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Tuesday, 3rd November 2026

(The House met at 2.30 p.m.)

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

PRAYERS

QUORUM

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

(The Quorum Bell was rung)

Hon. Members, we now have quorum to transact business. Order!

(Several Members consulted along the aisle)

Take your seats.

(Several Members entered the Chamber)

Members on their feet, take your seats. Members at the Bar, if you want to take your seats, please, do so.

COMMUNICATION FROM THE CHAIR

DEMISE OF HON. OTIENO MAK'ONYANGO

Hon. Members, I have a message from the Senate. First of all, I welcome you back to the House after an eventful week. I have no doubt you interacted well not only with your constituents, but also with your families. You are welcome back to this session.

Equally important, Hon. Members, although I have not received a written communication, I wish to convey that we lost a former Member of this House, Hon. Otieno Mak'Onyango, who served with Hon. Julius Sunkuli and I in the 7th Parliament. He was a familiar face around Parliament. He was a veteran journalist who was very active in the 1970s. He came from Siaya County and is expected to be laid to rest in the next few days. He was also an active researcher in this House.

The 7th Parliament, for those of you who were old enough to read what was going on, was one of the most violent Parliaments this country has ever had. We had two muscled men constantly watching over the Mace. On one occasion, the current Prime Cabinet Secretary, who was then the Minister for Finance, came to read the Budget and the only words that were audible were, "Mr Speaker, Sir, I beg to move" and nothing more. That was the Parliament in which Hon. Otieno Mak'Onyango, Hon. Sunkuli and I were in. It was a Parliament that had very active debates. We had the late Hon. Martin Shikuku, who could address this Parliament on one Bill for an entire week, from Tuesday to Thursday, without the Speaker finding him

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repeating himself. We had people like Prof. Rashid Mzee, who, when speaking Kiswahili, would make you think he had invented the language. There were many others.

In honour of the late Hon. Otieno Mak'Onyango, I encourage us to stand and observe a minute of silence.

(Members observed a moment of silence)

May his soul rest in eternal peace. Amen.

Yes, Hon. Sunkuli. Do you want to eulogise the late Hon. Otieno Mak'Onyango?

Hon. Julius Sunkuli (Kilgoris, KANU): Thank you, Hon. Speaker for this opportunity and for the kind words you have said about the late Hon. Otieno Mak'Onyango. I knew him very well. We served together in the 7th Parliament. He was a very ardent debater, a strong Member of the Opposition, and opposed the Government in which I served.

The late Hon. Otieno Mak'Onyango was also a member of the Scouting Movement. At one point, we joined the World Scout Parliamentary Union which our colleague Hon. KK now heads. Together, we visited the City of Santiago, Chile to attend a very important World Forum. We also had the honour of being invited to the Chilean Parliament in Valparaíso. During that visit, Hon. Otieno Mak'Onyango and I shared accommodation on several occasions. It was during our visit to Valparaíso that we learnt of the death of the late Jaramogi Oginga Odinga. I had the advantage of being an Assistant Minister so I received the information before my colleague. I was, however, advised not to disclose the news to him until we arrived in South Africa where I eventually broke the news to him. In those days, when the internet was not readily available, it was possible to withhold such information from someone. I managed the situation until we arrived in Kenya. He was, indeed, a good friend of mine and I remember him well for the great contribution he made to this Parliament.

It is also important to remember that after leaving Parliament, he championed the interests and welfare of former Members of Parliament. It occurred to him that the pension paid to former Members, including the one I received before returning to this House, was inadequate to sustain them. It was a meagre amount and he fought tirelessly to have it improved. It is unfortunate that he passed away before enjoying the benefits of the improved pension arrangements for former Members of Parliament. I know that he lived his life well although at times he faced difficult circumstances. He was a great statesman and I pay tribute to him. I also convey my condolences to his family and wish them well.

Hon. Speaker: Hon. Caroli Omondi.

Hon. Caroli Omondi (Suba South, ODM): Thank you very much Hon. Speaker, for this opportunity to eulogise the late Hon. Otieno Mak'Onyango. As we remember the late Hon. Otieno Mak'Onyango, we should also remember that he was detained for four years alongside the late Right Hon. Prime Minister, Raila Odinga. He served only one term in this House. Subsequently, the late Hon. Mak'Onyango sued the Government for violating his constitutional rights and was awarded Ksh20 million which up to date the Government has not paid him. Perhaps, as this House remembers him, it should intervene and urge the Government to release the money to his family. That would be the most befitting way of seeing off a friend who struggled and won the case and was awarded damages, but the State failed to pay him. He also made tremendous efforts to improve the pension scheme and the welfare of former Members of Parliament. I worked with him on that when I was Chief of Staff to the late Raila Odinga. May God grant him eternal rest and may perpetual light shine upon him.

Thank you, Hon. Speaker.

Hon. Speaker: Hon. Dawood, did you know him? Proceed. Give the microphone to the Member for North Imenti. Is it North or Central?

Hon. Rahim Dawood (North Imenti, Independent): Thank you, Hon. Speaker. I met the late Hon. Mak'Onyango when I served in the Departmental Committee on Finance and

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National Planning. He was among the representatives of retired Members of Parliament who appeared before the Committee. It was quite unfortunate that former Members of Parliament were receiving pension of only Ksh4,000 or Ksh5,000. When they appeared before the Committee, we proposed that their pension should not be pegged on the Shilling but should instead be set at about $1,000 per month. However, the proposal did not succeed because the National Treasury opposed it. That is how I came to know him, as he appeared before the Departmental Committee on Finance and National Planning a couple of times. I pray that his soul rests in eternal peace.

Thank you.

Hon. Speaker: Thank you, Hon. Members. Let us go back. Yes Hon. KJ. You will be the last on this.

Hon. John Kiarie (Dagoretti South, UDA): Hon. Speaker, I must thank you for this opportunity. I pay tribute to the late Hon. Member and convey my condolences on my own behalf, that of my family, and the esteemed fraternity of scouts in this country to his family. I wish to state that it is on these great shoulders that some of us are standing on as Members of Parliament and also as members of the esteemed fraternity of humanity known as the Scouting Movement. We must appreciate the contributions of the generation of Hon. Waziri Sunkuli, the generation that preceded us in this House and those who have served alongside you Hon. Speaker. The path they laid is the path we are now following.

Thank you, Hon. Speaker.

Hon. Speaker: Thank you, Hon. Members. Let us go back to Order No. 3. Members on your feet, please, take your seats.

COMMUNICATION FROM THE CHAIR

APPOINTMENT OF MEMBERS TO MEDIATION COMMITTEE ON THE KENYA SIGN LANGUAGE BILL

Hon. Speaker: Hon. Members, I have a Message from the Senate on its decision concerning the National Assembly amendments to the Kenya Sign Language Bill (Senate Bill No. 9 of 2023). Hon. Members, pursuant to the provisions of Standing Order 41(3) of the National Assembly Standing Orders, I wish to report to the House that I have received a Message from the Senate regarding its decision on the National Assembly amendments to the Kenya Sign Language Bill (Senate Bill No. 9 of 2023).

The Message conveys that, on Tuesday, 22nd September 2026, the Senate rejected the Motion for consideration of the amendments proposed by the National Assembly. Consequently, the Bill stands committed to a Mediation Committee pursuant to the provisions of Article 112(2)(b) of the Constitution. The said amendments were passed by this House on Wednesday, 24th June 2026 following which I referred them to the Senate for concurrence.

Hon. Members, following the decision of the Senate, the Speaker of the Senate has nominated the following Senators to serve in the Mediation Committee on the Bill:

1. Hon. Sen. S.C. Okenyuri
2. Hon. Sen. George Mbugua
3. Hon. Sen. Peris Tobiko
4. Hon. Sen. Kiprono Chemitei
5. Hon. Sen. Joe Nyutu
6. Hon. Sen. Moses Kajwang, CBS
7. Hon. Sen. Beatrice Ogola
8. Hon. Sen. Hezena Lemaletian
9. Hon. Sen. Crystal Asige

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Hon. Members, in order for the Mediation Committee to be fully constituted, I direct the Leader of the Majority Party and the Leader of the Minority Party to expeditiously nominate Members to be appointed to the Mediation Committee. Once I receive the names, I will notify the House of the facts. Thereafter, the Mediation Committee will be expected to attempt to develop an agreed version of the Bill in accordance with the provisions of Article 113 of the Constitution. The House is accordingly informed.

Hon. Members, before presenting the Petition, allow me to acknowledge the following schools present in the Speaker's Gallery: Saleem Academy from North Imenti, Meru County; The Frontier Pioneer School from Ainamoi, Kericho County; and, Mbukiwa Sirata School from Samburu Central, Samburu County. We also have students from Starehe Boys' Centre, who are undertaking voluntary service in Parliament for a period of two weeks. On my behalf and on behalf of the House, we welcome the students, their teachers, and those accompanying them to the House of Parliament. Hon. Dawood, you wanted a minute to welcome your school. Go ahead, before I present the Petition.

Hon. Rahim Dawood (North Imenti, Independent): Thank you, Hon. Speaker. I wish to welcome students from Saleem Academy in my constituency, North Imenti, together with all the other students who are here for a learning trip. Saleem Academy was opened by family friends of mine, Betty and her husband, Mr Mucheke, over 30 years ago. The school has survived and grown to become one of the best schools in Meru and North Imenti. I welcome them to Nairobi and wish them a pleasant stay in Parliament as they learn.

Hon. Speaker: Thank you, Hon. Dawood. Sorry, Members. Among the students undertaking voluntary service in Parliament are students from Starehe Boys' Centre, Alliance High School and Kianda School, who are seated in the Speaker's Gallery. You may stand up to be acknowledged. You are all welcome to Parliament for the invaluable work you are doing.

Thank you.

(Several Members stood in the gangways)

Members on their feet, take your seats.

PETITION

CATTLE RUSTLING AND INSECURITY IN ISIOLO COUNTY, NORTHERN FRONTIER AND NORTHERN RIFT REGIONS

Hon. Speaker: Hon. Members, I have a Petition to convey regarding persistent cattle rustling and insecurity in Isiolo County and the wider Northern Frontier and Northern Rift regions in the country.

Hon. Members, Article 119(1) of the Constitution provides that every person has a right to petition Parliament to consider any matter within its authority, including to enact, amend or repeal any legislation. Further, Standing Order 225(2)(b) requires the Speaker to report to the House any petition other than those presented through a Member.

Hon. Members, I wish to convey to the House that my office has received two petitions by Mr Abdi Galgalo of Kinna Ward, Isiolo South Constituency, on behalf of the Waso University Students Association and Isiolo Professionals; and, Mr Salat Hassan Tadicha, a community representative from Isiolo on behalf of the residents of Isiolo County and the wider Northern Frontier and Northern Rift regions. The two petitions seek the intervention of the House to address the persistent banditry, cattle rustling, and insecurity in Isiolo County and the wider Northern Frontier and North Rift regions.

Hon. Members, the petitioners aver that Isiolo County has, over a prolonged period, experienced recurrent armed attacks and livestock raids, which have occasioned loss of lives

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and injuries, destruction of homes and infrastructure, displacement of families, and the closure of schools and health facilities. The economy of the county is predominantly anchored on pastoralism and, consequently, the theft of livestock has severely undermined the livelihoods and food security of the affected communities. The petitioners further note that, in the absence of a functional national livestock identification and traceability system, stolen livestock cannot be traced, and as such livestock are moved to other counties where they are sold.

Hon. Members, the petitioners aver that cattle rustling has evolved from a traditional practice into a commercialised and heavily armed criminal enterprise, occasioning loss of livestock on a large scale across the Northern Frontier and North Rift regions. The petitioners claim that the Penal Code treats such acts as ordinary offences of stock theft or robbery, thereby enabling the financiers and organisers of these criminal syndicates to evade the more stringent measures available under the counter-terrorism legal framework. They observe that there is presently no legal framework for the compensation of families who lose their next of kin to such attacks, nor a structured programme for compensation.

Hon. Members, the petitioners invoke Article 189 of the Constitution on cooperation between the national and county governments, and Article 238 on the principles of national security. The petitioners state that, despite raising the matter with the local administration and security agencies, the interventions undertaken have not sufficiently resolved their concerns.

The petitioners, therefore, pray that the National Assembly:

1. Engage the Ministry of Interior and National Administration to strengthen security operations in the affected areas, with a view to establishing a permanent and adequately resourced rapid-response framework for the affected areas; and undertake a comprehensive assessment of the loss of lives, livestock, homes and businesses occasioned by banditry in the affected areas.
2. Amend the Prevention of Terrorism Act, 2012, to classify organised armed banditry and commercialised cattle rustling as acts of terrorism; and enact legislation to establish a Livestock Loss, Traceability, Compensation and Recovery Framework, providing for, among others, the verification of losses, a national financing mechanism, the resolution of inter-county disputes and a National Pastoralist Restocking and Economic Recovery Fund.
3. Recommend an independent investigation and prosecution of public officers suspected of financing, facilitating or concealing banditry.

Hon. Members, having established that the matters raised in the petition are well within the authority of this House, and further, that the said matters are not pending before any court of law, constitutional or legal body, I hereby commit the petition to the Departmental Committee on Administration and Internal Security for consideration. The Committee is required to consider the petition and report its findings to the House and to the petitioners in accordance with Standing Order 227(2).

Yes, Hon. Karitho.

Hon. Daniel Karitho (Igembe Central, JP): Thank you, Hon. Speaker. I wish to comment on the Petition by the residents of Isiolo. This menace of raiders and cattle rustlers has not only affected Isiolo County; it has seriously affected Meru County, stretching from Buuri, Tigania West, Tigania East, Igembe Central and Igembe North.

On the issue of suspected senior leaders and civil servants protecting these rustlers, this has been a question to many of us, especially leaders from Meru. This is because, many times, when the police pursue these rustlers, they reach a point where they are instructed to turn back and leave the animals alone. We need the Government to investigate this matter deeply and bring this problem to an end. Many of our people have lost their animals. Our women have been maimed, our young people killed, and our animals taken away. As the rains approach, this is the time raiders strike. We, therefore, call upon the Government to take this issue seriously

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before we continue to suffer even greater losses. I support the Petition presented by the residents of Isiolo, and I urge the Government to take this matter seriously.

Thank you, Hon. Speaker.

Hon. Speaker: Hon. Dawood.

Hon. Rahim Dawood (North Imenti, Independent): Thank you, Hon. Speaker. This Petition has touched on the issue of branding and identification. My Bill, the Prevention of Livestock and Produce Theft Bill, is before this Parliament at the Third Reading stage. I had requested that it be stepped down for two weeks, but it addresses the issues raised by the petitioner. How do you identify your stolen animal? This Bill goes to the heart of that matter, and it is through such measures that we can now stop livestock theft. If anybody steals livestock, there has to be a record in each and every place, so that stolen livestock cannot be sold elsewhere. I support the Petition. If we pass the Bill, it will assist the petitioners and everybody else.

Hon. Speaker: Hon. Emathe.

Hon. Joseph Emathe (Turkana Central, UDA): Thank you, Hon. Speaker. When I joined Parliament, I was very enthusiastic. I came up with a Bill on stock theft and cattle rustling. It died at the Budget and Appropriations Committee because it was a Money Bill. The Special Operations Group (SOG) was trained and kitted with more than Ksh400 million of public funds. Some of them came to Turkana County. Instead of doing their work, they went to protect mining investors and left their job or duty. They have been trained twice now.

Hon. Speaker: Do you call them SOG?

Hon. Joseph Emathe (Turkana Central, UDA): The Special Operations Group.

Hon. Speaker: They are not stood over while they are working.

(Laughter)

Hon. Joseph Emathe (Turkana Central, UDA): Hon. Speaker, what is happening in Suguta Valley and Kerio Valley? Kerio Valley has been silenced, but Suguta Valley plus parts of Turkana South are uninhabitable at the moment, even when students are doing exams. When the President took office, he requested the SOG to do their work. We thought this would be a good answer for us in those areas. Up to now or over four years down the line, people are being killed, livestock is being stolen, and nothing has happened.

There is a lot of investment by Government in SOG. Can we say that the Government is protecting lives and property? There must be direction. The issue of a thief being owned by the community should not happen. When leaders stand here and say cattle rustling is done by their communities, a thief is a thief and must be handled individually. If that is the direction we will take, cattle rustling will end. I rest my case.

(Applause)

Hon. Speaker: Hon. Millie Odhiambo.

Hon. Millie Odhiambo-Mabona (Suba North, ODM): Thank you, Hon. Speaker. I agree with the petitioners. I request that as the Committee looks into this Petition, it looks at a Select Committee's Report on Cattle Rustling which I was a Member either in the 10th or 11th Parliament. It looks at this issue very comprehensively. We had extremely good recommendations. We even visited Botswana to see how they control this vice.

There is little that I have seen in policy or legislative work. I am very glad because the Hon. Member said that he would bring legislation. Over and above that, there are other measures, including education, exposure, and infrastructure that will curb this vice. Many people do this because of lack of exposure and education. It is a fact. We had very good

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recommendations in that Report. It was a Select Committee because the terrible vice was happening at that time, and it has continued. May the Committee look into that Report.

Hon. Speaker: Can you graciously avail a copy of that Committee Report to the Chairperson of the Committee, Hon. Tongoyo? Since the Petition will be committed to your Committee, we have been told there is a comprehensive Report on cattle rustling. You may look at it to help you.

Hon. Gabriel Tongoyo (Narok West, UDA): I am well guided, Hon. Speaker. It should not be lost to us that last week but one, the Cabinet Secretary appeared before the Committee on the same key subject. The re-emergence of cattle rustling in North Rift, parts of Meru and Isiolo was very clear in his line of response that it goes beyond security. It needs a multi-sectoral approach from different players.

Hon. Speaker, I need your indulgence. Can we consider this Petition in the Departmental Committee on Agriculture and Livestock because there is a lot to do in agriculture and livestock?

Hon. Speaker: Did you hear what the petitioners said? Cattle rustling is no longer cultural, but it is now a criminal enterprise.

Hon. Gabriel Tongoyo (Narok West, UDA): Yes, it is. I agree with them.

Hon. Speaker: Did you hear what they said?

Hon. Gabriel Tongoyo (Narok West, UDA): Yes, I did.

Hon. Speaker: It is now a criminal enterprise. The people who engage in cattle rustling are profiteers. They do not steal cattle and livestock to marry wives, as it used to happen in the old days. They do it to make money and become rich through devious means.

Hon. Gabriel Tongoyo (Narok West, UDA): It could be the source of meat that we consume here in Nairobi.

Hon. Speaker: Yes.

Hon. Gabriel Tongoyo (Narok West, UDA): It is okay, Hon. Speaker.

Hon. Speaker: Is Hon. Mutunga in the House? If you need any support from the Departmental Committee on Agriculture and Livestock, so be it. I will direct them to support you. Work hard and bring a response so that we can deal with this menace.

Yes, Hon. Justice Kemei.

Hon. Justice Kemei (Sigowet/Soin): Hon. Speaker, the Chairman of the Departmental Committee on Agriculture and Livestock is not here, but we are well guided. If they require our support, we are ready to offer it.

Hon. Speaker: Excellent.

