

NATIONAL ASSEMBLY

OFFICIAL REPORT

Wednesday, 11th April, 2007

The House met at 9.00 a.m.

[Mr. Deputy Speaker in the Chair]

PRAYERS

PAPERS LAID

The following Papers were laid on the Table:-

(i) Annual Report for the period 1st January to 31st December, 2006, in respect of prosecutions of Anti-Corruption and Economic Crimes-related cases pursuant to the provisions of Section 37 of the Anti-Corruption and Economic Crimes Act No.3 of 2003.

(ii) The Quarterly Reports of the Kenya Anti-Corruption Commission pursuant to Section 36 of the Anti-Corruption and Economic Crimes Act setting out the number of reports made to the Attorney-General under Section 35 of the Act and other statistical information relating to the reports for the following periods:-

- (a) First Quarterly Report covering the period January to March, 2006;
- (b) Second Quarterly Report covering the period 1st April to 30th June, 2006;
- (c) Third Quarterly Report covering the period July to September, 2006; and,
- (d) Fourth Quarterly Report covering the period October to December, 2006.

(iii) Legal Notice No.38 of 20th March, 2007, issued pursuant to the provisions of Section 9 of the Treaty for the Establishment of the East African Community Act, 2000, notifying of the amendment to the Treaty and the effective date of the amendment.

(By the Attorney-General)

ORAL ANSWERS TO QUESTIONS

Question No.117

WAIVER OF FEES ARREARS
OWED TO SCHOOLS

Mr. Deputy Speaker: Is Mr. Karaba not here?

Hon. Members: *Hayuko!*

Mr. Deputy Speaker: He is absent, therefore, the Question is dropped!

(Question dropped)

Question No.008

SUPPLY OF UNCERTIFIED
SEEDS TO RICE FARMERS

Prof. Olweny asked the Minister for Water and Irrigation:-

- (a) whether he is aware that some farmers in Ahero and West Kano Irrigation Schemes were supplied with uncertified rice seeds during the previous year;
- (b) whether he was further aware that the poor quality seeds have affected rice yields in the two schemes; and,
- (c) what action he was taking to ensure that farmers are not supplied with poor quality seeds again.

Hon. Members: *Hakuna* Minister!

Mr. Deputy Speaker: Hon. Leader of Government Business do you have something to say?

The Vice-President and Minister for Home Affairs (Mr. Awori): Mr. Deputy Speaker, Sir, I have the answer here. However, I would rather wait for the Minister himself in case there are so many complicated supplementary questions.

Mr. Deputy Speaker: Your Excellency, we will not want to wait for the Minister who is late. Can I ask that you proceed because we cannot wait?

Mr. Raila: On a point of order, Mr. Deputy Speaker, Sir. Since this is a very important Question and we still have some time, would I be in order to ask that we have it a second time after going through the other Questions?

Mr. Deputy Speaker: No! That procedure of going for a second round is no longer in operation. It is an important Question and His Excellency the Vice-President and Minister for Home Affairs is capable of handling important Questions.

(Dr. Mwiria entered the Chamber)

Mr. Raila: The Minister has arrived!

Mr. Deputy Speaker: No, he has not arrived. This is the Assistant Minister for Education!

The Vice-President and Minister for Home Affairs (Mr. Awori): Mr. Deputy Speaker, Sir, on behalf of the Minister for Water and Irrigation, I beg to reply.

(a) Yes, I am aware.

(b) Yes, I am aware.

(c) The cause of the problem is that the farmers were supplied with uncertified seeds in the previous season. Unfortunately, the certified seeds had not been supplied since 1998. That was as a result of the National Irrigation Board (NIB) having got into a crisis. Its operations were scaled down and that therefore, created a lot of problems for farmers. It started in Mwea Irrigation Scheme and spread to all the national irrigation schemes.

Mr. Deputy Speaker, Sir, I seek the indulgence of the Chair because there is a whole lot of information missing. I cannot, therefore, read the whole answer. I apologise!

Mr. Deputy Speaker: All right! I think I will oblige and we will wait for the Minister. The print is too small for your eyes.

The Vice-President and Minister for Home Affairs (Mr. Awori): No, Mr. Deputy Speaker, Sir. Some information is missing!

*(Mr. Awori showed the
document to the Chair)*

Mr. Deputy Speaker: Oh, yes, it is a photocopy with some missing areas. So, I think as much as the Vice-President and Minister for Home Affairs has tried to answer the Question, there are some areas missing because of photocopying. Nevertheless, we will proceed. We will leave that Question for the time being.

Next Question by Mr. Ojode!

Question No.013

RELEASE OF KIRUKI COMMISSION REPORT

Mr. Ojode asked the Minister of State for Administration and National Security when he will release the Kiruki Commission Report on the two Armenian brothers which was presented to the President in 2006.

The Assistant Minister, Office of the President (Mr. Munya): Mr. Deputy Speaker, Sir, I beg to reply.

The Government will not release the Kiruki Commission Report on the two Armenians due to national security considerations.

Mr. Ojode: Mr. Deputy Speaker, Sir, you will agree with me that, that is not the answer I was expecting. There is something the Government is trying to hide from Kenyans. You are aware that this thing is in the public domain because it was heard in public. Questions were asked and answers given. The reason why I asked this Question is because of the following: First, the so-called Artur Margaryan and the brother caused a disaster in Kenya. There are several police officers who were interdicted and several Kenyans who were summarily dismissed as a result of those two guys. What is so confidential in this Report, yet it was heard publicly? In fact, taxpayers money was used in this thing.

(Applause)

What is so confidential, yet they are going to marry the daughter of the biggest man on this land?

Mr. Deputy Speaker: What do you have to say, Mr. Munya?

Mr. Munya: What is the question?

Mr. Deputy Speaker: The Assistant Minister has not heard your question!

Mr. Ojode: Mr. Deputy Speaker, Sir, what is so confidential about the Report and yet one of the Artur brothers is contemplating marrying the daughter of the biggest man on this land? Is it also going to be done confidentially?

Mr. Munya: Mr. Deputy Speaker, Sir, the Government has studied the recommendations of the Report and has decided that releasing it would not be in the best interest of our national security. There are issues in the Report which touch on immigration, customs and clearance in respect of our airports that can be best handled by our security agents. This is already being done by the Government.

Mr. Deputy Speaker: Hon. Members, when you ask your questions, please, confine yourselves to the Kiruki Report. Please, do not make references to personal issues.

Mr. Bifwoli: Mr. Deputy Speaker, Sir, you have heard the Assistant Minister say that releasing the Report will amount to breaching national security. The Report is about people who were sacked. For instance, a lady who was in charge of immigration was sacked. Anybody who handled the Artur brothers was sacked in order to conceal information. What is so special? Were

they targeting to kill certain senior personalities in this country, something which the Artur brothers confessed and now the Government is afraid to release the Report? Were they planning to kill some people in this country?

Mr. Munya: Mr. Deputy Speaker, Sir, I do not want to engage in any speculation. The Report has nothing to do with the killing of anybody. However, it touches on the security of our airports and how to strengthen it and make it even better. We feel that it is better when that is handled by the Government other than having it discussed in public. It is for the security of our country.

Maj-Gen. Nkaiserry: Mr. Deputy Speaker, Sir, it is very surprising to hear the Assistant Minister claim here that releasing the Report will amount to damaging of our national security. We all know that national security entails provision of safety and protection of citizens. The breach of peace that the Armenian brothers caused at our main airport is no longer a national security issue. The sacking of our people because of the problems caused by the two Armenian brothers is no longer a national security issue. Could the Assistant Minister tell this House the main reason why this Government is not willing to release the Kiruki Report?

Mr. Munya: Mr. Deputy Speaker, Sir, I have already explained that commissions of inquiry are sometimes held so as to advise the Government on what measures to take on certain issues. I said that issues that are raised in this Report dwell on our national security which we think does not augur well if it is released to be discussed in public. The Report, as I said, touches on the security and clearance at our airports, customs and other sensitive matters which we think if kept out of the public domain, it would be better for this country.

Mr. Raila: Mr. Deputy Speaker, Sir, this is one of the biggest scandals of this Government. These people were, of course, operating in this country through the knowledge of this Government. The gentlemen were given certificates to show that they were Deputy Commissioners of Police. A lot of money was also spent on them. It is public knowledge that even though these guys were supposedly deported to Dubai, they have since come back to this country and they were seen in Mombasa. When it was known, they went to Nakuru and they were staying in the Nakuru State Lodge. This is a very serious matter because there is a serious collusion between these two Artur brothers and the highest office in this country.

Mr. Deputy Speaker: Mr. Raila, could you, please, ask your question now?

Mr. Raila: Mr. Deputy Speaker, Sir, in view of the fact that a lot of public money was spent in this exercise and that the President appointed this Commission under the Presidential Inquiries Act, this House has the right to demand that this Report be tabled in this House and be debated.

(Applause)

Mr. Munya: Mr. Deputy Speaker, Sir, as usual, Mr. Raila is making wild allegations and he always likes to talk about State House and State Lodges. However, the Act does not require a Report to be made public. There are very many things that the Government does using public funds that are intended for Government consumption to help us take care of the public. It is the responsibility of the Government to take care of the public. This Report has made very pertinent recommendations and we think it will not be necessary to discuss them in public.

Mr. Manoti: Mr. Deputy Speaker, Sir, when a Question is asked in this House, it lies within the domain of this House. It is very disappointing for the Assistant Minister to refuse to answer such a Question. Could he, please, tell us how much money was spent to cater for the Kiruki Commission of Inquiry? Are those innocent Kenyans, who were sacked from their jobs, going to be reinstated?

Mr. Munya: Mr. Deputy Speaker, Sir, I do not know of any innocent Kenyan who was sacked. If you facilitate the breach of our security in our airports, you are not innocent. In fact, action is supposed to be taken on you.

The question on how much the Kiruki Commission cost is really another one. I can bring that information later. The Question was simply asking about the release of the Report.

Mr. Ojode: Mr. Deputy Speaker, Sir, the Assistant Minister is trying to evade questions that have been posed by my colleagues. He is aware that there are people who lost their jobs as a result of these two Armenian brothers. One of them is a lady by the name Cidi and eight policemen. These are all Kenyans. The Government went out there to look for terrorists for hire and then brought them to this country. Later on, they made innocent Kenyans suffer. We cannot accept that. Let the Assistant Minister confirm to this House that those who were interdicted or summarily dismissed will be reinstated. My worry is that the---

Mr. Deputy Speaker: Mr. Ojode, you have asked your question and it is for the Assistant Minister to confirm whether those public officers who were sacked will be reinstated.

Mr. Munya: Mr. Deputy Speaker, Sir, if Mr. Ojode decided to ask a Question specifically on those who were sacked, we are ready to give the information. However, they were sacked because they were not able to do their job properly.

Mr. Ojode: On a point of order, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Order, Mr. Ojode! You took your time to ask your question. Please, let the Assistant Minister have his time too.

Mr. Munya: Mr. Deputy Speaker, Sir, I was explaining that if Mr. Ojode decided to ask a Question on these specific individuals and the reasons why they were sacked, I am ready to answer that Question.

(Several hon. Members stood up in their places)

Mr. Deputy Speaker: What is it, Mr. Owino?

Mr. Owino: Mr. Deputy Speaker, Sir, this Assistant Minister is playing with this House. It is already in the public domain that eight of the people who were sacked were reinstated last week. Why is he denying that fact?

Mr. Deputy Speaker: Please, ask your question again!

Mr. Owino: Mr. Deputy Speaker, Sir, I said that it is already in the public domain that eight of the people who were sacked as a result of the two Armenian brothers were reinstated last week. Why did he reinstate them?

Mr. Deputy Speaker: But you have been asking the Assistant Minister to confirm whether those who were sacked will be reinstated. Now, you are saying that they were reinstated last week. So, what is the issue here?

Mr. Munya, what can you say about Mr. Owino's remarks?

Mr. Munya: Mr. Deputy Speaker, Sir, I said that if Mr. Owino brought a specific Question on the individuals, I am ready to answer it. The Report has not been released to the public. The Question asks whether the Report is supposed to be released or not. I have said that the Government will not release the Report.

(Several hon. Members stood up in their places)

Mr. Deputy Speaker: Sorry, hon. Members. No more questions on that!
Next Question by Ms. Ndung'u!

*Question No.015*NUMBER OF KENYANS
HOLDING INTERNATIONAL
POSITIONS IN UN AGENCIES

Ms. Ndung'u asked the Minister for Foreign Affairs:-

- (a) how many Kenyans works in international positions within the United Nations agencies and the African Union;
- (b) whether he could table their names and respective positions;
- (c) what quota of international positions allocated to Kenya within the United Nations agencies and the African Union is; and,
- (d) what action he is taking to ensure that Kenyans are employed by these organisations and utilizes its quotas to the fullest extent.

The Assistant Minister for Foreign Affairs (Mr. Wetangula): Mr. Deputy Speaker, Sir, I beg to seek the indulgence of the Chair and that of the House that I answer this Question in the next two weeks. This is because the information sought is long and complex. We need to contact our missions to provide us with the same. I have talked to Ms. Ndung'u and she is in agreement.

Mr. Deputy Speaker: Ms. Ndung'u, is that so?

Ms. Ndung'u: Yes, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Very well.

The Question is, therefore, deferred to two weeks!

(Question deferred)

*Question No.035*ON-GOING ELECTRIFICATION
PROJECTS IN TESO DISTRICT

Mr. Ojaamong asked the Minister for Energy:-

- (a) what the on-going electrification projects in Teso District are;
- (b) when the works on the projects were started and when they will be completed; and,
- (c) who the contractors for the projects are and for how much they were contracted.

Mr. Deputy Speaker, Sir, I have not received a copy of the written reply.

Mr. Deputy Speaker: Hon. Members, the Minister for Energy contacted my office. He is engaged in a meeting at the Treasury. The Assistant Minister is out of the country. Therefore, he requested that this Question be deferred until Tuesday. Is that okay with you, Mr. Ojaamong?

Mr. Ojaamong: That is okay, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Fine, therefore, the Question is deferred to Tuesday next week!

(Question deferred)

Next Question by Mr. Marende!

*Question No.096*POSTING OF DOCTOR TO
IPALI HEALTH CENTRE

Mr. Deputy Speaker: Mr. Marende is absent; therefore, his Question is dropped!

(Question dropped)

Could we now go back to the Question by the hon. Member for Muhoroni Constituency? I think the Vice President and Minister for Home Affairs has got a properly done answer. He may now answer the Question.

