

# NATIONAL ASSEMBLY

## OFFICIAL REPORT

Wednesday, 26th September, 2007

The House met at 2.30 p.m.

*[Mr. Deputy Speaker in the Chair]*

PRAYERS

### PAPER LAID

The following Paper was laid on the Table:-

The Presidential and Parliamentary Elections (Amendment) Regulations, 2007, pursuant to the National Assembly and Presidential Elections Act, Cap.7.

*(By the Minister for Justice  
and Constitutional Affairs)*

### NOTICE OF MOTION

APPROVAL OF DRAFT PRESIDENTIAL/PARLIAMENTARY  
ELECTIONS (AMENDMENT) REGULATIONS

**The Minister for Justice and Constitutional Affairs** (Ms. Karua): Mr. Deputy Speaker, Sir, I beg to give Notice of the following Motion:-

THAT, pursuant to Section 34 of the National Assembly and Presidential Elections Act, Cap.7 Laws of Kenya; this House approves the Draft of Presidential and Parliamentary Elections (Amendment) Regulations 2007, laid on the Table of the House on Wednesday, 26th September, 2007.

### ORAL ANSWERS TO QUESTIONS

*Question No.054*

STALLING OF MARALAL BUS PARK PROJECT

**Mr. Lesrima** asked the Minister for Local Government:-

- (a) whether he is aware of the stalled bus park project at Maralal Town Council; and,
- (b) what the value of the contract is.

**The Vice-President and Minister for Home Affairs** (Mr. Awori): Mr. Deputy Speaker, Sir, may I seek your indulgence and move on to the next Question in the hope that the Minister or his Assistant will be here by the time we finish the others.

**Mr. Deputy Speaker:** Really, I have nothing to say, but I will allow that. I just hope that, when it comes to the end, the Minister will come. It is very unusual for the House to be waiting for

Ministers to arrive!

Nevertheless, let us move on to the next Question.

*Question No.330*

LOSS OF FARMERS' MONEY THROUGH  
BRIBERY TO SUGAR-CANE LOADERS

**Prof. Olweny** asked the Minister for Agriculture:-

- (a) whether he is aware that sugar-cane farmers in Muhoroni Constituency are losing money through bribery to sugar-cane loaders; and,
- (b) what efforts he is making to arrest the situation.

**The Assistant Minister for Agriculture** (Mr. Muiruri): Mr. Deputy Speaker, Sir, I beg to reply.

(a) I am not aware that sugar-cane farmers in Muhoroni constituency have been using money through bribery to sugar-cane loaders.

(b) In view of the answer in "a" above, part "b" does not arise.

**Prof. Olweny:** Mr. Deputy Speaker, Sir, the Assistant Minister could be right to say that he is not aware. However, the truth is that the farmers do give bribes to these people. The farmers may be scared of informing the police or anybody else who could help in this matter. The Ministry does not have intelligence on the ground to gather such information. I am informing the Assistant Minister now that this is the practice on the ground. What will he do about it now that I have informed him today?

**Mr. Muiruri:** Mr. Deputy Speaker, Sir, I thank the hon. Member for being very honest and candid about the matter. There is no way we would know if these matters were not brought to our attention. However, I am aware that there are a few mechanical loaders in the whole zone. The poor road infrastructure makes it more difficult for the few loaders to reach the farms to support the cane-loading activities. A grant of Kshs104 million has been approved by the Kenya Sugar Board (KSB) for procuring road maintenance and equipment. It is being prepared for disbursement.

**Mr. Mwanicha:** Mr. Deputy Speaker, Sir, this problem is not found only in the sugar-cane industry. In the tea industry, farmers are charged a fee by the factories which is meant to be payment for the loaders. The practice on the ground is that it is the farmers who load the tea and take it to the factory. They are charged for this. Is the Assistant Minister aware of this and what will he do in this respect?

**Mr. Muiruri:** Mr. Deputy Speaker, Sir, I agree that in some factories the cane crushing capacity is lower than the production. However, it depends on the individual factories. For example, in Muhoroni, we have a programme. As I said, a sum of Kshs104 million has been set aside to cater for that. There will be some four *barazas* organised by the Muhoroni Sugar Company to sensitise the farmers on the arising transport and loading costs and on how to resist those kinds of practices that are going on as confirmed by the area MP.

