

# PARLIAMENT OF KENYA

## THE NATIONAL ASSEMBLY

### THE HANSARD

Tuesday, 3<sup>rd</sup> March 2020

The House met at 2.30 p.m.

*[The Speaker (Hon. Justin Muturi) in the Chair]*

#### PRAYERS

**Hon. Speaker:** Is it the Member for Mandera North who is whistling like that?

*(Laughter)*

Order! Why do you come here whistling? Be upstanding.

*(Hon. Major (Rtd.) Bashir S. Abdullaih rose in his place)*

Be warned. If you repeat that, the consequences will be dire. You cannot come here whistling. Obviously, that suggests that the Member does know where he is. Let us commence.

#### COMMUNICATION FROM THE CHAIR

**Hon. Speaker:** Hon. Members, I have two communications to make. The first one is very short.

#### CANCELLATION OF THE 64<sup>TH</sup> SESSION OF THE COMMISSION ON THE STATUS OF WOMEN

Hon. Members, as you are aware, a delegation comprising of Members of this House, was scheduled to travel this coming weekend to attend the 64<sup>th</sup> Session of the Commission on the Status of Women (CSW 64) to be held in New York between 9<sup>th</sup> March and 20<sup>th</sup> March 2020. However, I wish to inform the House that we are in receipt of communication from the Office of the Secretary-General of the United Nations (UN), which was conveyed through the Ministry of Public Service, Youth, and Gender Affairs, regarding this event. The communication indicates that the planned meeting has now been scaled down from the initial two weeks to one day, owing to concerns related to the corona virus pandemic.

Member States will be represented at this meeting by their permanent missions based at the UN Headquarters in New York. In addition, general debate and all planned side events have

been cancelled, and as such countries have been advised against sending any delegations to the 64<sup>th</sup> CSW taking place in New York.

Hon. Members, in this regard, I regret to inform the House that the scheduled travel by the representatives of the National Assembly is hereby cancelled with immediate effect, unless contrary information is received from the UN. The House should note that the ongoing pandemic may affect other future travels. I therefore request Members to be patient and bear with us on this matter of international magnitude.

Those Members that were to travel obviously know how to deal with other issues relating to facilitation, which may have landed in their accounts. You must therefore make complete and total refunds. The House is thus accordingly guided.

I thank you.

PRIVATE VISIT TO SOMALIA BY A  
SECTION OF MEMBERS OF PARLIAMENT

Hon. Members, my attention has been drawn to reports relating to a discreet visit made to the Republic of Somalia on Saturday, 29<sup>th</sup> February 2020, by about 11 Members of this House, majorly representing constituencies in the former North Eastern Province of the Republic of Kenya. The sensitivity of the matter, the public interest and the inquiries that have been made to my office on the matter have invited me to address the following questions relating to alleged private visit-

1. What are the responsibilities of a State officer with regard to engagements with foreign governments?
2. What constitutes a parliamentary delegation?
3. Are Members travelling out of the country required to notify the Speaker and why?

Hon. Members, on the first question, permit me to remind this House that, under the Constitution, the office of a Member of Parliament is a State Office in the Republic of Kenya. As such, there are responsibilities expected of Members of Parliament as State officers. Article 10(2) of the Constitution spells out the national values and principles of governance that, among other things, bind State officers.

These values, which are binding to all State officers, include patriotism, transparency, and accountability. These values are also emphasised in Section 3 of the Leadership and Integrity Act, 2012 and Section 2 of the Fourth Schedule to the Parliamentary Powers and Privileges Act, 2017. I hasten to add that at all times, any action by a state officer – be it in their private or official capacity – ought to take into consideration the need to remain patriotic, transparent and accountable to the nation.

Hon. Members, you may recall that, pursuant to Article 74 of the Constitution, each one of you ascribed to an Oath or Affirmation of Member of Parliament before you assumed the office you hold as such Members. The Oath or Affirmation as prescribed in the Third Schedule to the Constitution reads in part, that –

“... I shall bear true faith and allegiance to the people and the Republic of Kenya; that I will obey, respect, uphold, preserve, protect and defend the Constitution of the Republic of Kenya; and that I will faithfully and conscientiously discharge the duties of a Member of Parliament...”

Section 8 of the Leadership and Integrity Act, 2012 provides thus –

(8) “State office is a position of public trust and the authority and responsibility vested in a State officer shall be exercised by the State officer in the best interest of the people of Kenya.”

Hon. Members, these words are not a mere cosmetic decoration of the Constitution, statutes or indeed the Standing Orders of the House. They speak to and epitomise the true spirit of statesmanship behoving of State and public officers and serve as a constant reminder that a State office is a high calling to serve the interests of the State and its people over and above individual or private interests.

Hon. Members, as reported, the alleged visit was made by a group of legislators from this House. This may have created the impression that the said Members travelled as a delegation of this House. I wish to confirm that, parliamentary delegations to foreign nations must always meet certain parliamentary parameters. First, a parliamentary delegation is formally constituted and officially communicated to the foreign country which is scheduled to be visited through my office or that of the Clerk of the National Assembly. Secondly, parliamentary delegations are either fully or partially funded by the National Assembly. Further, in terms of composition, a parliamentary delegation is constituted in a manner that reflects the different shades of political parties in the House, gender and regional balance, among other considerations. In this regard, the alleged visit by the said group of Members of this House to the Republic of Somalia was not a parliamentary delegation.

Hon. Members, I will now address the issue of whether it is mandatory for Members travelling out of the country to inform the Speaker of their intended travel and why. There has always been a requirement to this effect in Standing Order No.260, which reiterates this point by providing as follows –

“(1) A Member intending to travel outside Kenya, whether in an official or private capacity, shall give to the Speaker a written notice to that effect, indicating –

(a) the destination intended to be visited.

(b) the dates of intended travel and period of absence from Kenya, and

(c) the email, telephone contact, postal or physical address of the Member during the period of absence from Kenya.

Hon. Members, as you have clearly heard, these provisions are couched in mandatory terms although they are not meant to punish or put in suspension any Member. The requirement to notify the Speaker of any intended travel outside Kenya is provided for in the Standing Orders as a matter of civility, good order and to ensure that the Office of the Speaker can, at all times, account for the whereabouts of any Member of this House who is out of the country.

For avoidance of doubt, there is no requirement compelling Members of this House to seek consent to undertake private travels. Similarly, there is no requirement for official parliamentary delegations to obtain consent of other offices, save for that of the Speaker, to undertake official travels. Nonetheless, parliamentary diplomacy ought not be handled casually or in an uncoordinated manner. Indeed, this was one of the reasons that necessitated the 11<sup>th</sup> Parliament to insert new Standing Order 259A in the Rules of Procedure to provide for recognition of parliamentary caucuses and friendship groups. As a matter of fact, there are a number of instances where Members who have travelled out of Kenya in private capacities have found themselves in circumstances that required urgent official intervention or assistance from my office, the Office of the Clerk, our embassies in foreign countries or indeed the specialised intervention of more than one State Department of the Executive branch of the Government.

I invite you, Hon. Members, to ponder, in the event that a Member or Members of this House who have travelled out of the country incognito require assistance of these offices, how would assistance be availed? I must acknowledge that majority of Members have always notified the Speaker of their intended travels outside Kenya, whether in their public or private capacities.

As a matter of fact, the register in the custody of the Clerk indicates that there have been over 700 such notifications in the last three years between September 2017 to date.

Allow me, Hon. Members to single out particular cases of certain Members notably, the Hon. Esther Passaris, Hon. (Dr.) Swarrup Mishra, Hon. Shakeel Shabbir, Hon. (Dr.) James Nyikal, Hon. Paul Ongili Owino and Hon. Paul Koinange, who consistently notify the Office of the Speaker whenever they travel outside Kenya in their respective private capacities. I congratulate them.

Hon. Members, whereas there are no sanctions against Members who fail to inform the Speaker whenever they travel out of the country, I urge you to live up to the spirit of Chapter Six of the Constitution, particularly Article 75 relating to conduct of State Officers whether in public or official life, in private life or in association with other persons. I also urge you to live up to the spirit of the oath of office that you all took. However, all Members are reminded to always abide by the provisions of Standing Order No.260, requiring Members travelling outside Kenya in official or private capacity to always notify the Office of the Speaker for the reasons stated above.

As I conclude, Hon. members, I would like to implore upon the concerned Members and indeed the entire membership of this House in paraphrasing the words commonly used in the House by the Member for Kisumu Town West, Hon. Olago Aluoch that “to whom much has been given, much is expected; and to whom much is entrusted, of him all the more will be asked”.

The House is so guided. Thank you.

## MESSAGES

Those Members who have difficulties sitting, maybe, you can... You have a problem with sitting. I thought these seats are comfortable, are they not? There are Members who have problems sitting.

Hon. Members, I have two Messages.

### NOMINEE FOR APPOINTMENT AS CHIEF EXECUTIVE OFFICER OF NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND BOARD

Hon. Members, pursuant to the provisions of Section 20 of the National Government Constituencies Development Fund Act, 2015, I wish to convey to the House a message from the Cabinet Secretary for National Treasury regarding recruitment of a Chief Executive Officer (CEO) of the National Government Constituencies Development Fund (NG-CDF) Board.

In the Message, the Cabinet Secretary is asking the House to approve the appointment of Prof. Mohamed Hussein Abdille...

**Hon. Members:** No! No!

**Hon. Speaker:** Very well. When an experienced Member like Hon. John Mbadi says, “No”, the Member behind him, that is, Member for Matungu thinks that is the way things are done.

**Hon. Members:** No! No!

*(Loud consultations)*

**Hon. Members:** Mbuno! Mbuno! Mbuno!

**Hon. Speaker:** Hon. Members! Hon. Johnson Naicca, you know you will have your say. This is a Message. It is wrong for the Members who have done two or three terms to mislead the ones who are barely midway. The Message is delivered. It is up to you.

*(Loud consultations)*

**Hon. Members:** Mbuno! Mbuno! Mbuno!

**Hon. Speaker:** I must read this Message because it must be in the *Hansard*. What you are saying there is not in the *Hansard*. When you look at Hon. Naicca, you would think that he is at war with somebody here.

**Hon. Members:** Mbuno! Mbuno! Mbuno!

**Hon. Speaker:** Hon. Members, the Cabinet Secretary is asking the House to approve the appointment of Prof. Mohamed Hussein Abdille for the position of CEO of NG-CDF Board.

Hon. Members, Section 20(1) of the said Act, provides that there shall be a Chief Executive Officer of the Board who shall be recruited by the Board through a competitive process and recommendations made to the Cabinet Secretary for appointment, with the approval of the National Assembly.

**Hon. Members:** Mbuno! Mbuno! Mbuno!

**Hon. Speaker:** Hon. Members, why are you shouting? This Message is very clear that the conveyance of this name can only succeed with the approval of the National Assembly. You are the National Assembly!

**Hon. Justus Makokha** (Matungu, ANC): Put the Question!

**Hon. Speaker:** Now look at this Member for Matungu. Questions are not put just like that! We are not in the village. It does not happen that way. Hon. Members, listen! We will have to go through the process as provided for in the law. It is immaterial that you may feel very strongly otherwise. We must follow the law. After all, the decision to appoint or not to appoint is by you. So, why not let...

*(Hon. Johnson Naicca spoke off record)*

**Hon. Speaker:** Hon. Naicca, I am not going to exchange and allow you to shout from your place.

Hon. Members, Section 50(5)(d) of the NG-CDF Act, 2015, stipulates that one of the functions of the National Assembly Select Committee on the National Government Constituencies Development Fund is to consider and report to the House, with recommendations, names of persons requiring approval by the National Assembly pursuant to the Act.

In this regard, I hereby refer the name of the nominee including his curriculum vitae to the Select Committee on the National Government Constituencies Development Fund to undertake the necessary approval hearings. Thereafter, the House shall consider the nominee in accordance with the Public Appointments (Parliamentary Approval) Act, 2011. Section 8(1) of the Public Appointments (Parliamentary Approval) Act of 2011 requires the National Assembly to either approve or reject the nominee within 14 days from the date on which the notification of nomination is given.

**Hon. Members:** Reject!

**Hon. Speaker:** It is unfortunate that the Members who I expect to know these procedures are the ones who appear not to have looked at the Standing Orders and the law. Remember, if you do not consider this nominee within the stipulated time because of this kind of behaviour, this nominee will stand duly appointed. So, you must allow the process to be followed. You must approve the nominee from the date on which this notification is given. Consequently, the Committee should notify the nominee and the general public of the time and place of the approval hearings in good time. The notification should therefore be made immediately and the Committee may thereafter commence the necessary approval hearings and submit its report to the House on or before Tuesday, 17<sup>th</sup> March 2020.

This must happen within the time stipulated. The Committee is accordingly directed to ensure that the nominee is notified.

*(Several hon. Members walked in)*

Those who are making their way in, please, take your seats.

*(Loud consultations)*

Order, Members! Even these ones, who are travelling incognito, please take your seats. Some of you walk into the Chamber whistling and others cannot settle in one place.

Hon. Members, here is the next message.

NOMINATION OF PERSONS FOR APPOINTMENT TO THE  
OFFICE OF MEMBER OF THE TEACHERS SERVICE COMMISSION

Pursuant to the provisions of Standing Order No.42, I wish to convey a Message received from His Excellency the President relating to the nomination of persons for appointment to the office of member of the Teachers Service Commission (TSC).

Hon. Members, the Message which was received in my office on 27<sup>th</sup> February 2020, conveys that in exercise of powers confirmed by Article 250(2)(b) of the Constitution as read together with Section 8(7) of the TSC Act, 2012, and Section 5 of the Public Appointments (Parliamentary Approval) Act, 2011 the President has nominated the following persons for appointment as members of the TSC:

- i. Ms. Leila Abdi Ali.
- ii. Mr. Mbage Njuguna Ng'ang'a.

In this regard, therefore, His Excellency the President now seeks the approval of the nominations by this House.

Hon. Members, pursuant to provisions of Standing Order No.45, I refer the Message, with the curriculum vitae of the nominees to the Departmental Committee on Education and Research for consideration.

Section 8 of the TSC Act, 2012 requires the National Assembly to either approve or reject any or all of the nominees within 21 days. Noting that the House will proceed on a short recess from 20<sup>th</sup> March 2020 to 6<sup>th</sup> April 2020 in accordance to the published calendar, the Committee should expeditiously notify the nominees and the general public, commence the necessary approval hearings and submit its report to the House on or before Wednesday, 18<sup>th</sup>

March 2020, morning sitting, to enable the House consider the nominees within the statutory timelines.

I thank you.

Next Order!

## PETITION

### RESTORATION AND REVIVAL OF THE KENYA CASHEW NUTS FACTORY

**Hon. Speaker:** Hon. Owen Baya.

**Hon. Owen Baya** (Kilifi North, ODM): Thank you, Hon. Speaker. I would like to present Petition No.01 of 2020 regarding restoration and revival of the Kenya Cashew Nuts Factory.

I, the undersigned, on behalf of the farmers and the people of Kilifi County, draw the attention of the House to the following:

THAT, the now defunct Kenya Cashew Nuts Factory located in Kilifi Town in Kilifi County was built in 1975 by the Kenya Cashew Nuts Limited with capacity to process 15,000 tonnes of cashew nuts per year.

*(Loud consultations)*

**Hon. Speaker:** Order, Members! We must allow the Member speaking an opportunity to present his Petition. Consult in lower tones.

**Hon. Owen Baya** (Kilifi North, ODM): Thank you.

THAT, the factory served farmers in the former Coast Province through their cooperative societies and the Kilifi District Cooperative Union (KDCU). The Government shareholding in 1982, through the National Cereals and Produce Board (NCPB), the Industrial Commercial Development Corporation and the Industrial Bank was 65 per cent while the cooperative movement held the remaining 35 per cent through the KDCU.

THAT, the Kenya Cashew Nuts Factory was an important economic mainstay of the coastal districts, now counties, and contributed immensely to the development of the cashew nuts subsector in the country. When the Government decided to divest from the factory, KDCU exercised its pre-emptive rights and purported to have acquired the Government's 65 per cent shareholding in October 1993.

THAT, following the divestiture, the Kenya Planters and Products Limited (KPPL) and the Cashew Nuts Development Investment Limited which were both private companies, mysteriously and fraudulently joined the factory as shareholders under unclear circumstances obtaining 51 per cent and 14 per cent of the Government shareholding respectively.

THAT, neither the Government nor the farmers received any payment from the fraudulent transfers, and that the then KDCU officials colluded with various individuals to deprive farmers the opportunity to purchase the 65 per cent shareholding via their pre-emptive rights which later led to KDCU being excluded from management of the factory despite holding 35 per cent shareholding.

THAT, in 1996, KPPL claimed that it advanced a loan of Kshs2 million to the KDCU allegedly for the purchase of cashew nuts from farmers. They said that this loan was not repaid

hence this claim was used to obtain fraudulently all KDCU shares with corporation by the then KDCU officials. This ultimately led to the flawed and irregular acquisition of the factory from the bona fide shareholders. However, records show that KPPL did not advance the Kshs2 million to KDCU, but to Kenya Cashew Nuts Limited and they should not have taken over KDCU interest in the factory based on this allegation.

THAT, the Kenya Cashew Nuts Factory finally closed down in October 1997 and subsequently hit the coastal economy hard creating widespread joblessness leaving cashew nuts farmers stranded thereby denying the country available source of export and foreign exchange.

THAT, the factory shut down with un-serviced Barclays Bank loan of Kshs95 million whose security was the Kenya Cashew Nuts Factory premises which the bank sold off to Millennium Management Limited for Kshs58 million despite a court injunction filed by KDCU.

THAT, the auction was illegal as there was a court injunction that stopped the auction and still remains illegal up to now. In the process of the illegal sale, KDCU lost its 35 per cent shares as the new managers of the factory used illegal means to acquire the shares of the farmers.

THAT, the purported current owners of the factory are illegal owners and that the bona fide owners of the factory to date are KDCU and the Kenya Government because a sale that emanated from an illegal auction is still not a sale.

