

NATIONAL ASSEMBLY

OFFICIAL REPORT

Tuesday, 13th June, 2000

The House met at 2.30 p.m.

[Mr. Speaker in the Chair]

PRAYERS

PAPERS LAID

The following Papers were laid on the Table:-

2000/2001 Estimates of Recurrent Expenditure of the Government of Kenya for the year ending 30th June, 2001.

2000/2001 Estimates of Development Expenditure of the Government of Kenya for the year ending 30th June, 2001.

(By the Minister for Finance)

The Report of the Departmental Committee on Defence and Foreign Relations on the Fact-finding Mission to Sierra Leone.

(By the Chairman)

NOTICE OF MOTION

ADOPTION OF FACT-FINDING MISSION
TO SIERRA LEONE REPORT

Mr. Musila: Mr. Speaker, Sir, I beg to give notice of the following Motion:-

THAT, this House adopts the Report of the Departmental Committee on Defence and Foreign Relations on a fact-finding mission to Sierra Leone, laid on the Table of the House on 13th June, 2000.

COMMUNICATION FROM THE CHAIR

SUPPLEMENTARY ORDER PAPER

Mr. Speaker: Hon. Members, before we come to Questions, you will notice that there is a Supplementary Order Paper. The only supplementary issue about it, is that, there is a further notice which has been rescheduled from the Minister for Finance of his

intention to move additional amendments to the Capital Markets Authority (Amendment) Bill relating to Clauses nine and 22. So, I hope we do not get confused in the process. Otherwise, everything else remains as before.

With that cleared, I will now go to Questions.

ORAL ANSWERS TO QUESTIONS

Question No.210

PUBLIC EXPENDITURE ON
PRIVATE CAMPAIGN MEETINGS

Col. Kiluta asked the Minister of State, Office of the President:-

(a) whether he is aware that Government vehicles and armed policemen are used to escort political party leaders in Masinga during campaign rallies; and,

(b) if he could justify the public expenditure on private campaign meetings.

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

(a) I am not aware of any Government vehicles or personnel armed or otherwise, that have been used on political parties in Masinga Constituency.

(b) I am also not aware of any campaigns, private or public. All I am aware of is that we do have security personnel posted at public rallies for the sole purpose of maintaining security.

Col. Kiluta: Mr. Speaker, Sir, I have a lot of respect for this Assistant Minister, but not when he stands up here and denies knowledge of any Government vehicles being used for campaigns and yet we know they are being used. On 12th April, 2000 the DO Ndithini and OCS Kithimani, escorted a group that was campaigning for the KANU team up to Ndithini Market. There was a fight during that campaign where some people were injured. Two Government vehicles took armed personnel to attend a meeting at Ndithini for a KANU candidate. Is the Assistant Minister denying that this did not happen? Could he also explain why some people were arrested on that day?

Mr. Samoei: Mr. Speaker, Sir, now that Col. Kiluta is specific, I will find out the specific details of the date he has mentioned and give an appropriate response.

Mr. Anyona: Mr. Speaker, Sir, this is a coin with two sides. The Assistant Minister has dealt with only one side of the coin. Could he deal with the other side of the coin? Because, under the IPPG Reforms it was decided by this Parliament that public servants and public property will not be used in political campaigns. Could he confirm that, that position obtains and instruct public officers accordingly?

Mr. Samoei: Mr. Speaker, Sir, what hon. Anyona has said is not in doubt. I have tabled in this House before documentary evidence to that effect, and the Provincial Administration has been given express instructions on what to use Government vehicles on. That does not include political rallies.

Mr. Speaker, Sir, in respect to what hon. Anyona has said, and I have stated it before, that is how it stands todate.

Mr. Speaker: Could I get it right; when you are saying that you want to find out the facts of the specific issue mentioned by Col. Kiluta, can I take you as making an application to stand over your Question so that you find out?

Mr. Samoei: Mr. Speaker, Sir, for the benefit of the hon. Member and in the interest of the good name of the Provincial Administration, I would like to zero-in on the date he has mentioned. I said earlier on that I was not aware of such incidents. However, in respect of the statement made by Col. Kiluta, I will oblige to what you have said.

Mr. Speaker: I will then defer the Question. Next Question!

(Question deferred)

Mr. Kiunjuri: Mr. Speaker, Sir, I have not received the written reply to my Question.

Question No.063

DEDUCTIONS FROM FORMER
LIFE POLICY HOLDERS

Mr. Kiunjuri asked the Minister for Finance:-

(a) why the Kenya National Assurance Company is still deducting money from former life policy holders; and,

(b) if he could stop the deductions since the company is already under receivership.

Mr. Speaker: Where is the Minister for Finance? I thought he was here!

An hon. Member: He is preparing the Budget!

Mr. Kiunjuri: The Budget is not ready!

Mr. Speaker: Well, Mr. Kiunjuri, you are now giving me a very good reason why he is not here. With the good reason you have given, I will, therefore, defer the Question.

Mr. Kiunjuri: Mr. Speaker, Sir, this Question was deferred last time when the Ministry concerned stated that

the answer they had at that time was not adequate. The Minister was here a few minutes ago, and even laid Papers on the Table. Now he is not here. How can we explain that position?

Mr. Speaker: Well, I will wait. But you yourself said he had gone to prepare the Budget. So, I was just agreeing with you, Mr. Kiunjuri.

(Question deferred)

Question No.055

PAYMENTS TO CENSUS ENUMERATORS
IN NDHIWA

Mr. Ojode asked the Minister for Planning:-

(a) if he is aware that village elders and enumerators in Ndhiwa Constituency who participated in the National Population Census exercise have not been paid for services rendered to date; and,

(b) how much money was released and spent for this exercise in Homa-Bay District.

Mr. Speaker: Is the Minister for Planning not here? Very well, I will come to that Question again.

Question No.065

DISBURSEMENT OF BURSARY FUNDS

Mr. Anyona asked the Minister for Education:-

(a) how much money was allocated to Kisii and Nyamiradistricts for the Bursary Fund to assist children from poor families and other deserving cases in 1993, 1994, 1995, 1996, 1997, 1998 and 1999;

(b) what criteria and procedures were used in the disbursement of the bursary fund; and,

(c) if he could give a full list and details of the beneficiaries from the Bursary Fund on the basis of constituencies in the district.

The Assistant Minister for Education, Science and Technology (Mr. Karauri): Mr. Speaker, Sir, I beg to reply.

(a) A total of Kshs40,308,156 and Kshs26,324,622 was allocated to Kisii and Nyamira districts respectively for the Bursary Fund for the period in question.

The money was disbursed as follows:-

<u>District</u>	<u>Amount(Kshs)</u>
Kisii	3,493,562
Nyamira	2,336,633

Mr. Speaker, Sir, the list is quite long, but in 1999 the money was disbursed as follows:-

<u>District</u>	<u>Amount(Kshs)</u>
Kisii	4,537,059
Nyamira	4,863,463

(b) The criteria and procedures used by my Ministry to disburse the Bursary Fund are standardised so as to ensure transparency, fairness and accountability in administering the Fund. The Fund is disbursed to District Education Boards on the basis of the total bursary allocation and the number of students in that particular district. At the district level, the District Education Board calculates the amount of bursary fund for each public secondary school depending on the school's number of classes or streams relative to the total amount of bursary money received by the districts. Each deserving student is identified at the school level where teachers and boards of governors are mobilised in verifying and scrutinising details of the applicants on standardised application forms. Upon their recommendations, bursaries are awarded to the applicants. Official receipts are issued to the individual beneficiaries showing amounts awarded by the school. School heads are required to submit to the district education office the list of beneficiaries, the receipt numbers and the amount of bursary awarded.

(c) The Bursary Fund is disbursed to schools depending on the school's number of streams relative to the district number of streams and not on the basis of constituencies. So, it is very difficult to know which student in a particular school got a bursary, because we consider all students from that school.

Mr. Anyona: Mr. Speaker, Sir, I would like the Assistant Minister to provide the list of all those students

who benefitted from the bursary scheme, without minding which constituency they come from?

Mr. Karauri: Mr. Speaker, Sir, if we were to draw a list of all the students who benefitted from those schools, we would be carrying volumes of books to this House. In 1994, in Kisii District, 4,928 students benefitted from the bursary scheme; in the same year, 2,267 students from Nyamira District benefitted from the bursary scheme; in 1995, 3,003 students from Kisii District benefitted from the bursary scheme while 3,337 students from Nyamira District benefitted from the bursary scheme. In 1996, 3,888 students from both districts benefited from the bursary scheme. In 1997, 3,792 students from both districts benefitted from the bursary scheme while in 1998, 1,717 students benefitted from the same scheme in both districts.

Mr. Angwenyi: Mr. Speaker, Sir, could the Assistant Minister table the list of the money given to each district in the country for this bursary fund for the years 1998/99?

Mr. Speaker: Mr. Karauri, was there a similar Question directed to your Ministry? Were you requested to provide a list for the whole country?

Mr. Karauri: Mr. Speaker, Sir, I do not remember being asked such a Question. Here, I have got a list containing the districts in Nyanza Province and also a list of all the monies that were given out to all the provinces. But if the hon. Member wants a breakdown for every district, I can bring it at a later date.

Mr. Muchiri: Mr. Speaker, Sir, is the Assistant Minister aware that there are some schools that are getting Kshs5,000 for bursary fund? An amount of Kshs5,000 cannot do anything in a secondary school!

Mr. Karauri: Mr. Speaker, Sir, I am not aware of that because Kshs5,000 is supposed to be bursary for one student. But I have given the basis on which we calculate how much should go to each school.

Mr. Anyona: Mr. Speaker, Sir, with regard to part "b" of the Question, the Assistant Minister has talked about transparency, fairness and accountability. Those are just words but in practice, the boards of governors, head teachers and education officers collude to steal this money. It is a well-connected scheme as to who benefits. This bursary is money meant for poor students. What mechanism do you have on the ground to ensure that the bursary money goes to the right people and that corruption does not set in to benefit those who do not deserve?

Mr. Karauri: Mr. Speaker, Sir, first of all, the head of the school has to call a meeting of all the teachers because it is the teachers who know the needs of particular students in their classes. The headteacher chairs that meeting and the deputy headteacher is the secretary. The matter is then taken to the board of governors of the school. Every Member of Parliament is a member of the boards of governors in their various schools. If there is any unfairness, then they should correct it.

Mr. Wamae: On a point of order, Mr. Speaker, Sir. Is it in order for the hon. Assistant Minister to say that there is proper control when there is no way the people within the community can know the students who have been given bursaries?

Mr. Speaker: Mr. Wamae, that is a very good argument but nevertheless, it is not a point of order. Next Question, Mr. Muchiri.

Question 211

SALE OF WOODLEY ESTATE HOUSES

Mr. Muchiri asked the Minister for Local Government:-

- (a) whether he is aware that Nairobi City Council sold houses of Woodley Estate between 1992 and 1998 and that recently, the Council revoked the said sale;
- (b) whether he could table the list of the buyers, valuation of each of the houses and the amount paid to Nairobi City Council per house by both previous buyers and current ones; and,
- (c) who authorised the sale.

The Assistant Minister for Local Government (Mr. Kiangoi): Mr. Speaker, Sir, we had supplied an answer earlier on and now, I seek your indulgence to substitute that answer with the one which I have just come in with.

Mr. Speaker: Very well, permission granted! Can you give a copy of that answer to Mr. Muchiri?

The Assistant Minister for Local Government (Mr. Kiangoi): Mr. Speaker, Sir, I beg to reply.

(a) I am aware that the Nairobi City Council "purported" to sell Woodley Estate houses between 1992 and 1998. I am also aware that recently, the Council revoked the sale.

(b) The matter regarding that sale has since been taken to court by the tenants and it is now pending before a court of law. Since the issues at hand are the issues of ownership of the Woodley Estate houses and this touches on the question of whether the buyers should be regarded as having bought the houses or they should not be regarded so, I consider that if we were to answer parts "b" and "c", it would prejudice the outcome of that case. The case is Civil Case No.2008/1994 between Mr. Ben Ashiundu and 66 others versus Nairobi City Council.

Mr. Muchiri: Mr. Speaker, Sir, the Assistant Minister has not answered part "c" of the Question, on who authorised the sale of those houses! The buyers of those houses were 200 and we have got only 66 people here. What was the valuation, how much deposit did they pay and what is the current valuation? I do not think that would be *sub judice*. Could the Assistant Minister answer the Question and table the list containing 200 people?

Mr. Speaker: Mr. Kiangoi, for the benefit of the Chair and House, could you let us know what the dispute between Mr. Ashiundu and six others versus the City Council is?

Mr. Kiangoi: Mr. Speaker, Sir, Mr. Ashiundu and 66 others have sued the Nairobi City Council alleging that the sale of the said houses was unlawful and, therefore, the contract of sale, if any, was void. They have prayed for an injunction to restrain the City Council from increasing the rent and also purporting that they are still tenants. They have also prayed for an injunction restraining the City Council from selling those houses to any other people other than the existing tenants. That is why I am saying that if we were to disclose the names of these other people, then it means that we are going substantively into the issues that are before the court.

Mr. Speaker: Mr. Kiangoi, as a lawyer, you know that, that is not tenable! It does not go into the dispute; the merits or demerits of the suit. The list of the people who have bought it and the value of the houses has nothing to do with the legality or otherwise of the sale. I agree with you that as to who authorised, may constitute *sub judice* but certainly, the people who bought the houses and the value of the houses is not *sub judice*!

Mr. Kiangoi: Mr. Speaker, Sir, the issue of the valuation has arisen in the pleadings---

(Mr. Mkalla consults with Mr. Maitha)

Mr. Speaker: Order, Mr. Mkalla! Have you replaced Mr. Maitha with those gadgets?

Mr. Kiangoi: It is alleged that there was undervaluation.

Mr. Speaker: Can you avail to the Chair those pleadings so that I can direct you on what to answer and what not to answer?

Mr. Kiangoi: Mr. Speaker, Sir, I will do as you have directed.

Mr. Speaker: I will defer that Question, pending my perusal of the pleadings. Next Question, Dr. Kulundu!

(Question deferred)

Question No.134

PAYMENT OF SALARIES TO
KAKAMEGA MUNICIPAL EMPLOYEES

Dr. Kulundu asked the Minister for Local Government what urgent plans his Ministry has to ensure that employees and councillors of Kakamega Municipality are paid their outstanding salaries and allowances.

The Assistant Minister for Local Government (Mr. Sirma): Mr. Speaker, Sir, I beg to reply.

Kakamega Municipal Council has worked out a programme of payment aimed at clearing all the outstanding salary arrears within the next 12 months effective from 1st May, 2000. The Council has already cleared arrears of councillors allowances.

Dr. Kulundu: The workers of Kakamega Municipal Council have not been paid for four years. There is nothing in the Assistant Minister's answer to imply urgency in coming to these workers' rescue. Could the Assistant Minister tell this House how much money these workers are owed in terms of salary?

Mr. Sirma: Mr. Speaker, Sir, the total sum of arrears in terms of salary and allowances for both workers and councillors is Kshs15 million. This dates back to about seven years ago. So, far, about Kshs3.2 million has been paid to the councillors and staff. To date, the salary payment is up to date. They are clearing the arrears and the exercise will be completed by April 2001. The arrears which are still outstanding total to about Kshs11 million. So, with the current amount of money which the council is collecting, they should be able to clear by that time.

Mr. Ndilinge: Mr. Speaker, Sir, is the Assistant Minister aware that Makueni councillors and the county council workers have gone without pay for almost six months?

