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2/7/26*


**REPUBLIC OF KENYA  
THE NATIONAL ASSEMBLY**

**THIRTEENTH PARLIAMENT - FIFTH SESSION - 2026**

**DEPARTMENTAL COMMITTEE ON ENERGY**

**REPORT ON:**

**THE CONSIDERATION OF THE SESSIONAL PAPER NO. 4 OF 2026  
ON THE NATIONAL PETROLEUM POLICY**

 <b>THE NATIONAL ASSEMBLY PAPERS LAID</b>	
DATE: <b>02 JUN 2026</b> DAY <i>Thursday</i>	
TABLED BY:	<i>Chairperson DC on Energy</i>
CLERK-AT THE-TABLE:	<i>Halima Ahmed</i>



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## ABBREVIATIONS

AfCTA	-	African Continental Free Trade Area
Amb	-	Ambassador
ANC	-	Amani National Congress
AVISTEP	-	Avian Sensitivity Tool for Energy Planning
AWEIK	-	Association of Women in Energy and Extractives in Kenya
BETA	-	Bottom-Up Transformation Agenda
CAK	-	Competition Authority of Kenya
CANCO	-	Community Action for Nature Conservation
Cap	-	Chapter
CBOs	-	Community Based Organisations
CBS	-	Chief of the Burning Spear
CCM	-	Chama cha Mashinani
CCUS	-	Carbon Capture, Utilisation and Storage
COVID	-	Corona Virus Disease
CPD	-	Continuous Professional Development
CSOs	-	Civil Society Organisations
DOSH	-	Directorate of Occupational Safety and Health Services
EANHS	-	East Africa Natural History Society
EBK	-	Engineers Board of Kenya
EIAs	-	Environmental Impact Assessments
EITI	-	Extractive Industries Transparency Initiative
ELCOS	-	Electricity Consumers Society of Kenya
EMCA	-	Environmental Management and Co-ordination Act
EPRA	-	Energy and Petroleum Regulatory Authority
ESG	-	Environment, Social and Governance
EOPS	-	Early Oil Pilot Scheme
ESIA	-	Environmental Social Impact Assessment
FPIC	-	Free, Prior and Informed Consent
GEDSI	-	Gender Equality, Disability and Social Inclusion
GESI	-	Gender Equality and Social Inclusion
GHG	-	Greenhouse Gas
IBAT	-	Integrated Biodiversity Assessment Tool
KBA	-	Key Biodiversity Areas
KEBS	-	Kenya Bureau of Standards
KENAWRUA	-	Kenya National Association of Water Resources Users Association
KEPTAP	-	Kenya Petroleum Technical Assistance Project
KOGWG	-	Kenya Oil and Gas Working Group
KPC	-	Kenya Pipeline Corporation
KPLC	-	Kenya Power and Lighting Company
KRA	-	Kenya Revenue Authority
LETA	-	Law for Energy Transitions Africa
LPG	-	Liquefied Petroleum Gas
MW	-	Mega Watt

NCCAP	-	National Climate Change Action Plan
NDCs	-	National Determined Contributions
NEMA	-	National Environment Management Authority
NGO	-	Non-Governmental Organisation
NLC	-	National Lands Commission
NOCK	-	National Oil Corporation of Kenya
NUPAC	-	National Upstream Petroleum Advisory Committee
NuPEA	-	Nuclear Power and Energy Agency
ODM	-	Orange Democratic Movement
OTS	-	Open Tender System
PAA	-	Pamoja Africa Alliance
PAs	-	Protected Areas
SEA	-	Strategic Environmental Assessment
SDP	-	State Department for Petroleum
TIK	-	Transparency International Kenya
UDA	-	United Democratic Alliance
WDM-K	-	Wiper Democratic Movement Kenya
PIEA	-	Petroleum Institute of East Africa

## **LIST OF ANNEXURES**

- Annexure 1 : Adoption Schedule of the Report
- Annexure 2 : Minutes of the Committee Sitings
- Annexure 3 : Copy of the Newspaper Advertisement
- Annexure 4 : Submissions from stakeholders

## CHAIRPERSON'S FOREWORD

The Sessional Paper No. 4 of 2026 on the National Petroleum Policy was tabled in the House on 7<sup>th</sup> April, 2026 and subsequently referred to the Departmental Committee on Energy for consideration.

The main objective of the National Petroleum Policy is to establish a robust governance and regulatory framework for the oil and gas sector while promoting sustainable exploration, development and production of petroleum resources.

The specific objectives of the Policy are to:

- a) strengthen policy, legal, institutional and regulatory framework for the oil and gas sector;
- b) promote sustainable petroleum resource exploration, development and production;
- c) promote value addition of petroleum resources for local and regional petroleum products demand;
- d) ensure security of supply of petroleum products;
- e) enhance storage and transportation capacity of petroleum products;
- f) enhance LPG uptake in the country;
- g) enhance management of revenues from the oil and gas sector;
- h) facilitate capacity development and technology transfer;
- i) facilitate an enabling environment for sustainable petroleum operations; and
- j) promote environmental protection and conservation of biodiversity.

The policy paper is structured as follows:

- a) **Chapter 1** presents background information on the oil and gas sector, which comprises upstream, midstream, and downstream petroleum sub-sectors. It also highlights the rationale for development of the Policy, the scope, the structure, and the goals, objectives, and guiding principles of the policy;
- b) **Chapter 2** provides an overview of the prevailing status of the oil and gas sector in Kenya, the existing policy, legislative, and institutional frameworks that guide petroleum operations in the country, and the emerging issues and challenges facing the sector;
- c) **Chapter 3** presents the policy statements, which comprise strategic issues and corresponding strategies that will be implemented towards sustainable management of the Kenyan petroleum resources and provision of petroleum products;
- d) **Chapter 4** focuses on resource mobilization and the institutional framework for implementation of the policy. It articulates the various strategies that will be used in the mobilization of funds for the oil and gas sector and provides the roles of all the institutions responsible for the implementation of this policy; and

- e) **Chapter 5** presents the details of how implementation of this policy will be monitored, evaluated, and reported, and lessons learnt to ensure set targets are achieved within set timelines.

Pursuant to the provisions of Article 118(1) (b) of the Constitution, the Clerk of the National Assembly placed an advertisement in the print media on 17<sup>th</sup> April, 2026, requesting comments on the Sessional Paper from the public and relevant stakeholders (*annexure 3*). The Committee received two (2) memoranda from the Katiba Institute and Nature Kenya. The Committee held four (4) meetings to consider the Sessional Paper and **recommends that the House adopt the Report on the Sessional Paper No. 4 of 2026 on the National Petroleum Policy.**

The Committee is grateful to the Offices of the Speaker and the Clerk of the National Assembly for the logistical and technical support accorded to it during the consideration of the Sessional Paper. I wish to express appreciation to the Honourable Members of the Committee and the Committee Secretariat for their resilience and commitment to duty, which made the consideration of the Sessional Paper successful. May I also, on behalf of the Committee, thank and appreciate the Principal Secretary, State Department for Petroleum, and other stakeholders for their submissions. Indeed, the views informed the consideration of the Sessional Paper.

On behalf of the Committee and pursuant to provisions of Standing Order 216(5)(b), 208B (1), and 199 (6), it is my pleasant privilege and honour to present to this House the report of the Committee on its consideration of the Sessional Paper No. 4 of 2026 on the National Petroleum Policy.

**Hon. David Gikaria, CBS, MP**  
**Chairperson, Departmental Committee on Energy**

## CHAPTER ONE

### 1.0 PREFACE

#### 1.1 Establishment of the Committee

1. The Departmental Committee on Energy is one of the twenty Departmental Committees of the National Assembly established under Standing Order 216 whose mandate pursuant to 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) *on a quarterly basis, monitor and report on the implementation of the national budget in respect of its mandate;*
  - d) *To study and review all legislation referred to it;*
  - e) *To study, assess, and analyze the relative success of the Ministries and departments as measured by the results obtained as compared with their stated objectives;*
  - f) *To 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 make reports and recommendations to the House as often as possible, including recommendations of proposed legislation;*
  - j) *To consider reports of Commissions and Independent Offices submitted to the House pursuant to the provisions of Article 254 of the Constitution; and*
  - k) *To examine any questions raised by Members on a matter within its mandate.*

#### 1.2 Mandate of the Committee

2. In accordance with the Second Schedule to the Standing Orders, the Committee is mandated to consider fossil fuel exploration, development, production, maintenance, and distribution; nuclear energy; clean energy; and regulation of energy.
3. In executing its mandate, the Committee oversees the Ministry of Energy and Petroleum.

### 1.3 Committee Membership

4. The Departmental Committee on Energy was constituted by the House on 27<sup>th</sup> October 2022 and comprises the following Members:

#### **Chairperson**

Hon. David Gikaria, CBS, MP  
Nakuru Town East Constituency  
**UDA Party**

#### **Vice-Chairperson**

Hon. Lemanken Aramat, MP  
Narok East Constituency  
**UDA Party**

#### **Members**

Hon. Charles Gimose, MP  
Hamisi Constituency  
**ANC Party**

Hon. Siyad Amina Udgoon, MP  
Garissa County  
**Jubilee Party**

Hon. Walter Owino, MP  
Awendo Constituency  
**ODM Party**

Hon. Barongo Nolfason Obadiah, MP  
Bomachoge Borabu Constituency  
**ODM Party**

Hon. Musili Mawathe, MP  
Embakasi South Constituency  
**WDM - K Party**

Hon. George Aladwa Omwera, MP  
Makadara Constituency  
**ODM Party**

Hon. Elisha Odhiambo, MP  
Gem Constituency  
**ODM Party**

Hon. Cecilia Asinyen Ng'itit, MP  
Turkana County  
**UDA Party**

Hon. Gonzi Rai, MP  
Kinango Constituency  
**PAA Party**

Hon. Victor Koech Kipngetch  
Chepalungu Constituency  
**CCM Party**

Hon. Simon King'ara, MP  
Ruiru Constituency  
**UDA Party**

Hon. Geoffrey Ekesa Mulanya, MP  
Nambale Constituency  
**Independent Member**

Hon. Tom Mboya Odege, MP  
Nyatike Constituency  
**ODM Party**

#### **1.4 Committee Secretariat**

5. The Committee is facilitated by the following Secretariat:

Mr. Fredrick O. Otieno  
**Clerk Assistant I/Head of Secretariat**

Ms. Grace Wahu  
**Clerk Assistant II**

Mr. Brian Njeru  
**Fiscal Analyst II**

Ms. Lily Cherotich  
**Public Communications Officer**

Mr. Collins Mahamba  
**Audio Assistant III**

Ms. Brigita Mati  
**Senior Legal Counsel**

Mr. Yakub Ahmed  
**Media Relations Officer I**

Ms. Lena Wawira  
**Hansard Reporter II**

Mr. Anthony Wamae  
**Serjeant-at-Arms**

## 2.5 Policy Goal and Objectives

21. The goal of the Policy is to sustainably explore, exploit, utilise and manage petroleum resources and products to contribute towards Kenya's economic development. Its objectives are to:
- a. Strengthen the policy, legal, institutional, and regulatory framework for the Oil and Gas Sector;
  - b. Promote sustainable petroleum resource exploration, development, and production;
  - c. Promote value addition of petroleum resources for local and regional demand;
  - d. Ensure security of supply of petroleum products;
  - e. Enhance storage and transportation capacity of petroleum products;
  - f. Enhance Liquefied Petroleum Gas (LPG) uptake in the country;
  - g. Enhance management of revenues from the Oil and Gas Sector;
  - h. Facilitate capacity development and technology transfer;
  - i. Facilitate an enabling environment for sustainable petroleum operations; and
  - j. Promote environmental protection and conservation of biodiversity.

