

NATIONAL ASSEMBLY

OFFICIAL REPORT

Wednesday, 19th February, 2014

The House met at 9.00 a.m.

[The Deputy Speaker (Hon. (Dr.) Laboso) in the Chair]

PRAYERS

Hon. Deputy Speaker: Hon. Members, as is usual on a Wednesday morning, we do not have quorum and so I order the Division Bell to be rung.

(The Division Bell was rung)

Order, hon. Members! We now have quorum and we may begin the business of today. We have some Papers to be laid by the Departmental Committee on Finance, Planning and Trade.

PAPERS LAID

Hon. Gaichuhie: Hon. Deputy Speaker, I beg to lay the following Paper on the Table of the House, today Wednesday 19th February, 2014. This is the Departmental Committee on Finance, Planning and Trade.

The Report on President's Memorandum on the Insurance (Amendment) Bill, 2013.

Hon. Deputy Speaker: Hon. Kinoti was scheduled to give a notice of Motion but he is not here, so we will go to the next Order.

BILL

Second Reading

THE PUBLIC PROCUREMENT AND DISPOSAL (AMENDMENT) BILL

(Hon. Sakaja on 12.2.2014)

(Resumption of Debate interrupted on 12.2.2014)

This was an ongoing debate. Before hon. Benson Mulu, hon. George Omondi was on the Floor and he had a balance of eight minutes. Is, hon. George Omondi in the House?

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Hon. G. W. Omondi: Thank you, hon. Deputy Speaker. I had completed talking about the economic empowerment this amendment will bring to the youth. I want to have a look at what it means to the status of the youth regarding their idleness, which makes them engage in crime.

This amendment will give the youth alternatives of what to do because currently they are being lured into various crimes. For example, you know what happened in Mombasa the other day. We have not gone into the details and identified why they are being easily lured into crime. Part of the reason is lack of something to do. Being offered 30 per cent of our procurement business in central Government and counties will give them alternatives and somehow arrest the situation.

This amendment will most likely check the poverty that is actually very high amongst our youth, almost at 70 per cent. The influx of people from the rural to urban areas, which is creating a lot of problems, will reduce. The youth will remain in the rural areas, because they will have something to do and will not rush to the cities as they are currently doing. Finally, it will help the Government policy in trying to arrest the rural-urban migration.

Thank you, hon. Deputy Speaker.

Hon. Deputy Speaker: Hon. Benson Mulu, you can have the Floor.

Hon. Mulu: Thank you, hon. Deputy Speaker. I rise to support this amendment and it is quite timely bearing in mind the policy that 30 per cent of the national procurement business should be given to the youth. In terms of legal framework, the Procurement and Disposal Act had not factored that.

When you look at the population of Kenya, 54 per cent of it is actually categorized as the youth. These are the people in the age group of 18 to 35 years. It is also reported that about 70 per cent of the youth are unemployed. The question which we must ask ourselves as leaders is: How do we resolve this problem of unemployment? This law will go a long way in trying to solve this problem, if not fully, it will contribute in a big way to reducing it.

When you look at the national Budget this year, the total is about Kshs.1.5 trillion. If you remove the Recurrent Expenditure, more so in terms of salaries and the rest, you will find that the Government this year will be procuring goods and services worth about Kshs.800 billion. If the youth are able to access this money, 30 per cent being almost Kshs.200 billion, we will really be helping the youth of this country.

It is obvious that the youth are among the marginalized alongside the women and disabled and this is across the board. When you look at this House, you will realize that it is only about 11 per cent of its total membership that can be categorized as youth. We really need to go that extra mile to amend this law, so that the youth are able to access the funds. It is very important now that yesterday we passed, as a House, the Uwezo Fund Regulations. When the youth are able to access this Fund, some of them will use it to supply goods and services to the Government. That way, they will not have problems with financing or capital.

There are two or three things we need to consider as a House for amendments. For example, the directors of the companies which are going to be opened, the proposal is that 100 per cent of them should be categorized as youth. At the same time you will realize that most of the Government procurement processes demand that you first supply

and then invoice. This means you require capital for you to supply. While we say the directors should be 100 per cent youth and then they are expected to kind of pre-finance, the question is, will they have the funds?

Could there be a need for us to state that out of the directors; we could allow 80 per cent youth and 20 percent non-youth? This way, we will be able to facilitate them when they require pre-financing to access resources. The other alternative, as part of the amendment is that we can demand that they access resources without being required to provide security. If we do this, we will assist them access opportunities.

In a situation where they have to provide pre-financing and they do not have access to money, they will have problems. Even though the Uwezo Fund will be there, I do not think it will be sufficient to fund things like grading of roads and supply of materials to Government, which require a lot of money.

Hon. Deputy Speaker, while I support the amendment, there could be need to look at the company directors and the issue of pre-financing to see whether we can do anything to help the youth. I would recommend that the Mover, hon. Sakaja, looks at it to see whether there is a way that it can be sorted out.

With those remarks, I support the amendment because it is going to help our youth.

Hon. Kato: Thank you, hon. Deputy Speaker. I rise to support this timely Bill and I want to thank hon. Sakaja for bringing it to the House. Actually, as the Mover said, the youth of this country; between the ages of 18 and 35 years constitute about 54 per cent of the population.

Actually, that tells that Kenya is a country of a young population. I want to say that this is slightly lower because I had the privilege of serving in the first ever Ministry in charge of youth affairs, as an Assistant Minister in the Ninth Parliament. The statistics were a little bit higher than this; the youth were at about 65 per cent of the population. Most important is the fact that 70 per cent of that population has no jobs, while it is also a fact that they are educated, very skilled and well trained. Therefore, issues of education cannot be the reason why they do not have jobs.

Hon. Deputy Speaker, there has been discrimination or sort of bias against the youth while they are looking for jobs; be it white collar jobs or contracts. Some of the biases against the youth have been the age and experience. You cannot get the experience without doing the job. You can imagine just a fresh graduate from the colleges and universities being asked to have five or ten years working experience. It is even happening right now in the devolved units; the county governments. When they apply for contracts, they are asked to bring their company profile. First of all, it is very difficulty currently in our legislative framework to form business companies. The environment is not that conducive. Therefore, when they are asked to produce their company profiles, several questions are asked like share equity of that company, years of operation, monetary value of the previous work done and so on.

Surely, this discriminates the youth because they have not even formed those companies, they have not had a chance to do work before and the value that goes to previous work done is not there. Therefore, it is good that in accordance with Article 55 of Constitution, we bring such an affirmative action to special groups like the youth.

If you look at the Jubilee Manifesto, one of the pledges is that they will create one million jobs a year. I think when this law is passed; it is going to help it achieve that pledge. Through stimulating the economy by bringing this affirmative action to the youth, several jobs are going to be available through the economic pillar of Vision 2030. Therefore, I think this is a well and timely amendment and it should have been done long time ago.

Hon. Deputy Speaker, my other observation is that in the interpretation where the name “youth” is defined, it says “youth” means a person who has attained the age of 18 years and has not attained the age of 35 years. I think the universal accepted definition of “youth” is 18 to 35 years. If you have not attained the age of 35 years, it is making it to a maximum of 34 years. I think this needs correction to include those aged 35 years.

With respect to the kind of jobs or contracts being envisaged here, we should make it easy for our youth to do Constituencies Development Fund (CDF) projects in terms of contracts, even county contracts and other contracts. I want to say that the Uwezo Fund together with these proposed amendments is a deliberate move to stimulate the economy, the way it was done in 2009/2010 when there was the Economic Stimulus Programme (ESP). You can see the impact in every constituency, there is one centre of excellence in schools and health centres.

Hon. Deputy Speaker, I would want to plead with the hon. Members in the Budget and Appropriations Committee of this House that this time as we do our Supplementary Budget, we remember to complete all the stalled projects under ESP. Money needs to be appropriated for that.

I want to say that this is going to be better than what has been done before. We have previously tried *Kazi kwa Vijana* and the Youth Enterprise Development Fund. Under *Kazi kwa Vijana* our youth were given small jobs of bush clearing and other causal jobs. As I said, these are trained, skilled and educated youth of our country. This Bill will deliberately set aside a certain percentage of the contracts in all Government offices for the youth and it is going to achieve a big milestone, unlike the *Kazi kwa Vijana* and the Youth Enterprise Development Fund.

Therefore, I want to say that I support it and urge the responsible Ministries to ensure that there is total implementation.

I beg to support.

Hon. Ng’ongo: Thank you, hon. Deputy Speaker. I would also like to support this Bill. Before I go far, I would like to inform my senior and friend, the Majority Chief Whip that the definition that is put in the Bill is actually uplifted directly from the Constitution which defines “youth” as a person who attained the age of 18 years, but has not attained the age of 35 years. So, that is actually uplifted directly from the Constitution.

Having said that, I want to say that in my support for this Bill, first of all, I will not repeat what my colleagues have said, concerning the demographics and statistics of what the youth constitute in this country in terms of percentages. It is true that the youth are majority in this country and it is also true that close to three quarters of that population is unemployed.

I would like to congratulate hon. Sakaja, one who I have a lot of respect for, for introducing this Bill to amend the principal act of Public Procurement and Disposal Act, 2005.

Hon. Deputy Speaker, if you look at our Constitution, Article 227 requires that before end of August, 2014, we are supposed to review and repeal the Public Procurement and Disposal Act; even as we wait to carry out that overhaul to that Act. It is important that we take immediate and quick steps to amend the Act to accommodate, not only the youth but even other disadvantage members of the society.

If you look at Article 227 (b), which is mentioned in the Bill; the Constitution demands that Parliament should legislate on the protection and advancement of persons and categories of persons or groups previously disadvantaged by unfair competitions or discrimination. That is where we have the youth, women and people living with disabilities. All these three categories need to be included in this Bill, so that we not only protect the youth from unfair competition, but we also protect the other disadvantages groups and sections of members of our society.

I am happy that this Bill has mandated or given responsibility to the Cabinet Secretary, that within 90 days after the passage of this Bill, the Cabinet Secretary needs to prescribe preference that shall facilitate the attainment of the quota specified in subsection (9), which quota we will now add through amendments to include women and the disadvantaged. We expect that these regulations that the Cabinet Secretary is going to come up with, will protect this country from unscrupulous business people who are going to pretend and put forward the youth, yet the real owners of those companies are not the youth in real sense.

Hon. Deputy Speaker, even as we think of these amendments and carry them out and approve this Bill, we should also think seriously about the need to review and repeal the Companies Act. I know it is somewhere in our conveyer belt of legislation, but I think it is high time that it is brought to this House. I would urge the Leader of Majority Party to consider bringing the Companies Act. This is because even if you give capacity to the youth, women and the disabled members of our society through this legislation and you do not amend the Companies Act through which they can form companies, then they will still be disadvantaged. So, we need to also review the Companies Act.

Hon. Deputy Speaker, my concluding remarks to the Jubilee administration and this is in good faith, I would urge that even as we come up with these procedures, proposals, and legislation to help give capacity to the youth we need to seriously think outside the box and come up with concrete steps that will help reduce unemployment levels in this country. It is something that we cannot continue to ignore. It is a time bomb and it is something that we need to do and do urgently. The bank interest rates are so high and this is discouraging investment. The Eleventh Parliament, this time, must do justice to Kenyans by trying to help the banks to lower interest rates. This is because the banks have refused to do so.

You cannot understand and explain why in an environment where we have so many banks, and where you expect competition to be perfect, what we see is a cartel of bank practitioners coming together and not allowing themselves to operate competitively and reduce interest rates. They would rather use the association to form what one would refer to as a monopoly situation. This is something that this House this time--- I know

there have been a lot of attempts to this direction, but the banks have not allowed it to go very far. I would urge the Jubilee administration, being the majority, that this time they use their numbers to help Kenyans by reducing the bank interest rates. Not only that, they should also look for creative ways of increasing job opportunities.

Remember the CORD Manifesto; our number one agenda was job creation. How I wish that CORD formed the Government. That would have been our priority in trying to help Kenyans get more employment. However, if this is not going to be done by the Jubilee administration, Kenyans are watching and they have an alternative which is the CORD Government. This is a Government that Mbadi and others will have a say in, in coming up with policies and programmes that will make life better for Kenyans.

With those very many remarks, I beg to support.

Hon. Kinoti: Thank you, hon. Deputy Speaker. I rise to support this Bill from the bottom of my heart and to congratulate the Mover for the noble move aimed at giving these opportunities to the young people. I wish to note in a very special way the amendment to the principal act, that is, Section 25. It reminds us that these are not just the things that we have known used to be given, that is, supply of snacks and other simple material. The principal act is being amended so that the works that will be set at 30 per cent will include the renovation of public entity buildings, construction of roads and other heavy works.

It is worth noting that even countries that have gone ahead of us started the same way, whereby we have to buy the resources of this nation to favour a section of our population that has the biggest multiplier effect on our economy. We need to look at countries like Taiwan and others. They used to accumulate capital and then direct it towards industries that would boost the economy. The same applied in the USA in the new deal. So, this is a move towards favouring 54 per cent of the population of this country. It is a good step in line with what we passed yesterday, the Uwezo Fund. We can give the young people and the disadvantaged of this society the capital, but if they do not know where to direct it then it will be just money that will end up being recovered by auctioneers. However, if we give them the capital and the opportunities to utilize that capital then that will be the best thing that we can issue to them.

