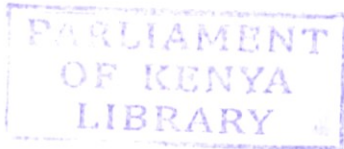




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SNA
27/11/24



PARLIAMENT OF KENYA



THIRTEENTH PARLIAMENT

THIRD SESSION - 2024

REPORT OF JOINT SITTING OF THE NATIONAL ASSEMBLY DEPARTMENTAL COMMITTEE ON
FINANCE AND NATIONAL PLANNING AND THE SENATE STANDING COMMITTEE ON
FINANCE AND BUDGET

ON

THE APPROVAL HEARING FOR MR. GERALD NYAOMA ARITA THE NOMINEE FOR
APPOINTMENT TO THE POSITION OF DEPUTY GOVERNOR OF THE CENTRAL BANK OF
KENYA

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 27 NOV 2024	DAY: WEDNESDAY
TABLED BY:	MAJORITY DEPUTY WHIP
CLERK-AT THE-TABLE:	

Clerks' Chambers
Parliament Buildings
NAIROBI

November, 2024



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LIST OF ABBREVIATION AND ACRONYMS

CBK	-	Central Bank of Kenya
DCI	-	Directorate of Criminal Investigations
EACC	-	Ethics and Anti-Corruption Commission
H.E.	-	His Excellency
HELB	-	Higher Education Loans Board
KRA	-	Kenya Revenue Authority
ORPP	-	Office of the Registrar of Political Parties

ANNEXURES

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CHAIRPERSONS' FOREWORD

This report contains the proceedings of the Senate Standing Committee on Finance and Budget and the Departmental Committee on Finance and National Planning of the National Assembly during the approval hearing of **Mr. Gerald Nyaoma Arita**, nominee for appointment as Deputy Governor Central Bank of Kenya as forwarded by H.E. Dr. President William Samoei Ruto. CGH and communicated to both Houses by the Speakers of Senate and National Assembly.

Article 231 of the Constitution sets out the establishment of the Central Bank of Kenya, which is responsible for formulating monetary policy, promoting price stability, issuing currency and performing other functions conferred on it by an Act of Parliament and shall not be under the direction of any person or authority in the exercise of its powers or in the performance of its functions.

Section 13B of the Central Bank of Kenya Act, Cap. 491 establishes the Offices of the Deputy Governor, who shall be appointed by the President through a transparent and competitive process and with the approval of Parliament. The Deputy Governors shall perform such functions as the Governor may from time to time assign them.

After receiving the message from H.E. the President on the nomination of **Mr. Gerald Nyaoma Arita** for the position of the Deputy Governor of the Central Bank of Kenya, the Speaker of the National Assembly and the Speaker of the Senate on Wednesday, 13th November, 2024 and Thursday, 14th November 2024 respectively issued a communication and directed that the approval hearing for the nominee for appointment to the position of Deputy Governor Central Bank, be conducted jointly by both Houses of Parliament as required by the Constitution and Central Bank Act.

The name of the nominee and his curriculum vitae were referred by the Speaker of the National Assembly to the Departmental Committee on Finance and National Planning, and by the Speaker of the Senate to the Standing Committee on Finance and Budget. The Committees held a preliminary sitting on Monday, 25th November, 2024 to prepare for the approval hearing and to consider memoranda received from the public.

The aforementioned Committees, complied with the constitutional and legal requirements and established procedures for the approval hearing. The Committees adhered to the provisions of Article 118 of the Constitution on public participation and openness in carrying out the approval process. Notifications inviting the public to submit memoranda were placed in the mainstream print media on Saturday, 16th November, 2024 as required under the law.

The Committees conducted the approval hearing on Monday, 25th November, 2024. In conducting the approval hearing, the Committees were guided by the provisions of the Constitution, the Central Bank of Kenya Act, Cap. 491, the Public Appointments (Parliamentary Approval) Act, 2011 and the Standing Orders of the respective Houses.

The Committees made observations, contained in this Report, on the basis of constitutional and legal requirements as well as submissions of the nominee during the approval hearing. Article 231 of the Constitution read together with sections 13B and 13C of the Central Bank of Kenya Act, Cap. 491.