*Question No.008*SUPPLY OF UNCERTIFIED
SEEDS TO RICE FARMERS

Prof. Olweny asked the Minister for Water and Irrigation:-

(a) whether he is aware that some farmers in Ahero and West Kano Irrigation Schemes were supplied with uncertified rice seeds during previous seasons;

(b) whether he is

further aware that the poor quality seeds have affected rice yields in the two schemes; and,

(c) what action he is taking to ensure that farmers are not supplied with poor quality seeds again.

The Vice President and Minister for Home Affairs (Mr. Awori): Mr. Deputy Speaker, Sir, on behalf of the Minister for Water and Irrigation, I beg to reply.

(a) Yes, I am aware.

(b) Yes, I am aware.

(c) The cause of the problem is that farmers were supplied with uncertified seeds in the previous season as the National Irrigation Board (NIB) had stopped producing certified seeds since 1998. This was as a result of NIB having got into a crisis. Its operations were scaled down due to the 1998 conflict with farmers which started in Mwea Irrigation Scheme (MIS) and spread to all other NIB schemes. The effect is that the poor quality seeds have affected rice yields in the two schemes. This has had a negative effect on both the yield and quality of the rice produced. Mr. Deputy Speaker, Sir, the Ministry, through the NIB, has resumed seed production and research activities. It is already supplying certified quality seeds to the farmers in an effort to improve both quality and yield of rice produce.

Mr. Deputy Speaker, Sir, the Board had adopted a new participatory irrigation management approach to scheme management and irrigation management transfers in order to minimize conflicts.

Mr. Deputy Speaker, Sir, the Board is also carrying out farmers training, in the irrigation schemes, on the importance of using certified seeds.

Prof. Olweny: Mr. Deputy Speaker, Sir, it would have been very effective if the Minister for Water and Irrigation himself answered this Question. I hope the Leader of Government

Business will adequately respond to the supplementary questions. During the planting season in question, the NIB supplied certified seeds to some farmers. However, someone else supplied uncertified seeds to other farmers. Under what circumstances did the NIB allow someone else to supply uncertified seeds to a Government irrigation scheme?

Mr. Awori: Mr. Deputy Speaker, Sir, my Ministry is not aware of that. In fact, it did not allow another person to supply the uncertified seeds. We are not aware that there was someone else supplying uncertified seeds. I think what happened was simply that NIB was unable to supply certified seeds because of a crisis in its organisation. They stopped producing certified seeds in 1998.

Prof. Olweny: On a point of order, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Prof. Olweny, ask a question if you want! Could you let someone else ask a question? We will come back to you.

Mr. Ahenda, please, proceed!

Mr. Ahenda: Mr. Deputy Speaker, Sir, since the Government says it is aware that uncertified seeds were supplied to farmers and, as a result, farmers incurred huge losses, what is it doing to compensate them?

Mr. Awori: Mr. Deputy Speaker, Sir, regrettably, that is the risk the farmers took and the Government will not compensate them.

Capt. Nakitare: Mr. Deputy Speaker, Sir, on behalf of the Minister for Water and Irrigation, the Vice-President and Minister for Home Affairs gave a very comprehensive answer. However, we know production and reproduction of seeds falls under the Ministry of Agriculture. The Kenya Agricultural Research Institute (KARI) is involved. I have information to the effect that nowadays we have genetically modified seeds rice. In view of the fact that there is certified and uncertified seeds, which seeds should the farmer plant to produce food in this country?

Mr. Awori: Mr. Deputy Speaker, Sir, now that we have certified seeds, the Ministry of Agriculture will ensure that no uncertified seed is supplied to farmers.

Mr. Deputy Speaker: Prof. Olweny, you can now ask your question, please!

Prof. Olweny: Mr. Deputy Speaker, Sir, the Government knows very well that Block B of Ahero Irrigation Scheme had total crop failure as a result of blast. This came about as a result of the use of uncertified seeds. I am pleased that the Leader of Government Business said the Government will not allow the use of any more of uncertified seeds. Could the Government assure this House that they will not allow other people to sell seeds to the farmers and compete with NIB? That is the cause of all these problems. These are the people who bring these uncertified seeds.

Mr. Awori: Mr. Deputy Speaker, Sir, on behalf of the Ministry of Agriculture, I can give the assurance that now that we have certified seeds, we will ensure that nobody, other than NIB, will supply seeds to farmers. It is in the interest of NIB to ensure that production per acre is higher. It can only be higher if farmers are supplied with certified seeds.

Mr. Deputy Speaker: Very well. Hon. Members, that is the end of Question Time! I have no requests for Ministerial Statements. I, therefore, move to the next Order.

Next Order!

MOTIONS

SELECT COMMITTEE ON COLLAPSE OF KILIFI CASHEWNUT FACTORY

Mr. Khamisi: Mr. Deputy Speaker, Sir, I beg to move the following Motion:-
THAT, due to the mysterious circumstances under which the Kenya

Cashewnut Factory in Kilifi was closed down in 1998 and noting that its machinery and equipment were sold off without regard to value for money; this House resolves to establish a Select Committee to investigate and report on the circumstances that led to the collapse of the factory and to determine whether those who were involved could be apprehended, prosecuted and any property illegally- acquired from the company recovered and further that the following be Members of the Committee:-

The Hon. Joe Khamisi, MP

The Hon. Lucas Maitha, MP

The Hon. Dr. E. Keino, MP

The Hon. Eric Gor Sungu, MP

The Hon. A.A. Bahari, MP

The Hon. Dr. Julia Ojiambo, MP

The Hon. Dr. N.N. Shaban, MP

The Hon. Zaddock Syongo, MP

The Hon. M.K. Cheboi, MP

The J.W. Nyagah, MP

Mr. Deputy Speaker, Sir, when the NARC Government came to power, it declared zero tolerance to corruption and it went further to state that it was committed not only to tackling new corruption but also old corruption. What happened at Kilifi Cashewnut Factory is nothing but grand corruption. That is a matter that requires the full attention of this House and the nation at large.

Kilifi Cashewnut Factory was established in 1973 with the following shareholders; the Industrial and Commercial Development Corporation (ICDC), the Industrial Development Bank (IDB), the National Cereals and Produce Board (NCPB) and the Kilifi District Co-operative Union. The three parastatals had a combined shareholding of 65 per cent while **[Mr. Khamisi]** the co-operative union held 35 per cent representing cashew farmers from Kilifi, Lamu, Kwale and Malindi. Later, in 1993, ICDC, IDB and NCPB agreed to transfer their shares to the Kilifi Co-operative Union in an exercise of the union's pre-emptive rights under the joint ownership agreement.

Mr. Deputy Speaker, Sir, according to documents available, the vendors duly executed the transfer of shares to the Kilifi Co-operative Union at the cost of Kshs75 million. However, something strange happened at that time. The directors of the Kilifi District Co-operative Union, namely; Messrs. D. Runya, who was the General Manager, Mr. Japheth Kabuku who was the Chairman and Gunga who was the Vice-Chairman, did not register the 65 per cent shares as required by law and, instead, entered into private discussions with certain individuals who were at that time politically-correct. Those individuals were Mr. J. Kulei; Mr. Y.C. Desai; Mr. N. Korir; Mr. B.K. Rotich; Mr. P.K. Shah and Mr. W.K. Sambu. These are the individuals who benefited from the shares of the company.

Mr. Deputy Speaker, Sir, this means that although the 100 per cent shares were legally sold to the union by the three parastatals, they were never legally transferred to the union. Instead, the directors of the union signed forms selling shares to the two companies belonging to the individuals mentioned above. The individuals represented a company called the Kenya Plantations and Products Limited which was allocated 51 per cent shares and the other was the Cashew Development Investment Limited which got 14 per cent. That means that the union remained with its original 35 per cent shares. This was not only against the Co-operative Act but it also abused the pre-emptive rights conferred to the society under the joint ownership agreement and it was, therefore, fraudulent.

This transaction also deprived the cashew farmers from this region their rightful number of

shares which was 35 per cent. It is, therefore, my informed view that these individuals who entered into a fraudulent transaction with the subjects mentioned above, should be subjected to investigations to determine their individual and collective roles in the irregular disposal of shares belonging to the union. The directors of the union must be in a position to explain why they purported to transfer the shares of the three parastatals to the union while, in fact, they did not. They should also explain and also answer the question why they traded with the union shares without the approval of the Board. It is also in the interest of the House to find out why Mr. Runya, who was the Manager of the union was also a director of the Kenya Cashewnut Factory. To me, this was a clear conflict of interest.

Mr. Deputy Speaker, Sir, during the Public Investment Committee (PIC) proceedings in 1991, the Secretary of the union, Mr. S. Mweri admitted that the union did not buy shares from anybody and therefore, did not sell any. If that is the case, then what happened between the time of the disposal of the shares by the three parastatals and the time when the two strange companies came into possession of the shares? How did the directors come into contact with the officials of those two companies? Why did they not exercise the pre-emptive rights as provided by the law that would have allowed the union to take possession of the shares? Also, if the directors of the union wanted to sell the shares to the third parties after exercising their pre-emptive rights, they should have sought the Board's permission and also the endorsement of the Commissioner of Co-operatives. This was not done.

The proposed Select Committee would also like to question both the directors of the union, the chief executive officers of the three parastatals and the individuals mentioned above, to find out what really happened. Also of importance is, who paid the Kshs78 million to the three parastatals? Was it the union which was at that time in financial trouble or was it the individuals that have been mentioned above?

Mr. Deputy Speaker, Sir, a director of the union admitted to the PIC meeting in 1991, that the money actually came from certain individuals whom he did not name and not the union. What was the deal? That is the question that we want to ask. It also appears that after the purported sale of the company to the Kenya Plantations and Products Limited and the Cashew Development Investments Limited, the co-operative union ceased to be an active member of the management team, despite the fact that it held 35 per cent shares.

The union was no longer represented in the Board at that time, and the activities of the Kenya Cashewnut Factory were fully in the hands of the new Managing Director, a Mr. P.K. Shah, one of the people that I have mentioned above. Why was the co-operative union excluded from the running of the factory, despite the fact that it held 35 per cent of its shares? With the exclusion of the union from the management, farmers were no longer represented in the company. What was going on? This Select Committee will want to know this.

Mr. Deputy Speaker, Sir, soon thereafter, Mr. Shah, and his partners, began to cannibalise property at the Kilifi Factory, transferring machinery and equipment to the Kenya Bixa Ltd, a company owned by some of the directors of the two companies that I have mentioned above. The property that was transferred illegally from the Kenya Cashewnut Factory included a whole macadamia cracker unit, 200 plaster cranes, one electronic weighing scale of 20-kilogramme capacity, shelling machines, calibrators, computers, printers and fax machines. The whereabouts of this equipment is unknown at this stage. Other equipment included refrigerators, trolleys and all the other equipment that has to go with the shelling and preparation of cashewnuts.

Mr. Deputy Speaker, Sir, following that raid on the company that was undertaken by these individuals, the factory was rendered completely useless and in-operational. Thousands of farmers in Kilifi, Kwale, Malindi and Lamu were left "orphans" by the closure of this company. At that time, this company employed over 3,000 people in Kilifi. The closure of this company meant that

these people were no longer employed, and the economy of the Kilifi region tumbled and caused untold misery and poverty in the area. A thorough investigation must be undertaken to unearth circumstances that led to the closure of the Kilifi Cashewnut Factory.

Mr. Deputy Speaker, Sir, it appears to me that one act of corruption led to another. It is my submission that those found to have been involved in the plunder and collapse of the factory must be apprehended and prosecuted. At the moment, these people are roaming streets as free men, while thousands of farmers continue to suffer as a result of loss of their means of livelihood. A conclusive investigation can only be done by the Select Committee being proposed in this House today.

Mr. Deputy Speaker, Sir, the hearings of the Public Investments Committee (PIC) in 1991 left the matter hanging, with no clear direction to the Government as to how it should proceed to resolve this matter. People who were allegedly connected with this matter were not called in by the PIC to offer evidence as to exactly what their role was in the closure of the Kilifi Factory.

Mr. Deputy Speaker, Sir, I am appealing to my colleagues to support this Motion wholeheartedly, so that the culprits involved can be brought to book. As I said earlier, this Government is committed to the fight against corruption. Any action that it takes at this moment will be seen as a realisation of the dream to end corruption and sleaze in this country. It is through the

action proposed by this Motion that this House will be seen to have taken a serious intervention in the fight against corruption.

Mr. Deputy Speaker, Sir, having said all that, I would also like to say that after the formal collapse of this company in 1985, it fell into the hands of other individuals. We do not want to dwell on the present ownership, but we would like to give notice that what happened to the original Kenya Cashewnut Factory was fraudulent, illegal and totally anti-people in Kilifi.

With those remarks, I beg to move and ask hon. Lucas Maitha to second the Motion.

Mr. L. Maitha: Thank you, Mr. Deputy Speaker, Sir. I wish to second the Motion. This is one of our past painful moments. It is one of the examples we can lay bare today to show how sections of our society can be deprived of their wealth by a few individuals as the Government watches. As Mr. Khamisi said, this was a clear case of fraud and the Government knows it. Thousands of farmers have had their hopes raised in the last four years that the Government would take action, but this has never happened. Through this Motion, we urge the Government to take action.

This is an issue of commitment. Is the Government really committed to reviving the cashewnut industry? In the 1970s and 1980s, cashewnut growing formed a critical part of the economy of Kilifi, Malindi, Kwale and Lamu Districts. I remember that the Kilifi District Co-operative Union, through its affiliate, Galana Farmers, had even bought huge capital assets, for example, Sindbad Hotel in Malindi. Farmers were rich in those times, but they are now poor; they are beggars simply because they invested in this factory. Today, everybody is telling them that their shares were stolen. Nobody is telling them how they are going to get back their shares.

Mr. Deputy Speaker, Sir, hon. Khamisi has said that even today we have interested parties who are running the factory. But if we look at the performance of the factory today, we see that even farmers are not prepared to sell their cashewnuts to the factory, because they are bitter. Many farmers are now cutting down the cashewnut trees. After four years of a big let down by the NARC Government due to its failure to take action, they are disappointed. Although the PIC Report was not very conclusive, it shed a lot of light on who actually played which role. We know the thieves and we need to have action taken against them.