Hon. Deputy Speaker, apart from the 54 per cent of the Kenyan population that we seek to advance through this Bill, there is another about 25 per cent of young people between the ages of one year and 18 years that have nothing to look forward to. There are no opportunities created for them when they attain the age of 18 years. I am talking about Form Four leavers who have no reason to smile when they walk out of the classroom after sitting the KCSE. However, they now have opportunities other than the white collar jobs, they have blue collar opportunities. I would like to urge my dear colleagues that this should roll down to our constituencies and county units. We have furniture to procure in our offices; we have roads to build through the Constituency Road Committees; and we also have projects to support through the CDF. We must, therefore, consider the young people and the disadvantaged sections of this society.

I strongly support the Public Procurement and Disposal (Amendment) Bill, 2013.

Hon. Limo: Thank you, hon. Deputy Speaker for giving me this opportunity to contribute to this noble review of the Public Procurement and Disposal Act. I first take this opportunity to thank the Mover, hon. Sakaja because this is very important for our

country. Before I contribute to this Bill, I wish to thank the House for passing the Uwezo Fund Regulations yesterday. I want to urge the women and youth of this country that the opportunity is in their hands now. It is now for them to form groups of between five people and 15 people and be ready to get the funds. We also urge them to look at investment opportunities in this country so that they invest wisely and ensure that they refund the funding so that this Fund can grow and boost the economy. We also urge this House that in the next budget we also consider allocating more money to this revolving fund. It is actually an issue for any country in the world to really invest in the youth and women. We also recognize that this country has moved a step forward. We have had visitors visiting this country to look at what we are doing, especially if you look at the CDF and now the Uwezo Fund. We need to move forward and ensure that we empower our people.

On this amendment, this is a very good move. We have finally recognized that other than the regulation that was set by the Government to ensure that 30 per cent of the tenders are given to the youth, women and the disadvantaged people of this country, we have an opportunity now to put this regulation into law so that it has more strength and ensure that it is complied with.

Once this regulation is put into the Act it will be binding for both the national Government and the county government. It will give the youth more opportunities in business. This is because it will give confidence to the institutions which are financing businesses. I know that once the youth acquire tenders, they will be able to move to any bank to get funding other than the ones the Government will be providing through the Uwezo Fund. It is worth noting that the youth of this country have been taken for a ride for a long time.

If you look at the tenders that the Government has been issuing, the youths have always been pushed aside so supply things like newspapers, *mandazis* and stationery which are of very insignificant value. However, this amendment will ensure that it is not only 30 per cent but it is 30 per cent of the value so that if the Government is giving tenders of Kshs100 million, the youth will be assured of Kshs30 million. Therefore, this one is a very good control to ensure that they get real value for their money.

Hon. Deputy Speaker, we know that the youth have also been having a lot of difficulties in registering their businesses. I want to urge the Government to come to their aid. We know the Jubilee Government is able. We know recently the President launched a very important centre where we can get all the services at one point. I want to urge the Government to move forward and roll out this programme to all the counties so that when you are registering businesses and companies you will not be required to come to Nairobi to just search for a business name. We are in a digital age. It is possible to do all these even in a cyber café if we have proper systems. So, I am urging the Government to help the youth of this country so that they will not be hustling around and moving from their counties to Nairobi to come and register companies and businesses by rolling out services to the counties and digitising all the processes.

Hon. Deputy Speaker, I also want to support the sentiments which have been made that we amend this Bill to ensure that we include women and people with disabilities. We know we will be doing a good service for this country once we harmonise all our regulations and put them in the Act. So, in the Third Reading we will

actually move an amendment. Already we have discussed with hon. Sakaja that we will move this and put the three categories of people into the Act.

With this contribution that I have made, I support and I urge this House to move this amendment and pass it because the country is really waiting. This is the right move to empower our people and once we do that we know every funding which is injected into the economy will have a multiplier effect and it will actually grow our economy.

Thank you, hon. Deputy Speaker and I beg to support.

Hon. Deputy Speaker: Okay. Hon. Limo, if you are really serious about that amendment I think you should take it up and make sure you go to the Clerk's office so that you can actually not just make it as a suggestion. I think Mbadi also said the same but if you really want it to appear in this Bill then you should be proactive and go ahead and make the amendment with the guidance of the Clerk's office. The hon. Mwaura.

Hon. Mwaura: Thank you, hon. Deputy Speaker. I rise to support this proposal with amendments because even as we are discussing the principles of this amendment Bill, it is clear that Government policy speaks to youth, women and persons with disabilities. Therefore, if persons with disabilities in particular are left out of this amendment, then it follows that there will be a conflict between the regulations and the substantive Act.

Hon. Deputy Speaker, in South Africa this practice has been done before, preferential procurement through the broad based economic empowerment programme, but the experience there has been that the previously disadvantaged groups especially black people, women and persons with disabilities have been used as fronts to something that has been now famously called tenderpreneurship where people go and win tenders but the actual people who are behind it are actually the big fish. In fact, there are times when those who are tendering may sponsor their daughters and wives to actually front for this same business.

Hon. Deputy Speaker, there is therefore need to ensure that even as we make these amendments, it should be a process. If you look at the Public Procurement and Disposal of Assets Act, 2010, it is really a process law. It is not an outcome based law and I am afraid that based on how our Government functions and procurement functions the youth, the women and persons with disabilities maybe knocked out of technicalities that are conveniently introduced sometimes even through withholding of information so that some other people can qualify.

Hon. Deputy Speaker, I think there is also another challenge to implementation of this law with regard to the percentile that may be accumulating over a given period of time. Why do I say so? This is because procurement does not happen at ago. It happens over the financial year and I think there is need to ensure that accumulatively we attain these thresholds, otherwise I see ministries, departments and agencies not being able to comply because obviously then it requires to be seen.

Hon. Deputy Speaker, the other point I also want to pass across is that we do not want to see a situation where youth, women and persons with disabilities are only given the small time jobs – jobs that do not have money; jobs that take long to pay. I think we must ensure that this procurement is also assigned to the big money. I must commend this policy because it is a redistributive policy. However, there is also the issue of corruption

and kickbacks. I think this is one of the things that maybe a big hindrance to the young people and persons with disabilities.

Hon. Deputy Speaker, as we are currently speaking on the Floor of this House, there is already a programme going on and we have received a lot of complaints from young people. They have even been given certificates from Treasury but they are not yet able to get into the procurement process.

(Loud consultations)

Hon. Deputy Speaker: Order, hon. Members. The levels of consultations are very high.

Hon. Mwaura: Hon. Deputy Speaker, I would also want to add by saying that we must move beyond this law because we are only looking at the kind of procurement that we can get from the Government because the Government is the biggest market at least within our economy. I think the most important thing is to ensure that through procurement and putting money in the pockets of youth, we can enhance youth innovation. We can enhance youth innovation so that we can have the ideas that have not been able to be funded which are noble and transformative for our economy.

Hon. Deputy Speaker, I support.

Hon. Deputy Speaker: Hon. Kimani Njuguna, Member for Gatanga.

Hon. H.K. Njuguna: Hon. Deputy Speaker, I rise to support this Motion. I had a chance to work as a board member of the Public Procurement Oversight Authority in 2012. Historically, public procurement in Kenya has gone through a major phase in the sense that before 2001, there was nothing that we could call a legal framework governing public procurement in spite of the importance of Government procurement. In fact, the closest we came to having a law was in 2001 when we developed the Exchequer Regulations because of the pressure that we were having from the donor community, development partners and progressive Kenyans. It is important to appreciate the importance of public procurement because of the magnitude of the money involved.

Like hon. Sakaja has pointed out, public procurement takes 60 per cent of the current annual Budget. This translates to Kshs800 billion to Kshs1 trillion. When you look at this magnitude, you realize the importance of these amendments and other amendments that the Members are likely to bring forward. When you talk about public procurement, you are talking about the biggest domestic market in any economy, which has the potential to determine economic growth and development. Here I mean the pace and the direction of growth and development.

Looking at Kenya, while we appreciate the milestone of public procurement in the sense that now we have a legal framework in the name of Public Procurement and Disposal Act, which is anchored in Article 227 of the Constitution, this Bill appreciates the---

Hon. Deputy Speaker: Order! Members standing on the corridors, please, can you find an appropriate place?

Hon. H.K. Njuguna: Hon. Deputy Speaker, hon. Sakaja's Bill appreciates the challenges that public procurement has had. These are the challenges that we ought to address. Section 2 of the Public Procurement and Disposal Act lays the objectives of the

Act as economy and efficiency, integrity in the procurement process, raising competition in the procurement process, transparency and accountability and raising domestic industries and economic development. While you interrogate the law, one is able to come up with this informed position that this law was heavily borrowed from the UNCITRAL model law, namely, the WTO law, and it needs to be domesticated. To me, it is the element of domestication that is not there in the law, in the sense that the law as it is now is built along the economic model or price mechanism where everybody is premised to be equal. However, we all know that all animals are equal, but some are more equal than others.

In this respect, the procuring process is such that the threshold is so high in terms of the fact that they will ask for bid bonds, performance bonds, three years audited accounts, 15 years' experience and tax compliance certificate. This keeps a lot of people out of the tendering process. This means that tendering in this country is therefore left to the large companies and foreigners while the locals are not able to participate in the procuring process. When you look at it that way, then you are not able to see how Section 2(d) of the Public Procurement and Disposal Act can be achieved where the Act is supposed to promote local industries and economic development. In this law, there is no affirmative action on the SMEs or the youth. That is why we are supporting this Bill. By bringing in the Sakaja Bill, then we are going to have a deliberate attempt to bring affirmative action for the youth where one will be forced to recognize the contributions of the youth.

I look at the youth from the perspective that this is also where you have the SMEs. The SMEs are known to contribute 70 per cent of the economic development of a young nation like Kenya in the form of employment, income generation and economic balance across the entire nation. Further to this, I have also talked to Sakaja because professionals in this country have a big issue with the Public Procurement and Disposal Act, particularly Section 5, which states that in case of conflict between this law and any other statute on matters of procurement, then this law prevails. The problem that the professionals have had with this law is the fact that professionals provide and supply services of intellectual nature and they are regulated. They have remuneration orders. Immediately the Public Procurement and Disposal Act ignores this fundamental fact, then it introduces unhealthy competition among the professionals.

In fact, the Director-General alluded to this fact in his Circular No.2 of 2012 dated 10th February, 2012, where he was asking the procuring entities to respect regulated professionals by recognizing their remuneration orders. In the Committee stage, I intend to bring this amendment so that this unhealthy competition is brought to an end.

With those remarks, I beg to support these amendments.

Hon. (Ms.) Lay: Asante sana Bi. Naibu Spika kwa kunipatia fursa hii. Vile vile, ningependa kumpongeza mhe. Sakaja kwa kuleta Mswada huu hapa Bungeni. Kwanza, ningependa kumshukuru Mhe. Rais Uhuru Kenyatta kwa sababu wakati alipotoa hii asilimia thelathini ya utaratibu wa kupewa zabuni alisema ya kwamba hii nafasi ipewe vijana, wamama na walemavu. Hii inamaanisha ya kwamba Rais anaitakia heri nchi hii na pia vile vile anawatakia heri wanawake, vijana na watu ambao wanaishi na ulemavu. Kwa hivyo, ninashukuru sana kwa sababu mhe. Sakaja amekubali kwamba tulete mabadiliko ya kuhakikisha ya kwamba wamama pia wamewekwa katika hii nafasi.

Ukiangalia katika Kifungu 27(1), kinasema kuwa kila Mkenya ako na haki ya usawa. Ako na haki ya kulindwa na pia ya kupata manufaa katika nchi yetu ya Kenya. Kwa hivyo, jambo kama hili litaleta manufaa hasa kwa vijana wetu ambao hawana kazi na ambao wanajiingiza katika mambo ambayo yanahatarisha maisha ya Wakenya wenzao. Pia, wanaingia katika mambo ya mihadarati. Kwa hivyo, nafasi hii ya utaratibu wa kupewa zabuni italeta nafuu katika maisha yao. Vile vile, nikiwa mmoja wao ambao wanatia mkazo katika mambo ya elimu, kunao wengi ambao ninawasomesha kupitia kwa hizo fedha. Ni vizuri watoto hawa wakimaliza kusoma wawe na nafasi katika Serikali yetu. Tukisema ni kazi, nafasi za kazi hazipatikani. Kwa hivyo, ni vizuri waingie katika biashara ili pia wao wawe na fursa ya kujenga nchi yetu.

Vile ile, jana tulipitisha Uwezo Fund. Kwa hivyo, Uwezo Fund pamoja na nafasi hii ya zabuni inaonyesha kwamba matatizo kama ya njaa ama umaskini, kukosa karo na kukosa kazi yatakukwa historia. Kwa hivyo, ninamshukuru sana mhe. Sakaja na ninatumaini ya kwamba tutatengeneza Kipengele cha 39 ili tuweze kuongeza wamama na walemavu.

Asante.

Hon. Deputy Speaker: Hon. Robert Mbui.

Hon. Mbui: Thank hon. Deputy Speaker for giving me this opportunity to contribute to this Bill which seeks to empower the youth of this country. First and foremost, I would like to say that I fully support this initiative by hon. Sakaja to ensure that 30 per cent of procurement revenue in this country is set aside to support the youth.

The Government Procurement and Disposal Act had very noble intentions. One of the reasons was that the House was trying to give equal chances to business people. It wanted to create transparency and accountability in the Government process of procuring goods and services and eventual disposal of Government assets. But my observations are that many Kenyans have difficulties to understand the complexities of those laws. Many Kenyans have experienced heartaches and actually shed tears due to losses incurred as a result of these laws. The reasons are that cartels have taken their advantage of understanding these laws and have ensured that they block out other people. When we look at the intentions that we have of ensuring that our youth get opportunities, it is also very important to ensure that those cartels are dismantled because not everyone understands how to get procurement opportunities in this country. I want to give examples of areas where these laws have failed us. If you remember during the campaign period in the last elections, there were promises that were made by the Jubilee administration.

