

THE NATIONAL ASSEMBLY  
RECEIVED  
11 NOV 2025  
P.O. BOX 30000  
NAIROBI



*Approved  
SNA  
11/11/25*

PARLIAMENT  
OF KENYA  
LIBRARY

**THE NATIONAL ASSEMBLY**


**THIRTEENTH PARLIAMENT – FOURTH SESSION – 2025**

**DIRECTORATE OF DEPARTMENTAL COMMITTEES**

**DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL  
PLANNING**

**REPORT ON:  
THE CONSIDERATION OF THE GOVERNMENT OWNED ENTERPRISES  
BILL (NATIONAL ASSEMBLY BILL NO. 40 OF 2025)**

Published by:

 <b>THE NATIONAL ASSEMBLY PAPERS LAID</b>	
DATE: 11 NOV 2025	
DAY Tue	
TABLED BY:	Hon. Kimani Huma Chair, Finance
CLERK-AT-THE-TABLE:	Mado Muiam

The Directorate of Departmental Committees  
Clerk's Chambers  
Parliament Buildings  
NAIROBI

NOVEMBER, 2025

## TABLE OF CONTENTS

<b>ANNEXURES</b> .....	4
<b>CHAIRPERSON'S FOREWORD</b> .....	5
<b>CHAPTER ONE</b> .....	6
<b>I PREFACE</b> .....	6
<b>1.1 ESTABLISHMENT AND MANDATE OF THE COMMITTEE</b> .....	6
<b>1.2 COMMITTEE MEMBERSHIP</b> .....	7
<b>1.3 COMMITTEE SECRETARIAT</b> .....	8
<b>CHAPTER TWO</b> .....	9
<b>2.0 OVERVIEW OF THE GOVERNMENT OWNED ENTERPRISES BILL, 2025 (NATIONAL ASSEMBLY BILLS NO. 40 OF 2025)</b> .....	9
<b>2.1 Background</b> .....	9
<b>2.2 Summary of Legal Provisions</b> .....	9
<b>CHAPTER THREE</b> .....	15
<b>3. PUBLIC PARTICIPATION AND STAKEHOLDER ENGAGEMENT ON THE BILL</b> .....	15
<b>3.1 LEGAL FRAMEWORK ON PUBLIC PARTICIPATION</b> .....	15
<b>3.2 MEMORANDA RECEIVED ON THE BILL</b> .....	15
<b>3.2.1 GENERAL SUBMISSIONS</b> .....	15
<b>3.2.2 CAPITAL MARKETS AUTHORITY</b> .....	15
<b>3.2.3 THE NATIONAL TREASURY</b> .....	16
<b>3.2.4 CLAUSE BY CLAUSE SUBMISSION</b> .....	17
<b>CHAPTER FOUR</b> .....	28
<b>4. COMMITTEE OBSERVATIONS</b> .....	28
<b>CHAPTER FIVE</b> .....	29
<b>5. COMMITTEE RECOMMENDATION</b> .....	29

## **LIST OF ABBREVIATIONS AND ACRONYMS**

CEO	-	Chief Executive Officer
CMA	-	Capital Markets Authority
COK	-	Constitution of Kenya
ESG	-	Environmental, Social, Governance
GOEs	-	Government Owned Enterprises
IAS	-	International Accounting Standards
ICPAK	-	Institute of Certified Public Accountants of Kenya
IFRS	-	International Financial Reporting Standards
IPSAS	-	International Public Sector Accounting Standards
MP	-	Member of Parliament
ODM	-	Orange Democratic Movement
UDA	-	United Democratic Alliance

## **ANNEXURES**

Annexure 1: Adoption Schedule

Annexure 2: Minutes

Annexure 3: The Government Owned Enterprises Bill (National Assembly Bill No. 40 of 2025)

Annexure 4: Advertisement inviting the public to submit memoranda on the Bill

Annexure 5: Letter from the Clerk of the National Assembly inviting relevant stakeholders to attend the public participation forum

Annexure 6: Memoranda by Stakeholders

## **CHAIRPERSON'S FOREWORD**

This report contains the proceedings of the Departmental Committee on Finance and National Planning on its consideration of the Government Owned Enterprises Bill, 2025 (National Assembly Bills No. 40 of 2025). The Bill was published in the Kenya Gazette Supplement No. 143 of 16<sup>th</sup> July, 2025 and read a first time on 14<sup>th</sup> August, 2025. The Bill was committed to the Committee for consideration and tabling of the report to the House pursuant to Standing Order 127.

The principal object of the Bill is to provide for the establishment, control, governance, performance and ownership of Government Owned Enterprises and public service obligations in respect of Government Owned Enterprises. The Bill defines "Government Owned Enterprise" to mean a company which is a legal person under the ownership and control of the national government; the national government or national government entity is a shareholder with more than fifty percent of the share capital of the corporation; has been assigned financial and operational powers to carry on a business activity; as its main business, supplies goods or services in accordance with ordinary commercial principles.

In compliance with Article 118 (1) (b) of the Constitution and Standing Order 127(3), the Clerk of the National Assembly placed an advertisement in the print media on 20<sup>th</sup> August 2025 inviting the public to submit memoranda on the Bill. In addition, the Clerk of the National Assembly vide letter Ref. No. NA/DDC/F&NP/2025/081 and Ref. No. NA/DDC/F&NP/2025/086 dated 8<sup>th</sup> October 2025 and 15<sup>th</sup> October 2025 respectively, invited key stakeholders to submit views on the Bill and attend a public participation forum on 13<sup>th</sup> October 2025 and 23<sup>rd</sup> October 2025. The memoranda were to be received on or before 27<sup>th</sup> August 2025 at 5.00 pm (East African Time). By the close of the submission deadline, the Committee had received six memoranda.

The Committee is grateful to the Offices of the Speaker and Clerk of the National Assembly for the logistical and technical support accorded to it during its consideration of the Bill. Similarly, I wish to express my appreciation to the Honourable Members of the Committee and the Committee Secretariat who made invaluable contributions towards the preparation and production of this report.

On behalf of the Departmental Committee on Finance and National Planning and pursuant to the provisions of Standing Order 199(6), it is my pleasure to report that the Committee has considered the Government Owned Enterprises Bill (National Assembly Bill No. 40 of 2025) and wish to report to this August House with the recommendation that the House Approves the Bill with amendments.

**Hon. CPA. Kuria Kimani, CBS, M.P.**

**Chairperson, Departmental Committee on Finance and National Planning**

## CHAPTER ONE

### I PREFACE

#### I.1 ESTABLISHMENT AND MANDATE OF THE COMMITTEE

1. The Departmental Committee on Finance and National Planning is one of twenty departmental committees of the National Assembly established under **Standing Order 216** whose mandate pursuant to the **Standing Order 216 (5)** is 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) *To, 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 analyse the relative success of the ministries and departments as measured by the results obtained as compared with their stated objectives;*
  - f) *To investigate and inquire into all matters relating to the assigned ministries and departments as they may deem necessary, and as may be referred to them by the House;*
  - g) *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);*
  - h) *To examine treaties, agreements and conventions*
  - 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.*
2. The Second Schedule to the National Assembly Standing Orders assigns the Committee the mandate to consider matters in relation to public finance, public audit policies, monetary policies, financial institutions, economy, investment policies, competition, banking, insurance, national statistics, population, revenue policies including taxation, national planning and development, digital finance, including digital currency.
3. In executing its mandate, the Committee oversees the following Ministries/Departments:
  - a) The National Treasury.
  - b) State Department for Economic Planning.
  - c) The Commission on Revenue Allocation (CRA)
  - d) Office of the Controller of Budget

## **I.2 COMMITTEE MEMBERSHIP**

I. The Departmental Committee on Finance and National Planning was constituted by the House on 27th October 2022 and comprises of the following Members:

### **Chairperson**

Hon. CPA Kuria Kimani, CBS, MP

Molo Constituency

**UDA Party**

### **Vice-Chairperson**

Hon. (Amb.) CPA Langat Benjamin Kipkirui, CBS, MP

Ainamoi Constituency

**UDA Party**

### **Members**

Hon. Peter Kaluma, CBS, MP

Homa Bay Town Constituency

**ODM Party**

Hon. Sunkuyia, R. George, MP

Kajiado West Constituency

**UDA Party**

Hon. CPA Oyula, Joseph H. Maero, MP

Butula Constituency

**ODM Party**

Hon. Betty N. Maina, MP

Murang'a County

**UDA Party**

Hon. Mboni, David Mwalika, MP

Kitui Rural Constituency

**WDM Party**

Hon. Sheikh Umul Sheikh, MP

Mandera County

**UDM Party**

Hon. Okuome Adipo Andrew, MP

Karachuonyo Constituency

**ODM Party**

Hon. (Dr.) Shadrack Mwiti, MP

South Imenti Constituency

**Jubilee Party**

Hon. Chiforomodo, Munga, MP

Lunga Lunga Constituency

**UDM Party**

Hon. (Dr.) Ariko John Namoit, MP

Turkana South Constituency

**ODM Party**

Hon. CPA Rutto Julius Kipletting, MP

Kesses Constituency

**UDA Party**

Hon. Machele M. Soud, MP

Mvita Constituency

**ODM Party**

Hon. Paul Biego, MP

Chesumei Constituency

**UDA Party**

### **I.3 COMMITTEE SECRETARIAT**

4. The Committee is facilitated by the following staff:

Mr. Benjamin Magut

**Principal Clerk Assistant II /Head of Secretariat**

Ms. Jennifer Ndeto

**Deputy Director Legal Services**

Mr. Benson Kamande

**Clerk Assistant III**

Mr. Salem Lorot

**Senior Legal Counsel**

Ms. Winfred Kambua

**Clerk Assistant III**

Mr. George Ndenjeshe

**Fiscal Analyst II**

Mr. James Macharia

**Media Relations Office**

Mr. Andrew Jumanne Shangarai

**Principal Serjeant-At-Arms**

Ms. Joyce Wachera

**Hansard Reporter II**

Mr. Benson Muthuri

**Assistant Serjeant-At-Arms**

Ms. Nelly W. Ondieki

**Research Officer III**

Mr. Mwangi Muchiri

**Audio Officer III**

Mr. Allan Ngugi

**Committee Intern**

## CHAPTER TWO

### 2.0 OVERVIEW OF THE GOVERNMENT OWNED ENTERPRISES BILL, 2025 (NATIONAL ASSEMBLY BILLS NO. 40 OF 2025)

#### 2.1 Background

3 The Government Owned Enterprises Bill (National Assembly Bill No. 40 of 2025), sponsored by the Leader of Majority Party, was published on 16<sup>th</sup> July, 2025. It was read for a first time on 14<sup>th</sup> August, 2025 and was then committed to the Committee for consideration and tabling of report to the House pursuant to Standing Order 127.

#### 2.2 Summary of Legal Provisions

5. The principal object of the Bill is to provide for the establishment, control, governance, performance and ownership of Government Owned Enterprises and public service obligations in respect of Government Owned Enterprises.
6. The Bill defines “Government Owned Enterprise” to mean a company which is a legal person under the ownership and control of the national government; the national government or national government entity is a shareholder with more than fifty percent of the share capital of the corporation; has been assigned financial and operational powers to carry on a business activity; as its main business, supplies goods or services in accordance with ordinary commercial principles; and is financed wholly or substantially from sources that do not require annual appropriation by National Assembly, or imposition of a tax, levy or other charge under legislation.
7. Further, the Bill defines public service obligations to mean obligations that the National Treasury may assign to Government Owned Enterprises which involve activities that are not financially viable to the Government Owned Enterprise and for which a subsidy, or full funding, by means of budgetary resources is required to sustain the activities.
8. The objects of the Act are to—
  - (a) establish an ownership regime and legal framework for better performance of Government Owned Enterprises and effective creation of value for the public;
  - (b) establish governance structures that facilitate achievement of commercial objectives of Government Owned Enterprises;
  - (c) enhance accountability and appropriate incentives for Government Owned Enterprises to operate on commercial principles;
  - (d) position the Government as an informed and active owner that is neither too passive nor unduly interfering with Government Owned Enterprises;

- (e) establish a transparent public service obligations accounting and funding structure that does not interfere with commercial objectives of the Government Owned Enterprises;
  - (f) provide for separation and allocation of ownership roles between the National Treasury and the relevant Ministries;
  - (g) establish a commercially-focused performance management framework for Government Owned Enterprises in which the National Treasury is the one-stop reference;
  - (h) provide for the carrying out of public service obligations, on a separate operational and accounting basis and with contractual arrangements to give full compensation to Government Owned Enterprises for such activities, whenever Government Owned Enterprises are required to perform public service obligations;
  - (i) enhance the standards of transparency and disclosure of corporate information and periodic reports of Government Owned Enterprises; and
  - (j) provide a mechanism by which minority shareholders in Government Owned Enterprises are enabled to elect a number of persons, for appointment as independent directors in the Board of directors that is proportionate to the shareholding of such minority shareholders in the Government Owned Enterprise.
9. Clause 4 of the Bill provides for the application of the Bill/Act and it will apply to Government Owned Enterprises established under the Companies Act; the Government Owned Enterprises established under the Companies Act before the commencement of the Act as set out in the First Schedule; and the Government Owned Enterprises established by other written laws before the commencement of the Act set out in the Second Schedule. It further provides that upon commencement of the Act; any new Government Owned Enterprises shall only be established as companies under the Companies Act. Finally, it provides that the Act shall not apply to state corporations that are established for non-commercial purposes.
10. Clauses 5 and 6 set out the roles of the Cabinet Secretary for National Treasury and the relevant Cabinet Secretary in respect to Government Owned Enterprises.
11. **PART II** of the Bill seeks to provide for the procedure and criteria for establishing a Government Owned Enterprise. Clauses 7 and 8 provide for commercial principles and the procedure for establishing a Government Owned Enterprise respectively while Clause 9 provides for the attributes of a Government Owned Enterprise.
12. Clause 8 provides that where a Ministry requires a Government Owned Enterprise to be established, the relevant Cabinet Secretary shall submit to the Cabinet Secretary for the National Treasury, a written request for the proposed establishment of the

Government Owned Enterprise. A Government Owned Enterprise may be established only with the prior approval of the Cabinet, and in accordance with the Companies Act.

13. The request of a Cabinet Secretary shall be accompanied by—
- (a) a written business case to the Cabinet Secretary for the National Treasury, with detailed justification for establishing the Government Owned Enterprise;
  - (b) the business case shall be informed by a feasibility assessment report for the purpose of ascertaining—
    - (i) the financial and economic viability of establishing the proposed Government Owned Enterprise;
    - (ii) whether or not the proposed activity cannot be achieved through an existing Government Owned Enterprise or through the private sector;
    - (iii) whether or not there is a need to establish a new Government Owned Enterprise;
    - (iv) the functions and objective that the Government Owned Enterprise establishment is supposed to attain;
    - (v) how the activities of the proposed Government Owned Enterprise will fit in the relevant Ministry's mandate and medium-term strategy, and aid the realization of the objectives of the programmes under the relevant Ministry;
    - (vi) how the establishment of the Government Owned Enterprise shall impact the fiscal position of the Government; and
    - (vii) the amount of Government share.
14. Where in the assessment of the Cabinet Secretary for the National Treasury the proposed establishment of a Government Owned Enterprise meets the criteria set out, the Cabinet Secretary for the National Treasury shall submit the request to the Cabinet for consideration and approval.
15. Upon approval of the establishment of the Government Owned Enterprise by the Cabinet, the necessary establishment processes shall be undertaken by the Cabinet Secretary for the National Treasury.
16. Where in the assessment of the Cabinet Secretary for the National Treasury the request does not meet the criteria set out, the Cabinet Secretary for the National Treasury shall inform the relevant Cabinet Secretary of the outcome of the assessment, in writing, within thirty days of receipt of the report and state the reasons thereof.
17. **PART III** of the Bill seeks to provide for the management of a Government Owned Enterprises. It provides for Board of Directors of Government Owned Enterprises (GOEs); qualifications for appointment as a chairperson or member of a Board;

disqualification; establishment, qualifications and procedures of the selection panel for independent directors of GOEs whose role shall be to conduct a structured, transparent and competitive process of search and selection of persons suitable for nomination by the Cabinet Secretary for appointment by the respective Government Owned Enterprises as independent directors; role of the Board, meetings, remuneration; establishment of an Audit Committee, the appointment of Chief Executive officer, among others.

18. Clause 18 of the Bill provides for the functions of the Board of a Government Owned Enterprise which shall be responsible for—

- (a) the appointment and removal of the Chief Executive Officer;
- (b) the determination of the terms and conditions of employment of the Government Owned Enterprise staff, taking into consideration all relevant factors, including industry dynamics and the sustainability of the Government Owned Enterprise, subject to such guidelines as the Cabinet Secretary for the National Treasury may issue;
- (c) setting of the Government Owned Enterprise strategic direction and approval of strategic plans;
- (d) the approval of annual budgets and the related funding for a Government Owned Enterprise level;
- (e) setting key performance indicators for the Chief Executive Officer;
- (f) the establishment of risk governance and risk management systems and processes, including setting the risk appetite for the business of the Government Owned Enterprise, taking into consideration shareholder risk preference;
- (g) establishing and overseeing internal control systems and their continuous testing for efficiency and effectiveness;
- (h) performance evaluation of the Chief Executive Officer and top-level management;
- (i) entering into performance contracts with the National Treasury;
- (j) putting in place systems and processes to ensure compliance with all legal and regulatory requirements and frameworks;
- (k) putting in place succession management framework and business continuity plan comprising—
  - nomination processes to identify candidates for consideration by the Cabinet Secretary for the National Treasury for appointment to the Board; and
  - succession plans for the Chief Executive Officer and other critical positions within management ranks of the Government Owned Enterprise; and
  - establishment and implementation of a Board self-evaluation system.

19. **PART IV** of the Bill seeks to provide for the performance of a Government Owned Enterprises. Clause 26 provides for business plans for GOEs. Clause 27 provides for performance management of GOEs. It provides that the Cabinet Secretary shall by means of performance contracts convey to each GOE performance targets for the specified period. The Board of GOE shall enter into performance contracts with the Cabinet Secretary for the National Treasury.
20. Clause 28 provides for performance evaluation of GOEs. It provides that the Cabinet Secretary shall be responsible for performance evaluation of GOEs and for purposes of performance evaluation, may co-opt relevant external experts that may include those from relevant Ministries. It further provides that the Board of a GOE shall be responsible for the evaluation of the performance of the Chief Executive Officer. In addition, the Cabinet Secretary may determine a performance incentive system for Boards of GOEs. The Board of a Government Owned Enterprise may determine a performance incentive system for the Chief Executive Officer and the rest of the staff of the GOE.
21. **PART V** of the Bill provides for public service obligations of the GOEs. Clause 29 provides clarity on the meaning of public service obligations of a GOE. It means obligations to undertake activities that the Board of a GOE establishes to the satisfaction of the Cabinet Secretary for the National Treasury—
- are not in the commercial interests of the Government Owned Enterprise to perform
  - arise because of a direction, notification or duty to the public by the Government Owned Enterprise
  - do not arise because of the application of the commercial principles
22. Clause 29 prohibits the Cabinet Secretary for the National Treasury from assigning public service obligations to listed GOEs.
23. Clause 30 provides for the procedure of assigning a GOE a Public Service Obligation. It provides that a proposal on Public Service Obligations to be assigned to a Government Owned Enterprise may be originated by the relevant Ministries for consideration by the Cabinet Secretary for the National Treasury. The Cabinet Secretary may, upon evaluating the merits of the proposal of the public service obligations for assignment to a Government Owned Enterprise, submit the proposal to the Cabinet for consideration. The Cabinet Secretary shall assign a public service obligation to a Government Owned Enterprise only after approval by Cabinet.
24. The public service obligations shall be—
- costed and accounted for separately

- audited separately
  - time bound.
25. Clause 30 further clarifies that the National Treasury shall not originate public service obligations for assignment to a Government Owned Enterprise. The Cabinet Secretary may limit the number of public service obligations that may be assigned to an individual Government Owned Enterprise. Further, public service obligations shall not form part of performance contracts to be signed between the Cabinet Secretary and a Government Owned Enterprise.
26. Clause 31 seeks to stipulate enforcement of Public Service Obligations.
27. **PART VI** of the Bill seeks to provide for reporting and disclosure. Clauses 32 and 33 provide for reporting and disclosure respectively and Clause 34 provides for financial transparency.
28. **PART VII** of the Bill provides for the power of the Cabinet Secretary to make Regulations for the effective implementation of the Act.
29. **PART VIII** of the Bill seeks to provide for general provisions and they include dissolution, mergers, funds of the Government Owned enterprise. Clauses 37, 38 and 39 seek to provide for the financial year, annual estimates. Clause 40 provides for transition and savings provisions.

## CHAPTER THREE

### 3. PUBLIC PARTICIPATION AND STAKEHOLDER ENGAGEMENT ON THE BILL

#### 3.1 LEGAL FRAMEWORK ON PUBLIC PARTICIPATION

30. Article 118 (1)(b) of the Constitution provides that:

*“Parliament shall facilitate public participation and involvement in the legislative and other business of Parliament and its Committees.”*

31. The National Assembly Standing Order 127 (3) and (3A) stipulates that:

*“(3) The Departmental Committee to which a Bill is committed shall **facilitate public participation on the Bill** through an appropriate mechanism including-*

- (a) inviting submission of memoranda;*
- (b) holding public hearings;*
- (c) consulting relevant stakeholders in a sector; and*
- (d) consulting experts on technical subjects.*

*(3A) The Departmental Committee shall take into account the views and recommendations of the public under paragraph (3) in its report to the House.”*

#### 3.2 MEMORANDA RECEIVED ON THE BILL

32. Pursuant to the aforementioned provisions of law, the Clerk of the National Assembly placed an advertisement in the print media on 20th August 2025 inviting the public to submit memoranda on the Bill. In addition, the Clerk of the National Assembly vide letter Ref. No. NA/DDC/F&NP/2025/081 and Ref. No. NA/DDC/F&NP/2025/086 dated 8th October 2025 and 15th October 2025 respectively, invited key stakeholders to submit views on the Bill and attend a public participation forum on 13th October 2025 and 23rd October 2025.

33. The Committee received six memoranda from the following stakeholders: Institute of Certified Public Accountants of Kenya (ICPAK), Capital Markets Authority (CMA), the National Treasury, Ichiban Tax & Business Advisory, CDH and WeCare CBO.

##### 3.2.1 GENERAL SUBMISSIONS

##### 3.2.2 CAPITAL MARKETS AUTHORITY

While appearing before the Committee, CMA supported the Bill in its entirety.

34. Specifically, they were in support of Clause 10 (1) noting that the composition of the Board of a Government Owned Enterprise reflects strong adherence to principles of

good corporate governance and aligns with international best practices for state owned entities.

35. Additionally, the Authority was in support of clause 17 stating that it provides clarity on the tenure of independent directors, distinguishing between Government Owned Enterprises (GOEs) that are wholly owned by the Government and those with mixed ownership structures.

### **3.2.3 THE NATIONAL TREASURY**

The National Treasury appeared before the Committee and submitted as follows;

36. The National Treasury stated that the State corporations are legal entities that have traditionally been created by Government to undertake specific development activities on behalf of Government. State corporations established to undertake commercial activities are formally known as Government Owned Enterprises (GOEs).
37. Government Owned Enterprises reforms at any one time reflect the policy agenda of Government which takes into account domestic and global dynamics. The reform plan is aimed at achieving the following key objectives as outlined in the Medium-Term Development Plan:
- i. Build Resilience of our economy to enable it withstand any future shocks);
  - ii. Mobilize private sector resources to fund priority public infrastructure-
  - iii. Capital Markets Development: Privatization provides diversity of bankable investments by the private sector through increased market liquidity, and strengthening the financial sector hence mitigating capital flight and sustaining macro and fiscal credibility of our economy; and,
  - iv. Enhancing Equitable Development across the country (Reforms undertaken especially across agricultural sphere like the Sugar, Cotton, Tea, Coffee and Milk sub-sectors are aimed at promoting regional development).
38. Further, they stated that to provide an applicable legal framework and institutionalize the SOE reforms being undertaken, the proposed GOE Bill aims at transitioning key project developments in commercial SOEs from public sector driven policy to private sector participatory approach. The private sector has more efficiency in resources allocation and will enhance timely delivery of projects without straining the fiscal space letting Government undertake key social projects.
39. The Government Owned Enterprises Bill, 2025 (GOE Bill, 2025) is a proposed legal framework for enhanced corporate governance and greater accountability to support better performance of Government Owned Enterprises (GOEs).

40. GOEs are state corporations that have a **commercial** (for-profit) mandate. They highlighted that the GOE Bill, 2025 will, therefore, not apply for the time being to the approximately 240 non-commercial state corporations but will apply to the approximately 60 national Government entities that were established to operate on commercial principles and to make profit. These GOEs were established to make profit and pay reasonable dividends to the exchequer; as opposed to operating marginally and making losses, or even worse, relying on the exchequer and posing fiscal risks.
41. The legal instruments through which the GOEs that exist in Kenya today are not uniform – some were established through Acts of Parliament, others through the Legal Notice provisions of the State Corporations Act and others as companies under the Companies Act. The GOE Bill, 2025, proposes to have all the GOEs to be incorporated as companies under the Companies Act in order to re-focus these GOEs on their commercial mandate and also provide a better legal setting for well-established good practices of corporate governance. The Companies Act setting also transitions the GOEs to be on the same legal platform as their private sector peers in the respective industries.
42. They informed the Committee that on 3<sup>rd</sup> November 2023, the Cabinet approved the **Ownership Policy for Government Owned Enterprises (GOEs) in Kenya** (Ownership Policy) and also approved the commencement of the necessary legal reforms to give effect to the provisions of the Ownership Policy. The GOE Bill, 2025, is a translation into law of the Ownership Policy and is part of the wider and on-going initiatives to deepen governance reforms in the State Corporations sector. The proposals in the GOE Bill 2025 are informed by lessons from past experience in Kenya and by established good corporate governance practices.
43. Finally, they stated that a number of existing Acts of Parliament shall be repealed upon enactment of this Bill, while consequential amendments shall apply to the rest of the relevant Acts (see Section 40 of the GOE Bill, 2025).

### **3.2.4 CLAUSE BY CLAUSE SUBMISSION**

#### **ICPAK**

#### **Clause 2**

44. The Institute proposed amending the definition to be aligned with Clause 37(1). This will help avoid ambiguity and provide clarity on source of funding in the event the government wants to finance those entities.

#### **Committee Observation**

**The Committee observed that there was no ambiguity between clause 2 and clause 37(1) of the Bill.**

### Clause 3

45. **WeCare CBO** proposed amending the clause by introducing two new sub clauses k and l to read as follows;
- (k) *To promote citizens' oversight and participation in governance of Government Owned Enterprises, and*
  - (l) *Ensuring gender-responsive and inclusive governance structures.*
46. They highlighted that amending the clause reflects Articles 10 and 232 of the Constitution of Kenya and will enhance equity, accountability and legitimacy.

### Committee Observation

**The Committee observed that the first proposed new object is already addressed in the Bill whereas the second proposed new object does not fit within the clause. In any case, constitutional provisions are the grund norm.**

### ICHIBAN

#### Clause 4 (1) (c)

47. **Ichiban** proposed deleting the clause or amending paragraph 29 of the Third Schedule. They noted that the separation of state entities which were covered under the State Corporation Act without repealing the State Corporation Act leads to duplication of other same roles and models of management. The proposed GOEs can be covered under the State Corporation Act with some amendments such as the proposed performance incentive system. The repeal of the entire State Corporation Act through proposed Paragraph 29 of the Third Schedule of the GOE Bill and effectively placing all state entities under the proposed GOE Bill would also streamline the management of state entities without duplication.

### Committee Observation

**The Committee observed that clause 4(1) (c) of the Bill provides that the Act applies to the Government Owned Enterprises established by other written laws before the commencement of the Act set out in the Second Schedule. The Second Schedule sets out 18 state corporations including the Agricultural Finance Corporation, Kenya Airports Authority and Kenya Literature Bureau. Thus, paragraph 29 of the Third Schedule to the Bill seeks to amend the definition of state corporation to include a Government Owned Enterprise. The Bill does not seek to apply to the approximately 240 non-commercial state corporations but to approximately 66 national government entities that were established to operate on commercial principles.**

## **WECARE CBO**

### **Clause 5**

48. **WeCare CBO** proposed amending the clause by introducing paragraph (i) for the Cabinet Secretary to publish the annual performance and audit reports of the Government-Owned Enterprises publicly. This will promote transparency and ensure compliance with Section 80 of the Public Finance Management Act and Article 201(d) of the Constitution of Kenya.

### **Committee Observation**

**The Committee observed that clause 33 of the Bill addresses the stakeholder's concerns.**

## **ICPAK**

### **New provisions**

#### **Clause 5(1) and 5(2)**

49. ICPAK proposed inserting new sub-paragraphs to read as follows;

*“The Cabinet Secretary shall manage shareholding functions through an autonomous Ownership Unit established in the National Treasury and staffed on a merit basis; the Ownership Unit shall operate under published terms of reference and annual performance targets.”*

### **Committee Observation**

**The Committee observed that the proposal could be implemented administratively through regulations.**

#### **Clause 5(1) and 5(2)**

*“Appointments of Chairpersons for GOEs designated as systemically important shall be subject to parliamentary vetting and approval.”*

50. They noted that this creates a professional ownership function, preserves ministerial accountability while reducing ad-hoc political influence.

### **Committee Observation**

**The Committee observed that the proposal would make the appointment of chairpersons bureaucratic. In any case, the procedure of nominations and appointment outlined in the Bill was adequate to address the stakeholder's concerns.**

## **ICHIBAN**

### **Clause 9 (3)**

51. **Ichiban** proposed deleting the clause. They stated that the fiscal risks present would force the State to step in with bail-outs or guarantees in case of major GOE failure or losses. The taxpayers are at risk of having to bear the cost of financing the GOEs in the event of misappropriation of funds.

### **Committee Observation**

**The Committee observed that the provision was important. In any case, safeguards in our statutes are in place to address misappropriation of funds.**

### **ICPAK**

#### **Clause 10**

52. **ICPAK** proposed amending Clause 10 by inserting after Clause 10(1) to read as follows;
- i. At least 30% of Board members shall be of either gender;*
  - ii. At least one member shall have demonstrable expertise in ESG (environmental, social, governance) matters;*
  - iii. At least one member shall have public finance or commercial restructuring experience for GOEs with material fiscal exposure.*

53. They noted that this improves decision quality, ESG oversight and fiscal risk understanding.

### **Committee Observation**

**The Committee noted the stakeholder's proposal and agreed to have a provision for there to be regard to gender, youth, persons with disability and regional diversity when appointing the chairperson and members of the Board of GOEs. The Committee also agreed to provide for degree qualification.**

### **WECARE CBO**

54. **We Care CBO** proposed amending the clause to include PWDs, women, youth, and civil society representatives on the Board of Directors. They stated that this will ensure fair representation on the Board of Directors and mitigate against the potential for state capture and also it ensures inclusive representation and diversity in decision-making, reflecting the voices of all segments of society. Additionally, it promotes equity, accountability, and participatory governance in the management of public institutions.

### **Committee Observation**

**The Committee agreed to the proposal except for civil society representatives.**

### **ICPAK**

#### **Clause 11**

55. ICPAK proposes amending the clause to read as follows;  
A person shall be eligible for appointment as chairperson or member of the Board of a Government Owned Enterprise if the person—

- (a) Has demonstrable expertise and experience in at least one of the following fields: finance, accounting, auditing, risk management, economics, law, engineering, or corporate governance;
- (b) Has not less than ten years' professional experience, five of which must be at senior management level;
- (c) Is a member in good standing of a recognized professional body, where applicable;
- (d) meets the requirements of Chapter Six of the Constitution; and
- (e) is not a politically exposed person or a person who has held political office within the preceding five years.