## 2.6 Institutional and Implementation Framework

22. Implementation of the Policy involves both public and private institutions, coordinated by the Ministry of Energy and Petroleum. The table below sets out the key institutions and their mandates.

No.	Institution	Mandate
1.	Ministry of Energy and Petroleum (State Department for Petroleum)	Development of the Policy, coordination of its implementation, security of supply of petroleum products, and regulation of the Oil and Gas Sector.
2.	National Upstream Petroleum Advisory Committee (NUPAC)	Advising the Cabinet Secretary on Upstream petroleum operations.
3.	Energy and Petroleum Regulatory Authority (EPRA)	Economic and technical regulation, licensing and permitting across the entire petroleum value chain.
4.	National Oil Corporation of Kenya Limited (NOCK)	Representing the Government's commercial interests in the sector, including exploration and distribution of petroleum products.
5.	Kenya Pipeline Company Limited (KPC)	Storage, transportation, and handling of petroleum products and petroleum infrastructure development.

6.	Energy and Petroleum Tribunal	Adjudication of disputes relating to the Oil and Gas Sector.
7.	Kenya Revenue Authority (KRA)	Collection of taxes from petroleum-related transactions.
8.	National Environment Management Authority (NEMA)	Enforcement of environmental laws and regulations in petroleum operations.
9.	County Governments	Implementation of applicable policy provisions, county planning, and issuance of licences and approvals as prescribed by law.
10.	Parliament	Oversight, representation, enactment of laws and regulations, and approval and appropriation of the sector's budget.

## 2.7 Monitoring, Evaluation and Review

23. The Policy provides for monitoring to be coordinated by the State Department for Petroleum, supported by a Multi-Agency Committee, with monitoring reports prepared every six months.
24. A full evaluation of the Policy's implementation is to be carried out every five years to assess whether its intended outcomes and objectives have been achieved.
25. The Policy provides that it will be reviewed after every five years, or any other period determined by the Ministry responsible for petroleum.

### **3.1.5 Emerging Issues and Challenges**

38. The Policy responds to several emerging issues affecting the sector, including geopolitical developments affecting global petroleum markets, energy transition, technological advancements, biofuels, climate change, inadequate infrastructure, insufficient exploration data, low LPG uptake, petroleum price volatility, and limited local technical and financial capacity. The Policy seeks to provide strategic interventions to address these challenges while enhancing Kenya's competitiveness within the petroleum sector.

### **3.1.6 Public Participation and Stakeholder Engagement**

39. The Committee was informed that extensive stakeholder engagement and public participation were undertaken during the development of the Policy in accordance with constitutional requirements and Government policy development guidelines. The Draft Policy was published on the Ministry's website, public notices were issued through print and electronic media, and stakeholders were invited to submit views through physical forums, online platforms, email submissions, and direct memoranda.
40. The Ministry grouped the forty-seven counties into regional clusters and conducted public participation forums across the country between 12th and 14th March 2025. Additional consultations were held with County Executive Committee Members responsible for energy through the Council of Governors framework. Members of the public were also invited to submit views through an online feedback platform, official email addresses, postal submissions, and physical delivery of memoranda.
41. It was reported that approximately 580 participants contributed to the public participation exercise. Key issues raised included petroleum revenue sharing, environmental protection, climate change, local content, youth employment, security of petroleum infrastructure, LPG uptake, petroleum pricing, technology transfer, community rights, petroleum infrastructure development, petroleum product quality, public participation, safety of petroleum facilities, energy transition, and petroleum sector governance. The Ministry indicated that comments received from stakeholders and members of the public were reviewed, analyzed, and incorporated into the final Draft Policy where appropriate.
42. The Ministry further submitted that stakeholder consultations involved Government Ministries, Departments and Agencies, County Governments, Energy Sector State Corporations, Oil Marketing Companies, investors, professional bodies, development partners, civil society organizations, community groups, consumer organizations and members of the public.

### **3.1.7 Implementation Framework**

43. The Policy contains an implementation framework supported by a detailed implementation matrix identifying strategic interventions, responsible institutions, timelines, outputs,

performance indicators, monitoring mechanisms and reporting requirements. The implementation framework assigns responsibilities to various national and county government institutions and provides a basis for coordination, accountability, and monitoring of progress.

### 3.1.8 Financing

44. The Ministry submitted that implementation of the National Petroleum Policy will require approximately Kshs. 68.292 billion. Funding will be sourced from National Government budgetary allocations, petroleum sector investors, development partners, revenue generated from petroleum data and related services, and Public-Private Partnerships.

### 3.1.9 Overall Position

45. The Ministry of Energy and Petroleum submitted that the Draft National Petroleum Policy, 2026, provides a comprehensive framework for governance and sustainable development of Kenya's petroleum sector. The Committee was urged to support adoption of the Policy, noting that it addresses existing policy gaps, provides strategic direction for petroleum resource management, promotes investment and local content, strengthens environmental safeguards, enhances energy security, and establishes a framework for long-term development of the petroleum industry. The Ministry further submitted that views collected through stakeholder engagement and public participation had been considered and incorporated into the final Draft Policy to ensure the document reflects national priorities and stakeholder expectations.

## 3.2 Submission by Kenya Oil and Gas Working Group (KOGWG)

46. The Kenya Oil and Gas Working Group (KOGWG) is a public interest network that advocates for sustainable development and good governance of the energy and petroleum sectors in Kenya.
47. While appearing before the Committee, KOGWG commended the Ministry of Energy and Petroleum for developing a policy document that embodies the aspirations of Kenyans regarding resource management, intra-generational equity, and inter-generational equity, and submitted as follows:
  - i. **Security of petroleum infrastructure and communities:** Many petroleum blocks are situated in areas prone to high insecurity, posing risks to both infrastructure and adjacent communities.
  - ii. **Balancing investment with sustainability:** While the Policy seeks to attract petroleum investment, it must ensure this does not come at the expense of other sectors or sustainable development.

- iii. **Transparency and accountability in revenue management:** Improved transparency would enable citizens to scrutinise government management of petroleum resources and support data-driven decision-making by policymakers, civil society, and the public.
- iv. **Unimplemented Transparency and Accountability Framework:** Six years after developing the Transparency and Accountability Framework under Section 119 of the Petroleum Act 2019, Kenya has yet to implement it, leaving the petroleum sector vulnerable to secrecy, mismanagement, and public mistrust. Joining the Extractive Industries Transparency Initiative (EITI) would enforce public disclosure of contracts, revenues, and ownership.
- v. **Hazardous waste management:** Kenya urgently needs a comprehensive policy statement on hazardous waste management in the petroleum sector. In Turkana, communities have been exposed to contaminated hazardous waste liners, while in Lamu, poor disposal and improper decommissioning processes have raised concerns over long-term health impacts on exposed communities.
- vi. **Oil spill preparedness:** Kenya's past experiences with oil exploration have highlighted gaps in emergency preparedness, weak enforcement of environmental safeguards, and limited public awareness of spill response. The National Oil Spill Contingency Plan remains largely unimplemented.
- vii. **Land governance under the Community Land Act, 2016:** The Policy must recognize the shifting land governance landscape, particularly in areas where community land has been registered under the Community Land Act, 2016. Communities now have legal authority over their land, with established bylaws, governance structures, and financial management systems. Adherence to the principles of Free, Prior, and Informed Consent (FPIC) is now non-negotiable.
- viii. **Absence of Gender Equality and Social Inclusion (GESI/GEDSI) provisions:** The Policy has no explicit provisions addressing Gender Equality and Disability and Social Inclusion. It does not specifically mandate gender-responsive or inclusive measures.
- ix. **Local content gaps:** The Early Oil Pilot Scheme (EOPS) in Turkana highlighted key gaps, including limited local employment, lack of capacity building, and minimal participation of local businesses in the supply chain. Without strong local content policies, the sector risks becoming an enclave industry.

**a. Chapter I: Introduction**

- i. **Policy Objectives (Section 1.4.2):** The section does not exhaustively cover social safeguards for communities affected by upstream petroleum operations.

issues, aligning the Policy with the Constitution and the Petroleum Act, 2019, and integrating stakeholder views.

33. The revised Draft Policy underwent validation by internal stakeholders, including the Principal Secretary, State Department for Petroleum, heads of departments, chief executive officers of sector agencies, and other senior government officials. Consultations were also undertaken with the Council of Governors Energy Committee and County Executive Committee Members responsible for energy before the document was subjected to nationwide public participation.

### **3.1.2 Rationale for the Policy**

34. Kenya currently lacks a standalone comprehensive petroleum policy. The petroleum sector has historically been guided by Sessional Paper No. 4 of 2004 on Energy, which does not adequately address contemporary developments such as petroleum discoveries, natural gas development, petroleum infrastructure expansion, energy transition, technological innovation, climate change obligations, and evolving global petroleum markets. The Ministry therefore considered the development of a National Petroleum Policy necessary to provide strategic guidance for sustainable sector development.

