SPECIAL ISSUE

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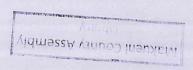
REPUBLIC OF KENYA

KENYA GAZETTE SUPPLEMENT

MAKUENI COUNTY ACTS, 2022

NAIROBI, 31st October, 2022

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THE MAKUENI COUNTY SOUTH EASTERN KENYA ECONOMIC BLOC ACT, 2022

No. 4 of 2022

Date of Assent: 27th May, 2022

Date of Commencement: See Section 2

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SCHEDULES

FIRST SCHEDULE—The Constitutive Agreement for The South Eastern Kenya Economic Bloc (SEKEB).

THE MAKUENI COUNTY SOUTH EASTERN KENYA ECONOMIC BLOC ACT, 2022

AN ACT of the County Assembly of Makueni to provide for the ratification and implementation of the South Eastern Kenya Economic Bloc Agreement; and for connected purposes

ENACTED by the County Assembly of Makueni, as follows—

PART I—PRELIMINARY

Short title

1. This Act may be cited as the Makueni County South Eastern Kenya Economic Bloc Act, 2022.

Commencement

2. This Act shall come into operation upon the enactment of the concurrent legislation by all the Bloc County Assemblies.

Interpretation

- 3. In this Act, unless the context otherwise requires—
- "Agreement" means the South Eastern Kenya Economic Bloc Constitutive Agreement as set out in the First Schedule;
- "Bloc" means the South Eastern Kenya Economic Bloc established under Article 2 of the Agreement;
- "Chief Executive Officer" means the Chief Executive Officer of the Bloc appointed per Article 18 of the Agreement; and

"member counties" means the counties of Kitui, Machakos and Makueni and any other county that may be admitted as a member in accordance with this Act.

Ratification

4. The South Eastern Kenya Economic Bloc Constitutive Agreement signed by the respective governors of the member counties and amended under this Act, is hereby ratified.

Object and purpose of the Act

- 5. The object and purpose of the Act is to—
- (a) provide for the ratification of the SEKEB constitutive agreement;
- (b) provide for the creation of the organs of the Bloc;

- (c) provide for the creation of the Bloc as a body corporate; and
- (d) provide for the administration and operations of the Bloc.

Objectives of the Bloc

- 6. The objectives of the Bloc shall be—
- (a) develop policies and programs aimed at widening and enhancing cooperation among the member counties in economic, industrial, social, cultural, technological and research fields, for their mutual benefit;
- (b) establish institutions aimed at strengthening the industrial, commercial, social, technological and other relations to realize accelerated, harmonious and balanced development and sustained expansion of economic activities;
- (c) leverage the economies of scale within the Bloc including shared resources in order to improve the livelihoods of the residents;
- (d) facilitate access to wider markets nationally, regionally and internationally;
- (e) enhance food security through a coordinated agricultural strategy;
- (f) pursue economic growth by creating an enabling environment for trade and investment initiatives;
- (g) pursue joint public investments to enhance economic growth;
- (h) enhance and strengthen partnerships with the private sector through public private partnership initiatives in the areas of infrastructure, agriculture, education, tourism, primary health care, information and communication technologies, trade and industrialization, water, environment and climate change;
- (i) strengthen and consolidate cooperation in agreed fields that will lead to equitable development within the member counties to raise the living standards and improve the quality of life in their population;
- (j) ensure the mainstreaming of gender, persons with disability and the youth in the social, economic and technological development; and
- (k) undertake such other function as may be incidental to and necessary for the achievement of the objectives of the Bloc.

Guiding Principles

- 7. The Bloc and its organs shall be governed by the following principles—
 - (a) the national values and principles of governance as set out in Article 10 of the Constitution;
 - (b) the principles of devolved government as set out in Article 175 of the Constitution;
 - (c) equitable distribution of the costs and benefits of cooperation;
 - (d) cooperation for mutual benefit;
 - (e) people-centered economic cooperation;
 - (f) multi-level and continuous stakeholder participation in the integration process;
 - (g) mutual trust;
 - (h) political good will;
 - (i) peaceful co-existence and good neighborliness; and
 - (j) peaceful settlement of disputes.

PART II—ESTABLISHMENT AND FUNCTIONS OF THE ORGANS OF THE BLOC

Organs of the Bloc

- **8.** (1) The organs of the Bloc are hereby established.
- (2) The organs established under subsection (1) shall be—
- (a) the Summit;
- (b) Governing Council;
- (c) General Assembly;
- (d) Joint Assemblies Committee;
- (e) the Panel of Experts and Eminent Persons; and
- (f) Secretariat.
- (2) The organs of the Bloc shall perform their duties and act within the limits of the powers conferred on them by the Agreement, this Act and any other written law.

The Summit

- **9.** (1) The Summit shall comprise of the Governors of the Member Counties.
- (2) The Governors shall elect the Chairperson from amongst themselves.
- (3) The Chairperson shall hold office for a period of one year on rotational basis.
- (4) The Summit shall meet at least once quarterly and as often as may be necessary for the carrying out of its functions.
- (5) A Governor may be represented by the Deputy Governor where such Governor is unable to attend a meeting of the Summit.
- (6) In the absence of the chairperson of the Summit, any other Governor present may be nominated to chair the meeting.
- (7) The Chief Executive Officer of SEKEB shall be an *ex-officio* member and the secretary to the Summit.

Functions of the Summit

- 10. The Summit shall—
- (a) be the supreme decision-making body of SEKEB;
- (b) give policy and strategic leadership and guidance on the development and achievement of the objectives of SEKEB;
- (c) consider an application of membership to SEKEB for approval by the member County Assemblies;
- (d) recommend the SEKEB budget for consideration and approval by the member County Assemblies;
- (e) deliberate on a proposal for dissolution of SEKEB subject to Article 29 of the Agreement;
- (f) determine the terms and conditions of dealing with its liabilities and disposal of its assets upon dissolution of SEKEB;
- (g) consider proposed legislation as forwarded by the Governing Council and further forward for enactment by the Member County Assemblies;
- (h) advise the Council on dispute and conflict resolution;
- (i) appoint the Selection Panel;

- (j) appoint the chairperson of the General Assembly;
- (k) establish sector working standing and ad hoc committees comprising of such relevant officers, technical experts of the member Counties and experts including members of the Panel of Experts and Eminent Persons as may be necessary for purposes of enabling SEKEB perform its functions;
- (l) spearhead resource mobilization in SEKEB;
- (m) develop a framework for public participation within SEKEB;
- (n) act as the main linkage of SEKEB to other Economic Blocs, the national government and other regional organizations and international organizations;
- (o) approve the appointment of the Chief Executive Officer in accordance with laid down procedure;
- (p) determine the share contribution of each member county; and
- (q) any other functions as may be necessary for the performance of its functions.
- (2) The functions referred to under Article 9 (1) (c) (d) (e) (f) and (g) shall be subject to approval by the respective member County Assemblies.

