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MANDERA COUNTY ACTS, 2026

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**THE MANDERA COUNTY INVESTMENT AUTHORITY ACT,
2026**

No. 8 of 2026

Date of Assent: 3rd July, 2026

Date of Commencement: See Section 1

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FIRST SCHEDULE

Conduct of business and Affairs of the Board.

**THE MANDERA COUNTY INVESTMENT AUTHORITY ACT,
2026**

**AN ACT of the County Assembly of Mandera to provide for the
establishment of legal and institutional framework for county
investments and for connected purposes**

ENACTED by the County Assembly of Mandera, as follows—

PART I—PRELIMINARY

Short Title and Commencement

1. This Act may be cited as the Mandera County Investment Authority Act, 2026 and shall come into force upon its publication in the *Gazette*.

Interpretation

2. In this Act, unless the context otherwise requires—

“Board” means the Board of the Authority established under section 6;

“Authority” means the Mandera County Investment Authority established under section 4;

“County” means Mandera County;

“County Executive Committee” means the County Executive Committee of County Government of Mandera;

“County Executive Committee Member” means the County Executive Committee Member for the time being responsible for finance;

“Gazette” means the *Kenya Gazette* published by the Government Printer;

“Governor” means the Governor of Mandera County.

Object and Purpose of the Act

3. The object and purpose of this Act is to provide a legal and institutional framework for investment by County Government in order to—

- (a) spur the growth and development of the local economy through attraction of investments;
- (b) establish an efficient and effective instrument for managing County Government investments;

- (c) enhance financial and economic prudence in County Government investments;
- (d) enhance competitiveness of County Government investments;
- (e) enhance County Revenue Base.

PART II—ESTABLISHMENT OF COUNTY INVESTMENT AUTHORITY

Establishment of the Authority

4. (1) There is established an Authority to be known as the Mandera County Investment Authority.

(2) The Authority established under sub-section (1) shall be a body corporate with perpetual succession and shall in its corporate name be capable of—

- (a) suing or be sued;
- (b) taking, purchasing or otherwise acquiring, holding, charging or disposing of movable and immovable property;
- (c) borrowing money or making investments;
- (d) entering into contracts; and
- (e) doing or performing all other acts or things for the proper performance of its functions under this Act which may lawfully be done or performed by a body corporate.

Functions of the Authority

5. The functions of the Authority are to—

- (a) assist investors and potential investors in obtaining licenses, permits and incentives from the relevant Government Agencies in Kenya;
- (b) provide platform for sharing information on investment in the County;
- (c) promote and showcase the county as an ideal investment destination;
- (d) facilitate and manage investment assets on behalf of the County Government;
- (e) enter into investment undertakings on behalf of the County;
- (f) identify strategic investment opportunities for the benefit of the County;

- (g) review the County Investment environment and make recommendations on investment policies, programs, plans and best practices;
- (h) mobilise resources for investment undertakings by the County;
- (i) work in collaboration with other players and stakeholders; and
- (j) carry out such other activities as, in the Authority's opinion, will promote and facilitate investment.

Board of the Authority

6. (1) The overall direction and management of the Authority shall vest in the board.

- (2) The board shall consist of—
 - (a) a chairperson appointed by the Governor;
 - (b) the chief officer for the time being responsible for finance;
 - (c) the chief officer for the time being responsible for matters relating to investments;
 - (d) four persons who are professionals qualified in economics, investment, management or industry, finance or accounting, and/or law appointed by the County Executive Committee Member of whom at least two shall be female;
 - (e) the Members appointed under sub-clause 2 (a) and (d) above shall be approved by the County Assembly; and
 - (f) the Managing Director who shall be an *ex-officio* member and the secretary to the Board.

Qualification for Appointment

7. (1) A person is qualified for appointment as a Chairperson if he/she is—

- (a) is a citizen of Kenya;
- (b) holds a bachelor's degree from a recognized university;
- (c) has knowledge and experience of at least ten (10) years in the relevant profession; and
- (d) meets the requirements of Chapter Six of the Constitution.