### **3.1.3 Status of the Petroleum Sector**

35. Kenya possesses four sedimentary basins divided into fifty petroleum exploration blocks. Geoscientific data have been acquired in twenty-eight blocks, ninety-five exploration wells have been drilled, and forty-two wells have encountered hydrocarbons. Kenya has recorded ten oil discoveries in the Tertiary Rift Basin and gas discoveries within the Lamu and Anza Basins. The South Lokichar Basin is estimated to contain approximately 2.85 billion barrels of oil in place, although commercial production is yet to commence.
36. It was further noted that the downstream petroleum sector comprises a substantial pipeline network, petroleum storage infrastructure, and thousands of retail fueling stations, while the midstream sector requires significant development to support future commercialization of petroleum resources.

### **3.1.4 Key Policy Focus Areas**

37. The Policy addresses all petroleum value chain segments, including upstream, midstream and downstream operations. Key policy focus areas include—Ownership and management of petroleum resources; Promotion of petroleum investments; Licensing of petroleum blocks; Petroleum exploration, development and production operations; Sustainable utilization of natural gas resources; Petroleum infrastructure development; Petroleum supply and pricing; Liquefied Petroleum Gas promotion; Revenue management; Technology and innovation; Local content development; Petroleum data management; Decommissioning of petroleum facilities; Health and safety; Security of petroleum infrastructure; Environmental, social and governance considerations; Climate change mitigation and adaptation measures.

### **3.1.5 Emerging Issues and Challenges**

38. The Policy responds to several emerging issues affecting the sector, including geopolitical developments affecting global petroleum markets, energy transition, technological advancements, biofuels, climate change, inadequate infrastructure, insufficient exploration data, low LPG uptake, petroleum price volatility, and limited local technical and financial capacity. The Policy seeks to provide strategic interventions to address these challenges while enhancing Kenya's competitiveness within the petroleum sector.

### **3.1.6 Public Participation and Stakeholder Engagement**

39. The Committee was informed that extensive stakeholder engagement and public participation were undertaken during the development of the Policy in accordance with constitutional requirements and Government policy development guidelines. The Draft Policy was published on the Ministry's website, public notices were issued through print and electronic media, and stakeholders were invited to submit views through physical forums, online platforms, email submissions, and direct memoranda.
40. The Ministry grouped the forty-seven counties into regional clusters and conducted public participation forums across the country between 12th and 14th March 2025. Additional consultations were held with County Executive Committee Members responsible for energy through the Council of Governors framework. Members of the public were also invited to submit views through an online feedback platform, official email addresses, postal submissions, and physical delivery of memoranda.
41. It was reported that approximately 580 participants contributed to the public participation exercise. Key issues raised included petroleum revenue sharing, environmental protection, climate change, local content, youth employment, security of petroleum infrastructure, LPG uptake, petroleum pricing, technology transfer, community rights, petroleum infrastructure development, petroleum product quality, public participation, safety of petroleum facilities, energy transition, and petroleum sector governance. The Ministry indicated that comments received from stakeholders and members of the public were reviewed, analyzed, and incorporated into the final Draft Policy where appropriate.
42. The Ministry further submitted that stakeholder consultations involved Government Ministries, Departments and Agencies, County Governments, Energy Sector State Corporations, Oil Marketing Companies, investors, professional bodies, development partners, civil society organizations, community groups, consumer organizations and members of the public.

### **3.1.7 Implementation Framework**

43. The Policy contains an implementation framework supported by a detailed implementation matrix identifying strategic interventions, responsible institutions, timelines, outputs,

performance indicators, monitoring mechanisms and reporting requirements. The implementation framework assigns responsibilities to various national and county government institutions and provides a basis for coordination, accountability, and monitoring of progress.

### 3.1.8 Financing

44. The Ministry submitted that implementation of the National Petroleum Policy will require approximately Kshs. 68.292 billion. Funding will be sourced from National Government budgetary allocations, petroleum sector investors, development partners, revenue generated from petroleum data and related services, and Public-Private Partnerships.

### 3.1.9 Overall Position

45. The Ministry of Energy and Petroleum submitted that the Draft National Petroleum Policy, 2026, provides a comprehensive framework for governance and sustainable development of Kenya's petroleum sector. The Committee was urged to support adoption of the Policy, noting that it addresses existing policy gaps, provides strategic direction for petroleum resource management, promotes investment and local content, strengthens environmental safeguards, enhances energy security, and establishes a framework for long-term development of the petroleum industry. The Ministry further submitted that views collected through stakeholder engagement and public participation had been considered and incorporated into the final Draft Policy to ensure the document reflects national priorities and stakeholder expectations.

## 3.2 Submission by Kenya Oil and Gas Working Group (KOGWG)

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- iii. **Transparency and accountability in revenue management:** Improved transparency would enable citizens to scrutinise government management of petroleum resources and support data-driven decision-making by policymakers, civil society, and the public.
  - iv. **Unimplemented Transparency and Accountability Framework:** Six years after developing the Transparency and Accountability Framework under Section 119 of the Petroleum Act 2019, Kenya has yet to implement it, leaving the petroleum sector vulnerable to secrecy, mismanagement, and public mistrust. Joining the Extractive Industries Transparency Initiative (EITI) would enforce public disclosure of contracts, revenues, and ownership.
  - v. **Hazardous waste management:** Kenya urgently needs a comprehensive policy statement on hazardous waste management in the petroleum sector. In Turkana, communities have been exposed to contaminated hazardous waste liners, while in Lamu, poor disposal and improper decommissioning processes have raised concerns over long-term health impacts on exposed communities.
  - vi. **Oil spill preparedness:** Kenya's past experiences with oil exploration have highlighted gaps in emergency preparedness, weak enforcement of environmental safeguards, and limited public awareness of spill response. The National Oil Spill Contingency Plan remains largely unimplemented.
  - vii. **Land governance under the Community Land Act, 2016:** The Policy must recognize the shifting land governance landscape, particularly in areas where community land has been registered under the Community Land Act, 2016. Communities now have legal authority over their land, with established bylaws, governance structures, and financial management systems. Adherence to the principles of Free, Prior, and Informed Consent (FPIC) is now non-negotiable.
  - viii. **Absence of Gender Equality and Social Inclusion (GESI/GEDSI) provisions:** The Policy has no explicit provisions addressing Gender Equality and Disability and Social Inclusion. It does not specifically mandate gender-responsive or inclusive measures.
  - ix. **Local content gaps:** The Early Oil Pilot Scheme (EOPS) in Turkana highlighted key gaps, including limited local employment, lack of capacity building, and minimal participation of local businesses in the supply chain. Without strong local content policies, the sector risks becoming an enclave industry.
- a. Chapter I: Introduction**
- i. **Policy Objectives (Section 1.4.2):** The section does not exhaustively cover social safeguards for communities affected by upstream petroleum operations.

- ii. **Transparency and Accountability:** While the fundamental aspect of Transparency and Accountability has been highlighted, the Policy is silent on the measures to be taken, including accession to EITI.
- iii. **Public Access to Information:** Public access to information on petroleum operations has not been catered for, despite being a fundamental constitutional right underpinning transparency and accountability.

## b. Chapter 2: Situation Analysis

- i. **Exploration (Section 2.1.1.2):** The section does not fully exhaust the exploration history of the Early Oil Pilot Scheme (EOPS) in terms of the accurate number of barrels produced or the final market destination of the oil. There is inconsistent data in the Policy and what was presented to the Senate on 23rd May 2023: the figure presented to the Senate was 414,777 bbl, while the Policy indicates 415,032 bbl. The Policy also lacks transparency on revenues from oil exports.
- ii. **Midstream Sub-sector (Section 2.1.2):** The opening statement under this section contradicts Section 1.1.2 on the components of the midstream sub-sector. The Policy does not fully capture all components of the midstream sub-sector, including transportation (pipeline, road, rail, tankers), processing, and storage, nor does it cover all four sedimentary basins.
- iii. **Importation of Petroleum Fuels (Section 2.1.3.1):** Data on the potential of LPG in the country, including in the automotive sector and other small industries, have not been fully captured.
- iv. **Existing Legislative Framework (Section 2.2.2):** Several legislations that govern petroleum operations have been omitted, including the Water Act 2024, Forestry Act 2015, Wildlife Act 2016, Fisheries Act CAP 378, EMCA 1999, Community Land Act 2016, County Governments Act 2012, and the Model Production Sharing Agreement.
- v. **Existing Institutional Framework:** Several institutions with a mandate to run the petroleum sector have been omitted from the institutional framework.

## c. Chapter 3: Emerging Issues and Challenges

- i. **Geopolitical Factors (Section 3.1.1):** The focus on geopolitical factors has only been limited to the Russia-Ukraine conflict, whereas broader geopolitical and geo-economic factors (conflict, regime change in super-powers, global pandemics, etc.) have implications on global oil prices, which have a ripple effect felt in Kenya.

- ii. **Environment and Regulatory Concerns (Section 3.1.2):** The Policy references unpredictable global policies on environment and climate concerns, which lead the oil and gas sector not to make long-term investment decisions.
- iii. **Technological Advancements (Section 3.1.3):** The Policy does not incorporate technological advancements in the oil and gas sector, including enhanced oil recovery (EOR), digital monitoring of emissions, advanced waste treatment techniques, spill detection, carbon capture, and the incorporation of research and development on renewable energy in fossil fuel extraction, development, and production processes (e.g., heating pipelines using geothermal energy).
- iv. **Emerging Issues (Section 3.1): Energy Transition:** The effects of the energy transition on the petroleum sector have not been captured. As Kenya seeks to balance energy security, economic growth, and climate commitments, a coherent approach is needed to harmonize investments, regulatory frameworks, and long-term energy planning.
- v. **Emerging Issues (Section 3.1): Community Conflicts:** There are frequent conflicts between communities and petroleum project proponents. During the EOPS, disruptions were experienced where disenfranchised communities blocked transportation of crude oil from Lokichar to Mombasa.

#### d. Chapter 4: Policy Statements

- i. **Exploration, Development and Production (Section 4.1.4):** The statement on best industry practice covers only production and not the entire upstream cycle. The Policy also does not acknowledge existing national, regional, and international Treaties, Legislation, and Regulations.
- ii. **Exploration, Development and Production (Section 4.1.4), Policy Statement (d):** Facilitation of land access is framed as a direct mandate for the Ministry of Energy and Petroleum, whereas land access for public projects falls under the mandate of the National Land Commission (NLC). The term 'third party' is also not defined.
- iii. **Decommissioning (Section 4.1.6) Policy Statement:** The policy statement omits the post-decommissioning implications of project activities on the environment, including reference to Environmental Deposit Bonds, which already exist under EMCA, 1999.
- iv. **Midstream Sub-Sector (Section 4.2), Policy Statement (h):** The statement is not aligned, and the Government's responsibility should be clearly set out towards enhancing energy security.

