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Notice for the Regulatory Impact Assessment



MINISTRY OF LAND, PUBLIC WORKS, HOUSING AND URBAN DEVELOPMENT

THE REGULATORY IMPACT STATEMENT IN THE MATTER OF PUBLIC PARTICIPATION ON:- THE DRAFT AFFORDABLE HOUSING REGULATIONS 2024

1. A Statement of the objectives of the proposed Affordable Housing Regulations, 2024

The Proposed draft Affordable Housing Regulations 2024 seek to facilitate full operationalization of the Affordable Housing Act in the development of affordable housing, institutional housing and associated social and physical infrastructure across the country. The main objective and reason for the proposed Affordable Housing Regulations, 2024 is to operationalize Affordable Housing Act, 2024 and provide clarity on its implementation.

Specifically, the Regulations seek to:-

- (a) Provide for eligibility, application, validity and revocation of exemptions from imposition of the Levy under section 6 of the Act
 - (b) provide the criteria for application for allocation and re-allocation in case of default of an affordable housing unit under section 48
 - (c) prescribe the requisite deposit for affordable housing unit under section 49(2)(a)
 - (d) Provide for inclusivity, and diversity within affordable housing schemes pursuant to Section 59(2) (i) of the Act
 - (e) Provide for the criteria for change of affordable housing unit under Section 59(2)(g)
 - (f) Provide for loan interest rate or administration fee under section 51 of the Act
 - (g) Provide for procedure relating to off-take of affordable housing units;
 - (h) Provide for the eligibility criteria to enter into an agreement to develop institutional housing
 - (i) Provide for the application procedure for approval to develop institutional housing through implementing agencies
 - (j) Provide for eligibility to enter into agreement to finance off-take, application for approval
 - (k) Provide for application for approval to offer off take
 - (l) Provide clarity on development of associated physical and social infrastructure
 - (m) Provide for conduct of Public participation by the Board
 - (n) Provide for notice of affordable housing on settlement
 - (o) Provide for withdrawal of voluntary savings under Section 52;
 - (p) Provide for rural affordable housing unit
 - (q) Provide for restrictions on disposal of affordable housing unit.
- (2) **The effect of the proposed Affordable Housing Regulations 2024 include the following:**
- a) The proposed regulations will provide guidance on the implementation of the provisions of the Affordable Housing Act 2024.
 - b) The implementation of the Regulations will ensure achievement of the Government housing commitment which is to turn housing challenge into an economic opportunity, and ensure housing production to create quality jobs for the 100,000 or so young people graduating from TVETs every year directly in the construction sector and indirectly through the production of building products.
 - c) These Regulations will facilitate achievement of the economic and social rights guaranteed in Article 43(1)(b) of the constitution through:
 - i. increasing the supply of housing to 250,000 per annum; increasing the supply of affordable homes from 2 per cent to 50 per cent;
 - ii. structuring affordable long-term housing finance schemes;
 - iii. growing the number of mortgages from 30,000 to 1,000,000 by enabling low-cost mortgages;
 - iv. strengthening Jua Kali industry capacity to produce high quality construction productions and materials; and
 - v. Providing for collaborations and partnerships with developers to participate in the affordable housing program
 - d) The enactment and implementation of these regulations will open up affordable home financing for development of sustainable fully serviced affordable housing schemes with integrated communities and households with all the requisite social and physical infrastructure.
 - e) These Regulations will cushion Kenyans against high rentals; high lending rates by financial institutions therefore promoting home ownership across the Country.
 - f) The Regulations will further provide for charging of an affordable and sustainable home financing on loans to cushion the vulnerable from largely inaccessible lending
 - g) The Regulations will guard against market distortions by ensuring that envisaged partnerships with the Fund, are not exclusive or preferential and do not confer market advantage to any partners over competitors.
 - h) The implementation of the Regulations will enable the Government to enhance economic participation of special interest groups and micro, small and medium enterprise in the creation of jobs and general economic development.
 - i) Further, the Regulations will promote economic growth by linking MSMEs and Jua Kali sector to the affordable housing projects.
- (3) **Possible alternative and practicable means of achieving the foregoing objectives, including other regulatory as well as non-regulatory options:**
- The Affordable Housing Act under Section 59 gives powers to the Cabinet Secretary in consultation with the Board to prepare and table the regulations within 30 days of commencement of the Act. The preparations and submission of the Affordable Housing regulations 2024 to parliament is therefore a legal requirement under the Act and thus does no other option is available.
- (4) **Assessment of the costs and benefits of the proposed Affordable Housing Regulations, 2024 and of any other practicable means of achieving the same objectives:**
- The implementation provides a framework for the delivery of Affordable Housing and Institutional Housing. The implementation of the proposed Affordable Housing Regulations, 2024 may have some potential challenges. The resultant effect may include an increase in the cost of business that may adversely impact businesses that are financially weak.
- It will also however create employment opportunities for businesses in the Real Estate sector or businesses supporting the Real Estate sector owing to increased opportunities. Further the lack of adequate capacity by some of Kenyans to acquire and be allocated affordable housing units due to lack of income to support the repayments of the allocated unit may result in (i) default by unit purchasers that may affect the Fund and subsequent repossession of the units where it is impracticable possible for a unit buyer to remedy the situation; (ii) Non-performance by the implementing agencies who have been entrusted to implement the affordable projects under the Affordable Housing Act, 2024; and the risk of inadequate affordable housing units in the initial period of the program.
- However, enactment of the proposed regulations will not occasion any additional costs towards implementation, as it seeks to further provide clarity on the implementation of the various provisions within the Affordable Housing Act, 2024. The proposed Regulations seek to provide a robust implementation mechanism for provisions identified under Section 59 (2) and further enable better implementation of the Act. The development of the proposed regulations therefore will create a positive impact in the achievement of the intended objective of the Affordable Housing Act, 2024.
- (5) **Any other matter specified by the Regulations**
- The proposed Regulations provides the basis for effective and structured way of undertaking development of affordable housing and provision of affordable homes to Kenyans. The regulations provides a well coordinated approach and application for off take thus incorporating the private sector in provision of the affordable housing. The regulations also provides flexibility for innovation and eligibility across income levels as well as provisions for voluntary savings towards home ownership. Lastly, the regulations also encourage participation of implementing agencies from National and County Governments.
- (6) **Draft copy of the proposed statutory rule.**
- A draft copy of the proposed Affordable Housing Regulations, 2024 is posted on the website of the Ministry of Lands, Public Works, Housing and Urban Development, State Department for Housing & Urban Development at www.housingandurban.go.ke. The comments or inputs or memoranda on the Regulations may be forwarded, in the prescribed format, to the Principal Secretary, State Department for Housing and Urban Development, P.O. Box 30119-00100, Nairobi; hand delivered to the Office of the Principal Secretary, Ardi House on 6th Floor, Nairobi; or soft copy emailed to ahp@housingandurban.go.ke to be received by **Monday, April 29th, 2024 at 5.00 pm.**