56. They noted that this will ensure appointments are merit based, enhance professionalism, and safeguard independence from political influence.

**Committee Observation**

**The Committee agreed to the proposal.**

**ICPAK**

**Clause 13**

57. **ICPAK** submitted that the selection process lacks publication, shortlist and conflicts disclosure. They proposed amending the clause by inserting a new subsection after 13 (1) to read as follows:

*“All board vacancies shall be publicly advertised for not less than 21 days. The selection panel shall publish the shortlist.”*

58. This increases competition, reduces patronage, strengthens public confidence.

**Committee Observation**

**The Committee noted the stakeholder's proposal but was of the view that this could be provided for in regulations and addressed administratively.**

**ICPAK**

**Clause 14 (1) and (2f)**

59. The Institute noted that the current provision does not explicitly bar politically exposed persons or individuals affiliated with political parties from serving on the selection panel thus creating a loophole where political actors, though barred from serving as board members could still dominate the process of appointing those boards. They proposed amending the clause to read as follows:

- (1) A person shall qualify for appointment as a member of the selection panel if such person;
  - (a) holds a recognized university degree in law, finance, economics, accounting, or governance;
  - (b) has at least fifteen years' professional experience, ten of which must be in senior leadership;

(c) is a member in good standing of a recognized professional body, where applicable; and

(d) meets the requirements of Chapter Six of the Constitution.

(2)(f) A person shall not qualify if he or she is a politically exposed person, has served in a political party office within the preceding five years, or has any conflict of interest in relation to GOEs.

60. This ensures that the safeguards intended for board appointments are not undermined at the selection stage, thereby preserving the independence and professionalism.

**Committee Observation**

**The Committee agreed with the stakeholder.**

**ICPAK**

**Clause 17 (3) & (4)**

61. ICPAK submitted that the current provision allows directors retained under rotation to continue without an independent check. They proposed amending the clause to read as follows;

*“(3) Subject to subsection (2), the retirement by rotation shall be in such a way that at each rotation one third of the members of the board shall be retained, provided that the members retained under this subsection shall be subject to vetting and confirmation by the selection panel established under Clause 13, before continuation in office.*

*(4)(j) Independent directors shall not be eligible for appointment to any other Government Owned Enterprise within two years of the expiry of their term.”*

62. They highlighted that a two-year cooling-off period before joining another board stops individuals from “board hopping”. Additionally, introducing a requirement that the one-third of directors retained during rotation be vetted and confirmed by the independent selection panel strengthens accountability and ensures only competent and ethical members continue in office.

**Committee Observation**

**The Committee observed that the current provision was adequate.**

**WECARE CBO**

**Clause 18 (j)**

63. **WeCare CBO** proposed amending the clause to mandate the Board to also publicly publish strategic plans, performance contracts, and annual/quarterly reports on the Government Owned Enterprises. This aligns to the principles of openness under Article 35. They noted that by making this information public, public trust is enhanced and informed public oversight is promoted

**Committee Observation**

**The Committee observed that the stakeholder’s proposal is addressed in clause 33 of the Bill.**

## **ICPAK**

### **Clause 22 (3)(a)**

64. ICPAK noted that GOEs often operate in complex, highly commercial, and competitive sectors (e.g., energy, transport, finance). The Bill seeks to address past governance gaps, which often included the appointment of unqualified individuals. Mandating a Master's degree serves as an objective, merit-based benchmark for intellectual capacity and specialized knowledge in corporate governance, risk management, and regulatory compliance, thereby safeguarding public resources.
65. They proposed amending the clause to read as follows;  
*“A Master's degree, especially in fields like Business related, Finance, or specialized Engineering/Law,”*
66. This ensures the CEO possesses the advanced analytical and strategic planning skills necessary to navigate these complexities, meet financial targets, and execute the enterprise's commercial mandate.

## **Committee Observation**

**The Committee observed that the academic qualification provided in the clause was sufficient.**

### **Clause 22 (5)**

67. The Institute noted that the clause fails to mandate a structured, objective, and transparent process for the reappointment of the CEO for the second term. The absence of a formal review process for re-eligibility allows for subjective or political influence over a critical leadership position.
68. They proposed amending the clause that the CEO's eligibility for reappointment for a second term must be subject to a comprehensive performance evaluation conducted by the Board (as per Clause 28), and the re-appointment must be formally ratified by the Cabinet Secretary for the National Treasury as the ultimate shareholder. The evaluation criteria and outcome must also be documented.
69. **ICPAK** highlighted that introducing a structured, merit-based review for the second term ensures that the continuity of leadership is based on proven performance and competence, strengthening the accountability framework for the enterprise's operational head.

### **Committee Observation**

The Committee noted the stakeholder's proposal but was of the view that the matter could be addressed administratively.

### **WECARE CBO**

#### **Clause 27**

70. **WeCare CBO** proposed amending the clause to include citizen feedback mechanisms, like status reports, performance scorecards and surveys. They noted that this will promote integrity, ensure accountability to service users, and reflects Article 232 on responsive public service.

### **Committee Observation**

The Committee was of a different view that the proposal needed not be provided for in the statute.

### **ICPAK**

#### **Clause 30**

71. **ICPAK** submitted that Public Service Obligations risk creating unfunded liabilities and crowding out commercial activity. They proposed amending the clause to read as follows;
- i. *All Public Service Obligations proposals must be independently costed and time-bound;*
  - ii. *Full funding shall be provided via a dedicated Public Service Obligations appropriation in the national budget before implementation.*
  - iii. *No Public Service Obligations shall be assigned without a Treasury certification of affordability and an approved PSO agreement published in full.*

72. This protects Government Owned Enterprise commercial viability and fiscal transparency.

### **Committee Observation**

The Committee observed that the clause as provided in the Bill was adequate.

### **ICPAK**

#### **Clause 34 (a)**

73. The Institute noted that the clause is inadequate as to which standard to adopt in line with International accounting standards (e.g. IAS 24 & IPSAS 20). IFRS/IPSAS ensures compliance with globally accepted financial reporting standards. They proposed amending the clause to provide clear guideline on standards to be adopted for accountability and conformity to reporting.

### **Committee Observation**

**The Committee noted the stakeholder's proposal but was of the view that the standards need not be included in the Bill.**

### **ICPAK**

#### **Clause 34 (c)**

74. **ICPAK** proposed amending the clause to require clear identification and disclosure of transactions with all Directors (Executive and Non-Executive) and all Key Management Personnel (KMP). Furthermore, the term "related party" should be formally defined in line with international accounting standards.

### **Committee Observation**

**The Committee noted the stakeholder's proposal but was of the view that the clause was adequate.**

### **WeCare CBO**

#### **Clause 36**

75. **WeCare CBO** proposed amending the clause to require public participation to be conducted before dissolving or merging any Government-Owned Enterprises. They noted that there is no provision for the same in the Bill, and this enhances accountability and active citizen involvement as envisioned in Article 10 of the constitution.

### **Committee Observation**

**The Committee noted the stakeholder's proposal but was of the view that since public participation is a constitutional imperative, it needs not be provided for in the Bill.**

### **ICPAK**

#### **Clause 40**

76. **ICPAK** highlighted that employee rights and pension liabilities need independent verification and social protections. The current provision risks transferring existing inefficiencies, undisclosed liabilities, and governance weaknesses from state corporations to the new Government Owned Enterprises without adequate safeguards.

77. They proposed amending the clause to ensure prior to any transfer, merger or dissolution, an independently audited Transition Plan shall be published, including full valuation of pension liabilities, a staff redeployment and retraining plan, and an

allocation for severance where redeployment is not feasible. Pension rights accrued shall be preserved in full.

78. Additionally, they proposed amending the clause to read as follows;

- (1) *Notwithstanding the repeal of the Acts listed in the Third Schedule, no transfer of assets, liabilities, or functions to a Government Owned Enterprise shall take effect unless and until an independent audit of assets, liabilities, contingent liabilities, and contractual obligations of the entity being reconstituted has been undertaken by the Auditor-General or an independent auditor approved by the Auditor-General.*
- (2) *The audit report prepared under subsection (1) shall be submitted to the Cabinet Secretary for the National Treasury, laid before the National Assembly, and published on the National Treasury website prior to the effective transfer date.*
- (3) *Where material legacy risks are identified, the Cabinet Secretary shall develop and publish a mitigation plan to address such risks before transfer.*
- (4) *Every Government Owned Enterprise established under this Act shall comply with the governance, transparency, reporting, and performance management requirements of this Act within a period not exceeding three years from the commencement date.*
- (5) *Any exemption or extension beyond the period specified in subsection (4) shall require approval of the National Assembly and shall be subject to annual reporting of progress towards compliance.*

### **Committee Observation**

**The Committee agreed with the stakeholder. However, on the proposal for publication of transition plan, the Committee noted that this was administrative which could be provided for in regulations.**

### **ICPAK**

#### **New proposal**

ICPAK proposed inserting new subsection as follows;

#### **79. Audit and Disclosure Prior to Transition**

- (1) Before the transfer of any assets, liabilities, contracts, or staff under this Schedule, the Auditor-General or an independent auditor approved by the Auditor-General shall prepare and publish an audit report identifying:
  - (a) The value and condition of assets;
  - (b) All liabilities, including loans, guarantees, and contingent obligations;
  - (c) Pending litigation and associated risks; and
  - (d) Governance weaknesses that may affect continuity.
- (2) The audit report under subparagraph (1) shall be made public, and the transfer shall not take effect until the National Assembly has been duly notified.

80. They noted that without a mandatory audit and disclosure process, there is a high risk that hidden debts, unresolved litigation, and governance weaknesses from the old corporations will simply be carried forward into the new entities.

**Committee Observation**

**The Committee agreed with the stakeholder.**

**81. Phased Compliance**

(1) Each successor company established under this Schedule shall develop a compliance roadmap within six months of incorporation, outlining how it will meet the requirements of this Act.

(2) Full compliance with the provisions of this Act shall be achieved within a maximum of three (3) years from the commencement date.

(3) The compliance roadmap and annual progress reports shall be published on the enterprise's website and submitted to the National Treasury and the National Assembly

82. The Institute highlighted that setting a three-year compliance limit, with mandatory progress reporting, guarantees that all successor companies align with the governance, transparency, and reporting standards of the Act within a reasonable timeframe.

**Committee Observation**

**The Committee noted the stakeholder's proposal but was of the view that this was administrative.**

## CHAPTER FOUR

### 4. COMMITTEE OBSERVATIONS

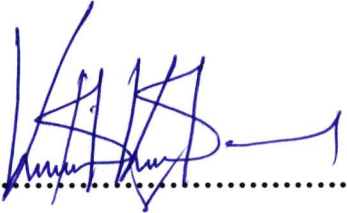
83. The Committee made the following observations:

- (a) The Bill seeks to institutionalize Government Owned Enterprises (GOE) reforms establishment of an ownership regime and legal framework for better performance of Government Owned Enterprises and effective creation of value for the public; establishment of governance structures that facilitate achievement of commercial objectives of Government Owned Enterprises; and enhancement of accountability and appropriate incentives for Government Owned Enterprises to operate on commercial principles. This will ensure commercial viability of these entities.
- (b) The Bill also provides for the carrying out of public service obligations, on a separate operational and accounting basis and with contractual arrangements to give full compensation to Government Owned Enterprises for such activities, whenever Government Owned Enterprises are required to perform public service obligations. It provides for clarity on these entities which would not operate on commercial principles or be driven by profitability but a duty or service to citizens.
- (c) The cumulative challenges arising out of weak regulatory framework on Government Owned Enterprises will be addressed through enactment of the Bill. These challenges include financial drain on Government resources occasioned by poorly run GOEs, little or no capacity on personnel managing GOEs, lack of accountability and dynamism demanded by the market, among others.

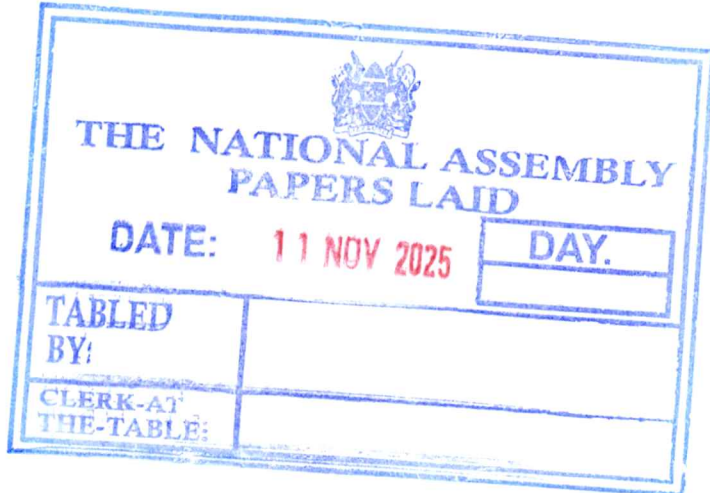
**CHAPTER FIVE**

**5. COMMITTEE RECOMMENDATION**

84. The Committee, having considered the Government Owned Enterprises Bill (National Assembly Bill No. 40 of 2025) recommends that the House approves the Bill with amendments as contained in the Schedule of amendments on Chapter six of this Report.

SIGNED..........DATE.....11<sup>th</sup> Nov, 2025

**HON. CPA KURIA KIMANI, CBS, MP  
CHAIRPERSON  
DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL  
PLANNING**





THE NATIONAL ASSEMBLY  
THIRTEENTH PARLIAMENT - FOURTH SESSION - 2025

DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL PLANNING.  
ADOPTION LIST

REPORT ON THE GOVERNMENT OWNED ENTERPRISES BILL (NATIONAL  
ASSEMBLY BILL NO. 40 OF 2025)

We, the Members of the Departmental Committee on Finance and National Planning have pursuant to Standing Order 199, adopted this Report and affix our signatures to affirm our approval and confirm its accuracy, validity and authenticity today, Tuesday, 4<sup>th</sup> November 2025.

S/NO.	NAME	SIGNATURE
1.	HON. (CPA). KURIA KIMANI, CBS, MP - <b>CHAIRPERSON</b>	
2.	HON. (AMB). BENJAMIN KIPKIRUI LANGAT, MP - <b>VICE CHAIRPERSON</b>	
3.	HON. KALUMA PETER OPONDO, CBS, MP	
4.	HON. GEORGE SUNKUYIA RISA, MP	
5.	HON. (CPA) JOSEPH MAERO OYULA, MP	
6.	HON. ANDREW ADIPO OKUOME, MP	
7.	HON. DAVID MWALIKA MBONI, MP	
8.	HON. CHIFOROMODO MANGALE MUNGA, MP	
9.	HON. MAINA BETTY NJERI, MP	
10.	HON. (CPA) JULIUS KIPLETING RUTTO, MP	
11.	HON. PAUL KIBICHIY BIEGO, MP	
12.	HON. UMUL KER SHEIKH KASSIM, MP	
13.	HON. DR. SHADRACK MWITI ITHINJI, MP	
14.	HON. DR. JOHN ARIKO NAMOIT, MP	
15.	HON. MOHAMED SOUD MACHELE, MP	



**THE NATIONAL ASSEMBLY**  
THIRTEENTH PARLIAMENT - FOURTH SESSION-2025  
**DIRECTORATE OF DEPARTMENTAL COMMITTEES**

**MINUTES OF THE 77<sup>TH</sup> SITTING OF THE DEPARTMENTAL COMMITTEE ON  
FINANCE AND NATIONAL PLANNING HELD ON TUESDAY 11<sup>TH</sup> NOVEMBER,  
2025 IN THE MINI CHAMBER, COUNTY HALL, AT 10:30 A.M**

---

**PRESENT**

- |  |   |                         |
|--|---|-------------------------|
| 1. Hon. CPA. Kuria Kimani, CBS, MP               | - | <b>Chairperson</b>      |
| 2. Hon. (Amb.) Benjamin Kipkirui Langat, CBS, MP | - | <b>Vice-Chairperson</b> |
| 3. Hon. Umul Ker Sheikh Kassim, MP               |   |                         |
| 4. Hon. (Dr.) John Ariko Namoit, MP              |   |                         |
| 5. Hon. Andrew Adipo Okuome, MP                  |   |                         |
| 6. Hon. Julius Kipletting Rutto, MP              |   |                         |
| 7. Hon. George Sunkuyia Risa, MP                 |   |                         |
| 8. Hon. Paul Kibichiy Biego, MP                  |   |                         |
| 9. Hon. David Mwalika Mboni, MP                  |   |                         |
| 10. Hon. Chiforomodo Munga Mangale, MP           |   |                         |
| 11. Hon. CPA. Joseph Maero Oyula, MP             |   |                         |

**ABSENT WITH APOLOGY**

1. Hon. Mohamed Soud Machele, MP
2. Hon. Peter Kaluma, CBS, MP
3. Hon. Betty N. Maina, MP
4. Hon. (Dr.) Shadrack Mwiti Ithinji, MP

**COMMITTEE SECRETARIAT**

- |                       |   |                        |
|-----------------------|---|------------------------|
| 1. Mr. Salem Lorot    | - | Legal Counsel I        |
| 2. Mr. Benson Kamande | - | Clerk Assistant III    |
| 3. Ms. Winfred Kambua | - | Clerk Assistant III    |
| 4. Ms. Joyce Wachera  | - | Hansard Officer II     |
| 5. Ms. Nelly Ondieki  | - | Research Officer III   |
| 6. Mr. Benson Muthuri | - | Serjeant At Arms       |
| 7. Mr. Allan Kimani   | - | Intern, Audio Services |
| 8. Mr. Ian Kinuthia   | - | Intern                 |

**AGENDA**

1. Prayers
2. Preliminaries/Introductions
3. Communication from the Chairperson
4. Confirmation of Minutes/Matters Arising

5. **Consideration and Adoption of, The Government Owned Enterprises Bill (National Assembly Bill No. 40 of 2025).**
6. Any other Business
7. Adjournment/Date of the Next Sitting.

**MIN No. NA/F & NP/2025/295:                      PRELIMINARIES**

The meeting was called to order at 10.27 a.m. with a word of prayer by the Chairperson. This was followed by self-introductions of the Members present.

**MIN No. NA/F & NP/2025/296:                      CONFIRMATION OF MINUTES**

Confirmation of minutes of the previous sittings were differed to the next sitting.

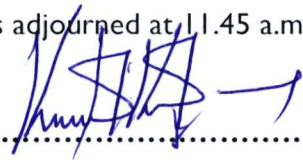
**MIN No. NA/F & NP/2025/297: CONSIDERATION AND ADOPTION OF, THE GOVERNMENT OWNED ENTERPRISES BILL (NATIONAL ASSEMBLY BILL NO. 40 OF 2025)**

The meeting deliberated at length and agreed on the observations and recommendations contained in Chapter four and five of the Reports. The Report was thereafter adopted as having been proposed by Hon. David Mwalika Mboni, MP and seconded by Hon. Julius Kipletting Rutto, MP.

*(Comprehensive details of the reports are contained in Chapter Five of the Report on the Government Owned Enterprises Bill (National Assembly Bill No. 40 of 2025).*

**MIN No. NA/F & NP/2025/298                      ADJOURNMENT/DATE OF THE NEXT MEETING.**

The meeting was adjourned at 11.45 a.m. The next meeting will be held on notice.

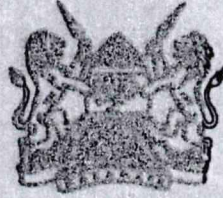
SIGNED: .....  ..... DATE: ..... 11<sup>th</sup> Nov, 2025/.....

**HON. CPA. KURIA KIMANI, CBS, MP  
CHAIRPERSON, DEPARTMENTAL COMMITTEE ON FINANCE AND  
NATIONAL PLANNING.**

**SPECIAL ISSUE**

*Kenya Gazette Supplement No. 143 (National Assembly Bills No. 40)*

---



REPUBLIC OF KENYA

---

***KENYA GAZETTE SUPPLEMENT***

**NATIONAL ASSEMBLY BILLS, 2025**

---

---

**NAIROBI, 16th July, 2025**

---

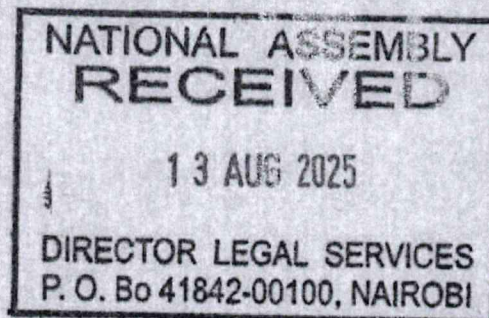
---

CONTENT

Bill for Introduction into the National Assembly —

PAGE

The Government Owned Enterprises Bill, 2025 ..... 907



RECEIVED  
FEDERAL ASSEMBLY  
DIRECTOR GENERAL SERVICES  
OTTAWA

**THE GOVERNMENT OWNED ENTERPRISES  
BILL, 2025**

**ARRANGEMENT OF CLAUSES**

*Clause*

**PART I—PRELIMINARY**

- 1—Short title.
- 2—Interpretation.
- 3—Objects.
- 4—Application.
- 5—Role of the Cabinet Secretary for the National Treasury.
- 6—Role of the relevant Cabinet Secretary.

**PART II—PROCEDURE AND CRITERIA FOR  
ESTABLISHING A GOVERNMENT OWNED  
ENTERPRISE**

- 7—Guiding principles.
- 8—Procedure for establishment of a Government Owned Enterprise.
- 9—Attributes of a Government Owned Enterprise.

**PART III—MANAGEMENT OF GOVERNMENT  
OWNED ENTERPRISES**

- 10—Board of Directors.
- 11—Qualifications for appointment as a chairperson or member of a Board.
- 12—Disqualification.
- 13—Selection panel.
- 14—Qualifications of members of the selection panel.
- 15—Vacancy.
- 16—Procedures of the selection panel.
- 17—Tenure of independent directors.
- 18—Role of the Board.
- 19—Board meetings.

- 20—Remuneration.
- 21—Audit Committee.
- 22—Chief Executive Officer.
- 23—Secretary to the Board.
- 24—Staff of Government Owned Enterprises.
- 25—Responsibility to the shareholders and the Government Owned Enterprise.

#### **PART IV—PERFORMANCE**

- 26—Business Plan.
- 27—Performance management.
- 28—Performance evaluation.

#### **PART V—PUBLIC SERVICE OBLIGATIONS**

- 29—Public Service Obligations.
- 30—Proposals.
- 31—Implementation of Public Service Obligations.

#### **PART VI—REPORTING AND DISCLOSURE**

- 32—Reporting.
- 33—Disclosure.
- 34—Financial transparency.

#### **PART VI—PROVISIONS ON DELEGATED POWERS**

- 35—Regulations

#### **PART VIII—GENERAL PROVISIONS**

- 36—Dissolution and merger of Government Owned Enterprise.
- 37—Funds of a Government Owned Enterprise.
- 38—Financial year.
- 39—Annual estimates.
- 40—Repeals and savings.

#### **FIRST SCHEDULE**

#### **SECOND SCHEDULE**

#### **THIRD SCHEDULE**

#### **FOURTH SCHEDULE**

**THE GOVERNMENT OWNED ENTERPRISES BILL,  
2025**

**A Bill for**

**AN ACT of Parliament to provide for the establishment, control, governance, performance and ownership of Government Owned Enterprises; public service obligations in respect of Government Owned Enterprises; facilitate the reconstitution of existing Government Owned Enterprises into public limited liability companies for the transfer of the assets, liabilities and the business of the Government Owned Enterprises to companies and for connected purposes**

**ENACTED** by the Parliament of Kenya, as follows—

**PART I— PRELIMINARY**

1. This Act may be cited as the Government Owned Enterprises Act, 2025 and shall come into operation on such day as the Cabinet Secretary for the National Treasury may, by notice in the *Gazette*, appoint.

Short title and commencement.

2. In this Act, unless the context otherwise requires—

Interpretation.

“Board” means the Board of a Government Owned Enterprise constituted in accordance with section 10;

“Cabinet Secretary” means the Cabinet Secretary of the National Treasury;

“Chairperson” means a Chairperson of a Board of a Government Owned Enterprise appointed in accordance with section 10(2);

“Chief Executive Officer” means a person appointed in accordance with section 15;

“commencement date” means the date of commencement of

this Act;

“independent director” means an independent director of a Board of a Government Owned Enterprise appointed in accordance with section 10(3);

“Government” means the national government;

“Government Owned Enterprise” means a company which—

- (a) is a legal person under the ownership and control of the national government;
- (b) the national government or national government entity is a shareholder with more than fifty percent of the share capital of the corporation;
- (c) has been assigned financial and operational powers to carry on a business activity;
- (d) as its main business, supplies goods or services in accordance with ordinary commercial principles; and
- (e) is financed wholly or substantially from sources that do not require annual appropriation by National Assembly, or imposition of a tax, levy or other charge under legislation.

“relevant Cabinet Secretary” means the Cabinet Secretary for the time being responsible for the sector under which the business of the Government Owned Enterprise falls;

“relevant Ministry” means the Ministry for the time being responsible for the sector under which the business of the Government Owned Enterprise falls; and

“public service obligations” means obligations that the National Treasury may assign to Government Owned Enterprises which involve activities that are not financially viable to the Government Owned Enterprise and for which a subsidy, or full funding, by means of budgetary resources is required to sustain the activities.

3. The object of this Act is to—

- (a) establish an ownership regime and legal framework for better performance of Government Owned Enterprises and effective creation of value for the public;
- (b) establish governance structures that facilitate achievement of commercial objectives of Government Owned Enterprises;
- (c) enhance accountability and appropriate incentives for Government Owned Enterprises to operate on commercial principles;

Objects.

- (d) position the Government as an informed and active owner that is neither too passive nor unduly interfering with Government Owned Enterprises;
- (e) establish a transparent public service obligations accounting and funding structure that does not interfere with commercial objectives of the Government Owned Enterprises;
- (f) provide for separation and allocation of ownership roles between the National Treasury and the relevant Ministries;
- (g) establish a commercially-focused performance management framework for Government Owned Enterprises in which the National Treasury is the one-stop reference;
- (h) provide for the carrying out of public service obligations, on a separate operational and accounting basis and with contractual arrangements to give full compensation to Government Owned Enterprises for such activities, whenever Government Owned Enterprises are required to perform public service obligations;
- (i) enhance the standards of transparency and disclosure of corporate information and periodic reports of Government Owned Enterprises; and
- (j) provide a mechanism by which minority shareholders in Government Owned Enterprises are enabled to elect a number of persons, for appointment as independent directors in the Board of directors that is proportionate to the shareholding of such minority shareholders in the Government Owned Enterprise.

4.(1) This Act shall apply to—

Application.

- (a) Government Owned Enterprises established under the Companies Act;
- (b) the Government Owned Enterprises established under the Companies Act before the commencement of this Act as set out in the First Schedule; and

Cap. 486.

(c) the Government Owned Enterprises established by other written laws before the commencement of this Act set out in the Second Schedule.

(2) Upon commencement of this Act, any new Government Owned Enterprises shall only be established as companies under the Companies Act.

(3) This Act shall not apply to state corporations that are established for non-commercial purposes.

5. (1) The Cabinet Secretary shall exercise ownership over the Government Owned Enterprises by ---

Role of the  
Cabinet Secretary.

- (a) determining, based on the criteria set in section 8(3), whether or not a proposal for the establishment of Government Owned Enterprises merits consideration and approval by Cabinet;
- (b) holding shares in Government Owned Enterprises in trust on behalf of the national government;
- (c) nominating, through a structured, transparent and competitive search and selection process, persons to be appointed as non-executive directors of the Government Owned Enterprises, through an independent search and selection panel;
- (d) entering into performance contracts with Government Owned Enterprises based on key performance indicators and agreed performance targets;
- (e) designing and implementing a performance incentive system for Boards of Directors of Government Owned Enterprises;
- (f) establishing a remuneration system for Boards of Directors of Government Owned Enterprises;
- (g) carrying out performance evaluation of Government Owned Enterprises; and
- (h) assigning, where necessary, Public Service Obligations to Government Owned Enterprises after approval by Cabinet.

(2) The Cabinet Secretary for the National Treasury shall, from time to time, and not less than once a year, publish in the *Gazette* a list of Government Owned Enterprises.

6. The relevant Cabinet Secretary may—

Roles of the relevant Cabinet Secretary.

- (a) propose the establishment of a Government Owned Enterprise for consideration by the Cabinet Secretary for the National Treasury;
- (b) formulate sectoral policies that shall be applicable to Government Owned Enterprises and private enterprises in the sector; and
- (c) propose Public Service Obligations to the Cabinet Secretary for the National Treasury for assignment to Government Owned Enterprises, where necessary.

**PART II—PROCEDURE AND CRITERIA FOR ESTABLISHING A GOVERNMENT OWNED ENTERPRISE**

7. The following principles shall apply when determining a request for the establishment of a Government Owned Enterprise—

Guiding principles.

- (a) the role for a Government Owned Enterprise to fill a gap left by the market forces;
- (b) a Government Owned Enterprise shall operate on commercial principles and with a defined commercial income stream that substantially supports the associated commercial activities;
- (c) where activities involving tax expenditures demonstrate that public expenditure is less effective in achieving the national government objective but can effectively be undertaken on a commercial basis; and
- (d) there is no overlap or duplication of functions when establishing a Government Owned Enterprise within the national government.

8. (1) Where a Ministry requires a Government Owned Enterprise to be established, the relevant Cabinet Secretary shall submit to the Cabinet Secretary for the National Treasury, a written request for the proposed establishment of the Government Owned Enterprise.

Procedure for the establishment of a Government Owned Enterprise.

(2) A Government Owned Enterprise may be established only with the prior approval of the Cabinet, and in accordance with the Companies Act.

(3) The request of a Cabinet Secretary under subsection (1) shall be accompanied by—

- (a) a written business case to the Cabinet Secretary for the National Treasury, with detailed justification for establishing the Government Owned Enterprise;
- (b) the business case in subsection (3)(a) shall be informed by a feasibility assessment report for the purpose of ascertaining—
  - (i) the financial and economic viability of establishing the proposed Government Owned Enterprise;
  - (ii) whether or not the proposed activity cannot be achieved through an existing Government Owned Enterprise or through the private sector;
  - (iii) whether or not there is a need to establish a new Government Owned Enterprise;
  - (iv) the functions and objective that the Government Owned Enterprise establishment is supposed to attain;
  - (v) how the activities of the proposed Government Owned Enterprise will fit in the relevant Ministry's mandate and medium-term strategy, and aid the realization of the objectives of the programmes under the relevant Ministry;
  - (vi) how the establishment of the Government Owned Enterprise shall impact the fiscal position of the Government; and
  - (vii) the amount of Government share.

(4) Where in the assessment of the Cabinet Secretary for the National Treasury the proposed establishment of a Government Owned Enterprise meets the criteria set in subsection (3), the Cabinet Secretary for the National Treasury shall submit the request to the Cabinet for consideration and approval.

(5) Upon approval of the establishment of the Government Owned Enterprise by the Cabinet, the

necessary establishment processes shall be undertaken by the Cabinet Secretary for the National Treasury.

(6) Where in the assessment of the Cabinet Secretary for the National Treasury the request does not meet the criteria set in subsection (3), the Cabinet Secretary for the National Treasury shall inform the relevant Cabinet Secretary of the outcome of the assessment, in writing, within thirty days of receipt of the report and state the reasons thereof.

9. (1) A Government Owned Enterprise shall operate as a commercial entity and shall—

Attributes of a  
Government  
Owned Enterprise.

- (a) operate for profit;
- (b) be self-financing;
- (c) be self-sustaining; and
- (d) be accountable to the public through the National Treasury.

(2) Notwithstanding subsection (1), a Government Owned Enterprise may, in addition to its commercial functions, perform public service obligations.

(3) A Government Owned Enterprise which also performs public service obligations shall operate on a commercial basis and shall, for the purpose of financing the achievement of public service obligations, be funded through the Government budgetary resources.