Mr. Deputy Speaker, Sir, today, cashewnut farmers are being exploited by middlemen because they do not want to sell cashewnuts to the factories. There are rich middlemen who are

buying cashewnuts from farmers at a very cheap rate and exporting them to India and other countries. Our farmers are helpless. It is unfortunate because those farmers cannot sell their cashewnuts to a factory that they once owned. Currently, there are no answers as to what led to the closure of that factory. The former management team of the co-operative union are there. They are extremely wealthy people. It is known that they are wealthy because of the way they mismanaged the shares of that union. They sold those shares to private individuals and made huge profits. Many of them are now flaunting their wealth and the Government is unable to take action. Many of those people are now moving closer to the Government. Is it because they are closer to the people who are in power that action cannot be taken? Many of them have joined groups that are lobbying for the Government in the hope that it will not take action against their mistakes. That is a very serious issue.

Mr. Deputy Speaker, Sir, we want hon. Members to support the establishment of that committee so that the truth could be unearthed. Governments have a habit of only receiving reports. We want action. If somebody is a thief, he or she should carry his or her cross. The Government will be taken seriously if it takes action. Mr. Khamisi laid down all the facts and circumstances that surrounded the collapse of the factory. As hon. Members of Parliament from the region, we have held a series of meetings with the Government. We have been promised that the factory will be revived. That is not the first factory to collapse in this country under mysterious circumstances. When this Government came to power, the Kenya Co-operative Creameries (KCC) had collapsed. But it was revived. Why can the Government, as it investigates and takes action, not take steps to revive that factory? Farmers want their shares back. We know the Government can do it. The Government is not doing anything because it is simply not interested. Could the Government wake up and assist our people?

Mr. Deputy Speaker, Sir, today, we know that very little money has been allocated in the Budget for purposes of conducting research on the cashewnut plant. We know that there are modern varieties that give yields in a few years. Today, cashewnut farmers in Kilifi District still harvests from 50-year old plants. How will we revive the industry? We know that the Ministry of Agriculture has a budget to research on crops because Kenya is an agricultural economy. That is deliberate so that some people can remain poor. We want the Government to allocate money to research and assist our farmers with new varieties of cashewnuts. Cashewnut farming is big business in Brazil, India and Sri Lanka. It was big business in this region in the 1970s and 1980s. But it is no more! Therefore, this Motion raises very serious issues which will boost the morale of our farmers. At least, farmers should see that something is happening and the Government is caring and addressing their issues. We urge hon. Members to support this Motion so that the truth could be known and action taken.

Mr. Deputy Speaker, Sir, I do not wish to say much. I want to support the facts as laid down by Mr. Khamisi. I also urge hon. Members to support this Motion.

With those few remarks, I beg to second.

*(Messrs. Kingi and Khamisi
consulted loudly)*

Mr. Deputy Speaker: Order, Mr. Kingi! I want to propose the Question on the Motion by Mr. Khamisi and you are engaging him! Mr. Khamisi, I am sure you would like to hear me propose the Question!

(Question proposed)

The Assistant Minister for Co-operative Development and Marketing (Mr. Mwenje):

Thank you, Mr. Deputy Speaker, Sir, for giving me this opportunity to contribute to this Motion. From the outset, I would like to say that I am not the Government Responder. The Government Responder will give his views later. My views are not those of the Ministry of Agriculture.

Mr. Deputy Speaker, Sir, I totally agree with Mr. Khamisi on the question of reviving the factory and looking into the issues that led to its closure. I once visited that factory when I was in the then Ministry of Supplies and Marketing. Therefore, I appreciate how it used to operate. It is a national shame when you look at the way that factory was brought down. It is a shame because the Government at the time was unable to salvage and save the situation. Many members of that factory were affected by its closure. Some could not even raise school fees for their children.

Mr. Deputy Speaker, Sir, at one point, cashewnuts had to be imported from Tanzania! There is a cashewnut factory in Tanzania. Those who were buying cashewnuts from Kenya bought processed cashewnuts from Tanzania. That was a real shame. It should never have been allowed to happen. Those who made it happen are well known. They are Kenyans living in this country. It is a shame because we now import cashewnuts, which are grown in this country. Our cashewnuts were even taken to Tanzania for processing. That is very bad. I joined the team from the Ministry that was supposed to look into that issue, after the scandal happened. I remember the Minister was Mr. Mudavadi. I was in the Ministry when our current Speaker, Mr. Kaparo, was there. We were both Assistant Ministers. We joined that Ministry after that factory had collapsed. When we mentioned anything to do with the revival of that factory, it was a shame because the powers that be at that time were behind the collapse of that factory. It was a very bad situation.

Mr. Deputy Speaker, Sir, one thing on which I do not agree with my friend, Mr. Khamisi, is the composition of the Members of the intended Select Committee to investigate the circumstances that led to the collapse of this factory. It is a one-sided affair. I thought that he would have mixed both hon. Members of the Opposition and Government in the committee, so that they can both work together. This is because we cannot just put names of hon. Members from one side of the House and expect the investigation to be fair. It will certainly not be fair. It is for this reason that we will vote to reject this Motion or ask hon. Khamisi to amend the list of names. However, as long as the names remain as they are, I will ask the Government side to vote against this Motion. The collapse of this factory cannot be investigated in that manner. It will be biased, one-sided and it will not work. It will not come up with any fair solution at all.

(Applause)

So, as much as we would want the revival of Kilifi Cashewnut Factory and know the people behind its vandalisation, either the Mover comes with an amendment, or we reject the Motion.

Mr. Deputy Speaker, Sir, so many industries have been vandalised. I was shocked the other day when I visited the Eldoret Branch of Kenya Co-operative Creameries (KCC) Limited and found that a lot of the machines which were meant for processing milk were vandalised. They were stolen then sold to some people in this country who are in the same business. It is not only the person who vandalises and steals who is wrong, but also the person buying vandalised and stolen property. They are all guilty. In any case, no person will try to steal something which he or she is not able to sell. So, the stealing must have started from the person who wants to buy a vandalised item. Let us start by asking those who are buying stolen property to stop doing so, because they are the people who encourage those who vandalise and steal property from other people. If you have no market, then you will not buy stolen and vandalised property.

Mr. Deputy Speaker, Sir, it is a real shame and I really pity the people of Kilifi because the

only livelihood they had was from the sale of their cashewnuts. If you visited the area, you could even see hawkers getting cashewnuts from the factory and selling them in order to provide for themselves and their families. However, today Kilifi Town is so quiet. It is like a dead town, particularly when you come to the roads because there is no business going on. There were a lot of employees in Kilifi Cashewnut Factory. They were not even paid because the money was not enough. I remember when I joined the Ministry, it was decided that we look for money to revive this industry and we started doing so. Before that happened, the factory was sold to some powerful people in this country. I have nothing to hide and I must say that this was done with the blessing of State House at that time. Those who were involved in the vandalism of equipment and selling of this factory were those who had power at State House at that time.

Mr. Deputy Speaker, Sir, I thank this Government and the President since a lot of stalled industries, including Kenya Meat Commission (KMC) and Kenya Co-operative Creameries (KCC), have now been revived. I am grateful to President Kibaki for his gesture of reviving stalled industries. I believe time is still there for the revival of this Kilifi Cashewnut Factory. It is possible to revive this factory. It would be better to compensate those who bought it as it happened with those who bought KCC and we revive it. However, we cannot do that if we do not have the proper recommendations from both sides of the House, so that we look for money to pay these people.

I really pity the people of Kilifi on this particular issue. Whenever I go to the Coast Province, I find that cashewnuts are being sold even at Likoni and I imagine that these are not the ones from Kilifi. They are either imported from Tanzania or they are from people who do the roasting in their own homes. It is a shame. That should not be allowed to continue. We must, through hook or crook, revive this factory. Apart from Satan's money, we must try to get money to revive this factory. For that reason, I agree that we must look and find a way of punishing those who cannibalised this industry. We must only not look for these people, but also for those who authorised this thing to happen. We must revive this factory.

Mr. Deputy Speaker, Sir, we should not only revive this factory, but by extension, we must do the same to all the collapsed industries and charge all the people who were involved in their collapse. We must assist the farmers in Kilifi who grow cashewnuts and have no market to take them. However, this will not happen if this proposed Select Committee is composed of hon. Members from one side of this House. Even hon. Members from the Government must be involved, so that we do not conclude that it was biased. For that reason, unless this Motion is amended, I oppose it the way it is despite the fact that I am very much willing to support it. I commend the hon. Member for the area, but let him come with a balanced list of hon. Members of his intended Select Committee.

In the meantime, I oppose it the way it is.

Mr. Mwandawiro: Bw. Naibu Spika, asante sana kwa kunipa nafasi ili nichangie Hoja hii muhimu sana kuhusu kilimo cha korosho na vita dhidi ya uufisadi. Ninasimama kuunga mkono kabisa Hoja hii. Hii ni kwa sababu baadhi ya watu wangu wa Eneo la Uwakilishi Bungeni la Wundanyi walifanya kazi katika kiwanda hicho kabla hakijanunuliwa na watu binafsi. Wengi wao wanaishi maisha ya shida katika mji wa Kilifi.

Bw. Naibu Spika, tukiwa katika Bunge hili hatuwezi kujua ni upande gani wa Serikali au Upinzani. Hii ni kwa sababu hata Mawaziri na Wasaidizi wao hulalamika na kunung'unika kama sisi wa Upinzani. Ikiwa Serikali inaona kuna umuhimu wa kufufua kiwanda hicho, basi kwa nini wasifanye hivyo? Hiyo hatua wangukuwa wameichukua kitambo; sio kungojea hadi Hoja iwasilishwe hapa Bungeni. Haifai wao kulalamika kama sisi wa upande wa Upinzani. Ikiwa Serikali imeamua kuuangamiza uufisadi, basi yafaa ichukue hatua mwafaka kwa sababu tuna polisi wa kutosha na pia tuna tume ya kupambana na Uufisadi. Hatuwezi kuisamehe Serikali kwa jambo kama hili kwa sababu tumewapa mamlaka ya kutuongoza. Wanamngojea nani achukue mamlaka

ili apambane na ufisadi au afufue kiwanda cha Kilifi? Haifai kungojea Hoja kama hii iwasilishwe hapa Bungeni ili wachukue hatua. Tunajua Serikali hii hata kama tutapitisha Hoja hii hakuna hatua watakayochukua. Ni kweli Hoja hii itapitishwa ikiwa na marekebisho yaliyopendekezwa na mhe. Mwenje ya kuwahusisha Wabunge wa pande zote mbili za Bunge hili na pia kuwazingatia washika dau wa korosho. Ukiangalia orodha ya wale waliopendekezwa ni wawili tu ambao ni washika dau wa korosho. Ningependa waongezwe zaidi ili pande zote zihusike. Hata hivyo, wale waheshimiwa Wabunge walioko upande wa Serikali hawafai kulalamika, kwa sababu wanaweza kuchukua hatua mara moja. Sio lazima wangojee Hoja iletwe hapa Bungeni. Wamepewa nafasi na uwezo mkubwa na wananchi wa Kenya. Tendeni badala ya kulalamika!

Bw. Naibu Spika, nchi za Magharibi zinatambia kwamba mashirika ya umma hayawezi kufanya kazi kwa sababu hayawezi kuongozwa vizuri kutokana na ufisadi. Ikiwa tutafanya uchunguzi katika haya mashirika ya umma, kwa mfano, kiwanda hiki cha korosho cha Kilifi ili tujue jinsi kiliporwa na kuangushwa, tutagundua kwamba mashirika haya yanaweza kufanya kazi yanavyopaswa ikiwa wale watu ambao ni wezi watachukuliwa hatua zinazowezekana. Kiwanda hiki cha korosho cha kilifi hakikuanguka kwa sababu kilikuwa cha umma. Kilianguka kwa sababu kiliendeshwa vibaya na pia kulikuwa na ufisadi mwingi ndani yake. Kwa hivyo, tukifanya uchunguzi na kupata uhakika jinsi kiwanda hiki kilianguka na kuwachukulia waliohusika hatua za kisheria, itatusaidia katika lengo letu la kuyafufua mashirika yote ya umma ambayo yameanguka katika sekta mbali mbali. Hatua hii pia itatusaidia kuyaendeleza yale ambayo yanafanya kazi kwa sasa.

Umuhimu wa kilimo cha korosho hauwezi kusesitizwa kwani unajulikana wazi. Korosho ina soko kubwa sana duniani. Kilimo hiki kikifufuliwa, kinaweza kuchangia katika kuendeleza uchumi wa nchi yetu. Katika ndege nyingi za usafiri wa umma kuna korosho. Hata ulaya kuna bidhaa nyingi ambazo zinatokana na korosho. Katika sehemu yangu ya uakilishi Bungeni ya Wundanyi, tayari kuna harakati za kufufua kilimo cha korosho. Watu wengi sana wanapanda korosho katika sehemu hiyo. Kwa hivyo, kufufuliwa kwa kiwanda cha korosho cha Kilifi kutasaidia sana kuendeleza kilimo cha korosho. Hata hivyo, wananchi wangependa waondolewe hiyo hofu kwamba kiwanda hicho cha korosho kitaporwa tena baada ya kufufuliwa. Kuna watu ambao wametajirika kwa sababu ya kuangusha mashirika ya umma kama lile la kiwanda cha korosho cha Kilifi ilhali hawajachukuliwa hatua yoyote. Jambo hili linawatia hofu wakulima wa korosho na mimea mbali mbali.

Singependa kuzungumza mengi zaidi, lakini kwa ujumla ni wazi kwamba Serikali lazima iunge mkono Hoja hii. Nakubaliana na marekebisho ambayo yamependekezwa na mhe. Mwenje, lakini ni jukumu la Serikali kuiunga mkono Hoja hii. Kwa hayo machache, naunga mkono Hoja hii.

The Assistant Minister for Foreign Affairs (Mr. Wetangula): Mr. Deputy Speaker, Sir, this Motion seeks to redress, for the public, the transgressions that were done by fraudsters. But I do agree with hon. Mwenje, that when we are dealing with issues of such importance, it is important to take a bi-partisan approach, by involving both sides of the house, other than hon. Khamisi spoiling a good Motion by being partisan in his approach; by drawing a list of only one side of the House, when he is seeking support from both sides of the House. This is because a fraud is a fraud. It is not a matter of the Opposition; but a matter of this House. Indeed, we all know that there are fraudsters sitting on both sides of this House.

Mr. Deputy Speaker, Sir, the issue of the cashewnuts factory in Kilifi, is a matter of---

Mr. Marende: On a point of order, Mr. Deputy Speaker, Sir. You have heard hon. Wetangula state firmly that there are fraudsters sitting on both sides of this House. I do know that I am not a fraudster.

Could he substantiate that claim?

