

# NATIONAL ASSEMBLY

## OFFICIAL REPORT

Wednesday, 5th July, 2006

The House met at 9.00 a.m.

*[Mr. Deputy Speaker in the Chair]*

### PRAYERS

### ORAL ANSWERS TO QUESTIONS

**Mr. Deputy Speaker:** Hon. Members, we have a request from the Minister for Information and Communications to be allowed to answer Question No.282 now because he has a function to attend later. Is Mr. Kajwang in?

**Prof. Olweny:** Mr. Deputy Speaker, Sir---

**Mr. Deputy Speaker:** Prof. Olweny, I have said that I want Mr. Kajwang to ask Question No.282, if he is there. If he is not there, would you want to ask the Question on his behalf?

**Prof. Olweny:** Yes, Mr. Deputy, Speaker, Sir.

**Mr. Deputy Speaker:** You should have approached the Chair earlier, but go ahead!

#### *Question No.282*

#### DELAY IN COMMISSIONING THIRD MOBILE PHONE PROVIDER

**Prof Olweny**, on behalf of **Mr. Kajwang**, asked the Minister for Information and Communications:-

- (a) what is delaying the commissioning of a third mobile phone provider;
- (b) what vested interests have made the commissioning of a third provider a pipe-dream; and,
- (c) whether he is aware that the opening up of this sector to competition would reduce the cost of telephone calls and create employment.

**Mr. Raila:** On a point or order, Mr. Deputy Speaker, Sir. Which Question are we starting with because the first Question on the Order Paper is No.046?

**Mr. Deputy Speaker:** You see, the Chair has the discretion. I said that the Minister for Information and Communications has a function that he has to attend immediately after this. Therefore, he has requested to be allowed to answer Question No.282 immediately.

**The Minister for Information and Communications** (Mr. Kagwe): Mr. Deputy Speaker, Sir, may I start by apologising for the request. We are going to launch the Optical Fibre Cable in Mombasa.

Mr. Deputy Speaker, Sir, I beg to reply.

(a) The commissioning of a third mobile phone operator is currently a subject of litigation in court and it may be *sub-judice* to discuss it here. However, once the courts make a determination on the matter, the Government will decide on the best way forward. The foregoing

notwithstanding, the Government wishes to restate its firm commitment towards having competitiveness in the provision of modern and affordable mobile services in Kenya.

(b) I am not aware of any vested interests that have delayed the commissioning of a third mobile phone provider other than what I have just stated. If there are vested interests, they must be with the consortium that bid for the licence; the Kenya Union of Savings and Credit Co-operatives Ltd. (KUSCO), Econet Wireless Ltd. and others. The Government is still committed to ensuring the provision of accessible and affordable telecommunication services to all Kenyans, and that is the reason it is engaged in the process of licensing a third mobile phone operator, additional data network operators, internet service providers and local loop operators among others.

(c) Yes, I am aware that opening up this sector to competition would reduce the cost of telephone calls and create employment. Indeed, Kenyans have started to benefit from liberalisation, especially with the opening of the gateway and the granting of licences to the two mobile phone operators; Safaricom and Celtel, two days ago.

The Government is also in the process of licensing the Second National Fixed Line Operator (SNO). In any liberalised economy, open competition brings about sectoral development, price reduction and improved quality.

**Prof. Olweny:** Mr. Deputy Speaker, Sir, could the Minister tell us how long it may take for the court case to be completed, so that a third mobile phone operator can be licensed?

**Mr. Deputy Speaker:** Prof. Olweny, you know that the question is not appropriate.

**Mr. Kagwe:** Mr. Deputy Speaker, Sir, I have absolutely no way of telling when the courts will be hearing the cases.

**Mr. Deputy Speaker:** The good Professor also knows that. That is why he is laughing.

**Mr. Raila:** Mr. Deputy Speaker, Sir, of course, one does not want to speak for the courts. Even the Media knows what the Kenyans courts are doing at the moment. The Minister has inherited a very sad situation. I know that he is not responsible for the actions of his predecessors. However, could he confirm or deny that it is because of vested interests that the Government was forced to cancel the previous award and hence the matter has now ended up in court? This matter has dragged for a very long time. It is a very sorry matter and public money is involved.

**Mr. Kagwe:** Mr. Deputy Speaker, Sir, first and foremost, this is a matter that I would very happily want to discuss in this House and explain precisely, what the situation is. As I said, the parties involved are in court. Indeed, it is not the Government that is delaying this process, but the parties involved. The parties involved cannot agree amongst themselves. They are the ones who are litigating against each other.

Therefore, it would be in our interest that this case is resolved quickly. I would like to add that the SNO that we are licensing in the very near future is a unified licence, which has in it both land line, wireless as well as mobile telephony. So, in effect, we will have a third mobile phone provider even if the other parties do not agree. Our hope is that they will agree. Indeed, we have been trying, as a Ministry, to arbitrate without prejudice, so that these people can roll out the third mobile phone provider as soon as possible. It is in our interest. This is something that we want to have. It is just that funds are not available.

**Mr. Raila:** On a point of order, Mr. Deputy Speaker, Sir. The Minister is not being honest here. He knows very well that it is the collusion of some officers in the Ministry that has caused the kind of mess that exists today. Why can he not promise that the Government will take action against the officers who are responsible for the mess that has been created here, hence the delay in licensing a third mobile phone operator?

**Mr. Deputy Speaker:** Mr. Raila, that is not a point of order. However, in the public interest, I will let the Minister respond.

**Mr. Kagwe:** Mr. Deputy Speaker, Sir, I have just explained to the hon. Member that this is litigation that is in court between two parties who are supposed to be the shareholders of this mobile phone provider. It has got nothing to do with the Ministry and, indeed, the Ministry officials have not been sued in any court. The people who are suing each other are the mobile telephone operators' shareholders. It has got nothing to do with us as such and the delay thereof is between those parties. If it is possible, if the hon. Member so wishes, he can step into my office privately and I will explain to him further.

**Prof. Olweny:** Mr. Deputy Speaker, Sir, since the Minister has said that the matter is in court, we hope it will be sorted out there. I do not have any other question for him.

**Mr. Deputy Speaker:** Very well. Next Question by Prof. Olweny!

*Question No.046*

BREAKDOWN OF 1998 BOMB  
BLAST VICTIMS

**Prof. Olweny** asked the Minister of State for Special Programmes:-

(a) whether he could enlist by nationality those who died and those who were injured during the bomb blast at the Embassy of the United States of America (USA) in Nairobi in 1998; and,

(b) if he could give a breakdown of how compensation for the deaths and injuries was done.

**The Minister of State for Special Programmes** (Mr. Munyes): Mr. Deputy Speaker, Sir, I beg to reply.

(a) The following is the available record of the persons who died after the bomb blast at the Embassy of the USA in Nairobi:

(i) Number of people who died by nationality:

Kenyans	-	243
Americans	-	12
Ethiopian	-	1
Unknown Nationality	-	1

(ii) Number of people who were injured:

Kenyans	-	5,585
Americans	-	14
Zaireans	-	1
Total	-	5,600

(b) The Kenya Government gave humanitarian assistance of Kshs50,000 to the families of each deceased person, issued coffins for burial and also met full transport costs for each deceased person to the final resting destination. Direct compensation to the victims of the bomb blast was also made by the Government of the USA.

**Prof. Olweny:** Mr. Deputy Speaker, Sir, the answer is incomplete because part "b" of the Question asks the Minister to give a breakdown of how the compensation for the deaths and injuries was done and yet he tells us in his answer that only Kshs50,000 was given for burial and transport expenses. Could the Minister give us the amount of compensation that was given to the injured? Secondly, could he also provide a breakdown of compensation for the deaths and injuries since his answer is not complete?

**Mr. Munyes:** Mr. Deputy Speaker, Sir, the only available information is what we got which shows that the Government of Kenya (GOK) gave Kshs50,000 each for the victims and

direct compensation through the USA Government was provided but details were not given. They said it was personal and confidential to the victims and, therefore, the GOK was not given the information.

**Mr. Angwenyi:** Mr. Deputy Speaker, Sir, this is a very serious matter. The Americans think that Kenyans are not human beings. You remember that when there was an aircraft crash in Scotland the USA Government demanded US\$2 billion from Libya to pay compensation for 114 victims. We lost over 200 people in that bomb blast because of the American indulgences all over the world. Could the Minister tell us exactly how much money was paid to each of those victims? It is the responsibility of the Government to demand for that information.

**Mr. Deputy Speaker:** Mr. Minister, just before you answer, I find it very strange that you can say that the USA Government said that it is private and confidential. Are you saying that the Kenyan Government cannot demand from the USA Government to be given details of payment to its nationals since it is private and confidential? I find that completely strange.

*(Applause)*

**Mr. Munyes:** Mr. Deputy Speaker, Sir, I think I have provided information that is available but hon. Angwenyi is right to ask for this information. I will pursue this matter with the USA Embassy for this information to be availed to the Kenya Government.

**Mr. Deputy Speaker:** Mr. Minister, just before you go ahead, would you require more time to seek information on this matter because I think it is important for the House to be informed on the nature of compensation and how much was given to its nationals? You cannot leave Kenyans at the hands of Americans. It is Kenyans and their Government!

**Mr. Munyes:** Mr. Deputy Speaker, Sir, if you can grant me two weeks to get more information on this matter, I would be grateful.

**Mr. Bifwoli:** On a point of order, Mr. Deputy Speaker, Sir. When the Minister comes to answer this Question, he should tell this House whether the Kenya Government has made any efforts to claim compensation from the USA Government.

**Mr. Raila:** On a point of order, Mr. Speaker, Sir. When the Minister seeks information from the USA Government, he should also let us know how much money the Americans who also died were paid in comparison to what Kenyans were paid.

**Mr. Deputy Speaker:** Those are pertinent issues which I think the Minister should take note of. Prof. Olweny, is it okay that we defer this Question?

**Prof. Olweny:** Mr. Deputy Speaker, Sir, let it be deferred so that this Government tells us exactly the value of a Kenyan life versus an American life.

*(Applause)*

**Mr. Deputy Speaker:** So, the Question is deferred for two weeks and we expect that the Minister will get us full information on this matter which has been pending for too long.

*(Question deferred)*

Next Question by Mr. Lesrima!

*Question No.106*

## BETWEEN MARALAL AND RUMURUTI

**Mr. Lesrima** asked the Minister for Livestock and Fisheries Development:-

- (a) how many holding grounds and outspans there are between Maralal and Rumuruti; and,
- (b) whether he could gazette these as quarantine areas for livestock movement between Maralal and slaughter facilities at Rumuruti.

**The Assistant Minister for Livestock and Fisheries Development** (Mr. ole Ntutu): Mr. Deputy Speaker, Sir, I beg to reply.

(a) There are five outspans and five holding grounds between Maralal and Rumuruti.

(b) The Ministry is in the process of establishing a disease-free zone along this corridor. Once this process is over, the Ministry will gazette two of these holding grounds as quarantine stations and the rest as night stop-over outspans.

**Mr. Lesrima:** Mr. Deputy Speaker, Sir, could the Assistant Minister name these five outspans and holding grounds? Secondly, could he also name the two holding grounds that he intends to gazette and indicate to us where the livestock will finally land at the Kenya Meat Commission (KMC) because there is no holding ground there?

**Mr. ole Ntutu:** Mr. Deputy Speaker, Sir, as I mentioned earlier, we have five outspans and five holding grounds. The holding grounds are as follows: Kambi ya Zima, Marmar Ranch, Rumuruti, Baraboi and Koinyet. The outspans include: Kelele, Ayam, Amaya, Wamba and Achers' Post.

**Mr. ole Metito:** Mr. Deputy Speaker, Sir, it is common knowledge that holding grounds all over the country were grabbed a long time ago. I would like the Assistant Minister to tell this House whether the Kenya Meat Commission (KMC) operations will be sustainable without holding grounds, especially around KMC? If not, what measures is the Government taking to reclaim those lost holding grounds?

**Mr. ole Ntutu:** Mr. Deputy Speaker, Sir, we are in the process of trying to find legal ways of repossessing the grabbed holding grounds as recommended by the Ndung'u Commission.

**Mr. Ogur:** Mr. Deputy Speaker, Sir, is the Assistant Minister aware that we have a holding ground at Macalda? Now that the KMC has been re-opened, that holding ground should be selected as one of the holding grounds for the KMC. Is he aware of that particular holding ground?

**Mr. ole Ntutu:** Mr. Deputy Speaker, Sir, I am not aware.

**Mr. Deputy Speaker:** Last question, Mr. Lesrima!

**Mr. Lesrima:** Mr. Deputy Speaker, Sir, the Assistant Minister has listed the five outspans and five holding grounds. Majority of these outspans and holding grounds have now been occupied by squatters. In fact, I could say they are non-existent. Could he consider visiting these sites to confirm that, indeed, these holding grounds and outspans only exist on paper?

**Mr. ole Ntutu:** Mr. Deputy Speaker, Sir, I am not aware that those holding grounds and outspans are occupied by squatters. According to the records I have, the holding grounds are still intact unless the hon. Member gives me more information regarding their status.

**Mr. Deputy Speaker:** Next Question by Mr. J.M. Mutiso!

*Question No.264*

TERMINAL DUES FOR  
MR. JOSEPH M. NGULA

**Mr. J.M. Mutiso** asked the Minister for Labour and Human Resource Development:-

(a) if he is aware that Mr. Joseph M. Ngula, ID No.24381424 was an employee of Sunset Hotel of P.O. Box 43665 Nairobi and dismissed from service on 22nd May, 2005; and,

(b) what measures the Ministry took to ensure that Mr. Ngula was paid his terminal dues and any other benefits he was entitled to, vide the joint meeting of 8th August, 2005 at Nyayo House Labour office (Ref.MI/TU/NRI/RJT/05/01).

**Mr. Deputy Speaker:** Hon. Members, the Clerk informs me that the Minister called to request that this Question be deferred. I have no reasons why he has requested for the deferment because this appears to be a straightforward Question. Nevertheless, he has already called the Clerk's office and asked for deferment of the Question. I will defer this Question until tomorrow and not later than tomorrow.

Mr. J.M. Mutiso, I have no choice, but to defer this Question until tomorrow afternoon.

**Mr. J.M. Mutiso:** Mr. Deputy Speaker, Sir, I oblige.

*(Question deferred)*

*Question No.026*

DEBT RELIEF FOR KAMAHUHA  
FARMERS SOCIETY

**Mr. Deputy Speaker:** Is Mr. Mbau not here?

**The Assistant Minister for Co-operative Development and Marketing** (Mr. Mwenje): On a point of order, Mr. Deputy Speaker, Sir. This is the third time that this Question by Mr. Mbau is being listed on the Order Paper. It is always being deferred. Although I am a member of this society and I can declare my interest, would I be in order to say that this Question should not be listed again on the Order Paper because I have always come here to answer it and each time it is called out, he is absent?