The Governing Council

- 11. (1) The Council shall comprise of the following officials drawn from the Member Counties—
 - (a) County Secretaries;
 - (b) County Executive Committee members responsible for matters relating to finance; County Executive Committee members responsible for matters relating to SEKEB;
 - (c) the County Attorneys; and
 - (d) the Chief Executive Officer of SEKEB who shall be the secretary.
- (2) The Chairperson of the Council shall automatically come from the Member County of the Chairperson of the Summit.
- (3) The position of the Chairperson of the Council shall be held on a rotational basis.

- (4) The Council shall co-opt the Executive Committee Members from the relevant Department whenever it is considering a matter concerning that Department.
- (5) The Council may from time to time invite officials of the county government, the national government, development partners and any other non-state actors for specific purposes necessary for the furtherance of the objectives of SEKEB.
 - (6) The Council shall meet at least twice in a year.
- (7) The quorum of the meetings of the Council shall be half of the membership.

Functions of the Governing Council

- 12. The Council shall—
- (a) be the consultative body of SEKEB;
- (b) be a forum for harmonizing development programs of County Government, National Government and other partners within SEKEB to avoid duplication;
- (c) provide linkage between the organs of SEKEB and the general public;
- (d) build public support for programs of SEKEB;
- (e) facilitate community feedback;
- (f) support fundraising initiatives of SEKEB;
- (g) deliberate on the long-term development agenda for SEKEB;
- (h) harmonize policies and legislative initiatives of SEKEB;
- (i) give strategic direction to SEKEB;
- (j) establish thematic Ad-hoc committees comprising of such technical experts as may be necessary for purposes of assisting the governing council perform its functions;
- (k) co-opt into the Governing council persons whose knowledge and skills are considered necessary for functioning of the Governing Council, such co-opted members shall not have voting rights;
- (1) determine common policies and programmes for SEKEB;
- (m) oversee the functions of SEKEB and follow up on and monitor the implementation of is its objectives;

- (n) make guidelines for the better carrying out of the functions of SEKEB.
- (o) receive, consider and take decisions on reports and recommendations from other organs of SEKEB;
- (p) receive and implement reports from the Joint Assemblies' Committee;
- (q) ensure that services offered by SEKEB are available and accessible by the citizens of all member counties;
- (r) submit its resolutions to the respective member county assemblies for consideration; and
- (s) submit biannual reports to the respective member counties assemblies for adoption.

The General Assembly

- 13. (1) The General Assembly shall comprise of—
- (a) the Governors of the member Counties;
- (b) the Senators from the member Counties;
- (c) two representatives of Members of the National Assembly from each member Counties;
- (d) the Speakers of the Member County Assemblies;
- (e) the County Secretaries of the member Counties;
- (f) the County Executive Committee Members for Finance of the member Counties;
- (g) the County Executive Committee Members responsible for matters relating to SEKEB in the member Counties;
- (h) Leaders of Majority and Minority parties of the member county assemblies;
- (i) two eminent persons from each Member County nominated by the Panel of Experts and Eminent Persons;
- (j) chairpersons of the Chamber of Commerce from each Member County;
- (k) three religious leaders from each Member County nominated by the National Council of Churches of Kenya, Kenya Conference of Catholic Bishops and the Supreme Council of Kenya Muslims;

- (1) two representatives of institutions of higher learning nominated by the respective forums of private and public institutions of higher learning from the Member Counties;
- (m) two representatives of Persons with Disability from each Member County nominated by the Council for Persons with Disability;
- (n) two representatives of the youth from each Member County nominated by the National Youth Council Chapter from each member county;
- (o) two representatives of women from each Member County nominated by the largest women group;
- (p) two representatives of non-state actors operating within SEKEB;
- (q) one representative of the diaspora from each Member County;
- (r) two representatives of professional bodies from each Member County; and
- (s) the Chief Executive Officer who shall be an ex officio member.
- (2) The General Assembly shall meet once in a year in an ordinary session which shall be convened by the Chairperson of the General Assembly.
- (3) An extraordinary session may be convened by the Chairperson of the Summit for special purposes.
- (4) The quorum of the General Assembly is one third of all the members of the General Assembly, provided that there is at least one Governor in attendance.
- (5) Decisions shall be adopted by consensus failure to which the decision shall be adopted by two thirds majority of the members present and voting.
 - (6) The Chairperson shall have a casting vote.

Functions of General Assembly

- 14. The General Assembly shall be the voice of the people in the affairs of SEKEB and shall in particular—
 - (a) mobilize community support for programs of SEKEB;

- (b) give general advice to the organs of SEKEB;
- (c) suggest developmental activities for the focus of SEKEB:
- (d) act as a feedback mechanism on SEKEB projects;
- (e) give recommendations on SEKEB's economic activities in order to ensure the realization of its objectives; and
- (f) give general directions on SEKEB's affairs.

Joint Assemblies Committee

- 15. (1) The Committee shall comprise of—
- (a) the Speakers;
- (b) Majority Leader:
- (c) Minority Leader;
- (d) one man and one woman from each member county assemblies nominated from members of the assemblies who are not part of the assemblies' leadership;
- chairpersons of the budget committee from each Member County Assembly.
- (2) The Speakers shall elect the Chairperson from amongst themselves.
- (3) The Chairperson shall hold office for a period of one year on rotational basis.
- (4) The Committee may co-opt into the Committee persons whose knowledge and skills are considered necessary for the functioning of the Committee. Co-opted members shall not have voting rights.
- (5) The Committee conduct its duties in cognizance of the principle of separation of powers as well as the need for mutual cooperation in promoting the public interest.
- (6) The quorum for transaction of Committee's business shall be seven members provided there is attendance by at least member from each member County Assembly.
- (7) No meeting shall be held in the absence of all the Speakers or their appointed representatives.

No. 4

Powers and Functions of the Committee

- 16. The Committee shall—
- (a) be the link between SEKEB and their respective county assemblies;
- (b) study and review all policies and proposed legislation relating to SEKEB;
- (c) make recommendations on the budget estimates of SEKEB;
- (d) facilitate oversight, representation and proposed legislation;
- (e) investigate and inquire into all matters that may be referred to them by a Member County and the Summit;
- (f) monitor and keep under constant review the implementation of the programs of SEKEB with respect to the relevant sector; and
- (g) submit to each Member County Assembly, reports and recommendations on realization of the objectives of SEKEB.

Panel of Experts and Eminent Persons

- 17. (1) The Panel of Experts and Eminent Persons shall be made up of highly respected members of the society of high integrity and good social standing who are recognized by academic and professional authorities in their field of study, work and practice.
- (2) The Panel of Experts and Eminent Persons shall comprise of nine (9) persons selected by the Selection Panel and nominated by the Summit for approval by the member County Assemblies.
- (3) In selecting members of the Panel of Experts and Eminent Persons, the Selection Panel shall take into consideration persons from—
 - (a) Arbitration and mediation society;
 - (b) Council of elders; and
 - (c) Religions leaders;
- (4) In selecting the Panel of Experts and Eminent Persons, the Selection Panel shall take into consideration regional and gender balance.
- (5) The Panel shall serve on a part time basis for a non-renewable term of three years.

