

NATIONAL ASSEMBLY

OFFICIAL REPORT

Thursday, 30th October, 2008

The House met at 2.30 p.m.

[Mr. Deputy Speaker in the Chair]

PRAYERS

QUESTIONS BY PRIVATE NOTICE

IRREGULARITIES IN KAA ERP TENDER AWARD

(Mr. Magerer) to ask the Minister for Transport:-

(a) Could the Minister table before the House documents relating to the Kenya Airports Authority tender for the supply, installation, implementation and commissioning of an integrated Enterprise Resource Planning System (ERP)?

(b) Is the Minister aware that the KAA Board has formed an oversight tender committee contrary to the Public Procurement and Disposal Act, which board has altered parts of the above tender's requirements to suit a company associated with some of the Board members?

(c) Given the foregoing anomalies, could the Minister consider cancelling the tender and order re-tendering?

Mr. Deputy Speaker: Mr. Langat is busy on parliamentary business and he is not available. We will defer this Question to some time next week.

(Question deferred)

GOVERNMENT SUPPORT FOR COTTON FARMING

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

(a) What steps is the Government taking to support cotton farming and development in the same line as has been done for coffee and tea farming and to operationalize the Cotton Act, Cap. 335, which established the Cotton Development Authority?

(b) When will the Minister effect the rehabilitation and operationalization of the Kisumu Cotton Mills to promote cotton processing and marketing as part of the cotton industry development and sustainability?

Mr. Deputy Speaker: Mr. Sambu not here? The Question is dropped.

(Question dropped)

ALTERNATIVE BUSINESS PREMISES
FOR BEACH OPERATORS

(Mr. Joho) to ask the Minister for Tourism:-

(a) Could the Minister confirm that beach operators at the Coast have been issued with notices to vacate the beaches?

(b) Could the Minister provide an alternative place for the beach operators to conduct their businesses, considering that the beaches have been their place of work since time immemorial?

(c) What plan does the Minister have to ensure that the beach operators do not lose their source of livelihood?

Mr. Deputy Speaker: Mr. Joho not here?

Mr. Koech: On a point of information, Mr. Deputy Speaker, Sir. The Orange Democratic Party (ODM) is holding its Parliamentary Group Meeting and the hon. Member is a member of the group.

Mr. Deputy Speaker: Order! Order, hon. Member! Parliament is supreme and has jurisdiction.

The Question is dropped.

(Question dropped)

ORAL ANSWERS TO QUESTIONS

Question No.415

INDISCRIMINATE CUTTING OF
TREES IN KITISH FOREST BY
ILLINOIS RESEARCHER

Mr. Deputy Speaker: Mr. Letimalo not here? The Question is dropped.

(Question dropped)

Question No. 107

NON-COMPENSATION FOR RELOCATION
OF COMMUNITY FACILITIES IN CHEBARA

Mr. Deputy Speaker: Mr. Kaino not here? The Question is dropped.

(Question dropped)

Mr. Koech: On a point of order, Mr. Deputy Speaker, Sir. It really raises concern when we drop very important Questions and all these Questions belong to Kenyans.

Mr. Deputy Speaker: Order, Mr. Koech! Much as you are a freshman in this House, you are Committee Chairman. This is a body that legislates. A body that legislates makes rules for the whole country called "Kenya". The least those same hon. Members who make rules for this country can do is to follow their own rules. The House convenes at 2.30 p.m.

Mr. K. Kilonzo: On a point of order, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: You are not raising a point of order because of another hon. Member or a Minister. Is it to the Chair?

Mr. K. Kilonzo: Yes, Mr. Deputy Speaker, Sir. Your sword of justice in this House is supposed to cut both ways. Many a time, Questions have been asked here and the Ministers are not present to answer them. You have used your discretion to defer those Questions because Ministers are not there. I would urge you to use the same discretion, given the importance of these Questions, to defer them instead of dropping them. They are the property of this House and they are important to the nation.

Mr. Deputy Speaker: Order! Order! Mr. K. Kilonzo, I hope you understand the rules. If the hon. Member has a very compelling reason for not being in the House, he should put his appeal to the Chair and the Chair will consider whether they are compelling reasons for the Question to be reinstated. Nonetheless, we cannot postpone the business of the House because we are waiting for Members of Parliament who are outside the House now.

Mr. K. Kilonzo: Can we defer those Questions?

Mr. Deputy Speaker: Deferring has got rules. Hon. Members, read the Standing Orders! Next Question!