Committee Recommendation

The joint Committee, having held the approval hearing of the nominee regarding his suitability, observed that due process was followed in the nomination of the nominee in accordance with Article 231 of the Constitution as read together with sections 3 and 5 of the Public Appointments (Parliamentary Approval) Act, 2011 and section 13B and 13C of the Central Bank Act. The joint Committee, therefore, recommends that the National Assembly and the Senate **APPROVES** the nomination of **Mr. Gerald Nyaoma Arita** for appointment to the position of the Deputy Governor of the Central Bank of Kenya.


Acknowledgements


The Committee registers its appreciation to the Office of the Speakers National Assembly and Senate, Office of the Clerks of the National Assembly and Senate and the Committee Secretariat for the logistical support extended during the approval hearing process.

In addition, the Committee thanks the nominee for his cooperation during the Parliamentary approval hearing process. Finally, the Committee appreciates the DCI, EACC, HELB, KRA and ORPP for providing references and background checks relating to the suitability of the nominee.

I acknowledge and appreciate Members of the Committee for their patience, sacrifice and commitment which enabled the Committee to complete the task within the required timelines.

On behalf of the Committees, and pursuant to Article 231 of the Constitution, sections 13B and 13C of the Central Bank of Kenya Act, Cap. 491, section 8 of the Public Appointments (Parliamentary Approval) Act, 2011, it is our pleasant duty to table the Joint Report of the National Assembly Departmental Committee on Finance and National Planning and the Senate Standing Committee on Finance and Budget on the joint approval hearing of **Mr. Gerald Nyaoma Arita**, the nominee for appointment to the position of the Deputy Governor of the Central Bank of Kenya, for debate and adoption by Parliament.

Signed.....
Hon. CPA. Kuria Kimani, MP
Chairperson
Date.....

Signed.....
^{For} Sen. (Capt.) Ali Ibrahim Roba, EGH, MP
Chairperson
Date.....

CHAPTER ONE

1.0 BACKGROUND

1.1 ESTABLISHMENT AND MANDATE OF THE COMMITTEES

1. Article 124 (1) of the Constitution provides that each House of Parliament may establish Committees and shall make Standing Orders for the orderly conduct of its proceedings, including the proceedings of its committees.
2. The Departmental Committee on Finance and National Planning is established under Standing Order 216 whose mandates pursuant to the Standing Order 216 (5) are as follows-
 - (a) To investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned ministries and departments;
 - (b) To study the programme and policy objectives of ministries and departments and the effectiveness of the implementation;
 - (c) on a quarterly basis, monitor and report on the implementation of the national budget in respect of its mandate;
 - (d) To study and review all legislation referred to it;
 - (e) To study, assess and analyze the relative success of the ministries and departments as measured by the results obtained as compared with their stated objectives;
 - (f) To vet and report on all appointments where the Constitution or any law requires the National Assembly to approve, except those under Standing Order 204 (Committee on Appointments);**
 - (g) To examine treaties, agreements and conventions;
 - (h) To make reports and recommendations to the House as often as possible, including recommendation of proposed legislation;
 - (i) To consider reports of Commissions and Independent Offices submitted to the House pursuant to the provisions of Article 254 of the Constitution; and

(j) To examine any questions raised by Members on a matter within its mandate.

3. The Senate Standing Committee on Finance and Budget is established pursuant section 8 (1) of the Public Finance Management Act, 2012 and standing order 228 of the Senate Standing Orders, and is mandated to-

a) Investigate, inquire into and report on all matters relating to coordination, control, and monitoring of the county budgets and examine -

- i. the Budget Policy Statement presented to the Senate;
- ii. the report on the budget allocated to constitutional Commissions and independent offices;
- iii. the Division of Revenue Bill, the County Allocation of Revenue Bill, the County Governments Additional Allocations Bill, and the cash disbursement schedule for county governments;
- iv. all matters related to resolutions and Bills for appropriations, the share of national revenue amongst the counties, matters concerning the national budget, including public finance and monetary policies and public debt, planning, and development policy; and

b) Pursuant to Article 228 (6) of the Constitution, to examine the report of the Controller of Budget on the implementation of the budgets of county governments.