HON. ALICE M. MAHOMBE
CABINET SECRETARY LANDS, PUBLIC WORKS, HOUSING & URBAN DEVELOPEMENT

Kenya Ports Authority reports record growth in cargo throughput



KPA General Manager for Corporate Services Edward Kamau (left) presents a tour golf bag to Nyanza Golf Club's David Odhiambo who won the KPA sponsored western circuit golf tournament in Kisumu.

BY CHRIS MAHANDARA(KNA)

The Port of Mombasa has defied a global economic crunch to post improved performance over the last twelve months by growing cargo throughput at the port by an impressive 6.2 per cent, reaching 35.98 metric tonnes.

The growth is attributed to a substantial increase in containerized cargo, which registered a remarkable 14.8 per cent rise, accounting for over half of the cargo handled at the Port.

Kenya Ports Authority (KPA) Managing Director, Captain William Ruto, said the port also registered double-digit growth of 11.9 per cent in container traffic, reaching a total of 1.62 million twenty-foot units.

This, he said, reflects the port's efficiency and economic resilience in the region, driving demand for imports and exports.

Ruto attributed the growth to improved vessel turnaround times, container vessel productiv-

ity, and truck turnaround times, which have shown marked improvement.

KPA, he said, will continue to improve operational efficiency through capacity expansion and modernization efforts to meet the growing demand for trade.

This, he said, will ensure that the Port of Mombasa is well-positioned to maintain its status as a key player in the global trade landscape.