- v. **Management of Revenues from Petroleum Operations (Section 4.4.1):** The Policy is silent on creating intergenerational wealth from revenues accrued. The COVID-19 pandemic exposed Kenya's economic vulnerabilities, particularly its dependence on external borrowing and fluctuating revenues. The Sovereign Wealth Fund Policy and Bill (2019) provide a framework for managing oil revenues through three key funds: the Stabilization Fund, the Infrastructure and Development Fund, and the Future Generations Fund.

**e. Chapter 5: Cross-Cutting Issues**

- i. **Land (Section 5.4), Policy Statement (a):** The statement is silent on compensation. The government has the responsibility to fairly compensate persons affected by land acquisition.
- ii. **Host Community Rights (Section 5.5) Policy Statement:** The statement is silent in respect to upholding the cultures and practices of host communities.
- iii. **Institutional Framework (Section 6.1.2, Table 6: Role of Institutions in Implementation of the Policy):** Other players have not been specified. CSOs and CBOs should be included as examples under 'Other Players' to monitor compliance and implementation as watchdog organizations.

**f. Implementation Framework**

- i. **Petroleum Pricing of Petroleum Products (page 53):** The Policy lacks a clear strategy to address and manage global oil price volatility and geopolitical risks, including stabilization mechanisms or buffer funds to protect consumers.
- ii. **Environmental Social Governance (page 56):** The Policy mentions environmental protection and sustainable practices, but without robust enforcement or clear targets, including climate change mitigation and adaptation targets within petroleum operations.
- iii. **Local Content (page 56):** The implementation framework for local content is incomplete. The last activity in the section reads 'Develop a framework to facilitate collaboration with...' and is incomplete. The Policy outlines the intent to promote local participation but remains vague on concrete measures, targets, quotas, and capacity-building programs with defined timelines and measurable performance indicators.

**g. Annex I: Implementation Matrix for Oil and Gas Sector Operations**

- i. **Oil and Gas Sector Policy, Legal, Institutional and Regulatory Framework:** The activities listed are non-exhaustive and duplicated, omitting activities addressing review of the transparency framework and action plan, guidelines for hazardous

waste management for the oil and gas sector, a communication strategy for the petroleum sector, the National Petroleum Master Plan, and incorporation of Community Development Agreements in the Petroleum Act, 2019.

- ii. **Strengthening Cooperation with Government Agencies and other Governments:** Key government agencies necessary in the implementation process are missing, including NEMA, DOSH, and Tribunals.
- iii. **Establish a Mechanism for Conflict Management and Dispute Resolution:** Key government agencies necessary in conflict management and dispute resolution have been omitted, including the relevant Tribunals as implementing agencies in addition to the State Department for Petroleum (SDP).
- iv. **Decommissioning:** NEMA, a key agency in decommissioning, is missing from the implementation process.
- v. **Public Participation:** The Policy makes public participation optional and subject to determination by the SDP, rather than a continuous process.
- vi. **Climate Change Mitigation and Adaptation:** The State Department for Climate Change and Forestry has not been included in the implementation process.
- vii. **Land and Host Community Rights:** Civil Society and Community-Based Organizations are lacking from the process, and the National Land Commission has not been included as one of the key institutions important in facilitating land acquisition.
- viii. **Local Content:** There is a lack of a governing framework for the local content legal and regulatory framework.

### 3.3 Submission by the Transparency International Kenya (TI-Kenya)

48. Transparency International Kenya is the Kenyan chapter of the global anti-corruption movement. TI-Kenya's submission focused specifically on transparency, anti-corruption, and accountability mechanisms in petroleum sector governance, with particular emphasis on EITI membership, contract transparency, and beneficial ownership disclosure. TI-Kenya submitted as follows:

- a. **Unimplemented Transparency Framework:** Six years after the development of the Transparency and Accountability Framework under the Petroleum Act 2019, Kenya has yet to implement it, leaving the petroleum sector vulnerable to secrecy, mismanagement, and public mistrust.
- b. **Lack of Revenue Transparency:** The Policy does not address transparency on petroleum revenues. There is no provision for public disclosure of contracts, impact

assessments, or benefit-sharing agreements, preventing communities from challenging exploitative deals or claiming their share of revenues.

- c. **Weak Revenue Management Accountability:** The revenue management provisions lack adequate accountability mechanisms, creating conditions for mismanagement and corruption in the collection, reporting, and disbursement of petroleum revenues.
- d. **Optional Public Participation:** The implementation matrix makes public participation optional and subject to determination by the State Department of Petroleum, rather than a mandatory continuous requirement throughout the petroleum development lifecycle.

### 3.4 Submission by Community Action for Nature Conservation (CANCO)

49. Community Action for Nature Conservation (CANCO) is a public interest Environmental Civil Society Organization registered under the NGO Coordination Act (1990) of the laws of Kenya in 2008, consisting of multidisciplinary professionals and practitioners committed to good environmental governance, conservation, and sustainable use of natural resources. CANCO's submission focused on environmental safeguards, hazardous waste, and oil spill preparedness, and was submitted as follows:
  - a. **Technological Advancements (Section 3.1.3):** The Policy does not incorporate technological advancements in the oil and gas sector, including cleaner drilling technologies, enhanced oil recovery, digital emissions monitoring, or advanced waste treatment.
  - b. **Hazardous Waste Management:** There is no comprehensive policy statement on hazardous waste management in the petroleum sector. In Turkana, communities have been exposed to contaminated hazardous waste liners. In Lamu, poor disposal and improper decommissioning have raised long-term public health concerns.
  - c. **Decommissioning (Section 4.1.6):** The decommissioning policy statement omits post-decommissioning environmental implications and does not reference Environmental Deposit Bonds, despite the Environmental Deposit Bonds regulations under EMCA 1999 already existing and requiring activation.
  - d. **Oil Spill Preparedness (Section 3.1.2):** Kenya's National Oil Spill Contingency Plan remains largely unimplemented. Past experiences reveal gaps in emergency preparedness, weak enforcement of environmental safeguards, and limited public awareness of spill response. Inter-governmental coordination for response is fragmented.
  - e. **Existing Institutional Framework:** NEMA, the primary environmental regulatory agency, is absent from the decommissioning implementation process and other key environmental activities in the implementation matrix.

- f. **Annex I: Climate Change Mitigation:** The State Department for Climate Change and Forestry is not included in the implementation process for climate change mitigation activities.

### 3.5 Submission by Kenya National Association of Water Resources Users' Association (KENAWRUA)

50. KENAWRUA is a national forum bringing together all Water Resources Users in Kenya, advocating for good water governance and sustainable management of water resources. KENAWRUA's submission focused on the intersection between petroleum operations and water resources, and on the completeness of the legislative and institutional framework, and was submitted as follows:

- a. **Existing Legislative Framework (Section 2.2.2):** Several pieces of legislation governing sectors directly impacted by petroleum operations are missing, including the Water Act, 2024; Forestry Act, 2015; Wildlife Act, 2016; Fisheries Act, Cap. 378; EMCA, 1999; Community Land Act, 2016; County Governments Act, 2012; and the Model Production Sharing Agreement.
- b. **Existing Institutional Framework:** Several institutions with mandates intersecting petroleum operations are omitted from the institutional framework, undermining cross-sectoral governance.
- c. **Environmental and Regulatory Concerns (Section 3.1.2):** The Policy references specific global environmental policies that are prone to political and institutional change, creating long-term investment planning uncertainty.
- d. **Annex I: Strengthening Cooperation with Government Agencies:** Key government agencies necessary for implementation, including NEMA, DOSH, and relevant Tribunals, are missing from the cooperation and implementation activities.

### 3.6 Submission by the Association of Women in Energy and Extractives in Kenya (AWEIK)

51. AWEIK is a nationwide organization that connects women in Kenya with professional and business opportunities in the extractives value chain. AWEIK's submission focused on the absence of gender-responsive provisions in the Policy and was submitted as follows:

- a. **Absence of GEDSI Provisions:** The Policy has no explicit provisions addressing Gender Equality and Disability and Social Inclusion (GEDSI). It does not mandate gender-responsive or inclusive measures, and women and persons with disabilities are treated as an afterthought rather than as integral to sector development.

- b. **Exploration, Development and Production (Section 4.1.4):** Policy statements on workforce and community benefits do not include any gender-disaggregated participation targets or requirements for inclusive hiring and procurement practices.
- c. **Host Community Rights (Section 5.5):** Host community rights provisions do not specifically address the differentiated impacts of petroleum operations on women, who often bear disproportionate social and environmental costs of petroleum development.
- d. **Annex I: Local Content Implementation:** Local content implementation activities contain no gender-specific targets or mechanisms to ensure women and women-owned enterprises benefit from local content requirements.

### 3.7 Submission by Oxfam

52. Oxfam is a worldwide development organization that mobilizes the strength and voice of people against poverty, inequality, and injustice. Oxfam's submission focused on equitable revenue distribution, community rights, and ensuring that petroleum development delivers broad-based socio-economic benefits, and was submitted as follows:
- a. **Management of Revenues from Petroleum Operations (Section 4.4.1):** The Policy provides no framework for equitable distribution of petroleum revenues to host communities or for ensuring that resource extraction translates into tangible poverty reduction for communities in petroleum-producing areas.
  - b. **Exploration History/EOPS (Section 2.1.1.2):** The EOPS experience in Turkana demonstrated limited local employment, lack of capacity building, and minimal participation of local businesses in the supply chain, creating community grievances that resulted in operational disruptions.
  - c. **Host Community Rights (Section 5.5):** The Policy's host community rights provisions are weak and do not provide enforceable mechanisms for communities to claim their rights or seek redress for violations.
  - d. **Security (Section 3.1)/Emerging Issues:** Communities in petroleum areas, particularly Turkana, continue to face insecurity risks that affect both their safety and the stability of petroleum operations, yet the Policy has no specific community safety framework.