(2) A person is qualified for appointment as a member under section 6 (2) (d) if the person—

- (a) is a citizen of Kenya;
- (b) holds a degree from a recognized university;
- (c) has knowledge and experience of at least five years in the relevant profession; and
- (d) meets the requirements of Chapter Six of the Constitution.

(3) The term of office for the Chairperson or a member appointed under section 6 (2) (d) shall be three years and may be renewable for one further term.

(4) Notwithstanding sub-section (3), the members of the Board are to retire on rotation in a manner that ensures that not more than two thirds of the members retire at the same time.

Conduct of Business

8. (1) The conduct and regulation of the business and affairs of the Board shall be as set out in the Schedule.

(2) Except as provided in the Schedule, the Board may regulate its own procedure.

Remuneration of the Board

9. The remuneration of the members of the Board shall be determined by the County Public Service Board in consultation with the Salaries and Remuneration Commission.

Managing Director

10. (1) The County Public Service Board shall appoint the Managing Director of the Authority who shall, subject to the direction of the board, be responsible for the day to day running of the Authority.

(2) A person qualifies to be appointed as a Managing Director if he or she—

- (a) is a Kenyan citizen;
- (b) holds a degree from a recognized university;
- (c) has the relevant experience in management for a period of not less than ten years; and
- (d) fulfills the requirements of chapter Six of the Constitution of Kenya, 2010.

Term of office for Managing Director

11. The Managing Director shall hold office for a term of three (3) years and shall be eligible for re-appointment for one further term.

Staff of the Authority

12. The County Public Service Board may appoint such staff as are necessary for proper discharge of the functions of the Authority under this Act.

The Common Seal of the Authority

13. (1) The common seal of the Authority shall be kept in the custody of the Managing Director or of such other officer as the Board may direct, and shall not be used except upon the direction of the Board.

(2) The common seal of the Authority shall be authenticated by the signature of the Managing Director.

Annual Report

14. (1) The Authority shall, within three (3) months after the end of each financial year, prepare and submit through the County Executive Committee Member a report of its operations for the immediately preceding year to the County Assembly.

(2) The annual report shall provide information regarding the programs and plans of the Authority during the year to which it relates in a manner sufficient to impart an accurate understanding of the nature and scope of its programs and plans, and without limitation, shall include—

- (a) details of the performance of the Authority against its key performance indicators;
- (b) report on the overall status of the investment portfolio and profitability of each investment venture including the Authority's projections for the following year;
- (c) such information and other material as the Authority may be required by this Act or regulations made thereunder to include in the annual report;
- (d) measures taken to implement corporate governance principles and practices;
- (e) the financial statements prepared under this Act;
- (f) report of the auditor-general prepared for the financial year under consideration; and

- (g) such additional information or other material as the board deem fit.

Protection from Liability

15. No member of the staff of the Authority or member of the board of the Authority or of a committee of the board shall be personally liable for anything done or omitted in good faith under this Act.

PART III—FINANCES OF THE AUTHORITY

Finances of the Authority

16. The funds of the Authority shall consist of—

- (a) such monies as may be appropriated by the County Assembly for the purposes of the Authority;
- (b) revenues realized from investments undertaken by the Authority; and
- (c) such donations, grants or monies received from any lawful source of the Authority.

(2) The Authority shall apply the monies provided under this section for the furtherance of the objects and performance of the functions of the Authority and as prescribed under this Act.

Financial Year

17. The financial year of the Authority shall be the period of twelve (12) months ending on the thirtieth June in each year.

Annual Budget

18. (1) At least three (3) months before the commencement of each financial year, the Authority shall cause to be prepared budget of the Authority for that year.