**Mr. Deputy Speaker:** That is a very serious matter if, indeed, Mr. Mbau has refused to ask this Question three times. We will investigate to find out why. Since Mr. Mbau is not here, this Question is dropped, we do not need to belabour on it. So, you will never hear of it, Mr. Mwenje.

*(Question dropped)*

Hon. Members, that marks the end of Question Time. Let us move on to the next Order.

**MOTIONS**

AMENDMENT OF KENYA POST OFFICE  
SAVINGS BANK ACT

THAT, taking into account that commercial banks have been unable to expand banking operations to many towns in Kenya and are in fact withdrawing their services from these towns; and aware that the spread of banking operations is key to developing all parts of the country; this House do grant leave to introduce a Bill to amend the Kenya Post Office Savings Bank Act, Cap 493B, Laws of Kenya,

in order to allow the Kenya Post Office Savings Bank, in addition to, and in furtherance of its responsibility and current function, advance loans and other forms of credit services to its target group, i.e. low income individuals and small micro enterprises.

*(Mr. Oloo-Aringo on 14.6.2006)*

*(Resumption of Debate  
interrupted on 14.6.2006)*

**Mr. Deputy Speaker:** Mr. Angwenyi, I understand you were last on the Floor when debate on this Motion was interrupted. Have you forgotten? You still have six minutes to finalise your contribution.

**Mr. Angwenyi:** Mr. Deputy Speaker, Sir, I am sorry I was not aware we were through with the Questions. However, I support this Motion because it addresses the needs of poor people, especially in the rural areas and the vulnerable groups in the urban centres. We all know that major banks, especially those that make a lot of money out of Kenyans have pulled out from the rural areas. A good example is Barclays Bank of Kenya. It has pulled out from most areas in this country. The same applies to Standard Chartered Bank. Even our indigenous bank such as the Kenya Commercial Bank (KCB) has pulled out from areas where it was serving the rural folk.

Mr. Deputy Speaker, Sir, so, I would like to urge Mr. Oloo-Aringo to move with speed and bring a Bill to this House, so that we can have a law empowering the Kenya Post Office Savings Bank (KPOSB) to advance loans to the poor who deposit their money with this institution.

Mr. Deputy Speaker, Sir, it is very unfortunate that in this country we do not recognise the contribution of hon. Members. That is why we do not have a lot of Private Members' Bills brought on the Floor of the House. The indomitable Mr. Oloo-Aringo is the one who brought the independence of Parliament. Before he brought a Bill to this House we were an appendage of the Office of the President. We used to line up at the Office of the President to pick our salaries on Fridays. However, he brought a Bill which was successfully approved by this House. We are now independent. We talk as an independent body. We are an independent arm of the Government. The indomitable nature of Mr. Oloo-Aringo is not recognised. He has also presented a Bill for the creation of the Budget Office where we will be analysing the Budget.

*(Messrs Wanjala, Mwanicha and  
Dr. Manduku consulted loudly)*

Mr. Wanjala, will you sit down you are making noise, please?

**Mr. Deputy Speaker:** Order, hon. Members! Every time we have problems, it is as a result of loud consultations at that corner. One of these days, I will order separation of hon. Members who sit there.

Mr. Angwenyi, for the time being proceed!

**Mr. Angwenyi:** Mr. Deputy Speaker, Sir, Mr. Oloo-Aringo brought a Bill on the creation of the Budget office. That Bill will empower us as soon as the committee is formed, to scrutinise the taxation of Kenyans and the expenditure of that tax. He has moved on to bring a Motion on the KPOSB. We should commend him. I hope Kenyans will recognise such contributions the same way Eng. Muriuki brought the Constituency Development Fund Bill which has empowered our rural folk.

Parliament can only be seen to be addressing the issues that are affecting our poor people.

As we all know, 63 per cent of Kenyans live below the poverty line. This means there are many poor people. That is close to 20 million Kenyans who live below the poverty line. If we pass this Motion and the relevant Bill, and then enact a law to support them, we will be empowering them economically so that they can move above the poverty line.

Mr. Deputy Speaker, Sir, we also hope that when the KPOSB is empowered to provide loans to the poor, that Government interference will be minimal so that we do not have corrupt people moving in that organisation and taking the monies that should be available to the poor people in this country.

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

**Mr. Ahenda:** Thank you, Mr. Deputy Speaker, Sir. I would also like to contribute on this Motion. The socio-economic situation in the country at the moment has made many multi-nationals to fold. It is, therefore, very timely that we have a bank that is prepared to expand in the rural areas. This is the bank that should be fully supported, not only by hon. Members, but by the Government at large.

The multi-national banks have been raking billions of shillings in profit but they hardly plough it back to the indigenous people. This Motion should be enhanced to give the Kenya Post Office Savings Bank (KPOSB) the mandate to extend micro-financing to the rural areas where our people can easily access cheap and affordable credit to help them expand their micro-enterprises in the rural areas. The KPOSB is the bank with the largest network in Kenya and yet through legislation, it has been denied access to give due services to *wananchi* in the rural areas.

Mr. Deputy Speaker, Sir, this Motion would, definitely, provide the required legislation to help the people in the rural areas to fully benefit from the banking services that have been denied to the KPOSB. In essence, the KPOSB has a large number of deposits that it cannot otherwise give out in form of loans and credit facilities to its depositors just because of cumbersome legislation that denies them the right to engage in profitable business in the rural areas. If this legislation is put into full use, our people in the rural areas and, indeed, in the urban areas, will also have easy access and transfer of funds that had also been another source of money for some international banks and multi-national companies that have been transferring money from overseas to Kenya.

Mr. Deputy Speaker, Sir, in the past, the KPOSB was the only means of transferring funds from one part of the country to another. However, if it is fully transformed into a bank, it will rake in a lot of profit from its members in the rural areas.

Mr. Deputy Speaker, Sir, there is talk that the commercial banks have really milked their depositors. If the KPOSB is given the mandate to operate in the same system, the *wananchi* will benefit a great deal by ploughing back these profits instead of being taken out of the country by the multi-nationals. During the time that the KPOSB has been in operation, the billions of deposits lying there have been used by the central Government without ploughing it back to its depositors. At the moment, if you visit the headquarters of the KPOSB and ask for their balance sheet, you will be shocked by the large amount of deposits that are lying there. They are holding huge amounts of money that is never ploughed back because of bad legislation that this bank has been operating under. If this is allowed, the Bank would definitely, plough back this money and our people would, therefore, get another source of income.

Another point that I would like to make known about the KPOSB is that the structure and the management has been wanting. If the KPOSB operates like any commercial bank, the structure and the management would, henceforth, encompass professionals of diverse financial backgrounds that would inject new impetus into the management and running of any viable and profitable commercial bank. This would give the KPOSB the mandate to operate far and wide, and give all its staff the opportunity to run as a commercial enterprise and not as an in-house private business.

Mr. Deputy Speaker, Sir, the operation of the KPOSB and its branch network has been



misconstrued to mean that it is part and parcel of the defunct Kenya Posts and Telecommunications Corporation (KPTC). The KPTC only assisted the KPOSB with its facilities. However, this legislation would make it an independent entity and let it operate as any other commercial bank that would operate in the rural areas.

With those few remarks, I beg to support.

**Prof. Maathai:** Thank you, Mr. Deputy Speaker, Sir, for giving me an opportunity to contribute on this Motion. I would like to thank Mr. Oloo-Aringo for bringing this Motion to the House because anything that will help our people to access financial resources in this country is extremely important. As was mentioned by Mr. Angwenyi, most of our people; 56 per cent, are poor. We all know that banks do not bother about poor people. As a result, a large number of our people is in the periphery of the banking system in our country. Nevertheless, it always amazes me that the banks in this country make huge profits. I have never fully understood where they get their money from. It is probably due to the very high interest rate that they charge when they lend monies. I have always wondered why banks make so much money yet Kenya is a country that is extremely poor. Where does this money come from? How come we, as a Government, do not make it possible for the poorer people to access this money? If the alternative or solution is to create a bank through the Post Office, indeed, this should be a welcome move. We already know that many poor people in the rural areas actually get their money through the bank or they would like to deposit money through the KPOSB. So, if the services were extended, this is one Government parastatal that would truly be beneficial to the ordinary people in the countryside.

Mr. Deputy Speaker, Sir, having said that, I would like to say that in general our country - let me not talk about other countries but talk about our country - needs to be disciplined. I do not think we shall go anywhere, as a country, until we learn to be disciplined. So many banks have been opened in this country, especially, indigenous banks. They were intended to assist our people exactly in the way that we are proposing in this Motion.

Mr. Deputy Speaker Sir, many of our indigenous banks have collapsed due to corruption and indiscipline in their management. Indeed, many institutions such as co-operative societies, especially those in our coffee, dairy and tea sub-sectors, were established to take money to people in our rural areas. It is due to indiscipline we have been unable to take resources to our people. We will continue to be an extremely poor country, even though we have a lot of resources, if we do not observe discipline in management.

As a Government and leaders, we should deliberately cultivate a culture of discipline. We usually see a lot of indiscipline among our leaders. Even those of us at the top should demonstrate discipline in small matters like time keeping and be where we are supposed to be at the right time. We should demonstrate a lot of discipline in all that we do. Indiscipline encourages dishonesty, non-accountability and lack of transparency. This in turn leads to big corruption.

In this country we are virtually unable to control corruption. The bedrock of corruption is indiscipline. So, we should support this Motion to enable our people to access loans. Unless we cultivate a culture of discipline, I do not see this country going anywhere.

Recently we toured South Asia and Far East countries to see if we can benefit from their experiences. All countries in the East have moved away from under-development into super-development. These are countries like India, China and South Korea. When you look at how these countries attained development, you will realise that discipline was paramount in the development of any country. I am talking about discipline among leaders and ordinary people. So, we should focus on these values and realise that development does not come by chance. It comes because of consciously and deliberately pursuing certain policies and values that make a difference in the way we manage our economic affairs.

I recently listened to the directors of the Kenya Women Finance Trust give their annual

Report. They were very proud to report that 98 per cent of those to whom they had given loans to managed to pay them back. Some people felt that it was, of course, because they were women.

**Mr. Deputy Speaker:** Prof. Maathai, the Mover will be called upon to reply in two minutes. So, please, finish up.

**Prof. Maathai:** I just want to say that the Kenya Women Finance Trust directors were proud of the fact that 98 per cent of their loanees repaid their loans in time. This was not because they were women but because they were disciplined. They were honest, accountable and honoured their responsibility to the bank.

With those few remarks, I beg to support.

*(Several hon. Members stoop  
up in their places)*

**Mr. Deputy Speaker:** I am sorry, hon. Members. I notice that you have a lot of interest in this Motion. But we are coming to the end of the time allocated to it now, and I call upon the Mover to reply.

**Mr. Oloo-Aringo:** Mr. Deputy Speaker, Sir, could you allow me to donate five minutes to hon. Raila and three minutes to hon. Wetangula?

**Mr. Deputy Speaker:** Very well; that is okay.

**Mr. Raila:** Thank you, Mr. Deputy Speaker, Sir.

This is a very important Motion, because credit finance is something that is very important for any kind of development in a country. This country will only develop properly and meaningfully if we make capital available to the people at the grassroots level. There is no point in announcing a 5.4 per cent and 5.8 economic growth rate when that growth cannot be felt at the grassroots level. Our people are continuing to be impoverished.

Countries that have developed are countries that have come up with comprehensive development policies that target the common man. As the Mover has said, experience has shown that commercial banks are profit-motivated. They move away from our rural areas to commercial centres to make high profits. The concept of micro-finance has worked in many countries. For instance, in Bangladesh it has worked very well. This is why I fully support the idea of allowing the Kenya Post Office Savings Bank to open branches in all our rural areas.

Mr. Deputy Speaker, Sir, in 1938, my mother-in-law opened a savings account with the Kenya Post Office Savings Bank. She still has this account. This means that as early as that time, this concept was seen as a major way of availing credit facilities to the people at the grassroots level.

This country must address the issue of the vicious cycle of poverty among our people. Countries like Malaysia and South Korea have dealt with poverty in this way. I fully support the idea of enabling this bank to open branches in our rural areas.

With those few remarks, I beg to support.

**The Assistant Minister for Foreign Affairs (Mr. Wetangula):** Mr. Deputy Speaker, Sir, thank you for giving me an opportunity to contribute to this important Motion, for which I congratulate the Mover.

Micro-finance is the only tested and proven avenue for eradication of poverty in developing countries. Asian countries have gone this route, and I do not see why we should not do the same. I want to urge this House to pass this Motion quickly, so that hon. Oloo-Aringo can bring a Bill here soon. As Parliamentarians, we should make a decision to move the money meant for our youth from the Ministry of State for Youth Affairs to the Kenya Post Office Savings Bank. Otherwise, it may be dished out and end up the Youth for KANU '92 way. Doing this will enable our youth to

develop our rural economy . It will create wealth and employment for our youth.

As we know, there is no bigger banking network in this country than that of the Kenya Post Office Savings Bank. Its services are available in every village. I sometimes wonder why we should allow multinational finance institutions like the Barclays Bank of Kenya to run branches in Migori, Kerugoya, Lodwar and other rural towns when we can create capital locally. When the Barclays Bank of Kenya makes a profit of billions of shillings that is money out of this economy. When the Kenya Post Office Savings Bank makes a billion shillings profit it is money into this economy. The sooner we change our laws and restrict multinational banks to operating in the metropolis of Nairobi and, perhaps, Mombasa, and leave the countryside to micro-finance banks, the better off this economy will be.

We now have mushrooming micro banks, some run very unethically. Our passing this Motion and having a Bill in place will be one sure way of creating wealth. There is always a difference between our GDP growth and its trickle down effect to mwananchi. Unless we have a deliberate programme and policy like this one in place, we will always have growth at the top and poverty at the bottom, as is the case in India.

With those few remarks, I beg to support.

**Mr. Oloo-Aringo:** Mr. Deputy Speaker, Sir, may I first of all take this opportunity to thank all the hon. Members who have contributed to this Motion. I would also like to thank all the hon. Members who wanted to support the Motion through their contribution on the Floor of this House, but did not have the time to do so. I hope they will give their vote to this particular Motion.

The first point I want to state here is that the Government must end hostility to the informal sector. What do I mean by hostility? You read about hawkers in the streets of Nairobi. There is a continuous battle between the *askaris* of the Nairobi City Council and the hawkers as if the hawkers were vermins. It is as if the hawkers are a different species of animals and yet they only require to do legitimate business. What do we do to hawkers? We criminalise their activities. Whether you talk of Nairobi, Mombasa or Kisumu, those respective councils are all hostile to the hawkers who are only trying to pursue and obtain legitimate income. Instead of us supporting them through the law and creating loans for them to borrow, we are fighting them up and down the streets. In fact, they are seen as the enemies of the Government. That is why this Parliament must set a new trend of creating laws that will support hawkers and the informal sector in general.