Mr. Sirma: Mr. Speaker, Sir, I think that is a different Question. I think hon. Ndilinge should bring a Question to this House on that issue, so that we can give him a proper answer to it.

Dr. Kulundu: Mr. Speaker, Sir, the Assistant Minister has talked about the Minister having talked about a programme to pay the outstanding Kshs11 million. Could he give us the details of this programme, and tell us how

much of this money will come from the Local Authorities Transfer Fund (LATF)?

Mr. Sirma: Mr. Speaker, Sir, we do not use LATF money for payment of salaries. The money the council is going to pay on this programme is from the enhanced revenue collection, which the council has adopted of late, as well as from the single business permit schemes, which is now in place.

Also, the council has now gone to court to ask all those persons who have plots within Kakamega District to pay the total of Kshs85 million in accumulated rates, which is due to the council.

Mr. Omamba: Mr. Speaker, Sir, could the Assistant Minister consider amending the Local Government Act, so that councillors are paid by the central Government, considering the fact that local authorities countrywide tend to delay payment of salaries to councillors?

Mr. Sirma: Mr. Speaker, Sir, I think that deals with legislation. A Motion which sought that amendment was brought to this House, but it was defeated.

Dr. Kulundu: Mr. Speaker, Sir, could the Assistant Minister tell us what punitive action he has taken against the former Town Clerk of Kakamega Municipality who was found in an audit report guilty of misappropriating the Municipality's funds?

Mr. Sirma: Mr. Speaker, Sir, anybody misappropriating a local authority's funds is always liable to prosecution. If the file for that particular case is still open, investigations will be launched and action taken against the said clerk.

Mr. Speaker: Let us proceed to Mr. Kombe's Question.

Question No.163

REHABILITATION OF ROAD D555

Mr. Kombe asked the Minister for Roads and Public Works:-

(a) whether he is aware that Road D555 in Magarini Constituency collapsed about 30 years ago, affecting Magarini, Garashi and Dagamra Locations; and,

(b) what immediate measures he is taking to rehabilitate the road.

The Assistant Minister for Roads and Public Works (Eng. Rotich): Mr. Speaker, Sir, I beg to reply.

(a) I am not aware that Road D555 collapsed 30 years ago. I am, however, aware that the road has been impassable for two-and-half years, since October 1997.

(b) My Ministry is prepared to repair the road as soon as we get a priority list, or a letter, confirming that the said road is of prime importance to that area. The delay in repairing that road has been due to the shortage of funds that we are experiencing.

Mr. Kombe: Mr. Speaker, Sir, I have no alternative but to sympathise with the Assistant Minister, because he has been fed with lies by his officers, just to come and give the same in this House. The last time a vehicle passed through that road was 1970. How come the Assistant Minister is saying that the said road has been impassable for only two-and-half years since October 1997, when the *El Nino* rains set in? I cannot understand that.

Mr. Speaker, Sir, regarding part (b) of my Question, the Malindi District Development Committee (DDC) prioritised that road to be rehabilitated in 1997, but the Ministry did nothing. Could the Assistant Minister give us a time-frame within which the road will be rehabilitated?

Eng. Rotich: Mr. Speaker, Sir, I undertake that my Ministry will rehabilitate the said road. If I receive the minutes of the Malindi DDC meeting the hon. Member is talking about before the end of this financial year, we shall act on it in the next financial year.

Mr. Kombe: Mr. Speaker, Sir, the DDC, Kilifi, recommended in 1987 that the said road should have been rehabilitated; the same DDC made a similar recommendation in 1993. In 1996, after the creation of Malindi District, its DDC recommended the rehabilitation of the same road. How many times does the Ministry require the DDC minutes for it to do that road?

Eng. Rotich: Mr. Speaker, Sir, I am disputing that, but we do not have the minutes. If I can get them, we shall act on the said road in the next financial year.

Mr. Mwenje: Mr. Speaker, Sir, are DDC minutes a pre-requisite for any action to be taken by the Ministry?

*(A prolonged applause as Mr. Shidie,
escorted by Mr. Haji, entered the Chamber)*

Mr. Speaker: Order! Order! Hon. Members, I wish to join the House to, on your behalf, welcome hon. Shidie back to the House.

Very well, Mr. Mwenje, proceed, had you finished?

Mr. Mwenje: Mr. Speaker, Sir, I asked the Assistant Minister to tell us whether it is the requirement that minutes of the DDC must be brought here in order for him to act? Must the DDC minutes be there for him to act?

Eng. Rotich: Mr. Speaker, Sir, it is necessary for us to have the DDC's minutes, because we have limited financial resources, and we do not know the priorities on the ground. The DDC should tell us what they need to do, in a prioritised manner. Undertaking of such works, really, depends on the amount of money available. If we had all the money that is required, we would not need the DDC's recommendation on priority projects.

Dr. Kituyi: Mr. Speaker, Sir, the Assistant Minister has just said that it is by law necessary to get the priorities from the DDC before allocating resources for roads. Since there is no law which recognises the presence of a DDC in this country, under what law is he saying that it is necessary to have the DDC's minutes in order to rehabilitate roads?

Eng. Rotich: Mr. Speaker, Sir, it is evident to all of us that DDCs exist, whether by law or by any other arrangement. These are the rules that we follow; if we are given the list of priority projects by DDC, we shall follow it.

Mr. Mwenje: On a point of order, Mr. Speaker, Sir. Is the Assistant Minister in order to say that DDCs do exist by law when they do not at all?

Eng. Rotich: Mr. Speaker, Sir, I did not say that DDCs exist by law.

Mr. Speaker: Very well; that finishes the matter. Let us proceed to Mr. Angwenyi's Question.

Question No.250

GRADING OF ROADS IN KITUTU CHACHE

Mr. Angwenyi asked the Minister for Roads and Public Works:-

(a) whether he is aware that the following roads in Kitutu Chache are completely impassable:-

- (i) E208 Nyakoe-Marani-Kegogi-Miruka 28, kilometres,
- (ii) E1070 Metembe-Oaro-Rioma-Gesieka-Nyaore, 20 kilometres,
- (iii) E211 Marani-Eronge-Gegogi, 12 kilometres,
- (iv) E1068 Mosochi-Raganga-Matongo-Nyabururu, 15 kilometres;

(b) what urgent measures he is taking to grade those essential roads in order to make them all-weather roads; and,

(c) when the Road E208 (Nyakoe-Marani-Kegogi-Miruka) will be tarmacked as promised by the Government in 1997.

The Assistant Minister for Roads and Public Works (Eng. Rotich): Mr. Speaker, Sir, I beg to reply.

(a) I am not aware that the roads in question are completely impassable. However, I am aware that some sections of these roads are difficult to pass through.

(b) My Ministry has already started the grading of the roads in question.

(c) The Road E208 has been included in the Ministerial Medium Term Expenditure Framework (MTEF) list of new projects to be funded when the budget situation allows.

Mr. Angwenyi: Mr. Speaker, Sir, the Assistant Minister is giving contradictory information. He has said that he is not aware that the roads in question are impassable, and he has also said that some sections of the roads in question are impassable. How can you pass through a road whose sections are impassable?

Eng. Rotich: Mr. Speaker, Sir, I said that some sections of these roads are difficult to pass through. It is true that some sections of the roads in question are not impassable, but they are very difficult to pass through.

Mr. Angwenyi: Mr. Speaker, Sir, could the Assistant Minister tell this House---

Mr. Speaker: Mr. Angwenyi, I have not give you the Floor.

Mr. Angwenyi: Mr. Speaker, Sir, you are occupied by the Attorney-General!

Mr. Speaker: Order! How dare you accuse the Chair?

(Laughter)

Mr. Muchiri: Thank you, Mr. Speaker, Sir. I do not know whether you have heard what the Assistant Minister has told this House. He has said that some sections of the roads are impassable while others are passable. Surely, how can you drive a vehicle on a road whose sections are passable while others are impassable? Could he explain to this House, if the roads in question are passable?

Eng. Rotich: Mr. Speaker, Sir, if I was not very clear, I can repeat what I said. I said that some sections of

the roads in question are very difficult to pass through, but it is not impossible to pass through them.

Mr. Angwenyi: Mr. Speaker, Sir, could the Assistant Minister tell the House the amount of money that has been set aside for each of the four roads for grading, and when the work will be started and completed?

Eng. Rotich: Mr. Speaker, Sir, we have not allocated money per road, but we allocated Kisii Central District Kshs4,675,778 in the current financial year which will end this month. I would like to inform this House that the money has already been disbursed to the districts, and the grading of Road E208 is on-going and I think we shall complete it by the end of the month.

Mr. Angwenyi: Mr. Speaker, Sir, could the Assistant Minister tell this House the amount of money that has been allocated to tarmac Road E208 in the MTEF?

Eng. Rotich: Mr. Speaker, Sir, I did not say that the road will be tarmacked under that programme, but I have said that we have made provisions as soon as the budget allows us to improve the road. I have not said that the road will be tarmacked.

Mr. Speaker: Let us move on to the next Question!

Mr. Angwenyi: Mr. Speaker, Sir, I have not finished!

Mr. Speaker: Mr. Angwenyi, I know you have not, and neither have the others.

Mr. Angwenyi: Mr. Speaker, Sir, did you get the answer from the Assistant Minister?

Mr. Speaker: Order, Mr. Angwenyi! You know we have not even begun with Mr. Kiunjuri's Question. Mr. Kiunjuri's Question for the second round!

Question No.063

DEDUCTIONS FROM FORMER
LIFE POLICY HOLDERS

Mr. Kiunjuri asked the Minister for Finance:-

(a) why the Kenya National Assurance Company (KNAC) is still deducting money from former life policy holders; and,

(b) if he could stop the deductions since the company is already under receivership.

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Speaker, Sir, I apologise for coming a bit late, and I beg to reply.

(a) I would like to clarify that the KNAC does not deduct money from policy holders, but it is the employers of the policy holders who deduct insurance premiums under instructions from the concerned employees. Although the KNAC was put under receivership, the official receiver has kept life insurance business separate from the general insurance business. The life insurance business is currently being administered as a closed fund, and the official receiver intends to transfer the closed fund to a sound insurance and the life policies under the fund will be paid at maturity.

(b) I am not in a position to stop the deductions because, as I have stated, the employers deduct the money as a result of instructions from employees. Nevertheless, it will not be advisable for the employee to stop remitting the premiums as this will cause their policies to lapse and lead to loss of any benefit.

Mr. Kiunjuri: Mr. Speaker, Sir, the answer given by the Assistant Minister is contradictory in that it says that the company is not deducting money from former life policy holders, whereas he agrees that the employer is deducting money from the employees and he does not tell us where he takes it. I would like to say that the company was placed under receivership five years ago and the receiver is selling its properties without the consent of the policy holders. I would also like to say that the receiver is being paid more money than the amount of money that was being put in the payroll of the workers. Could the Assistant Minister give enough reasons to this House why we should retain and maintain the receiver and not reinstate the workers and, yet, the cost is the same? In fact, the receiver is being paid more money than the workers.

Mr. Arap-Kirui: Mr. Speaker, Sir, I am not sure that the hon. Member has really clarified what he needs to know, but I would like to say that the closed life fund, of which the life insurance business is part of, is still operational although the company is in receivership. As I have explained, it is the intention of the official receiver to hand over or sell the closed life fund to an active insurance company, which can then continue to run it. As I said earlier on, members of policy holders will be advised to continue remitting their premiums so that their policies do not lapse and they lose at the end. As I said earlier on, this is an on-going operation and we are not aware that the official receiver is selling any property belonging to the policy holders.

Mr. Kanyauchi: Mr. Speaker, Sir, I would like to know from the Assistant Minister whether he is aware that despite the fact that the KNAC was placed under receivership five years ago, it is still deducting money from policy holders and it does not pay the policies when they mature? What is the use of deducting money from policy holders

and, yet, the company is, at the same time, unable to pay when the policies mature?

Mr. Arap-Kirui: Mr. Speaker, Sir, I do not know how to put this very clearly, but KNAC liquidation does not deduct the money. It is the employer who deducts the money and hands it over to KNAC on the instructions of the employee. If the employee should choose for his money not to be deducted, it will not be deducted. We would like to advise the employees not to cease remitting premiums because at the end of the day they will be the losers. I would agree that policies, on maturity, are not being paid except for pensioners. Once this fund is transferred to another insurance company, all matured policies will be paid.

Mr. Shitanda: Mr. Speaker, Sir, could the Assistant Minister tell us how much money is being paid to the receiver manager of this fund? What urgent arrangements is the Ministry putting in place to transfer the assets and liabilities of this company so that the beneficiaries of the policies and the pension fund are paid their money?

Mr. Arap-Kirui: Mr. Speaker, Sir, the official receiver does not come directly under my Ministry. That information will be availed if there is need to do that at a later stage through the relevant Ministry. Negotiations are ongoing between interested parties and the official receiver, to sell and transfer the closed fund to those insurers. We expect that by the end of July these negotiations should be finalised and the business transferred.

Mr. Kiunjuri: Mr. Speaker, Sir, the Assistant Minister did not answer the Question in an exhaustive manner. Could you guide us on when we should receive the information that the Assistant Minister says he does not have today? However, could he release a list of all the assets of the KNAC and their value?

Mr. Arap-Kirui: Mr. Speaker, Sir, I think that is a slightly different question. If the hon. Member would like to put a Question, I am sure we can supply an answer.

Mr. Kiunjuri: On a point of order, Mr. Speaker, Sir. You are always reminding Ministers that they should come to the House prepared to answer any supplementary questions. The Assistant Minister is now abusing this House by saying that he did not come with information. Could the Chair compel him to answer my question?

Mr. Arap-Kirui: Mr. Speaker, Sir, I am sure that is the opinion of the hon. Member. The Question he put to us had to do with the payments and deductions from policy holders. The question about the complete asset portfolio of KNAC is a completely different one. If the hon. Member wishes to put that question before us, we will answer it.

Mr. Speaker: Next Question!

Mr. Kiunjuri: I asked a simple question---

Mr. Speaker: Order, Mr. Kiunjuri! Do not take charge of the House. I have been very generous to you on this Question. If you affront my generosity, I may not be forthcoming with it. Please always nurture it. So, be very humble.

Mr. Angwenyi: On a point of order, Mr. Speaker, Sir. I think hon. Kiunjuri has made a correct point of order. The Assistant Minister has not given an adequate reply. You were busy as you realise, so you did not hear the reply given. Where does the Assistant Minister get the money that he pays his people if he does not know the value of his assets?

Mr. Speaker: Order! Mr. Angwenyi, I have never challenged your attentiveness in the House. In the same way you should never attempt to challenge the Chair's attention to details. Mr. Kiunjuri, proceed!

Mr. Kiunjuri: Mr. Speaker, Sir, the Assistant Minister avoided answering each and every question. The first one was that: Now that the official receiver is being paid more than the payroll of all the workers, why do we not reinstate the workers? He did not answer it. The last one was that the Assistant Minister should consider tabling a list of the assets and their values. In my opinion, if he did not have the list, he should have asked for time to table it. He did not answer this one either. I have been kind. Could he answer the two questions?

Mr. Arap-Kirui: Mr. Speaker, Sir, I think I have been answering this Question for the last 15 minutes and I would not agree with the hon. Member that I have avoided answering it. Be that as it may, I am not aware that the official receiver is being paid more than the employees were paid before the company was put under liquidation. Secondly, it is my contention that the request for a list of the assets is a materially different question from the one before us. It is not that I do not have the information; I do not have it here because we were not asked to supply it. If the hon. Member wishes to submit another question, we are ready to give the answer.

