

SPECIAL ISSUE

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NAIROBI CITY COUNTY BILLS, 2025

NAIROBI, 12th November, 2025

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**CLERK
NAIROBI CITY
COUNTY ASSEMBLY
P. O. Box 45844 - 00100,
NAIROBI**

**THE NAIROBI CITY COUNTY CLEAN RENEWABLE AND
SUSTAINABLE ENERGY BILL, 2025**

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**THE NAIROBI CITY COUNTY CLEAN RENEWABLE AND
SUSTAINABLE ENERGY BILL, 2025**

A Bill For

AN ACT of the County Assembly of Nairobi City to provide for the promotion and regulation of clean, renewable and sustainable energy within the Nairobi City County and for connected purposes

ENACTED by the County Assembly of the Nairobi City, as follows—

PART I—PRELIMINARY

Short title

1. This Act may be cited as the Nairobi City County Clean, Renewable and Sustainable Energy Act, 2025.

Interpretation.

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

“Board” means the Nairobi City County Renewable Energy Board established by section 10;

“Clean Energy” means energy that comes from renewable, zero emission sources that do not pollute the atmosphere when used, as well as energy saved by energy efficiency measures;

“Energy Act” means the National Energy Act of 2019;

“Executive Committee member” means the County Executive Committee Member responsible for matters related to Energy;

“Renewable Energy Maintenance Unit” means the unit established under section 12;

“Renewable Energy” means non-fossil energy generated from natural non-depleting resources including but not limited to solar energy, wind energy, biomass energy, biological waste energy, hydro energy and geothermal energy;

“sustainable” in reference to energy means energy is derived from resources that can maintain current operations without jeopardizing the energy needs or climate of future generation.

Objects of the Act

3. The objectives of this Act are to—

- (a) promote the production of energy through the use of renewable energy sources in accordance with climate, environment and macro-economic considerations in order to reduce dependence on

- fossil fuels, ensure security of supply and reduce pollutants and other greenhouse gases;
- (b) ensure fulfilment of the County and national objectives on increasing the proportion of energy produced through the use of renewable energy sources;
- (c) establish a Board responsible for spearheading and champion for clean and sustainable energy;
- (d) set up the necessary institutional structure for the implementation of the long-term energy strategy for the County.

Application

4. This Act shall apply to, and govern, other areas or incidental matters of clean, renewable and sustainable energy not covered by any existing law.

PART II—GENERAL FUNCTIONS AND RESPONSIBILITIES OF THE COUNTY GOVERNMENT ON RENEWABLE ENERGY

Functions and role of the County Government in respect of clean and renewable energy

5. The County Government shall, in accordance with the Fifth Schedule to the National Energy Act, be responsible within the County for—

- (a) County energy planning;
- (b) preparation of County energy plans, incorporating renewable energy master plans;
- (c) physical planning relating to energy resource areas such as dams, solar and wind farms, municipal waste dumpsites, agricultural and animal waste for production bio energy feedstock;
- (d) provision of land and rights of way for energy infrastructure;
- (e) facilitation of energy demand by planning for industrial parks and other energy consuming activities;
- (f) County energy regulation of—
 - (i) regulation and licensing of retail petroleum service stations;
 - (ii) regulation and licensing of County gas reticulation systems;
 - (iii) regulation and licensing and supply of retail coal products for domestic use;

- (iv) regulation and licensing of designated parking for petroleum tankers;
- (v) regulation and licensing of biomass production, transport and distribution;
- (vi) regulation and licensing of biogas systems
- (vii) regulation and licensing of charcoal production, transportation and distribution;
- (g) adopt and where necessary adapt the customized National codes for energy efficiency and conservation in buildings to local conditions;
- (h) collect and maintain energy data, desegregated into renewable, clean and sustainable energy;
- (i) undertake feasibility studies and maintain data with a view to availing the same to developers of energy resources and infrastructure;
- (j) establishment of energy centers for promotion of renewable energy technologies, energy efficiency and conservation;
- (k) protection of energy infrastructure including oil and gas fields and pipelines, refineries, power plants, control centers, electric supply lines, substations and depot;
- (l) undertake energy efficiency and conservation within the County.