**Mr. Mwanicha:** On a point of order, Mr. Deputy Speaker, Sir. As you can see, either the Assistant Minister is tired or he did not understand my question. Let me repeat my question for his benefit. I said that, in the tea industry, farmers are charged a fee by the factory for loading and yet they are the ones who load the tea into the lorry and take it to the factory. What will he do to stop this exploitation of farmers by the factories?

**Mr. Muiruri:** Mr. Deputy Speaker, Sir, it is not right for the hon. Member to allege that I am tired! I am not tired! However, the truth of the matter is that it all depends on the individual factories. It is usually an arrangement between the loaders and the management of the sugar

factories.

**Mr. Deputy Speaker:** By the way, Mr. Mwanicha, this Question is dealing with sugar matters. You are now moving from sugar to tea and yet the Assistant Minister came prepared to answer the Question on sugar. So, do not expect him to deal with the matter on tea. In fact, if I were him, I would have ignored the question.

**Prof. Olweny:** Mr. Deputy Speaker, Sir, this problem that farmers face with regard to loaders is only prevalent in Chemelil and Muhoroni. We do not have such problems in Mumias, Sony and Nzoia Sugar Companies because they have adequate mechanical loaders. Could the Assistant Minister assure me that the Ministry will help Muhoroni and Chemelil Sugar Companies to acquire adequate mechanical loaders, so that we can sort out this problem of bribery?

**Mr. Muiruri:** Mr. Deputy Speaker, Sir, that guarantee is assured. I would advise the hon. Member to advise his people not to get involved in this kind of malpractices; it is total corruption and I think he is aware of it.

Mr. Deputy Speaker, Sir, as the area MP, he should advise his people not to corrupt these loaders.

*Question No.465*

DESTRUCTION OF FLAMINGO PRIMARY  
SCHOOL ROOF BY BABOONS

**Mr. Mirugi** asked the Minister for Tourism and Wildlife:-

- (a) whether he is aware that baboons destroyed the roof of Flamingo Primary School thus occasioning damage to the ceiling;
- (b) whether he is further aware that monkeys and a tiger have been wrecking havoc in Mwariki/Barut area near the park;
- (c) when the KWS will fund the reconstruction of the ceiling, compensate farmers for crop destruction and build a monkey-proof fence around the park.

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

(a) I am aware that baboons destroyed the roof of Flamingo Primary School thus occasioning damage to the ceiling.

(b) I am also aware that monkeys, and not tigers, have been destroying crops in the Mwariki/Barut area. As we know, Kenya has no tigers.

(c) Kenya Wildlife Service has completed the reconstruction of the roof covering four classrooms at Flamingo Primary School at the cost of Kshs973,470. Under the current Wildlife Conservation and Management Law, Cap.376, there is no compensation for crops and property damaged or destroyed by wildlife. The KWS has already started construction of a 74-kilometre monkey-proof fence. In this financial year, the park has also been allocated Kshs3.5 million to continue with the construction.

**Mr. Mirugi:** Mr. Deputy Speaker, Sir, I would like to thank His Excellency the Vice-President and Minister for Home Affairs for the answer. But the roof was destroyed, thus occasioning damage to the ceiling. When will the Kenya Wildlife Service (KWS) fund the reconstruction of the ceiling now that they have repaired the roof?

**Mr. Awori:** Mr. Deputy Speaker, Sir, the amount of money that we had could only manage the repair of the roof. I will ensure that the Minister allocates money in his budget to repair the ceiling.

**Mr. Sungu:** Mr. Deputy Speaker, Sir, cases of conflict between wildlife and human beings

are rampant in Kenya. In my own constituency, we have rogue hippopotamus trampling upon individuals on farms and moving even as far as ten kilometres inland. The Vice-President and Minister for Home Affairs even knows about it because he has the same kind of problem in his constituency. What policy does the Government have to ensure that we end this conflict completely? These animals, including the baboons, cannot be arrested and put in prisons. What policy can help us manage this conflict permanently?

