O'BANG LAW

Public Affairs & Policy

LEGISLATIVE BULLETIN

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1. Legislative Highlights

1. The National Infrastructure Fund Bill (National Assembly Bill No.1 of 2026) was passed.
2. The Division of Revenue Bill (National Assembly Bill No. 2 of 2026) was passed.
3. Budget Policy Statement for the Financial Year 2026/2027 approved.
4. Civil Aviation Regulations tabled (comprehensive framework).
5. The Government of Kenya's partial divestiture of Safaricom PLC was approved.
6. The Medium-Term Debt Management Strategy for the financial years 2026/2027 to 2028/2029 was approved.
7. The Labour Migration and Management (No. 2) Bill (Senate Bill No. 42 of 2024) was passed.
8. The Coffee Bill (Senate Bill No.10 of 2023) was finalised following bicameral approval.
9. The Mining (Mineral Royalty Sharing) Regulations, 2026 introduced.

2. Sectoral Legislative & Regulatory Updates

2.1. Financial Updates & Fintech

a) The following documents were laid at the Table for consideration:

- Report of the Departmental Committee on Finance and National Planning on its consideration of the National Infrastructure Fund Bill (National Assembly Bill No. 1 of 2026).
- Legal Notice No.197 of 2025 relating to the Capital Markets (Licensing Requirements) (General) Regulations, 2025, the Explanatory Memorandum, Regulatory Impact Statement and Evidence of stakeholder engagement from the National Treasury and Economic Planning.
- Joint Report of the Departmental Committee on Finance and National Planning and the Public Debt and Privatisation Committee on the Consideration of Sessional Paper No.3 of 2025 on the Partial Divestiture in Safaricom PLC by the Government of Kenya.
- National Government Budget Implementation Review Report for the First Three Months of Financial Year 2025/26 from the Office of the Controller of Budget.

b) Fiscal Framework - Parliament approved the Budget Policy Statement for the Financial Year 2026/2027 and the Medium-Term Debt Management Strategy for the financial years 2026/2027 to 2028/2029.

c) Parliament approved the partial divestiture in Safaricom PLC, resolving that:

- The effective date of the approval shall be 1st April, 2026, or such later date as all regulatory approvals that form a condition precedent in the Share Purchase Agreement have been obtained.
- The National Treasury shall, upon obtaining all regulatory approvals in line with the Share Purchase Agreement, undertake and complete the transaction through the Block Trade Platform of the Nairobi Securities Exchange. Upfront payment to be made in lieu of future dividends
- The Government of Kenya shall receive Ksh 40.2 billion as an upfront payment in lieu of future dividends on the residual 20 per cent shareholding as per the Dividend Purchase Agreement. Proceeds to be paid into the National Infrastructure Fund
- Notwithstanding anything contained in the Share Purchase Agreement and the Dividend Purchase Agreement, the proceeds of the divestiture shall be paid into the National Infrastructure Fund.
- To safeguard against job losses among existing staff, there shall be no acquisition-related redundancies at Safaricom PLC.
- The National Treasury shall ensure that within 10 years of the divestiture, there shall be no material change to the current shared prosperity business model in Safaricom PLC that will prejudice the existing Safaricom PLC dealers, agents and other business partners.

e) Digital financial services scams – A statement was raised regarding the growing prevalence of mobile money fraud, digital impersonation schemes, and other technology-enabled financial scams affecting citizens across the country Kenya's rapid adoption of digital financial services and mobile money platforms.

f) Statutory management of various insurance companies under statutory management – A statement was raised regarding the recent placement of Trident Insurance Company, Kenya Union of Savings and Credit Co-operatives (KUSCCO), Mutual Assurance Limited and Corporate Insurance Company under statutory management by the Insurance Regulatory Authority.

2.2. Agriculture Sector

- Coffee Bill (Senate Bill No.10 of 2023) – bicameral approval completed following mediation.
- Committee of the Whole consideration of the Tea (Amendment) Bill (Senate Bill No. 1 of 2023).
- Inquiry into the pricing of tea in Kenya, report by the Committee on Agriculture and Livestock (Motion).
- The report of the Standing Committee on Agriculture, Livestock and Fisheries on its consideration of the Seeds and Plant Varieties (Amendment) Bill (Senate Bills No. 4 of 2025) was tabled in the Senate.
- Use of emergency funds by county governments to purchase seeds for residents in Arid and Semi-Arid counties (Statement).
- The performance of the Kenya Agricultural Livestock Research Organisation (KALRO) in soil testing and analysis (Statement).