In his inaugural speech, His Excellency the President told us that by January this year, Standard One children will go to school with laptops. The reason why that has not happened is because of these laws. We need to find a way to achieve the efficiency of procurement in this country. I want to give another example. We have just received the Auditor-General's Report on most of our counties, including Embu County, where the Governor had to lose his job. Our county number one where I come from – Machakos County - has issues. The systems are being breached left, right and centre. The procurement laws are actually being abused to encourage loss of public funds. As we support this Bill - and I do support these amendments - it is important to look at other issues that are causing Kenyans to lose money through procurement laws. We should

ensure that those corrupt individuals do not infiltrate the system and cause the loss of business for our youth.

I rise to support and before I sit down, I would like to notify the House that one of our colleagues, hon. Daniel Maanzo, Member of Parliament for Makueni Constituency, was attacked by thugs last night and he is recuperating in hospital. It is also important to talk about security of Members of this House. I leave that to the leadership of this House.

Hon. Deputy Speaker: Thank you, hon. Mbui for that information. Hon. Njenga.

Hon. Njenga: Thank you hon. Deputy Speaker. I support this Bill. I recognize that this Bill goes a long way in bringing the youth of this nation into the income bracket and by that, reducing the gap between the rich and the poor, which is very big in this country. I want to say that with that, other advantages will come in. The crime wave that we are seeing in this country will most likely come down when they get into the earning bracket. Secondly, it will also put them into the consuming class. I know very well that when they get into the consuming class, they are going to contribute in the payment of tax through VAT. However, I also accept and believe that the youth of this country are entangled in the cycle of poverty where they cannot be able to earn. They cannot be able to save, invest or grow economically. I also love this because it is going to bring in entrepreneurship to our young people. As hon. Maj. Gen. Nkaisery has said, the youth is a moving wind. The young people will also grow old and as they grow old, we want a generation that is economically able and not economically disabled. This is something that is quite good. I also believe that we are morally persuading our young people to participate in nation building. We are making them feel that they are part and parcel of this great nation and by doing so, we will make them people who are morally right and who are going to feel they need to build this nation.

However, I have also taken note of hon. Ng'ongo's situation, whereby the interest rate in this county is actually a big disadvantage to the 'have nots' and those who are trying to build themselves. I would urge the Government to look at this issue and do anything possible to reduce the interest rates, so that we can be able to compete with those who have reserves to undertake Government contracts. I would also like to remind my colleague hon. Ng'ongo that unemployment is not an issue of yesterday---

(Loud consultations)

Hon. Deputy Speaker: Hon. Members, the consultations are too high and people are talking and standing. You know what to do. There is enough space for you, if you need to consult quietly. There is enough space in the Chamber.

Hon. Njenga: Hon. Deputy Speaker, much as I agree with hon. Ng'ongo with regard to the interest rates, I also disagree with him. Unemployment did not come with the Jubilee Government. In fact, the wage bill we are talking about came along when we had the *Serikali ya nusu mkate*. That is when so many people came to inflate the wage bill. I am very sure that this is one of the promises that the Jubilee Government made, in order to create employment for our people. There is nothing better that could have been done than what is being done now. However, unemployment should be countered by the

Government which is there, and I think hon. Ng'ongo will have to wait longer because come 2017, unemployment will have gone down and we might also get it.

Hon. Deputy Speaker, I would like to talk about the Uwezo Fund. The Uwezo Fund as I look at it, even though we passed it and is quite good, if you look at Ksh50,000, what project can a youthful group or company do? That is why I am also calling upon the Government to encourage and bring in Savings and Credit Co-operative Societies (SACCOs) to sub-counties; SACCOs which can also be assisted. I am also calling upon the Government – and I am on Governments side but I believe the said youth need to be given a guarantee that when you have obtained a tender as a youthful person, you can go to the banks that we deal with like Kenya Commercial Bank (KCB), Co-operative Bank, National Bank of Kenya and Equity Bank and get guaranteed money because you have got a job. I believe that without giving them enough meaningful funds to run a project, it will not be possible to help them. The Uwezo Fund and the Youth Enterprise Development Fund will not do mega projects which we also want our young people to also participate in.

I also urge, on the Floor of this House, the private sector not to be too harsh. That is because when you are given 60 days or 90 days credit period, it might not be possible to pay. Sometimes, you are not paid because of the bureaucracy that is in the Government and you then find that our youth are being kicked out. I am also cognizant of the fact that some old people like ourselves and others will go around and use the youth to get those projects. Once this law is passed, the Government should take control and bring in a register of youth companies and ensure that the benefit of this amendment goes to the young people. The projects should not go around and come back to us as old people, otherwise, the objective of this will not be achieved. I also urge the Government to hasten the process of registering companies that are owned by young people for free.

In my constituency, some miracles have been done. We decided to give a youthful group a contract to build a secondary school. That is the best secondary school in my area. It is called Mwea Secondary School. It was constructed by people who are under 30 years old. On 26th, when His Excellency the President will come to visit, you will be surprised. That is a sign that young people can even do better than us. I believe and agree that our youth will benefit and grow up to be responsible Kenyans who will be proud of their country if these amendments are passed. They will also be Kenyans who will support the Government of the day and we shall have a country where there will be no crime and no feeling that you are rejected by the community you live in.

Hon. Deputy Speaker, with those remarks, I support the Bill.

Hon. (Ms.) Abdalla: Thank you, hon. Deputy Speaker. I would like to join my colleagues in congratulating my party Chairman, hon. Sakaja, for bringing this very timely amendment to the Public Procurement and Disposal Act.

As my colleagues have said, the major issue here is to ensure that it is genuine youth-owned companies that will benefit from these amendments. I think the loopholes of the age of the persons considered as youth has not been sealed at the company registry. Something needs to be done so that the registered companies are confirmed to be youth-owned.

As my other colleagues have said, the Jubilee Government's 30 per cent rule is open to both persons with disability and women. We hope that the wording will be

addressed, so that we are able to have both women and persons with disabilities included under special provision.

Hon. Deputy Speaker, my problem with the Public Procurement Act is beyond the issue of the youth. This Act and issues of liberalization are exposing Kenyan contractors to unfair compensation from foreign contractors.

A few weeks ago, one of the Government institutions gave a 30 per cent quota to youth and women. One of the complainants against that award was a Chinese female who wanted to be considered under the provision of 30 per cent for women quota. This was the case yet this was a contract that was worth only Kshs20 million. If contractors who are youth have to compete with Chinese contractors for Kshs20 million worth of contract, there is something seriously wrong.

This amendment needs to be included in this Bill that hon. Sakaja has brought. I have had discussions with him to the effect that we need to have a cap as to what kind of figures foreign contractors shall be allowed to compete with local contractors.

Hon. Deputy Speaker, this game is very interesting in that sometimes there are projects which are done in lots. When you calculate the lots, you end up seeing that over 70 per cent of those lots--- These are projects worth Kshs100 million. When will our contractors grow if they have to compete with foreigners in contracts that are worth Kshs100 million? This is the case yet foreign contractors do not have to borrow from our banks that charge very high interest rates; foreign contractors whose governments are giving them concessional loans and sometimes even free loans. How do you expect our local contractors to compete? I think it is irresponsible on our part as a nation to expose our contractors to that kind of competition.

Finally, the other problem is that we are giving the youth money but I do not know whether it is a problem with the IFMIS or it is a problem with the Exchequer. This is because there is a lot of delay in paying contractors who have concluded works.

The youth of this country do not have their own funds to be able to finance projects. So, when the Exchequer is slow in paying, they are increasing the amount of pending bills that are exposing the youth to bankruptcy very early in life. You know that if you are bankrupt you will not be allowed to occupy a public office. So, we need to ensure that the contracts that we are opening to the youth are paid on time so that they are not exposed to bankruptcy.

Hon. Deputy Speaker, with those few remarks, and with the negotiations that have begun with hon. Sakaja, I hope that no activist in this House will come back and tell us that we have to support liberalization and allow foreigners to shut out our local contractors. I think it is time we took responsibility in our nation and said that liberalization is only good when it works for us and we want it to take a back seat when it does not work for us.

With those many remarks, I beg to support the Bill.

Hon. Omulele: Thank you, hon. Deputy Speaker for giving me this opportunity to contribute to this most important amendment proposal. From the outset, I want to say that I support the proposed amendments. I support them for good reasons which have been enumerated by speakers who have preceded me. I think all of us know that our youth in this country, for a long time, have been moribund and have not participated in the financial matters of this country.

On this point I want to congratulate my brother, hon. Sakaja for proposing these amendments to the Public Procurement and Disposal Act. The main reason why I want to speak today is because I want to bring to the attention of my brother and the House that as we move ahead to debate these amendments, we must take cognizance of the Constitution. We do not want to pass legislation here which may run into constitutional challenges and face hindrance. As we do this, we should be careful about what the Constitution provides specifically under Article 24 which provides that there might be some limitations to the basic human rights that are provided for in the Constitution.

We should also pay special attention to Article 27, which talks about matters of discrimination on account of age and gender.

We should also take cognizance of the possible infringement of Articles 40, 41, 43 and 47 of the Constitution which provide for fair and just administrative action. I am not saying this because I want to make a mockery of these good proposals that have been made; I just want us to make sure that we anchor these amendments in the Constitution. I am saying this recognizing that Articles 35 and 227 of the Constitution provide that the Government and this House may take affirmative action to remedy a situation that has attracted Government action.

I have spoken to the Secunder of this Bill and we should include these provisions in the amendments. In the preamble to this Act, we should make it very clear that we are taking affirmative---

Hon. Deputy Speaker: Hon. Sakaja, are you hearing some of the suggestions being given by hon. Members?

Hon. Sakaja: Yes, hon. Deputy Speaker.

Hon. Omulele: Thank you, hon. Deputy Speaker, for bringing that to his attention.

I think it is important because we have seen a situation in this country where all the laws that we pass in this House are scrutinized and cases filed in court with the intention of having them declared unconstitutional. We should not let this noble effort run into such hindrance.

We do this by providing in the preamble of the Bill that we are specifically taking affirmative action as envisaged within the Constitution. If we prescribe that there shall be a specific procurement quota set aside for the youth, we run the risk of somebody running to court and saying that we are discriminating against some Kenyans on account of age and probably even gender, *et cetera*. So, we should make sure that we are safe.

We recognise the fact that the Constitution provides that we are just and fair to all Kenyans, but we are addressing a special case in this case. For that reason, we feel that Kenyans are entitled to safeguard the specific procurement quota, which might, on the face of it, appear contrary to the constitutional provisions. Once we do this, we will run into the risk of our brothers rushing to court and saying that the law that we are enacting and our noble intentions are unconstitutional.

Hon. Speaker, we also need to look at the definitions that we have set out in this proposal. We might also run into headwinds with the definition of “youthful company” because company law in this country is well settled. It has a long history. We know that in law a company is considered an entity on its own. If we define companies by the ages of their directors, we might face a challenge. Therefore, this is something we might need

to consult the Attorney-General about, so that we do not run into the problem of definition and have somebody hampering the implementation of these good proposals.

With those few remarks, I want to say that I support this noble effort. We just need to make sure that it is not nipped in the bud.

Thank you very much for giving me a chance.

Hon. Deputy Speaker: Hon. Members, please, make sure that you do not keep on touching your cards because if you switch it off, you will go to the bottom of my list of requests once you switch it on again. So, once you have pressed it, just leave it until you have spoken.

Yes, hon. Manje.

Hon. Manje: Thank you, hon. Deputy Speaker, for giving me the chance to contribute to this noble Bill by the Chairman of TNA.

The proposed amendments seek to give a legal framework to the county governments and the national Government to accommodate the youth, women and people with disabilities in the procurement process. Many of our youths are not employed. When our youth complete education and are not engaged, they get frustrated and indulge in various activities like alcoholism, thuggery and other bad things. By making sure that they get procurement business, we will be mitigating this aspect.

Hon. Deputy Speaker, it is good to note that the proposed amendments come after the passage of the Uwezo Fund Regulations yesterday. The Fund will give capital to young men and women, so that they can join business. Generally, the youth have no collateral with which to secure bank loans and start business. However, we have to ensure that affirmative action does not sacrifice the quality of our performance as a country. Most of the youths will not have enough capital to enable them do what is required. Big tenders like construction of roads and others require a lot of capital. As a country, we need capital. Chinese companies are doing better than Kenyan companies in the road construction sector because of the massive resources that the Chinese have. So, we have to look for ways and means of empowering our contractors.

There are people who believe that securing Government contracts is a way of enriching themselves. We have to separate proper business from deals that are associated with procurement. Many companies try to secure procurement with the aim of entering into corrupt deals. So, we have to also come up with laws that will safeguard us from that aspect. We should not allow a situation that will rock the boat in terms of the development of this country. If we set aside a good chunk of tenders for the youth and then they lack funds with which to undertake the contracts, this will most likely slow down the development of this country.

Hon. Deputy Speaker, it will be awkward if the country develops as envisaged in Vision 2030 without developing our youths. As we think of developing the infrastructure of this country, we should be thinking of how to develop our youth. That is the only way the youth will enjoy the development of this country.

With those remarks, I beg to support the Bill.

Hon. Deputy Speaker: Yes, hon. David Kangongo.

Hon. Bowen: Thank you, hon. Deputy Speaker. I rise to support the Bill. I want to start by thanking my friend, hon. Sakaja, for bringing this amendment Bill.

