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KENYA NATIONAL ASSEMBLY
TENTH PARLIAMENT – FOURTH SESSION**

REPORT

**OF THE
DEPARTMENTAL COMMITTEE ON FINANCE,
PLANNING & TRADE**

**ON THE APPOINTMENT OF THE
CHAIRPERSON AND MEMBERS OF THE
COMMISSION ON REVENUE
ALLOCATION**

NOVEMBER, 2010

1.0 PREFACE

Mr. Speaker Sir,

On behalf of the Members of the Departmental Committee No. F on Finance, Planning & Trade, and pursuant to the provisions of Standing Order No. 181, it is my pleasure and duty to present to the House, the Committee's Report on the nominees to the Commission on Revenue Allocation.

The Committee membership comprise of the following:-

The Hon. Chrysanthus Okemo, MP **(Chairman)**

The Hon. (Prof.) Philip Kaloki MP **(Vice Chairman)**

The Hon. Jakoyo Midiwo, MP

The Hon. Musikari Kombo, MP

The Hon. Lucas Chepkitony, MP

The Hon. Sammy Mwaita, MP

The Hon. Lenny Kivuti, MP

The Hon Nelson Gaichuhie, MP

The Hon. Ntoitha M'Mithiaru, MP

The Hon. Shakeel Ahmed Shabbir, MP

The Hon. Nkoidila Ole Lankas, MP

The Finance, Planning & Trade Committee is one of the Departmental Committees established under Standing Order No. 198 whose functions *are inter alia*:-

- (i) 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;
- (ii) to study the programme and policy objectives of the ministries and departments and the effectiveness for the implementation.

- (iii) 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.
- (iv) to make reports and recommendations to the House as often as possible including recommendations of proposed legislation.

Committee mandate

In accordance with Second Schedule of the Standing Orders, the Committee is mandated to consider:-

- ◆ Public finance;
- ◆ Banking and insurance;
- ◆ National planning and population development;
- ◆ Trade, commerce and industry;
- ◆ Tourism promotion and management.

The line Ministries falling within the purview of the Committee are:-

- (i) Office of the Deputy Prime & Ministry of Finance
- (ii) Ministry of Planning, National Development & Vision 2030
- (iii) Ministry of Industrialization
- (iv) Ministry of Tourism
- (v) Ministry of Trade

Committee meetings

During its Sittings held on Wednesday 24th November 2010, the following seven candidates nominated by the political parties appeared before the Committee and were vetted in accordance with the criteria established under Second Schedule of the Commission for the Implementation of the Constitution Act, 2010.

PNU

- (i) Prof. Raphael Munavu
- (ii) Prof. J. H. Kimura
- (iii) Ms Amina Ahmed

ODM

- (i) Prof. Wafula S. Masai
- (ii) Meshack J. Onyango
- (iii) Fatuma Abdulkadir
- (iv) Rose bosibori Osoro

During its Sitting held on Thursday 25th November 2010, the Committee vetted Mr. Micah Chserem, the nominee for the position of Chairperson of the Commission on Revenue Allocation.

Mr. Speaker Sir,

On behalf of the Departmental Committee on Finance, Planning & Trade, I have the honour and pleasure to present the Committee's Report on the nominees to the Commission on Revenue Allocation for consideration and adoption by the House.

Mr. Speaker Sir,

May I take this opportunity to thank all Members of the Committee for their input and valuable contributions during the deliberations on the matter.

Thank you

Signed 

Hon. Chrysanthus Okemo, EGH, MP

**Chairman,
Departmental Committee on Finance, Planning
& Trade**

Date 

1.2 ESTABLISHMENT OF THE COMMISSION ON REVENUE ALLOCATION

Article 215 of the Constitution provides for the establishment and membership of the Commission on Revenue Allocation. Article 215 (2) of the Constitution empowers the President and the political parties represented in Parliament to nominate the Chairperson and seven members of the Commission on Revenue Allocation respectively. The ninth member of the Commission is the Principal Secretary in the Ministry of Finance.

1.3 APPOINTMENT PROCESS FOR THE NOMINEES TO THE COMMISSION ON REVENUE ALLOCATION

The process for the appointment of the Chairperson and members of the Commission on Revenue Allocation commenced by the advertisement in the Kenya Gazette dated 11th November, 2010 by His Excellency the President and the Clerk of the National Assembly, respectively declaring vacancies in the office of the Chairperson and the members of the Commission and setting out the qualifications required for each office. The closing date for receipt of applications was Thursday 18th November, 2010

On Friday 19th November 2010, His Excellency the President and the Clerk of the National Assembly published in the Gazette, the list of all the applicants for the office of the Chairperson and members of the Commission respectively, indicating their academic and professional qualifications. The list of the participants was forwarded on the same day to all political parties represented in Parliament through the Whips.