The Assistant Minister for Foreign Affairs (Mr. Wetangula): Mr. Deputy Speaker, Sir, I confirm that hon. Marende is not a fraudster.

(Laughter)

Mr. Deputy Speaker, Sir, this Motion is a follow-up of issues that have been discussed on this Floor before. There is a Public Investments Committee (PIC) report that went deep into the issues of this cashewnuts factory. That report even recommended persons who are culpable and who could have been prosecuted. The facts I know about this factory, are that its management took a bank loan of Kshs40 million. However, they did not repay it. In fact, they stole the money. The Barclays Bank that had lent the money then, subsequently, in a most unsatisfactory and non-transparent manner, auctioned the factory to an Indian at about Kshs56 million or so. These events occurred in the late 1990s or early 2000. One of the routes my colleagues from the Coast would have taken, knowing very well that setting up commissions and committees of inquiry in this House has ended up being counter-productive, because we do not have an implementation clause in any of our Standing Orders--- We pile up whatever we do and nobody follows up. If you sought proper legal advice, hon. Khamasi, you could have hired a good lawyer to go to court and invalidate that sale, because a fraudulent sale is not a sale. The person who acquired this property in that mock-auction, at Kshs56 million or thereabouts, when the property was worth much more - you should look at the PIC report--- You could have gone to court - now we are over six years which is required in civil law to go to court - to seek the leave of the court, to allow you to file a suit out of time and invalidate that fraudulent auction, and make sure that the property goes back to the rightful owners; the co-operators. For those who misappropriated the property, under the law, you can also invoke the equitable remedy of tracing, and trace all public property that is mixed with their private property, and recover it for the interest of the public.

Mr. Deputy Speaker, Sir, but having chosen a route that might end up unproductive, we will support you. This committee that you want to set up will do nothing beyond what the PIC has done. As usual, you will have no capacity to implement the outcome. We have many reports of a similar nature. But there is a greater principle here. It is not just the cashewnuts factory in this country that was handed over to individuals in circumstances that were extremely dubious, we also have the Kenya Co-operative Creameries (KCC) that was subsequently recovered at the expense of the public, the Molasses Plant and many other factories. Tourist hotels that were owned by the Kenya Tourism Development Corporation were sold for a song by the last regime. Assets that were held in trust for the people of this country were handed over to individuals for a song. Therefore, this Parliament has a duty to broaden the inquiry that Mr. Khamisi is seeking and look at the whole broad spectrum of disposal of public assets in the last ten years or more.

Mr. Deputy Speaker, Sir, well connected persons were given assets for totally nothing! There was a milling plant in Nakuru that was handed over to a well connected person, and many others. In the cotton industry, almost all the cotton ginneries in the country were disposed of for a song to well connected persons at the expense of the public. This Parliament will be rising to its cardinal duty: To investigate the disposal of all assets after the advise from the World Bank (WB) and the International Monetary Fund (IMF) that the Government must dispose assets quickly so that people took advantage. No valuations or bids were done and no quotations were put forward. It was just a matter of "who-is-who can be given what". This is not good for the country.

Mr. Deputy Speaker, Sir, sometimes when we hear our colleagues singing about corruption, it reminds me of the Swahili saying: "*Nyani haoni kundule*" because it traverses both sides of our political divide. To fight this menace, as I said earlier, we need a bi-partisan approach. We need

both sides of the House to stand together to correct these injustices. I want to urge hon. Khamisi that, since you have already spoken, you can engineer one of your colleagues to amend this Motion to include hon. Members from this side so that we can have a united approach to help you recover this factory. But more importantly, you may choose to look at the legal avenue that I have freely advised you. I will send you no fee note.

Thank you, Mr. Deputy Speaker, Sir.

I beg to support.

Mr. Deputy Speaker: Mr. Muturi, you were to make an amendment.

Proceed!

Mr. Muturi: Thank you, Mr. Deputy Speaker, Sir, for giving me this opportunity to contribute to this Motion. I want to begin by saying that I support the Motion. Indeed, I have also looked at the Public Investments Committee (PIC) reports of the time that dealt with the issue as reported at that time by the Controller and Auditor-General.

Mr. Deputy Speaker, Sir, I am going to make a few amendments, while agreeing with my good friend, hon. Wetangula, that as the Committee does its investigations and recommendations, there will be need for them to address the question of lapsed time in terms of the Limitations of Actions Act so as to direct that any findings which require to be pursued by way of litigation, be done with leave being sought from the courts for prosecution and/or recovery to be made out of time. I believe that there are very good reasons that can be found to explain why there may have been this delay.

Mr. Deputy Speaker, Sir, I only want to appreciate that as the proposed Committee is comprised, it appears like the other side of the House is not included, and it is only fair that in order for a Committee of this nature to have ownership, it should be composed of membership from both sides of the House.

Therefore, Mr. Deputy Speaker, Sir, I beg to move that the Motion be amended as follows:-

By deleting all the names proposed to comprise the membership of the Committee and inserting the following names in place thereof:

- (1) The Hon. Joe Khamisi, MP
- (2) The Hon. Lucas Maitha, MP
- (3) The Hon. P.K. Sang, MP
- (4) The Hon. J. Ojode, MP
- (5) The Hon. A.A. Bahari, MP
- (6) The Hon. W. Osundwa, MP
- (7) The Hon. Dr. N.N. Shaban, MP
- (8) The Hon. Zaddock Syongo, MP
- (9) The Hon. N. Balala, MP
- (10) The Hon. M. Mukiri, MP
- (11) The Hon. M.K Waithaka, MP

Mr. Deputy Speaker, Sir, I propose the inclusion of the 11th person to comply or to be in tandem with the composition of most Departmental Committees of the House where membership is limited to 11 members.

I beg to move and ask hon. Ojode to second.

Mr. Deputy Speaker: Order, Mr. Muturi! There is no need to second this amendment. I just want one or two people to say something about it. Mr. Ojode, just say something about the amendment. You do not have to second it.

(Question of the first part of the amendment, that the words to be

left out be left out, proposed)

*(Question of the first part of
the amendment, that the words
to be left out be left out,
put and agreed to)*

*(Question of the second part of the
amendment, that the words to be
inserted in place thereof be
inserted, proposed)*

Mr. Ojode: Thank you, Mr. Deputy Speaker, Sir. I agree with hon. Muturi for having moved an amendment to include the majority of faces of Kenyans. This is a very important Motion and amendment, and it is better for the Committee to investigate and recommend what they think this House should do. It is true that there were those who misused Government resources, and that is why this factory went into mismanagement.

Mr. Deputy Speaker: So you support the amendment?

Mr. Ojode: I support the amendment.

Mr. Deputy Speaker: Mr. Khamisi, you can say something about the amendment.

Mr. Khamisi: Mr. Deputy Speaker, Sir, I have no objection to the amendment and I support it.

*(Question of the second part of the
amendment, that the words to be
inserted in place thereof be
inserted, put and agreed to)*

*(Question of the Motion as
amended proposed)*

Mr. Twaha: Thank you, Mr. Deputy Speaker, Sir. I beg to support the Motion as amended.

As I congratulate the hon. Members of the Committee, I would like to raise some points which I would like them to pursue and concentrate on while conducting the inquiry. The real theft was not just through the machinery. It was through a Gazette Notice which gazetted cashewnuts and bixa as schedule crops. I have checked the dictionary and I do not know what "schedule crops" means, but at that time, it meant that the factory could buy the raw materials at a pre-determined rate, which forced the farmers to sell to one buyer at a very low pre-determined rate. This was in its own way broad daylight robbery. The sad thing is that nobody spoke up in defence of the poor farmers at that time. That was real robbery, even more than the actual theft of buildings and machinery. All the raw materials were purchased at a controlled price when the rest of the Kenyan crops and produce were liberalised.

[Mr. Deputy Speaker left the Chair]

*[The Temporary Deputy Speaker
(Mr. Khamasi) took the Chair]*

Mr. Temporary Deputy Speaker, Sir, I would like to urge the Committee to concentrate on those points. The Committee should find out which Minister signed the Gazette Notice that legalised the theft of the farmers' produce through selling it at controlled prices. It should come up with remedial or punitive measures that should be taken against that particular Minister.

We have a tendency in this country where, when Ministers are newly appointed, in order for them to show their muscle, they rush to sign gazette notices which have terrible consequences on our people. They do this just to show that they are working. Some of these gazette notices have fundamental effects on the allocation of resources and the local leaders are not consulted.

Mr. Temporary Deputy Speaker, Sir, in Lamu, for example, we have a marine park, a game park, a heritage and all sorts of resources which we should exploit for the benefit of wananchi, yet you will find some gazette notices that restrict their use and thus keep the local people poor. This creates an artificial shortage of materials, so that the people who are already established can continue to enjoy super-normal profits and can sell their produce at artificially high prices, be it land or the produces that are derived from it.

I would like to ask the proposed chairman of the Committee to find out about the scheduled crops. He should find out why the prices of the two crops were controlled in the country when prices of every other crop were liberalised.

With those few remarks, I beg to support.

Mr. Osundwa: Mr. Temporary Deputy Speaker, Sir, I will take only a few minutes because I can see a lot of interest on the Floor. Hon. Members want to speak on this very important Motion.

This is a very straightforward Motion, which we do not need to take a lot of time discussing. Indeed, I want to urge subsequent speakers to support this industry. In the 1980s, I worked in Kilifi District as a District Information Officer. That time, Kilifi District was steaming with life. Indeed, the success of this factory had led to further investments in the tourism industry. They had invested in Sindbad Hotel in Malindi, which had created a lot of employment in the area. With the collapse of this factory, life has just gone down for the residents of not only Kilifi, but the whole of Coast Province.

Mr. Temporary Deputy Speaker, Sir, at the time this factory collapsed, the Ramisi Sugar Factory had also collapsed in Kwale. You can imagine the suffering that the people of Coast Province are undergoing. I would also imagine what it feels for farmers who had put in a lot of effort to produce a cash crop just sitting idle because somebody somewhere has looted the only industry in the area. If such a thing happened in my area, where we depend solely on sugar--- The sugar industry supports six million Kenyans.

If the Kilifi people are not going to be helped, then there is no need to continue to support this Government. Many times, the President has toured Coast Province and he has promised to revive the many industries which have gone down. I happen to have lived in Coast Province for more than ten years and I know how vibrant the economy in that province has been. We had the bixa factory, the cashewnuts, the milk cooling plant in Mariakani and very many other industries. Today, we only rely on tourism and even tourists pay their money outside Coast Province. They only go there to tour. So, I highly support the revival of this industry. First of all, let us investigate thoroughly because we might revive this industry and the same crooks may come to steal the equipment.

Mr. Temporary Deputy Speaker, Sir, I would like to suggest that we set a time limit within which this Select Committee should submit its report. We know very well that we are going away sometimes around October this year. I would urge the Committee hon. Members to work with haste, so that by the end of September, a report is tabled before this House, which should contain recommendations on how to deal with those crooks.

I know for sure the Public Accounts Committee (PAC) reports indicate who did what in this industry. I know that the Departmental Committee on Agriculture, Lands and Natural Resources has also come up with recommendations on how to revive the industry. All those reports are just gathering dust on the shelves.

With those few remarks, I support this Motion highly, and I suggest that a time-frame within which the Committee should report back to the House should be set today.

The Assistant Minister, Office of the President (Mr. Kingi): Asante sana, Bw. Naibu Spika wa Muda, kwa kunipatia nafasi hii ili niweze kuzungumzia kuhusu mjadala ambao uko mbele yetu. Ninaanza kwa kumpongeza mhe. Khamisi, ambaye ameleta Hoja hii. Ninaiunga mkono kwa sababu ni Hoja ambayo ni muhimu sana kwa maendeleo, hasa ya watu wa Kilifi.

Ninayo imani kwamba Kamati hii ambayo tumeitaja hapa, itakapokubalika, itafanya kazi nzuri ambayo itakua na nia ya kufufua kiwanda hicho cha korosho kilichoko Kilifi. Historia ya kiwanda hiki cha korosho ilianza kitambo. Kiwanda cha mwanzo kabisa kilianza Kibarani. Na ni kiwanda ambacho kilijengwa 1923. Hii inamaanisha kwamba uchumi wa korosho na umuhimu wake ulitambulika mapema sana katika historia ya Mkoa wa Pwani na katika historia ya Kilifi. Baadaye, hiki kiwanda kilihamishwa na kikapelekwa mahali ambapo kiliko sasa na kikaplanuliwa.

Wakati kiwanda hiki kilikuwa kinafanya kazi, kilisaidia wakulima wengi na wananchi wengi wa Kilifi kwa kuinua hali yao ya uchumi. Katika miaka ya mbeleni, Wilaya ya Kilifi na pia wilaya ambazo zinazunguka Kilifi, hazikuwa katika kidimbwi cha umaskini ambapo kiko hivi leo. Leo hii, tunazungumzia habari ya umaskini Kilifi, katika Wilaya yetu mpya ya Kaloleni na hata Kwale, kwa sababu mazao ya muhimu katika eneo hili ni korosho na bixa.

Mara tu kiwanda hiki kilipoanguka, wakulima walikosa mahali pa kuuza bidhaa zao. Jambo hili limesababisha matatizo makubwa ya kiuchumi katika wilaya hii. Imani yetu ni kwamba kiwanda hiki cha Kilifi kitakapofufuliwa, wakulima watapata mahali pa kuuza mazao yao na matatizo yale ya uchumi ambayo yanaonekana katika sehemu hizo, bila shaka, yatapungua.

Bw. Naibu Spika wa Muda, ningetaka kuongeza kwamba Kamati hii haihitaji kufanya kazi kwa muda mrefu, kwa sababu, walioleta matatizo haya wanajulikana tayari. Majina yao yako katika ripoti nyingi za PAC, PIC na katika habari nyingi ambazo zimeandikwa. Hata wengine wetu ambao ni wakulima wa korosho na tulikuwa wanachama wa District Co-operative Union ya Kilifi, pia tunazo habari nyingi kuhusu ni akina nani walioleta matatizo haya.

Hata mimi, nitakuwa mtu wa kwanza kupeana taarifa vile ninavyojua kuhusiana na yaliyoendelea katika sehemu hiyo.