Many of my colleagues who spoke before me said that about 65 per cent of this country's population comprise of the youth. An equal percentage of unemployed people in this country are the youth. The rate of unemployment in the country is very high. If we set aside 30 per cent of public procurement for the youth, we will empower them. Even the Government has now frozen employment. We have very many university graduates in the market, with very good professional qualifications. The passage of this Bill will empower our youth. By so doing, the Jubilee Government will attain its double-digit economic growth target.

Hon. Deputy Speaker, when the youths go about the tendering process, they are given conditions like past experience. Those are the issues that we want removed by this amendment Bill. Assuming that somebody has just graduated from university and there is no job for him, he just registers a company and then he is told that his company must have three years' experience in the field; it must have audited accounts, and that he must show his company's bank statements. Such issues must be removed in order to enable our youths to compete in the procurement sector.

On the issue of registration of companies, we want this decentralised. Registration of companies should not just be done at Sheria House in Nairobi. We want the Registrar of Companies to open company registration centres at the constituency-level, so that the youth can register their companies at that level. Last week, I was in my county where we talked about Kenya Rural Roads Authority (KERRA) and resources, which were supposed to be allocated to women and the youth. It is really straightforward that the youth and women are locked out because they suffer from the shortcomings I have just stated; bank statements, the audited accounts and so on.

I also want to tell hon. Members that even the small jobs we have in our constituencies like clearing bushes and doing small roads to schools and churches, let us give them to our youth.

Another issue is about Uwezo Fund. We know that procuring entities look at the youth as though they do not have the capacity. Now that we have passed Uwezo Fund, it must assist the youth to enable them have a small amount of money to get the work and tenders. I came in when hon. Mbadi was talking about interest rates, which is also another issue that will prevent our youths from getting these soft loans. We are saying that if Uwezo funds are utilized well – and I want to thank the Jubilee Government for introducing the Uwezo Fund – in the small tenders in our counties, we are going to build our youth. They are not going to be idle because most of them have graduated with good certificates and professions but they do not have jobs. Some of them have resorted to criminal acts like cattle rustling and other evil things, but if we pass this Bill and give them 30 per cent of procurement business in all sectors, both at the national and county levels, they are going to be good people as they wait for the Government to rescind its decision not employ in the Civil Service. They will have something to engage in. Therefore, I want to encourage the youth across the country to register with the Government. You will find that most of them are longing to get the Uwezo funds and other Government funds yet they have not been registered. I also want to ask the Ministry in charge of social services---- Where I come from, for the last three or four months, most of the women and the youth who have gone through registration are turned away because they say documents are not there. They are still waiting for them from Nairobi. So, I want

to urge the Ministry concerned to avail those documents to enable the youth register and compete amongst themselves for the 30 per cent procurement business, which this Bill is going to offer them.

With those few remarks, I beg to support.

Hon. Dido: Hon. Deputy Speaker, thank you for giving me this opportunity. On the outset, I wish to thank the sponsor of this amendment Bill, hon. Sakaja. I also want to thank the Jubilee administration for staying focused on their election agenda of empowering the youth of this country. It has been said that the goodness of any society is how well that society looks after the less privileged and the vulnerable members of that society. I think this Bill---

Hon. Abongotum: On a point of order, hon. Deputy Speaker. My good friend, the Member for Saku, has just come in and I have been here for almost three hours. So I do not know what--- He has just come in!

Hon. Deputy Speaker: That is not true! Hon. Abongotum, you know very well that in this House we have all shades of opinion. We look at different interests; we are looking at the regions, parties, gender; so, do not just look at the list and say: "I have been here for long!"

Hon. Dido, please represent the people of Saku and let them hear you.

Hon. Dido: Hon. Deputy Speaker, thank you for protecting me. I happen to have been the first hon. Member in this Chamber this morning.

I want to say that the amendment Bill brought by hon. Sakaja is part of the affirmative action which is contained in our Constitution under Article 55 and Article 227. When we are looking at empowering the youth and making them part of the socio-economic base of this country, we must look at how they will access, first the contracts and the money because if we do not do that, then I think what to achieve will be just a pipe dream.

In South Korea, what happens if youngsters or the youth would like to come up with companies or have innovative ideas, is that the government gives them concessional options, so that they can experiment and expand the frontiers of knowledge. We can also borrow from what happened during the colonial period, where the European countries at that time were allowing people to go to different continents in the world by giving them money or helping them so that they discover new areas and territories. In the process, those countries were able to colonize most parts of the world. However, in the process it was not just colonizing but they were able to reap from those countries what until today we have not discovered in terms of mineral and other natural resources.

I think the issue is youth companies; if we are saying we should give the youth 30 per cent, then today we must ask ourselves--- As legislators we must ask ourselves whether our youth are able to, in the first place, come up with companies. This is because registering a company alone may cost them about Kshs30,000 or Kshs40,000. Can many of them afford that? On the other hand, whereas I think this Bill is noble, through the sort of conveyor belt that we are using in this House, the important part is enforcement and operationalisation of these Bills, so that they are actualized. Yesterday, passing the Uwezo Fund was a milestone that was achieved by the Eleventh Parliament and the Jubilee administration. Whereas what the youth will access in the form of funds could be limited, it will be a good start; they will be able to progress from zero to somewhere.

Finally, over the years we have not been able to engage our youth properly and that is why we have a lot of violence and crime. In recent months, we have had problems in the county of Marsabit; one of the reasons why that happened was primarily because the youth were being misused by different groups in that county.

With those few remarks, I beg to support.

Hon. Deputy Speaker: Hon. Richard Tongi, whose card are you using?

Hon. Tongi: (*off record*).

Hon. Deputy Speaker: Say the name so that we can switch it on. Is it Sakaja?

Hon. Member: Hon. Deputy Speaker, I have been waiting for two hours, and he has just come in. Those who are coming to see you are the ones being given a chance; what is happening?

Hon. Deputy Speaker: No, that is not the reason. I am giving him priority because he is a new Member.

Hon. Tongi: Thank you, hon. Deputy Speaker, for the opportunity to contribute to this noble Bill. I stand to support it.

First, I want to appreciate and thank hon. Sakaja for thinking in a very positive way about the needs of the youth. This is one of the best Bills in my view, which is going to address the concerns of the young people. As a young leader from western Kenya, I clearly understand and appreciate the challenges of the youth and this Bill will address them in a very effective way.

Yesterday, we were able to pass the Uwezo Fund Regulations and this money will be used to help the youth address their concerns. Having been a banker before I joined politics, I can clearly tell you that the cost of borrowing money from the bank is quite high. Uwezo Fund will come in handy in addressing this concern and with this Bill now, we should be able to address the challenges of the youth. We all know that it is not possible to get employment for everybody in the country. Not everybody can be employed. If we can get a way of creating employers by way of facilitating those people with gifts of education and entrepreneurship, then this will be one such Bill that will address this.

I want to raise a little concern about the cut off age we have put for the youth; that is between 18 to 35 years, in my view, people who are below 40 years should be considered youths. If it is possible, we can expand the age from 35 to 40 years so that we can be able to get a bigger catchment of the youth we are addressing.

I am aware that most of my age mates from the university are still not employed and are below 39 years. If we lock them out from the Uwezo Fund and they finished university many years ago, we will have done them a disservice by closing them out completely from any opportunity of rising up to fend for their families. My recommendation would be to increase the age from 35 to 40 years.

In conclusion, I once again appreciate the opportunity I have been given to serve and be the voice of the youth in this great country of Kenya. It was not easy to win the elections, but the beauty of the youth is that they are very rational in their judgment. If they like you, they will give you support. I want to appreciate the President and his Deputy for thinking positively towards addressing the concerns of the youth. Without this kind of vision, we will probably not be able to address the concerns that the youth have in the county.

As my colleagues have said and I do not want to repeat, I support this Bill but with that small amendment of increasing the age bracket from 35 to 40 years. If we do that, we will address the concern that is affecting many Kenyans.

Thank you, Deputy Speaker for this opportunity and I wish this country God's blessings.

Hon. Deputy Speaker: Yes, hon. David Gikaria.

Hon. Gikaria: Thank you, hon. Deputy Speaker. First of all, let me start by thanking my party chairman, hon. Sakaja, for bringing these timely amendments for purposes of assisting our youth. Like hon. Mbadi had said earlier--- Even if we actualize the 30 per cent and have it as law, there are some acts and laws that will still be barriers to our young people and for the affirmative action to be undertaken. As it has been pointed out, the issue of registration or the Companies Act needs to be looked into so that we do not have youths coming all the way from North Eastern to do registration. We need to look at that so that our youths can register their companies without necessarily having to come to Nairobi.

The famous Donde Bill addressed how to rationalize the interest rates, because if you look at the youth fund or Uwezo Fund, there is limited capital that the youth can get. We need to look at the possibility of bringing back the Donde Bill, which will address the issues of interest rates, so that we can encourage the young people to borrow from the banks without necessarily having to pay very huge interest rates.

I totally agree with hon. (Ms.) Amina Abdalla that you will find multinational companies getting subsidies or low rates from their countries, yet they are competing with companies in Kenya who depend on these very punitive loans. If we could be able to address the few issues, the amendments which hon. Sakaja has brought will come of age and be able to assist our youth.

As much as the 30 per cent is small, it is a better start for the youth, women and people with disability to provide national procurement. However, we also need to give some sensitization. It is a challenge to us Members of Parliament, that every time we go back to our constituencies, we need to assist these groups understand what is available to them and the laws to abide by. Most of our youth do not even know the process of registering a company to enable them to get the tenders.

There are some tenders that the young people cannot undertake, but recently you have seen the tender advertisements and most of the Government institutions and companies are putting exclusive tenders just purely for these groups. This is the right direction to take, leaving these groups to compete amongst themselves.

With these multi-national tenders, we also need see how we will involve the young people. For example, the standard gauge railway, we need to advise the companies that as much as they are being given the tenders, there are supplies of some materials which do not require expertise. If a multi-national company is given a big tender, then it is important for the Ministry concerned to encourage the contractors to tender some supplies, within the contract to these groups. This will go a long way to encourage the youth to participate in the big tenders.

Hon. Kato had talked about the company profile. It is true that most of these youth have registered recently and do not have any company profile. They have also not been able to meet the conditions that have been put on the tender advertisements which

are prohibitive. So, we need to look at this issue and advise that it is not necessary for them to have a company profile. I have been trying to assist a few youths to register their companies and one of the conditions that they have faced is that they do not have to be all youth. Maybe one or two directors are of an advanced age. That is why some people might misuse the opportunity. Somebody else can bring on board 40 or 60 per cent of the young people. Therefore, we need to look at those requirements. Although we should not specifically say 100 per cent must be below the age of 35 years, we must be careful not to misuse the privileges that have been given and take what belongs to the youth.

Lastly, as it has been said, it is against the Public Procurement and Disposal Act for you to give a tender when there is no funding. So, the aspect of non-payment first of all, is against the law. Indeed, if it is true that somebody, especially the youth can work and after working they spend another 12 months or two years chasing for their payment, I think action should be taken against the officers who are in charge. It is very unfair for people to be given a tender, finish the work and then they cannot access their payment.

With those few remarks, I want to say that I support the amendment. Of course, we will be bringing some more amendments--- We will get in touch with hon. Sakaja and bring amendments.

Thank you.

Hon. Abongotum: Thank you, hon. Deputy Speaker, for recognizing me. First of all, I want to thank our Chairman-General of the Jubilee Coalition for coming up with this timely amendment to the Public Procurement and Disposal Act.

This amendment is going to bring revolution especially in the way we manage---

Hon. Deputy Speaker: Order, hon. Abongotum! I can see a point of order from the Member for Kipipiri, hon. Gichigi. What is your point of order?

Hon. Gichigi: Thank you, hon. Deputy Speaker. I am sorry that I have interrupted hon. Abongotum's contribution. In view of the fact that most of the hon. Members keep on repeating what other hon. Members have said, I seek to move that the Mover be called upon to reply.

Hon. Deputy Speaker: Hon. Members, I have 40 requests and at the moment, hon. Members are actually beginning to repeat quite a lot what others have said. We need to agree. We need to make a decision on that. Let us agree together so that we can give it another five minutes.

Hon. Member: Give us five minutes more!

Hon. Deputy Speaker: Are you saying a total of five minutes or a total of three minutes for hon. Members? We can still not get through the 40 requests otherwise, we will not have any other Bill discussed today.

(Question, that debate be limited to three minutes, put and agreed to)

So, is it three minutes per a Member. Hon. Abongotum, you are the first one to finish.

Hon. Abongotum: Hon. Deputy Speaker, I thought I should be given my ten minutes. Anyway, I will summarize by saying that as Jubilee, we actually went to the country and promised the youth that we will actually change their lives. We now want to

say that we are actualizing this policy by ensuring that this amendment is actually approved by Parliament.

Hon. Deputy Speaker, all economics scholars in the world, whether you are talking about Adam Smiths, Ricardo or Salem, have always said that for you to progress or to get out of poverty trap, you need to have some income so that you can invest and by doing that you will be able to create wealth. That is the conventional formula in economics.

Hon. Deputy Speaker, by approving this amendment, our youth will get 30 per cent. We have made sure that our youth are going to get the funds and this will actually change their lives. The only problem is that we need to tell our youth to get out of alcohol. If you go to Central and some parts of Rift Valley, let them make use of Uwezo Fund so that they can transform their lives.

Hon. Deputy Speaker, if we are not going to change the lives of our youth, people have predicted that by 2017, the youth will actually not deal with a Government that is not going to take care of their interest. I am happy that by 2017, the Jubilee Coalition will be vindicated and will be voted back to Government and I am sure most of you agree with that position.