The purpose of this Motion is to capitalise the informal sector. Who are the people who deposit money in the Kenya Post Office Savings Bank? They are the *Jua Kali* artisans, watchmen in our homes and even prostitutes. It is true that prostitutes also save their money in the Kenya Post Office Savings Bank. If you go across the board, this is the lowest level in our society. Though these people deposit their money, we do not allow them to borrow the money. What I am suggesting here is to end the culture of giving out hand-outs. Even in our constituencies, let us make it possible for a *Jua Kali* person to go to the nearest Kenya Post Office Savings Bank to borrow money in order to capitalise his or her enterprise. This is one way of fighting poverty, liberate our people and to make this economy to move forward.

Mr. Deputy Speaker, Sir, the conventional banks have not supported the informal sector. However, the deposit from small farmers and traders eventually ends up buying Treasury Bills and Government Bonds. It is that money that is in the collapsed banks. All the banks which have collapsed in this country do so with billions of shillings from the small depositors of Kenya Post Office Savings Bank. In this country, we are not going to eradicate poverty if we do not address the problems facing the down-trodden by making credit available to them.

Mr. Deputy Speaker, Sir, the thrust of my argument is that credit is a human right concern just as education, provision of good health and clean piped water are human right issues. Let us move from these economics where we support the formal economy expecting it to support the

informal. Parliament must provide the leadership. I would like to assure my good friends, hon. Angwenyi and hon. Wetangula, that, indeed, I am already on the drawing board. I promise that I can produce this piece of legislation and bring it to this House by the time we return in September, 2006. I hope we shall be able to liberate the poor people from the vicious cycle of poverty by making affordable credit available to them.

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

*(Question put and agreed to)*

INTRODUCTION OF CASHEW  
NUT DEVELOPMENT BILL

**Mr. Khamisi:** Mr. Deputy Speaker, Sir, I beg to move the following Motion:-

THAT, aware that cashew nut farming is an important economic activity at the Coast; considering the fact that farmers are facing a lot of problems due to lack of comprehensive legislation to regulate farming, processing and marketing of the product; cognizant of the fact that farmers continue to destroy cashew nut trees because of low prices and frustrations as a result of infiltration into the industry by unscrupulous middlemen, this House do grant leave to introduce a Bill for an Act of Parliament entitled The Cashew Nut Development Bill to streamline the industry and provide economic safeguards to farmers in the region.

Mr. Deputy Speaker, Sir, this is a very straightforward Motion. What it seeks to do is to merely provide legislation that will govern the production, processing and marketing of this very important crop.

Cashew nut is among the oldest cash crops in the country. It was introduced in this country by the Portuguese way back in the 16th Century. Informal production in Kilifi District started in 1930 in a very small way. At Independence production, had reached 400 tonnes of cashew nuts. In 1964, one year after Independence, the Government took over the business of cashew nut production through the Agricultural Produce and Marketing Board. Later, the Industrial and Commercial Development Corporation (ICDC), the Industrial Development Bank (IDB) and the Kilifi District Co-operative Union (KDCU) joined the Board as members of the Kilifi Cashew Nut Limited. This factory went into production for the first time in August, 1975.

Since then there has been a steady increase in cashew nut production from 1,500 tonnes to nearly 3,000 tonnes. Much of this produce has found its way to India, North America, Japan, the Middle East, Europe and Australia. However, the production of cashew nuts has not been governed by any legislation whatsoever. It is because of this that there has not been any proper management of the crop. This is the reason why production has declined from 36,000 hectares to 27,000 hectares.

Mr. Deputy Speaker, Sir, there is an urgent need for legislation because this is an important crop for the people of Coast Province. At the peak of production, over from cashew nut production at the coast. The danger about non-legislation is that the sector is controlled by middlemen who fleece the local farmers by negotiating very low prices.

Three years ago, the Ministry of Agriculture held meetings with stakeholders who included farmers, Government officials and so on. It was decided, at that time, that legislation was necessary for this crop to take off the same way coffee, tea and sugarcane have done in other parts of this country. However, I have not seen any indication from the Ministry of Agriculture of any interest to formulate legislation to govern this product. This is a labour intensive industry that creates employment, especially for the rural women. It is no different from tea or coffee which also earn

this country a lot of money in terms of foreign exchange.

*[Mr. Deputy Speaker left the Chair]*

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

Without legislation, the industry is threatened with collapse, because of declining cashew nut production. Farmers have been discouraged from producing cashew nuts because of the low prices and lack of goodwill from the Government. It is time for the Government to pay more attention to this crop, so that the country can earn more money in terms of foreign exchange. We need the introduction of new variety of seeds that mature rapidly. This should be done by the Government in this sector.

Mr. Temporary Deputy Speaker, Sir, neighbouring countries like Mozambique and Tanzania which are big producers of cashew nuts have come up with legislation. That is the reason why they have made great strides in the agriculture of cashew nuts. We do realise that there are constraints in production, processing and marketing. Because of this, we need an Act of Parliament to regulate and promote the quality, marketing and export of raw and processed cashew nuts. We also need this legislation to license buyers and exporters of raw and processed cashew nuts, and operators of factories. We also need it to regulate the issuing of export permits, establishing quality standards for cashew nuts and protecting farmers from exploitation by middle men. Finally, we need this legislation to promote research on high-yielding and fast-maturing varieties, among other things.

Mr. Temporary Deputy Speaker, Sir, in putting into place this legislation, a board will have to be established. This board will deal with the production, processing and marketing of the product, both locally and overseas. Also, this board which we hope will be under the Ministry of Agriculture, will not be very different from the boards that have been created for coffee and tea, for the simple reason that all the referred products are actually export commodities. We expect that through this legislation and the board that will be established, registration and regulation of growers will be done.

Mr. Temporary Deputy Speaker, Sir, there will also be management of roasting, peeling and grading of factories. In addition, there will also be licensing of marketing agents, packers and warehouse men. We also expect that there will be licensing of factories and exporters. It is also expected that this board will offer advisory services to the Government, so that it is fully aware of what happens in this industry in terms of farming and processing of the product. The board will take over from unscrupulous middle men who have been exploiting our people. By having a board, the farmers will then have an opportunity of selling their products to it. It will then control the prices of the commodity both locally and overseas.

Mr. Temporary Deputy Speaker, Sir, it is expected that, through this legislation, the board will have the powers of cancelling any permit if the holder does not comply with the terms and conditions that have been laid down. The board will be the management body of the industry. I believe that the motion which I am trying to move today will give an opportunity to growers to increase their production and for co-operative societies to be empowered and strengthened, so that they can sell this product effectively.

Mr. Temporary Deputy Speaker, Sir, for the sake of the development of the industry, I also propose, through this Motion, to have a Cashew Nut Development Fund. This Fund will consist of the Cashew Nut Development Levy and any funds that have been provided by bilateral and

multilateral donors for the purpose of the Fund. It will also manage the funds that are voted by this Parliament. I believe this legislation is important and due now. I hope this House will give this Motion full support.

Mr. Temporary Deputy Speaker, Sir, I am very disappointed by the fact that both this Government and the previous one have paid little attention to the production of this crop. The fact that the Government has not found it fit to enact legislation in the past 40 years of Independence, speaks volumes about the goodwill and commitment of this country to agriculture in Coast Province.

Mr. Temporary Deputy Speaker, Sir, we have co-operative societies in Malindi, Lamu, Kilifi and Kwale which have died because of the fact that there has been no push from the Government on this matter. I expect that once this legislation is passed, there will be an opportunity for these co-operative societies to emerge and be able to make an impact in terms of helping the people.

Mr. Temporary Deputy Speaker, Sir, I am also talking about elimination of poverty. Since the collapse of the Kilifi Factory, people in those regions that I have just mentioned have gone to a state of poverty; not only the farmers, but the families that are there. Kilifi was a booming town at some point because of this crop. However, it has now declined in growth because the main cash crop which is cashew nuts, has not been able encouraged in a way that will sustain the economy of that area.

Mr. Temporary Deputy Speaker, Sir, I do not have much more to add. As I said, this is a very straightforward Motion. It seeks to give us power to legislate and be able to manage the affairs of this sector the same way the country has managed the other sectors in the economy.

Mr. Temporary Deputy Speaker, Sir, with those few remarks, I beg to Move the Motion and ask the Member of Parliament for Lamu West Constituency to second it.

**Mr. Twaha:** Mr. Temporary Deputy Speaker, Sir, I rise to support the Motion. It has very good intentions and its long overdue. I congratulate the hon. Member for moving it.

*(Loud consultations)*

**The Temporary Deputy Speaker** (Mr. Poghisio): Order, hon. Members! Please, consult in low tones.

Member of Parliament for Lamu West Constituency, you are not just supporting this Motion.

**Mr. Twaha:** Mr. Temporary Deputy Speaker, Sir, I am also seconding it.

In seconding the Motion, I would like to state that it is long overdue. Therefore, I would like to urge the hon. Members to support it. We have economic goals in this country and it is the duty of this august House to support all initiatives towards economic growth and development. This is one way of doing it. When the Minister for Finance read his Budget Speech, he talked about economic growth. But, unfortunately, the growth is skewed towards certain sectors of the economy, while some have been left behind. One of them is the cashew nuts industry. Cashew nuts has had the misfortune of being one of only two crops in Kenya which were titled "scheduled crops" from 1992 up to two or three years ago. The title of "scheduled crops" meant that only one company could buy the products at a price that it determined. The other crop is bixa. The reason is that these companies were owned by very powerful people at the time. But there is a Swahili saying, *werevu ukizidi unakuwa ujinga*. They kept the prices so low that the people started uprooting the trees and the sector collapsed.

Mr. Temporary Deputy Speaker, Sir, one way of ensuring economic growth is to do what Mr. Odongo Omamo used to call "producing king-size." But we have constraints of land, labour,

capital and other things. So, the only way to increase production is to add value to the raw products, not only by physically processing the material, but also being more sophisticated in marketing and branding and other things that add value. Even the cotton sub-sector could benefit from such an approach by not only selling raw cotton but we should gin, spin and weave it and produce the clothes, brand them and advertise. This way, you create employment and improve incomes.

Mr. Temporary Deputy Speaker, Sir, this crop has suffered so much and it should be rescued. One way of doing this is to ensure that the law provides for value addition. For example, in the lake side they have export rate growth through fish, in up country here they have the horticultural, coffee and tea, and we also need some export rate growth along the Coast as well. One way of doing it is to have value added to the cashew nut production. If we did that it will generate foreign exchange for our country and in that way our shilling will become strong and increase our purchasing power. In this way, the poverty issue will be dealt with completely.

Mr. Temporary Deputy Speaker, Sir, as things stand now, cashewnut is exported raw, to the detriment of the Kenyan economy. Something needs to be done to encourage people to export the finished product. We also need to put in place disincentives or sanctions for exporting of the raw material because it does not help us much. Previously, the approach has been to tax raw exports. Unfortunately, the exporters have been passing on the cost of the tax to the farmers. So, instead of the farmers gaining, they have been losing heavily. Therefore, we are very much in favour of this Motion and farmers will be very grateful.

When we pass this Motion and the Bill is enacted into law, the farmers will be very happy. Increased production and export will alleviate poverty and farmers will be able to settle their various pending bills.

With those remarks, I beg to second.

*(Question proposed)*

**Capt. Nakitare:** Asante, Bw. Naibu Spika wa Muda, kwa kunipa nafasi hii ili nami niunge mkono Hoja hii. Kulingana na vile eneo la pwani lilivyo, mkorosho ni mmea ambao hukuzwa katika eneo lipatalo kilomita 480 mraba. Eneo lote la pwani lina rutuba inayoweza kukua vizuri kwa huu mmea.

Korosho ni zao ambalo lina manufaa mengi sana. Huu ni wakati ufaao kwetu sisi kutunga sheria ya kulilinda zao hili. Kuna kanju ambazo zinapatikana kutoka kwa mkanju. Makanju ni matunda na vile vile ni dawa ya homa. Korosho na kanju hutokana na mti uitwao mkanju. Zao hili linaweza kulinganishwa na *cacao* ambalo ni zao linalokuzwa huku Afrika Magharibi.

Wizara ya Kilimo haijawa na mwongozo mzuri juu ya zao hili la korosho. Watu wa pwani wameumizwa kiasi cha kuishi kama mayatima kwa sababu hakuna mwongozo wa kilimo unaofaa kuhusu ukuzaji wa korosho. Ukiangalia upande wa soko, kuna wale wanaovuna korosho nao huwauzia wale walio na pesa. Wao hulipeleka zao hili nje ya nchi hii ili likapate kutiwa thamani kidogo na baadaye hurudishwa humu nchini kuuzwa kwa bei ghali mno.

Watalii wanapokuja hapa kwetu, wao hupendelea kula korosho namna wanavyopenda kula njugu karanga. Ikiwa tutakuwa na sheria ambayo itaweza kumlinda mkulima aliye Lunga Lungu, Vanga, Miritini, Ribe na hata Sultan Hamud, tutaweza kukuza mikorosho kwa wingi. Sehemu hizi zote zina uwezo wa kukuza mikorosho na kudumisha kile kiwanda cha korosho kilichoko wilayani Kilifi.

Miti aina ya mikandaa ama mikoko hukuzwa kule pwani, lakini kwa vile hakuna sheria inayolinda ukuzaji wa hii miti, wageni ndio wanaopata faida kutokana nayo. Kwa hivyo, wakati umefika sasa wa kila idara katika Serikali kuulinda uchumi wetu kwa kuzingatia sheria zilizoko.

Ninaamini kwamba sheria kabambe itakayosaidia ukuzaji wa korosho itatokana na hii Hoja ambayo imeletwa na mhe. Khamisi. Ikiwa tutapitisha Mswada juu ya uzalishaji wa korosho, tutaweza vile vile kuvifaidi vyama vya ushirika.

Bw. Naibu Spika wa Muda, nikiangalia maisha ya watu wa pwani, siwezi kusema kuwa ni hao watu wa kukaa chini ya mnazi kungoja nazi zianguke ndipo wapate chakula. Watu wa pwani ni watu wenye nguvu. Iwapo watapewa mwongozo, wataweza kukuza uchumi ambao unaridhisha. Kuna wakati ambapo uchumi wa pwani ulikuwa unategemea miwa. Wakati kiwanda cha sukari cha Ramisi kilipoanguka, watu wa pwani hawakuwa na uchumi tena. Watu wa pwani na wa bara walikuwa wanategemea mkonge. Ukienda Kilifi au Vanga, utamkuta Mjalu ambaye alikwenda kukata mkonge. Amekuwa mwenyeji ambaye anaweza kuangazia mambo ya kipwani na maisha yake ni ya kipwani. Kwa hivyo, ikiwa tutakuwa na mwongozo huu, wakulima wataweza kupata nafasi ya kuwaelimisha watoto wao kwa sababu watakuwa na vyama vya ushirika. Pia, korosho italindwa na sheria, na tutaweza kuiuza katika nchi za nje ikiwa imetengenezwa badala ya kuipeleka nchi za nje kabla haijatengezwa, halafu irudishwe na tuuziwe itakapotengezwa. Tunaona vibaya kwa sababu ukipeleka maziwa kwenye kiwanda unalipwa pesa kidogo. Baadaye unauziwa maziwa hayo kwa bei ya juu kuliko ile uliyouza.