(2) The annual budget shall make provisions for the estimated revenues and expenditure of the Authority for the financial year and in particular, the estimates must provide for the—

- (a) allocations for investments related to each venture;
- (b) debt repayment schedule, if any;
- (c) payment of the salaries, allowances and other charges in respect of the board and staff of the Authority;
- (d) payment of pensions, gratuities and other charges in respect of members of the board and staff of the Authority;

- (e) proper maintenance of the buildings and grounds of the Authority;
- (f) maintenance, repair and replacement of the equipment and other property of the Authority; and
- (g) creation of such reserve funds to meet future or contingent liabilities in respect of retirement benefits, insurance or replacement of buildings or equipment, or in respect of such other matter as the board may deem appropriate.

(3) The annual estimates shall be approved by the board before the commencement of the financial year to which they relate and, once approved, the sum provided in the estimates shall be submitted to the County Executive Committee for final approval.

(4) No expenditure shall be incurred for the purposes of the Authority except in accordance with the annual estimates approved under subsection (3), or in pursuance of an authorization of the board given with prior written approval of the County Executive Committee Member.

Accounts

19. The board shall cause to be kept proper books and records of accounts and assets of the Authority.

Financial Reports and Audit

20. (1) Within a period of three (3) months after the end of each financial year, the board shall submit to the Auditor-General, the accounts of the Authority together with—

- (a) a statement of financial position as at the thirtieth day of June;
- (b) a comprehensive statement of income;
- (c) a statement of cash flow for the year ended;
- (d) a summary of significant accounting policies and other explanatory information; and
- (e) other financial statements applicable to similar institutions.

(2) The accounts of the Authority must be audited and reported upon in accordance with the provisions of the Public Audit Act.

PART IV—INVESTMENT MANAGEMENT

Investment Principles

21. The Authority shall be guided by the following principles, among others, in undertaking any investment—

- (a) value for money;
- (b) prudence in financial and investment management;
- (c) efficiency;
- (d) economy;
- (e) competitiveness in approach to business; and
- (f) financial sustainability.

Investment Powers

22. Subject to any written law on governance of public investments, the Authority shall have powers to—

- (a) establish subsidiaries or holding entities for any business venture for the purposes of realizing its objectives; and/or
- (b) invest in any property, bonds, securities, bank deposits, trust funds, Treasury Bills or any investment venture approved by the county Treasury.

Raising Capital

23. (1) Subject to the approval of the County Executive Committee, the Authority may raise capital by way of—

- (a) appropriations by the County Assembly;
- (b) floating bonds;
- (c) donations and/or grants;
- (d) sale of assets or property;
- (e) re-investment of surplus; or
- (f) any other way as may from time to time be approved by county Treasury.

(2) The Authority shall not borrow money by way of loans or floating of bonds unless such borrowing is related to capital investments.

(3) Notwithstanding sub-section (2), the Authority may borrow short-term loans for the purposes of maintaining sufficient cash flow in accordance with Public Financial Management Act, 2012.

Investment Strategy and Plan

24. (1) The Authority shall prepare and publish at least ten-year investment strategy and plan which shall be approved by the County Assembly.

(2) The investment strategy and plan should provide, among others, for—

- (a) source of investment capital;
- (b) targeted investment opportunities;
- (c) investment portfolio;
- (d) expected return on capital or investment;
- (e) specific investment projects and their respective projects appraisals including rate of return on investment or capital employed;
- (f) estimated cost of the investments; and
- (g) any other matter as the County Executive Committee Member may prescribe.

(3) The Authority shall not undertake any investment unless such investment accords with the investment strategy and plan.

(4) The Authority may review the investment plan or strategy after each year in order to align it with prevailing market trends.

(5) The Authority shall prepare annual plans for implementing the investment plan and strategy.

Investment or Project Appraisal and Financial Analysis

25. The Authority shall not undertake any investment project unless it has undertaken an investment or project appraisal and financial analysis in accordance with the prescribed guidelines.