I want to say that we want to grow our economy. We want to increase our Gross Domestic Product (GDP) by a double digit. Some countries such as Ethiopia have done this. So, if we are going to do this, we must actually change the lives of our youth by changing this law. It is not going to be an easy process when it comes to implementation.

With those few remarks, I totally support the amendment.

Hon. (Ms.) Chidzuga: Asante sana, Naibu Spika. Ninasimama kuunga mkono mjadala huu, na kumpongeza mhe. Sakaja. Ni matakwa ya Wakenya na sisi viongozi kuona kwamba vijana wetu na akina mama wamepata uwezo wa kujiendeleza kimaisha.

Lakini, nikiunga mkono Mswada huu, kuna vikwazo ambavyo ni lazima tuvilitie maanani. Kwanza ni kuhusu kusajili kampuni ambako kunahitajika pesa nyingi sana. Tukiangalia, vijana na akina mama hawajaanza kufanya kazi, hizo pesa watatoa wapi?

Naibu Spika, tumejitolea sisi viongozi tuwafanyie usajilishaji wa kampuni vijana na akina mama, lakini bado kuna vikwazo vingine. Kwa mfano, kwenye shirika letu la ujenzi; National Construction Authority, ukiaangalia kuna vikwazo vingi. Kuna malipo ya Kshs10,000 ambayo inatozwa. Je, hawa vijana ikiwa hawajafanya hata kazi hiyo, watatoa pesa wapi?

Kwa hivyo, ninapendekeza kwamba yale mashirika yanayohusika ya Serikali, yafikirie kwanza kuyaondoa hayo malipo kwa miaka miwili ili hawa vijana na akina mama wajisajilishe. Baada ya miaka miwili, wataweza kulipa kwa sababu watakuwa na pesa. Kama si hivyo, vijana na akina mama hawatazipata hizi kazi hata kidogo.

Mhe. Naibu Spika, kuna kile kiwango kingine ambacho ni cha fomu ya CR12. Nacho pia kinahitaji malipo ya juu. Pia tunapendekeza malipo hayo yaondolewe kwa miaka miwili. Baadaye wataweza kuanza kulipia sababu bila kufanya hivyo, hizi kazi zote hawatazipata. Wanahitajika wawe na vyeti lakini hawana kwa sababu hawawezi kuvilipia.

Kwa hayo machache, ninaunga mkono Mswada huu. Asante sana.

Hon. Deputy Speaker: Hon. David Pkosing, where are you? What is your point of order?

Hon. Losiakou: Hon. Deputy Speaker, I am rising on a point of order following what you just must mentioned earlier that there are a lot of factors you are looking at in giving people opportunities to speak which I really appreciate. It is because you are looking at counties, parties, independent Members, and so on.

Hon. Deputy Speaker, we from West Pokot County have suffered because at times you give hon. Kamama a chance and people think that he comes from West Pokot County. Hon. Kamama is from Baringo County. So, we from West Pokot are still queuing.

Hon. Deputy Speaker: It is not a point of order, hon. Pkosing. Just rest your case. I do not even see your request in my catalogue.

Hon. Losiakou: Hon. Deputy Speaker, I am there unless my name is not known.

Hon. Deputy Speaker: I know your name. It is there under points of order, but not on the list. Anyway, your point has been made. As I told you, we are trying to make sure that we get all the different shades of opinion. So, allow us because it is not going to be easy to get everybody on board. If you do not get a chance in this debate you will get it in another one.

Hon. Losiakou: Thank you, hon. Deputy Speaker, but can you confirm that I am on the list? My machine shows that I am on the list.

Hon. M'uthari: Hon. Deputy Speaker, I rise to support this amendment by hon. Sakaja. This is a very important amendment because it will actualize the pronouncement by the President that the youth, women, and the people with disability have to be considered when awarding this procurement. It is high time as a country we became a bit more serious as far as procurement and awarding of tenders is concerned. As we speak about employment and about all these things we are exporting most of our jobs and opportunities to other countries. Actually, it is like we have become mortgaged by the Chinese because we buy almost everything from China. We are also taking our contracts to China and other places. Unless we grow our own companies--- Sometimes we say that our companies cannot do it because they have no capacity, but there is no knowledge that even those countries that have grown economically such as Egypt and other places--- They strengthen their own companies and by doing so they are able to make them strong so that they can get these kind of contracts.

So, by making specific reference to our youth, the women and people with disability then we will be able to empower them. They will have money and that way we can change their livelihood. We, however, need to look at the whole procurement process. This is because even as we put this in place, it may so happen that those people in the procurement will end up colluding and actually make those who are qualified to appear as if they do not qualify. At the end of the day we need to safeguard this so that the youth who have been identified have the opportunity to take up the jobs. That way we will grow the economy and even empower them. There is so much about the youth and the women. What is happening is that men might also get marginalized. We, therefore, need to look at the whole element.

I support this amendment. We need to take a proactive role and look at the whole question of procurement and how we award our tenders and contracts to companies. Otherwise we are sending away the jobs and making other people grow as we go down disempowering ourselves.

Hon. (Ms.) Tobiko: Thank you, hon. Deputy Speaker. I rise to support the Bill with amendments. Whereas hon. Sakaja did a good job with regard to this Public Procurement and Disposal (Amendment) Bill it is good to reiterate what the earlier speakers have said that it should be all inclusive. It should include all the marginalized groups, including the youth, women and the disabled.

Yesterday when we were passing the Uwezo Fund Regulations I mentioned that Government Ministries are yet to adhere to the spirit of the President in having the youth and women of this country to participate in procurement. They are putting conditions that are difficult for the young people to meet. We know that after the Jubilee Government came into place a lot of youth and women were hopeful and they registered companies. However, because of the requirement of having several years in business and the issue of bank statements, this is prohibiting the youth from progressing.

It is good that Government Ministries ensure that they waive certain conditions so that our young people and women get opportunities. On Friday, last week, I was looking at the *Standard* Newspaper, or the *Daily Nation* where the Ministry in charge of devolution had advertized for works on dams and pans across the country. However, the requirements there are prohibitive to companies that have just been registered. So, our youth and women are going to lose out on such contracts.

[Hon. Deputy Speaker left the Chair]

*[The Temporary Deputy Speaker
(Hon. (Ms.) Shebesh took the Chair)]*

Hon. Deputy Speaker, jobs within Government are also procured. It is good that women and youth can get jobs within the public service. I think the Government has good intentions, but there are those who still have the old bureaucratic mentality within Ministries. They must learn what the Jubilee Government wants. We must read from the same script.

Corruption is also making it difficult for youth companies to get business.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Hon. Member, your time is up.

Hon. Ogalo: Thank you, hon. Temporary Deputy Speaker. I wish to take this opportunity to thank hon. Sakaja for bringing this Bill to Parliament. Hon. Sakaja has shown us that he truly was nominated to represent the youth in this Assembly.

We have all talked very well about how beneficial this Bill is going to be to the youth, and I suppose to the women and the disabled when we make the amendments. I also want to take this opportunity to now address the youth. This is because I look at a young man in my constituency now and clearly the young man already has the YEDF and by yesterday the Uwezo Fund. After the conclusion of this Bill, they will have 30 per cent of all procurement. The young man in my constituency must now begin to realize that he cannot blame anybody else anymore. He must now pull himself and start utilising the opportunities that this administration and the previous administration has given him.

More importantly is the young woman. I look at my wife who is below 35 years of age and I look at the opportunities that are before her. As a young woman, she can get

the Uwezo Fund because she is a woman and she can get the Uwezo Fund because she is young. She can get the Youth Fund because she is young and she can get the Women Fund because she is a woman. Now, she can also get 30 per cent public procurement because she is both young and a woman.

Hon. Temporary Deputy Speaker, there is no further reason for any young person in this country to keep blaming the system claiming they do not have capital to set up business and claiming they do not have a market to sell their things.

So, with those few remarks---

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Hon. Mbadi, do you have a point of order?

Hon. Ogalo: Mbadi, please I have three minutes. Sit down.

(Laughter)

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Hon. Mbadi, is it a frivolous point of order or a genuine point of order?

Hon. Ogalo: Hon. Temporary Deputy Speaker, save me from Mbadi. What I wanted to speak on next is that the President has said: "Buy Kenya, build Kenya." This spirit of giving the youth a chance should also be used to safeguard local businesses and local contractors. I have a situation in my constituency now where laying of pipes on an irrigation scheme is being given to a Chinese company. I think merely laying pipes can be done by any plumber and I have many of them in my constituency and Karachuonyo Constituency. Getting a Chinese company to come and lay pipes surely is not buying Kenya to build Kenya.

Thank you, hon. Temporary Deputy Speaker. I support the Bill.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Hon. Jude Njomo.

Hon. Njomo: Thank you, hon. Temporary Deputy Speaker. I would like to strongly support this amendment proposed by the chairman of The National Alliance (TNA) party, hon. Sakaja. He, being a youth, is a clear indication that we have capable youths in our country who are able to make things move and who are able to make changes in our country.

Hon. Temporary Deputy Speaker, I read somewhere that when a hunter learns how to shoot without missing, the bird should learn how to fly without perching. The people who are involved in procurement have learnt how to run away from regulations and requirements of the law. Most of these contracts and tenders are not lost during bidding. They are lost when these contracts and tenders are being designed because of vested interests of the officers who are involved in this.

Hon. Temporary Deputy Speaker, you will notice that many Government entities and companies bundle their projects in such a way that it will be very difficult for local companies, leave alone companies owned by the youth, to be able to participate in these tenders. It is very important that when we are doing this amendment, we make sure that these contracts are unbundled.

Hon. Temporary Deputy Speaker, what do I mean? If you are building a house, there are many activities that will happen. There will be the actual building, the masonry work, plumbing work, electrical work, digging of toilets and all those activities of which

each can be tendered as a separate contract. What the procurement entities do is to put all those activities as one tender, thereby minimising the number of participants who can be able to participate in those tenders. If we want to help our youth grow and to build our local companies, we must make laws that will make sure that the procuring entities will unbundle these projects so that our companies can grow.

The other problem is the experience that they require. We know our youth do not have experience. Hon. Sakaja would not have been the chairman of the party that became part of the coalition of the ruling party had the requirements been that he would need to have 20 years experience to be the chairman of that ruling party. If we do the same with our companies---

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Hon. Njomo, your time is up.

Hon. Njomo: I support, hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Hon. Nicholas Ngikor, Member of Parliament for Turkana East.

Hon. Ngikor: Thank you, hon. Temporary Deputy Speaker for this time. I came here very early in the morning. I was the first one here but I thank you for giving me this chance. I rise to support the amendment to this Bill because of the following reasons: All this time our youth have been misused by leaders and especially the politicians when it comes to elections. However, through the Uwezo Fund which we passed yesterday time has come for the youth to be empowered so that they can really do the right thing for this country and also improve the economy of this country. This is because as we give them power through this amendment our youth now will be really empowered and they will do the right thing and will not be misused again by anybody. When we talk of the demands they have for us, most of the time when we are outside in our constituencies, our youth are always on our necks. However, through the Uwezo Fund they will now get the money and through the amendment to this Bill they will be doing the jobs and they will empower themselves and do the right thing for this country.

Hon. Temporary Deputy Speaker, on the affirmative action that we are talking about for the youth and all the disadvantaged groups in this country who are the women, the physically challenged and all the youth, through the amendment of this Bill, these groups will now improve their lives.

On the issue of the Constituencies Development Fund (CDF), all this time round our youth have been left out of it because of lack of documents on procurements but now through the amendment of this Bill, our youth will now be ready to compete with the rest of the people who will be doing these jobs.

With those few remarks, I support.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Hon. Jackson Rop.

Hon. Rop: Thank you, hon. Temporary Deputy Speaker for giving me the opportunity to talk on this Bill. I want to thank hon. Sakaja for bringing this Bill to this House. Awarding 30 per cent of the tenders to the youth is a worthy initiative from the Jubilee Government. You can see the unemployment rate in this country. Over 70 per cent of the youth are unemployed and engaging them in business at an early stage is a worthwhile venture.

Hon. Temporary Deputy Speaker, I have read a book called *The Fourth Quadrant*. People think that those who are employed are well endowed or are better off but the reality is that those who are doing business and investments are doing so much. So, it is a worthwhile venture that we are bringing the youth into business at an early stage so that they can start investing. This is so that we can now talk of that double growth initiative in this country.

Hon. Temporary Deputy Speaker, the challenges that we have are that we ought to empower this youth and empower them to enter into business. This means that they must have registration certificates of their companies. I want to join my colleagues in supporting the devolution of the company that is registering the youths to the counties so that they can access that registration as fast as possible.

Hon. Temporary Deputy Speaker, I also believe that capacity building is of essence to this youth to participate in business. They should know how to develop business plans so that they can also catch up with others. I was at the Jomo Kenyatta International Airport (JKIA) recently and I wondered whether Kenya is turning into China.

You find hawkers from the Chinese community hawking in this town and you wonder why they are taking up our businesses yet we have youths who are lying around with no jobs. We want to protect the youths and give them the opportunity to exercise what they have learnt. I also want to propose that because these youths do not have money to start businesses, they should be given cheap loans. They can also be given advances from the contracts that they have been given, so that they can start these businesses. This is because you can give a youth a project of Kshs30 million, but do they have that money.

I beg to support the amendment Bill.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Hon. Gideon Ochanda! Hon. Geoffrey Odanga.

Hon. Ogolla: Hon. Temporary Deputy Speaker, we are both. So, I am the first. Hon. Temporary Deputy Speaker, can you help us.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): The Member for Bondo.

