkways) in 2025.

The Ministry further submitted that Performance Based Maintenance Contracts are ongoing on the Nairobi-Ruiru section. The major scope includes construction of bus bays at Roysambu and Githurai aimed at improving traffic operations and safety along the sections, pothole patching at failed sections, installation of road signs, road marking along the constructed bus bays, performance-based maintenance of the carriageway, and road reserve and structures to the required service level.

On the Ruiru-Thika section, the Ministry submitted that the scope includes construction of a climbing lane along the Blue Post section at Thika, construction of bus bays along the Witeithie section, pothole patching at failed sections, provision of road marking, performance-based maintenance of the carriageway, and road reserve and structures to the required service level.

Regarding the Thika-Kenol section, the Ministry submitted that the section of the A2 Road was recarpeted in 2022. Due to budgetary constraints, sealing the overlay with surface dressing on the road section could not be executed within the same contract. The overlay hence experienced severe ravelling resulting from the effects of the excess rainfall experienced between October 2023 and May 2024 after the overlay.

The Ministry further submitted that the road is currently under a performance-based maintenance contract whose major scope includes drainage works comprising provision of access culverts (900mm) and drain excavation, localised base repairs with hand-packed stones, surface dressing using 6/10mm chippings and 80/100 penetration grade bitumen, on selected sections, provision of road marking and other specified road furniture, and performance based maintenance of the carriageway, road reserve and structures to the required service level.

Additionally, due to budgetary and contractual constraints, the Ministry submitted that the current contract quantities are insufficient to accommodate asphalt concrete overlay on all the severely ravelled sections. It has thus been considered necessary to forego the surface dressing and utilise the funds allocated to surface dressing to address more of the ravelled sections through asphalt concrete regulation.

Also, the Ministry further submitted that while the traffic loading on the Thika Superhighway, Thika-Kenol and Kenol-Marua is considered uniform, faster deterioration is experienced along the Thika-Kenol section due to the inferior pavement structure. In view of this, the road section requires additional funding for pavement strengthening. In the long term, the Thika-Kenol section forms part of the Government's planned upgrading of the Thika-Kenol-Marua Corridor. Implementation of major rehabilitation and upgrading works will be undertaken subject to the availability of funding, completion of procurement processes and fulfilment of statutory requirements.

Regarding the delay in repairing potholes and other damaged sections, the Ministry submitted that since opening of the Thika Superhighway to traffic in 2012, the major maintenance interventions undertaken on the highway include single seal surface dressing in 2019. The road has over the years experienced deterioration due to the effects of traffic loading and weather.

The Ministry further submitted that the deterioration is particularly pronounced on the service lanes and non-motorised transport facilities due to inherent limitations in the original pavement design. The non-motorised transport facilities were constructed with a 35 mm asphalt concrete wearing course, while many sections experience poor drainage that has accelerated pavement deterioration. Similarly, the service roads were constructed with a less robust pavement structure than the main carriageway, making them more susceptible to premature failure under increasing traffic loads.

Additionally, the Ministry stated that the Kenya National Highways Authority (KeNHA) carries out regular road condition assessments through the Annual Roads Inventory and Conditions Survey (ARICS), the Dynamic Response Intelligence Monitoring System (DRIMS) and routine inspections to identify and prioritise critical interventions. However, the interventions undertaken over the years envisage only holding maintenance. Comprehensive rehabilitation and reconstruction of the affected sections will be undertaken subject to availability of funds. Due to budgetary constraints, delays have been experienced in undertaking the required treatments, including base repairs, reconstruction of the failed sections and drainage improvement works.

Regarding the timelines for completion, the Ministry submitted that the holding maintenance works under the ongoing Performance-Based Contracts are continuous and will be undertaken throughout the contract period to ensure the road remains safe and motorable. In Financial Year 2025/2026, the maintenance allocation was Ksh1,400,632,612.41 while in the Financial Year 2026/2027, the maintenance allocation is Ksh1,649,541,319.

On the Nairobi-Ruiru section, the Ministry submitted that the contract commenced on 9th June 2025 and is a 24-month contract with a scheduled completion date of 8th June 2027; on the Ruiru-Thika section, the contract commenced on 9th June 2025 and is a 24-month contract with a scheduled completion date of 8th June 2027; and on the Thika-Kenol section, the contract commenced on 24th November 2025 and is a 24-month contract with a scheduled completion date of 23rd November 2027.

Lastly, the Ministry further submitted that comprehensive rehabilitation and reconstruction of the Thika-Kenol section will be undertaken subject to the availability of funding, completion of the requisite procurement processes and fulfilment of statutory requirements.

On behalf of the Departmental Committee on Transport and Infrastructure, I submit. I have already given the Member of Parliament for Mathioya a written response.

Thank you, Hon. Deputy Speaker.

Hon. Deputy Speaker: Is the Member who requested the Statement in the House? Let me give him a chance and then we come to you, Leader of the Majority Party.

Hon. Edwin Gichuki (Mathioya, UDA): Thank you very much, Hon. Deputy Speaker.

I thank the Chairman for the elaborate response. I note that the budget to manage the Thika Superhighway has been increasing. But there are some issues which have not been adequately responded to. One is the construction of bus bays in Roysambu, Githurai and Witeithie. These bus bays will be an important factor in decongesting the road and managing road accidents. But there is no timeline as to when these works will commence and be completed.

Two, the response has introduced the issue of construction of a climbing lane at Blue Post section. It has just been mentioned and there is no indication of when the construction will start and be completed.

Finally, the common factor here is the issue of additional funding. With the introduction of the National Infrastructure Fund (NIF), the response has not indicated when these funds will be availed so as to improve the condition of the road. We can also look at the low-hanging fruits like the street lighting which is in very poor condition. There is also need of a footbridge in a place called Montezuma in Kabati to reduce road accidents and traffic congestion. The Ministry, through the Kenya National Highways Authority (KeNHA) and the Committee, should address some of those low-hanging fruits.

I thank you, Hon. Deputy Speaker.

Hon. Kimani Ichung'wah (Kikuyu, UDA): Hon. Deputy Speaker, with your indulgence, I would like to ride on that response from the Chair of the Departmental Committee on Transport and Infrastructure to the Member for Mathioya Constituency.

I know many Members may not have paid attention to your Communication on the rejection of a Bill that was passed by this House in October 2025. We are now headed to October 2026. You indicated that immediately this House passed that Bill, the Speaker's Office relayed a Message to the Senate on the passage of the Kenya Roads (Amendment) Bill. As we all recall, this is the Bill that was apportioning money to the Road Maintenance Levy Fund (RMLF) to Kenya Rural Roads Authority (KeRRA), under the national Government and our counties. And if Members did not pay attention, the Senate has done the unthinkable. They rejected the Bill in Second Reading. They did not even reject the Bill with amendments. They rejected the Bill in totality. This is the same Senate that purports to be representing the counties. How does the Senate, that represents counties, reject a Bill that is apportioning part of RMLF to the county governments to fix roads in the counties and in our neighbourhoods?

Some of the issues that the Member for Mathioya has raised, for example, street lighting, are functions of the county governments. But the Member for Mathioya is now taking up the responsibility of lighting up Mathioya Constituency because the Governor has failed. And instead of pushing for the Kenya Roads (Amendment) Bill, the Senator for Murang'a County together with other Senators, have rejected the Bill in totality. Part of what this Bill intends to cure is duplication in allocation of funds to roads at the local level. The public is not aware of which roads are managed by county governments and which belong to the national Government. Governors have been taking money from RMLF and the at the same time, allocating their county revenue share to fix the same roads. That is how they steal part of the budget that they have appropriated to the roads that they duplicate.

Last week, as we sought to discuss the Equalisation Fund Appropriation Bill, the concerns raised by many Members touched on duplication. We appropriate money under the Equalisation Fund in this House. At the county budget, the County Executive Committee

Member in charge of procurement also allocates money to the same projects that have been procured under the Equalisation Fund because they know the public does not know. The first accomplices to this theft in the county governments is the Senate. We will appoint a very strong mediation committee to discuss the Bill with the Senate. We must, however, express our disgust with a House that rejects a Bill in totality. You cannot reject a Bill in totality. There must be one or two clauses, at least, even the title, that you agree with. This is a rejection in jest and to spite this House. But I want to tell Senators that they are not spiting this House, but the same people they will be seeking votes from next year. The people will ask the Senators: "What have you done to make sure that RMLF gets to counties to fix roads that are in a bad state because money has not been allocated?"

As I congratulate the Departmental Committee on Transport and Infrastructure for the response, I ride on that to remind the House that we have done our bit and we will continue to do so as long as it pertains the allocation of RMLF. We must stand our ground to ensure that there is no duplication on allocation of funds to particular roads or duplication of projects under the Equalisation Fund. The Equalisation Fund was meant to create equity and fairness in the country, but the counties that have been benefiting from this Fund have no change on the ground, 10 years after the advent of devolution, because of theft at the county level. I miss the days before governors went to court when we would appropriate that money here and it would be procured at the national Government level. That is the right thing to do because there is better equity at the national level than at the county level.

I ask the Members who will be appointed to the mediation committee to ensure that we buttress the position that we took that what goes to KeRRA must remain with KeRRA and what goes to the counties must go to roads that have not been duplicated at the county level budgets. I do not want to use the words that the Member for Baringo North is using, but there has been clear collusion between Senators and governors. That is why you see this protectionist attitude in the Senate on the Kenya Roads (Amendment) Bill.

Hon. Deputy Speaker: Member for Tiaty.

Hon. Kassait Kamket (Tiaty, KANU): Hon. Deputy Speaker, thank you very much for this opportunity.

I agree with the Leader of the Majority Party that one of the biggest mistakes of our Constitution was the creation of the Senate. It is a terrible historic mistake. While the House exists, we must address this issue. I urge the Leader of the Majority Party to honour his word and appoint a strong mediation committee to look into the issues of the Road Maintenance Levy Fund (RMLF). I confirm that there is a lot of duplication in the counties through the RMLF and the Equalisation Fund. One of the biggest problems we have is the Equalisation Fund. Leader of the Majority Party, you were lucky to withdraw the Equalisation Fund Appropriation Bill; we would have thrown it out until we solved the procurement issue.

It is one of the biggest mistakes the National Treasury made in bringing about regulations that allocate procurement power to county governments. That is where the problem comes in through duplication. This is an outright plunder of public resources. I urge Hon. Members, when the Cabinet Secretary comes—I hope he comes tomorrow—let us all show up in numbers. While I do not want to anticipate debate, let us all come in numbers and once and for all, deal with the matter of the Equalisation Fund, so that the people, counties and communities that are supposed to benefit from this Fund can benefit as per the Constitution and the vision of the drafters of our Constitution.

Hon. Deputy Speaker: Member for Buuri.

Hon. Mugambi Rindikiri (Buuri, UDA): Thank you, Hon. Deputy Speaker. Just like the Leader of the Majority Party has said, this never happened in the 12th and 13th Parliaments. When we think we are moving in the right direction and the country is trying to manage resources properly, others do not recognise the positives of what the Government is doing. One of the biggest problems we have in the counties is the capacity to manage the resources appropriated to them, with the road sector being one of them.

We have a problem with the way counties manage donor-funded resources, such as the Kenya Informal Settlements Improvement Project (KUSIP) and the Kenya Urban Support Program (KUSP), part of which is loans. This also includes the RMLF and the Equalisation Fund, which my colleague, Hon. Kamket, has also spoken to. The Senate needs to feel it and come out clean and tell Kenyans what their respective counties have done with the money that has been appropriated to them, specifically, roads. I will challenge my Senator to tell us how much money has been allocated to roads and what road projects have been done in the nine constituencies of Meru County.

It defies logic and undermines the intellect of these 290 Members, who are managing their constituencies with 22 per cent and 10 per cent of RMLF yet significant projects are visible in the road sector. When everybody says: “Let us give service to our citizens,” the Senate has rejected outright a Bill with many positives. Therefore, we are left wondering: Are we serving the same citizens? Who does the Senate represent? What are the Senate deliberations on the development of counties? Are they in bed with the governors? They need to tell us. However, history will judge them. It is unheard of that you can reject a Bill in totality, while its benefits accrue to the citizens they purport to serve. If there is anybody killing devolution, it is that House called the Senate. Time has come for us to call it out.

Hon. Deputy Speaker: Thank you. Next Order.

(Hon. Joseph Makilap spoke off the record)

Okay, Hon. Member for Mogotio, you may proceed. Sorry, not Mogotio. Proceed, Hon. Makilap. Give him the microphone.

Hon. Joseph Makilap (Baringo North, UDA): Thank you, Hon. Deputy Speaker. Building on Hon. Dawood's response on behalf of the Departmental Committee on Transport and Infrastructure, the amendment the Senate rejected in totality was meant to streamline the use of RMLF funds allocated to county governments. This ensures projects are not duplicated across our counties and constituencies. As you may be aware, if you went to every constituency in Kenya today, the roads you would see being worked on are from the little money constituencies receive as 22 per cent of RMLF. You then wonder what happens to the county governments’ road budget and the money allocated to them.

If the Senators rejected even the Title of the Bill without reading it, the question Kenyans are asking is: “Do we really need the Senate?” Do Kenyans require the Senate?

Hon. Members: No.

Hon. Joseph Makilap (Baringo North, UDA): Kenyans do not need the Senate. Parliament, through the National Assembly, can transact this country’s business without the Senate because they have reduced themselves to overseeing what members of county assembly (MCAs) are supposed to be doing in the counties. Currently, Senators summon Cabinet Secretaries in charge of Interior and National Administration and Education, whose functions are not county governments' functions. This is confusing, and these people must understand devolution.

Their functions are in the Fourth Schedule. What Senators are doing is the work MCAs should do in overseeing their county governments. Why do we have a situation where Senators summon Cabinet Secretaries in charge of Energy and Petroleum, Education or Interior and National Administration? What business do they have? That is the function of the national Government. Let them read the Fourth Schedule. We must deal with this matter now, just as we do with the Equalisation Fund.

Tiaty is the single constituency in this country that receives the highest amount of money from the Equalisation Fund, but the county has messed that up. They are my neighbours, and there is nothing to show for the Ksh580 million given to Tiaty under the Equalisation Fund. I agree with the Leader of the Majority Party that if the National Assembly is appropriating Equalisation Funds, then we should oversee what we appropriate. That is what the law says.

In the future, if there is money to be allocated to the Equalisation Fund, the projects must be itemised in our budget, so that we pass it with projects itemised and costed and have real-time projects taking place in our counties. This is a *lacuna*: the judges did not read the Constitution properly. Parliament must oversee what it appropriates. Likewise, MCAs must oversee what they appropriate in the county governments. We need to review this and call the Senate to order so that programmes and development are not duplicated. They must be felt by the citizens who elected this House of Parliament.

This is a serious matter. I urge the Leader of the Majority Party to appoint to the mediation committee people who will not change their minds or be convinced otherwise. People who have the interest of this country at heart and who can defend the country from being washed away by Senators who do not understand what they want.

Hon. Deputy Speaker: Yes.