Functions of the Panel of Experts and Eminent Persons

- 18. The Panel of Experts and Eminent Persons shall—
- (a) provide technical, intellectual and professional advice to SEKEB;
- (b) conduct research on behalf of SEKEB;
- (c) support SEKEB in resource mobilization;
- (d) advise the Summit on best practices;
- (e) prioritize and improve the programs of SEKEB to ensure accelerated impact on socio-economic needs of the citizens of SEKEB;
- (f) spearhead internal conflict resolution within SEKEB; and
- (g) serve as advisors for the Summit.

The Secretariat

- 19. (1) The Secretariat shall be the Principal Administrative organ of SEKEB.
- (2) The Secretariat shall be headed by a Chief Executive Officer and a Deputy Chief Executive Officer and shall have such other staff as may be determined by the Summit from time to time.
- (3) The staff of the Secretariat may be seconded from the Member Counties except for staff necessary for the implementation of specific projects undertaken with partners in which case Sub-Article 5 below shall apply.
- (4) The Summit shall appoint a Chief Executive Officer and the Deputy Chief Executive Officer from persons competitively sourced by the Selection Panel.
- (5) Recruitment of the staff of the secretariat shall be done by the Selection Panel.
- (6) In recruiting the staff of the secretariat, the Selection Panel shall consider regional balance within the Bloc.
- (7) In the performance of its functions the Secretariat shall take instructions from the Chief Executive Officer.
- (8) The office of the Chief Executive officer shall be held on rotational basis by persons from the member counties.

Functions of the Secretariat

- 20. The Secretariat shall—
- (a) be responsible for the day-to-day management of affairs of SEKEB;
- (b) oversee strategic planning, management and monitoring of programs and projects for the realization of the objectives of SEKEB:
- (c) submit the budget estimates to the Summit for consideration and forwarding to the County Assembly for approval;
- (d) submit reports including monitoring and evaluation reports to the Summit for consideration;
- (e) procure goods and services for the realization of the objectives of SEKEB;
- (f) submit quarterly and annual reports to the Summit on the finances, operations, implementation and administration of SEKEB;
- (g) implement decisions of the Summit;
- (h) organize and manage SEKEB meetings;
- (i) be responsible for financial and general administration;
- (j) represent and promote SEKEB;
- (k) coordinate and harmonize policies and strategies of SEKEB;
- (l) provide technical, intellectual and professional advice to the organs of the bloc;
- (m) conduct research on behalf of the organs of the bloc;
- (n) support the organs of the bloc in resource mobilization;
- (o) advice the Summit on best practices as relates to its functions; and
- (p) perform any other functions as may be assigned by the Summit.

Appointment of the Chief Executive Officer

- 21. (1) A person is qualified for appointment as the Chief Executive Officer if the person—
 - (a) is a Kenyan Citizen;

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- (b) holds a master's degree from a university recognized in Kenya in a relevant field;
- (c) has at least five years proven experience in administration;
- (d) has had a distinguished career in senior management position in either public or private sector; and
- (e) meets the requirements of Chapter Six of the Constitution of Kenya.
- (2) The Chief Executive Officer shall serve for a single term of five years.
- (3) Guidelines shall provide for the procedure of removal from office of the Chief Executive Officer.
- (4) The position of the Chief Executive Officer shall be filled on rotational basis among the member Counties
- (5) A vacancy in the office of the Chief Executive Officer before the end of the term, shall be filled from the same County whose turn it is to produce the Chief Executive Officer, who shall hold office for the remainder of the term.

Responsibilities of the Chief Executive Officer

- **22.** (1) The Chief Executive Officer shall be responsible to the Summit for the following—
 - (a) day today operation of the secretariat;
 - (b) provision of leadership to senior management and staff of the secretariat;
 - (c) execution of decisions of other organs of SEKEB;
 - (d) development and recommendation to the Summit annual plans, programs, projects of SEKEB;
 - (e) ensuring that all minutes are accurately written and availed to the relevant organs of SEKEB;
 - in consultation with the organs of SEKEB preparing annual budgets estimates and forwarding to the Summit for approval;
 - (g) establishment of proper internal controls;
 - (h) being responsible for the execution and communication of the SEKEB's strategies, decisions, policies and legislation;

- (i) ensuring that SEKEB has an effective management structure including succession plans;
- (j) serving as the link between the Secretariat and the organs of SEKEB;
- (k) being responsible for the achievement of the objectives of the SEKEB;
- (l) putting in place effective administrative structures, processes and systems;
- (m) providing regular, thorough and prompt communication to the organs of SEKEB on key technical, financial and administrative matters;
- (n) being responsible for stakeholder management and the enhancement of the corporate image of SEKEB;
- (o) custodianship of the inventory of all properties, assets and facilities of SEKEB; and
- (p) performance of any other duties as may be assigned by the organs of SEKEB.
- (2) The Chief Executive Officer shall be the secretary to the Summit, the Council and the General Assembly and shall assign secretaries for the other organs of SEKEB from the Secretariat.

PART III—MISCELLANEOUS PROVISIONS

Performance of the Functions of the Bloc

23. The Bloc shall have such powers as may be necessary for the attainment of the objectives of the Bloc.

Bloc to be a body corporate

- **24.** The South Eastern Kenya Economic Bloc shall be a body corporate with perpetual succession and a common seal and shall, in its corporate name, be capable of—
 - (a) suing and being sued;
 - (b) acquiring, safeguarding, holding, managing, charging and disposing of movable and immovable property;
 - (c) entering into contracts; and

(d) doing or performing such other acts for the proper discharge of the functions under this Act which may be lawfully done by a body corporate.

Official Symbols of the Bloc

- 25. (1) The official symbols of the Bloc are, the Bloc—
- (a) emblem;
- (b) flag;
- (c) official Seal; and
- (d) anthem.
- (2) The Chief Executive Officer shall develop Regulations for the protection of the official symbols of the Bloc and submit them to the Summit for adoption.
- (3) The Regulations adopted in subsection (2) shall come into effect upon approval by the respective member county assemblies.

Financial provisions

- 26. (1) The funds of the Bloc shall include—
- (a) contributions by the Member Counties;
- (b) donations;
- (c) grants;
- (d) gifts;
- (e) loans; and
- (f) any other sources as may be determined by the Summit with the approval of the member County Assemblies.
- (2) The funds of the Bloc shall be utilized towards the realization of the objectives of the Bloc including the administration and projects of the Bloc.
- (3) The Chief Executive Officer shall develop the annual draft budget of the Bloc and submit it to the Summit for adoption.
- (4) The budget adopted in subsection (2) shall be submitted to the respective county assemblies for approval.
- (5) The budget of the Bloc shall be incorporated into the annual budgets of the respective counties and considered in accordance with the Public Finance Management Act, 2012.

(6) Administration of the funds of the Bloc shall be done in accordance with the Public Finance Management Act, 2012.

Amendment

27. This Act may be amended by the passing of concurrent amendments by the member County Assemblies.

Regulations

- **28.** (1) The Chief Executive Officer shall develop Regulations for the carrying into effect the provisions of the Agreement and this Act.
 - (2) The Regulations developed under subsection (1) shall be submitted to the Summit for consideration and adoption and subsequent approval by the respective county assemblies.
- (3) Without prejudice to the generality of subsection (1), the Regulations made under this Act may provide for the—
 - (a) procedure for application for membership to the Bloc;
 - (b) procedure for the conduct of meetings of various Bloc institutions under the Agreement;
 - (c) manner of recruitment of staff of the Bloc
 - (d) protection of the official symbols of the Bloc;
 - (e) any other matter necessary for the implementation of this Act.