THAT, following the illegal acquisition, KDCU was unfortunately coerced by the new illegal owners to take over all the debts of Kshs110 million of the Kilifi Cashew Nuts Limited, debts which actually weighed heavy on KDCU and collapsed it.

THAT, the factory was ravaged and plundered by the new illegal owners and consequently, all machines and equipment were transferred to Tanzania and Tiwi where the new illegal owners had interest and used the sale of the machines to pay off their debts and laid off workers left without compensation.

THAT, while majority of the factories that collapsed following flawed privatisation such as the Kenya Meat Factory, RIVATEX, KICOMI and Mumias Sugar Company have already been revived by the Government, the Kenya Cashew Nuts Factory remains unattended.

THAT, the farmers in mid 90s sent a petition to the President of the Republic of Kenya who ordered and triggered the ODPP to pay a visit to the factory to investigate the matter and revert it to the farmers, efforts which were muzzled by the then Office of the ODPP.

THAT, the then Attorney General, Amos Wako was ordered by the then President to reverse the illegal transfer of shares and registered the shares in the name of KDCU but he did not.

THAT, the 9<sup>th</sup> Parliament in 1999 made recommendations to revert the factory back to the farmers but the Attorney General did not act.

THAT, in November 2019, other officers were sent to pursue the matter further but nothing has come forth.

THAT, efforts to have the matter addressed by the relevant authorities have not borne much fruit.

THAT, the matter in respect of which this Petition is made is not pending before any court of law or constitutional body.

THEREFORE, your humble petitioners pray that the National Assembly, through the Departmental Committee on Agriculture and Livestock:

- a) Enquires into the collapse of the Kenya Cashew Nuts Factory with the objective of highlighting factors that led to its closure.

- b) Recommends the restoration to the farmers and KDCU (Now Kilifi County Cooperative Union) and revival of the Kenya Cashew Nuts Factory in Kilifi with the additional upgrade of turning it into a horticultural manufacturing factory that can process cashew nuts, mangoes, coconuts among other products as part of realisation of the Government's Big Four Agenda.
- c) Recommends that the former workers be paid their dues as well as restoration of the factory's ownership to the people of Kilifi, and
- d) Makes any other recommendations it deems appropriate in the circumstances of the Petition.

And your petitioners will ever pray.

Thank you.

**Hon. Speaker:** Now Hon. Members, it is true that the Member who is speaking is the one that is captured on the *Hansard*, but in fairness, if you think that you do not want to listen or hear what is being said by one Member, you can just pull your friend, retire to some place out there so that the rest of us can follow. It is not fair that one Member is making a presentation about something serious – even though, I think, it should have been taken to the Governor of Kilifi; since those are agricultural things and agriculture is devolved so that they sought it there... Nevertheless, I have seen your governor from time to time complain about cashew nuts and the rest without saying how much money he has set aside to revive those factories. I have seen some other proposition for them. They are called retiring governors or something like that. He needs to do something for the people of Kilifi for the time being. I believe your Petition is a good one. I wish he could address that kind of issue himself.

Anyhow, the Petition is committed to the Departmental Committee on Agriculture and Livestock. If you can remember, that Committee... If many of you could have been listening, this is not the first time this issue has been before this House. You will find a Report of a Committee of this House in the 9<sup>th</sup> Parliament which dealt with this matter. So, it becomes a little bit easier and faster to address the issues raised by Hon. Owen Baya.

Next Order! Order! Hon. Members, take your seats.

*(Hon. Adipo Okuome walked into the Chamber)*

The Father of the House, take your seat. I can see you limping in.

*(Laughter)*

## COMMUNICATION FROM THE CHAIR

### TIMELINES FOR SUBMISSIONS OF COMMITTEE REPORTS

**Hon. Speaker:** Hon. Members, Standing Order No. 199 of the National Assembly Standing Orders provides for the procedure of processing reports of select committees and for clarity, reports of select Committees range from reports on Bills, inquiries, appointments, travel, financial estimates and audits. A number of such reports when being submitted are followed by Notices of Motion for consideration by the House. Others contain proposals to amend Bills which are going to come before the House.

Hon. Members, of late, I have been concerned that a number of such Reports and accompanying Notices of Motion are being brought to my office for approval just before the commencement of the day's sitting. Some in less than 10 minutes. The reason why a two hours period is given to a committee or a Member to submit a report for approval by the Speaker before a sitting, is to allow the Speaker reasonable time to apprise himself of the contents of such reports, before approving it for tabling in the House.

Hon. Members, this time implies that reports that are intended for tabling on a Tuesday or a Thursday sitting ought to be submitted to my office by 12 noon. Similarly, reports intended to be tabled on a Wednesday morning ought to be submitted to my office either on the previous day or by 7.30 am on that particular Wednesday morning. Reports which come to my office after those timelines will not be approved. Members, this is the reason why some of those ones that you brought at about 1.45 p.m. are still not there. I just cannot approve things which I have not read.

*(Applause)*

This will apply without exception.

So, Hon. Members, there must be dignity. I cannot just be asked to append my signature on a report that you have not allowed me time to read and get to understand. When the Mover is moving, I also ought to know what his observations and recommendations are and whether those recommendations are in tandem with the Constitution and existing statutes or indeed, our own Standing Orders. Therefore, if you intend to table a report by Wednesday morning, please by latest 7.30. a.m., let it be in my office and I will make sure that before 9.30 a.m. I will have read it and approved or not approved it. If it is to be tabled on a Tuesday afternoon sitting or Thursday sitting, please latest by midday or indeed, Monday, so that you allow me to have reasonable time to familiarise myself with what is contained in those reports.

I thank you. Next Order!

### QUESTION BY PRIVATE NOTICE

**Hon. Speaker:** The first Question is by the Nominated Member, Wilson Sossion. It is a Question by Private Notice.

*Question No. 004/2020*

#### STATUS REPORT ON STUDENT DEATHS AT PRECIOUS TALENTS ACADEMY /KAKAMEGA PRIMARY SCHOOLS

**Hon. Wilson Sossion** (Nominated, ODM): Thank you, Hon. Speaker. I rise to ask Question No.004/2020. It is directed to the Cabinet Secretary for Education:

(i) Could Cabinet Secretary provide the status of investigations into the cause of recent student deaths at Precious Talents Academy and Kakamega Primary School?

(ii) Could the Cabinet Secretary provide the technical reports regarding public works certification of completion and occupation, public health and quality assurance and standards, in respect of the two schools?

(iii) Could the Cabinet Secretary provide the progress of registration of unregistered schools which have enrolled students, progress made in approving buildings for such schools, and give reasons for the delays?

(iv) When will the Cabinet Secretary appoint members of the Quality Assurance and Standards Council, as required under the Basic Education Act, 2013, so as to enhance quality assurance in the delivery of basic education?

**Hon. Speaker:** Question to be responded to before the Departmental Committee on Education and Research. Next Question by Private Notice is by Hon. Osotsi, also a nominated Member.

*Question No. 005/2020*

INCREASED INCIDENTS OF INSECURITY IN VIHIGA COUNTY

**Hon. Godfrey Osotsi** (Nominated, ANC): Thank you, Hon. Speaker. I wish to ask Question No. 005/2020, directed to the Cabinet Secretary for Interior and Coordination of National Government. It reads:

(i) Is the Cabinet Secretary aware of the increased incidents of insecurity in Vihiga County, in particular, the recent murders which took place in Itenji and Busamu villages of Vihiga Sub County on 17<sup>th</sup> and 20<sup>th</sup> February, 2020, which are in close proximity to Mbale and Magada police stations?

(ii) What steps is the Ministry taking to deal with increasing cases of brutal killings and the overall security management in Vihiga County?

Thank you, Hon. Speaker.

**Hon. Speaker:** To be responded before the Departmental Committee on Administration and National Security.

**ORDINARY QUESTIONS**

Next is Ordinary Question by the Member for Malindi, who wrote to me that it be deferred. I acceded to the request. Accordingly, the Question is deferred.

*Question No. 027/2020*

CONSTRUCTION OF BARINGO BRIDGE IN KILIFI COUNTY

*(Question deferred)*

Next Question is by the Member for Marsabit County, Hon. Safia Sheikh Adan.

*Question No. 028/2020*

INCREASED INCIDENTS OF INSECURITY IN MARSABIT COUNTY

**Hon. (Ms.) Safia Sheikh** (Marsabit CWR, JP): Hon. Speaker, I wish to ask Question No. 028 of 2020, directed to the Cabinet Secretary for Interior and Coordination of National Government:

(i) Could the Cabinet Secretary explain why there is a rise in insecurity and crime in areas where the National Police Reservists (NPR) were disarmed and state why the number of National Police Reservists in Marsabit County was scaled down and some reservists disarmed?

(ii) Could the Cabinet Secretary consider reinstating, scaling up and arming the National Police Reservists in areas occupied by pastoral communities to avert insecurity in these areas?

Thank you, Hon. Speaker.

**Hon. Speaker:** To be responded to before the Departmental Committee on Administration and National Security.

## STATEMENTS

### UPDATE ON SAFETY AND WELLBEING OF KENYANS IN WUHAN, CHINA

**Hon. Katoo ole Metito** (Kajiado South, JP): Thank you, Hon. Speaker. Pursuant to Standing Order 44(c), I rise to issue a statement on behalf of the Departmental Committee on Defence and Foreign Relations, in response to a request by Hon. Tecla Tum and Hon. Francis Kimani, made on Thursday, 20<sup>th</sup> February 2020. Actually, the statement was sought by two Members of this House. The requests were similar, so we merged the hearing. The requests were in regard to the safety and wellbeing of Kenyans in the affected region of Wuhan City in China.

On 27<sup>th</sup> February 2020, the Committee met with the Cabinet Secretary for Foreign Affairs to receive her response on the matter that was of great concern to Kenyans. The Cabinet Secretary submitted as follows:

1. The outbreak of COVID-19 was reported in the city of Wuhan, Hubei Province, China, in December 2019 and quarantine placed on the region on 23<sup>rd</sup> January 2020. The World Health Organisation declared it a public health emergency of international concern.
2. In Kenya, an inter-ministerial committee and a Cabinet ad hoc committee were monitoring the situation. The Kenyan Embassy in Beijing was providing the necessary support to the Kenyans affected.
3. Kenyans in the province registered with the Embassy in Beijing were 100. That is, 91 students and nine acrobats. None of them under the lockdown had been infected by the virus.
4. The local universities in Hubei had set up 41 hotlines to provide round-the-clock counselling services to the affected. The Embassy had also established communication channels.
5. Other than protective gears and three meals per day provided by the universities and a stipend ranging between Ksh37,500 and Ksh45,000, the Embassy had disbursed Ksh1.3 million to the affected students, each receiving approximately Ksh15,000. The Ministry had also disbursed Ksh8.5 million to the Embassy for emergency provisions. The Chinese authorities had also delivered assorted dry foods worth US Dollars 5,000 to the students through the Kenyan Embassy.
6. The Kenya Government was yet to make a decision on evacuation of the students but was monitoring the situation. It is also good to note that no country in East Africa had

evacuated its citizens. The 45 countries in the world that did so had reported infection cases at home.

7. The points of entry in Kenya were being monitored and everyone coming into the country is being screened.

Hon. Speaker, you will note that the nature of the statement as well as the purview of the Departmental Committee on Defence and Foreign Relations and that of the Ministry of Foreign Affairs is the wellbeing of Kenyans abroad. The Ministry committed to address the concerns raised by the Committee during the supplementary questions on the handling of the situation. It is also instructive to note that soon after our meeting with the CS, His Excellency the President issued an Executive Order towards the same and set up a more robust national emergency response committee being led by the CS for Health that is now handling all the matters concerning the corona virus.

The Committee is also aware that the CS for Health as well as the CS for Interior and Coordination of National Government were scheduled to meet with the Departmental Committee on Health this morning on matters that are outside the mandate of this Committee, including the preparedness of the health system within the country and the status of flights from the affected regions into the country. It is, therefore, my hope that the safety and wellbeing of Kenyans at home and abroad will be dealt with satisfactorily by the Executive.

Thank you, Hon. Speaker.

**Hon. Speaker:** I see there is satisfaction. Hon. Rasso.

**Hon. Ali Rasso** (Saku, JP): Thank you very much, Hon. Speaker. I wanted to say something on what our Chairman has presented this afternoon. Last time, on your direction, we were able to summon the CS on that very important issue that is not just gripping Kenya but is a worldwide issue. But we felt that the answers we got through the CS were very casual. A lot was expected of her but we got very little out of her.

We thank His Excellency the President. It is from that day that we got Executive Order No.2 of 2020. Today, the Government machinery is focused and seized of this important matter.

Thank you, Hon. Speaker.

**Hon. Speaker:** I know some of you have been hovering around my office about the annual and ritual of Commission on Status of Women. For those who came late, it has also been called off. There is no delegation. People are not supposed to crowd in one place. Those of you who are in that habit, and even now I can see Hon. Sankok. You should not be very close to Hon. Gitonga Murugara. He should also not sit very close to Hon. Rindikiri. Hon. Rasso, you are quite right. The matter is of international concern and grave. Indeed, it required intervention at the highest level by any country or government.

Hon. Nassir.

**Abdullswamad Nassir** (Mvita, ODM): Thank you, Hon. Speaker. Mine is just to add to it. I hope I heard the Chair right. He said that every student has been sent Kshs15,000 through the Embassy. I see nothing wrong at all in that. The grave concern is for those who want to voluntarily come back home to be allowed to do so and be facilitated after being screened at the point of exit and entry. I was hoping the Senate would work fast and come up with some level of documentation because as it stands right now, health is a devolved function unless it is an element of the national referral hospitals. Actually, all the hospitals belong to the county governments. I was hoping that the Senate would come up with a document that would compel counties to state what they are doing. If an infection is going to get someone who is based in Lamu, by the time he gets to a referral hospital in Nairobi, there will be havoc and danger of

infecting other people. Maybe, with your guidance as well, considering that health is devolved, this House can come up with something to compel county governments so that they have certain levels of preparedness in regard to the issue of coronavirus.

**Hon. Speaker:** The person who raised this issue is Hon. (Dr.) Tecla Tum. The Floor is yours.

**Hon. (Dr.) Tecla Tum** (Nandi CRW, JP): Hon. Speaker, I felt that the Questions were casually answered. The Cabinet Secretary in charge of Foreign Affairs said that evacuation is a difficult exercise. The other answer she gave was that none of the East African countries had evacuated their citizens. I found the answers escapist in nature. If another country has not done anything it does not apply to us.

A sum of Kshs1.3 million was shared out amongst 101 students. If you divide that amount equally amongst the 101 students, each one of them gets Kshs13,000 each. A sum of Kshs8.5 million was sent to the Kenyan Embassy. Why was the money not sent directly to the people affected? The answer she gave was that the psychologists were around. She also said that there was a *WhatsApp* group that had been formed and that the Chinese Government was giving food ratio to the students.

I thank the Government of Kenya, under the leadership of the President. He gave a directive that an isolation center be set up at Mbagathi Hospital. All Level 5 hospitals and referral hospitals in the country will have isolation centers. In Africa, there are three countries that have had some cases of coronavirus patients. So, we really need to be serious concerning Covid-19 so that we are not caught unawares.

Thank you, Hon. Speaker.

**Hon. Speaker:** Hon. Members, I am allowing some Members to just comment because it is just a Statement. If we make it a discourse, it becomes very difficult. Vice-Chair of the Departmental Committee on Health do you want to present a Statement that I have not seen and approved? You are likely to read out something that could be extremely outrageous.

*(Loud consultations)*

I will only allow you to present because it is about the same thing on which your Committee also took evidence.

JOINT SITTING OF NATIONAL ASSEMBLY AND SENATE HEALTH  
COMMITTEES TO DELIBERATE ON CORONAVIRUS ISSUES

**Hon. Swarup Mishra** (Kesses, JP): Hon. Speaker, on Wednesday 26<sup>th</sup> February 2020 in the afternoon, through Ordinary Question No.006/2020, Hon. Aramat Lemanken, the Member for Narok East, raised an issue regarding the status of certain Chinese nationals who had travelled to Section 5, *Duka Moja* Camp, a Standard Gauge Railway (SGR) Construction site in Narok East Constituency on Saturday, 22<sup>nd</sup> February 2020. They had been put in isolation, in view of the potential outbreak of coronavirus pending their screening and other necessary tests from health officials. The Question was submitted to the Departmental Committee on Health for a response from the Ministry of Health within three days.

Hon. Speaker, as you are aware, the general public is anxious about the preparedness of the country to tackle the coronavirus crisis. Due to the gravity of the matter, the Committee

immediately wrote to the Ministry of Health, the Ministry of Interior and Coordination of National Government, and to the Ministry of Transport and Infrastructure, Housing and Urban Development via Letter Reference No. NA/DCS/DC.H.2019/14 dated 26<sup>th</sup> February 2020 to be updated on the matter. The Committee, in the said letter, scheduled a meeting with relevant the Ministries, which was to be held today, Tuesday 3<sup>th</sup> March 2020 at 10.00 a.m. in the Mini Chamber on 1<sup>st</sup> Floor, County Hall. However, after the said invitation was issued, it was brought to the attention of the National Assembly Committee on Health that the Senate Standing Committee on Health had also scheduled to meet with the Ministry of Health at the same time and venue.

This is a matter of national importance and is related to the mandates of the respective Committees of both Houses. Therefore, the Chairperson of the Senate Committee and I resolved to hold a joint sitting. The said meeting was duly authorised by your office, pursuant to Standing Order No.20 (2) (a).

Hon. Speaker, the National Assembly's Departmental Committee on Health and the Senate's Standing Committee on Health held a meeting today. However, regrettably, all the three Cabinet Secretaries – the Cabinet Secretaries responsible for Health, Interior and Coordination of National Government, and Transport Infrastructure, Housing and Urban Development – did not personally appear but instead sent their representatives.