Bw. Naibu Spika wa Muda, kama nilivyosema hapo awali, mti wa mkorosho una faida nyingi. Kwa hivyo, tukizingatia mambo haya na vile uchumi wetu unavyoangaziwa, inatakikana uchumi huu pia uwafaidi watu ambao hawajiwezi kwa sababu wao ndio wengi. Kuna matajiri wachache, lakini maskini ni wengi. Maskini hawa ndio hutumia jasho lao kulima, kukuza na kuuza bidhaa zao. Matajiri hununua bidhaa hizo kwa bei nafuu kabla ya kuziua katika nchi za nje.

Bw. Naibu Spika wa Muda, naliomba Bunge hili litunge sheria ambazo zinalinda masilahi ya Wakenya. Tuwahimize watu wetu wanunue bidhaa za Kenya ili tujenge Kenya kuliko kutegemea bidhaa zinazotengezewa nje ili tufurahie matunda ya nguvu na jasho letu ili watoto wetu na vizazi vijavyo wawe wakitembea nje na kusema:- "Hizi ni bidhaa zetu za Kenya". Ni aibu kwetu iwapo tutategemea vitu vinavyotengezewa nje ilhali sisi pia tuna uwezo wa kutengeneza vitu hivyo.

Bw. Naibu Spika wa Muda, ninaiunga mkono Hoja hii na ningependa kuwaomba waheshimiwa Wabunge wenzangu ambao hawajawahi kuonja korosho waende wakazionje makanju ili wapate kujua utamu wake. Ni hakika watafurahia na wataona umuhimu wa kuwa na sheria za kuulinda mkorosho.

Naomba kuunga mkono.

**Mr. Raila:** Asante sana Bw. Naibu Spika wa Muda kwa kunipa nafasi ili nichangie Hoja hii muhimu sana.

Kama nilivyosema hapo awali, ufukara katika nchi yetu utamalizwa iwapo Serikali itaangalia maslahi ya wakulima wadogo. Nimesema awali, na ninataka kurudia tena, kwamba haitoshi Serikali kutuambia kila mara kuwa uchumi wetu umekua kwa asilimia 5.8 kama mwananchi wa kawaida aliye mashinani hatahisi mabadiliko yoyote na ufukara unazidi kuenea nchini.

Bw. Naibu Spika wa Muda, ukulima wa njugu kwa jumla ni muhimu. Kwa mfano, uchumi wa Senegal hutegemea ukulima wa njugu nyasa peke yake. Kwa hivyo, ikiwa nchi yetu itaweza kuimarisha ukulima wa njugu zote, sio tu ukulima wa korosho, uchumi wetu utaweza kuimarika. Ningependa Hoja hii ibadilishwe ili izungumzie njugu zote kwa jumla: njugu nyasa, korosho na makadamia. Pia, ni muhimu kuwa na halmashauri ya kusimamia sekta hii ya uchumi wetu ili wakulima waweze kuwa na njia ya kuuza bidhaa zao wenyewe bila ya kutegemea mawakala. Mawakala hawa huwanyonya sana wakulima na wavuvi. Wakulima wa njugu na wavuvi hawapati manufaa yoyote kutokana na jasho lao katika ukulima na uvuvi kwa sababu wale wanaofaidika zaidi ni mawakala wanaonunua bidhaa zao kwa bei ya chini na kuuza kwa bei ya juu. Wafanya



biashara hawa wanazidi kutajirika hali wakulima wanazidi kufukarika.

Kwa hivyo, Bw. Naibu Spika wa Muda, ni jukumu la Serikali kuwa katika mstari wa mbele katika kutetea haki za wakulima na wavuvi. Kila mara Waziri anapokuja hapa kusoma Bajeti, yeye hutuelieza vile Serikali inataka kupigana na umaskini na vile uchumi unavyoendelea kuimarika. Kwa mfano, tumeelezwa kuwa uchumi wetu sasa umepanuka. Lakini iwapo mwananchi wa kawaida hatahisi faida za kupanuka kwa uchumi, ni kazi bure kutuambia kwa ishara tu na kutupatia idadi ya kukua kwa uchumi ili kuwapumbaza watu. Ni watu wachache tu kule juu wanaohisi kupanuka kwa uchumi wetu. Kwa mfano, kila mwaka tunasikia kuwa benki na kampuni za mafuta zinazidi kupata faida zaidi. Lakini kwa upande mwingine, kule chini, bei za bidhaa muhimu kama vile unga, sukari na mafuta taa zinazidi kuongezeka. Kwa hivyo, mwananchi wa kawaida anazidi kupata shida zaidi. Ninaunga mkono kwa dhati kuletwa kwa Hoja hii ili wakulima waweze kupata manufaa zaidi.

Bw. Naibu Spika wa Muda, kwa muda mrefu, nimekuwa na uhusiano na wakulima wa korosho. Kwa mfano, unajua kuwa kile kiwanda cha korosho cha Kilifi kilikuwa kimefungwa na wakulima wa korosho wamekuwa na shida zaidi. Lakini ikiwa kiwanda hiki kinafanya kazi, vile vile viwanda vingine vinaweza kujengwa kwa sababu korosho inaweza kukuzwa kwa wingi kwa sababu hali ya anga kule pwani ni nzuri zaidi kwa ukulima wa korosho. Lakini wakulima sasa hawana haja kulima korosho kama watakuwa wanavuna korosho na hawaoni manufaa yake. Hii ndio sababu wakulima wa korosho wanakata mikorosho. Unajua kuwa kupanda mikorosho hadi ikomae na kuzaa korosho kunachukua muda mrefu. Kwa hivyo, jambo hili ni la dharura na wakati umewadia kwa Serikali kufanya kazi haraka zaidi ili tuwaokoe wananchi wetu wanaopata shida.

Bw. Naibu Spika wa Muda, nilipokuwa mtoto, kulikuweco na mafuta yaliyokuwa yanaitwa Uto. Mafuta hayo yalikuwa yakitengenezwa kutoka kwa njugu nyasa. Njugu nyasa zilikuwa zikikuzwa kwa wingi katika sehemu ya Ziwa Victoria. Hali ya anga na ardhi katika sehemu hiyo ni nzuri sana kwa ukuzaji wa njugu nyasa. Wakati huo, wakulima walikuwa wakipeleka njugu sokoni na wanunuzi walikuwa wakilipa pesa taslim. Wakulima walitumia pesa hizo kununua vyakula na kulipia karo za shule. Kwa hivyo, watu hawakuwa maskini. Wakati huu Mkoa wa Nyanza unaongoza kwa ufukara humu nchini kwa sababu kilimo cha njugu nyasa na ufuta kimekufa.

Kilimo cha njugu kinaweza kufufuliwa. Nimewahi kuitembelea Senegal na kujionea jinsi nchi hiyo inavyokuza njugu nyasa. Kama nilivyosema hapo awali, uchumi wa Senegal unategemea kilimo cha njugu nyasa peke yake. Mapato ya zao hilo yanaiwezesha nchi hiyo kununua bidhaa nyingine kutoka ng'ambo. Kwa hivyo, tuko na utajari ambao hatujautambua. Tumekuwa kama fisi anayeishi katika shamba la miwa, lakini hajui utamu wa miwa. Fisi huyo, hutoka katika shamba hilo la miwa na kwenda kutafuta chakula kwingineko.

Bw. Naibu Spika wa Muda, nchi hii ina utajiri mkubwa. Mmea wa macadamia unaweza kukuzwa katika maeneo ya Taita na kwingineko. Korosho, njugu karanga na ufuta ni mazao yanayoweza kukuzwa katika sehemu nyingi nchini. Tunaweza kutengeneza siagi maalum inayoitwa "peanut butter" kutoka kwa njugu. Siagi hiyo inahitajika sana katika nchi za ng'ambo. Bidhaa hizo zinaweza kuiletea nchi hii fedha nyingi za kigeni. Tunachohitajika kufanya ni kutayarisha mpango muafaka wa kuimarisha uchumi wetu.

Kwa hivyo, nikitamatisha mchango wangu, ningependa kuiomba Serikali hii iamke na kuzingatia maslahi ya wananchi. Serikali hutumia pesa nyingi kwa Bajeti ya Ulinzi. Pesa hizo hutumika kununua vifaa vya kijeshi na silaha ambazo hazihitajiki hapa nchini. Inafaa Serikali izingatie maslahi ya wakulima badala ya kuleta humu nchini watu kama Artur Margaryan. Watu hao hawana kazi ya kufanya katika nchi hii. Sisi sio maadui kiwango cha kupigana kwa silaha. Sisi hupigana kwa mdomo. Tumestaarabika. Hakuna haja ya kuleta mamluki kutoka nje. Mamluki wanaletwa hapa nchini kufanya kazi gani?

Bw. Naibu Spika wa Muda, niliposema kwamba kulikuweco na mamluki humu nchini,

watu fulani walisema eti nilikuwa nikisema uongo. Walidai eti nilikuwa nikidaiwa pesa na mamluki hao, na kwamba eti madai yangu yalikuwa njama ya kukwepa kulipa deni hilo. Kila mtu anapaswa kufahamu kwamba, yale mambo anayoyafanya usiku hujitokeza mchana. Sasa, ukweli umekithiri.

Watu fulani walisema: "Wale watu walikutana na Bw. Musyoka na alikuwa anataka pesa kutoka kwao." Pesa za kufanyia nini? Huwezi kuomba pesa kutoka kwa mtu ambaye unakutana naye kwa mara ya kwanza. Hayo yote---

**The Assistant Minister for Local Government** (Mr. Tarus): On a point of order, Mr. Temporary Deputy Speaker, Sir. With all due respect to Mr. Raila, is he in order to deviate from the cashew nuts debate to the Arturs' debate?

**Mr. Raila:** Bw. Naibu Spika wa Muda, ninazungumza juu ya uchumi kwa jumla. Ninasema kwamba Serikali ina jukumu la kusimamia uchumi wa nchi hii na kuhakisha kwamba umestawi. Nimesema kwamba badala ya kuzingatia mambo ambayo hayana manufaa kwa nchi hii, Serikali inapaswa kuweka juhudi zaidi katika sekta ya kilimo. Hivyo ndivyo nilivyoambia Serikali, na ninafahamu kwamba ukweli huuma.

Bw. Naibu Spika wa Muda, mimi ningependea kuiambia Serikali kwamba, mkulima mdogo ameathirika zaidi. Wakulima hao hufanya kazi mashambani mwao kwa muda wa miezi tisa lakini hawapati cho chote. Watoto wao hufukuzwa shuleni kwa kukosa kulipa karo. Watu kama hao huona chungu sana wanapoiona Serikali ikiwapuuza na badala yake kufanya mambo ya kujipatia faida ya haraka haraka na kutuletea mamluki kutoka nchi za nje, ambao hatuwahitaji. Hivyo ndivyo nilikuwa nikisema.

*(Laughter)*

Kwa hayo machache, ninaiunga mkono Hoja hii.

**Mr. Rai:** Ahsante sana, Bw. Naibu Spika wa Muda, kwa kunipa nafasi ya kuichangia Hoja hii.

Kwanza, ningependa kuchukua nafasi hii kumpongeze Bw. Khamisi kwa kuileta Hoja hii Bungeni. Kwa miaka zaidi ya 40, wakazi wa pwani tumekuwa tukiishi katika hali ambayo Mwenyezi Mungu ndiye anayeijua. Miaka 40 iliyopita, wakazi wa pwani walikuwa wakijetegemea. Walikuwa na matumaini kwa sababu ya shughuli fulani za kiuchumi zilizokuwa zikiendelea katika Mkoa wa Pwani. Zao la korosho lilikuwa tumaini kubwa la kiuchumi kwa wakazi wa Pwani. Mazao ya bixa, miwa, nazi na pamba yalikuwa tumaini kubwa kwa wakazi wa Pwani, lakini miaka 40 baadaye, haijulikani iwapo kilimo cha bidhaa hizo kinaweza kufufuliwa tena. Kwa hivyo, ninaiomba Serikali ifikirie itakavyofanya kuwawezesha wakazi wa pwani kuufurahia uraia wao katika nchi hii.

Bw. Naibu Spika wa Muda, hali ilivyo Mkoani Pwani inaweza kufananishwa na ile hadithi ya mama aliyekosa chakula cha kuwapikia watoto wake. Katika hadithi hiyo, mama huyo aliweka mawe kwenya sufuria na kuibandika jikoni. Mama huyo alijaza maji sufuria hiyo halafu akaifunika. Mama huyo akawaambia watoto wake kwamba chakula kilikuwa kikitokota jikoni, na hali alijua kwamba alikuwa akichemsha mawe. Watoto walingojea chakula kiive hadi wakashikwa na usingizi na wakalala, mmoja baada ya mwingine. Wapwani wamevumilia kwa muda mrefu. Mawe hayo hayajaiva, na haijulikani yataiva lini. Kwa hivyo, Serikali inapaswa kufahamu kwamba sasa Mpwani anajua haki zake za uraia katika taifa hili.

Mkorosho unafaida nyingi. Zao la korosho lilimfaidi Mpwani kwa njia nyingi, jinsi mazao ya bixa, miwa na nazi yalivyomfaidi mkazi wa eneo hilo. Jambo la kushangaza ni kwamba, uzalishaji wa mazao hayo ulipuuziliwa mbali na shughuli katika sekta hizo zikasambaratika. Licha ya kwamba mimea hiyo hustahimili ukame, na hivyo basi kuweza kustawi katika mazingira

magumu, haijatilwa maanani. Ni kama kwamba Serikali imeziba masikio ili isiweze kusikia kilio cha watu wa pwani, na ndio sababu uchumi wa eneo hilo umesambaratika. Huu ndio wakati wa kuibadilisha hali hiyo.

Bw. Naibu Spika wa Muda, wakati nilipozaliwa, zaidi ya miaka 40 iliyopita, zao la pamba lilikuwa likifanya vizuri sana katika Mkoa wa Pwani. Mapato kutokana na zao la pamba yalikuwa yakiwasaidia wakulima katika sehemu hiyo. Kufikia sasa, shughuli za uzalishaji wa hiyo mimea yote mitano zimekuwa historia. Tumekuwa tukiambiwa kwamba tuendelee kukaa vile tulivyo. Hatujui tutategemea kitu gani.