Hon. Majimbo Kalasinga (Kabuchai, FORD-K): Thank you very much, Hon. Deputy Speaker. The greatest mistake the 2010 Constitution made, without knowing it, was establishing the Senate. I think that was the greatest mistake. We are now facing the truth head-on. They can reject, in totality, what goes to their voters and to them, yet they are the same people who claim that there are no roads and no power. In reality, lighting is part of the county government functions. Leader of the Majority Party, it is high time we came together and looked at an amendment of this Constitution. Let us amend that section called Senate. Carry all those functions to the National Assembly because this House makes all laws.

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

[The Temporary Speaker (Hon. Omboko Milemba) in the Chair]

Hon. Temporary Speaker, if this House looks into totally amending the Constitution by whatever method, we must remove the Senate for this country to be safe. So far, the Senate has taken us badly, especially with that rejection. It is good that they have rejected the entire thing when we have only one year to elections. Can that rejection eat them? Can it bring them home so they know they are in the opposition because of the people of Kenya?

The Temporary Speaker (Hon. Omboko Milemba): Very well. Lastly on this one, let us have Hon… Who had this Statement? Oh, Hon. Mutunga. Let us hear Hon. Mutunga first. Proceed,

Hon. (Dr) John Mutunga Kanyuithia (Tigania West, UDA): Thank you very much, Hon. Temporary Speaker. I have listened carefully to what the Members are saying in expressing their discontent with the Senate's actions. If we look closely at what the Senate does, I cannot identify which provision of the Constitution they follow in much of their work. The Senate oversees cabinet secretaries. Instead of overseeing governors, they keep calling cabinet secretaries, principal secretaries, and heads of institutions to their offices. I do not know where this provision is.

On the other hand, when we speak about securitisation in this House, I think the common Kenyan does not understand exactly what we are talking about. Let us be simplistic enough. We have been building roads supported by the national Government under the Kenya

Rural Roads Authority (KeRRA), the Kenya Urban Roads Authority (KURA), and the Kenya National Highways Authority (KENHA). Specifically, under KeRRA, 22 per cent and 10 per cent come from the levy. The Senate has been eyeing this to pass it on to governors. Our people know the extent to which governors have done roads in this country. They know the level of scrutiny they apply in overseeing projects in this country. They know how they are doing these roads. The separation between national and urban roads, highways, and KeRRA roads is very clear.

You will find that the roads assigned to governors in most parts of the country are not actually done, except in cases where MCAs have stood their ground and forced the governor to give them money to do the roads and include it in the budget. Otherwise, they have not been doing the roads. They used to modernise towns, for example, by installing cabros. We have seen very little happening nowadays. We only see Senators trying to find ways for the governors.

I have been involved in about three mediations. In all of them, one common factor has been the discussion: How much more money do we raise for the governors? That is, the relationship between the Senate and the county governments. Is that preserving and promoting devolution? Is that what the Senate was created for? Is the Senate a House to fundraise for the county government? What about the proportion that this House gives them?

Whatever they are given every year is declared as shareable revenue. That is disregarded. Whenever there is any possibility to raise an extra coin, Senators go out of their way. Sometimes mediations almost fail because we cannot agree on proportions. Even resources for specific commodities and roads. They also want governors to manage those roads. We know that this money is not used to build the roads. It is used to travel the world and do all other odd things.

I, therefore, join my colleagues in saying that the Senate is not necessary in this country. We do not need it.

The Temporary Speaker (Hon. Omboko Milemba): Very well, Hon. Dawood, close this matter.

Hon. Rahim Dawood (North Imenti, Independent): Thank you, Hon. Temporary Speaker. Hon. (Dr) Edwin has talked about the construction of bus stops at Roysambu, Githurai, and Witeithie. I promise to get back to you on the timelines as soon as we are back from recess.

Regarding the Blue Post section where we need the climbing lane, I completely agree with him. I was there on Saturday and there was a traffic jam for like two to three hours. On that one, I will ask the ministry for a reply. Regarding street lighting, as my colleagues have alluded, that is under the county government, but we will still ask KENHA. We will also ask about the footbridge.

I want to say one thing about what the Leader of the Majority has talked about on the RMLF and the classification of roads. This was done in 2015 when Governor Munya was the Chair of the Council of Governors (CoG). He insisted on it, and he had even gone to court for that. Since then, Class A, B, and C are under the national Government. Class D, E, and unclassified are under the county government. When we do the roads under 22 per cent and 10 per cent, we do even the county roads, as you are aware. Therefore, we are doing most of the work which the county governments are supposed to do. Their rejection of the RMLF Bill shows that they do not need that money and counties do not need it.

I have heard some of my colleagues talk about doing away with the Senate. I put a Bill to remove the Senate and move its functions to the county assemblies. Then we form a devolution committee in Parliament. When I was on the Constitutional Implementation Oversight Committee (CIOC), that is what was happening. But that Bill did not go far because the Speaker did not approve it. But I wish that, if it is the feeling of Hon. Members, we can revive this Bill. I know it is a constitutional Bill that will require a referendum, but I am still willing to sponsor it if the Speaker approves. We will then go to a referendum to remove the Senate completely. We will remove a headache.

The Temporary Speaker (Hon. Omboko Milemba): Order, Hon. Dawood. Do not indict the Speaker. Just bring the Bill. We shall deal with it.

Hon. Rahim Dawood (North Imenti, Independent): Hon. Temporary Speaker, I have no problem. It is even at the Table Office. The Clerk, Mr Njoroge, knows about it. But it was not approved.

The Temporary Speaker (Hon. Omboko Milemba): Hon. Dawood, stop name-calling. Proceed.

Hon. Rahim Dawood (North Imenti, Independent): I will ask for signatures from the Members, so that we do away with the Senate once and for all and end the headache. Let them go to the county assemblies. I also had another Bill to do away with governors. I know you are looking to be a governor but the Bill proposes doing away with them, so that we have mayors like what we used to have; mayors of counties. We will reply to this as soon as we are back from recess.

The Temporary Speaker (Hon. Omboko Milemba): Thank you, Hon. Members. Thank you, Hon. Dawood. Let us go back to Order 5.

PAPER

The Temporary Speaker (Hon. Omboko Milemba): Chairperson, the Departmental Committee on Education.

Hon. Julius Melly (Tinderet, UDA): Hon. Temporary Speaker, I beg to lay the following Paper on the Table of the House:

Report of the Departmental Committee on Education on the approval hearings of nominees for appointment to the position of members of the Teachers Service Commission.

NOTICE OF MOTION

APPROVAL OF NOMINEES AS MEMBERS OF THE TEACHERS SERVICE COMMISSION

Hon. Julius Melly (Tinderet, UDA): Thank you, Hon. Temporary Speaker. I beg to give notice of the following Motion:

> THAT, taking into consideration the findings of the Departmental Committee on Education in the report on the approval hearings of nominees for the appointment of members of the Teachers Service Commission, laid on the Table of the House on Tuesday, 25th August 2026, and pursuant to the provisions of Article 252(b) of the Constitution, Section 88 of the Teachers Service Commission Act, Cap.212 and Sections 3 and 8 of the Public Appointments (Parliamentary Approval) Act, Cap.77f, this House approves the appointment of the following persons as members of the Teachers Service Commission:
>
> 1. Ms Antonina Lentoijoni.
> 2. Hon. Wilson Sossion.

I thank you.

Hon. (Dr) Ojiambo Oundo (Funyula, ODM): On a point of order, Hon. Temporary Speaker.

The Temporary Speaker (Hon. Omboko Milemba): What is the matter? What is out of order?

Hon. (Dr) Ojiambo Oundo (Funyula, ODM): Hon. Temporary Speaker, when the Order was called for the Chairperson of the Departmental Committee on Education to present Papers, many of us here were sitting with anticipation of some good news that each Member seated in this House would now be given 10 TSC letters to take to their constituents.

We are very apprehensive and very disappointed that he has not done God's work. He has left us in very bad shape. I do not know what he has to say on this matter.

Thank you.

The Temporary Speaker (Hon. Omboko Milemba): Well, that is part of the canter and banter.

Next Order.

(Laughter)

BILL

First Reading

THE CREATIVE ECONOMY BILL
(National Assembly Bill No.48 of 2026)

(The Bill was read a First Time and referred to the relevant Committee)

BILLS

Second Readings

THE AIR PASSENGER SERVICE CHARGE (AMENDMENT) BILL
(National Assembly Bill No.56 of 2026)

The Temporary Speaker (Hon. Omboko Milemba): Leader of the Majority Party.

Hon. Kimani Ichung'wah (Kikuyu, UDA): Hon. Temporary Speaker, I beg to move that the Air Passenger Service Charge (Amendment) Bill (National Assembly Bill No.56 of 2026) be now read a Second Time.

This is a very short Bill, with just four clauses. The key purpose of this Bill is to further amend the Air Passenger Service Charge Act, which collects money from air passengers. I think it is about US$10 per air passenger ticket. The Kenya Revenue Authority collects this money, and it all goes to the Kenya Airports Authority (KAA).

Therefore, we seek to amend this so that instead of all this money going to the KAA, the Commissioner will remit the funds directly to the respective beneficiary entities. This will therefore, eliminate unnecessary delays and ensure funds reach their destination smoothly. They will not have to go through one entity and then disburse the money to the other entities.

The key beneficiaries of this Fund are the KAA, the Kenya Civil Aviation Authority (KCAA) and the Tourism Promotion Fund. Instead of the money going to KAA and then being transferred to KCAA and the Tourism Promotion Fund, the collector, or the Commissioner, will remit the funds directly to the three entities. The KAA, KCAA and the Tourism Promotion Fund will receive what is due to them.

This will, in a way, create a lot of efficiency, not only in terms of how quickly the money gets to them. It will also allow individual entities to progress and use the money collected on their behalf. The other smaller amendments are just technical ones to clean up the

Act. For instance, just substituting the word "charges" with "amounts". This subtle correction removes legal ambiguity and provides absolute clarity in the Act. Instead of using "charges", we will use "amounts".

This Bill is not a money Bill within the meaning of Article 114 of the Constitution, and its enactment will not occasion any additional expenditure of public funds or stretch our national budget. As I said, it is just reapportioning what is already being collected and distributing it to the three different entities.

This Bill also does not touch on anything to do with county governments. Therefore, it has nothing to do with the Senate. As I said earlier, we should have legislation like this that has nothing to do with the other House called the Senate. Imagine if such an important Bill went to the Senate and they rejected it in totality, including the title, without reading it. I am happy the Bill has nothing to do with our county governments. Therefore, it will not find its way to that other House. As a result, we can expedite it.

It is a very short Bill, just four clauses. I ask Members to support this particular amendment. It is straightforward and well-intentioned. It is a good Bill that will create efficiency, accountability, and transparency in the movement of public funds collected by the Commissioner on behalf of other entities.

Hon. Temporary Speaker, I beg to move. I request my very able deputy to second.

The Temporary Speaker (Hon. Omboko Milemba): Hon. Baya.

Hon. Owen Baya (Kilifi North, UDA): Thank you very much, Hon. Temporary Speaker. It is my pleasure to second the Bill and beg that the Air Passenger Service Charge (Amendment) Bill (National Bill No.56 of 2026) be read a Second Time.

As I second, as the Leader of the Majority Party has said, this is a fairly easy Bill that does one thing: It improves the efficiency of remitting funds. We know that KRA usually collects the passenger service charge. It then gives the money to KAA. In turn, KAA gives the other beneficiaries, that is, the KCCA and the Tourism Promotion Fund, their share. This creates a bottleneck in distributing these funds. Therefore, this Bill intends to ensure that when the money comes from KRA, it goes directly to KAA, KCAA, and the Tourism Promotion Fund. That is what this Bill does.

So, in essence, this Bill deletes Section 6A to allow the Commissioner to remit these funds directly to the respective beneficiary entities. This eliminates unnecessary delays and ensures funds reach their destination smoothly. This is the way to go. Instead of having several other people gatekeeping, the funds go straight to the entities. The President introduced the same thing. Counties would receive money, then give it to county assemblies. We have removed that bottleneck. County assemblies and county governments should receive their money without one being the head boy or head girl of the other. The money comes from the National Treasury, then goes to the county assembly and county government or executive. That is a seamless way of doing things.

Therefore, I second this Bill and request that we pass it as soon as possible to enable these government entities that depend on this money to function efficiently.

Thank you, Hon. Temporary Speaker.

(Question proposed)

The Temporary Speaker (Hon. Omboko Milemba): Hon. Rindikiri Mugambi can have the first bite.

Hon. Mugambi Rindikiri (Buuri, UDA): Thank you, Hon. Temporary Speaker. One of the basic principles of modern business transactions is reducing bottlenecks. Eliminating delays and saving time are the best ways to facilitate quick development ventures.

This is a key Bill. I second that we must ensure transactions are made directly to the three entities without delay. These are basic principles of modern business practice that we need to speed up and support.

I thank you, Hon. Temporary Speaker.

Hon. George Murugara (Tharaka, UDA): On a point of order, Hon. Temporary Speaker.

The Temporary Speaker (Hon. Omboko Milemba): Hon. (Sir) George, what is out of order?

Hon. George Murugara (Tharaka, UDA): Using your discretion, after Hon. Oundo's contribution, under Standing Order 95, this Bill is very important, but totally non-controversial. We need to pass it so that we can move on and deal with the rest of the matters. I stand under Standing Order 95, so that the Mover can be called upon to reply, and we proceed to equally important matters like this one.

The Temporary Speaker (Hon. Omboko Milemba): Very well, Hon. Oundo.

Hon. (Dr) Ojiambo Oundo (Funyula, ODM): Thank you, Hon. (Sir) George. Hon. Temporary Speaker, allow me to join my colleagues in supporting the Air Passenger Service Charge (Amendment) Bill, 2026.

As I do so, I would like to bring to the attention of Kenyans what happens when those who are privileged enough to fly buy air tickets. If you are flying on a foreign trip, you pay US$50. If you are flying locally, you pay Ksh600. That amount is shared among the KAA, the KCAA, and the Tourism Promotion Fund. This money goes to a certain channel before it is distributed. The essence of this Bill is that this money will now be sent directly to the beneficiary organisations. However, this will be done after deducting KRA's expenses for collecting the charge.

At this point, it would have been neater to set the threshold for how much KRA will charge for these services. But to expedite the distribution process, let us support the Bill. If the Committee of the whole House needs to, we may set a specific amount or a percentage of what KRA can retain to execute its duties, as mandated by the Constitution and relevant legislation.

With those few remarks, I support the Bill.

[The Temporary Speaker (Hon. Omboko Milemba) left the Chair]

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

Hon. Deputy Speaker: Leader of the Majority Party, do you want us to put the Question?

Hon. Kimani Ichung'wah (Kikuyu, UDA): Yes.

Hon. Deputy Speaker: You have to reply first.

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

Hon. Deputy Speaker: Proceed, Hon. Ichung'wah.

Hon. Kimani Ichung'wah (Kikuyu, UDA): Thank you, Hon. Deputy Speaker. As you heard, everybody supports this Bill, which is straightforward. I beg to reply. I thank all the Members who have contributed.

(Question put and agreed to)

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

Hon. Deputy Speaker: Next Order.