SCHEDULES

First Schedule (Section 4)

THE CONSTITUTIVE AGREEMENT FOR THE SOUTH EASTERN KENYA ECONOMIC BLOC (SEKEB) PREAMBLE

We, the Governors of Kitui County, Machakos County and Makueni County

AWARE THAT the Constitution of Kenya, 2010 establishes a devolved system of government that cascades decision-making structures and processes closer to the people and creates opportunities for regional growth, development and empowerment;

FURTHER AWARE that the devolved system of government promises to address long-standing political challenges of inclusive governance, regional integration and cooperation between Counties which will leverage economies of scale as enshrined in Article 174 of the Constitution of Kenya;

RECOGNIZING that promotion of social and economic development and the provision of proximate and easily accessible services across Kenya is one of the objects of the devolved system of government as enshrined in Article 174 of the Constitution;

AND WHEREAS the Constitution of Kenya allows the establishment of regional economic blocs, and in particular, provides under Article 189(2) that Government at each level, and different governments at the County level, shall co-operate in the performance of functions and exercise of powers and, for that purpose, may set up joint committees and joint authorities;

AND WHEREAS the County Governments Act, 2012 in Section 6 empowers County Governments and private organizations to enter into contracts and partnerships with other public organizations for any work, service or function for which it is responsible within its area of jurisdiction;

AND WHEREAS the Intergovernmental Relations Act, 2012 recognises that Counties should co-operate in the exercise of their duties;

ACKNOWLEDGING that public participation and inclusivity are key national values and principles of governance as provided for in Article 10(2)(a) and (b) of the Constitution;

CONSCIOUS that Kitui, Machakos and Makueni Counties enjoy geographical proximity, historical, cultural, administrative, economic, commercial, industrial and other ties;

AND FURTHER CONSCIOUS that the efforts for the establishment of SEKEB started on 1st April, 2016 during the Konza meeting and subsequently another meeting on 16th November, 2018 at ABC Bomani, Machakos during which meeting the Counties Leadership signed Resolutions which are attached hereto and form part of this agreement;

DETERMINED to strengthen these ties and facilitate the development, management and utilization of cross-county resources and infrastructure;

NOW THEREFORE, the Governors of Kitui, Machakos and Makueni Counties agreed as follows:

ARTICLE 1

Definitions

In this Agreement—

"Agreement" means the South Eastern Kenya Economic Bloc Constitutive Agreement;

"County Public Service Boards" means the Member Counties Public Service Boards established under Section 57 of the County Governments Act, No 17 of 2012;

"Committee" means the Joint Assemblies Committee established under Article 7 of this Agreement;

"Chief Executive Officer" means the Chief Executive Officer appointed in accordance with Article 14 of this Agreement;

"Council" means the Governing Council established under Article 7 of this Agreement;

"County Executive Committees" means the Member Counties Executive Committees established in accordance with Article 179 of the Constitution;

"County Executive Committee Members" means the Member Counties Executive Committee Members appointed under Section 35 of the County Government Act, No. 17 of 2012;

"County Secretaries" means the Member Counties Secretaries appointed in accordance with Section 44 of the County Government Act, No. 17 of 2012;

"General Assembly" means the General Assembly established in Article 7 of this Agreement;

"Governor" means a Governor of a Member County elected in accordance with Article 180 of the Constitution;

"Majority Leaders" means the persons who are the leaders in the Member County Assemblies of the largest party or coalition of parties;

"Member County" means Kitui, Machakos or Makueni County and includes any other County granted membership to SEKEB under this Agreement;

"Minority Leaders" means the persons who are the leaders in the Member County Assemblies of the second largest party or coalition of parties;

"Panel of Experts and Eminent Persons" means the Panel of Experts and Eminent Persons established under Article 7 of this Agreement;

"Secretariat" means the Secretariat established under Article 7;

"SEKEB" means the South Eastern Kenya Economic Bloc;

"Speakers" means the Speakers of Member Counties Assembly elected under Article 178 of the Constitution; and

"Summit" means the Summit established under Article 7:

ARTICLE 2

Establishment of SEKEB

The South Eastern Kenya Economic Bloc is hereby established comprising of Kitui County, Machakos County and Makueni County.

ARTICLE 3

Membership of SEKEB

The members of SEKEB in this Agreement referred to as the "Member Counties" shall be Kitui County, Machakos County, Makueni County and any other County granted membership to SEKEB under this Agreement and includes all the residents of the said counties.

ARTICLE 4

No. 4

Legal capacity of SEKEB

- 1. SEKEB shall be a regional organization and shall have legal personality with capacity and power to enter into contracts, procure goods and services, acquire, own or dispose of movable or immovable property and to sue and be sued.
- **2.** SEKEB as a body corporate shall be represented by the Chief Executive Officer.

ARTICLE 5

Objectives of SEKEB

The objectives of SEKEB shall be to—

- (a) promote sustainable development at the economic, social and cultural levels;
- (b) promote networking and collaboration with other economic blocs;
- (c) promote cooperation in all fields of human activity to raise the living standards of the residents of SEKEB;
- (d) coordinate and harmonize the policies, legislation and programs aimed at widening and enhancing cooperation amongst Member Counties;
- (e) foster good working relationships with the national government and other county governments, development partners and the international community;
- (f) foster contact and regular flow of information and communication amongst Member Counties;
- (g) promote trade market research and export-oriented investment;
- (h) encourage and assist efforts of Member Counties to collectively combat drought and other natural and human-made disasters;
- (i) pursue joint public investments and financial inclusion with a view of enhancing economic growth in the Member Counties;
- (j) pursue economic growth by creating an enabling environment for trade, business and investment initiatives;

ARTICLE 8

The Summit

- (1) The Summit shall comprise of the Governors of the Member Counties.
- (2) The Governors shall elect the Chairperson from amongst themselves.
- (3) The Chairperson shall hold office for a period of one year on rotational basis.
- (4) The Summit shall meet at least once quarterly and as often as may be necessary for the carrying out of its functions.
- (5) A Governor may be represented by the Deputy Governor where such Governor is unable to attend a meeting of the Summit.
- (6) In the absence of the chairperson of the Summit, any other Governor present may be nominated to chair the meeting.
- (7) The Chief Executive Officer of SEKEB shall be an *ex-officio* member and the secretary to the Summit.