Mbali na kuunda Kamati hii ili iweze kuchunguza ni akina nani waliolete matatizo hayo, ziko njia nyingine za haraka ambazo zinaweza kutumiwa na Serikali ili kufufua kiwanda hiki. Kama tulivyoambiwa, kiwanda hiki kiliuzwa na Benki ya Barclays kwa sababu wakurugenzi ambao walikuwepo wakati huo, walikuwa wamechukua mkopo wa Kshs40 milioni, ambao walishindwa kulipa ndipo Benki ya Barclays ikauza kiwanda hicho. Lakini ukichunguza, utapata kwamba hata wale wakurugenzi ambao walikuweko wakati ule, hawakuwa wamekubalika na wakulima. Pia, njia ambazo zilitumiwa kuhamisha hisa za wakulima hazikukubaliwa. Wakulima walikuwa na hisa za kiwango cha asilimia thelathini na tano.

Bw. Naibu Spika wa Muda, hisa hizo zilihamishwa na kumilikiwa na Wahindi wengine ambao waliingia katika kiwanda hicho kinyume cha sheria. Kwa hivyo, kuna uwezekano wa kutumia njia iliyopendekezwa na Bw. Wetangula: Kwamba, tunaweza kushtaki na kuchukua njia fupi zaidi kuliko njia hii iliyopendekezwa. Hata hivyo, tunakubaliana nayo ili ukweli uweze kujulikana. Tumezungumza na Waziri anayehusika na maswala ya vyama vya ushirika. Tumemwambia Waziri kwamba tumeshazungumza na wasimamizi walioko sasa katika kiwanda hicho, na kwamba wameonyesha kwamba wako tayari kufanya mazungumzo na wakulima pamoja na Serikali ili hisa za wakulima zilizokuwa zimepotea ziweze kununuliwa na Serikali, halafu

baadaye Serikali iziuzue kwa wananchi ili wananchi waweze kujisikia kwamba kiwanda hicho ni chao, na waweze kukipatia shikamizi. Kwa hivyo, kuna njia nyingi ambazo zinaweza kutumiwa kuhakikisha kwamba kiwanda hicho kinafufuliwa ili wananchi wapate mahali pa kuuza mazao yao.

Bali na kiwanda hicho cha korosho, kuna viwanda vingi ambavyo vimeanguka huko Pwani. Ningependa kuitumia fursa hii kumwomba Waziri anayehusika kuhakikisha kwamba kiwanda cha *Mariakani Milk Scheme* kimefufuliwe haraka ili wananchi wapate mahali pa kuuza bidhaa yao ya maziwa. Pia tungependa kiwanda cha sukari kule Ramisi kifufuliwe ili kilimo cha miwa kiweze kuwasaidia wananchi katika sehemu hiyo. Ninaipongeza Serikali kwa kukifungua kiwanda cha *Kenya Meat Commission (KMC)* cha Kibarani, Mombasa, ambacho kilikuwa kimeanguka. Ni jukumu la Serikali kuhakikisha kwamba viwanda hivyo vyote vimefufuliwa ili malengo yaliyokuwepo wakati vilipoundwa yaweze kutimizwa. Moja ya malengo hayo ilikuwa ni kuhakikisha kwamba umaskini umeondolewa miongoni mwa wakazi wa sehemu hizo ili waweze kujimudu maishani. Kwa hivyo, ninaiunga mkono Hoja hii, nikiamini kwamba Wabunge wenzangu pia wataiunga na pia pamoja na Kamati iliyopendekezwa, ili iweze kufanya kazi yake kwa haraka zaidi.

Ahsante, Bw. Naibu Spika wa Muda.

Mr. Bahari: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this chance. I want to be very brief, because there are many hon. Members who want to contribute due to their interest in this subject. I want to start by thanking Mr. Khamisi for bringing this Motion to the House, because its subject involves the livelihoods of many Kenyans. It is one of those fundamental things that we have been looking forward to in terms of turning around the economy of this country. I want to thank him, once again, for listing me down as one of the Members of the proposed Select Committee.

Mr. Temporary Deputy Speaker, Sir, I want to state from the outset that all regions in this country have a lot of potential. I want to re-emphasise this fact basically, because if resources cannot be found on the land surface, certainly, they are below the ground. So, it is incumbent upon the Government to either directly invest to ensure that those resources are properly exploited for the benefit of the people of the Republic of Kenya, and particularly from the particular areas, or put in place the right infrastructure to enable private investors to come in with ease and be able to do the same for commercial purposes.

You realise that Kilifi District, as things stand now, is one of those districts which benefit from relief food, basically because of how we have run down its economy. This is within the scheme of things, where some regions of this country have been kept permanently behind. It was easier for some crafty individuals to move in and plunder the resources of this district's economy. As you realise, the income disparities in this country continue to widen because of the initial decisions that were taken to consider some regions as low potential areas. Such areas are permanently considered so. Since the attitude of policy makers is not right, and given that resources will always be limited, the policy makers will want to forget about some areas. They will continue to believe that such areas have no potential.

I want to repeat that the potential is there, and has always been there in those regions. Therefore, the income disparities at regional and individual levels have continued to widen. This was appreciated a long time ago, in the early 1970s, by four Members of Parliament, who elaborated this scenario. One of them was the late J.M. Kariuki, who said: "When some people come to Nairobi from other parts of this country, they say they are coming to Kenya". He said they were very right, because, according to him, this country has done very little to make those people identify themselves with this country.

Mr. Temporary Deputy Speaker, Sir, at that point in time, certainly, the late J.M. Kariuki

was talking about a deliberate Government decision to exclude some regions from this country's development agenda. Even where an attempt was made, like in this particular instance, to establish the cashewnuts factory, those fellows did not let go. They came on board and continued to plunder resources. So, you can imagine the levels of unemployment in this area. I am certain that this factory supported a lot of people, directly and indirectly. Probably, this was just one of the few factories that were available there. You can imagine in a region like that one, when this factory collapsed, certainly, a lot of people lost their means of livelihood.

Mention has been made of Mariakani Milk Cooling Plant. The amount of money that is required to revive that plant, as per the recommendations of the Public Investments Committee (PIC), is not much. In fact, I do not even know why it is not operational. The Government can afford to finance the rehabilitation and revival of this factory. So, it must move with speed and ensure that these factories are revived. As the proposed Select Committee starts its work, it is only prudent that the Ministry moves with speed to provide some funds in the Budget to ensure that this factory is revived, without waiting for the recommendations of the Select Committee, because the Ministry already has all the facts.

So, mine is only to re-emphasise that the Ministry should provide money in Budget Estimates, so that as recommendations are made, funds are available. It should not wait to look for the funds, after the recommendations of the Select Committee, with which to revive and make the factory operational.

With those few remarks, I beg to support.

The Assistant Minister for Planning and National Development (Mr. Ethuro): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to contribute to this important Motion. I want to thank Mr. Khamisi for bringing the Motion to this House although he did so a bit late. It does not matter how long it takes; Kenyans are looking for justice. They are looking for their resources from whoever looted them. What we are witnessing in the story of the Kenya Cashewnuts Factory in Kilifi is basically a political system that had lost direction and was just looking for property by depriving the people of their very existence. In the words of the late Wahome Mutahi, the Kenyan politician was suffering from "*grabbiosis*".

Mr. Temporary Deputy Speaker, Sir, I think Kenyans do not realise what the outcome of the last elections meant. It meant us stopping that *grabbiosis* from becoming cannibalism. That is because when you exhaust all factories like the Kilifi Cashewnut Factory, inevitably, you will have to turn to the people themselves. The Select Committee, apart from looking for the culprits, should look into ways and means of reviving that factory. That way, poor peasants from the Coast can benefit from that crop. I do not see that in the Motion. I think that needs to be brought out. I realise that Mr. Khamisi is listening and Mr. Ojode's name has been "sneaked" into the Committee. I am sure they will do a good job to that effect.

Mr. Temporary Deputy Speaker, Sir, this Motion is making a real statement, an indictment on the relevant Departmental Committees of this House. The House has one powerful function of being a watchdog. We have the Public Investments Committee (PIC) and Public Accounts Committee (PAC). This matter falls squarely on the PIC. The PIC handled this matter, but not to our satisfaction. That is why it is completely necessary for Mr. Khamisi to bring a Motion before this House.

Mr. Temporary Deputy Speaker, Sir, we should take our work very seriously, especially when we are dealing with watchdog committees. They should have made recommendations on that matter. I have seen the PIC Report and I am disappointed because the Committee did not make the necessary recommendations. This is a matter we would have disposed by the Report of the PIC. That also reminds us that, when the NARC Government came into power, the portfolio of the late Vice-President was the Ministry of Rehabilitation and Construction. There were many factories

that had collapsed. The Kenya Co-operative Creameries (KCC) is one of them. We are happy that the KCC is now on its feet. I think we need to give the Government due credit. The Kenya Meat Commission (KMC) has also been rehabilitated. Even the cashewnut factory should have been revived.

Mr. Temporary Deputy Speaker, Sir, it is important to look at what is existing and build on it, rather than putting up new factories. We can take advantage of an existing infrastructure, the catchment area and the needs of the Coast Province. I realise that where I come from, we share something with the Coast Province known as the Arid and Semi-Arid Lands Programme. The other day, the Minister of State for Special Programmes expanded the programme to include additional six districts, which all fall within the Coast Province.

Mr. Temporary Deputy Speaker, Sir, it is important that when the report finally comes out, it should contain substantial information. I believe that Members of that Committee can do that job in a period of three months. That way, they will not be caught up with the electioneering period. That should be ample time to submit their report. We have appointed Members from the other side of the House because we do not want the report to look partisan. That way, nobody will have an excuse to deny this House the benefit of redeeming this country in the particular circumstance of the cashewnut factory. When that report finally comes, we will be talking about a comprehensive programme in which we shall penalise the culprits, rehabilitate the factory and offer support to our farmers. Once it is adopted by the House and implemented by the Government, the report will demonstrate, in clear terms, the commitment of the Government to the economic recovery of Coast Province in general and ASALs in particular.

Mr. Temporary Deputy Speaker, Sir, we have other stalled factories. The Lake Turkana Fishing Co-operative Society went through similar problems. When I look at what is happening here, we need to have a comprehensive programme to look at all the factories that have been closed down. That factory requires only Kshs20 million. That is because the equipment, fortunately, has not been sold. The KMC has another factory in Lokichoggio at a place called Lomita. That factory requires only Kshs30 million. If all those factories could be rehabilitated, then we would be talking of making our people benefit from the economic recovery that we have witnessed in the few years that this Government has been in power. Anybody who does a good job needs to be rewarded. We believe that our friend, Mr. Khamisi and his colleagues will take cognisance of the fact that, we have a serious Government. We, on this side, do not condone corruption. Corruption, as my brother, Mr. Wetangula said earlier, is perpetuated by individuals who might be related to hon. Members in both sides of the House. I do not want to run into trouble by saying that there are people in this House who are corrupt. But I am saying that corruption does not recognise the political divide. It does not recognise the regime. It is perpetuated by particular individuals who want to use money for their political purposes. This is one thing that, as a nation, we should appeal to our leaders and the electorate to get money out of politics. That way, we can elect leaders on the basis of their credentials, integrity, good programmes and vision for this nation. Whoever will be in the Government side will act without suffering from *grabiosis*. We shall be able to implement sound programmes that will benefit the electorate of this country.

Mr. Temporary Deputy Speaker, Sir, right now, we have Vision 2030. That vision entails that our economy should grow at 10 per cent. We cannot achieve that when factories like the cashewnut factory, that is so important to the people of Coast Province, is not rehabilitated. All the other factories such as the Lake Turkana Fishing Co-operative Society, Nyanza Provincial Headquarters which is 90 per cent complete and other stalled projects should be completed. The Nyanza Provincial Headquarters is moribund and cannot be used because it is incomplete. It requires intervention on some of those things so that we realise faster economic growth.

That vision can only be realised when we have good infrastructure, particularly the road

network. With a good road network, people can sell their commodities in both internal and external markets. That way, our people can realise disposable income to meet their basic needs.

With those few remarks, I support the Motion as amended.

The Temporary Deputy Speaker (Mr. Khamasi): It is now time for the Government to respond.

The Assistant Minister, Office of the President (Mr. Tarus): Thank you, Mr. Temporary Deputy Speaker, Sir. I wish to respond, on behalf of the Minister for Agriculture. May I begin by supporting this Motion and thanking Mr. Khamasi for coming up with this very, very important Motion. I am also happy that the House has made some amendments to the Motion to ensure that both sides of the House are included in that Select Committee.

Mr. Temporary Deputy Speaker, Sir, this Motion is, indeed, a contribution towards the improvement of the lives of Kenyans. Kenyans are interested to know how their state of economy has been driven previously. They especially want to stop continued suffering. I am glad that the hon. Member, while moving the Motion, gave a presentation on the ownership, funding and shareholding of this particular factory. This is one case among many in the country of factories that never saw the light of day as a result of mismanagement, corruption and poor governance.

It will be of interest, to the Government, to know--- I hear some hon. Members mentioning that there are reports by the Public Investments Committee (PIC) on this particular factory. It will be the interest of Kenyans to know whether the shareholding was downgraded, the manner in which it was disposed and whether the Government benefited from those funds.

Secondly, Kenyans would like to know whether there were any steps taken or attempts made to revive the factory. This will be, indeed, a very important report. I hope the Committee will be able to come up with appropriate recommendations that will see how this particular factory will be revived.

Mr. Temporary Deputy Speaker, Sir, the other issue that we wanted to consider is that as a Government, having taken performance contract now as a method to push the economy forward, we hope that this will be done very fast. By so doing, it will allow the Ministry of Agriculture to enlist this factory as its priority for revival so that the economy or the livelihoods of the people who benefit from this economic activity may be improved.

This is neither the first case nor the last one. The route the Kenya Seed Company went seems to be the same route this factory took. The Kenya Co-operative Creameries (KCC) and the Kenya Farmers Association (KFA) seem to have also gone the same way. I think we also need, as a Government and hon. Members, to begin taking stock four or five years down the line, of what has taken place. Has there been a change in governance? When we talk of governance, this is a clear example of the impact of governance. If we have good governance right from the Ministry to the parastatal and up to the management of these factories, we will be able to be true representatives of Kenyans.

Mr. Temporary Deputy Speaker, Sir, that is why people elect governments. They elect them because they cannot all be there to see everything. They want representatives who will be able to be their mouth-piece and true custodians of public property. If this factory had been saved from the gallows of the corrupt, possibly, we would be having three or four other factories in that region related to this particular sector. This sector would have grown and, therefore, if that factory was employing 3,000 people, maybe, the same sector would be employing, possibly, over 30,000 people given that it was an investment of the 1970s. We must guard our investments. People must really know how they sacrifice generations. If you sacrifice an investment of Kshs300 or Kshs1 billion, what you will incidentally do--- As you accumulate wealth as one person, what you will incidentally do is that the 30,000 or so people who would have been employed by that same factory are paying for your wealth. This is so because they would be benefiting from that factory through

employment. They would also be investing the income they earn through their own graduation into wealth creation. Therefore, you sacrifice and suffocate the country. God forbid that these people should see leadership again!