Bw. Naibu Spika wa Muda, bahari "imezaliwa" kule pwani lakini sasa Serikali inanua kuyahamisha makao makuu ya Bandari nchini, kutoka Mombasa hadi Nairobi. Mambo kama haya yatakoma mwaka gani? Wakati umefika watu kuambiana ukweli na kujua tulikotoka na tunakoelekea. Kila mwananchi anastahili kiasi fulani cha matunda ya Uhuru. Mambo kama hayo ya kutegemea chakula cha msaada yatakoma siku gani? Tumelima na kupanda vizuri na pia nafikiri kumeanza kuwa na unawiri wa mahindi. Hata hivyo, janga lingine ambalo limeanza kutukumba ni lile la kuona kwamba ndovu wa Kenya Wildlife Service (KWS) wamefunguliwa milango yote. Ndovu hao wameanza kuingia mashambani mwetu na kuharibu mimea. Kila wakati tunapopiga kelele, tunaambiwa tunyamaze, eti Serikali inajua. Ikiwa kuna sumu ya ndovu, na niipate ikiuzwa mahali, ndovu hao hamtawasikia tena kwa sababu hatutaruhusu wala kukubali watu wetu waendelee kuwa maskini na kupewa chakula cha msaada. Umaskini huo waweza kupunguzwa kwa sababu wananchi wenyewe wanajitahidi katika kazi zao. Ofisi ya KWS imefunga maskio na haitaki kujua shida zetu. Inafanya kama vile ndovu hufanya anapotembea kama amefunga maskio yake na kusema hakuna mtu anayemweza duniani hii. Watu wa KWS yafaa wakate shauri na wajue kwamba sisi tumetoa ilani: Kuanzia sasa hivi, ni sisi na wanyama! Mimea yetu imepata taabu na uchumi wetu kuharibika. Maisha yetu yamekuwa duni kwa sababu ya mambo kama hayo.

Mkorosho ulikuwa ukimsaidia Mpwani, lakini ukafika wakati ambapo soko la korosho liliharibiwa. Kiwanda cha korosho kilisimamiwa vibaya na mashine zikauzwa; pengine zikapelekwa Tanzania. Baada ya Serikali hii kuingia mamlakani, ahadi na nadhiri tulipewa. Tuliambiwa viwanda tofauti vitafunguliwa lakini sasa, hayo yote ni ndoto. Kama Serikali yenyewe yaweza kuota mchana, je, mwananchi atafanyaje? Tunaiomba Serikali, kupitia Wizara inayohusika na mambo kama hayo, ijue kwamba kama mkorosho hauonekani kama mmea dhahiri ili uchumi wa watu wa Pwani uwe na mabadiliko, tutakuwa na nia mbili katika safari hii yakuelekea kule Kaanani, kwa sababu wengine wetu ambao si Waisraeli, afadhali turudi tulikotoka. Hatuwezi kusafiri pamoja na wenzetu ambao wanakula mikate, ila sisi tunakula mchanga. Haiwezekani! Utafika wakati wa kusema tumetosheka, na tutakuwa tumetosheka, lakini kwa sasa, tunataka jawabu la kutusaidia na kujua kama soko la korosho litafunguliwa au vipi, ili tupate kuwa na ustawi katika sehemu zetu.

Bw. Naibu Spika wa Muda, hakuna jamii katika ulimwengu huu ambayo hutarajia kuwa maskini. Ni jambo la kusikitisha kuona kwamba hadi wakati huu, nchi hii inatambulika kuwa na matajiri wengi sana na maskini waliopita kiasi. Utajiri huo ulitoka wapi kama si mashine zetu za korosho na thamani za raslimali zetu kufanyiwa vibaya na Serikali na viongozi? Kufikia wakati huu, tumekuwa tukihimiza watu hao wachukuliwe hatua, ili kesi iwasilishwe katika Ofisi ya Mkuu wa Sheria. Sasa hivi, Mkuu wa Sheria yuko nje ya nchi, na Ripoti ya Bunge hili haijambikia ili achukue hatua dhidi ya watu walioharibu soko la korosho huko Pwani. Wakati umefika ambapo tunahitaji vitendo na ishara ya kujua kwamba kwa kweli, tunaanza kutambuliwa, lakini si ahadi na nadhiri ambazo hazitambuliki. Mkorosho umefanyiwa utafiti wa kutosha na inajulikana kwamba unaweza kumuokoa Mpwani mahali popote alipo. Kwanda na soko la korosho vilifanyiwa ufisadi ili korosho zetu ziweze kukosa bei nzuri. Pamba tulipoteza, viwanda vya bixa na miwa tulifunga, na sasa ni mkorosho uliobaki tuukate ili tusubiri neema ya Mwenyezi Mungu. Sisi si Waisraeli

huko Pwani ili tuishi kwa kutegemea Mana. Tunategemea jitihada zetu. Tunalima ili tupate. Hatusubiri chakula kutoka mbinguni. Ni wakati kama huu ambapo viongozi wanapokaa yafaa tuambiwe ukweli kwamba mipango kama hiyo inaendelea. Naomba ndugu zangu tuiptishe Hoja hii. Tunapoiptisha, isiwe kama ile sheria ya mnazi ambayo baada ya kupitishwa iliwekwa katika sanduku la saha. Masanduku hayo, funguo zake zitakapopatikana, watu wengine watakuwa mashakani. Ni lazima tusaidiane na kushirikiana ili tujue wananchi wanaweza kuokolewa kwa njia gani. Kama tutakuwa tukiwanyanyasa wananchi tunaowategemea na ambao wamejitolea kufanya kazi ngumu ili wainue hali yao ya maisha, itakuwa jambo la kusikitisha sana. Ni matumaini yangu kwamba, baada ya Hoja hii kupitishwa katika Bunge hili, yale mambo ambayo tumeomba yatimizwe yatafuatiliwa na ihakikishwe kwamba sheria mwafaka italetwa, ili iimarisha zao la korosho.

Tumevumilia mengi lakini umefika wakati ambao sisi--- Sisemi tuonewe huruma, lakini nasema tunafaa kutambulika kama watu wengine katika Jamhuri hii. Twahitaji viwanda vya korosho, miwa, nazi na pamba virudishwe. Mchanga wetu ni ule ule ambao unafaa sana kwa kilimo. Mambo hayo yanafaa kutiliwa maanani ili mkorosho uweze kumfaidi Mpwani.

Kwa hayo machache, nashukuru na ninamuomba Mwenyezi Mungu aibariki Hoja hii.

**The Temporary Deputy Speaker** (Mr. Poghisio): Hon. Members, Mr. Syongo wants to introduce an amendment.

**Mr. Syongo:** Mr. Temporary Deputy Speaker, Sir, I beg to move that the Motion be amended by deleting the words "Cashew Nut Development Bill" and inserting in place thereof the words; "The Kenya Nuts Development Authority Bill."

I brought up this amendment to the Motion to embrace all the key crops which supplement cashew nuts. The market for nuts and developing the market is centred around blending, such that one can have roasted cashew nuts blended with peanuts as well as macadamia nuts. With this amendment, we will not only focus on the policy of the proposed authority, but also on developing the entire supply chain and value-addition activities so that it is all-inclusive. There is much more synergy in the strategy than if we only focus on cashew nuts alone. I have already consulted with the Mover of this Motion, Mr. Khamisi, and he is in agreement that the amendment is in order. I would like to call Prof. Anyang'-Nyong'o to second the amendment.

With those few remarks, I beg to move.

**Prof. Anyang'-Nyong'o:** Mr. Temporary Deputy Speaker, Sir, I would like to second the amendment. What Mr. Syongo has proposed will supplement what the Mover of the Motion has proposed. It will also take into account all the able contributions that have been made by various hon. Members.

Mr. Temporary Deputy Speaker, Sir, the demand for nuts globally, especially cashewnuts, macadamia nuts and groundnuts has increased tremendously. The world has realised that blending various nuts to make vegetable oil industrially is not only healthy, but responds to environmental and health demands in the world today. What the Government needs to understand is that industrialisation of this country cannot really take place unless agriculture is industrialised. What I mean is that, quite often, we talk about value-addition in agriculture, without going into the details of how that value-addition is going to take place. Value-addition actually means that agricultural material, in order to earn more value to the farmers, must enter an industrial processing system. It means that when a raw material is sold, it is not sold as raw material. It is sold as a second generation transformed raw material, which is an industrial product. The mixing of those nuts is not for purposes of eating only, but for making oil. For example, when you board a Kenya Airways flight, you are given those mixed nuts. They are, basically, cashew nuts, macadamia nuts and groundnuts. Apart from that, there are very many medicines today, that are derived from nuts. Sugar-cane too, is a raw material for making medicine. If you go to Cuba, you will find that

Cubans have specialised in making all kinds of industrial products from sugar-cane. We, too, could do the same with all kinds of agricultural raw materials that we have, including nuts.

Mr. Temporary Deputy Speaker, Sir, therefore, when we establish a Kenya Nuts Development Authority, it will not only make it possible for us to do research into nuts development and production, but it will also help us to develop a market for our nuts products. At the moment, the Ministry of Agriculture, under various regional development authorities, does not seem to realise that we are sitting on a gold mine. Globally, the price of cashew nuts and macadamia nuts is very high; just like the price of vanilla. In actual fact, our farmers could substitute the low quality agricultural products they are currently growing with nuts and vanilla. Macadamia nuts and groundnuts grow very well in Nyanza. Macadamia nuts and cashew nuts can grow very well in coastal and western regions. We have certain ecological and regional zones where the speciality in growing nuts could be very rewarding. I know that in Eastern Province and, in particular, Ukambani, macadamia can do very well. If we intensify the growing of certain nuts in certain regions, and then blend them at a central point industrially to produce not just nuts for eating but also oils, we shall do very well.

Mr. Temporary Deputy Speaker, Sir, finally, in support of this amendment, we will need economies of scale to deal with the problem of nut development centrally, rather than deal with each nut separately. You all understand that we used to have a cereals board. We used to have centres for doing research on all the cereals. But the development of cereals has also been hampered simply because the research on cereals has been demarcated into various cereal groups like maize, rice and so on. We can achieve much more through the Kenya Agricultural Research Institute (KARI), if it took it upon itself to support us in developing knowledge about the need to do better research in nuts. This House will do this country a lot of good by supporting this amendment. That will also encourage farmers to invest in the industrial production of oils. So, the establishment of a Kenya Nuts Development Authority will go a long way in developing nuts as one major product in our country that will lead to better rewards.

Mr. Temporary Deputy Speaker, Sir, we do not seem to devote sufficient amounts of money in this Parliament for research purposes. We do not seem to place a lot of emphasis on scholarships and bursaries for agriculture students who are going to specialize in certain fields of our agriculture. In other countries, students in polytechnics and universities are given vocations to work specifically in industries belonging to the government. They are given long periods to develop specialised knowledge in those areas. A student who has a Bachelor of Science Degree in Agriculture and works generally in too many fields cannot help this country. That is the bone that I want to pick with KARI. KARI does not seem to have targeted specialisation in certain detailed areas in agricultural research which will make a difference. Since we had a few cash crops like coffee, tea and sugar-cane, we have gone a long way to have specialities in those areas. We excluded other crops which, now, have much more potential for this country than the traditional cash crops that we have over-specialised in. Therefore, when that Authority is established, it should have a research department that goes beyond what KARI is doing. It should go up to the polytechnics and universities and sponsor students who are specialising in research in those areas. The discovery of new oil varieties will depend on the kind of research that we do. At the moment, we are consumers of research products from outside. For example, we do not know how Elianto was developed. We go to supermarkets and buy many of those oils. Certain research institutes abroad have patented them and, therefore, when you are buying the oil, you are not just paying for the oil, but for the patent that originally produced that oil. Our country can make a lot of money by doing research in some of those areas and patenting it. I am certain that there is a variety of coffee that was developed here in Ruiru. A number of years ago, the Vietnamese came here and bought it from us. I understand that it was sold by one of our researchers who was discontented because he

was dismissed unceremoniously from Ruiru. Therefore, he went and sold the research results to the Vietnamese. Today, the Vietnamese are producing more coffee than Kenya. They are becoming very dominant in coffee export the world over, simply because one of our scientist sold "Ruiru 11" to the Vietnamese. That product of Kenyan scientific research has benefited another third world country. I am not against Kenya benefiting from other third world countries. But if we had maintained that patent, the Vietnamese could be paying us for every ounce of coffee that they export in the world market. We would be earning from our intellectual property for having done research in coffee.

The area of nuts and oil has so much potential that if we go the way that Mr. Syongo and Mr. Khamisi are saying today, we will go a long way in making a tremendous mark internationally in having ventured into the vegetable oil industry. We have the ingredients that may lead us to produce an oil variety in our market, so that rather than buy Elianto oil which we are buying very religiously, we will have oil produced in Kenya which is healthy and is based on non-genetically modified food. It will be natural food from Kenya because these three plants grow so extensively in this country, that we do not need to modify them in any way to get the right quantities for our industries.

Mr. Temporary Deputy Speaker, Sir, I can see that Capt. Nakitare has a Motion on genetically-modified food which is coming to the House. I have a lot of reservations about this---

**The Temporary Deputy Speaker** (Mr. Poghisio): Order!

**Prof. Anyang'-Nyong'o:** Mr. Temporary Deputy Speaker, Sir, I do not want to go into that, but in relation to this, I wanted to emphasise that the most important thing about going into the nuts industry, is to avoid going into any branch of making our vegetable oil industry based on certain modifications which can be very dangerous to our health. We know, for example, that God created us in a certain way. He never told us that we should modify the way he created us.

I beg to second.

**The Temporary Deputy Speaker** (Mr. Poghisio): I have an amendment to propose to the wording of this Motion. I am just challenging the Mover, so that we can have a properly-worded amendment and not that simplified version.

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

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

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

**The Assistant Minister for Local Government** (Mr. Tarus): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this chance. I would like to support the amendment to have an authority that will facilitate the development of a policy across the board with regard to this particular sector. Cashew nut is a particular crop. We have many other crops, or other nuts, that we should also consider developing for purposes of improving this sector. When we have a properly-

formulated framework, we will be able to address some of the pertinent issues with regard to poverty alleviation and revitalisation of the economy.

Mr. Temporary Deputy Speaker, Sir, I want to thank the hon. Member who came up with this Motion because, for a long time, we have been wondering what we will do in Kenya so that the economic development that we talk about every day, can have a meaning to the people at the grassroots level. Every day we are told that the poverty level in Kenya stands at above 56 per cent. More often, when we talk about improved economic growth, the question that crops up in the mind of the common man is: "Where is this improvement?" I think the answer lies in the identification of the real economic activity that involves our people.

Mr. Temporary Deputy Speaker, Sir, this particular sector has been developed before. I think there was a cashew nut factory in the Coast Province. That is why those leaders who participated in bringing down these industries should not have the audacity to stand before us and say that they want to develop those same industries. That is where we part ways when it comes to how this country should be developed.

That aside, I would like to support this Motion for purposes of having some regulation in this sector, to give guidelines on how it will be managed now and in the future. Without proper guidelines, tomorrow we might have a similar situation like the one we have had in the past. The same people who ran down the economy in the past are still there and they want to come back and do the same thing again. I hope that when we develop these regulations, we will have a mechanism of ensuring that they are properly implemented. Together with the laws that we have passed on ethics and governance, we hope that they will function to ensure that these sectors are protected.