In view of the important nature of the matter, the joint committee felt that the Cabinet Secretaries ought to have personally appeared before it to make the necessary responses. The Committee therefore resolved to adjourn the sitting and seek your direction, Hon. Speaker.

We are aware that you have previously ruled on the matter. In your Communication No. 57, titled "Accountability of the Executive to Parliament" you addressed the issue of Chief Administrative Secretaries (CASs) in terms of responding to Questions in the National Assembly. In the Communication, you stated, among other things, that as a cardinal responsibility, pursuant to the provisions of Article 153(3) and (4) of the Constitution, Cabinet Secretaries are expected to and must appear before committees of the House as and when required to do so to answer Questions and examine other matters before committees; and, that committees are at liberty to determine, on a case by case basis, whether it is the Cabinet Secretary, CAS, Principal Secretary to appear before the committee to answer Questions taking into account the weight of the matter.

In this regard it is our considered opinion, not only due to the level of public interest in the matter but also the weighty nature of the subject matter on the inquiry which is likely to impact on the right to health and life of Kenyans, that the relevant Cabinet Secretary appears personally before the Committee tomorrow Wednesday, 4<sup>th</sup> March, 2020 at 3.00 p.m. subject to your direction, Hon. Speaker.

**Hon. Speaker:** In other words, the meeting did not yield anything. I do not want it to be my direction. The Committee must resolve, one way or the other. It appears you resolved that the three Cabinet Secretaries appear before you tomorrow at 3.00 p.m. That is the resolution of the joint committee, is it not? Yes. If they do not appear then the committees can now report to the House for appropriate sanctions. I do not know what reasons were given for their absence. Therefore, if the Committee resolved that the Cabinet Secretary should appear tomorrow, so be it. Let the Cabinet Secretary appear because in any event they are seized of this matter.

**Hon. Swarup Mishra (Kesses, JP):** Hon. Speaker, looking at the matter, His Excellency the President has taken it seriously as a national emergency. This is not a matter of question and answer neither is it one of making decisions there and then. So, it was a very important meeting

that an air hostess cannot replace the pilot. Therefore, we cannot send a delegation to handle this serious life and death matter.

**Hon. Speaker:** Yes. I agree the air hostess cannot replace the pilot.

*(Laughter)*

**Hon. Speaker:** Hon. Mbadi, do you want to weigh in on this matter?

**Hon. John Mbadi** (Suba South, ODM): Thank you, Hon. Speaker. I actually wanted to make some comments on the earlier statement but it is the same thing.

**Hon. Speaker:** Sorry, Hon. Mbadi. I am told there are students in the Public Gallery from St. Francis Girls' High School in Laikipia North Constituency, Laikipia County. Are they there? They are welcome to observe the proceedings of the House. Sorry, proceed Hon. Mbadi.

**Hon. John Mbadi** (Suba South, ODM): Thank you, Hon. Speaker. I actually wanted to comment on the earlier statement presented by Hon. Katoo ole Metito. It is connected to what the Vice-Chair of the Committee on Health has spoken to. My only worry in this country is why we cannot be candid with each other and accept the obvious. The Chair of the Departmental Committee on Foreign Relations... I think the Government is saying that if they bring these students back home, they do not know where to put them and properly handle the issue. Just tell the country that, that is the position and then go ahead and help the students to live. If they are supposed to be in Wuhan, let them live there comfortably. Give them proper allocation of resources and continuously monitor their well-being. We get scared when we see our ambassador talking as if she has completely resigned to fate. It is causing a lot of panic to parents and relatives of the students out there.

Therefore, I would have been very comfortable if we got a very candid response from the Government that we have no capacity as it is now. We are talking about Mbagathi where I think the spaces were twenty-something and Kenyatta National Hospital (KNH) had 11 of them. The counties have been bragging that they have created isolation centers. I do not know whether they have that capacity because they do not even have the capacity to deal with Malaria. We know Malaria is killing people in Baringo and many other places. Therefore, I would have been comfortable, Hon. Speaker, if the Government came to the Committee and candidly told it that they are still preparing. We are readying ourselves to manage the menace or outbreak should it occur here. We need not lie that we have the capacity to handle the problem. It is not possible to remove our citizens from that country although many countries have already evacuated their members from that place.

Therefore, I think the Chairs of both Committees need to hold these Cabinet Secretaries to account. They need to be forthright and tell us the truth. If we know the truth, then we will live with it but if we try to dodge and pretend that we have the capacity and yet we cannot evacuate... Some countries are evacuating their people from that place because they have the capacity to handle the possible eventuality. We do not have that capacity as a country and we should own up and say so. We have no capacity to handle the virus should it break out in Kenya and that is why we are being careful. If that was said to Kenyans, no Kenyan would push the Government to return anybody home. Instead we would push the Government to provide funding for them to survive wherever they are.

Thank you, Hon. Speaker.

**Hon. Speaker:** Member for Central Imenti.

**Hon. Moses Kirima** (Central Imenti, JP): Thank you Hon. Speaker for the chance given to contribute on what has been said by the Vice-Chairman of...

**Hon. Speaker:** Not to contribute. Just make some observations. I give you one minute because this is not business. So, no contribution.

**Hon. Moses Kirima** (Central Imenti, JP): Thank you, Hon. Speaker for the chance given to give a comment on what has been said by the Chairman of the Departmental Committee on Defence and Foreign Relations and the Vice-Chairman of the Departmental Committee on Health. I think the statements given by the Principal Secretary and the Cabinet Secretary for Defence show we are not taking this disease seriously as we should. The country is at risk because we have people travelling now and then and we have foreigners who we cannot confirm whether they are coming from places where this epidemic exists or not. Moreover, in the estates in which we stay, we are finding new faces now and then and when we enquired from the Cabinet Secretary, she was unable to tell us how we can tell if the visitors coming to us are from the places where this problem originates or not. We tried to enquire whether she could tell us the sanctity of these new arrivals and whether they had been screened and quarantined before coming to Kenya and she was unable to comment on the same. She only gave casual answers. More to that, this worker at the Jomo Kenyatta International Airport (JKIA)...

**Hon. Speaker:** This is debate, honestly. Now you are talking about your estate, you are talking about an employee...

**Hon. Moses Kirima** (Central Imenti, JP): We are saying that because he took Kenya's interest, he was dismissed, Hon. Speaker.

**Hon. Speaker:** Okay. That is enough. I said one minute.

**Hon. Moses Kirima** (Central Imenti, JP): Thank you, Hon. Speaker.

**Hon. Speaker:** Hon. Wamalwa

**Hon. Speaker:** Let us have Hon. Wamalwa.

**Hon. (Dr.) Chris Wamalwa** (Kimini, FORD-K): Thank you, Hon. Speaker. Indeed, the coronavirus is a global epidemic that needs extraordinary measures. We salute His Excellency the President on the measures he has put in place but we call upon Ambassador Sarah Serem, wherever she is, to improve on her diplomatic relations so that the Kenyans in Wuhan City – as we empathise with them - have their rations increased. The Kshs15,000 that was sent is nothing. I am requesting that if it is possible, because the parents are so stressed, they should be given some psychological support in terms of counselling. I sympathise and empathise with the parent who was highlighted on the *Daily Nation*. All his three children are in China and he said he cannot get more children. This is a global issue and should be declared a national disaster. The 239 passengers who were allowed to land here, the court said they should be traced and quarantined under a Kenya Defence Forces (KDF) facility. Up to now we do not know where they are. I was in the bank yesterday when I saw a Chinese coming in and many Kenyans were running away from the bank. It is a serious matter. So, it is important that this issue... We cannot even operate. The bank staff had to quarantine that particular customer. In the Cooperative Bank there were two Chinese and they had to be quarantined until one gave full disclosure that he has never travelled and has been here for more than five years.

This is bringing in a lot of stress and anxiety. We need some extraordinary measures from the Government to know what it is doing to assure Kenyans how they are mitigating this global epidemic of the coronavirus. We are scared. Just drop a Chinese here, even you Hon. Speaker, will take off from that seat and everybody will find his way out. It is something that is serious. This is the time we need to understand our level of preparedness as a country.

I thank you, Hon. Speaker.

**Hon. Speaker:** Hon. Member for Wajir South.

**Hon. Mohamed Mohamud** (Wajir South, JP): Thank you, Hon. Speaker. I want to contribute to this particular statement by saying that it is a very serious matter. It is a matter that concerns the entire country because it is a pandemic. This is an epidemiological terminology that means – to laymen - a disease that has occurred around the world. It is not confined to a particular place. In other words, it is no longer endemic. What is endemic is what is found within the border of that particular area or region but it has become pandemic – it has gone around the world. What worries me is not about stopping the Chinese aircraft but other aircraft as well. It has become pandemic; it has crossed borders and so it is prevalent in the epidemiological terminology. It is prevalent now and we should consider that it is in many other parts of the world. So, it is a condition that we all need to worry about.

I thank the President for putting a taskforce in place. Within that taskforce, I would like to see expertise from the infectious and communicable diseases. One other suggestion that I would have put forward is a border protection unit that is specific to pandemics. What I mean is that there should be a particular unit that stays in our borders and the entries to identify and control this disease. I am quite glad that I have contributed to that particularly but this needs to be emphasised.

**Hon. Speaker:** Just give comments. Is it so difficult or is it because of this thing you call *bonga* points?

Let us have the Hon. Member for Gilgil.

**Hon. (Ms.) Martha Wangari** (Gilgil, JP): Thank you, Hon. Speaker. I would like to comment on the statement made by my Chair, Hon. Katoo ole Metito. The issue of the importance of this discussion cannot be gainsaid. What we did not get from the Cabinet Secretary for Foreign Affairs is the confidence that the country is well prepared. We have an issue even with the comments by our envoy Ambassador Sarah Serem. The moment she comes on television and looks like she has been defeated, it makes us feel desperate. Now that there is a taskforce to deal with this issue, it will be very critical that the right information be channelled to the public. They must have consistent, calculated and well-prepared press releases almost daily. What is happening now is almost getting xenophobic because every Chinese you see... People are running away from every Chinese because they think they are all carrying the disease. It also strains the relationship between the two countries. Recently you saw an abduction of a Chinese national in Dagoretti. I think it is all related and it is important that this taskforce following what the President has directed, gives consistent information that is factual and timely so that confidence is restored to the country and that we handle this pandemic and be are prepared so that people understand the difference between isolation and quarantine. They do not even understand and I hope this team will consistently communicate to give confidence to the citizenry and to this country.

Thank you, Hon. Speaker

**Hon. Speaker:** As per the order, let us have the Member for Igembe North.

**Hon. Maoka Maore** (Igembe North, JP): Thank you, Hon. Speaker. I just wanted to clarify something about the general attitude and the comments regarding the students and Kenyans who are stuck in Wuhan City.

What we are not noting is the simple use of English. We are getting mixed up with populism and the truth. The truth is that the place is under quarantine. Quarantine means nobody in that town can move from one street to another. It is not accessible by both land, air and sea.

So, those people blaming the ambassador, the Government or asking parents to come and parade, on the national newspapers are wasting time. Ask the Kenyans who are in those cities to relax and keep quarantined. The Government says they are in touch with them and that should be enough if they are in a *WhatsApp* group. We should not tell untruths to the country as leaders that there is something the Kenya Government or the ambassador is unable to do when we know they will not be allowed to move anywhere. We in Kenya should be embarrassed that we asked them to self-quarantine when nobody can adhere to the terms of the self-quarantine or authenticate whether it is being done.

We need to ask our Government to ensure that those who have travelled to vulnerable areas such as Iran, Kuwait or Italy are put under supervised quarantine when they come here. It should not be voluntary. If you want it to be voluntary, you are inviting calamity to this country. We should also make sure that we are prepared when the time comes because it is about when and not if.

I thank you, Hon. Speaker.

**Hon. Speaker:** Hon. Member for Alego-Usonga.

**Hon. Samuel Atandi** (Alego-Usonga, ODM): Thank you, Hon. Speaker. I rarely agree with the Government but I want to agree with the statements as read by the Chairman of the Departmental Committee on Defence and Foreign Relations. We are asking the Government to import the coronavirus into this country by insisting that those students stuck in China should be allowed to come back.

The truth of the matter is that China is a developed country with a lot of resources. Because our envoy has confirmed that she is in touch with the students and the Kenya Government is also sending support, I think that is satisfactory. Otherwise, if we insist that the students need to come back to Kenya because their parents are not happy, we will be importing the virus to Kenya. The truth of the matter is that we do not have capacity to manage it.

Hon. Speaker, I know that we do not even have systems to test. I learnt that we may need to ask other countries to test for us whether it is coronavirus or not. This House needs to trust the Government because most of us do not trust it. We are just like the other Kenyans who think anything from the Government is not right. The answers given by the Cabinet Secretary for Foreign Affairs were satisfactory because I listened to her as she spoke before the Committee.

So, let us end this debate and allow the Government to guide us on how to manage coronavirus. The Government has already agreed that they will not allow some airlines to come in. This is something we should agree and work with. Let us not insist that the students in China should be brought back home or we should do one, two or three. We are not experts, but just law makers. When experts come before us to give us the truth of the matter, we want to look for answers ourselves.

Some of my colleagues went to Somalia to look for answers regarding insecurity in the North Eastern Province. This is something that is beyond their capacity and mandate. It is the same thing I am seeing here when Members want to go and look for answers about coronavirus. Let us allow the Government to resolve this issue and follow its directives.

Thank you, Hon. Speaker.

**Hon. Speaker:** Member for Suba North.

**Hon. (Ms.) Odhiambo-Mabona** (Suba North, ODM): Thank you, Hon. Speaker for giving me an opportunity. I wish to strongly disagree with the Member for Alego-Usonga. I did not like the way the Government initially dealt with this issue of coronavirus. They were a bit too casual about it. If you look at any international media right now, there is hardly any news other

than the issue of coronavirus especially because of its capacity to clear populations. Nobody knows how to handle it. How can you tell us that Kenyans know how to handle it? If the Kenyan personnel are that qualified, why not take them to China to deal with the issue?

Nobody is qualified and this is something we do not understand. It is almost like something we watch in science fiction movies. Therefore, we need to take extraordinary measures which we are not seeing. Today, you have just mentioned an extraordinary measure which is cancelling attendance to the Conference on Status of Women. Some of us were not going there under Parliament, but on our own capacity because it is very important to us women. It has been cancelled and that is an extraordinary measure.

The Government is telling us to go and self-quarantine yet we have several informal settlements in this country. Let us not cushion the Government even when it is doing wrong. These are our lives. If you look at the symptoms of this virus, it is like Malaria. It manifests itself like Typhoid Fever or common cold which every other Kenyan has every day. In my house, there is somebody with a common cold. I do not know whether it is coronavirus. So, you cannot tell us that we have experts in this country. Our experts do not know anything right now. Nobody knows anything about it.

**Hon. Speaker:** Hon. Millie, maybe they should self-quarantine.

**Hon. (Ms.) Odhiambo-Mabona** (Suba North, ODM): Hon. Speaker, I think I will lock some of them in the toilet. At this rate, I think we need to be serious about the way we are handling this. I thank the President for giving direction. But we still need to see extraordinary measures. As I speak, I have a cousin called Ivan, her husband Toddy and their children who are stuck in China. I keep an update of them every day to see how they are doing. It is a difficult situation which they did not choose, but that is how it is. Really, we must be serious and know how serious it is. If you listen to what people are saying, they are stuck in square rooms talking to no one. It is difficult and that is why psychosocial support is important.

**Hon. Speaker:** Member for Mwea, one minute, so that we can go to business. I have allowed these comments because I know this is a serious matter.

**Hon. Josphat Kabinga** (Mwea, JP): Thank you, Hon. Speaker. I just want to make one comment. As we seek statements from the Kenya Government, it is important for us to also hear from other regional bodies. We spend a lot of resources on some of them. We need to know how they will coordinate just in case this region is hit by the coronavirus.

Thank you, Hon. Speaker.

**Hon. Speaker:** Member for Kwanza.

**Hon. Ferdinand Wanyonyi** (Kwanza, FORD-K): Thank you, Hon. Speaker. I heard from the Chair of the Departmental Committee on Defence and Foreign Relations that the Government of Kenya sent Kshs13,000 to Kenyans suffering in China. My take is that as Members of Parliament, we should be patriotic to our fellow Kenyans who are suffering. So, I suggest that should give Kshs20,000 each, voluntarily, and send it to our people in China to assist them. They were given only Kshs13,000 and we are told they are sending dry food to those who are suffering. Let us do something as Members of Parliament. I suggest we can voluntarily give Kshs20,000 each, so they can get Kshs60,000 to keep them alive.

Thank you so much.

**Hon. Speaker:** They are hungry or what? You want to buy food for them.

**Hon. Ferdinand Wanyonyi** (Kwanza, FORD-K): Yes, at least, they can use that money to buy food.

**Hon. Speaker:** Hon. Members, as you know, I have always said that everybody who walks into this House has been sent by the electorate. Maybe, that is what the electorate has told the Member for Kwanza that there is lack of food there. I do not know whether it will be dropped by drones. Hon. Wanyonyi is right, we can use drones to drop the money. Let us not spend more time on this. Finally, Hon. Gitonga.

**Hon. George Gitonga** (Tharaka, DP): Hon. Speaker, on Sunday, we had the privilege of meeting officers from the Kenya Civil Aviation Authority (KCAA) on some delegated legislation matters. One question to them was exactly how that foreign flight came into the country and with whose authority. Their response was simple that they were not to blame. Kenya has not banned any airline from flying into the country and that is the point of concern. Most countries in the world have slowly banned flights from areas that are afflicted. It is high time our country went through this to manage the situation by checking which flights are coming from high risk areas and possibly banning them.

Thank you, Hon. Speaker.

**Hon. Speaker:** Very well spoken. Hon. Members, let us go to business. I can see the father of the House has been looking for his card and I think he has misplaced it. Maybe he left it at home or some other place he may have spent the night.

Next Order!