2.3. Transport Logistics & Aviation

- Report of the Departmental Committee on Transport and Infrastructure on its consideration of the Miscellaneous Fees and Levies (Amendment) Bill, National Assembly Bill No. 57 of 2025.
- The National Aviation Policy – the policy outlines the government's intent to address challenges in Kenya's aviation sector, positioning it as a key enabler of economic growth and a contributor to the achievement of Vision 2030.
- Multiple Civil Aviation Regulations covering licensing, safety, air navigation, environmental protection, carbon offsetting and unmanned aircraft systems, among others, were tabled.
- The deteriorating infrastructure at the Wilson Airport in Nairobi City County (Statement).
- The Miscellaneous Fees and Levies (Amendment) Bill (National Assembly Bill No. 57 of 2025) – expands the purpose of the Railway Development Fund.

2.4. Energy, Infrastructure & ICT

- National Infrastructure Fund Bill (National Assembly Bill No.1 of 2026) passed. The Bill establishes a dedicated fund to finance national infrastructure projects.
- The operations of KUDURA Power East Africa in Western Kenya (Statement).
- The alarming increase in deforestation linked to the growing use of firewood and wood-based biomass fuel by large manufacturing companies across the country (Statement).
- Impact of the ongoing conflict in the Middle East on the supply, pricing and stability of petroleum products in Kenya. (Statement).
- Increased collapse of buildings in the country (Statement).
- Report of the Standing Committee on Energy on the inquiry into the shortage of smart energy meters in Kenya and the potential for their local manufacturing.
- The Energy (Amendment) Bill (Senate Bill No. 11 of 2025) was withdrawn to allow further consultations and to facilitate the co-sponsorship of a more comprehensive Bill. The Bill, intended to amend Section 223 of the Energy Act, so as to exempt county governments from the category of public bodies required to seek consent from the cabinet secretary responsible for energy and petroleum before levying charges on way leaves.

2.5. Technology & Digital Economy

- Security vulnerabilities on the e-Citizen payment platform (Statement).
- Motion on the promotion of artificial intelligence and innovation policy dropped.

2.6. Consumer Goods & Public Health

- Tobacco Control (Amendment) Bill (Senate Bill No. 35 of 2024), which seeks to amend the Tobacco Control Act (Cap. 245A) to regulate electronic nicotine delivery systems, including electronic cigarettes and related products, was passed.

2.7. Environment, Extractives & Water

- Legal Notice No.3 of 2026 relating to the Mining (Mineral Royalty Sharing) Regulations, 2026.
- Lead contamination in soils and water, the silent killer (Statement).
- Environment and Natural Resources, in its consideration of the Environment Management and Coordination Bill (National Assembly Bills No.66 of 2023).
- Concerns raised over pollution and sewer management failures (Statement).

2.8. Trade Industry and Cooperatives

- The Local Content Bill (National Assembly Bill No.45 of 2025).
- The Micro and Small Enterprises (Amendment) Bill (National Assembly Bill No.25 of 2025).
- The Sports (Amendment) Bill (National Assembly Bill No. 5 of 2026).

2.9. Employment & Labour

- The Labour Migration and Management (No. 2) Bill (Senate Bill No. 42 of 2024) was passed by the Senate.
- Worker Rights & Labour Conditions (Statements).

2.10. Public Sector

- Legal Notice No. 43 of 2026 relating to the Public Benefits Organisations Regulations, 2026.
- The Division of Revenue Bill (National Assembly Bills No.2 of 2026).
- The Sports (Amendment) Bill (National Assembly Bill No. 5 of 2026) – First reading.
- The Public Finance Management (Amendment) (No.4) Bill (National Assembly Bills No.45 of 2024) was passed.
- The role of Council of Governors (CoG) in appointments and nominations to various boards, task forces and committees (Statement).
- Oversight mechanisms by the Senate (Statement).

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