1.2 MEMBERSHIP OF THE COMMITTEES

1.2.1 National Assembly Committee Membership

4. The National Assembly Departmental Committee on Finance and National Planning comprises the following Members

Chairperson

Hon. CPA Kuria Kimani, MP
Molo Constituency

UDA Party

Vice-Chairperson

Hon. (Amb.) Benjamin Langat, CBS, MP
Ainamoi Constituency

UDA Party

Hon. Dr. Adan Keynan, CBS, MP
Eldas Constituency

Jubilee Party

Hon. David Mboni, MP
Kitui Rural Constituency

Wiper Party

Hon. Joseph Kipkoros Makilap, MP
Baringo North Constituency

UDA Party

Hon. CPA Julius Rutto, MP
Kesses Constituency

UDA Party

Hon. Paul Biego, MP
Chesumei Constituency

UDA Party

Hon. Dr. John Ariko, MP
Turkana South Constituency

ODM Party

Hon. George Sunkuya, MP
Kajiado West Constituency

UDA Party

Hon Andrew Okuome, MP
Karachuonyo Constituency

ODM Party

Hon. Joseph Oyula, MP
Butula Constituency

ODM Party

Hon. Umul Ker Kassim, MP
Mandera County

UDM Party

Hon. (Dr.) Shadrack Ithinji, MP
South Imenti Constituency

Jubilee Party

Hon. Joseph Munyoro, MP
Kigumo Constituency

UDA Party

Hon. Mohamed Machele, MP
Mvita Constituency

ODM Party

1.2.2 Committee Secretariat

5. The Committee is facilitated by the following staff.

Mr. Benjamin Magut
Principal Clerk Assistant /Head of Secretariat

Ms. Jeniffer Ndeto
Deputy Director Legal Services

Mr. Benson Kamande
Clerk Assistant III

Mr. Salem Lorot
Legal Counsel

Mr. Winfred Kambua
Clerk Assistant III

Mr. George Ndenjeshe
Fiscal Analyst II

Ms. Joyce Wachera
Hansard Officer

Mr. Andrew Jumanne Shangarai
Principal Serjeant-At-Arms

Mr. Benson Muthuri
Assistant Serjeant-At-Arms

Mr. James Macharia
Media Relations Officer

Ms. Nelly W.N Ondieki
Research Officer

1.2.3 Senate Standing Committee on Finance and Budget

6. The Senate Standing Committee on Finance and Budget comprises the following Members

- | | | |
|---|---|-------------------------|
| 1) Sen. (Capt.) Ali Ibrahim Roba, EGH, MP | - | Chairperson |
| 2) Sen. Maureen Tabitha Mutinda, MP | - | Vice-Chairperson |
| 3) Sen. (Dr.) Boni Khalwale, CBS, MP | - | Member |
| 4) Sen. Tabitha Karanja Keroche, MP | - | Member |
| 5) Sen. Joyce Chepkoech Korir, MP | - | Member |
| 6) Sen. Mohamed Faki Mwinyihaji, CBS, MP | - | Member |
| 7) Sen. Richard Momoima Onyonka, MP | - | Member |
| 8) Sen. Shakila Abdalla Mohamed, MP | - | Member |
| 9) Sen. Eddy Gicheru Oketch, MP | - | Member |

CHAPTER TWO

2.0 LEGAL FRAMEWORK

2.1 The Office of the Deputy Governor of the Central Bank of Kenya

7. Section 13B of the Central Bank of Kenya Act, Cap.491 establishes the Office of the Deputy Governor of the Central Bank of Kenya. That there shall be two Deputy Governors who shall be appointed by the President through a transparent and competitive process and with the approval of Parliament.
8. The appointment of the Deputy Governor of the Central Bank of Kenya shall take into consideration the provisions of section 13C (1) of the Central Bank of Kenya Act. This section provides that the Deputy Governors shall be fit and proper persons of recognized professional standing and over ten (10) years' experience at senior management level in the field of economics, banking, finance, law or other fields relevant to the functions of the Central Bank.
9. Pursuant to standing order 42(1) of the National Assembly Standing Orders and standing order 47 of the Senate Standing Orders, the Speaker of the National Assembly and the Speaker of the Senate on Wednesday, 13th November, 2024 and Thursday, 14th November, 2024 respectively, conveyed a message to respective Houses from His Excellency the President on the nomination of Mr. Gerald Nyaoma Arita for appointment to the position of the Deputy Governor of the Central Bank of Kenya.
10. The procedure of engagement for the Committees is set out in the Standing Orders of both Houses and the provisions of the Public Appointments (Parliamentary Approval) Act, 2011. It was resolved that the approval hearing shall proceed as follows-
 - a. That, the approval hearing of the nominee proposed for appointment as the Deputy Governor of the Central Bank of Kenya would be conducted by the National Assembly Departmental Committee on Finance and National Planning and the Senate Standing Committee on Finance and Budget;