THE TRUST ADMINISTRATION BILL
(National Assembly Bill No.29 of 2026)

Hon. Kimani Ichung'wah (Kikuyu, UDA): Hon. Deputy Speaker, I beg to move that the Trust Administration Bill (National Assembly Bill No.29 of 2026) be now read a Second Time.

Firstly, allow me to thank the Chairman of the Departmental Committee on Justice and Legal Affairs, Hon. Murugara, and all the very many good lawyers who serve in this House and our country, under the Departmental Committee on Justice and Legal Affairs. They conducted public participation and listened to many stakeholders and members of the public. I am sure their report is ready, which they will table in due course. That does not stop us from continuing with debate on the Second Reading of this Bill, which is important in the administration of trusts in our country.

We have a very archaic legal framework under the Trustees (Perpetual Succession) Act, Cap.164, which has adapted poorly to contemporary financial systems, modern wealth management needs and corporate governance realities of today's world. This is a very old law that came into being before we had a robust financial system. Today, with the robust financial system we have, tax avoidance and money laundering are the order of the day. When this law came into force many years ago, money laundering was more rampant among people who were involved in drug trafficking or the illegal firearms trade. However, money laundering is now a day-to-day affair, especially among those involved in illicit trade and financial flows, including money from corrupt activities.

Again, with the advent of the 2010 Constitution and devolution, we got new kings called governors. The illicit financial flows from our counties come from governors or chief officers. Many Members will attest that many chief officers in county finance dockets are super rich. They use this archaic law to launder money through trusts. Therefore, the key objective of this Bill is to create and recognise different forms of trusts, including charitable trusts, non-charitable purpose trusts, and family trusts.

In this Bill, the modus of registration is clearly provided for showing how you can register a family trust under Clause 10, a non-charitable purpose trust under Clause 9, and charitable trusts under Clause 8. From Clause 8 all the way to Clause 10, it defines each of these categories of trust and how they will be registered, what you need to register, and the number of people that you need, either in natural persons or corporate trustees. For the charitable and non-charitable purpose trust under Clause 11, it says that:

> A charitable and non-charitable purpose trust shall have at least three natural persons as trustees or one corporate trustee.

Each of these trusts that are registered, either charitable or non-charitable trusts other than family trusts, must have, at least, three natural persons or one corporate trustee, whereas for the family trust, you shall have, at least, one trustee. Therefore, the clear distinction being that for a family trust, you can have just one natural person, but for the charitable and non-charitable trust, you must have, at least, three natural persons or human beings, not corporate trustees.

A trust shall have, where the trustees are natural persons, at least, one trustee must be a Kenyan citizen or a resident of Kenya as prescribed in regulations that will follow this Bill. To ensure that you do not have trusts where all the natural persons who are trustees are non-

Kenyans or non-Kenyan citizens, the Bill requires that every trust, whether it is a family trust, whether it is a charitable and non-charitable purpose trust, at least, one person must be a Kenyan citizen as provided for in this Bill.

The second objective is to provide a very clear statutory framework governing trusts and to promote certainty, transparency and accountability in the administration. You know, trusts, as I said, have been used not just for money laundering, but because of the manner in which they are being managed, many trusts, especially a few family trusts, people have been left property, and that property has ended up not benefiting the people who are intended to benefit, but benefiting trustees. This Bill seeks to create that very clear statutory or legal framework that will govern how trusts are managed, what powers trustees in such trusts have and how they can dispose of what is owned by such trusts. It also creates certainty, transparency and accountability in the administration of these trusts.

The other objective is that this Bill seeks to establish procedures for the registration and incorporation of trusts and provide for the issuance, refusal and revocation of certificates by the Registrar. As I said, each of the categories, whether it is a family trust, whether it is a charitable one or a non-charitable trust, each, the Bill provides, without going into details, what will be required for the registration of each category. The Bill further seeks to establish clear qualifications, appointment, removal and resignation procedures for trustees. As I said, because of the archaic nature of the law that existed, we have had trusts where people become trustees in perpetuity, and you could not remove them. Even where beneficiaries want to remove trustees because they are not serving the intended purpose of that trust, they were unable to remove them, but this Bill now seeks to create that very clear qualification on who qualifies to be appointed as a trustee, the manner of the appointment and the manner of even their removal or resignation.

The Bill further seeks to strengthen transparency by providing for registers of beneficial owners and proper accounting and record keeping by trusts. Because of the ambiguity that existed in the old law, it was never clear who the beneficial owners of the trusts were. This Bill now seeks to provide that there would be a clear register of the beneficial owners and there will be proper accounting and bookkeeping, record keeping by trusts, so that it is clear who ought to have what under such a trust. One of the other key aspects or key objectives of the Bill is to combat illicit financial flows, ensuring that all domestic trust instruments cannot, under any circumstances, be maliciously subverted for money laundering or tax evasion strategies.

We have seen people registering trusts either to move illicit financial flows or to facilitate the movement of illicit financial gains or financial flows, or to subvert payment of taxes. Therefore, this Bill seeks to ensure that we tie all the knots to ensure that trusts will no longer be used to subvert our tax laws or indeed subvert our fight against illicit financial flows. As I said, this Bill also seeks to move with the modern financial architecture in the world because people have become very creative and very innovative. We just enacted the Anti-Money Laundering Act last year or last year but one. We need to realign this law also to ensure that it aligns with the Anti-Money Laundering Act that is already in place, to ensure that trusts are not being used to facilitate illicit financial flows or money laundering.

The Bill introduces distinct operational criteria, as I said, for the three major classifications, that is, the charitable trust, the non-charitable purpose trust and family trust. Clause 11, as I had mentioned, sets the minimum number of people, natural persons, that will be there under each of the categories, creating a clear distinction between the non-charitable purpose trust and charitable trust to have at least three natural persons as trustees and family trust to have at least one natural person as a trustee.

The Bill legally formalises the role of the trust enforcer under Section 14, providing checks and balances on trustees and preventing the enforcer from doubling up as a trustee or profiting from the office as a trustee. We have seen many prominent families, including those of former Cabinet Secretaries and senior figures in our country, suffer after the demise of the patriarchs of their families, who left much of their estates in the care of trustees, with the trustees becoming partakers or ending up benefiting more from the estates of deceased persons than the intended beneficial owners or those the settlors of these trusts intended to benefit. This law creates the role of a trust enforcer under Section 14 of the Bill. As I have indicated, Members who have read the Bill and have gone through the Committee's Report will be able to see that where a person is appointed as an enforcer under Subsection 1 of Clause 14, that person or the trustee shall, in a specified manner, notify the Registrar within 21 days from the date of appointment. The functions of that enforcer are again listed under Clause 15. I do not need to go into all those details.

The Bill further places strict fiduciary duties on trustees under Part 7, demanding reasonable care, absolute separation of trust property from personal property and a complete ban on drawing unauthorised profits. This is very important because, as I said, we have seen, either from trusts that are created by families to take care of the estates of deceased persons, or from foundations, trustees benefiting immensely from such trusts or foundations without due care to the people who are intended to benefit from this. The Bill is now creating very strict fiduciary duties on trustees and demanding that there be reasonable care and absolute separation of trust property from personal property.

Therefore, a trustee cannot mix up what is owned by the trust and what constitutes personal property in their management and, of course, is completely prohibited from making unauthorised drawings of profits by trustees to the detriment of the intended beneficiaries.

If you go further to Sections 46 and 49 of the Bill, it establishes very serious deterrence, introducing a fine of up to Ksh20 million for corporate bodies that illegally dispose of trust property and up to Ksh3 million for failure to disclose required trust information.

Hon. Deputy Speaker, I saw a Petition by some Kenyans who are former employees of ART. The ART was the African Retail Traders Company — a buy-now, pay-later hire-purchase company. Thousands of their staff had the company as a corporate trustee in their pension fund, and I think one or two other trustees were managing their pension fund. But when the company went under, the owners of the company, eventually, as trustees, went and liquidated all the assets of the pension fund, to the detriment of the beneficiaries who had saved for many years. Those who had retired and worked for that company, some for 35 to 40 years, were left destitute. And because these people have money, they have now played the courts and used the justice system to swindle those very poor workers. These are matters that are before our courts of law.

Hon. Deputy Speaker, I see the Whip of the Minority Party being distracted by the Member for Embakasi East asking which Bill this is. We are on Order No.10 on the Trust Administration Bill. Many of these people live in Embakasi East. They are people who worked in shops that were owned by ART. Some worked for 30 years, while some worked for 40 years, and when this Asian businessman who owned this company wound it up, they took away all the pension savings that these people had. I am saying they have used the courts to play the justice system and swindle these very destitute Kenyans who had sacrificed all their productive life working in shops. We remember those ART shops because that is where we used to buy Sanyo radios and double-decker beds, many years before Hon. Babu Owino was born.

(Several Members spoke off the record)

(Laughter)

Hon. Babu Owino may not relate to some of these things, like Sanyo record players, Sanyo radios, and home theatres, when they came into being. Those staff members used to stand in those shops for long hours, trying to convince customers to buy on hire purchase and follow up payments religiously. But you can imagine now because the trustees charged with the responsibility of presiding over their pension fund, including a corporate trustee that was the company itself, were wound up, they went and swindled them. This happened because we had a very archaic law. Now, with this law, we will never have another ART where rich business people swindle young, hard-working Kenyans as they age after serving their companies for many years.

Therefore, I want to say this is a very progressive Bill, and it is working in the best interest of many people, including many prominent Kenyan families that we know. Some are former cabinet secretaries. I do not want to name names, but you know them. They are people who are very wealthy, but who left their property under the care of trustees. Trustees use their positions as trustees to swindle families whose parents had worked very hard. Therefore, this law is very progressive, and, as I said, it is also aligned with other laws, like the anti-money laundering laws and some of the tax laws that we have passed, to ensure that we do not use trusts either to swindle the public by stealing their taxes or to swindle members of the public. Whether you are a governor or an aspiring governor, like the Member for Embakasi East, should you become a governor, you will never use a trust to hide the money that you have acquired illegally in this country to go and buy property in London and elsewhere. We must bring that to an end. I know the Member for Embakasi East is a good lawyer who recently joined the Bar, and I have seen him very active in the court. He must now use his expertise to draw up trust deeds that will serve families, charitable and non-charitable organisations very well, to ensure that this law is good for the people of Kenya.

Let me end it there so that we give many other people the opportunity to contribute. This House has a very solemn duty to pass such laws that protect families, protect family legacies, protect generational wealth, safeguard public charitable funds, and enhance corporate accountability across all sectors of our economy, including pension funds, where we have trustees who preside over the management of our resources on our behalf. We now have our own Post-Retirement Medical Scheme (PMRS), and we have appointed a number of people as trustees. We must hold them to account under this law.

I beg to move and request my very able deputy to second this Bill. Thank you.

Hon. Owen Baya (Kilifi North, UDA): Thank you very much, Hon. Deputy Speaker. I second this Bill as moved by the Leader of the Majority Party. I would like to say at the outset that indeed this is a very progressive Bill. This is a critical piece of legislation which seeks to consolidate and thoroughly reform. The words are “thoroughly reform”. This Bill has undergone a complete metamorphosis. It is almost new but, of course, it is an amendment Bill.

It is thoroughly reformed because the outdated legal architecture governing the registration, incorporation, management, and regulation of trusts and trustees in Kenya has taken a completely different shape and form in this new Bill. The existing framework under the Trustees (Perpetual Succession) Act (Cap 164), is archaic and poorly adapted to contemporary financial systems, wealth management needs, and corporate governance realities. As the Leader of the Majority Party has said, we have a new architecture in financial management. We have a new Public Finance Management Act and many tax laws that also need to be realigned, and this is a realignment of the new laws.

The primary objective of this Bill, as I second, is to provide for the creation and recognition of different forms of trusts, including charitable trusts, non-charitable purpose trusts, and family trusts. You are aware that at the Coast of Kenya, we have what we call the Waqf. They are a form of trust. We have seen several times where the Waqf have been misused, and resources from the Waqf have been misused. This new law puts order in that sector to provide a clear statutory framework governing trusts and to promote certainty, transparency, and accountability in the management and administration of trusts.

This amendment Bill seeks to establish procedures for the registration and incorporation of trusts and provide for the issuance, refusal and revocation of certificates. So, we are going into a different realm.

The Bill seeks to establish clear qualifications, appointment, removal, and resignation procedures for trustees. Initially, the qualifications of a member of the board of trustees were not outlined but now, we have resignation and appointment procedures in the new Bill.

Hon. Deputy Speaker, the Bill seeks to strengthen transparency for registrars of beneficial owners, proper accounting and record keeping by the trusts. The initial law-based trusts on trust. A trustee would be nominated just because they are trusted and not because there were regulations that govern the management. Therefore, this is a key milestone in this Bill which will combat illicit financial flows as the Leader of the Majority Party has reiterated.

Often, people set up trusts and use them as conduits for illegal money from abroad and other offshore accounts. That money would actually find its way into the country. However, with this law, we will combat illicit financial flows into the country, ensuring our domestic trust instruments are not maliciously subverted for money laundering or tax evasion.

The key reforms and amendments in this law, and for the benefit of Hon. Ochieng's understanding, the Bill introduces distinct operational criteria for three major classifications namely: charitable trusts, non-charitable purpose trusts and family trusts. Hon. Ochieng' needs to understand…

Hon. David Ochieng' (Ugenya, MDG): On a point of order, Hon Deputy Speaker.

Hon. Deputy Speaker: What is your point of order, Hon. Ochieng'? Allow Hon. Ochieng' to give his point of order.

Hon. David Ochieng' (Ugenya, MDG): Hon. Deputy Speaker, as a very senior lawyer in this country, Hon. Baya cannot possibly teach me anything in law. After he contributes, I will tell him of a few things he would have left out.

(Laughter)

Hon. Owen Baya (Kilifi North, UDA): Hon. Deputy Speaker, this is a new law. Hon. Ochieng' cannot purport to understand it because it is new. He does not understand. So, let me teach him a few things.

(Laughter)

Hon. Deputy Speaker: Hon. Baya, it is new in Kenya, but not new in the international world. It has existed in England for years. It has been in the United States of America, and so it is new only to Kenya. We also study international law.

Hon. Owen Baya (Kilifi North, UDA): Hon. Ochieng', in this Bill, Clause 11 sets a minimum of three natural persons or one corporate trustee for a charitable and purpose trust, while introducing a minimum requirement of one trustee for family trusts. This distinguishes how many trustees can be in a trust, especially if it is a charitable trust or a purpose trust. For family trusts, only one member is admissible as a trustee.

Clause 11(3) enforces strict national oversight by requiring that, at least, one trustee must be a Kenyan citizen or local resident. This ensures that non-nationals of this country cannot set up a trust in the country. For every trust that is created, and this is very important for those out there who would like to set up trusts, at least, a Kenyan must be on the board of trustees. This safeguards the national oversight of the trust.

Hon. Deputy Speaker, the Bill legally formalises the role of a trust enforcer. The Leader of the Majority Party talked about the trust enforcer under Clause 14 to provide checks and balance parameters over trustees while preventing the enforcer from doubling up as a trustee or profiting from the same office. Therefore, the Bill in Clause 14 creates the office of a trust enforcer. We have been careful in this Bill to try to create a check and balance, so that the trust enforcer does not collude around to become a trustee himself. Therefore, the trust enforcer is very important, but this Bill helps to create checks and balance, so that he does not profit from the trust or makes money from the trust.