The political parties represented in Parliament were supposed to consider all the applications received, abiding by all constitutional requirements, forward through the Whips, the names of the seven

persons nominated for appointment as members of the Commission to the Departmental Committee on Finance, Planning and Trade for vetting. Similarly, His Excellency the President in consultation with the Right Honourable Prime Minister was supposed to forward to the Committee for vetting, the name of the person nominated as the Chairperson of the Commission on Revenue Allocation.

The Departmental Committee on Finance, Planning & Trade was supposed to vet the persons nominated for appointment as chairperson and members of the Commission and present its report thereon to the House for debate and approval by Thursday 25th November, 2010.

1.4 COMMITTEE'S DELIBERATIONS AND OBSERVATIONS

In conducting the vetting process, the Committee examined the candidates against the following criteria, amongst others, in accordance with the Second Schedule of the Commission for the Implementation of the Constitution Act, 2010.

- (i) Academic qualifications
- (ii) Employment record
- (iii) Professional affiliations
- (iv) Potential conflict of interest
- (v) Knowledge of the relevant subject
- (vi) Overall suitability for the position

During its Sittings held on Wednesday 24th and Thursday 25th November 2010, the Committee orally interviewed the eight nominees to the Commission on Revenue Allocation and at the conclusion of the vetting exercise, the Committee made the following observations:-

A. CHAIRPERSON - MR. MICAH CHESEREM

- Has a wealth of professional experience in both financial and economic matters having served as the Governor of Central Bank of Kenya for 8 years.
- It is on record that he has demonstrated quality of good leadership as captured in Chapter six of the constitution on Leadership and Integrity, during his tenure as the Governor of Central Bank of Kenya.
- He impressed the Committee on his views and visions for the Commission on Revenue Allocation on the issue of integrity in leadership in public finance sector.

B. OTHER NOMINEES

1 PROF. RAPHAEL MUNAVU

- Holder of PhD degree (1972) in Science with focus on the application of chemistry in the exploitation of natural resources for socio economic development and wealth creation.
- Has extensive professional experience at senior management levels over the last 20 years as Vice Chancellor and Deputy Vice Chancellor (Finance & Administration) at Moi and Nairobi/Egerton Universities respectively. The position requires the development of skills for ensuring fair and evidence-based allocations of resources among various units in the universities.
- Possesses practical skills for developing and implementing government policies necessary for discharging duties vested in the Commission and has

strong conviction that fair revenue allocation should be based on sound formulas based on proper evidenced criteria and generally accepted indicators.

- He impressed the Committee on his understanding and practical knowledge in public finance management.

2 PROF. J.H. KIMURA

- Holder of PhD Degree (1981) in Accounting and Financial Management and was a Professor of Economics and Accounting at the University of Nairobi.
- Has the requisite professional experience in public finance, accounting and economics, and has been involved in training in budgeting and public accounting/accountability in East Africa since 1970 and was a Professor of Economics .
- Has wide experience as a consultant to the government from 1980 e.g.
 - District Focus for Rural Development;
 - Advisor on reforms in Kenya's Banking and Financial sector; and
 - Part of the original Kenya Roads Board that set up the structure for the efficient allocation of funds for the construction and maintenance of the country's road network
- Has over 60 publications to his credit.

3. PROF. WAFULA S. MASAI

- Holder of Doctorate Degree in Economics (1982) and has professional experience in financial and economic matters

in the following areas:- policy analysis and management; macro-economic analysis; economic development planning and budgeting techniques; programme implementation, monitoring and evaluation techniques; strategic planning and regional integration; and industrial economic development.

- Has several publications to his credit including authored and edited books and journal papers.

4. MR. MESHACK J. ONYANGO

- Holder of MSC (International Banking and Financial Studies) (1985) and has extensive and professional experience in both financial and economic matters having worked for the Central Bank of Kenya for 30 years.
- Has wide empirical knowledge of both macro and micro economics and has worked with other donor and development partners like USAID, UNDP, World Bank and IMF.

5. MS FATUMA ABDULKADIR

- Holder of Masters Degree in Business Administration (2007) and has vast experiences in project design, project negotiations, budget preparation having worked for the government from 1980 to date in different capacities.
- A manager and Educationist with Knowledge in Government Financial Regulations and Procedure, gained through managing and controlling of development partners' funds.

- Acquired skills in participatory development in Arid Lands and pastoral communities.

6. MRS ROSE BOSIBORI OSORO

- Holder of a Masters Degree in Business Administration and has extensive work experience of 13 years in budgeting and financial allocation in the public sector at Kenya Forestry Research Institute.
- A member of reputable professional associations such as Institute of Certified Public Accountants (K), Kenya Institute Management and Certified Public Secretaries (K).