Mr. Speaker: I think you are right.

Mr. Ojode's Question for the second time?

*Question No.055*PAYMENTS TO CENSUS
ENUMERATORS IN NDHIWA

Mr. Ojode asked the Minister for Planning:-

- (a) if he is aware that village elders and enumerators in Ndhiwa Constituency who participated in the National Population Census exercise have not been paid for services rendered to date; and,
(b) how much money was released and spent for this exercise in Homa-Bay District.

The Minister for Planning (Mr. Ndambuki): Mr. Speaker, Sir, I apologise for coming late, and I beg to reply.

(a) I am not aware that village elders and enumerators in Ndhiwa Constituency who participated in the national census exercise have not been paid for their

services to date.

I am aware that enumerators in the whole of Homa-Bay District were paid Kshs4,602,000 while village elders were paid Kshs1,036,000 by AIE No.142762 issued to the District Commissioner. This was to cater for the number of enumerators and village elders submitted to the Ministry by the District Census Committee of Homa-Bay District under the chairmanship of the DC.

(b) A total of Kshs11,317,200 was issued to Homa-Bay District on AIE No.142752 for the payment of staff who participated in the census exercise in the district. This amount was split as follows:-

- | | |
|--|-----------------|
| (1) Enumerators and village elders | - Kshs5,638,000 |
| (2) Transport and operating expenses | - Kshs1,150,000 |
| (3) Training for census personnel | - Kshs 976,500 |
| (4) Senior supervisors and supervisors | - Kshs2,804,300 |
| (5) Security | - Kshs 634,300 |
| (6) Drivers | - Kshs 114,000 |

This totalled to Kshs11,317,200.

Mr. Ojode: Mr. Speaker, Sir, enumerators and village elders together with the security men and drivers in Ndhiwa Constituency have not been paid for the census exercise to date. I received a delegation recently of those who have not been paid the money for which they worked. I asked a very specific question: Who are these enumerators and village elders who were paid in Ndhiwa Constituency? I am not talking about the district. You could have as well paid some money to the district, but that money was never paid to anybody from Ndhiwa Constituency. How many enumerators and elders were paid and what are their names? Could you table the names of those who were paid?

Mr. Ndambuki: Mr. Speaker, Sir, the AIE I talked about was supposed to take care of the entire district. I would like to ask the hon. Member to give me a list of those people who participated in the exercise from Ndhiwa Constituency and were not paid.

Mr. Speaker, Sir, I will make sure that I counter-check with the list I have and take the necessary action.

Mr. Gitonga: Mr. Speaker, Sir, is the Minister aware that village elders in Lari Constituency who participated in the exercise have not been paid to date?

Mr. Ndambuki: Mr. Speaker, Sir, according to our register and the information we have, the village elders and enumerators were given the first priority. In fact, the chiefs and assistant chiefs were paid later. We sent enough money to all

district commissioners throughout the country for the payment of the village elders and enumerators who participated in this exercise. If there is an individual or a group of people who were not paid, please, inform us and we shall act accordingly.

Mr. Wamae: Mr. Speaker, Sir, this is a common problem in this country. In Mathira Constituency, we have 12 village elders who participated in the exercise, but they have not been paid to date. They have been moving from office to office trying to get this money. What is the Minister going to do to ensure that those village elders and enumerators who participated in this exercise in the whole of the country are paid? Maybe, the money was "eaten" at the district level.

Mr. Ndambuki: Mr. Speaker, Sir, there could have been some discrepancies or some people were not paid by the DCs because of one reason or another. I am asking all hon. Members who know a person or a group of people who participated in the exercise and are alleging to have not been paid to give us a list and we shall act accordingly.

This is because there were 177,083 people who were involved in the exercise. I am sure that some people have been complaining of being paid half the amount although we sent enough money for them.

Mr. Maundu: Mr. Speaker, Sir, the Minister should be aware that village elders who participated in this exercise throughout the country and, in particular, Makueni District where he hails from, have never been paid to date. There are numerous complaints. We have presented them to the DC to address them, but nothing has happened.

Mr. Speaker, Sir, could he give a comprehensive report of all the enumerators who have been paid in each district, so that we can give him a list of those who have not been paid?

Mr. Ndambuki: Mr. Speaker, Sir, I have said about 200,000 people participated in that exercise. Therefore, it will be easier for hon. Members to give me a list of those people who were not paid, because the DCs confirm to us that they paid everybody. Why do you not give us the names of those who were not paid and we will make sure that those DCs are dealt with?

Mr. Ojode: On a point of order, Mr. Speaker, Sir. The Minister is misleading this House by alluding that those who participated in the exercise in my constituency were paid. He must have been getting the returns of those who signed against their names when they were paid.

Mr. Speaker, Sir, could he avail the list of those who were paid?

Mr. Ndambuki: Mr. Speaker, Sir, I will give the hon. Member by next week a list of people from his constituency who participated in the exercise and were actually paid.

Mr. Speaker: Very well. Let us move on to Questions by Private Notice.

QUESTIONS BY PRIVATE NOTICE

APPOINTMENT OF AMBASSADOR SAMUEL MUINDI

Mr. Kanyauchi: Mr. Speaker, Sir, I beg to ask the Minister for Foreign Affairs and International Co-operation the following Question by Private Notice.

Why was Mr. Samuel Muindi appointed the Kenya's High Commissioner to the Federal Republic of Nigeria, contrary to the recommendations put forward by the Public Investment Committee?

The Assistant Minister for Foreign Affairs and International Co-operation (Mr. Muchilwa): Mr. Speaker, Sir, I will give the same answer that I was in the process of giving last week when this Question was deferred. Therefore, I beg to reply. Appointments of the envoys to represent Kenya abroad is a prerogative vested in His Excellency the President by the Constitution. In the exercise of this prerogative, the President acts with all due caution to make sure that the person he appoints as a High Commissioner or Ambassador, is competent to carry out the functions of that office which are primarily to promote friendly relations between Kenya and the country of accreditation and to promote and protect Kenya's national interests in that country. In the exercise of this prerogative, the President may solicit and receive such advice as may be necessary to him, to make an informed appointment. The exercise of this prerogative by the President is, however, not subject to the direction, control or recommendation of any individual or institutions. It is in the light of the above that the appointment of Mr. Samuel Muindi as Kenya's High Commissioner to Nigeria should be seen.

Mr. Kanyauchi: Mr. Speaker, Sir, I wish to know from the Assistant Minister if he is aware or he will concede that, indeed, the Public Investments Committee (PIC) recommended that Mr. Samuel Muindi should not hold any public office? If that is the case, what criteria was used in this so-called the prerogative of the President?

Mr. Speaker: Order! Mr. Kanyauchi, I want you to help the Chair because ultimately, the Chair approved the Question, I know. But the Chair is also directed by the Standing Orders not to approve any Question that is contrary to the Constitution or any other law. Now that the Assistant Minister has raised the Constitutional provision that mandates the President to use his prerogative to appoint and fire ambassadors without the intervention of the PIC or any other Committee of the House or anybody else for that matter; as a lawyer, what is your view on that? Is that Question not contravening the Constitution?

Mr. Kanyauchi: Mr. Speaker, Sir, it does not contravene the Constitution. This is because the law clearly states that there are ways of exercising a prerogative. So, the issue here is: Was that prerogative used correctly? There is no blanket prerogative, as you know.

Mr. Speaker: Very well, I give you the benefit of the doubt. It does not appear to me like a grey area; so, have the benefit of asking the Question.

Mr. Muchilwa: Mr. Speaker, Sir, I said clearly in my answer that in the exercise of this prerogative by the President, he is not subject to the direction, control or recommendation of any individual or institution.

Mr. Kihara: Mr. Speaker, Sir, the exercise of the Presidential prerogative in appointments cannot be absolute, unless the President is appointing people to work in his own *shamba*. Ambassadors do not work in the President's *shamba*, but for Kenyans and they have a right to know who are working for them. Did the Ministers whom we know are the ones who make the recommendations for appointments by the President point out to the President that the PIC of this House has recommended that Mr. Muindi should not hold any public office? Did you do that?

Mr. Muchilwa: Mr. Speaker, Sir, I said in my main answer that the President may consult and there are matters where we are consulted, but he was not bound to consult when he made this appointment.

Mr. Magara: On a point of order, Mr. Speaker, Sir. Is it in order for hon. Kanyauchi to ask whether Mr. Muindi has the morals of being an Ambassador when he knows that this Government is fond of having "looters and thieves" in such various other positions?

(Applause)

Mr. Speaker: Order! Honestly, I do not understand how the Members of this House can applaud a Member who completely ceases to be honourable in this House and completely breaches the Standing Orders of this House. Mr. Magara, you know that you are not supposed to ask insulting questions, either to hon. Members or to members of the public. In any case, when did you ever become a judge, and when was Mr. Muindi brought, charged and condemned before you?

Hon. Members: Hear! Hear!

Mr. Speaker: Order! Order, hon. Members! Whether you yell or not, the fact of the matter is this: As far as the laws of Kenya are concerned, the authority vested in the Judiciary is to adjudicate disputes between citizens, and between citizens and the Government.

Dr. Kituyi: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: Order! Hon. Members, may I say this: If hon. Members think that it is the right thing for them to stand here and generally insult their constituents, you are at liberty to do so, but let me be on record as having said that it will derogate against the dignity of this House.

Now, you can go ahead and do thus!

Dr. Kituyi: On a point of order, Mr. Speaker, Sir. When a Committee of this House presents a Report before this House, urging the Members of this House to pass its resolution; that a certain person should never hold a public office, the moral statement of this House is that, that person should never hold any public office. We are not saying anything about the Judiciary, but we expect that the President of the Republic of Kenya understands the moral outrage of Kenyans as a (proper entity)? that public looters should not hold any public office.

Mr. Speaker, Sir, that has nothing to do with the opinion of the Chair; it is a collective statement of the House.

(Applause)

Mr. Speaker: Order, Dr. Kituyi! I have not challenged your premise, but the sentiments of this House must be taken seriously, and that one I have not challenged. But what I did challenge is hon. Magara, where he generally stood there and made a finding of facts; that so-and-so is a thief when that person has not been charged.

(Loud consultations)

Mr. Speaker: Order, hon. Members! Gentlemen, may I say this: Everything we say and do here is on public records, to be judged by posterity. I have just made that for the records, and between the Chair's statement and that of Mr. Magara, let us leave it to history to show who will be right.

Mr. Raila: Mr. Speaker, Sir, on paper, this Government is committed to transparency and accountability in the management of public affairs. In the US, ambassadorial appointments are subject to vetting by the Congressional Committee, and that is the direction that we are moving to when we amend our Constitution.

Mr. Speaker, Sir, is the Assistant Minister aware that the Public Accounts Committee (PAC) and the Public Investments Committee (PIC), of which I was a Member, interviewed Mr. Muindi, and he was found to be guilty of selling "a ghost plot" in Athi River to the National Social Security Fund (NSSF), committing Kshs500 million, which was also admitted by the Commissioner of Lands?

Mr. Muchilwa: Mr. Speaker, Sir, I am not aware, but be that as it may, I need to---

Hon. Members: No! No!

Mr. Speaker: Order, hon. Members! Mr. Muchilwa, have you finished?

Mr. Muchilwa: Mr. Speaker, Sir, I have not finished; I was going on.

Mr. Speaker: Order! Can we hear him so that I can come to Mr. Michuki?

(Mr. Muchilwa sat down)

Mr. Michuki: Mr. Speaker, Sir, the Assistant Minister has stated this afternoon that the President appoints Ambassadors in order to promote good relations between this country and the country of accreditation.

Mr. Speaker, Sir, is he satisfied that by ignoring the views of this House on Mr. Muindi there was any benefit to be derived by this country as a result of his accreditation to whichever country? Does that promote good relations?

Mr. Muchilwa: Mr. Speaker, Sir, the question of being satisfied does not arise. In fact, this question of recommending so-and-so not to hold a public office is a very tricky one, because now, if I may ask: What is a public office? For example, Members of Parliament also hold a public office because they perform a public duty, and they are paid from public funds. Now, what is going to happen when a Parliamentary Committee recommends that a Member of Parliament who has been accused of a, b, c and d should be expelled? How will they go about that? So, this is an issue which requires very serious considerations because it has got serious constitutional implications. Those public officers who are being recommended--

Mr. Speaker, Sir, tomorrow, a Parliamentary Committee will expel a Member of Parliament, and these are the complications that are in this issue, and as hon. Raila said, they should be raised up.

Dr. Kituyi: On a point of order, Mr. Speaker, Sir. You can just save us some of these problems. It will be in the interest of the House if you, as a lawyer, advise the hon. Assistant Minister that the term "public officer" is defined in the Constitution of this country; it is not a matter of his opinion, which is a very errand opinion as it is. But--

Mr. Speaker: Order, Dr. Kituyi! May I also advise you? The chief advisor to the Government of Kenya is the Attorney-General, and not the Chair.

(Laughter)

Dr. Kituyi: Mr. Speaker, Sir, is it in order that an Assistant Minister of this Government continues to mislead this House; that his pedestrian definition of a "public officer" is what matters when the position of that term is in the Kenyan Constitution and is at variance with his speculations?

Mr. Speaker: Now, what are we doing? The last one, Mr. Kanyauchi.

Mr. Kanyauchi: Thank you very much, Mr. Speaker, Sir. I wish to ask the Assistant Minister this question: In view of the clear sentiments which he has heard this afternoon, and in view of the very clear recommendations made by the PIC, what steps will he take to recommend to the President to revoke immediately the appointment of Mr. Muindi as an Ambassador to Nigeria?

(Applause)

Mr. Muchilwa: Mr. Speaker, Sir, Section (III) (2) of the Constitution of Kenya--
Subsection 2 reads as follows:-

"The power to appoint a person to hold or to act in the office of the Ambassador, High Commissioner, or other principal representative of Kenya, in another country, and to remove from office a person holding or acting in any such office, shall vest in the President."

It is a Presidential appointment, and we cannot discuss it in here.

Mr. Muithia: Mr. Speaker, Sir, is the Assistant Minister in order not to directly answer the question as asked by Mr. Kanyauchi, and read to us what the Constitution of Kenya says about the "public office?" That is irrelevant!

Mr. Speaker: Can I ask you one question: Do I really know how to direct Ministers and Assistant Ministers on how to answer questions?

Mr. Muithia: But is he in order?

Mr. Speaker: Yes, he is in order!

Mr. Angwenyi: Mr. Speaker, Sir, could the Assistant Minister tell this House whether the Constitution allows the President to appoint somebody whose appointment is inimical to the image of this country to the position of an ambassador in a friendly country, although that country is also "corrupt?"

(Laughter)

Mr. Speaker: Order! Mr. Angwenyi, you know our Standing Orders. You are not allowed by our Standing

Orders to condemn friendly countries. Will you withdraw?

Mr. Angwenyi: Mr. Speaker, Sir, I beg to withdraw, but I ask the President not to appoint this person who is not fit to represent Kenya anywhere else in the world.

Mr. Speaker: Well, that is your sentiment, I think. We have taken too much of business time and I will now defer Mr. Obwocha's Question and that of Mr. Kaindi to tomorrow morning.