Mr. Temporary Deputy Speaker, Sir, the economy of this country relies on agriculture. Consistent implementation of laws and introduction of frameworks to make various sectors vibrant will stabilise our economy. I hope that the proposed Bill will be passed and enacted very fast so that we can revitalise this sector and make sure that poverty is eliminated. Some countries like Thailand have introduced the so-called, "One sample, one product". This means, one location, one product. They hold competitions from the location to the national level. Since they implemented that programme, today, they have more than 100,000 types of products which are now being exported to other countries.

Mr. Temporary Deputy Speaker, Sir, as soon as we develop this framework, we would like such authorities to be funded for purposes of creating local competition and innovation, in order to make sure that we own that innovation. If our people bring about that innovation, we should help them to patent those products that they will have come up with.

Mr. Temporary Deputy Speaker, Sir, I am sure that we can make our economy the best competitor internationally, if we get our issues right rather than allowing ourselves to be exploited by letting our economy be flooded with products from other countries. I hope that the proposed Authority will be established immediately because that sector is the backbone of many people, particularly in the Coast and many other areas. The proposed Authority should explore the other potential areas where the crop can be grown in order to alleviate poverty.

The rural economies should also be addressed. The rural economies have been brought down on their knees with the advent of liberalization. The Government should provide a framework to make sure that the people who produce in the rural areas are protected in order to develop products that will boost their economies.

Mr. Temporary Deputy Speaker, Sir, we have the Agricultural Finance Corporation (AFC). If you look at its products, you will find that they are very narrow; that is, they target maize, seasonal crops and dairy farming. We should know that agriculture is a broad sector. The AFC should develop products that assist farmers to develop their crops. If a cashewnut farmer goes to the AFC now, he will realise that the corporation does not have a loan facility that targets

cashewnut farmers. This is the case, and yet it is very important for every established organisation to ensure improved productivity. Therefore, the proposed Authority should target that particular product.

Mr. Temporary Deputy Speaker, Sir, with those few remarks, I beg to support the Motion as amended.

**The Temporary Deputy Speaker** (Mr. Poghisio): Hon. Members, I need to dispose of these amendments. So, I will now put the Question.

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

*(Question of the Motion as amended proposed)*

**Mr. Musyoka:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to add my voice to those who are supportive of the amended Motion. Indeed, every one of us recognises the fact that Kenya is basically an agricultural-based economy. This fact was even highlighted in this year's Annual Estimates by the Minister for Finance. What seems to be lacking is the need to act on the many pronouncements that we have become very famous for.

I want to congratulate my good friend, Mr. Munyao, because he has done well by working hard to revive the Kenya Meat Commission (KMC). I know that livestock development has a lot to do with agriculture. That is why, in a properly organised Government, you will not distinguish between the Ministry of Agriculture and the Ministry of Livestock and Fisheries Development. However, since the NARC Government has seen it proper to do it that way, allow me to congratulate the man who shares a similar name with mine but has decided to corrupt it as usual. However, he has done well.

I have just returned from a trip to Garsen Constituency. People in the coast region are very clear. They are asking: "How come you can revive the KMC in Athi River and fail to revive the KMC branch which operated from Mombasa?" Therefore, the people of the coast region have cause to feel neglected by the NARC Government, which has been in power for four years.

I was privileged to lead the presidential campaign in the coast region when our presidential candidate was in hospital. I had the NARC Manifesto and the agenda for Coast Province. The agenda was the revival of the cashewnuts and the bixa industries and Ramisi Sugar Factory. However, four years down the line, and just a few months to the next election, this Government has seen it necessary to completely ignore the revival of the agricultural activities in Coast Province. Therefore, I want to congratulate my good friend, Mr. Khamisi, the Member for Bahari, for being forthright and people-centred by bringing a Motion before this House that is actually at the heart of the people of Coast Province. The cashewnut factory should be revived. We stand by Mr. Khamisi in his quest to bring before this House the necessary Bill for the establishment of a proper Authority that will deal with the development of nuts. It is important not only to consider cashewnuts but also groundnuts and macadamia nuts.

For instance, Thika District is doing very well in the production of macadamia nuts. That crop can do very well in the entire region of Ukambani as well as Coast Province. Macadamia nuts have a fantastic world market at the moment. Therefore, the establishment of the proposed Authority is both opportune and necessary.

However, this should not make us run away from the fact that the people of Coast Province



feel completely neglected by the NARC Government. I felt ashamed when I was asked to pronounce the position of the NARC agenda for Coast Province when I was there.

**The Minister for Livestock and Fisheries Development** (Mr. Munyao): On a point of order, Mr. Temporary Deputy Speaker, Sir.

**Mr. Musyoka:** Mr. Temporary Deputy Speaker, Sir, I told you that this friend of mine has the habit of corrupting---

**The Minister for Livestock and Fisheries Development** (Mr. Munyao): Mr. Temporary Deputy Speaker, Sir, Coast Province is not new. It has been there since Independence. Is it in order for the hon. Member, who has been in the Government for the last 25 years, to talk about Coast Province now that NARC is in power, and yet he never raised those issues when he was in the Government?

**Mr. Musyoka:** Mr. Temporary Deputy Speaker, Sir, true to what I said; the name "Konzolo" is a corruption of "Kalonzo". The Minister is even corrupting arithmetic. He has said that I have been in the Government for the last 25 years. For record purposes, I have been a Minister just for about ten years. It is not true for him to say that I have been in the Government for the last 25 years. As a matter of fact, I have been a Member of Parliament for 21 years. However, I thank him. I think he is hoping that this continues.

*(Applause)*

However, I have just congratulated this Minister for what he has done, but because he was not listening and he is a good friend of mine, allow me to congratulate him once more, for reopening the KMC. While he is now looking at me, I would like to inform him that the people of Mombasa are waiting for the reopening of the KMC depot and factory in Mombasa. So, the Minister has tried.

Generally, it is also a fact that I am ashamed that having led the campaign for our President in Coast Province in 2002, not so much has happened. We are now being treated to theatrics or populist kind of approach because everybody knows that the elections are around the corner. Now that this is lost, they know that they are just waiting to be voted out by Kenyans. That apart, we are talking about is a very important matter. We are talking about nuts, but we have not decided to go nuts like the *mamluki* brothers.

*(Laughter)*

That, of course, is on a lighter note!

Mr. Temporary Deputy Speaker, Sir, I want to support the effort by Mr. Joe Khamisi. I want to tell him that we shall all stand by him. Could he, therefore, move with speed and bring the necessary Bill? I hope every hon. Member of this House will support it overwhelmingly. With that support, we will also be sending a message to the people of Bahari Constituency that they truly have a worthy representative; one who thinks about the common man. We are told that the economy is growing by 5.8 per cent *per annum*, but in Tanzania, which is across the border, their economy is growing by 7.9 per cent. So, we have a lot of work to do.

Mr. Temporary Deputy Speaker, Sir, even as we talk about the 5.8 per cent economic growth, what is the trickle-down effect of that growth? Poverty levels have increased. My other good friend, Mr. Stephen Tarus, has just highlighted the fact that, 56 per cent of our people live below the poverty line. Therefore, let us be serious! This is not the time to blame history or anybody. Nobody should say: "You are poor because of A, B, C and D." What have you done as a Government? The people know, particularly on the Government side, that time is not on their side .

Mr. Temporary Deputy Speaker, Sir, I want to support the Motion as amended and urge all of us to move with speed and ensure that the Bill sails through Parliament.

Thank you, Mr Temporary Deputy Speaker, Sir.

**The Temporary Deputy Speaker** (Mr. Poghisio): I will now call upon the Assistant Minister to reply!

**The Assistant Minister for Agriculture** (Mr. Kaindi): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to highlight what the Ministry is doing to develop that important sector.

**The Temporary Deputy Speaker** (Mr. Poghisio): Are you the Official Government Responder?

**The Assistant Minister for Agriculture** (Mr. Kaindi): Yes, Mr. Temporary Deputy Speaker, Sir.

**The Temporary Deputy Speaker** (Mr. Poghisio): Please, proceed!

**The Assistant Minister for Agriculture** (Mr. Kaindi): Mr. Temporary Deputy Speaker, Sir, let me join hon. Members from both sides of the House who have contributed so eloquently. They have highlighted issues that are so important to the people they represent. Those issues deal with the development of the nuts sector.

Mr. Temporary Deputy Speaker, Sir, when I came into the Chamber, I was a little bit apprehensive because the original Motion dealt with cashew nuts only. However, the proposed amendment allayed my fears. As a Ministry, the policy is to develop an umbrella legislation that will address various crops in their totality. In this particular case, we want to assure the House that, as a Ministry, we fully support the initiative that has been brought by the hon. Member. We fully support the efforts that my Ministry is making to revive the entire nut sector. We recognise that, without sufficient legislation and caveats, it will not be possible to jump-start that sub-sector.

Mr. Temporary Deputy Speaker, Sir, the Ministry, through the Kenya Agricultural Research Institute (KARI), has intensified research on various forms of nut development. With regard to cashew nut, we have intensified research into better agronomical practices. A while ago, people from Coast Province thought cashew nuts and palm oil were wild crops. However, now, through our Ministry staff--- I am saying that because I visited Coast Province in the last one month. I toured Ganze and areas of Kwale. Efforts are being made to introduce better agronomical practices, so that farmers can reap benefits from their crops. We saw significant efforts and better yields in those areas. There are also training centres to train farmers on better farming methods.

Mr. Temporary Deputy Speaker, Sir, I want to caution that, as a Government, we are aware that Kilifi Cashew Nut Factory was destroyed. As a Member of one of the Committees of this House, Parliament passed a recommendation that those who defrauded shares belonging to farmers from that factory be prosecuted. We want the Attorney-General to move with speed and implement that recommendation. Parliament passed and endorsed that those who defrauded farmers in Kilifi by taking away their shares and privatising them be prosecuted. They caused the factory to be closed and threw the entire sub-sector into disarray. The Government is very firm! It is not fair for a few individuals to frustrate the efforts of poor farmers.

On the area of palm oil, research at KARI has now developed highland palm oil. In Bungoma, there are test-trials to start palm oil production. In fact, the initial trials have proved quite successful. We do not want to concentrate in Coast Province only. We want to extend that important sub-sector to other areas. Inquiries from private investors have significantly shown that there is demand for palm oil all over Asia. We need to encourage our farmers to take advantage of that initiative.

Mr. Temporary Deputy Speaker, Sir, as a Ministry, we are also aware that farmers continue

to suffer through pricing. We hope that the hon. Member will consult with the Ministry, so that we package a Bill and pass a law that will stand the test of time. It should be a law that is strong enough to ensure that our farmers benefit.

A month ago, we launched an activity called Kenya Agricultural Productivity Programme (KAPP). Some of the districts that have benefited include Kilifi and Kwale. It is a new area which targets research, value addition and pricing mechanisms. It also looks at the entire sub-sector. We hope that the people of Kwale and Kilifi will take advantage of that new programme, so that they can improve their farming.

Mr. Temporary Deputy Speaker, Sir, I want to assure hon. Members that, through the new initiative on the revival of agriculture, we are putting more money into the districts than never before. That will enable our field officers to address the problems that are facing our farmers. If you tour the entire coast region, most of those crops have been neglected because of pricing. However, through the *Njaa Marufuku* Initiative - a programme to interact with farmers in the villages - we have intensified funding. We have given money to KARI to undertake research. We have also facilitated our district agricultural officers to perform their duties. Therefore, more money is being pumped into those areas.

Mr. Temporary Deputy Speaker, Sir, we are looking at the entire legislation. There are over 100 pieces of legislation dealing with various sectors of agriculture. We have a team in the Ministry which, with the support of the private sector, is looking at the entire spectrum of legal provisions that govern agricultural productivity. We think that, once we finalise that exercise, we will be able to address the issues that concern farming in those areas.

Mr. Temporary Deputy Speaker, Sir, allow me to thank hon. Members who have supported the Budget, particularly in the area of agriculture. When you look at the Financial Statement, there was a substantial increase. But it is not enough. As a Ministry, we need more money for research. The money that was allocated to us is not enough. We also take cognisance of the views that were expressed by the Minister for Finance. It is not possible to reduce the number of vehicles for field staff. We need our officers to move and visit farmers. We urge the Minister for Finance to do a reallocation, so that critical areas which touch on farmers can be addressed sufficiently.

Mr. Temporary Deputy Speaker, Sir, we need to have our hands on the farmer. We need to have enough extension officers. Our hon. Members should tell us whether this is happening on the ground. That will not be possible if our officers do not have the necessary means of transport. That is why we have changed the approach and have decided to provide every division with two motorcycles for the agricultural extension officers. Every district should be given three to four vehicles, so that our officers can move around. We cannot promote agriculture while our officers are sitting in their offices.

We recognise the fact that the Extension Services Department needs more officers. We have asked the Directorate of Personnel Management and the Public Service Commission to allow us to recruit more agricultural extension officers. Very many students have graduated from our research institutions and yet our farmers are suffering. Therefore, I would like to call upon the House to support the Bill when it is brought here, so that more money can be allocated to this sector, so that we can recruit more extension officers.

Mr. Temporary Deputy Speaker, Sir, through the strategy for revitalising agriculture in response to the Millennium Development Goals, structural, we recognise the fact that unless agriculture, which is the mainstay of the people of the Republic of Kenya, is revamped and improved, it will not be possible to improve the livelihoods of our people.

About two weeks ago, I was in Madrid and we were looking at an issue which has been raised by Prof. Anyang'-Nyong'o. This is how to deal with the patent rights to Kenyans. We were dealing with the study of a treaty to deal with plant genetics. How do we protect our plant materials

from being pirated from this country? How can we ensure that we hold the property rights to some of these materials, which are indigenous to us? It is not right for any person to come from any part of the world, access our materials and commercialise them without the benefits accruing to the people of this Republic.

Therefore, through the Treaty on Plant Genetics that was passed in Madrid, it will be possible, through legislation, to ensure that if any material has been commercialised, the benefits also trickle down to the country that originated that material. The provisions of that Treaty will ensure that in issues like what we saw in Baringo where our materials were being pirated, our people are duly compensated. As a Ministry, we are developing a policy of ensuring that we consolidate the legislations and give this country a better environment, so that our farmers can benefit.

Mr. Temporary Deputy Speaker, Sir, while supporting the Motion, I would like to urge the Mover to consult with us, so that finally, the Bill that is brought here, its provisions will be easier for the Ministry to implement. We need to look at all the financial implications and factor in the required amount of money, so that this Authority can become a reality.

With those few remarks, I beg to support.

**Mr. Sambu:** Thank you, Mr. Temporary Deputy Speaker, Sir, for recognising me because I am referred to as a "Shadow Minister for Agriculture", but I do not know what it means. I shall be the real Minister very soon.

I want to start by thanking the Mover of this Motion, hon. Khamisi. I want to thank him for accepting the amendment, so that we can include not only cashew nuts, but all nuts, whether as edibles or for oil extraction.