**Mr. Awori:** Mr. Deputy Speaker, Sir, when God created this earth, he created man, woman and wildlife. He gave the human being intelligence to co-exist with wildlife. It is, therefore, necessary for us to learn conflict resolution between human beings and wildlife.

**Capt. Nakitare:** Mr. Deputy Speaker, Sir, I thank the Vice-President and Minister for Home Affairs for his eloquent answers. He has gone Biblical. But the issue of primates is not confined in the national parks alone. On the riparian, we have monkeys and baboons. They are a total disgrace to large-scale farmers, especially those who grow maize and bananas. What plans does the KWS have to contain the situation to prevent the wanton destruction of crops by these primates?

**Mr. Awori:** Mr. Deputy Speaker, Sir, we appreciate the good work that the farmers do to ensure that there is food security. As a result, we intend to increase the number of game wardens to ensure that, at all times, they push the primates away from the crops of the farmers. **Mr. Lesrima:** Mr. Deputy Speaker, Sir, a large number of Questions, probably 50 per cent of the Questions, on human/wildlife conflict in this House are with regard to monkeys. We heard about monkeys in Kijabe High School and monkeys disturbing ladies in Kabete!

Mr. Deputy Speaker, Sir, is the Vice-President and Minister for Home Affairs aware that there is a huge market for monkeys in the United States of America (USA) for research, China and parts of Africa for food? Could he consider the policy of exporting monkeys to those countries so that we earn resources to protect a smaller number of monkeys?

**Mr. Awori:** Mr. Deputy Speaker, Sir, this is a Government that respects life. It does not accept that animals should be used for experiments. It, therefore, will not export monkeys for other countries to carry out experiments on them.

**Mr. Sambu:** On a point of order, Mr. Deputy Speaker, Sir. Is His Excellency the "President" in order to mislead the House that monkeys should not be sold for carrying out research on medicine when he knows for sure that all medicines, before they are used on human beings, are experimented on monkeys which are the closest animals to human beings?

**Mr. Awori:** Mr. Deputy Speaker, Sir, first of all, I want to thank the hon. Member for promoting me to the Presidency, but I am still the Vice-President and Minister for Home Affairs!

Secondly, while I accept that from time to time animals must be used for experiments, I feel that this Government should not be party to torture of animals.

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

**Mr. Mirugi:** Mr. Deputy Speaker, Sir, I am very much concerned with compensation to farmers for the crops destroyed by these animals. Could the Ministry consider culling monkeys in Lake Nakuru National Park to reduce their numbers so that they stop disturbing farmers? When will the Minister table the new Wildlife Policy which we have been talking about in this House for the last few months? We are waiting for that policy so that they can start compensating farmers for this crop destruction.

**Mr. Awori:** Mr. Deputy Speaker, Sir, I can tell the House that, indeed, the Cabinet has already approved the Wildlife Policy which should be coming to this House for debate and approval. When it does, there will be adequate compensation to farmers for the crops that are destroyed.

As to the monkeys and other animals that are around Lake Nakuru, once again, I can only

say that the wardens from the KWS will intensify their efforts to ensure that they do not interfere with the lake.

**Mr. Deputy Speaker:** Next Question by the Member for Keiyo North!

*Question No.475*

DELAY IN PAYMENT OF PENSION  
DUES TO MR. CHEMJOR KEITANY

**Mr. Chepkitony** asked the Minister for Energy when Mr. Lawrence Barnabas Chemjor Keitany, who retired from the Kenya Power and Lighting Company Limited on 1st June, 2001, will be paid pension dues in accordance with Rule 7(b) and 7(c) of the Trust Deed and Rules of his retirement benefits scheme.

**The Assistant Minister for Energy** (Mr. Kiunjuri): Mr. Deputy Speaker, Sir, I beg to reply.

It is true that Mr. Lawrence Keitany, ex-service number 3636, was an employee of the Kenya Power and Lighting Company, who retired from the company's service as Deputy Managing Director with effect from 1st June, 2001. As per the Trust Deed and Rules prevailing at the time he retired, he was paid a lumpsum of Kshs540,000 (taxable) and a monthly pension of Kshs135,303. However, Mr. Keitany declined to be paid the lumpsum of Kshs540,000 and demanded, instead, to be paid one-third of his total contribution to the Retirement Benefit Scheme Fund. He has since instituted court proceedings against the Kenya Power and Lighting Company for payment of one-third of his lumpsum, and the matter is still pending in court awaiting determination. Despite taking the company to court, Mr. Keitany accepted the monthly pension of Kshs135,303, which is currently being remitted to his bank account.