MEASURES TO RESCUE KENYA
FARMERS ASSOCIATION

(Mr. Obwocha) to ask the Minister for Agriculture:-

(a) Why did the Kenya Farmers Association Limited (KFA) find it necessary to send thousands of its employees on compulsory unpaid leave from 1st May, 2000?

(b) When will they be paid their salaries which have remained unpaid for the last 24 months as of May, 2000?

(c) What measures is the Government taking to rescue KFA from total collapse?

(Question deferred)

REVIEW OF WATER
APPORTIONMENT LICENSES

(Mr. Kaindi) to ask the Minister for Water Development:-

In view of the current drought, could the Minister consider reviewing the water apportionment licenses given to Waridi, Stony Athi, Sunrose and Harvest Flower Farms in Athi River in order to enable people living along the River, especially Kinanie, to have access to the scarce water resource for their domestic use?

(Question deferred)

Mr. Obwocha: Mr. Speaker, Sir, my Question is very important and it was postponed last week to this week. It involves lives of people.

Mr. Speaker: I am saying that it will be deferred until tomorrow morning.

Mr. Obwocha: Mr. Speaker, Sir, normally, tomorrow morning, these Ministers do not wake up early.

(Laughter)

Mr. Speaker: Order! I will defer both Questions, then to tomorrow afternoon.

POINTS OF ORDER
COPIES OF THE KOECH REPORT

Mr. Wamae: On a point of order, Mr. Speaker, Sir. My point of order is directed to the Minister for Education. Last time, I asked in this House that the Minister should provide hon. Members of Parliament with copies of the Report of the Commission of Inquiry on Education, commonly known as the "Koech Report". He laid one copy of the Report on the Table of the House, but he did not provide copies to hon. Members of Parliament. The Clerk of the National Assembly's office does not have any copies. Would he now tell us when he will provide enough copies to all hon. Members of this House?

The Assistant Minister for Education, Science and Technology (Mr. Karauri): Mr. Speaker, Sir, we have ordered for the printing of 260 copies of this Report. I think these will be printed when we have funds after the Budget.

Mr. Wamae: On a point of order, Mr. Speaker, Sir. Is it in order for the hon. Assistant Minister to promise to lay on the Table of this House documents when he is aware that he does not have enough copies for all hon. Members of the House? Then, he is not telling the truth to this House.

Mr. Speaker: Order! When a Minister is either ordered to table a document or when he comes to the House and tables a document, for example, what hon. Okemo did today when he tabled the Printed Estimates, these documents are tabled for the benefit of the House. The benefit of the House means that every hon. Member must have access to the document being tabled. I honestly expected the Assistant Minister for Education, Science and

Technology, without prompting from the House, having advised the hon. Members to read that Report and debate it, to give hon. Members enough copies to read. But you must also understand that we are coming to the end of the financial year. We will begin the next financial year immediately after tomorrow when we peruse these printed Estimates. I will give Mr. Karauri time until the first week of July, 2000.

I hope, Mr. Karauri will bring the 260 copies of the Report to the House. I urge Mr. Wamae to keep that matter alive by reminding me on the first week of July, 2000, to enable me see whether or not Mr. Karauri will have honoured his undertaking to the House.

GOVERNMENT POLICY ON GRAZING ON
PEOPLES' SHAMBAS AND IN MOUNT KENYA AREA

Mr. Mwiraria: On a point of order, Mr. Speaker, Sir. Last Tuesday, I asked the Minister of State, Office of the President, in charge of internal security to give a Ministerial Statement on the Government position regarding the camels and cattle which have moved from Isiolo District, and which are now grazing in people's shambas in North Imenti. At the same time, I asked for a policy statement from the Government on Government policy on grazing in Mount Kenya, area which is really the main water catchment area for Meru District and most parts of Central and Eastern Provinces. I just want to say that this matter is very urgent, particularly now that the people grazing the camels are carrying guns openly during the day.

The Minister of State, Office of the President (Maj. Madoka): Mr. Speaker, Sir, I did apologise to the hon. Member and I said that I will make the statement tomorrow.

ETHIOPIAN ARMY MEN IN
NORTH EASTERN PROVINCE

Dr. Ali: On a point of order, Mr. Speaker, Sir. I would like to request for a Ministerial Statement from two Ministries, namely, the Ministry of Foreign Affairs and International Co-operation and the Office of the President. My Constituency was invaded by 200 Ethiopian army men who took away 5,000 head of cattle and 600 camels. They kept the animals in a certain town and when our people went to talk to them, they said that they would release them the following day without giving reasons why they had taken those animals. When our men went there the next day, they were told to go back the following day also which was on a Sunday. The invaders said that all the animals had been stolen by bandits the previous night. I do not know whether the Government is behind that or not. But what will the Kenya Government do? This has been happening for the last two years. These Ethiopians come in at will, do what they want and leave whenever they want. So, I am requesting for an urgent Ministerial Statement on those issues before things get out of hand completely.

The Minister of State, Office of the President (Maj. Madoka): Mr. Speaker, Sir, I do apologise. I am aware of the incident and I will make a report next week.

Mr. Angwenyi: On a point of order, Mr. Speaker, Sir. Our people are being killed and our country is being invaded. We will vote, this week, money for our defense forces. What are they doing? We have been told that we will be given a Ministerial Statement next week when our people are dying in Moyale and Turkana. Could the Minister give us a Ministerial Statement today?

Mr. Speaker: Can you give the statement tomorrow? I will make the undertaking for you. Dr. Omamo, we now come to you.

MOTION FOR THE ADJOURNMENT
UNDER STANDING ORDER NO.20

THE DROUGHT AND FAMINE
AFFLICING THE COUNTRY

Dr. Omamo: Mr. Speaker, Sir, the House will recall that last week, I tried to move a Motion of Adjournment to enable hon. Members to discuss the current biting drought and famine. Then the Chair advised that the matter be reviewed today.

Mr. Speaker, Sir, I wish to be allowed to move that the House do adjourn under Standing Order No.20 to discuss a definite matter of national importance regarding the current serious drought and famine situation in the country, famine and drought that are causing loss of lives to both human beings and livestock. I do not want to take this matter further than that.

Mr. Speaker: Dr. Omamo, you have made your application. In fact, you are not moving a Motion, but you are applying for permission to move a Motion. Are you not?

Dr. Omamo: Yes, Mr. Speaker, Sir.

Mr. Speaker: So, once you have made your application, you should find out whether the Chair agrees with you. You will have all your reasons at the time of moving the Motion. I have seen the application of the intended Motion by the hon. Dr. Omamo namely: *"The Drought and Famine Afflicting the Country at Large"*. I find that to be a specific matter. I find it urgent and of national importance. I therefore do grant leave for you to move the Motion, if you have the requisite support.

*(Several Members stood up
in their places)*

Mr. Speaker: Order! Will you all sit down now? I do find even without counting, that the Members who rose on their feet are well beyond the requisite number and, therefore, your application is granted.

I have a little problem, by the way, in allocating time. We do have a Committee of the whole House immediately after this, to consider two Bills. The best I can do and I hopefully hope that there will be enough time to reasonably ventilate on this Motion, I will allow you to move your Motion on the resumption of the House after the Committee of the whole House. So, be it ordered.

SPLA CAMPS IN TURKANA

Mr. Munyes: Mr. Speaker, Sir, last week I asked the Minister of State, Office of the President in charge of internal security to issue a Ministerial Statement over the SPLA invasion in my constituency. I was promised a Ministerial Statement today.

(Loud Consultations)

Mr. Speaker: Order, hon. Members! Just a few minutes ago, Mr. Angwenyi was agitated that Kenyans are being killed. Now, when Mr. Munyes is talking about it, a lot of you are not interested in the least. I suppose hon. Members will recognise that the people of Turkana are Kenyans and that Mr. Munyes is a Member of this House, entitled to speak and to be heard. Mr. Munyes shall be heard! Proceed!

Mr. Munyes: Mr. Speaker, Sir, I requested for a Ministerial Statement from the Minister of State, Office of the President in charge of internal security over the SPLA invasion in my constituency. He promised me that he will issue it today. The SPLA has put up three camps in my Constituency and I wanted to know what the Government is doing to remove them out of my Constituency. So, I really want to get that Ministerial Statement today.

Mr. Speaker: Order! Next Order!

Mr. Mbitiru: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: Order! Order, hon. Members! Look at the time. It does help the Chair to plan for time when Members who wish to rise on points of order after Question Time, on the various problems they wish to bring to the attention of the Government; to see the Chair in good time so that the Chair, in beginning the Session, knows how many Members are rising on points of order and, therefore, knows how to apportion time. I mean, we would not like to spend all our time on Question Time and Points of Order and never go to business. It is time for business now. Anybody who wants to raise a point of order later can see the Chair for allocation of time, either tomorrow morning or afternoon. Now, it is time for business. Next Order!

COMMITTEE OF THE WHOLE HOUSE

(Order for Committee read)

(Mr. Speaker left the Chair)

IN THE COMMITTEE

*[The Temporary Deputy Chairman
(Mr. Musila) took the Chair]*

THE CENTRAL DEPOSITORIES BILL

The Temporary Deputy Chairman (Mr. Musila): Order, hon. Members! May I request those who are withdrawing to do so quietly. Now, hon. Members, we are on the Committee of the whole House.

Mr. Angwenyi: On a point of order, Mr. Temporary Deputy Chairman, Sir. What are we going to do with the Kombo Report because it has just been laid?

The Temporary Deputy Chairman (Mr. Musila): Order, hon. Angwenyi! The Clerk did read the next Order and you cannot change it. So, we are now in the Committee of the whole House. The first Bill that the Committee will consider this afternoon is the Central Depositories Bill.

Clause 2

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, Clause 2 be amended -

- (a) by deleting the definition of "CDS rules" and substituting therefore the following definition -
 "CDS rules" means operational and procedural rules issued or to be issued by a central depository for the purpose of ensuring orderliness, efficiency and security in the operation of a central depository as approved by the Authority;
- (b) in the definition of "immobilization date" by deleting the words "a stock market of";
- (c) in the definition of "institutional investor" by inserting the word "scheme" immediately after the words "collective investment".

(Question of the amendment proposed)

(Question, that the words to be left out be left out, put and agreed to)

(Question, that the words to be inserted in place thereof be inserted, put and agreed to)

(Clause 2 as amended agreed to)

(Clauses 3, 4 and 5 agreed to)

(Loud consultations)

The Temporary Deputy Chairman (Mr. Musila): Order, hon. Members! The Chair finds it very difficult to conduct the business of the House because of loud consultations. May I please request you to consult quietly.

Clause 6

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, Clause 6 be deleted and replaced with the following new clause-

- 6(1) The rules of an approved central depository, in so far as they have been approved by the Authority, shall not be amended, varied or rescinded without prior approval of the Authority.
- (2) Where the board of directors of an approved central depository intends to amend its rules, it shall forward the proposed amendments to the Authority for approval.
- (3) The Authority shall, within thirty days of receipt of a notice under subsection (2), notify the central depository of its decision regarding the proposed amendments, and where it does not approve the same, shall specify the reason for such decision.
- (4) A central depository which proposes to alter any particulars already furnished to the Authority, or to make any change in its state as specified in its application under section 4, shall seek the prior approval of the Authority.

(Question of the amendment proposed)

*(Question, that the words to be left out
be left out, put and agreed to)*

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

(Clause 6 as amended agreed to)

*(Clauses 7, 8, 9, 10, 11, 12, 13, 14, 15, 16,
17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27,
28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38,
39, 40, 41, 42, 43, 44, 45, 46, 47, 48
and 49 agreed to)*

(Clauses 50, 51 and 52 agreed to)

Clause 49

Prof. Anyang'-Nyong'o: Mr. Temporary Deputy Chairman, Sir, during the debate of this Bill, I proposed an amendment. I was just seeking clarification as to whether it has been incorporated. The proposed amendment was in Clause 49 (d)(2).

The Temporary Deputy Chairman (Mr. Musila): I beg your pardon? That particular Clause has already been approved. In fact, we have just dealt with Clauses 50 to 52.

I cannot allow you to go back. It is not my fault.

Clause 53

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, Clause 53 be amended by re-numbering the existing clause as subclause (1), and inserting the following new subclauses-

(2) In addition to the penalties provided in this Act, any person found guilty of an offence under this Act, shall be liable to pay compensation to any person who suffers loss as a consequence of the offence committed by the first named person.

(3) The amount of compensation for which a person is liable under subsection (2), shall be-

(a) the amount of the loss sustained by the person claiming the compensation; or,

(b) where the loss has been occasioned on the market as a whole, an amount equal to the profit made by such person, which shall be paid into the Compensation Fund established under the Capital Markets Authority Act.

(Question of the amendment proposed)

Prof. Anyang'-Nyong'o: Mr. Temporary Deputy Chairman, Sir, I am disturbed about this amendment to Clause 53 which should have been made in tandem with the amendments to Clause 49, to make sense really. In this amendment, it says:

"In addition to the penalties provided in this Act, any person found guilty of an offence under this Act shall be liable to pay compensation to any person who suffers loss as a consequence of the offence committed by the first named person."

I do not know what this means really. If it does not mean much, the Attorney-General should advise the Minister accordingly. What does this mean? Secondly, it is very vague. I do not know how much it becomes of an improvement to the present Clause 53. What is being improved in this Clause?

The Temporary Deputy Chairman (Mr. Musila): Could you respond to that, Mr. Arap-Kirui?

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, the improvement here is to provide for compensation and not merely to punish the offender. The previous Clause 53 merely provided for punishment; the new subclauses 2 and 3, as proposed, provide for compensation for loss suffered

by the party which brings the matter to court or by other investors. So, to that extent, I think what we are seeking to do here is very, very clear.

The Temporary Deputy Chairman (Mr. Musila): Prof. Anyang' -Nyong'o, do you have any comment to make?

Prof. Anyang'-Nyong'o: Mr. Temporary Deputy Chairman, Sir, my comments have been superseded by your speed. Now, I do appreciate what the Assistant Minister is saying. But quite seriously, I would have thought that, it was in the interest of the Capital Markets Authority (CMA) to have amended Clause 49 D(ii), in the same way. This is because as I said, during the debate--- I am sure the Attorney-General would appreciate--- In as much as Clause 53 is now more extended, Clause 49 is very inadequate. I am sorry to take you back but---

The Temporary Deputy Chairman (Mr. Musila): Well, there is no way! I do appreciate! Could I make a comment for the purpose of record, because you said that your comments have been superseded by my speed?

For the purpose of record, I want to state very clearly that, there was ample time given to whoever wanted to comment on those clauses, particularly, Clause 49, but because of an oversight on your part, you did not stand up, but you managed to stand up when we were considering Clauses 50, 51 and 52. Therefore, I think the Chair cannot take that blame. That notwithstanding, I think you have accepted the Assistant Minister's explanation with regard to the amendments to Clause 53.

(Question, that the words to be inserted be inserted, put and agreed to)

(Clause 53 as amended agreed to)

(Clause 54 agreed to)

Clause 55

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, Clause 53 be amended in subclause (4)(b) by inserting the word "if" immediately before the words "the records or accounts are not produced".

(Question of the amendment proposed)

(Question, that the word to be inserted be inserted, put and agreed to)

(Clause 55 as amended agreed to)

(Clauses 56, 57, 58 and 59 agreed to)

Clause 60

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, Clause 60 be amended in subclause (1):-

(i) by inserting the words "or a central depository" immediately after the words "an [The Assistant Minister for Finance and Planning] aggrieved party".

(ii) By deleting the paragraph (d).