ARTICLE 9

Functions of the Summit

- (1) The Summit shall—
- (a) be the supreme decision-making body of SEKEB;
- (b) give policy and strategic leadership and guidance on the development and achievement of the objectives of SEKEB;
- (c) consider an application of membership to SEKEB for approval by the member County Assemblies;
- (d) recommend the SEKEB budget for consideration and approval by the member County Assemblies;
- (e) deliberate on a proposal for dissolution of SEKEB subject to Article 29 of this Agreement;
- (f) determine the terms and conditions of dealing with its liabilities and disposal of its assets upon dissolution of SEKEB;
- (g) consider proposed legislation as forwarded by the Governing council and further forward for enactment by the Member County Assemblies;

manueni county Assembly

CONSCIOUS that Kitui, Machakos and Makueni Counties enjoy geographical proximity, historical, cultural, administrative, economic. commercial, industrial and other ties:

AND FURTHER CONSCIOUS that the efforts for the establishment of SEKEB started on 1st April, 2016 during the Konza meeting and subsequently another meeting on 16th November, 2018 at ABC Bomani, Machakos during which meeting the Counties Leadership signed Resolutions which are attached hereto and form part of this agreement;

DETERMINED to strengthen these ties and facilitate the development, management and utilization of cross-county resources and infrastructure;

NOW THEREFORE, the Governors of Kitui, Machakos and Makueni Counties agreed as follows:

ARTICLE 1

Definitions

In this Agreement—

"Agreement" means the South Eastern Kenya Economic Bloc Constitutive Agreement;

"County Public Service Boards" means the Member Counties Public Service Boards established under Section 57 of the County Governments Act, No 17 of 2012;

"Committee" means the Joint Assemblies Committee established under Article 7 of this Agreement;

"Chief Executive Officer" means the Chief Executive Officer appointed in accordance with Article 14 of this Agreement;

"Council" means the Governing Council established under Article 7 of this Agreement;

"County Executive Committees" means the Member Counties Executive Committees established in accordance with Article 179 of the Constitution;

"County Executive Committee Members" means the Member Counties Executive Committee Members appointed under Section 35 of the County Government Act, No. 17 of 2012;

- (k) enhance and strengthen partnerships with the private sector through public private partnership initiatives in financing, construction, development, operation or maintenance of infrastructure and development projects of SEKEB through concession or other contractual arrangements;
- (l) promote joint development strategies and gradually harmonize macro-economic policies, legislation and programs in the social, technological and scientific fields within SEKEB;
- (m) initiate and promote programs and projects for sustainable utilization of natural resources and environmental protection;
- (n) promote and attain sustainable and inclusive social-economic development, gender equality and infrastructural transformation of Member Counties;
- (o) promote national values within SEKEB;
- (p) promote good governance within SEKEB;
- (q) exploit synergies, resources and comparative advantages;
- (r) intervene in order to encourage amicable conflict resolution in Member Counties;
- (s) Share best practices;
- (t) promote joint mapping of the Member Counties natural resources and spatial planning;
- (u) undertake joint planning and mapping out of resources within SEKEB;
- (v) safeguard the interests of women, youth, persons with disability, the elderly and other disadvantaged segments of population in the Member Counties.

ARTICLE 6

Principles of SEKEB

SEKEB shall be governed by the following principles—

- (a) transparency, accountability and integrity;
- (b) access to and sharing of information;
- (c) reciprocity;
- (d) consensus in decision-making;

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- (e) equity, balance and mutual benefits;
- (f) amicable settlement of conflicts;
- (g) peaceful co-existence of the Member Counties;
- (h) mutual and equitable sharing of costs and benefits accruing from co-operation under this Agreement;
- (i) environmental conservation;
- (j) competitive and comparative advantages;
- (k) non-interference in the internal affairs of Member Counties;
- (1) participation and inclusivity;
- (m) grass-root orientation;
- (n) gender and inter-generational equity;
- (o) respect and promotion of cultural heritage;
- (p) protection of vulnerable groups;
- (q) respect of religious diversity; and
- (r) promote democracy.

ESTABLISHMENT, COMPOSITIONS AND FUNCTIONS OF THE ORGANS OF SEKEB

ARTICLE 7

Organs of SEKEB

- (1) The following organs are hereby established—
- (a) the Summit;
- (b) Governing Council;
- (c) General Assembly;
- (d) Joint Assemblies Committee;
- (e) the Panel of Experts and Eminent Persons; and
- (f) Secretariat.
- (2) The organs shall perform their duties and act within the limits of the powers conferred on them by this Agreement and any other written law.

ARTICLE 8

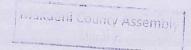
The Summit

- (1) The Summit shall comprise of the Governors of the Member Counties.
- (2) The Governors shall elect the Chairperson from amongst themselves.
- (3) The Chairperson shall hold office for a period of one year on rotational basis.
- (4) The Summit shall meet at least once quarterly and as often as may be necessary for the carrying out of its functions.
- (5) A Governor may be represented by the Deputy Governor where such Governor is unable to attend a meeting of the Summit.
- (6) In the absence of the chairperson of the Summit, any other Governor present may be nominated to chair the meeting.
- (7) The Chief Executive Officer of SEKEB shall be an *ex-officio* member and the secretary to the Summit.

ARTICLE 9

Functions of the Summit

- (1) The Summit shall—
- (a) be the supreme decision-making body of SEKEB;
- (b) give policy and strategic leadership and guidance on the development and achievement of the objectives of SEKEB;
- (c) consider an application of membership to SEKEB for approval by the member County Assemblies;
- (d) recommend the SEKEB budget for consideration and approval by the member County Assemblies;
- (e) deliberate on a proposal for dissolution of SEKEB subject to Article 29 of this Agreement;
- (f) determine the terms and conditions of dealing with its liabilities and disposal of its assets upon dissolution of SEKEB;
- (g) consider proposed legislation as forwarded by the Governing council and further forward for enactment by the Member County Assemblies;



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- (h) advise the Council on dispute and conflict resolution;
- (i) appoint the Selection Panel;
- (j) appoint the chairperson of the General Assembly;
- (k) establish sector working standing and ad hoc committees comprising of such relevant officers, technical experts of the Member Counties and experts including members of the Panel of Experts and Eminent Persons as may be necessary for purposes of enabling SEKEB perform its functions;
- (1) spearhead resource mobilization in SEKEB;
- (m) develop a framework for public participation within SEKEB;
- (n) act as the main linkage of SEKEB to other Economic Blocs, the national government and other regional organizations and international organizations;
- (o) approve the appointment of the Chief Executive Officer in accordance with laid down procedure;
- (p) determine the share contribution of each member county;
- (q) any other functions as may be necessary for the performance of its functions.
- (2) The functions referred to under Article 9 (1) (c) (d) (e) (f) and (g) shall be subject to approval by the respective member County Assemblies.

ARTICLE 10

The Governing Council

- (1) The Council shall comprise of the following officials drawn from the Member Counties—
 - (a) County Secretaries;
 - (b) County Executive Committee members responsible for matters relating to finance; County Executive Committee members responsible for matters relating to SEKEB;
 - (c) the County Attorneys; and
 - (d) the Chief Executive Officer of SEKEB who shall be the secretary.
- (2) The Chairperson of the Council shall automatically come from the Member County of the Chairperson of the Summit.

- (3) The position of the Chairperson of the Council shall be held on a rotational basis.
- (4) The Council shall co-opt the Executive Committee Members from the relevant Department whenever it is considering a matter concerning that Department.
- (5) The Council may from time to time invite officials of the county government, the national government, development partners and any other non-state actors for specific purposes necessary for the furtherance of the objectives of SEKEB.
 - (6) The Council shall meet at least twice in a year.
- (7) The quorum of the meetings of the Council shall be half of the membership.