### 3.8 Submission by Solidaridad

53. Solidaridad is an international civil society organization promoting sustainable supply chains, responsible production, and inclusive economic development. Solidaridad's submission focused on local content, technology transfer, and ensuring that petroleum development contributes to sustainable economic transformation, and submitted as follows:

- a. **Local Content (Cross-cutting and page 56):** Without strong local content policies, the petroleum sector risks becoming an enclave industry with minimal impact on Kenya's broader economy. The Policy lacks enforceable local content targets, defined timelines for skills development, and mechanisms for technology transfer.
- b. **Technological Advancements (Section 3.1.3):** There is no policy provision for incorporating renewable energy in fossil fuel extraction, development, and production processes for example, using geothermal energy to heat pipelines which would reduce costs and environmental footprints.
- c. **Annex I: Local Content Legal Framework:** There is no governing framework for the local content legal and regulatory architecture referenced in the implementation matrix.
- d. **Midstream Sub-sector (Section 2.1.2):** The midstream sub-sector section has an opening statement that contradicts Section 1.1.2 on the components of the midstream sub-sector and fails to capture all midstream components, including transportation (pipeline, road, rail, tankers), processing, and storage.

### 3.9 Submission by Nature Kenya (East Africa Natural History Society)

54. Nature Kenya, the East Africa Natural History Society (EANHS), is Africa's oldest environmental society, established in 1909, and serves as the Birdlife International partner in Kenya. While its memorandum was formally submitted on Sessional Paper No. 5 of 2026 (National Energy Policy 2025-2034), specifically addressing Sub-section 3.14.2 (Environmental Issues in Energy), its inputs are relevant to the Petroleum Policy given that petroleum infrastructure pipelines, processing facilities, and transmission lines present biodiversity risks equivalent to those raised for the energy sector generally. Nature Kenya submitted as follows:
  - a. **Absence of Biodiversity Compliance Standards:** Petroleum and energy infrastructure, including pipelines, processing facilities, and transmission lines, is not subject to any requirement to comply with recognized international biodiversity standards. There is currently no legal obligation for such infrastructure development to achieve a 'no net loss' of biodiversity outcome.
  - b. **Transmission and Distribution Infrastructure:** Transmission and distribution lines and poles associated with petroleum and energy operations do not conform to international best practices designed to prevent bird collisions and electrocution. Existing pole designs, including cement poles, have not been assessed or modified against these risks.
  - c. **Absence of Mandated Biodiversity Assessment Tools in EIAs:** Environmental Impact Assessments for petroleum and energy infrastructure projects do not currently require the use of recognized biodiversity-specific mitigation and assessment tools, such

as the Avian Sensitivity Tool for Energy Planning (AVISTEP), the Integrated Biodiversity Assessment Tool (IBAT), and Strategic Environmental Assessment (SEA) frameworks for biodiversity.

- d. **Inadequate Protection of Protected Areas and Key Biodiversity Areas:** Protected Areas (PAs) and Key Biodiversity Areas (KBAs) are not explicitly safeguarded from petroleum and energy infrastructure siting decisions, creating exposure to irreversible biodiversity loss in ecologically sensitive areas.
- e. **Weak Governance, Stakeholder Engagement, and Transparency Mechanisms:** Governance frameworks applicable to petroleum and energy infrastructure projects do not adequately incorporate the input of scientific experts during planning and assessment processes, ensure consistent compliance with biodiversity regulations, or foster substantive partnerships with conservation organizations. There is also no requirement for regular, publicly accessible biodiversity monitoring reporting, including disclosure of wildlife mortality incidents.

### 3.10 Submission by National Environment Management Authority (NEMA)

55. NEMA is established under the Environmental Management and Co-ordination Act, Cap. 387 (EMCA) as the principal Government instrument responsible for implementing environmental policy and exercising general supervision and coordination over all environmental matters, guided by Articles 42, 69, and 70 of the Constitution of Kenya. NEMA appeared before the Committee and submitted as follows:
- a. **Conditional Support:** NEMA supports the policy objective of ensuring reliable, affordable, secure, and sustainable energy and petroleum supply for national development. However, NEMA's support is conditional: approval of the Sessional Papers should not be construed as approval, exemption, waiver, or pre-clearance of any energy or petroleum project, plan, programme, petroleum block, transmission corridor, generation facility, LPG facility, pipeline, depot, refinery, petrochemical facility, critical minerals value chain, nuclear programme, or related infrastructure. All such undertakings remain subject to EMCA and the applicable environmental and social safeguards framework.
  - b. **Environmental Assessment as a Substantive Requirement:** Environmental assessment is not a procedural formality but a substantive decision-making tool required to identify, predict, evaluate, avoid, minimize, mitigate, and monitor environmental and social risks before policy, programme, and project decisions become irreversible. Implementation of the Sessional Papers must be anchored in Strategic Environmental Assessment (Section 57A of EMCA), Environmental and Social Impact Assessment (Section 58 of EMCA), Environmental Audit (Section 68 of EMCA), and broader compliance monitoring and enforcement under EMCA.

- c. **Extensive Legal and Regulatory Framework:** The relevant legal framework includes, but is not limited to, the Constitution of Kenya; EMCA Cap. 387; the Climate Change Act, Cap. 387A; the Environmental (Impact Assessment and Audit) Regulations, 2003 (as amended); the Environmental Management and Co-ordination (Strategic and Integrated Environmental Assessments and Environmental Audits) (No. 2) Regulations, 2025; the Environmental Management and Co-ordination (Deposit Bonds) (No. 2) Regulations, 2025; the Environmental Management and Co-ordination (Water Quality) Regulations, 2024; the Environmental Management and Co-ordination (Waste Management) Regulations, 2024; the Environmental Management and Co-ordination (Air Quality) Regulations, 2024; the Environmental Management and Co-ordination (Management of Toxic and Hazardous Chemicals and Materials) Regulations, 2024; the Sustainable Waste Management (Extended Producer Responsibility) Regulations, 2024; and the Climate Change (Carbon Markets) Regulations, 2024, together with all other applicable laws governing biodiversity, wetlands, forests, wildlife, water resources, occupational health and safety, land, community land, physical planning, public health, and disaster risk management.
- d. **Inherently High Environmental and Social Risks in Petroleum Operations:** Petroleum operations present inherently high environmental and social risks, including seismic disturbance, drilling waste, produced water, oil spills, soil and groundwater contamination, gas flaring, methane emissions, hazardous chemicals, pipeline leaks, fire and explosion hazards, marine and coastal impacts, land acquisition, community conflict, and decommissioning liabilities. These risks require binding instruments, clear institutional responsibility, measurable indicators, and adequate budgetary provisions, not merely broad policy commitments.
- e. **Comprehensive Petroleum Environmental Risk Management Framework:** The Petroleum Policy should further require a comprehensive petroleum environmental risk management framework covering produced water management, drilling muds and cuttings, hazardous chemicals, contaminated land, oil spill contingency planning, pipeline integrity, vapor recovery, tank integrity testing, groundwater monitoring, methane leak detection and repair, flaring and venting controls, oil spill drills, incident reporting, community notification, and multi-agency emergency response.
- f. **Decommissioning:** While commending the Policy for recognizing decommissioning as a cross-cutting issue, decommissioning plans and costed restoration plans should be required at the ESIA stage and updated throughout the petroleum project cycle. Operators should maintain adequate financial assurance, including environmental deposit bonds, to secure restoration, contaminated land remediation, post-closure monitoring, and management of residual liabilities. Decommissioning should not be deferred to the end of production when risks and costs have already crystallized.
- g. **Land, Water and Community Right:** The Petroleum Policy should clearly require alternatives analysis, avoidance of displacement where feasible, lawful land acquisition, community land safeguards, livelihood restoration, water availability assessment, Water

Resources Authority permits, produced-water management, protection of ecosystems and community water needs, local language disclosure, grievance redress, and participatory monitoring. Corporate social responsibility should not be treated as a substitute for legally enforceable mitigation, compensation, or restoration obligations.

- h. **Cross-cutting Environmental Safeguards:** The Committee should adopt cross-cutting environmental safeguards as express conditions and implementation directions in the Sessional Papers, spanning: environmental law as a condition precedent; Strategic Environmental Assessment and cumulative impacts; pollution prevention and environmental quality standards; climate change, GHG accounting, and carbon markets; waste and circular economy; biodiversity, water resources, and sensitive ecosystems; decommissioning and financial assurance; public participation and grievance redress; inter-agency coordination; and monitoring, enforcement, and public disclosure.
- i. **NEMA's Institutional Role:** The implementation matrices of the Sessional Papers should identify NEMA as the principal environmental regulator and mandatory coordinating agency for environmental assessment, audit, permitting, compliance monitoring, incident response, decommissioning, and environmental data disclosure. NEMA's role should not be reduced to a post-approval commentator; the Authority must be engaged at the planning, licensing, implementation, audit, and decommissioning stages.
- j. **Budgetary and Institutional Support:** Adequate budgetary and institutional support should be provided for environmental regulation of the energy and petroleum sectors. The policy ambitions will generate increased demand for SEA review, ESIA review, compliance inspections, audits, incident response, climate reporting verification, carbon market oversight, data integration, and enforcement, requiring technical capacity, laboratories, digital systems, and field logistics.
- k. **Overall Position:** NEMA's bottom-line position is that the Sessional Papers are progressive and may be supported in principle, but should be approved with clear Committee recommendations requiring the responsible State Departments to incorporate binding environmental safeguards, measurable implementation indicators, and compliance linkages with EMCA, the Climate Change Act, and the relevant subsidiary legislation.

### 3.11 Submission by the Engineers Board of Kenya (EBK)

56. The Engineers Board of Kenya (EBK) is the statutory body established under the Engineers Act, 2011, mandated to register, regulate, and promote the engineering profession in Kenya. EBK's submission focused on the technical, safety, quality assurance, and professional capacity dimensions of the Policy, and was submitted as follows:

- a. **Absence of Mandated Engineering Oversight:** The Policy extensively references infrastructure development (pipelines, storage facilities, refineries, LPG reticulation,

decommissioning) but does not explicitly require that such infrastructure be designed, constructed, inspected, and certified by registered engineers. The Policy lacks provisions on mandatory engagement of registered professional engineers for feasibility studies, detailed design, construction supervision, and commissioning of petroleum facilities; certification of pressure vessels, pipelines, storage tanks, and LPG reticulation systems; and continuing professional development (CPD) for engineers working in the petroleum sector.