(4) The operations of a Government Owned Enterprise shall be undertaken in accordance with this Act and the instrument of incorporation.

(5) The Cabinet Secretary for the National Treasury shall annually publish an inventory of Government Owned Enterprises in the *Gazette*.

### PART III—MANAGEMENT OF GOVERNMENT OWNED ENTERPRISES

10. (1) A Government Owned Enterprise shall be managed by a Board of Directors which shall consist of—

Board of  
Directors.

- (a) a chairperson, who is an independent director;
- (b) six persons who are independent directors;

- (c) one person who is a public officer nominated by the Cabinet Secretary for the National Treasury from within the National Treasury;
- (d) one person who is a public officer designated in writing by the relevant Cabinet Secretary for the relevant Ministry; and
- (e) the chief executive officer who shall be an *ex-officio* member of the Board.

(2) The Board of directors shall elect the chairperson from among the independent directors.

(3) The Cabinet Secretary for the National Treasury shall nominate persons to be appointed by a Government Owned Enterprise as independent directors.

11. A person shall be eligible for appointment as a chairperson or member of the Board of a Government Owned Enterprise, if the person —

- (a) has proven business leadership or relevant professional experience;
- (b) has served in a senior management or leadership position for a period of at least five years;
- (c) has not served in the same Government Owned Enterprise as an employee in the immediately preceding five years; and
- (d) meets the requirements of Chapter Six of the Constitution.

Qualifications for appointment as a chairperson or member of a Board.

12. (1) A person is not qualified to be appointed as an independent director of a Government Owned Enterprise, if that person—

- (a) was employed by the Government Owned Enterprise or its related parties, including its major shareholders, in the preceding five years;
- (b) is an adviser or consultant to the Government Owned Enterprise or its related parties and is affiliated with a company that is an adviser or consultant to the Government Owned Enterprise or its related parties;

Disqualification.

- (c) is affiliated with a significant customer or supplier of the Government Owned Enterprise or its related parties, including banks or other financial institutions owned by the Government or any of its major shareholders;
- (d) has personal service contracts with the Government Owned Enterprise, its related parties, or its senior management;
- (e) is affiliated with any organisation, that receives significant funding from the Government Owned Enterprise or its related parties;
- (f) is employed as an executive of another company where any of the company's executives serve on that company's board of directors;
- (g) is a member of the immediate family of an individual who is, or has been during the immediately preceding five years, employed by the Government Owned Enterprise or its related parties as an executive officer;
- (h) is, or has in the immediately preceding five years has been, affiliated with or employed by a present or former auditor of the Government Owned Enterprise or of a related party;
- (i) is a controlling person of the Government Owned Enterprise (or member of a group of individuals or entities that collectively exercise effective control over the company) or such a person's close relative, widow, in-law, heir, legatee, and successor of any of the foregoing or the executor is a controlling person of the Government Owned Enterprise;
- (j) has been affiliated with a political party in the immediately preceding five years; or
- (k) is a director in another company or other companies producing substantially similar goods or services as the Government Owned Entity and whose combined market share is more than forty percent.

(2) For purposes of this section—

- (a) “immediate family members” means parents, children and siblings; and
- (b) “affiliated with” means having an official connection to, in the case of a political party, to a governing body of a political party or has identified with a political party for purposes of vying for a political office”.

13. (1) The Cabinet Secretary shall appoint an independent search and selection panel which shall conduct a structured, transparent and competitive process of search and selection of persons suitable for nomination by the Cabinet Secretary for appointment by the respective Government Owned Enterprises as independent directors.

Selection panel.

(2) In the case of Government Owned Enterprises that are not wholly-owned by the Government, the Cabinet Secretary shall, through the process provided in subsection (1) participate in the nomination and where necessary election by shareholders of persons to be appointed as independent directors and shall nominate or elect a number of directors proportionate to the Government shareholding in the Government Owned Enterprise.

(3) Subject to subsection (2), the Cabinet Secretary for the National Treasury shall leave any remaining vacancies in the Boards of directors to be filled by persons nominated or where necessary, elected by minority shareholders to the extent that the proportionate shareholding of such minority shareholders may allow.

(4) The independent directors nominated or elected by minority shareholders shall meet the qualifications of an independent director and shall fulfil the fit and proper requirements that the Cabinet Secretary shall issue.

(5) The members of the search and selection panel shall consist of—

- (a) four persons, who are not public officers appointed by the Cabinet Secretary for the ;
- (b) one person who is a public officer appointed, by the Cabinet Secretary , from the National Treasury; and

(c) one person who is a public officer appointed in writing by the Principal Secretary for the State Department responsible for the sector under which the Government Owned Enterprise for which the recruitment is being undertaken falls.

(6) The Chairperson of the search and selection shall be elected by the members of the search and selection panel from among the persons in the panel who are not public officers.

(7) The members of the search and selection panel other than the members under subsection (5)(b) and (c) shall serve on a part-time basis for a non-renewable term of three years.

(8) In appointing persons to be members of the search and selection panel, the Cabinet Secretary for the National Treasury shall determine and apply an objective set of criteria, which criteria shall include diversity, independence of the persons and fulfilment of fit-and-proper requirements that the Cabinet Secretary for the National Treasury shall issue.

(9) The search and selection panel may, from time to time, co-opt into the panel persons with specific expertise and skills.

(10) The search and selection panel shall determine and apply an objective set of criteria for search and selection of persons, which criteria shall include diversity, independence of the persons and fulfilment of fit-and-proper requirements that the Cabinet Secretary for the National Treasury shall issue.

(11) The Cabinet Secretary for the National Treasury shall facilitate the operations of the selection panel.

14.(1) A person shall qualify for appointment as a member of the selection panel, if that person—

- (a) holds a degree from a university recognised in Kenya in a relevant field;
- (b) has demonstrable leadership experience in the private or public sector;
- (c) has served in a senior management position for a period of at least ten years; and

Qualifications of members of the selection panel.

(d) meets the requirements of Chapter Six of the Constitution.

(2) A person shall not qualify for appointment as a member of the selection panel, if that person —

- (a) is a member of Parliament or county assembly;
- (b) is a member of a governing body of a political party;
- (c) is an undischarged bankrupt;
- (d) has been convicted of a felony; or
- (e) has been removed from public office for contravening the provisions of the Constitution or any other law.

15. A person shall cease to be a member of the search and selection panel only, if the person — Vacancy.

- (a) becomes incapacitated to discharge their duties;
- (b) is adjudged bankrupt by a competent court of law;
- (c) becomes absent without the permission of the search and selection members for more than three consecutive meetings of the panel;
- (d) resigns by written notice given to the other members of the panel and to the Cabinet Secretary for the National Treasury;
- (e) is prohibited from being a panelist by a written law;
- (f) is convicted of a criminal offence by a competent court of law; and
- (g) becomes a holder of a political office whether or not in a legislative role.

16. (1) The selection panel shall develop its procedures for the search and selection of persons suitable for nomination as members of the Boards of directors this Act.

Procedures of the selection panel.

(2) The selection panel shall maintain a proper record of all its meetings, including minutes, in such manner as it may determine.

17.(1) In the case of a Government Owned Enterprise that is wholly-owned by the Government, an independent director once appointed shall serve for a three-year term, renewable once.

Tenure of independent directors.

(2) In the case of a Government Owned Enterprise that is not wholly-owned by Government, an independent director once appointed shall serve for a period that may be required, by a legal instrument, before a director is due to retire by rotation.

(3) Subject to subsection (2), the retirement by rotation shall be in such a way that at each rotation, one-third of the members of the Board shall be retained.

(4) A person shall cease to be an independent director only, if the person—

- (a) becomes incapacitated to discharge the duties of a director;
- (b) is adjudged bankrupt by a competent court of law;
- (c) becomes absent from three consecutive meetings of the Board without the directors' permission;
- (d) resigns by written notice given to the other directors or to the Government Owned Enterprise;
- (e) is prohibited from being a director by a written law;
- (f) is convicted of a criminal offence by a competent court of law;
- (g) becomes a holder of a political office, whether or not in a legislative role;
- (h) becomes an employee of the Government or a Government Owned Enterprise; and
- (i) ceases to meet the qualifications of an independent director in the manner stipulated in section 12.

(5) A person shall not cease to be an independent director for reasons other than those stipulated in subsection (3).

18. The Board of a Government Owned Enterprise shall be responsible for—

Role of the Board.

- (a) the appointment and removal of the Chief Executive Officer;
- (b) the determination of the terms and conditions of employment of the Government Owned Enterprise staff, taking into consideration all relevant factors, including industry dynamics and the sustainability of the Government Owned Enterprise, subject to such guidelines as the Cabinet Secretary for the National Treasury may issue;
- (c) setting of the Government Owned Enterprise strategic direction and approval of strategic plans;
- (d) the approval of annual budgets and the related funding for a Government Owned Enterprise level;
- (e) setting key performance indicators for the Chief Executive Officer;
- (f) the establishment of risk governance and risk management systems and processes, including setting the risk appetite for the business of the Government Owned Enterprise, taking into consideration shareholder risk preference;
- (g) establishing and overseeing internal control systems and their continuous testing for efficiency and effectiveness;
- (h) performance evaluation of the Chief Executive Officer and top-level management;
- (i) entering into performance contracts with the National Treasury;
- (j) putting in place systems and processes to ensure compliance with all legal and regulatory requirements and frameworks;
- (k) putting in place succession management framework and business continuity plan comprising—
  - (i) nomination processes to identify candidates for consideration by the Cabinet Secretary for the National Treasury for appointment to the Board; and
  - (ii) succession plans for the Chief Executive Officer and other critical positions within

management ranks of the Government Owned Enterprise; and

- (1) establishment and implementation of a Board self-evaluation system.

19.(1) The Board of a Government Owned Enterprise shall meet—

Board meetings.

- (a) at least once in every three months; and
- (b) at other times that the Board considers necessary for the efficient management of the business and affairs of the Government Owned Enterprise.

20.(1) The remuneration of directors of Government Owned Enterprises shall be governed by the remuneration structure and guidelines issued by the Cabinet Secretary for the National Treasury from time to time.

Remuneration.

(2) The remuneration for directors may include—

- (a) directors' fees to be recommended by directors of individual Government Owned Enterprises with the concurrence of the Cabinet Secretary for the National Treasury and determined at the Annual General Meeting or, in the case of Government Owned Enterprises wholly-owned by Government, approved by the Cabinet Secretary for the National Treasury;
- (b) sitting allowance to be determined by the Cabinet Secretary for the National Treasury; and
- (c) a bonus-type annual pay as a reward based on the extent of achievement of targets under the performance contract signed between the Cabinet Secretary for the National Treasury and the Government Owned Enterprise.

(3) The directors' fees and sitting allowances under subsections (2)(a) and (b) shall not be performance based.

21.(1) Every Board of a Government Owned Enterprise shall establish an audit committee and majority of them, including its chairperson, shall be independent directors.

Audit Committee.

(2) The audit committee shall be responsible for—

- (a) oversight of the internal audit function and other assurance providers;
- (b) engagement with external auditors;
- (c) assurance on appropriateness of measures to safeguard the assets of a Government Owned Enterprise's assets;
- (d) the review of all reports and communication with external auditors;
- (e) the review of annual financial statements of the Government Owned Enterprise, prior to their approval by the Board;
- (f) ensuring coordination between the internal and external auditors of the Government Owned Enterprise; and
- (g) overall assurance to the Board on the system of internal control, risk governance and compliance systems.

22.(1) Every Board of a Government Owned Enterprise shall have a Chief Executive Officer who shall be competitively recruited and appointed by the Board on such terms and conditions as may be specified in the instrument of appointment.

Chief Executive  
Officer

(2) The Chief Executive Officer of a Government Owned Enterprise shall be a member of the Board of directors but shall not have the power to vote.

(3) A person shall qualify for appointment as a Chief Executive Officer, if such person—

- (a) holds a degree in the relevant field from a university recognized in Kenya;
- (b) has at least ten years work experience in a relevant field;
- (c) has served in a position of senior management for a period of at least five years; and
- (d) meets the requirements of Chapter Six of the Constitution.

(4) A person shall not qualify for appointment as a Chief Executive Officer if such person—

- (a) is a member of Parliament or County Assembly;
- (b) is a member of a governing body of a political party;
- (c) is an undischarged bankrupt;
- (d) has been convicted of a felony; or
- (e) has been removed from public office for contravening the provisions of the Constitution or any other written law.

(5) A Chief Executive Officer shall hold office for a term of three years and shall be eligible for reappointment for one further term

(6) A Chief Executive Officer shall—

- (a) be responsible to the Board of the Government Owned Enterprise for the day-to-day management of the affairs of the Government Owned Enterprise; and
- (b) perform such other functions as the Board may direct.

(7) A Chief Executive Officer may be removed from office on any of the following grounds—

- (a) serious violation of the Constitution or other law;
- (b) gross misconduct;
- (c) physical or mental incapacity to perform the functions of the office;
- (d) unsatisfactory performance; or
- (e) bankruptcy.

(8) Before removal under subsection (7), the Chief Executive Officer—

- (a) may be suspended from office by the Board;
- (b) shall be informed, in writing, of the reasons for the intended removal; and
- (c) shall be given an opportunity to put in a defence against any such allegations.

23. (1) Every Government Owned Enterprise shall have a secretary to the Board who shall be qualified in terms of the law governing the practice of public secretaries and appointed by the Board.

Secretary to the Board.

(2) The secretary to the Board shall hold and vacate the office of secretary in accordance with the terms specified in the instrument of appointment to that office.

(3) The secretary to the Board shall attend all the meetings of the Board and may offer an advisory opinion or take part in the deliberations on any matter arising at the meeting, but shall not be entitled to vote on any such matter.

24. A Government Owned Enterprise may appoint such officers and other staff as are necessary for the proper discharge of the functions of the Government Owned Enterprise, upon such terms and conditions of service as the Board may determine, subject to such guidelines as the Cabinet Secretary for the National Treasury may issue.

Staff of  
Government  
Owned  
Enterprises.

25. (1) The Board shall ensure its obligations to shareholders of the Government Owned Enterprise are fulfilled and that the shareholders are duly informed in a timely manner of all material events through shareholder meetings and other communications as necessary.

Responsibility to  
the shareholders  
and the  
Government  
Owned Enterprise.

(2) The Board shall develop and implement a code of conduct for the members of the Board, as well as the employees of the Government Owned Enterprises, with a view to ensuring adherence to the highest professional standards and corporate values.

(3) The code of conduct developed under this subsection (2) shall be effectively communicated within the Government Owned Enterprise together with supporting policies and procedures, including adequate systems and controls for the identification and the redress of grievances arising from unethical practices.

#### PART IV—PERFORMANCE

26. (1) The Board of a Government Owned Enterprise shall, prior to the commencement of a financial year, adopt a business plan based on its strategic plan.

Business plan.

(2) The business plan shall be effective on the first day of the financial year to which it applies.

(3) The business plan of a Government Owned Enterprise shall form the basis of annual performance contracts to be signed between the Cabinet Secretary for the and the Government Owned Enterprise.

27.(1) The Cabinet Secretary shall by means of performance contracts convey to each Government Owned Enterprise performance targets for the specified period.

Performance  
management

(2) The Board of a Government Owned Enterprise shall enter into performance contracts with the Cabinet Secretary for the National Treasury.

(3) The performance contracts under subsection (1) shall be designed to enhance the commercial performance of a Government Owned Enterprise in ways that will—

- (a) safeguard the long-term sustainability of the Government Owned Enterprise;
- (b) enable the shareholders to make a return commensurate with the level of investment made in the Government Owned Enterprise; and
- (c) minimize the fiscal cost and risks emanating from the Government Owned Enterprise to the national exchequer.

28. (1) The Cabinet Secretary shall be responsible for performance evaluation of Government Owned Enterprises and for purposes of performance evaluation, may co-opt relevant external experts that may include those from relevant Ministries.

Performance  
evaluation

(2) The performance evaluation of Government Owned Enterprises under subsection (1) may be based on audited financial statements and any other parameters as the Cabinet Secretary for the National Treasury may determine.

(3) The Board of a Government Owned Enterprise shall be responsible for the evaluation of the performance of the Chief Executive Officer.

(4) The Cabinet Secretary may determine a performance incentive system for Boards of Government Owned Enterprises.

(5) The Board of a Government Owned Enterprise may determine a performance incentive system for the Chief Executive Officer and the rest of the staff of the Government Owned Enterprise.

#### PART V—PUBLIC SERVICE OBLIGATIONS

29. (1) For purposes of this part, public service obligations of a Government Owned Enterprise means

Public Service  
Obligations.

obligations to undertake activities that the Board of a Government Owned Enterprise establishes to the satisfaction of the Cabinet Secretary for the National Treasury—

- (a) are not in the commercial interests of the Government Owned Enterprise to perform;
- (b) arise because of a direction, notification or duty to the public by the Government Owned Enterprise; and
- (c) do not arise because of the application of the commercial principles.

(2) Notwithstanding subsection (1), the Cabinet Secretary for the National Treasury shall not assign public service obligations to listed Government Owned Enterprises.

30. (1) A proposal on Public Service Obligations to be assigned to a Government Owned Enterprise may be originated by the relevant Ministries for consideration by the Cabinet Secretary for the National Treasury.

(2) The Cabinet Secretary may, upon evaluating the merits of the proposal of the public service obligations for assignment to a Government Owned Enterprise, submit the proposal to the Cabinet for consideration.

(3) The Cabinet Secretary shall assign a public service obligation to a Government Owned Enterprise only after approval by Cabinet.

(4) The public service obligations shall be—

- (a) costed and accounted for separately;
- (b) audited separately; and
- (c) time bound.

(5) The National Treasury shall not originate public service obligations for assignment to a Government Owned Enterprise.

(6) The Cabinet Secretary may limit the number of public service obligations that may be assigned to an individual Government Owned Enterprise.

(7) Public service obligations shall not form part of performance contracts to be signed between the Cabinet Secretary and a Government Owned Enterprise.

(8) The Cabinet Secretary may, from time to time, issue guidelines on public service obligations.

31. (1) Before submitting a proposal to the Cabinet, the Cabinet Secretary may in writing inform the Government Owned Enterprise of the proposal of the public service obligation.

Implementation of public service obligations.

(2) Within thirty days of receiving the written proposal from the Cabinet Secretary, the Government Owned Enterprise shall respond to the notice in writing, stating with reasons, whether or not the Government Owned Enterprise agrees to give effect to the proposal.

(3) If the Government Owned Enterprise agrees to the proposal under subsection (2), the Cabinet Secretary, the relevant Ministry and the Government Owned Enterprise shall enter into negotiations to agree on the arrangements under which the Government Owned Enterprise can give effect to the proposal without acting inconsistently with its primary objective.

(4) If an agreement is reached under subsection (3), the arrangements for giving effect to the proposal shall be incorporated in a public service obligation agreement which shall—

- (a) be in writing;
- (b) be approved by the Cabinet Secretary and the Board of the Government Owned Enterprise;
- (c) include provision for funding or other resources to the Government Owned Enterprise;
- (d) if it provides for the Government Owned Enterprise to provide goods or services—
  - (i) specify the goods or services, including any particular quantities;
  - (ii) specify an estimate of the annual total cost to the Government Owned Enterprise for providing the goods or service, and an estimate of the annual total revenue to be received by the Government Owned Enterprise for doing so; and
  - (iii) specify how the performance of the Government Owned Enterprise will be monitored and assessed in providing the goods or services;

(e) include any other matter, not inconsistent with this Act, that is agreed between the Cabinet and the Board of the Government Owned Enterprise.

(5) The Public Service Obligations under a Public Service Obligation agreement shall be binding.

#### **PART VI – REPORTING AND DISCLOSURE**

32. (1) A Government Owned Enterprise shall make quarterly and annual reports to the Cabinet Secretary in the manner that the Cabinet Secretary for the National Treasury may prescribe from time to time. Reporting.

(2) The Cabinet Secretary may make half-yearly reports on the Government Owned Enterprise to the Cabinet and annually to the National Assembly.

(3) The Cabinet Secretary shall with respect to listed Government Owned Enterprises, make, based on publicly available information, analysed annual reports to Cabinet and the National Assembly.

33.(1) The Cabinet Secret shall make public, on the National Treasury website or on such other information platforms as may be accessible to the public— Disclosure

(a) audited annual reports of Government Owned Enterprises;

(b) annual performance evaluation results of Government Owned Enterprises; and

(c) reports on appointment of independent directors of Government Owned Enterprises and the procedures followed in arriving at such appointments.

(2) Government Owned Enterprises shall make public, on their individual websites or on such other platforms as may be accessible to the public—

(a) audited annual reports;

(b) annual performance evaluation results; and

(c) annual report on anti-corruption activities completed.

34. The Board shall ensure that the Government Owned Enterprise, keeps financial records that— Financial transparency.

- (a) correctly record and explain its transactions and financial position and performance;
- (b) enable financial statements to be prepared and be audited; and
- (c) clearly identify and disclose any transactions undertaken by the Government Owned Enterprise with any director or their close relatives, either directly or indirectly and comprising a pecuniary or non-pecuniary benefit through a company or other business established by such director.

#### **PART VII – PROVISIONS ON DELEGATED POWERS**

35. The Cabinet Secretary may make regulations generally for the better carrying into effect of the provisions of this Act.

Regulations.

(2) The Regulations under subsection (1) may prescribe—

- (a) a code of governance for Government Owned Enterprises;
- (b) the procedure for merger and dissolution of Government Owned Enterprises;
- (c) provisions of a savings or transitional nature relating to the transition from the application of the Acts and subsidiary legislation in relation to Government Owned Enterprises to the application of this Act; or
- (d) any other matter necessary for the implementation of this Act.

(3) For the purposes of Article 94(6) of the Constitution—

- (a) the purpose and objective of the delegation under this section is to enable the Cabinet Secretary to make regulations for better carrying into effect the provisions of this Act;
- (b) the authority of the Cabinet Secretary to make regulations under this Act will be limited to bringing into effect the provisions of this Act and fulfilment of the objectives specified under this section;

- (c) the principles and standards applicable to the rules made under this section are those set out in the Statutory Instruments Act, 2013.

No. 29 of 2013

### PART VIII –GENERAL PROVISIONS

36. (1) A Government Owned Enterprise may be dissolved only with the prior approval of the Cabinet and in accordance with the legislation governing the dissolution of such Government Owned Enterprise.

Dissolution and merger of Government Owned Enterprise.

(2) Subject to the provisions of any law enacted for the formation, management and dissolution of a Government Owned Enterprise, a Government Owned Enterprise may be dissolved—

- (a) upon expiry of the lifespan of a Government Owned Enterprise as may be defined in the instrument of establishment;
- (b) where a Government Owned Enterprise has carried out the mandate for which it was created;
- (c) upon reorganization of a Government Owned Enterprise and associated government functions; and
- (d) upon a merger of a Government Owned Enterprise with another.

(3) The Cabinet Secretary shall originate and review recommendations for dissolution and mergers of Government Owned Enterprises.

(4) The Cabinet Secretary may by notice in the *Gazette* prescribe guidelines for dissolution and mergers of Government Owned Enterprises.

(5) Upon approval by Cabinet of the recommendations to dissolve or merge a Government Owned Enterprise, the Cabinet Secretary for the National Treasury shall cause the dissolution or merger of the Government Owned Enterprise with another and the merger shall be subject to the Competition Act.

Cap. 504.

37. (1) The funds of a Government Owned Enterprise shall include—

Funds of a Government Owned Enterprise.

- (a) such monies as may be appropriated to the Government Owned Enterprise by National Assembly;

(b) such fees, monies or assets as may accrue to or vest in the Government Owned Enterprise in the course of the exercise of its powers or the performance of its functions under this Act or any written law; and

(c) monies from any other source provided for or donated or lent to the Government Owned Enterprise.

38. Except as otherwise provided, the financial year of a Government Owned Enterprise shall be the period of twelve months ending on the thirtieth June in each year.

Financial year.

39. The annual estimates of Government Owned Enterprises shall be prepared in accordance with the Public Finance Management Act.

Annual estimates.  
Cap. 413A

40.(1) The Acts specified in the Third Schedule are repealed.

Repeals and savings.

(2) The provisions of the Fourth Schedule shall, upon the repeal of the Acts set out in the Third Schedule, have effect with respect to the transfer of the functions, assets liabilities of the former corporation to the Company, the Corporation and the Commission, as the case may be, and to all matters incidental to such transfer.

## FIRST SCHEDULE

(s.4(1)(b))

## LIST OF GOVERNMENT OWNED ENTERPRISES

1.	East African Portland Cement Company Limited
2.	Kenya Electricity Generating Company Limited
3.	Kenya Power and Lighting Company Limited
4.	Kenya Re-Insurance Corporation Limited
5.	Agricultural Finance Corporation
6.	Kenya Airports Authority
7.	Kenya Development Corporation
8.	Kenya Literature Bureau
9.	Kenya Pipeline Corporation Limited
10.	Kenya Ports Authority
11.	Kenya Railways Corporation
12.	New Kenya Co-operative Creameries Limited
13.	Agricultural Development Corporation
14.	Kenya Seed Company Limited (GoK ownership through Agricultural Development Corporation)
15.	Kenyatta International Convention Centre
16.	National Cereals and Produce Board
17.	National Housing Corporation
18.	Numerical Machining Complex Limited (GoK ownership through Kenya Railways Corporation and Kenya Shipyards Limited)
19.	Postal Corporation of Kenya
20.	Rivatex East Africa Limited (GoK ownership through Moi University)
21.	Kenya Broadcasting Corporation
22.	Kenya Veterinary Vaccine Production Institute
23.	National Mining Corporation
24.	National Oil Corporation of Kenya
25.	Consolidated Bank of Kenya Limited
26.	Agro-Chemical and Food Company Limited (GoK ownership through Kenya Development Corporation and Agricultural Development Corporation)
27.	Development Bank of Kenya Limited (GoK ownership through Kenya Development Corporation)
28.	JKUAT Enterprises and Services Limited
29.	Jomo Kenyatta Foundation
30.	Kenya Fishing Industries Corporation
31.	Kenya Industrial Estates Limited
32.	Kenya Meat Commission

33.	Kenya National Shipping Line Limited
34.	Kenya National Trading Corporation Limited
35.	Kenya Petroleum Refineries Limited
36.	Kenya Post Office Savings Bank
37.	University of Nairobi Enterprises and Services Limited ( <i>GoK ownership through University of Nairobi</i> )
38.	Western Kenya Rice Mills Limited
39.	Bomas of Kenya ( <i>GoK ownership through Kenya Development Corporation</i> )
40.	Chemelil Sugar Company Limited ( <i>GoK ownership through Agricultural Development Corporation and Kenya Development Corporation</i> )
41.	Golf Hotel Limited ( <i>GoK ownership through Kenya Development Corporation</i> )
42.	Kabarnet Hotel Limited ( <i>GoK ownership through Kenya Development Corporation</i> )
43.	Kenya BioVax Institute Limited
44.	Kenya Safari Lodges and Hotels Ltd
45.	Miwani Sugar Company Limited
46.	Mt. Elgon Hotel Limited ( <i>GoK ownership through Kenya Development Corporation</i> )
47.	Muhoroni Sugar Company Ltd
48.	Mwea Rice Mills Limited
49.	New Kenya Planters Cooperative Union Limited
50.	Nzota Sugar Company Limited
51.	Pyrethrum Processing Company of Kenya
52.	South Nyanza Sugar Company Limited
53.	Sunset Hotel Limited ( <i>GoK ownership through Kenya Development Corporation</i> )
54.	Commodities Fund
55.	Kenya National Multi Commodities Exchange Limited
56.	Nyayo Tea Zones Development Corporation
57.	School Equipment Production Unit
58.	Government Owned Enterprises provided in the Second Schedule Cote d'Ivoire ( <i>GoK ownership through Government Owned Enterprises provided in the Second Schedule Limited</i> )
59.	Government Owned Enterprises provided in the Second Schedule Uganda SMC ( <i>GoK ownership through Government Owned Enterprises provided in the Second Schedule Limited</i> )
60.	Government Owned Enterprises provided in the Second Schedule Zambia Limited ( <i>GoK ownership through Government Owned Enterprises provided in the Second Schedule Limited</i> )

61.	<i>Kibo Seeds Limited, Tanzania (GoK ownership through Kenya Seed Company Limited)</i>
62.	<i>Simlaw Seeds Kenya Limited (GoK ownership through Kenya Seed Company Limited)</i>
63.	<i>Simlaw Seeds Rwanda (GoK ownership through Kenya Seed Company Limited)</i>
64.	<i>Simlaw Seeds Uganda Limited (GoK ownership through Kenya Seed Company Limited)</i>
65.	<i>Gatitu Tea Factory Limited (GoK ownership through Nyayo Tea Zones Corporation Limited)</i>
66.	<i>Kipchabo Tea Factory Limited (GoK ownership through Nyayo Tea Zones Corporation Limited)</i>

## SECOND SCHEDULE

(s. 4(1)(c))

STATE CORPORATION
Agricultural Finance Corporation
Kenya Airports Authority
Kenya Literature Bureau
Kenya Ports Authority
Kenya Railways Corporation
Agricultural Development Corporation
Kenya International Convention Centre
National Cereals and Produce Board
National Housing Corporation
Postal Corporation of Kenya
Kenya Broadcasting Corporation
Kenya Veterinary Vaccine Production Institute
National Mining Corporation
Kenya Fishing Industries Corporation
Kenya Meat Commission
Kenya Post Office Savings Bank
Commodities Fund
Nyayo Tea Zones Development Corporation

## THIRD SCHEDULE

(s.40(1))

**REPEALS AND CONSEQUENTIAL AMENDMENTS  
TO OTHER ACTS**

- |   |                                     |
|---|-------------------------------------|
| 1. The Agriculture Finance Corporation Act is repealed.   | Repeal of Cap. 323.                 |
| 2. The Kenya Airports Authority Act is repealed.  | Repeal of Cap. 395.                 |
| 3. The Kenya Literature Bureau Act is repealed.   | Repeal of Cap. 209.                 |
| 4. The Kenya Ports Authority Act is repealed.   | Repeal of Cap. 391.                 |
| 5. The Kenya Railways Corporation Act is repealed.  | Repeal of Cap. 397.                 |
| 6. The Agricultural Development Corporation Act is repealed.  | Repeal of Cap. 444.                 |
| 7. The National Cereals and Produce Board Act is repealed.  | Repeal of Cap. 398.                 |
| 8. The Housing Act is repealed.   | Repeal of Cap. 117.                 |
| 9. The Postal Corporation of Kenya Act is repealed.   | Repeal of Cap. 411.                 |
| 10. The Kenya Broadcasting Corporation Act is repealed.   | Repeal of Cap. 221.                 |
| 11. The National Mining Corporation Act is repealed.  | Repeal of Cap. 306.                 |
| 12. The Kenya Meat Commission Act is repealed.  | Repeal of Cap. 363.                 |
| 13. The Kenya Post Office Savings Bank is repealed.   | Repeal of Cap. 493B.                |
| 14. Section 2 of the Tourism Act is amended by deleting the words "the Convention Centre" appearing in the definition of the term "tourism agencies". | Amendment of section 2 of Cap. 381. |
| 15. The Tourism Act is amended by repealing section 40.   | Repeal of section 40 of Cap. 381.   |
| 16. The Tourism Act is amended by repealing section 41.   | Repeal of section 41 of Cap. 381.   |
| 17. The Tourism Act is amended by repealing section 42.   | Repeal of section 42 of Cap. 381.   |
| 18. The Tourism Act is amended by repealing section 43.   | Repeal of section 43 of Cap. 381.   |
| 19. The Tourism Act is amended by repealing section 44.   | Repeal of section 44 of Cap. 381.   |
| 20. The Tourism Act is amended by repealing section 45.   | Repeal of section 45 of Cap. 381.   |
| 21. The Tourism Act is amended by repealing section 46.   | Repeal of section 46 of Cap. 381.   |
| 22. The Tourism Act is amended by repealing section 47.   | Repeal of section 47 of Cap. 381.   |

- |   |   |
|---|---|
| 23. The Tourism Act is amended by repealing section 48.   | Repeal of section 48 of Cap. 381.         |
| 24. The Tourism Act is amended by repealing section 49.   | Repeal of section 49 of Cap. 381.         |
| 25. The Tourism Act is amended by repealing section 50.   | Repeal of section 50 of Cap. 381.         |
| 26. The Tourism Act is amended by repealing the Fifth Schedule.   | Repeal of the Fifth Schedule of Cap. 381. |
| 27. The Crops Act is amended by repealing section 9.  | Repeal of section 9 of Cap. 318.          |
| 28. The Crops Act is amended by repealing section 10.   | Repeal of section 10 of Cap. 318.         |
| 29. Section 2 of the State Corporations Act is amended in the definition of state corporation by adding the following new paragraph immediately after paragraph (viii)— | Amendment of section 2 of Cap. 446.       |
| (ix) a Government Owned Enterprise established before or after the commencement of the Government Owned Enterprises Act, 2025.  |   |

#### FOURTH SCHEDULE (s. 40(2))

1. (1) For the purpose of bringing the provisions of this Act into operation, the respective Government Owned Enterprises provided in the Second Schedule shall, in exercise of the powers conferred by section 30 of the Interpretation and General Provisions Act, incorporate in their names a public limited liability company under the provisions of the Companies Act.