(Question of the amendment proposed)

(Question, that the words to be inserted be inserted, put and agreed to)

(Question, that the words to be left out be left out, put and agreed to)

(Clause 60 as amended agreed to)

(Clauses 61, 62, 63, 64, 65 and 66 agreed to)

Clause 67

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, Clause 67 be amended by inserting the following marginal note:-
"Publication of notice".

(Question of the amendment proposed)

*(Question, that the words to be inserted
be inserted, put and agreed to)*

(Clause 67 as amended agreed to)

(Title agreed to)

(Clause 1 agreed to)

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Chairman, Sir, I beg to move that the Committee doth report to the House its consideration of The Central Depositories Bill and its approval thereof with amendments.

(Question proposed)

(Question put and agreed to)

The Temporary Deputy Chairman (Mr. Musila): Hon. Members, we now move to the second Bill; that is, The Capital Markets Authority (Amendment) Bill.

THE CAPITAL MARKETS AUTHORITY

(AMENDMENT) BILL

(Clauses 2 and 3 agreed to)

Clause 4

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, clause 4 be amended-

(a) in paragraph (b)-

(i) by deleting the word "stock" wherever it occurs in the definition of "securities";

(ii) by deleting the words "and includes stock except where a distinction between stock and shares is expressed or implied" appearing in the definition of "share";

(b) in paragraph (d)-

(i) by inserting the following new definition immediately after the definition of "authorized securities dealer" -

"Board" means the membership of the Authority constituted under section 5".

(ii) by deleting the definition of "credit rating agency" and substituting thereof the following new definition -

"credit rating agency" means an organisation which provides the service of evaluating the relative creditworthiness of issuers or securities and assigns ratings to such securities";

(iii) by deleting the definition of "information memorandum" and substituting thereof the following new definition -

"information memorandum" means any prospectus or document, notice, circular, advertisement or other invitation in print or electronic form containing information on a company or other legal person

- authorized to issue securities or a collective investment scheme calculated to invite offers from the public or a section of the public to subscribe for the purchase of securities";
- (iv) by inserting the words "and to engage in the business of a stockbroker or dealer" at the end of the definition of "investment bank".

(Question of the amendment proposed)

(Question, that the words to be left out be left out, put and agreed to)

(Question, that the words to be inserted in place thereof be inserted, put and agreed to)

(Clause 4 as amended agreed to)

Clause 5

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, clause 5 be amended -

- (a) in paragraph (b), by deleting subclause (4) and substituting thereof the following new subclause -
- (4) The Chairman and every member appointed under paragraph (b) of subsection (3) shall be appointed from persons who have experience and expertise in legal, financial, banking, accounting, economics or insurances matters.
- (b) by deleting paragraph (c) and renumbering paragraph (d) as paragraph (c).

(Question of the amendment proposed)

(Question, that the words to be left out be left out, put and agreed to)

(Question, that the words to be inserted in place thereof, be inserted, put and agreed to)

(Clause 5 as amendment agreed to)

(Clauses 6 and 7 agreed to)

Clause 8

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, the Bill be amended by deleting clause 8 and replacing it with the following new clause -

Replacement of

section 8 of Cap.485A. 8. The principal Act is amended by repealing section 8 and replacing it with the following new section -

Appointment of
chief executive

of the Authority.

8(1) There shall be a chief executive of the Authority who shall be appointed by the President on the recommendation of the Minister and who shall, subject to this section, hold office on such terms and conditions of service as may be specified in the instrument of appointment, or otherwise from time to time.

(2) No person shall be qualified for appointment under this section unless such person -

- (a) has at least ten years' experience at a senior management level in matters relating to law, finance, accounting, economics, banking or insurance matters; and,

- (b) has expertise in matters relating to money or capital markets or finance.
- (3) The Minister, in consultation with the Board, shall recommend to the President a person qualified in terms of this section for appointment as the chief executive.
- (4) The chief executive shall hold office for a period of four years but shall be eligible for clear reappointment for a further term of four years:
Provided that no person shall serve as the chief executive for more than two terms.

(Question of the amendment proposed)

Prof. Anyang'-Nyong'o: Mr. Temporary Deputy Chairman, Sir, the original clause said that the Minister shall appoint a chief executive of the Authority on such terms and conditions of employment, including remuneration, as a Minister in consultation with the Board shall determine and who shall hold office for a period of four years but shall be eligible for re-appointment. The new one says: There shall be a chief executive of the Authority who shall be appointed by the President on the recommendation of the Minister and who shall hold office on such terms and conditions of service as may be specified in the instrument of appointment, or otherwise, from time to time.

The only addition is that the President now appoints a chief executive of the Authority on the recommendation of the Minister. There is no improvement. The instrument of appointment is still within the Executive. I would have thought that a better amendment would have been: That there shall be a chief executive of the Authority who shall be nominated for appointment by the Minister and approved by Parliament, so that there is checks and balances. Here, it looks as if the Minister, who is an appointee of the President, is recommending to his boss who to appoint. This is Executive incest. The only meaningful amendment was, if there was brought into this clause an approval by Parliament. But this kind of Executive incest is something that has ruined parastatals in this country. So, I would urge the House to reject this amendment because it is not making any improvement whatsoever, in the original clause.

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I would like to differ with my colleague. Whereas initially, the Minister was the final appointee, the fact that it is going through two stages provides better vetting. To that extent, I am convinced that it is an improvement on the original clause because there are two people vetting the appointment of the chief executive instead of just the Minister.

Prof. Anyang'-Nyong'o: Mr. Temporary Deputy Chairman, Sir, I would like to be convinced by the Assistant Minister, if he could tell me whether this is really vetting. I am quite sure that prior to a Minister nominating anybody for a position, he would have to clear it with the Office of the President. The normal practice in the Kenyan Government is that a Minister does not make an appointment until he clears with the Office of the President. That is a routine thing which goes on, so there is no vetting. They should consult, but at least, the only vetting that can be done is by another branch of Government which is Parliament.

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I think what my hon. colleague needs is reassurance--- Maybe in the past, that may have been the situation, but we are going into a very highly liberalised environment.

Mr. Temporary Deputy Chairman, Sir, I wish to assure him that things do not work like they used to in the past. They are a lot better now.

*(Question, that the words to be left out
be left out, put and agreed to)*

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

(Clause 8 as amended agreed to)

Clause 9

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, clause 9 be amended in subclause (3) -

- (a) by deleting the words "collective investment scheme" appearing in paragraph (f);
- (b) by inserting the following new paragraph immediately after paragraph (f) -
- (g) register, approve and regulate collective investment schemes;

(c) by renumbering paragraphs (g) to (v) as (h) to (w) respectively.

(Question of the amendment proposed)

Prof. Anyang'-Nyong'o: Mr. Temporary Deputy Chairman, Sir, I would like to seek clarification from the Assistant Minister. What does he mean by "collective investment schemes", which appears in paragraph (f)?

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I think the hon. Member is taking us back to the initial submissions before this Bill was read the Second Time.

The Temporary Deputy Chairman (Mr. Musila): Mr. Assistant Minister, I think the hon. Member is asking a legitimate question on Clause 9. So, I would like you to reply to his question.

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Which particular part of Clause 9 is he querying, Mr. Temporary Deputy Chairman, Sir?

Prof. Anyang'-Nyong'o: Mr. Temporary Deputy Chairman, Sir, the proposed amendment contained in the supplementary Order Paper reads as follows:-

THAT, Clause 9 be amended in Sub-Clause 3 by deleting the words "collective investment schemes" appearing in paragraph (f).

I would like to know the intent of having collective investment schemes initially, and why this is now being deleted. There must be a reason for doing so. We cannot just delete these words without knowing the reason why they are being deleted. What was the original import of the having a collective investment scheme, and why is this being deleted from the Bill?

The Temporary Deputy Chairman (Mr. Musila): Mr. Assistant Minister, you may look through the proposed amendment and consult your colleagues, if you wish.

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I think I would like to do that with your indulgence, Mr. Chairman.

The Temporary Deputy Chairman (Mr. Musila): Please, do consult, Mr. Assistant Minister.

(Mr. Arap-Kirui consulted with Mr. Angwenyi)

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I am sorry for that delay. The amendment on Clause 9 is meant to remove a repetition. The same wording - investment schemes - appears under paragraph (g). So, having the same wording appearing under paragraph (f) would have been a repetition. It is more appropriate that these words appear under paragraph (g) of the same Clause.

Prof. Anyang'-Nyong'o: Mr. Temporary Deputy Chairman, Sir, the amendment being sought under part (b) is the insertion of a new paragraph (g) immediately after paragraph (f). Now, could the Assistant Minister confirm whether he is talking about inserting the new paragraph (g) to the original Bill?

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): That is correct, Mr. Temporary Deputy Chairman, Sir.

The Temporary Deputy Chairman (Mr. Musila): Prof. Anyang'-Nyong'o, are you satisfied?

Prof. Anyang'-Nyong'o: Yes, Mr. Temporary Deputy Chairman, Sir.

*(Question, that the words to be left out
be left out, put and agreed to)*

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

(Clause 9 as amended agreed to)

(Clauses 10, 11, 12, 13 and 14 agreed to)

Clause 15:

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, Clause 15 be amended-

- (a) in Sub-Clause 1 by inserting the words "fund manager" immediately after the words "investment advisor"; and,
- (b) in Sub-Clause 4 by inserting the words "or licence" immediately after the words "power to approve".

(Question of the amendment proposed)

(Question, that the words to be inserted be inserted, put and agreed to)

(Clause 15 as amended agreed to)

(Clauses 16 and 17 agreed to)

Clause 18:

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, Clause 18 be amended-

- (a) in paragraph (b) by deleting the words "its authority" and substituting therefore the words "its powers"; and,
- (b) by renumbering Sub-Clause 5 as paragraph (d).

(Question of the amendment proposed)

(Question, that the words to be left out be left out, put and agreed to)

(Question, that the words to be inserted in place thereof be inserted, put and agreed to)

(Clause 18 as amended agreed to)

Clause 19:

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, Clause 19 be amended by deleting Sub-Clause 1(b) and substituting therefor the following new paragraph -

"(b) within thirty days of revocation of a licence, cause the names of any persons whose licence is revoked to be published in the Gazette"

(Question of the amendment proposed)

(Question, that the words to be left out be left out, put and agreed to)

(Question, that the words to be inserted in place thereof be inserted, put and agreed to)

(Clause 19 as amended agreed to)

(Clause 20 agreed to)

Clause 21:

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir,

I beg to move:-

THAT, Clause 21 be amended in Sub-Clause 1 -

- (a) by inserting the words "or approval" immediately after the words "any licence";
- (b) by inserting the words "or is duly constituted as a collective investment scheme" at the end of paragraph (a); and,
- (c) by inserting the words "or approval" immediately after the words "any licence" appearing in Sub-Paragraph (b)(ii).

(Question of the amendment proposed)

(Question, that the words to be inserted be inserted, put and agreed to)

(Clause 21 as amended agreed to)

The Temporary Deputy Chairman (Mr. Musila): Hon. Members, before the Assistant Minister moves the amendment on Clause 22, I would like to draw your attention to the bottom of the Supplementary Order Paper, which contains the amendment intended to this Clause.

Clause 22:

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, Clause 22 be amended by deleting Sub-Clause (6).

(Question of the amendment proposed)

(Question, that the words to be left out be left out, out and agreed to)

(Clause 22 as amended agreed to)

(Clauses 23, 24 and 25 agreed to)

Clause 26

The Assistant Minister for Finance and Planning (Mr. Arap Kirui): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, Clause 26 be amended in subclause (1) by deleting the words "or imprisonment for a term not exceeding five years or to both" appearing in subparagraph (i)(a) of paragraph (1).

(Question of the amendment proposed)

Prof. Anyang'-Nyong'o: Mr. Temporary Deputy Chairman, Sir, on Clause 26, the principle--- What the Assistant Minister is amending says that Clause 26 be amended in subclause (1) by deleting the words "or imprisonment for a term not exceeding five years or to both". Now, what is he replacing it with? My problem has always been this way of phrasing penalties - "not exceeding" that gives judges a leeway to use very lenient sentences on extremely serious cases. I want to know before we approve this amendment the penalty that he is actually leaving in the law.

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I believe that, that removal relates to corporate bodies, because it would be impossible and obviously unrealistic to expect to imprison a corporate body. Other penalties under the Act or under the proposed Bill would apply to a corporate body.

Prof. Anyang'-Nyong'o: Mr. Temporary Deputy Chairman, Sir, at least, in a corporate body there is a Chief Executive who is responsible for it. So, I do not believe that, that explanation is satisfactory. My question was very simple. If what we are deleting says: "Fine not exceeding five years or to both", I just want to know the penalty he is leaving in the law books that has to be used by the judges. I am against stating things vaguely in terms of not

exceeding. What is he actually leaving in the law books? Whether the corporate body can be taken to prison or not, that is not my problem.

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): I believe there are fines within the provisions where a corporate body will be adequately penalised. He is trying to look through the particular provision, but I can assure the hon. Member that there will be adequate punitive sanctions against corporate bodies.

(Question, that the words to be left out be left out, put and agreed to)

(Clause 26 as amended agreed to)

The Temporary Deputy Chairman (Mr. Musila): Mr. Assistant Minister, we are now having a problem with the next clause. We do not find Clause 27 in the Bill. We can see Clause 28, but we do not see Clause 27. Can you help us?

(Mr. Arap-Kirui consulted with Mr. Murrirmoi)

Mr. Assistant Minister, while you are consulting, I will go to Clause 28.

(Clauses 27 and 28 agreed to)

Clause 29

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, Clause 29 be amended in subclause (6) by deleting the words "not less than once in every three months" and substituting therefor the words "once every month".

(Question of the amendment proposed)

(Question, that the words to be left out be left out, put and agreed to)

(Question, that the words to be inserted in place thereof be inserted, put and agreed to)

(Clause 29 as amended agreed to)

(Clauses 30 and 31 agreed to)

Clause 32

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, Clause 32 be amended -

(a) in subclause (1) -

(i) by inserting the words "and the secretary" immediately after the word "members";

(ii) by deleting the word "exemplary" in paragraph (d);

(iii) by inserting the following new paragraph immediately after paragraph (d) -

(e) the secretary shall be an advocate with at least five years' experience in commercial law;

(b) in subclause (3), by deleting the word "and" at the end of subparagraph (c) and substituting therefor the word "or";

(c) in subclause (20), by deleting the expression "(1)" appearing immediately after the words "under subsection" and substituting therefor the expression "(19)";

(d) by deleting subclause (25);

(e) in subclause (26), by inserting the word "secretary" immediately after the words "the chairman";

(f) by deleting subclause (27) and substituting therefor the following subclause -
(27) All expenses of the Capital Markets Tribunal shall be charged to the general fund of the Authority.

(Question of the amendment proposed)

*(Question, that the words to be left out
be left out, put and agreed to)*

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

(Clause 32 as amended agreed to)

(Clauses 33, 34 and 35 agreed to)

New Clause

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir,
I beg to move:-

THAT, the Bill be amended by inserting a new clause immediately after Clause 22 as follows -

Insertion of 22A
section in Cap.485A

22A The principal Act is amended by inserting the following new section 30A immediately after section 30 -

Publication of
information
memorandum.

30A(1) No public company shall, in Kenya, offer its securities for subscription or sale to the public or a section of the public unless prior to such offer, it publishes an information memorandum signed by or on behalf of its officers and files a copy thereof with the Authority;

(2) Every information memorandum shall comply with such requirements as may be prescribed by the Authority:

Cap.490

Provided that nothing in this section shall be construed to apply to a co-operative society incorporated under the Co-operative Societies Act raising capital from its members.