Sustainability, Profitability and Competitiveness

26. (1) The Authority shall institute measures to ensure that—

- (a) its operations and investments are sustainable and profitable;
- (b) it is competitive in all its investment ventures.

(2) The Authority shall undertake periodic assessment after every two (2) years to measure the sustainability, profitability and competitiveness of each investment venture.

(3) Notwithstanding subsection (2), the County Executive Committee Member may at any time require the Authority to undertake the assessment stipulated under subsection (2) in relation to any investment venture where the County Executive Committee Member is of the opinion that the venture does not meet the required threshold for sustainability, profitability and competitiveness.

(4) The executive committee member may in consultation with the Board require the assessment under sub-section (3) to be undertaken by an independent person or entity.

(5) Where an investment venture ceases to be sustainable, profitable or competitive, the Authority shall—

- (a) restructure the investment;
- (b) merge the investment with other investments; or
- (c) terminate the investment by way of sale, disposal, transfer or liquidation where the investment was carried out by a subsidiary as the sole business.

Financial Sustainability

27. The Authority shall maintain the prescribed—

- (a) asset base to enable it realize its objectives;
- (b) liquidity ratios;
- (c) debt service plan; and
- (d) any other information that the County Executive Committee Member may from time to time prescribe.

Partnerships

28. (1) The Authority may enter into partnership or collaboration, joint venture with any entity for the purposes of carrying out the objectives of this Act.

(2) Where the Authority enters into partnership through the public private partnership business model, the provisions of the Public Private Partnerships Act (Cap. 430), laws of Kenya, shall apply.

Dividends Policy

29. (1) The Authority shall in consultation with the County Treasury establish a dividend policy, which may be reviewed annually.

(2) The dividend policy shall stipulate among others—

- (a) the business conditions under which dividend is to be paid out;
- (b) minimum percentage of annual dividend payout to the County Government; and
- (c) any other matter as the County Executive Committee Member for finance may prescribe.

PART V—MISCELLANEOUS**Regulations**

30. (1) The County Executive Committee Member shall make Regulations generally for the better carrying out of the objects of this Act.

(2) Without prejudice to the generality of sub-section (1), the Regulations may—

- (a) prescribe the guidelines for undertaking investment or project appraisal;
- (b) prescribe the matters related to dividend policy;
- (c) prescribe matters related to investment plan and strategy.

Transfer of Assets

31. Subject to approval by the County Executive Committee, the County Government may transfer such assets to the Authority for the purposes of implementing the provisions of this Act.

Repeal

32. The Mandera County Resort Hotels Act, 2021 is repealed.

FIRST SCHEDULE (s. 8)

**PROVISIONS AS TO THE CONDUCT OF BUSINESS AND
AFFAIRS OF THE BOARD**

Vacation of Office

1. A member of the Board may —
 - (a) at any time resign from office by notice in writing to the County Executive Committee Member;
 - (b) be removed from office by the Governor in the case of the chairperson or the County Executive Committee Member if the person —
 - (i) has been absent from three consecutive meetings of the Board without the permission of the chairperson;
 - (ii) is convicted of a criminal offence and sentenced to imprisonment for a term exceeding six months;
 - (iii) is convicted of an offence involving dishonesty or fraud;
 - (iv) is adjudged bankrupt or enters into a composition scheme of arrangement with his creditors;
 - (v) is incapacitated by prolonged physical or mental illness or is deemed otherwise unfit to discharge his duties as a member of the Authority; or
 - (vi) fails to comply with the provisions of this Act relating to disclosure.

2. Before a member is removed from office under paragraph 1(b) the member shall be given an opportunity to provide a defence of the allegations against him or her.

Meetings

3. (1) The Board must meet not less than four times in every financial year and not more than four months must elapse between the date of one meeting and the date of the next meeting.

(2) Notwithstanding the provisions of sub-paragraph (1), the chairperson may, and upon requisition in writing by at least Five members must, convene a special meeting of the Board at any time for the transaction of the business of the Board.