Companies to be successor of Government Owned Enterprises.

Cap. 2.

Cap. 486.

(2) The respective Companies shall be the successor of the Government Owned Enterprises provided in the Second Schedule and, subject to this Act, all rights, duties, obligations, assets and liabilities of the Government Owned Enterprises provided in the Second Schedule existing on the commencement date shall be automatically and fully transferred to the respective Companies and any reference to the Government Owned Enterprises provided in the Second Schedule in any contract or document shall for all purposes be deemed to be a reference to the respective Company.

2. (1) Property or right vested in the respective Company by virtue of this Act which immediately before the commencement date, vested in the Government Owned Enterprises provided in the Second Schedule, either alone or jointly with any other person—

Trust property.

- (a) as trustee or custodian trustee under any trust deed, settlement, covenant or under any other instrument;
- (b) as executor or trustee of any person;
- (c) as judicial trustee appointed by order of any court; or
- (d) in any other fiduciary capacity,

shall, on the commencement date, vest in the Company alone or jointly with such other person, upon the same trusts and subject to the same powers, provisions, liabilities and obligations.

(2) An existing instrument or order of any court under or by virtue of which any property or right vested in Government Owned Enterprises provided in the Second

Schedule in any capacity specified in subsection (1), including, in the case of a will, any grant of probate thereof, and any provision therein or any existing contract or arrangement for the payment or retention by the Government Owned Enterprises provided in the Second Schedule of remuneration for its services in any such capacity shall, on and after the commencement date, be construed and have effect, so far as the context permits, as if for any reference therein to Government Owned Enterprises provided in the Second Schedule, there were substituted a reference to the respective Company.

3. Any existing contracts, agreements, conveyances, deeds, leases, licences, permits, exemptions, powers of attorney, undertakings, securities and other instruments, whether analogous to the foregoing or not, entered into by, made with or granted or addressed to the Government Owned Enterprises provided in the Second Schedule whether alone or with any other person and whether as principal or agent shall, as from the commencement date, be binding and of full force and effect in every respect against or in favour of the respective Company as if, instead of the Government Owned Enterprises provided in the Second Schedule, the respective Company had been a party thereto, bound thereby or entitled to the benefit thereof and as if any reference, express or implied, to any director, officer or employee of the Government Owned Enterprises provided in the Second Schedule as respects anything to be done on or after the commencement date, were substituted a reference to the director, officer or employee of the respective Company who most nearly corresponds thereto.

Existing contracts.

4. Without prejudice to the provisions of any other section of this Act, the following provisions shall have effect in relation to the business of the Government Owned Enterprises provided in the Second Schedule vested in the respective Companies by virtue of this Act—

Existing business.

- (a) any account between the Government Owned Enterprises provided in the Second Schedule and a customer shall, on and after the commencement date, become an account between the respective Company and the customer, with the same rights and subject to the same obligations and incidents,

including the rights of set-off as theretofore, and the account shall be deemed to be a single continuing account:

Provided that nothing in this paragraph shall affect any right of the respective Company or of the customer to vary the conditions or incidents subject to which the account is kept;

- (b) any existing instruction, direction, mandate, power of attorney, authority or consent given to or by the Government Owned Enterprises provided in the Second Schedule shall have effect, on and after the day, as if given to or by the respective Company;
- (c) any security held by the Government Owned Enterprises provided in the Second Schedule for the payment of debts or liabilities, whether present or future, actual or contingent, of any person, which is transferred to the respective Company shall, on and after the commencement date, be held by and be available to the respective Company as security for the payment of such debts and liabilities to the respective Company, and where the moneys secured by the security include future advances or liabilities of such person, the security shall, as from that day, be held by and be available to the respective Company as security for future advances to that person by, and future liabilities of, that person to the respective Company to the same extent to which the same was held by or available to the Government Owned Enterprises provided in the Second Schedule immediately before the commencement date as security for future advances or future liabilities;
- (d) the respective Company shall, in relation to any security transferred or deemed to have been transferred to it and to the moneys thereby secured, be entitled to the same rights and priorities, and be subject to the same obligations and incidents, as the Government Owned Enterprises provided in the Second Schedule would have been entitled and subject to if the

same had continued to be held by the Government Owned Enterprises provided in the Second Schedule;

- (e) any negotiable instrument or order for payment of money, whether drawn, given, accepted or endorsed before, on or after the commencement date, which is expressed to be drawn by or on, given by or to, or accepted or endorsed by the Government Owned Enterprises provided in the Second Schedule shall on or after the commencement date have effect as if it had been drawn by or on, or given by or to, or accepted or endorsed by the respective Company;
- (f) where, by the operation of the provisions of this Act, any right, liability or obligation becomes a right, liability or obligation of the respective Company, all other persons shall, on and after the commencement date, have the same rights, powers and remedies, and, in particular, the same rights and powers as to taking or defending any legal proceedings or any application to any authority, for ascertaining, perfecting or enforcing that right, liability or obligation as if it had at all times been a right, liability or obligation of the respective Company;
- (g) the custody of any documents, goods or other property held by the Government Owned Enterprises provided in the Second Schedule as bailee for any other person shall be transferred to the Company on the commencement date and the rights and obligations of the Government Owned Enterprises provided in the Second Schedule under any contract of bailment relating to such documents, goods or other property shall be transferred or deemed to be transferred to the respective Company on that day; and
- (h) any bank or other accounts, books of accounts, revenue accounts, balance sheets, audited accounts, profit and loss accounts, actuarial or other valuations, accounting records, or any other accountable documents held by or belonging to

the Government Owned Enterprises provided in the Second Schedule immediately before the commencement date shall on and after the commencement date be held by and belong to the respective Company.

5.(1) No existing legal or arbitration proceedings or application to any authority by or against the Government Owned Enterprises provided in the Second Schedule shall abate, be discontinued or be in any way prejudiced by reason only of the provisions of this Act, but the same may be prosecuted or continued by or against the respective Company and any judgement or award obtained by or against the Government Owned Enterprises provided in the Second Schedule and not fully satisfied before the commencement date shall thereafter be enforceable by or against the respective Company.

Legal proceedings.

(2) In any legal or arbitration proceedings concerning any right or liability transferred to or vested in the respective Company by this Act, a certificate under the hand of the manager of a branch of the respective Company that such right or liability has been so transferred to or vested in the respective Company shall be prima facie evidence of that transfer or vesting.

6. (1) A person who is employed by the Government Owned Enterprises provided in the Second Schedule immediately before the appointed pension schemes day shall on that day become an employee of the Company on the same terms and conditions of service as his existing terms and conditions and subject to any subsisting notice of termination, resignation or variation, and such employment with the Government Owned Enterprises provided in the Second Schedule and the respective Company shall be deemed to be continuous.

Employee and pension schemes.

(2) Reference to the Government Owned Enterprises provided in the Second Schedule in any trust deed or rules constituting or relating to any pension scheme or provident or superannuation fund of which persons employed by the Government Owned Enterprises provided in the Second Schedule are members shall, on and after the commencement date, be construed and have effect as if the same were a reference to the respective Company but so

that, for the purpose of ascertaining and calculating any right to benefits under such scheme or fund, service with the Government Owned Enterprises provided in the Second Schedule up to the commencement date shall be taken into account as if it were service with the respective Company.

(3) The operation of any of the provisions of this section shall not of itself give rise to a claim by any person to benefit under any scheme or fund referred to in subsection (2).

7. On and after the commencement date, all documents, records and admissions which would, before the commencement date, have been evidence in respect of any matter for or against the Government Owned Enterprises provided in the Third Schedule shall be admissible in evidence for or against the Company.

Evidence of books, documents, etc.

8. Notwithstanding the provisions of any other written law, no corporation or other tax, no stamp or other duty and no registration fee, filing fee, reinsurance licence fee or any other fee, shall be charged or become payable on account of any transfer or vesting of any property effected by this Act or on account of anything done under paragraph 9.

Exemptions of isles, duties, etc.

9. A public officer having the power or duty to effect or amend any entry in any register relating to property, or to issue or amend any certificate or other document effecting or evidencing title to property shall, upon request made by or on behalf of the respective Company or the owner of such property, and without making any charge or receiving any fee or other payment therefore, do all such things as are by law necessary to complete the transfer of any property effected by this Act

Duties of public officers.

10.(1) A person who immediately before the commencement of the Act held the office of Chairperson of a Board of a Government Owned Enterprise, appointed in accordance with the relevant legislation, shall, subject to the provisions of this Act, serve as the Chairperson of the Board of the Government Owned Enterprise.

Transition of Board Members and Staff.

(2) A person who immediately before the commencement of the Act held the office of member of a

Board of a Government Owned Enterprise, appointed in accordance with the relevant legislation, shall, subject to the provisions of this Act, serve as a member of the Board of the Government Owned Enterprise.

(3) A person who immediately before the commencement of the Act held the office of Chief Executive Officer of a Government Owned Enterprise, appointed in accordance with relevant legislation, shall subject to the provisions of this Act, serve as the Chief Executive Officer of the Government Owned Enterprise.

(4) A person who served as a member of staff of a Government Owned Enterprise shall, subject to the provisions of this Act, continue in office as a staff member of the Government Owned Enterprise.

## **MEMORANDUM OF OBJECTS AND REASONS**

The principal object of this Bill is to provide for the establishment, control, governance, performance and ownership of Government Owned Enterprises and public service obligations in respect of Government Owned Enterprises.

**PART I** of the Bill provides for the preliminary provisions.

**PART II** of the Bill seeks to provide for the procedure and criteria for establishing a Government Owned Enterprise. Clauses 7 and 8 provide for commercial principles and the procedure for establishing a Government Owned Enterprise while Clause 9 provides for the attributes of a Government Owned Enterprise.

**PART III** of the Bill seeks to provide for the management of a Government Owned Enterprise. Clause 10 of the Bill seeks to provide for the Board of A government Owned Enterprise. Further, clause 13 provides for a selection panel and their functions. Clause 22 provides for the appointment of a Chief Executive Officer.

Clause 26-34 further provides for the transition of state corporations established under specific Acts of Parliament to companies.

**PART IV** of the Bill seeks to provide for the performance of a Government Owned Enterprise. Clause 26 seeks to provide for a business plan based on the strategic plan of the Government Owned Enterprise.

Clause 27 of the Bill further provides for performance management while Clause 28 of the Bill provides for performance evaluation.

**PART V** of the Bill under clause 29 seeks to provide for public service obligations of the Government Owned Enterprises, Clause 30 seeks to provide for proposals of Public Service Obligations and Clause 31 seeks to stipulate enforcement of Public Service Obligations.

**PART VI** of the Bill seeks to provide for reporting and disclosure. Clauses 32 and 33 provide for reporting and disclosure respectively and Clause 34 provides for financial transparency.

**PART VII** of the Bill provides for the power of the Cabinet Secretary to make Regulations for the effective implementation of the Act.

**PART VIII** of the Bill seeks to provide for general provisions and they include dissolution, mergers, funds of the Government Owned enterprise while Clauses 37, 38 and 39 seeks to provide for the financial year, annual estimates and Clause 40 provides for transition and savings provisions.

**Statement on the delegation of legislative powers and limitation of fundamental rights and freedoms**

The Bill delegates legislative powers, but it does not limit fundamental rights and freedoms.

**Statement on whether the Bill concerns County Governments**

Paragraph 33 of Part 1 of the Fourth Schedule to the Constitution provides that public investments is a function of the National government.

In view of this, the Bill does not concern the County Governments in terms of Article 110 (1)(a) of the Constitution as it does not affect the functions and powers of County Governments.

**Statement on whether the Bill is a money Bill within the meaning of Article 114 of the Constitution**

The enactment of this Bill may occasion additional expenditure of public funds.

Dated the 16th July, 2025.

**KIMANI ICHUNG'WAH,**  
*Leader of the Majority Party.*



**THIRTEENTH PARLIAMENT- FOURTH SESSION (2025)  
THE NATIONAL ASSEMBLY**

**IN THE MATTER OF ARTICLE 118(1) (B) OF THE CONSTITUTION  
AND  
IN THE MATTER OF CONSIDERATION BY THE NATIONAL ASSEMBLY OF THE GOVERNMENT-  
OWNED ENTERPRISES BILL (NATIONAL ASSEMBLY BILL NO. 40 OF 2025)**

**INVITATION TO SUBMIT MEMORANDA**

WHEREAS, Article 118(1) (b) of the Constitution requires Parliament to facilitate public participation and involvement in the legislative and other business of Parliament and its Committees and Standing Order 127(3) of the National Assembly Standing Orders requires House Committees considering Bills to facilitate public participation;

AND WHEREAS, the Government-Owned Enterprises Bill (National Assembly Bill No. 40 of 2025) was read a First Time on Thursday, 14<sup>th</sup> August 2025, and referred to the Departmental Committee on Finance and National Planning for consideration and reporting to the House;

IT IS NOTIFIED that the Government-Owned Enterprises Bill (National Assembly Bill No. 40 of 2025) which is sponsored by the Leader of the Majority Party, seeks to provide for the establishment, control, governance, performance and ownership of Government Owned Enterprises and public service obligations in respect of Government Owned Enterprises. Among others, the Bill outlines the—

- (a) procedure and criteria for establishing a Government Owned Enterprise;
- (b) commercial principles and the procedure for establishing a Government Owned Enterprise;
- (c) attributes of a Government Owned Enterprise;
- (d) the management of a Government Owned Enterprise;
- (e) modalities of performance management and performance evaluation;
- (f) reporting and disclosure requirements;
- (g) general provisions on the dissolution, mergers, funds, financial year and submission of annual estimates of a Government Owned enterprise; and
- (h) consequential amendments to be made to several Acts of Parliament for the better carrying into effect of its provisions.

NOW THEREFORE, in compliance with Article 118(1) (b) of the Constitution and National Assembly Standing Order 127(3), the Clerk of the National Assembly hereby invites the public and stakeholders to submit memoranda on the Bill to the Departmental Committee on Finance and National Planning.

A copy of the Bill is available at the National Assembly Table Office, Main Parliament Buildings, and on [www.parliament.go.ke/the-national-assembly/house-business/bills](http://www.parliament.go.ke/the-national-assembly/house-business/bills).

The memoranda may be forwarded to the Clerk of the National Assembly, P.O. Box 41842- 00100, Nairobi; hand-delivered to the Office of the Clerk, Main Parliament Buildings, Nairobi; or emailed to [cnas@parliament.go.ke](mailto:cnas@parliament.go.ke) to be received on or before Tuesday, 27<sup>th</sup> August 2025 at 5.00 p.m.

S. NJORGE, CBS  
CLERK OF THE NATIONAL ASSEMBLY  
20<sup>th</sup> August 2025

*"For the Welfare of Society and the Just Government of the People"*



**REPUBLIC OF KENYA  
THIRTEENTH PARLIAMENT- FOURTH SESSION (2025)  
THE NATIONAL ASSEMBLY**

**IN THE MATTER OF ARTICLE 118(1) (B) OF THE CONSTITUTION  
AND  
IN THE MATTER OF CONSIDERATION BY THE NATIONAL ASSEMBLY OF THE ADVOCATES  
(AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 24 OF 2025)**

**INVITATION TO SUBMIT MEMORANDA**

WHEREAS, Article 118(1) (b) of the Constitution of Kenya requires Parliament to facilitate public participation and involvement in the legislative and other business of Parliament and its Committees, and National Assembly Standing Order 127(3) requires House Committees considering Bills to facilitate public participation;

AND WHEREAS, the Advocates (Amendment) Bill (National Assembly Bill No. 24 of 2025) was read a First Time on 19<sup>th</sup> August 2025 and referred to the Departmental Committee on Justice and Legal Affairs for consideration and reporting to the House;

IT IS NOTIFIED that the Advocates (Amendment) Bill (National Assembly Bill No. 24 of 2025) is sponsored by the Chairperson of the Departmental Committee on Justice and Legal Affairs, Hon. George Gitonga Murugara, CBS, MP, seeking to amend the Advocates Act (Cap. 16) to provide for the conferment of the rank of Senior Counsel to Advocates of the High Court of Kenya who have served in constitutional and statutory positions of leadership in the country.

NOW THEREFORE, in compliance with Article 118(1)(b) of the Constitution and Standing Order 127(3), the Clerk of the National Assembly hereby invites the public and stakeholders to submit memoranda on the Advocates (Amendment) Bill (National Assembly Bill No. 24 of 2025) to the Departmental Committee on Justice and Legal Affairs.

Copies of the Bill are available at the National Assembly Table Office, Main Parliament Buildings and on [www.parliament.go.ke/the-national-assembly/house-business/bills](http://www.parliament.go.ke/the-national-assembly/house-business/bills).

The memoranda may be forwarded to the Clerk of the National Assembly, P.O. Box 41842-00100, Nairobi; hand-delivered to the Office of the Clerk, Main Parliament Buildings, Nairobi; or emailed to [cnas@parliament.go.ke](mailto:cnas@parliament.go.ke) to be received on or before Wednesday, 3<sup>rd</sup> September 2025 at 5.00 p.m.

S. NJORGE, CBS  
CLERK OF THE NATIONAL ASSEMBLY  
20<sup>th</sup> August 2025

*"For the Welfare of Society and the Just Government of the People"*

# The Constitution @15

## The National Dialogue Inviting expert reflections on the constitution @15

27 AUGUST 2025

FROM 8:00 AM

August 27, 2025 will mark 15 years since Kenya adopted a new and transformative constitution. How has the experience been so far? Which cords have we struck right as a nation, and which ones are we still struggling to tune?

**Key focus areas**



Bill of Rights



Leadership & Integrity



Judiciary & Administration of Justice



Legislation & Representation



Public Finance



Devolution

For bookings and participation, please contact

Wycliffe; Tel: 0722 708969; Email: [wamukati@ke.nationmedia.com](mailto:wamukati@ke.nationmedia.com) | Vera; Tel: 0723 562991; Email: [vowade@ke.nationmedia.com](mailto:vowade@ke.nationmedia.com)

An Initiative of



DAILY NATION



Partners





THE NATIONAL ASSEMBLY  
OFFICE OF THE CLERK

P. O. Box 41842-00100  
Nairobi, Kenya  
Main Parliament Buildings

Telephone: +254202848000 ext. 3300  
Email: [cna@parliament.go.ke](mailto:cna@parliament.go.ke)  
[www.parliament.go.ke/the-national-assembly](http://www.parliament.go.ke/the-national-assembly)

When replying, please quote

REF: NA/DDC/F&NP/2025/086

15<sup>th</sup> October, 2025

**Hon. Shadrack John Mose, CBS**  
Solicitor General  
Office of the Attorney-General and  
Department of Justice  
Sheria House, Harambee Avenue  
**NAIROBI**

**FCPA Nancy Gathungu, CBS**  
Auditor-General of the Republic of Kenya  
3rd Floor, Anniversary Towers,  
University Way,  
**NAIROBI**

**Ms. Sheila Masinde,**  
Executive Director,  
Transparency International Kenya,  
Bishop Magua Building, Ground Floor, Wing  
B UG 7 George Padmore Lane,  
**NAIROBI**

**Ms. Jacqueline Mugo, MBS**  
Executive Director & CEO  
Federation of Kenya Employers,  
Kilimani Argwings Kodhek Road Waajiri  
House, Argwings Kodhek Road,  
**NAIROBI.**

**Prof. Paul Wachana,**  
Chairperson,  
KIPPRA  
2nd Floor Bishops Garden Towers  
P.O. Box 56445-00200,  
**NAIROBI**

**Ms. Catherine Mutava,**  
Partner  
Lexlink Consulting  
PR64+MG6, Nass Dr,  
**NAIROBI**

**Ms. Michelle W. Chege,**  
Assistant Tax Manager, Alpha Tax and  
Business Advisory Services,  
Wu Yi Plaza, Suite E22, Galana Road,  
**NAIROBI.**

**Prof. Charles Mayaka,**  
Chief Executive Officer,  
Institute Of Directors Kenya,  
Westlands, Waiyaki Way,  
**NAIROBI.**

**Prof. Joshua Abong'o Okumbe,**  
Chief Executive Officer,  
Center For Cooperate Governance,  
TRV Office Plaza, 3<sup>rd</sup> Floor, Muthithi Road,  
**NAIROBI**

**Ms. Gladwel Wathoni Otieno,**  
Chief Executive Officer,  
Africa Centre for Open Governance,  
**NAIROBI.**

**Dr. Muriithi Ndegwa PhD, OGW,  
HSC, FKIM**  
Executive Director & CEO  
Kenya Institute of Management,  
Management University of Africa, South C,  
P.O. Box 43706-00100  
**NAIROBI.**

**Ms. Diana Gichengo,**  
Executive Director  
The Institute for Social Accountability  
(TISA)  
Westlands Avenue, Wendy Court Hse,  
P.O. Box 48353, 00100  
**NAIROBI.**

**Ms. Nellie Chepkemoi**  
Manager, Policy and Advocacy  
We Care CBO  
Private Bag,  
**KISUMU**

**Ms. Linda Bonyo**  
Chief Executive Officer,  
Lawyers Hub Kenya  
ACK Garden House, 1st Ngong Avenue  
6th Floor, Block D, Upperhill,  
**NAIROBI**

**Mr. Robert K. Waruiru, FCPA(K)**  
Partner  
Ichiban Tax and Business Advisory  
Block 3.Diani Close. Off Ole Odume Road.  
**NAIROBI**

**Ms. Celine Awuor.**  
Chief Executive Officer  
International Institute of Legislative Affairs  
Kush Office Suites, Rhapta Road,  
**NAIROBI.**

**Mr. Victor Otieno Agolla**  
Managing Director  
VIFFA Consult  
George Padmore Road,  
**NAIROBI**

**Mr. Stephen Mutoro**  
Secretary General  
Consumers Federation of Kenya (COFEK)  
Rehema Place, Block F-45,  
Ngong Road/Ring Rd Killimani  
**NAIROBI**

Dear *Hon mose.*

**RE: STAKEHOLDER ENGAGEMENT ON THE CAPITAL MARKETS (AMENDMENT) BILL, (NATIONAL ASSEMBLY BILLS NO. 30 OF 2025), THE GOVERNMENT OWNED ENTERPRISES BILL, 2025 (NATIONAL ASSEMBLY BILLS NO. 40 OF 2025) AND THE PROVISIONAL COLLECTION OF TAXES AND DUTIES (REPEAL) BILL (NATIONAL ASSEMBLY BILL NO. 18 OF 2025) BY THE DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL PLANNING.**

---

The Departmental Committee on Finance and National Planning is established pursuant to National Assembly Standing Order 216 which mandates it inter alia, to *study and review all the legislation referred to it.*

The Capital Markets (Amendment) Bill, 2025 (*National Assembly Bills No. 30 of 2025*), The Government Owned Enterprises Bill, 2025 (*National Assembly Bills No. 40 of 2025*) and the Provisional Collection of Taxes and Duties (Repeal) Bill (*National Assembly Bill No. 18 of 2025*) are before the Committee for consideration and reporting to the House.

The principal object of the Capital Markets (Amendment) Bill, 2025 is to amend section 29 of the Capital Markets Act (Cap. 485 A) for the purposes of refining the provisions relating to shareholding limits within different license categories.

The principal object of the Government Owned Enterprises Bill, 2025 (*National Assembly Bills No. 40*) is to provide for the establishment, control, governance, performance and ownership of Government-owned Enterprises and Public service obligations in respect of Government-owned Enterprises and:-

The principal object of the Provisional Collection of Taxes and Duties (Repeal) Bill (*National Assembly Bill No. 18 of 2025*) is to repeal the Provisional Collection of Taxes and Duties Act (Cap. 415). The repeal has been occasioned by the declaration of the High Court in Petition No. 253 of 2018, that the Act was unconstitutional.

Pursuant to the provisions of Article 118(1) (b) of the Constitution of Kenya and Standing Order 127 (3), the Committee hereby invites you for meetings to discuss the said Bills.

The meeting will be held on **Thursday, 23<sup>rd</sup> October, 2025 at 10.00 a.m** in Committee Room 18/19, third floor, Bunge Tower.

You are required to avail twenty (20) hard copies of your submissions of each Bill to the meeting, soft copies of which may be sent to [cna@parliament.go.ke](mailto:cna@parliament.go.ke) and copied to the email addresses of the liaison officers indicated below prior to the meeting. **The template format to capture your submission is herewith attached to this letter.**

Copies of the Bills are available at the National Assembly Table Office, Main Parliament Building, and on [www.parliament.go.ke/the-national-assembly/house-business/bills](http://www.parliament.go.ke/the-national-assembly/house-business/bills)

The Committee's Liaison officer for these meeting is **Mr. Benjamin Magut** who may be contacted on **Tel. No. 0712-974-966** or **email address: benjamin.magut@parliament.go.ke** or **email address: deptcomm13@gmail.com.**

Yours



**JEREMIAH W. NDOMBI, MBS**

**For: CLERK OF THE NATIONAL ASSEMBLY**

Copy to

**Hon, Dorcas Oduor, OGW, EBS, SC**  
Attorney General of the Republic of Kenya  
Office of the Attorney General and Department of Justice  
State Law Office  
Sheria House, Harambee Avenue  
**Nairobi.**



THE NATIONAL ASSEMBLY  
OFFICE OF THE CLERK

P. O. Box 41842-00100  
Nairobi, Kenya  
Main Parliament Buildings

Telephone: +254202848000 ext. 3300  
Email: [cna@parliament.go.ke](mailto:cna@parliament.go.ke)  
[www.parliament.go.ke/the-national-assembly](http://www.parliament.go.ke/the-national-assembly)

When replying, please quote

**REF: NA/DDC/F&NP/2025/081**

**8<sup>th</sup> October, 2025**

**Mr. Wyckliffe M. Shamiah**  
Chief Executive Officer/Secretary  
Capital Market Authority (CMA)  
Embankment Plaza, 3rd Floor Longonot  
**NAIROBI**

**Mr. James Muraguri**  
Chief Executive Officer  
Institute of Public Finance  
Rosami Court, Office Number 8  
**NAIROBI**

**Ms. Edna Gitachu**  
Associate Director  
PricewaterhouseCoopers  
PWC Tower, Waiyaki way/Chiromo Road  
**NAIROBI**

**Mr. Daniel Ngumy**  
Managing Partner  
Anjarwalla & Khanna  
ALN House, Eldama Ravine Close,  
**NAIROBI**

**Mr. Kamal Shah**  
Executive Chairman  
Grant Thornton Associates  
Avocado Towers, Muthithi Road  
**NAIROBI**

**FCPA Phillip Muema**  
Managing Partner  
Andersen Tax LLP  
7<sup>th</sup> Floor Rhapta Heights, Rhapta Road  
**NAIROBI**

**Mr. George Mbatia**  
Lead Consultant  
Westminster Consulting  
6<sup>th</sup> Floor Muthangari drive, Off Waiyaki Way  
**NAIROBI**

**Ms. Faith Odhiambo**  
President  
Law Society of Kenya  
Lavington, Gitanga Road.  
**NAIROBI**

**Ms Smita Sanghrajka**  
Partner & Country Lead  
KPMG East Africa  
8<sup>TH</sup> Floor ABC Towers, Waiyaki Way  
**NAIROBI**

**Mr. Francis Kamau**  
Tax Partner  
Ernst and Young LLP, Kenya-Re Towers  
Upper Hill, Off Ragati Hill  
**NAIROBI**

**Mr. Alex Kanyo**  
Tax Partner  
Cliffe Dekker Hofmeier (Kieti Law LLP)  
Merchant Square, 3<sup>rd</sup> Floor  
Block D Riverside Drive  
**NAIROBI**

**Mr. Ernest Muriu**  
Partner  
Ernest and Martin Associates  
Slip Road off-Waiyaki Way, Westlands  
**NAIROBI**

**Mr. Alex Mathini**  
Coulson Harney LLP  
Bowmans LLP  
5<sup>th</sup> Floor, West Wing, ICEA Lion Centre  
Riverside Park, Chiromo Road  
**NAIROBI**

**Mr. Stephen Mutoro**  
Secretary General  
Consumers Federation of Kenya (COFEK)  
Rehema Place, Block F-45,  
Ngong Road/Ring Rd Killimani  
**NAIROBI**

**Mr. Fred Omondi**  
Partner, Tax and Legal Leader  
Deloitte & Touche LLP  
Deloitte Place, Muthangari Road  
**NAIROBI**

**Mr. Karaya Mokaya**  
Partner  
SKM Africa LLP  
Milimani Rd, Opp Heron Portico Hotel  
**NAIROBI**

**Mr. Farida Abbas**  
Chief Executive Officer  
British Chamber of Commerce Kenya  
Mara Road, Upper Hill  
**NAIROBI**

Dear *Ms. Odhiambo*

**RE: STAKEHOLDER ENGAGEMENT ON THE CAPITAL MARKETS (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 30 OF 2025) AND THE GOVERNMENT OWNED ENTERPRISES BILL (NATIONAL ASSEMBLY BILL NO. 40 OF 2025) BY THE DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL PLANNING.**

---

This is further to our letter Ref: NA/DDC/F&NP/2025/080 dated 25<sup>th</sup> September, 2025 **(copy attached for ease of reference).**

The Capital Markets (Amendment) Bill (*National Assembly Bill No. 30 of 2025*), and the Government Owned Enterprises Bill (*National Assembly Bill No. 40 of 2025*) (*copies attached*) are before the Committee for consideration and reporting to the House.

The principal object of the Capital Markets (Amendment) Bill, 2025 is to amend Section 29 of the Capital Markets Act (Cap. 485 A) for the purposes of refining the provisions relating to shareholding limits within different license categories.

The principal object of the Government Owned Enterprises Bill (National Assembly Bill No. 40 of 2025) is to provide for the establishment, control, governance, performance and ownership of Government-owned Enterprises and Public service obligations in respect of Government-owned Enterprises.

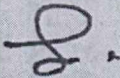
Pursuant to the provisions of Article 118(1) (b) of the Constitution of Kenya and Standing Order 127 (3), the Committee hereby invites you for a meeting to discuss the said Bills.

The meeting will be held on **Monday, 13<sup>th</sup> October, 2025** in **Committee Room 18/19, Third Floor, Bunge Tower, Parliament Buildings, at 10.00 am.**

You are required to avail twenty (20) hard copies of your submissions of each Bill to the meeting, soft copies of which may be sent to [cna@parliament.go.ke](mailto:cna@parliament.go.ke) and copied to the email addresses of the liaison officer indicated below prior to the meeting. **The template format to capture your submission is herewith attached to this letter.**

The Committee's Liaison officer for these meetings is **Mr. Benjamin Magut** who may be contacted on **Tel. No. 0712-974-966** or email address: [benjamin.magut@parliament.go.ke](mailto:benjamin.magut@parliament.go.ke) or email address: [deptcomm13@gmail.com](mailto:deptcomm13@gmail.com).