## MOTIONS

### INQUIRY INTO CHALLENGES FACING THE COFFEE RESEARCH INSTITUTE

THAT, this House adopts the Report of the Departmental Committee on Agriculture and Livestock on its Inquiry into the Challenges Facing the Coffee Research Institute, laid on the Table of the House on Tuesday, 26<sup>th</sup> November 2019.

*(Hon. Emmanuel Wangwe on 27.2.2020)*

*(Debate concluded on 27.2.2020)*

**Hon. Speaker:** Hon. Members, debate on this Motion was concluded and what remained was for the Question to be put, which I hereby do.

*(Question put and agreed to)*

Hon. Members, I know some of you even though you have voted on the affirmative may not have read the Report. It is important for you to look for it. You can even have it through our gadgets in the Chamber. Go through it because it will help you when you are doing your weekend functions and especially Hon. Jimmy Angwenyi, who I know needs a hard copy.

Next Order!

REPORT ON AUDITED FINANCIAL STATEMENTS FOR THE UWEZO  
FUND AND THE WOMEN ENTERPRISE FUND

THAT, this House adopts the Report of the Special Funds Accounts Committee on Audited Financial Statements for the Uwezo Fund for the Financial Year 2016/17; and the Women Enterprise Fund for the Financial Year 2017/18, laid on the Table of the House on Tuesday, 5<sup>th</sup> November 2019.

*(Hon. Erastus Nzioka on 27.2.2020)*

*(Resumption of Debate interrupted on 27.2.2020)*

**Hon. Speaker:** Hon. Members, this is the position with regard to this Motion: The Motion was moved by Hon. Nzioka Kivasu, Member for Mbooni, who unfortunately is not in the Chamber and seconded by Hon. Kevin Wanyonyi, Member for Kwanza. Therefore, anybody is at liberty to contribute. I see the first one on the list is the Member for Alego-Usonga.

**Hon. Samuel Atandi** (Alego-Usonga, ODM): Thank you, Hon. Speaker, for giving me this opportunity to speak on the Report on the audited statements of the Uwezo Fund. I have gone through the Report and I agree with it entirely. I am one of the Members of Parliament who have been heavily affected by the operations of the Uwezo Fund. We have not disbursed a single coin since I took over because of the rule which requires that only the people who have recovered more than 50 per cent of their disbursements are allowed to continue undertaking further disbursements.

When I took over, my predecessor did not manage the Fund very well. The funds were disbursed to phantom groups that have become very difficult to recover coupled with the fact that the Uwezo Fund does not allocate sufficient resources for the committee on the ground to operate. I love one of the recommendations in the Report that is asking the boards to allocate, at least, 5 per cent of the allocations to the committee for operations. I agree with them because this is going to ensure that the committee can run around together with the other agencies to recover the resources. Also, I find that the regulation that you can only disburse once you have recovered more than 50 per cent of the disbursements as punitive. I agree with the Report because it has outlined that we need to possibly amend this regulation and allow groups that are doing very well in business and repaying the loan to take more funds from the Uwezo Fund.

This is what may be affecting a number of us and interfering with the operations of the Fund. Because of my team's inability to recover the loans from the phantom groups, the resources in the account are lying idle. We cannot receive further resources into the National Government Constituencies Development Fund (NG-CDF) kitty for my constituency. So, I think this audit Report has been properly done and I urge the House to pass it, so that the resolutions therein can be immediately implemented to allow the Fund to create impact on the ground.

One of the objectives of the Fund is to facilitate groups to benefit from other resources in Government such as the 30 per cent allocation of tenders reserved for youth groups and women. On this one, there has not been sufficient capacity for the constituency committees to train groups to benefit from the resources. I urge that once this Report is passed by the House, it is adopted immediately and resolutions passed to allow the Fund to be more effective. The audit Report has addressed some of the challenges that the Fund has experienced over the years. If it is passed, the Fund will benefit Kenyans as envisaged.

Thank you, Hon. Speaker. I support.

**Hon. Speaker:** Member for Suba North.

**Hon. (Ms.) Odhiambo-Mabona** (Suba North, ODM): Thank you, Hon. Speaker. I rise to support. In doing so, I want to be very brief. I want to say that the intention of the Uwezo Fund and even the Women Enterprise Fund was to build capacity of women and enable them to be self-employed especially in times when getting formal jobs is very difficult.

However, you notice from the Report that uptake is very low in a lot of the constituencies. The reason is the issue of lack of capacity. What I would wish is that we reform the Fund, so that it would first build capacity and even before we talk about the loan, we give grants. After women and the youth have developed and matured, then we can think about giving loans.

I would also want to say that we must, as a Parliament, think of reforming our loan loss because we have situations and circumstances where we find other loaning entities going into homes and creating a crisis. For instance, in my constituency, there are loaning facilities that remove roofs from houses. That is against human rights and it should not be allowed or encouraged. When you deny a person the right to shelter, that is not proper. If somebody has given land as a guarantee, then get the land, but you cannot remove the roof over somebody's head. Where do you expect them to go? This happens especially to ancestral homes. We even have situations where people's cattle have been taken away. Even when we are granting the loans, we must also be very clear and knowledgeable about cultural issues. Traditionally, it is presumed that cattle belong to the man. So, when a woman borrows a loan and then you go and take cattle from a home, you are creating a crisis in that home. There are many people who have been divorced because of such things. Those are the recommendations I would want to give to reform the Fund.

I support.

**Hon. Speaker:** I believe the Chairman of the Committee was not present. That is why he wants to contribute. Let us have Hon. Kathuri Murungi.

**Hon. Kathuri Murungi** (South Imenti, Independent): Thank you, Hon. Speaker for this opportunity to also give my input to this important Report. We interrogated the CEO of this Fund. The Report also includes the Women Enterprise Fund. It is two reports in one.

The challenges which have been outlined by the Member for Alego-Usonga are exactly what is in the Report. I can see he really went through the Report keenly. When money was disbursed by the Jubilee Government in 2013/2014, most of the groups which took the money assumed it was for political reasons. From inception, many constituencies did not repay the loan. Every constituency was given approximately Kshs16 million, but most constituencies did not operate properly within that time. Therefore, many constituencies, which are represented by Members of Parliament in this House, do not have Uwezo Fund gazetted committees. This has hampered the recovery of the loans. What we got from the accounting officer is that groups which were registered then are now non-functional. They took the money, but they are not functional. The Fund has lost Kshs4 billion, which the Uwezo Fund Board does not know whether they will recover or not. I challenge the Members to follow up this matter in their constituencies. For the constituencies which have no gazetted committees, it means there is no existence of that Fund in them.

Hon. Speaker, this Fund was meant to assist women, youth and persons living with disabilities, but its performance is not impressive because they are operating at almost 50 per cent. The challenges the Members have mentioned, especially on the 50 per cent recovery of

loans disbursed to groups, should be reviewed by the boards to at least 25 per cent. So, if you recover at least 25 per cent, you can disburse to the groups. Very many constituencies have Kshs7 billion and Kshs8 billion in their Uwezo Fund accounts, but cannot disburse the money to groups because they have not attained the 50 per cent threshold. Our recommendation is that, that should be reviewed to, at least, 25 per cent, which is not punitive. The Uwezo Fund has two patrons in every constituency. The County Members of Parliament - who are not in this House as I speak - are co-patrons with the respective Members of Parliament. Therefore, the performance of the loans should be the best because it has the input of two Members of Parliament who have different interests. The reason it is not working is another story.

Hon. Speaker, another issue we recommended to be reviewed is the facilitation of the constituency Uwezo Fund management committees. The committees that were gazetted in the constituencies because they fulfilled the requirements have no capacity to move because they are not facilitated. We recommended that the board should consider giving 5 per cent of the Fund in the constituency to the groups and the Cabinet Secretary should issue guidelines on how to allocate the allowances to the members.

Hon. Speaker, if I may give a few comments on the Women Enterprise Development Fund, which is also part of the Report, we found that the Fund is well managed and has assisted many women in the country. Some constituencies have an uptake of up to Ksh450 million while others have not been able to get Ksh10 million. Therefore, I want to encourage the Members of this House to mobilise women in their respective constituencies. The Women Enterprise Fund Board is ready to facilitate training sessions across the constituency's women groups, so that they can benefit from the money. I commend this Fund because they have done so well. Recovery in most constituencies is going up to 80, 90 or 100 per cent. So, I encourage my colleagues that this is one of the Funds that can impact positively in our constituencies if we take advantage of the Office of the Chief Executive Officer (CEO) of the Women Enterprise Fund. The CEO is very accessible and the board is working to assist the Members.

Hon. Speaker, with those remarks, I thank the Members who are passionate on contributing to the debate on this Report, because it is giving a lot of information.

**Hon. Speaker:** Those who have not read the Report are informed. The Women Enterprise Fund is doing very well, while the Uwezo Fund, where the gentlemen are, is not. You have heard somebody talk about phantom groups. Maybe, it is high time we decided which direction to go when we cancel many of the Funds which are meant to assist people at the grassroots.

Member for West Mugirango. The Member is absent. The Member for Vihiga County also put her card and decided to go to bed. Hon. (Ms.) Dennitah Ghati.

**Hon. (Ms.) Dennitah Ghati** (Nominated, ODM): Thank you, Hon. Speaker, for giving me an opportunity to support the Report of the audited accounts for both the Uwezo Fund and the Women Enterprise Fund.

I am a Member of the Special Fund Accounts Committee and the CEOs of both Funds appeared before the Committee. The Report is a true reflection of what we captured from the findings. Both Funds are basically meant to facilitate affirmative action groups in this country. Article 100 of the Constitution describes affirmative groups as special interest groups comprising of women, youth, and persons living with disabilities. Ideally, the Funds are meant to facilitate the special interest groups (SIGs) to build their capacities. From the findings of the Committee, it is clear that the biggest challenge the two Funds have is on capacity building for the special interest groups at the grassroots. Women, youths and persons living with disabilities in rural

areas do not have the necessary information, capacity and the knowhow to apply for the money from the Funds. That is a big challenge that the boards of the respective Funds need to look into, build the capacity of the groups and promote the uptake.

The uptake of the funds from the rural setup is wanting due to lack of knowledge. Allow me, Hon. Speaker, to throw this to the Members of this House because the level of knowledge in the rural areas about the NG-CDF is high. Most of our people in the rural areas clearly understand what the NG-CDF and the National Government Affirmative Action Fund do, but there is a clear lack of knowledge on the Uwezo Fund, the Women Enterprise Fund and the other affirmative action funds. That is why when you analyse the uptake of loans from these Funds, you will see big discrepancies when it comes to rural-based constituencies compared to urban-based constituencies.

The counties and constituencies that receive a lot of money from the Funds are mostly located in urban areas where there is a lot of information about the existence of the funds. Leading examples are Kiambu and Nyeri counties. It is very clear that a majority of our Members are yet to capacity-build and create knowledge amongst women who live in rural areas. If you look at the uptake of the Women Enterprise Fund and the Uwezo Fund in Nyanza and Western regions, which I will not be shy to talk about, you realise it is higher in the Mount Kenya region compared to our regions. That is a challenge that Members in this House must address because if you empower a woman, you empower her family and the entire community.

Hon. Speaker, as a Member representing persons living with disabilities, I raised the issue that even within the various special interest groups, persons living with disabilities do not benefit from these funds. It is very clear. When we talk about SIGs in this country, who include women, youth and persons with disabilities, the PWDs tend to get lost along the way. We have work to do. This is a question that we raised with members of the boards when we interviewed them in our Committee. We told them to specifically and intentionally target the empowerment and capacity building of PWDs in the counties and constituencies, so that they can access the funds.

We raised concern when it came to the management of the funds at the constituency level. The Uwezo Fund and the Women Enterprise Fund are managed by the Women's Representative and the Member of Parliament for the constituency. You will realise that there is still a lot of work that needs to be done between those two Members of Parliament to ensure timely gazettment. There were counties or constituencies whose representation was not gazetted in the *Kenya Gazette*. That means that the counties and constituencies whose Members are not gazetted do not receive the funds. We wondered how we can then empower people when we have not provided their names for gazettment, so that they can access the funds.

I throw this to our Members that even as we talk about empowering our women, youth and PWDs, we should remember that those three groups of people go together. You cannot empower a woman or a young person and leave out a PWD. Those three groups constitute SIGs as stipulated in Article 100 of our Constitution and need to be respected, so that we can ensure that nobody is left behind.

The 5 per cent that the Committee proposed should be immediately implemented. Within our own constituencies where the funds are found, the staff or the committees that manage the funds are employed by the Member of Parliament of that constituency. It has to be very clear. That is why in our Committee, we suggested that the boards of the funds should consider allocating 5 per cent to support capacity building. Currently, they do not have funds that support that. They think that that is a responsibility of the Member of Parliament. That is why knowledge of the Uwezo Fund and the Women Enterprise Fund at the community level is still lacking.

People know and understand the NG-CDF because of sensitisation. Everyone knows about the NG-CDF. If a child is born today, he or she will understand the NG-CDF more than the Women Enterprise Fund and the Uwezo Fund. I throw this challenge to Members that we need to do a lot of capacity building for our people at the grassroots level to understand and women can uptake the funds.

There are so many shylocks in our villages. A long time ago, we used to have the Women Enterprise Fund that was not properly managed. We had other institutions that came in and would take roofs, chairs and things like those because the women at the constituency level did not understand what collateral meant. Once a woman is not empowered to understand what collateral means, all those shylocks and money lenders would disenfranchise her.

I support the Report. We have a lot of work to do as Members of Parliament to help our people at the grassroots level to understand the Uwezo Fund and the Women Enterprise Fund in the same way they understand the NG-CDF.

**Hon. Speaker:** Let us have Hon. Osotsi. Let us have the Member for Igembe South, Hon. Paul Mwirigi.

**Hon. John Paul Mwirigi** (Igembe South, Independent): Thank you, Hon. Speaker for giving me this moment to contribute to this Report.

The Uwezo Fund, the Women Enterprise Fund and the Youth Enterprise Development Fund (YEDF) are funds which are set aside to facilitate the youth, women and PWDs in this country, so that they can start businesses or develop themselves. There are limitations which hinder them from accessing the funds. This is the 50 per cent limit which is put there so that when a constituency or sub-county contributes up to 50 per cent, they can access the funds. There are some groups which are more active and repay the funds within the time limit or the required period. Up to now, some constituencies have not been given the money. The money was released towards the election period and the people who were borrowing were told that the funds were not supposed to be given back or repaid. That is what contributed to the delay of the repayment of the funds. When you use chiefs to persuade people or groups who borrowed the money to repay, they refuse to give back the money because they were told that the money was given as a token during that campaign period.

There is need to set aside some funds to facilitate the managers or the people who work with the Uwezo Fund in the constituencies to create awareness to groups which borrow the money. Through this, a good number of groups can borrow the funds and get assistance.

At the same time, threats are normally given by the Ministry. If you are a young person who has started a business and have recently bought a cow, you are threatened that that cow will be taken away. Some people fear borrowing money because they do not know if once they borrow the money, they will get something to repay the loan. The Ministry is supposed to put aside some money to create awareness among the women, youth and PWDs, so that they can know how to access the funds and repay the loans.

At the same time, the Funds should establish a way of giving grants to people who want to start businesses, so that people can start businesses and have confidence to borrow loans which they can repay. The Ministry should give proper guidelines to the groups which are borrowing the money, so that the youth can utilise the funds properly. We should bear in mind that in the just concluded census, the youth are around 73 per cent in this country and majority of them are not employed. If we can utilise the funds properly, this country would not experience the insecurity which we normally experience. We experience insecurities because most of the youth are unemployed. Therefore, they squeeze themselves anywhere to survive. The provision

of, at least, 5 per cent of the Fund to facilitate the committee should be put in place as I have earlier said, so that everyone can be aware of the activities that are meant for the Fund.

With that, I beg to support the Report.

**Hon. Speaker:** Member for Gilgil, you may proceed.

**Hon. (Ms.) Martha Wangari (Gilgil, JP):** Thank you, Hon. Speaker. I rise to support the Report on the audited financial statements of the Uwezo Fund and the Woman Enterprise Fund. The Fund has been a game-changer in many constituencies especially in constituencies where it has been managed well. But the genesis of the Fund being political, so to say, was to do the run-off in case it happened in 2013. This almost made the beneficiaries to think that it was a political gift.

When most of us came in as new constituency representatives, it was very difficult to recover the loans. Most of the beneficiaries would tell us that the former Member of Parliament gave them the money and so, why would you want to recover the money? They said that it was a gift for them. I have had to use chiefs and assistant chiefs to raise my recovery. If you do not raise it to 50 per cent, the disbursements are stopped.

The importance of the loans is that it not only has a zero per cent interest, but it also gives you a grace period of six months before you start paying. From the beneficiaries in my constituency, I have been lucky to raise the recovery, but it has not been a walk in the park. In fact, if one is not careful, this might affect one politically because it looks like you have to chase people to their houses for them to repay the loans. Some groups were formed haphazardly. They accessed the money, say they got Ksh100,000, the members divided the money amongst themselves and it becomes very difficult to trace and get the money back.

I know there are many audit queries, but I just want to talk on a few issues, say three points. One is the conflict with the National Government Affirmative Action Fund (NGAAF). Women representatives, who are also represented in the Uwezo Fund, run another Fund called the NGAAF, which is usually given as a grant. Unless we have enough education on the two, it is very difficult for the members of the public to understand that the NGAAF is not paid back, but the Uwezo Fund must be paid back. If you look at the national repayment percentages between the Women Enterprise Fund and the Uwezo Fund, you will see a major discrepancy that favours the Women Enterprise Fund.

In my constituency, the repayment rate for the Women Enterprise Fund is at 98.9 per cent. Almost all the women who get loans from the Women Enterprise Fund pay it back, which is not the same as the Uwezo Fund. We have a serious challenge with the young people. Women have a tendency to pay back their liabilities, which I think is a reason why the Women Enterprise Fund is very successful compared to the Uwezo Fund. We are having a challenge with the young people repaying the money. The board must come up with ideas of how best to ensure recovery goes up.