7. MRS AMINA AHMED

Holder of Bachelors Degree in Economics and French and has 22 years working experience in Banking and currently working as a consultant in an Audit and Management firm.

1.5 COMMITTEE'S RECOMMENDATIONS

1. **The Committee recommends that pursuant to Article 215 of the Constitution, this House approves the following persons for the appointment by H.E the President to the Commission on Revenue Allocation.**

(a) Chairperson of the Commission on Revenue Allocation
Mr. Micah Cheserem

(b) Members of the Commission on Revenue Allocation

- (i) Prof. Raphael Munavu
- (ii) Prof. J.H. Kimura
- (iii) Prof. Wafula S. Masai
- (iv) Mr. Meshack J. Onyango
- (v) Mrs Rose Bosibori Osoro
- (vi) Ms Fatuma Abdulkadir

2. **Mrs Amina Ahmed**

The Committee observed that the nominee:-

- (i) Lacked the level of knowledge and expertise required for the position of the member of the Commission on Revenue Allocation.
- (ii) lacked a proper comprehension and conceptualization of the role and core functions of the Commission.

The Committee therefore recommends that the relevant nominating political party nominates a suitable replacement for vetting by the Committee at an appropriate time.

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MINUTES OF THE THIRTY-NINTH SITTING OF THE DEPARTMENTAL COMMITTEE ON FINANCE, PLANNING AND TRADE HELD ON WEDNESDAY 24TH NOVEMBER, 2010 IN MAIN CONFERENCE ROOM, 5TH FLOOR CONTINENTAL BUILDING AT 9.30 A.M.

PRESENT

Hon. Chrysanthus Okemo, EGH, MP (Chairman)

Hon. (Prof.) Philip Kaloki, MP (Vice Chairman)

Hon. Shakeel A. Shabbir, MP

Hon. Nkoidila Ole Lankas, MP

Hon. Sammy Mwaita, MP

Hon. Musikari Kombo, MP

Hon. Jakoyo Midiwo, MGH, MP

Hon. Nelson Gaichuhie, MP

Hon. Ntoitha M'Mithiaru, MP

Hon. Lucas Chepkitony, MP

ABSENT WITH APOLOGY

Hon. Lenny Kivuti, MP

IN ATTENDANCE

NOMINEES TO THE COMMISSION ON REVENUE ALLOCATION

Prof. Raphael Munavu

Prof. J. H. Kimura

Prof. Wafula S. Masai

Mr. Meshack J. Onyango

Mrs Rose Bosibori Osoro

Ms. Fatuma Abdulkadir

Mrs. Amina Ahmed

KENYA NATIONAL ASSEMBLY

Eunice Gichangi - Senior Legal Counsel

Florence Atenyo-Abonyo - First Clerk Assistant/ Committee Secretary

Abduliahi Aden - Third Clerk Assistant

MIN. NO. 188/2010

**VETTING OF NOMINEES TO THE COMMISSION ON
REVENUE ALLOCATION**

In conducting the vetting process, the Committee examined the candidates against the following criteria, amongst others, in accordance with the Second Schedule of the Commission for Implementation of the Constitution Act, 2010.

- (i) Academic qualifications
- (ii) Employment record
- (iii) Professional affiliations
- (iv) Potential conflict of interest
- (v) Knowledge of the relevant subject
- (vi) Overall suitability for the position

MIN. NO. 189/2010

**COMMITTEE'S DELIBERATIONS AND OBSERVATIONS ON
THE NOMINEES TO THE COMMISSION ON REVENUE
ALLOCATION**

The Committee orally interviewed the seven nominees to the Commission on Revenue Allocation and at the conclusion of the vetting exercise, the Committee made the following observations:-

1 PROF. RAPHAEL MUNAVU

- Holder of PhD degree (1972) in Science with focus on the application of chemistry in the exploitation of natural resources for socio economic development and wealth creation.
- Has extensive professional experience at senior management levels over the last 20 years as Vice Chancellor and Deputy Vice Chancellor (Finance & Administration) at Moi and Nairobi/Egerton Universities respectively. The position requires the development of skills for ensuring fair and evidence-based allocations of resources among various units in the universities.
- Possesses practical skills for developing and implementing government policies necessary for discharging duties vested in

and evaluation techniques; strategic planning and regional integration; and industrial economic development.

- Has several publications to his credit including authored and edited books and journal papers.

4. MR. MESHACK J. ONYANGO

- Holder of MSC (International Banking and Financial Studies) (1985) and has extensive and professional experience in both financial and economic matters having worked for the Central Bank of Kenya for 30 years.
- Has wide empirical knowledge of both macro and micro economics and has worked with other donor and development partners like USAID, UNDP, World Bank and IMF.