Next Order.

PAPERS

Hon. Speaker: Leader of the Majority Party

Hon. Owen Baya (Kilifi North, UDA): Hon. Speaker, as I welcome Members back to the House after one-week break, I beg to lay the following Papers on the Table:

1. Legal Notice No. 218 of 2026 relating to the Teachers Service Commission Code of Regulations for Teachers (Amendment) Regulations, 2026, explanatory memorandum and regulatory impact assessment from the Teachers Service Commission.
2. The following draft regulations, explanatory memoranda and matrixes of stakeholder comments from the Ministry of Information, Communications and the Digital Economy–
    (a) Draft Kenya Information and Communications (Consumer Protection) Regulations, 2026.

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(b) Draft Kenya Information and Communications (Interconnection) Regulations, 2026.
(c) Draft Kenya Information and Communications (Infrastructure Sharing) Regulations, 2026.
(d) Draft Kenya Information and Communications (Fair Competition and Equal Treatment) Regulations, 2026.
(e) Draft Kenya Information and Communications (Tariff) Regulations, 2026.

3. Draft Prevention of Terrorism (Implementation of the United Nations Security Council Resolutions on Prevention, Suppression and Disruption of Proliferation Financing) (Amendment) Regulations, 2026 from the Ministry of Interior and National Administration.
4. Sessional Paper No. 2 of 2026 on the National Care Policy from the Ministry of Gender, Culture and Children Services to be referred to the Departmental Committee on Social Protection.
5. Reports of the Auditor-General and financial statements for the year ended 30th June 2026 and the certificates therein in respect of the following–
   (a) Council of Legal Education.
   (b) Garissa High School.
   (c) Garissa University.
   (d) Higher Education Loans Board (HELB) Staff Car Loan and Mortgage Scheme.
   (e) Higher Education Loans Self Protection Scheme (SLSPS).
   (f) Independent Policing Oversight Authority.
   (g) Kaiboi National Polytechnic - Narok County.
   (h) Kenya Accreditation Service.
   (i) Kenya Consumer Protection Committee for 15 months.
   (j) Kenya Secondary Education Equity Quality Improvement Project (SEEQIP) Program Grant/Credit; Project ID No: P501648, Credit No. 7642-KE, Grant No. E376-KE- State Department for Basic Education.
   (k) Kenya Symbiocity Programme - SIDA No.51110060.
   (l) Kenya Towns Sustainable Water Supply and Sanitation Program No. P-KE-E00-011 (AFDB Loan No.2000200000501) - Central Rift Valley Water Works Development Agency.
   (m) Kenya Towns Sustainable Water Supply and Sanitation Program No. P-KE-E00-011 (AFDB Loan No.2000200000501)- Central Rift Valley Water Works Development Agency;
   (n) Micro Finance Sector Support Credit Project (Credit No. CKE 3004 01E and CKE 6010 01E) - The National Treasury;
   (o) Murang'a Technical Training Institute;
   (p) National Council for Nomadic Education in Kenya;
   (q) National Research Fund;
   (r) National Treasury Capacity Strengthening Project (Grant No. 5500155013902 ID No. P-KE-KOO-011) - The National Treasury;
   (s) Rural Kenya Financial Inclusion Facility (RK FINFA) (IFAD Loan No. 2000004121 and 2000004122 and Grant No. 20000045154) - The National Treasury;
   (t) St. Paul's High School – Kevote;
   (u) Tana and Athi Rivers Development Authority;
   (v) Tarbaj Technical and Vocational College; and

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(w) Warehouse Receipt System Council.

Thank you, Hon. Speaker.

Hon. Speaker: The Chairperson, Departmental Committee on Tourism and Wildlife, Hon. Kareke.

Hon. Kareke Mbiuki (Maara, UDA): Hon. Speaker, I beg to lay the following Paper on the Table of the House:

Report of the Departmental Committee on Tourism and Wildlife on its consideration of the Tourism (Amendment) Bill (National Assembly Bill No. 41 of 2026).

Thank you, Hon. Speaker.

Hon. Speaker: The Chairperson, Decentralized Funds Accounts Committee, Hon. Mulyungi.

Hon. Gideon Mulyungi (Mwingi Central, WDM): Hon. Speaker, I beg to lay the following Paper on the Table of the House:

Twentieth Report of the Decentralized Funds Accounts Committee on its examination of Audited Accounts of the National Government Constituencies Development Fund (NG-CDF) for Constituencies in Elgeyo Marakwet, Trans Nzoia, Turkana and West Pokot counties for the Financial Years 2013/2014 to 2022/2023.

Thank you, Hon. Speaker.

Hon. Speaker: The Chairperson, Committee on Delegated Legislation, Hon. Chepkonga.

Hon. Samwel Chepkonga (Ainabkoi, UDA): Hon. Speaker, I beg to lay the following Paper on the Table of the House:

Report of the Committee on Delegated Legislation on its consideration of the Excise Duty (Remission of Excise Duty) Regulations (Published as Legal Notice No. 193 of 2026).

I thank you, Hon. Speaker.

Hon. Speaker: Hon. Bernard Shinali.

Hon. Bernard Shinali (Ikolomani, ODM): Hon. Speaker, I beg to lay the following papers on the Table of the House:

Report of the Departmental Committee on Trade, Industry and Cooperatives on its consideration of the Trade Description (Amendment) Bill (National Assembly Bill No. 42 of 2026).

Hon. Speaker: That is not the one. Start with the Mediation Committee.

Hon. Bernard Shinali (Ikolomani, ODM): The Mediation Committee Report is not mine.

Hon. Speaker: Then take your seat.

Hon. Bernard Shinali (Ikolomani, ODM): Thank you.

Hon. Speaker: Hon. Marianne.

Hon. Marianne Kitany (Aldai, UDA): Hon. Speaker, I am the one representing the National Assembly on the Mediation Committee.

Hon. Speaker: Is it ready?

Hon. Marianne Kitany (Aldai, UDA): It is ready, just waiting for it to be brought to the House.

Hon. Speaker: Today or tomorrow?

Hon. Marianne Kitany (Aldai, UDA): Today, in a few minutes.

Hon. Speaker: Clerk-at-the-Table, list it for tomorrow. Chairperson, Departmental Committee on Trade, Industry and Cooperatives. Hon. Shinali, I will allow you if you have it.

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Hon. Bernard Shinali (Ikolomani, ODM): Hon. Speaker, I beg to lay the following papers on the Table of the House:

Report of the Departmental Committee on Trade, Industry and Cooperatives on its consideration of–

(a) The Trade Description (Amendment) Bill (National Assembly Bill No. 42 of 2026); and

(b) The Sacco Societies (Amendment) Bill (National Assembly Bill No. 32 of 2025).

Hon. Speaker: Are you done? Chairperson, Departmental Committee on Communication, Information and Innovation. Hon. KJ.

Hon. John Kiarie (Dagoretti South, UDA): Hon. Speaker, I beg to lay the following Paper on the Table of the House:

Report of the Departmental Committee on Communication, Information and Innovation on its Consideration of the National Addressing Bill (National Assembly Bill No. 31 of 2025).

I thank you, Hon. Speaker.

Hon. Speaker: Thank you. Next Order.

NOTICES OF MOTIONS

Hon. Speaker: Leader of the Majority Party, do you have your Motion on alteration of calendar, or is that for tomorrow? I thought you were moving it tomorrow or is it today?

Hon. Kimani Ichung'wah (Kikuyu, UDA): Hon. Speaker, it will be tomorrow afternoon.

Hon. Speaker: Chairperson, Decentralized Funds Account Committee.

ADOPTION OF REPORT ON AUDITED ACCOUNTS OF NG-CDF FOR CONSTITUENCIES FOR FYS 2013/2014 TO 2022/2023

Hon. Gideon Mulyungi (Mwingi Central, WDM): Hon. Speaker, I beg to give notice of the following Motion:

THAT, this House adopts the Twentieth Report of the Committee on its examination of the audited accounts of the National Government Constituencies Development Fund (NG- CDF) for Constituencies in Elgeyo Marakwet, Trans Nzoia, Turkana and West Pokot Counties for the Financial Years 2013/2014 to 2022/2023 laid on the Table of the House on Tuesday, 3rd November 2026.

I thank you, Hon. Speaker.

Hon. Speaker: Chairperson, Delegated Legislation, Hon. Chepkonga.

APPROVAL OF EXCISE DUTY (REMISSION OF EXCISE DUTY) REGULATIONS

Hon. Samwel Chepkonga (Ainabkoi, UDA): Hon. 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 Excise Duty (Remission of Excise Duty)

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Regulations (Published as Legal Notice No. 193 of 2026) laid on the Table of the House on Tuesday, 3rd November 2026 and pursuant to the provisions of Section 7(3)(a) of the Excise Duty Act (Cap. 472), this House approves Excise Duty (Remission of Excise Duty) Regulations, published as Legal Notice No. 193 of 2026.

I thank you, Hon. Speaker.

Hon. Speaker: Chairperson, Mediation Committee, Hon. Marianne. Is tomorrow okay with you?

Hon. Marianne Kitany (Aldai, UDA): Yes.

Hon. Speaker: This will be scheduled for tomorrow morning; that is the laying of the documents and the notice of Motion.

Next Order.

QUESTIONS AND STATEMENTS

Hon. Speaker: Hon. David Ndakwa.

REQUEST FOR STATEMENT

UNPAID STIPEND FOR COMMUNITY HEALTH PROMOTERS IN MALAVA

Hon. David Ndakwa (Malava, UDA): Thank you, Hon. Speaker. Pursuant to Standing Order 44 (2)(c), I wish to request for a Statement from the Chairperson of the Departmental Committee on Health regarding unpaid stipends to the Community Health Promoters (CHPs) in Malava Constituency.

Community Health Promoters serve as an important link between households and health care facilities. Despite performing essential duties, concerns have been raised regarding persistent delays in payment of stipends due to community health promoters in Malava Constituency. There have been reported cases that payment of stipends to some promoters were discontinued in 2024 without prior notice or explanation, and subsequently reinstated in 2025. The affected promoters have continued to provide essential primary healthcare services despite the delayed and inconsistent payment. The delays and inconsistent payments have caused financial hardship to the affected promoters, undermined their morale and may adversely affect the delivery of primary healthcare services in the constituency.

It is against this background that I request a Statement from the Chairperson of the Departmental Committee on Health on the following:

1. A report on the total number of community health promoters serving in Malava Constituency indicating the number with outstanding stipends, the amount owed in respect to each community health promoters and the respective periods.
2. The reason for the persistent delays in the payment of stipends to community health promoters in Malava Constituency.
3. A timeline for the payment of all outstanding stipends and an outline of the measures being taken to ensure timely and consistent payment in future.

I thank you.

Hon. Speaker: Thank you, Hon. David Ndakwa.

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The Chair, Departmental Committee on Health. Any Member from that Committee? Hon. Julius Sunkuli, when can you bring a response to that? That is straightforward. Can you do it on Thursday this week?

Hon. Julius Sunkuli (Kilgoris, JP): Yes, Hon. Speaker.

Hon. Speaker: Thank you. Is Hon. Suzanne Kiamba in the House? It seems she is not here. Is Hon. Tongoyo in the House?

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

Hon. Speaker: Hon. Mwenje, what is it?

Hon. Mark Mwenje (Embakasi West, JP): Thank you, Hon. Speaker. I rise under Standing Order 44(2)(c) on statements. I want to bring to your attention that we have been waiting for responses for requests for statements from the Departmental Committee on Transport and Infrastructure on a number of issues. I am happy to note that the Chair of the Departmental Committee on Transport and Infrastructure is here. This has continued for some time. We have not received the responses considering the fact that we have been here for about a month.

Hon. Speaker: I will give you an opportunity. Let me finish this first.

Hon. Tongoyo, do you have a response to Hon. Kiamba's request?

Hon. Gabriel Tongoyo (Narok West, UDA): Yes, Hon. Speaker.

Hon. Speaker: Table it. Next is Hon. Martha Wangare. I thought I saw her somewhere. It seems she is not in.

Hon. Gabriel Tongoyo (Narok West, UDA): She is not in the House.

Hon. Speaker: She is. Hon. Martha Wangare, you are not sitting where you ordinarily sit? It seems she is not.

Hon. Tongoyo, do you have a response to her Statement?

Hon. Gabriel Tongoyo (Narok West, UDA): I do.

Hon. Speaker: So, table the one for Hon. Kiamba. She will interrogate you in a way she knows best.

Hon. Wangare is here. So, you can proceed with the response to her Statement.

STATEMENT

INCREASED CHARGES FOR BIRTH CERTIFICATES

Hon. Gabriel Tongoyo (Narok West, UDA): Thank you, Hon. Speaker. I was unable to see her because normally she sits in front of me. The request for a statement concerns the increased fees for the issuance of birth certificates. Specifically, the Member sought to know the justification for the upward revision of these charges and requested confirmation on whether public participation was conducted to ensure the services remain affordable to citizens.

By way of justification, the fees were last reviewed 28 years ago, in 1998, under Legal Notice No. 24 of 1998. Considering historical inflationary trends and the depreciation of monetary value over nearly three decades, the revised charges are economically equivalent to, or within the real price range of the original 1998 fees.

Furthermore, the reviewed fees align closely with regional and international standards for similar services. For context, the comparative cost of obtaining a birth certificate across various jurisdictions, converted to shillings at current exchange rates is as follows: Tanzania, Ksh320; Uganda, Ksh180; Zambia, Ksh1,100 to Ksh1,600 in replacement; South Africa, Ksh180; Ghana Ksh580 to Ksh600; Egypt, Ksh2,500 to Ksh5,800; United Kingdom, Ksh2,200 to Ksh6,500; Australia, Ksh5,100; India, Ksh50 to Ksh200; and the United States, Ksh1,200 to Ksh3,900. Charges for a birth certificate after the review in Kenya is now at Ksh200. Due to the increased need for security of a document issued by the Ministry in relation to these

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services, there has been a commensurate increase in the quality of materials used and therefore, the cost of these materials.

On whether public participation was undertaken, it was done during the public participation exercise for the establishment of the unique personal identification (UPI) and the review of the Birth and Death Certificate Act Regulation.

On the second Question on the measures being put by the Government to ensure digitalisation of the civil registration services, I want to state as follows. The Government has ensured that there are multiple access channels in the e-Citizen platform, which allows for multiple channels for access, including the use of Unstructured Supplementary Services Data (USSD) code enabling individuals without smartphones to access services and launch their application. In regard to the civil registration, officers will be prompting clients from the back end to support them in getting services and making payments.

On the third Question on whether steps are taken by the Ministry, currently there are no steps that have been taken to restore the charges to the previous rate on the following account, that the upward revision of fees was based on the facts articulated above.

This is signed by the Principal Secretary for Immigration and Citizen Services, Dr Belio Kipsang.

Thank you.

Hon. Speaker: Hon. Wangari.

Hon. Martha Wangari (Gilgil, UDA): Thank you very much, Hon. Speaker.

My apologies. I was distracted a bit at the back. I want to thank the Chair for his response. However, if you may remember, this House passed a law requiring the registration of births to be taken to every sub-county and constituency. It is an exercise that is still on-going. Access of these crucial documents is required right from birth. For the registration of the National Education Management Information System (NEMIS) and the Kenya Education Management Information System (KEMIS) for schools today, you need a birth certificate.

The Government acknowledges that many rural villagers, not only in Gilgil, Nakuru County but across various remote regions nationwide, face the significant challenge of traveling long distances to access birth and death registration services. The reason I requested for a statement was because sometimes, the legal regulations are not subjected to proper public participation. For a family with three or more children, a common household structure in rural areas, the absence of an initial birth notification means they would require Ksh550 per child for late registration, creating a heavy cumulative financial demand. If you want verification, you will need Ksh1,000, if you need to change a name, even if it is a spelling error, you will need Ksh1,050. This may look small but many rural families cannot afford these registration services. If you add the convenience fee of e-Citizen, it is Ksh50 shillings. At the end of the day, the cost of getting this document keeps piling up and continues to rise for the Kenyan citizen.

The clarification I would need from the Chairman is whether, as the Committee overseeing this Ministry, it is possible to commission proper public participation on these fees. We keep encountering this problem because even if you try to take the services closer to the people, you still need access to printing services and the internet. At the end of the day, one birth certificate ends up costing much more. I would, therefore, like to know whether it is through this Committee or the Committee on Delegated Legislation that proper public participation should be undertaken to inform these changes.

Hon. Speaker: Hon. Tongoyo, the concerns are legitimate. Some are just administrative. They do not necessarily need budget allocation. Can you undertake to look into that?

Hon. Gabriel Tongoyo (Narok West, UDA): Hon. Speaker, as you rightly say, the majority of these matters fall within the regulations under the State Department. Since we will

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have the Principal Secretaries appearing before us on Thursday on other issues relating to passports, diplomatic passports and other matters, we can include this as a supplementary issue and invite the concerned Members so that we can deliberate on it that morning.

Hon. Speaker: Thank you. Hon. Mwenje, you can now prosecute your concerns.

Hon. Mark Mwenje (Embakasi West, JP): Thank you, Hon. Speaker. I was raising the issue of the responses we are waiting from the Departmental Committee on Transport and Infrastructure. Some of these matters have been pending for some time. They have been raised by Hon. Amos Mwago, Hon. Munyoro and myself. The Chairperson of the Departmental Committee on Transport and Infrastructure is here, and I really wish the Member for Juja would allow him to listen to what I am saying. We are still waiting for those responses, and I would request that the Chairperson pushes the Ministry to provide them. You know, the Chairman of the Departmental Committee on Transport and Infrastructure has been distracted by his campaigns for Deputy President. He has even made the Member of Parliament for Juja his chief campaigner. If he could just concentrate for the next four weeks and bring those responses, we would appreciate it. These matters are quite urgent.

We also have Kenya Rural Roads Authority (KeRRA) roads on which we are unable to proceed. Even the savings and other related matters fall within his department. I would, therefore, request that the Committee take its business seriously and provides the responses during this period.

Hon. Speaker: Chairperson, Departmental Committee on Transport and Infrastructure, and the Leader of the Majority Party, the issue raised by Hon. Mwenje is legitimate. I have been furnished with information by the Clerk, and it shows that the Chairperson of the Departmental Committee on Transport and Infrastructure has a staggering 17 pending responses, which I do not think is fair to the House. When can you bring these responses? You have 17 of them pending, including Hon. Mwenje's.

Hon. George Kariuki (Ndia, UDA): Thank you, Hon. Speaker. It is true that we have a number of pending responses, and I have raised this issue with the Cabinet Secretary for Roads and Transport. We had a retreat last weekend in Naivasha, and this was one of the issues discussed. Therefore, Hon. Speaker, bear with the Committee. We are doing our best to provide the responses.

Hon. Speaker: Your best is not good enough.

Hon. George Kariuki (Ndia, UDA): I agree, Hon. Speaker. My best is to push the Cabinet Secretary to do his part. As you are aware, Hon. Speaker, immediately the responses are delivered to the Chairperson, we do deliver them within less than 24 hours.