On the training issue, for example, in Gilgil Constituency, we have 1,348 Km<sup>2</sup> of land to cover. The Uwezo Fund team has no facilitation to enable them to go around that constituency. If you tell someone to come from Magashuma, the end of the constituency neighbouring Narok, to Gilgil Town where the offices are, they will spend about Ksh1,000 to and from. It does not make economic sense if they are coming for training only to get Ksh50,000. It would be better for the committee, just like in the NG-CDF, to have a quantum on what to spend. Let us have a percentage that is agreeable, say five per cent of the money, going to administration. Let us enable the committee to go around the constituency to enforce training as well as recovery of the money.

When the groups are trained, you can bet it will be very difficult for them to sit and share the money amongst themselves like we see today. They will put it to good use, so that they are able to repay it at the right time. The grace period is also important for the public. I have been able to disburse and very soon, I will be disbursing Ksh3.6 million to several groups. I already have the authority to incur expenditure to the team. However, this has not been a walk in the park because recovering the money using chiefs and sub-chiefs makes you gain political enemies.

We need to get proper guidelines and regulations for the people to understand that despite the fact that the start of the Fund was political, this is not free money. It has to be paid back on zero interest. To make this successful, the youth officers in the constituencies need money and vehicles. Most of the time, I have to facilitate them from my pocket to reach the members in the villages. I hope we can agree with the Cabinet Secretary and through the board, to set aside, at least, 5 per cent for the committee to run and make the recoveries.

We will also have to get a way of making sure that issues of embezzlement of the funds are also taken very seriously. If you scan through the Report, you will find that there is a bit of embezzlement of funds from 19 constituencies. We need to see action, so that all committees in the constituencies will know that this is public money that will be subject to public scrutiny and the law of the country. If these issues are covered, we will be able to raise awareness on the Fund.

I know a group of elderly women in my constituency from a place called Ndoti, who buy and sell, who have received more than Ksh500,000. The group is doing very well. In fact, I send younger members to benchmark with the elderly women. With proper guidelines and regulations, and if the Fund is well managed, it will raise the standards of living of many people in the countryside, especially during these economic times.

With those remarks, I support.

**Hon. Speaker:** Member for Buuri, Hon. Rindikiri Murwithania, you may proceed.

**Hon. Mugambi Rindikiri** (Buuri, JP): Thank you, Hon. Speaker. I rise to support the Report. But as many speakers have said, one of the factors affecting the operation and performance of the Uwezo Fund is lack of financial support to the officers and the committees. Buuri Constituency is one of the largest beneficiaries of the Fund. Our collection rate is 97 per cent. We have also been able to bring new groups on board. However, you always find that where regulations are not properly formulated, given the fact that some groups undertake agricultural-based activities, when there is drought in some areas, they are not able to perform their activities and the loan repayment is affected.

Therefore, some of the things the Uwezo Fund needs to do is to have a mitigating strategy. Sometimes death occurs among the group members, there is crop failure or diseases. We need to have an insurance arrangement to insure the risks that affect the members and prevent them from repaying the loan. Older groups are able to repay, but new ones cannot get loans until the older ones have repaid their loans. There should be no relationship between the already existing groups and new groups, such that new groups cannot be given money until the older ones have repaid the loans fully. Even if they put 50 per cent as the threshold, they do not strictly follow it. They insist that it must be over 90 per cent.

Hon. Speaker, one of the things the Fund needs to consider is having men involved in some of the groups. Many men are willing to apply for the loans, but because of the requirement that the members must be women and PWDs, they get disadvantaged. So, in as much as we support the performance of the Uwezo Fund, we should have a change in the regulations that allow men to apply for loans from the Fund.

One Member said that people with disabilities are not given support. I am happy to say that in my constituency, we have new groups made up of PWDs and are performing extremely well. As it is, you always find some officers and some committees discriminating against PWDs because they do not see them as having the capacity to repay the loans. It is high time the officers posted to the constituencies, particularly those who evaluate people with disabilities, become special people who understand the problems encountered by PWDs.

Some PWD groups weave because they cannot farm. They make *kiondos*, baskets and shoes, but sometimes it is very difficult to get instant market for the products. That means that they need flexibility in the time they are required to repay the loans. The biggest problem is the way the regulations were formulated. They need to be re-looked at and have insurance as a mitigating factor when death or sickness occurs or there is crop failure. I have observed and training for some of the officers is wanting. I am not talking about the committee members. Some officers in the field seem not to have any idea on how to conduct trainings. You also find that they lack training materials. There are no standardised training materials for the field staff. So, it is high time the Uwezo Fund, the Youth Enterprise Development Fund and the Women Enterprise Fund came up with standardised training programmes to equip the trainers.

Buuri is not one of the constituencies which do not have committees. We were one of the first constituencies whose committees were gazetted. The new groups should not be treated as the old ones. Let the management accord the new groups opportunity. Those who are willing to apply for loans should be given the opportunity to do so.

Hon. Speaker, I beg to support with the adjustments that I have suggested. Thank you very much.

**Hon. Speaker:** Member for Karachuonyo.

**Hon. Adipo Okuome** (Karachuonyo, ODM): Thank you, Hon. Speaker, for giving me the opportunity to support this Report. The history of the Uwezo Fund in my constituency, and I believe in other constituencies, is as stated and at a very slow pace. A number of beneficiaries never knew that they were going to repay the money. So, the level of repayment is not satisfactory.

After we joined the 12<sup>th</sup> Parliament, we were asked to put in place new committees and since 2018, these people have not worked. Committee members have been there, but they have no work at all because we cannot give loans and engage the committee members effectively. We were required to ensure that 50 per cent of the loans which were given were recovered. But there is no money that the committee can use to go around getting the beneficiaries to repay the loans. We have a problem which needs to be sorted out. On this score, I congratulate the Members who did the Report because they suggested that 5 per cent of whatever money is allocated should be used for administration and other expenses. This means that it should be used for recovery and allowances to committee members. If this is done, I believe we are going to make the Fund active. As I speak, it is not active at all.

I also support the idea in the Report of reducing the amount of money to be recovered first before we get the money in use. The suggested 25 per cent should be implemented immediately, so that we can operationalise the Uwezo Fund. If this is done, we will make the Fund useful to the people. As I speak, the level of recovery is very low especially in my constituency.

I am informed that people were told that the Fund is political. Once it is related to politics, it means that if you go fast with recovery, you may lose some votes. So, we have been going slow, but making sure that some recovery is done. The money should be released for use

immediately without the 50 per cent recovery that was originally required. In fact, this is required before we put the money into use.

With those remarks, I support the Report. I wish it is implemented immediately, so that people can benefit from the Fund. Thank you, Hon. Speaker for having given me the opportunity to contribute to this Report.

**Hon. Speaker:** Member for Funyula.

**Hon. (Dr.) Wilberforce Oundo** (Funyula, ODM): Thank you, Hon. Speaker for giving me this opportunity to contribute on this Motion on the Report by the Special Funds Accounts Committee.

It is important for us to appreciate, from the word go, that Uwezo Fund and the Women Enterprise Fund were noble ideas to support the vulnerable groups, those who cannot qualify to get funding from the mainstream banks, to start, expand and sustain businesses. It is important from the word go for us to also appreciate that the uptake of these funds has reported success and failure in various parts of the country.

Hon. Speaker, when most of us took over the management of constituencies in 2017, it became apparent that we had very many challenges. The Fund was rolled out in the first term and it appeared as if it was a political gift to various members of the community. The recovery rate was so poor that it was practically impossible to motivate the youth, women and PWDs.

I will comment on the Uwezo Fund in Funyula Constituency. First of all, I must comment that since we took over, we have managed to give funds to more than 25 groups some being first takers, others second takers and others on their third disbursement. At the moment, we have reported a 56 per cent recovery rate, but when I took over, we had about 27 per cent. We have had to use ingenious ways to get the groups to repay the loans. However, as it has been indicated in the Report, three issues stand out very clearly. One is lack of facilitation of the committees.

*[The Speaker (Hon. Justin Muturi) left the Chair]*

*[The Temporary Deputy Speaker  
(Hon. Patrick Mariru) took the Chair]*

It is practically impossible for recovery to be successful if we do not facilitate the groups. Many times, in the past one year, 2018/2019, we had to use very ingenious ways to facilitate members of the committee to go all over the constituency looking for the groups to get money from them. Many times, we have had to use NG-CDF vehicles to take them round. Many times, I have had to use personal means to take the members around. That is why I would support strongly that we must set aside part of the money to facilitate the groups to work. Many times, they have had to use their personal resources. We have had to use our own money to undertake recovery. Of course, any push for recovery has been met with resistance. There has been bad blood. Nevertheless, at times a call of duty has to be obeyed because it would mean if we had not achieved that percentage recovery, the entire constituency would have lost out on the funds.

The second issue that is obvious is that the Uwezo Fund uses youth officers in the constituencies to manage and disburse the funds. The youth officers, of course, have other duties and, therefore, their commitment to the Uwezo Fund might not be 100 per cent. Out of the 5 per cent that is set aside for administration, if it is approved or implemented, we should consider employing a substantive person to lead that particular office, so that together with the committee, he can increase penetration to the various parts of the constituencies.

Again, in some cases, some groups have been denied funding for a simple reason that some members in the group took loans in another group that defaulted. For example, in my constituency, at quite early stages, it amounted to criminal conduct. Members would form groups, elect officials, officials would apply for the money, get the money and secretly share that money without involving the other members of the group. According to the Uwezo Fund records, those members took the money and refused to repay. So, they essentially have been blacklisted. It would be important for the Uwezo Fund committee at the national level to look at it in totality, so that we can look at each peculiar case and not condemn and punish everybody as if it was their mistake.

We must also put in mind that the process of approval at the head office is uncharacteristically too long. It is inordinately too long. It takes an average of about six to nine months to get approval to disburse funds. By then, the business and the group dynamics will have changed and the interests will have waned. We, therefore, call upon the office in Nairobi to consider expediting the process, so that within two to three months, they have given approval to disburse funds and the real impact of the group or the Fund is seen immediately. In the last disbursement that we did about a month ago in my constituency, I was very proud that we had a visually impaired group, a group made of visually impaired men and women who were given the funds. It is always my prayer that they use the funds properly so that they can become a reference point that if a visually impaired group can utilise the funds, what would prevent an able-bodied group to utilise the funds?

When I look at the Women Enterprise Fund in my constituency and in many constituencies in this country, their success rate has been very low simply because of the use of the financial intermediaries. In my constituency, they used financial intermediaries. Funds were disbursed and when the repayment was not forthcoming due to the reasons that afflicted the Uwezo Fund where the funds were seen as political gifts, those intermediaries embarked on a process of auctioning and picking household items, livestock and all manner of household equipment to repay the loans. That alone was a death sentence to the Women Enterprise Fund in my constituency. We must look at ways and means probably copying the model of the Uwezo Fund to disburse the Women Enterprise Fund, so that its impact can be felt on the ground.

As I conclude, we must appreciate that 90 per cent or a substantial percentage of people live in the rural areas and they require support to start businesses. We must also appreciate that many times, they do not have personal capital and obviously nowhere in the world has anybody become rich using their money unless you are involved in dubious activities. I would, therefore, encourage groups of women, youth and persons living with disabilities to take advantage of the Uwezo Fund and the Women Enterprise Fund plus some myriad of other funds available through the Ministry of Industrialisation, Trade and Enterprise Development, to develop and expand businesses, so that we can get *biashara mashinani* operating as it was supposed to be.

With those few remarks, I support the Motion.

**The Temporary Deputy Speaker** (Hon. Patrick Mariru): Let us have Hon. Mabonga Mwambu.

**Hon. Mwambu Mabonga** (Bumula, Independent): Thank you, Hon. Temporary Deputy Speaker. I am a Member of the Special Funds Account Committee. We took some time to look at this Report, but I just want to make one comment. We realised that one Fund was performing much better than the other one. The Women Enterprise Fund is doing very well. The recovery of their loans is above 90 per cent across the constituencies unlike the Uwezo Fund. What came out clearly is that the Women Enterprise Fund has staff that, at least, monitor the process of vetting.

They know exactly whom they are giving the money. The Uwezo Fund has a challenge because there is no staff. Once the committee releases the money, they will wait until the Assistant County Commissioner, the chief or the assistant chief calls for a meeting. That way, we realised that it is not possible to recover the money that is given out.

There is money that has just been stolen from 19 constituencies, mine included. You will realise that millions of shillings have been withdrawn. The people who withdrew the money are well known, but they are talking of investigating. Agencies are still doing their work for the last two years. So, it is quite a bit of concern. All these inputs that Members are making should be taken into serious consideration, so that the Funds can benefit the common *mwananchi*.

I support the Report. Thank you.

**The Temporary Deputy Speaker** (Hon. Patrick Mariru): Hon. Wachira Kabinga.

**Hon. Josphat Kabinga** (Mwea, JP): Thank you, Hon. Temporary Deputy Speaker, for giving me a chance to contribute to this Report. I really want to support the Report because it is well researched and to the point.

When we talk about the Uwezo Fund, which I would want to concentrate on, it was basically designed to contribute to the Vision 2030 to enable women, youth and PWDs to access funds. It was launched on 8<sup>th</sup> September 2013 by His Excellency the President and was implemented under Legal Notice No.21 of 2014.

You realise that this Fund is characterised by a number of things and challenges. From the outset, this Fund was considered to be political. The Fund was used by the implementers and more so the patrons, to advance their political interests. Therefore, in most constituencies, the performance of the Fund is based on how it was founded by those that were before us.

It is important that we officially say that while some of us are being seen as if we are not implementing the Fund, the real problem originated from those who handled it in the initial stages. Therefore, it is good to say that the success of this Fund is not dependent on the current Members of Parliament and women who are patrons, but on how it was implemented.

It is for this reason that in some constituencies, including mine, since I was elected, we have not been able to disburse any money. I bear the blame yet I was not there when it was founded. There is a section that requires that some amount of money be recovered before you can be given any other money. The initial foundation was that groups were not well vetted and the money did not flow back in. It is possible for a Member of Parliament to serve for five years without disbursing a single coin.

One of the other problems that we have is inadequate funds for capacity building. Quite often than not, some of Members of Parliament would have to spend money to bring together administrators, including assistant chiefs, chiefs and DCs to help in the recovery of funds. No resource person can tap into the Uwezo Fund itself. This has made it inadequate to mobilise administrators to help in collecting the loans.

The other problem is that because of the inadequate amount that is left for administration and monitoring, the employed officers who are charged with the responsibility of monitoring the performance of the funds are just seated in their offices. They are helpless because they do not have even funds to travel around. They only stay in their constituency offices, which is inadequate for them to monitor performance of the particular funds. I am concerned that in a constituency like mine that has two sub-counties, one officer is seated in a sub-county office and is not able to travel around. In this case, I will never be able to recover the 50 per cent amount that is required before I can get any other money. This needs to be looked into.

It is also good to note that the officers who sit in the Uwezo Fund offices in the constituencies are very demotivated. They are just earning salaries, but are helpless. They do not have money to move around to execute their mandate.

The other challenge that needs to be addressed very quickly, and I am glad it is in the Report, is the issue of having to peg the performance of some groups on other groups that may not be performing. This is very discouraging for the groups that want to move on and have shown a lot of improvement and success in the use of the money.

I am told there are some groups that have taken this money three or four times and they are now advanced and moving on. We can see their success. However, since we still have to peg their performance to the performance of other groups that are not performing, the groups have no resources to move on. This is very dangerous for the Fund.

Another issue that I have noted is that having struggled, put in a lot of effort, tried to mobilise as many stakeholders as possible, participated in some of the meetings, hit the mark of 50 per cent and finally put our request in terms of proposals, the proposals have just been sitting at the headquarters for some time. This is another frustration.

We need to understand why we cannot move on as fast as possible despite the fact that some of us are putting in much efforts to ensure that the Fund succeeds. The Fund can succeed and it must succeed. If the Uwezo Fund does not succeed, there should certainly be another fund at some point to replace what it is doing. We must enable our people, more so the youth, to find linkages into the 30 per cent preferential Government contracts and procurement opportunities. This will be very important so that the money can quickly multiply.

Hon. Temporary Deputy Speaker, I would recommend to the Committee that there is need to sit down and make recommendations to the relevant department to restructure and professionalise it to ensure that they address some of the challenges that are natural in nature such as natural calamities that affect the Fund. We have young men and women as well as PWDs buying things like cows and after some time, they end up dying. That is a natural calamity. It happens all the time. When it happens, we end up asking the people to find other ways of paying their loans. How would they do that if they came to the Government to get the loan to start off their engagements yet that never happened? How will they get another resource to repay the loan?

There is no provision to the effect that if you took a loan and it never performed because of some natural calamity, you can get some more loan or be funded again so that you can recover. That provision is not there and for that reason, this Fund is met with many challenges, especially from natural calamities. This also applies to farming. I have seen many young men taking money from the Fund and I have followed it up. They would go and rent some acreage for rice farming, but they end up having blast diseases. They end up not recovering the money hence they get discouraged. This also affects other groups that may have performed in other ways.

In conclusion, we need to restructure this Fund. We also need to encourage the performing groups. Just like in banks where your rating is upgraded depending on how you repay your loans, we need to do the same for this Fund.

With those few remarks, I beg to support the Report.

**The Temporary Deputy Speaker** (Hon. Patrick Mariru): Hon. (Dr.) Christine Ombaka, Member for Siaya County.

**Hon. (Dr.) Christine Ombaka** (Siaya CWR, ODM): Thank you, Hon. Temporary Deputy Speaker, for giving me this opportunity. First of all, I enjoyed disbursing money from

this Fund when it was established in 2014. We worked pretty well with women from Siaya, where this money was well used. There was so much demand for money from the Fund.