5. MS FATUMA ABDULKADIR

- Holder of Masters Degree in Business Administration (2007) and has vast experiences in project design, project negotiations, budget preparation having worked for the government from 1980 to date in different capacities.
- A manager and Educationist with Knowledge in Government Financial Regulations and Procedure, gained through managing and controlling of development partners' funds.
- Acquired skills in participatory development in Arid Lands and pastoral communities.

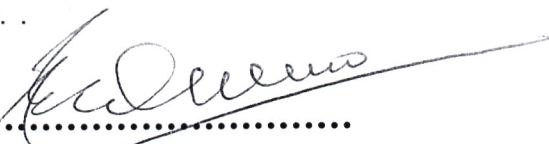
6. MRS ROSE BOSIBORI OSORO

- Holder of a Masters Degree in Business Administration and has extensive work experience of 13 years in budgeting and financial allocation in the public sector at Kenya Forestry Research Institute.

MIN. NO. 191/2010

ADJOURNMENT

The Chairman adjourned the meeting at Forty-Five Minutes
Past Two O'clock. .

Signed 
(Chairman)

Date 28/11/2010

MINUTES OF THE FORTY FIRST SITTING OF THE DEPARTMENTAL COMMITTEE ON FINANCE, PLANNING AND TRADE HELD ON THURSDAY 25TH NOVEMBER, 2010 IN MAIN CONFERENCE ROOM, 5TH FLOOR CONTINENTAL BUILDING AT 10.00 A.M.

PRESENT

Hon. Chrysanthus Okemo, EGH, MP (Chairman)

Hon. (Prof.) Philip Kaloki, MP (Vice Chairman)

Hon. Shakeel A. Shabbir, MP

Hon. Nkoidila Ole Lankas, MP

Hon. Sammy Mwaita, MP

Hon. Musikari Kombo, MP

Hon. Jakoyo Midiwo, MGH, MP

Hon. Nelson Gaichuhie, MP

Hon. Ntoitha M'Mithiaru, MP

Hon. Lucas Chepkitony, MP

ABSENT WITH APOLOGY

Hon. Lenny Kivuti, MP

IN ATTENDANCE

NOMINEES TO THE COMMISSION ON REVENUE ALLOCATION

Mr. Micah Cheserem

KENYA NATIONAL ASSEMBLY

Florence Atenyo-Abonyo - First Clerk Assistant/ Committee Secretary

Abduliahi Aden - Third Clerk Assistant

MIN. NO. 197/2010

CONFIRMATION OF THE MINUTES

Minutes of the Thirty-Ninth Sitting of the Committee held on Wednesday 24th, November, 2010 were confirmed by the Members present and signed by the Chairman after being proposed by Hon. Shakeel Shabbir, MP and seconded by Hon. Musikari Kombo, MP.

MIN. NO. 198/2010

VETTING OF MR. MICAH CHESEREM

The Committee examined the nominee for the position of Chairperson to the Commission on Revenue Allocation. In conducting the vetting process, the Committee examined the nominee against the following criteria, amongst others, in accordance with the Second Schedule of the Commission for Implementation of the Constitution Act, 2010.

- (i) Academic qualifications
- (ii) Employment record
- (iii) Professional affiliations
- (iv) Potential conflict of interest
- (v) Knowledge of the relevant subject
- (vi) Overall suitability for the position

MIN. NO. 199/2010

**COMMITTEE'S OBSERVATIONS AND RECOMMENDATIONS
ON MR. MICAH CHESEREM**

The Committee observed that:-

- He has a wealth of professional experience in both financial and economic matters having served as the Governor of Central Bank of Kenya for 8 years.
- It is on record that he has demonstrated quality of good leadership as captured in Chapter six of the constitution on Leadership and Integrity, during his tenure as the Governor of Central Bank of Kenya.
- He impressed the Committee on his views and visions for the Commission on Revenue Allocation on the issue of integrity in leadership in public finance sector.

The Committee recommends that Pursuant to Article 215 of the Constitution, the House approves the nominee for the appointment by H.E the President to the position of Chairperson of the Commission on Revenue Allocation.

MIN. NO. 200/2010

DELIBERATION ON THE DRAFT REPORT ON NOMINEES

The Committee deliberated and unanimously adopted the draft report on vetting of the nominees for Chairperson and members of the Commission on Revenue Allocation.

MIN. NO. 201/2010

ADJOURNMENT

The Chairman adjourned the meeting at One O'clock until Friday 26th November, 2010 at 10.00 a.m.

Signed 
(Chairman)

Date 25/11/2010