I hope that as we go for elections at the end of the year, Kenyans will get a report card of each person. If you are seeking the presidency, you should bring your report card and tell us whether you are part of those who have destroyed the economy of this country. Let us not cheat ourselves! People hide behind tribalism but they do not think about the people. The Coast Province has borne the brunt of this type of leadership. If we talk about the milk factory, it collapsed. The cashewnut and sugar factories also collapsed. Where did those people who caused the collapse want the others to go? Where did that leadership want those people to go, except to slavery and hopelessness? So, I hope that when the Committee comes up with recommendations, as a Government, we would like them taken seriously so that we can change the lives of those people.

Mr. Temporary Deputy Speaker, Sir, with those few remarks, I beg to support.

Prof. Olweny: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to support this Motion.

I would like to start by congratulating Mr. Kibaki's Government for doing a good job of reviving a few factories. They have revived the KCC---

The Temporary Deputy Speaker (Mr. Khamasi): Order, Prof. Olweny! I want to bring to the attention of the House our Standing Order No.87. Having been sitting here for, at least an hour, we are flouting that rule. Do not repeat yourself and do not use material which has already been used on this Floor. Therefore, I would like to hear some new arguments being advanced as opposed to repeating what has already been used as material on the Floor of the House.

Proceed, Prof. Olweny!

Prof. Olweny: Thank you, Mr. Temporary Deputy Speaker. I had not even started my contribution. I had only started by praising the NARC Government for having revived some of the stalled factories, including the Kenya Co-operative Creameries (KCC) and the Kenya Meat Commission (KMC) and improving the management of some companies in this **[Prof. Olweny]** country. However, I blame the Government for one thing: Several companies, factories and organisations were brought down during the previous regime, but the current Government has not brought anybody to book. That is the issue that we are addressing here today. The people who brought down Ramisi Sugar Factory should be brought to book. Why did they do it? Under what circumstances did a few people decide to loot, sell or do whatever they did to Kilifi Cashewnut Factory?

Mr. Temporary Deputy Speaker, Sir, during the previous regime, several factories were brought down. One-and-a-half years ago, the Departmental Committee on Agriculture, Lands and Natural Resources, to which I belong, visited Ramisi where there used to be a sugar-cane factory. Today, there is no structure standing there. Someone decided to bring down everything. Every metallic thing that was there, including the mill, the building and the pipes were sold out as scrap metal. Someone brought down the factory and up-to-date nobody cares about Ramisi Sugar Factory. I think the land that was there has been invaded by squatters and nobody has cared to ask.

It should be the responsibility of this Government to open up some of those graves, bring out the corpses that are inside there and let us know who was responsible for looting Miwani Sugar Company, KCC, KMC and Kilifi Cashewnut Factory. I would like to congratulate the person who is running the cashewnut factory today. It is being run by Millennium Company and it is doing well. However, because of what happened previously, I do not think that factory is getting enough cashewnuts to process. The farmers who used to grow cashewnuts pulled out. So, this informs us that if a few people decide to bring down factories and companies, it affects the economy of the whole region. The economy of the Coast Province is now affected. The few cash crops that they

were depending on are cashewnuts, sugar-cane, coconut and sisal. Farmers there do not grow sugar-cane any more. Cashewnuts are almost gone because a few people decided to bring down the cashewnut factory. These people must be brought to book.

Mr. Temporary Deputy Speaker, Sir, some of the reasons why several companies and factories were brought down in this country are simply corruption and greed. The people who looted them were a greedy lot and they only wanted to enrich themselves. I really do not know where they have reached with all that wealth. Some of them are not very happy despite being very wealthy. These are the things we need investigated and the culprits brought to book. If you look around the country, for instance, Nyanza Province, we know that Miwani Sugar Company could be revived because the Government is doing all it can. However, we want to know who brought down Miwani Sugar Company. Some of the people who brought down that company are still doing their businesses there. If you go to the Kisumu Cotton Mills (KICOMI), the machinery there was all sold out. What is left are the buildings only. The same applies to the Kenya Breweries Limited (KBL) plant in Kisumu. Everything that was there was taken to Tanzania. What is left is just an empty building. These could be private companies, but if someone is transferring all these things to a neighbouring country, is that person not impoverishing Kenyans? I think we should have a law that prevents even investors from transferring such equipment to another country.

Mr. Temporary Deputy Speaker, Sir, we used to grow cotton in this country. Farmers stopped growing it when KICOMI collapsed and the ginneries brought down. In fact, some of the ginneries had their machinery looted. It is the same thing that was done to Ramisi Sugar Factory. We need such plunder to be investigated. The people who looted these companies and factories must be brought to book because what they did has really affected the economy of this country. Many Kenyans have become poor as a result of activities of just a few people. There were a few people in former President Moi's Government who were doing all these things and they must be brought to book.

Mr. Temporary Deputy Speaker, Sir, with those few comments, I beg to support.

The Temporary Deputy Speaker (Mr. Khamasi): Let us now hear from Prof. Maathai. You have only three minutes to contribute to this Motion.

Prof. Maathai: Thank you very much for giving me this opportunity to support this Motion. I would like to congratulate Mr. Khamasi for bringing this Motion.

I agree with much of what has been said by my colleagues. We need to get back to the very dark past where leaders exploited opportunities that they had been given by *wananchi*. We really need to commit ourselves in supporting small-scale farmers. The Kilifi Cashewnut Factory was built to sustain small-scale farmers and to give them an opportunity to support their livelihood. It is a shame that leaders looted and misappropriated such an important investment instead of sustaining it so as to support the small-scale farmers. This is also an issue of making it possible for our small-scale farmers to add value to their products. Cashewnuts, macadamia nuts, groundnuts and other types of nuts could be a major contributor to our economy, if we supported the small-scale farmers so that they can add value to their products.

I would like to support an initiative that was recently introduced by a joint effort between the Government of Japan and the Ministry of Trade and Industry. They are trying to encourage small-scale farmers to have one product in every village, which can be improved by adding value to it thus making it exportable. They have dubbed the initiative: "One village, one product." This is a very good initiative and it should be supported. I hope that the Ministry of Trade and Industry will support this initiative so that a lot of small-scale farmers can be assisted, especially cashewnut farmers who produce something that we normally do not use at the household level, but has a great value in the international market. People who have travelled to far countries and even locally will tell you that cashewnuts, macadamia nuts and other types of nuts have such a great value in the

market. If only we can support our farmers, then they will improve their livelihoods and reduce poverty. Indeed, this could be one way of fighting poverty and improving the lives of our people.

Mr. Temporary Deputy Speaker, Sir, as leaders, we need to challenge ourselves seriously. I know that the NARC Government is trying---

The Temporary Deputy Speaker (Mr. Khamasi): Prof. Maathai, please, complete what you are saying so that I can give the Mover of the Motion an opportunity to reply.

Prof. Maathai: Mr. Temporary Deputy Speaker, Sir, I was saying that as Government and leaders, we need to challenge ourselves to provide leadership to our people. In the whole world, the difference between the poor and the rich people is the kind of leadership that wananchi get from their leaders. If we truly want to reduce poverty in our country and improve the quality of our people's lives, it is incumbent upon the Government to provide the conducive environment, policies and leadership that will make that difference. If we continue to be leaders who prey on and exploit our people, then we will have nobody to blame, but ourselves. We will continue to lead in the list of poor nations in the world. I want to appeal to us---

The Temporary Deputy Speaker (Mr. Khamasi): Professor, your time is up!

Prof. Maathai: Mr. Temporary Deputy Speaker, Sir, with those few remarks, I beg to support.

The Temporary Deputy Speaker (Mr. Khamasi): I now call upon the Mover of the Motion to reply.

Mr. Khamisi: Thank you, Mr. Temporary Deputy Speaker, Sir. I would like to share my ten minutes as follows: I would like to give three minutes to Eng. Toro and three minutes to Mr. Chepkitony, so that they can air their views on this very important Motion.

The Temporary Deputy Speaker (Mr. Khamasi): Order, Mr. Khamisi! You know this is a matter we discussed in the Chairman's Panel. Once a Mover is called upon to reply, he or she replies responding to various issues raised during the debate. You do not raise any new issues! What you are trying to do is get the debate on the Motion to continue. We are going to stop that.

Mr. Khamisi: Thank you, Mr. Temporary Deputy Speaker, Sir. I wish to congratulate my colleagues for their support of this very important Motion. It is not only important to the people of Kilifi and the Coast Province, but also to the entire nation.

Mr. Temporary Deputy Speaker, Sir, cashewnut is a very important agricultural crop in this country. It is an export commodity. Today, many people in the United States of America (USA), India and Europe have an opportunity of sampling Kenyan cashewnuts in their very best. I congratulate the Government for supporting this Motion and the amendment as proposed by Mr. Muturi.

Mr. Temporary Deputy Speaker, Sir, I want to assure this House that we have listened and noted the views and comments made by hon. Members. All this will be taken into consideration when we, as a Select Committee, sit down to dwell into this issue.

Mr. Temporary Deputy Speaker, Sir, I also want to assure this House of quick delivery of the report of this Select Committee so that the country can then move ahead. After this the people from the Coast Province can start to realise the benefits of agriculture.

Mr. Temporary Deputy Speaker, Sir, it is also important to note that this can go along way in supporting the Vision 2030.

Finally, the Motion is very timely. As you may remember, a few months ago, I brought a Motion to this House. I was given permission to draft a Bill that would provide an authority to govern the production, promotion and marketing of this product. So, as we move into looking into this issue, I also hope that the Government will expedite the processing of that Bill. The Bill would then be brought to this House to enhance the agricultural development of the people from the Coast Province.

With those few remarks, I beg to move.

*(Question of the Motion as amended
put and agreed to)*

Resolved accordingly:

THAT, due to the mysterious circumstances under which the Kenya Cashewnut Factory in Kilifi was closed down in 1998 and noting that its machinery and equipment were sold off without regard to value for money; this House resolves to establish a Select Committee to investigate and report on the circumstances that led to the collapse of the factory and to determine whether those who were involved could be apprehended, prosecuted and any property illegally acquired from the company recovered and further that the following be Members of the Committee:-

1. The Hon. Joe Khamisi, MP
2. The Hon. Lucas Maitha, MP
3. The Hon. P.K. Sang, MP
4. The Hon. J. Ojode, MP
5. The Hon. A.A. Bahari, MP
6. The Hon. W. Osundwa, MP
7. The Hon. Dr. N.N. Shaban, MP
8. The Hon. Zaddock Syongo, MP
9. The Hon. N. Balala, MP
10. The Hon. M. Mukiri, MP
11. The Hon. M.K. Waithaka, MP

The Temporary Deputy Speaker (Mr. Khamasi): Next Order!

A BILL TO ESTABLISH DRUG AND
SUBSTANCE ABUSE CONTROL AUTHORITY

Ms. Abdalla: Mr. Temporary Deputy Speaker, Sir, I beg to move the following Motion:- THAT, aware of the damage caused to the youth through use of drugs and other chemical substances; aware further that the National Agency for the Campaign Against Drug Abuse (NACADA) was not established through an Act of Parliament; this House grants leave for introduction of a Bill for an Act of Parliament entitled "the Drug and Substance Abuse Control Authority Bill" in order to establish an authority that will be responsible for policy formulation, implementation, monitoring, enforcement and the development of regulations related to drug and chemical substance abuse.

Mr. Temporary Deputy Speaker, Sir, drug problem in Kenya is deepening every single day. As early as 1984, psychiatrists meeting in Nairobi, Kenya, declared that drugs and substance abuse in Kenya was a time bomb waiting to explode. At that point, we were only talking of alcohol, cigarettes and, probably, *cannabis sativa*. Currently, the range of drugs has extensively expanded. The situation may have exploded in some regions of Kenya such as Malindi, Mombasa and Eastlands in Nairobi.

Mr. Temporary Deputy Speaker, Sir, a study of drugs used between children aged 11 years to 24 years, indicate that 61 per cent of children in that age group have experimented with alcohol;

58 per cent with cigarettes while 21 per cent have experimented with *bhang*.

Mr. Temporary Deputy Speaker, Sir, the effects of these drugs are telling in all sectors of our society; from women in Kangemi campaigning against alcohol dens to the cocaine haul captured within our borders. Unregulated drug rehabilitation centres are springing all over the country. This is because of the demand for rehabilitating drug and alcohol addicts.

Mr. Temporary Deputy Speaker, Sir, the effect on our economy can only be compared to the effect of HIV/AIDS pandemic. Drugs target the same population segment. As we all know, Kenya is a young nation and should we allow diseases and drug addiction to affect that growing population, it means we are destroying the future of our country. The supply of drugs has increased in our country.

In fact, in this country, drugs are the only products that can be said to have been affected by the purported growth in our economy. You have noticed that we are now seeing more cases of people being caught with *bhang*. The reason for this is that, whereas in the past you needed a few kilogrammes of *bhang* to make a living as a drug peddler, you now need several tonnes to make the same amount of money. There is intense competition from prescription drugs that are giving serious competition to *bhang*. It only takes Kshs50 to get two tablets of sea drug that is said to cause triple the effect that *bhang* can cause. The supply has definitely increased and, therefore, the price of the drugs has also gone down and it is much easier to get them.

Mr. Temporary Deputy Speaker, Sir, the other reason is that we do not have a structured and co-ordinated approach to the fight against drugs. At the moment, there are 13 Government institutions involved in the fight against drugs. These include the Anti-Narcotics Police, the Immigration Department, the Customs Department, the Forest Department among others. Since there is no co-ordination among those players, we end up having an un-co-ordinated approach. In the end, the supply and demand keeps going up. Therefore, there is need to deal with the supply and demand through increasing co-ordination among the players who are working in the sector.

Mr. Temporary Deputy Speaker, Sir, the effects of drug abuse have also been felt in the area of security. Studies have shown that over 70 per cent of those arrested for crimes such as robbery with violence, rape and so on are said to be drug abusers, especially *bhang*. Unless we take this matter seriously, the situation will get much worse than it is today.