(3) Unless three quarters of the total members of the Board otherwise agree, at least fourteen days' written notice of every meeting of the Board must be given to every member of the Board.

(4) The quorum for the conduct of the business of the Board must be five members including the Chairperson or the person presiding.

(5) The Chairperson must preside at every meeting of the Board at which he is present but, in his absence, the members present must elect one of their members to preside, who must, with respect to that meeting and the business transacted thereat, have all the powers of the Chairperson.

(6) Unless a unanimous decision is reached, a decision on any matter before the Board must be by a majority of votes of the members present and voting and, in the case of an equality of votes, the Chairperson or the person presiding must have a casting vote.

(7) Subject to sub-paragraph (4), no proceedings of the Board must be invalid by reason only of a vacancy among the members thereof.

Conflict of Interest

4. (1) If a member is directly or indirectly interested in any contract, proposed contract or other matter before the Board and is present at a meeting of the Board at which the contract, proposed contract or other matter is the subject of consideration, that member must, at the meeting and as soon as practicable after the commencement thereof, disclose the fact and must not take part in the consideration or discussion of, or vote on, any questions with respect to the contract or other matter, or be counted in the quorum of the meeting during consideration of the matter.

(2) If the majority of the members present are of the opinion that the experience or expertise of such member is vital to the deliberations of the meeting, the Board may permit the member to participate in the deliberations subject to such restrictions as it may impose but such member must not have the right to vote on the matter in question.

(3) A member of the Board must be considered to have a conflict of interest for the purposes of this Act if he acquires any pecuniary or other interest that could conflict with the proper performance of his duties as a member or employee of the Board.

(4) Where the Board becomes aware that a member has a conflict of interest in relation to any matter before the Board, the Board must direct the member to refrain from taking part, or taking any further part, in the consideration or determination of the matter.

(5) If the Chairperson has a conflict of interest he must, in addition to complying with the other provisions of this section, disclose the conflict that exists to the board in writing.

(6) Upon the Board becoming aware of any conflict of interest, it must make a determination as to whether in future the conflict is likely to interfere significantly with the proper and effective performance of the functions and duties of the member or the Board and the member with the conflict of interest must not vote on this determination.

(7) Where the Board determines that the conflict is likely to interfere significantly with the member's proper and effective performance as provided for in sub-paragraph (1), the member must resign unless the member has eliminated the conflict to the satisfaction of the Board within thirty (30) days.

(8) The Board must report to the County Executive Committee Member any determination by the Board that a conflict is likely to interfere significantly with performance as above and whether or not the conflict has been eliminated to the satisfaction of the Board.

(9) The annual report of the Board must disclose details of all conflicts of interest and determinations arising during the period covered by the report.

(10) A disclosure of interest made under this paragraph must be recorded in the minutes of the meeting at which it is made.

(11) A member of the Board who contravenes sub-paragraph (1) commits an offence and is liable to imprisonment for a term not exceeding six months, or to a fine not exceeding one hundred thousand shillings, or both.

Code of Conduct

5. (1) Within twelve months of the commencement of this Act, the Board must adopt a code of conduct prescribing standards of behaviour to be observed by the members and staff of the Board in the performance of their duties.

(2) Subject to sub-paragraph (1), before adopting any code of conduct or making any substantial amendments to an existing code of conduct, the Board must publish the proposed code or amendments in the Gazette and in a newspaper circulating nationally, inviting public comments.

(3) The Board must include in its annual report a report on compliance with the code during the period covered by the annual report.

(4) The code of conduct adopted or prescribed under this paragraph must be binding on the Board and its staff.

Execution of Interest

6. Any contract or instrument which, if entered into or executed by a person not being a body corporate, would not require to be under seal, may be entered into or executed on behalf of the Board by any person generally.

Minutes

7. The Board must cause minutes of all resolutions and proceedings of meetings of the Board to be entered in books kept for that purpose.