Collaboration with the National Renewable Energy Corporation

6. The County Government shall co-operate with the National Renewable Energy Corporation in carrying out functions that shall include, among other things, to develop, promote and manage in collaboration with other agencies, the use of renewable energy and technologies.

Development, etc. of energy plans in as per section 5 of the Energy Act

7. The County Executive Committee Member shall, in consultation with all stakeholders, develop, publish and review energy plans in respect of renewable energy as required by the National Energy Act.

County Executive Committee Member to develop and submit a County Energy Plan to the Cabinet Secretary

8. The County Executive Committee Member shall be responsible, on behalf of the County Government, to develop and submit a County Energy Plan to the Cabinet Secretary in respect of the Nairobi City County's energy requirements in accordance with section 5 of the National Energy Act.

County Executive Committee Member to collaborate, with the Cabinet Secretary

9. The County Executive Committee Member shall be responsible, on behalf of the County Government, for co-ordination of collaboration with the Cabinet Secretary in the development of a conducive environment for the promotion of investments in energy infrastructure development, including—

- (a) formulation of guidelines in collaboration with relevant county agencies for the development of energy projects;
- (b) dissemination of the guidelines among potential investors in accordance with section 8(1) of the National Energy and Petroleum Act.

(2) In promoting energy investments in the County, the County Government shall collaborate with the National Government in the facilitation of the acquisition of land for energy infrastructure development in accordance with the law in accordance with section 8(2) of the National Energy and Petroleum Act.

Establishment of Renewable Energy Maintenance Unit

10. (1) The County Government shall establish a Renewable Energy Maintenance Unit for purposes of—

- (a) ensuring the co-ordination and the renewable energy activities within the County; and
- (b) maintenance and inspection of renewable energy infrastructure.

(2) The County Executive Committee Member shall make regulations for the composition and, general, operationalization of the Renewable Energy Maintenance Unit.

(3) The expenses of the Renewable Energy Maintenance Unit shall be met out of funds voted for the purpose by the County Assembly.

County Government to promote investment and use of clean and renewable energy

11. The County Government shall promote investment and use of clean and renewable energy by —

- (a) developing such incentives as shall be geared towards giving incentives to users and investors in cleans, renewable and sustainable energy sources;
- (b) undertake periodic detailed analysis to understand the existing local market for building-scale renewable energy;

- (c) undertake periodic market analysis to identify gaps and obstacles that are relevant to preventing private investment in building-scale (or 'distributed') clean energy, and identify policy areas to address these gaps;
- (d) undertake periodic market study of clean, renewable and sustainable energy;
- (e) design new renewable energy incentives to promote economic development in local industries or neighbourhoods, or to increase access to affordable energy and wealth creation in low-income communities;
- (f) develop offer incentives to distributed renewable energy systems from property tax assessments;
- (g) work with private sector actors to design incentive or support programmes for the adoption and generation of clean, renewable and sustainable energy;
- (h) streamline the approval process for renewable installations below a certain size to encourage building-scale projects;
- (i) establishing clear permitting criteria for renewable energy projects will also help to reduce risk for developers, as it makes it easier to develop projects with a high likelihood of approval;
- (j) mandate building-scale renewables through green building codes and require new real estate developments to install building-scale renewables to receive a development permit or to be 'renewables-ready';
- (k) require all new buildings or roof replacements to provide a sustainable roofing zone – a solar PV system and/or green roof system – covering 100% of the roof;
- (l) requires solar panels or solar water heaters to be installed on the roofs of new residential and commercial buildings;
- (m) mandate solar installations in new residential and commercial buildings;
- (n) consult with developers and energy market experts to ensure that the code accounts for local renewable energy technology and development costs;
- (o) sensitize the public on the importance of clean, renewable and sustainable energy;

- (p) build incentives into the building code for developers to include building-scale renewables into their projects. For example, providing expedited permitting, or a reduction in permitting fees;
- (q) encourage and incentivize motor vehicles to adopt clean energy;
- (r) introduce net metering or feed-in tariffs which allow owners of distributed renewable energy systems to sell electricity generated and not used;
- (s) promote community solar in buildings that are not suitable for on-site solar power due to size, shading, orientation or structure and which can be roof- or ground-based;
- (t) encourage and facilitate resident associations to install jointly-owned solar projects on community buildings, such as schools or churches Nairobi City Government can advertise these projects to increase participation and connect interested groups to sources of energy;
- (u) procure electricity from small, renewable power providers to support small-scale energy generation programmes;
- (v) promote community solar by working with third party developers by leasing public land, or where relevant, supporting community solar schemes; and
- (w) assist local groups to install jointly-owned solar projects on community buildings, such as schools or churches.