Hon. Speaker: Leader of the Majority Party, can your office write to all Cabinet Secretaries and direct them that any pending responses to Members' Statements and Questions must be furnished to this House before we go for the long recess? This must be done without fail. Give them a rider that failure to comply will lead to sanctions by the House. It is not right for us to keep saying that responses will be provided in two weeks, only for two months to pass without any response.

Chairpersons, you have also been given responsibility and authority. You should own your mandate and call to order the Cabinet Secretaries whom you oversee. When we say two weeks, we mean two weeks. Some of the statements requested are very urgent. They involve loss of lives, destruction of property, compromised security and schools in distress. When we direct you to bring responses within two weeks and, two months later, you tell us that you are trying your best, then your best is not good enough. This does not apply only to GK but to all Chairpersons who have been given the privilege of chairing committees in this House. Leader of the Majority Party, is that okay?

Hon. Kimana Ichung'wah (Kikuyu, UDA): Yes, Hon. Speaker. However, as you rightly say, it is the onus of the Chairpersons, Vice-Chairpersons and Members of the

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respective committees to hold Cabinet Secretaries to account. We should only intervene if they have been unable to do so. I know that Cabinet Secretary, Hon. Davis Chirchir is one of the most diligent Cabinet Secretaries serving in this Government. I would, therefore, encourage Hon. GK to follow up on this matter this week. I am certain that, even without necessarily appearing before the Committee, Cabinet Secretaries can sometimes provide written responses. I am sure Davis will give the responses in due course.

Hon. Speaker: Chairmen, borrow a leaf from Hon. Tongoyo. From where I sit, I think Hon. Tongoyo is one of the Chairpersons who is really trying. If you give him two weeks, he responds within two weeks. If he is not here, his Vice-Chairperson, Hon. Raso, is here to do it on his behalf.

I, therefore, want to ask all Chairpersons to do exactly that.

Next Order.

MOTION

ADOPTION OF REPORT ON INSPECTION VISITS TO CONSTITUENCIES' OFFICES IN NAKURU COUNTY

THAT, this House adopts the Report of the Committee on Members' Services and Facilities on inspection visits to Constituency Offices in Nakuru County, laid on the Table of the House on Thursday, 11th June 2026.

Hon. Speaker: Chairperson, Committee on Members' Services and Facilities, is that Hon. Karani?

(Hon. Speaker consulted with Hon. Kuria Kimani)

Hold on. We will go back to Order 7.

QUESTIONS AND STATEMENTS

Hon. Speaker: The Chairperson, Departmental Committee on Finance and National Planning.

STATEMENT

THE JUNE 2026 MONETARY POLICY STATEMENT OF THE CENTRAL BANK OF KENYA

Hon. Kuria Kimani (Molo, UDA): Thank you, Hon. Speaker. I beg to make the following Statement as the Chairperson of the Departmental Committee on Finance and National Planning on the June 2026 Monetary Policy Statement of the Central Bank of Kenya.

Pursuant to the provisions of Standing Order 44(2)(d), I rise to make a statement following the consideration of the June 2026 Monetary Policy Statement of the Central Bank of Kenya. The June 2026 Monetary Policy Statement was tabled in the House on 7th October 2026 and committed to the Departmental Committee on Finance and National Planning for consideration.

In undertaking this responsibility, the Committee held an engagement with the Governor of the Central Bank of Kenya to examine the implementation of monetary policy, the prevailing domestic and global economic conditions, and the implications of monetary policy decisions on inflation, access to credit, financial stability and economic growth.

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The June 2026 Monetary Policy Statement was issued against a background of heightened global uncertainty, geopolitical tensions in the Middle East, changing international financial conditions and domestic fiscal pressures. These developments have implications for the cost of living, business operating costs, the external position and the overall performance of the Kenyan economy.

I wish to draw the attention of this House to the following key matters arising from the Monetary Policy Statement (MPS) and the subsequent engagement with the Governor of the Central Bank of Kenya. Inflationary Pressures and Conduct of Monetary Policy. The Central Bank of Kenya is mandated to formulate and implement monetary policy aimed at maintaining price stability, with an inflation target of five per cent, subject to a margin of plus or minus 2.5 percentage points on either side.

During the first half of 2026, the Monetary Policy Committee reduced the Central Bank Rates (CBR) from 9 per cent to 8.75 per cent on February 2026, and subsequently maintained the rate in April and June of 2026, considering emerging global uncertainties and potential inflation effects of development in the Middle East. However, the inflation outlook has since become more challenging. Headline inflation increased from 4.5 per cent in December 2025 to 6.4 per cent in June 2026. Following further increase in fuel prices, inflation rose from 6.6 per cent in August 2026 to 6.8 per cent in September 2026, and approximately 7.3 per cent in October 2026, the highest in the last few months.

The increase in inflation has largely been driven by higher energy prices, particularly the effects of disruptions in international oil supply arising from geographical tensions and the conflicts in the Middle East. These pressures extend beyond the direct cost of fuel as they are transmitted to transport fees, food production, manufacturing, distribution, and the prices of other essential goods and services. Of particular concern is the effect of sustained increase in international oil prices on the cost of living, household purchasing power and the operating costs of businesses. Higher energy prices could also exert pressure on the exchange rate and foreign exchange reserves through the increased cost of petroleum imports.

There is, therefore, need for continued monitoring of both direct and secondary inflation effects, particularly the extent to which higher energy transport costs are transmitted to food prices and other essential commodities. Monetary policy decisions must take account of needs to contain inflation while avoiding unnecessary constraints on productive economic activity. Government interventions aimed at cushioning consumers against the immediate effects of higher fuel prices remain important. However, such interventions need to be assessed alongside their fiscal implications and sustainability, particularly where international energy prices remain elevated.

Hon. Speaker, on the monetary policy transmission and the cost of credit, the Central Bank of Kenya (CBK) has undertaken significant monetary policy easing since August 2024. The CBR was cumulatively reduced by 425 basis points from 13 per cent in August 2024 to 8.75 per cent in February 2026. This reduction was intended to ease monetary conditions, lower the cost of borrowing and stimulate private sector credit investment. During the period under review, private sector credit growth improved from 5.9 per cent in December 2025 to 10.6 per cent in June 2026. Over the same period, the average commercial bank lending rate declined from 14.8 per cent to 14.4 per cent while the average deposit rate declined from 7.1 per cent to 6.8 per cent. It is very important to mention that our commercial bank lending rates are gradually reducing from 14.8 per cent to 14.4 per cent in the period under review. However, the important question remains whether this reduction in the CBR rate has translated sufficiently into lower lending rates and affordable credit for households and businesses. Although lending rates have declined, the average rate of 14.4 per cent remains relatively high for many enterprises, particularly micro, small, and medium enterprises, informal traders and small-scale entrepreneurs. It is, therefore, important that the effectiveness of the monetary

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policy easing be assessed, not only in the changes in the CBR, but also the extent to which lower policy rates are transmitted to commercial bank lending rates and improve access to affordable financing.

I also wish to draw attention to the monetary policy transmission framework, particularly the narrowing of the interest rate corridor from 250 basis points to 50 basis points on either side of the CBR, together with the central bank liquidity management operations. These measures are intended to strengthen the alignment of the Kenya Shilling Overnight Interbank Average, which we normally call the KESONIA rate, with the CBR rate and improve the transmission of monetary policy decisions to the money market. Sustained convergence between KESONIA and CBR remains important to the effectiveness of this framework. The CBK should, therefore, continue assessing whether the existing corridor and liquidity management arrangements are sufficiently effective in ensuring the changes in the policy rates are reflected in interbank market conditions and ultimately commercial bank lending rates.

The revised risk-based credit financing model, which became fully operational in March 2026, is also an important development. The model provides for a common reference rate based on CBR or KESONIA for eligible variable rate shillings loans, with additional components reflecting banks' operation costs, required returns and borrower-specific credit risk. It is very important to note that, for the first time, we have had this initiative by reducing their basis points from 450 to 50, therefore, reducing that corridor. This has equalised the KESONIA and the CBR rate.

Consequently, you now see its effectiveness is the implementation of the revised risk-based credit financing model. That means we will use four main rates in the calculation of interest rates for commercial loans, which is the banks' operating costs, the required returns and the borrower-specific credit risk. This, therefore, means that when you borrow a loan, the interest rate should be based on your risk portfolio and not a flat rate that was used before thanks to the measures put in place by CBK to have convergence of KESONIA and CBR rate and further, the implementation of the revised risk-based credit financing model. The model must be applied consistently and transparently across commercial banks. Borrower-specific risk premiums should be determined fairly and transparently without unduly disadvantaging Micro, Small and Medium Enterprises (MSMEs), informal businesses and borrowers with limited credit history. Its effectiveness should be assessed by its actual impact on the cost of credits and not merely by its operational implementation.

The Committee further notes that there is need for Central Bank's engagement with the Kenya Bank Association on the development of an electronic collateral registry. Such an arrangement could make it easier and less costly for borrowers to transfer or use collateral between financing institutions, therefore addressing some of the barriers that prevent viable businesses from accessing financing. With the implementation of electronic collateral registry, it will be possible for you to use your collateral for a loan and look at the pricing of different interests across different commercial banks. With the electronic registry, when you find a better rate in a different bank, it will be possible to transfer your security from one bank to another without any cost whatsoever, therefore, ensuring there is competitiveness.

Hon. Speaker: Give him a few minutes. Wind up.

Hon. Kuria Kimani (Molo, UDA): Hon. Speaker, the Committee further notes that there is need for CBK’s engagement with the Kenya Bank Association regarding the electronic collateral registry. On access to credit and financing of productive sectors, the recovery in private sector credit growth is an encouraging development. However, the projected recovery to approximately 11 per cent by December 2026 has to be assessed in terms of the sectors receiving credit and the extent to which their financing supports investment, business expansion, employment creation and increased production.

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As of June 2026, credit to agriculture grew by 35.1 per cent, trade grew by 22.6 per cent, building and construction by 29 per cent, and finance and insurance by 34.2 per cent. In contrast though, credit to manufacturing contracted by 5.4 per cent, transport and communication by 1.8 per cent and real estate by 1.4 per cent. But key to note is that, for the first time, we have seen a phenomenal growth on access to credit to agriculture at 35.1 per cent. This means our journey to self-reliance and production of food as a country is on the right course. This difference raises important questions about the distribution of credit and the financing conditions facing sectors that are central to production, infrastructure development, employment, and investment. In particular, the contraction in manufacturing credit requires attention, given the sector's contribution to industrialisation, value addition, export development and job creation. We are looking forward to the implementation of the county aggregation centres across the country that we think will change these numbers towards an increase in manufacturing and, therefore, growth in that particular sector as a percentage of GDP. There is a need to continue the assessment of sectoral credit trends, with particular attention to manufacturing, agriculture, transport and other sectors whose financing needs are critical to economic transformation.

Key to note, we also recognise the role of the Credit Guarantee Scheme in addressing collateral constraints among MSMEs. As at June 2026, loans amounting to Ksh6.8 billion had been disbursed through seven participating banks. The Scheme remains an important instrument for supporting enterprises that may otherwise be unable to secure commercial financing. Its effectiveness should, however, be assessed in terms of the number and type of businesses benefiting, the distribution of financing across sectors, the repayment performance of guaranteed loans and the extent to which the facility supports business continuity, investment and employment.

On the banking sector stability, non-performing loans and capital requirements, the stability of the banking sector remains fundamental to the effective implementation of monetary policy and the availability of credit to the private sector. As at June 2026, the banking sector recorded a liquidity ratio of 61.2 per cent against the statutory minimum of 20 per cent, while the capital adequacy ratio stood at 20.0 per cent against the minimum requirement of 14.5 per cent. These indicators reflect the sector’s capacity to meet its obligations and absorb potential financial shocks.

The ratio of gross non-performing loans to gross loans declined from 15.4 per cent in December 2025 to 14.8 per cent in June 2026, with a further improvement to approximately 13.9 per cent by September 2026, according to the update provided by the Governor. It is important that this House notes that our non-performing loans across all banks have declined from 15.4 per cent to 14.8 per cent. This decline serves as proof of the resilience of our economy.

There are particular credit risks in trade, agriculture, energy and water, where changes in input costs, supply-chain disruptions and market conditions can affect borrowers’ repayment capacity. We are, therefore, asking for more investment in these sectors to ensure there is access to credit to these otherwise non-financed areas.

The revised minimum core capital requirements for commercial banks also requires attention. The requirements provide for a phased increase from Ksh1 billion to Ksh10 billion over a five-year period. The minimum requirement is Ksh3.4 billion for 2025, rising to Ksh5 billion in 2026 and ultimately Ksh10 billion by 2029.

While consolidation may strengthen individual institutions, it is important to safeguard competition, local ownership and the continued participation of domestic banking institutions. The biggest debate here is that if we increase the core capital requirement for banks, we will necessitate the consolidation or merging of some banks. We have noticed that most of the banks that are seeking to merge with or buy out those that do not meet the minimum requirements are

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foreign banks. Therefore, the question arises: should we prioritise having our banking institutions owned by local investors, or foreign-owned, or should we focus on having a strong financial system with banks that have robust capital requirements, demonstrating their resilience to handle specific shocks?

On foreign exchange reserves, balance of payments and external sector vulnerabilities, the external position remains an important consideration in the conduct of monetary policy, particularly given Kenya's dependence on imported petroleum products, capital goods, intermediate inputs and other essential commodities. As at June 2026, foreign exchange reserves stood at US$14.023 billion, equivalent to 5.8 months of import cover, the highest ever in recent years. During the subsequent engagement, the Governor provided an update indicating that reserves had increased to approximately US$14.7 billion, equivalent to 5.9 months of import cover, a great contrast to less than one month of import cover as at the same period in 2022.

The projected balance of payments surplus of approximately US$1 billion in 2027 therefore requires scrutiny. Its sustainability will depend on the extent to which recurring sources of foreign exchange, including exports, diaspora remittances, foreign direct investment, tourism receipts and external financing, can support the country's external financing requirements.

Hon. Speaker: How much more to go?

Hon. Kuria Kimani (Molo, UDA): I would be done in five minutes.

Hon. Speaker: Five minutes or five pages?

Hon. Kuria Kimani (Molo, UDA): Five minutes. The anticipated investment in the East African Crude Oil Refinery and Dangote East Africa Refinery will also have implications for the balance of payments. While such investment may support economic activity and industrial development, the associated imports of capital goods, equipment and other inputs must be factored into the assessment of future foreign exchange requirements.

The current account deficit is another area of concern. The June 2026 Monetary Policy Statement placed the deficit at 3.0 per cent of GDP. Subsequent projections have revised the deficit upwards to approximately 3.2 per cent of GDP in 2026 and 3.5 per cent in 2027. The widening deficit partly reflects increased imports of food, capital goods, intermediate goods and petroleum products. The imbalance between import expenditure and export earnings remains a source of external vulnerability. During the period covered by the June Statement, imports grew by 13.1 per cent compared to export growth of 8.9 per cent. Sustained growth in imports without a corresponding expansion in exports could increase demand for foreign exchange and expose the economy to external financing risks.

Hon. Speaker, on diaspora remittances and diversification of foreign exchange inflows, diaspora remittances remain an important source of foreign exchange, supporting household incomes, consumption, investment and the stability of the external sector. However, remittance inflows declined during the period under review. According to the June 2026 Monetary Policy Statement, secondary income transfers declined from 5.8 per cent of GDP in the 12 months to June 2025 to 5.1 per cent in the twelve months to June 2026. This decline was attributed to reduced remittance inflows from the United States and Saudi Arabia, although inflows from Europe and Africa continued to provide some support.

The decline was also reflected in the actual inflows during the first half of 2026, when diaspora remittances fell by 3.0 per cent to US$2.442 billion, compared to US$2.518 billion in the corresponding period of 2025. In June 2026 alone, remittances amounted to US$375.6 million, down from US$394.2 million in May 2026. This trend highlights the need to diversify the sources of remittances and strengthen international labour mobility programmes by equipping Kenyan workers with skills that respond to changing labour market demands in destination countries. It is equally important to expand engagement with emerging labour

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markets and strengthen support for Kenyans living and working abroad. Towards the tail end, on virtual assets and stablecoins, this is a big opportunity for us as an economy. However, it is important that we approach this space with caution, ensuring we do not discourage these investments. We are already falling behind on these investments in our country.

Regarding artificial intelligence and the emerging risks in the financial sector, we have observed that AI serves as a vital tool for business operations, customer support, and marketing. Nonetheless, it remains a big risk. Therefore, we encourage all players in this sector to invest heavily in controlling the use of AI, even as we look forward to enacting legislation that will guide investment in that area.

Hon. Speaker, as I conclude, I would like to reference the report shared by the Central Bank of Kenya, which demonstrates that Kenya is resilient to external shocks. The few issues we face are within a manageable range. Furthermore, confidence in Kenya has been cited by authorities such as the International Monetary Fund (IMF) and the World Bank Economic Outlook, which indicate that Kenya remains resilient. We are on the right trajectory, growing towards becoming a first-world country. For all of us who are willing and ready to invest here, let us continue to do so.

We have seen that some individuals are ready to leave our country next year for other destinations due to a lack of belief in our nation. I urge them not to pose that risk to other Kenyans. Many of us do not have the United States of America as a fall-back; our homes are here in Kenya. We have invested here, we are vested here, and we believe in Kenya. Do not make utterances that could disadvantage our economy.

Lastly, one of the key findings, is related to our Gross Domestic Product growth. If we examine our GDP growth from 2002 to 2026, we see that it grows and then dips as we approach election periods. The same happened during President Mwai Kibaki's administration in 2007, when we grew at a negative rate. After the elections, the economy improved until 2013, then it fell to 1 per cent. We also witnessed a similar trend in 2013, 2017 and 2022.

I urge the political class, as we approach the next election, to remember that Kenya is bigger than all of us. Let us maintain the strong economic growth we have achieved. In our utterances, our speeches and the manner in which we conduct ourselves, let us exude confidence in our economy. We have a country to run, a country to protect and, most importantly, a country that we will continue to occupy even after the elections.

I beg to submit, Hon. Speaker.

Hon. Speaker: Thank you, Hon. Kimani. At Order No. 8, I called out Hon. Karani, and he was not in. Hon. Wandeto, what is it? This is not a statement that elicits any debate; it is just a personal statement from the Chair.

Hon. Geoffrey Wandeto (Tetu, UDA): I thought we could debate it because it is very interesting. So, maybe you could give us a...

Hon. Speaker: You thought wrongly. Read your Standing Orders.

(Laughter)

Next Order.

MOTION

Hon. Speaker: Chairperson of the Decentralised Funds Accounts Committee, Hon. Mulyungi.

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ADOPTION OF 16TH REPORT ON AUDITED ACCOUNTS OF NG-CDF BOARD AND NG-CDF FOR FYS 2022/2023 TO 2024/2025

Hon. Gideon Mulyungi (Mwingi Central, WDM): Hon. Speaker, I beg to move the following Motion:

> THAT, this House adopts the Sixteenth Report of the Decentralised Funds Accounts Committee on its consideration of the audited financial statements of the National Government Constituencies Development Fund Board and the National Government Constituencies Development Fund (NG-CDF) account for the Financial Years 2022/2023, 2023/2024 and 2024/2025, laid on the Table of the House on Tuesday, 6th October 2026.