ARTICLE 11

Functions of the Governing Council

The Council shall—

- (a) be the consultative body of SEKEB;
- (b) be a forum for harmonizing development programs of County Government, National Government and other partners within SEKEB to avoid duplication;
- (c) provide linkage between the Organs of SEKEB and the general public;
- (d) build public support for programs of SEKEB;
- (e) facilitate community feedback;
- (f) support fundraising initiatives of SEKEB;
- (g) deliberate on the long-term development agenda for SEKEB;
- (h) harmonize policies and legislative initiatives of SEKEB;
- (i) give strategic direction to SEKEB;
- (j) establish thematic Ad-hoc committees comprising of such technical experts as may be necessary for purposes of assisting the governing council perform its functions;
- (k) co-opt into the Governing council persons whose knowledge and skills are considered necessary for functioning of the Governing Council, such co-opted members shall not have voting rights;

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 - (1) determine common policies and programmes for SEKEB;
 - (m) oversee the functions of SEKEB and follow up on and monitor the implementation of is its objectives;
 - (n) make guidelines for the better carrying out of the functions of SEKEB;
 - (o) receive, consider and take decisions on reports and recommendations from other organs of SEKEB;
 - (p) receive and implement reports from the Joint Assemblies' Committee;
 - (q) ensure that services offered by SEKEB are available and accessible by the citizens of all member counties;
 - (r) submit its resolutions to the respective member county assemblies for consideration; and
 - (s) submit biannual reports to the respective member counties assemblies for adoption.

ARTICLE 12

The General Assembly

- (1) The General Assembly shall comprise of—
- (a) the Governors of the member Counties;
- (b) the Senators from the member Counties;
- (c) two representatives of Members of the National Assembly from each member Counties;
- (d) the Speakers of the Member County Assemblies;
- (e) the County Secretaries of the member Counties;
- (f) the County Executive Committee Members for Finance of the member Counties;
- (g) the County Executive Committee Members responsible for matters relating to SEKEB in the member Counties;
- (h) Leaders of Majority and Minority parties of the member county assemblies;
- (i) two eminent persons from each Member County nominated by the Panel of Experts and Eminent Persons;

- (j) chairpersons of the Chamber of Commerce from each Member County;
- (k) three religious leaders from each Member County nominated by the National Council of Churches of Kenya, Kenya Conference of Catholic Bishops and the Supreme Council of Kenya Muslims;
- (l) two representatives of institutions of higher learning nominated by the respective forums of private and public institutions of higher learning from the Member Counties;
- (m) two representatives of Persons with Disability from each Member County nominated by the Council for Persons with Disability;
- (n) two representatives of the youth from each Member County nominated by the National Youth Council Chapter from each member county;
- (o) two representatives of women from each Member County nominated by the largest women group;
- (p) two representatives of non-state actors operating within SEKEB;
- (q) one representative of the diaspora from each Member County;
- (r) two representatives of professional bodies from each Member County; and;
- (s) the Chief Executive Officer who shall be an ex-officio member.
- (2) The General Assembly shall meet once in a year in an ordinary session which shall be convened by the Chairperson of the General Assembly.
- (3) An extraordinary session may be convened by the Chairperson of the Summit for special purposes.
- (4) The quorum of the General Assembly is one third of all the members of the General Assembly, provided that there is at least one Governor in attendance.
- (5) Decisions shall be adopted by consensus failure to which the decision shall be adopted by two thirds majority of the members present and voting.

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(6) The Chairperson shall have a casting vote.

ARTICLE 13

Functions of General Assembly

The General Assembly shall be the voice of the people in the affairs of SEKEB and shall in particular—

- (a) mobilize community support for programs of SEKEB;
- (b) give general advice to the organs of SEKEB;
- (c) suggest developmental activities for the focus of SEKEB;
- (d) act as a feedback mechanism on SEKEB projects;
- (e) give recommendations on SEKEB's economic activities in order to ensure the realization of its objectives; and
- (f) give general directions on SEKEB's affairs.

ARTICLE 14

Joint Assemblies Committee

- (1) The Committee shall comprise of—
- (a) the Speakers;
- (b) Majority Leader;
- (c) Minority Leader;
- (d) one man and one woman from each member county assemblies nominated from members of the county assemblies who are not part of the assemblies' leadership; and
- (e) chairpersons of the budget committee from each Member County Assembly.
- (2) The Speakers shall elect the Chairperson from amongst themselves.
- (3) The Chairperson shall hold office for a period of one year on rotational basis.
- (4) The Committee may co-opt into the Committee persons whose knowledge and skills are considered necessary for the functioning of the Committee. Co-opted members shall not have voting rights.

- (5) The Committee conduct its duties in cognizance of the principle of separation of powers as well as the need for mutual cooperation in promoting the public interest.
- (6) The quorum for transaction of Committee's business shall be seven members provided there is attendance by at least member from each member County Assembly.

Powers and Functions of the Committee

The Committee shall—

- (a) be the link between SEKEB and their respective county assemblies;
- (b) study and review all policies and proposed legislation relating to SEKEB;
- (c) make recommendations on the budget estimates of SEKEB;
- (d) facilitate oversight, representation and proposed legislation;
- (e) investigate and inquire into all matters that may be referred to them by a Member County and the Summit;
- (f) monitor and keep under constant review the implementation of the programs of SEKEB with respect to the relevant sector; and
- (g) submit to each Member County assembly, reports and recommendations on realization of the objectives of SEKEB.

ARTICLE 16

Panel of Experts and Eminent Persons

- (1) The Panel of Experts and Eminent Persons shall be made up of highly respected members of the society of high integrity and good social standing who are recognized by academic and professional authorities in their field of study, work and practice.
- (2) The Panel of Experts and Eminent Persons shall comprise of nine (9) persons selected by the Selection Panel and nominated by the Summit for approval by the member County Assemblies.
- (3) In selecting members of the Panel of Experts and Eminent Persons, the Selection Panel shall take into consideration persons from—

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- (a) arbitration and mediation society;
- (b) council of elders; and
- (c) religions leaders;
- (4) In selecting the Panel of Experts and Eminent Persons, the Selection Panel shall take into consideration regional and gender balance.
- (5) The Panel shall serve on a part time basis for a non-renewable term of three years.

ARTICLE 17

Functions of the Panel of Experts and Eminent Persons

The Panel of Experts and Eminent Persons shall—

- (a) provide technical, intellectual and professional advice to SEKEB;
- (b) conduct research on behalf of SEKEB;
- (c) support SEKEB in resource mobilization;
- (d) advise the Summit on best practices;
- (e) prioritize and improve the programs of SEKEB to ensure accelerated impact on socio-economic needs of the citizens of SEKEB;
- (f) spearhead internal conflict resolution within SEKEB; and
- (g) serve as advisors for the Summit.