Hon. Ogolla: Thank you, hon. Temporary Deputy Speaker. I really want to support the amendment but I wanted to bring in a few things of concern that are important for us to check or look into as we go through the issue of amending the Public Procurement and Disposal Act.

One, it is in terms of the administrative processes that follow in terms of procurement. At the moment, when we talk about the youth it is clear in terms of where they can get the requirements. On the disability side, there is nothing like that in terms of administrative processes. So, the youths are supposed to get these documents from the KRA and the Treasury and it is very clear that they can get that, but it is not clear in terms of the disability groups.

The other thing that is important for us to know is the extent to which bigger or older contractors or companies are involved in syndicates with the youth. This is something that needs to be looked at very clearly, so that the youth compete among themselves for purposes of the jobs that are there.

The other thing that I really wanted to bring out is the whole issue of pro-action, particularly in terms of what we do. Looking at the amount of funds that are getting to the local levels in the name of either devolution or CDF or many of these funds that are transferred, cumulatively, over Kshs40 billion will go to the youth and maybe the disabled, if you look at the issue of the 30 per cent. So, what is it that we want to put down for purposes of making sure that these funds get to the young people? This brings in the whole issue of how we want to monitor compliance. Monitoring compliance is still very weak and hon. Sakaja needs to hear this. The whole issue of monitoring compliance is difficult. What is it that we are able to do when you do not comply? What is it that the county governments will do, for example, because they have much more funds?

The other thing is in terms of public knowledge and information. At the moment, if one wants to cross-check information in terms of what happens in their constituencies, even when it comes to the issue of KERA and awarding of roads, you realize that very few youth companies are in place. I was trying to cross-check this information in my place and I released that only three or four complied in terms of the requirements that are there. So, we need to do a lot of public education in this area.

In conclusion, we need to decide whether we need to earmark certain projects that are either one off or taking short durations for the young people and the disability group. I can see the color has already turned red. Thank you.

Hon. (Ms.) Munene: Thank you, hon. Temporary Deputy Speaker, for giving this opportunity to speak. I just arise to support the Bill by hon. Sakaja. When I am supporting this Bill, I just want to ask how those youths are going to access loans and the tenders. There is a problem because our youths do not have money to open bank accounts. Some youths from poor families complete schools and cannot get even Kshs500 to open bank accounts. How are we going to help them? We want them to access these loans and also to access Government tenders, we need to promote them. The Government should come up with laws to protect youths, so that when they tender for projects they are not asked about experience. It is difficult for them to have experience yet they have just come out of school.

Many women in the reserve do not own property; property belongs to men. Therefore, if they are asked to produce securities, they cannot get them. How are we going to help them? We need to put in place a law, so that they are given an opportunity to access these loans and when they get money, they can put it in their bank accounts. Even if they are not going to be given money, if they win tenders, they should not be asked for experience. They should not be asked many questions. We must realize that we want these people to be self-reliant. We should not put a lot of conditions for them.

Therefore, I want to thank hon. Sakaja for bringing this Motion here. I rise to support the Bill, but I also want us to think how we are going to help them.

Hon. Odanga: Thank you, hon. Temporary Deputy Speaker. I also rise to support this Bill that has been brought here by a youthful Member, representing the youth. I want us to look at it as such and not as if the Bill comes from the Jubilee. It is now the property of this House and I thank hon. Sakaja for bringing it up.

I support the Bill or the amendments thereto because it seeks to establish that the youth gets, at least, 30 per cent of all public procurement. The wording is "at least", which means that they can get even up to 50 per cent as long as we are going to assist

them to ensure that they get this. The problem that we have with the laws that we make is that we sometimes make them and they just remain at that. You find that many of these establishments, even when it comes to employment, we have been talking of 30 per cent youth, but it does not happen. In many organizations and committees that we have all over, from the national Government up to the local levels, we have not really gone further to ensure that the youths get their rightful share of, at least, 30 per cent. We must ensure that this is complied with.

I want to support the Bill because it is also seeking to mainstream the youth in as far as economic development is concerned in our areas. But we should make it easier for the youth to register their firms. It is so difficult, tedious and costly. We should go forward and make sure that it is easier for them to have these companies, so that we can give them the contracts that we are talking about.

I also want us to be aware that as we are talking, there are cartels out there of people above the age of the youth, namely, old men and women, busy forming firms and companies that they want to use in the name of the youths, so that the youths are shortchanged. If you look at the firms, you think that they belong to the youths, but in actual sense, they belong to the older men and women. There must be put in place mechanism and measures to ensure that if they are companies for the youth getting these contracts, indeed, these contracts are for the youth. The issue of interest rates by the banks and loaning institutions as has been suggested here, should be looked into. In most of the cases, it takes long even before these youths or the companies are paid after contracting because of the Government red tape. Sometimes the contracting firms take too long before they are paid.

The Temporary Deputy Speaker (Hon. (Ms). Shebesh: Hon. Yusuf Abdi Hassan, Member of Parliament for Kamukunji Constituency.

Hon. Abdi: *Ahsante, Bi Naibu Spika wa Muda.* I rise to support this particular idea to increase the level of benefit to the youth to 30 per cent of procurement. I say that because I come from an urban constituency which has a lot of problems of unemployment. Until we are able to deal with the crisis of the youth in our country; a crisis that is going to create a lot of problems, we need to invest, promote and actively engage young people. One of the ways to do this, is to provide them with economic opportunities where they can advance themselves, become self sufficient and become citizens that are contributing to the productivity and the growth of our community and our economy. I think, if you look at the rules that are normally put in place, it is almost impossible for young people to benefit from many of the things that we have encouraged them to look for in terms of procurement and contracts. The odds are against them and it is very difficult for them to compete against the big “sharks” who normally want those tenders. That is why I agree with what some of the Members of Parliament have said with regard to reducing the restrictions, rules and regulations so that there is more access to benefit the large number of young people who would like to get into the job market and be productive in our society.

Thank you.

The Temporary Deputy Speaker (Hon. (Ms). Shebesh: Thank you. Your time is up. Hon. Jimmy Angwenyi

Hon. Angwenyi: Hon. Temporary Deputy Speaker, thank you for giving me a chance to contribute to the Bill. I thank hon. Sakaja for coming up with this idea. He seems to be a person full of ideas, some of which have propelled TNA and URP to the presidency. Now, I also urge him not to stop at this. He should continue bringing these nice ideas to the Floor of the House so that we can make laws that can assist our people. Many developing countries that are moving to the next level are being inspired by these kinds of Bills and by promoting Small and Medium Enterprises (SMEs). Even an economy as large as America is driven by SMEs. They are the ones which create jobs at the grassroots. They are the ones who harness the resources at the grassroots, so that a country can develop. If we can adhere to this law that we are enacting today, I am sure that five years from now--- It is unfortunate because the other side might not be anywhere near what we are fighting for. That is because this Government could have brought to this country an idea that could propel it to the next level in economic development. If we can achieve that, I am sure everybody in Kenya, including those who oppose the Jubilee Government, will also be happy. That is because they would have been helped to move to the next level.

Maybe, the next amendment should be that we should allow 30 per cent of all contracts in this country to be given to Kenyan companies, so that they can ring fence against competition from foreigners.

With those few remarks, I beg to support.

The Temporary Deputy Speaker (Hon. (Ms). Shebesh: Hon. Keynan.

Hon. Keynan: On a point of order, hon. Temporary Deputy Speaker. Is it in order for my good friend, hon. Jimmy Nuru Ondieki Angwenyi, the son of a former chief to say “this side”, while we know that this is a presidential system and we only have one Parliament? We do not have an opposition in this House. Is it in order?

The Temporary Deputy Speaker (Hon. (Ms). Shebesh: Hon. Keynan, surely! Hon. Lentoimaga, Member for Samburu North.

Hon. Lentoimaga: Thank you, hon. Temporary Deputy Speaker. I want to support these timely amendments and thank my brother, our Chairman, for bringing them. I want to, first of all, thank the President for launching fertilizer and seeds yesterday. That will go a long way to empower the youth to get employment. Also, with regard to the Uwezo Fund Regulations that we passed yesterday, we thank the Senate and the National Assembly for the good work they did yesterday. That will go a long way to create jobs for our youth. Even if we want to do this, it is going to be difficult for the youth to acquire tenders, leave alone getting the procurement jobs that we are talking about. Registration of tenders is very bureaucratic. It has very hard issues to handle. Even in the county, when you want to apply for a tender, it is a whole process that is very difficult. That is because the Public Procurement and Disposal Act puts impediments that the youth are not able to overcome. They ask for a business questionnaire and require that a youth or whoever is applying must have a business premise, must have an account with enough money, must have a telephone number and have an established business. I do not think the youth will meet those kinds of requirements. What I am proposing now is that, as we go along to give the youth 30 per cent of Government tenders, we must also look at the process of registration for a person to qualify to get Government tenders.

Secondly, company registration is only done in Nairobi. We need to decentralize that, so that the youth can get businesses. Thank you. I can see the light there. I would like, as I sit down, to say that I support.

The Temporary Deputy Speaker (Hon. (Ms). Shebesh): Thank you. Hon. (Ms.) Odhiambo-Mabona.

Hon. (Ms.) Odhiambo-Mabona: Thank you, hon. Temporary Deputy Speaker for giving me this opportunity to contribute to the Bill. I want to thank hon. Sakaja for bringing this Bill. Madam Sakaja, this Bill gives effect to Article 227 of the Constitution. Oh! Madam Sakaja.

(Laughter)

Hon. Temporary Deputy Speaker, I think because I like jabbing hon. Sakaja, that is why I am using his name as “Madam.” But, otherwise, he is hon. Sakaja. I want to say that it gives effect to Article 227 of the Constitution. I will be bringing an amendment to provide for other categories---

The Temporary Deputy Speaker (Hon. (Ms). Shebesh: Hon. Member for Kieni and Member for Kikuyu, if you could allow hon. Sakaja to listen.

Hon. (Ms.) Odhiambo-Mabona: I will be bringing an amendment to provide for other categories that are provided for in Article 227 (b). That is the category of persons that are marginalized in the past. It is not just women and youth, but even geographical marginalization to include places like Mbita that have been marginalized, so that they can get a fair percentage. I would also like to say that one of the things that has not been mentioned, that as much as it is good that we are giving the youth opportunities - I have already started effecting that in Mbita - what I can say is that there are vicious corruption networks. I hear people saying that corruption will be devolved, it will not be devolved. It is already alive, well and kicking before devolution happened. We must also put measures in place to enable the youth, when you give them contracts, to actually get the benefits of those contracts. One of the youth that I gave a contract came back and told me that, out of the capital that he put, he actually ran into losses because the cost of servicing corruption was higher than what he was doing. As a country, we must agree that, we either do away with corruption, or we bring a law to legalize corruption. Otherwise, the youth will not get anything from what they want to do.

I support.

Hon. (Ms.) T.G. Ali: Thank you, hon. Temporary Deputy Speaker. I rise to support the Public Procurement and Disposal (Amendment) Bill by our able Chair, hon. Sakaja.

I would like to say that when the 30 per cent procurement became a flagship project of the Jubilee Government, there was a lot of hope and aspiration from the youth, women and people with disability.

I think all the issues that have been said in this House are the ones that are pulling down the procurement process for the youth. We need to keep the hope of the youth alive by ensuring that they get those contracts.

Registration of companies should be devolved. I think that has already been said, but it is really getting many women and youth lose money to brokers who are just around

Sheria House to register companies. Sometimes, the brokers collect money from them and then disappear. Women and youth need to be assisted so that they can get those registration certificates closer to where they live instead of travelling all the way from northern Kenya and other parts of Kenya to Nairobi where they are conned.

Hon. Temporary Deputy Speaker, I think the other issue that is also becoming a problem is getting certificates of registration for the categories that have been earmarked for the 30 per cent for the youth, women and people with disability. That is being done through online registration which is quite difficult. That is because some of the organizations and the youth are unable to do that online. Some of them do not have ICT skills. So, asking them to do online registration also delays the whole process of getting the certificate and eventually the tender.

With those remarks, I beg to support the Bill and request that the process be speeded up so that the youth can benefit from this.

Thank you.

Hon. (Ms.) Sunjeev: Thank you, hon. Temporary Deputy Speaker for giving me this opportunity. I rise to support---

Hon. Kanini Kega: On a point of order, Hon. Temporary Deputy Speaker. Going by the mood of the House, could the---

Hon. Members: No! No!

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): I take it that you have seen the "mood" of the House.

Continue, hon. (Ms.) Birdi.

Hon. (Ms.) Sunjeev: Thank you, hon. Temporary Deputy Speaker. Once again, I rise to support the Public Procurement and Disposal (Amendment) Bill which has kindly been brought by hon. Sakaja.

It is worrying that these amendments are being brought after 50 years of Independence. If hon. Sakaja was in Parliament at that time, of course, he would have been 79 years and not 29 years old. However, I appreciate that he has brought these amendments.

I would like to say that the problems of the youth in this country are very different not only because of the geographical location, but because of the areas that they live in. That is the social and economic problems that they face. I feel that after 2013, the Jubilee Government is finally fulfilling the promises that it had given the youth and women.

Indeed, today, I can see tenders that have been capped for the youth and women. That is an exceptionally good site to see. That is because you are giving an opportunity to people who deserve to do something in their lives and have never had an opportunity to get capital.

Hon. Temporary Deputy Speaker, I would also like to say that people in our country are very dynamic. They have very lovely ideas. Let me give you an example of quail eggs. When the quail eggs business started, everybody was doing it. Perhaps, we need to bring to our society more diversified type of businesses.

I support the amendments to this Bill because they are teaching people how to fish.

Thank you very much.