There are those who think that this proposed Authority will have conflict of interest with the NACADA. Let me assure them that the responsibility for NACADA is merely to campaign against drug abuse and not to monitor and co-ordinate the activities of those institutions that are supposed to deal with the control of supply and demand of the drugs within the country. Perhaps, the only area of success that this Government has been able to push in the area of drug abuse is when they used the Weight and Measures Act to ensure that children do not get access to alcoholic drinks in sachets.

*[The Temporary Deputy Speaker
(Mr. Khamasi) left the Chair]*

*[The Temporary Deputy Speaker
(Mr. Wambora) took the Chair]*

Mr. Temporary Deputy Speaker, Sir, the laws to govern drug use and drug abuse exist but the problem is enforcement. Further, the activities of those agencies involved in the control of drugs are so haphazard that should there be any international information on a drug haul heading to Kenya, there is no one single institution that can receive that information. For example, it is in the public domain that regarding the famous Kshs6.4 billion cocaine haul that was captured, the

information had gone to one agency, the Interpol, who did not share it with the Immigration Department. In the process, those containers were cleared and had to be followed to where they were eventually captured. So, that international dimension of dealing with drug control has not been dealt with.

Mr. Temporary Deputy Speaker, Sir, I wish to be very brief and highlight what this Authority would be doing that is not being done at the moment. The first area is that the Authority would be working to ensure that there is information on the different legislations that exist and which are related to drug control and abuse. In that area, it is going to deal with matters of supply and demand reduction. This is partly what we hope will increase the number of Kenyans who are aware of the different legislation that they would be breaching if they were caught trafficking drugs. That is the area of ensuring that the laws are known by everybody and that where there are gaps, they would be filled through research and lobbying so that the laws would be covered.

The other area that has been well covered by NACADA is the area of preventive education and public awareness. I think that, that should be strengthened so that we are able to make the public more aware of the situation. As I had mentioned earlier on, with regard to the area of international relations and liaison, Kenya has not been pro-active in their co-operation with international bodies dealing with drugs.

All we do is to wait to be told that there is something that is going to pass through your porous borders, airports or seaports. We are not pro-active and that cannot be undertaken by a mere agency in the Office of the President without a legal backing.

Mr. Temporary Deputy Speaker, Sir, the other area that is really wanting is the area of treatment and rehabilitation of alcoholics, drug addicts and others. Drug use is a serious and very big business in this country. Treatment is also becoming big business. But, the abuse of drugs is not confined to those who can afford treatment. Our Government has not been able to develop treatment centres for our youth who are being destroyed by drugs. Recently, I heard that Mathare Mental Hospital has a rehabilitation centre. My knowledge of the drug users who have been going to Mathare Mental Hospital from Eastlands is that they reach the stage of going to Mathare Mental Hospital when they are beyond help. Most of them are treated as mental cases.

The situation in the coast region is that many Community Based Organisations (CBOs) or Non-Governmental Organizations (NGOs) are establishing rehabilitation centres that do not have formal and acceptable rehabilitation strategies to use on the users. So, in the end, we have a lot of people dying from addiction related symptoms that they would not have otherwise gone through if those rehabilitation centres were formalised and given support so that they could use the right mechanisms to assist the addicts.

As I mentioned earlier, there are 13 institutions working in this sector. All of them work in isolation. So, the issue of working on controlling drug abuse in the country is everybody's business, yet nobody is responsible for that business. So, it is nobody's business. This research, policy development and training would, for example, look at the national drug control policy that is in existence, but which very few people know of, and would be able to convert them into training models that would assist those working in the sector. For example, our researchers in our public universities have done a commendable job of researching into the prevalence of drug abuse throughout the country. They have, for example, shown that the situation that was only an urban phenomenon is now wide spread in the rural areas, and that is why you have situations in Murang'a and other places where young men are not productive any more, because of abusing some new forms of alcohol that is very potent. Therefore, this component will assist in an area that we have been working in, in isolation. The researchers in the universities are filling shelves with information that we should be turning into policy and action plans, but we are not doing so.

Mr. Temporary Deputy Speaker, Sir, the other area is publication and reporting. As I

mentioned, a lot of the research that has been done may not be in a form that is accessible. We need to change it into reports and publications that are more palatable to the general public for them to understand and assist us in addressing the problem.

Mr. Temporary Deputy Speaker, Sir, we will also be looking at the issue of the structure of this authority. Because drugs are big business, the dealers have big pockets into which they put people. It is for us to ensure that the people who will manage this authority will be people of high integrity. We will be proposing in that Bill that the persons charged with dealing with the management of the authority should be people who have been vetted by this House, so that we are able to increase credibility in this area.

Mr. Temporary Deputy Speaker, Sir, besides making sure that the board is one that is manned by highly trustworthy people, we will further be urging the House to look for a way of ensuring that the independence of that body is secured through increasing the possibility of it getting funding probably directly from the Consolidated Fund.

The issue of co-ordination is extremely serious, in that there is some legislation that has been passed calling for bodies that would assist in the fight against drug abuse. Some of it calls for a board that would look into the modules and programmes that drug rehabilitation centres should cover. Such a board was supposed to be established through the Ministry of Health. It has not been established for over six years since that legislation was passed by the House. Those are some of the things that we are hoping will change the face of the drug problem in our country.

Mr. Temporary Deputy Speaker, Sir, since I mentioned that the Motion today is just seeking leave to allow me to bring a Private Member's Bill for creation of the proposed authority I wish to end there and ask my colleague, the hon. Syongo, to second the Motion.

I beg to move.

Mr. Syongo: Thank you, Mr. Temporary Deputy Speaker, Sir. First of all, I want to thank the hon. Abdalla for giving me the opportunity to second this Motion. Secondly, I want to say that the substances that we are talking about can, broadly speaking, be categorised into illegal and legal ones. But whether they are legal drugs and substances or illegal, the effect of their consumption is the same, in the sense that they are all destructive to the mind and the body. The only difference is the intensity and the time it takes a particular type, whether legal or not, to destroy and get the consumer addicted to it.

Mr. Temporary Deputy Speaker, Sir, I would like to say also that, indeed, no country in the whole world has been able to actually ban the production and consumption of some of these drugs and substances. Even the mightiest nation in the world, the USA, has completely failed to completely stop the production and consumption of drugs and substances. So, obviously, we want to dismiss the possibility of anybody thinking that we are aiming at stopping the production and consumption of drugs. A young country like Kenya cannot succeed where a big nation like the USA has failed. The focus, therefore, of the proposed Bill will be on the control, regulation and management of the production, distribution and consumption, including advertising or publicising, this particular category of products.

Mr. Temporary Deputy Speaker, Sir, I also want to say that some of these products, dangerous as they are, are actually used in our societies for cultural reasons. In many of our communities alcohol, for example, is used at weddings, circumcision ceremonies and so on. So, they are actually used in certain areas in a controlled manner for cultural reasons. Some are also even used for medical reasons. But the real problem is the abusive use of these products. That will be the focus of the intended Bill.

Mr. Temporary Deputy Speaker, Sir, when Parliament enacts a good piece of legislation, and it is implemented, it works to achieve its intended objective. The hon. Abdalla has just alluded

to the amendment under the Weights and Measures Act, which I was privileged to move in this House about 18 months ago, just increasing the minimum pack size of alcoholic beverages sachets from the sachets of 50 and 100 millilitres to 250 millilitres in non-collapsible containers. This has drastically reduced the abuse of alcohol by school children. Teachers are now able to detect when children have them, because they cannot hide them in their socks and under their exercise books as they used to. Even parents are able to detect when their children have these products. I want to urge this House, therefore, that we look at this intended Bill positively. In fact, if it is prepared properly, passed and implemented, it can achieve the intended purpose, which is to control and manage the production and use of these products.

Mr. Temporary Deputy Speaker, Sir, these products, including alcohol and tobacco, have three unique characteristics. First of all, unlike any other product, they actually alter the state of the mind of the consumer almost instantaneously. There lies the first danger of these products. Secondly, they destroy very vital organs of the human body, including the liver, the lungs and the brain. In many cases, they actually even render men impotent and women frigid, thereby going against the basic call of nature, which is, as God commanded, that we produce and fill the world with His good creations.

The third characteristic is that their consumption actually leads to addiction. Hardly any other product does that. You only need water when you are thirsty. But use of this particular category of products actually leads to addiction. So, by actually encouraging their consumption, in some cases for just about three months, the user becomes a prisoner of these products, and a prisoner, therefore, of the supplier of these products. It is terrible for anybody to be a prisoner of another person. Consequently, we have seen, as hon. Abdalla has indicated, serious behavioural change in the consumers of these products. The many road accidents we now have in this country are, in fact, largely attributed to alcohol abuse, and to abuse of other substances such as bhang, heroine and so on. Consumption of these drugs impairs the judgement of their users. The high rates of domestic violence, rape and even incest are largely traced to abuse or consumption of those products. The crime rate and the reckless use of small arms - hardly a day passes by before we hear somebody has been carjacked and shot for no apparent reason. No human being enjoys killing another human being. Some of those criminals are very young children. They kill because they cannot make good judgement.

There is also the issue of irresponsible sexual behaviour that was alluded to, and the destruction of the very vital organs of the human body. Those are very serious matters. This House, therefore, cannot ignore its responsibility. It has a responsibility to society.

This country, on average, invests between 35 per cent and 40 per cent of its total annual revenue, both at the family level and the Government level, on the education and development of the human resource for this country. As a result, we are now seeing an increasing number of Kenyans going to work abroad and earning this country enormous amounts of foreign exchange. We are also becoming a centre of excellence on knowledge-based industries. That is because of the investment that we are putting on the human resource of this country. But unless we manage the consumption of drugs and substances, all those investments will be reversed completely, if not cancelled altogether. Here lies a very significant danger that we must address through this proposed Bill.

Mr. Temporary Deputy Speaker, Sir, why an Authority and an Act of Parliament? We need an Authority and an Act of Parliament to co-ordinate what has already been set. There are various Acts which need to be harmonised to spearhead proper implementation and monitoring as required by the law. More so, the suppliers, including producers of those products, are extremely powerful institutions. Those who manage them are extremely powerful individuals. We need an Authority which is established by an Act of Parliament, with commensurate resources and legal backing, in

order to match and counter the suppliers and manufacturers of those drugs.

Mr. Temporary Deputy Speaker, Sir, I urge this House to look at this issue in that context, and support this Motion. That way, we can, in the shortest time possible, bring a Bill that will help this nation to regulate and manage the production, distribution, advertising as well as subsequent consequences of drug consumption and abuse.

Mr. Temporary Deputy Speaker, Sir, with those remarks, I beg to second.

(Question proposed)

The Assistant Minister for Roads and Public Works (Eng. Toro): Thank you, Mr. Temporary Deputy Speaker, Sir. I rise to support this Motion, and also congratulate Ms. Abdalla for bringing this Motion, which seeks to create an Authority to deal with drug abuse. I totally agree with her that the National Agency for the Campaign Against Drug Abuse (NACADA), which has no legal authority although it is supposed to deal with drug abuse, has not been able to succeed in many ways.

Mr. Temporary Deputy Speaker, Sir, when we talk about drug abuse, some people might think that it may be the preserve of the poor. That is because when we go to the rural areas, we find that *bhang* and *kumi kumi* are consumed there. But, as far as drug abuse is concerned, no one is spared, from the top to the bottom. Those with enough money go for hard drugs, which are more expensive. Those with little money go for cheap drugs. But the effect is the same - the destruction of our youth.

Mr. Temporary Deputy Speaker, Sir, recently, the Government launched the Youth Enterprise Development Fund (YEDF). Eventually, that Fund will be increased. It will be a very sorry state of affairs in Kenya when the money is there for the youth but they cannot use it. Drug abuse in Kenya is not for the illiterate. Drug abuse is prevalent among the young people who have gone beyond Form IV. In secondary schools, there is not much drug abuse. The people whose welfare the YEDF wants to improve are those in their 20s and early 30s, who are susceptible to drug abuse. Those are the people with the brains. Once somebody partakes of drugs, it does not matter how bright they are. They end up being "cabbages". Any attempts to show them how to create wealth will be useless.

Mr. Temporary Deputy Speaker, Sir, maybe, the Mover might want to consider a proposal because I do not want to propose an amendment at this stage. Since NACADA has been in existence and many people in Kenya are aware of it, she should consider having a NACADA Authority Bill instead of giving it another name. The effect will be same. If we could move from the known, people might appreciate what this Bill is all about. If we give it another name, it will take time for people to realise the impact of the proposal by the hon. Member. However, if she considers, before the close of the debate, to use the name that Kenyans know--- NACADA has been trying against all odds to fight drug abuse, but it has failed. If it can be given "teeth" through an Act of Parliament, it will be a good idea instead of using another name.

Mr. Temporary Deputy Speaker, Sir, while formulating the Bill, because I am sure we will pass this Motion, the proposed Bill should address one critical issue; that of law enforcement. We pass Bills here and we end up looking like we have failed. Once a Bill is assented to by His Excellency the President, it becomes an Act. The enforcement of that Bill is another issue. The police have failed to enforce various laws that are in existence. It is not because we do not have laws as the Mover has said. We have other laws, even some which can be used to curb drug abuse. But the enforcement of such laws needs to be addressed in this particular Bill. Do we entrust the current Police Force to enforce this law, if it becomes effective? Do we create, in the Bill, a special force to deal with drug abuse?

Mr. Temporary Deputy Speaker, Sir, when Mr. Syongo was seconding this Motion, he said that we might not succeed where America and Britain have failed. As Kenyans, let us not underestimate ourselves. We can also show Britain, America and the West that we can also succeed where they have failed. I do not agree with the Seconder that we have lost control. We can tell Americans and the West that Kenya can succeed. That is what we should aim at. That is what I would like to request the Mover to do. She should ensure success where other countries have failed. These countries can then come to Kenya and learn from us. We do not have to keep on learning from them. This is why we are failing. Let them also come and learn from us, that we are succeeding where they have failed. So, these are the issues that the Mover should be able to address on the success of fighting drug abuse.

Mr. Temporary Deputy Speaker, Sir, we have all been moved by cases where people have died and some have become blind after taking illicit alcoholic drinks like *kumi kumi* and *kuona mbee*. All these drinks are drugs in the form of alcohol. So, the Bill should also address the time when alcohol stops being for human consumption and becomes a drug. This is because we need to differentiate between the normal alcohol which is drunk by some of us in moderation and which is harmless and the one that is taken, but destroys the human mind, sight, *et cetera*. That should come out clearly in the Bill.