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

[The Temporary Speaker (Hon. David Ochieng') in the chair]

Hon. Temporary Speaker, Clause 32 of the Bill provides a clear procedural path for incorporation of a trust in the country. It grants it perpetual succession, full legal personality and the capacity to sue, to be sued and hold property in its corporate name. The Bill places strict fiduciary duties on a trustee. Trustees do not know that they are responsible for the fiduciary alignments within the trust.

This is a very progressive Bill. Clause 62 completely outlaws any indemnity clauses in trustees that seek to limit or exclude a trustee's liability for gross negligence, wilful misconduct, or dishonesty. This is a very important clause. For many years, a trustee would make mistakes along the way and use the indemnity clause to cover his or her mistakes citing it was the trust and not themselves. The trustee distinguishes himself from the trust cannot and run away when mistakes are made. Therefore, if one has been appointed as a trustee, they will be liable and accountable for their mistakes.

In conclusion, this Bill also provides that trustees must retain precise records and accounting data for a minimum period of seven years. Some people destroy records and run away, but this Bill provides that records must be kept. It provides a modern and watertight legislative architecture that seals loopholes that were historically used to hide illicit wealth or evade tax liabilities through unregulated trust by anchoring strict penalties of up to Ksh20 million. Rogue corporate trustees will be fined up to Ksh20 million thus mandating the registrar of beneficial owners to run a transparent trust within a global competitive financial destination.

I request members of this House, the gallant soldiers, men and women in this House to support this Bill, so that we can have a robust financial management system in trusts in this country.

Hon. Temporary Speaker, I beg to second.

The Temporary Speaker (Hon. David Ochieng'): The leadership of course, agrees that trusts by their very nature are a very good idea, thus we are just regulating it to make it work better for our country.

(Question proposed)

Member for Chepalungu, I would like to hear from you on this.

Hon. Victor Koech (Chepalungu, CCM): Thank you so much, Hon. Temporary Speaker. I rise as well to support the Bill that is before us. It is paramount we realise the importance of this particular Bill. We not only trust by believing, but now we are going to trust by having regulations laid down properly on who will govern a trust that people leave.

We have had many challenges and court cases because of one person believing in another on the basis of trust. To that effect, this Bill is very clear, straight-forward and non-controversial that it is better for this country to have regulations that will govern the creation, management and closure of people's trusts.

Hon. Temporary Speaker, I support this Bill. Thank you.

The Temporary Speaker (Hon. David Ochieng'): Well said. Member for Tigania West.

Hon. (Dr) John Mutunga Kanyuithia (Tigania West, UDA): Thank you, Hon. Temporary Speaker, for giving me the opportunity to support this very important Bill that we are discussing today. We have many trusts that are not properly guided which present various forms of challenges. This Bill proposes a law that will clear up some of these challenges to ensure that we deal with the issues as they are.

The Bill gives a very clear interpretation of the terms that will be used. I was interested to know whether we are clear in the issues that trusts face. I have served in trusts in two instances. I served in a trust that has established a university. I am still a trustee in the Eastern African Agricultural Development Trust. When we were trying to register a trust in Kenya, it became very difficult because there was no law. We had to invoke the Non-Governmental Organisations (NGO) law to try and register it. This law, therefore, comes in to help in resolving quite a number of problems.

The proposed law specifies the different types of trusts. We have charitable trusts for purposes of development and organising funds for charity. There are also trusts that are built as a result of non-charitable purposes. There are also family-based trusts and others which are specified in this particular Bill. Therefore, the Bill distinguishes the types of trusts that you can deal with. I find the Bill fairly comprehensive, in terms of those specifications.

When it comes to requirements and contents of the trust deed that is supposed to be signed by the owners of the trust, I find the Bill fairly informative. Clauses 22 to 27 of the Bill clearly deal with the registration of the trust. They spell out the requirements for registration, the contents of the trust and effect of registration. This Bill tries to solve the issues that are there. People develop trust deeds without clear guidance, anchorage and framework which presents challenges.

Part V of this Bill contains provisions relating to the property of a trust. This is always the bone of contention in the management of the property, especially when it is managed by a third party or on behalf of other people who do not have interest in the trust. This provision is clear. It is important in trying to safeguard the trust, on behalf of the owners.

Hon. Temporary Speaker, I take particular interest in Part VII of the Bill which deals with the duties and general powers of trustees, in relation to their trusteeship, trust property and beneficiaries. The areas on property and swindling of the beneficiary are terribly misused. People are swindled property. They lose a lot of resources, as a result of having trustees that are dishonest and not properly grounded by the provisions of our law which should clearly spell out the penalties, if they do not do their business as it is supposed to be done. We have had collusions in the past, in cases where trustees distribute or share the property of a trust, thereby swindling the owners. The idea of defining the beneficiaries and managing the trust, on behalf of the beneficiaries, is clearly acted upon in this law.

Part VIII of the Bill is very clear in providing for remuneration. This is another area which changes over time. The Bill provides for remunerations, indemnity and liabilities of the trustees. The remuneration of trustees may change, if there is no proper guideline. Therefore, the law specifies how the remunerations, indemnity and liabilities will be dealt with in the Bill.

When you look at the entire Bill and what has been happening in the past, I believe this Bill will resolve the many problems that are there. It also aims to build trust to the people and institutions that would like to incorporate a trust. It also defines clearly how trustees will manage institutions so that we can have progressive investment in trustees as an option.

With those very few remarks, Hon. Temporary Speaker, I support the Bill.

The Temporary Speaker (Hon. David Ochieng'): Thank you. Member for Buuri.

Hon. Mugambi Rindikiri (Buuri, UDA): Thank you, Hon. Temporary Speaker. This is a very important Bill because there are a lot of properties that are left in trusts. Money, land and other assets are left in trusts. The settlor's mind is to have the continuity of these properties. Being entrusted with them is very important in their future.

For example, my church has a lot of property which is managed by a trustee. Many social groups have trustees of the activities and money that they have. One of the greatest problems that is there is the guidance on how the management of the trust is conducted. This Bill sets a system through which the trustees will manage the property that is entrusted to them. In many cases, the settlor imagines how his beneficiaries will take advantage of the property that they have.

In the mind of the settlor, the beneficiaries need protection. They also need to be guaranteed that what the settlor had in mind will be achieved. Therefore, this Bill takes very keen interest of the beneficiaries. Some properties are left without the correct legal entities. Therefore, this Bill sets the criteria which these people will legalise the documentation of the properties that the settlor left behind. In a nutshell, this Bill is very important. It sets the strong foundation on a new way of looking at the trusts. International donors have entrusted the Government of Kenya with the funds that come in. That is the general perspective.

This Bill will build confidence in how the trust property will be managed in future, whether the sector is unable to manage it or has since vacated this earth.

The Temporary Speaker (Hon. David Ochieng’): Thank you. Member for Nambale.

Hon. Geoffrey Mulanya (Nambale, Independent): Thank you, Hon. Temporary Speaker, for allowing me to speak on this particular Bill. This is very important to Kenyans because we have not had a proper roadmap for registration of trusts in this country.

There has been a lot of confusion on whether a trust being created is charitable, family or non-charitable. The current legislation on trust registration does not specify the types of trusts one is supposed to register. That is why many people have used trusts as vehicles to hide ill-gotten properties and evade the Government.

Clause 22 provides a proper roadmap for trust registration. This has never been there before. It sets out what must be included in the trust deed. You disclose the purpose of the trust, the property to be placed under it and the beneficial owner, as in the registration of companies. This enables us to know who registered the trust and for what purpose. It also identifies the beneficial owners and the trustees responsible. If any questions are raised, they can be held legally accountable. The Bill also makes it easier for anyone to register a trust without hindrance.

This particular Bill differentiates between family, non-charitable and charitable trusts. Some churches are registered as trusts. When a church is registered in Nairobi and has branches in Busia or Kilifi, those subsidiary churches want to own property. They must go to the mother church for a certificate to own land. This has been very difficult.

That is why many people in churches fight over property. However, a clear legal framework for trusts will benefit our citizens.

I, therefore, support this Bill.

Hon. (Dr) Ojiambo Oundo (Funyula, ODM): On a point of order, Hon. Temporary Speaker.

The Temporary Speaker (Hon. David Ochieng’): Member for Funyula, what is out of order?

Hon. (Dr) Ojiambo Oundo (Funyula, ODM): Hon. Temporary Speaker, I rise under Standing Order No.96. In view of the seriousness of the matter and the need for further consideration, I seek that the debate be now adjourned.

The Temporary Speaker (Hon. David Ochieng'): Hon. Members, the Member for Funyula has stood on Standing Order No.96. In view of the burden of this matter, he proposes that instead of asking the Mover to reply, we adjourn the debate. Is that the mood of the House?

Hon. Members: Yes.

(Question, that debate be now adjourned, put and agreed to)

(Debate adjourned)

THE POWER OF MERCY BILL
(National Assembly Bill No.56 of 2025)

(Moved by Hon. Naomi Waqo on 20.8.2026)

(Resumption of debate interrupted on 20.8.2026)

The Temporary Speaker (Hon. David Ochieng'): Member for Funyula, were you also on this? No one was on the Floor, so the opportunity goes to you to proceed with the debate.

Hon. (Dr) Ojiambo Oundo (Funyula, ODM): Thank you, Hon. Temporary Speaker. At the outset, I stand to support the Power of Mercy Bill (National Assembly Bill No.56 of 2025). The Bill is before us pursuant to Article 133 of the Constitution of Kenya, which grants the President of the Republic of Kenya the power of mercy for those convicted, jailed or found on the wrong side of the law.

The definition of "mercy" in Clause 2 of the Bill means compassion or forgiveness shown to an offender by the President. The Constitution of Kenya contemplates that a conviction requires the exercise of the President's power of mercy. This has been the case since Independence.

The Constitution we promulgated in 2010 provides elaborate procedures to ensure that the power of mercy is not abused by its holder. It also provides for pardon: A grant of mercy to offenders who have completed their sentences and demonstrated that they are law-abiding citizens for a prescribed number of years. The pardon allows all records of the criminal conviction to be kept separate from other records.

In this country, and probably elsewhere in the world, many people are serving in correctional facilities and prisons. Some could have been wrongly convicted on the evidence available or because of false testimony. Many cases have involved witnesses coming later to rekindle evidence wrongly used to convict people for no apparent reason.

As I stand here today, there was a case of mob arson in my constituency sometime in 2024. One boy, who was watching out of curiosity, was found at the scene and is now serving 10 years in prison for an offence to which he was not party to. He was only an onlooker.

That is why, in the wisdom of constitutions around the world, the President is given the power to pardon people convicted after due process. It also provides for remission: A grant of mercy that allows an offender to be released from imprisonment based on good conduct, cancelling all or part of the punishment.

When you commit an offence, you are not necessarily a bad person. You may have been forced to commit an offence for various reasons. A mistake should not be a lifelong punishment. That is why, for me, where I stand, I do not support the death penalty. It is final. You have no opportunity to correct your mistakes or be rehabilitated in society. It is not even a punishment, so to speak, but an end to your matter. Even later in life, if it is found that you were wrongly convicted, we cannot restore a life that has already been taken.

Hon. Temporary Speaker, the Bill has very good provisions. It provides that being a vulnerable offender is one of the conditions that may be considered. A vulnerable offender includes a female with a child under the age of two years or who is pregnant, or a person over the age of 60 years. Quite a number of us Members are over 60 years. If you are convicted and are over 60 years, that is fertile ground for you to seek the power of mercy from the President.

You may also be considered if you are terminally ill or permanently disabled. On the issue of a female with a child under the age of two years or who is pregnant, that is a matter we need to consider carefully because a female prisoner and a male prison warden could collude to ensure that the prisoner benefits from the provision.

Clause 5(4) provides that a member of the advisory committee appointed under this section shall serve on a part-time basis for a single term of five years.

Hon. Kimani Ichung'wah (Kikuyu, UDA): On a point of information, Hon. Temporary Speaker

The Temporary Speaker (Hon. David Ochieng'): Hon. Oundo, do you want to be informed by the Leader of the Majority Party?

Hon. (Dr) Ojiambo Oundo (Funyula, ODM): Yes, the Leader of the Majority Party can inform me.

Hon. Kimani Ichung'wah (Kikuyu, UDA): Hon. Temporary Speaker, I did not want to interrupt my good friend, Hon. Oundo, but I want to inform him that I heard him say that two prisoners can collude to benefit from this provision if one of them becomes pregnant. Of course, he is a doctor and knows that pregnancy results from conjugal rights, which prisoners in Kenya do not enjoy.

Therefore, I want to inform the Member for Funyula that prisoners in Kenya do not enjoy conjugal rights while serving their sentences. So, they cannot collude. I want to allay his fears that there could be collusion between prisoners, unless there is collusion between a prisoner and a sentry or prison warden.

The Temporary Speaker (Hon. David Ochieng'): But where would they do that?

Hon. Kimani Ichung'wah (Kikuyu, UDA): Again, it is illegal. There are no conjugal rights, and sexual intercourse in prisons is not allowed.

The Temporary Speaker (Hon. David Ochieng'): Hon. (Dr) Ojiambo Oundo, where would they do that?

Hon. (Dr) Ojiambo Oundo (Funyula, ODM): What do you mean?

The Temporary Speaker (Hon. David Ochieng'): This sentry and prisoner, where would they be doing this?

Hon. Kimani Ichung'wah (Kikuyu, UDA): You know, I have seen instances where, in Kakamega Park, people used benches. So, do not ask me where they would do it.

(Laughter)

I am just stretching my imagination. The point is, I wanted to inform Hon. Oundo that it is illegal. Prisoners in Kenya do not have conjugal rights, unlike in some countries in the West where prisoners enjoy such rights. Here, they do not. Therefore, you must avoid going to prison.

The Temporary Speaker (Hon. David Ochieng'): Sir George, do you also want to inform Hon. Oundo?

Hon. George Murugara (Tharaka, UDA): Just to inform the House first, and then Hon. Oundo, in the famous *Muruatetu* Case, the sentence for the three accused persons was death. They were all in custody. However, there was a lady among them who raised her hand and said, "Sorry, I am expectant, so I cannot be sentenced to death." Everybody in the country was asking: "How did she become expectant?" So, it is not conjecture on the part of the Leader of Majority Party. These things happen. They are not very common, but we are human beings.

Hon. Oundo, be happy that we are not abolishing the death sentence in the National Council on the Administration of Justice (NCAJ) Bills whose reports I tabled earlier this afternoon. In the amendments to the Criminal Procedure Code, what we are doing is removing the mandatory death sentence. That way, the judge will have discretion to sentence you to death or life imprisonment, depending on the circumstances under which you committed the offence. Judges have been complaining that a mandatory death sentence is not judicial because they have no discretion. They must have that discretion.

The Temporary Speaker (Hon. David Ochieng'): Hon. Oundo, you are informed.

Hon. (Dr) Ojiambo Oundo (Funyula, ODM): Yes, I am informed. But if you went to school, there was osmosis. Sir George knows that it can also happen through osmosis. In any case, I am very well guided and informed.