Question No.184

WAIVER OF VAT ON TOURISM TRAVELS

Mr. Kariuki asked the Minister for Finance:-

- (a) whether he is aware that although he has waived tax on gym equipment for hotels, the subsequent imposition of 16 per cent Value Added Tax (VAT) on tourism travels is bound to make Kenya less competitive, particularly in the face of adverse effect on tourism sector during the recent post-election crisis; and,
- (b) whether he could confirm when he will waive the said 16 per cent VAT.

Mr. Deputy Speaker: Mr. Kariuki, information that is held by the Speaker's office through the Clerk is that the hon. Minister is not available and has requested for this Question to be deferred to another time.

Mr. Kariuki: Mr. Deputy Speaker, Sir, this is the second time this Question is being deferred.

Mr. Deputy Speaker: Deputy Leader of Government Business, the House does not take kindly to Ministers having their Questions deferred for the second time again. If the Minister is not around, where is the Assistant Minister?

The Minister for Justice, National Cohesion and Constitutional Affairs (Ms. Karua): Mr. Deputy Speaker, Sir, in view of the request to the Chair by the Minister, I would plead that the Question be deferred. There must be a special reason for this but ordinarily when the Minister is away, it is true the Assistant Minister can answer the Question.

Mr. Deputy Speaker: Under the circumstances, since the Chair had previously assented to the fact that this Question will be deferred to another date--- Nonetheless, it is news to the Chair right now that this Question is being deferred for the second time. This is the last time the Minister has to answer this Question. Please, indicate that to him.

The Minister for Justice, National Cohesion and Constitutional Affairs (Ms. Karua): We will make sure that it is answered next time.

Mr. Deputy Speaker: Next Question, Mr. Kiilu!

Question No.393

NON-COMPLETION OF MUTYAMBUA/MBENUU DISPENSARIES

Mr. Kiilu asked the Minister for Public Health and Sanitation:-

(a) whether she could state the identity of the firm that was awarded the tender for the construction of Mutyambua and Mbenuu dispensaries in Mbitini Division on 16th June, 1998,

(b) what the terms and scope of the work in the contract were, and,

(c) whether she could explain why the contractor abandoned the sites and indicate when the construction works are expected to resume.

Mr. Deputy Speaker: The Minister for Public Health and Sanitation not here? Madam Deputy Leader of Government Business, what explanation do you have for the absence of both the Minister and the Assistant Minister?

The Minister for Justice, National Cohesion and Constitutional Affairs (Ms. Karua): May I request that as you call the Question for the second time, I will have found out if there is an answer that I can give or state the position. I apologise for the lateness by the Ministry.

*(Ms. Karua was provided with
the written reply)*

Mr. Deputy Speaker: Order! Order! Madam Deputy Leader of Government Business, proceed and answer the Question.

The Minister for Justice, National Cohesion and Constitutional Affairs (Ms. Karua): Mr. Deputy Speaker, Sir, on behalf of the Minister for Public Health and Sanitation, I beg to reply.

(a) M/s Bosco General Contractors was awarded the tender to build Mutyambua Dispensary which was funded through external aid by the Japanese (CPF) government under Vote D11 113, 335, 473, 401 Development Estimates of 1997/1998 financial year. However, there was no award for construction of the Mbenuu Dispensary.

(b) The terms and scope of the work for Mutyambua Dispensary were as follows: Terms of contract - contract period - 36 weeks; cost Kshs9,458,564; commencement date - 27th March, 1998 and the expected completion date was 4th December, 1998. Work stalled the same year; that is, in 1998. The scope of work were MTH block, waiting area, outpatient block, inpatient and external works.

(c) The project was terminated through a mutual winding up between the contractor and the Medical Officer of Health, Makueni, on 11th October, 2001 when no more funds were forthcoming. However, the two projects were never captured when the Government was taking stock of all the stalled projects countrywide which is currently being handled by the Ministry of Public Works. The project was supposed to upgrade the two facilities to health centres. Since the project never took off the two facilities are still operating as dispensaries. The Ministry is in the process of liaising with the Ministry of Public Works in order to have the project completed under Government Stalled Projects Programme.

Mr. Kiilu: Mr. Deputy Speaker, Sir, I want to thank the Minister for the answer that she has given. How does the Government fail to take stock of its projects? It is now ten years since the project was abandoned. How did you fail to take cognisance of a stalled project?

Ms. Karua: Mr. Deputy Speaker, Sir, hon. Members will recall that there were so many stalled projects in the whole country as at the end of 2002. Since 2003 the Government has done its

best to complete stalled projects and also to take stock of the stalled projects. The hon. Member may wish to agree that a lot has been accomplished. However, regrettably, this project was not captured. The Ministry's attention has been drawn to it and the Government will do its best to complete this stalled project.