PART III—NAIROBI CITY COUNTY RENEWABLE ENERGY BOARD

Establishment of the Nairobi City County Renewable Energy Board

12. (1) There is established the Nairobi City County Renewable Energy Board.

(2) The Board shall comprise—

- (a) a Chairperson appointed by the Governor and approved by the County Assembly;
- (b) three persons, who shall be respectively be in possession of a degree respectively in economics, energy and law appointed by the Governor and approved by the County Assembly;
- (c) the Chief Officer responsible for matters relating to Energy;
- (d) the Director Renewable Energy Maintenance Unit who shall be the Secretary to the Board.

(3) A person shall be qualified for appointment under this section as a Chairperson if the person—

- (a) is a holder of a degree recognized in Kenya in the fields of engineering, physical sciences, law, finance, economics or energy;
- (b) not less than seven years' experience in matters related to renewable energy.

(4) A member of the Board (other than an *ex-officio* members) may be removed from office only for—

- (a) serious violation of the Constitution of Kenya, 2010 or any other law including the contravention of Chapter Six;
- (b) gross misconduct, whether in the performance of the member's or office holder's functions or otherwise;
- (c) physical or mental incapacity to perform the functions of office;
- (d) incompetence or
- (e) bankruptcy.

(5) The members of the Board, except the *ex-officio* members, shall serve for a term of three years renewable once.

Remuneration of members of the Board

13. (1) The expenses of the Board shall be met out of funds voted for the purpose by the County Assembly.

(2) Members of the Board may receive allowances, with the amounts determined through consultation with the Salaries and Remuneration Commission (SRC) and the County Executive Member (CECM) for Finance.

Functions of the Board

14. (1) The Board shall perform such functions and exercise such powers as may be necessary under this Act to—

- (a) advise the County Government on the short and long term energy strategy for the County;
- (b) source additional funds for renewable energy activities and investment within the County;
- (c) develop master plans in consultation with the other relevant County Government's departments;

- (d) develop and update the county renewable energy master plan taking into account specific needs of the Nairobi City County and the principle of equity in the development of renewable energy resources;
- (e) advise the County Government on the provision of incentives for innovative low-carbon technologies, private sector participation, and customer demand for clean and renewable energy sources;
- (f) advise the County Government on the implementing County climate change mitigation policies and strategies that aim to significantly reduce greenhouse gas emissions;
- (g) advise the County Government on tax incentives to consumers for conservation and installed energy efficiency and tax holidays for clean power producers;
- (h) set code references for energy conservation and energy audit procedures for all new non-residential buildings and those undergoing substantial renovations;
- (i) establish mechanisms for training and capacity building in clean and renewable energy in collaboration with tertiary and other institutions of higher learning.

(2) The Renewable Energy Maintenance Unit shall provide secretariat services to the Board.

Annual Report

15. (1) the Board must within three (3) months after the end of each financial year prepare and submit to the County Executive Committee Member of ICT and Energy a report of the operations of the Board and the Maintenance Unit for the immediately preceding year.

(2) The annual report must provide information regarding the activities and plans of the Board and Maintenance Unit during the year which it relates sufficient to impart an accurate understanding of the nature and scope and its activities and its plans and priorities.

(3) The County Executive Committee Member must within twenty-one days of receiving report transmit the report to the clerk for tabling before the county Assembly for consideration.

(4) The County Assembly may after considering the report make recommendations on appropriate ways of effectively implementing the Act.

PART IV—THE NAIROBI COUNTY CLEAN RENEWABLE AND SUSTAINABLE ENERGY FUND

Establishment of the Fund

16. (1) there is established the Nairobi County Clean Renewable and Sustainable Energy Fund.

(2) the sources of the Fund shall be—

- (a) monies appropriated by the County Assembly for the purposes of the Fund;
- (b) monies donated to the Fund from any lawful source;
- (c) monies that may accrue to the Fund in the course of the performance of the functions of the Council.