Yours



**JEREMIAH W. NDOMBI, MBS**  
**For: CLERK OF THE NATIONAL ASSEMBLY**

**TEMPLATE FOR SAMPLE MEMORANDUM**

<b>No</b>	<b>Clause</b>	<b>Description of the Clause</b>	<b>Proposal</b>	<b>Justification</b>



THE NATIONAL ASSEMBLY  
OFFICE OF THE CLERK

P. O. Box 41842-00100  
Nairobi, Kenya  
Main Parliament Buildings

Telephone: +254202848000 ext. 3300  
Email: [cna@parliament.go.ke](mailto:cna@parliament.go.ke)  
[www.parliament.go.ke/the-national-assembly](http://www.parliament.go.ke/the-national-assembly)

When replying, please quote

REF: NA/DDC/F&NP/2025/081

8<sup>th</sup> October, 2025

**Mr. Wyckliffe M. Shamiah**  
Chief Executive Officer/Secretary  
Capital Market Authority (CMA)  
Embankment Plaza, 3rd Floor Longonot  
**NAIROBI**

**Mr. James Muraguri**  
Chief Executive Officer  
Institute of Public Finance  
Rosami Court, Office Number 8  
**NAIROBI**

**Ms. Edna Gitachu**  
Associate Director  
PricewaterhouseCoopers  
PWC Tower, Waiyaki way/Chiromo Road  
**NAIROBI**

**Mr. Daniel Ngumy**  
Managing Partner  
Anjarwalla & Khanna  
ALN House, Eldama Ravine Close,  
**NAIROBI**

**Mr. Kamal Shah**  
Executive Chairman  
Grant Thornton Associates  
Avocado Towers, Muthithi Road  
**NAIROBI**

**FCPA Phillip Muema**  
Managing Partner  
Andersen Tax LLP  
7<sup>th</sup> Floor Rhapta Heights, Rhapta Road  
**NAIROBI**

**Mr. George Mbatia**  
Lead Consultant  
Westminster Consulting  
6<sup>th</sup> Floor Muthangari drive, Off Waiyaki Way  
**NAIROBI**

**Ms. Faith Odhiambo**  
President  
Law Society of Kenya  
Lavington, Gitanga Road.  
**NAIROBI**

**Ms Smita Sanghrajka**  
Partner & Country Lead  
KPMG East Africa  
8<sup>TH</sup> Floor ABC Towers, Waiyaki Way  
**NAIROBI**

**Mr. Francis Kamau**  
Tax Partner  
Ernst and Young LLP, Kenya-Re Towers  
Upper Hill, Off Ragati Hill  
**NAIROBI**

**Mr. Alex Kanyi**  
Tax Partner  
Cliffe Dekker Hofmeier (Kieti Law LLP)  
Merchant Square, 3<sup>rd</sup> Floor  
Block D Riverside Drive  
**NAIROBI**

**Mr. Ernest Muriu**  
Partner  
Ernest and Martin Associates  
Slip Road off-Waiyaki Way, Westlands  
**NAIROBI**

**Mr. Alex Mathini**  
Coulson Harney LLP  
Bowmans LLP  
5<sup>th</sup> Floor, West Wing, ICEA Lion Centre  
Riverside Park, Chiromo Road  
**NAIROBI**

**Mr. Stephen Mutoro**  
Secretary General  
Consumers Federation of Kenya (COFEK)  
Rehema Place, Block F-45,  
Ngong Road/Ring Rd Killimani  
**NAIROBI**

**Mr. Fred Omondi**  
Partner, Tax and Legal Leader  
Deloitte & Touche LLP  
Deloitte Place, Muthangari Road  
**NAIROBI**

**Mr. Karaya Mokaya**  
Partner  
SKM Africa LLP  
Milimani Rd, Opp Heron Portico Hotel  
**NAIROBI**

**Mr. Farida Abbas**  
Chief Executive Officer  
British Chamber of Commerce Kenya  
Mara Road, Upper Hill  
**NAIROBI**

Dear *Mr G. G. G. G.*

**RE: STAKEHOLDER ENGAGEMENT ON THE CAPITAL MARKETS (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 30 OF 2025) AND THE GOVERNMENT OWNED ENTERPRISES BILL (NATIONAL ASSEMBLY BILL NO. 40 OF 2025) BY THE DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL PLANNING.**

---

This is further to our letter Ref: NA/DDC/F&NP/2025/080 dated 25<sup>th</sup> September, 2025 (copy attached for ease of reference).

The Capital Markets (Amendment) Bill (*National Assembly Bill No. 30 of 2025*), and the Government Owned Enterprises Bill (*National Assembly Bill No. 40 of 2025*) (*copies attached*) are before the Committee for consideration and reporting to the House.

The principal object of the Capital Markets (Amendment) Bill, 2025 is to amend Section 29 of the Capital Markets Act (Cap. 485 A) for the purposes of refining the provisions relating to shareholding limits within different license categories.

The principal object of the Government Owned Enterprises Bill (National Assembly Bill No. 40 of 2025) is to provide for the establishment, control, governance, performance and ownership of Government-owned Enterprises and Public service obligations in respect of Government-owned Enterprises.

Pursuant to the provisions of Article 118(1) (b) of the Constitution of Kenya and Standing Order 127 (3), the Committee hereby invites you for a meeting to discuss the said Bills.

The meeting will be held on **Monday, 13<sup>th</sup> October, 2025** in **Committee Room 18/19, Third Floor, Bunge Tower, Parliament Buildings, at 10.00 am.**

You are required to avail twenty (20) hard copies of your submissions of each Bill to the meeting, soft copies of which may be sent to [cna@parliament.go.ke](mailto:cna@parliament.go.ke) and copied to the email addresses of the liaison officer indicated below prior to the meeting. **The template format to capture your submission is herewith attached to this letter.**

The Committee's Liaison officer for these meetings is **Mr. Benjamin Magut** who may be contacted on **Tel. No. 0712-974-966** or **email address: benjamin.magut@parliament.go.ke** or **email address: deptcomm13@gmail.com.**

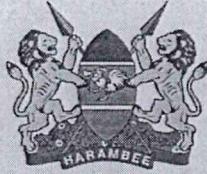
Yours



**JEREMIAH W. NDOMBI, MBS**  
**For: CLERK OF THE NATIONAL ASSEMBLY**

**TEMPLATE FOR SAMPLE MEMORANDUM**

<b>No</b>	<b>Clause</b>	<b>Description of the Clause</b>	<b>Proposal</b>	<b>Justification</b>



THE NATIONAL ASSEMBLY  
OFFICE OF THE CLERK

P. O. Box 41842-00100  
Nairobi, Kenya  
Main Parliament Buildings

Telephone: +254202848000 ext. 3300  
Email: [cna@parliament.go.ke](mailto:cna@parliament.go.ke)  
[www.parliament.go.ke/the-national-assembly](http://www.parliament.go.ke/the-national-assembly)

When replying, please quote

REF: NA/DDC/F&NP/2025/081

8<sup>th</sup> October, 2025

**Mr. Wyckliffe M. Shamiah**  
Chief Executive Officer/Secretary  
Capital Market Authority (CMA)  
Embankment Plaza, 3rd Floor Longonot  
**NAIROBI**

**Mr. James Muraguri**  
Chief Executive Officer  
Institute of Public Finance  
Rosami Court, Office Number 8  
**NAIROBI**

**Ms. Edna Gitachu**  
Associate Director  
PricewaterhouseCoopers  
PWC Tower, Waiyaki way/Chiromo Road  
**NAIROBI**

**Mr. Daniel Ngumy**  
Managing Partner  
Anjarwalla & Khanna  
ALN House, Eldama Ravine Close,  
**NAIROBI**

**Mr. Kamal Shah**  
Executive Chairman  
Grant Thornton Associates  
Avocado Towers, Muthithi Road  
**NAIROBI**

**FCPA Phillip Muema**  
Managing Partner  
Andersen Tax LLP  
7<sup>th</sup> Floor Rhapta Heights, Rhapta Road  
**NAIROBI**

**Mr. George Mbatia**  
Lead Consultant  
Westminster Consulting  
6<sup>th</sup> Floor Muthangari drive, Off Waiyaki Way  
**NAIROBI**

**Ms. Faith Odhiambo**  
President  
Law Society of Kenya  
Lavington, Gitanga Road.  
**NAIROBI**

**Ms Smita Sanghrajka**  
Partner & Country Lead  
KPMG East Africa  
8<sup>TH</sup> Floor ABC Towers, Waiyaki Way  
**NAIROBI**

**Mr. Francis Kamau**  
Tax Partner  
Ernst and Young LLP, Kenya-Re Towers  
Upper Hill, Off Ragati Hill  
**NAIROBI**

**Mr. Alex Kanyi**  
Tax Partner  
Cliffe Dekker Hofmeier (Kieti Law LLP)  
Merchant Square, 3<sup>rd</sup> Floor  
Block D Riverside Drive  
**NAIROBI**

**Mr. Ernest Muriu**  
Partner  
Ernest and Martin Associates  
Slip Road off-Waiyaki Way, Westlands  
**NAIROBI**

**Mr. Alex Mathini**  
Coulson Harney LLP  
Bowmans LLP  
5<sup>th</sup> Floor, West Wing, ICEA Lion Centre  
Riverside Park, Chiromo Road  
**NAIROBI**

**Mr. Stephen Mutoro**  
Secretary General  
Consumers Federation of Kenya (COFEK)  
Rehema Place, Block F-45,  
Ngong Road/Ring Rd Killimani  
**NAIROBI**

**Mr. Fred Omondi**  
Partner, Tax and Legal Leader  
Deloitte & Touche LLP  
Deloitte Place, Muthangari Road  
**NAIROBI**

**Mr. Karaya Mokaya**  
Partner  
SKM Africa LLP  
Milimani Rd, Opp Heron Portico Hotel  
**NAIROBI**

**Mr. Farida Abbas**  
Chief Executive Officer  
British Chamber of Commerce Kenya  
Mara Road, Upper Hill  
**NAIROBI**

Dear *Ms Sangharia*

**RE: STAKEHOLDER ENGAGEMENT ON THE CAPITAL MARKETS (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 30 OF 2025) AND THE GOVERNMENT OWNED ENTERPRISES BILL (NATIONAL ASSEMBLY BILL NO. 40 OF 2025) BY THE DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL PLANNING.**

---

This is further to our letter Ref: NA/DDC/F&NP/2025/080 dated 25<sup>th</sup> September, 2025 (copy attached for ease of reference).

The Capital Markets (Amendment) Bill (*National Assembly Bill No. 30 of 2025*), and the Government Owned Enterprises Bill (*National Assembly Bill No. 40 of 2025*) (*copies attached*) are before the Committee for consideration and reporting to the House.

The principal object of the Capital Markets (Amendment) Bill, 2025 is to amend Section 29 of the Capital Markets Act (Cap. 485 A) for the purposes of refining the provisions relating to shareholding limits within different license categories.

The principal object of the Government Owned Enterprises Bill (*National Assembly Bill No. 40 of 2025*) is to provide for the establishment, control, governance, performance and ownership of Government-owned Enterprises and Public service obligations in respect of Government-owned Enterprises.

Pursuant to the provisions of Article 118(1) (b) of the Constitution of Kenya and Standing Order 127 (3), the Committee hereby invites you for a meeting to discuss the said Bills.

The meeting will be held on **Monday, 13<sup>th</sup> October, 2025** in **Committee Room 18/19, Third Floor, Bunge Tower, Parliament Buildings, at 10.00 am.**

You are required to avail twenty (20) hard copies of your submissions of each Bill to the meeting, soft copies of which may be sent to [cna@parliament.go.ke](mailto:cna@parliament.go.ke) and copied to the email addresses of the liaison officer indicated below prior to the meeting. **The template format to capture your submission is herewith attached to this letter.**

The Committee's Liaison officer for these meetings is **Mr. Benjamin Magut** who may be contacted on **Tel. No. 0712-974-966** or email address: [benjamin.magut@parliament.go.ke](mailto:benjamin.magut@parliament.go.ke) or email address: [deptcomm13@gmail.com](mailto:deptcomm13@gmail.com).

Yours



**JEREMIAH W. NDOMBI, MBS**  
**For: CLERK OF THE NATIONAL ASSEMBLY**

**TEMPLATE FOR SAMPLE MEMORANDUM**

<b>No</b>	<b>Clause</b>	<b>Description of the Clause</b>	<b>Proposal</b>	<b>Justification</b>



THE NATIONAL ASSEMBLY  
OFFICE OF THE CLERK

P. O. Box 41842-00100  
Nairobi, Kenya  
Main Parliament Buildings

Telephone: +254202848000 ext. 3300  
Email: [cna@parliament.go.ke](mailto:cna@parliament.go.ke)  
[www.parliament.go.ke/the-national-assembly](http://www.parliament.go.ke/the-national-assembly)

When replying, please quote

**REF: NA/DDC/F&NP/2025/081**

**8<sup>th</sup> October, 2025**

**Mr. Wyckliffe M. Shamiah**  
Chief Executive Officer/Secretary  
Capital Market Authority (CMA)  
Embankment Plaza, 3rd Floor Longonot  
**NAIROBI**

**Mr. James Muraguri**  
Chief Executive Officer  
Institute of Public Finance  
Rosami Court, Office Number 8  
**NAIROBI**

**Ms. Edna Gitachu**  
Associate Director  
PricewaterhouseCoopers  
PWC Tower, Waiyaki way/Chiromo Road  
**NAIROBI**

**Mr. Daniel Ngumy**  
Managing Partner  
Anjarwalla & Khanna  
ALN House, Eldama Ravine Close,  
**NAIROBI**

**Mr. Kamal Shah**  
Executive Chairman  
Grant Thornton Associates  
Avocado Towers, Muthithi Road  
**NAIROBI**

**FCPA Phillip Muema**  
Managing Partner  
Andersen Tax LLP  
7<sup>th</sup> Floor Rhapta Heights, Rhapta Road  
**NAIROBI**

**Mr. George Mbatia**  
Lead Consultant  
Westminster Consulting  
6<sup>th</sup> Floor Muthangari drive, Off Waiyaki Way  
**NAIROBI**

**Ms. Faith Odhiambo**  
President  
Law Society of Kenya  
Lavington, Gitanga Road.  
**NAIROBI**

**Ms Smita Sanghrajka**  
Partner & Country Lead  
KPMG East Africa  
8<sup>TH</sup> Floor ABC Towers, Waiyaki Way  
**NAIROBI**

**Mr. Francis Kamau**  
Tax Partner  
Ernst and Young LLP, Kenya-Re Towers  
Upper Hill, Off Ragati Hill  
**NAIROBI**

**Mr. Alex Kanyi**  
Tax Partner  
Cliffe Dekker Hofmeier (Kieti Law LLP)  
Merchant Square, 3<sup>rd</sup> Floor  
Block D Riverside Drive  
**NAIROBI**

**Mr. Ernest Muriu**  
Partner  
Ernest and Martin Associates  
Slip Road off-Waiyaki Way, Westlands  
**NAIROBI**

**Mr. Alex Mathini**  
Coulson Harney LLP  
Bowmans LLP  
5<sup>th</sup> Floor, West Wing, ICEA Lion Centre  
Riverside Park, Chiromo Road  
**NAIROBI**

**Mr. Stephen Mutoro**  
Secretary General  
Consumers Federation of Kenya (COFEK)  
Rehema Place, Block F-45,  
Ngong Road/Ring Rd Killimani  
**NAIROBI**

**Mr. Fred Omondi**  
Partner, Tax and Legal Leader  
Deloitte & Touche LLP  
Deloitte Place, Muthangari Road  
**NAIROBI**

**Mr. Karaya Mokaya**  
Partner  
SKM Africa LLP  
Milimani Rd, Opp Heron Portico Hotel  
**NAIROBI**

**Mr. Farida Abbas**  
Chief Executive Officer  
British Chamber of Commerce Kenya  
Mara Road, Upper Hill  
**NAIROBI**

Dear *Mr. Shemian*

**RE: STAKEHOLDER ENGAGEMENT ON THE CAPITAL MARKETS (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 30 OF 2025) AND THE GOVERNMENT OWNED ENTERPRISES BILL (NATIONAL ASSEMBLY BILL NO. 40 OF 2025) BY THE DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL PLANNING.**

---

This is further to our letter Ref: NA/DDC/F&NP/2025/080 dated 25<sup>th</sup> September, 2025 **(copy attached for ease of reference).**

The Capital Markets (Amendment) Bill (*National Assembly Bill No. 30 of 2025*), and the Government Owned Enterprises Bill (*National Assembly Bill No. 40 of 2025*) (*copies attached*) are before the Committee for consideration and reporting to the House.

The principal object of the Capital Markets (Amendment) Bill, 2025 is to amend Section 29 of the Capital Markets Act (Cap. 485 A) for the purposes of refining the provisions relating to shareholding limits within different license categories.

The principal object of the Government Owned Enterprises Bill (National Assembly Bill No. 40 of 2025) is to provide for the establishment, control, governance, performance and ownership of Government-owned Enterprises and Public service obligations in respect of Government-owned Enterprises.

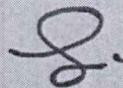
Pursuant to the provisions of Article 118(1) (b) of the Constitution of Kenya and Standing Order 127 (3), the Committee hereby invites you for a meeting to discuss the said Bills.

The meeting will be held on **Monday, 13<sup>th</sup> October, 2025** in **Committee Room 18/19, Third Floor, Bunge Tower, Parliament Buildings, at 10.00 am.**

You are required to avail twenty (20) hard copies of your submissions of each Bill to the meeting, soft copies of which may be sent to [cna@parliament.go.ke](mailto:cna@parliament.go.ke) and copied to the email addresses of the liaison officer indicated below prior to the meeting. **The template format to capture your submission is herewith attached to this letter.**

The Committee's Liaison officer for these meetings is **Mr. Benjamin Magut** who may be contacted on **Tel. No. 0712-974-966** or email address: [benjamin.magut@parliament.go.ke](mailto:benjamin.magut@parliament.go.ke) or email address: [deptcomm13@gmail.com](mailto:deptcomm13@gmail.com).

Yours



**JEREMIAH W. NDOMBI, MBS**  
**For: CLERK OF THE NATIONAL ASSEMBLY**

**TEMPLATE FOR SAMPLE MEMORANDUM**

<b>No</b>	<b>Clause</b>	<b>Description of the Clause</b>	<b>Proposal</b>	<b>Justification</b>



THE NATIONAL ASSEMBLY  
OFFICE OF THE CLERK

P. O. Box 41842-00100  
Nairobi, Kenya  
Main Parliament Buildings

Telephone: +254202848000 ext. 3300  
Email: [cna@parliament.go.ke](mailto:cna@parliament.go.ke)  
[www.parliament.go.ke/the-national-assembly](http://www.parliament.go.ke/the-national-assembly)

When replying, please quote

**REF: NA/DDC/F&NP/2025/081**

**8<sup>th</sup> October, 2025**

**Mr. Wyckliffe M. Shamiah**  
Chief Executive Officer/Secretary  
Capital Market Authority (CMA)  
Embankment Plaza, 3rd Floor Longonot  
**NAIROBI**

**Mr. James Muraguri**  
Chief Executive Officer  
Institute of Public Finance  
Rosami Court, Office Number 8  
**NAIROBI**

**Ms. Edna Gitachu**  
Associate Director  
PricewaterhouseCoopers  
PWC Tower, Waiyaki way/Chiromo Road  
**NAIROBI**

**Mr. Daniel Ngumy**  
Managing Partner  
Anjarwalla & Khanna  
ALN House, Eldama Ravine Close,  
**NAIROBI**

**Mr. Kamal Shah**  
Executive Chairman  
Grant Thornton Associates  
Avocado Towers, Muthithi Road  
**NAIROBI**

**FCPA Phillip Muema**  
Managing Partner  
Andersen Tax LLP  
7<sup>th</sup> Floor Rhapta Heights, Rhapta Road  
**NAIROBI**

**Mr. George Mbatia**  
Lead Consultant  
Westminster Consulting  
6<sup>th</sup> Floor Muthangari drive, Off Waiyaki Way  
**NAIROBI**

**Ms. Faith Odhiambo**  
President  
Law Society of Kenya  
Lavington, Gitanga Road.  
**NAIROBI**

**Ms Smita Sanghrajka**  
Partner & Country Lead  
KPMG East Africa  
8<sup>TH</sup> Floor ABC Towers, Waiyaki Way  
**NAIROBI**

**Mr. Francis Kamau**  
Tax Partner  
Ernst and Young LLP, Kenya-Re Towers  
Upper Hill, Off Ragati Hill  
**NAIROBI**

**Mr. Alex Kanyi**  
Tax Partner  
Cliffe Dekker Hofmeier (Kieti Law LLP)  
Merchant Square, 3<sup>rd</sup> Floor  
Block D Riverside Drive  
**NAIROBI**

**Mr. Ernest Muriu**  
Partner  
Ernest and Martin Associates  
Slip Road off-Waiyaki Way, Westlands  
**NAIROBI**

**Mr. Alex Mathini**  
Coulson Harney LLP  
Bowmans LLP  
5<sup>th</sup> Floor, West Wing, ICEA Lion Centre  
Riverside Park, Chiromo Road  
**NAIROBI**

**Mr. Stephen Mutoro**  
Secretary General  
Consumers Federation of Kenya (COFEK)  
Rehema Place, Block F-45,  
Ngong Road/Ring Rd Killimani  
**NAIROBI**

**Mr. Fred Omondi**  
Partner, Tax and Legal Leader  
Deloitte & Touche LLP  
Deloitte Place, Muthangari Road  
**NAIROBI**

**Mr. Karaya Mokaya**  
Partner  
SKM Africa LLP  
Milimani Rd, Opp Heron Portico Hotel  
**NAIROBI**

**Mr. Farida Abbas**  
Chief Executive Officer  
British Chamber of Commerce Kenya  
Mara Road, Upper Hill  
**NAIROBI**

Dear *Mr. Mutoro*

**RE: STAKEHOLDER ENGAGEMENT ON THE CAPITAL MARKETS (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 30 OF 2025) AND THE GOVERNMENT OWNED ENTERPRISES BILL (NATIONAL ASSEMBLY BILL NO. 40 OF 2025) BY THE DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL PLANNING.**

---

This is further to our letter Ref: NA/DDC/F&NP/2025/080 dated 25<sup>th</sup> September, 2025 (copy attached for ease of reference).

The Capital Markets (Amendment) Bill (National Assembly Bill No. 30 of 2025), and the Government Owned Enterprises Bill (National Assembly Bill No. 40 of 2025) (copies attached) are before the Committee for consideration and reporting to the House.

The principal object of the Capital Markets (Amendment) Bill, 2025 is to amend Section 29 of the Capital Markets Act (Cap. 485 A) for the purposes of refining the provisions relating to shareholding limits within different license categories.

The principal object of the Government Owned Enterprises Bill (National Assembly Bill No. 40 of 2025) is to provide for the establishment, control, governance, performance and ownership of Government-owned Enterprises and Public service obligations in respect of Government-owned Enterprises.

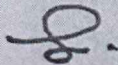
Pursuant to the provisions of Article 118(1) (b) of the Constitution of Kenya and Standing Order 127 (3), the Committee hereby invites you for a meeting to discuss the said Bills.

The meeting will be held on **Monday, 13<sup>th</sup> October, 2025** in **Committee Room 18/19, Third Floor, Bunge Tower, Parliament Buildings**, at **10.00 am**.

You are required to avail twenty (20) hard copies of your submissions of each Bill to the meeting, soft copies of which may be sent to [cna@parliament.go.ke](mailto:cna@parliament.go.ke) and copied to the email addresses of the liaison officer indicated below prior to the meeting. **The template format to capture your submission is herewith attached to this letter.**

The Committee's Liaison officer for these meetings is **Mr. Benjamin Magut** who may be contacted on **Tel. No. 0712-974-966** or **email address: benjamin.magut@parliament.go.ke** or **email address: deptcomm13@gmail.com**.

Yours



**JEREMIAH W. NDOMBI, MBS**  
**For: CLERK OF THE NATIONAL ASSEMBLY**

**TEMPLATE FOR SAMPLE MEMORANDUM**

<b><u>No</u></b>	<b>Clause</b>	<b>Description of the Clause</b>	<b>Proposal</b>	<b>Justification</b>



THE NATIONAL ASSEMBLY  
OFFICE OF THE CLERK

P. O. Box 41842-00100  
Nairobi, Kenya  
Main Parliament Buildings

Telephone: +254202848000 ext. 3300  
Email: [cna@parliament.go.ke](mailto:cna@parliament.go.ke)  
[www.parliament.go.ke/the-national-assembly](http://www.parliament.go.ke/the-national-assembly)

When replying, please quote

**REF: NA/DDC/F&NP/2025/081**

**8<sup>th</sup> October, 2025**

**Mr. Wyckliffe M. Shamiah**  
Chief Executive Officer/Secretary  
Capital Market Authority (CMA)  
Embankment Plaza, 3rd Floor Longonot  
**NAIROBI**

**Mr. James Muraguri**  
Chief Executive Officer  
Institute of Public Finance  
Rosami Court, Office Number 8  
**NAIROBI**

**Ms. Edna Gitachu**  
Associate Director  
PricewaterhouseCoopers  
PWC Tower, Waiyaki way/Chiromo Road  
**NAIROBI**

**Mr. Daniel Ngumy**  
Managing Partner  
Anjarwalla & Khanna  
ALN House, Eldama Ravine Close,  
**NAIROBI**

**Mr. Kamal Shah**  
Executive Chairman  
Grant Thornton Associates  
Avocado Towers, Muthithi Road  
**NAIROBI**

**FCPA Phillip Muema**  
Managing Partner  
Andersen Tax LLP  
7<sup>th</sup> Floor Rhapta Heights, Rhapta Road  
**NAIROBI**

**Mr. George Mbatia**  
Lead Consultant  
Westminster Consulting  
6<sup>th</sup> Floor Muthangari drive, Off Waiyaki Way  
**NAIROBI**

**Ms. Faith Odhiambo**  
President  
Law Society of Kenya  
Lavington, Gitanga Road.  
**NAIROBI**

**Ms Smita Sanghrajka**  
Partner & Country Lead  
KPMG East Africa  
8<sup>TH</sup> Floor ABC Towers, Waiyaki Way  
**NAIROBI**

**Mr. Francis Kamau**  
Tax Partner  
Ernst and Young LLP, Kenya-Re Towers  
Upper Hill, Off Ragati Hill  
**NAIROBI**

**Mr. Alex Kanyi**  
Tax Partner  
Cliffe Dekker Hofmeier (Kieti Law LLP)  
Merchant Square, 3<sup>rd</sup> Floor  
Block D Riverside Drive  
**NAIROBI**

**Mr. Ernest Muriu**  
Partner  
Ernest and Martin Associates  
Slip Road off-Waiyaki Way, Westlands  
**NAIROBI**

**Mr. Alex Mathini**  
Coulson Harney LLP  
Bowmans LLP  
5<sup>th</sup> Floor, West Wing, ICEA Lion Centre  
Riverside Park, Chiromo Road  
**NAIROBI**

**Mr. Stephen Mutoro**  
Secretary General  
Consumers Federation of Kenya (COFEK)  
Rehema Place, Block F-45,  
Ngong Road/Ring Rd Killimani  
**NAIROBI**

**Mr. Fred Omondi**  
Partner, Tax and Legal Leader  
Deloitte & Touche LLP  
Deloitte Place, Muthangari Road  
**NAIROBI**

**Mr. Karaya Mokaya**  
Partner  
SKM Africa LLP  
Milimani Rd, Opp Heron Portico Hotel  
**NAIROBI**

**Mr. Farida Abbas**  
Chief Executive Officer  
British Chamber of Commerce Kenya  
Mara Road, Upper Hill  
**NAIROBI**

Dear **Mr. Mokaya**

**RE: STAKEHOLDER ENGAGEMENT ON THE CAPITAL MARKETS (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 30 OF 2025) AND THE GOVERNMENT OWNED ENTERPRISES BILL (NATIONAL ASSEMBLY BILL NO. 40 OF 2025) BY THE DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL PLANNING.**

---

This is further to our letter Ref: NA/DDC/F&NP/2025/080 dated 25<sup>th</sup> September, 2025 (copy attached for ease of reference).

The Capital Markets (Amendment) Bill (National Assembly Bill No. 30 of 2025), and the Government Owned Enterprises Bill (National Assembly Bill No. 40 of 2025) (copies attached) are before the Committee for consideration and reporting to the House.

The principal object of the Capital Markets (Amendment) Bill, 2025 is to amend Section 29 of the Capital Markets Act (Cap. 485 A) for the purposes of refining the provisions relating to shareholding limits within different license categories.

The principal object of the Government Owned Enterprises Bill (National Assembly Bill No. 40 of 2025) is to provide for the establishment, control, governance, performance and ownership of Government-owned Enterprises and Public service obligations in respect of Government-owned Enterprises.

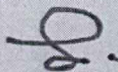
Pursuant to the provisions of Article 118(1) (b) of the Constitution of Kenya and Standing Order 127 (3), the Committee hereby invites you for a meeting to discuss the said Bills.