"As we move forward, we remain committed to enhancing trade facilitation and economic development in Kenya and the broader East Africa region," he said. In a speech read on his behalf by KPA General Manager for Corporate Services Edward Kamau during a golf tournament in Kisumu, Ruto said the transit market segment has also grown by 11.5 per cent.

Construction of the Homa Bay pier, he said, is ongoing with others slated to begin later in the year.

First Lady supports 7,000 learners with porridge flour for improved nutrition

BY MUTURI MWANGI(KNA)

More than 7,000 learners in Laikipia County have benefited from porridge flour to improve nutrition courtesy of the Office of the First Lady Rachel Ruto.

Laikipia County Deputy Governor Rubeen Kamuri, speaking in Nanyuki during the official flagging off of the food aid consign-ment, said that the 250 bales of flour would address malnutrition among the school learners in the county.

"We are glad to receive this food aid that is expected to benefit our learners across the county. We have received 250 bales of porridge flour and will benefit over 7,000 students," Kamuri said. He pointed out that the porridge would ensure pupils do not miss

out on school due to hunger and, at the same time, lauded the initiative, noting it was timely.

The Office of the First Lady, Mercy Works Secretary Edward Ngaira, said that the government is committed to alleviating hunger in the county among the learners aimed at boosting education.

"The First Lady is committed to reaching out to the families and children with no food, and I call upon other partners to join us in making such children-gearred initiatives successful in a bid to keep them in school," Ngaira said.

Additionally, he said Laikipia has arable land and fertile soil suitable for farming and urged stakeholders for collaboration to increase the food basket through agriculture as a lasting solution to hunger in the county.

DP assures Kenyan diaspora of country's economic recovery

BY JOSEPH WANGUI (DPCS)

Deputy President Rigathi Gachagua has assured Kenyans working and living abroad that the country is secure, and the economy has recovered.

Addressing over 400 members of the Diaspora Community in Kigali, Rwanda, the Deputy President urged Kenyans living abroad to invest in Kenya and purchase the government's affordable houses. He stated that there is political stability in the country. He was in Rwanda representing President William Ruto during the 30th Commemoration of the 1994 Genocide against the Tutsi ethnic community.

"Kenya's security is high. Interior Cabinet Secretary Prof Kithure Kindiki has helped restore security in North Rift and Lamu. It will continue so that the government can create the right atmosphere to

attract investment and tourism. Kenya is great again, we have political stability, everybody is busy, and we are back on the right trajectory in terms of economic development," Mr. Gachagua said.

"Invest back in home and especially in the housing program. The houses are affordable, and the mortgage is manageable and payable for the long term. You won't even feel it," he continued.

Urging the Diaspora Community to invest in the affordable housing project, the Deputy President described the initiative as a safe investment for the future and business.

The Government plans to build over 500,000 housing units by the year 2027, with the intention of transforming the lives of Kenyans. Housing projects are one of the pillars of the Bottom-Up Economic Transformation Agenda (BETA).



Deputy President Rigathi Gachagua

Deputy President Gachagua added that the Government upholds democracy, adding "We have tolerance, we are democratic, and we run an open system where the government and the President are ready to be criticized in any manner. We don't want dictatorship, we want to be held to account," DP Gachagua stated. On Kenya's economic situation, the Deputy President said the economy is showing visible and greater signs of recovery. He said President Ruto has also contained the cost of living.

Mr Gachagua highlighted appreciation of the Kenyan shilling against the dollar, hiring of 56,000 teachers to bridge the teacher-student ratio and development programs of the government.

"We are on the right trajectory in the economy and policies put by the President are bearing fruits," DP Gachagua said. During the Diaspora Engagement Forum, the Deputy President also apprised the group on the implementation of various government's development agenda such as the affordable housing and enhancement of the diaspora affairs.

Principal Secretary State Department for Diaspora Affairs Roseline Njogu, the Kenya High Commissioner to Rwanda Amb. Janet Mwaasi Oben, Members of Parliament and two Kenya university student leaders were also present at the event.

Pastoral communities in Laikipia reap windfall from carbon credits

BY MUTURI MWANGI (KNA)

Pastoral communities in Laikipia have benefited from more than Sh370 million in carbon credits, thanks to their rangeland conservation efforts.