ARTICLE 18

The Secretariat

- (1) The Secretariat shall be the Principal Administrative organ of SEKEB.
- (2) The Secretariat shall be headed by a Chief Executive Officer and a Deputy Chief Executive Officer and shall have such other staff as may be determined by the Summit from time to time.
- (3) The staff of the Secretariat may be seconded from the Member Counties except for staff necessary for the implementation of specific projects undertaken with partners in which case Sub-Article 5 below shall apply.

- (4) The Summit shall appoint a Chief Executive Officer and the Deputy Chief Executive Officer from persons competitively sourced by the Selection Panel.
- (5) Recruitment of the staff of the secretariat shall be done by the Selection Panel.
- (6) In recruiting the staff of the secretariat, the Selection Panel shall consider regional balance within the Bloc.
- (7) In the performance of its functions the Secretariat shall take instructions from the Chief Executive Officer.
- (8) The office of the Chief Executive officer shall be held on rotational basis by persons from the member counties.

Functions of the Secretariat

The Secretariat shall—

- (a) be responsible for the day-to-day management of affairs of SEKEB;
- (b) oversee strategic planning, management and monitoring of programs and projects for the realization of the objectives of SEKEB;
- (c) submit the budget estimates to the Summit for consideration and forwarding to the County Assembly for approval;
- (d) submit reports including monitoring and evaluation reports to the Summit for consideration:
- (e) procure goods and services for the realization of the objectives of SEKEB;
- (f) submit quarterly and annual reports to the Summit on the finances, operations, implementation and administration of SEKEB;
- (g) implement decisions of the Summit;
- (h) organize and manage SEKEB meetings;
- (i) be responsible for financial and general administration;
- (j) represent and promote SEKEB;
- (k) coordinate and harmonize policies and strategies of SEKEB;

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 - (1) provide technical, intellectual and professional advice to the organs of the Bloc;

2022

- (m) conduct research on behalf of the organs of the Bloc;
- (n) support the organs of the Bloc in resource mobilization; and
- (o) advice the Summit on best practices as relates to its functions; and
- (p) perform any other functions as may be assigned by the Summit.

ARTICLE 20

Qualifications for Appointment of the Chief Executive Officer

- (1) A person is qualified for appointment as the Chief Executive Officer if the person—
- (a) is a Kenyan Citizen;
- (b) holds a master's degree from a university recognized in Kenya in a relevant field.
- (c) has at least five years proven experience in administration;
- (d) has had a distinguished career in senior management position in either public or private sector; and
- (e) meets the requirements of Chapter Six of the Constitution of Kenya.
- (2) The Chief Executive Officer shall serve for a single term of five years.
- (3) Guidelines shall provide for the procedure of removal from office of the Chief Executive Officer.
- (4) The position of the Chief Executive Officer shall be filled on rotational basis among the member Counties
- (5) A vacancy in the office of the Chief Executive Officer before the end of the term, shall be filled from the County whose turn it is to produce the Chief Executive Officer and who shall serve for the remainder of the term.

Responsibilities of the Chief Executive Officer

- (1) The Chief Executive Officer shall be responsible to the Summit for the following—
 - (a) day today operation of the secretariat;
 - (b) provision of leadership to senior management and staff of the secretariat;
 - (c) execution of decisions of other organs of SEKEB;
 - (d) development and recommendation to the Summit annual plans, programs, projects of SEKEB;
 - (e) ensuring that all minutes are accurately written and availed to the relevant organs of SEKEB;
 - (f) in consultation with the organs of SEKEB preparing annual budgets estimates and forwarding to the Summit for approval;
 - (g) establishment of proper internal controls;
 - (h) being responsible for the execution and communication of the SEKEB's strategies, decisions, policies and legislation;
 - (i) ensuring that SEKEB has an effective management structure including succession plans;
 - (j) serving as the link between the Secretariat and the organs of SEKEB;
 - (k) being responsible for the achievement of the objectives of the SEKEB;
 - (l) putting in place effective administrative structures, processes and systems;
 - (m) providing regular, thorough and prompt communication to the organs of SEKEB on key technical, financial and administrative matters;
 - (n) being responsible for stakeholder management and the enhancement of the corporate image of SEKEB;
 - (o) custodianship of the inventory of all properties, assets and facilities of SEKEB; and

- (p) performance of any other duties as may be assigned by the organs of SEKEB;
- (2) The Chief Executive Officer shall be the secretary to the Summit, the Council and the General assembly and shall assign secretaries for the other organs of SEKEB from the Secretariat.

Headquarters of SEKEB

- (1) The headquarters of SEKEB shall be determined through consultations by the different organs of SEKEB not later than three months after the execution of this Agreement on identification of a central office at Machakos town.
- (2) The Summit shall establish satellite offices in each of the member counties.
- (3) The Summit may establish other offices of SEKEB as it may consider necessary.

ARTICLE 23

Accession

- (1) Any County not listed in the preamble to this Agreement may become a member of SEKEB upon being admitted by the Summit as per this Agreement.
- (2) The admission of any such County to membership of SEKEB shall be effected by proof of public participation for purposes of seeking consensus to be a member of SEKEB, signing an addendum to this Agreement by the Governor and adoption by its County Assembly.
- (3) The Summit, upon consultation with the members of the public, shall determine the procedures for admission of new members and for accession to this Agreement by such Counties.
- (4) Membership of SEKEB shall not be subject to any reservation.

Withdrawal

- (1) A Member County may withdraw from SEKEB provided that the—
 - (a) County Executive Committee of the Member County shall pass a resolution supported by an explanatory memorandum containing proof and demonstration of public participation;
 - (b) the resolution shall be tabled before the County Assembly of the Member County for approval by not less than two-thirds majority of all members of the County Assembly; and
 - (c) the member County gives a months' written notice of its intention to withdraw to the Chief Executive Officer.
- (2) During the twelve months' period of notice referred to in paragraph 1 (3) of this Article, the Member County wishing to withdraw from SEKEB shall comply with the provisions of this Agreement and shall continue to be bound by its obligations.
- (3) A Member County which has withdrawn shall not be entitled to claim any property or rights until the dissolution of SEKEB.
- (4) At the end of twelve months from the date of such notification, if not withdrawn, this Agreement shall cease to apply with respect to the renouncing Member County.
- (5) Assets of SEKEB situated in the territory of a Member County which has withdrawn, shall continue to be the property of SEKEB and available for its use.
- (6) A Member County shall not be discharged, by reason of its withdrawal, from the obligations arising from this Agreement while it was a party to the Agreement, including any financial obligations which have accrued. Mechanisms to enforce this provision shall be as provided in the guidelines.

ARTICLE 25

Sanctions

(1) A Member County which defaults in meeting its financial and other obligations under this Agreement shall be subject to such action as the Summit may determine.

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- (2) Without prejudice to the generality of sub-article (1), the Summit may impose the following sanctions to a member county under this Article—
 - (a) where a member county fails to pay fifty (50%) per cent of the member contribution, cautionary sanction shall be imposed on the defaulting member and such a member shall not be allowed to make any contributions during any meetings of the Bloc or any of its organs; and
 - (b) intermediate sanctions shall be imposed to a member who fails to pay member contribution for twelve (12) months, in which case the member shall be suspended from being a member of any of the Blocs organs, the defaulting member shall not host any organ of the Bloc or office of the Bloc and the defaulting member shall not be invited to any of the Blocs meetings and its residents shall not be appointed as staff members of any organ of the Bloc or its consultants.