Clause 12 of the Bill has a curious provision that we might have to consider alongside the Departmental Committee on Justice and Legal Affairs Report. It provides that despite subsection (1), in the performance of its functions, the advisory committee shall not be bound by the strict rules of evidence. We need to be very clear because this process is evidence-based. A person is convicted based on the evidence presented. If we do not follow the strict rules of evidence, we risk perpetuating the same systematic mistakes and ending up with the same problems.

We might also have to question the wisdom of having a full-fledged secretariat. Considering that the advisory committee will be domiciled in the Office of the President, we need to ask whether a full-fledged secretariat is necessary, given that some of its functions can be undertaken elsewhere. In addition, we have the Power of Mercy Case Management Committee in each correctional facility. We might, therefore, end up with an unnecessary duplication of roles.

In Clause 28, the Bill makes reference to positions in the public service that are not provided for in the Constitution. For example, Clause 28 states that one of the bodies to be consulted is the Directorate of Criminal Investigations (DCI). When you go to Article 239 of the Constitution of Kenya, the national security organs are the Kenya Defence Forces (KDF), the National Intelligence Service (NIS) and the National Police Service (NPS). Therefore, where do criminal investigation agencies come in, in a matter that appears more constitutional than legislative?

In the same Clause 28(5), the Bill provides that sexual offenders are among those eligible for the exercise of the power of mercy. I hope that in the Committee of the whole House, one of the amendments proposed by JLAC will be to remove sexual offenders from the category of persons eligible to benefit from the presidential prerogative of mercy.

The Bill also provides for violent offenders who cause serious bodily harm to victims where the offence was motivated by discrimination, including gender-based discrimination, gender-based violence, female genital mutilation, domestic violence, ethnic-based violence or violence against persons with disabilities. On this, I will have to move an amendment because it would amount to an abuse of the presidential prerogative of mercy.

As I conclude, we need, as a country, to look at our judicial and prosecution systems. If you go to…

The Temporary Speaker (Hon. David Ochieng'): Add Hon. Oundo two minutes.

Hon. (Dr) Ojiambo Oundo (Funyula, ODM): If you walk into many of these prisons, starting with Korinda Prison in Busia, I can bet there are people occupying prison space for very petty offences. If you are arrested for taking *Samia gin* or *Enguli*, that should not warrant you going to prison and rotting there. That is an offence for which you can be made to stand, sober up and continue with your activities.

Then there is the case where a policeman finds you walking in the evening or late at night and arrests you for loitering with intent to commit an offence, and since they cannot prove the offence, they plant on you basic things like bhang or other substances.

Hon. Sir George, I would like to challenge you before you become the Governor of Tharaka-Nithi County. Votes from Tharaka are always used to unsettle the election results. As a Committee, you should sit down with the Judiciary and the Office of the Director of Public Prosecutions (ODPP) and examine offences that attract imprisonment.

The law provides for community service and this could be more effective and beneficial to the community. For instance, persons arrested for petty offences could be required to do community service such as assisting county governments with tasks like garbage collection, particularly in counties that struggle to provide such services despite receiving billions every year. People arrested for loitering around Funyula Town could be required to collect the mounting garbage in the town instead of being taken to Korinda. It does not make economic sense to keep them there. They should be released. We need to have effective use of our resources. When Uncle Moody was the Minister for Interior, he introduced beds in prisons. Leader of the Majority Party, those beds can be put to many other uses; they should not just be confined to sleeping. We should also appreciate that not all prisoners are bad. Some are there because of unfortunate circumstances, and they may have children who will grow up to be good citizens of this country.

With those few remarks, I support the Bill.

The Temporary Speaker (Hon. David Ochieng'): Hon. Murugara, it turns out you already contributed to this Bill.

Hon. George Murugara (Tharaka, UDA): I have not.

The Temporary Speaker (Hon. David Ochieng'): You did.

(Hon. George Murugara spoke off the record)

He is not on the Floor anymore and you cannot inform him unless he is on his feet.

(Hon. George Murugara spoke off the record)

The Temporary Speaker (Hon. David Ochieng'): Order. Hon. Murugara, did I not give you a chance to inform Hon. (Dr) Oundo?

Hon. George Murugara (Tharaka, UDA): You did.

The Temporary Speaker (Hon. David Ochieng'): Let us leave it at that. Hon. Mutunga, do you want to contribute to the Bill?

Hon. (Dr) John Mutunga Kanyuithia (Tigania West, UDA): I already contributed.

The Temporary Speaker (Hon. David Ochieng'): Great. Proceed, Hon. Baya.

Hon. Owen Baya (Kilifi North, UDA): Thank you, Hon. Temporary Speaker. I support the Power of Mercy Bill. It is a very progressive piece of legislation that seeks to amend the Power of Mercy Act. It is important that we give effect to the provisions of our Constitution, and this Bill seeks to do so. Article 133 of the Constitution provides for the appointment, tenure of office, powers and the functions of the Power of Mercy Advisory Committee, and for connected purposes. If you go to the National Library, you will find the Office of the Power of Mercy, which is an extension of the Office of the President. We are now legislating to give effect to that constitutional provision. The Power of Mercy Secretariat that operates from that building will have a legal framework within which to operate. This is a good beginning.

As my friend, Hon (Dr) Oundo, has said, it is important to recognise that some offenders may be imprisoned not necessarily because of offences they committed, but because of the operation of the law or a misjudgement somewhere along the way. Some of these prisoners may not be criminals yet they remain imprisoned. They should be given leeway to secure their release. In some cases, long-term prison sentences are imposed, but as people serve their sentences, they may become reformed. Therefore, continuing to keep such prisoners in the prison may unnecessarily curtail their rights. The framers of our Constitution thought it wise to bestow the power of mercy on the President. This law does not provide for the power of mercy to be exercised by the President alone. It establishes a mechanism through which a decision is reached before the power of mercy is exercised. This is very important because the President cannot just go to a prison and say: ''You are pardoned; go out.'' He cannot do that. There has to be a fool-proof mechanism for determining who can be pardoned and benefit from the power of mercy. That is why this Bill is important.

Secondly, it is important to note the offences that cannot benefit from the power of mercy. I have read Section 28 that my brother, Hon (Dr) Oundo, talked about.

Section 28(1) provides that the President may, pursuant to Article 133(1)(b) of the Constitution, on the advice of the Advisory Committee, grant a conditional pardon, where,

(a) in case of a misdemeanour, where the convicted offender has served at least one third of the custodial sentence; or

(b) in case of a felony, where the convicted offender has served at least fifteen years of the custodial sentence in case of an offender serving an indeterminate sentence or one third in case of an offender serving determinate sentence, provided that there is proof of the convicted offender being deserving.

Section 28(5) addresses the matters that my brother, Hon. (Dr) Oundo, was talking about, and I think these provisions are important. It also provides that despite subsection (3), the following offenders who have served a determinate sentence, including habitual offenders who have committed two or more felonies; sexual offenders; and violent offenders shall be eligible to apply for a record suspension, five years after grant of conditional pardon.

I agree with Hon. (Dr) Oundo that such offenders should not be pardoned. A sexual offender is more likely to repeat the offence upon release. There are some offences where releasing an offender under the power of mercy may undermine the sense of justice for the family of the victim. When an offender is convicted and imprisoned, the victim's family may feel that justice has finally been served. However, if the offender is allowed to walk scot-free three years down the line through the exercise of the power of mercy, the family may feel that justice has been undermined. Justice is also part of restitution. Therefore, I agree that such offences should be removed from the list of offences whose perpetrators may benefit from the President's prerogative of mercy. Hon. Sir George, being a Senior Counsel and a Member with a very sharp mind, is intelligent enough to understand that these are offences in respect of which we should not exercise the power of mercy.

The President may, pursuant to Article 133(1)(c) of the Constitution, on the advice of the Advisory Committee and upon receipt of a petition made pursuant to Section 26, substitute a less severe form of punishment on medical grounds. There are people in our prisons for whom imprisonment no longer serves its intended purpose because they are terminally ill. Therefore, where a person suffers from an incurable terminal illness or a highly contagious disease, the prerogative of power of mercy may be exercised on medical grounds. Similarly, where a person is entirely incapacitated and requires assistance with activities of daily living, they may enjoy the power of mercy. The same may apply to persons of advanced age, those who are critically ill or pregnant. The Leader of the Majority Party said the issue of pregnancy is debatable. How does someone become pregnant in prison? Is it through osmosis? We know of only one person in this world who became pregnant without engaging in the act that leads to pregnancy. Only one.

Hon. Members: Who?

Hon. Owen Baya (Kilifi North, UDA): The mother of Jesus! I have never heard of any other case of an 'osmosis pregnancy' apart from the one Hon. Mayaka is talking about.

Hon. Temporary Speaker, these are enough grounds for a pregnant person who is in prison or a lactating mother who is the sole caregiver of a dependent child for the power of mercy to be exercised.

It is very important to say that crime must be punished as Dostoevsky writes in *Crime and Punishment*. Crime against citizens must be punished and crime against the State must be punished too. But even when we do that, we must do it in such a way that it is not a complete sentence out of life or out of society. That is why the framers of our Constitution introduced Article 133. It is important to note that the prerogative of the power of mercy was given to the highest office. It was not given to any other person. But that highest office was not just given a blanket power. There are structures within which this power of mercy must be exercised. The 13th Parliament bequeaths those structures through this Bill. This law must guide those structures and the people who have been given the authority to help the Head of State exercise the power of mercy.

With all that I have said, I am convinced that this is a good law. It is actually an expression of constitutional Articles. We are giving effect to the Constitution. The 13th Parliament should go into history as one that gave effect to many constitutional Articles.

Hon. Temporary Speaker, I support.

The Temporary Speaker (Hon. David Ochieng'): Hon. Bishop Kosgei.

Hon. (Dr) Jackson Kosgei (Nominated, UDA): Thank you, Hon. Temporary Speaker. At the outset, I want to support this Bill on three outstanding explanations that are coming out.

First, it is necessary to give legislative attention to Article 133 of our Constitution. This is in order to facilitate the constitutional right provided for through the hand of the President, or the leader of the country. It has been said that there are people in jail today who are supposed to be outside, and there are those roaming outside, but are supposed to be in jail. This is because of the facts provided at the time of their trial. Also, over time, people reform. That is why it is found to be morally right to revisit the matter. This particular Article gives room for such an opportunity. It gives such people a second chance. This Bill has come at an opportune time.

The second reason that has come out is that our prisons are congested. The number of people is increasing with many petty crimes being convicted. This provision of the law makes it possible for some people to be released and, of course, to decongest the prisons. This should be done without compromising the factors that put them there, so that they will not repeat the offence. If a clear sign of reformation has been observed or has been witnessed, then they deserve to have the mercy of the President.

Finally, it is observed that while exercising this, there are some new developments of disabilities in people. Even when we exercise the usual way of restraining using the law, such people may require a deeper understanding of why they did what they did. Some of them have an internal impairment. They may never learn a lesson anyway. So, there should be some other alternative ways of helping them.

With those remarks, I support the Bill.

The Temporary Speaker (Hon. David Ochieng'): Hon. Jalas, do you want to speak on this? Hon. Phelix Odiwuor, I can see you are queuing to speak. Not this one, okay. Hon. Members, there being no further interest in this, I request the Leader of the Majority Party to reply.

(Hon. George Murugara stood in his place)

The Temporary Speaker (Hon. David Ochieng'): Hon. Murugara, you have the honour of being the Leader of the Majority Party today.

Hon. George Murugara (Tharaka, UDA): Thank you very much, Hon. Temporary Speaker.

(Hon. Eve Obara spoke off the record)

The Temporary Speaker (Hon. David Ochieng'): Order. The Member for Kabondo Kasipul, I do not see your card.

Hon. Eve Obara (Kabondo Kasipul, ODM): I do not have it with me, but I would like to speak on the Bill.

The Temporary Speaker (Hon. David Ochieng'): The Power of Mercy Bill?

Hon. Eve Obara (Kabondo Kasipul, ODM): Yes.

The Temporary Speaker (Hon. David Ochieng'): Go ahead and indulge us for a few minutes.

Hon. Eve Obara (Kabondo Kasipul, ODM): Thank you very much Hon. Temporary Speaker for giving me an opportunity to also add my voice to this Bill.

At the outset, I support the Bill. I note that the Bill provides a clear legal framework governing the exercise of the power of mercy in Kenya. It focuses on pardons, commutations, remission of sentences and related presidential prerogatives. At the same time, it enhances transparency, consistency and accountability. The key provisions have noted merits and criteria for consideration. It establishes the principles guiding mercy decisions such as the length of sentence served, behaviour, humanitarian grounds and the impact on the victim.

Another provision is the independent advisory committee, which is a good thing. It creates the Power of Mercy Committee. The Committee will receive and screen petitions. It will make recommendations to the President and ensure consistent application of mercy standards. The committee members, I have noted, are drawn from the Government, civil society and subject-matter experts.

The Bill has its pros. It promotes transparency and fairness in the exercise of mercy powers. It will ensure consistent standards in decision-making and enhance accountability to the public and also to Parliament. It will also give victims a structured voice in mercy processes. It also encourages rehabilitation and humane treatment of offenders. On this clause, however, I have noted that there could be challenges, not necessarily that they are there. One challenge is the need for adequate resourcing for the advisory committee and administrative functions. Another possible challenge is that victim participation could complicate or lengthen the process. The third one is striking or finding the right balance between mercy and public safety, which may at times be complex.

Finally, implementation depends on political will and procedural discipline. We have seen this in several other issues.

Hon. Temporary Speaker, with those remarks, I know that you are concluding on this debate. I wish to state again that I support.

The Temporary Speaker (Hon. David Ochieng'): Go ahead.

Hon. (Dr) John Mutunga Kanyuithia (Tigania West, UDA): Hon. Temporary Speaker, listening to the Members and the debate on this particular Bill, we are not differing. We are now paraphrasing.

The Temporary Speaker (Hon. David Ochieng'): Order, Hon. Mutunga. Take your seat. Hon. Murugara, could you proceed to reply?

Hon. George Murugara (Tharaka, UDA): Thank you very much, Hon. Temporary Speaker. I wish to thank every Member who has contributed to this Bill. It is a very important piece of legislation with a long-checkered history, dating back to the monarchy in England and evolving to where we are today. Initially, it was called the presidential prerogative. Today, it is the power of mercy, which has been defined in different ways.

It is important to emphasise that our prisons are no longer purely punitive institutions. In fact, we now refer to them as correctional facilities. The purpose is not simply to punish individuals for offences for which they have been convicted, but to correct and rehabilitate them so that they can return to society as reformed persons.

When the power of mercy is exercised, it will extend to a range of offences, including murder, subject to certain conditions. It may not be appropriate to refer to people simply as "murderers". Rather, once a person has been convicted of murder, he becomes a convicted murderer. If a person is convicted of murder and sentenced to a prison term, for example, of 10 years, they may, for reasons set out in the Bill, become eligible to apply for remission or for the power of mercy to be exercised in their favour.