Hon. Oyugi: Thank you, hon. Temporary Deputy Speaker. However, much I support these amendments, I have no intention of engaging in the quail egg business.

I would like to support hon. Sakaja's amendments which speak to the core issues of the youth in this country. They, of course, give effect to Article 55 of the Constitution which then implies that the Government is under obligation to give the youth of this country opportunity. So, this is a timely amendment that gives the necessary constitutional effect.

Hon. Temporary Deputy Speaker, there are a couple of things that I would like to raise in this Bill. I think the amendment to Clause 10 speaks to the Cabinet Secretary prescribing preferences. This will be taking away some of the gains that we have made. Perhaps, that is the one we will be discussing with hon. Sakaja to see the best way to proceed. The Cabinet Secretary might find it, in his wisdom, to put in safeguards that will not give the youth the opportunity. So, it will amount to giving with one hand and taking away with the other hand.

The third thing that I would like to speak about is the effect to what hon. Sakaja has written - that it is a limitation of Article 24 of the Constitution. I do not really think so. That is because the sort of limitations or fundamental rights that are envisaged under Article 24 are not the sort it seeks to do. My understanding of the law is that this is a positive right. So, what it is essentially doing is what is envisaged under Article 27(6) of the Constitution which is an affirmative action principle. I do not think that it falls within the limitations of Article 24 of the Constitution when you are doing that because---

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Hon. Neto, could you speak slowly?

Hon. Oyugi: Thank you very much, hon. Temporary Deputy Speaker. I am trying to catch up with my three minutes. This is the problem of shortening the time especially when Members want to engage in---

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Because you are quoting the Constitution, just---

Hon. Oyugi: Thank you, hon. Temporary Deputy Speaker. I was saying that hon. Sakaja is not right that this Bill limits Article 27 of the Constitution. It is my considered opinion that the amendment he is moving is actually not limiting the Constitution because it is a positive right. That is because he is giving the youth something that has not been given to them. So, it actually gives effect to Article 27(6) of the Constitution which is then not a limitation in the manner that Article 24 envisages.

Hon. Temporary Deputy Speaker, because my time is running out, we will engage with hon. Sakaja to see how best to polish the various parts of the Public Procurement and Disposal Act so that no part of it is in conflict with this particular beautiful amendment that he is making, so that it is all in harmony and the youth are able to make the best out of it.

Thank you, hon. Temporary Deputy Speaker, for giving me some extra time.

Hon. Kemei: Thank you, hon. Temporary Deputy Speaker for giving me this chance to contribute to these important amendments. From the outset, I would like to thank hon. Sakaja for bringing the amendments to Parliament. I would like to say that this is a Bill which is long overdue.

As we debate these amendments, I would like to say that we need to critically look at the Public Procurement and Disposal Act in future. That is because there are some aspects of this Act that are not good for the business of today. It gives more emphasis to procedures and processes. At the end of the day, it is not something that is compatible with today's life.

I would like to say that if we do this, hon. Sakaja should take into cognizance the views that we have expressed here, first to ring fence women and persons with disabilities. Secondly, we need to ask the banks to start products that are friendly to the youth and women of this country.

Lastly, because I want to give a chance to my colleagues, I want to inform the youth that they should not get used to "come-easy, go-easy money". I want to remind them that it is in business and procurement that they will find the goose that lays the golden egg.

Thank you, hon. Temporary Deputy Speaker.

Hon. Ekomwa: Thank you, hon. Temporary Deputy Speaker. I rise to support these amendments. I want to thank my friend, hon. Sakaja, who also happens to be my Chairman. I want to confirm to my colleagues that even as we produce a Bill, it is good to understand its background or where it has come from. We have to appreciate that it has come from the Jubilee Coalition.

If it came from the CORD Coalition, we would have appreciated it because it is very important.

I just want to make a very important point to my friend, hon. Sakaja. In order for us to achieve the proposals contained in this Bill, we must decentralise the system of registration of companies. That is because most of the counties do not have registration services. Most of the registration services are in Nairobi, near Harambee House. We have to devolve the function of registration of companies so that every youth, including a cattle rustler in the remotest villages in this country, can access registration certificates for businesses. If we continue having registration service centralised in Nairobi, we will be targeting the youth from Nairobi alone. The youth in the rural areas will not benefit. That is the point I wanted to make, and it has to be taken seriously.

Thank you.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Hon. Ekomwa, certainly, I will not take that one seriously. Did you just refer to the youth in your constituency or in other constituencies as cattle rustlers?

Hon. Ekomwa: Hon. Temporary Deputy Speaker, I said that I wanted even those youths who have been cattle rustlers in our areas to benefit.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Yes, hon. Peter Mwangi.

Hon. Mwangi: Thank you, hon. Temporary Deputy Speaker, for giving me the opportunity to contribute to this very important Motion by the Jubilee Chairman.

It now looks like things are going on very well. What started as a campaign pledge from the Jubilee Coalition and subsequently as a Presidential directive is now becoming a full law, courtesy of our able Chairman, hon. Sakaja. It will be pointless for us to give the youth and women of this country the chance to do business with the Government, only for the Government to overstay with their money.

We have a case where the Independent Electoral and Boundaries Commission (IEBC) has failed to pay its suppliers since 2010, when we had the National Referendum on the Constitution of Kenya, 2010. If we go that way, we will be impoverishing the youth more than they are currently. We should appreciate the fact that the youth do not even have access to bank loans due to lack of collateral. I would like some of those processes shortened, so that they can be allowed to even use Local Purchase Orders (LPOs) that they will be given for supplies as collateral for bank loans. That will help a lot.

Thank you.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): I am looking for the Member for Mbeere. Has he left? Yes! Member for Mumias West.

Hon. Naicca: Thank you, hon. Temporary Deputy Speaker. I also rise to support the amendment Bill by hon. Sakaja. It has come at a very appropriate time.

I realise that even in Mumias, most of our youths are very idle. They spend most of their time watching films and begging for money just because we have not empowered them. So, I am very much impressed that right from yesterday's Motion on Uwezo Fund, we are now proposing the reservation of a minimum of 30 per cent of public procurement to the youths and women. Most of my colleagues are wondering whether the procedures that are there will enable the youth to access that money. Let me say that we have been elected to assist the youth.

Hon. Temporary Deputy Speaker, as we consider this amendment Bill and empower the Cabinet Secretary to come up with harmonisation of the procedures, commercial banks should also be impressed upon to lower interest rates for the pre-qualified youths that are going to get those contracts. Otherwise, it is a good idea that we give them contracts in road construction, supplies and building of classrooms. It is a very good idea. We are going to empower the youths, who are the majority in this country.

With those few remarks, I beg to support.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Yes, hon. John. Kiragu of Limuru, Kiambu County.

Hon. J.K. Chege: Thank you, hon. Temporary Deputy Speaker, for giving me the opportunity. I rise to support the Motion by my very good friend, hon. Sakaja.

As we discuss the youth, we are discussing the future of this country. We will guarantee the youths of this country their future mainly by discussing the local content of the procurement that we have in this country, right from the ward level to the constituency, county and the national level. If we can identify the local content to ensure that our youth know what they could compete in, we will help ourselves by making sure that those people who may not have a lot of resources get a better chance of competing.

At the national level, we need to make sure that we have a firm foundation for the future of this country to a point where, we will control the economy of this country. What is happening right now is that we are handing over the economic activities of this country to foreigners. The only way to safeguard the future of our youth is to make sure that anybody who comes to do business in this country, they satisfy the local content. I hope that the proposed amendments will address the issue of the content levels that we need to specify in procurement to ensure that the youth in specific local areas are guaranteed some involvement and employment.

Hon. Temporary Deputy Speaker, some of the companies that have come to compete for various projects in this country are provincial companies from China. We must take this challenge, and particularly the county governments. They should also establish companies that can specialise in certain lines of works – be it water, electricity or road construction – and grow them to a point where they can also compete with foreign companies. Nothing stops us from developing companies that can compete for works within this region so that we can develop.

As a country and as the Jubilee Government, we know that we have Vision 2030 to fulfill. Vision 2030 requires us to ensure that all Kenyans, wherever they are, are guaranteed a good future. This country's future is in the hands of the youth and we must give---

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Yes, hon. Jessica Mbalu.

Hon. (Ms.) Mbalu: Thank you, hon. Temporary Deputy Speaker, for giving me the opportunity to support the amendment Bill by my very good friend, hon. Sakaja. Amongst the major amendments that are coming is that every procurement entity shall ensure that, at least, 30 per cent of the procurement in every financial year goes to the youth. I would also urge a similar amendment with regard to women and people with disabilities. I know that hon. Sakaja is under 35 years of age. I also want women to be included in this amendment Bill.

A very important fact that should be noted is that the youth are the backbone of this country. Any effective development in any country cannot go on without the youth. That is why I support this Bill. We should involve the youth now that we have the Uwezo Fund Regulations in place. I want to congratulate hon. Members of this House for passing the Uwezo Fund Regulations yesterday.

We need to train the youth on how to use the Uwezo Fund money. Thirty per cent is a lot of money in procurement. So, many issues need to be done and it is very important to train the youth.

The second issue is the availability of capital. Yes, we could have the procurement of 30 per cent given to the youth but, again, there is the question of capital. I am, therefore, urging the Government that the Director of Public Procurement ensures that our youth are not blocked because of lack of capital and experience.

Hon. Temporary Deputy Speaker, in the Public Procurement and Disposal Act, 2005 and its regulations, we really had issues of experience. For example, there is the issue of how much does the company have in terms of work and services? Therefore, for this matter, since it is at inception stage and those are the youth we are calling for 30 per cent procurement, the Government should look into that.

Registration requirements are also very important. Let us not make registration of procurement companies for the youth complicated. There are issues of legal restrictions that can make the policy not to be adopted.

Otherwise, I beg to support the Bill because the youth are the backbone of this country.

Thank you.

Hon. Korir: Thank you, hon. Temporary Deputy Speaker, for giving me the opportunity to contribute. I rise to support my dear friend, hon. Sakaja, for bringing these good amendments.

The last two days have been good for this country. They are days that will be remembered for a long time because the important part of our population has been remembered - and that is the youth. I think after five years, the youth should never complain any more. They should not have a reason to say that there is no employment or there are no jobs in this country.

As a country, we need to move from the idea of white collar jobs and shift to self-employment. What we have done in the last two days is to give a chance to the youth to empower themselves and be self-sufficient. If the two are incorporated - the Uwezo Fund that provides capital for the youth and the chance for them to go further and get the tenders to work and be able to use the capital from the Uwezo Fund - it will be very encouraging.

Hon. Temporary Deputy Speaker, as we move forward as a House, there are two things we need to look into deeply. The Public Procurement Act needs to be given an overall review. I think the Constitution clearly says that by August, 2014, we need to have looked at the Public Procurement Act and changed a lot of things.

Another thing that we need to look at clearly is the Companies Act so that we make sure; first of all, we devolve the issue of registration of companies. We want to give the youth an opportunity to stay in the counties and work there. If we do not look at that, we will have many youths moving from the countryside to Nairobi to register and look for jobs here. We should tell the youth that jobs are available at home. We should give them an opportunity to stay at home and take up those jobs that are available there.

Hon. Temporary Deputy Speaker, there are two things that we hon. Members can help our youth after this. First of all, we should use the Constituencies Development Fund (CDF) to make sure that every opportunity that we have goes to the youth.

Another opportunity is by using Kenya Rural Roads Authority (KERRA). I was looking at the KERRA list and there are few companies of old people that have benefited for the last many years. It is now time hon. Members changed that and started empowering and giving the youth opportunities to know that there are jobs available at KERRA. That way, they can construct roads and benefit from those opportunities.

Thank you.

Hon. Irea: Thank you, hon. Temporary Deputy Speaker. I would like to take this opportunity to thank the Mover of this Bill, hon. Sakaja. This is a good Bill. These amendments have come at the right time. But, I think it is time we thought of opening a national youth micro-finance bank so that the money for the youth is channeled through that bank. This will help the youth to do procurement because they will have a bank that understands them. That is because major banks in this country will give the youth money at very high interest rates, which they may not be able to repay after getting those tenders.

Therefore, I support this amendment, but in the near future, we need to bring a further amendment to this amendment so that we can form an institution which will help the youth when they get those tenders from various institutions.

The Uwezo Fund is a very good idea which we passed yesterday. But I think we need a bank that will give the youth money at low interest rates. That is because when a

youth gets a loan from the Uwezo Fund and probably he wants to buy an item using hire purchase finance from a bank, he is going to use the Uwezo Fund at a low interest rate and also get very high interest rates from the bank that will give the loan to that user. Therefore, that complicates the idea of the Government to give out money from Uwezo Fund at low interest rates. We need to have an institution where the Government has more shares than the business people so that that bank can be giving loans to the youth at low interest rates. The banks that are going to keep the money from Uwezo Fund---

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Order, hon. Member! I will ask, again, that Members of Parliament allow hon. Sakaja to listen because I think what the hon. Member has said is very important.

Hon. Irea: Thank you, hon. Temporary Deputy Speaker. What I am saying is that after the Uwezo Fund has been given to the youth, they may want to use that money to buy an item using a certain bank and the bank will give them money at very high interest rates. This will complicate the idea of the Government which is to give money to the youth at low interest rates. Therefore, the banks that are giving the Uwezo Fund should have a product for the youth so that when you get money from the Uwezo Fund and you want to use that money as a down payment to buy an item that has more money than the one you have been given in the Uwezo Fund, there should be a product in those banks which enables you to get money as a youth at low interest rates.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Thank you. Your point has been made. Hon. David Pkosing from Pokot South, I do not know how to say the name very well.