We have manufacturers of various types of alcoholic drinks. We know that they hide behind the law and they cannot be prosecuted. This has been tried even in Central Kenya and parts of Eastern Province, where the Provincial Administration had even moved to withdraw licences from the suppliers and retailers of these alcoholic drinks, but these people went to court. In turn, the courts had no powers to enforce the orders of the Provincial Administration because there is no law that specifically tells the courts what they should do. So, these are the issues that should be addressed in the Bill, to give the police and the Provincial Administration powers to confiscate anything that is destructive to the youth or human beings. Right now, we do not have it and this why the National Agency for the Campaign Against Drug Abuse (NACADA) has also failed. This is where police have also failed.

Mr. Temporary Deputy Speaker, Sir, these are very weighty issues for this country because the way we are going, everybody will be subject to destruction by these drugs. As I said in the beginning, nobody will be spared. When our children go out, they meet their peers in clubs and entertainment joints and they end up being introduced to hard drugs. It starts by them experimenting since they are excited, but then one thing leads to the other. Before you realise it, you find your son or daughter is already taking the hard drugs.

Mr. Temporary Deputy Speaker, Sir, I also sympathise with young ladies because some naughty people lace their drinks with some substances without their knowledge and eventually we find innocent ladies being introduced to drugs against their will or their knowledge. So, these are the issues that we need to address. As the Mover said, there is nowhere in Kenya where we can address the issue of rehabilitation of drug addicts and alcoholics. Once we establish those centres, then we will be able to address certain issues that are already in existence when trying to prevent other cases from occurring.

With those few remarks, I beg to support.

Dr. Ali: Thank you, Mr. Temporary Deputy Speaker, Sir for giving me the opportunity to contribute to this Motion. I also wish to congratulate the Mover of the Motion, because it is timely. There are a lot of problems in this country. Specifically, drug abuse problems are on the increase everyday. The National Agency for the Campaign Against Drug Abuse (NACADA) has done a good job. But, of late, it is going down. It looks like it was active only during the tenure of the former National Co-ordinator, who was very active. He was able to bulldoze everything and run to every department in the Government. But, of late, things are quiet. Even the person who is

currently in charge is not as well known. Therefore, possibly, for the time being, as we await the appropriate Bill to be brought to the House, the Office of the President should strengthen the NACADA, and help the person in charge - I think she is a lady - to do the job. Mr.

Temporary Deputy Speaker, Sir, alcohol and cigarette industries are very big businesses. It is not easy to deal with them or just brush them aside. These are international organizations which have harassed people all over the world. If you interfere with their businesses, they fight back big. They even have lobby groups, as some of the hon. Members are aware, in the Executive; Ministries and Government offices. They give out money to make sure that whatever they want is done. If anybody tries to interfere, he or she is pushed aside. They even blackmail the Government by saying that because they pay huge taxes, there should be no laws to curb the use of their products. I hope when the appropriate Bill to check the use of their products is drafted, the Government will not dilute it and make it useless and ineffective, and in the long run be of no consequence to the people of this country.

Mr. Temporary Deputy Speaker, Sir, acknowledging that the Government gets some revenue from the alcohol and cigarette industries, and also considering their disadvantages, I think we will even be forced to close those factories for a day. What do these products cause? How many man hours does one waste when he or she is drunk? You do not even know where you are going. If you were in your normal health status, what would you have done? How many other productive jobs would you have done? These are the things that we need to educate our people on. The number of people who are killed and maimed through road accidents because of drunken-driving is alarming. Likewise, the number of people who turn out to be unemployed and those who lose their jobs because of drunkenness is also on the rise. These drugs cause a lot of problems in this country.

Mr. Temporary Deputy Speaker, Sir, there is one drug which nobody has mentioned here, yet, it is giving us a problem also. That is something called *miraa* which is grown in this country. It is causing problems in some parts of this country. For the adults who chew it, they can control themselves. But there is no law concerning *miraa*, as to who is supposed to sell it or who it is supposed to be sold to. Even a small child can just go to a vendor and say: "I want a kilogramme of *miraa*," and nobody will stop him.

An hon. Member: It acts as a birth control device!

Dr. Ali: An hon. Member, who is a friend of mine, is telling me that it helps in family planning---

So, even *miraa* should be controlled. Its side effects and problems might not be as bad as those of alcohol, but everything, when overused, causes problems. We can control the sell of alcohol to children through packaging and bottling, but what about *miraa*? They can put it anywhere. It is causing problems because very young children are being introduced to it. Every place is now becoming a bar. But in North Eastern Province, when people became addicts in the olden days, they used to be sent to the bush to go and drink camel milk. But of late, nobody wants to go to the bush. The unfortunate thing is that all the money coming from *miraa* and which mainly goes to Meru North District also goes to the brewery. So, this is a very sad affair. People move on from one drug to another one. So, this thing should be controlled and the money be used for other purposes.

Mr. Temporary Deputy Speaker, Sir, there is, of course, also cocaine and heroin, which are on the rise, especially at the Coast and in Nairobi. It is really becoming a problem because these are very serious drugs. As Eng. Toro said earlier, some of the young girls and boys misuse these drugs and they engage in irresponsible sexual behaviour. This country has a big problem. If we cannot stop the sniffing of glue, then we have a lot of work to do and it is not easy. But if there is commitment, the Government and Kenyans are ready to do their part because the Government

alone cannot do everything, we can overcome this problem. So, this is a job which requires every Kenyan to get involved and help to make sure that our children are safe in the future.

The irresponsible sexual behaviour is even worse than most of the things caused by drugs; it causes HIV/AIDS, Hepatitis B and a lot of sexually transmitted diseases. We have heard of children aged nine years who have given birth at the Kenyatta National Hospital! If we can have a nine-year girl give birth because of drugs, then I think that this country should think about the future of its children.

Thank you, Mr. Temporary Deputy Speaker, Sir.

I beg to support.

Mr. Khamasi: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me a chance to contribute on this very important Motion, which has been ably presented by hon. Abdalla. I think that it is a very important subject in this country and which requires a lot of attention.

Mr. Temporary Deputy Speaker, Sir, I agree with the Mover that we need to have a proper legal framework to deal with drug abuse in this country, but I have a problem. I believe that in the present legal framework, there are enough instruments to be used to deal with drug abuse. Are we using what is available in our law books to deal with this matter? Are the anti-narcotic enforcers doing what they are supposed to do so that they can deal with this matter effectively? It is one thing to introduce a Bill to this House because it will have the support of all the hon. Members and it will go through, as usual. But then, to what extent will it be implemented? This is where the problem is.

Mr. Temporary Deputy Speaker, Sir, the question of narcotics in this country is not a matter that is new. If you asked the law enforcers, particularly the authorities who have been given the mandate to look after drug abuse, they know what goes on in every place in this country, particularly in urban areas like Nairobi. They know where our youth go to smoke bhang. They know the dens. They know where *chang'aa* and *kumi-kumi* are sold. When the police arrest people having substances like heroin, by the end of the day what is produced in court as exhibits is a mere, tiny fraction of what was impounded. Where does the rest go? I am wary that as much as we want law introduced in this country, do we have the capacity and the will to implement it?

Mr. Temporary Deputy Speaker, Sir, I know for sure that there are some areas in this City where even if you leave this House now and go there, you will find a huge number of youths sitting and consuming these drugs. It is very unfortunate that as much as we may put law into place, the question of implementation remains our biggest problem.

Recently, my nephew of school going age, for one reason or the other, had problems. He went to a chemist and came back and told me that he had been sold a few tablets to keep him sleeping. This was done across the counter without any prescription. This is terrible abuse. Once people get hooked to such drugs, it is an abuse. I do not think we have the muscle to control chemists against supplying dangerous drugs like the ones which my nephew was sold over the counter. A law should be put in place to ensure that we have strong regimes in our schools. It is our future generation that will go to waste.

Mr. Temporary Deputy Speaker, Sir, what is the Government doing against industries that are processing illicit spirits that are very harmful to our people? They process these spirits in very huge amounts. It has been proved beyond any reasonable doubt that these spirits are dangerous. In my view, these are dangerous drugs. They are being processed in the open, in the full knowledge of the Government and very little has been done. It is, therefore, necessary for us to use the already existing law to ensure that the abuses that are going on are regulated, checked and something is done about them. It is our schools and colleges which have taken the brunt of the use or abuse of drugs. Therefore, the faster we move to deal with these issues, the better.

I want to encourage the Mover of this Motion and tell him that as soon as this Motion is passed in this House, he should move very first to bring this Bill to the House. I know the

Parliamentary Service Commission (PSC) is hiring a good number of lawyers who can be able to support and help the hon. Members in drafting Bills. Therefore, this is a matter that should be looked into very critically. The Mover can contact that particular department to make sure that she gets the right legal advice and assistance, so that the proposed Bill can be brought to this House to be passed into an Act of Parliament.

Thank you, Mr. Temporary Deputy Speaker, Sir.

The Assistant Minister, Office of the President (Mr. Munya): Thank you, Mr. Temporary Deputy Speaker, Sir. I would like to take this opportunity to support this Motion. I would like to thank Ms. Abdalla for bringing the Motion to this House, and assure Dr. Ali that the Government will not water down the proposed Bill. The Government will, actually, seek to strengthen the Bill, because it is in the best interests of the Government that we have a drug-free society.

Drugs are very bad for the country and for our youths. In fact, in some countries, drug money has been known to bring down governments. Drug money has been known to subvert even national policies and influence national politics to the wrong direction. So, it is in the best interests of our Government to support this Motion, and work with the hon. Member who has brought it, so that we can have the best Bill that will enable us to tackle the problem of drugs in this country.

*[The Temporary Deputy Speaker
(Mr. Wambora) left the Chair]*

*[The Temporary Deputy Speaker
(Mr. Khamasi) resumed the Chair]*

Mr. Temporary Deputy Speaker, Sir, as the Mover pointed out, we have many institutions which are involved in the fight against drugs but, because of lack of a legal framework, their activities are not well co-ordinated and synergised, so that we can have the best effects from the war against drug abuse. The National Agency for the Campaign Against Drug Abuse (NACADA), which is a body within our Ministry, mainly deals with education against the use of drugs and substance abuse. It mainly co-ordinates a national campaign to educate the youth on the problems of drugs and the need not to get involved in drug abuse. It is also involved in policy formulation.

Right now, the agency is busy working on a Sessional Paper on drug use and abuse. Right now, it is in a workshop, whose intention is to come up with a Sessional Paper that will make the policy on drugs clearer than it is now. Due to lack of a legal framework, NACADA does not have the teeth that it requires to bite properly, and be able to deal with the challenge of drugs. The Police, Immigration, Customs and Judicial Departments, deal mainly with the legal aspects, when crime has already been committed. You only see the Police and Immigration Departments come in when people have brought in drugs. The Judiciary comes in when criminals are taken to court. So, we do not have the preventive aspect in dealing with drugs to ensure that they do not get into the country, get released to young people and mess them up. This is the aspect we now want to strengthen.

As I have said, the main challenges we are facing include lack of a legal framework through which to strengthen NACADA and give it power to co-ordinate the war against drug abuse.

Mr. Temporary Deputy Speaker, Sir, the law should clearly categorise drugs and name all the things that we call drugs. Even medicinal substances that have medical value should also be defined and named in the new law. That way, we will know how to handle them. We will know what to do when they are misused. That is when they are not used for intended purposes.

Mr. Temporary Deputy Speaker, Sir, we also need to subscribe higher penalties for drug dealers and those who bring drugs into this country. If you go to countries like Malaysia and

Singapore, possession of drugs is a capital offence. They identified drugs as one of the biggest challenges to their national security and made it a capital offence. Anybody found with drugs knows that he or she will be hanged. We need stiffer penalties because our legal framework is still weak to deal with offenders. The real problem is not the young people who are lured into it. Those are just victims. Victims are not supposed to be taken to jail. They are supposed to be rehabilitated. So, we need stronger penalties to deal with people who make money from drugs.

Mr. Temporary Deputy Speaker, Sir, the other challenge that we are facing is the rehabilitation of victims. We do not have institutions that are set up and supported by the Government to rehabilitate drug victims. The victims are left on their own to make private arrangements. Those victims who are poor and cannot afford to pay those expensive institutions involved in rehabilitation are left to die on their own. So, even if we go on with education and campaigns, if we do not have national institutions to rehabilitate the youth and bring them back to society, we will not succeed. We should have a follow-up programme to ensure that victims do not go back to drug abuse. The temptation to go back is always there. There must be some institutions to follow them up and ensure that they are fully rehabilitated. That is the only way we can win the war against drugs. We need to put more money there. We also need national institutions that are publicly funded by the Government to deal with drug abuse.

Mr. Temporary Deputy Speaker, Sir, we also need to deal with the cultural issue of tolerance. There are some cultures that tolerate drugs. Some societies even treat marijuana as a good substance to use. So, we need to deal with such aspects to ensure that our cultures do not tolerate drugs. That way, we will see drugs as the real enemy of our people.

Mr. Temporary Deputy Speaker, Sir, we also need to deal with corruption. Many drug dealers have a lot of money. They influence the Judiciary. They get off with very weak penalties. There are a lot of rumours - and, sometimes, rumours are true - that there are people in the Judiciary and the business community who are "stinking" rich! We all know that the source of their money is drugs. We see magistrates who become rich overnight! Where do they get that money when their salaries are very low? Judges are becoming multi-millionaires! Where do they get all that money? Big houses are coming up! That is drugs money. Those riches are fuelled by drug money. We need to address that issue. That is why the National Agency for the Campaign Against Drug Abuse (NACADA) needs "teeth", so that it can identify the sources of corruption within the Judiciary, Police force, Customs Department, Immigration Department and deal with loopholes that let drugs in. We also need NACADA to co-ordinate the international effort to fight drug abuse, so that we cut it at the supply level. Demand, actually, increases supply. So, if we rehabilitate the youth and stop them from taking drugs, we will bring the supply down. If you bring down supply-- Drugs come from other countries. In fact, Kenya is mainly used as transit point. Drugs come from countries like Pakistan, Afghanistan, Columbia and even richer and industrialised countries in North America and Europe. So, if we can launch an international effort and fight drugs where they come from, the demand will also go down. If you deal with supply, demand goes down. If you deal with demand, supply also goes down. There will be nobody to buy them. If we do that, we will be able to fight that big menace called drugs, which is a big business in the world these days. We know that money injected through drugs can even subvert a national economy.

With those few remarks, I beg to support.

ADJOURNMENT

The Temporary Deputy Speaker (Mr. Khamasi): Order, hon. Members! It is now time to interrupt our business. The House is, therefore, adjourned until this afternoon at 2.30 p.m.

The House rose at 12.30 p.m.