Mr. Temporary Deputy Speaker, Sir, by recognising the fact that not only does the cashew nut industry need to be streamlined but also strengthened, this will help this nation because, at the moment, the cooking oils used in this country are scarce. I do not want to mention the brands but whether they are the liquid or those solidified by the process called hydrogenation, all of them use imported edible oil mainly palm oil. We import palm oil from as far as West Africa and the Middle East and those are countries which are not better agriculturally than Kenya. That is why I am saying that if we want to save our foreign exchange earnings from tea, coffee and tourism, we should start by telling the Kenya Agricultural Research Institute (KARI) to intensify the production of edible nuts and those that are used for edible oil extraction.

Mr. Temporary Deputy Speaker, Sir, macadamia nuts, for example, are in high demand when roasted and they also have other uses. So, I want production of macadamia nut seedlings distributed to the areas which are suitable for their growth. I hope His Excellency the Vice-President and Minister for Home Affairs was here because he comes from a groundnut-growing area. Groundnut-growing has come almost to nil because its market has been destroyed by imported edible oils. The groundnuts that remain now are only those for roasting and packaging. We want to grow more groundnuts for oil extraction. Who says that we cannot grow palm trees? We should grow palm trees so that we extract all the oil that we require in this country and there are also useful by-products from palm trees.

Mr. Temporary Deputy Speaker, Sir, sunflower is a crop that can grow in many areas of this country and it can be planted twice in a year. Why are we voting KARI so much money and yet it has done nothing to enhance sunflower growing? Sunflower can be grown in Trans Nzoia, Uasin Gishu, Western Kenya, Nyanza Province, Eastern Province, Central Province and even Coast Province. Sunflower is a crop that suits or adapts itself to many climatic and topographical areas. We should grow more sunflower for edible oil extraction.

When I worked as a seed researcher after graduating from university in the early 1970s, I did a lot of research work in sunflower at the Kitale Kenya Seed Company but now if you go to the

farms in Trans Nzoia, Uasin Gishu, Nandi and areas of Western Province, you will not see a single crop of sunflower. Sunflower is a crop that we need to resuscitate and KARI should be able to do it.

Mr. Temporary Deputy Speaker, Sir, the audit committees of Parliament have passed a lot of resolutions about KARI. Why are the properties that it has lost be it in Limuru or down there in Trans Nzoia not being repossessed? If I am challenged to substantiate my claims on KARI I will produce facts to back them. Why has the Attorney-General of this nation not implemented the decisions of the audit committees? Does he take Parliament as nothing because it is a constitutional body?

Parliament is one of the three organs of Government. On many occasions, the Public Investments Committee (PIC) has recommended, and its recommendations have been adopted by the House, that the Attorney-General should help the Kenya Agricultural Research Institute (KARI) to repossess those plots. I strongly believe that the Attorney-General ought to implement the recommendations of Parliament. However, I do not know whether the Attorney-General is fast asleep or he is afraid. We have even seen cases which are in court being challenged. When people are taken to court, he does nothing to assist the prosecutions. We are accusing the Kenya Anti-Corruption Commission (KACC) of not doing its work, it is he who is not doing his work. He should resign for letting down this nation. He is sitting on the files of people whom KACC has recommended for prosecution. What is the reason behind this?

**The Temporary Deputy Speaker** (Mr. Poghisio): How did you get to those issues?

**Mr. Sambu:** Mr. Temporary Deputy Speaker, Sir, I am sure of what I am saying. When I say there is no notable research going on in KARI, I know what I am talking about! The PIC Reports since 1997 say the cashew nut factory in Kilifi District was deliberately made to collapse. I was an hon. Member of the PIC then. So, I am sure of what I am saying. If you challenge me, I will produce the PIC Report which says so. The House adopted the Report and it recommended to the Attorney-General to take action. If he is not doing his work, then why is he earning a salary? We are asking the President to set up a commission because that is how Attorney-Generals are removed from the office.

**The Temporary Deputy Speaker** (Mr. Poghisio): Order, Mr. Sambu! That is such a serious issue that you cannot discuss it during debate on a Motion like this one! If you really want to do that, you have other methods of following.

Proceed and just focus on the issue of cashew nuts!

**Mr. G.G. Kariuki:** He is drunk!

**Mr. Sambu:** Mr. Temporary Deputy Speaker, Sir, I am very focused. I am sober. I am not drunk as Mr. G.G. Kariuki thinks. I have not taken any alcohol.

It is good that the vehicles used by Government officers are being withdrawn from them. It is important that we give the field staff of the Ministry of Agriculture some means to go to the field. Right now, we are using the Constituencies Development Fund (CDF) to produce seedlings for farmers. In fact, I want to ensure the production of macadamia nuts in Mosop Constituency. However, who will be there to help the farmers? I cannot employ the staff. This Ministry is paying its officers, but we do not see them. When some of those vehicles are returned, they should be sold, so that the Ministry buys cheaper vehicles or even motorbikes to be used by its field staff. Those officers should be seen and heard. They should have demonstration plots in locations, so that farmers know what kind of crops can grow in their areas. When you tell a farmer in Nandi District, for example, to grow macadamia he will ask you: "What is macadamia?" He or she has to see to believe. People have to see to believe. The people who can make them see are the Ministry of Agriculture officials. The Ministries of Agriculture and Livestock and Fisheries Development and Marketing should move to the field. I would like to thank the Minister for Livestock and Fisheries

Development and Marketing for visiting my constituency to talk to farmers. He also commissioned some milk cooling plants. That is what Ministers should do. All officers should be seen to be working. I do not know the name of the District Agricultural Officer (DAO) of Nandi North District. He never attends the district agricultural committees. There are three divisions in my constituency. I do not know which officers from the Ministry of Agriculture are stationed there. The only officers who are visible in this Government are the assistant chiefs, chiefs, the DO and the police when they go arresting drunkards in *chang'aa* dens. However, other officers are asleep. Therefore, this Government should wake up and send officers to the field.

Mr. Temporary Deputy Speaker, Sir, with those remarks, I beg to support this Motion as amended.

**The Temporary Deputy Speaker** (Mr. Poghiso): I am sorry, the time is up! I will now call upon the Mover to reply and he can donate some of his time, if he wants to.

**Mr. Khamisi:** Mr. Temporary Deputy Speaker, Sir, I would like to donate five minutes of my time to, Mr. L.M. Maitha, since he is a major stakeholder; two minutes to Mr. Moi, and two minutes to Mr. Rotino.

**The Temporary Deputy Speaker** (Mr. Poghiso): What are you going to be left with?

**Mr. Khamisi:** Mr. Temporary Deputy Speaker, Sir, I will be left with two minutes.

**The Temporary Deputy Speaker** (Mr. Poghiso): Who is going to control that? I do not control the time. So be careful!

**Mr. Khamisi:** I will control the time, Mr. Temporary Deputy Speaker, Sir.

**The Temporary Deputy Speaker** (Mr. Poghiso): You could end up not even getting a chance yourself!

**Mr. Khamisi:** Okay, Mr. Temporary Deputy Speaker, Sir. I will give five minutes to Mr. L.M. Maitha, one minute to Mr. Rotino, one minute to Mr. Moi, and I will have one minute for myself.

**The Temporary Deputy Speaker** (Mr. Poghiso): That does not add up! Anyway, proceed, Mr. L.M. Maitha!

**Mr. L.M. Maitha:** Mr. Temporary Deputy Speaker, Sir, I would like to thank the Mover of the Motion, Mr. Khamisi, for moving this Motion and donating to me some of his time.

I think this type of legislation is a positive move by this House to give farmers confidence. Kenya is an agricultural economy and, as legislators, we should be able to come up with the right legislations to guide agriculture. We know that there is a very big part of this country that is dry and that without deliberate huge investment, we cannot do substantial agriculture. However, what is more disturbing is that even those areas that are endowed with natural factors, and the Coast Province being one of them, there is no substantial agriculture taking place. Cashew nuts growing in the 1980s was one of the major contributors to our Gross Domestic Product (GDP). In the 1980s, cashew nut sales contributed to 4 per cent of our GDP. That is very substantial when you talk of a national economy. Today, it is almost negligible. What happened? Why has it been allowed to go down the drain?

Mr. Temporary Deputy Speaker, Sir, secondly, cashew nuts growing is found in one of the areas that hardly have any cash crops of substance. In the coast region, cashew nuts, coconut and mango trees are some of the major cash crops that we can boast of yet all of them have been left unattended due to lack of policy by subsequent governments. Therefore, this legislation is timely and we urge the House to support it so that it can add value to our national economy and assist our farmers.

Since 1963, there has never been any major investment in terms of research and development for the cashew nut tree. It was only in 1963 that a major research project was launched to look for a high and quick maturing variety. That project was subsequently abandoned

due to lack of funding. However, we have seen in countries, like India and Sri Lanka, cashew nut trees that mature in five years and have very high yields. This shows that there was a deliberate move to let the industry die.

Mr. Temporary Deputy Speaker, Sir, in the year 2000, a Non-Governmental Organisation (NGO) known as Action Aid had a pilot project in Malindi District, Lango Baya Location. They assisted the farmers to fumigate the cashew nut trees. The results were overwhelming! That year, we had a bumper harvest. There are existing cashew nut trees that are old and have been infested by pests and diseases.

If the Ministry of Agriculture had assisted farmers to fumigate this crop, I am sure the cashew nuts industry would have been revived by now. But lack of attention coupled with none existence of extension officers has led to the decline and deterioration of this industry in the region.

Mr. Temporary Deputy Sir, apart from the cashew nuts, groundnuts do very well in the coast region. In the 1970s and 1980s, we had huge groundnut production in the Coast region. But production was left to die, because most of the industries that were making oil from groundnuts in Mombasa collapsed, leading to the collapse of groundnuts farming. So, we need a law to regulate cashew nut growing and marketing. We also need a fund to support farmers.

I have more to say but the hon. Member who donated this time is demanding that I conclude. So, with those few remarks, I beg to support this Motion and urge hon. Members to support it.

**Mr. Moi:** Thank you, Mr. Temporary Deputy Speaker, Sir. I would like also to thank hon. Khamisi for giving me this one minute from his time.

I want to talk on the issue of nuts, especially macadamia nuts. I wish to urge the Ministry to regulate this industry. In my constituency, I use the CDF money to encourage growing of macadamia nuts. It has become a very important cash crop in my constituency. Farmers are earning between Kshs150,000 and Kshs200,000 from an acre. We can see what that can do in terms of alleviating poverty. This income helps in paying school fees and hospital bills. The biggest problem in the macadamia industry is the collapse of prices. This has happened because of unscrupulous businessmen who collect immature nuts and send them overseas. This trend has completely spoilt market for the Kenyan macadamia. If we make regulations for the macadamia trade similar to the ones we want to have for the cashew nut crop this will go a long way in assisting our farmers.

I do not want to go further; I wish to give a chance to hon. Rotino.

With those few remarks, I beg to support.

**Mr. Rotino:** Mr. Temporary Deputy Speaker, Sir, I want to thank hon. Khamisi for giving me this opportunity to say a few words in supporting this very important Motion.

It is important that we learn lessons from our past. If we do not learn lessons from our past, even passing Motions like this one will be a waste of time. I want to plead with the Minister to ensure that after we pass this Motion a Bill is quickly brought to the House. The Government should take it upon itself to implement this Motion.

We have said many times that many Motions passed by this House are not implemented by the Government. Some of the Motions that have been passed are good. It is upon the Government to implement them so that we alleviate poverty.

This morning, we passed a Motion on the Kenya Post Savings Bank, which will help our people. When intended Bills are drafted, brought to the House and passed, we urge the Government to implement them.

With those few remarks, I beg to support.

**Mr. O.K. Mwangi:** Mr. Temporary Deputy Speaker, Sir, I wish take this opportunity to thank hon. Khamisi for giving me a bit of his time to contribute to this Motion.

I would like to request the Mover to note that what we lack is research into the development of the nut industry in this country. We have nuts like macadamia, cashew nuts and croton which is said to produce oil that we can use instead of petrol. We have what we call in Kikuyu *Mwariki*, a nut which produces oil for use to lubricate aeroplanes. Therefore, when it comes to drafting the Bill, hon. Members should include the question of research. Fortunately, the Minister for Trade and Industry is here. I am calling upon him to consider this matter seriously. It seems like the Ministry has taken a lot of time addressing issues to do with commerce and forgotten matters to do with industries. Let this be one of the areas where issues to do with industries are addressed appropriately. That way, we shall be able to develop our cashew nut industry.

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

**Mr. Khamisi:** Thank you, very much Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity. I wish to thank all the hon. Members who have spoken, especially hon. Syongo who moved an amendment to this Motion proposing that we should include macadamia nuts as well as peanuts.

I also wish to thank the Minister for supporting this Motion. I hope that when I eventually bring a Bill to this House, hon. Members will also support me so that we have a value-added nut industry for the sake of our people.

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

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

*Resolved accordingly:*

THAT, aware that cashew nut farming is an important economic activity at the coast; considering the fact that farmers are facing a lot of problems due to lack of comprehensive legislation to regulate farming, processing and marketing of the product; cognizant of the fact that farmers continue to destroy cashew nut trees because of low prices and frustrations as a result of infiltration into the industry by unscrupulous middlemen, this House do grant leave to introduce a Bill for an Act of Parliament entitled The Kenya Nut Development Authority Bill to streamline the industry and provide economic safeguards to farmers in the region.

#### BAN ON GENETICALLY MODIFIED PRODUCTS IN KENYA

**Capt. Nakitare:** Mr. Temporary Deputy Speaker, Sir, I beg to move the following Motion:-

THAT, taking into consideration that most developed countries have banned genetically modified (GM) foods due to their dangers to human beings and the environment; further aware that the Government has not put in place any policy guidelines to guard against the introduction of such foods; this House urges the Government to ban all genetically modified products in Kenya.

Mr. Temporary Deputy Speaker, Sir, we know that technology has changed tremendously. We are also aware that developed countries use Third World countries as guinea pigs.



I beg to introduce this Motion with a lot of concerns some of which are to do with laying emphasis on research. I would like to challenge the various research departments in the Ministry of Agriculture that conduct research to get information and apply it through the consumer who, in this case, is the farmer. A lot has not yet been done. It is common knowledge that whenever we experience food shortage in this country, scientists come to our country and advise that if we follow this and that technology, we will not have food shortage any more. I believe that Kenya has enough land only that it lacks a technology that is labour intensive with regard to production of foodstuff.

We have issues with companies that have come here to dump technology and then leave. I take issue with a company like Monsanto. In early 1970s Monsanto undertook research on cassava in West Africa. The net result was that the cassava they produced turned poisonous and people started dying. That project was abandoned in Senegal and this was a pleasure for the Green Belt Movement which felt that the environment was being affected.

In 2001, the same company came to Kenya and undertook a research on Irish potatoes in Njoro to fight potato blight. It was looking for a crop that would be resistant to pests. The project failed and it was abandoned. The same company was in Brazil. It undertook research and introduced genetically modified products in that country. It also started planting soya beans.