- b. **Upstream Petroleum Sub-Sector (Section 3.2):** The Policy provides for exploration, development, and production operations but does not require engineering design verification for drilling platforms, wellheads, flow lines, and processing facilities. Decommissioning (Section 3.8.1) is mentioned, but there is no requirement for decommissioning plans to be prepared or approved by qualified engineers.
- c. **Midstream Petroleum Sub-Sector (Section 3.3):** The Policy promotes development of midstream infrastructure (pipelines, storage, refining) but lacks engineering quality assurance requirements. Third-party access to infrastructure is allowed, but there is no provision for technical audits to ensure infrastructure integrity before access is granted.
- d. **Downstream Petroleum Sub-Sector (Section 3.4):** Infrastructure development for storage, transportation, and distribution is discussed, but no engineering standards for tank farms, dispensing stations, or reticulation systems are referenced. LPG promotion includes reticulation into housing units and commercial entities, but there is no mention of safety standards or engineer certification for gas piping networks.
- e. **Liquefied Petroleum Gas (Section 3.4.4):** The Policy aims to increase LPG uptake and develop bulk storage and filling infrastructure, but does not address the shortage of qualified engineers for LPG facility design, operation, and maintenance. The role of EBK in enforcing engineering standards is absent.
- f. **Decommissioning (Section 3.8.1):** The Policy requires financial assurances and environmentally sustainable decommissioning but does not require engineering sign-off on decommissioning methods.
- g. **Petroleum Data Management (Section 3.8.2):** Data management is addressed, but engineering data such as well logs, pipeline integrity reports, and material certifications are not specifically protected or standardized.
- h. **Health and Safety (Section 3.8.10):** The Policy states that compliance with health and safety laws will be ensured, but does not reference the Engineers Act or EBK's role in engineering safety.

- i. **Environment, Social and Governance (Section 3.8.11):** ESG principles are promoted, but engineering aspects of environmental protection such as leak detection, spill containment, and emissions control are not linked to professional certification.
- j. **Local Content (Section 3.8.7):** The Policy prioritizes local content but does not specify that local engineering firms must be registered with EBK or that local engineers must hold valid practicing licenses.
- k. **Institutional Capacity Development (Section 3.6):** The Policy provides for institutional capacity development but does not mandate CPD for engineers in the petroleum sector.
- l. **Technology and Innovation (Section 3.7):** The Policy encourages adoption of AI, IoT, robotics, and blockchain, but does not address the need for engineering validation of these technologies in safety-critical applications.
- m. **Implementation Matrix (Annex I):** The implementation matrix lists many activities but does not assign EBK any role in quality assurance, engineering certification, or capacity building.

### 3.11.1 Proposed Textual Amendments

57. EBK proposed specific amendment language for insertion into Chapters 3 and 4 of the Policy, covering:
- a. Section 3.2.4 (Exploration, Development, Production): requiring EBK certification and sign-off before commissioning of upstream facilities;
  - b. Section 3.3.1 (Value Addition): requiring triennial engineering integrity audits of midstream infrastructure;
  - c. Section 3.4.3 (Infrastructure Development): requiring annual engineering certification of storage and distribution facilities;
  - d. Section 3.4.4 (LPG): requiring EBK-registered gas engineer supervision of LPG systems with annual safety certification to EPRA and EBK;
  - e. Section 3.8.1 (Decommissioning): requiring engineering certification of structural safety and environmental restoration;
  - f. Section 3.8.7 (Local Content): defining local engineering content as services from EBK-registered firms and individuals, with a minimum 30% sub-contracting requirement for foreign contractors to local EBK-registered firms; and

- g. Section 4.1 (Institutional Framework, Table 5): inserting EBK as a supporting institution responsible for regulation of the engineering profession in petroleum operations, certification of engineers, technical audits, and capacity building.

### 3.12 Submission by Competition Authority of Kenya (CAK)

- 58. The Competition Authority of Kenya (CAK) is established under the Competition Act, Cap 504, with a mandate to promote and safeguard competition in markets, protect consumers from unfair or misleading market conduct, prohibit restrictive trade practices and regulate mergers. The object of the Act (Section 3) is to enhance the welfare of Kenyans by promoting effective competition and preventing unfair market conduct. CAK appeared before the Committee and submitted as follows:

#### 3.12.1 Overview of the National Petroleum Policy

- 59. CAK described the National Petroleum Policy as a comprehensive government document designed to regulate and transform Kenya's oil and gas sector into a driver of sustainable economic growth, establishing a modernised framework for upstream (exploration), midstream (infrastructure development), and downstream (product distribution) operations, in alignment with the country's Bottom-Up Economic Transformation Agenda. CAK noted that the Policy achieves competition and consumer protection through a combination of regulatory oversight, price controls, quality assurance, and competitive procurement frameworks.

#### 3.12.2 Mechanisms for Achieving Fair Competition Identified in the Policy

- a. **Guiding Principles:** The Policy is premised on national values requiring stakeholders to promote fair competition and ethical business practices.
- b. **Open Tender System (OTS) for Downstream:** The Policy utilises the OTS, a competitive process where monthly imports of petroleum fuels are determined through consultations between the government and oil marketers to meet national demand.
- c. **Competitive Sourcing for LPG:** To lower retail prices and increase uptake, the government uses competitive sourcing of Liquefied Petroleum Gas (LPG).
- d. **Third-Party Infrastructure Access:** The Policy facilitates third-party access to petroleum infrastructure (pipelines, storage) in exchange for fair compensation, preventing monopolies from restricting market entry.

#### 3.12.3 Mechanisms for Ensuring Consumer Protection Identified in the Policy

- a. **Price Regulation:** The government maintains a regulated price regime through the energy and petroleum sector regulator for essential products, including Automotive Gas

Oil (Diesel), Premium Motor Spirit (Super Petrol), and Illuminating Kerosene, to ensure fair pricing and market stability.

- b. **Quality Control and Standards:** To protect consumers from substandard products, the Policy mandates regular spot checks at randomly selected dispensing sites, quality checks at the point of vessel discharge, and strict adherence to statutory quality and standards enforced by EPRA and KEBS.
- c. **Security of Supply:** The Policy aims to protect consumers from supply disruptions by establishing and maintaining strategic petroleum stocks.

#### 3.12.4 Identified Competition Concerns

- a. **High Barriers to Entry:** The petroleum sector is extremely capital intensive, requiring massive upfront capital investments for exploration and infrastructure. These high costs, combined with exploration risks and volatile global prices, can discourage new investors, serving as a barrier to entry and limiting the number of market participants.
- b. **Inadequate Legal Frameworks:** The Policy admits that existing laws and regulations need review to enhance the efficiency of petroleum operations and enable the country to compete effectively with other jurisdictions.

#### 3.12.5 Identified Consumer Protection Concerns

- a. **Cost Management Risks:** There is a concern that the government has difficulty challenging unnecessary, inefficient, or unchecked expenditures by oil contractors due to an inadequate regulatory framework.
- b. **Global Price Shocks:** Because Kenya relies heavily on imports, fluctuations in global crude oil prices contribute directly to an increased cost of living for citizens. As a petroleum-importing country, Kenya is vulnerable to global price volatility.

### 3.13 Submission by Electricity Consumer Societies of Kenya

60. The Electricity Consumer Societies of Kenya, represented by Amb. Dr. Joshua Gwara presented a Strategic Report on Kenya's Transition to Open Access Electricity together with a Draft ELCOS (Electricity Consumer Societies) Framework. While developed primarily in the context of the electricity sub-sector, the submission specifically identified issues and proposals for direct application to the National Petroleum Policy 2025, as follows:

- a. **Absence of Transparent Pricing Mechanisms:** The National Petroleum Policy lacks provisions ensuring transparent pricing of petroleum products to consumers.
- b. **No Consumer Representation in Petroleum Tariff Reviews:** There is no mechanism for consumer representation in EPRA's petroleum tariff review processes,

leaving consumers without a formal voice in how petroleum product prices are set or adjusted.

- c. **No Ring-Fenced Fund for LPG and Kerosene Affordability Advocacy:** There is no dedicated, ring-fenced fund to support consumer advocacy specifically on the affordability of LPG and kerosene, fuels that are disproportionately relied upon by lower-income households for cooking and lighting.
- d. **Absence of Statutory Protections Against Market Manipulation by Oil Marketing Companies:** There is a gap in statutory protections that would guard against market manipulation practices by oil marketing companies, including the absence of enforcement mechanisms equivalent to anti-collusion and anti-trust powers that could address such conduct in the petroleum retail market.

### 3.14 Submission by Kenya Bureau of Standards (KEBS)

61. The Kenya Bureau of Standards (KEBS) is the national standards body established under the Standards Act, Cap. 496, mandated to formulate, publish, promote, and enforce standards, provide testing, calibration, and certification services, and coordinate conformity assessment for goods and services. KEBS submitted its memorandum in its capacity as the national standards and conformity assessment authority with direct responsibility for petroleum product quality standards, measurement accuracy standards, and standards governance for emerging petroleum technologies.
62. KEBS commended the Government for developing a comprehensive National Petroleum Policy covering the upstream, midstream and downstream petroleum sectors. However, KEBS identified several critical gaps requiring policy strengthening and submitted as follows:

#### 3.14.1 Key Cross-Cutting Observations

- a. Absence of robust provisions on artificial intelligence, digital technology, cybersecurity, data governance, and digital transformation in the petroleum sector;
- b. Lack of data sovereignty protections, cybersecurity standards, and a national petroleum data repository;
- c. Absence of quantified climate commitments, gas flaring reduction targets, carbon capture provisions, and just transition measures;
- d. Weak local content provisions lacking mandatory thresholds for employment, procurement, equity participation, and technology transfer;
- e. Lack of regional integration provisions under AfCFTA, the Africa Energy Transition Framework and related regional petroleum trade frameworks;

- f. Insufficient safeguards on regulatory independence and governance;
- g. Absence of Extractive Industries Transparency Initiative (EITI) commitments, beneficial ownership disclosure requirements, and sovereign wealth fund provisions; and
- h. Limited recognition of KEBS' statutory role in petroleum product quality assurance, measurement standards, and conformity assessment.

### **3.14.2 Specific Policy Recommendations**

#### **a. Technology, Innovation and Data Governance**

- i. Introduce mandatory adoption of digital technologies, artificial intelligence, digital twins, predictive maintenance systems, and Industrial 4.0 standards in petroleum operations;
- ii. Establish a National Petroleum Data Repository and provide legal protections for petroleum sector data sovereignty;
- iii. Introduce cybersecurity obligations for critical petroleum infrastructure aligned with international standards; and
- iv. Promote petroleum sector digital skills development and establish a national petroleum digital technology centre of excellence.

#### **b. Energy Transition and Climate Alignment**

- i. Adopt a Zero Routine Flaring policy and establish measurable flaring reduction targets;
- ii. Develop a Carbon Capture, Utilisation and Storage (CCUS) framework;
- iii. Align petroleum sector emissions management with Kenya's Nationally Determined Contributions (NDCs); and
- iv. Establish a petroleum sector Just Transition Framework to support affected workers and communities.