The 16th Report presents the Committee's examination of six reports of the Auditor-General, comprising three reports on the financial statements of the Board and three reports on the financial statements of the Fund Account for the Financial Years 2022/2023, 2023/2024 and 2024/2025.

In examining these accounts, the Committee invited the Acting Chief Executive Officer (CEO) of the NG-CDF Board, the Fund's Accounting Officer, pursuant to Section 67(1) of the Public Finance Management Act, Cap. 412A. I am pleased to report that the Auditor-General issued unqualified opinions on the Board's financial statements and the Fund Account's financial statements for each of the three financial years. The issues the Committee deliberated on, therefore, relate mainly to the timing of Exchequer releases, project management, and compliance with the law.

Allow me to highlight the cross-cutting issues the Committee observed during this examination. Firstly, the unbalanced balances held by the Board. The Committee observed that Ksh35 million relating to six constituencies, Ksh117 million relating to 19 constituencies and Ksh328 million relating to 48 constituencies, from the releases for the Financial Years 2022/2023, 2023/2024 and 2024/2025, respectively, remained undisbursed pending the resolution of project-related issues. This denied residents of the affected constituencies development opportunities from the Fund.

The Committee recommended that the Accounting Officer ensures that project-related issues in the affected constituencies are resolved expeditiously and that the withheld funds are released promptly upon resolution.

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

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

Secondly, on long-outstanding payments on completed projects, the Committee observed that, in the Financial Year 2023/2024, completed projects had long-outstanding payments amounting to Ksh129 million, exposing the Board to the risk of accrued interest and penalties. The Committee recommended that the Accounting Officer ensures that payments to contractors are processed within the period stipulated in the respective contracts, upon certification of the works by the relevant supervising consultants.

Thirdly, the issue of employing persons with disabilities arose. The Committee observed that, in the Financial Year 2024/2025, the Board had nine employees with disabilities out of a workforce of 456, representing approximately 2 per cent against the statutory minimum of 5 per cent under the Persons with Disabilities Act, 2025.

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The Committee recommended that the Accounting Officer adopts and implements a time-bound plan to attain the statutory threshold, including accessible and targeted recruitment, the provision of reasonable accommodation, and annual reports on progress in the Board's financial statements about persons with disabilities.

The NG-CDF remains one of the nation's most visible instruments of grassroots development. Its mandate can be fully realised only when guided by the constitutional principles of openness, accountability, and prudent and responsible use of public resources under Article 201 of the Constitution, which our Committee is mandated to safeguard. The NG-CDF is the only Fund where, if you fly over Kenya, you see icons of development in every village, unlike other funds.

Allow me to commend the NG-CDF Board for its ongoing automation of systems, the expedited approval of projects and the continuous issuance of funding updates through SMS alerts to Members of this House. These measures have enhanced efficiency, transparency and accountability in the management of the Fund, and the Committee urges the Board to sustain and consolidate these gains.

Allow me to take this opportunity to thank your office, the Office of the Clerk, the Auditor-General, the National Treasury and the Office of the CEO of the NG-CDF Board for the support extended to this Committee. I also wish to thank the Members of my Committee and the Secretariat for their deliberations and dedication in preparing this Report.

I beg to move and request Hon. Caroline Ng'elechei to second. Thank you.

Hon. Deputy Speaker: You may proceed. Give her the microphone.

Hon. Caroline Ng'elechei (Elgeyo Marakwet County, Independent): Thank you, Hon. Deputy Speaker. I would also like to add to what my Chair has said.

Hon. Deputy Speaker: You may first second. Say, "I beg to second".

Hon. Caroline Ng'elechei (Elgeyo Marakwet County, Independent): Okay. I beg to second the Motion. This Fund, as you may know, is important not only to the Members in this House but also to the people of the Republic of Kenya. As the Chair said, in this Republic, when you walk around, the most tangible developments done by the Government or any other public resources are done with NG-CDF and National Government Affirmative Action Fund (NGAAF) money.

Also, the audit reports of the funds are very important to ensure that what the Government has allocated is used well by the Members of this House. I congratulate most of the Members who are patrons of the Fund in this House for utilising the funds well to serve the community, especially in areas where the Government, for a very long time, has not reached. As you are aware, previous governments forgot most parts of this Republi. So, some students still learn under trees because they lack classrooms and other essential facilities. This Fund has been instrumental in supporting the education sector.

The Fund has also supported the security sector. Members of Parliament have built police stations and other administrative units in the Republic of Kenya. Members of the public should note that, even as we oversee the Fund, they should also ensure that they put NG-CDF money to rightful use. They should not overdo some issues. For example, in some constituencies, members of the public prefer to put a lot of money into bursaries rather than developing schools, whereas developing schools can last for a very long time. Other members of the public prefer a school bus, yet the school does not even have one laboratory. Therefore, I urge members of the public to ensure that they utilise the Fund well, because it can improve the lives of our people and bring change to our community.

Lastly, it is important to note that some Members in this House went to school through the bursary that is part of the NG-CDF and NGAAF. Therefore, as much as the Committee needs to examine the audited accounts, it is also important for Members of this House to ensure that they use the Fund very well to improve their areas of jurisdiction.

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Thank you, Hon. Deputy Speaker.

Hon. Deputy Speaker: Thank you. Hon. Members, I now propose the question.

(Question proposed)

Hon. Deputy Speaker: Yes, Hon. Wamboka, then we will come to you, Hon. Millie.

Hon. Wanami Wamboka (Bumula, DAP-K): Hon. Deputy Speaker, I support this Report. We have a team in the NG-CDF Office, under the current CEO, that is working well. We receive updates often as required. I also take this opportunity, for the first time, to thank the National Treasury and the Government for that matter. I can see my fellow teammate, Hon. Mogaka, happy. They have ensured that monies are disbursed on time. I can confirm that our operations at the constituency level are seamless. This kitty is the most important Fund in this country. If you move around constituencies, the only visible projects that are being undertaken are by NG-CDF.

That begs the question: Where do the billions that governors receive go? In my county, for instance, they receive almost Ksh20 billion. We have nine constituencies in the county. If you divided that money and gave each constituency Ksh1 billion annually for development, we would see much more development. With Ksh100 million from NG-CDF, we see many projects being funded. It is quite encouraging. For us in Bumula Constituency, for instance, we have put up 14-storey buildings, something that had not happened in a long time. Bumula did not have any school with a storey building until this period. We want to thank the NG-CDF Board. As the Board continues to ensure efficiency, it must remain tough on its officers so that work at the constituency level improves.

I thank the Committee Chairman and support the Report. I hope that at some point we will review the law so that we can increase the monies disbursed to the constituency. Since these are the only monies that make sense in this country, we propose increasing the amount. What is the current percentage, Hon. Mbui? Thank you. It is 2.5 per cent. We propose double this percentage to 5 per cent so that we can see increased development at the constituency level.

Thank you, Hon. Deputy Speaker. I support.

Hon. Deputy Speaker: Thank you. Member for Suba North. I will come to you, Member for Masinga. I have seen you.

Hon. Millie Odhiambo-Mabona (Suba North, ODM): Thank you, Hon. Deputy Speaker. I wish to support the Report and thank the Committee for bringing it. I will speak to very few things about the Report. One, I agree with the speaker who has just finished that…

(Hon. Wanami Wamboka spoke off the record)

Hon. Millie Odhiambo-Mabona (Suba North, ODM): Hon. Wamboka Wanami, I know you. As for you becoming the incoming Cabinet Secretary for Interior, I cannot say.

(Laughter)

Hon. Deputy Speaker, as I was saying, the challenge we face is that NG-CDF is a centralised fund. The funds that go to our governors are decentralised. Decentralisation and devolution are actually sisters. But if you look at the work being done by NG-CDF vis-à-vis the decentralised funds, NG-CDF has a lot more impact. If you see many posts about the work being done in Kiambu County by the area governor, you ask yourself whether other governors get the same amount of money.

I wish there were an independent body that could assess the work done through devolution and by NG-CDF so that we know what the problem is. I wish that, when we were

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devolving these funds, the issue of health had remained at the national level. I never thought that I would say this because I opposed this idea when we were coming up with the Constitution. Many of our women die while giving birth because of inefficient health systems through devolution. So, I wish we had not devolved healthcare.

I would also like to say something that Hon. Ng'elechei raised when she seconded this Report. She said that Members of Parliament should be considerate. When they go to a school with no laboratory, yet people want school buses, Members should build a laboratory instead of buying a school bus. First, we should note that Members of Parliament do not make these decisions, but I wish we did, because parliamentarians need to be in charge.

Second, this is what public participation is all about. There is nothing more popular than school buses. I remember one of my opponents was with me at a function, and he criticised me by telling people that Hon. Millie was only bringing a school bus. I immediately engaged the public by asking whether they wanted a class or a school bus. Everybody wanted school buses. I wish we had more money to give every school a bus because buses are a necessity, not just for the school but also for the surrounding communities.

My current thesis challenges the concept of separation of powers. The concept of separation of powers was developed sometime in the 16th or 17th century. Very well-intentioned, but as some of our lawyers understand it, we focus more on the classical separation of powers, which is a bit more limiting. I suppose you see how it has evolved, especially the challenges we face in Africa with ethnicisation that often leads to marginalisation and disproportionate allocation of resources based on political orientation, such that a President allocates more money to certain areas and neglects others. That is why the current President has been pushing the agenda of equality. This is an issue that Kenyans have been crying about: equality and equity. Equity speaks to bringing up to speed areas that have lagged in the past.

Hon. Deputy Speaker, on that, I strongly agree with the President on the need to equalise the resource base for every part of the country. I hope that when we finally assess and amend the Constitution, we consider increasing the amount of money allocated to NG-CDF and giving Members of Parliament a direct role. This will ensure that we do not tiptoe behind other leaders. The Bible is the only book I fear, and I would only stop if it directed otherwise. Nothing in the Bible prohibits Members of Parliament from performing perceived executive roles. If we are seen as performing executive roles and doing it well by changing the faces of the areas we come from, then we should use that as an example for other parts.

I have spoken to other countries, including Malawi and Ghana, as well as other jurisdictions such as Zambia, which we borrowed from, and they acknowledge that the NG-CDF, as designed by Kenya, is a better strategy. Therefore, I urge that, as a country, we should not kill what is working. Let us retain what is working and let devolution borrow from the NG-CDF model.

Three different entities audit the NG-CDF. There should be thorough audits, and other structures should borrow from the structures obtained under the NG-CDF. This will enable us to have health facilities and early childhood development (ECD) centres in virtually every village, instead of people boasting to us about having one or two eye centres in a ward. If you consider that most constituencies receive Ksh1 billion annually from county resources, and if that amount were properly utilised, we should by now be at the level of Singapore, simply through devolved funds.

With those few remarks, I support.

Hon. Deputy Speaker: Member for Masinga, Hon. Mwalyo.

Hon. Joshua Mwalyo (Masinga, Independent): Thank you, Hon. Deputy Speaker, for this opportunity. First, I thank the Committee for the good report it prepared on the audit of the NG-CDF in constituencies. I have nine years' experience serving on the NG-CDF Committee. Since I was elected in 2017, I have been a Member of this Committee. We have reviewed the

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work done by the NG-CDF from Moyale to Lunga Lunga. Having visited different parts of the country and appreciated the work undertaken through the NG-CDF, we have realised that it is the best model of implementing Government-funded projects in this country.

Firstly, once funds are released to the constituencies managed by the fund managers, the Project Management Committees (PMC) established for the respective projects implement them. Therefore, the responsibility for implementing the projects lies not with the fund manager, but with the communities themselves, who have been selected to oversee them. This is the best approach, as it allows the community to own the projects once they are implemented and completed.

Secondly, we have seen how the NG-CDF has uplifted areas that had been left behind, particularly schools, security and the environment. It has also facilitated the provision of water tanks to schools and Government institutions. Consequently, every part of this country looks good because the NG-CDF has uplifted the areas. During the 12th Parliament, we tried to increase the allocation from 2.5 per cent to 4 per cent or 5 per cent. However, after completing our report, the Government did not agree with our proposal. Had we managed to increase it to a more viable amount, this country would have been transformed through the NG-CDF model because it is the best.

Once a project is awarded through the NG-CDF, it rarely stalls because it is awarded only after funds are made available to the PMC in the institution where the project is being undertaken. This is the best model in this country, and it should be duplicated in other institutions and Government entities to enable us to implement as many projects as possible. On bursary allocation, the Committee increased the allocation from 35 per cent to 40 per cent. This increased the amount available and enabled us to cater to as many students as possible.

In addition, during the 12th Parliament, our Committee reviewed the formula for sharing the NG-CDF allocation. Previously, all constituencies received the same amount, yet some had only four secondary and primary schools, while others had more than 300 schools. We, therefore, had to revise the allocation weights to ensure that constituencies with more wards received a higher allocation. That was the best thing that has ever happened to the NG-CDF.

I, therefore, stand to support and affirm that the NG-CDF has transformed this country. We will go places because of this. Other countries come here to learn. Uganda visited us during the 12th Parliament to learn about what we have done with the NG-CDF. Other jurisdictions have also visited to learn what we do. Recently, we visited Zambia and explained how our model works. They indicated that they had started earlier, but Kenya had since overtaken them. The NG-CDF should continue. County governments sometimes envy Members of Parliament because of the projects we have undertaken through utilisation of the NG-CDF, which have overtaken them. Nevertheless, we will continue doing our best. I support this Report because it will help us ensure greater transparency.

Finally, I wish to thank the NG-CDF Board. They are currently performing very well. The CEO is young and is doing an excellent job. The Board is also keeping us updated, so that we know where we are at all times.

Thank you. I support.

Hon. Deputy Speaker: Hon. Robert Mbui. Hon. Member for Wajir, are you here as well? I want to confirm who is next so that we know the order. Proceed Hon. Mbui.

Hon. Robert Mbui (Kathiani, WDM): Thank you, Hon. Deputy Speaker, for this opportunity. I raised a concern with the technical team because the microphone at my seat is not working. The equipment is faulty, but they will work on it.

I rise to support the Decentralised Funds Accounts Committee Report. I want to thank Hon. Gideon Mulyungi for ably presenting the Report and making it clear to everyone who listened what it is all about. It concerns the audit of the National Government Constituencies Development Fund Board.

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I want to congratulate the Board for the excellent work it is doing. I also congratulate it on obtaining an unqualified audit opinion from the Auditor-General. That means the audit identified no unresolved concerns and that any issues raised were adequately addressed, leaving no outstanding concerns about the Board's management of public funds. That is an excellent achievement considering that public funds are often wasted and lost in some of our Government agencies. Most constituency audits conducted by the same Auditor-General also raise many queries, sometimes relating to bursaries. I have said this before, but I want to repeat it: some of these queries are really unfair. When the Auditor-General implies that, out of more than 10,000 students awarded bursaries, there is no evidence of how the money was spent, I am surprised. Members will appreciate that the committees identify the beneficiaries, who are then given cheques payable to their respective institutions. It is almost impossible to follow up and produce 10,000 receipts for submission to the Auditor-General to prove the payments.

In my opinion, some of these audit queries appear to be politically motivated. I am happy that the Board, unlike the NG-CDF itself, is not a political entity and has obtained an unqualified audit opinion from the Auditor-General. There are also times queries concerning projects and their valuation arise. I want to point out that the committees that manage the NG-CDF in the constituencies are not technical personnel or experts. They rely on expert support to value projects. The Board approves the projects based on the valuations and its technical expertise.

Some audit queries affecting constituencies could be reduced if the Board ensured it checked the amount allocated to each project and confirmed that the allocation was appropriate for the project. I also remember receiving an audit query stating that there was no value for money in constructing a police post. That was surprising because during public participation, the public had expressed the need for a police post. The NG-CDF Board subsequently decided to construct a police post known as Kadhalani. It took 10 years for police officers to be posted there. Every year, an audit query indicated that the project wasted funds.

Unfortunately, the Board, or rather the committee, was not in a position to deploy officers to man the police post. The only thing it could do was to construct the facility. We need to consider these issues so that, in future audits, we avoid politicising audit queries. The NG-CDF has been disbursing funds to constituencies regularly. This time, the disbursements are made every month. Without fail, some money is sent to the constituencies every month.

However, there is a concern when you consider, for example, the amount required for bursaries. Constituencies may require up to Ksh80 million for bursaries, based on their 40 per cent allocation from the total kitty. However, this would require consolidating funds allocated and disbursed to constituencies over four, five, or six months. Unfortunately, the same Board will question you for not utilising your funds if you do not spend the money disbursed to you. However, you cannot spend Ksh80 million when you have only received Ksh17 million. Sometimes, it is also risky to begin disbursing bursaries when the available funds are insufficient because of the public outcry that may arise.

The Board needs to understand that sometimes if a constituency wants to issue bursaries amounting to approximately Ksh40 million, it may need to wait for two-and-a-half months to accumulate sufficient funds. The Board should understand that a constituency may want to issue bursaries in January. The money received in November, December and January may be the amount required for the bursary exercise. If the constituency cannot retain the money, or if it will not receive additional funds when it fails to spend what it has received, how will it accumulate enough money at once to award bursaries?

Previously, the money came in quarterly disbursements. That meant that approximately Ksh50 million could be disbursed at once. Currently, a constituency receives about Ksh17 million, give or take Ksh20 million. This makes the situation a bit complicated. The Board needs to understand that failure to spend the money immediately does not necessarily mean

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that a constituency is unwilling to utilise its allocation. Sometimes, it is necessary to ensure that sufficient funds are available for an activity so that it can be undertaken properly.

Finally, I want to say that NG-CDF projects have transformed this country's infrastructure, particularly in schools and security installations. Our country now has many standard classrooms, schools with laboratories and schools with functioning toilets, facilities that were not available in the past. Parents used to conduct Harambees and regularly raise funds to provide basic facilities, such as toilets, even when the rains came. Today, Kenyan parents can relax, knowing that, through the emergency funds and the NG-CDF kitty, such infrastructure can be provided for them and their children.

Thank you for the opportunity. I want to reiterate my support for the Committee's report.

Hon. Deputy Speaker: I see that Hon. Parashina has not arrived yet. Let us go to Hon. Yusuf Mohamed, Member of Parliament for Wajir West. We can proceed to the next one. Member of Parliament for Samburu East, proceed.

Hon. Jackson Lekumontare (Samburu East, KANU): Thank you, Hon. Deputy Speaker. I want to contribute to this Report. The NG-CDF Board has improved. We have seen improvements in most of our constituencies, particularly in record-keeping. We have considered several reports, and as a Member of the Committee, I can attest that audit issues are addressed and responded to much better than when we first started examining these reports.

The projects being implemented on the ground meet people's needs. As Members have already stated, these funds are very important to our people. They support needy students through bursaries and help develop infrastructure in our schools. When we examine the Board's reports and compare them with those of previous years, we see considerable improvement, particularly in responses to issues raised by the constituencies. Members have already testified that, nowadays, when money is disbursed to their constituencies, Members of Parliament can see the amount credited to their accounts. This is good development because it improves planning and project implementation.