**Mr. Chepkitony:** Mr. Deputy Speaker, Sir, I would like to thank the Assistant Minister for the answer. However, the answer is not correct. This is because as at the time Mr. Keitany retired on 1st June, 2001, there was a new rule which took effect from 15th May, 2001. The new rule allowed the payment of one-third of the total amount to be paid to the employees who retire. Could the Assistant Minister tell this House when he is going to pay Mr. Keitany his money using the new rule which took effect from 15th May, 2001?

**Mr. Deputy Speaker:** Before the Assistant Minister does that, Mr. Chepkitony has said that Mr. Keitany has already sued the Kenya Power and Lighting Company on the same matter. He has said that the matter is before the court to decide. Are you trying to get the House or the Assistant Minister to decide here whether the matter is in court? Mr. Chepkitony, what is the position?

**Mr. Chepkitony:** Mr. Deputy Speaker, Sir, while it is true the matter is before the tribunal, I would like the Assistant Minister to confirm whether the new rules took effect from 15th May.

**Mr. Deputy Speaker:** I think the Chair finds it difficult that the hon. Member agrees that the matter is pending determination by a tribunal where Mr. Keitany has submitted it and at the same time, you want the Assistant Minister to commit the company on a matter that is before a tribunal. Mr. Assistant Minister, what do you say because I find it completely not in order?

**Mr. Kiunjuri:** Mr. Deputy Speaker, Sir, we cannot discuss this matter any further because it will be *sub judice*. The questions that the hon. Member is raising are the ones which have already been raised before the tribunal and any further comments might lead to contempt of the tribunal and I am not willing to do that. I am still very much willing to be the hon. Member for Laikipia East come the next general election.

**Mr. Deputy Speaker:** The Chair supports you on that, Mr. Assistant Minister, because if

Mr. Keitany wanted the matter to be raised in Parliament, he should not have taken it to court. If he took it to the tribunal as the hon. Member has agreed, then we have no business discussing it.

**Mr. Chepkitony:** Mr. Deputy Speaker, Sir, according to the information that I have, the Retirement Benefits Authority Tribunal was given authority to enter into negotiations with the retiree and agree on a flat rate payment per month. There is a leeway which was given.

**Mr. Deputy Speaker:** But the leeway was given for them to negotiate. Now we are not negotiating. Mr. Chepkitony, let us stick to the rules of the House. The matter is before the tribunal awaiting determination. I do not think it is fair for you to expect the Assistant Minister to get involved in this matter at this time. Therefore, this matter should await the determination of the tribunal.

Let us proceed!

*Question No.054*

STALLING OF MARALAL BUS PARK

**Mr. Lesrima** asked the Minister for Local Government:-

- (a) whether he is aware of the stalled bus park project at Maralal Town Council; and,
- (b) what the value of the contract is.

**Mr. Deputy Speaker:** Has the Minister for Local Government been found? Your Excellency the Vice-President and Minister for Home Affairs, have you found the Minister for Local Government?

**The Vice-President and Minister for Home Affairs** (Mr. Awori): Mr. Deputy Speaker, Sir, I am sorry, I have not been able to find the Minister for Local Government.

**Mr. Deputy Speaker:** In that case, like it happened this morning, the Chair now orders the Minister for Local Government to answer this Question on Tuesday afternoon. Therefore, Your Excellency the Vice-President and Minister for Home Affairs, you will inform the Minister that it has been ordered by the Chair that the Question shall be answered on Tuesday, next week in the afternoon.

Hon. Members, that concludes Question Time.

**POINT OF ORDER**

TERMS AND CONDITIONS OF NEW  
TRADE CO-OPERATION REGIME

**Mr. Ndambuki:** Mr. Deputy Speaker, Sir, the Minister for Trade and Industry was supposed to issue a Ministerial Statement I requested two weeks ago.