(Question of the new clause proposed)

(New clause read the First Time)

*(Question, that the new clause be
read a Second Time, proposed)*

*(Question, that the new clause be read
a Second Time, put and agreed to)*

(The new clause was read a Second Time)

*(Question, that the new clause be added to
the Bill, put and agreed to)*

New Clause II

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, a new Clause be inserted immediately after Clause 29 as follows:-

Insertion of
Section 33B in
Cap.485A

29A The principle Act is amended by inserting the following new section immediately after section 33A.

Prohibited Conduct
to be reported.

33b(1) Any person who, in the course of providing services to a licensed person or company whose securities are listed at a securities exchange, comes into possession of information that such licensed person or company is engaged in any conduct prohibited by this Act, shall report the matter to the Authority.

(2) A person who contravenes subsection (1) commits an offence.

(Question of the new clause II proposed)

(New Clause read the first time)

(Question, that the new clause II be read a Second Time, proposed)

Prof. Anyang'-Nyong'o: Just for information, New Clause, sub-section 2 says that a person who contravenes sub-section one commits an offence. If he commits an offence what is attendant to that offence?

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I think that is merely amounts to defining when an offence has been committed. What follows has been provided for under the Bill. They are offenses.

Mr. Temporary Deputy Chairman, Sir, once you commit an offence, there are penalties; the normal thing follows under the Act.

Prof. Anyang'-Nyong'o: Mr. Temporary Deputy Chairman, Sir, we need the Assistant Minister to go on record. He says that: "The normal thing follows under the Act." What is that "normal thing"? We would like to know what follows when one commits an offence.

The Temporary Deputy Chairman (Mr. Musila): Go on record and say what follows.

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, once one commits an offence he is penalised as provided for under the Act in this case and there are penalties.

(Question, that the new clause II be read a Second Time, put and agreed to)

(The new clause II was read a Second Time)

(Question that the new clause be added to the Bill, put and agreed to)

New Clause III

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I beg to move:

THAT, a new III Clause be inserted immediately after Clause 34 as follows:-

Insertion of
section 39 in
Cap.485A

34A. The Principle Act is amended by inserting the following new section immediately after section

38:-

Exemption from
Cap.446.

39. The provisions of the State Corporations Act shall not apply to the Authority.

(Question of the new clause III proposed)

(New clause III read the First Time)

*(Question, that the new clause be
read a Second Time, proposed)*

Prof. Anyang'-Nyong'o: I noticed, as usual, that almost every State Corporation is seeking to be exempted from the State Corporations Act. Is the Government trying to indicate to the nation that the State Corporations Act is no longer necessary? If every State Corporation is exempted from it, what then is the use of having the State Corporations Act? One of the most important things about the State Corporations Act is to compel parastatals to go through a certain process of accountability to the Exchequer. Once we exempt this Authority from this Act, how sure are we that the executive powers we give to the Capital Markets Authority will have or allow a process of accountability to the Exchequer if they have no other provisions as in the State Corporations Act?

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I would like to state that, first, the State Corporations Act is very much applicable. There are many state corporations that are not exempted from the State Corporations Act. As to whether any state corporation that is exempted does become mischievous or fails to comply with expected norms, there are adequate provisions for that and there will always be a threat that a provision such as this can be revoked.

Mr. Temporary Deputy Chairman, Sir, I would like to assure the hon. Member that matters are well taken care of. The State Corporations Act is very much active and we have adequate machinery to deal with any errant exempted state corporation. **Mr. Parpai:** Can the Assistant Minister explain to us why he found it necessary to exempt this corporation in particular from the necessary State Corporations Act? It is important that these corporations are subjected to this Act for purposes of accountability, scrutiny and the public getting to know how they operate. What has necessitated this particular one to be exempted? Forget about others that have been exempted before.

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I think we are, as a country, moving away as much as possible from state control over various participants within our economy. It is in this spirit that we are exempting this corporation. We are satisfied that it can operate outside the provisions of the State Corporations Act and act accordingly.

Mr. Temporary Deputy Chairman, Sir, may I also assure hon. Members that under Clauses 33, and 36 of the Act, there are provisions under which the Minister has a say over the operations of this and other state corporations in a similar situation.

*(Question that the new clause III be read
a Second Time, put and agreed to)*

(The new clause III was read a Second Time)

*(Question, that the new clause III be added to
the Bill, put and agreed to)*

The Temporary Deputy Chairman (Mr. Musila): Mr. Assistant Minister we are still awaiting your reply on the missing Clause 27.

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I am informed that there might have been an oversight. With your permission, I am told that there are arrangements under the laws so that the Attorney-General can do corrective action to include the Clause.

The Temporary Deputy Chairman (Mr. Musila): I would like to hear from the Attorney-General. Clause 27 of the Bill that we are considering is missing. Can we have your assurance that you are going to number the Clauses properly, in view of the missing Clause?

Mr. Kihoro: The Attorney-General cannot make laws.

The Temporary Deputy Chairman (Mr. Musila): We are not asking him to make laws. We are asking him to tell us whether he will re-number the Clause. To re-number is not to make a law. Mr. Attorney-General, will you re-number the Clauses?

The Attorney-General(Mr. Wako): Mr. Temporary Deputy Chairman, Sir, I can give this assurance that the renumbering will be done. In fact it is a power inherent in the Attorney-General.

(Schedule agreed to)

(Title agreed to)

(Clause 1 agreed to)

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Temporary Deputy Chairman, Sir, I beg to move that the Committee doth report to the House its consideration of the Capital Markets Authority (Amendment) Bill and its approval thereof with amendments.

(Question proposed)

(Question put and agreed to)

(The House resumed)

[Mr. Speaker in the Chair]

REPORTS AND THIRD READINGS

CONSIDERATIONS OF REPORTS AND THIRD READINGS

THE CENTRAL DEPOSITORIES BILL

Mr. Musila: Mr. Speaker, Sir, I beg to report that the Committee of the whole House has considered The Central Depositories Bill and approved the same with amendments.

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Speaker, Sir, I beg to move that the House doth agree with the Committee in the said Report.

The Minister for Education (Mr. Musyoka) seconded.

(Question proposed)

(Question put and agreed to)

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Speaker, Sir, I beg to moved that The Central Depositories Bill be now read the Third Time.

The Minister For Tourism, Trade and Industry (Mr. Biwott) seconded.

(Question proposed)

(Question put and agreed to)
(The Bill was accordingly read
the Third Time and passed)

THE CAPITAL MARKETS AUTHORITY (AMENDMENT) BILL

Mr. Musila: Mr. Speaker, Sir, I beg to report that the Committee of the whole House has considered The Capital Market (Amendment) Bill and approved the same with amendment.

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Speaker, Sir, I beg to move that the House doth agree with the Committee in the said Report.

Minister for Education (Mr. Musyoka) seconded.

(Question proposed)

(Question put and agreed to)

The Assistant Minister for Finance and Planning (Mr. Arap-Kirui): Mr. Speaker, Sir, I beg to move that The Capital Markets Authority (Amendment) Bill be now read the Third Time.

The Minister for Education (Mr. Musyoka), seconded.

(Question proposed)

Prof. Anyang'-Nyong'o: Mr. Speaker, Sir, we are in the process of passing two extremely important Bills that deal with the financial sector.

I am very grateful to the Ministry for having amended the Capital Markets Authority (Amendment) Bill to recognise the co-operative movements as important sectors in capital formation.

Mr. Speaker, Sir, nonetheless, I am disappointed that although during the debate, attention was paid to the savings and credit co-operatives; the so-called SACCOS as an important source of domestic savings that should have been given attention in the amendment of the Capital Markets Authority (Amendment) Bill, has not been done.

Mr. Speaker, Sir, I do appeal to the new CMA to pay particular attention to savings and credit societies in this country where substantial sources of domestic savings are locked up and are quite often wasted or misused in financial institutions or non-banking institutions. But I do hope that in putting into effect the new management, the CMA will pay particular attention to the SACCOS and the Minister should do the same, in a subsequent amendment to this Bill, and ensure that is done.

(Question put and agreed to)

*(The Bill was accordingly read
the Third Time and Passed)*

Mr. Speaker: Very well. I will now call upon Dr. Omamo to move his Motion. I allocate one hour and 20 minutes for that debate.

MOTION FOR THE ADJOURNMENT UNDER STANDING ORDER NO.20

THE DROUGHT AND FAMINE AFFLICING THE COUNTRY

Dr. Omamo: Mr. Speaker, Sir, I beg to move:-

THAT, this House do now adjourn under Standing Order No.20 to discuss a definite matter of national importance regarding the current serious drought and famine in the country that has continued and it is continuing to cause loss of lives to both human and livestock.

Mr. Speaker, Sir, one does not have to prove that there is famine and drought in Kenya today. These are now facts of life. The current situation in Kenya is of a historical nature. It is historic because we can recall that there was such a situation in 1984/85. There was a serious drought and famine of this type, but luckily for the nation, Kenyans were able to weather the storm. Since that time and before that time, statisticians and weather experts have now shown very clearly that Kenya as a country, is rather prone to disaster. Sometimes drought, hunger and floods, among other calamities visit Kenya from time to time.

Currently, some 48 per cent of the Kenyans are in the bracket of absolute poverty; they are absolutely poor.

In other words, 48 per cent of Kenyans belong to the bracket of "the poorest of the poor in the world." About

23 million Kenyans, out of the total population, or about 80 per cent of Kenyans, are likely to suffer from starvation during the course of this year, unless appropriate action is taken.

Mr. Speaker, Sir, Kenya happens to be No.51 out of the 51 countries that are food-deficient. When one studies development and puts different countries in the human development scale, Kenya takes No.136 out of 174 countries that were surveyed. This is from the Human Development Index Table that was conducted by the United Nations Development Programme. Child mortality in Kenya covering those aged five years and below is estimated to be 102 children out of 1,000 births.

Mr. Speaker, Sir, regarding livestock, Kenyans do not count the death of their livestock, although so many are dying. Today, the food situation in our country is pretty serious. The food that we can talk about is what was produced last year, because the food that we are expecting this year has not yet left the shambas. However, last year, if we take maize as the major staple food, it was estimated that the country required 32 million bags of maize, but during the long rains, only 20 million bags of maize were produced, and the short rains produced 5 million and there was a carry-over stock of another 5 million bags of maize which left a deficit of 2 million bags of maize. That stock of maize has already gone because the 5 million bags of maize which was meant for relief purposes had already been eaten up by everybody, including my good friend, the Minister of State, Office of the President, Mr. Shariff Nassir. He likes maize, and I also like maize. So, there was no such production since last year. When we see all these things happening, there is no one we can blame directly as being responsible.

Personally, I know three people who can be called upon to say something about it. One, it is the planners; that we should have planned, checked and tested for self-sufficiency in food production as much as we can. That is the work of the planners, and it is in the planning area that the Government is included. The second to take the blame is the nature; the rainfall. Why should the rains be so hesitant to fall on Kenya when we really need it? The person who commands rains is the Almighty God. We have to pray to the Almighty God in order for Him to force the rains to fall on Kenya. Well, we will pray to the Almighty God to force the rains because we cannot do it, but the solutions to this problem must be split into short-term and long-term. The short-term solutions that I can think of have to do with what the Government has attempted to do right now, but it needs to go farther in doing it. First, it should appeal to friends of Kenya to come to Kenya's help.

Mr. Speaker, Sir, I remember in 1984 there was this kind of famine, but rightly or wrongly, it was recorded very clearly that no one died from hunger in Kenya. It did not mean that no Kenyan died in 1984 and 1985. Kenyans have to die because death helps Christians go to Heaven. That is a must for Christians; they cannot go to Heaven alive; they have to die first. But no Kenyan died---

Mr. Mwenje: On a point of order, Mr. Speaker, Sir. I do not want to interrupt my friend, but is he in order to say that Christians have to die first before they go to Heaven when we know that Elijah and Enock went to Heaven alive?

Dr. Omamo: Mr. Speaker, Sir, yes, Elijah and Enock went to Heaven alive, but that was surely before the arrival of our Lord Jesus. The short-term solution to this problem. As I said, we should support what the Government is doing right now. I would prefer that the Government gets the consignments of food from donors, but let the food leave the Coast as quickly as possible and there should be a reliable network for distributing this food upcountry. The monitoring at the local level should include local leaders, and politicians. Sometimes, it is the local politicians who act as the barometers of what is happening, and not necessarily the chiefs and their assistants. I would really like the monitoring system to go that level and be thorough.

Mr. Speaker, Sir, I would also like to suggest that in the short-term solution, let the Government change quickly and formulate irrigated agriculture. What has been happening? This House has been suggesting day in, day out and year in, year out, that we should change to irrigated agriculture. Where is irrigated agriculture in North Eastern, Eastern and Rift Valley provinces? Make use of the waters in the Tana River. Where is irrigated agriculture to make use of what Mr. Bill Omamo has been calling: "Hillocks, lying along the Lake Shore!" When will it be done? Will that be done when our Lord Jesus returns here on earth? If that happens, we shall all have gone.

Mr. Speaker, Sir, irrigated agriculture will be one of the answers to the food shortage in our own country. I would like to suggest that the Government should look into this carefully, and also into the old mistake of designing an irrigation scheme with a faulty design, like those of Bura Irrigation Scheme, Ahero Pilot Irrigation Scheme, West Kano Irrigation Scheme and Bunyala Irrigation Scheme. Let the waters trickle down by gravity, and that will quickly change things. Why do we not do that? When we have done it at the Mwea Irrigation Scheme, how can we cry about food shortage in the country when rice is rotting there? I wish that food was brought here and we eat it up!

Mr. Speaker, Sir, I know that, as human beings, we can cry a lot and our noises can be heard, but surely, our sheep, goats, camels and other livestock are dying quietly. It is up to the Government to move fast and save those livestock that can still move from dying. We should move them to those other areas before they die and become emaciated. Once they are emaciated, you cannot eat their meat; you can only chew their meat. Mr. Speaker, Sir,

I would like to suggest that in the short-run, we should find ways of subsidising agriculture. In the short-run again, I would like the Government to adopt a policy of "eat what you can, but not what you cannot eat". This will be so that if you cannot eat all the mangoes, you should eat the rest. If you cannot eat all the oranges, then eat them. This canning process should permeate all the agricultural primary production areas. I would like to say that time has come for this country to have a land policy that would support agricultural production. I would like to suggest that land policy should be reviewed quickly in three definite areas. First, land ownership policy in Kenya should be reviewed.

Secondly, land utilisation policy in Kenya should also be reviewed and thirdly, farm mismanagement orders should be enforced. If that were to happen, today we would not be having thousands of hectares of land lying idle. For example, in my constituency, I have Miwani Nucleus Estate which lies on a 9,000 acre-piece of land being mismanaged, yet the Government is doing nothing about it. The Government has 49 per cent shares in that company. Can you imagine such a thing happening? I want to state very clearly that such a policy would help in the proper utilisation of the land that we have. It would help in boosting food and livestock production.

Mr. Speaker, Sir, when I say all these things, I have no doubt in my mind that there is need for leaders, including politicians, to play a leading role in helping Kenyans to plan and produce more. This is because we cannot only expect the Government to play a leading role. Production also requires initiative from individuals. The Government should merely subsidise the production of staple food crops. I request my friend, Dr. Kituyi, to second the Motion.

With those few remarks, I beg to move.