We have even seen how it has benefitted groups. On the other hand, we have also seen those who have misused it and have ended up badly. Since 2014, it has performed poorly. The committee that was appointed was so discouraged. They did not have funds for transport to meetings to vet groups. They were not getting a single cent for meetings. They were looking after millions of shillings and they did not have even Ksh50 in their pockets. So, we need to allocate money for their administration, transport and various uses like 10.00 O'clock tea. As they vet many groups within a day or several days, they do so without funds. Members of Parliament have had to support them in doing that. That is the first thing that needs to be addressed in terms of making the Fund more-friendly and well utilised by other groups.

The second thing is that the groups that are vetted rush for the money because it is easy money. It is good money in the sense that it is a loan with no interest. That is attractive enough. However, when they get the loan, the groups that have been vetted and benefitted from the loan disband quickly because they get easy money. Before you know it, they are no longer there. When you look for them to return the funds, they do not exist. Something is wrong with the way our people utilise such funds. They do not take them seriously because they think it is too easy to get it. For those who have embezzled the funds, we have not seen any punishment meted on them. They were just blacklisted. What is blacklisting? Once you blacklist someone, they will not be able to access other funds. That is not punishment. It makes them go scot-free. They go free and even though they will not get any funds any more, they are happy with that because they enjoyed the money. So, there has to be some kind of restriction. What do we do when they embezzle funds? What do we do when groups disband after they have been allocated funds? Those are the nitty gritty parts of the Fund. There is no restriction. There is nothing strict that can bind anybody to return the money and make other people enjoy the money as well.

The other thing that I have observed in groups is that there are people on the ground who do not know how to work in groups. They would rather take the funds as individuals with their own businesses. That must be a new way of looking at this. Let us allow individuals also to access the funds if they cannot work in groups or if they are not members of any group that can benefit from it. Individuals who are doing all kinds of business should be allowed to benefit from it. They told us that they were going to make law on Women Enterprise Fund. I do not think they have done it. They insist that individuals become members of groups to enjoy the facility.

Lastly, there was a time in the last Parliament when the Uwezo Fund and the Youth Enterprise Development Fund were supposed to be collapsed into one big fund. What became of it? It looked like it was attractive to handle such funds, put them together in one big house and disburse as much as you can. That could help, I do not know. The fact is that all these funds act the same way. They are all funds for various groups like women, youth and people with disabilities. There are three types of funds, namely; Youth, Women and the Uwezo funds. If they were to be collapsed together, there will be a lot of money in that kitty and groups will get a little more than what they are currently getting. A lot of them, huge groups, get Ksh100,000 and it does not impact effectively. So, if the money was collapsed to one fund, a group can get even Ksh700,000 and do good business and benefit from it. Those are some of my observations. The opportunity to improve the funds is high. Many people can benefit from the funds if we put restrictions on those who embezzle. They should be punished. They are just blacklisted. That is not enough to punish anybody who has misused funds. I support the Motion and I hope we will improve the Fund.

Thank you.

**The Temporary Deputy Speaker** (Hon. Patrick Mariru): Let us have Hon. Iringo Kubai.

**Hon. Kubai Iringo** (Igembe Central, JP): Thank you, Hon. Temporary Deputy Speaker for giving me this opportunity to contribute to this Report on the audited financial statements for the Uwezo Fund and the Women Enterprise Fund. The initiation of the Uwezo Fund and the Women Enterprise Fund was well thought out. It was a good idea. Its intentions were clear. It was to assist the youth, the disadvantaged and the women of this country to access loans to start businesses or improve the Small and Medium-sized Enterprises (SMEs) category with affordable repayment which is interest free. That was a noble idea from the Government, from the outset.

Unfortunately, when the Funds were started, especially the Uwezo Fund, there were no structures. I am not wrong to say that this Fund was started haphazardly when we were going for elections. The implementers did not take time to put up good structures that would govern the Funds. They did not come up with regulations, structures on repayments and disbursements and even training of the borrowers, especially the rural people who are ignorant about borrowing. In the absence of structures and people not having been trained, it became a big problem.

Another problem that cropped up when the funds were released to our constituencies is that most of the candidates who were vying or the sitting Members of Parliament, instead of encouraging people to borrow and repay, they were telling them that the money was from the Government and that the Government was assisting them to get votes. That was planted in people's minds and they believed that it was money from the Jubilee Government. Saying that taking the money would mean supporting the Government of the day made many people take the loans as it has been mentioned on the Floor. Some went with the money and they refused to repay. Others shared the money and misused it. Therefore, repayment became a big problem.

Initially, the groups could not borrow at the same time. So, when it was time for the remaining groups to borrow, the first groups were slow in repaying and some had refused to pay because they were misguided not to repay. The second lot became victims of circumstances. The rules now state that you have to recover 50 per cent before the constituency is allowed to disburse more funds. In my constituency, I have over Ksh10 million lying in the account for quite a while because we are at 48 per cent recovery. Up to now, we cannot disburse the money and we have people who are waiting to be advanced loans. The money is lying in the bank without anybody using it and the people have been waiting for it for five years. That is why we need to change the rules and reduce the average absorption whereby if, at least, there is 25 per cent recovery, then the money can be released to other groups and they will be encouraged. However, we need to educate the people. People should be educated like what they are currently doing with the Youth Enterprise Development Fund and the Women Enterprise Fund.

The interns who have already been put on the Fund are, at least, going around the constituencies. In my constituency, they are doing their last training today to train the youth, the disabled and women on how to borrow that money. But the Uwezo Fund does not have that structure. It does not even have employees. It uses the Youth Fund employees. It does not have offices. It uses the constituency offices. It does not have transport. Most of the time, it uses NG-CDF vehicles for those constituencies that have them. So, the Fund is handled haphazardly and yet, it could be beneficial to our youth and women. Unfortunately, the structures are wanting.

Therefore, instead of having so much money lying in the bank for three to five years without doing anything... For example, in Igembe Central, we have got over Kshs10 million. You go to another constituency, they have Kshs8 million or Kshs5 million. Why can that money not be sliced up so that a certain percentage can facilitate those trainers, the committee or hiring

of an office so that, at least, things can run smoothly? Currently, even if they want to follow up some loan somewhere, they will look for the chief. Maybe, the chief is a member of the group which has failed to repay. How do you expect the chief to assist you in the process? Sometimes, they look for the village elder of the defaulting group. When you go to the village elder, you realise he is a member of the group which defaulted. He will not take you to those people. There is no networking and it becomes a tall order for those officers. They get into a lot of problems in accessing the loanees. They even have problems of moving around. In my constituency, I usually allocate them the NG-CDF vehicle so that they can look for those people and also get more people to borrow.

Finally, I would buy the idea of collapsing all those monies into one kitty. Once we put those monies into one kitty, it can be easy to administer and disburse. At the end of the day, the money is for the same category of citizens of this country. It is only that the monies have been baptised as Youth Fund, Uwezo Fund and Women Fund. But the monies go to the same category of Kenyans, who can benefit more if those monies are put together. The administration of the same can be quite easy. It can also be easy to make follow-ups and see how the money is being used. The report is good. I would now challenge the Committee to get down to work and come up with a list of issues that have been identified, so that we can change the regulations. If we put together those regulations and they are passed in this House, the Fund will be more beneficial to our people. It will also be safer and easier to manage.

Thank you, Hon. Temporary Deputy Speaker, for giving me the opportunity.

**The Temporary Deputy Speaker** (Hon. Patrick Mariru): Shall we have Hon. Chepkut Chirchir? That Member took leave. Then let us have Hon. Passaris Rosanna.

**Hon. (Ms.) Esther Passaris** (Nairobi CWR, ODM): Thank you, Hon. Temporary Deputy Speaker. I am a member of the Special Funds Accounts Committee. As a Committee, we have tried very hard to scrutinise all the funds that come before us. I stand to support the Motion on the audited financial statements of Uwezo Fund and Women Enterprise Fund.

The Government has created a number of Funds to help our youth and women. The only thing is that, sometimes, I feel we have left out the aging men. So, we need to find a way to incorporate the aging men. We have taken care of women and the youth, in terms of the Youth Fund and the Uwezo Fund. The population of aging men over 35 years seems to be left out.

When it comes to those audited reports, the whole idea is to make sure that the money is made available back to the Fund. What is happening is that they have made it very difficult so that, unless you have a huge recovery, you are not able to access funds or have disbursement. So, what the Motion is asking for is that we allow the Fund to be replenished again so that the beneficiaries can borrow. We know that the Uwezo Fund has a very poor repayment rate. The reason that is happening is because we are not spending enough money and time on training. There has to be training in financial management. When you have a fund and you are not doing proper financial management and all you are thinking about is disbursement, then what happens is that groups come together to borrow the money but, at the end of the day, they have no financial management skills. When you hear that the Government has got a fund for you... Unfortunately, some of the people who have received that money have not been able to make repayment because of lack of training in financial management or because of the harsh economic times. The idea that we are going to blacklist them and make sure that they do not access funds is wrong. I think we should also take responsibility as the Government. Have we done enough research?

I was recently in India and I visited the Entrepreneurial Development Institute of India. The Government of India, which is a very good partner to this country and is willing to come and set up an entrepreneurship institute or partner with one of the institutes here - and I am working on that - says that before you start lending your population money for business, you have to understand your market. You have to create clusters. You can say that this particular region should grow this crop and this other particular region should produce this. That way, you can enhance the economy and find people markets. So, as a Government, we should not just lend people money. We should lend people money, train them in financial management, create clusters for them and create markets for them. We have got manufacturing and food security as some of the President's agenda. That is a market in itself. You can lend money to the people and tell them: "Look, we are lending you money and this is how we want you to invest." At the end of the day, you will be able to get returns on investment.

I know that Master Card in conjunction with Equity Bank have been trying to train our youth to help with food security through greenhouses. They asked the youth to make a small investment of Kshs40,000. Then they would train them in greenhouses and then they guarantee buying their produce. They give them a greenhouse that is worth Kshs800,000. Then they buy the produce from them. So, sometimes, we need to understand the education levels and expertise of those that we lend the money to. There are also people who have learnt how to capitalise on Government funding. And you find that we are recycling and giving the same people funding. So, there is a bit of corruption as well. If you look at the lack of recovery, you will find that the committee members who do not get paid any money are expected to come to office and vet all those applications. You can rest assured that the majority of them are vetting applications by themselves or using relatives or friends. So, there is not going to be recovery. That is why corruption creeps in. We need to ensure that the people that we appoint as committee members are actually compensated for doing that job. I appointed the members of the Uwezo Fund committee in Nairobi, but I have never seen them. I have never been called for any of the Uwezo Fund meetings. But I know for a fact that when disbursing the money, there could be a good percentage of the cheques that are going to members of the committee and their family members. So, it is not about serving the people.

When I organise civic education and I invite the representatives of the Women Enterprise Fund, Uwezo Fund and the Youth Fund, I ask the question: How many of you have ever received money from Uwezo, Youth or Women Fund? There is nobody. So, I ask: Who are they lending this money to? I think there is need to also put a lot of money on monitoring and evaluation. The Government has to find a way of making sure it monitors and evaluates the Funds. It took me a long time to get the NGAAF projects up and running in Nairobi because I needed to make sure that everybody I was giving the project money to actually existed. I actually found out quite a number of them do not exist. When it comes to bursaries, you will find a college that is getting so many bursary applications and when you go to that college, those students do not exist and neither is the college active. It is a college that has been registered, but has learnt how to capitalise and steal from Government. Corruption has infiltrated most of those firms. Whether you are a Member of Parliament, Woman Representative or just an official sitting in an office and have been entrusted with Funds, you have to do something substantial to help people. Managers of the Youth Fund decided to buy hatcheries - quite a number - to the tune of about Kshs250 million. Those hatcheries are sitting today at Kasarani in a storage. The Youth Fund has paid for them, but they will never be used because they are substandard. Nobody has been

charged for procuring them and yet, that is the Fund that is meant for the youth. That did not work out well.

We cannot decide for the people. They have to do that themselves. I feel that the Government has a lot more to do. The Entrepreneurship Institute of India went and studied every corner of the country in each state, understood what the people needed and what their education level was, and made packages in line with what the needs were for the market and created clusters. Clusters are the way to go. If you are going to Kisii and you know that bananas and soap stones are produced there, make sure that when you are funding those projects, you create and enhance those industries. Then help to create a market. There was a time that the Kenya National Chamber of Commerce and Industry was a dead entity. However, in Kenya, it has been revived. I was instrumental in making sure that it got revived. When I became a businesswoman, I went to the Kenya Chamber of Commerce and Industry and it was just wrangles. I commissioned a study with three university lectures which cost me Kshs500,000. As I was doing my first business at The Sharper Image, I gave the study to Mr. Kittony and told him to take over and bring some sanity into that organisation, which he did. The Kenya National Chamber of Commerce and Industry is now an entity that can help us with marketing. They actually travel with the President every time we are trying to get into trade bilateral agreements with other countries. There are institutions right now that are being strengthened by Government that we should also incorporate in the overall vision of trying to create job opportunities. We said that everybody cannot be an entrepreneur. If somebody accesses the Uwezo Fund and becomes a successful businessperson, he would be creating jobs for those who cannot be entrepreneurs. I feel there is need to ensure that our Funds do more than just disburse money. Monitoring and evaluation are key. We also need to sensitise people on integrity and the need to make sure that they pay so that the Fund can replenish and other people can benefit too.

I support the Motion.

**The Temporary Deputy Speaker** (Hon. Patrick Mariru): Shall we have Hon. Murugara on the Floor?

**Hon. George Gitonga** (Tharaka, DP): Thank you, Hon. Temporary Deputy Speaker. I have sat here for the entire afternoon. I am happy your eye has caught my presence.

I rise to support the adoption of this Report. While we recognise that we have certain Funds in our laws like the Youth Fund, Uwezo Fund and Women Enterprise Fund, we do not have a men enterprise fund that would actually go towards assisting men also develop or become entrepreneurs in their dealings. It is not that men are not needy or require assistance. I think this is a misplacement which we must take responsibility for because we are not taking care of our men. This takes me back to about 30 years ago when the song that we must empower the girl-child, give good education, shelter and good care started. The results of what we did those years are visible today because the boy-child is slowly becoming disempowered. In another 20 years to come, the repercussions are going to be grave and we must start thinking about men. Without them, we do not know what the future of our nation is going to be. Be that as it may, let me talk about Uwezo Fund in my constituency of Tharaka.

First and foremost, my predecessor who was the patron then gave everyone the wrong notion that this was free money from the Government and is never repaid. As the funds were disbursed from 2014 to date, many of the recipients and beneficiaries were convinced that this was free money and there was no obligation on them to repay. That was wrong and still is wrong. Uwezo Fund is not free money. It is an enterprise fund meant to assist the beneficiaries in developing themselves. There is a requirement that we have to collect 50 per cent of what was

initially disbursed before there can be any more disbursements. This is okay, correct and appropriate. Unfortunately, the mode of collecting the money is actually not spelt out well. We now call upon the committee which we actually gazette to collect the money without any know-how, facilitation and means or knowledge of debt collection. This is why the results are poor and that is why most Members of Parliament here are complaining that they are not doing as well. In my own estimation, I would support the proposal that 5 per cent of those collections are released to the offices so that the committee members are able to collect the money they have lent out. Two, we require employees of Uwezo Fund similar to those of the Women Enterprise Fund. Instead of relying on the youth officers who are actually posted by the Ministry of Public Service, Gender and Youth Affairs, we would actually do better if we had our own manager or fund officers to run the Uwezo Fund. They would actually be able to do collection better and facilitate the committee in collecting the money that is lent.

There was a proposal a while ago from the Ministry of Public Service, Gender and Youth Affairs that all those Funds be amalgamated into one Fund called *Huduma* Fund. Unfortunately, when this was brought before the Committee on Delegated Legislation, there were problems with our regulations which were proposing that. However, most importantly, the reasons why the amalgamation was refused was purely because the Youth Fund is not doing well. Uwezo Fund is doing relatively well but not as well while the Women Enterprise Fund is doing very well. We felt that there were arrears of some sort which we were injecting into the Women Enterprise Fund and which would actually render those other Funds not performing as good as they should. So, that was rejected and I still do not think this is the appropriate time to merge the Funds but, again, it is a position that this House can reconsider.

As regards the Women Enterprise Fund, we are doing well. I confirmed that in my constituency of Tharaka save for the fact that we can make it better. But the officers who run the Fund are regional. They are based at Embu instead of being in the constituencies. The person they have over there in my case is actually a casual - a lady. I am always happy to report that the Chairperson of Uwezo Fund in my constituency is also a lady and she is doing a fantastic job. The other casual who is also a lady is doing a very good job. However, I think the Fund should actually consider employing those people permanently so that they are even more motivated to do their job. They are actually given the chance to do the collections, disbursements, trainings and everything else that pertains to the Fund. I would seek - and I know the Fund Managers wherever they are at Embu are listening - that those casuals be employed as permanent and pensionable employees.

Otherwise, we could seek more funds especially for the Women Enterprise Fund because it is doing so well. I know of groups which are now taking the fourth and the fifth times. And if you take Kshs200,000 and you are able to repay, next time you take Kshs400,000 to Kshs500,000. Therefore, a group is getting about Kshs1 million or Kshs1,500,000 and this is the way to go. So, if there are more funds which can either be availed by this House through budgetary allocations for that Ministry, which would then go to the Women Enterprise Fund, we should not hesitate to do so. However, for the Uwezo Fund, I think we need to do more especially in terms of collections so that we can have sufficient funds in the pool whereby we can now have both men, women and youth collecting the Uwezo Fund money for their benefit.

I know Members of Parliament are going through a lot of stress due to the fact that most of us are not disbursing that money. I have just passed the 50 per cent threshold mark and I am told now we can issue the cheques. However, I think if we can improve on our collections and undertake better education and training, those beneficiaries will be able to accept the fact that,

that is not free political money but is actually money meant to improve their well-being and welfare and it is repayable. Once that is accepted by the society, our work will be easy. Our work will be to disburse money when it is available, collect it when it is due. That revolving fund will carry on and on for the betterment of the citizens of Kenya.