The meeting will be held on **Monday, 13<sup>th</sup> October, 2025** in **Committee Room 18/19, Third Floor, Bunge Tower, Parliament Buildings, at 10.00 am.**

You are required to avail twenty (20) hard copies of your submissions of each Bill to the meeting, soft copies of which may be sent to [cna@parliament.go.ke](mailto:cna@parliament.go.ke) and copied to the email addresses of the liaison officer indicated below prior to the meeting. **The template format to capture your submission is herewith attached to this letter.**

The Committee's Liaison officer for these meetings is **Mr. Benjamin Magut** who may be contacted on **Tel. No. 0712-974-966** or **email address: benjamin.magut@parliament.go.ke** or **email address: deptcomm13@gmail.com.**

Yours



**JEREMIAH W. NDOMBI, MBS**  
**For: CLERK OF THE NATIONAL ASSEMBLY**

**TEMPLATE FOR SAMPLE MEMORANDUM**

<b>No</b>	<b>Clause</b>	<b>Description of the Clause</b>	<b>Proposal</b>	<b>Justification</b>



THE NATIONAL ASSEMBLY  
OFFICE OF THE CLERK

P. O. Box 41842-00100  
Nairobi, Kenya  
Main Parliament Buildings

Telephone: +254202848000 ext. 3300  
Email: [cna@parliament.go.ke](mailto:cna@parliament.go.ke)  
[www.parliament.go.ke/the-national-assembly](http://www.parliament.go.ke/the-national-assembly)

When replying, please quote

**REF: NA/DDC/F&NP/2025/081**

**8<sup>th</sup> October, 2025**

**Mr. Wyckliffe M. Shamiah**  
Chief Executive Officer/Secretary  
Capital Market Authority (CMA)  
Embankment Plaza, 3rd Floor Longonot  
**NAIROBI**

**Mr. James Muraguri**  
Chief Executive Officer  
Institute of Public Finance  
Rosami Court, Office Number 8  
**NAIROBI**

**Ms. Edna Gitachu**  
Associate Director  
PricewaterhouseCoopers  
PWC Tower, Waiyaki way/Chiromo Road  
**NAIROBI**

**Mr. Daniel Ngumy**  
Managing Partner  
Anjarwalla & Khanna  
ALN House, Eldama Ravine Close,  
**NAIROBI**

**Mr. Kamal Shah**  
Executive Chairman  
Grant Thornton Associates  
Avocado Towers, Muthithi Road  
**NAIROBI**

**FCPA Phillip Muema**  
Managing Partner  
Andersen Tax LLP  
7<sup>th</sup> Floor Rhapta Heights, Rhapta Road  
**NAIROBI**

**Mr. George Mbatia**  
Lead Consultant  
Westminster Consulting  
6<sup>th</sup> Floor Muthangari drive, Off Waiyaki Way  
**NAIROBI**

**Ms. Faith Odhiambo**  
President  
Law Society of Kenya  
Lavington, Gitanga Road.  
**NAIROBI**

**Ms Smita Sanghrajka**  
Partner & Country Lead  
KPMG East Africa  
8<sup>TH</sup> Floor ABC Towers, Waiyaki Way  
**NAIROBI**

**Mr. Francis Kamau**  
Tax Partner  
Ernst and Young LLP, Kenya-Re Towers  
Upper Hill, Off Ragati Hill  
**NAIROBI**

**Mr. Alex Kanyi**  
Tax Partner  
Cliffe Dekker Hofmeier (Kieti Law LLP)  
Merchant Square, 3<sup>rd</sup> Floor  
Block D Riverside Drive  
**NAIROBI**

**Mr. Ernest Muriu**  
Partner  
Ernest and Martin Associates  
Slip Road off-Waiyaki Way, Westlands  
**NAIROBI**

**Mr. Alex Mathini**  
Coulson Harney LLP  
Bowmans LLP  
5<sup>th</sup> Floor, West Wing, ICEA Lion Centre  
Riverside Park, Chiromo Road  
**NAIROBI**

**Mr. Stephen Mutoro**  
Secretary General  
Consumers Federation of Kenya (COFEK)  
Rehema Place, Block F-45,  
Ngong Road/Ring Rd Killimani  
**NAIROBI**

**Mr. Fred Omondi**  
Partner, Tax and Legal Leader  
Deloitte & Touche LLP  
Deloitte Place, Muthangari Road  
**NAIROBI**

**Mr. Karaya Mokaya**  
Partner  
SKM Africa LLP  
Milimani Rd, Opp Heron Portico Hotel  
**NAIROBI**

**Mr. Farida Abbas**  
Chief Executive Officer  
British Chamber of Commerce Kenya  
Mara Road, Upper Hill  
**NAIROBI**

Dear **Mr. Shoh**

**RE: STAKEHOLDER ENGAGEMENT ON THE CAPITAL MARKETS (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 30 OF 2025) AND THE GOVERNMENT OWNED ENTERPRISES BILL (NATIONAL ASSEMBLY BILL NO. 40 OF 2025) BY THE DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL PLANNING.**

---

This is further to our letter Ref: NA/DDC/F&NP/2025/080 dated 25<sup>th</sup> September, 2025 **(copy attached for ease of reference).**

The Capital Markets (Amendment) Bill (*National Assembly Bill No. 30 of 2025*), and the Government Owned Enterprises Bill (*National Assembly Bill No. 40 of 2025*) (*copies attached*) are before the Committee for consideration and reporting to the House.

The principal object of the Capital Markets (Amendment) Bill, 2025 is to amend Section 29 of the Capital Markets Act (Cap. 485 A) for the purposes of refining the provisions relating to shareholding limits within different license categories.

The principal object of the Government Owned Enterprises Bill (*National Assembly Bill No. 40 of 2025*) is to provide for the establishment, control, governance, performance and ownership of Government-owned Enterprises and Public service obligations in respect of Government-owned Enterprises.

Pursuant to the provisions of Article 118(1) (b) of the Constitution of Kenya and Standing Order 127 (3), the Committee hereby invites you for a meeting to discuss the said Bills.

The meeting will be held on **Monday, 13<sup>th</sup> October, 2025** in **Committee Room 18/19, Third Floor, Bunge Tower, Parliament Buildings**, at **10.00 am**.

You are required to avail twenty (20) hard copies of your submissions of each Bill to the meeting, soft copies of which may be sent to [cna@parliament.go.ke](mailto:cna@parliament.go.ke) and copied to the email addresses of the liaison officer indicated below prior to the meeting. **The template format to capture your submission is herewith attached to this letter.**

The Committee's Liaison officer for these meetings is **Mr. Benjamin Magut** who may be contacted on **Tel. No. 0712-974-966** or email address: [benjamin.magut@parliament.go.ke](mailto:benjamin.magut@parliament.go.ke) or email address: [deptcomm13@gmail.com](mailto:deptcomm13@gmail.com).

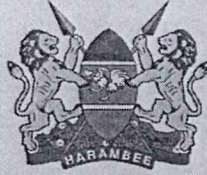
Yours



**JEREMIAH W. NDOMBI, MBS**  
**For: CLERK OF THE NATIONAL ASSEMBLY**

**TEMPLATE FOR SAMPLE MEMORANDUM**

<b><u>No</u></b>	<b>Clause</b>	<b>Description of the Clause</b>	<b>Proposal</b>	<b>Justification</b>



THE NATIONAL ASSEMBLY  
OFFICE OF THE CLERK

P. O. Box 41842-00100  
Nairobi, Kenya  
Main Parliament Buildings

Telephone: +254202848000 ext. 3300  
Email: [cna@parliament.go.ke](mailto:cna@parliament.go.ke)  
[www.parliament.go.ke/the-national-assembly](http://www.parliament.go.ke/the-national-assembly)

When replying, please quote

REF: NA/DDC/F&NP/2025/081

8<sup>th</sup> October, 2025

**Mr. Wyckliffe M. Shamiah**  
Chief Executive Officer/Secretary  
Capital Market Authority (CMA)  
Embankment Plaza, 3rd Floor Longonot  
**NAIROBI**

**Mr. James Muraguri**  
Chief Executive Officer  
Institute of Public Finance  
Rosami Court, Office Number 8  
**NAIROBI**

**Ms. Edna Gitachu**  
Associate Director  
PricewaterhouseCoopers  
PWC Tower, Waiyaki way/Chiromo Road  
**NAIROBI**

**Mr. Daniel Ngumy**  
Managing Partner  
Anjarwalla & Khanna  
ALN House, Eldama Ravine Close,  
**NAIROBI**

**Mr. Kamal Shah**  
Executive Chairman  
Grant Thornton Associates  
Avocado Towers, Muthithi Road  
**NAIROBI**

**FCPA Phillip Muema**  
Managing Partner  
Andersen Tax LLP  
7<sup>th</sup> Floor Rhapta Heights, Rhapta Road  
**NAIROBI**

**Mr. George Mbatia**  
Lead Consultant  
Westminster Consulting  
6<sup>th</sup> Floor Muthangari drive, Off Waiyaki Way  
**NAIROBI**

**Ms. Faith Odhiambo**  
President  
Law Society of Kenya  
Lavington, Gitanga Road.  
**NAIROBI**

**Ms Smita Sanghrajka**  
Partner & Country Lead  
KPMG East Africa  
8<sup>TH</sup> Floor ABC Towers, Waiyaki Way  
**NAIROBI**

**Mr. Francis Kamau**  
Tax Partner  
Ernst and Young LLP, Kenya-Re Towers  
Upper Hill, Off Ragati Hill  
**NAIROBI**

**Mr. Alex Kanyu**  
Tax Partner  
Cliffe Dekker Hofmeier (Kieti Law LLP)  
Merchant Square, 3<sup>rd</sup> Floor  
Block D Riverside Drive  
**NAIROBI**

**Mr. Ernest Muriu**  
Partner  
Ernest and Martin Associates  
Slip Road off-Waiyaki Way, Westlands  
**NAIROBI**

**Mr. Alex Mathini**  
Coulson Harney LLP  
Bowmans LLP  
5<sup>th</sup> Floor, West Wing, ICEA Lion Centre  
Riverside Park, Chiromo Road  
**NAIROBI**

**Mr. Karaya Mokaya**  
Partner  
SKM Africa LLP  
Milimani Rd, Opp Heron Portico Hotel  
**NAIROBI**

**Mr. Stephen Mutoro**  
Secretary General  
Consumers Federation of Kenya (COFEK)  
Rehema Place, Block F-45,  
Ngong Road/Ring Rd Killimani  
**NAIROBI**

**Mr. Farida Abbas**  
Chief Executive Officer  
British Chamber of Commerce Kenya  
Mara Road, Upper Hill  
**NAIROBI**

**Mr. Fred Omondi**  
Partner, Tax and Legal Leader  
Deloitte & Touche LLP  
Deloitte Place, Muthangari Road  
**NAIROBI**

Dear *Mr. Muriaguri*

**RE: STAKEHOLDER ENGAGEMENT ON THE CAPITAL MARKETS (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 30 OF 2025) AND THE GOVERNMENT OWNED ENTERPRISES BILL (NATIONAL ASSEMBLY BILL NO. 40 OF 2025) BY THE DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL PLANNING.**

---

This is further to our letter Ref: NA/DDC/F&NP/2025/080 dated 25<sup>th</sup> September, 2025 (copy attached for ease of reference).

The Capital Markets (Amendment) Bill (*National Assembly Bill No. 30 of 2025*), and the Government Owned Enterprises Bill (*National Assembly Bill No. 40 of 2025*) (*copies attached*) are before the Committee for consideration and reporting to the House.

The principal object of the Capital Markets (Amendment) Bill, 2025 is to amend Section 29 of the Capital Markets Act (Cap. 485 A) for the purposes of refining the provisions relating to shareholding limits within different license categories.

The principal object of the Government Owned Enterprises Bill (National Assembly Bill No. 40 of 2025) is to provide for the establishment, control, governance, performance and ownership of Government-owned Enterprises and Public service obligations in respect of Government-owned Enterprises.

Pursuant to the provisions of Article 118(1) (b) of the Constitution of Kenya and Standing Order 127 (3), the Committee hereby invites you for a meeting to discuss the said Bills.

The meeting will be held on **Monday, 13<sup>th</sup> October, 2025** in **Committee Room 18/19, Third Floor, Bunge Tower, Parliament Buildings, at 10.00 am.**

You are required to avail twenty (20) hard copies of your submissions of each Bill to the meeting, soft copies of which may be sent to [cna@parliament.go.ke](mailto:cna@parliament.go.ke) and copied to the email addresses of the liaison officer indicated below prior to the meeting. **The template format to capture your submission is herewith attached to this letter.**

The Committee's Liaison officer for these meetings is **Mr. Benjamin Magut** who may be contacted on **Tel. No. 0712-974-966** or **email address: benjamin.magut@parliament.go.ke** or **email address: deptcomm13@gmail.com.**

Yours



**JEREMIAH W. NDOMBI, MBS**  
**For: CLERK OF THE NATIONAL ASSEMBLY**

**TEMPLATE FOR SAMPLE MEMORANDUM**

<b>No</b>	<b>Clause</b>	<b>Description of the Clause</b>	<b>Proposal</b>	<b>Justification</b>



THE NATIONAL ASSEMBLY  
OFFICE OF THE CLERK

P. O. Box 41842-00100  
Nairobi, Kenya  
Main Parliament Buildings

Telephone: +254202848000 ext. 3300  
Email: [cna@parliament.go.ke](mailto:cna@parliament.go.ke)  
[www.parliament.go.ke/the-national-assembly](http://www.parliament.go.ke/the-national-assembly)

When replying, please quote

**REF: NA/DDC/F&NP/2025/081**

**8<sup>th</sup> October, 2025**

**Mr. Wyckliffe M. Shamiah**  
Chief Executive Officer/Secretary  
Capital Market Authority (CMA)  
Embankment Plaza, 3rd Floor Longonot  
**NAIROBI**

**Mr. James Muraguri**  
Chief Executive Officer  
Institute of Public Finance  
Rosami Court, Office Number 8  
**NAIROBI**

**Ms. Edna Gitachu**  
Associate Director  
PricewaterhouseCoopers  
PWC Tower, Waiyaki way/Chiromo Road  
**NAIROBI**

**Mr. Daniel Ngumy**  
Managing Partner  
Anjarwalla & Khanna  
ALN House, Eldama Ravine Close,  
**NAIROBI**

**Mr. Kamal Shah**  
Executive Chairman  
Grant Thornton Associates  
Avocado Towers, Muthithi Road  
**NAIROBI**

**FCPA Phillip Muema**  
Managing Partner  
Andersen Tax LLP  
7<sup>th</sup> Floor Rhapta Heights, Rhapta Road  
**NAIROBI**

**Mr. George Mbatia**  
Lead Consultant  
Westminster Consulting  
6<sup>th</sup> Floor Muthangari drive, Off Waiyaki Way  
**NAIROBI**

**Ms. Faith Odhiambo**  
President  
Law Society of Kenya  
Lavington, Gitanga Road.  
**NAIROBI**

**Ms Smita Sanghrajka**  
Partner & Country Lead  
KPMG East Africa  
8<sup>TH</sup> Floor ABC Towers, Waiyaki Way  
**NAIROBI**

**Mr. Francis Kamau**  
Tax Partner  
Ernst and Young LLP, Kenya-Re Towers  
Upper Hill, Off Ragati Hill  
**NAIROBI**

**Mr. Alex Kanyu**  
Tax Partner  
Cliffe Dekker Hofmeier (Kieti Law LLP)  
Merchant Square, 3<sup>rd</sup> Floor  
Block D Riverside Drive  
**NAIROBI**

**Mr. Ernest Muriu**  
Partner  
Ernest and Martin Associates  
Slip Road off-Waiyaki Way, Westlands  
**NAIROBI**

**Mr. Alex Mathini**  
Coulson Harney LLP  
Bowmans LLP  
5<sup>th</sup> Floor, West Wing, ICEA Lion Centre  
Riverside Park, Chiromo Road  
**NAIROBI**

**Mr. Stephen Mutoro**  
Secretary General  
Consumers Federation of Kenya (COFEK)  
Rehema Place, Block F-45,  
Ngong Road/Ring Rd Killimani  
**NAIROBI**

**Mr. Fred Omondi**  
Partner, Tax and Legal Leader  
Deloitte & Touche LLP  
Deloitte Place, Muthangari Road  
**NAIROBI**

**Mr. Karaya Mokaya**  
Partner  
SKM Africa LLP  
Milimani Rd, Opp Heron Portico Hotel  
**NAIROBI**

**Mr. Farida Abbas**  
Chief Executive Officer  
British Chamber of Commerce Kenya  
Mara Road, Upper Hill  
**NAIROBI**

Dear **Mr Mbabia**

**RE: STAKEHOLDER ENGAGEMENT ON THE CAPITAL MARKETS (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 30 OF 2025) AND THE GOVERNMENT OWNED ENTERPRISES BILL (NATIONAL ASSEMBLY BILL NO. 40 OF 2025) BY THE DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL PLANNING.**

---

This is further to our letter Ref: NA/DDC/F&NP/2025/080 dated 25<sup>th</sup> September, 2025 (copy attached for ease of reference).

The Capital Markets (Amendment) Bill (*National Assembly Bill No. 30 of 2025*), and the Government Owned Enterprises Bill (*National Assembly Bill No. 40 of 2025*) (*copies attached*) are before the Committee for consideration and reporting to the House.

The principal object of the Capital Markets (Amendment) Bill, 2025 is to amend Section 29 of the Capital Markets Act (Cap. 485 A) for the purposes of refining the provisions relating to shareholding limits within different license categories.

The principal object of the Government Owned Enterprises Bill (National Assembly Bill No. 40 of 2025) is to provide for the establishment, control, governance, performance and ownership of Government-owned Enterprises and Public service obligations in respect of Government-owned Enterprises.

Pursuant to the provisions of Article 118(1) (b) of the Constitution of Kenya and Standing Order 127 (3), the Committee hereby invites you for a meeting to discuss the said Bills.

The meeting will be held on **Monday, 13<sup>th</sup> October, 2025** in **Committee Room 18/19, Third Floor, Bunge Tower, Parliament Buildings, at 10.00 am.**

You are required to avail twenty (20) hard copies of your submissions of each Bill to the meeting, soft copies of which may be sent to [cna@parliament.go.ke](mailto:cna@parliament.go.ke) and copied to the email addresses of the liaison officer indicated below prior to the meeting. **The template format to capture your submission is herewith attached to this letter.**

The Committee's Liaison officer for these meetings is **Mr. Benjamin Magut** who may be contacted on **Tel. No. 0712-974-966** or **email address: benjamin.magut@parliament.go.ke** or **email address: deptcomm13@gmail.com.**

Yours



**JEREMIAH W. NDOMBI, MBS**  
**For: CLERK OF THE NATIONAL ASSEMBLY**

**TEMPLATE FOR SAMPLE MEMORANDUM**

<b><u>No</u></b>	<b>Clause</b>	<b>Description of the Clause</b>	<b>Proposal</b>	<b>Justification</b>



THE NATIONAL ASSEMBLY  
OFFICE OF THE CLERK

P. O. Box 41842-00100  
Nairobi, Kenya  
Main Parliament Buildings

Telephone: +254202848000 ext. 3300  
Email: [cna@parliament.go.ke](mailto:cna@parliament.go.ke)  
[www.parliament.go.ke/the-national-assembly](http://www.parliament.go.ke/the-national-assembly)

When replying, please quote

**REF: NA/DDC/F&NP/2025/081**

**8<sup>th</sup> October, 2025**

**Mr. Wyckliffe M. Shamiah**  
Chief Executive Officer/Secretary  
Capital Market Authority (CMA)  
Embankment Plaza, 3rd Floor Longonot  
**NAIROBI**

**Mr. James Muraguri**  
Chief Executive Officer  
Institute of Public Finance  
Rosami Court, Office Number 8  
**NAIROBI**

**Ms. Edna Gitachu**  
Associate Director  
PricewaterhouseCoopers  
PWC Tower, Waiyaki way/Chiromo Road  
**NAIROBI**

**Mr. Daniel Ngumy**  
Managing Partner  
Anjarwalla & Khanna  
ALN House, Eldama Ravine Close,  
**NAIROBI**

**Mr. Kamal Shah**  
Executive Chairman  
Grant Thornton Associates  
Avocado Towers, Muthithi Road  
**NAIROBI**

**FCPA Phillip Muema**  
Managing Partner  
Andersen Tax LLP  
7<sup>th</sup> Floor Rhapta Heights, Rhapta Road  
**NAIROBI**

**Mr. George Mbatia**  
Lead Consultant  
Westminster Consulting  
6<sup>th</sup> Floor Muthangari drive, Off Waiyaki Way  
**NAIROBI**

**Ms. Faith Odhiambo**  
President  
Law Society of Kenya  
Lavington, Gitanga Road.  
**NAIROBI**

**Ms Smita Sanghrajka**  
Partner & Country Lead  
KPMG East Africa  
8<sup>TH</sup> Floor ABC Towers, Waiyaki Way  
**NAIROBI**

**Mr. Francis Kamau**  
Tax Partner  
Ernst and Young LLP, Kenya-Re Towers  
Upper Hill, Off Ragati Hill  
**NAIROBI**

**Mr. Alex Kanyi**  
Tax Partner  
Cliffe Dekker Hofmeier (Kieti Law LLP)  
Merchant Square, 3<sup>rd</sup> Floor  
Block D Riverside Drive  
**NAIROBI**

**Mr. Ernest Muriu**  
Partner  
Ernest and Martin Associates  
Slip Road off-Waiyaki Way, Westlands  
**NAIROBI**

**Mr. Alex Mathini**  
Coulson Harney LLP  
Bowmans LLP  
5<sup>th</sup> Floor, West Wing, ICEA Lion Centre  
Riverside Park, Chiromo Road  
**NAIROBI**

**Mr. Stephen Mutoro**  
Secretary General  
Consumers Federation of Kenya (COFEK)  
Rehema Place, Block F-45,  
Ngong Road/Ring Rd Killimani  
**NAIROBI**

**Mr. Fred Omondi**  
Partner, Tax and Legal Leader  
Deloitte & Touche LLP  
Deloitte Place, Muthangari Road  
**NAIROBI**

**Mr. Karaya Mokaya**  
Partner  
SKM Africa LLP  
Milimani Rd, Opp Heron Portico Hotel  
**NAIROBI**

**Mr. Farida Abbas**  
Chief Executive Officer  
British Chamber of Commerce Kenya  
Mara Road, Upper Hill  
**NAIROBI**

Dear *Mr. Omondi*

**RE: STAKEHOLDER ENGAGEMENT ON THE CAPITAL MARKETS (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 30 OF 2025) AND THE GOVERNMENT OWNED ENTERPRISES BILL (NATIONAL ASSEMBLY BILL NO. 40 OF 2025) BY THE DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL PLANNING.**

---

This is further to our letter Ref: NA/DDC/F&NP/2025/080 dated 25<sup>th</sup> September, 2025 (copy attached for ease of reference).

The Capital Markets (Amendment) Bill (National Assembly Bill No. 30 of 2025), and the Government Owned Enterprises Bill (National Assembly Bill No. 40 of 2025) (copies attached) are before the Committee for consideration and reporting to the House.

The principal object of the Capital Markets (Amendment) Bill, 2025 is to amend Section 29 of the Capital Markets Act (Cap. 485 A) for the purposes of refining the provisions relating to shareholding limits within different license categories.

The principal object of the Government Owned Enterprises Bill (National Assembly Bill No. 40 of 2025) is to provide for the establishment, control, governance, performance and ownership of Government-owned Enterprises and Public service obligations in respect of Government-owned Enterprises.

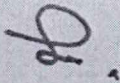
Pursuant to the provisions of Article 118(1) (b) of the Constitution of Kenya and Standing Order 127 (3), the Committee hereby invites you for a meeting to discuss the said Bills.

The meeting will be held on **Monday, 13<sup>th</sup> October, 2025** in **Committee Room 18/19, Third Floor, Bunge Tower, Parliament Buildings, at 10.00 am.**

You are required to avail twenty (20) hard copies of your submissions of each Bill to the meeting, soft copies of which may be sent to [cna@parliament.go.ke](mailto:cna@parliament.go.ke) and copied to the email addresses of the liaison officer indicated below prior to the meeting. **The template format to capture your submission is herewith attached to this letter.**

The Committee's Liaison officer for these meetings is **Mr. Benjamin Magut** who may be contacted on **Tel. No. 0712-974-966** or **email address: benjamin.magut@parliament.go.ke** or **email address: deptcomm13@gmail.com.**

Yours



**JEREMIAH W. NDOMBI, MBS**  
**For: CLERK OF THE NATIONAL ASSEMBLY**

**TEMPLATE FOR SAMPLE MEMORANDUM**

<b><u>No</u></b>	<b>Clause</b>	<b>Description of the Clause</b>	<b>Proposal</b>	<b>Justification</b>



THE NATIONAL ASSEMBLY  
OFFICE OF THE CLERK

P. O. Box 41842-00100  
Nairobi, Kenya  
Main Parliament Buildings

Telephone: +254202848000 ext. 3300  
Email: [cna@parliament.go.ke](mailto:cna@parliament.go.ke)  
[www.parliament.go.ke/the-national-assembly](http://www.parliament.go.ke/the-national-assembly)

When replying, please quote

REF: NA/DDC/F&NP/2025/081

8<sup>th</sup> October, 2025

**Mr. Wyckliffe M. Shamiah**  
Chief Executive Officer/Secretary  
Capital Market Authority (CMA)  
Embankment Plaza, 3rd Floor Longonot  
**NAIROBI**

**Mr. James Muraguri**  
Chief Executive Officer  
Institute of Public Finance  
Rosami Court, Office Number 8  
**NAIROBI**

**Ms. Edna Gitachu**  
Associate Director  
PricewaterhouseCoopers  
PWC Tower, Waiyaki way/Chiromo Road  
**NAIROBI**

**Mr. Daniel Ngumy**  
Managing Partner  
Anjarwalla & Khanna  
ALN House, Eldama Ravine Close,  
**NAIROBI**

**Mr. Kamal Shah**  
Executive Chairman  
Grant Thornton Associates  
Avocado Towers, Muthithi Road  
**NAIROBI**

**FCPA Phillip Muema**  
Managing Partner  
Andersen Tax LLP  
7<sup>th</sup> Floor Rhapta Heights, Rhapta Road  
**NAIROBI**

**Mr. George Mbatia**  
Lead Consultant  
Westminster Consulting  
6<sup>th</sup> Floor Muthangari drive, Off Waiyaki Way  
**NAIROBI**

**Ms. Faith Odhiambo**  
President  
Law Society of Kenya  
Lavington, Gitanga Road.  
**NAIROBI**

**Ms Smita Sanghrajka**  
Partner & Country Lead  
KPMG East Africa  
8<sup>TH</sup> Floor ABC Towers, Waiyaki Way  
**NAIROBI**

**Mr. Francis Kamau**  
Tax Partner  
Ernst and Young LLP, Kenya-Re Towers  
Upper Hill, Off Ragati Hill  
**NAIROBI**

**Mr. Alex Kanyi**  
Tax Partner  
Cliffe Dekker Hofmeier (Kieti Law LLP)  
Merchant Square, 3<sup>rd</sup> Floor  
Block D Riverside Drive  
**NAIROBI**

**Mr. Ernest Muriu**  
Partner  
Ernest and Martin Associates  
Slip Road off-Waiyaki Way, Westlands  
**NAIROBI**

**Mr. Alex Mathini**  
Coulson Harney LLP  
Bowmans LLP  
5<sup>th</sup> Floor, West Wing, ICEA Lion Centre  
Riverside Park, Chiromo Road  
**NAIROBI**

**Mr. Karaya Mokaya**  
Partner  
SKM Africa LLP  
Milimani Rd, Opp Heron Portico Hotel  
**NAIROBI**

**Mr. Stephen Mutoro**  
Secretary General  
Consumers Federation of Kenya (COFEK)  
Rehema Place, Block F-45,  
Ngong Road/Ring Rd Killimani  
**NAIROBI**

**Mr. Farida Abbas**  
Chief Executive Officer  
British Chamber of Commerce Kenya  
Mara Road, Upper Hill  
**NAIROBI**

**Mr. Fred Omondi**  
Partner, Tax and Legal Leader  
Deloitte & Touche LLP  
Deloitte Place, Muthangari Road  
**NAIROBI**

Dear *Mr Kamau*

**RE: STAKEHOLDER ENGAGEMENT ON THE CAPITAL MARKETS (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 30 OF 2025) AND THE GOVERNMENT OWNED ENTERPRISES BILL (NATIONAL ASSEMBLY BILL NO. 40 OF 2025) BY THE DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL PLANNING.**

---

This is further to our letter Ref: NA/DDC/F&NP/2025/080 dated 25<sup>th</sup> September, 2025 (copy attached for ease of reference).

The Capital Markets (Amendment) Bill (*National Assembly Bill No. 30 of 2025*), and the Government Owned Enterprises Bill (*National Assembly Bill No. 40 of 2025*) (*copies attached*) are before the Committee for consideration and reporting to the House.

The principal object of the Capital Markets (Amendment) Bill, 2025 is to amend Section 29 of the Capital Markets Act (Cap. 485 A) for the purposes of refining the provisions relating to shareholding limits within different license categories.

The principal object of the Government Owned Enterprises Bill (*National Assembly Bill No. 40 of 2025*) is to provide for the establishment, control, governance, performance and ownership of Government-owned Enterprises and Public service obligations in respect of Government-owned Enterprises.

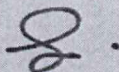
Pursuant to the provisions of Article 118(1) (b) of the Constitution of Kenya and Standing Order 127 (3), the Committee hereby invites you for a meeting to discuss the said Bills.

The meeting will be held on **Monday, 13<sup>th</sup> October, 2025** in **Committee Room 18/19, Third Floor, Bunge Tower, Parliament Buildings, at 10.00 am.**

You are required to avail twenty (20) hard copies of your submissions of each Bill to the meeting, soft copies of which may be sent to [cna@parliament.go.ke](mailto:cna@parliament.go.ke) and copied to the email addresses of the liaison officer indicated below prior to the meeting. **The template format to capture your submission is herewith attached to this letter.**

The Committee's Liaison officer for these meetings is **Mr. Benjamin Magut** who may be contacted on **Tel. No. 0712-974-966** or email address: [benjamin.magut@parliament.go.ke](mailto:benjamin.magut@parliament.go.ke) or email address: [deptcomm13@gmail.com](mailto:deptcomm13@gmail.com).

Yours



**JEREMIAH W. NDOMBI, MBS**  
**For: CLERK OF THE NATIONAL ASSEMBLY**

**TEMPLATE FOR SAMPLE MEMORANDUM**

<b>No</b>	<b>Clause</b>	<b>Description of the Clause</b>	<b>Proposal</b>	<b>Justification</b>



THE NATIONAL ASSEMBLY  
OFFICE OF THE CLERK

P. O. Box 41842-00100  
Nairobi, Kenya  
Main Parliament Buildings

Telephone: +254202848000 ext. 3300  
Email: [cna@parliament.go.ke](mailto:cna@parliament.go.ke)  
[www.parliament.go.ke/the-national-assembly](http://www.parliament.go.ke/the-national-assembly)

When replying, please quote

REF: NA/DDC/F&NP/2025/081

8<sup>th</sup> October, 2025

**Mr. Wyckliffe M. Shamiah**  
Chief Executive Officer/Secretary  
Capital Market Authority (CMA)  
Embankment Plaza, 3rd Floor Longonot  
**NAIROBI**

**Mr. James Muraguri**  
Chief Executive Officer  
Institute of Public Finance  
Rosami Court, Office Number 8  
**NAIROBI**

**Ms. Edna Gitachu**  
Associate Director  
PricewaterhouseCoopers  
PWC Tower, Waiyaki way/Chiromo Road  
**NAIROBI**

**Mr. Daniel Ngumy**  
Managing Partner  
Anjarwalla & Khanna  
ALN House, Eldama Ravine Close,  
**NAIROBI**

**Mr. Kamal Shah**  
Executive Chairman  
Grant Thornton Associates  
Avocado Towers, Muthithi Road  
**NAIROBI**

**FCPA Phillip Muema**  
Managing Partner  
Andersen Tax LLP  
7<sup>th</sup> Floor Rhapta Heights, Rhapta Road  
**NAIROBI**

**Mr. George Mbatia**  
Lead Consultant  
Westminster Consulting  
6<sup>th</sup> Floor Muthangari drive, Off Waiyaki Way  
**NAIROBI**

**Ms. Faith Odhiambo**  
President  
Law Society of Kenya  
Lavington, Gitanga Road.  
**NAIROBI**

**Ms Smita Sanghrajka**  
Partner & Country Lead  
KPMG East Africa  
8<sup>TH</sup> Floor ABC Towers, Waiyaki Way  
**NAIROBI**

**Mr. Francis Kamau**  
Tax Partner  
Ernst and Young LLP, Kenya-Re Towers  
Upper Hill, Off Ragati Hill  
**NAIROBI**

**Mr. Alex Kanyi**  
Tax Partner  
Cliffe Dekker Hofmeier (Kieti Law LLP)  
Merchant Square, 3<sup>rd</sup> Floor  
Block D Riverside Drive  
**NAIROBI**

**Mr. Ernest Muriu**  
Partner  
Ernest and Martin Associates  
Slip Road off-Waiyaki Way, Westlands  
**NAIROBI**

**Mr. Alex Mathini**  
Coulson Harney LLP  
Bowmans LLP  
5<sup>th</sup> Floor, West Wing, ICEA Lion Centre  
Riverside Park, Chiromo Road  
**NAIROBI**

**Mr. Stephen Mutoro**  
Secretary General  
Consumers Federation of Kenya (COFEK)  
Rehema Place, Block F-45,  
Ngong Road/Ring Rd Killimani  
**NAIROBI**

**Mr. Fred Omondi**  
Partner, Tax and Legal Leader  
Deloitte & Touche LLP  
Deloitte Place, Muthangari Road  
**NAIROBI**

**Mr. Karaya Mokaya**  
Partner  
SKM Africa LLP  
Milimani Rd, Opp Heron Portico Hotel  
**NAIROBI**

**Mr. Farida Abbas**  
Chief Executive Officer  
British Chamber of Commerce Kenya  
Mara Road, Upper Hill  
**NAIROBI**

Dear **Mr. Abbas**

**RE: STAKEHOLDER ENGAGEMENT ON THE CAPITAL MARKETS (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 30 OF 2025) AND THE GOVERNMENT OWNED ENTERPRISES BILL (NATIONAL ASSEMBLY BILL NO. 40 OF 2025) BY THE DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL PLANNING.**

---

This is further to our letter Ref: NA/DDC/F&NP/2025/080 dated 25<sup>th</sup> September, 2025 (copy attached for ease of reference).