Mr. Kiilu: Mr. Deputy Speaker, Sir, when will the Ministry commence work on this project?

Ms. Karua: The Ministry will commence work as soon as the Ministry of Public Works finish their assessment. We will do our best to see that it is captured in the forthcoming budget.

Question No.337

ELECTRIFICATION OF KIPKAREN
DIVISIONAL HEADQUARTERS

Mr. Koech asked the Minister for Energy what plans he has to provide the Kipkaren Divisional Headquarters with electricity.

The Minister for Justice, National Cohesion and Constitutional Affairs (Ms. Karua): Mr. Deputy Speaker, Sir, on behalf of the Minister for Energy, I beg to reply.

The Kipkaren Divisional Headquarters is scheduled to get electricity by January, 2009, at an estimated cost of Kshs6.1 million under the French Government Development Credit for Phase II.

Mr. Koech: Mr. Deputy Speaker, Sir, I would like to sincerely thank the Minister because he has since visited the site. The only thing that I would like to request the Minister is to confirm that the funds are now available and that the work will actually be completed by January, 2009.

Ms. Karua: I will reiterate the answer that it is scheduled to get electricity by January, 2009, and that it will be under the French Government Development Credit Phase II. It is so confirmed.

Mr. Koech: Mr. Deputy Speaker, Sir, for once, the Government is working. I commend them 100 percent.

Question No.451

NUMBER OF STUDENTS AFFECTED BY
EXAMINATIONS IRREGULARITIES IN 2007

Mr. Bett asked the Minister for Education:-

(a) how many secondary schools and pupils were affected by examination cheating or leakage in 2007,

(b) in what form and nature the examination irregularities were, and;

(c) what steps the Ministry has taken particularly this year, to ensure the irregularities do not recur.

The Minister for Justice, National Cohesion and Constitutional Affairs (Ms. Karua): Mr. Deputy Speaker, Sir, on behalf of the Minister for Education, I beg to reply.

(a) The total number of secondary schools affected by examination irregularities during 2007 KCSE examination was 243 while 1,875 candidates were involved in examination irregularities.

(b) The form and nature of examination irregularities were collusion; candidates receiving assistance from one another or from a third party; candidates caught with pre-prepared notes and

other unauthorised materials during the examination; candidates caught with mobile phones during the examination; impersonation.

I would like to tabulate the cases shown below:-

(i) Collusion	1,107
(ii) Pre-prepared notes and other materials	804
(iii) Mobile phones	50
(iv) Impersonation	4

(c) The Ministry has taken the following steps to ensure examination irregularities do not recur in this year's and future examinations:-

(i) Examination materials including question papers are being dispatched on a weekly basis unlike in the past when they were dispatched at a go. This is meant to ensure that at no time are all the 2008 KCSE papers out there in the various distribution centres.

(ii) Security features have been introduced on the bags used to transport examination question papers.

(iii) Each bag has been secured with a hook and serialised plastic seal, which if tampered with or broken, cannot be used to reseal the bag.

(iv) Accountability documents have been introduced for verification and declaration of receipt at every handling point.

(v) All PDEs and DEOs have been thoroughly briefed on the administration of this year's KCSE examination.

(vi) All examination distribution centres were inspected in May, 2008, and those found to require strengthening to enhance security were strengthened.

(vii) A security monitoring team has been formed and it is in operation.

(viii) A team of senior Ministry officers has been set to monitor the administration of 2008 KCPE, KCSE and post school examinations from 21st October to 22nd November, 2008.

(ix) The Kenya National Examination Council (KNEC) Act has been reviewed to strengthen it more, to be able to deal with all forms of examination irregularities and spell out stiffer penalties.

Mr. Bett: Mr. Deputy Speaker, Sir, I want to thank the Minister for a comprehensive and elaborate answer. As you will notice, the number of schools involved in irregularities is 243 and the children are close to 1,900. That is a huge number and it is putting the credibility of our certificates in primary and secondary schools in jeopardy. I hope that what has been promised will be undertaken by the Ministry.

However, the KNEC Act has been reviewed. I would like the Minister to indicate when that review was done. I was in this House in the Ninth Parliament and this Tenth Parliament has not had the opportunity to look at this Act. When was this done?

Ms. Karua: Mr. Deputy Speaker, Sir, I mean that the Act is under review. We are going to bring the proposals before this august House.