These were very wise ideas in spite of the fact that they were born out of some political expediency in 2013. These are brilliant ideas and we should incorporate men into these funds and by so doing, we will have a balanced society that is developing at the same level.

With those remarks, Hon. Temporary Deputy Speaker, allow me to urge for the adoption of the Report.

Thank you.

**The Temporary Deputy Speaker** (Hon. Patrick Mariru): Let us have Hon. Sylvanus Maritim.

**Hon. Sylvanus Maritim** (Ainamoi, JP): Thank you Hon. Temporary Deputy Speaker for giving me an opportunity to contribute to this Motion. The only reason why I support this Motion is because I hope its implementation is going to unlock the current stalemate we are facing with the Fund. Uwezo Fund was a flagship programme that was meant to assist women, youth and persons with disabilities to grow their businesses. It was meant to be an alternative source of income to the same group. It was meant to assist in self-employment. However, sadly, seven years down the line, there is nothing to write home about the Uwezo Fund. In fact, it has left a bad egg on our faces. It is a let down to the presidency and the wisdom behind its formation.

We kept on encouraging our youth that the Uwezo Fund is going to change their lives. We made them believe in us but, as we speak sadly from my constituency, three years down the line, I have not even issued a single cheque from the Uwezo Fund. The Fund has largely failed because of a number of reasons. One, it is largely believed that Uwezo Fund was a political gift. It is believed that it is a grant. It is believed that it is given out for free and you are not supposed to pay it back.

Two, there are no clear structures or regulations to guide the disbursement, usage and recovery of the funds. Just like a bank account, I do not expect to open a bank account today and qualify for a loan the next day. Sadly, for Uwezo Fund, we know of groups that were formed and within a week, they benefited from the same money. It has been a challenge recovering that money because there was no due diligence on whether such groups were in a position to pay back.

Three, you cannot form such a fund and deny it an administrative vote to pay back. Uwezo Fund is under the Ministry of Public Service, Youth and Gender Affairs. It should have been structured in such a manner that it has its own staff over and Uwezo Fund committees. The Uwezo Fund committees are not even drawing their sitting allowances. It has been a challenge requesting them to move around to recover the loans. In my opinion, we ought to have set aside about 5 per cent of the Fund to go into administrative issues.

Four, there was no capacity building and mentorship before issuing the funds. In my opinion, we ought to have carried out capacity building to various groups to demonstrate that they are willing and able to engage in a business activity that will generate money and as such, be in a position to pay back.

Finally, part of the reasons why we have been unable to recover those loans is because Kenyans have gotten into so many mobile loans. It has been hectic to recoup the loans that have already been disbursed. If we implement this Report, I hope youths are going to benefit from the

same so that we can, at least, take advantage of the 30 per cent procurement opportunities that have been given by the Government to offer and assist the youths.

I know of several youths that could engage in various economic activities but they are lacking enough finances. They lack money to finance various projects that we give them. If we ensure that we have proper structures in place, the Youth Fund is, indeed, going to become a game changer.

Thank you, Hon. Temporary Deputy Speaker for giving me an opportunity to contribute.

**The Temporary Deputy Speaker** (Hon. Patrick Mariru): To my left now, Hon. Ibrahim Sahal.

**Hon. (Ms.) Nasri Ibrahim** (Nominated, FORD-K): Thank you Hon. Temporary Deputy Speaker. I rise to contribute to this Motion of the Report of the Audited Financial Statements for the Uwezo Fund and the Women Enterprise Fund. The two funds are objectively established by Legal Notice No.21 of the Public Finance Management Act of 2012 and the Legal Notice No.147, Government Financial Management and the Women Enterprise Fund Regulations 2017 to provide easily accessible and affordable loans to the youths, women and persons with disabilities to start up and/or expand their businesses.

Hon. Temporary Deputy Speaker, from the Report, it is an admission that the Fund's accountability has been affected by non-compliance to the national public sector accounting standards with regard to the vetting process and credit policy. This also includes human resource policies, procedures, provisions for bad debt, amongst others. Yet, the Committee did not include the cost of non-compliance in the management of the said funds.

Hon. Temporary Deputy Speaker, there is also an acknowledgement of cases of losses and misappropriation of the public funds, with some cases noted to be under the DCI. There is a recommendation by the Committee for the DCI to speed up conclusion of the said cases. In my opinion, there is need to strengthen internal control structures and operational procedures to improve efficiency and reduce wastage and misappropriation.

Hon. Temporary Deputy Speaker, my concern is the large sums of money that are lost and the consequential lack of services for deserving Kenyans attributed to the errors of omission and commission as attributed in the Report. The accounting officers should be liable for such losses.

I, therefore, support. Thank you, Hon. Temporary Deputy Speaker.

**The Temporary Deputy Speaker** (Hon. Patrick Mariru): Hon. Jeremiah Kioni.

**Hon. Jeremiah Kioni** (Ndaragwa, JP): Thank you, Hon. Speaker, for allowing me to speak on this Report. I have a little experience of how Uwezo Fund came about. This was one of our campaign strategies with Hon. Musalia Mudavadi during the 2013 General Election. We thought we would win in the first round and the money that had been kept aside for the re-run would be used to do something similar. The only difference would be that we would have put structures in place. That is why the Uwezo Fund is suffering. It is good to mention this because once it is in the *Hansard*, it will be clear that we were not doing it just for the sake of it.

Hon. Temporary Deputy Speaker, last week, the Speaker directed that reports from constitutional commissions be also debated on the Floor of this House. He said that they should be allocated good time. It is very important because that is one of the ways of implementing the Constitution. In this kind of debate, we are equally informing the public on what and how some of the committees are doing their work and what else needs to be done. There is a Member who said that we should spend some time popularising these Funds. Debating issues on the Floor of

this House is one of the ways of popularising the Funds. Some of us disagreed with the recommendations that were made by the Committee on Delegated Legislation.

There was a clear intention to merge those Funds. How I wish this Committee could come up with the same kind of a recommendation to merge the Uwezo Fund with the Women Enterprise Fund. That is because the Uwezo Fund was created with no structures. To think that we are going to create the structures and provide staff would be over-stretching ourselves. We should still go along with the idea of merging the two so that the Uwezo Fund can benefit our constituents like the Women Enterprise Fund has done. My constituency may be among the 19 constituencies that have lost the funds. I have not issued a single cheque from the Uwezo Fund, and there is no hope of doing so from what I gather. I am likely to go through the five years without having any money.

Hon. Temporary Deputy Speaker, if that money was stolen with the help of those who were in office before me, it is only fair that they are also arraigned in court quickly because it does not matter what they thought. Whether they thought it was a political gift or not, the fact remains that the money was stolen. I hope we can see some people in court as quickly as possible. I have raised this issue with the Uwezo Fund offices here in Nairobi. I have tried it on the ground and I can tell you that we are really banging our heads against some very hard walls on the issue of the Uwezo Fund. The sooner the Government moves in to deal with it the better. It is unfortunate that individuals were entrusted with that money and we ended up where we are. One of the key problems is that the public officer in charge in my area is a lady, and I do not think she is helping me at all. Even if she was not to help me, she is not helping the people of Ndaragwa. I am sure that is not why she is in that office. When I confronted her some time back, she cried and I wondered whether she was crying because of what she had done or because of what she had failed to do. I do not think tears would be very useful to the people of Ndaragwa.

Having said that, I think, as a House, we need to merge those Funds. The way they are scattered, when we look at the global picture, we need to quickly bring them together and get them managed like Women Enterprise Fund. I have a lady called Nelly Kiptoo, a wonderful lady who grew up with the father and is doing so well. She is a household name in my constituency. I wish others would learn from her.

The success that we read in this Report is in the recovery. Hon. Passaris has alluded to this. I think the success should not be in the recovery but in what we have achieved. We have heard that some groups are buying and selling land. If that is an achievement, let us have it. But what have they done with the money? How many job opportunities have been created? How many people have been employed? We should move away from the issue of just giving out money and recovering it. We must get a report indicating that out of so much money disbursed, so many jobs have been created. That, to me, would be a more useful report because it would help us ask for more money to be given to groups.

Hon. Temporary Deputy Speaker, funds like Women Enterprise Fund and others were created haphazardly so many years ago. I am sure that the groups have come of age. We have another 50 per cent of the population that has been left behind. The fact that we are not helping men to borrow from those Funds is a recipe for failure of those Funds. You cannot continue talking about the success of a Fund that leaves 50 per cent of the population out. When those Funds were being established, it was argued that men would easily go to the banks and borrow money. However, in my constituency, I am not aware of any percentage of men who would easily walk into any bank and receive money. They also need to be helped to borrow, just like the women and the youth.

When you talk about specialised groups, men in our rural areas fall in that category. The sooner we wake up to that reality, the better. Otherwise, they will wake us up and we will not be a happy lot. Not that they are any happier even as we speak. In talking about those groups and Funds, and the way we are involved in them, there is an issue that speaks to the Building Bridges Initiative (BBI) as we handle it. I know we want to create a Ward Fund, and that is a good thing. However, we are not speaking about where the NG-CDF as we know it will be. If we are creating a Ward Development Fund to replace the NG-CDF, we are getting it wrong. You cannot do away with such a success story. We should be marketing it to the rest of world because it is such a successful model. I know some Hon. Members might have misused it. Again, we have the relevant agencies to deal with individual cases. We can only create a Ward Development Fund because we have succeeded with the NG-CDF. Let us not replace the NG-CDF.

I invite Hon. (Dr.) Nyikal to be my witness. If we go through Ndaragwa, it is very difficult to associate development with any other institution. The little development that we see in Ndaragwa has been occasioned by the NG-CDF. I believe it is difficult for the people of Ndaragwa to agree to be divorced from the only institution that has helped them develop. So, those Funds are also associated with us. They are supposed to help our people develop. Even as we talk about the BBI, we need to see how to go about it. But let us not do away with that which has been successful.

Hon. Temporary Deputy Speaker, I do not want to support the issue of creating structures for Uwezo Fund. I suggest that we merge it with the Women Enterprise Fund. Let us use the existing structure since it is working. That way, we will be in a position to use the money quickly. Those who have stolen must be arraigned in court quickly so that those who are not repaying can see that they need to be paying so that the money benefits others.

I thank you.

**The Temporary Deputy Speaker** (Hon. Patrick Mariru): Let us have Hon. Mbithi, Member for Masinga.

**Hon. Joshua Mwalyo** (Masinga, WDM-K): Thank you, Hon. Temporary Deputy Speaker for giving me this chance to air my views on the Report on the Audited Financial Statements for Uwezo Fund and the WEDF 2016/2027.

*[The Temporary Deputy Speaker  
(Hon. Patrick Mariru) left the Chair]*

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

When I took office in 2017, I found the Women Enterprise Fund was not giving funds in my constituency. Uwezo Fund was going on but it had a lot of problems due to non-payment. All the groups that had been given money had stopped paying, just like other Members have expressed. That was political.

We tried to enforce payment with the Deputy County Commissioner (DCC) and he gave a circular to all groups to pay. Some decided to pay while others decided to go under the carpet and we were unable to collect the monies. Time and again, we have encouraged them and some have paid. As we speak now, we have over Kshs11 million in the account. The problem is that it cannot be given out because of a set payment target.

This is a good Fund meant to help the women because of unemployment. The youth who have finished college are idle in the villages and they could be borrowing that money to do small businesses. Yet, that money is in the account and cannot be spent. We need a formula to help us unlock the money that is lying idle and cannot help anyone in the constituencies. If you take an average of all constituencies, you will find majority of the youth are unemployed. Yet, we have money that can help them start small businesses and learn how to run them successfully.

Therefore, we should have a formula to help us unlock that money for those who have not borrowed or those who have not defaulted. They should not be put together with defaulters. Those who are clean should be given money to trade with and carry out their businesses. This money is meant to empower the youth, women and people with disabilities. I support those who are advocating for the money to be unlocked. The Government has put over Kshs11 million in my constituency account. Yet, that money has not helped anyone for the last three years. So, what is it for? It is good for nothing. Therefore, the Committee needs to bring a proposal for those who have not defaulted to be given that money. Then, new measures should be put in place to enable collection of payments.

Again, committee members working for Uwezo Fund have nothing for their own use. They have no transport to use when they are collecting that money and cannot afford to pay fare. In fact, in my constituency, I give them fare from my pocket to go everywhere. This is not supposed to be the case. This is a Government enterprise and, therefore, it should sustain itself. We need to relook into these issues very seriously and come up with measures to help our people. They are blaming us saying that they were being given money by the MPs who were there before. Yet, we are unable to dish out money to them to do their businesses.

We are failing because we are not giving out the money. Being Government money, people took advantage. Some said they do not need to repay it because it is free money. Therefore, once that idea entered into the minds of the *wananchi*, young people, women and those people with disabilities, they ended up not paying. The Committee handling this Fund should come up with a formula on how to unlock those monies so that women groups and young people can spend it to help themselves.

If they are unable to pay, then the money can be written-off by the Government and we can start with a clean slate. Nothing is hard for the Government. It can write-off those bad debts and we can continue with whatever we have. We keep on singing every now and then that, that money cannot be spent and yet, it is there. So, it will go back to the National Treasury or elsewhere if it is not collected and there are no payments. Chairladies of some groups have hidden and we do not know them. So, the Government should write-off those bad debts and get a solution so that we can spend what we have at the moment.

That money should also help the old men because men are not allocated any funds and they seem to be an endangered species. We just emphasise on women, people with disabilities and the youth. The old men have been asking us why they are classified. For example, if there are 10 men, can they create a group and be given money by Uwezo Fund? I think we should open this Fund to everybody who is able to pay - like the registered groups - to borrow. That should be regardless of whether they are men, women, people with disabilities or the youth, because they are all Kenyans.

With those few remarks, I suggest that something needs to be done so that those funds are unlocked to help our people.

Thank you, Hon. Temporary Deputy Speaker.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Well said, Member for Masinga. I now give the Floor to the Member for Kiharu, Hon. Nyoro Ndindi.

**Hon. Ndindi Nyoro** (Kiharu, JP): Thank you, Hon. Temporary Deputy Speaker for giving me a chance to contribute and support this Report. At the outset, it is not just that Kiharu is number one on NG-CDF, even when it comes to Uwezo Fund - and the records are there to confirm - we have the highest amount of money revolving in the pockets of members of various groups.

Comparative to other Funds, we have direct Funds targeting specific groups like Uwezo Fund, Women Enterprise Fund and Youth Enterprise Development Fund. I can say that the youth fund is moribund. It is not helping our youth in the villages and I cannot remember the last time I saw a youth fund cheque trickling down to the youth that we represent in this House.

The Youth Enterprise Development Fund has a lot to learn when it comes to the management of that money from one specific fund that is called the Women Enterprise Fund. That is why I started by saying that comparing the three funds, the most efficient one is actually the Women Enterprise Fund. Whatever language that we may use here and whatever amount of words that we may use and whether there is the issue of politics or otherwise, we have to say that both Uwezo Fund and Youth Enterprise Development Fund have a lot to learn from Women Enterprise Fund. This is because every month in Kiharu, we disburse not less than Kshs2.5 million to women groups across the constituency, something that hardly happens when it comes to Youth Enterprise Fund. However, I also know that we now have a new board of Youth Enterprise Development Fund. I know some of the people in the board like one Dr. Mambo Kagusia who is part of the current board. We believe they will rejuvenate the Youth Enterprise Development Fund so that it can catch up with what we are saying about Women Enterprise Fund. I also have a few points that we possibly may use in support of this Report and also, in the management of the funds that we have in the country.

Number one, for a very long time, we have had our women in this country being left behind in all perspectives from education to business opportunities to employment. However, looking at the current census whose results we just released as a country recently, the space that we represent as male is becoming endangered. For that matter, in Kiharu, we will be launching this year something we call Kiharu Men Fund which is personally funded by me and my friends so that it can be a pacesetter. I have gone across my constituency and I can dare say that our men, fathers and grandfathers have grand ideas that need to be supported by the Government or any other organisation - like the one we will be creating soon; that is, the Kiharu Men Fund.

I suppose that the Government will borrow a leaf. If we lay down the procedures and the structures that we are setting up in Kiharu, I am sure the Government will see sense and possibly, in future, consider creating a fund specifically for our men. Also, the whole issue of Women Enterprise Fund, Uwezo Fund and the Youth Enterprise Development Fund is around financing, especially financing that is targeted to groups. When we talk about financing, most of the finances in this country, unfortunately, go to ostentations. If you check the loan books in the country especially from commercial banks and compare the amount of money that actually goes to business and enterprise to the loans and financing that goes into supporting ostentatious purchases, that would surprise us as a House. Possibly in this country, we also need laws like the one in Nigeria that, for the bank licence that is renewed annually to be renewed, we need a ratio of specific amount of money especially in percentage that goes to SMEs and enterprise because that is what makes sense to the growth of our economy.

I also want to talk about start-ups. The three funds that we have and even our commercial banks target businesses that are already going concerns and business that are already solid. This is because as the Englishman says, the bank is the institution that lends you an umbrella when the sun is up and recalls the umbrella when it starts raining. Even our commercial banks are the same. They only lend to you if they are sure that you will give back the money and if eventually you are able to give back the money, it then means you do not actually need the money. I am borrowing that from a country like Israel that many economists call a start-up nation. In Israel, we have a similar fund. The only difference is that for Israel, this kind of fund is targeted to seed capital, start-ups and people with ingenuity and ideas that could later be commercialised to become big businesses. That is why we also need to empower those three funds to not just target going concerns and table banking where they are giving groups money which they lend to themselves and then they pay back, but we also need to target production and ideas.

If you look at the inception of the Silicon Valley, it was a convergence of three main things. The Silicon Valley that we know now was a convergence of a policy that was called STEM that was promoting Science, Technology, Engineering and Mathematics and also the convergence of Stanford University but, more importantly, the funding that was coming from venture capital and private equity. I think that is the gap that we are lacking in this country where, for you to be funded, you only have to go to commercial institutions which are usually commercial banks. For commercial banks to lend you, you need a back-up of years that you have operated on profitability. In that manner, that is why we find so many youths in this country with brilliant ideas in tech, production and value addition, but they can hardly get any financing from any institution because the institutions first check security and the history of the people who they lend to.