Dr. Kituyi: Thank you, Mr. Speaker, Sir. I want to start by thanking the hon. "Kaliech" Odongo Omamo, for bringing this timely and important Motion, and also for seeing the importance of this Motion. It should be given due attention.

Mr. Speaker, Sir, it is normal and reasonable that at times of crisis, as they say in my language, "when a wild dog has invaded your chicken log, first you should chase it back to the thicket before you blame the chicken for wandering too close to the bushes". But since we have been chasing these animals back to the forest too many times and the chicken are still wandering near the thicket, it is in order that we start wondering what is wrong with our chicken. We are in a multi-faceted crisis. The crisis in Kenya is not that there is drought. There is a crisis in that there is famine. Famine is a crisis, but drought is not a crisis. There is a drought today in Mauritania, Senegal and Sudan, but there is no famine in those countries. A drought is a national phenomenon while a famine is a social phenomenon. We should ask ourselves: Why has the extended absence of regular rainfall translated in food deficiency, social stress and social crisis?

Mr. Speaker, Sir, we have to be fair and separate these phenomena according to the different categories of our population. I will say that there is a crisis among the agriculturalists, pastoralists and among the petty wage earners, who include the lower urban income earners. I will start with the drought and the crisis of famine among the pastoralists in this country. Today, many people are confusing what is happening with the crisis of lack of pasture and pastoral resources for our herdsmen and the greed for land grabbing.

The reality of what is happening in northern Kenya is as follows: First, it is a reality that in every circle of about ten years, there is a period of rain stress among the pastoralists. Usually under those circumstances, traditionally the pastoralists identified areas where they could take their animals. These areas were used as retreat areas during extended drought. Greed for land ownership, normal temptation by agriculturalists to define reserve land for pastoralists as unoccupied free land and urban appetites, which have been encouraging the growth of such dry crops as wheat and barley, has taken up the land that is supposed to be the retreat land or reserved pasture land during the extended drought in the pastoralist areas. This means that as the drought extends, the pastoralists have no access to the traditional land reserves; the niche they used to exploit.

Mr. Speaker, Sir, unless we see this reality, we will be confusing a desperate move by the people who have lost where to go with impunity to invade other people's lands. Unless we address the question of the disappearance of a niche for the extended drought for pastoralists, we will have to start addressing the question of how we can reduce the human population within the rangelands. This is because they have no capacity to sustain the numbers of pastoralists that they have because those pastoralists have lost the most important dry season pastures.

There is a second problem with the rangelands today. Over the past ten years, with the collapse of the state of Somalia, there has been massive informal migration of Somali herdsmen into Kenyan territory, mostly accounting for 200 per cent increase of the population of North Eastern Province. The reality is that the massive increase in the population depletes the pasture and water resources of the rangelands.

Today, North Eastern Province has no ecological capacity to sustain even half of the population that it is sustaining. That leads to the spilling over of some of its population to the neighbouring districts. This is not because Somalis want war, but it is because the social circumstances of the explosion of population in North Eastern Province has to have ripple effects in Isiolo and other neighbouring areas. This country has to start addressing the question of

when we will get the surplus population from Somalia to go back to their country or to refuge centres and not informally settle among citizens of Somali ethnic background.

Mr. Speaker, Sir, I wish to turn now a bit to the agricultural areas of this country. The Meteorological Department informed this country that there was going to be drought and that there was going to be *La Nina* drought. What preparedness did we attempt when we were so forewarned? In fact, we did the opposite. Unlike the ancient Egyptians who, started stocking up foods, on the basis of Joseph's interpretation of the dream about the thin and fat cows, in this country, we ignored policies of investing in primary production when we were forewarned. At the time when we needed to encourage agricultural farmers, last season, adulterated seeds, which were over-priced and contaminated fertilisers without sufficient quality control and uncontrolled proliferation of the prices of tractor services were introduced. They all conspired to convince most farmers to reduce investment in agricultural production. It was the business of the Government to encourage investments in agriculture because we knew that the lean years were ahead of us. We did not do that. Be that as it may, at the start of the current year, the Government did not make any attempt, even when it knew that there was a deficit in agricultural production, to maximise purchase of cereals from farmers to reduce poor on-farm storage which leads to rotting and pest destruction of cereals. A lot of grain has been wasted because it was not purchased in time by the Government. Was the Government out for "lunch"? Did the Government know that it was going to need it? This was because the same Government was telling us that we were going to have a deficit in the same year.

Mr. Speaker, Sir, we have a number of problems. At this time when we are faced with this crisis, what the Government must do first and foremost, is to stop this jerk-knee reaction. Stop the harassment of Kenyans who are bringing in cereals from Uganda and Tanzania. There is no reason why the Kenya Revenue Authority (KRA) is harassing Kenyans, who are bringing in maize from Isebania when Kenya is begging the world to bring us maize. Why should we want yellow maize from America if we do not want white maize from Tanzania? Why should we find famine as an opportunity to make extra revenue from Kenyans, who are trying to supply cheap maize from our neighbouring countries? Kenya has been making a lot of noise about being interested in the East African Community. This is an opportunity to do so. Our neighbours in Uganda and Tanzania have surpluses. Why can we not use this opportunity to help reduce slightly the massive trade surpluses we have been driving up in our trade with our neighbouring countries by officially purchasing the relatively cheap white maize available in Uganda and Tanzania to feed Kenyans, instead of waiting for donors to come and tell us where the maize should come from or how to reduce taxes on what we are importing? Why must Kenyans wait until the President says, "Stop these punitive taxes on maize from Tanzania"? Are we being rational?

Mr. Speaker, Sir, there are a number of things that we have to do in the immediate term also. It is important that all available resources be put at the disposal of those moving food from areas where there is still some food to the areas of deficit. There are surplus bananas still available in Kisii. There are areas in this country which could consume those bananas. It is the State's responsibility to reduce the turn-around time between cereals arriving in Mombasa and the mouths of those who are starving. Do not wait until they are all emaciated to do the dramatic pictures of Shariff Nassir donning out one kilo of maizemeal.

(Applause)

Mr. Speaker, Sir, I totally concur with hon. Dr. Omamo that this country cannot have long-term sustainable food security if we do not address the question of land tenure and of the abuse of the ecological diversity of the rangelands for the benefit of the few consumers and the price that is being borne today by the pastoralists. In the short-term, it is totally justifiable that some of the animals of the pastoralists should go to Mount Kenya Forest. I say that because cows do not cut trees.

(Applause)

Indeed, cows create the ecological conditions for the regeneration of the forest. It is the peasants who follow pastoralists after they have opened up the routes into the forests who will try to grab land. It is not the pastoralists. When the rains come, the tsetse flies will chase pastoralists from the forest. So, they are no long-term threat to the forests. However, can we now create the conditions under which we will not need to be negotiating and supplicating before large-scale owners to allow us take in animals under very humiliating conditions as if you want to get your animals to add up to 2,000? This humiliation is a product of our own insensitivity to the reality in our own country. It is the product of our own inability to think long term. It is the product of our own ecological sacrifices because we are so much obsessed with short-term material gains at the expense of society.

With those few remarks, I beg to second.

(Applause)

(Question proposed)

Mr. Speaker: I would like to get the reaction of the House - we have about 45 minutes - whether you could agree to have every Member speaking for five minutes instead of ten. Is that the reaction of the House?

Hon. Members: Yes!

Mr. Speaker: Any opposition to that?

Hon. Members: No!

Mr. Speaker: It does look like the majority are in agreement. So, five minutes. for everybody.

The Minister for Tourism, Trade and Industry (Mr. Biwott): Mr. Speaker, Sir, thank you. This Motion is very important in that it deals with food and survival. It is, therefore, important that the views of this House must be heard. It is also important in the sense that this will be supplementary to what His Excellency the President has done towards famine alleviation in this country. His appeals that have gone around the world. However, what we ought to be asking ourselves is: Why, when we know that drought and famine recurs in this country, do we not plan and cater for that purpose?

Mr. Speaker, Sir, we are also aware that the people who are affected are not only the agriculturalists, but also the pastoralists. Therefore, there is a question of the livestock owners or those who survive on livestock and agriculture. I would, therefore, venture to say that what we need is planning. Planning in which we articulate exactly how our agriculture and livestock will be developed. Also, how we can meet the challenges of liberalisation. How we can live with the challenges of our increasing population and the need for more food to sustain it. How we can deal with the storage and distribution of the food that is available and the storage of the surpluses during those days when we need to supplement whatever the people have produced.

Mr. Speaker, Sir, we must also devise a method whereby the people themselves get satisfied with the distribution system. I do agree entirely with what hon. Dr. Omamo whom I have known for many years said, that the distribution system ought to involve the local people because they are the ones who know where the food shortage is and they are aware of who are suffering from the drought and who needs food and whether that food is being distributed properly or not. That system must be capable of being evaluated and monitored at any given time. Therefore, the future will not only rest with the effective planning, but it has also something to do with the preservation of the environment. This is because the environment is very necessary if we are going to create rain, conserve our own resources, control the floods and preserve the God-given ecological endowment of the country for the future.

Mr. Speaker, Sir, what should we do then for the future? First of all, we have to take into account the fact that we will need to produce, conserve and distribute food. We also need to increase wealth in this country and for us to do that, we would not necessarily depend on agriculture. We can improve on agriculture to increase the valued added aspect of it, but we will need more to build our own industries. We will also need to produce agricultural items that fit into agriculture so that we have vertical integration which can sustain our own people. We need, for example, to concentrate on such items as cotton for our own textile mills which give our people employment and in turn will earn money to be able to buy food which they can hardly afford at the moment. We also need to increase our agricultural products for exports, for example, horticultural products and canned items which are processed to add more value to our export markets which are available. Above all, we need to co-ordinate our agricultural activity with those of the region based on endowment and comparative advantage. There is no reason why we cannot encourage the Ugandans to produce a lot of maize because they have got natural conditions which are conducive to the growing of maize and other agricultural crops which are required in this country. We should specialise on those agricultural crops which give us the greatest comparative. This is because we will be able to promote trade to the best advantage of our own people and improve our own welfare and our role in this region.

With these few remarks, I beg to support.

Mr. Kibaki: Mr. Speaker, Sir, I support the Motion.

We know that, one of the big problem that must be addressed now, has to do with assisting the farmer to produce grains. There used to be many institutions in this nation which gave loans to farmers. But those loan institutions were allowed to "die". The farmer today, if we speak the truth, has no access to credit anywhere. Even if the rains were to come, the farmer has no access to credit to enable him to buy seed, fertilizer and prepare the soil. So, actually, even if he is given seed by those who give us donations now, he will not be in a position to plant when the rains come. So, let us address that issue. Let us revive those institutions. Let us get the farmer ready before the rains come, so that he can plant. That is the beginning point. Having revived those loan institutions, we should include the guaranteed minimum return per acre. Those were the essentials then, which must be done now. They were abolished.

The second thing that we have to do is to store reserve food. We have a lot of storage facilities [Mr. Kibaki] in this nation. We have silos everywhere, built with help from people like the Japanese and others. Even if those silos were full, unless the Government makes a decision that all the maize in them must be stored for all seasons, so that there should never be a time when they are empty, we can overcome the hunger problem.

Mr. Speaker Sir, all the nations, including those in deserts like Israel, have that policy. It is expensive and cost some money, but we have to make a decision. We must keep the silos full. But as it is now, the first opportunity which the National Cereals and Produce Board (NCPB) finds is to sell the maize, even if they do not know whether there will be a proper crop or not. This has already happened and the silos are totally empty. We have no reserve. We should have a reserve at all times. We should keep it, under all circumstances, and finance it. That should be in the current year's Budget. Otherwise, we are not doing anything positive to help anyone.

Thirdly, let me say this: What was said about irrigation was true. All irrigation projects have been abandoned. Why have they been abandoned? Nobody else can be asked that question except the Ministry which is in-charge of them. Who else can be asked? Why were our own irrigation projects abandoned? The farmers cannot get proper certified seed because a whole gang of thieves are now able to label bags as Kenya Seed Company bags, when they are not. They are swindling us! When we pass the Bill against economic crimes, those are the type of people who should be shot or hanged publicly. This is because a fellow who sells you seed, pretending that it is genuine seed while it is not, and he gets money out from you--- You waste your land, income, hope and everything else as a farmer! Those are the kind of fellows who should be hanged! They are known and there is no problem in identifying them and having them publicly hanged! We cannot fight those kind of crimes and the high level of corruption unless we take something very drastic.

Mr. Speaker, Sir, finally, let me say this: It has already been said by Dr. Kituyi. I am sure this is very important. We should join Uganda and Tanzania in discussing such matters. It is common sense and cheap to buy from those of our neighbours who have a surplus. It would also be the right economic policy. In any case, since Uganda is our greatest trading partner in the world, it is only fair that we should buy what we can from them. Right now, let us buy power, maize and everything else that they have to sell to us. Trade must be two way to create good understanding and neighbourliness. We all know why we are not focusing on Uganda, and why we are stopping Tanzanians at Isebania. This is because at Isebania, corruption is not enforceable. That is why money is being wasted by forcing those farmers not to import maize from Tanzania. For a moment, let us forget stealing. Let those who have stolen enough to go and "eat" their money wherever they can go. We should allow free trade across all borders.

With those few remarks, I beg to support.

(Applause)

Mr. Mbela: Thank you very much, Mr. Speaker, Sir, for this chance to contribute. First, I would like to thank the Government for admitting that, people are actually starving. Let us hope that we will look at the distribution system, and make sure that food goes to the people who are in need of it.

The Assistant Minister for Local Government (Mr. Affey): On a point of order, Mr. Speaker, Sir. In view of the fact that this Motion is of national importance, would I be in order to request the Chair to have the debate go up to 7.00 p.m.?

Mr. Speaker: It does appear like the House is receptive to that and I, therefore, order a later interruption of business. The business will be interrupted later at 7.00 p.m. this evening. Proceed, hon. Mbela!

(Applause)

Mr. Mbela: Mr. Speaker, Sir, the issue of food shortage is definitely very real. But the percentage is actually higher than what the Government has admitted. I would say that, for example, in my own District of Taita Taveta, more than 50 per cent of the people are affected. We have not had reliable rains for some time. During the last three years, we have not had any real harvest that can sustain the people for any period of time. But the worst aspect is the fact that, in the lower areas, we get very serious problems with the elephants. Whatever the people hope to harvest is quickly cleared by the elephants. Other wild animals also bring livestock diseases that are an added cost to the farmers. It is very painful, particularly in Taita Taveta District, where 62 per cent of the district falls within the national parks. We earn nothing out of it. However, the point that is very serious and needs to be addressed immediately is the food situation affecting more than 50 per cent of the people. I had a discussion with some civil servants in the last weekend, who felt that the people were still looking quite nice and healthy. But they were forgetting that the Taitas are in the habit of producing very handsome men and beautiful women. So, when they do not look ugly, it does not mean that they are not starving. But the situation is very serious. In the past, we have been able to share our shortages with our

neighbours in Tanzania. When we had a good harvest and food used to flow across the border. When they had a better harvest, we used to eat their bananas and maize. But the disaster that we have got at the moment, which could have been avoided and assisted the poor people, is the fact that, suddenly, there is an increase in tax. The Kenya Revenue Authority is charging, instead of Kshs28 per a 90-kilo bag of maize, Kshs329 as tax. That, in itself, is an increase of 1075 per cent, and keeps the food away from the people. I know that it cannot be easily said that the people are dying. To quote what Dr. Omamo "Kaliech" said, even if you have some minor ailments like colds or coughs, you can go to Heaven to meet your maker much faster, if you are hungry.