#### **c. Local Content and Industrialisation**

- i. Introduce mandatory local content thresholds for employment, procurement, and equity participation;
- ii. Require technology transfer agreements for petroleum operators; and

- iii. Strengthen linkages between the petroleum sector and the Bottom-Up Economic Transformation Agenda (BETA), including support for SMEs and local enterprises.

**d. Regulatory and Institutional Framework**

- i. Strengthen the operational and financial independence of EPRA;
- ii. Introduce mandatory beneficial ownership disclosure requirements; and
- iii. Formally recognise KEBS as the standards development authority for petroleum product quality, custody transfer measurement standards and conformity assessment systems.

**e. Fiscal Regime and Revenue Management**

- i. Commit Kenya to accession to the Extractive Industries Transparency Initiative (EITI);
- ii. Establish a Petroleum Revenue Sovereign Wealth Fund; and
- iii. Review Production Sharing Contracts and introduce provisions on windfall profits and revenue accountability.

**3.15 submissions by the Petroleum Institute of East Africa (PIEA)**

63. The Petroleum Institute of East Africa (PIEA), a professional association representing stakeholders across the petroleum and energy value chain in East Africa, submitted comments on the Draft National Petroleum Policy, 2025. PIEA acknowledged that several recommendations previously submitted by the petroleum industry had been incorporated into the Draft Policy, particularly regarding energy transition, local content, and stakeholder participation. However, the Institute proposed further enhancements to strengthen the Policy and support sustainable development of the petroleum sector.
64. PIEA noted that the Draft National Petroleum Policy now expressly recognizes energy transition as a policy objective and includes provisions on energy transition and climate change, industrial energy transition, just energy transition, and carbon markets and carbon financing. While welcoming these provisions, PIEA recommended that petroleum products continue to be recognized as an important component of Kenya's transitional energy mix. The Institute emphasized that Liquefied Petroleum Gas (LPG) remains a critical transition fuel, particularly in advancing the clean cooking agenda, while lubricants remain essential across both renewable and conventional energy systems. PIEA further recommended that energy transition pathways be anchored on energy security, affordability, accessibility, and reliability, and that implementation remain technology-neutral and market-driven.

65. The Institute further welcomed the Policy's recognition of local manufacturing and support for clean cooking solutions. However, PIEA observed that the Draft Policy primarily focuses on LPG, biofuels, clean cooking technologies, and energy technologies while giving limited attention to downstream petroleum manufacturing opportunities. The Institute therefore recommended explicit recognition and support for manufacturing of lubricants, greases, coolants, LPG cylinders and accessories, autogas technologies, electric vehicle charging infrastructure integrated within existing petroleum retail stations, and biofuel feedstock value chains. According to PIEA, these sectors present significant industrialization and local content opportunities that should be reflected in the Policy.
66. PIEA also observed that although the implementation framework recognizes the role of the private sector, civil society, and community participation, it does not explicitly identify professional industry associations as implementation partners. The Institute recommended formal recognition of organizations such as PIEA, the Petroleum Outlets Association of Kenya (POAK), and other professional industry bodies within implementation structures, technical committees, and stakeholder engagement mechanisms to strengthen industry participation in implementation of the Policy.
67. With regard to LPG uptake, PIEA noted that the Draft Policy had improved by recognizing multiple barriers to LPG adoption, including inadequate bulk LPG facilities, price volatility, legal and regulatory challenges, and distribution infrastructure constraints. However, the Institute argued that additional factors such as public awareness and education, safety perceptions, supply reliability, accessibility, and last-mile distribution challenges should be expressly recognized and addressed. The Institute recommended that policy interventions be aligned with findings from existing government and industry LPG adoption studies.
68. PIEA further submitted additional recommendations on energy security, emphasizing the need for implementation of Strategic Petroleum Reserves (SPR) through an appropriate regulatory framework and optimization of existing storage infrastructure. The Institute called for recognition of petroleum supply security, storage infrastructure, strategic stockholding, and downstream logistics as integral components of national energy security planning. It also recommended leveraging existing petroleum retail and distribution infrastructure to support deployment of emerging energy technologies, including electric vehicle charging facilities, autogas systems, biofuels, and future alternative fuels. Additionally, PIEA advocated for enhanced collaboration between Government and industry to facilitate secure and timely sharing of petroleum sector data for planning, emergency response, and policy formulation.
69. On environmental, social and governance matters, PIEA observed that the Policy contains provisions on occupational health and safety, workplace safety, risk management, OSHA compliance, and safety awareness. The Institute nonetheless recommended broader adoption of Environmental, Social and Governance (ESG) principles across the petroleum and energy sectors as a framework for sustainable development. PIEA also emphasized the importance of continuous capacity building and training to strengthen compliance with legal, regulatory, health, safety, and environmental requirements and to promote a strong safety culture across petroleum operations.

70. Overall, PIEA supported the Draft National Petroleum Policy and acknowledged that many of the petroleum industry's earlier recommendations had been incorporated. The Institute, however, urged the Committee to strengthen provisions relating to energy transition, energy security, local manufacturing, industry participation, LPG uptake, ESG integration, and capacity building to ensure a resilient, competitive, and sustainable petroleum sector.

## CHAPTER FOUR

### 4.0 COMMITTEE OBSERVATIONS

The Committee, having considered the Sessional Paper No. 4 of 2026 on the National Petroleum Policy, makes the following observations:

1. That, the Policy provides a long-overdue standalone framework for the petroleum sector and fulfils the requirements of Section 5(1) of the Petroleum Act (Cap. 308) of 2019. However, its successful implementation will depend on adequate financing, clearly defined institutional responsibilities, effective inter-agency coordination, and a robust monitoring and evaluation framework to ensure that its strategic objectives are realized.
2. That, while the Policy estimates its implementation cost at Kshs. 68.292 billion, it does not provide a detailed financing strategy, clearly identify funding sources, establish implementation priorities, or outline phased resource requirements. This may undermine effective implementation and the attainment of the Policy's objectives.
3. That, the Policy does not adequately provide for transparency, accountability, and public disclosure mechanisms in petroleum governance, including regular publication of petroleum contracts, revenues, beneficial ownership, and sector performance. Further, it does not expressly commit Kenya to the Extractive Industries Transparency Initiative (EITI), contrary to emerging international best practice in the governance of extractive resources.
4. That, the Policy's provisions on management of revenues from petroleum operations (Section 4.4.1) are not sufficiently developed to support stabilization of resource revenues and intergenerational wealth creation, and do not reference the Sovereign Wealth Fund Bill, 2026, which was published on 9<sup>th</sup> March 2026, read a First Time on 11<sup>th</sup> March 2026, and committed to the Departmental Committee on Finance and National Planning. The Sovereign Wealth Fund Bill, 2026, proposes a tripartite Fund comprising a Stabilization Component, an Infrastructure and Development Component, and a Future Generations Component, into which proceeds from petroleum and other non-renewable resources would be channelled.
5. That, there is need to reinforce separation of policy, regulatory and commercial functions in the petroleum sector in line with best practice, and recommends that regulatory functions remain vested in the Energy and Petroleum Regulatory Authority (EPRA) under the Petroleum Act, (Cap. 308) of 2019 and the Energy Act, (Cap. 314) of 2019, with the Ministry retaining responsibility for policy formulation and the National Oil Corporation of Kenya (NOCK) retaining the State's commercial interests. The Committee confirmed, upon review, that Section 10(d) of the Energy Act (Cap. 314) of 2019, expressly assigns EPRA the function to collect, maintain, and manage upstream petroleum data; the Policy's assignment of this function to the Ministry of Energy and Petroleum is therefore inconsistent with the law.
6. That, the Policy's local content provisions remain largely aspirational and do not provide measurable targets, implementation timelines, monitoring indicators, or enforcement

mechanisms necessary to promote meaningful participation of Kenyan enterprises, professionals, women, youth, and host communities throughout the petroleum value chain.

7. That, lessons from the Early Oil Pilot Scheme (EOPS) in Turkana demonstrate persistent challenges relating to local employment, enterprise development, community participation, and equitable benefit sharing, which are not adequately addressed in the Policy.
8. That, although the Policy recognizes environmental protection as a key objective, it does not sufficiently address critical environmental risks associated with petroleum operations, including hazardous waste management, oil spill prevention and response, decommissioning obligations, biodiversity conservation, and climate change mitigation and adaptation.
9. That, the Policy does not adequately integrate existing environmental governance frameworks established under national legislation, including environmental impact assessments, environmental audits, environmental restoration and deposit bonds, nor does it clearly anchor the statutory role of the National Environment Management Authority (NEMA) in environmental regulation and oversight of petroleum activities.
10. That, the Policy does not adequately respond to emerging technological developments shaping the global petroleum industry, including digital transformation, automation, petroleum data management systems, cybersecurity, and innovation, thereby limiting its relevance in an increasingly technology-driven sector.
11. That, the institutional framework provided in the Policy does not comprehensively recognize or coordinate the mandates of all relevant State agencies responsible for environmental management, engineering regulation, water resources, standards, occupational safety, and other complementary functions, thereby creating the risk of institutional overlaps and implementation gaps.
12. That, despite the strategic importance of petroleum data, the Policy does not establish a comprehensive petroleum data governance framework addressing data ownership, custody, sovereignty, cybersecurity, information sharing protocols, and the establishment of a secure national petroleum data repository.
13. That, the Policy gives limited attention to engineering standards, professional oversight, technical assurance, and regulatory compliance in the design, construction, operation, maintenance, and decommissioning of petroleum infrastructure, which are critical for ensuring operational safety and integrity.
14. That, the Policy does not explicitly mainstream Gender Equality, Disability and Social Inclusion (GEDSI) principles across the petroleum value chain, thereby limiting opportunities for equitable participation and benefit-sharing by women, youth, persons with disabilities, and other marginalized groups.

15. That, Kenya remains highly dependent on imported petroleum products, exposing the country to global price volatility, foreign exchange risks, and supply chain disruptions. Further, as Kenya prepares to transition into an oil-producing and exporting country, the Policy does not provide a sufficiently comprehensive strategic framework for the development of petroleum refining and value-addition infrastructure and strategic petroleum reserves necessary to enhance energy security, maximize value from the country's petroleum resources, and strengthen Kenya's position as a regional petroleum hub.
16. That, the Policy does not sufficiently strengthen consumer protection measures relating to pricing transparency, fair market competition, quality assurance, and safeguards against anti-competitive practices, thereby limiting protection of consumers and confidence in the petroleum market.