We have also discussed sexual offences. Here, we need to make it clear that not all sexual offences are equally grave or callous. I know that Members are concerned about rapists and persons convicted of defilement being released through the exercise of the power of mercy. However, sexual offences are quite extensive and include offences such as indecent assault. There are also offences that may not be clearly understood by everyone, such as indecent exposure. All these fall under the category of sexual offences. Some of these offences are less serious, and persons convicted of them may, therefore, be entitled to apply for the power of mercy. Others are more serious, and that is why we have proposed a five-year threshold. An applicant must have served, at least, five years of their sentence before becoming eligible to apply.

All these matters will become clearer when we move to the Committee of the whole House, where we will consider the Bill clause by clause and propose amendments as may be appropriate. There is a raft of proposed amendments that will be considered at that stage. If you have keen interest in this matter, I encourage you to look at the Report of the Departmental Committee on Justice and Legal Affairs and to attend the Committee of the whole House stage of the Bill. Then, you will have a clearer understanding of the law that we will ultimately put in place.

With those remarks, I beg to reply.

(Question put and agreed to)

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

The Temporary Speaker (Hon. David Ochieng'): Next Order.

MOTIONS

APPROVAL OF THE NATIONAL PETROLEUM POLICY

THAT, this House adopts the Report of the Departmental Committee on Energy on its consideration of Sessional Paper No. 4 of 2026 on the National Petroleum Policy, laid on the Table of the House on Thursday, 2nd July 2026 and approves Sessional Paper No. 4 of 2026 on the National Petroleum Policy.

(Moved by Hon. Geoffrey Mulanya on 19.8.2026 – Afternoon Sitting)

(Resumption of debate interrupted on 19.8.2026)

(Hon. Geoffrey Mulanya stood in his place)

The Temporary Speaker (Hon. David Ochieng'): Member for Nambale, I am assuming that you are on your feet to move this Motion for debate on behalf of the Chairperson of the Departmental Committee on Energy.

Hon. Geoffrey Mulanya (Nambale, Independent): Yes, Hon. Temporary Speaker.

The Temporary Speaker (Hon. David Ochieng'): Please, go ahead.

Hon. Geoffrey Mulanya (Nambale, Independent): Thank you, Hon. Temporary Speaker. Let me proceed from where we left on 19th August 2026.

Hon. Temporary Speaker, this is Sessional Paper No.4 of 2026 on the National Petroleum Policy. We had started moving the Motion. We were at the point of highlighting the concerns raised by the Committee. The Committee supports the Policy, but raises some serious concerns.

The first concern regards costs without a financing plan. The Policy will cost an estimated Ksh68.29 billion to implement. However, it carries no finance strategy, no funding commitments, and there no way of ranking priorities. The Committee recommends a 10-point implementation plan with clear performance indicators and a proper financing and resource mobilisation strategy with periodic reporting to Parliament.

The second concern is on transparency. There exists a framework that this House enacted, but which has never been implemented. Section 119 of the Petroleum Act, 2019 established a transparency and accountability framework. Six years later, it has not been operationalised. The Policy is also silent on Kenya joining the extractive industries. The Committee rejects the transparency initiative and makes no provision for public disclosure of petroleum contracts, revenues or beneficial ownership. The Committee noted that the implementation matrix even treats public participation as optional. Therefore, the Committee recommends that the framework be operationalised and that the Cabinet Secretary submits a position paper on Kenya's access to the initiative.

The third concern is on Petroleum Revenues and Sovereign Wealth Fund. The Policy provisions on revenue management are not developed enough to support stabilisation of revenues or wealth for future generations and they make no reference to the Sovereign Wealth Fund Bill, 2026, which was read the First Time in this House on 11th March 2026 and is now an Act of Parliament. That Act proposes establishment of a Fund with a stabilisation component, an infrastructure and development component, and a future generation component. The Committee recommends that the Policy be aligned with the Bill once enacted, and that the petroleum revenue going into the Fund should be first paid into the Consolidated Fund and appropriated by this House in accordance with Article 206 of the Constitution.

The fourth concern of the Committee is that the Policy is inconsistent with the existing law. The Policy places custody of upstream petroleum data with the Ministry. Section 10(d) of the Energy Act, 2019 expressly assigns that function to the Energy and Petroleum Regulatory Authority (EPRA). The Policy is, therefore, inconsistent with the statute. The Committee recommends that the Policy be revised within six months to vest petroleum data custody and oversight in the Authority and confirm the separation of Policy, regulatory and commercial function between the Ministry and the Authority and the National Oil Corporation of Kenya (NOCK).

The fifth concern is that the local content provisions are broad with no measurable targets, no timelines and enforcement mechanism. The Committee was reminded of the early oil pilot scheme in Turkana County, where local employment was limited, capacity building was lacking and local business barely featured in the supply chain. Without firm local content rules, this sector risks becoming an enclave industry. The Committee recommends a robust local content framework with clear targets, monitoring and capacity building.

The sixth concern is on community land consent. Where community land has been registered under the Community Land Act, 2016, communities now hold legal authority over that land. The Committee recommends stronger provisions on host community engagement and protection of the community rights throughout the life of the petroleum project.

The seventh concern is on environmental safeguards. The Committee noted that communities in Turkana were exposed to contaminated hazardous waste liners. In Lamu, disposal of hazardous waste and decommissioning was poorly done. The National Oil Spill Contingency Plan remains largely unimplemented. The Policy also omits environmental deposit bonds even though regulations providing for them already exist under the Environmental Management and Co-ordination Act (EMCA). The National Environment Management Authority (NEMA) is missing from the decommissioning process in the implementation matrix. The Committee recommends binding safeguards on hazardous waste, oil spills, preparedness, decommissioning and restoration, and that NEMA be explicitly designated as the principal environmental regulator at every stage of petroleum operations.

The eighth concern is on consumer protection and security of supply. Since we import almost all our fuel, global price shocks are felt directly by the mwananchi. The Policy does not provide for transparent pricing, consumer representation in tariff reviews or protection against market manipulation. The Committee recommends stronger energy security measures, including strategic petroleum reserves and diversified supply as well as stronger consumer protection and oversight of petroleum pricing.

Lastly, on data and standards, the Policy has no explicit provision for gender equality, disability and social inclusion. It also lacks a petroleum data governance framework, cybersecurity standards and adequate emphasis on engineering standards and professional certification. The Committee recommends that these issues be mainstreamed and that a national petroleum data repository, with data sovereignty protections, be developed.

Hon. Temporary Speaker, having considered all the submissions and observations, the Committee recommends as follows:

1. That, the House adopts the Report on Sessional Paper No.4 of 2026 on the National Petroleum Policy.
2. That, following the adoption of the policy, all proposed legislation on oil and gas matters be guided by the policy.
3. That, the Cabinet Secretary for Energy and Petroleum, the Energy and Petroleum Regulatory Authority (EPRA), NEMA and other relevant State agencies implement the directives set out in the Report, and that the Cabinet Secretary reports to the Committee on the progress made within 12 months of the adoption of this Report.

Having tabled the Policy Paper, I beg to move and request the House to adopt it. I invite Hon. Victor Koech, Member for Chepalungu, to second the Motion.

The Temporary Speaker (Hon. David Ochieng’): Proceed, Member for Chepalungu, Hon. Victor Koech.

Hon. Victor Koech (Chepalungu, CCM): Thank you very much, Hon. Temporary Speaker. As I second, allow me to make a few observations that were not covered by the Mover of the Motion.

As with any other sessional paper that this House considers, the Speaker referred the matter to the Committee, and we undertook proper public participation, both quantitative and qualitative. Having analysed all the observations and submissions made by the witnesses who appeared before us, we made clear observations and recommendations, which have been read out and laid on the Table of the House by the Mover.

In particular, and without repeating myself, I would like to associate myself fully with what has been said. Allow me to draw the attention of the House to a further matter that the Committee considered. This cuts across...

The Temporary Speaker (Hon. David Ochieng'): Order. Mover of the Motion and the Member on the Floor, I will allow you to proceed as you are doing today, but I will not allow you to read your submissions word for word next time. You will proceed that way today, but in future, do not do so. Proceed.

Hon. Victor Koech (Chepalungu, CCM): Thank you. I am well guided, Hon. Temporary Speaker.

As I was saying, without repeating myself, I would like to put across to the House the observations we made and the issues raised by the Mover of the Motion. These cut across everything else, including the institutions charged with implementing this Policy. It is an awakening call to this particular House that recently this House passed the Field Development Plan (FDP), which also touched on the Production Sharing Contracts (PSCs) for Blocks T6 and T7 in Lokichar. This is another matter that the Committee considered.

Ultimately, we will have the first tanker moving oil from Lokichar all the way to the coastal region. Some of the observations and recommendations we made on the Policy will address the gaps that existed in the legislation. That is why the Committee has recommended that the Cabinet Secretary for Energy and Petroleum, together with all the other regulatory authorities, move with speed and, within six months, propose a new policy that integrates everything else that has been left out.

With those few remarks, I second.

The Temporary Speaker (Hon. David Ochieng'): Hon. Members, the Motion, having been moved and seconded ably, I now propose the Question.

(Question proposed)

Hon. Mawathe, do you want to contribute to the Motion?

Hon. Julius Mawathe (Embakasi South, WDM): Thank you, Hon. Temporary Speaker. I rise in support of this Motion and to make a few comments.

There is need for us to consider the local content of the oil that is produced in Kenya. This should include local sourcing of trucks to transport the oil, and engagement of Kenyan contractors. There is a very huge gap because we do not consider the local communities, especially the people of Turkana County. We also need to strengthen NOCK. Most countries have national oil companies that are normally given the responsibility of managing oil reserves during shortages or during crisis like the current one we are going through. Therefore, we need to strengthen NOCK.

Another project we have abandoned, which we ought to go back to and ensure that we complete, is the Lamu Port-South Sudan-Ethiopia Transport (LAPSSET) Corridor, including the planned pipeline infrastructure all the way to Ethiopia and South Sudan.

With those rermarks, I support.

The Temporary Speaker (Hon. David Ochieng'): Hon. Mutunga, do you want to contribute to the Motion?

(Hon. (Dr) John Mutunga Kanyuithia spoke off the record)

Can I, therefore, call upon the Mover to reply? Proceed, Hon. Mulanya.

Hon. Geoffrey Mulanya (Nambale, Independent): Thank you, Hon. Temporary Speaker. I wish to thank the Member for Embakasi South, who is also a Member of the Departmental Committee on Energy, for his contribution to this Motion. Hon. Members, the

House needs to know that this is the first stand-alone policy on petroleum that this country has had since 2004. I, therefore, urge you to consider the nine key concerns that the Committee raised while preparing this Policy, so that Members look at it further as we forward it to the Cabinet Secretary to updated and re-submit it to the House.

With those remarks, I reply.

(Question put and agreed to)

The Temporary Speaker (Hon. David Ochieng'): Next Order.

ADOPTION OF REPORT ON PROCUREMENT OF EXTERNAL AUDIT SERVICES FOR THE OFFICE OF THE AUDITOR-GENERAL

The Temporary Speaker (Hon. David Ochieng'): Chairperson of Public Accounts Committee, Hon. Tindi Mwale.

Hon. Nicholas Mwale (Butere, ODM): Hon. Temporary Speaker, I beg to move-

> THAT, the House approves the appointment of M/s MGI Alekim LLP to conduct an audit of the Office of the Auditor General with respect to accounts and financial statements for the Staff Mortgage and Car Loan Scheme for the Financial Years 2025/2026, 2026/2027 and 2027/2028, pursuant to Article 226(4) of the Constitution.

Before I discuss the contents of the…

The Temporary Speaker (Hon. David Ochieng'): Hon. Tindi Mwale, I would like you to move the Motion as it is on the Order Paper. You can then proceed with what you want to say next.

Hon. Nicholas Mwale (Butere, ODM): I am sorry, Hon. Temporary Speaker. I was using my summary of the Report. I will repeat for the record.

Hon. Temporary Speaker, I beg to move the following Motion:

> THAT, this House adopts the Report of the Public Accounts Committee on Procurement of External Audit Services for the Office of the Auditor General for the Financial Years 2025/2026, 2026/2027 and 2027/2028, laid on the Table of the House on Thursday, 13th August 2026, and pursuant to the provisions of Article 226(4) of the Constitution and Section 43 of the Public Audit Act, CAP 412B, appoints M/s MGI Alekim LLP for purposes of auditing and reporting on the accounts of the Office of the Auditor General (OAG) with respect to—
>
> (a) the Accounts of the Office of the Auditor General for the period 2025/2026, 2026/2027 and 2027/2028; and
>
> (b) the Financial Statements for the Staff Mortgage and Car Loan Scheme of the Office of the Auditor General for the Financial Years 2025/2026, 2026/2027 and 2027/2028.

Before I give a brief of what the Report entails, I would like to highlight a few constitutional provisions that have made it possible for this Report to come to this House. The constitutional mandate and legal framework are derived from Article 226 of the Constitution of Kenya, which speaks to accounts and audit of public resources. Article 226(3) states that subject to Clause (4), the accounts of all Governments and State organs shall be audited by the Auditor-General. Article 226(4) states that the accounts of the office of the Auditor-General shall be audited and reported on by a professionally qualified accountant appointed by the National Assembly.

I want the House to note that it is pursuant to these provisions of the Constitution on appointment of a professionally qualified accountant to audit the office of the Auditor General that this Report has been brought to this House. Before I give a highlight of how the procurement was done, let me explain why it is beneficial to audit the office of the Auditor-General.

One, we need to get the credibility and trust of the supreme body. When we talk about credibility and trust of the supreme body, we are talking of its objectivity, accuracy and being free from bias. We need to enhance its transparency because the body audits other Government entities. Therefore, when it is audited, it is a case of enhancing its transparency. We also need to improve performance. Assessment will help in identifying operational gaps and adopting global best practices for the supreme body. When we audit the office of the Auditor-General, we seek to ensure compliance. Compliance will verify that the operations of the office are within its mandate, the legal framework and international auditing standards.

I want to just highlight the seven principles of auditing. We have integrity, which talks of fairness and objectivity, fair presentation, due professional care; confidentiality, independence, and evidence-based approach.

Hon. Temporary Speaker, on the Report that has been tabled before this House by the Public Accounts Committee, the National Assembly initiated an open competitive procurement process through a request for proposals for the provision of external audit services for the office of the Auditor-General in fulfilling its constitutional obligation. The tender was publicly advertised on 11th March, 2026 on the National Assembly website and the Public Procurement Information Portal.

Following a pre-bid meeting, six firms submitted their bids by the closing date of 24th March, 2026 at 11.00 a.m. They included: M/s SKM Africa LLP, M/s MGI Alekim LLP, M/s Ndakala Advisory LLP, M/s Baker Tilly International and M/s RSM Eastern Africa Limited Liability Partnership.

On evaluation and findings, the evaluation committee appointed by the accounting officer pursuant to the Public Procurement and Asset Disposal Act, Cap 412(C) subjected the submissions to a vigorous four-stage evaluation process. In the preliminary mandatory evaluation, five firms of the six bids were disqualified for various non-responsiveness issues such as un-commissioned powers of Attorney, missing registration certificates, missing security bid and unverified professional indemnity covers. During the evaluation process, there are mandatory requirements which every company must have. The evaluation report shows that five out of the six firms failed to comply with the mandatory requirements. Therefore, only one firm, M/s MGI Alekim LLP, met all the preliminary and mandatory requirements and proceeded to the technical stage of evaluation. I am referring to page one of the report. For Members who have the report, I am referring to page one, which lists the companies and the outcome.