Hon. Losiakou: Thank you, hon. Deputy Speaker. My name is Pkosing as you were trying to pronounce it. I think this machine is walking and not flying to Pokot and so, it is taking a long time to reach there. I thank you, however.

I would like to speak on three issues. Number one is that yesterday, we made history by passing the Uwezo Fund Regulations. It is, indeed, historic. Therefore, we have created capital for our youth. Somebody else who made history is His Excellency the President, hon. Uhuru Kenyatta. That is the only President who, in the last 50 years, has thought about the youth. That is the only President who is pro-youth and so is his Deputy President. That is the only President who suggested that money should go to the youth. I am very sure that even in 2017, we will win in the first round and the money set aside for the second round will go to the youth.

I would also like to thank the Chairman of TNA, our counterpart party, for bringing this Bill. I think we need to speak to this because it is important, in my opinion. We have given the youth capital. Now the mood of the House is that we are going to give them legal framework where they are going to get favourable competition through affirmative action. I hope other offices are listening. The youth are going to be required by the law when seeking for those contracts to meet minimum requirements. For example, if somebody is going to compete for a contract for water works, that procuring entity will ask for a commitment or a regulation from the Ministry of Water to qualify that youth to get the money. We may be passing those laws, but they are not being supported by other departments. Therefore, our laws can actually end up hitting a dead end.

The ministries in charge of water, roads, and building or construction are the ones that will create those bottlenecks that will affect this effort. I hope my Chairman is listening. We need to address that matter otherwise, a very good law like this can end up not getting implemented. The youths are very enthusiastic that we are going to pass this Bill. So, what happens? They will go to get those contracts. They will be told: “Go to the Ministry of Environment, Water and Natural Resources; go to the Kenya Revenue Authority (KRA); bring this and that” and they will be disillusioned. Therefore, we are asking them that, as we are passing this amendment Bill, they should be watching and listening. I am sure they are doing so. We should provide for that 30 per cent affirmative action to the youth so that when they go there, they are not going to encounter bottlenecks. That way, they are going to benefit from the laws that we are enacting.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Hon. Dan Kazungu.

Hon. Muzee: Thank you, hon. Temporary Deputy Speaker for giving me this opportunity. I rise to support this Bill by my colleague here, who is the leader of The National Alliance (TNA) Party and a youth himself. However, as I rise to support I have very key issues to talk about.

First of all, I support it because it is one of the affirmative action we are taking to ensure that the youth get empowerment. We know some of us are here courtesy of the youth vote. So, as I support this, I want to be alive to the fact that the youth also need to be told that they will still have to compete. 30 per cent of Government procurement is a big opportunity for them. But no one should assume that just because this opportunity is there, you just sit down there and think that things will come for you. You have to go and compete. We know the rules of business. Step up and form your company. Come up with winning business plans. The youth need to be told how to come up with business plans. That is very important because we know 75 per cent of new businesses fail within the first three years. So, there is a lot of mentorship and training involved. So, it is very important that we tell our youth: “Here is an opportunity for you. But just because we give you the opportunity you also need to step up, go there, work hard and take advantage of this opportunity.”

So, as I sit down I really want to tell the youth of Kenya to seize this opportunity. This Parliament is key. We are very serious about availing opportunities. Yesterday we passed the Uwezo Fund Bill. Today we are giving them another opportunity to ensure that they get opportunities in procurement. They should liaise with their mentors and trainers to ensure that they take advantage of this opportunity. That way, we will all celebrate the advancement of the youth and the economy of this country. Thank you so much.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Hon. Ferdinand Wanyonyi.

Hon. F.K. Wanyonyi: Hon. Temporary Deputy Speaker, I want to thank you, first of all, for giving me this opportunity. I also want to thank hon. Sakaja for coming up with this Bill, which I think is an exceptional opportunity for the youth. I want to say that the youth now should have no excuse.

Secondly, this will help our youth who, as I said yesterday, are actually very idle out there. That is the problem we have with our youth. They are idle and are actually the

cause of insecurity in the country. So, this is an opportunity for them. I think it is a very good Bill and I support it.

Hon. Temporary Deputy Speaker, thirdly I want to say this: The opportunity is now there for the youth. The problem is that, and I hope hon. Sakaja is listening, we should have the mechanism of checking that the ministries, the Governors and the county governments are giving the 30 per cent opportunity to the youth. The problem is that, sometimes, unscrupulous businessmen take advantage and register their companies using the youths' names.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Hon. Wanyonyi, give me a minute, please. Hon. Kanini Kega, I can see you have a point of order.

Hon. Kanini Kega: Hon. Temporary Deputy Speaker, for the interest of time - and I do not want to preempt what he is saying - but I will put a suggestion to the Mover of the Bill that if he is called to reply, maybe, he can donate two or three minutes to those Members who would want to say something.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Hon. Members, I would have to tell from the mood of the House whether that is acceptable. Hon. Wanyonyi, then complete and then I will ask the Mover to reply.

Hon. F.K. Wanyonyi: Hon. Temporary Deputy Speaker, let me complete by saying that we should have a mechanism or some regulations whereby we can check with the county governments and the central Government that the 30 per cent opportunities are given to the youth. If we do not do that, we will find that with regular checking, maybe, once or twice per year, this will be done.

The youth and women particularly, will have employment opportunities. This is a very good opportunity for us. In fact, out there, the youths have been having problems. You go out there and they are so idle. But this is an opportunity for them to have employment.

I support the Bill.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Thank you. I want to ask the Mover to reply. Hon. Sakaja, if you will be donating time, I would like you to consider the Women Representative of Siaya.

Hon. Sakaja: Hon. Temporary Deputy Speaker. Before I reply, I would like to donate some of the time that I have, considering that I have 20 minutes. But I need, at least, 10 minutes. So, I can donate five minutes to the following Members: Hon. Ichung'wa, hon. Dawood, the Women Representative for Siaya, hon. Rose Rwamba, hon. Busienei and hon. Wamunyinyi, so that I can finish, otherwise, it goes to next week.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Hon. Members, as you have been called. Hon. Sakaja, can you indicate who is to begin?

Hon. Sakaja: Hon. Ichung'wa.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): It is a minute.

Hon. Ichung'wa: Hon. Temporary Deputy Speaker, I wish to thank hon. Sakaja for donating that one minute. This is good legislation to start with. It is not just about procurement opportunities, but it is about creating job opportunities. That is because when you give a tender to one youth, that will translate into thousands of jobs to other youths. However, I have also heard sentiments on the need to create some local content in all procurement in this country. It is a matter that should be of great concern to the people

of this great country; that thousands of procurement businesses that are coming from the Government are going to outsiders, mostly, the Chinese. Therefore, I will be asking hon. Sakaja in due course, when we come to the Third Reading, to move an amendment to ensure that there is local content in all the procurement dealings.

The third and the final thing is the question of capital. Concern has been raised that, indeed, our youths will not be able to access adequate capital to even finance the procurement deals that they will get. I will be calling upon the Government to also have a credit guarantee scheme with the commercial banks in this country where we can get a lump sum figure of, say, Kshs2 billion or Kshs3 billion, and put it into a fund that will guarantee our youths in the commercial banks to access cheap credit.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Thank you. Are you keeping the one minute time, Clerk? Who is the next speaker, hon. Sakaja?

Hon. Sakaja: Hon. Dawood.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Hon. Dawood, please, keep to a minute.

Hon. Dawood: Thank you, hon. Temporary Deputy Speaker. I thank hon. Sakaja for donating his time to me. I think the youth need all the support and not roadblocks to achieve the procurement which we need.

Hon. Sakaja should even come up with guidelines on how the youth should get registration certificates. I know that there is a big problem with the youth being issued with those documents. We should take into account how the funds will be used because the youth can do much. But when they will be asked whether they have this or that equipment to do those works, it will become a problem. That is because they do not have any equipment.

So, we should look into ways of streamlining that.

With those remarks, I support the Bill.

Hon. (Ms.) Ombaka: Thank you very much, hon. Temporary Deputy Speaker, for giving me this opportunity. I also thank hon. Sakaja for donating his time to me.

I would like to say that this is a fantastic enterprise for young people to be economically empowered. The youth of this country are very lucky because 30 per cent of public procurement opportunities is one of the objectives of empowering the youth. This is not the only one because we have many more which include the Youth Enterprise Development Fund and the Uwezo Fund. So, those are three big enterprises for young people to be economically empowered. So, the youth should have some information. Very few youths out there are aware of this.

I would like to say that we should inform them that those opportunities exist.

Hon. Lomwa: Thank you, hon. Temporary Deputy Speaker. I thank hon. Sakaja. I rise to support this Bill. The category of youth is known and well defined. Going beyond the defined category bracket deprives the youth of this country the role and intentions of the leadership to empower the youth economically and associated contribution to the national economy.

I want to commend hon. Sakaja for the noble idea of bringing those amendments. This gives the youth an opportunity to share the experience and whatever is required to secure the available opportunities before them within the competitive market.

I come from a cosmopolitan constituency where poverty and unemployment is above 70 per cent. This is an opportunity for the youth to improve their lives.

Hon. Busienei: Thank you, hon. Temporary Deputy Speaker. First of all, let me thank my friend, hon. Sakaja, for donating one minute to me to support his Bill. I want to thank the President of the Republic of Kenya and the Deputy President for walking the talk. They promised the youth and women of this country that if they win the elections in the first round, Kshs6 billion will go towards improving their lives.

If the national Government and the county governments will reserve 30 per cent of procurement opportunities and 30 per cent of the jobs to the youth, this country will grow. At the same time, insecurity cases will come down and the number of jobless people will come down.

Hon. Temporary Deputy Speaker, I support the Bill.

Thank you.

Hon. Wamunyinyi: Thank you, hon. Temporary Deputy Speaker. May I also thank hon. Sakaja and congratulate him for bringing this important Bill. I want to make one statement: If this Bill is enacted and implemented the way it is envisaged, obviously, we will create opportunities, reduce unemployment and help our youth. However, I must caution that mechanisms must be put in place to ensure that the youths are not abused in the process because of the challenges they face. There are some unscrupulous businessmen and rich fellows around who will abuse the youth by using them. The youth will take the jobs and then the beneficiaries are other people. Measures must be put in place to ensure that we do not lose direction.

Thank you, hon. Temporary Deputy Speaker.

Hon. (Ms.) Kanyua: Thank you, hon. Temporary Deputy Speaker. I thank hon. Sakaja for donating one minute to me. I am also happy to support the Bill by hon. Sakaja in terms of its intents. I urge that instead of having another Bill with persons with disability and another one for the women, all the three of them are brought together under the same Bill.

In looking at this Bill, we need to include devolution. This is not only a national Government matter but all our county governments ought to give 30 per cent of the contracts to the youth, women and persons with disabilities.

More importantly for hon. Sakaja and all of us in this House - and I really regret that we are rushing the laws that we are making - we need to concentrate on value addition. We are still in a country that is not manufacturing. We are in a country that is consuming. What will the youths procure or supply to the Government? I think that is the question that we need to answer

They can just buy products from China and every other country and supply to our Government. In such a system, we will not be serving ourselves. I hope that together with hon. Sakaja, our Chairperson, we are going to spend as much time thinking about value addition and production and make sure that young women are not marginalised by---

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Yes, Member for Embu County.

Hon. (Ms.) Mitaru: Thank you, hon. Temporary Deputy Speaker and our great son, hon. Sakaja, for bringing this amendment Bill. I support the Bill because I know that the women of this country, who have given birth to very many young people, would want

to support our youth all over this nation. I know that the desire of each Member of this House is to see our young people move from the streets and their homes and work to make Kenya a better place for all of us to live in.

I want to thank him for bringing the Bill---

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Yes, hon. Waweru.

Hon. Waweru: Thank you, hon. Temporary Deputy Speaker for giving me the opportunity. I want to thank our Party Chairman, hon. Sakaja, who is a young man, for coming up with a very brilliant amendment, which I fully support. As we all know, our Party Chairman is quite a young man. As such, he is looking into the interests of the young people, who belong to his generation.

For me, this is a situation where we have improved a good idea into a better idea by establishing the Uwezo Fund and tying it up with this amendment Bill, so that the youth can get money and opportunities. They will use the same money to participate in public procurement in this country. Therefore, I would like to congratulate our able and youthful Party Chairman. I urge the young men of this country to emulate---

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Yes, hon. Gitau.

Hon. Gitau: Thank you, hon. Temporary Deputy Speaker for giving me this opportunity. I also thank hon. Sakaja for contributing part of his time to me.

The biggest challenge that we have in this country is unemployment. This Bill touches on the genesis of the monster called “unemployment”. Once passed, it will give the youth an opportunity to engage in fruitful engagement, which will ultimately empower them economically.

As we consider the Bill, there are four cardinal points that I would like to mention, which should be checked. First, we need to engage in aggressive capacity building because the various geographical areas of this country have different potentials. In order for us to exploit them to the maximum, we need to engage in capacity building in the right manner.

We have the other issue of corruption, which is a major challenge. If corruption is not checked, we will not achieve our objective as a nation. We also have the issue of---

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Finally, hon. Sakaja.

Hon. Sakaja: Hon. Temporary Deputy Speaker, because of limitation of time, I just want to thank all the hon. Members for their contribution. More than 50 hon. Members have supported the Bill. No one has opposed it. All their amendments will be taken into account. I am available. We can speak about them. Thank you so much for standing for the youth of this country.

Thank you.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Hon. Members, I am not able to put the Question for obvious reasons.

ADJOURNMENT

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Hon. Members, we have come to the end of today’s morning session. The House, therefore, stands adjourned until this afternoon at 2.30 p.m.

The House rose at 12.30 p.m.