## CHAPTER FIVE

### 5.0 COMMITTEE RECOMMENDATIONS

From the above observations, the Committee recommends, **THAT:**

1. The House **adopts** this Report on the Sessional Paper No. 4 of 2026 on the National Petroleum Policy.
2. Following the adoption of this Policy, all proposed legislation on oil and gas matters should be guided by the provisions of the Policy.
3. **FURTHER**, the House **RESOLVES** that the Cabinet Secretary for Energy and Petroleum, the Energy and Petroleum Regulatory Authority (EPRA), the National Environment Management Authority (NEMA), and other relevant State agencies implement the following directives, and that the Cabinet Secretary for Energy and Petroleum reports to the Committee on progress made within twelve (12) months of the adoption of this Report—
  - a) **Implementation framework:** The Cabinet Secretary for Energy and Petroleum shall, within six (6) months of the adoption of this Report, develop and submit to the Committee a comprehensive implementation plan for the National Petroleum Policy comprising clear timelines, measurable performance indicators, prioritized interventions, institutional responsibilities, resource requirements, and a monitoring and evaluation framework.
  - b) **Financing strategy:** The Cabinet Secretary for Energy and Petroleum, in consultation with the National Treasury and Economic Planning, shall develop a financing and resource mobilization strategy to support phased implementation of the National Petroleum Policy, including identification of funding sources, financing priorities, and annual budgetary requirements within six (6) months of the adoption of this Report.
  - c) **Transparency and accountability:** The Cabinet Secretary for Energy and Petroleum shall, within twelve (12) months of the adoption of this Report, operationalize the Transparency and Accountability Framework established under Section 119 of the Petroleum Act, 2019, and submit to the Committee a position paper on Kenya's accession to the Extractive Industries Transparency Initiative (EITI), including disclosure of petroleum contracts, revenues and beneficial ownership within six (6) months of the adoption of this Report.
  - d) **Petroleum revenue management and the Sovereign Wealth Fund:** The Cabinet Secretary for Energy and Petroleum, in liaison with the Cabinet Secretary for the National Treasury and Economic Planning, shall align the Policy's revenue management framework with the Sovereign Wealth Fund Bill, 2026, once enacted, and ensure that petroleum

revenues directed to the Stabilization, Infrastructure and Development, and Future Generations components are first paid into the Consolidated Fund and appropriated by Parliament in accordance with Article 206 of the Constitution. The framework shall further promote macroeconomic stability, intergenerational equity, and sound resource governance to safeguard the country against the adverse economic and governance challenges commonly associated with oil-rich economies within twelve (12) months of the adoption of this Report.

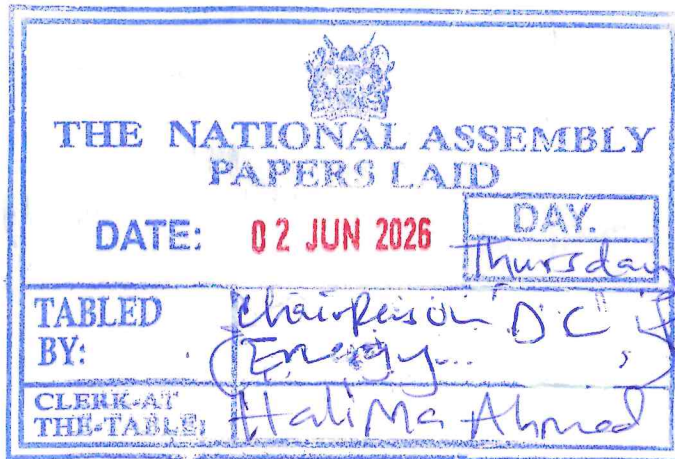
- e) **Institutional separation and petroleum data management:** The Cabinet Secretary for Energy and Petroleum shall, within six (6) months of the adoption of this Report, revise the Policy to vest upstream petroleum data custody, management, and oversight in EPRA in conformity with Section 10(d) of the Energy Act, 2019. In addition, the Energy and Petroleum Regulatory Authority shall be responsible for exercising regulatory functions assigned under the Petroleum Act, (Cap. 308) of 2019 and the Energy Act, (Cap. 314) of 2019, the State Department of Petroleum shall be responsible for exercising the role of policy formulation and the National Oil Corporation of Kenya shall be responsible for exercising the role of managing the commercial interests of the petroleum sector, within twelve (12) months of the adoption of this Report.
- f) **Strengthening local content implementation frameworks.** The Cabinet Secretary for Energy and Petroleum, in collaboration with EPRA, shall strengthen local content implementation frameworks to ensure meaningful community participation and equitable benefit sharing in petroleum projects and strengthen provisions on host community engagement and protection of community rights throughout the petroleum project lifecycle, within twelve (12) months of the adoption of this Report.
- g) **Host community participation:** The Cabinet Secretary for Energy and Petroleum shall strengthen the implementation framework on host community participation and benefit-sharing by incorporating lessons learnt from the Early Oil Pilot Scheme (EOPS), including enhanced local employment, enterprise development, community engagement, and protection of community rights throughout the petroleum project lifecycle within twelve (12) months of the adoption of this Report.
- h) **Environmental safeguards:** The Cabinet Secretary for Energy and Petroleum, in collaboration with NEMA, shall revise the Policy to incorporate binding environmental safeguards on hazardous waste management, oil spill preparedness and contingency planning, decommissioning and post-decommissioning restoration, environmental deposit bonds under the Environmental Management and Co-ordination Act, 1999, biodiversity protection, and climate change mitigation and adaptation measures within twelve (12) months of the adoption of this Report.

- i) **Role of NEMA:** The implementation matrix of the Policy shall be revised to explicitly designate NEMA as the principal environmental regulator and mandatory coordinating agency at the planning, licensing, implementation, audit, compliance monitoring, incident response, and decommissioning stages of petroleum operations within six (6) months of the adoption of this Report.
- j) **Digital infrastructure and petroleum data governance:** The Cabinet Secretary for Energy and Petroleum, in liaison with EPRA, shall, within twelve (12) months of the adoption of this Report, develop a petroleum data governance framework, including a national petroleum data repository, data sovereignty protections and cybersecurity standards for critical petroleum infrastructure, in conformity with EPRA's mandate under Section 10(d) of the Energy Act, 2019 within six (6) months of the adoption of this Report.
- k) **Inter-agency coordination:** The Policy's institutional and implementation framework shall be revised to explicitly incorporate all relevant State agencies with statutory mandates touching on the petroleum sector, including NEMA, the Directorate of Occupational Safety and Health Services, the Energy and Petroleum Tribunal, the National Land Commission, the State Department for Climate Change and Forestry, and relevant civil society and community-based organizations within six (6) months of the adoption of this Report.
- l) **Engineering standards and professional oversight:** The Cabinet Secretary for Energy and Petroleum, in collaboration with relevant professional regulatory bodies, shall strengthen engineering standards, technical compliance, professional certification, and oversight mechanisms applicable to petroleum infrastructure development, operation, maintenance, and decommissioning within six (6) months of the adoption of this Report.
- m) **Gender Equality, Disability and Social Inclusion (GEDSI):** The Cabinet Secretary for Energy and Petroleum shall mainstream Gender Equality, Disability and Social Inclusion (GEDSI) considerations throughout the petroleum value chain, including participation, employment, procurement, skills development, and equitable benefit-sharing for women, youth, persons with disabilities, and marginalized communities within twelve (12) months of the adoption of this Report.
- n) **Energy security, petroleum infrastructure, and value addition:** The Cabinet Secretary for Energy and Petroleum shall, within twelve (12) months of the adoption of this Report, revise the Policy to incorporate a comprehensive framework for Kenya's transition into an oil-producing and exporting country. The revised Policy shall provide for the development of petroleum refining and value-addition infrastructure and strategic petroleum reserves. The Cabinet Secretary shall further submit to the Committee a time-bound implementation framework outlining the policy, regulatory, and investment

measures required to operationalize these strategic interventions within six (6) months of the adoption of this Report.

- o) Consumer protection and market regulation:** The Cabinet Secretary for Energy and Petroleum, in collaboration with EPRA and the Competition Authority of Kenya, shall strengthen consumer protection measures by enhancing pricing transparency, promoting fair market competition, preventing anti-competitive practices, and strengthening regulatory oversight of petroleum markets within twelve (12) months of the adoption of this Report.

SIGNED ..... DATE .....  
*[Handwritten signature]* *2/06/2026*  
**THE HON. DAVID GIKARIA, CBS, M.P.**  
**CHAIRPERSON,**  
**DEPARTMENTAL COMMITTEE ON ENERGY**







REPUBLIC OF KENYA  
THE NATIONAL ASSEMBLY

THIRTEENTH PARLIAMENT – FIFTH SESSION, 2026

DIRECTORATE OF DEPARTMENTAL COMMITTEES

DEPARTMENTAL COMMITTEE ON ENERGY

**ADOPTION OF THE REPORT ON CONSIDERATION OF THE SESSIONAL PAPER NO. 4 OF 2026 ON THE NATIONAL PETROLEUM POLICY**

We, the undersigned Honorable Members of the Departmental Committee on Energy today 30/06/2026, do hereby affix our signatures to this Report on the Consideration of the Sessional Paper No. 4 of 2026 on the National Petroleum Policy to affirm our approval and confirm their accuracy, validity, and authenticity.

NO.	NAME	SIGNATURE
1.	The Hon. David Gikaria, CBS, M.P. -Chairperson	
2.	The Hon. Lemanken Aramat, CBS, M.P – Vice-Chairperson	
3.	The Hon. Samuel Gonzi Rai, M.P.	
4.	The Hon. Charles Gimose, M.P.	
5.	The Hon. Julius Musili Mawathe, M.P.	
6.	The Hon. Walter Owino, M.P.	
7.	The Hon. Elisha Odhiambo, M.P.	
8.	The Hon. Tom Mboya Odege, M.P.	
9.	The Hon. Simon King'ara, M.P.	
10.	The Hon. George Omwera Aladwa, M.P.	
11.	The Hon. Victor Koech Kipngetich, M.P.	
12.	The Hon. Geoffrey Ekesa Mulanya, M.P.	
13.	The Hon. Cecilia Asinyen Ngitit, M.P.	
14.	The Hon. Barongo Nolfason Obadiah, M.P.	
15.	The Hon. Siyad Amina Udgoon, MP	