Hon. Deputy Speaker, this infrastructure is in place if fund managers work with boards, projects start and are implemented on time. The audited reports have done much to educate even fund managers, committees, and especially the Project Management Committees (PMCs). We are going somewhere. The funds are very important to our people. I support the Report because it is good, and I support the Committee's recommendations. Once implemented, the recommendations will take us far with the funds.

Thank you. I support.

Hon. Deputy Speaker: Hon. Mbui, have you spoken already?

(Hon. Robert Mbui gestured in the affirmative)

You have spoken. I should give a chance to Hon. Mogaka, who is right here.

Hon. Stephen Mogaka (West Mugirango, JP): Thank you very much for giving me an opportunity to also support the Report of my Committee ably chaired by architect (Dr) Gideon Mulyungi.

As a first-time Member of Parliament and now a hands-on leader, I must confess that the NG-CDF is, without doubt, the most powerful economic instrument for growth and development across the country. It is the equaliser in every region of this country. It is the Fund that has stood tall among the many funds administered by governments. This NG-CDF, and the audit reports tabled before this House, tell the whole world that the management of every coin under the NG-CDF is above board and there is accountability. It delivers the biggest yield and return to constituents and taxpayers.

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I am particularly excited to be a Member of this Committee. Usually, self-praise is unworthy, but it is important to note that this is the first Decentralised Funds Accounts Committee to have gone through all audit reports since 2013 and is now up to date. I must celebrate the Chair of the Committee for burning the midnight oil and wearing our rare parts to ensure we leave no report, constituency, or region unaccounted for in reviewing audit reports from the various constituencies. Interaction with the audit reports has capacitated our fund managers to have a global view in the management of this Fund, just as much as it has also given a panoramic view to auditors who have ordinarily been fault-finding and looking for an acknowledgement receipt of a cheque that has been sent hundreds of kilometres away.

Audit is now purposeful. It reviews the system as it works and recommends how best to improve management of the NG-CDF to give Kenyans the maximum return. For this reason, we must also laud the Office of the Auditor-General for being extremely timeous in ensuring that annual audits are conducted within required statutory times and tabled before this House, enabling us to ensure that every shilling is accounted for to the taxpayer.

Finally, I cannot help but celebrate PMCs across the country. They have shown strong managerial skills in ensuring that funds for the various projects under their care are applied for their intended purpose and that we get value for money. I must also acknowledge our constituents for their robust public participation and for prioritising where their NG-CDF should be applied. I am a beneficiary and that is why schools that were not being considered for buses are now getting brand-new buses, not recycled buses as may have been the case before. More importantly, bursaries have empowered children from poor families who were dropping out of school to progress through every level of education. It is one of the most celebrated aspects of this NG-CDF.

I want to encourage the 14th Parliament that let us enhance it if it is working. I challenge the 14th Parliament to increase the percentage of national Government money put under the NG-CDF. If two or so per cent of the national Government money can perform such miracles in every constituency in this Republic, it had better be increased to a two-digit percentage so that we change Kenya and get to Singapore earlier than our vision is telling us.

I thank you, Hon. Deputy Speaker. I beg to support.

Hon. Deputy Speaker: Thank you. The honourable Member for Kitui Rural, Hon. Mboni. Is he not here? There he is. Proceed.

(Loud consultations)

Hon. David Mwalika (Kitui Rural, WDM): Thank you very much. I want to tell Members that my constituency is not that rural, even if I am from Kitui Rural. In fact, all universities in Ukambani are in Kitui Rural.

I think the work which the NG-CDF has done cannot be disputed—building schools, giving bursaries, building administration houses for chiefs and sub-chiefs. Something is very worrying about auditing the NG-CDF, especially when it comes to bursaries. The Auditor-General's report attributes bursary losses to Members of Parliament whenever there are problems with bursaries. Members of Parliament have no role to play in this. Therefore, the Auditor-General should not mention Members of Parliament in the report because they have no role in the NG-CDF.

In the Report, about Ksh470 million has not been disbursed for various reasons. Some reasons, such as "the Bills of Quantities are not right" or "there are delays in submission of proposals", may be very petty. I think it is important to solve these issues early because delayed funds mean people are not benefiting. If you walk around the country today, you will realise that some constituencies' classrooms are made of mud. It is unacceptable. Therefore, we should advocate for more than the 2.5 per cent we are getting so that we can develop constituencies.

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The Report also shows that the Fund has only employed 2 per cent of people living with disabilities. I believe the Board should do more to improve representation and opportunities for people with disabilities. The Board should also communicate with the Association of Persons Living with Disabilities so that they can give them qualified people for certain jobs in the constituency.

Hon. Deputy Speaker, I want to thank the Principal Secretary, Mr Kiptoo, and the Cabinet Secretary, Hon. Mbadi, for making sure that every month money is disbursed to the NG-CDF. A lot of work is going on because of their action. The current team in the National Treasury has done marvellous work for NG-CDF. I encourage them to continue to give us money so that we can implement projects.

I also wish to commend the new NG-CDF CEO, Mr Magut, who used to be our Clerk in the Departmental Committee on Finance and National Planning. He has done very well. Every month, he ensures that he disseminates information. I went to see him the other day and I learnt that they are developing a computer system where you can access every constituency activity funded by NG-CDF. That is the kind of leadership we want. I also encourage them to adopt Artificial Intelligence (AI). Two or three weeks ago, I was in Bangkok, Thailand, on IMF and World Bank talks. Everything that was discussed there was how to use AI to improve efficiency, improve tax collection and disseminate information. That is the direction we need to move.

Hon. Deputy Speaker, with those few remarks, I support. Thank you very much.

Hon. Deputy Speaker: Thank you, Member for Kitui Rural. Now, let us have Hon. Julius Melly, the Member for Tinderet.

Hon. Julius Melly (Tinderet, UDA): Thank you, Hon. Deputy Speaker. I rise to support this Report and commend the NG-CDF for being one of the most consequential funds this country has ever had. The NG-CDF is what education in this country is today. It funds over 80 per cent of schools' infrastructure, bursaries and scholarships for needy students and builds toilets and all manner of schools' infrastructure. No other fund and mainstream government funds have done such since Independence.

If one was to look at what NG-CDF has done in terms of student progression and retention in schools, it is one of its kind. Before its establishment, orphaned students could not complete school. But today, NG-CDF, through Members of Parliament, offers scholarships to needy orphans and students who cannot afford college and university education. It even funds those in comprehensive schools.

On establishment of laboratories, it is only the other day the Government built about 3,000 of them across the country. From 2002 to 2023, majority of school infrastructure was put up by NG-CDF. The Fund has given relief to parents. Before the repeal of the Chiefs Act, families lost livestock and whatever they had to Harambees and forced subscriptions and contributions that would otherwise have been done by the Government.

With the enactment of NG-CDF Act and its lean nature of its utilisation and administrative structure, it is a Fund which we need to ask other funds across the country to look at how it is run and managed. The cost of administering the Fund is very small. The NG-CDF uses less than 2 per cent in sitting allowances, salaries, among other things. We have seen other Government funds use almost 20 per cent of their funds on management, salaries and running the fund. So, NG-CDF needs to be emulated.

I have seen what the World Development Fund has brought before this House. I think this is a county government function. I am one of the aspiring governors in the coming elections. We need to make sure that it is as lean and as consequential as NG-CDF. This is so that otherfFunds in this country can benchmark against NG-CDF. The Auditor-General has given the Fund a qualified report. The report is on the good use of funds.

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I also wish to commend the current CEO who has turned around NG-CDF in terms of how ICT is responsive to needs of users. Hon. Speaker and Members of Parliament always get updates whenever funds are released. They get an update on any questions they have asked about the utilisation of funds, which was an issue a few months ago.

When the constituencies county committees send their proposals, they are acted upon within a very short time. Any issues that are raised about provisions of or inability by the Board, they get attention of the fund manager and the chairman sometimes. This is demonstration of a very qualified and industrious, and more importantly, a visionary and forward-looking CEO.

Let us look at what NG-CDF has done in purchase of land for construction of security infrastructure. In my constituency, I have been able to construct about four police stations, purchased land for construction of the Ethics and Anti-Corruption Commission offices, chiefs' offices and more importantly made sure they have furniture. This is something that could not be done without NG-CDF. Communities cannot afford to conductHarambees and cannot afford to sell their property. The Government must make sure it is the service provider. The Fund has even done more on infrastructure in comparison with the mainstream Government State Department of education, and interior among others.

In some instances, even construction of teacher training colleges is done by the Fund. I have seen several Kenya Medical Training Colleges constructed by the Fund reflecting how NG-CDF has performed in this country. Before the devolution of healthcare and water services to county governments in 2013, we had managed to implement several water projects in our constituencies and bring piped water into homes through the NG-CDF. In several instances, when the courts and some individuals wanted to scrap the Fund, families, communities and everyone across the country were up in arms alongside the Government. The NG-CDF should be retained as it touches every aspect of life in our society, including families and helping to implement water and road projects. Some roads in my constituency were impassable before 2014, but were subsequently constructed using the NG-CDF. Therefore, the NG-CDF is a good initiative that has been felt all over the country.

The Fund should be strengthened and improved. I laud the Chairman of the Decentralised Funds Accounts Committee for a job well done. He has ensured that proper audit has been done and a report tabled before the House. That is a demonstration of good work. The people of Mwingi should elect him for another term because of his abilities, oversight and more importantly, making the NG-CDF work.

I support the Motion.

Hon. Deputy Speaker: Hon. KJ followed by Hon. CPA Ruto, then Hon. Mutunga.

Hon. John Kiarie (Dagoretti South, UDA): Thank you, Hon. Deputy Speaker, for this opportunity to contribute to the Motion on the audited financial statements of the NG-CDF Board and the NG-CDF Accounts by Hon. Mulyungi. Allow me to start by commending this Committee under the leadership of Hon. Mulyungi for their diligent work in assessing these reports, especially in assisting to unlock problematic areas that have been sitting in Parliament for years. I also commend the leadership because we shall know them by their fruits, which we are now seeing.

The NG-CDF, previously known as the CDF, was a very innovative answer to very difficult developmental questions in this country. Hon. Karue stood in his place and proposed a constituency-based fund. We all know the Kenya we lived in at that time. A Member of Parliament who had a development need had to come from their home constituency to knock on Government offices in Nairobi, praying that they were on the right side of the political divide. Today, constituencies superintend over their development through this Fund.

The conversation around devolution and decentralisation is why I rise to speak. The NG-CDF has faced challenges, including litigation in courts, which, Hon. Deputy Speaker, as an accomplished lawyer, you are aware of. We are encouraged by the developments happening

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in the Judiciary, which is starting to wake up to the reality that the NG-CDF is not a fund for Members of Parliament, who have very little sway, if any, over what happens to the NG-CDF in their constituencies. This Parliament, through the rule of law, has separated a Member of Parliament from the NG-CDF. The community makes decisions on what developments it needs, prioritises them and accounts for them. Eventually, Parliament lobbies for monies for the constituencies, not for Members of Parliament. Members of Parliament play a very small role, if any, beyond pushing for funds to go to the constituencies. We commend this Committee and remind ourselves that decentralisation is a big win for the country and Kenyans at large.

The decentralised funds allocated to the NG-CDF are very minimal compared to our country's national budget. We devolve more funds to the counties. What shall we do with the money allocated to counties under the supervision of governors? Governors are the chief executive officers of counties. Nairobi City County receives billions every year in the budget. In Dagoretti South Constituency, the work of the NG-CDF is evident, as opposed to the equitable share allocation in counties. As a country, we should discuss whether the money allocated to counties should be a conditional grant so as to make it as impactful as the NG-CDF. We should have that conversation as Parliament, which should wake up to the reality that the current devolution model in our counties is not working, especially the utilisation of development funds. The best proposal would be to convert county allocations into conditional grants, just like the NG-CDF.

The impact of this Committee's work may not be celebrated enough, but the reports clearly demonstrate that Kenya is currently experiencing unprecedented development. Looking at my home constituency of Dagoretti South, when I was elected, our primary schools were in such a dilapidated state that they had even been condemned as unfit for human occupation. In the last eight years, not only have we reconditioned all our primary schools to a good state, but we have also built new schools. Once we improved the condition of all our primary and secondary schools to a habitable state, we were able to construct not less than seven new schools through the NG-CDF. They have been built from scratch, from laying the first block to the admission of students.

Hon. Deputy Speaker, these are not to be seen as structures or monuments but these new schools must be seen as properties of the people of Dagoretti that are giving education to that child who could not have got education otherwise, or would have had no place in the already existing schools. Such a child now has an opportunity to go to Kagira Secondary School, to Mukarara Secondary, to Mutuini Girls, to Riruta Satellite New School, to the Ndurarua New School or to the new amazing centre of learning, Lenana Primary School. That is the first ward that did not have a primary school and now has more than 4,000 learners, Hon. Deputy Speaker, who would otherwise have had to look elsewhere for a place to attend school.

When I look at Dagoretti South Constituency, I am seeing Riruta Satellite Police Station, an ultra-modern police station constructed by the NG-CDF and that is the case for the new Waithaka Police Station. It is also the case for the smaller stations that we have put up across the constituencies that may not be as big as Waithaka Police Station or Riruta Police Station, but as police posts. The small police posts are offering security in areas where there could not have been security. So, our thought going forward, should be to think of how to expand the mandate of NG-CDF, because it is working as a decentralised Fund. This is because, where the Constitution was able to devolve to a certain level, NG-CDF is able to go further into our communities and offer the services that are not even being offered by the counties.

Hon. Deputy Speaker, I stand to commend this Committee and commend the Chairperson for bringing such an amazing Report to the House and that is the only reason we stayed here so that we can support you, the Chairperson, because of the good work that you are doing in that Committee.

Thank you, Hon. Deputy Speaker.

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Hon. Deputy Speaker: Hon. CPA Rutto, Hon. Member for Kesses.

Hon. Julius Rutto (Kesses, UDA): Thank you very much, Hon. Deputy Speaker, for this moment that you have allowed me to also weigh in on the merits of the NG-CDF. As has rightly been said, it was until when this National Assembly put a legislation that ensured that all parts of the Republic of Kenya have been considered in matters of development and according to me, it is only the NG-CDF that gave birth to devolution. This is because, Kenyans began to feel the Government of the day when they began to see the taxes being shared and distributed. They would feel development gradually from their remote areas. Before all we knew was that distribution of development was following political persuasion, alignment and political support, but NG-CDF came as a game changer. It changed the whole aspect of devolution and more so on the basic need of our development as human beings, that is education.

Since CDF came in before even NG-CDF, we began to see parents being relieved of continuous contribution of their own personal savings. Some families sold cattle to build schools. Parents were called upon to go and build mud schools so that children would access education, which is a basic right for human beings in Kenya. For that purpose, NG-CDF came as a transformer; it relieved parents. We began to see schools coming up and children going to schools. It lessened the burden for parents who would previously hold fundraisers to take children to schools. We began to see children from poor backgrounds access education and are currently serving the nation in many capacities.

Hon Deputy Speaker, today, as we discuss the Reports that have been tabled in this House, courtesy of the Chairperson, Hon. Mulyungi, on the performance of this Fund in the 19 respective constituencies, despite the few challenges that the Auditor-General is speaking on the management of this Fund, a lot of positive connotations are said today about the use of this Fund. These are in all aspects which we have spoken about including security and education. Today, before I came to the House, I was in Chesunet Comprehensive Primary School, witnessing the transformation of all the schools that parents used their own little earnings to build. That school was changed, the whole room was brought down and a new look that is likable which is inspiring to the young learners, has now been put in place, courtesy of NG-CDF. Chepkoiyo Primary School which was struggling with land, nowadays has a storey building of six classrooms, courtesy of the NG-CDF.

We can say a lot about what NG-CDF has done, but it is good to comment on this one. One virtue that NG-CDF is driving is the aspect of public participation. Hon. Deputy Speaker, believe you me, today, the objective of Article 1 of the Constitution is to give power to the people. The objective of Article 10 of the Constitution is to ensure that equality, equity and transparency is being assessed on the public finance and true to say, this is what the NG-CDF is doing. If you go to the village today and you meet the PMC, or the so-called school committee, they will tell you in their own words that this is what NG-CDF has done; that we were able to receive this much, procure this and the service has been done. We even saw employment created within that locality because the people going to supply specific materials would come from a particular locality. It also brings the aspect of ownership and today as we speak, Hon. Members, Kenyans will tell you how deeply they connect with the projects by virtue of ownership, since they were involved through NG-CDF. They sat down, raised their proposal, their needs and when resources were allocated, despite the scarcity, they were able to utilise them. Today, they can see a product that has value for money at their disposal.

Apart from the aspect of development on matters projects, it is good that even as we move forward, we look at how to improve the use of public finance. I think the NG-CDF is setting a platform for discussion. If you compare the NG-CDF and other devolved government units, I am sorry to say this but despite that colossal amounts of resources devolved through division of revenue, as provided by the Constitution of Kenya and through approvals in

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legislation in the National Assembly, believe you me, today, there is clarity and a difference like day and night, in what NG-CDF is doing and what county governments are doing. County governments have abdicated their responsibility and changed to be at the den of corruption, crime and of people enriching themselves. Unlike NG-CDF that is fully owned by members of public, it is something we have to borrow from, even in future when we are going to look at further legislation or amendments, so that we customise the law pertaining to devolution and ensure that Kenyans and tax payers are able to participate well in project identification and project management.

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

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

Hon. Temporary Speaker, as I say this, I have listened to many Members give accolades to the current National Government, Constituencies Development Fund Board, so to say and we appreciate them. This is not to mean that the previous Board was not doing their work, but the current Board has tremendously improved the management of this Fund, in terms of information dissemination. Nowadays Members will appreciate that the moment Funds are processed by the National Treasury, the Exchequer is released and Funds are moved to constituencies. Members of Parliament are brought on board. In addition to that, when the project proposal is approved by the Board, they have decentralised committees to look at their regional level, so that constituencies would go and approve or support and defend their proposals. They are approved at the local area, where the NG-CDF committees are able to participate at that point.

I appreciate the Chief Executive Officer. As we speak, yesterday Monday 2nd November, the Acting Chief Executive Officer of the NG-CDF was visiting my constituency, Kesses, to address the challenges that have been there over time; a project that has stalled due to poor management, procurement challenges and inadequate project management. The project had stalled for quite some time and it had become a big issue. He personally visited the NG-CDF offices in Kesses where he engaged the management, staff and directors of the Board to understand and address the challenges affecting the project. I am happy to report to the people of Kesses Constituency that the CEO has managed to unravelled the underlying problems and has already initiated measures to resolve them. The stalled project is expected to be completed within the shortest time possible so that services can be offered to the people.

The visit was not limited to Kesses Constituency. He also visited Khwisero, Saboti and several other constituencies where similar challenges had been reported. We are beginning to witness a turnaround in the management of this Fund. This demonstrates a high level of commitment. It is unfortunate that I will not sit tomorrow in the interview panel when they will be looking for a substantive CEO but I hope that the ongoing recruitment of a substantive CEO will take into account the progress being made under the current acting CEO. However, I urge the relevant authorities to consider the progress already achieved under his leadership and give him an opportunity to continue serving. We are witnessing a lot transformation, increased transparency and a renewed commitment to service delivery.