**The Temporary Deputy Speaker** (Mr. Poghisio): Which is this company that you are talking about?

**Capt. Nakitare:** It is called Monsanto Company, Mr. Temporary Deputy Speaker, Sir. It is the one which has introduced genetically modified products in Kenya.

**The Temporary Deputy Speaker** (Mr. Poghisio): I do not want this Motion to be an issue about this company!

**Capt. Nakitare:** Mr. Temporary Deputy Speaker, Sir, it is not an issue. I am just highlighting it before I come to specific areas where Kenyans should have fears. Going by what is happening now, we do not have a policy guideline in our country to protect the farmers.

This company uses its own chemicals to kill the pests. Once the pests turn resistant to the chemicals, it becomes more expensive to grow the crops which the company claims to be pest-resistant.

We have seen areas where genetically-modified products have been sold. After the products have been produced and manufactured, the end result is that we are consuming a chemical that we do not know. There is no assurance that the products are safe for human consumption.

Mr. Temporary Deputy Speaker, Sir, Kenya grows maize on large scale. If we introduce genetically modified products and eliminate all beneficial pests, insects, butterflies and bees by use of the chemicals that the company uses, we shall have killed the natural---

**The Assistant Minister for Health** (Dr. Kibunguchy): On a point of order, Mr. Temporary Deputy Speaker, Sir. You heard the hon. Member say very clearly that there are dangerous chemicals that are used. When we talk about "genetically modified", we are modifying the genes of an organism. Is he in order to mislead this House that there are chemicals that are used?

**Capt. Nakitare:** Mr. Temporary Deputy Speaker, Sir, when they modify these seeds, they change the genes using a certain chemical. It was used in Kibwezi recently and when KARI failed to get results, the Government itself was forced to close down the project. As I said earlier on, ---

**The Temporary Deputy Speaker** (Mr. Poghisio): Order, Capt. Nakitare! If you move in the direction you are moving, then it becomes a scientific argument; whether there are chemicals used or not. The thing is "genetically-modified" and now you want to claim that there are chemicals used?

**Capt. Nakitare:** There is application of chemicals. Once the gene has been modified, it becomes pest-resistant. They do not produce a seed that can be resistant to pests on its own; they

apply chemicals. So, I am completely right.

**The Temporary Deputy Speaker** (Mr. Poghisio): So, the onus is on Dr. Kibunguchy then. What was your argument, Dr. Kibunguchy?

**The Assistant Minister for Health** (Dr. Kibunguchy): Mr. Temporary Deputy Speaker, Sir, the way I understand "genetically-modified" is that you modify the genes of an organism to be resistant to a particular problem that you are trying to solve. But it is not applied in a blanket manner. You cannot say that it will be resistant to all insects; for example, the "Osama" pest in maize. We are looking at one particular organism. But as far as I know, there are no chemicals used; it is just modifying the genes of an organism.

**The Temporary Deputy Speaker** (Mr. Poghisio): Anyway, proceed, Capt. Nakitare.

**Capt. Nakitare:** Mr. Temporary Deputy Speaker, Sir, that is a laboratory argument, not a field argument. We are talking about farmers in the field, not experiments in the bottle.

**The Temporary Deputy Speaker** (Mr. Poghisio): Well, the only thing I want to caution you against here is that whatever claim you make, you must be able to substantiate, if you are challenged. You are responsible for the accuracy of your information. So, as you continue, you must be prepared to be challenged.

**Capt. Nakitare:** Mr. Temporary Deputy Speaker, Sir, we have authorities in scientific research and books are available. They have pointed out the side effects of genetically-modified crops.

Mr. Temporary Deputy Speaker, Sir, most countries are not comfortable with consumption of genetically-modified foods. In Europe, there are no countries that use genetically-modified foods. The countries that are now being used as guinea pigs are the ones facing starvation. Why has India, over a period of time, promoted labour-intensive farming as opposed to genetically-modified methods? If you have crops reproduced naturally, we shall not harm the environment.

Mr. Temporary Deputy Speaker, Sir, the hon. Member, who is a medical doctor, has not even told this House that there is BT involved in GM research. That BT is a chemical that is used to eliminate the parts which are resistant to other chemicals. Therefore, I was right by saying that we should have a policy in the country to guide Kenyans. We might end up spoiling our soil. So, I think it is time Kenyans came to their senses and guarded our soil fertility. If we pollute our soil, we shall be the losers. We are dealing with chemicals that will kill micro organisms that manufacture soil nutrients for the plants.

**Prof. Olweny:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Member in order to insinuate that through genetic modification, you are going to alter the soil environment? When doing genetic modification, you are dealing with the cells of the plant, because that is where you do the modification and not in the soil.

**The Temporary Deputy Speaker** (Mr. Poghisio): Are you informing him? What is your a point of order?

**Prof. Olweny:** Mr. Temporary Deputy Speaker, Sir, is he in order to mislead the House that through genetic modification of the plant cell, you are interfering with the soil environment?

**Capt. Nakitare:** Mr. Temporary Deputy Speaker, Sir, that is a point of argument. The plant has roots. We are talking about pollen grains.

*(Applause)*

Mr. Temporary Deputy Speaker, Sir, during cross pollination of a plant, pollen grains come from the plant whose seed you have already genetically-modified. The seed produces the plant with the roots and the roots get nutrients from the soil. That cycle is the delicate part of the soil that we

are looking at. We are not looking at bottle experiments here. That is why we would like the Government, through the Ministry of Agriculture, to come up with a policy to guide our farmers on farming methods.

Mr. Temporary Deputy Speaker, Sir, why are we not comfortable with the research which is done by the Kenya Seed Company (KSC)? We can use organic methods to grow food. Genetically-modified plants produce pollen grains, which are transmitted, communicated or spread by wind, birds, human beings and insects. So, Prof. Olweny, who has done research on plant pathology, should have had this knowledge before he stood on the Floor to advise me on what I know!

*(Applause)*

Mr. Temporary Deputy Speaker, Sir, our country faces a lot of challenges. We have seen people with obesity. Children who are raised on natural foods are different from those who have been raised on fast foods in towns and cities. You can find a five-year-old child who looks like a 15-year-old child. What is happening here? We are not being faithful to ourselves. We want to grow a crop for three months when nature requires that it grows for nine months before it is harvested. What is the hurry for? What are the consequences? Whereas in economics, some people would want to come up and say:- "Yes, we would like to use Genetic Modification (GM) in cotton and tobacco", but those are not consumer goods! Those are cash crops that can be eliminated from the substance.

Mr. Temporary Deputy Speaker, Sir, we are concerned because should Kenya continue with GM foods, we might lose international markets for our products. Kenya is able to produce its own food as long as we let our people produce it manually. GM products are mechanized and expensive to our people.

Mr. Temporary Deputy Speaker, Sir, you cannot tell, by merely looking at the environment, that a genetically-modified plant cannot affect another plant that is not genetically modified. I have read the contract between Monsanto and an outgrower. The contract requires that one has to depend on Monsanto to produce that seed year in, year out. Should you have a cross-pollination within the seed that they have supplied to you, you are liable for litigation. You will pay a lot of money to the aggrieved party. A similar thing happened in the United States of America. A small-scale farmer was exposed to a civil case until he sold his entire farm.

This is not an area which Kenyans would want to rush into. We do not have to rush into systems like this one because we are starving. Our people should use their own hands to produce sufficient food for themselves. Intensive food production based on organic farming is the best way to have clean food in our own environment. This is not a mere argument. We have not even known the cause of the madcow disease. I was in the United States of America when the madcow disease broke out in Europe. The disease originated from animal feeds. Scientists are still looking for the source of the madcow disease causing virus. So, these are areas of concern.

Mr. Temporary Deputy Speaker Sir, one does not just need to walk into a shop, buy Nestle food products and feed one's children when we do not know the contents of that product. What is printed on the surface of that can as instructions to mothers is not exactly what is contained inside. That is for marketing purposes. Are we here for marketing? Is the Kenyan soil going to be marketed? Our soil is naturally fertile enough to produce foodst. We are naturally empowered by God to grow our forests without pollution. We do not need synthetic chemicals or foreign organs within us.

I am not talking about modifying human beings or animals, although there are cases, globally, where animals have been cloned. Such experiments have been carried out on sheep, pigs

and rats. Such experiments are still on-going. So, we need a Government policy to guide us. We do not expect Kenya to be used as a dumping pit.

**The Temporary Deputy Speaker** (Mr. Poghisio): Order, Capt. Nakitare! Your time is up!

**Capt. Nakitare:** Mr. Temporary Deputy Speaker, Sir, I beg to move and request Prof. Maathai to second the Motion.

**Prof. Maathai:** Mr. Temporary Deputy Speaker, Sir, I thank Capt. Nakitare for giving me the honour to second the Motion. However, I cannot second the Motion. Instead, I would like to move an amendment to the Motion.

**The Temporary Deputy Speaker** (Mr. Poghisio): Prof. Maathai, you have to wait for the Motion to be seconded before you can move an amendment to it.

**An hon. Member:** Who is seconding it?

*(Laughter)*

**The Temporary Deputy Speaker** (Mr. Poghisio): Order! Order, hon. Members! Capt. Nakitare, apart from moving the Motion, basically you have to know who is going to second it and state it.

**Capt. Nakitare:** Mr. Temporary Deputy Speaker, Sir, Prof. Anyang'-Nyong'o was going to second the Motion but he is not here. Therefore, Mr. Muchiri will second the Motion.

**Mr. Nderitu:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the Mover in order to just appoint Mr. Muchiri to second the Motion? What happened to the first person who was nominated to do so?

**The Temporary Deputy Speaker** (Mr. Poghisio): Proceed, Mr. Muchiri!

**Mr. Muchiri:** Mr. Temporary Deputy Speaker, Sir, I beg to second the Motion.

**The Temporary Deputy Speaker** (Mr. Poghisio): Order, hon. Members! It is important that an hon. Member consults with the Chair if he or she does not have anyone to second a Motion. That way, one can be advised accordingly. An hon. Member who has been told that he or she will second a Motion should be present in the House at the time of moving the Motion. However, since Mr. Muchiri has been asked to second the Motion, he can go ahead and do it.

**Mr. Muchiri:** Thank you, Mr. Temporary Deputy Speaker, Sir. I beg to second the Motion. I think it is proper that I do so, given the circumstances. I would like to echo the sentiments of the Mover and say that in this country, we want to see agricultural experts advising our farmers properly. Since fertilisers have become very expensive, I think it is important that we ask our farmers to start utilising the natural methods of fertilising soil. In the past, we used composite manure from cows, goats, chicken and that is part of organic agriculture. We are talking of genetically-modified foods and essentially what ailments come along when we continue to eat such foods.

**Mr. Weya:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Member in order to talk about genetically-modified foods, while at the same time he is referring to manure and fertilisers? That has nothing to do with Genetically Modified Organisms (GMOs).

**The Temporary Deputy Speaker** (Mr. Poghisio): He is already on track!

Mr. Muchiri, proceed!

**Mr. Muchiri:** Mr. Temporary Deputy Speaker, Sir, I do not know why there is confusion about that, but if you do not grow genetically-modified crops, obviously, you have to grow them in the natural way, without a lot of genetic modification. The only way you can do that is by growing food by use of natural means. If we can encourage organic farming, other than genetically-modified foods farming, then probably, that would be the way to go in this country. We do not

want Kenya to be a dumping place for all sorts of technologies. That is the point I was trying to make. Kenya will not be a dumping ground for all sorts of technologies which are not appropriate for our health, by using things which have been banned in other countries. That is my point. Even my friend, Prof. Olweny, agrees with me that those are the kind of issues we need to discourage in this country. Many ailments in this country---

**Prof. Olweny:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Member in order to mislead the House that I subscribe to his idea, yet as he stands there, he is wearing a cotton shirt made out of GMO?

**Mr. Muchiri:** Mr. Temporary Deputy Speaker, Sir, cotton has nothing to do with foods. When I bought the shirt, I was able to see what type of technology was used to produce it. The technology used was home grown and that is what we are trying to encourage. Many ailments---

**The Temporary Deputy Speaker** (Mr. Poghisio): Hon. Members, I will not allow such points of order, where one wants to square a point because someone else referred to his or her name. That cannot be a point of order! Let us try to understand the Standing Orders.

**Prof. Olweny:** Mr. Temporary Deputy Speaker, Sir, I am not supporting the Motion, yet the hon. Member referred to me.

**The Temporary Deputy Speaker** (Mr. Poghisio): So, what did he do that was wrong? Your name is part of this House!

**Mr. Muchiri:** Mr. Temporary Deputy Speaker, Sir, let us tell our people that eating habits must now change. If we cannot do that, we are going to have problems with our health. I call upon Kenyans to change their eating habits. They must be encouraged to avoid a lot of salt and fat. They must be encouraged to exercise regularly. It is always said that the medicine is not in the bottle; it is in the way we grow our crops and feed. The notion of a kitchen garden is now disappearing. By not having a kitchen garden, we are forced to rely on products from supermarkets. That is why our health is deteriorating. As research into various crops shifts into high gear in various agricultural institutes, I urge the Government to ensure that the crops produced will not jeopardise our health. That is why we challenge the Minister for Agriculture, through his research institutes, to come up with proper seeds that are not contaminated with all sorts of genes from foreign countries. We have the technical know-how and capacity to do that.

Mr. Temporary Deputy Speaker, Sir, we must grow crops that can complete our food cycle. The reason why we have famine in this country is because we rely too much on famine aid. If the Minister for Agriculture would like to continue asking the Government to support his activities, it is high time he and his officers were seen all over the country advising our farmers.

With those few remarks, I beg to second.

*(Question proposed)*

**Prof. Maathai:** Mr. Temporary Deputy Speaker, Sir, there is hardly enough time and I wanted to, very badly, ensure that this Motion is not dropped because of the words "ban" or "genetically- modified products." That is in the last paragraph in the Motion. This is a very important issue for this country. Since we do not have much time, I would like to suggest to the Mover that we put the word "potential" before the word "danger". We should, first of all, replace the word "food" because there are very many other products that will be genetically-modified besides food. So, we should use the word "organism."

**The Temporary Deputy Speaker** (Mr. Poghisio): Order! You cannot just amend like that! You require to move an amendment. You have to propose it. It has to be seconded and voted upon. So, if you are not going to be here, you can tell somebody else to do that. But you can contribute to the Motion as it is now.

**Prof. Maathai:** Mr. Temporary Deputy Speaker, Sir, it is unfortunate because this is a very important Motion. I hope that an amendment will be put forward, so that the Motion is not thrown out.

### ADJOURNMENT

**The Temporary Deputy Speaker** (Mr. Poghisio): Order, hon. Members! Prof. Maathai, you will have nine minutes next time.

Hon. Members, it is now time to interrupt the business of the House. This House, therefore, stands adjourned until this afternoon, 5th May, 2006, at 2.30 p.m.

The House rose at 12.30 p.m.