(4) For the avoidance of doubt, the fund shall be managed in accordance with the national Public Finance Management Act.

(5) The County Executive Committee Member for Finance shall designate a person responsible for administering the Fund. In accordance with the provisions of section 116(2) of the Public Finance Management Act.

Application of the Fund

17. The Fund shall be used for—

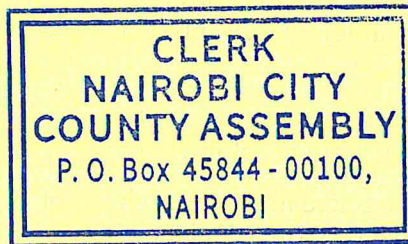
- (a) financing the construction, expansion and modernization of renewable energy projects, including solar, wind and other facilities;
- (b) supporting grid integration and development of sustainable energy storage solutions to improve reliability and efficiency;
- (c) funding scientific research, pilot programs and innovations that enhance energy efficiency, affordability and accessibility;
- (d) supporting the development of clean energy technologies;
- (e) providing financial assistance and incentives for households and businesses to adopt sustainable energy solutions such as solar panels and energy efficient appliances;
- (f) supporting education, training and workforce development programs in renewable energy sectors; and
- (g) facilitating partnerships with academic institutions and industries to enhance knowledge transfer and expertise in sustainable energy fields.

PART V—REGULATIONS

Regulations

18. The County Executive Committee Member, shall within three months of the coming into operation of this Act, make regulations for the implementation of this Act and may, without prejudice to the generality of the foregoing, make regulations —

- (a) on composition, functions and the manner of operation of the County Clean Renewable Energy Maintenance Unit;
- (b) on criterion of granting incentives for the furtherance of the objectives of this Act.
- (c) to provide for the timelines within which any action required shall be taken;
- (d) on penalties for non-compliance;
- (e) on such other matter as may be necessary and expedient for the furtherance of the objectives of this Act.



MEMORANDUM OF OBJECTS AND REASONS

Introduction and background

The promulgation of the 2010 Constitution brought with it a devolved system of governance that birthed the National and County Governments. Specifically, two arms of government were devolved, namely, the Executive and the Legislature. The County Government's legislative arm is the County Assembly, established pursuant to Article 175 of the Constitution. The County Assembly draws its legislative authority pursuant to the provisions of Article 185.

Section 8 part 2 of the Fourth Schedule to the Constitution devolves the County Planning and Development function by assigning this role including County electricity and gas reticulation and energy regulation to county governments. Nairobi City County in compliance with its constitutional mandate must ensure that there is promotion and provision of electricity and gas reticulation and energy to Nairobi County.

The Constitution mandates the National Legislature to promulgate any possible legislation. The National Government is mandated with the function of providing national policy on a number of matters. Pursuant to that the national government enacted the Energy and Petroleum Act, 2019 to set the national legal framework for energy regulation among other matters concerning energy and petroleum in Kenya.

The said national legislation does make provision for matters that are preserved for the county governments and simply sets the relevant common national policy on the issues concerned.

The basic object of this Bill is to outline legislative measures for establishment, management and maintenance of clean and sustainable energy in the County.

The main aim of the Nairobi City County Clean, Renewable and Sustainable Energy Bill are to:

- (i) promote the production of energy through the use of renewable energy sources in accordance with climate, environment and macro-economic considerations in order to reduce dependence on fossil fuels, ensure security of supply and reduce local and global pollutants and other greenhouse gases;
- (ii) ensure fulfilment of national and international objectives on increasing the proportion of energy produced through the use of renewable energy sources;
- (iii) establish a Board responsible for spearheading and champion for clean and sustainable energy;

- (iv) set up the necessary institutional structure for the implementation of the long term Energy Strategy.

PART I of the Bill provides for preliminary matters including the short title and the definitions of certain words and phrases used in the Bill. It also makes provision for the objects and application of the proposed law.