Hon. Temporary Speaker, I also wish to commend the decentralisation of critical services. Regional offices that had already been provided for in the management tool, staff establishment and previous proposals are now becoming operational. As we speak, the Eldoret Regional Office is fully operational with staff already deployed. Programme officers are also available. I am informed that within the next two weeks, auditors will also be deployed to the regional offices to support the management and oversee the Fund at the constituency level.

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What I only want to call on the challenges is for the Board to increase training of staff. We are having a challenge on our committees that end up being selected by virtue of the law and how they are going to manage. There are still a lot of disparities between the fund managers and the committees. I want to call out the rogue fund managers and I know Members will agree with me. We have experienced rogue fund managers who end up misusing the Fund and misadvising the committee. This causes many challenges. I ask the Board and the current management to ensure that they make decisive administrative procedures to deal with the rogue fund managers and have managers who are going to manage this Fund for the good of the people.

Thank you very much. I support this.

The Temporary Speaker (Hon. Martha Wangari): Very well. The next one will be the Chairperson Departmental Committee on Agriculture and Livestock, Hon. Mutunga.

Hon (Dr) John Mutunga Kanyuithia (Tigania West, UDA): Thank you very much, Hon. Temporary Speaker, for the opportunity to support the report of the Committee on Members' Services and Facilities. The Committee has done a good job and when you do a good job we should appreciate so that you do a better job next time. This Fund, which is 2.5 per cent of the sharable revenue, is very important to this country. It has done great things and one of the reasons why I believe NG-CDF has done a good job is because it is carefully structured by law. It is very well defined in terms of the broad activities and therefore flexibility remains within the broad bands as per the definition.

This is one fund which has restricted expenditure to 6 per cent. In most cases, and I would like the to speak from the donor point of view, multilateral donors normally try to bring down the expenditure or the activities that run the programmes to a cost of around 25 per cent maximum. In fact, if you can attain 19 per cent, you will be doing very well but NG-CDF is doing only 6 per cent, and this percentage is working. It is working because it is restricted by law and it is something that this country has adopted as a way of transacting business. The Fund has, therefore, turned out to be the most effective in terms of the turnover of the activities and the outcomes of the investments themselves.

One component that was removed sometimes back in this session of Parliament, but is still important, is the 2.5 per cent support to the youth activities — the sporting activities and others. The youth of this country got used to it. They still remember and they still do not believe that they were not considered as it were.

Hon. Temporary Speaker, it is important to have the climate change mitigation at 5 per cent but it is also important for us to consider as a House and probably bring amendments to reinstate the 2.5 per cent support to the youth because those activities are very important. We need to focus on how to assist them in sports and in supporting the other activities that they are involved in. The Fund benefits befit the equalisation thought. The Equalisation Fund has fallen on the wrong channel.

Hon. Temporary Speaker, I speak with confidence, without any fear of contradiction, that the Equalisation Fund is not being used for equalisation. We should structure it in the same way as the NG-CDF. We should specify how much money should go to construction of roads, and define the roads within our counties. We should also specify how much money should be allocated to hospitals, schools and other areas, so that the Equalisation Fund can be utilised effectively. When it is left to the discretion of a governor, then we have a problem because most of the money does not go towards equalisation.

The NG-CDF is structured in such a way that it serves the needy. When I became the Member for Tigania West, we had all sorts of infrastructure in the name of schools. Some of them had mud walls, others were made of iron sheets and while others were made of offcuts. Others were structures which did not have windows, floors or plastered walls. The NG-CDF has enabled us, as a constituency, to renovate some of those structures that are still stable and replace those that need to be replaced. We have not completed all of them.

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The NG-CDF has also enabled us, as a community, to transform more than 30 per cent of our learning units into academies. In the process of 'academisation', more than 60 per cent of them are operational. This means that they have already progressed beyond the 50 per cent mark. We also have a few that are still works in progress, particularly those that were initially at a very low level. In this case, we are able to plan and implement projects because the Fund is reliable, and it will still be available next time.

The NG-CDF has also enabled us to contain insecurity. I would like to be very specific on the issue of insecurity, especially in areas where we experience cattle rustling in the northern part of our constituency, bordering Isiolo County. We have challenges. This Fund has enabled us to put up police stations. We request the Government to convert them into Forward Operating Bases (FOBs) and operational units where we shall have all the forces, including the General Service Unit (GSU), the Rapid Deployment Unit (RDU) and the Anti-Stock Theft Unit (ASTU) so that we can contain cattle rustling. This is possible because we can request NG-CDF Board to approve a project for a police station and then request the National Police Service to provide FOBs which will help us.

The periodic visits by the Committee to different parts of this country and constituencies are important because they help to awaken those constituencies to the realities of the day. The Committee has experience from other constituencies and is able to share those experiences. The visits also help to improve resource utilisation. They provide an opportunity for enlightenment and feedback. Committee Members engage with other constituencies, understand exactly what happens there and share experiences from other areas. It is important, therefore, to emphasise that we need to improve on this, intensify these visits and increase their frequency so that we can cover all the constituencies within a parliamentary session. That way, we shall discuss the performance of different constituencies.

Hon. Temporary Speaker, I wish we could introduce competition based on the starting point and end point. We could have weighted averages, with the units of analysis designed in such a way that it becomes possible to know the progress made and quantify the rate at which that progress has been achieved. It would then be possible to award prizes, where it is possible.

The provisions within the NG-CDF are flexible. Although there are definitions provided for in the law, it is possible to negotiate with the Board. I am one of the Members of Parliament who initially negotiated with the NG-CDF Board to allow funds from the NG-CDF to be used to sink boreholes in our schools. This was because we realised that one of the problems we faced was access to water. Children used to walk many kilometres to fetch water which wasted a lot of time. Through this initiative, we have sunk 56 boreholes within my Constituency. This has reduced the distance from schools to water points to less than two kilometres. That is not the only area that one can negotiate with the Board. It is possible to negotiate for the requisite flexibility to address the level of development needs within a particular locality or constituency.

Hon. Temporary Speaker, it has enabled improvement in learning infrastructure. The learning infrastructure or our learning environment does not only mean the classrooms. It also has to do with the environment itself. Climate change mitigation enables us to buy seedlings and distribute them free to schools. We have created wood lots in schools which have moderated the learning environment in terms of improving air purity that circulates within this learning environment.

It has also enabled most of the constituencies to construct or support the Government in the implementation of the Competence Based Education by putting up laboratories. It has also enabled us improve the quality and standards of service from the national Government officials. Chiefs and assistant chiefs never used to have offices. We are doing excellent offices for them, and we are also furnishings them so that they have a good and secure working environment where they keep their business tools.

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Bursaries have been enhanced from 35 per cent to 40 per cent. This is a boost to the community. Where it has effectively been used, it has led to improved performance. If I may pick my constituency as one of them and look at the transition to the university as one of the outcomes of this, we were doing only 5 per cent transition from secondary school to university. Today, we are doing 26 per cent as per 2025 Kenya Certificate of Secondary Examination (KCSE). This shows a huge improvement of more than 21 per cent, which is in tandem with the national average, which last year was 25 per cent and this year is 27 per cent. This is the best form of equalisation fund. It is important for us to borrow a leaf from this Fund and inform the Equalisation Fund. Inspections speak louder and ensure that the Fund is utilised effectively. This is why it exonerates blame from the members of...

The Temporary Speaker (Hon. Martha Wangari): The next chance goes to the Member for Kisauni Constituency, Hon. Bedzmiba.

Hon. Rashid Bedzimba (Kisauni, ODM): Asante sana, Mhe. Spika Wa Muda kwa kunipa fursa ili nipenyeze sauti yangu kwa hili swala la Kamati ya Hazina ya Maeneo Bunge ya Serikali ya Kitaifa. Ninawapongeza kwa Ripoti yao ambayo wameileta katika Bunge.

Ninaungana na Wajumbe wenzangu ambao wamezungumza kuhusu swala hili. Hazina hii ya ustawi wa maeneo bunge ndio pekee ambayo fedha zake zinaonekana wazi mashinani. Vile vile ninachukua fursa hii kumpongeza Mhe. Rais William Samoei Ruto kwa kuiunga mkono Hazina hii. Anaiunga mkono kwa sababu ameona faida yake. Kila wakati anahimiza hazina hizi zifike mashinani. Kama hazina zingine za Serikali zingefanya kazi, basi inchi yetu ingeelekea Singapore ama kuikaribia. Lakini kwa sababu ambazo haziwezi kuepukika hatuwezi ingilia hazina za watu wengine.

Hazina hii imesaidia kujenga mashule. Katika eneo la bunge la Kisauni, imetumika kujenga shule za kutosha, shule bora, shule ambazo watoto wanasoma katika mazingara mazuri. Serikali zilizopita zilikuwa zinajenga mashule katikati ya mji na kuacha sehemu zilizo kando ya miji. Lakini Hazina hii ilipoingia, iliinua maeneo yote kwa pamoja kimaendeleo badala ilivyokuwa sehemu moja ndio ilikuwa inapata maendeleo.

Pia, Hazina hii imepatia Wajumbe utulivu kwa sababu kuna maendeleo inaendelea katika maeneo yao ya bunge badala ya kila ijumaa ama jumamosi kwenda kupigia watu magoti ili wawasaidie. Hazina hii inasaidia ili Mjumbe asiwe na nafasi ya kuenda kupiga magoti ambapo inaweza kuchukuliwa kama udhaifu.

Ukiangalia suala la karo, kwa mfano katika eneo Bunge la Kisauni, watu wanaokuja kuomba ufadhili wa karo ni zaidi ya 16,000. Tunaomba fedha zinazotengwa kwa hazina hizi ziongezwe ili wale wanaokuja kuomba ufadhili waweze kupata kiasi kinachotosheleza mahitaji yao. Hata kama hazitaweza kumaliza tatizo lote, angalau zitapunguza makali yake. Hali ya uchumi mara nyingi huwa ngumu, na watu wengi wanategemea hazina hii kuwasaidia kuwasomesha watoto wao. Tunaomba pia Bodi na sisi wenyewe tutafakari namna tunavyoweza kuongeza fedha ili kutatua matatizo yaliyo katika maeneo yetu.

Fedha hizi pia zinasaidia vijana kupata mafunzo ya ufundi stadi. Vijana wengi huja kutafuta mafunzo hayo lakini hawana uwezo wa kuyagharamia kutokana na hali ngumu ya kiuchumi katika familia zao. Wanategemea fedha hizi ili waweze kujifunza ufundi wa magari, kuwa dereva na kazi nyingine za mikono, ambazo zitawawezesha kujitegemea. Bila msaada huo, vijana hao watabaki nyuma na kushindwa kujikimu kutokana na hali ngumu ya uchumi nchini.

Tunashukuru sana kwa sababu NG-CDF imesaidia pakubwa. Hapo awali, tuliruhusiwa kutumia sehemu ya fedha hizo kujenga barabara, lakini baadaye jukumu hilo likaondolewa. Tunaomba jambo hilo lifikiriwe upya ili uwezekano huo urejeshwe.

Mwaka 2013, NG-CDF ilikuwa inaruhusiwa kutenga kiasi fulani cha fedha kwa ajili ya ujenzi wa barabara, hata kama kiasi hicho hakikuwa kikubwa. Baadaye, utaratibu huo uliondolewa. Tunaomba uwezekano wa kurejesha jukumu hilo uzingatiwe ili tuweze kuendelea

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kusaidia katika ujenzi wa barabara. KeRRA pekee haiwezi kukamilisha ujenzi wa barabara zote, hasa katika maeneo ambako tunahitaji kuanza ujenzi kutoka mwanzo, badala ya kufanya ukarabati katika miji pekee. Kwa hivyo, tunaomba fedha za kutosha zitengwe ili maeneo yote yaweze kupiga hatua za maendeleo kwa pamoja.

Pia, tunaomba tupewe nafasi, ikiwezekana, ya kuwasaidia watoto wetu kwa sababu umaskini ni mkubwa. Katika baadhi ya maeneo bunge kama langu, umaskini umekithiri. Tunaomba turuhusiwe kutumia fedha hizi kununulia wanafunzi chakula ili wasome bila kuhisi njaa. Tumejenga shule bora, lakini ni muhimu pia tuwe na uwezo wa kuwapatia wanafunzi chakula wanapokuwa shuleni. Tunaomba Bodi ya NG-CDF izingatie pia suala hili.

Pia, nimpongeze Mkurugenzi wa Hazina hii kwa sababu hutupatia taarifa kuhusu kila kinachoendelea. Kwa hivyo, hatuna wasiwasi. Hapo awali, nililazimika kwenda katika ofisi za hazina mara kwa mara ili kujua kinachoendelea na mipango iliyopo. Siku hizi sihitaji tena kufanya hivyo kwa sababu taarifa zote zinapatikana kupitia mtandao. Ninaweza kujua kiasi cha fedha kilichotengwa na mipango iliyopo. Nampongeza sana kwa kujitolea kwake katika kuhakikisha kuwa taarifa hizo zinapatikana. Jitihada zake zina manufaa makubwa kwa wananchi tunaowahudumia, na naamini pia zitapata baraka za Mungu.

Nikihitimisha, kwa sababu ninaona wengi wanasubiri kuchangia, nirudie kumshukuru Mhe. Rais kwa kuhakikisha kuwa fedha za Serikali ya Kitaifa zinafika mashinani na kutumika kutekeleza majukumu yaliyokusudiwa. Hata hivyo, nasisitiza kuwa fedha hizo ziongezwe zaidi ili tuweze kuinua hali ya uchumi wa wananchi wetu. Ukiangalia maeneo yetu, yale yana giza kwa kukosa *streetlights*, tunaambiwa siyo kazi yetu. Tunaambiwa kuwa jukumu hilo ni la serikali za ugatuzi. Kwa hivyo, ninaomba turuhusiwe kutumia fedha hizi kuweka angalau taa za usalama ili wananchi waweze kuishi katika mazingira salama.

Kwa hayo mengi, naipongeza Kamati na Mwenyekiti wake kwa Ripoti hii kuhusu Hazina ya Kitaifa ya Maendeleo ya Maeneo Bunge (NG-CDF). Nawashukuru sana. Ni kweli kwamba kila mahali sasa miradi inayotekelezwa kupitia NG-CDF inaonekana katika maeneo mengi ya nchi. Asanteni sana, na Mungu awabariki.

The Temporary Speaker (Hon. Martha Wangari): Asante sana, Mbunge wa Yatta.

Hon. Robert Basil (Yatta, WDM): Thank you, Hon. Temporary Speaker. I rise to support the Report of the NG-CDF Committee on the Auditor-General's findings.

From the outset, allow me to state that I support the Report for several reasons. NG-CDF is one of the funds that has promoted equity. Before its establishment, most schools relied on harambees to raise funds. Harambees were the *modus operandi*. For instance, I have built over 200 child classrooms. I have also built an ICT hub and Huduma Centre. Therefore, the NG-CDF is one of the key funds that has given us tangible results. The NG-CDF uses what we call “the logic model.” By that I mean, the desired results. With the NG-CDF, there is value for money. Through the NG-CDF, most of the needy children access education. Whereas we support the Auditor’s Report, most of the needy children could not learn before the advent of the NG-CDF. Therefore, this is a very essential Report that supports why the Fund should remain.

The construction works done by the NG-CDF, like building of classrooms, creates employment opportunities for the local people in the villages in our respective constituencies. The NG-CDF has ensured there is economic boost at the rural level that promotes economic dualism between urban and rural areas.

The NG-CDF has promoted access to government services at the decentralised levels. The Huduma Centre that I constructed in Yatta Constituency has made it possible for most of my people, particularly those that need government services like certificates of good conduct, application of identity cards and many other services to get them at the Centre. People can access such services at the constituency level.

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The NG-CDF has also supported construction of essential infrastructure. In my constituency, I have constructed the Land Registry. Before the NG-CDF was in place, people used to travel a about 100 kilometres to access Land Registry services. For example, in my constituency people used to travel to Machakos Town, which is 100 kilometres from Yatta Constituency to get the Land Registry services. The amount of money they spent to and from Machakos was about Ksh1,000. That challenge was mitigated when I constructed the Land Registry Office with the NG-CDF and operationalised it with the support of the Government of His Excellency Dr William Samoei Ruto. If the court now asks my constituents to go and do a land search, they will just walk to the office and have it done. Previously, people used to go all the way to Machakos Town to get those services and when they returned, they found the court had adjourned and the matter pushed forward by a month. You can imagine the frustration that my constituents went through. Through the NG-CDF, that has been mitigated and it is now an old story.

Environmental conservation is another essential service that we get through the NG-CDF. We have tree planting in schools and rehabilitating drifts within schools. We are talking about gabions and many other environmental conservation activities that have been supported by the NG-CDF. When I saw the Report and saw that resources had been used properly to support some of these activities, I said I should come and support it.

Improving security is another area where we have been able to score strongly through the NG-CDF, particularly through the construction of police stations. In my constituency, I have constructed a police station, one of its kind, through the NG-CDF. I have also constructed several chiefs' offices, assistant chiefs' offices and the Assistant County Commissioners' offices. All this has been achieved through the NG-CDF. That is why we say this is a fund that has really contributed to desirable results, which we would not have achieved if it were not there.

We need to champion the timely disbursement of funds, particularly the NG-CDF, because delays in disbursement are a grey area. As a House, we need to champion this so that projects are completed promptly and can support our people across the country. We also need to ensure that fund managers do a prudent job, particularly by ensuring value for money and proper utilisation of funds. These are the people responsible for managing the NG-CDF, and they should be accountable. When it comes to audit queries, it is not the duty of a Member of Parliament to respond to them. That responsibility lies entirely with the fund managers. That is why we need to ensure they are held accountable. They manage the kitty and should ensure that these resources are used properly. If any audit queries arise, the Member of Parliament should not be implicated, exposed or required to respond to them. This is not a kitty for Members of Parliament; it is a kitty managed by an independent body, the NG-CDF Board, to which the fund managers report. The reporting authority lies with the NG-CDF Board. We must, therefore, ensure that the fund managers take responsibility and account for the money effectively and prudently.

At this juncture, allow me to applaud the CEO of the NG-CDF Board. The current CEO is doing a commendable job. Since he was recruited, there has been a turnaround in the way the NG-CDF funds are managed. We are receiving timely communication through text messages and e-mail. Proper communication is important for oversight, because our job as Members of Parliament is to provide oversight. If you are not privy to what is happening, you are left in the dark, and your ability to provide oversight is compromised. Under the current CEO, that work and level of engagement has improved. We now have a proper communication mechanism, and we should applaud and support him to continue doing a good job.

With those few remarks, I wish to submit and thank the NG-CDF Committee of Parliament, through its Chair, Dr Gideon Mulyungi, who has been able to table the Report and

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ensure that we are all apprised of what is happening, particularly in the respective financial years.

Thank you.

The Temporary Speaker (Hon. Martha Wangari): Very well. The Member for Kitutu Chache North, Hon. Nyakundi.