The Capital Markets (Amendment) Bill (*National Assembly Bill No. 30 of 2025*), and the Government Owned Enterprises Bill (*National Assembly Bill No. 40 of 2025*) (*copies attached*) are before the Committee for consideration and reporting to the House.

The principal object of the Capital Markets (Amendment) Bill, 2025 is to amend Section 29 of the Capital Markets Act (Cap. 485 A) for the purposes of refining the provisions relating to shareholding limits within different license categories.

The principal object of the Government Owned Enterprises Bill (*National Assembly Bill No. 40 of 2025*) is to provide for the establishment, control, governance, performance and ownership of Government-owned Enterprises and Public service obligations in respect of Government-owned Enterprises.

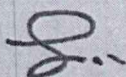
Pursuant to the provisions of Article 118(1) (b) of the Constitution of Kenya and Standing Order 127 (3), the Committee hereby invites you for a meeting to discuss the said Bills.

The meeting will be held on **Monday, 13<sup>th</sup> October, 2025** in **Committee Room 18/19, Third Floor, Bunge Tower, Parliament Buildings, at 10.00 am.**

You are required to avail twenty (20) hard copies of your submissions of each Bill to the meeting, soft copies of which may be sent to [cna@parliament.go.ke](mailto:cna@parliament.go.ke) and copied to the email addresses of the liaison officer indicated below prior to the meeting. **The template format to capture your submission is herewith attached to this letter.**

The Committee's Liaison officer for these meetings is **Mr. Benjamin Magut** who may be contacted on **Tel. No. 0712-974-966** or **email address: benjamin.magut@parliament.go.ke** or **email address: deptcomm13@gmail.com.**

Yours



**JEREMIAH W. NDOMBI, MBS**

**For: CLERK OF THE NATIONAL ASSEMBLY**

**TEMPLATE FOR SAMPLE MEMORANDUM**

<b><u>No</u></b>	<b>Clause</b>	<b>Description of the Clause</b>	<b>Proposal</b>	<b>Justification</b>



THE NATIONAL ASSEMBLY  
OFFICE OF THE CLERK

P. O. Box 41842-00100  
Nairobi, Kenya  
Main Parliament Buildings

Telephone: +254202848000 ext. 3300  
Email: [cna@parliament.go.ke](mailto:cna@parliament.go.ke)  
[www.parliament.go.ke/the-national-assembly](http://www.parliament.go.ke/the-national-assembly)

When replying, please quote

REF: NA/DDC/F&NP/2025/081

8<sup>th</sup> October, 2025

**Mr. Wyckliffe M. Shamiah**  
Chief Executive Officer/Secretary  
Capital Market Authority (CMA)  
Embankment Plaza, 3rd Floor Longonot  
**NAIROBI**

**Mr. James Muraguri**  
Chief Executive Officer  
Institute of Public Finance  
Rosami Court, Office Number 8  
**NAIROBI**

**Ms. Edna Gitachu**  
Associate Director  
PricewaterhouseCoopers  
PWC Tower, Waiyaki way/Chiromo Road  
**NAIROBI**

**Mr. Daniel Ngumy**  
Managing Partner  
Anjarwalla & Khanna  
ALN House, Eldama Ravine Close,  
**NAIROBI**

**Mr. Kamal Shah**  
Executive Chairman  
Grant Thornton Associates  
Avocado Towers, Muthithi Road  
**NAIROBI**

**FCPA Phillip Muema**  
Managing Partner  
Andersen Tax LLP  
7<sup>th</sup> Floor Rhapta Heights, Rhapta Road  
**NAIROBI**

**Mr. George Mbatia**  
Lead Consultant  
Westminster Consulting  
6<sup>th</sup> Floor Muthangari drive, Off Waiyaki Way  
**NAIROBI**

**Ms. Faith Odhiambo**  
President  
Law Society of Kenya  
Lavington, Gitanga Road.  
**NAIROBI**

**Ms Smita Sanghrajka**  
Partner & Country Lead  
KPMG East Africa  
8<sup>TH</sup> Floor ABC Towers, Waiyaki Way  
**NAIROBI**

**Mr. Francis Kamau**  
Tax Partner  
Ernst and Young LLP, Kenya-Re Towers  
Upper Hill, Off Ragati Hill  
**NAIROBI**

**Mr. Alex Kanyi**  
Tax Partner  
Cliffe Dekker Hofmeier (Kieti Law LLP)  
Merchant Square, 3<sup>rd</sup> Floor  
Block D Riverside Drive  
**NAIROBI**

**Mr. Ernest Muriu**  
Partner  
Ernest and Martin Associates  
Slip Road off-Waiyaki Way, Westlands  
**NAIROBI**

**Mr. Alex Mathini**  
Coulson Harney LLP  
Bowmans LLP  
5<sup>th</sup> Floor, West Wing, ICEA Lion Centre  
Riverside Park, Chiromo Road  
**NAIROBI**

**Mr. Karaya Mokaya**  
Partner  
SKM Africa LLP  
Milimani Rd, Opp Heron Portico Hotel  
**NAIROBI**

**Mr. Stephen Mutoro**  
Secretary General  
Consumers Federation of Kenya (COFEK)  
Rehema Place, Block F-45,  
Ngong Road/Ring Rd Killimani  
**NAIROBI**

**Mr. Farida Abbas**  
Chief Executive Officer  
British Chamber of Commerce Kenya  
Mara Road, Upper Hill  
**NAIROBI**

**Mr. Fred Omondi**  
Partner, Tax and Legal Leader  
Deloitte & Touche LLP  
Deloitte Place, Muthangari Road  
**NAIROBI**

Dear *Mr. Mutoro*

**RE: STAKEHOLDER ENGAGEMENT ON THE CAPITAL MARKETS (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 30 OF 2025) AND THE GOVERNMENT OWNED ENTERPRISES BILL (NATIONAL ASSEMBLY BILL NO. 40 OF 2025) BY THE DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL PLANNING.**

---

This is further to our letter Ref: NA/DDC/F&NP/2025/080 dated 25<sup>th</sup> September, 2025 (copy attached for ease of reference).

The Capital Markets (Amendment) Bill (*National Assembly Bill No. 30 of 2025*), and the Government Owned Enterprises Bill (*National Assembly Bill No. 40 of 2025*) (*copies attached*) are before the Committee for consideration and reporting to the House.

The principal object of the Capital Markets (Amendment) Bill, 2025 is to amend Section 29 of the Capital Markets Act (Cap. 485 A) for the purposes of refining the provisions relating to shareholding limits within different license categories.

The principal object of the Government Owned Enterprises Bill (*National Assembly Bill No. 40 of 2025*) is to provide for the establishment, control, governance, performance and ownership of Government-owned Enterprises and Public service obligations in respect of Government-owned Enterprises.

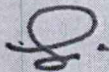
Pursuant to the provisions of Article 118(1) (b) of the Constitution of Kenya and Standing Order 127 (3), the Committee hereby invites you for a meeting to discuss the said Bills.

The meeting will be held on **Monday, 13<sup>th</sup> October, 2025** in **Committee Room 18/19, Third Floor, Bunge Tower, Parliament Buildings**, at **10.00 am**.

You are required to avail twenty (20) hard copies of your submissions of each Bill to the meeting, soft copies of which may be sent to [cna@parliament.go.ke](mailto:cna@parliament.go.ke) and copied to the email addresses of the liaison officer indicated below prior to the meeting. **The template format to capture your submission is herewith attached to this letter.**

The Committee's Liaison officer for these meetings is **Mr. Benjamin Magut** who may be contacted on **Tel. No. 0712-974-966** or email address: [benjamin.magut@parliament.go.ke](mailto:benjamin.magut@parliament.go.ke) or email address: [deptcomm13@gmail.com](mailto:deptcomm13@gmail.com).

Yours



**JEREMIAH W. NDOMBI, MBS**  
**For: CLERK OF THE NATIONAL ASSEMBLY**

**TEMPLATE FOR SAMPLE MEMORANDUM**

<b>No</b>	<b>Clause</b>	<b>Description of the Clause</b>	<b>Proposal</b>	<b>Justification</b>



THE NATIONAL ASSEMBLY  
OFFICE OF THE CLERK

P. O. Box 41842-00100  
Nairobi, Kenya  
Main Parliament Buildings

Telephone: +254202848000 ext. 3300  
Email: [cna@parliament.go.ke](mailto:cna@parliament.go.ke)  
[www.parliament.go.ke/the-national-assembly](http://www.parliament.go.ke/the-national-assembly)

When replying, please quote

REF: **NA/DDC/F&NP/2025/081**

**8<sup>th</sup> October, 2025**

**Mr. Wyckliffe M. Shamiah**  
Chief Executive Officer/Secretary  
Capital Market Authority (CMA)  
Embankment Plaza, 3rd Floor Longonot  
**NAIROBI**

**Mr. James Muraguri**  
Chief Executive Officer  
Institute of Public Finance  
Rosami Court, Office Number 8  
**NAIROBI**

**Ms. Edna Gitachu**  
Associate Director  
PricewaterhouseCoopers  
PWC Tower, Waiyaki way/Chiromo Road  
**NAIROBI**

**Mr. Daniel Ngumy**  
Managing Partner  
Anjarwalla & Khanna  
ALN House, Eldama Ravine Close,  
**NAIROBI**

**Mr. Kamal Shah**  
Executive Chairman  
Grant Thornton Associates  
Avocado Towers, Muthithi Road  
**NAIROBI**

**FCPA Phillip Muema**  
Managing Partner  
Andersen Tax LLP  
7<sup>th</sup> Floor Rhapta Heights, Rhapta Road  
**NAIROBI**

**Mr. George Mbatia**  
Lead Consultant  
Westminster Consulting  
6<sup>th</sup> Floor Muthangari drive, Off Waiyaki Way  
**NAIROBI**

**Ms. Faith Odhiambo**  
President  
Law Society of Kenya  
Lavington, Gitanga Road.  
**NAIROBI**

**Ms Smita Sanghrajka**  
Partner & Country Lead  
KPMG East Africa  
8<sup>TH</sup> Floor ABC Towers, Waiyaki Way  
**NAIROBI**

**Mr. Francis Kamau**  
Tax Partner  
Ernst and Young LLP, Kenya-Re Towers  
Upper Hill, Off Ragati Hill  
**NAIROBI**

**Mr. Alex Kanyo**  
Tax Partner  
Cliffe Dekker Hofmeier (Kieti Law LLP)  
Merchant Square, 3<sup>rd</sup> Floor  
Block D Riverside Drive  
**NAIROBI**

**Mr. Ernest Muriu**  
Partner  
Ernest and Martin Associates  
Slip Road off-Waiyaki Way, Westlands  
**NAIROBI**

**Mr. Alex Mathini**  
Coulson Harney LLP  
Bowmans LLP  
5<sup>th</sup> Floor, West Wing, ICEA Lion Centre  
Riverside Park, Chiromo Road  
**NAIROBI**

**Mr. Stephen Mutoro**  
Secretary General  
Consumers Federation of Kenya (COFEK)  
Rehema Place, Block F-45,  
Ngong Road/Ring Rd Killimani  
**NAIROBI**

**Mr. Fred Omondi**  
Partner, Tax and Legal Leader  
Deloitte & Touche LLP  
Deloitte Place, Muthangari Road  
**NAIROBI**

**Mr. Karaya Mokaya**  
Partner  
SKM Africa LLP  
Milimani Rd, Opp Heron Portico Hotel  
**NAIROBI**

**Mr. Farida Abbas**  
Chief Executive Officer  
British Chamber of Commerce Kenya  
Mara Road, Upper Hill  
**NAIROBI**

Dear

*Mr. Ngũmy*

**RE: STAKEHOLDER ENGAGEMENT ON THE CAPITAL MARKETS (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 30 OF 2025) AND THE GOVERNMENT OWNED ENTERPRISES BILL (NATIONAL ASSEMBLY BILL NO. 40 OF 2025) BY THE DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL PLANNING.**

---

This is further to our letter Ref: NA/DDC/F&NP/2025/080 dated 25<sup>th</sup> September, 2025 **(copy attached for ease of reference).**

The Capital Markets (Amendment) Bill (*National Assembly Bill No. 30 of 2025*), and the Government Owned Enterprises Bill (*National Assembly Bill No. 40 of 2025*) (*copies attached*) are before the Committee for consideration and reporting to the House.

The principal object of the Capital Markets (Amendment) Bill, 2025 is to amend Section 29 of the Capital Markets Act (Cap. 485 A) for the purposes of refining the provisions relating to shareholding limits within different license categories.

The principal object of the Government Owned Enterprises Bill (National Assembly Bill No. 40 of 2025) is to provide for the establishment, control, governance, performance and ownership of Government-owned Enterprises and Public service obligations in respect of Government-owned Enterprises.

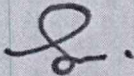
Pursuant to the provisions of Article 118(1) (b) of the Constitution of Kenya and Standing Order 127 (3), the Committee hereby invites you for a meeting to discuss the said Bills.

The meeting will be held on **Monday, 13<sup>th</sup> October, 2025** in **Committee Room 18/19, Third Floor, Bunge Tower, Parliament Buildings, at 10.00 am.**

You are required to avail twenty (20) hard copies of your submissions of each Bill to the meeting, soft copies of which may be sent to [cna@parliament.go.ke](mailto:cna@parliament.go.ke) and copied to the email addresses of the liaison officer indicated below prior to the meeting. **The template format to capture your submission is herewith attached to this letter.**

The Committee's Liaison officer for these meetings is **Mr. Benjamin Magut** who may be contacted on **Tel. No. 0712-974-966** or **email address: benjamin.magut@parliament.go.ke** or **email address: deptcomm13@gmail.com.**

Yours



**JEREMIAH W. NDOMBI, MBS**  
**For: CLERK OF THE NATIONAL ASSEMBLY**

**TEMPLATE FOR SAMPLE MEMORANDUM**

<b><u>No</u></b>	<b>Clause</b>	<b>Description of the Clause</b>	<b>Proposal</b>	<b>Justification</b>



THE NATIONAL ASSEMBLY  
OFFICE OF THE CLERK

P. O. Box 41842-00100  
Nairobi, Kenya  
Main Parliament Buildings

Telephone: +254202848000 ext. 3300  
Email: [cna@parliament.go.ke](mailto:cna@parliament.go.ke)  
[www.parliament.go.ke/the-national-assembly](http://www.parliament.go.ke/the-national-assembly)

When replying, please quote

REF: NA/DDC/F&NP/2025/081

8<sup>th</sup> October, 2025

**Mr. Wyckliffe M. Shamiah**  
Chief Executive Officer/Secretary  
Capital Market Authority (CMA)  
Embankment Plaza, 3rd Floor Longonot  
**NAIROBI**

**Mr. James Muraguri**  
Chief Executive Officer  
Institute of Public Finance  
Rosami Court, Office Number 8  
**NAIROBI**

**Ms. Edna Gitachu**  
Associate Director  
PricewaterhouseCoopers  
PWC Tower, Waiyaki way/Chiromo Road  
**NAIROBI**

**Mr. Daniel Ngumy**  
Managing Partner  
Anjarwalla & Khanna  
ALN House, Eldama Ravine Close,  
**NAIROBI**

**Mr. Kamal Shah**  
Executive Chairman  
Grant Thornton Associates  
Avocado Towers, Muthithi Road  
**NAIROBI**

**FCPA Phillip Muema**  
Managing Partner  
Andersen Tax LLP  
7<sup>th</sup> Floor Rhapta Heights, Rhapta Road  
**NAIROBI**

**Mr. George Mbatia**  
Lead Consultant  
Westminster Consulting  
6<sup>th</sup> Floor Muthangari drive, Off Waiyaki Way  
**NAIROBI**

**Ms. Faith Odhiambo**  
President  
Law Society of Kenya  
Lavington, Gitanga Road.  
**NAIROBI**

**Ms Smita Sanghrajka**  
Partner & Country Lead  
KPMG East Africa  
8<sup>TH</sup> Floor ABC Towers, Waiyaki Way  
**NAIROBI**

**Mr. Francis Kamau**  
Tax Partner  
Ernst and Young LLP, Kenya-Re Towers  
Upper Hill, Off Ragati Hill  
**NAIROBI**

**Mr. Alex Kanyi**  
Tax Partner  
Cliffe Dekker Hofmeier (Kieti Law LLP)  
Merchant Square, 3<sup>rd</sup> Floor  
Block D Riverside Drive  
**NAIROBI**

**Mr. Ernest Muriu**  
Partner  
Ernest and Martin Associates  
Slip Road off-Waiyaki Way, Westlands  
**NAIROBI**

**Mr. Alex Mathini**  
Coulson Harney LLP  
Bowmans LLP  
5<sup>th</sup> Floor, West Wing, ICEA Lion Centre  
Riverside Park, Chiromo Road  
**NAIROBI**

**Mr. Stephen Mutoro**  
Secretary General  
Consumers Federation of Kenya (COFEK)  
Rehema Place, Block F-45,  
Ngong Road/Ring Rd Killimani  
**NAIROBI**

**Mr. Fred Omondi**  
Partner, Tax and Legal Leader  
Deloitte & Touche LLP  
Deloitte Place, Muthangari Road  
**NAIROBI**

**Mr. Karaya Mokaya**  
Partner  
SKM Africa LLP  
Milimani Rd, Opp Heron Portico Hotel  
**NAIROBI**

**Mr. Farida Abbas**  
Chief Executive Officer  
British Chamber of Commerce Kenya  
Mara Road, Upper Hill  
**NAIROBI**

Dear **Mr. Mathini**

**RE: STAKEHOLDER ENGAGEMENT ON THE CAPITAL MARKETS (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 30 OF 2025) AND THE GOVERNMENT OWNED ENTERPRISES BILL (NATIONAL ASSEMBLY BILL NO. 40 OF 2025) BY THE DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL PLANNING.**

---

This is further to our letter Ref: NA/DDC/F&NP/2025/080 dated 25<sup>th</sup> September, 2025 **(copy attached for ease of reference).**

The Capital Markets (Amendment) Bill (*National Assembly Bill No. 30 of 2025*), and the Government Owned Enterprises Bill (*National Assembly Bill No. 40 of 2025*) (*copies attached*) are before the Committee for consideration and reporting to the House.

The principal object of the Capital Markets (Amendment) Bill, 2025 is to amend Section 29 of the Capital Markets Act (Cap. 485 A) for the purposes of refining the provisions relating to shareholding limits within different license categories.

The principal object of the Government Owned Enterprises Bill (National Assembly Bill No. 40 of 2025) is to provide for the establishment, control, governance, performance and ownership of Government-owned Enterprises and Public service obligations in respect of Government-owned Enterprises.

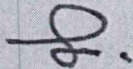
Pursuant to the provisions of Article 118(1) (b) of the Constitution of Kenya and Standing Order 127 (3), the Committee hereby invites you for a meeting to discuss the said Bills.

The meeting will be held on **Monday, 13<sup>th</sup> October, 2025** in **Committee Room 18/19, Third Floor, Bunge Tower, Parliament Buildings, at 10.00 am.**

You are required to avail twenty (20) hard copies of your submissions of each Bill to the meeting, soft copies of which may be sent to [cna@parliament.go.ke](mailto:cna@parliament.go.ke) and copied to the email addresses of the liaison officer indicated below prior to the meeting. **The template format to capture your submission is herewith attached to this letter.**

The Committee's Liaison officer for these meetings is **Mr. Benjamin Magut** who may be contacted on **Tel. No. 0712-974-966** or email address: [benjamin.magut@parliament.go.ke](mailto:benjamin.magut@parliament.go.ke) or email address: [deptcomm13@gmail.com](mailto:deptcomm13@gmail.com).

Yours



**JEREMIAH W. NDOMBI, MBS**  
**For: CLERK OF THE NATIONAL ASSEMBLY**

**TEMPLATE FOR SAMPLE MEMORANDUM**

<b>No</b>	<b>Clause</b>	<b>Description of the Clause</b>	<b>Proposal</b>	<b>Justification</b>



THE NATIONAL ASSEMBLY  
OFFICE OF THE CLERK

P. O. Box 41842-00100  
Nairobi, Kenya  
Main Parliament Buildings

Telephone: +254202848000 ext. 3300  
Email: [cna@parliament.go.ke](mailto:cna@parliament.go.ke)  
[www.parliament.go.ke/the-national-assembly](http://www.parliament.go.ke/the-national-assembly)

When replying, please quote

**REF: NA/DDC/F&NP/2025/081**

**8<sup>th</sup> October, 2025**

**Mr. Wyckliffe M. Shamiah**  
Chief Executive Officer/Secretary  
Capital Market Authority (CMA)  
Embankment Plaza, 3rd Floor Longonot  
**NAIROBI**

**Mr. James Muraguri**  
Chief Executive Officer  
Institute of Public Finance  
Rosami Court, Office Number 8  
**NAIROBI**

**Ms. Edna Gitachu**  
Associate Director  
PricewaterhouseCoopers  
PWC Tower, Waiyaki way/Chiromo Road  
**NAIROBI**

**Mr. Daniel Ngumy**  
Managing Partner  
Anjarwalla & Khanna  
ALN House, Eldama Ravine Close,  
**NAIROBI**

**Mr. Kamal Shah**  
Executive Chairman  
Grant Thornton Associates  
Avocado Towers, Muthithi Road  
**NAIROBI**

**FCPA Phillip Muema**  
Managing Partner  
Andersen Tax LLP  
7<sup>th</sup> Floor Rhapta Heights, Rhapta Road  
**NAIROBI**

**Mr. George Mbatia**  
Lead Consultant  
Westminster Consulting  
6<sup>th</sup> Floor Muthangari drive, Off Waiyaki Way  
**NAIROBI**

**Ms. Faith Odhiambo**  
President  
Law Society of Kenya  
Lavington, Gitanga Road.  
**NAIROBI**

**Ms Smita Sanghrajka**  
Partner & Country Lead  
KPMG East Africa  
8<sup>TH</sup> Floor ABC Towers, Waiyaki Way  
**NAIROBI**

**Mr. Francis Kamau**  
Tax Partner  
Ernst and Young LLP, Kenya-Re Towers  
Upper Hill, Off Ragati Hill  
**NAIROBI**

**Mr. Alex Kanyi**  
Tax Partner  
Cliffe Dekker Hofmeier (Kieti Law LLP)  
Merchant Square, 3<sup>rd</sup> Floor  
Block D Riverside Drive  
**NAIROBI**

**Mr. Ernest Muriu**  
Partner  
Ernest and Martin Associates  
Slip Road off-Waiyaki Way, Westlands  
**NAIROBI**

**Mr. Alex Mathini**  
Coulson Harney LLP  
Bowmans LLP  
5<sup>th</sup> Floor, West Wing, ICEA Lion Centre  
Riverside Park, Chiromo Road  
**NAIROBI**

**Mr. Stephen Mutoro**  
Secretary General  
Consumers Federation of Kenya (COFEK)  
Rehema Place, Block F-45,  
Ngong Road/Ring Rd Killimani  
**NAIROBI**

**Mr. Fred Omondi**  
Partner, Tax and Legal Leader  
Deloitte & Touche LLP  
Deloitte Place, Muthangari Road  
**NAIROBI**

**Mr. Karaya Mokaya**  
Partner  
SKM Africa LLP  
Milimani Rd, Opp Heron Portico Hotel  
**NAIROBI**

**Mr. Farida Abbas**  
Chief Executive Officer  
British Chamber of Commerce Kenya  
Mara Road, Upper Hill  
**NAIROBI**

Dear *Mr Kenya*

**RE: STAKEHOLDER ENGAGEMENT ON THE CAPITAL MARKETS (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 30 OF 2025) AND THE GOVERNMENT OWNED ENTERPRISES BILL (NATIONAL ASSEMBLY BILL NO. 40 OF 2025) BY THE DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL PLANNING.**

---

This is further to our letter Ref: NA/DDC/F&NP/2025/080 dated 25<sup>th</sup> September, 2025 **(copy attached for ease of reference).**

The Capital Markets (Amendment) Bill (*National Assembly Bill No. 30 of 2025*), and the Government Owned Enterprises Bill (*National Assembly Bill No. 40 of 2025*) (*copies attached*) are before the Committee for consideration and reporting to the House.

The principal object of the Capital Markets (Amendment) Bill, 2025 is to amend Section 29 of the Capital Markets Act (Cap. 485 A) for the purposes of refining the provisions relating to shareholding limits within different license categories.

The principal object of the Government Owned Enterprises Bill (*National Assembly Bill No. 40 of 2025*) is to provide for the establishment, control, governance, performance and ownership of Government-owned Enterprises and Public service obligations in respect of Government-owned Enterprises.

Pursuant to the provisions of Article 118(1) (b) of the Constitution of Kenya and Standing Order 127 (3), the Committee hereby invites you for a meeting to discuss the said Bills.

The meeting will be held on **Monday, 13<sup>th</sup> October, 2025** in **Committee Room 18/19, Third Floor, Bunge Tower, Parliament Buildings, at 10.00 am.**

You are required to avail twenty (20) hard copies of your submissions of each Bill to the meeting, soft copies of which may be sent to [cna@parliament.go.ke](mailto:cna@parliament.go.ke) and copied to the email addresses of the liaison officer indicated below prior to the meeting. **The template format to capture your submission is herewith attached to this letter.**

The Committee's Liaison officer for these meetings is **Mr. Benjamin Magut** who may be contacted on **Tel. No. 0712-974-966** or **email address: benjamin.magut@parliament.go.ke** or **email address: deptcomm13@gmail.com.**

Yours



**JEREMIAH W. NDOMBI, MBS**  
**For: CLERK OF THE NATIONAL ASSEMBLY**

**TEMPLATE FOR SAMPLE MEMORANDUM**

<b><u>No</u></b>	<b>Clause</b>	<b>Description of the Clause</b>	<b>Proposal</b>	<b>Justification</b>



**SUBMISSION BY THE CAPITAL MARKETS AUTHORITY ON THE GOVERNMENT OWNED ENTERPRISE BILL 2025.**

The Government Owned Enterprises Bill has been drafted for the establishment, control, governance, performance and ownership of government owned enterprises.

It also provides for the facilitation and reconstitution of existing government owned enterprises into public limited liability companies for the transfer of assets, liabilities and businesses of government owned enterprises to companies.

NO.	CLAUSE	DESCRIPTION	JUSTIFICATION
1.	<b>Clause 10 (1) Board of Directors</b>	<p>The Clause lays out the constitution of the board of a Government Owned Enterprise. It provides that the Board of GOE shall consist of:</p> <ul style="list-style-type: none"> <li>a. A chairperson who is an independent director</li> <li>b. Six persons who are independent directors</li> <li>c. One person who is a public officer nominated by the Cabinet Secretary for the National Treasury from within the National Treasury</li> <li>d. One person who is a public officer</li> </ul>	<p>Clause 10 of the Bill which prescribes the composition of the Board of a Government Owned Enterprise reflects strong adherence to principles of good corporate governance and aligns with international best practices for state owned entities. We support this Clause.</p>

		<p>designated in writing by the relevant Cabinet Secretary for the relevant Ministry; and</p> <p>e. The chief executive office who shall be an ex-officio member of the Board.</p>	
2.	<p><b>Clause 17 Tenure of independent directors</b></p>	<p>The section provides for the tenure of independent directors. It states that the tenure for an independent director in the case of a government owned enterprise that is wholly-owned by the government to be a term of three years renewable once and where the GOE is not wholly owned by the Government the term will be as required by a legal instrument before the director is due to retire by rotation.</p>	<p>Clause 17 appropriately provides clarity on the tenure of independent directors, distinguishing between Government Owned Enterprises (GOEs) that are wholly owned by the Government and those with mixed ownership structures. We support this Clause as well.</p>



SUBMISSION BY THE NATIONAL TREASURY ON THE GOE BILL, 2025, TO  
THE DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL  
PLANNING , TUESDAY 14<sup>TH</sup> OCTOBER 2025

---

Honourable Chairman and Members of the Departmental  
Committee on Finance and National Planning.

1. Thank you for the opportunity you have given to the  
National Treasury to meet this Committee and make  
submissions on the GOE Bill, 2025.
2. We have a brief submission organised in two short, but  
related, parts – namely:
  - i. Background – The need for Reforms; and,
  - ii. Highlights of the Bill.

## BACKGROUND

State corporations are legal entities that have traditionally  
been created by Government to undertake specific  
development activities on behalf of Government. State  
corporations established to undertake commercial activities  
are formally known as Government Owned Enterprises  
(GOEs).

Government Owned Enterprises reforms at any one time reflect the policy agenda of Government which takes into account domestic and global dynamics. For our case, the reform plan is aimed at achieving the following key objectives as outlined in the Medium-Term Development Plan:

- i. Build Resilience of our economy to enable it withstand any future shocks);
- ii Mobilize private sector resources to fund priority public infrastructure-
- iii. Capital Markets Development: Privatization provides diversity of bankable investments by the private sector through increased market liquidity, and strengthening the financial sector hence mitigating capital flight and sustaining macro and fiscal credibility of our economy; and,
- iv. Enhancing Equitable Development across the country (Reforms undertaken especially across agricultural

sphere like the Sugar, Cotton, Tea, Coffee and Milk sub-sectors are aimed at promoting regional development).

Additionally, our economy-wide and state corporations' sector-specific reforms and corporation-specific restructurings is not an end in itself but are strategic responses to policy and business dynamics. The key dynamics include the following:

- i. The coming of age of the private sector that can deliver commercial activities more efficiently, hence the need to ensure that GOEs are also restructured to favorably compete and to remain sustainable.
- ii. the need to enable GOEs undertake off-balance sheet projects without recourse to the exchequer (this is necessary due to the thinning fiscal space).

To provide an applicable legal framework and institutionalize the SOE reforms being undertaken, we have proposed the 2025 GOE Bill aimed at transitioning key project developments in commercial SOEs from public sector driven policy to private sector participatory approach. The private sector has more efficiency in resources allocation and will enhance timely delivery of projects without straining the fiscal space letting Government undertake key social projects.

The main objective is to align the governance frame of commercial SOEs and position them to have the ability to undertake off GOK balance sheet projects.

Its application is limited to only approximately 60 national Government entities that were established to operate on commercial principles and to make profit. They were established to make profit and pay reasonable dividends to the exchequer; as opposed to operating marginally and making losses, or even worse, relying on the exchequer and posing fiscal risks.

The GOE Bill, 2025, proposes to have all the GOEs to be incorporated as companies under the Companies Act in order to re-focus these GOEs on their commercial mandate and also provide a better legal setting for well-established good practices of corporate governance. The Companies Act setting also transitions the GOEs to be on the same legal platform as their private sector peers in the respective industries.

## **Brief on the Bill**

The Government Owned Enterprises Bill, 2025 (GOE Bill, 2025) is a proposed legal framework for enhanced

corporate governance and greater accountability to support better performance of Government Owned Enterprises (GOEs).

GOEs are state corporations that have a *commercial* (for-profit) mandate. The GOE Bill, 2025 will, therefore, not apply for the time being to the approximately 240 non-commercial state corporations but will apply to the approximately 60 national Government entities that were established to operate on commercial principles and to make profit. They were established to make profit and pay reasonable dividends to the exchequer; as opposed to operating marginally and making losses, or even worse, relying on the exchequer and posing fiscal risks.

The legal instruments through which the GOEs that exist in Kenya today are not uniform – some were established through Acts of Parliament, others through the Legal Notice provisions of the State Corporations Act and others as companies under the Companies Act. The GOE Bill, 2025, proposes to have all the GOEs to be incorporated as companies under the Companies Act in order to re-focus these GOEs on their commercial mandate and also provide a better legal setting for well-established good practices of corporate governance. The Companies Act setting also

transitions the GOEs to be on the same legal platform as their private sector peers in the respective industries.