**Mr. Deputy Speaker:** Minister for Trade and Industry! Did he promise that he would issue the Statement today?

**Mr. Ndambuki:** Yes, Mr. Deputy Speaker, Sir.

**Mr. Deputy Speaker:** Well, I think the Vice-President and Minister for Home Affairs will take note of that again. The Minister for Trade and Industry will not issue his Statement today, which he promised to do yesterday.

Hon. Members, before we go to the next Order, there is a Ministerial Statement on a matter raised by an hon. Member on fake currency. The Statement will be issued by the Minister for Finance.

**MINISTERIAL STATEMENT**

## CIRCULATION OF FAKE MONEY IN BUSIA

**The Minister for Finance** (Mr. Kimunya): Mr. Deputy Speaker, Sir, last week, an hon. Member of Parliament requested a Ministerial Statement regarding some fake currency notes that were reported to have been intercepted at the Busia Border. I wish to state as follows:

On 10th September, 2007, one Wycliffe Otiende, a Ugandan national, was found in possession of 130 pieces of paper each of the size of 1,000 denomination Kenya currency notes. The papers had been dipped in a dye and were purportedly in the process of being made into Kshs1,000 notes. The suspect was then arrested, taken to Busia Police Station and charged before the court on 11th September, 2007 where he denied the charges. The case is pending before the court and is coming up for hearing on 19th November, 2007.

The Central Bank of Kenya (CBK) and police officers who were dispatched to find out what was happening on the ground observed that the dyed pieces of paper had no semblance to the genuine Kenyan currency.

Mr. Deputy Speaker, Sir, I wish to assure the august House and the entire nation that the Kenyan currency is minted to the highest international standards and the attempt by the counterfeiters does not constitute any threat to its integrity. I also wish to assure hon. Members that no counterfeiters had been able to copy the key safety features of our currency and the general public need only to be alert to avert the risk of accepting fake currencies. Should the incidences of fake currencies increase, we are ready to undertake public awareness campaigns to protect the innocent citizens.

Thank you.

**Mr. Deputy Speaker:** Thank you, Minister. It was actually Prof. Mango who raised the matter, but she is not in to seek clarification. Is there any hon. Member who would wish to seek clarification? There is none!

Next Order!

**BILL***First Reading*

## THE APPROPRIATION BILL

*(Order for the First Reading read - Read  
the First Time - Ordered to be read  
the Second Time today)*

*Second Reading*

## THE APPROPRIATION BILL

**The Minister for Finance** (Mr. Kimunya): Mr. Deputy Speaker, Sir, I beg to move that the Appropriation Bill, 2007, be now read a Second Time.

Mr. Deputy Speaker, Sir, I wish to confirm to the House that His Excellency the President has given his consent to this Bill. The Appropriation Bill, 2007, seeks the statutory approval by

Parliament of the Government expenditures contained in the Estimates of the Financial Year, 2007/2008. The Estimates of Recurrent and Development Expenditures were laid in this House in June, 2007 and the Vote on Account was approved on 21st June, 2007. We have, therefore, been implementing our national Budget strictly within the confines of the authority granted by this House.

I wish to thank hon. Members for their foresight in approving the Vote on Account so that essential services from Government do not stall. Equally important is the subsequent quality debate and contributions by hon. Members during the Committee of Supply. This House approved the Estimates on 11th September, 2007. I wish to also thank hon. Members for adopting the Guillotine process in order to create room for debate on the outstanding business of this House.

Mr. Deputy Speaker, Sir, events that will soon follow, indicate that this might be our last Committee of Supply for this Session of Parliament. I, therefore, wish to request the indulgence of this House, to mention briefly the economic growth we have achieved and the vision that we have for this great nation.

Mr. Deputy Speaker, Sir, as I mentioned during my moving of the Vote on Account for the Financial Year 2007/2008, we continue to institutionalise financial reforms. I can now say that we have made effective progress in the following priority areas: We have improved cash management that has resulted in timely disbursement of funds to the Ministries and departments; we have also streamlined the procurement process. We have had significant gains and more will be made in this area when we make the Procurement Authority operational, which I hope to do before the end of this year, immediately I get confirmation on the names from the relevant Departmental Committee of Parliament.