Hon. Japheth Nyakundi (Kitutu Chache North, UDA): Thank you, Hon. Temporary Speaker, for giving me this opportunity to say a few words. I want to support this Report on the NG-CDF Board by the NG-CDF Committee. For sure, if there is a report that I have seen—a very good report—it is this Report. I support it fully because the NG-CDF plays a very crucial role in different sectors in our different constituencies, especially building schools. Because of NG-CDF, very many schools have been built. Long time ago, we did a lot of harambees in order to build schools. Some were built from mud and some were dilapidated but because of NG-CDF, we have managed to build many new schools and repair the dilapidated ones. NG-CDF has also supported many children who, in one way or another, could not afford to go to university or finish school. It has promoted equality and ensured that many children who would have dropped out of school can continue with their studies. I have benefited from NG-CDF before and, therefore, I support this Report fully.

I also support NG-CDF because it has helped us beef up security in our different areas because we were able to build police stations. The national Government has given us police officers who have been stationed in those police stations. We have also dignified chiefs and assistant chiefs who did not have offices. We have now built them offices. All these are courtesy of NG-CDF. If you went across the country, NG-CDF has the most tangible projects. All constituencies in this country have an NG-CDF project. Of all other sources of money from different quotas, like the county government or national Government, you can really see the impact of NG-CDF in different sectors.

Next week, His Excellency President William Ruto will be in Kisii for five days. I thank him because he has been at the forefront in supporting NG-CDF to different constituencies. Without him, NG-CDF would have been scrapped, but because he was a Member of Parliament who saw how the Fund changing lives, he really supported it. Starting Monday, the President will go on a development tour in Kisii, and on Wednesday, he will break ground on a KMTC project that we are just about to start in Kitutu Chache North, courtesy of the NG-CDF.

I thank the current CEO of NG-CDF. As most of you have said, anytime you go to or reach out to him, he prudently welcomes you and makes sure that anything you want is taken care of. He also makes sure that there is proper communication. Initially, we did not have proper communication. We never knew how much money had come from the Exchequer. When the money came in, we did not know if it had been sent to the constituencies. But today, we can check how much money has come in and how much is remaining because of his proper and frequent communication either through SMS or our emails. I applaud him very much for the good job he is doing.

He is one of those Chief Executive Officers whom I look at and say he is just doing a good job; he is fulfilling his responsibilities effectively. I fully support this Report, as the NG-CDF is doing a marvellous and fantastic job. For example, on the environment sector, we have planted trees in various areas. For sure, if there is one thing as Government and as Parliament that we need to do, is to ensure that we allocate more money to the NG-CDF so that we can do more visible projects; projects that can be seen and that can change lives. I support the NG-CDF Committee and applaud them for the excellent work they have done. We assure them of our full support.

Thank you, Hon. Temporary Speaker.

The Temporary Speaker (Hon. Martha Wangari): Very well. *Mbunge wa Likoni.*

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Hon. Mishi Mboko (Likoni, ODM): Asante sana, Bi Spika wa Muda, kwa kunipatia nafasi hii kuzungumzia Ripoti ya Hazina ya *NG-CDF* ambayo inaangazia fedha ambazo zimekaguliwa katika hazina hii.

Mwanzo, hazina hii imehakikisha kuwa Kenya tuko na mfumo wa ugatuzi kwa sababu pesa hizi zimefika mashinani katika maeneo bunge yetu na zimefanya miradi muhimu sana. Kwa mfano, tulipopata mfumo mpya wa elimu, *Competency-Based Education (CBE),* tulikuwa na changamoto nyingi sana. Tulikuwa hatuna miundo misingi kama madarasa na maabara yaani *laboratories*. Lakini kupitia fedha hizi za *NG-CDF*, tumejenga maabara na kufanya miradi mingine. Nikiangalia, nilipochaguliwa kama Mbunge wa Eneo Bunge la Likoni, tulikuwa hatuna ofisi za machifu na naibu wa machifu. Tulikuwa na chumba kimoja tu ambacho kilikuwa kinatumika kama ofisi ya chifu katika eneo Bunge zima la Likoni. Lakini sasa hivi, utapata kuwa wadi zote za Likoni ziko na ofisi za machifu na naibu zao. Hii ni hazina inayowapatia wananchi nafasi ya kufika katika ofisi zile ambazo zina taarifa na habari nyingi za mambo ya serikali yanayoweza kusaidia jamii.

Vile vile, *bursary* zimetusaidia sana. Kaunti zetu zinapatiwa fedha nyingi sana hata kwa masuala ya *bursary* lakini pesa zinazoonekana kufaidisha Wakenya kielimu ni hizi za maeneo bunge, *NG-CDF.* Ukiangalia vizuri, watoto wengi sana wamepata kuendelea na masomo hivi sasa sio kama hapo awali walipokuwa na changamoto nyingi. Tunazo *scholarships* ambazo zinapewa watoto wa familia maskini ambao hawawezi kulipa karo hata ikiwa ni ya kiasi cha chini sana.

Hivi sasa tunao mfumo unaojulikana kama *Recognition of Prior Learning (RPL),* unaowapatia Wakenya ambao wana ujuzi bila stakabadhi nafasi. Sasa hivi tunaweza kuwalipia pesa kama Ksh5,000 katika vituo vya elimu, kwa Kiingereza *Technical and Vocational Education and Training Colleges (TVETs)* na wanakaguliwa na kupewa vyeti kama vile vya useremala na ufundi wa magari. Hii inawawezesha kutafuta ajira kwingine na kujikimu kimaisha.

Hazina hii pia imetusaidia sana katika kulinda mazingira yetu kwa kuhakikisha kuwa tumepanda miti. Tulikuwa na matatizo sana haswa sehemu ya Wangwani na baharini katika eneo bunge langu kwa sababu mikoko ilikuwa imekatwa na walanguzi, na ikawa ni tatizo hata kwa viumbe vya baharini kuzaana. Kila mwaka, kutumia fedha hizi za *NG-CDF,* huwa tunapanda mikoko mingi sana yaani *mangroves*. Kwa Kiingereza huitwa *mangrove*, lakini kwa Kiswahili huitwa mikoko. Tunaipanda mikoko hiyo kwa wingi sana. Hivyo basi, mradi huu umetufaidisha sana. Tumeona kwamba tunapata samaki wengi na viumbe wengi wa baharini, kama vile ngisi na pweza kwa wingi kupitia mradi huu. Haya yote yanawezekana kutokana na fedha za hazina ya NG-CDF.

Pia, ningependa kusema kwamba hapo awali tulikuwa na fedha katika Hazina hii zilizotengewa masuala ya michezo. Fedha hizo zilikuwa zikitusaidia sana. Hata sasa, ukiangalia wakati wa likizo ndefu za shule, tulikuwa tukitumia fedha hizo kupanga shughuli mbalimbali za michezo ili kuhakikisha kwamba watoto wetu wanaendelea kushiriki katika michezo. Tulikuwa tukiandaa michezo ya soka na michezo mingine ambayo iliweza kugharamiwa na fedha hizo. Hata hivyo, kwa bahati mbaya, fedha hizo au asilimia fulani ya fedha hizo iliondolewa.

Viongozi wenzangu, itatubidi tufanye mipango ili tuweze kurejesha asilimia hiyo ili iendelee kutusaidia katika masuala ya michezo. Tunaambiwa kwamba fedha hizo ziko katika kaunti. Lakini je, tunaona mipango au *programme* zozote za michezo zinazotekelezwa kupitia kaunti? Jibu langu ni kwamba sijaona mengi yakifanyika. Lakini wakati tulipokuwa na fedha hizi, nilikuwa nikifanya mambo mengi sana kwa shule zetu, vijana wetu na vikundi vyetu vya vijana, ambavyo vingi vimejihusisha sana na michezo.

Pia, ninataka kuzungumzia miundomsingi ya usalama. Masuala ya usalama ni muhimu sana. Nilipochaguliwa, tulikuwa na kituo kimoja tu cha polisi, ambacho kilikuwa katika Wadi

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ya Bofu pekee. Eneo la Likoni limekua sana, na kwa sasa lina takribani wananchi zaidi ya laki tatu. Kila siku pia kuna watu wanaotoka katika kaunti jirani ya Kwale na kupita katika eneo la Likoni kuelekea sehemu mbalimbali za Kaunti ya Mombasa. Kwa hivyo, tulikuwa na changamoto kubwa katika masuala ya usalama. Hata hivyo, kwa sasa tukienda Timbwani, tuna kituo cha polisi. Tukienda Shonda, pia tuna kituo cha polisi.

Vilevile, tunapanga kujenga kituo cha polisi katika eneo la Dongo Kundu Special Economic Zone ili kuimarisha usalama. Hii ni kwa sababu wakati fulani hali ya usalama ilikuwa imedorora kutokana na tatizo la dawa za kulevya. Vijana wadogo pia walikuwa wamejiingiza katika makundi yanayojulikana kama "Panga Boys", na hali hiyo ilisababisha changamoto kubwa za usalama. Tunashukuru sana kwa sababu fedha hizi zimeweza kutusaidia kuboresha hali hiyo.

Pia, ningependa kuishukuru Kamati kwa kutembelea maeneo mbalimbali na kufanya ukaguzi ili kuhakikisha kwamba fedha hizi zimewanufaisha Wakenya na kwamba zimetumika kwa njia inayofaa. Ni muhimu sana kwa Bodi yetu kutembelea kila eneo bunge na kuhakikisha kwamba fedha hizi zinawafikia Wakenya kupitia miradi iliyowekwa na kutekelezwa chini ya Hazina ya NG-CDF. Inasikitisha kuona maeneo bunge mengine watoto wanasoma kwenye shule za matope, makuti ama ambazo haziwezi kuhimili jua wala mvua. Kwa hivyo, ni vizuri sana iwapo Kamati na Bodi zitaangazia masuala kama hayo.

Wakati mwingine pia tunapata changamoto na *District Accountant.* Unaandika cheki za bursary na ukipeleke ili zitiwe sahihi ili wanafunzi waweze kulipa shule, unapata kuwa ametoka ama ameenda safari. Hili ni jambo ambalo nimelishuhudia katika eneo bunge langu. Sijui kama hali hiyo inajitokeza katika maeneo bunge mengine, lakini kwangu limekuwa changamoto. Watoto wanafukuzwa shuleni huku ukiwa tayari umeandika cheki za kuwalipia kwani unapata kwamba hazijatiwa sahihi. Naomba jambo hili liangaliwe.

Jambo lingine ambalo ningependa tulizingatie sisi kama Wabunge ni kuhakikisha siku zijazo kuna uwezekano wa kuruhusu fedha hizi zitumike katika *programme* za kijamii zinazolenga kujenga uwezo wa kiuchumi wa makundi yaliyotengwa, yakiwemo makundi ya kina mama, vijana na watu wenye ulemavu. Tunavyoendelea, nafasi za ajira zimekuwa haba sana. Hatuwezi kuwaajiri watu wote katika taasisi zetu za Serikali au hata za kibinafsi. Iwapo tutaruhusiwa kutumia sehemu ya fedha hizi katika *programme* za kuwawezesha kufungua biashara au kuanzisha shughuli mbalimbali zitakazowawezesha kupata fedha ili kujisaidia kiuchumi. Hilo litakuwa jambo la msingi sana, na tutakuwa tumewawezesha watu wetu kwa hali ya juu.

Jambo lingine ni kuwa fedha za ugatuzi zimeongezwa na pesa zaidi zinaenda mashinani katika kaunti. Vilevile, lazima tupiganie hazina ya NG-CDF iongezwe kwa sababu kama kuna fedha ambazo mtu hawezi kufanyia ufisadi au kuiba, ni hazina ya NG-CDF. Watu wengine hufikiria kwamba pengine sisi Wabunge ndio tunapewa zile pesa ili tuzigawanye na kuwapa wananchi. Hapana. Kazi yetu ni kukaa na wananchi, tunawasikiliza, wanatuambia matakwa yao katika ile miradi husika na baada ya hapo fedha zinatengwa na wanalipwa kupitia taasisi za Serikali husika. Kwa hivyo, ni fedha ambazo huwezi kufanya ufisadi nazo, na ni fedha ambazo zimetusaidia sana. Zimeinua maeneo Bunge mengi sana na kuinua watoto wengi sana kielimu. Ingekuwa hizi fedha hazipo, watoto wengi sana wa Kenya hawangepata elimu. Huu mfumo mpya uliokuja, ingekuwa ni…

The Temporary Speaker (Hon. Martha Wangari): Ahsante sana, Mhe. Mishi. Mbunge wa Turkana Mashariki, Mhe. Ng'ikor.

Hon. Nicholas Ng'ikor (Turkana East, JP): Thank you, Hon. Temporary Speaker for giving me this chance to add my voice to this Report. I want to start by thanking the Committee for this good Report. This is the only fund in this country which is being managed by the common mwananchi down there. It is the only fund which the people of this country can see how it is being implemented. It directs funds to the right projects according to the views of the

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people. The rest of the funds we have in this country are managed in a way that people are not attached to the management of those projects.

NG-CDF has done a lot for our citizens. In my constituency, that is Turkana East, we have done a lot through the NG-CDF Committee Board. The NG-CDF Board has done a lot to the people of Turkana East by building schools. It has also done some work around the security sector. They have done much on administration by building chiefs' offices and ACCs offices.

As you know, the northern part of this country was left behind during the colonial time and by the subsequent regimes. But when this Fund was introduced, we started catching up with the rest of the country. If the Equalisation Fund had been managed the way NG-CDF is being managed, we, the people who are affected and are supposed to bridge the gap between us and those who had gone ahead of us in terms of development, would have gone far. But the Equalisation Fund went the wrong way.

I have heard my colleagues who have just spoken before me mentioning the funds their counties get. It is a lot of money compared to the allocation to NG-CDF. But if you move around the constituency or county, everywhere you go, there is a project by NG-CDF. If the rest of the funds, like Equalisation Fund, could have been managed the way NG-CDF is being managed, we, the people of northern Kenya and the 14 affected counties, generally, could have gone far. In implementing the Constitution, there were 14 counties which were targeted to benefit from the Equalisation Fund. But I learned that currently, the number has increased to 34 counties. I do not know which law was used to guarantee the counties to rise to that number.

As a House, there are things which we need to incorporate into the NG-CDF. These include water and health. I know these are devolved functions, but it is painful to build a school in an area where there is no water or health centre. You feel bad because those children cannot access water, health centre or even a dispensary because these facilities fall under the county governments. There is need for us to increase the NG-CDF allocation to incorporate some allocation towards health and water, so that we can address these basic needs in our constituencies. Our people should access water and health facilities in the same way that they benefit from classrooms constructed through the NG-CDF.

The other issue is security. Where I come from, we have an issue of banditry, where people are constantly fighting. However, through the NG-CDF, we have done a lot to address this. We have built police stations and police posts along the affected corridors. All these projects have been facilitated through the NG-CDF. There is, therefore, need to increase the NG-CDF allocation to enable us to address security matters as well.

The other issue is bursaries. We have set percentages for bursary allocations, but there is need to increase it so that children from needy families can benefit. Currently, NG-CDF committees are finding it increasingly difficult to provide bursaries to those students because the number of vulnerable children is quite high. Increasing the percentage allocated to bursaries would help a lot of people in our constituencies.

The other issue is the war between the NG-CDF and county governments. This war is largely about publicity. Through the NG-CDF, we have done a lot of publicity because we build schools, administrative and security offices. However, the impact of county government resources is not being felt. Consequently, counties are fighting for the removal of the NG-CDF so that the publicity will not be there. Ordinary citizens are now challenging county governments, asking what they have done with the billions of shillings they receive when the NG-CDF has delivered. The war between counties and the NG-CDF is, therefore, largely about publicity. We thank the President for remaining firm in his support for the NG-CDF and for ensuring that we continue receiving the little funds that enable us to facilitate development.

Finally, I wish to thank the Acting Chief Executive Officer of the NG-CDF Board for the much he has done on reporting, implementation of projects, facilitating the timely approval of proposals and introducing reforms within the Fund. We are receiving a lot of good things

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through the Acting CEO. I urge this House to expedite the process of giving him the substantive mandate to run the Fund. Instead of acting, we give him the mandate to run the Fund so that he can continue doing the good things he has initiated in the NG-CDF Board. This will enable us to manage the Fund so that our people can go further in terms of development. Thank you.

With those few remarks, I support.

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

Hon. John Paul Mwirigi (Igembe South, UDA): Thank you, Hon. Temporary Speaker. I also rise to support the Report by the Chairperson, Hon. Mulyungi. Although some queries have been raised by the Auditor-General, I have seen the Committee's recommendations on what is supposed to be implemented by the Auditor-General. At the time of the audit, acknowledgements, especially for bursary funds disbursed to schools, are sometimes not received in good time. This results in queries about the misuse of that money, which is not the case. When I took charge of Igembe South Constituency in 2017, we embarked on transforming the constituency through the NG-CDF. Most of the primary schools within this constituency had been constructed using mud, but we have since transformed the school infrastructure through the NG-CDF. Most learners are now enjoying a conducive environment in which to undertake their studies.

The Fund has also helped us, as Members of Parliament, to construct police stations and police posts, thereby beefing up security within our constituencies. In Igembe South Constituency, people previously travelled long distances to seek security assistance. However, we have now constructed police stations and police posts within reach of the community. Our chiefs and assistant chiefs were also operating from their homes and, sometimes, under trees. In Igembe South, we have constructed chiefs' camps and offices. These facilities have helped the people because they now have somewhere to go and report their issues, while the chiefs have places where they can handle cases from the community without being disturbed at their homes.

In Igembe South Constituency, we had many school dropouts because of lack of school fees. Through the NG-CDF, we have issued bursaries to vulnerable pupils and students, which have enabled them to continue with their education. We have transformed this constituency, because through education, we are equalising the haves and the have-nots.

We also commend the current Chief Executive Officer of the NG-CDF Board because of the information being provided by his office on when funds are disbursed and whether any money has been disbursed. Currently, we receive information about our funds. We are already aware when the money is disbursed. This information enables us to prepare in good time and deliver development projects in good time.

I support this Report. Thank you for giving me this opportunity.

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

Hon. Owen Baya (Kilifi North, UDA): Thank you, Hon. Temporary Speaker. I just want to make one point in support of this Report. I congratulate the Chairperson for a good job. I think it is one of the committees from which we have had reports coming in. Having the 16th Report tells us that you are almost done with all the reports. I congratulate you, my colleague. I urge all the other Chairpersons, especially those of audit committees to ensure that their reports come in. The NG-CDF has done something that must be emulated. It has brought equality.

The people of Kilifi walked long distances on 10th August 2010 to witness the inauguration of the current Constitution. They voted for the current Constitution because it has something called Equalisation Fund. We had come from under-served and marginalised communities. We had come from communities that had been starved of finances and

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development. The people walked long distances to vote for the current Constitution when they heard that it would bring equity. The Equalisation Fund was put in the Constitution but what happened to it is despicable. It has since been given out to everybody. It became more of a political tool than an equalisation tool.