On 3<sup>rd</sup> November 2023, the Cabinet approved the *Ownership Policy for Government Owned Enterprises (GOEs) in Kenya* (Ownership Policy) and also approved the commencement of the necessary legal reforms to give effect to the provisions of the Ownership Policy. The GOE Bill, 2025, is a translation into law of the Ownership Policy and is part of the wider and on-going initiatives to deepen governance reforms in the State Corporations sector. The proposals in the GOE Bill 2025 are informed by lessons from past experience in Kenya and by established good corporate governance practices.

Some of the key provisions of the GOE Bill, 2025, are the following:

- i. Provide for a separation and allocation of the ownership roles between the National Treasury and sector Ministries in respect of GOEs; with the National Treasury through CS/National Treasury – a body corporate established under the Cabinet Secretary to the Treasury (Incorporation) Act, CAP 101 – exercising the GoK (Government-wide) ownership function over GOEs and the sector Ministries exercising sectoral policy functions. This separation and

- allocation of roles also apply at GOE-level governance, with Boards of Directors, for instance, electing a chairman from among independent directors.
- ii. Provide a mechanism by which minority shareholders in GOEs are enabled to elect a number of persons, for appointment as independent directors in the Boards of directors, that is proportionate to the shareholding of such minority shareholders in the GOE. This provision, in effect, deepens and widens the application of the arrangement that Government has already successfully tested at KPLC and KenGen.
  - iii. Establish a commercially-focused performance management framework for GOEs, in which the National Treasury is one-stop reference in GoK. In this regard, the performance contracts (PCs) applicable to GOEs will be based on a few KPIs of high commercial relevance to the individual GOE.
  - iv. Establish a Public Service Obligations (PSO) accounting and funding structure that does not interfere with commercial objectives of GOEs. PSOs are obligations that the Government may assign a GOE to produce goods and/or provide services that are not financially viable to the GOE and for which a subsidy, or full funding, by the National Treasury is necessary for sustained production.

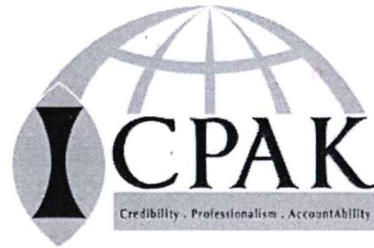
In order to pave the way for the provisions of the GOE Bill, 2025, a number of existing Acts of Parliament shall be repealed upon enactment of this Bill, while consequential amendments shall apply to the rest of the relevant Acts (*see Section 40 of the GOE Bill, 2025*).

The National Assembly is requested to consider the bill to pave way for this important reform.

We submit.



**SAMSON P. WANGUSI, OGW**  
**PRINCIPAL ADMINISTRATIVE SECRETARY**  
**FOR: PRINCIPAL SECRETARY, NATIONAL TREASURY**



**Institute of Certified Public Accountants of Kenya**

---

**ICPAK SUBMISSION**

**ON**

**GOVERNMENT-OWNED ENTERPRISES BILL, 2025**

---

**OCTOBER 2025**

## Introduction

The Institute of Certified Public Accountants of Kenya (ICPAK) is the statutory body of Accountants established in 1978 and draws its mandate from the Accountants Act No.15 of 2008. It is also a member of the Pan African Federation of Accountants (PAFA) and the International Federation of Accountants (IFAC), the global Accountancy umbrella body.

Government-Owned Enterprises (GOEs) play a critical role in the delivery of essential public services, infrastructure development, and the management of strategic national assets. The Draft Government-Owned Enterprises Bill, 2025, seeks to establish a unified legal and institutional framework to enhance governance, streamline oversight, and improve the efficiency and accountability of GOEs.

As a professional body committed to upholding credibility, professionalism, and accountability, ICPAK recognizes the importance of ensuring that the proposed framework not only addresses past governance gaps but also aligns with international best practices. Our submission therefore focuses on strengthening provisions relating to board appointments, conflict of interest management, political neutrality, transition arrangements, and overall governance standards to safeguard public resources and promote sustainable enterprise performance.

**Table 1: Summary on the The Government Owned Enterprises Bill 2025**

#	PROVISION IN THE DRAFT BILL	ISSUE OF CONCERN	RECOMMENDATION	JUSTIFICATION
<b>Preliminary (Definition of GOE)</b>		The issues is in the description of a GOE contradicts with Clause 37(1)	<b><i>Amend Definition to be aligned with Clause 37(1)</i></b>	Avoid ambiguity and provide clarity on source of funding in the event the government wants to finance those entities
<b>Clause 5</b>	The Cabinet Secretary shall exercise ownership over the Government Owned Enterprise by —	There is concentration of appointment and oversight powers risks politicization.	<b><i>Insert new sub-paragraphs to Clause 5(1) and 5(2) to read:</i></b>  “The Cabinet Secretary shall manage shareholding functions through an autonomous Ownership Unit established in the National Treasury and staffed on a merit basis; the Ownership	It creates a professional ownership function, preserves ministerial accountability while reducing ad-hoc political influence.

#	PROVISION IN THE DRAFT BILL	ISSUE OF CONCERN	RECOMMENDATION	JUSTIFICATION
			Unit shall operate under published terms of reference and annual performance targets.”  “Appointments of Chairpersons for GOEs designated as systemically important shall be subject to parliamentary vetting and approval.”	
<b>Clause 10</b>	A government Owned Enterprise shall be managed by a board of directors which shall consist of —	There is no mandatory diversity or critical skills requirements.	<b>Amend Clause 10 and add after Clause 10(1) to read:</b>  i. At least 30% of Board members shall be of either gender; ii. At least one member shall have demonstrable expertise in ESG (environmental, social, governance) matters; iii. At least one member shall have public finance or commercial restructuring experience for GOEs with material fiscal exposure.	Improves decision quality, ESG oversight and fiscal risk understanding.
<b>Clause 11</b>	A person shall be eligible for appointment as chairperson or member of the Board of a Government	The current provision does not ensure that:  1. Board members possess	<b>Amend Clause 11 to read:</b>  A person shall be eligible for appointment as chairperson or member of the Board of a	This will ensure appointments are merit-based, enhance professionalism, and

#	PROVISION IN THE DRAFT BILL	ISSUE OF CONCERN	RECOMMENDATION	JUSTIFICATION
	Owned Enterprise if the person—	specialized expertise. 2. It doesn't bar politically exposed persons from appointment.	Government Owned Enterprise if the person—  (a) Has demonstrable expertise and experience in at least one of the following fields: finance, accounting, auditing, risk management, economics, law, engineering, or corporate governance; (b) Has not less than ten years' professional experience, five of which must be at senior management level; (c) Is a member in good standing of a recognized professional body, where applicable; (d) meets the requirements of Chapter Six of the Constitution; and (e) is not a politically exposed person or a person who has held political office within the preceding five years.	safeguard independence from political influence.
<b>Clause 13</b>	The Cabinet Secretary for the National Treasury shall facilitate the operations of the Selection panel  This is also captured in <b>Clause 16.</b>	The selection process lacks publication, shortlist and conflicts disclosure	<b>Add to Clause 13 a new subsection after 3 (11) to read:</b>  All board vacancies shall be publicly advertised for not less than 21 days. The	This increases competition, reduces patronage, strengthens public confidence.

#	PROVISION IN THE DRAFT BILL	ISSUE OF CONCERN	RECOMMENDATION	JUSTIFICATION
			selection panel shall publish the shortlist.	
<b>Clause 14</b>	(2) A person shall not qualify for appointment as a member of the selection panel, if that person—	The current provision does not explicitly bar politically exposed persons or individuals affiliated with political parties from serving on the selection panel thus creating a loophole where political actors, though barred from serving as board members could still dominate the process of appointing those boards.	<p><b>Amend clause 14 to read:</b></p> <p>(1) A person shall qualify for appointment as a member of the selection panel if such person;</p> <p>(a) holds a recognized university degree in law, finance, economics, accounting, or governance;</p> <p>(b) has at least fifteen years' professional experience, ten of which must be in senior leadership;</p> <p>(c) is a member in good standing of a recognized professional body, where applicable; and</p> <p>(d) meets the requirements of Chapter Six of the Constitution.</p> <p>(2)(f) A person shall not qualify if he or she is a politically exposed person, has served in a political party office within the preceding five years, or has any conflict of interest in relation to GOEs.</p>	This ensures that the safeguards intended for board appointments are not undermined at the selection stage, thereby preserving the independence and professionalism.
<b>Clause 17(3)(4)</b>	Subject to subsection (2), the retirement by rotation	The current provision allows directors	<b>Amend Clause 17 to read:</b>	1. A two-year cooling-off period before joining

#	PROVISION IN THE DRAFT BILL	ISSUE OF CONCERN	RECOMMENDATION	JUSTIFICATION
	shall be in such a way that at each rotation one third of the members of the board shall be retained.	retained under rotation to continue without an independent check.	<p>(3) Subject to subsection (2), the retirement by rotation shall be in such a way that at each rotation one third of the members of the board shall be retained, provided that the members retained under this subsection shall be subject to vetting and confirmation by the selection panel established under Clause 13, before continuation in office.</p> <p>(4)(j) Independent directors shall not be eligible for appointment to any other Government Owned Enterprise within two years of the expiry of their term.</p>	<p>another board stops individuals from “board hopping”</p> <p>2. Introducing a requirement that the one-third of directors retained during rotation be vetted and confirmed by the independent selection panel strengthens accountability and ensures only competent and ethical members continue in office.</p>
<b>Clause 22 (3)(a)</b>	The Bill typically stipulates that a CEO must hold a relevant Degree from a recognized university in Kenya (often implying a	GOEs often operate in complex, highly commercial, and competitive sectors (e.g., energy, transport, finance).	A Master's degree, especially in fields like Business related, Finance, or specialized Engineering/Law, ensures the CEO possesses the advanced analytical and strategic planning skills necessary to navigate these complexities, meet financial targets, and execute the enterprise's commercial mandate.	The Bill seeks to address past governance gaps, which often included the appointment of unqualified individuals. Mandating a Master's degree serves as an objective, merit-based benchmark for intellectual capacity and specialized knowledge in corporate governance, risk management, and regulatory compliance, thereby safeguarding public resources.

#	PROVISION IN THE DRAFT BILL	ISSUE OF CONCERN	RECOMMENDATION	JUSTIFICATION
<b>Clause 22(5)</b>	While the Bill sets a sound maximum tenure of six years (two terms of three years)	It fails to mandate a structured, objective, and transparent process for the reappointment of the CEO for the second term. The absence of a formal review process for re-eligibility allows for subjective or political influence over a critical leadership position.	<b>Amend Clause 22 to read:</b> that the CEO's eligibility for reappointment for a second term must be subject to a comprehensive performance evaluation conducted by the Board (as per Clause 28), and the re-appointment must be formally ratified by the Cabinet Secretary for the National Treasury as the ultimate shareholder. The evaluation criteria and outcome must be documented.	Introducing a structured, merit-based review for the second term ensures that the continuity of leadership is based on proven performance and competence, strengthening the accountability framework for the enterprise's operational head
<b>Clause 30</b>	A proposal on Public Service Obligations to be assigned to a Government Owned Enterprise may be originated by the relevant Ministries for consideration by the Cabinet Secretary for The National Treasury —	Public Service Obligations risk creating unfunded liabilities and crowding out commercial activity.	<b>Replace/augment Clause 30(4) and add new Clause to read:</b>  i. All Public Service Obligations proposals must be independently costed and time-bound;  ii. Full funding shall be provided via a dedicated Public Service Obligations appropriation in the	This protects Government Owned Enterprise commercial viability and fiscal transparency.

#	PROVISION IN THE DRAFT BILL	ISSUE OF CONCERN	RECOMMENDATION	JUSTIFICATION
			<p>national budget before implementation.</p> <p>iii. No Public Service Obligations shall be assigned without a Treasury certification of affordability and an approved PSO agreement published in full.</p>	
<b>Clause 34</b>	<p>The requirement for disclosure of related party transactions (RPTs) is limited to the Independent Directors.</p>	<p>The clause is inadequate as to which standard to adopt in line with International accounting standards (e.g. IAS 24 &amp; IPSAS 20)</p> <p>This oversight creates a loophole by omitting disclosure requirements for the Chairperson, Nominated Non-Executive Directors, and other Key Management Personnel (KMP), who can also engage in transactions that constitute a conflict of interest.</p>	<p><b>Clause 34 (a) to include:</b></p> <p>Provide clear guideline on standards to be adopted for accountability and conformity to reporting</p> <p><b>Amend Clause 34(c) to require:</b></p> <p>Clear identification and disclosure of transactions with all Directors (Executive and Non-Executive) and all Key Management Personnel (KMP). Furthermore, the term "related party" should be formally defined in line with international accounting standards (e.g., IFRS/IPSAS).</p>	<p>IFRS/IPSAS ensures compliance with globally accepted financial reporting standards</p> <p>All directors and KMP is a fundamental principle of good corporate governance and is essential for true financial transparency<sup>2</sup>. Aligning the definition with</p>

#	PROVISION IN THE DRAFT BILL	ISSUE OF CONCERN	RECOMMENDATION	JUSTIFICATION
<p><b>Clause 40 &amp; Fourth Schedule (Repeals, Savings, Transition)</b></p>	<p>The provisions of the Fourth Schedule shall, upon the repeal of the Acts set out in the Third Schedule, have effect with respect to the transfer of the functions, assets, liabilities of the former corporation to the Company, the Corporation and the Commission, as the case may be, and to all matters incidental to such transfer.</p>	<ol style="list-style-type: none"> <li>1. Employee rights and pension liabilities need independent verification and social protections.</li> <li>2. The current provision risks transferring existing inefficiencies, undisclosed liabilities, and governance weaknesses from state corporations to the new Government Owned Enterprises without adequate safeguards.</li> </ol>	<p><b><i>Insert into Fourth Schedule / new transitional clause to read:</i></b></p> <p>Prior to any transfer, merger or dissolution, an independently audited Transition Plan shall be published, including full valuation of pension liabilities, a staff redeployment and retraining plan, and an allocation for severance where redeployment is not feasible. Pension rights accrued shall be preserved in full.</p> <p><b><i>Amend clause 40 to read:</i></b></p> <p>(1) Notwithstanding the repeal of the Acts listed in the Third Schedule, no transfer of assets, liabilities, or functions to a Government Owned Enterprise shall take effect unless and until an independent audit of assets, liabilities, contingent liabilities, and contractual obligations of the entity being reconstituted has been undertaken by the Auditor-General or an independent</p>	<ol style="list-style-type: none"> <li>1. Protects workers, avoids litigation and reputational/fiscal shocks during transition.</li> <li>2. This ensures that GOEs start on a clean, transparent footing and protects them from inheriting undisclosed fiscal risks and also promotes accountability in the restructuring process.</li> </ol>

#	PROVISION IN THE DRAFT BILL	ISSUE OF CONCERN	RECOMMENDATION	JUSTIFICATION
			<p>auditor approved by the Auditor-General.</p> <p>(2) The audit report prepared under subsection (1) shall be submitted to the Cabinet Secretary for the National Treasury, laid before the National Assembly, and published on the National Treasury website prior to the effective transfer date.</p> <p>(3) Where material legacy risks are identified, the Cabinet Secretary shall develop and publish a mitigation plan to address such risks before transfer.</p> <p>(4) Every Government Owned Enterprise established under this Act shall comply with the governance, transparency, reporting, and performance management requirements of this Act within a period not exceeding three years from the commencement date.</p> <p>(5) Any exemption or extension beyond the period specified in subsection (4) shall require approval of the National Assembly and shall</p>	

#	PROVISION IN THE DRAFT BILL	ISSUE OF CONCERN	RECOMMENDATION	JUSTIFICATION
			be subject to annual reporting of progress towards compliance.	
<b>New section</b>	<p><b>Audit and Disclosure Prior to Transition</b></p> <p>(1) Before the transfer of any assets, liabilities, contracts, or staff under this Schedule, the Auditor-General or an independent auditor approved by the Auditor-General shall prepare and publish an audit report identifying:</p> <p>(a)The value and condition of assets;</p> <p>(b)All liabilities, including loans, guarantees, and contingent obligations;</p> <p>(c)Pending litigation and associated risks; and</p> <p>(d) Governance weaknesses that may affect continuity.</p> <p>(2) The audit report under subparagraph (1) shall be made public, and the transfer shall not take effect until the National Assembly has been duly notified.</p> <p><b>Phased Compliance</b></p> <p>(1) Each successor company established under this Schedule shall develop a compliance roadmap within six months of incorporation, outlining how it will meet the requirements of this Act.</p> <p>(2) Full compliance with the provisions of this Act shall be achieved within a maximum of three (3) years from the commencement date.</p> <p>(3) The compliance roadmap and annual progress reports shall be published on the enterprise’s website and submitted to the National Treasury and the National Assembly.</p>			<p>1. Without a mandatory audit and disclosure process, there is a high risk that hidden debts, unresolved litigation, and governance weaknesses from the old corporations will simply be carried forward into the new entities.</p> <p>2. Setting a three-year compliance limit, with mandatory progress reporting, guarantees that all successor companies align with the governance, transparency, and reporting standards of the Act within a reasonable timeframe</p>



[OCTOBER, 2025]

THIRTEENTH PARLIAMENT – (THIRD SESSION) THE NATIONAL ASSEMBLY

**IN THE MATTER OF CONSIDERATION OF THE GOVERNMENT-OWNED ENTERPRISES BILL 2025 (National Assembly Bill No. 40 of 2025.**

*(Pursuant to Articles 1(2), 10(2)(a) And 118 of the Constitution)*

**Section A – Object of the Bill**

The Bill aims to introduce reforms aimed at enhancing the governance, transparency, and efficiency of the government-owned entities, now to be officially designated as Government-Owned Enterprises (GOEs).

**Section B—Personal Information**

**1. Name: WeCare CBO/Community-Led Solutions CBO.**

**2. Constituency: Kisumu West.**

**Section C—Views on Bill**

**3. Views on the Bill:**

S/No.	Clause/Description of Bill	Proposal	Justification
1.	<b>Clause 3 - Objects of the Act</b>	Amend by introducing two new sub-clauses: <b>(k)</b> To promote citizens' oversight and participation in governance of Government Owned Enterprises, and  <b>(l)</b> Ensuring gender-responsive and inclusive governance structures.	<ul style="list-style-type: none"><li>- This reflects Articles 10 and 232 of the Constitution of Kenya.</li><li>- It will enhance equity, accountability and legitimacy.</li></ul>
2.	<b>Clause 5 - The Role of the Cabinet Secretary.</b>	Amend to introduce paragraph <b>(i)</b> for the Cs to publish the annual performance and audit reports of the Government-Owned Enterprises publicly.	<ul style="list-style-type: none"><li>- This will promote transparency and ensures compliance with Section 80 of the Public Finance Management Act and Article 201(d) of the Constitution of Kenya.</li></ul>
3.	<b>Clause 10 - Board of Directors composition</b>	Amend to include PWDs, women, youth, and civil society representatives on the Board of Directors	<ul style="list-style-type: none"><li>- This ensures fair representation on the Board of Directors and mitigates against the potential for state capture</li><li>- This ensures inclusive representation and diversity in decision-making, reflecting the voices of all segments of society.</li><li>- It promotes equity,</li></ul>

			accountability, and participatory governance in the management of public institutions.
4.	<b>Clause 18 - The Role of the Board.</b>	Amend <i>Clause 18(j)</i> for the Board to also publicly publish strategic plans, performance contracts, and annual/quarterly reports on the Government Owned Enterprises.	- This aligns to the principles of openness under Article 35. By making this information public, public trust is enhanced and informed public oversight is promoted
5.	<b>Clause 27 - The Performance Management.</b>	We ask the committee to consider the performance evaluation framework to include citizen feedback mechanisms, e.g, status reports, performance scorecards and surveys.	- Promotes Integrity, ensures accountability to service users, and reflects Article 232 on responsive public service.
6.	<b>Clause 36 - Dissolution and Merger</b>	Amend to require public participation to be conducted before dissolving or merging any Government-Owned Enterprises.	- There is no provision for the same in the Bill, and we feel this enhances accountability and active citizen involvement as envisioned in Article 10 of the constitution.

SIGNED  \_\_\_\_\_

DATE: 23rd October, 2025.

***"For the Welfare of Society and the just Government of the People"***

Private and Confidential

Hon. CPA Francis Kuria Kimani, MP

Chairperson  
Departmental Committee on Finance & National Planning  
The National Assembly  
Parliament Buildings  
Parliament Road, Nairobi

October 22, 2025

Dear Hon. CPA Kimani,

**Ichiban Tax & Business Advisory LLP**

**Memorandum to National Assembly on the Capital Markets (Amendment) Bill and Government Ownership Enterprise Bill, 2025**

We refer to the above matter and to the Capital Markets (Amendment) Bill (2025) and Government Ownership Enterprise (GOE) Bill, 2025, and write to advocate and plead for:

**A. Memorandum to National Assembly on the Capital Markets (Amendment) Bill, 2025**

No.	Clause	Current Clause of the Amendment Bill	Proposed amendment	Justification for proposed amendment
1.	2 of the Capital Markets Amendment Bill	Proposes deletion of sub-section 4, 5,6 and 7 of Section 29 of the Capital Markets Act	Addition of transitional clause	<ul style="list-style-type: none"> <li>The clause proposes deletion of sub-section 4, 5,6 and 7 of Section 29 of the Capital Markets Act and adds that the Cabinet Secretary may in consultation with the authority to make regulations prescribing the shareholding limits for different categories of business that require licensed or approved under the Act.</li> <li>There is need of transitional clause to govern the markets and prevent any anti-competitive practices until the Cabinet Secretary makes the regulations prescribing the shareholding limits for different categories of business that require licensed or approved under the Act.</li> </ul>

**B. Memorandum to National Assembly on the Government Ownership Enterprise Bill, 2025**

No.	Clause	Current Clause of the Amendment Bill	Proposed amendment	Justification for proposed amendment
1.	4(1)( c) of the Government Ownership Enterprises Bill 2025	This Act applies to- the government owned enterprises established by other written laws before the commencement of this Act set out in the Second Schedule.	Delete Section 4(1)( c) Or Amend Paragraph 29 of the Third Schedule	<ul style="list-style-type: none"> <li>The separation of state entities which were covered under the State Corporation Act without repealing the State Corporation Act leads to duplication of other same roles and models of management.</li> <li>The proposed GOEs can be covered under the State Corporation Act with some amendments such as the proposed performance incentive system</li> <li>The repeal of the entire State Corporation Act through proposed Paragraph 29 of the Third Schedule of the GOE Bill and effectively placing all state entities under the proposed GOE Bill would also streamline the management of state entities without duplication.</li> </ul>
2.	9(3) of the Government Ownership Enterprises Bill 2025	A Government Owned Enterprise which also public service obligations shall operate on commercial basis and shall, for the purposes of financing the achievement of public service obligations be funded through the Government budgetary resources.	Delete Clause 9(3)	<ul style="list-style-type: none"> <li>The fiscal risks present are that the state would be forced to step in with bail-outs or guarantees in case of major GOE failure or losses.</li> <li>The taxpayers are at risk of having to bear the cost of financing the GOEs in the event of misappropriation of funds.</li> <li>We observe that Clause 9(1) of the Bill states that the GOEs shall operate as commercial entity and shall; operate for profit, be self-financing, be self-sustaining and be accountable to the public through the National Treasury.</li> </ul>

Further, we discuss the general implications that would present with the proposed GOE Bill;

3. First, cutting across the proposed bill, the risk that the proposed "GOE" merely re-names a section of state corporations, without changing incentive structures in management and responsibilities.



4. The cost implications for running two identical regulatory systems which oversee the state entities with difference being that the proposed GOE management under Part III of the Bill oversees commercial state enterprises and the State Corporation Act overseeing the other state enterprises brings a duplication of roles and costs without any administrative reforms.
5. Implementation of the GOE Bill 2025 remains at risk as there has been weak monitoring and suboptimal procurement and management in the state enterprises. The Bill does not propose any parameters over and above what has been provided for in the State Corporation Act that would ensure the proper management of the GOEs. Some of these state entities being of commercial value, there needs to be stringent measures to ensure that no mismanagement take place.

### C. Conclusion

The following are the recommendations on proposed amendments to specific provisions of the;

#### I. Capital Markets (Amendment) Bill, 2025

We recommend that the Committee amends the Clause and adds a transitional clause to govern the markets and prevent any anti-competitive practices until the Cabinet Secretary makes the regulations prescribing the shareholding limits for different categories of business that require licensed or approved under the Act.

#### II. Government Ownership Enterprise Bill, 2025

Due to the potential duplicity of the functions and management systems that would occur as a result of this Bill, we request that the Committee does not recommend the GOE Bill in its entirety. We propose the fortifying of the existing State Corporation systems or the repeal of the State Corporation Act and fortification of the proposed GOE for the effective overall management of state enterprises cost effectively.

We are available to make a presentation on this matter and look forward to your invite to further engage on this matter. In the meantime, we trust that our submission is clear and thank you in advance for supporting the contents of this submission.

Yours sincerely,

Robert Waruiru  
**Partner - Ichiban Tax & Business Advisory LLP**



**KIETI LAW LLP**

Merchant Square, 3<sup>rd</sup> Floor, Block D, Riverside Drive  
PO Box 22602-00505, Nairobi, Kenya

T +254 204 409 918 | +254 731 086 649 | +254 710 560 114

E [cdhkenya@cdhlegal.com](mailto:cdhkenya@cdhlegal.com)

W [cliffedekkerhofmeyr.com](http://cliffedekkerhofmeyr.com)

PIN No. P051998217T

LLP No. LLP-YP17JK

S. Njoroge, CBS  
Clerk of the National Assembly  
Main Parliament Buildings  
Nairobi

Our Reference  
Account Number  
Your Reference  
Direct Line  
Direct Email  
Date

Sammy Ndolo  
TBA  
NA/DDC/F&NP/2025/080  
+254 721 645 447  
[Sammy.Ndolo@cdhlegal.com](mailto:Sammy.Ndolo@cdhlegal.com)  
13 October 2025

Attention: Mr S. Njoroge, CBS  
By Hand

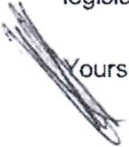
Dear Sir

**STAKEHOLDER ENGAGEMENT ON THE CAPITAL MARKETS (AMENDMENT) BILL, (NATIONAL ASSEMBLY BILL NO. 30 OF 2025) AND THE GOVERNMENT OWNED ENTERPRISES BILL, 2025 (NATIONAL ASSEMBLY BILL NO. 40 OF 2025) BY THE DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL PLANNING**

We refer to your letter dated 25 September 2025 on the above matter.

We enclose our comments in the attached memorandum following our review of the Capital Markets (Amendment) Bill, 2025.

We are available to provide clarification during the Committee's hearings and remain committed to supporting the legislative process. The writer may be reached on the email address [Sammy.Ndolo@cdhlegal.com](mailto:Sammy.Ndolo@cdhlegal.com).

  
Yours faithfully


Sammy Ndolo  
Partner, CDH (Kenya)

We have proposals that we would like changed or considered afresh. The details are in the next page:

**Nairobi | Cape Town | Johannesburg | Stellenbosch | Windhoek**

Sammy Ndolo (Managing Partner, Kenya) | Desmond Odhiambo | Shem Otanga | Njeri Wagacha  
Alex Kanyi | Lydia Owuor | Stella Situma | Alex Muchira | Brian Muchiri | **Consultant:** Clarice Wambua

**From vision to fruition**

For a full list of Directors, visit   
[www.cliffedekkerhofmeyr.com](http://www.cliffedekkerhofmeyr.com)

**MEMORANDUM ON THE CAPITAL MARKETS (AMENDMENT) BILL, 2025**

No	Clause	Topic	Description of the clause	CDH's proposed amendment	Justification of the amendment
1.	Clause 2(a) – (e)	Delegation of authority to the Cabinet Secretary and the Capital Markets Authority (CMA) and repeal of sections 29(4) to (7) of the Act	The Bill transfers the power to determine shareholding and governance thresholds from the Act to subsidiary legislation.	<p><b>Proposal A (Preferred):</b> We recommend retaining the shareholding and governance thresholds in the Act, with targeted adjustments where necessary (for example, exemptions for intermediaries owned by banks, insurers, or pension schemes that are already subject to equivalent prudential oversight). This maintains a statutory anchor for ownership limits while allowing Parliament to consider any major policy change directly through primary legislation.</p> <p><b>Proposal B (alternative if the thresholds are to be removed from the Act):</b> Repeal subsections (4)–(7) entirely and empower the CMA to issue Guidelines (as opposed to the current</p>	<p><b>Economic and policy justification for proposal A:</b></p> <ul style="list-style-type: none"> <li>• The ownership and control limits were introduced to mitigate systemic and market-conduct risks arising from concentrated control. Retaining them in the Act keeps that safeguard visible, preserves investor confidence, and avoids regulatory uncertainty that could dampen investment sentiment.</li> <li>• Statutory limits provide a stable framework that investors and intermediaries can rely on when structuring transactions and raising capital.</li> <li>• Exempting entities already subject to prudential regulation achieves proportionality without removing the guardrails entirely.</li> </ul> <p><b>Practical and governance justification (for proposal B):</b></p> <ul style="list-style-type: none"> <li>• If flexibility is the overriding objective, Guidelines are preferable to Regulations. Regulations are still</li> </ul>

				<p>clause 2(a) which empowers the Cabinet Secretary to make Regulations) prescribing shareholding and governance thresholds for different categories of market intermediaries from time to time. The Bill could be worded to authorise the CMA to issue and revise guidelines on ownership and governance requirements for licensed market intermediaries.</p> <p>The revised Clause 2 (a) could be revised to read: <i>“(3A) The Authority may issue guidelines prescribing the shareholding limits for different categories of business that require to be licensed or approved under the Act”</i></p>	<p>subject to the Statutory Instruments Act, Cap. 2A hence still require parliamentary scrutiny, and take considerable time to amend just like the Act. So they do not offer the intended agility.</p> <ul style="list-style-type: none"> <li>• Guidelines will allow the CMA to respond swiftly to market developments, technological change, and evolving ownership structures without legislative delays.</li> <li>• The CMA, being the day-to-day supervisory authority, is better placed than the Cabinet Secretary to issue and periodically update such guidelines, ensuring decisions are driven by market data and risk considerations rather than political cycles, also noting the Cabinet Secretary’s busy schedule.</li> <li>• This approach also aligns with cost-efficiency and administrative practicality, allowing changes without triggering a full legislative process whenever thresholds need recalibration.</li> </ul>
--	--	--	--	--	---

2.	Recommend ed new Clause 2 (f)	Insertion of a new clause to introduce transitional and saving provisions (in case our proposal to retain the shareholding and governance limits in the Act is not considered)	The Bill currently repeals section 29(4)–(7) of the Act without transitional or guiding provisions to preserve existing ownership and governance safeguards.	<p>We propose the insertion of a new clause providing that the repeal of section 29(4)–(7) shall not affect intermediaries licensed on the basis of the previous thresholds or those with pending licence applications until the new guidelines (or regulations, if our proposal for guidelines is not considered) under section 29(3A) come into operation. The recommended new Clause 2(f) could be worded as below:</p> <p><i>“2(f) Despite the repeal of subsections (4) to (7) of section 29 of the Capital Markets Act—</i></p> <p><i>(a) any licence granted before the commencement of this Act shall remain valid; and</i></p> <p><i>(b) the shareholding and governance structures approved under such licences shall continue to be recognised, until the coming into operation of regulations made under subsection (3A).”</i></p>	This ensures that existing market intermediaries retain valid licences and approved ownership structures until the new regulatory framework is in place, thereby maintaining continuity, avoiding governance vacuum and disruption, and preserving market stability during the transition.
----	-------------------------------------	--	--	--	--