On tax administration, we have had significant success on the reforms that we have been undertaking. This has resulted in a steady rise in our revenue receipts, almost doubling over the last four years.

Mr. Deputy Speaker, Sir, the following areas will continue to be reviewed to identify areas that require change in procedure and other enhancements. The first of these will be the Budget formulation methodologies that will be seeking and appropriated mix for enhanced growth, the enhancement of Budget management techniques to achieve credibility of the Budget through structured disbursements to the Ministries and issuance of timely finance management policies and guidelines.

Mr. Deputy Speaker, Sir, we will also be working on the enhancement of transparency and accountability in Budget preparation and implementation, for example, in the adoption of programme budgeting that will clearly indicate performance measures and outcome indicators.

The measurable gains that we made as a result of the above reforms and adhering firmly to the tenets of Economic Recovery Strategy (ERS). Our growth has been as follows in summary: In 2003, this country witnessed a Gross Domestic Product (GDP) growth of 3 per cent. This rose to 4.5 per cent in 2004. It rose further to 5.6 per cent in 2005.

In 2006, the GDP growth rate rose to 6.1 per cent. For the year 2007, we project the GDP growth rate of about 6.9 per cent to 7 per cent, which is expected to rise to 10 per cent by the year 2012.

We will continue to build on the foundation that we have laid on our focus after the recovery. Our aim is to steer this nation to greater prosperity. We have, therefore, through a collaborative process, identified a road map that will lead us to this objective and that is the Kenya National Vision 2030.

Mr. Deputy Speaker, Sir, this long-term development strategy is anchored on three pillars notably, the economic pillar, the social pillar and the political pillar. We have identified several flagship projects that we intend to mainstream in our medium-term Budget strategy.



In order to successfully implement this grand plan, the following activities, which are a prerequisite will be undertaken.

The first one is to develop a medium-term plan for 2008 to 2012 for Vision 2030, through a participatory and inclusive process. The second prerequisite is to constitute the medium-term plan sector teams. The third one is to orientate our expenditure through strategic shifts in budgetary allocations in order to implement our medium-term priorities.

Mr. Deputy Speaker, Sir, I wish to thank you for allowing me those few minutes to share with hon. Members the plans and strategies that we have for the economic growth of our country. Allow me to now turn back to the issues of the current Budget. Mr. Deputy Speaker, Sir, despite the heavy schedule before this House, I am very happy that hon. Members managed to discuss and approve the seven Votes during the allotted time and the rest of the Votes were approved through the Guillotine procedures in accordance with Standing Order No.142(7).

Mr. Deputy Speaker, Sir, we have been conscious of the fact that this House, over the years, has been unable to debate all the Votes in the Committee of Supply due to time constraints. So, in order to inform this House on Budget proposals, we are working on a Budget Formulation Strategy that will make Budget preparation and presentation, transparent and performance-oriented. Therefore, our plan is to present the Budget in form of proposed programmes that will be included in the Budget Strategy Paper that will be presented and discussed by Members of the House for approval.

Later, after perfecting programme budgeting performance measurement will be indicated that will make it quite easy to audit performance and accountability.

Mr. Deputy Speaker, Sir, we are practising those procedures and I want to assure this House---

### QUORUM

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

**Mr. Deputy Speaker:** What is it, Mr. Osundwa?

**Mr. Osundwa:** On a point of order, Mr. Deputy Speaker, Sir. There is no quorum in this House.

**Mr. Deputy Speaker:** Yes, indeed, I am told that there is no quorum. Therefore, may the Division Bell be rung.

*(The Division Bell was rung)*

### ADJOURNMENT

**Mr. Deputy Speaker:** Order, hon. Members! We have not realised the requisite quorum, but the Chair must express his concern by the frequent number of adjournments of the House on account of lack of quorum.

Yesterday, you may recall that we had to adjourn prematurely because there was no quorum. This morning, the House could not fully conduct its business for lack of quorum. Now, I am forced to adjourn the House because there is no quorum. Therefore, the Chair must express its disappointment over this matter.

Therefore, this House is adjourned until tomorrow, Thursday, 27th September, 2007 at 2.30 p.m.

The House rose at 3.20 p.m.