The NG-CDF carries the equalization and equity spirit of the Constitution. Every constituency represented in this House, and every county, gets an equitable share of the NG-CDF for development. Even constituencies which have hitherto never had infrastructure now have infrastructure developed using the NG-CDF. The people of Kilifi never imagined that they would have a national school one day. National schools were only in upcountry, and mainly in the Central Region. You had to travel a long distance to access a national school. Probably, there could be only two to three spaces for what we used to call "district focus kids." Some of us and certain people in this country went to university under a programme called District Focus for Rural Development Programme. It was a rare privilege to have children going to those schools in those days. We now have national schools in almost every part of the country, courtesy of the NG-CDF.

There used to be a national school in Isiolo called Garbatula. We used to be amazed that a place like that would have a national school. They would always say. "Please. go to Garbatula if you do not get placement at Alliance." That is when we were filling national schools' forms. Nobody ever wanted to go there. We now have national schools everywhere, courtesy of the NG-CDF. Equality and equity are what will move this country forward. The NG-CDF has shown the way. It has widened the path for equitable development in this country.

Looking at the way this country has developed, and especially the way the current President has tried to promote the concept of equity and equality in terms of distribution of development resources, he is actually saying that as a country, need to develop every part just like the NG-CDF has done. The NG-CDF has given opportunity to people who would never have gone to a good school. Kids who would otherwise have to walk 10 kilometres to access education now have a school nearby. People who would have to walk 20 kilometres to access a police station now have a police station nearby. People who would not have imagined that Government services would ever be brought close to where they live now have those services in their neighbourhood through Huduma centres.

In 2027, we must have the conversation of what the President is bringing in—if you want to be President, will you bring equity to this country? Will you bring equality? Will you distribute development to the whole country or will you just concentrate on that fiefdom or your ethnic background? Some of the people who come out saying they want to be presidents have not visited even three-quarters of this country. They do not even know those areas. How will they bring equity and equitable distribution of resources if they do not even know the third next constituency from their village? It is just because they think they have tribal numbers. Equity and equitable distribution of resources must define the 2027 elections. It must be defined the way the NG-CDF has redefined development in this country. I have been to several countries whose citizens told me that Kenya has one of the best development models in the world known as the NG-CDF. We pride ourselves for being among the first countries to introduce a fund that promotes the principle of equity, which ensures equitable distribution of resources across the country. Some children in this country would never have had the opportunity to attend boarding school or university were it not for the NG-CDF. Therefore, the spirit of the NG-CDF, and of equity and the equitable distribution of resources and development should augment the 2027 elections. This country will become better if we embrace that spirit.

I also wish to join the chorus of Members who have called for an increase in the percentage of the NG-CDF in the budget to double digit, so that we have enough resources to develop neglected areas and promote equity across the country. I have heard the President say,

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"Usawa ni sawa." I do not know how that translates into English, but I believe it is a good principle. This country must move forward on the platform of *"Usawa ni sawa"*. The NG-CDF is one of the first major public funds to demonstrate what that principle means in practice.

I watched in amazement when I heard the former Speaker of this House describe the NG-CDF as a slush fund for Members of Parliament. I wondered how he could make such a statement when even during his tenure as Speaker, he advocated for the Fund and witnessed the development projects it supported. I even saw him commission visible and tangible projects undertaken through the NG-CDF. The money goes directly towards helping communities and delivering development outcomes. It does not simply disappear. The NG-CDF has demonstrated the way forward in promoting *"Usawa ni sawa"*. Anyone aspiring to become the President of this country must demonstrate a commitment to this principle and be prepared to allocate resources towards equitable development and moving the country forward.

Hon. Temporary Speaker, it may be against the rules for me to say this, but it is time we called the Mover to reply.

The Temporary Speaker (Hon. Martha Wangari): You are totally out of order. I will indulge the Member for Othaya.

Hon. Michael Wainaina (Othaya, UDA): Thank you, Hon. Temporary Speaker. I wish to contribute to the Motion on the audited financial statements of the NG-CDF Board and the NG-CDF Account. I wish to emphasise that the NG-CDF has had a tremendous impact on the lives of ordinary Kenyans, particularly at the grassroots level. Through this Fund, we have witnessed the construction of classrooms, improvement of school infrastructure, provision of bursaries to needy students and implementation of numerous community-based development projects.

The NG-CDF continues to deliver tangible development outcomes directly to the people. Comparing the massive resources allocated to the county governments, through devolution, with the little allocation to the NG-CDF, there is a compelling case for recognising the impact of the NG-CDF and strengthening its role in grassroots development. There is no justification for weakening an institution that has demonstrated its importance in addressing the immediate needs of our communities.

The Temporary Speaker (Hon. Martha Wangari): Member for Othaya, I have indulged you, but you know that it is against the Standing Orders to read a prepared statement. I expect you to debate.

Hon. Michael Wainaina (Othaya, UDA): Thank you, Hon. Temporary Speaker. Let me state at the outset that the NG-CDF has helped many people in the constituencies. Before I was elected Member of Parliament, many public schools in my constituency lacked basic infrastructure, which resulted in many students seeking admission in private schools. Since we started receiving the NG-CDF allocations, we have transformed school infrastructure. Today, many students attend public schools and are happy with the improvements we have made through the NG-CDF.

Hon. Temporary Speaker, my constituency had many police stations whose infrastructure was dilapidated. Through the NG-CDF, we have renovated most of them and they are now in very good condition. Similarly, we have constructed very good offices for our chiefs. The NG-CDF has changed the whole constituency, particularly in the areas of education and administration. This Fund also promotes equality by ensuring that needy students have access to education. Today, there is no school in our constituency which has been left behind. There is also no student who is sent home because of a lack of school fees. The bursaries we give to our students supplement the little money that parents earn to ensure that students remain in school. This has all been made possible by the NG-CDF. This was not the case before. Many students were unable to go to school while others dropped out due to lack of school fees. However, today, we have given equal opportunity to all the needy people in our constituencies.

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The NG-CDF is facilitating every eligible student to access education. The Fund has changed this country. I urge this House to continue supporting the NG-CDF for the benefit of our people. In the past, when we were in school, we used to be sent home because there was nowhere we could turn to for help. We used to organize Harambee, but today things have changed. Even when we hold Harambee, it is not like before when we mainly relied on them to support students in day schools.

Currently, we give bursaries even to students in day schools so that no student is sent home due to lack of school fees. This money is also helping to provide food for students in these schools. The NG-CDF has changed the lives of many of our people. Most of our people in rural areas are casual labourers, which means they cannot afford to pay school fees for their children. Today, even parents who do not have money are assured that the NG-CDF will cater for their children's school fees. As we approach the new year, some of our farmers who depend on tea bonuses have not yet received their money. Through the good leadership of the NG-CDF Board, which has allocated us money, we have to ensure that by January next year, the money is available to cater for school fees. This will ensure that no student is sent home because of lack of school fees.

Hon. Temporary Speaker, I am very happy with the NG-CDF because before its introduction, parents had to choose which of their children would go to school. Due to limited resources, they could only educate one or two students. The rest were told that they could not attend school because of lack of money. Today, the NG-CDF complements parents' efforts to ensure that every student goes to school. This Fund goes a long way in helping our learners. Indeed, it is a game changer because it promotes equity to everyone who wants to go to school. This is what will change our country. The education sector in our country is working today largely because of the NG-CDF. If you visit some of our constituencies and compare the development we are getting through the NG-CDF with the development we are getting through the county governments, wananchi on the ground will tell you that they can see more development through the NG-CDF than through the county governments.

Hon. Temporary Speaker, the NG-CDF administration cost is between 5 per cent and 6 per cent. The rest of the funds go to development. That is why the NG-CDF is the only public Fund which benefits mwananchi. The NG-CDF is felt on the ground because it is helping mwananchi directly. One day, I tried to crack a joke by telling my constituents that we wanted to transfer the NG-CDF to the county government. They said, "No!". If you visit my constituency today and look at Early Childhood Development Education (ECDE), which is the responsibility of the county government, and compare it with the primary and secondary schools, you will find that ECDE facilities have not been properly done, with only one or two classrooms. However, the primary and secondary schools constructed through the NG-CDF are well done and beautiful. That means people are pleased to have those schools.

When I was elected, the school where the former President, who was my very good friend and where he had been elected since 1974 was muddy. We have since transformed that school. I hope His Excellency Dr William Ruto will give us funds to pave the compound with cabro and renovate the school further. That school has been a game changer. From that time, many parents have been moving their children from private schools to that public school because it is very beautiful. The people there…

The Temporary Speaker (Hon. Martha Wangari): You have done excellent Member for Othaya. That is very good. You exhausted your time along the way. Let us now have the Member for Machakos Town.

Hon. Caleb Mule (Machakos Town, MCCP): Thank you, Hon. Temporary Speaker. I rise to support Dr Mulyungi's Motion on adoption of the Report of the NG-CDF.

The NG-CDF is the only public Fund that is properly managed. Its impact is felt on the ground. If you consider the amount of money that the NG-CDF receives from the national cake,

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which is only 2.5 per cent, and look at what it does at the grassroots level, you will appreciate that this is the only Fund whose impact is felt by everyone, including the common mwananchi.

Talking about school infrastructure, particularly under the Competency-Based Education (CBE) system, I wonder what we would have done without the NG-CDF. The construction of new classrooms to cater for the CBE system introduced recently. as well as construction of entire secondary and primary school infrastructure, including equipping of laboratories, has been made possible through the NG-CDF.

The NG-CDF has also helped us with bursary disbursements. Education is the only equalizer through which children from poor families and those from rich families can be at par. The NG-CDF has given hope to the hopeless. There is great joy in seeing a child who has been sent home from school because of unpaid school fees being facilitated through the NG-CDF to return to school. It also makes the child and the parent very happy.

The NG-CDF has also helped a lot in security. I have constructed chiefs' offices in Machakos Town. I have also constructed Deputy County Commissioner's Office and sub-county offices, where all the departments of a particular sub-county will be housed. The issuance of national identity cards, registration of births and deaths, and registration of social groups will all be done there, courtesy of the NG-CDF. I will commission it early next week. I have also constructed an Administration Police office, which is a very good block.

Through the NG-CDF, we have lit up dark areas in Machakos Town. For example, through the matching grant by Rural Electrification and Renewable Energy Corporation (REREC), we contributed Ksh5 million and they matched it with Ksh5 million. I have lit up some dark areas in my ward through the NG-CDF. People are very happy about it.

We used to have sports allocation, but it was removed. I request that we, as a House, considers taking back sports funding. Students have closed schools and are at home. They need to be engaged properly. If we could return the sports kitty to the NG-CDF, it would engage the vibrant youth so that they do not engage in bad behaviour.

Finally, I would like to comment on the new CEO of the NG-CDF. He should ensure that we receive timely disbursements of funds. I would also like to commend the managers who administer the Fund. They manage it properly. The NG-CDF also supports environmental activities such as soil conservation. For example, in Machakos Town, I constructed gabions in areas where we had big gullies. My constituency is hilly, and there is a lot of soil erosion. I provide water tanks and facilitate provision of water to the community. I strongly recommend that we increase the allocation of the NG-CDF from 2.5 per cent to at least 5 per cent, which is double the allocation.

Thank you, Hon. Temporary Speaker.

The Temporary Speaker (Hon. Martha Wangari): Hon. Members, I do not see any further interest in this Motion. Therefore, I call upon the Mover to reply.

Hon. Gideon Mulyungi (Mwingi Central, WDM): Thank you, Hon. Temporary Speaker. I rise to reply. I thank all the Members who have contributed to this Motion. They will go a long way in enriching the Committee's recommendations in its future reports. The matter of increasing the allocation of NG-CDF from the current one, under the division of revenue, to a higher allocation of at least double digit, will ensure that the impact of the NG-CDF on the ground increases countrywide. We should also expand its scope, as Mheshimiwa Mule has said. On the issue of returning sports and other national Government functions to the NG-CDF, those activities can be co-funded under the national Government and county government initiatives. Examples are the road projects that we facilitate through the Kenya Rural Roads Authority (KeRRA) while the county governments also undertake road projects. Therefore, the NG-CDF can facilitate some of those functions, including the Last Mile Connectivity because too many homesteads are with no power and water. People in areas like where I come from

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have many problems with water. It would create a big impact in our communities if we were allowed to undertake water development through NG-CDF.

With those few remarks, I beg to reply.

The Temporary Speaker (Hon. Martha Wangari): Hon. Members, for obvious reason, I defer putting the question on this Motion.

(Putting the question deferred)

On the next Order, I do not see the Leader of the Majority Party. We shall, therefore, defer it to the next sitting.

BILLS

Second Readings

THE SACCO SOCIETIES (AMENDMENT) BILL
(National Assembly Bill No. 32 of 2026)

(Bill deferred)

THE ANTI-DOPING (AMENDMENT) BILL
(National Assembly Bill No. 66 of 2026)

The Temporary Speaker (Hon. Martha Wangari): We shall defer this Bill by the Chairperson of the Departmental Committee on Sports and Culture to the next sitting. I do not see him in the House.

(Bill deferred)

THE INVESTMENT AND EXPORT PROMOTION AUTHORITY BILL
(National Assembly Bill No. 37 of 2026)

The Temporary Speaker (Hon. Martha Wangari): Again, this Bill is by the Leader of the Majority Party. It suffers the same fate; it shall be deferred.

(Bill deferred)

THE TOURISM (AMENDMENT) BILL
(National Assembly Bill No. 41 of 2026)

The Temporary Speaker (Hon. Martha Wangari): This Bill is by the Leader of the Majority Party. It shall be deferred to the next appointed time.

(Bill deferred)

THE KENYA ECONOMIC ZONES BILL
(National Assembly Bill No. 46 of 2026)

The Temporary Speaker (Hon. Martha Wangari): Again, this Bill is by the Leader of the Majority Party. It shall also be deferred.

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(Bill deferred)

Next Order.

MOTIONS

ADOPTION OF 11TH REPORT ON AUDITED ACCOUNTS OF THE TOURISM FUND AND THE TOURISM PROMOTION FUND FOR FYS 2020/2021 AND 2021/2022

The Temporary Speaker (Hon. Martha Wangari): This is by the Chairperson of the Special Funds Accounts Committee. I do not see her in the House. It shall be deferred to the next appointed time.

(Motion deferred)

ADOPTION OF 11TH REPORT ON EXAMINATION OF AUDITED ACCOUNTS OF VARIOUS UNIVERSITIES

The Temporary Speaker (Hon. Martha Wangari): This Motion is by the Chairperson of the Public Accounts Committee on Governance, who is not in the House. It suffers the same fate. It shall be deferred.

(Motion deferred)

ADOPTION OF 17TH REPORT ON AUDITED ACCOUNTS OF NG-CDF FOR FINANCIAL YEARS 2013/2014 TO 2024/2025

The Temporary Speaker (Hon. Martha Wangari): Chair, are you ready to move? Very well.

Hon. Gideon Mulyungi (Mwingi Central, WDM): Hon. Temporary Speaker, I beg to move the following Motion:

> THAT, this House adopts the 17th Report of the Decentralized Funds Accounts Committee on its consideration of the audited financial statements of the National Government Constituencies Development Fund (NG-CDF) for five Constituencies for the Financial Years 2013/2014, 2014/2015, 2015/2016, 2016/2017, 2017/2018, 2018/2019, 2019/2020, 2020/2021, 2021/2022 and 2022/2023 laid on the Table of the House on Tuesday, 6th October 2026.

The 17th Report presents the Committee's examination of 50 reports of the Auditor-General on financial statements of the NG-CDF for five constituencies, being Isiolo North and Isiolo South in Isiolo County; Kaiti in Makueni; and Mbeere North and Mbeere South in Embu County. The Reports cover 10 financial years from 2013/2014 to 2022/2023.

Hon. Temporary Speaker, I am pleased to report that once the management teams produced the supporting documents, the Committee found that the vast majority of the audit queries had been adequately addressed and resolved. The outstanding matters fall into three categories: queries that could not be verified because the relevant records were unavailable; land matters for which title deeds had not yet been issued; and one matter that is currently under criminal investigation by the Directorate of Criminal Investigations (DCI). Allow me to highlight the cross-cutting issues observed by the Committee during its examination.

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First were the missing records at Isiolo South Constituency. The Committee observed that, for all the 10 financial years under review, the management of Isiolo South Constituency was unable to respond adequately to the audit queries because the primary financial and procurement records were unavailable. The records had been taken into custody by the EACC and had not been returned despite repeated requests. The Fund Account Manager who had custody of the records has since passed on. Without those records, the Committee could not verify the audit queries, and they, therefore, remain unresolved. The Commission is investigating the matter. The Committee recommended that the NG-CDF Board introduce a documented handover protocol, including a signed inventory of records between outgoing and incoming managers. The Board should also pursue the release of the original documents or obtain certified copies from the EACC.

Secondly, on the regular use of public funds at Kaiti Constituency, the Committee observed that during the 2021/2022 financial year, allowances and imprests were irregularly paid to the Fund Account Manager, the NG-CDF Committee Chairperson and the District Treasury Cashier. The DCI established that records had been fabricated, signatures forged and cheque encashments made without adequate supporting documentation. The amount involved in the unsupported transactions was Ksh128 million, while the total value of funds fraudulently withdrawn and not accounted for was Ksh198 million. The DCI recommended the prosecution of the officers concerned and subsequently forwarded the investigation file to the Office of the Director of Public Prosecutions (ODPP) for further action. The Committee observed that the matter remains under active investigation.

Thirdly, on outstanding land and asset registration. the Committee further observed that land matters remained outstanding in two constituencies. In Mbeere North Constituency, title deeds were still pending for land parcels at Kivue Market, Siakago Technical Institute and Riandu Police Station. In Mbeere South Constituency, the title deed was pending for the parcel of land on which the Constituency Office Block stands. The land, which was purchased in 2010, remained registered in the names of the trustees of the former Gachoka CDF.

At Isiolo North Constituency, the Committee observed that some fixed assets had, for several years, remained untagged and uninsured. The Committee recommended that all NG-CDF assets, including land and buildings, be registered in the name of the Board, properly tagged and insured. It further recommended that Fund Account Managers escalate pending title deed applications to the CEO of the Board. The Board should also report on the progress made in implementing the Committee's recommendations within three months of the adoption of this Report and fast-track the processing of the title deed for the Gachoka CDF Office.

The NG-CDF remains one of the most visible instruments of grassroots development in this country. However, its mandate can only be fully realised when its operations are guided by the constitutional principles of openness, accountability and the prudent and responsible use of public money, as provided for under Article 201 of the Constitution, principles that this Committee is mandated to safeguard. This Report underscores the importance of timely disbursement of funds, proper record-keeping and compliance with the law in the administration of NG-CDF at constituency level. Addressing the Audit Queries and implementing the recommended remedies will enhance public trust and support the delivery of development projects in the constituencies.

With those remarks, I beg to move and request honourable…

The Temporary Speaker (Hon. Martha Wangari): Order, Hon. Chairperson. The time is 7.00 p.m. You will have a balance of some minutes to complete moving. You will have about 53 more minutes to move. So, we will end at that point for now.

Hon. Gideon Mulyungi (Mwingi Central, WDM): Okay, thank you.

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ADJOURNMENT

The Temporary Speaker (Hon. Martha Wangari): Hon. Members, the time being 7.00 p.m., the House stands adjourned until tomorrow, Wednesday, 4th November 2026 at 9.30 a.m.

(The House rose at 7.00 p.m.)

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