The funds, expected to benefit about 14 community conservancies across Isiolo, Samburu, Marsabit, and Laikipia counties, will be utilized for infrastructural development, bursaries, and improving access to water through borehole sinking in these four counties. This move aims to bolster economic sustainability through environmental conservation.

During the launch of the Third Round of the Community Carbon Fund by the Northern Rangelands Trust (NRT) at a Nanyuki hotel, Laikipia Governor Joshua Irungu praised the communities in the four counties, highlighting the benefits of their continued conservation efforts in the region.

"We appreciate receiving money through carbon credits, and residents should understand that by conserving our environment, we will continue to reap benefits," Irungu said.

He noted that out of the total Sh379 million, the county had received over Sh12 million from NRT, which will be used to initiate water projects in Laikipia North Sub-County. NRT, Rangelands and Carbon Program Director Mohamed Shibia said that Kenya produced the least carbon pollution globally adding that communities are committed to rangeland conservation through rotational grazing.

"This is a pastoral-gated project to improve their grazing fields and carbon sequestration as a modern way of rangeland conservation. Carbon in the air is what contributes to climate change and that is what we are committed to addressing," Shibia said.

He revealed that, Northern Kenya Rangelands Carbon Project, which is the world's largest soil carbon removal project, is estimated to remove more than 50 billion tons of carbon dioxide in 30 years and generate funds for rangeland communities.

He revealed that the carbon credit fund had helped them improve their lives through community-led projects.



HIGHER EDUCATION LOANS BOARD TENDER ADVERTISEMENT OPEN NATIONAL TENDER

The Higher Education Loans Board is a state corporation whose mandate is to source for funds and provide loans, scholarships and bursaries to Kenyans studying in recognized institutions of higher learning.

HELB invites interested, reputable firms with experience for the submission of sealed tenders as follows:-

Tender Number	Tender Description	Tender closing date	Eligibility
HELB/RFP/06/2023-2024	Provision of Vulnerability Assessment and Penetration Testing Consultancy Services	Thursday 2 nd May 2024 11.00am	Open
HELB/OT/08/2023-2024	Supply of Branded Laptops and Computers	Thursday 2 nd May 2024 11.00am	Open

Interested and eligible firms may obtain further information and inspect the tender documents at the Procurement office on 18th floor of Anniversary Towers, University Way, Nairobi, during normal working hours or view and download the respective **detailed tender advert** and **tender document** from our website www.helb.co.ke/procurement/ or <https://tenders.go.ke>.

All bidders interested in participating in the tender must notify HELB of their participation in the tender by emailing their contact details to procurement@helb.co.ke in case of any further tender addendum.

EMPOWERING DREAMS

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INVITATION TO TENDER

Kenya Power invites tenders from interested bidders for provision of the following:-

NO.	TENDER NO.	ITEM DESCRIPTION	TENDER COMMENCEMENT DATE	TENDER CLOSING DATE
1.	KP1/9A.3/OT/40/23-24	Supply of Materials for Fabrication of MCB Boxes, Ovens and Cranes/Chain Blocks	Tuesday 16.04.2024	Tuesday 07.05.2024 at 10.00 a.m.
2.	KP1/9A.2/OT/100/ICT/23-24	Supply, Installation and Configuration of Servers	Thursday 18.04.2024	Thursday 02.05.2024 at 10.00 a.m.
3.	KP1/9A.2/OT/105/ICT/23-24	Design, Supply, Installation and Commissioning of GBE and DWDM for KPLC Broadband Solution	Friday 19.04.2024	Friday 03.05.2024 at 10.00 a.m.
4.	KP1/9A.2/FA/001/ICT/23-24	Procurement of Fiber Optic Cable (Local Manufacturers)	Friday 19.04.2024	Friday 03.05.2024 at 10.00 a.m.
5.	KP1/9A.2/FA/002/ICT/23-24	Procurement of Fiber Optic Fittings and Accessories	Friday 19.04.2024	Friday 03.05.2024 at 10.00 a.m.
6.	KP1/9A.2/FA/003/ICT/23-24	Procurement of GPON Equipment and Accessories	Friday 19.04.2024	Friday 03.05.2024 at 10.00 a.m.

Tender documents detailing the requirements of the above tenders may be obtained from the Kenya Power website (www.kplc.co.ke) from the dates shown above.

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