Mr. Speaker, Sir, it is important that we also look at the issue of how the food gets to the people. There is a tendency whereby the famine victims are being asked to contribute towards the cost of transporting food to their areas. I believe that the Government can budget and make sure that food is fully paid for in order to be transported to the nearest point, so that, people should not walk more than three or four kilometres to be given food. Even three kilometres is in itself excessive. But to leave food at the district headquarters and expect the hungry wananchi to find money to transport it to their homes, which they do not have, is really unrealistic.

With those few remarks, I wish to support the Motion.

Mr. Speaker: I have to do justice to all parties. I want to recognise somebody from FORD-(K). If they are not there, then I will recognise Mr. Mbitiru!

Mr. Mbitiru: Thank you, Mr. Speaker, Sir, for recognising me. I have very few remarks to make.

First and foremost, as I support this Motion, I would like to say that, the Government is doing very little in supporting the farming community in this country.

First of all, we know the expenses involved in the production of our crops these days. The import duty on farm inputs, especially the pesticides, herbicides and the fertilizers is alarming. If the Government is serious in helping the farmers, this element of duty should be waived.

Mr. Speaker, Sir, I would also like to talk about the mismanagement of our institutions, which include the KFA and the Agricultural Finance Corporation (AFC). All the support that the farmers used to get initially from KFA has been grabbed by those who has been vested with the running of those institutions. Unless the Government becomes a bit serious this time around, to ensure that certain institutions are provided with finances, such that they can be able to support the farmer, then we are not very serious in helping the farmers to attain any kind of meaningful production in this country.

Mr. Speaker, Sir, there is also a very serious problem in food distribution. For instance, in Laikipia, we are having a very serious shortage of food, especially in Olmorani and Sipili areas. In these areas, a lot of food, which, sometimes back the DC told me would be supplied there, has been diverted to other areas. I do not want to say how the food went to Dol Dol, but we know most of the food meant for Laikipia, which is a needy area, has been diverted to areas like Olmorani and Sipili to Dol Dol.

Secondly, due to lack of food in most homes, I would like the Government to reconsider the decision of re-introducing feeding programmes in schools. These days, you find that children are dying and some are running away from schools due to lack of food. In Olmorani, five schools have been closed down and in Sipili, three secondary schools have closed down because they do not have food. Schools do not even have the finances to buy food. If the students cannot be sustained in schools, how are we expecting education in those schools to continue? It is now time the Government saw the sense of re-introducing the school feeding programmes in all those areas affected by famine.

Mr. Speaker, Sir, I would like to support what the Leader of the Official Opposition has said about the Kenya Seed Company in this country. There are so many counterfeit seeds, some of which are being packed in Nakuru. Even the system of processing seed production is not the recommended one. You find that, instead of isolating the seed per farm; today, everybody who goes to the Kenya Seed Company can be appointed to be a packer for Kenya Seed! This is wrong! There is a policy and a formula to determine who qualifies for seed production and packing. But today, anybody can be a producer of seed; which is wrong and cannot be accepted! Some of these things are very important for us, especially when we see those seeds that are being supplied. In fact, it is as good as asking the farmer to go to his store and get maize that was produced the previous year and use it as seed. This is wrong!

We know that there is a problem in the pastoralist areas.

Mr. Speaker, Sir, you as a leader in Laikipia, on one side, you agreed to meet the pastoralists and persuade them to move their animals to Mt. Kenya Forest. Those herdsmen have guns AK-47s and they are going there with malice. We do not want to deny them the grazing land, but how sure are we that they are not going to introduce clashes in those areas, as they did in Laikipia? We want to protect our people. So, if the Government is going to allow those people to go down there, or if there are problems, they must make sure that they are disarmed. They should not have the arms!

Finally, whitemen in Laikipia should allow the pastoralists to share the pasture with them. They cannot just come to this country and take everything for granted.

With those few remarks, I support the Motion.

The Assistant Minister, Office of the President (Mr. Haji): Thank you very much, Mr. Speaker, Sir, for giving me this opportunity to contribute to this Motion.

I am very conscious about time and the number of hon. Members who want to contribute to this Motion. I would rather give tangible suggestions on how to resolve this issue of famine.

(Loud consultations)

Mr. Speaker: Order!

The Assistant Minister, Office of President (Mr. Haji): Mr. Speaker, Sir, in the first, place, this is a calamity that affects everybody in this country, and the only tangible thing to do is for us to forgive each other as Kenyans, and also pray to the Almighty God to accept our prayers, so that rains can fall sooner so that we get out of this problem of famine.

Secondly, we know that, if there is no rain, there is no way we can get food immediately. In my area, there is a menace of buffaloes and zebras right now. They do bring foot and mouth diseases to the few livestock remaining in the area. I think, the first step that should be taken is to crop the buffaloes and the zebras that are not of any use to this country because tourists do not go to see them and their meat should be dried, be given to the people who are hungry, to supplement maize and other food stuffs that are given them.

Thirdly, there is need for the Department of Veterinary Services to assist farmers who are moving from one place to another looking for pasture, particularly those who have gone to Mt. Kenya and other areas of this country.

Mr. Speaker, Sir, I would like to disagree with hon. Mwiraria. If he is really conscious that we are one people and one nation; he should not object to his own brothers and sisters to look for pastures so that they can survive like other people. I think the Government should also assist by sending veterinary officers there to assist them to control ticks in order to help the animals to survive, so that when rain comes, the people should be allowed to move out peacefully.

With those few remarks, I support the Motion.

Mr. Kaindi: Thank you, Mr. Speaker, Sir, for giving me this opportunity to contribute to this important Motion.

It would be fair for me to speak about the pastoral communities because the Kenya Meat Commission (KMC) happens to be in Kathiani. The KMC was a strategic organisation. The moment this Government declassified the KMC to a non-strategic organisation, was the beginning of the problems that we are having today. The KMC was for the livestock farmers what today, the National Cereals and Produce Board (NCPB) is to the agricultural farmers. Today all the livestock in North Eastern Province and other areas are dying. Where do we take those livestock to? Only to the KMC!

(Applause)

Mr. Speaker, Sir, in the same vein that we are discussing this important Motion. We would like to call upon the Minister the day after tomorrow, to inject the Kshs500 million we have been hearing about, so that the KMC can become functional. That is the only way we can save the livestock farmers from North Eastern Province, the Coast and to the other side of Rift Valley Province. That is an important source of protein and we need it now. Let us not allow our livestock to perish; we should convert it to canned beef, so that it can also be distributed to our people.

Secondly, Mr. Speaker, Sir, we must also come up with a policy where we do not classify food crops and cash crops depending on zones. Last year, in Makueni and other parts of Ukambani, we had pumper harvest in terms of maize. But because that pumper crop is still regarded as food crop, mechanisms were not put in place to store it, as far as we are concerned, the same way it is being done elsewhere. We have silos in areas like Tala and Kibwezi, but they are all empty. Nobody puts that crop there because the classification is lopsided. We need to treat any crop that is found in this country, be it maize, beans or wheat, as cash crop. We must put in place, mechanisms that can ensure that every part of this country in whichever region, has a storage capacity that can be able to store and sustain those people.

Mr. Speaker, Sir, the ASAL classification which was for Arid and Semi Arid lands left one major omission. It was classified as arid and semi-arid regions, but no proper mechanisms were put in place to ensure strategic reserves were put in those areas. This is one of the reasons why today as a nation, we are clamouring and crying and asking where we are going to get food from. Regarding the food available today, especially the one that goes to the district Headquarters, our biggest concern, as leaders, is that, that food does not reach the needy. We must come up with mechanisms, as Government and Opposition, so that, that food can reach the needy people in our country.

Thank you.

(Applause)

The Minister of State, Office of the President (Mr. ole Ntimama): Thank you very much, Mr. Speaker, Sir.

I rise to support this Motion. Indeed, this is a calamity that has befallen this country. Experts have said that we have never had such a situation of drought and famine for the last 40 years. So, this one is really serious and we must treat it with the seriousness it deserves.

Mr. Speaker, Sir, I want to say very clearly that I have no quarrel with the Committee that has been appointed. But I think today, this famine goes across the whole nation and if you look at the poor, either in the urban centres, rural and ASAL areas; the woman and her child are the biggest sufferers.

Mr. Speaker, Sir, I would like to say that the Committee should be expanded to include, at least, one respectable woman. I think they should have a say in that Committee. I have a lot of respect for the members of the Committee, including the Permanent Secretary, Office of the President, who is in charge of Provincial Administration, Mr. Cheruiyot. I think he is a very efficient officer, but I think if we have to integrate these things, if we have to work together, some of these Non-Governmental Organisations (NGOs) are going to import food. We should also, either consult or include them in the national Committee. Some people have got an obsession for women, or even the NGOs, but these are part of our society. I think they should be included, if we are really going to establish or lay a mechanism for transparency and credibility. Mr. Speaker, Sir, I want to say that, even the district committees should be appointed because the DC is a human being. It is very difficult to say that he is going to be honest in the fair distribution of relief food in the district. We have seen some DCs, DOs and chiefs being accused and, in fact, convicted for stealing relief food and selling it. To avoid that, we should have the district relief committee in place and it should include the representatives of the other parts of society, including religious organisations in that particular area. That should be the same case with the locations, so that these things can be monitored properly.

Mr. Speaker, Sir, we do not want a situation where people will make this relief food another goldmine, or where some of this money will go to some people who will use it politically to hit other people.

(Applause)

Mr. Speaker, Sir, on the importation of food, I think we ought to be very careful on this one. In the past, maize has been imported and I welcome the idea of removing duty, but we have seen some people importing maize duty free, but they sell it at exorbitant prices. The sufferers are the poor people in society. Those prices must be regulated, so that this food will be sold at affordable prices.

Mr. Speaker, Sir, I am emphasizing this one because we have to be credible and honest in our distribution of this food. It will bring a lot of problems if we are not fair to everybody.

Mr. Speaker, Sir, it will not be fair for me to sit down, if I do not talk about the ASAL areas, because they have sustained me all these years. I wish to appeal to the Committee to make sure that those dry and hard hit areas, although most of the country is suffering, are considered more seriously for the distribution of relief food. Even the transportation must be done properly because some people might take advantage of that and make millions out this situation.

Thank you.

Mr. Raila: Thank you, Mr. Speaker, Sir. I rise to support this very important Motion. An old man at the beach from Kaloka in Kisumu Rural told me last week that this famine is christened by the Luos as *Ting badi malo*. They are very concerned about the effect of *Ting badi malo*. The Joseph of the biblical times interpreted pharaoh's---

(Loud consultations)

Mr. Speaker: Order! Order, hon. Members! We are not communicating.

Mr. Raila: Mr. Speaker, Sir, Joseph of the Biblical times, correctly, interpreted Pharaoh's dream. He told him that the seven cows represented *El Nino*, while the others represented *La Nina*. The Joseph of our times are the meteorologists. The Kenya Meteorological Department warned the Government that the *El Nino* rains would be followed by *La Nina*. However, the Pharaohs of our modern times failed to heed the interpretation of Joseph. That is why we have the problems we are experiencing today. In modern times, famine does not have to be a consequence of drought. Famine, as hon. Dr. Omamo has rightly said, is a consequence of poor planning; that is why we are having this problem. If famine was a consequence of drought, countries such as Egypt and Libya would be having perennial famine. On the contrary, Egypt is self-sufficient in food production merely by using the waters of River Nile, which originates from our country.

The solution to the problems this country has been facing is to move away from rain-fed agriculture towards irrigation agriculture. This has been said very many times, but the Government has done nothing about it. We would like to make our people self-sufficient in food production. This can be done; because a lot of water escapes to the ocean and lake during the long rains. So, this is something which we now need to take more seriously. It is a fact that this Government has constructed a pipeline from Mombasa all the way to Eldoret and Kisumu. However, it has not seen it fit to construct pipelines, to supply water to Kambas who live just next to the River Tana. This is a shame.

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

Mr. Temporary Deputy Speaker, Sir, regarding the crisis that we have at the moment, I would like to, actually, hail the Government's move of appealing for donor assistance, so that we can help our people, who are starving. However, the people who have been responsible for the kind of mess we have found ourselves in cannot be relied upon to ensure equitable distribution of the relief food that is coming. That is why I agree with the Government's setting up of a committee to preside over the distribution of relief food. We want to ensure that there is equitable distribution of the relief food that is coming. Let us not only think about the rural areas. Even the urban dwellers are equally affected by this famine. Therefore, when the Committee sits down to allocate the relief food, its members should take a proper stock of the effects of famine. They should make a proper register, constituency by constituency, both rural and urban, to ensure that the needy people in those areas receive the relief food.

Finally, I would like to agree with the suggestion that has been made here - that we should try to open our borders and make cross border trader easier and effective. It is a shame that the Kenya Revenue Authority (KRA) is harassing petty traders who conduct trade across the border. These are people who just buy maize from across the border to feed the poor and starving people in our country. It is high time that the Government made an announcement to open up our borders at this time of great need, so that our people can access food that is available not only in Uganda and Tanzania, but also in Somalia.

With those few remarks, I support the Motion.

Mr. Musila: Thank you, Mr. Temporary Deputy Speaker, Sir. First of all, I would like to congratulate hon. Dr. Omamo for bringing this timely Motion. We have heard of proposals and I would like to just propose a few things that we should do.

Within Ukambani region, we have talked about irrigation and most hon. Members who have spoken here have talked about it. We have two rivers in Ukambani namely; Athi River and River Tana. We should ensure that we promote irrigation, because if there was one, we would not be having the problems that we have been having in this country. Why should this country import grain from Egypt or even South Arabia and, yet, these countries are deserts? I think we have failed in our planning and it is high time we changed our attitude to this and introduced irrigation. I am saying this because we do not even have a single irrigation scheme in Ukambani region.

Mr. Temporary Deputy Speaker, Sir, our country is facing a crisis of shortage of food, and I would like to appeal to the Government to ensure that all the people, particularly, leaders are involved in food distribution in areas which have food deficit. In this respect, it is obvious that the entire country is in need of assistance.

I would like to draw the attention of this House to a system which has been recently introduced in the country, whereby the Government is leaving the distribution of food aid to NGOs. I would like to inform this House that I have no quarrel with that, but what is happening in relation to my own district called Mwingi, is that an NGO appears to have been given the responsibility of selecting the people, who qualify for food aid and is even responsible for selecting committees in complete disregard of local leaders. I would like to say that my people are against an NGO that selects people who qualify for food. For your information, 99 per cent of the population in my constituency is in need of food and, yet, the NGO has devised its own criteria of selecting the people who need food aid. I would like to appeal to the Government to take full control of famine relief food distribution in Mwingi District; and this is not time to experiment with new methods. We already know where we have failed in the past and the Government must take full control. They are saying that every village must only have 10 people who qualify to be given relief food, and I am saying that 99 per cent of people in my constituency need to be assisted with food. We expect the Government to do so and not NGOs. The NGOs may distribute food, but the Government must be in full control. In the past, we have had misappropriation of famine relief food by administrators and other people. I would like to appeal to the Government to ensure that this time round any misappropriation of famine relief food is punished promptly. I am saying this because in 1997, Mwingi District lost to these people 30,000 bags of famine relief food. Already when we are in this crisis, there are those people who are planning to misappropriate food. I would like to appeal to the government to ensure that appropriate action is taken against any person found misappropriating food.