There are also other operational matters that we must confront as this House. This Thursday, I will be having a meeting with my Uwezo Fund Committee. Unfortunately, those people work *pro bono* or for free. They are not paid anything. They only have big titles of Uwezo Fund chairman and Uwezo Fund committee members. But those people do work for free. Actually, I would categorise them with another category of people I met today in my constituency of *Nyumba Kumi* and village elders; people who are working tirelessly for this Government, but they get nothing in return. We must do something to empower the administration side of Uwezo Fund so that we can also have them enjoying their work and being facilitated.

As I come to a close, we also need to have a segment as a Government within those funds for grants. We only give loans but I think as a way of supporting those groups, we need a reward system where we can give an amount of money to the groups that are performing very well as grants or money that cannot be returned to support their enterprise and to support what they do with the money they borrow and also to encourage others to repay when they borrow.

With those many remarks, I support the Motion.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Member for Kiharu, we wish you the best even as you launch your Kiharu Men Fund. Hon. Members who are just coming in, we are debating the Report of Audited Financial Statements for the Uwezo Fund and the Women Enterprise Fund.

Next is the Member for Kasarani, Hon. Gakuya Mercy.

**Hon. (Ms.) Mercy Wanjiku** (Kasarani, JP): Thank you, Hon. Temporary Deputy Speaker. I support the Motion on the Report of Audited Financial Statements for the Uwezo Fund and the Women Enterprise Fund. I would like to start by saying that the Uwezo Fund was a

brilliant idea. Since it was launched in 2013 as per the name, we thought that it would really do great things. But the beneficiaries who benefited since 2013 up to 2017 did not have the initial knowledge to manage the funds. It was sought of a gain from the campaign with the Government which took power.

In Kasarani, we have never started giving out Uwezo Fund because 90 per cent of those who were supposed to repay, have not started the repayments. We still have the challenge because in the urban setup, it is a bit different. Once you take the loan - just like any other loan such as Youth Enterprise Development Fund and Women Enterprise Fund - there should be enough repayment measures. The way they took the Uwezo Fund loan, they thought they had been given a big thank you. So, the Special Funds Accounts Committee should ensure that measures for the repayment are strict and the limit is set. For example, you will find in some constituencies that until you have Kshs4million or Kshs7 million, you cannot give out the loans. They are supposed to lift that limit so that even if you have Kshs2 million, Kshs3 million or what has been repaid, you can start giving the loans. Those who benefit from the Uwezo Fund should have enough training both for repayment and doing business.

With the tough measures to defaulters - just like you find in table banking or merry-go-round - women know the consequences of defaulting. We have seen defaulter's items being taken and businesses being closed down. They are supposed to ensure they repay any money that is not theirs but meant for business - like in this case the Uwezo Fund, Women Enterprise Fund and the Youth Enterprise Development Fund.

Hon. Deputy Speaker, I would not advocate for merging of the Uwezo Fund, the youth fund and the Women Enterprise Fund because if we merge the two or three... The Uwezo Fund is a unique fund that is meant to assist the women. A young or old woman can benefit from two or three funds. A young woman would benefit from Uwezo Fund, Women Enterprise Fund as well as the Youth Enterprise Development Fund. So, I do not advocate that we merge the three Funds. I recommend that we put enough structures in place and ensure that proper training is done at the right time before the issuance of the loan. If we do not do that, you will find 50 per cent or more of the constituencies cannot run the Fund.

As I said earlier, Uwezo Fund was meant to eradicate poverty and hunger. In most setups, like in my constituency, the Fund is not basically meant for poverty or hunger, but to ensure job creation for the young people whereby they are supposed to have enough training to have the knowhow to run businesses. The Women Enterprise Fund is supposed to promote gender equality and women empowerment, but the way it is conducted, it will be difficult for the beneficiaries in the years to come. If there will be nothing in the kitty, it will be difficult. We keep saying each and every time that our youths are not able to get jobs. For instance, we saw the other day when Chandarana Supermarket was hiring staff in some town in Kakamega and the youths who showed up there were about 6 to 7,000. We are supposed to ensure that each and every youth, even before any other funding comes - Uwezo Fund and Youth Enterprise Development Fund, which do not have many strict rules and are at the grassroots – get the funds.

Hon. Temporary Deputy Speaker, as I wind up so that all our youth benefit, let us not merge Uwezo Fund with Women Enterprise Fund and the Youth Enterprise Development Fund. Let us ensure that all the three Funds independently benefit our youth and women so that we can reach everybody the way the NG-CDF gets to everybody because it has been issued to each and every constituency. If we get serious with how business in Uwezo Fund is conducted, we will ensure that all our youths - even if not all - will get something to support themselves in terms of job opportunities.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Very well. Member for Mavoko, Hon. Patrick Makau.

**Hon. Patrick Makau** (Mavoko, WDM – K): Thank you very much, Hon. Temporary Deputy Speaker. I agree with Members, particularly the first time MPs, about the Uwezo Fund. I know there was no transition from the former MPs that they won against. As I stand here, I must say that last year, Mavoko Constituency stood up. We were number two in the whole country, in terms of disbursement of Uwezo Fund. To date, I have given cheques six times: In 2015, 2016, 2017 and 2019. Members do not understand that Uwezo Fund receives Kshs1,080,000 per year.

Hon. Temporary Deputy Speaker, if you allow me, I will highlight how the funds are allocated so that they can know that their Uwezo Fund Committee is supposed to earn allowances and sitting allowances. Every year, Uwezo Fund is given the following monies: Communication Supplies and Services - Kshs15,000; Mobile Phones- Kshs10,000; Courier and Postal Services- Kshs5,000; Domestic Travel - Kshs100,000; Travel Costs - Kshs30,000; Daily Subsistence Allowance – Kshs90,000; Training Expenses - Kshs100,000; Hire of Training Facilities - Kshs30,000; Hospitality Supplies and Services - Kshs230,000; Boards, Committees, Conferences and Seminars - Kshs220,000; Catering Services - Kshs100,000; Office and General Supplies and Services - Kshs15,000; General Office Supplies (Papers, Pencils *et cetera*) - Kshs10,000; Supplies and Accessories (Computers and Printers) - Kshs5,000; Fuel, Oil and Lubricants - Kshs20,000; Refined Fuels and Applicants - Kshs20,000; Other Operational Expenses - Kshs10,000; and Bank Charges- Kshs10,000

Hon. Deputy Speaker, the total amount of money that Uwezo Fund receives for half a year is Kshs540,000. So, the whole year, the Fund receives Kshs1,080,000. Some money has been set aside for the committee and the oversight board that you have elected. In our constituencies, an MP is supposed to give one representative per ward and then the Woman Representative gives three. So, the minimum number of committee members is 12, depending with the number of wards in that constituency. Therefore, if this committee is facilitated well - and that is what we have been doing in Mavoko – it will move around the wards to monitor and supervise the groups that have taken the money.

Some Members have said that the Fund has been subject to fraud. There are only three signatories: The District Accountant, the NG–CDF Manager and the Youth Representative. There is a *lacuna* because nobody from the ward or the Woman’s Representative is supposed to be a signatory. Sometimes, if you have a committee that is not very vigilant or careful, those Government officers will misuse their allowances, travel and training. However, if you are keen as a Member of Parliament and you ask for meetings with three of those signatories, everything will be alright.

Secondly, I have heard MPs complain that men have been sidelined. The Uwezo Fund and any other fund allow 30 per cent of men to join women groups so that they can enjoy the facility. However, if you are a man in a women group, the only thing you will not enjoy is being a signatory in that group. Even men can join women groups and enjoy the facilities of the Uwezo Fund.

Thirdly, I know some Members in the last Parliament encouraged their group members to keep the money or not to repay it as a reward or a campaign tool. There are some groups in my constituency who qualify for loans amounting to Kshs500,000 or Kshs1 million. To date, we have managed to roll out Kshs55 million from the original Kshs16 million that we were given by encouraging the groups to pay back. If, for example, you started with Kshs50,000, if you repay,

you are given another Kshs100,000 or Kshs200,000 depending on your performance. That group evaluates what you are doing. It is a good thing.

When the Government, in its wisdom of trying to alleviate poverty and address the issue of unemployment gave out the Uwezo Fund, it was Kshs16 million per every ward. It was supposed to encourage youth groups - both women and men as I have said - to get into entrepreneurship. I am sure it is a good fund if well-managed. I agree the Women Enterprise Fund is well-managed because there are structures. But it is upon each MP to take charge. It is a very easy fund to manage because, once you put a young person in your constituency, the District Accountant and a Fund Manager, you will be given the statements. The only challenge - just like we have with the NG-CDF - is that nowadays, they do not release money in time. But there is always money to monitor and train the groups.

I have heard some Members say that the former MPs in their constituency went away with the kitty or all the funds. That is not true. The District Accountant is most likely still in that constituency and it is mandatory that he signs off the funds. It is up to us to account for those funds.

Secondly, it is important to note that it is not practical to say that you can give your own money to men. We should encourage Kenyans to enjoy the existing funds. In our Standing Orders and Chapter 6 of the Constitution, you are not supposed to encourage handouts. Going forward, we should make sure that the Uwezo Fund Board releases all the monies for all the constituencies that have new MPs. When I hear Members say that they have Kshs11 million... In my kitty, I have only Kshs1 million that I have not given out. A meeting should be called immediately and the board allows an MP to vet all those groups so that, that money can stop lying idle in banks and helps our youth to engage in businesses.

With those few remarks, I support the Report.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Very well, Hon. Member for Mavoko for the insights. I am sure the Members who have not been able to access or benefit in terms of distributing the Uwezo Fund can borrow a leaf from the Member for Mavoko and others.

Let us have the Member for Seme, Hon. Nyikal. I almost called you Nyambura. Let us have Hon. Nyikal Wambura.

**Hon. (Dr.) James Nyikal** (Seme, ODM): Yes, that is correct. Thank you, Hon. Temporary Deputy Speaker for giving me the opportunity to contribute to this Report. I support the adoption of the Report.

This is an extremely important discussion. There are three special funds; namely, the Uwezo Fund, the Youth Enterprise Development Fund and the Women Enterprise Fund. The main difference is that the Uwezo Fund came through an entirely political process and, therefore, its structures were never developed. The Youth Enterprise Development Fund and the Women Enterprise Fund came through clearly worked out processes that put in structures.

I am actually quite happy to hear Members saying that the Women Enterprise Fund has worked. In 2008 when I joined the Ministry of Gender as the Permanent Secretary, the Women Enterprise Fund was exactly the way the Youth Enterprise Development Fund is today. There was a lot of money in the bank. There were only two officers that were dealing with it. There were no officers on the ground. Nothing was happening. We had to say that the funding of Kshs1 billion could not be run like that. They had to put in a structure. Therefore, we employed a manager who had a financial management background. The manager was one of the people who were instrumental in putting up Family Bank. I must congratulate Mr. Wainaina. When he came,

he told us that we just have to put the structure for the Women Enterprise Fund. He said he was a manager. He wanted officers in the regions. He wanted them to have money to manage the regional offices. He wanted them to have vehicles to move around. We had to get those vehicles. He is vindicated today when people say that the Women Enterprise Fund is working.

The problem with Uwezo Fund is that it has absolutely no administrative structures. Those Members who were here when it came up for discussion can remember that there was a big argument on whether the money that was set aside for training the clients and staff should go to the constituency regional offices or remain here. This House decided that, that money be left at the headquarters and some companies were appointed to do the training. It never happened. The money got lost at the headquarters. We need to put a structure for the management of Uwezo Fund. It needs to have officers. Now, it is the youth officer. Even then, it is also affected by the devolution problem because there are similar officers at the county level. In my constituency, sometimes, it is not clear who is doing what. That is the most important thing. There should be officers directly responsible for it.

It should also have administrative funds. You cannot have that amount of money without administrative funds. I support the Members who say that at least 5 per cent should be set aside for administration. I am quite surprised by what the Member for Mavoko has said. I will go and look for that money. The experience of most Members is the same.

The other element is that we have not put in place structures for training our clients; namely, the youth and women that take it up. What happens is that they get the money and have no business, marketing or financial skills. That, in itself, has been a problem.

The replenishment of those funds has not been quite clear. It is linked to the disbursement which must be a certain percentage. Again, this is not clear and people cannot really move. Then, the committees have been working *pro bono* in all the areas. It is virtually impossible to have the committees working without any payments, which has been a major problem.

There is also the problem of very quick blacklisting. If any one member of the group has misused the money, the whole group is then blacklisted. The worst bit of it is that those groups dissolve and then form other groups thus, when tracking them, even the new groups have amongst them people who have been blacklisted and they therefore fail to qualify. So, my summary on the Uwezo Fund is that it needs a structure and an administrative support at the ground level. Our offices as Members of Parliament have tried to do this but, without doing that, we are not going to get anywhere.

Madam Temporary Deputy Speaker, speaking of the Women Enterprise Fund, I have given you the history of why it worked. Basically, we put in structures, money for administration and then had to deal with the problem of politics, where the people felt that those were monies that were given out politically and did not have to be refunded. Once that was dealt with and the women understood, particularly if they are using table banking, it has worked very well because the interest of that money is at 1 per cent while the table banking amongst ladies is the most expensive one because for every Kshs100, you pay Kshs10 in a month. That interest is over 120 per cent per year. Somehow, the women do it. The smart women take the Women Enterprise Fund, blend it amongst themselves at a higher rate and keep the interest. That is why it is working well.

Again, this just shows that the women or all the people actually need some easy funds. The Women Enterprise Fund money has proved easy to get. Even those that are not able to get to the bank can now access banking services through it. Some Members have expressed fears of getting into groups. But as designed, the Women Enterprise Fund had two elements; one element

was to be lending to groups, which is working and has incremental agreements. A group might start with Kshs100,000, the next with Kshs200,000 and they can go up to Kshs1 million. That has worked well and the members are encouraged.

The one that probably has not done well is where women would borrow the money as individuals. This was intended to be done through banks. The banks were given Women Enterprise Fund money so that they would lend it at a lower interest rate. What did the banks do? They kept the money and were not keen to give the women the money because they wanted to lend the money at their own rates. So, they were actually lending the Women Enterprise Fund money at commercial rates and making profits. Right now, I am not sure what has happened. But it is important because many women groups once they are active, individuals start to feel that they want to go on their own and borrow money for their businesses. This one has to be encouraged. If it is the banks that discourage it, we should deal with them.

The issue that has been raised on the gap of men over 35 years is something that should be addressed. I know that one-third of the members of the groups can be men, but they cannot hold positions. They are really in there but they do not feel it.

Regarding the merger, the Women Enterprise Fund has good structures and is doing well. Merging it with funds that are not working will be dangerous. What I think can be merged immediately is the Youth Enterprise Fund and the Uwezo Fund which are both struggling. They should be then re-organised a little better and given some form of structures, even if it is in a concept way. It is only after that, that you can actually see how those two can now be merged with the Women Enterprise Fund. What we need is management and structured financing of the outlet offices.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Member for Kinangop, Hon. Thuku Kwenya.

**Hon. Zachary Thuku** (Kinangop, JP): Thank you, Hon. Temporary Deputy Speaker, for giving me this opportunity to speak on this Motion that has been brought by the Special Funds Accounts Committee.

At the outset, the purpose to which the Fund was created was to have a socially just and equitable society devoid of extreme poverty. We seem to be achieving that goal albeit slowly. That is because the Government has not replenished the Fund from the initial seed money that was allocated to it.

Hon. Temporary Deputy Speaker, I want to bring to your attention something that is of interest. I sit in one of the oversight committees concerned with matters of finance. I got concerned today because we could be debating most of the audit reports that have been tabled in this House in vain. Article 229 (8) of the Constitution provides that we should expedite debate and adopt or reject the reports within three months after they have been tabled, but that does not seem to happen. We have been debating reports that have been tabled in this House six months or a year ago. It is becoming an issue because today, I can tell for sure that there is someone in court - an interested organisation - that was mentioned in one of the reports. I wish, as a House, we could also look at Article 229 (8) of the Constitution and see whether we can amend it so that we can extend the time for looking at audited reports that are tabled in the House. Otherwise, we will be doing that which is not envisaged in the Constitution.

Frankly speaking, it is not possible to have all the reports that are tabled in this House expedited and debated within three months. The Constitution is clear that it should be within three months. We could have many legal hurdles where we adopt reports and expect that the

Committee on Implementation will follow on the same. But someone can run to court to challenge the same.

The initiative that is the Uwezo Fund as created has some challenges because there is no capacity building. So, the Fund is distributed or shared out haphazardly and there is a lot of brotherhood, nepotism and such like things. We do not have thresholds that are set. Even if some thresholds were set, the people that are entrusted with giving out the funds do not have a way of measuring and making sure that the deserving groups get the money.

Another issue that I have noted is that the money was cascaded down to the constituencies. But we have constituencies that are very large, like Kinangop Constituency, where I have two sub-counties. We get the same allocation like other constituencies. Going forward, I wish we could look at how best we can reach as many people as possible by having the money go through sub-counties.

Finally, we also need to look at the bottlenecks that hamper the distribution of the same. There are many bottlenecks like lack of information and, of course, having a committee whose members are not given allowances. So, it is like they are doing voluntary job. Therefore, there is no motivation. In terms of recovery and training, we also need to build capacity in that area.

### ADJOURNMENT

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Order, Hon. Member for Kinangop. It is a very interesting Report that Members are willing to debate. Of course, this being a House of procedure, we will interrupt your debate. But you will have a balance of five minutes in the next Sitting when the Report is put in our Order Paper.

Hon. Members, the time being 7. 00 p.m., this House stands adjourned until Wednesday, 4<sup>th</sup> March 2020 at 9.30 a.m.

The House rose at 7.00 p.m.