Going forward, the technical evaluation, under the Quality and Cost Based Selection, shows that M/s MGI Alekim LLP attained an average technical score of 79.7 per cent, surpassing the 75 per cent pass mark. The Public Procurement and Asset Disposal Act stipulates that during technical evaluation, a company should attain the minimum technical score specified in the evaluation criteria. In this case, the minimum score was 75 per cent. M/s MGI Alekim LLP attained an average technical score of 79.7 per cent, surpassing that mark.

On financial evaluation, the financial bid was Ksh6,497,400, inclusive of all applicable taxes and levies. This financial bid was opened on 21st May 2026. Applying the weighted combined scoring criteria of 80 per cent technical and 20 per cent financial, M/s MGI Alekim LLP attained a final combined weighted score of 83.8 per cent, ranking highest.

In line with the above, and through Professional Opinion No.NA/2025-2026/057, dated 5th June 2026, the accounting officer approved the award to M/s MGI Alekim LLP. The firm accepted the offer on 10th June 2026, and no appeals were lodged within the prescribed period. So, you will find that once the company that has scored the highest is notified through the notification of intention to award, the Procurement Act provides a period within which any company that participated and had a grievance can file an appeal, which is two weeks. None of the five other companies filed an appeal against the award.

At its sitting held on Thursday, 6th August 2026, the Public Accounts Committee reviewed the procurement proceedings and satisfied itself that due process was strictly followed in compliance with Article 227 of the Constitution and the Public Procurement and Asset Disposal Act. The Committee, therefore, recommends that pursuant to Article 226(4) of the Constitution, this august House approves the appointment of M/s MGI Alekim LLP to conduct an external audit of the office of the Auditor-General, including its financial statements as well as it staff car and mortgage schemes for the Financial Years 2025/2026, 2026/2027 and 2027/2028.

Before I conclude, I want to refer Members to the report in terms of the valuation and the value of the tender. On page four of the report, you will note that under the cost audit, there is a table. The third row on that page gives the cost of audit services as Ksh5,460,000, taxes and levies as Ksh1,037,400, and the total amount as Ksh6,497,400. You will note that, considering that these services are going to be offered for three financial years, this cost is not that high compared to the previous costs that we had approved in this House. You will find that the reason why the response to the tender was low is that many firms fear getting to a disadvantaged stage where they are told to audit the Auditor-General. Because of the nature of auditing, where the Auditor-General feels that he or she cannot perform the responsibilities to satisfaction, he or she can hire an outside firm to help. Therefore, the moment you are pre-qualified to audit the Auditor-General, you are blocked from being subcontracted by the Office of the Auditor-General to provide services on its behalf. That is why many firms shy away from applying for these services to audit the Auditor-General.

You will also find that during evaluation, especially at the technical stage, the criteria or the score is normally very high because you are going to audit the firm that audits all government entities. By all government entities, I mean the national Government and the 47 county governments. Therefore, the technical score or technical qualification is always very high, and that is why many companies might not be in a position to attain those high scores.

The Committee, having made observations and given its recommendations, I recommend that M/s MGI Alekim LLP be given the go-ahead to conduct the audit of the office of the Auditor-General.

With those few remarks, I beg to move and ask my colleague, the Member for Mathioya, to second.

The Temporary Speaker (Hon. David Ochieng'): You beg to move and ask.

Hon. Nicholas Mwale (Butere, ODM): I beg to move and ask my colleague, the Member for Mathioya, a Committee Member of the Public Accounts Committee, to second.

The Temporary Speaker (Hon. David Ochieng'): That is a very elaborate exposition of your Motion, Hon. Tindi. I am sure that anybody listening from out there understands what you are trying to do this evening. Member for Mathioya, Dr, Dr, Dr... I am told you have three PhDs. Go ahead.

Hon. Edwin Gichuki (Mathioya, UDA): Thank you very much, Hon. Temporary Speaker. I would like to second the Motion by my able Chairman of the Public Accounts Committee, Hon. Tindi Mwale.

Just as you have said, the report was elaborate. So, I might not have much to say, but given the task that this audit firm has ahead of it, and given the cost, I think it is only fair that we support it. As the Chairman has said, the audit is for three Financial Years 2025/2026, 2026/2027 and 2027/2028. They will be auditing the financial statements as well as the staff car and mortgage schemes, all those costs and all those activities, at a cost of around Ksh2.2 million per financial year. I think it is a very moderate and fair cost for such an activity and for such a task.

With those remarks, I second.

The Temporary Speaker (Hon. David Ochieng'): Hon. Members, the Motion has been ably moved and seconded.

(Question proposed)

Deputy Leader of Majority Party, do you want to contribute to this Motion?

Hon. Owen Baya (Kilifi North, UDA): Thank you, Hon. Temporary Speaker. I would like to support the Report. At the outset, I thank Hon. Tindi Mwale for a job well done.

Appointing an auditor to audit the Auditor-General is a serious task. It is not easy. You must bring in experience, high level of understanding and integrity. I am glad that the Committee has tabled in this House for appointment a firm called M/s MGI Alekim LLP to audit the Auditor General. The tenets of audit are mainly to bring in transparency, accountability and good use of public resources. These are some of the tenets that Parliament stands for. We are dealing with public funds. There cannot be a Government without taxes, but when taxes are collected, they must be accounted for properly.

The office of the Auditor-General also receives funds. I am not aware how much money they have spent so far, especially for the financial years indicated here, but I imagine that the in-books of this Parliament is colossal. It is a lot of money. I remember in the 12th Parliament, there was a debate on whether the office of the Auditor-General must be allocated more money in order to do a good job. During the tenure of Mr Ouko, we allocated more money to ensure that there was effectiveness in the office of the Auditor-General. Some resources, like county allocations, are dependent on audited accounts. Therefore, we said that if more resources were availed to the office of the Auditor-General, they would work faster, better and more transparently to ensure that we have audited reports on time. Since the office of the Auditor-General receives funds from this House, it is important for us to appoint an auditor to audit the accounts of the Auditor-General. That is why we must do this.

In the event that we approve M/s MGI Alekim LLP, we expect them to do a good job because public funds are spent in this office. We would like to see the audited reports of the office of the Auditor-General tabled in this House so that we scrutinise them to see whether the Auditor-General lives up to her calling of being transparent, accountable and upholding of integrity.

It is my pleasure to second this Report. I request this House to appoint M/s MGI Alekim LLP to audit and report to the House the accounts of the office of the Auditor-General for the period ended 2025/2026, 2026/2027, 2027/2028; and the financial statements for the Staff Mortgage and Car Loan Scheme of the office of the Auditor-General for the Financial Years 2025/2026, 2026/2027 and 2027/2028. I call upon the Members of this House to support Hon. Tindi Mwale's team and his Report. I am sure they have done all manner of tests to ensure that we pick one firm that can pass the test of time in auditing the Auditor-General.

With those many remarks, I beg to support.

The Temporary Speaker (Hon. David Ochieng'): Hon. Mutunga, do you want to contribute to this Motion?

(Hon. (Dr) John Mutunga Kanyuithia spoke off the record)

Go ahead.

[The Temporary Speaker (Hon. David Ochieng') left the Chair]

[The Temporary Speaker (Hon. Omboko Milemba) took the Chair]

Hon. (Dr) John Mutunga Kanyuithia (Tigania West, UDA): Thank you, Hon. Temporary Speaker, for giving me an opportunity to contribute to the Motion.

Auditing of the Auditor-General is a very interesting issue to us and to every Kenyan. This will inform us whether they are living by practice and leading by example. I have taken a bit of time to check whether M/s MGI Alekim LLP is a Kenyan firm. I can confirm to the House that it is a Kenyan audit and accounting firm whose office is located in Karen, Nairobi. I congratulate them for their decision to apply for this job knowing the risks they are taking in order to prove to the world. These are some of the options companies take in order to grow. I hope they bring us a very good audit report that contains the details we expect that will point out the key issues in how the office of the Auditor-General manages its resources. I am sure it is a firm that is destined to grow very fast. Many Kenyans will have confidence in them and they are likely to expand their worldwide network. It is a top global ranking audit firm and I am sure it will be more integrated in this country. We know of some that started in other countries, like Ernst & Young and many others, that have been auditing in this country.

Hon. Temporary Speaker, auditing the Auditor-General is like examining a doctor. It is interesting for us to know whether there are any shortcomings, mismanagement of funds in the Auditor-General's accounts or whether there are any questions or reasons for qualification of the account. We would like to look at some of those details when they emerge.

With those few remarks, I beg to support.

The Temporary Speaker (Hon. Omboko Milemba): There being no more interest in this Motion, I call upon the Mover…

(Hon. Mugambi Rindikiri raised his hand)

The Temporary Speaker (Hon. Omboko Milemba): Let us first hear from Hon. Rindikiri on the same.

Hon. Mugambi Rindikiri (Buuri, UDA): I thank you, Hon. Temporary Speaker. Indeed, the representation by the Chairman of this great Committee has shown us a lot of confidence in the performance of the Committee. I, therefore, congratulate the Committee for their good job in identifying an auditor for the office of the Auditor-General.

In many cases, independent bodies can go rogue. We have seen and heard it. They need to be checked. They can be excessive particularly where they are not held to account. The office of the Auditor-General is very powerful in the country. The Auditor-General can bring down the Government if not really taken care of. A few months ago, there were some questions about how the office of the Auditor-General misuses funds. This was in the public domain. How do they use the money allocated to them? They audit other institutions, yet they are not audited, meaning they are not properly checked. Therefore, we need a credible auditor to audit our Auditor-General, and they must be above board. It must be an internationally accredited and recognised firm. I agree with the Committee on the firm they picked. It is above board. It will ensure there is professionalism in the way the office of the Auditor-General discharges its responsibilities.

One of the greatest problems we face in this country is the issue of credibility. The various institutions within the Government use taxes allocated to them. How this money is used by the respective institutions is of keen interest to the public for credibility and confidence. The public needs to know how its taxes are used. We need to have a very strong Auditor-General. Thus, it is upon us to approve and appreciate that this is the best auditor to audit our Auditor-General. Accountability is a serious problem in this country, both by the Auditor-General and by all the institutions audited by the Auditor-General.

The other issue is compliance. We need to know whether the Auditor-General complies with international standards of audits and financial systems, and with the law of the land. We cannot know this unless it is disclosed by another auditor who can tell Kenyans that our Auditor-General complies with international standards, because we are part of the international community.

Hon. Temporary Speaker, how independent is our Auditor-General? This is a very serious question we need to ask. Some people say the Auditor-General of Kenya is controlled by the Government. Others claim the opposition is using them. Others say it is being influenced by international organisations. So, how independent is our Auditor-General? It is very important that someone comes and tells us this by issuing an unqualified performance report of the office of the Auditor-General.

Finally, sometimes we deal with audit reports dating back 10 years or even 15 years. We really need to know what is causing the office of the Auditor-General delays in producing its reports. We must establish some benchmarks. If we are dealing with reports from 10 years ago, I believe we are not really keeping up with the current situation. Therefore, to improve performance, they must be informed of their weaknesses, strengths, and what they need to do. Misuse of public funds is a serious issue. We need to have somebody who is very keen on how our money is being used.

With those few remarks, I support this nomination and urge the House to move with speed. The Auditor-General's office is very important. We cannot let it operate anyhow.

I thank you, Hon. Temporary Speaker.

The Temporary Speaker (Hon. Omboko Milemba): Hon. Bedzimba, I can see you trying to say something there. What is it? You want to contribute? I cannot see your name here.

Hon. Rashid Bedzimba (Kisauni, ODM): Yes.

The Temporary Speaker (Hon. Omboko Milemba): Proceed.

Hon. Rashid Bedzimba (Kisauni, ODM): Asante sana, Mhe. Spika wa Muda, kwa kunipa fursa ili nami pia nitie mdomo wangu katika mazungumzo haya. Naunga mkono Kamati hii kwa kuja na mawazo kuwa kuwe na mdhibiti wa Mkaguzi Mkuu wa Hesabu. Yeye pia anatumia fedha za umma. Itakuwa kosa kuwa yeye anakagua lakini hakaguliwi. Yeyote yule ambaye anashika fedha za umma lazima aeleze vile ambavyo zimetumika na hesabu imefikia wapi.

Kamati imefanya kazi nzuri. Mawazo haya ni mazuri. Yeyote ambaye anayedhibiti pesa za umma lazima akaguliwe. Pia, atakaye pewa jukumu la kumkagua akipewa pesa naye atakaguliwa. Kila mmoja aseme vile pesa za umma zimetumika.

Asante sana, Mhe. Spika wa Muda.

The Temporary Speaker (Hon. Omboko Milemba): Asante sana. Umenena vyema lakini sijui kama Mwenyekiti ameelewa Kiswahili hicho sanifu. *Anyway, that notwithstanding, let us move on.*

Hon. Nicholas Mwale (Butere, ODM): Thank you very much. Hon. Temporary Speaker, I rise to reply. The authors of the 2010 Constitution had a lot of wisdom. When you look at Article 226(4), which establishes the accounts and powers of the office of the Auditor-General, it stipulates clearly that we need to appoint an accountant who shall audit the accounts of the office of the Auditor-General. Therefore, for us to enhance credibility in the auditing of this great Republic of Kenya and to enhance transparency, it is prudent that the office of the Auditor-General is also audited.

Through the process of budgeting, this House allocates resources to the office of the Auditor-General. These resources are taxpayers' money and the Auditor-General uses the resources to audit public entities, both at the national and county governments. Therefore, it is prudent that we do a follow-up to establish whether the office of the Auditor-General is using the funds prudently. That is why the Committee came up with this Motion proposing that the House considers MGI Alekim LLP as the firm that is going to audit the office of the Auditor-General.

I thank my colleagues who have contributed to this Motion and assure the House that this firm is technically competent and also cost-effective in terms of value for money. For the three financial years, they are going to undertake the audit at a cost of only Ksh6,400,000.

Hon. Temporary Speaker, I beg to reply.

(Question put and agreed to)

The Temporary Speaker (Hon. Omboko Milemba): The Order Paper had been re-arranged, so we are not dealing with Order No.14. We move to the next Order.

APPROVAL OF THE RATIFICATION OF THE
INTER-AFRICAN COFFEE ORGANISATION NEW AGREEMENT

The Temporary Speaker (Hon. Omboko Milemba): Chairman, Departmental Committee on Agriculture and Livestock.

Hon. (Dr) John Mutunga Kanyuithia (Tigania West, UDA): Thank you very much, Hon. Temporary Speaker. I beg to move the following Motion:

> THAT, this House adopts the Report of the Departmental Committee on Agriculture and Livestock on its consideration of the Inter-African Coffee Organisation (IACO) New Agreement (2020), laid on the Table of the House on Thursday, 13th August 2026 and pursuant to the provisions of Section 8(4) of the Treaty Making and Ratification Act (Cap. 4D), approves the ratification of the Inter-African Coffee Organisation (IACO) New Agreement (2020).