ARTCILE 26

Suspension

- (1) The Summit may suspend a Member County from taking part in activities of SEKEB if the Member County—
 - (a) fails to observe and fulfil the fundamental principles and objectives of this Agreement;
 - (b) fails to meet financial commitments of SEKEB within a period of eighteen months; or
 - (c) fails to fulfil its obligations as required of it by SEKEB.
- (2) A Member County suspended in accordance with paragraph 1 of this Article shall cease to enjoy the benefits provided for under this Agreement but shall continue to be bound by membership obligations until the suspension is lifted.
 - (3) Guidelines shall provide for the procedure of suspension.

ARTICLE 27

Expulsion

(1) The Summit may expel a Member County from SEKEB for gross and persistent violation of the principles and objectives of this Agreement after giving such Member County twelve months' written notice.

- (2) Upon the expiration of the period specified in Paragraph 1 of this Article, the Member County concerned shall cease to be a member of SEKEB, unless the notice is cancelled.
- (3) During the period referred to in paragraphs 1 and 2 of this Article, the Member County concerned shall continue to comply with the provisions of this Agreement and is liable to discharge all subsisting obligations and long-term commitments incurred during membership.
- (4) The Summit shall develop an exit plan on expulsion to safeguard SEKEB's interests and assets.

Dissolution

- (1) SEKEB may decide by a resolution supported by two-thirds of the membership of the Summit and respective County Assemblies, to dissolve SEKEB, determine the terms and conditions of dealing with its liabilities and disposal of its assets.
- (2) A proposal for the dissolution of SEKEB may be made by any Member County for preliminary consideration, provided that, such a proposal shall not be submitted for the decision of SEKEB until all Member Counties have been duly notified of it and a period of twelve months has lapsed after submission of the proposal.
- (3) Before considering a motion for the dissolution of SEKEB under this Article, the respective County Assemblies shall conduct public participation immediately upon the Motion being tabled in the County Assemblies for consideration.

ARTICLE 29

Dispute Resolution

Any dispute arising from the interpretation or application of this Agreement which cannot be amicably settled between the parties, shall be resolved by the bloc in the following manner—

- (a) in the first instance, through negotiations;
- (b) in the second instance, through mediation; and
- (c) in the third instance and upon the failure to achieve a solution by way of mediation, by the High Court.

No. 4

ARTICLE 30

Governing Law

This Agreement shall be interpreted and applied in accordance with the Laws of Kenya or such other applicable laws depending on the matter under reference.

ARTICLE 31

Budget

- (1) There shall be a budget for the organs of the Bloc save for the self-accounting institutions of the Bloc.
- (2) The budget for the Bloc for each financial year shall be prepared by the Chief Executive Officer for consideration by the Council approved by the respective member County Assemblies upon recommendation by the Summit.
- (3) The budget of the Bloc shall be funded by equal contributions by the Member Counties and receipts from donations and any other sources as may be determined by the Council and approved by the Summit.
- (4) All expenditures of the Bloc shall be utilized to finance activities of the Bloc as shall be determined by the Council on the approval by the Summit.
- (5) The financial year of the Bloc shall run from 1st July to 30th June of each year.
- (6) The appropriation of the amount required to balance the budget of the Bloc shall be subject to such review and approval as the budgetary processes of the respective Member Counties and the Public Finance Management Act, may require.
- (7) Each Member County shall consider the Blocs budget in their annual budgetary estimates as guided by the Public Finance Management Act, 2012.
- (8) The accounts of the Bloc shall be audited by the Auditor General.

MISCELLANEOUS PROVISIONS

ARTICLE 32

Financial Provisions

- (1) The funds of SEKEB shall include—
- (a) contributions by the Member Counties;
- (b) donations;
- (c) grants;
- (d) gifts;
- (e) loans; and
- (f) any other sources as may be determined and approved by the Summit with approval by the member County Assemblies.
- (2) The procedure of budgeting and general administration of funds, borrowing powers and grants management shall be as provided in the Public Finance Management Act, 2012 and any other law relating to the management of public finance.
- (3) Borrowing by SEKEB shall be subject to approval by the respective member county assemblies.

ARTICLE 33

Procurement of Goods and Services

The procurement of goods and services required for the realization of the objectives of SEKEB and disposal of the assets of SEKEB shall be done in accordance with Article 227 of the Constitution of Kenya and the Public Procurement and Asset Disposal Act, 2015.

ARTICLE 34

Assets

- (1) Property acquired by Member Counties, under the auspices of SEKEB shall be assets of the respective counties but under the custody of SEKEB.
- (2) Assets acquired by Member Counties under the auspices of SEKEB shall be accessible to all Member Counties.
- (3) Asset registers for assets acquired under the auspices of SEKEB shall be kept by respective counties where the assets are situated and by the Chief Executive Officer.

No. 4

SEKEB's Instruments of Power

- (1) The Summit in consultation with the other Organs of SEKEB shall develop SEKEB's Instruments of Power including a Logo, Emblem and Seal.
- (2) The Instruments of Power developed under sub-article (1) shall be approved by the member County assemblies.
- (3) The Chief Executive Officer shall be the custodian of all the instruments under this Article.

ARTICLE 36

Conduct of Business

Except as otherwise provided for in this Agreement and guidelines thereof, the organs of SEKEB shall determine their own rules of procedure.

ARTICLE 37

Transitional Provisions

- (1) In the interim, before the Organs of SEKEB are fully constituted, the Summit shall appoint an Acting Chief Executive Officer.
- (2) The Summit shall deliberate on ways of absorbing the interim Secretariat in the structures created herein.

ARTICLE 38

Guidelines

The Summit shall, with the approval of the member County Assemblies, make guidelines for the implementation of this Agreement.

ARTICLE 39

Amendment

- (1) Any Member County may submit proposals for the amendment or revision of this Agreement with approval by the member county Assemblies.
- (2) Proposals for the amendment or revision of this Agreement shall be submitted to the Chairperson of the Summit, who shall transmit such proposals to the Summit within thirty (30) days of receipt thereof.

- (3) The Summit shall examine the proposals for amendment or revision of this agreement within a period of six months following notification of the Member County.
- (4) The Summit shall adopt any amendment or revision of this agreement by consensus or, failing which, by a two-thirds majority vote of the Summit.
- (5) Any amendment or revision of this Agreement that the Summit adopts in accordance with Paragraph 4 of this Article shall be submitted for ratification by respective County Assemblies.

Effective Date and Execution

- (1) This Agreement shall be signed and sealed in identical original copies by Governors of the Member Counties.
- (2) Upon execution by the Governors and subsequent consideration by the County assemblies, a copy of this Agreement shall be filed with the Chief Executive officer of SEKEB and a copy forwarded to every Member County.

ARTICLE 41

Entry into force

- (1) This Agreement shall be presented to the County Assemblies for approval.
- (2) Upon approval by the respective County Assemblies, this Agreement shall be presented to the governors for execution following which it shall come into force.