Clause 2 provides for the definition of certain terms in the Bill, including the term “*clean energy*” which is defined as energy that comes from renewable, zero emission sources that do not pollute the atmosphere when used, as well as energy saved by energy efficiency measures, “*renewable energy*” which is defined as non-fossil energy generated from natural non-depleting resources including but not limited to solar energy, wind energy, biomass energy, biological waste energy, hydro energy and geothermal energy “*sustainable*” which, in reference to energy, means energy is derived from resources that can maintain current operations without jeopardizing the energy needs or climate of future generation.

Clause 3 of the Bill provides for the objectives for which the new law is intended and these include the promotion of the production of energy through the use of renewable energy sources in accordance with climate, environment and macro-economic considerations in order to reduce dependence on fossil fuels, ensure security of supply and reduce pollutants and other greenhouse gases; ensure fulfilment of the county and national objectives on increasing the proportion of energy produced through the use of renewable energy sources; establishment of a Board responsible for spearheading and champion for clean and sustainable energy, among others.

Clause 4 provides for the scope of the application of the proposed new law that is to say, it shall apply to, and govern, other areas or incidental matters of clean, renewable and sustainable energy not covered by any existing law.

Part II of the Bill provides for the general functions and responsibilities of the County Government, etc. on issues related to renewable energy.

Clause 5 of the Bill makes provision with respect to responsibilities of the County Government which is in accordance with the 5th Schedule to the National Energy Act. The county government shall be responsible within the County for, among other things, County energy planning and preparation of County energy plans, incorporating renewable energy master plans.

Clause 6 proposes to require the County Government to co-operate with the National Renewable Energy Corporation whose functions include inter alia to develop, promote and manage in collaboration with other agencies, the use of renewable energy and technologies.

Clause 7 requires the County Executive Committee member, in consultation with the relevant stakeholders, to develop, publish and review energy plans in respect of renewable energy as required by the National Energy Act while **Clause 8** provides that the County Executive Committee member shall be responsible, on behalf of the County Government, to develop and submit a county energy plan to the Cabinet Secretary in respect of the Nairobi City County's energy requirements in accordance with section 5 of the National Energy Act.

Clause 9 provides for the collaboration between the County Executive Committee Member to with the Cabinet Secretary in the development of a conducive environment for the promotion of investments in energy infrastructure development, including formulation of guidelines. In promoting energy investments, the Bill at Clause 9(2) requires the County Government to collaborate with the National Government in the facilitation of the acquisition of land for energy infrastructure development in accordance with the law in accordance with section 8(2) of the National Energy and Petroleum Act.

Clause 10 requires the County Government to establish a renewable energy maintenance unit for purposes of ensuring the co-ordination and the renewable energy activities within the County and the maintenance and inspection of renewable energy infrastructure. The County Executive Committee Member is further required to make regulations for the composition and, general, operationalization of the Renewable Energy Maintenance Unit.

Clause 11 mandates the County Government to promote investment and use of clean and renewable energy by, among other things, the developing such incentives as shall be geared towards giving incentives to users and investors in cleans, renewable and sustainable energy sources.

Part III provides for the establishment of the Nairobi City County Renewable Energy Board.

Clause 12 establishes the Nairobi City County Renewable Energy Advisory Board which it is proposed shall comprise a Chairperson appointed by the Governor and approved by the County Assembly; three persons, who shall be respectively qualified in economics, energy and law appointed by the governor and approved by the county assembly; the County member responsible for the Energy and the Director Renewable Energy Maintenance Unit who shall be the Secretary of the Board.

Clause 13 makes provision regarding the remuneration of the members of the Board.

Clause 14 provides for the functions of the Board which shall, inter alia, advise the County Government on the short- and long-term energy strategy for the County. Further, wherein the Board shall be responsible for among other functions, to source additional funds for renewable energy activities and investment within the County; develop master plans in consultation with the other relevant County Government's departments and develop and update the county renewable energy master plan taking into account specific needs of the Nairobi City County and the principle of equity in the development of renewable energy resources.

Clause 15 empowers and requires the County Executive Committee Member, to, within three months of the coming into operation of this Bill, make regulations for the implementation of the Bill, and to particularly, provide for the timelines within which any action required shall be taken and to provide for penalties for non-compliance and to provide for such other matters as may be expedient for the furtherance of the objectives of this Bill.

The implementation of the new law proposed in the Bill shall entail expenditure of public funds to be provided for in the estimates.

JEREMIAH THEMENDU,
Member of County Assembly.