The Committee Report before the House details the Committee's consideration of the ratification of the Inter-African Coffee Organisation (IACO) New Agreement (2020).

By way of background, IACO was established on 7th December 1960, with Kenya as a founding member. It was created basically to unite African coffee-producing countries, to co-ordinate coffee marketing, to address production and trade challenges, and to promote sustainable growth of the African coffee sector. Why then do we have the new Agreement? The new Agreement comes in because the original framework had become outdated due to the following reasons:

One, the coffee industry has shifted from government-controlled systems to private sector-led markets. Two, Africa now seeks to capitalise on opportunities under the African Continental Free Trade Area (ACFTA), which is a marketing provision within Africa. Three, is that the old Agreement excludes coffee-consuming African countries as part of the market for coffee. Four, the former Agreement did not provide formal role for private sector actors. Consequently, IACO members adopted the new Agreement during the 60th General Assembly in November 2020, replacing the 1960 Agreement entirely.

The importance of coffee in this country cannot be underrated. The Committee notes that coffee remains one of the most important crops in the country, and key statistics indicate that it supports approximately five million households in this country. Kenya has 556 coffee co-operative societies, either processing coffee or managing coffee at one stage or the other in the value chain. We have 2,132 large coffee estates in this country, and during the 2020/2021 crop year, we had 118,382 hectares under coffee. A total of 44,898 metric tonnes of clean coffee was produced, with 30,811 metric tonnes of coffee coming from smallholders and 14,103 metric tonnes coming from large-scale estates.

Mainly, Kenya produces what is called Arabica coffee. There are challenges facing Africa's coffee sector, and the Committee noted the following challenges:

1. Heavy dependence on exporting raw coffee. There is a dependency on exporting raw coffee.
2. Africa imports large quantities of processed coffee despite being the main producer of coffee.
3. We have high global price volatility within the coffee sector.
4. Low farmer incomes in the coffee-growing areas or among coffee producers.
5. Technological inefficiencies that are also noted and declining competitiveness within the coffee industry.
6. Abandonment of coffee farming, especially by Kenyan farmers who left coffee and decided to grow maize and beans.
7. The shrinking of Africa's share of global coffee exports.

In view of these challenges came this particular Agreement, which has several key areas of focus. The major changes that have been introduced by the new IACO Agreement include:

1. Expanded membership. This provision includes coffee-producing countries, coffee-consuming and importing African countries, and greater participation of private-sector stakeholders.
2. A new governance structure has been brought about by this Agreement, whereby the Agreement establishes seven organs. The General Assembly, General Secretariat, Financial and Administration Committee, Economic and Development Committee, Private Sector Consultative Group, African Coffee Research Network, and African Coffee Development Fund.
3. The African Coffee Development Fund, which is a dedicated financing mechanism to basically finance value-adding projects, support infrastructure, provide technical assistance, and also improve access to affordable financing.
4. The private-sector integration, whereby private-sector actors who are the producers, processors, millers, exporters, roasters, buyers and financial institutions are formally incorporated into the continental coffee governance structure through the Private Sector Consultative Group.
5. Research collaboration, whereby the African Coffee Research Network will basically co-ordinate research institutions, promote innovations, and share scientific knowledge across Africa.

The other key issues to note are the main provisions of this particular Agreement. This Agreement provides for the Annual General Assembly meetings which were not, probably, provided for in the other Agreement; strategic five-year action planning and action; voting rights based on exports or imports; mandatory member contributions and independent financial audits; suspension of voting rights for non-paying members; arbitration of disputes; and no reservations to the Agreement. Indeed, there are no reservations within this particular Agreement. There is also withdrawal only after one year's written notice. Therefore, you cannot withdraw at any time, and amendments require a two-thirds majority of the vote.

Hon. Temporary Speaker, there are policy implications for Kenya that are articulated in this Agreement. I wish to report that the Committee articulated the fact that it will promote African Continental Free Trade Area (AfCFTA). This will expand intra-Africa coffee trade which Kenya is one of the partners, encourage local processing, and increase African coffee consumption through the campaign dubbed ‘Drink African Coffee, Build Africa's Economy’.

The second issue is on addressing sector challenges, whereby the Committee notes Kenya will benefit from improved regional co-operation, promotion of technology transfer, support to the value chain of coffee, and creation of better financing mechanisms.

The third issue that the Committee notes as having implications to Kenya, is the legal and fiscal impact. The Committee notes that this Agreement is in full compliance with the Constitution. It does not require amendments to Kenya's laws. It also imposes no additional financial burden as Kenya's annual subscription remains unchanged. Kenya is one of those who have been paying religiously.

Upon opening up for public participation, several stakeholders did participate in this process. I would like to mention some of them and some of their contribution very briefly. The Committee conducted public participation through a newspaper advertisement, and invited written memoranda and stakeholder consultations. The first stakeholder is the Ministry of Foreign and Diaspora Affairs, which supported the ratification because:

1. It would strengthen Kenya's role in continental coffee governance.
2. It would improve access to market intelligence.
3. It would enhance research and capacity building.
4. It would promote African coffee markets.
5. It would enable access to the African Coffee Development Fund.
6. It would require no additional public expenditure as Kenya already pays €48,048 annually.

The second stakeholder is the Agriculture and Food Authority (AFA) that issued a no objection to the ratification of the Agreement, noting that the ratification would:

1. Improve Kenya's competitiveness.
2. Enhance technology transfer.
3. Expand market access under the African free trade area.
4. Strengthen Kenya's participation in the regional coffee policy.

The Ministry of Agriculture and Livestock Development is another stakeholder which brought its views. It also supported ratification, stating that it would strengthen regional collaboration, improve technology exchange, expand markets, and increase competitiveness and sustainability of the Kenyan coffee industry.

The other stakeholder was Wilson Rading. While supporting ratification, he recommended that a national implementation plan should be realised within 90 days. He also recommended that stronger measures to protect farmers from global price volatility should be instituted. In addition, he advocated for enhancing the role of private sector consultative group beyond an advisory function.

The Committee’s observations were as follows:

1. There are strategic benefits from ratification of this particular agreement to the extent that the agreement modernises African coffee governance, it supports local processing, and expands the regional trade.
2. There is constitutional compliance of this ratification. It is fully consistent with the Constitution and Kenya's legislation.

The other issue is fiduciary neutrality where there is no additional cost to the taxpayer, since Kenya continues to pay the existing annual contribution that I mentioned earlier. There are also no reservations in the sense that Parliament must either approve or reject the Treaty in full. Reservations are not permitted in this particular case.

The risk of non-ratification is also noted. Failure to ratify this Agreement will result in the suspension of Kenya's voting rights within the African consortium, loss of influence in continental coffee policy, and exclusion from specialised Inter-African IACO committees. If Kenya does not ratify this Agreement, those are the repercussions.

There is also the financing opportunity. Ratification of this Agreement gives Kenya access to the African Coffee Development Fund, as well as the technical assistance available under coffee value addition projects or opportunities.

For smallholder farmers, the Committee stresses that ratification alone is insufficient. The national implementation plans and market stabilisation strategies are necessary to ensure that benefits reach smallholder farmers who produce between 70 and 75 per cent of Kenya's coffee through the 556 cooperative societies cited earlier.

The Committee unanimously recommends that the National Assembly approves the ratification of the IACO New Agreement, 2020. It also recommends that the Prime Cabinet Secretary and the Cabinet Secretary for Foreign and Diaspora Affairs be directed to deposit Kenya's instruments of ratification with the United Nations Economic Commission for Africa.

The Committee further recommends that the Ministry of Agriculture and Livestock Development prepares, within 90 days, a comprehensive national implementation matrix, detailing how Kenyan farmers will benefit, particularly through access to the African Coffee Development Fund and value chain development.

Finally, the Committee directs the Agriculture and Food Authority to develop a targeted export promotion framework for Kenya's processed coffee within the African Continental Free Trade Area market.

With those remarks, I beg to move and call upon Hon. Osero Kibagendi, Member of the Committee, to second.

The Temporary Speaker (Hon. Omboko Milemba): Hon. Kibagendi. Give him the microphone or any other microphone around that place. There is one at the Leader of the Minority Party's table.

Hon. Patrick Osero (Borabu, ODM): Thank you, Hon. Temporary Speaker. I would also like to summarise this Motion. I second the Motion that the House approves the ratification of the IACO New Agreement, 2020.

Coffee remains one of Kenya's most valuable cash crops and a key source of foreign exchange. The sub-sector supports the livelihoods of over 5 million Kenyans and rests overwhelmingly on smallholder agriculture. Just like the Chairman has said, we have 556 co-operative societies representing the majority of growers, alongside 2,132 large-scale estate farmers.

Despite producing some of the finest Arabica coffee in the world, Kenya and other African producers face persistent structural weaknesses. Liberal global trade exposes our farmers to sharp price swings. Many African States still import processed coffee from Europe, Asia and the Middle East.

Kenya already pays an annual assessed contribution of €448,000 as a member of the International Coffee Organisation. So, ratification of this agreement adds no new cost to the Exchequer. The greater risk lies in inaction. Under Article 22 of the Agreement, failure to maintain active standing can result in the suspension of Kenya's voting rights and the right to participate in specialised committees. This can weaken Kenya's voice in continental coffee policy, at the very moment the sector is being reorganised. Ratifying now protects Kenya's leadership and secures a place in the bodies that will set the rules for the intra-Africa coffee trade.

The full value of the Agreement will reach farmers only through deliberate domestic action. The Committee has recommended that the Ministry of Agriculture and Livestock Development table a national implementation matrix within 90 days of ratification. Access to the African Coffee Development Fund and value chain support will flow to smallholders organised under co-operative societies. This link between continental membership and farm-level benefit makes the case for approving compelling.

Having reviewed the Agreement and considered the submissions made, I am confident that the ratification will advance Kenya's national interest. It will strengthen the coffee sector that so many households depend on. I urge this House to approve the ratification of the Inter Africa Coffee Organisation (IACO), New Agreement 2020.

I second the Motion.

(Question proposed)

The Temporary Speaker (Hon. Omboko Milemba): Hon. Rindikiri Mugambi, I see you are interested in this.

Hon. Mugambi Rindikiri (Buuri, UDA): Hon. Temporary Speaker, I am interested because my constituency, Buuri Constituency, is an emerging coffee-producing constituency. I border the Chairman's constituency. We share one factory of coffee in a place called Mituntu. I can tell you it is one of the oldest coffee-producing regions in Meru County. I was very keen on this ratification of the Agreement because of the Inter Africa Coffee Organisation (IACO), New Agreement 2020. I was very keen to find out whether this Agreement captures what will benefit the farmers of coffee in our region, Buuri, Tigania West, and Meru County at large. I was very keen to know whether it will address the issue of markets and marketing. I was very keen to notice whether it would touch on anything to do with the pricing of coffee. I was keen to know whether it addresses the issue of the quality of coffee that we have.

I have been told about the issue of research. I was very keen to know whether there is anything to do with value addition. The market is shrinking internationally with the increase in production of coffee by other countries in Africa, specifically Ethiopia, Uganda, and new producers that are emerging in other areas.

The entire value chain issues have been mentioned. One other issue that we all need to be concerned about is that we produce coffee, but we do not consume it. It is a very serious challenge. We produce the best coffee, but we do not consume it. The other thing is that we produce the best coffee, but we do not process it into the final product. I was very keen to know, as we deal with free trading. When we talk about free trading, we are saying that everybody will bring their product here. That is exactly what is happening. If you walk into a supermarket today, you will most likely find 10 products of coffee. Of that, about eight are from outside Africa yet we are the actual producers of raw coffee. So, I was very keen to see whether this Agreement is addressing those factors, and I am happy to note that the Committee has scrutinised that report and addressed concerns of a farmer from Buuri and Tigania West constituencies.

There were issues surrounding the legal aspects of coffee in relation to other countries, but I believe that matter has now been addressed. I would like to thank the Committee because we are trying to position Kenya in the international market through enhanced relationships with the coffee-producing countries in Africa. Therefore, this Agreement is very important. We need to support and approve it so that we can move on to its implementation.

Finally, Hon. Temporary Speaker, funding is very key, particularly for production, technology, and research. That one has also been captured. So, please, let us approve this Agreement. It is going to add a voice for the Kenyan farmer and for the Kenyan economy out there as we compete with other African countries.

I thank you, Hon. Temporary Speaker.

The Temporary Speaker (Hon. Omboko Milemba): Very well. There being no further interest, Mover, do you have any comment on this?

Hon (Dr) John Mutunga Kanyuithia (Tigania West, UDA): Yes. Thank you very much, Hon. Temporary Speaker. I stand to reply that this House adopts the Report of the Departmental Committee on Agriculture and Livestock on its consideration of the Inter-African

Coffee Organization New Agreement, laid on the Table of the House on Thursday, 13th August 2026, and pursuant to the provisions of Section 84 of the Treaty Making and Ratification Act, Cap 4D, approves the ratification of this particular Report. I wish to thank those who have contributed, my brother, Hon. Rindikiri, and the Seconder.

This Agreement comes with many good things. First, it aligns with the Kenyan Constitution. This means we are living on today's record as per the status quo of this particular country. Therefore, it recognises that we have a new Constitution, a document born out of this environment.

The other issue is the provision of the possibility for trade, opening up the market for Kenya through the African Continental Free Trade Area, which is already in place. Therefore, it brings together African countries to, first of all, agree on how to sell coffee outside Africa and how to consume coffee. So, there are many advantages in adopting this particular Agreement.

Hon. Temporary Speaker, I beg to reply.

(Question put and agreed to)

Next Order.

ADOPTION OF REPORT ON INSPECTION VISIT TO THE KENYAN EMBASSY IN MOROCCO

THAT, this House adopts the Report of the Departmental Committee on Defence, Intelligence and Foreign Relations on its inspection visit to the Kenyan Embassy in Rabat, Morocco from 22nd to 25th March 2026, laid on the Table of the House on Tuesday, 28th July 2026.

The Temporary Speaker (Hon. Omboko Milemba): The Chairperson, Departmental Committee on Defence, Intelligence and Foreign Relations! We have a report that the Chairperson and the Committee are engaged elsewhere. Therefore, we defer that to the next sitting.

(Motion deferred)

Next Order.

ADOPTION OF REPORT ON INSPECTION VISIT TO THE KENYAN EMBASSY IN EGYPT

THAT, this House adopts the Report of the Departmental Committee on Defence, Intelligence and Foreign Relations on its inspection visit to the Kenyan Embassy in Cairo, Egypt held from 26th to 30th March 2026, laid on the Table of the House on Tuesday, 28th July 2026.

The Temporary Speaker (Hon. Omboko Milemba): Hon. Members, it is the same Chairperson who is engaged elsewhere. Therefore, this Motion also stands deferred to the next sitting.

(Motion deferred)

You may be up standing, Hon. Members.

ADJOURNMENT

The Temporary Speaker (Hon. Omboko Milemba): The time being 6.46 p.m., this House stands adjourned until Wednesday, 26th August 2026 at 9.30 a.m.

(The House rose at 6.46 p.m.)

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