Mr. Bett: Mr. Deputy Speaker, Sir, with that response, I am satisfied. I only hope that what the Minister has said will be implemented to the letter, so that the credibility of our certificates, be it in primary or secondary schools, continues to be of great importance.

Ms. Karua: Mr. Deputy Speaker, Sir, I have heard the hon. Member's concern. We will ensure that we do all the things that we have set out to do.

Question No.410

CENTRES IN IGEMBE SOUTH

Mr. Linturi asked the Minister for Public Health and Sanitation what plans she has to provide medical staff and fully operationalize Nthambiro, Kiraone and Kiegoi health centres which are fully equipped, but are not operational due to lack of staff.

The Assistant Minister for Public Health and Sanitation (Dr. Gesami): Mr. Deputy Speaker, Sir, I beg to reply.

The Government is in the process of recruiting additional health workers to be distributed to the needy facilities within the country. Nthambiro, Kiraone and Kiegoi health centres will be considered alongside other facilities in the country.

Mr. Linturi: Mr. Deputy Speaker, Sir, I am really surprised by the casual manner in which the Assistant Minister has answered this Question. Kiraone, Nthambiro and Kiegoi dispensaries have been built using public funds in my constituency. People have conducted Harambees to construct these health centres. For the last five years, these health centres have been fully equipped. I do not want to believe that the Government has not recruited health workers for the last five years. This shows that there is no seriousness on the Government's part to post health workers to these dispensaries.

Other than dwelling on generalities, I would like the Assistant Minister to tell this House when the Ministry will be through with the process of recruiting health workers? When should I expect health workers in these dispensaries? My people are dying! How many people must die, so that the Assistant Minister can be touched to send health workers in these health facilities?

Mr. Deputy Speaker: Hon. Linturi, you ask one supplementary question at a time! Proceed, Mr. Assistant Minister!

Dr. Gesami: Mr. Deputy Speaker, Sir, it is unfortunate that we will continue, as a Ministry, answering Questions about the shortage of health workers. For about ten years, the Government never recruited civil servants because of the World Bank and the IMF. This year, we are recruiting about 800 nurses. The 800 nurses for the whole country are not enough. It is my wish that we could look at the Vote of the Ministry of Public Health and Sanitation individually, so that we can see what this House can do for us in terms of asking the Treasury to allocate more resources to the Ministry, so that we can employ more nurses. We have over 6,000 nurses in this country.

Mr. Linturi: On a point of order, Mr. Deputy Speaker, Sir. The Assistant Minister is misleading the House. He is suggesting to the House that the Ministry writes a request to the Treasury to be given money to hire health workers.

If that is the major problem that the Ministry is facing, could they make a request and bring it to the House for us to approve, so that health workers can be hired?

Dr. Gesami: Mr. Deputy Speaker, Sir, I do not know whether that was a question or a comment. However, we have actually requested for more money to employ more health workers. The lack of nurses in this country is not only limited to the hon. Member's constituency. It is actually all over the country. We would wish to get money to employ more nurses to work in our health facilities.

Mr. K. Kilonzo: Mr. Deputy Speaker, Sir, Members of Parliament have asked similar Questions concerning their constituencies. Sometimes, it is confusing because some of the Questions have been answered by the Ministry of Medical Services. At some point, we do not actually know whether it is the Ministry of Public Health and Sanitation or the Ministry of Medical Services. Be that as it may, constituencies have dispensaries which have been built using the CDF, but they do not have staff. What measures is the Assistant Minister taking to ensure that these facilities are staffed as soon as possible, so that wananchi can access health care?

Dr. Gesami: Mr. Deputy Speaker, Sir, health workers are shared between the two

Ministries. The Ministry of Medical Services has health workers in provincial, district and sub-district hospitals. The Ministry of Public Health and Sanitation has nurses and health workers in dispensaries and health centres. However, we do not have enough funds to recruit the required number of nurses. I know for sure that the CDF and the Government have actually constructed several health facilities, but we lack the human resource. We are discussing this issue with the Public Service Commission, the Ministry of State for Public Service and the Treasury to see whether they can give us more funding to employ nurses.

Mr. Wambugu: Thank you, Mr. Deputy Speaker, Sir, for giving me a chance to ask a question. The Assistant Minister has said that the Ministry is soon going to recruit 800 health workers. The issue of recruitment in this country has been very sensitive. What formula has the Ministry come up with to arrive at the figure of 800 nurses? How many of the 800 nurses will benefit the people of Mathioya?

Dr. Gesami: Mr. Deputy Speaker, Sir, you will realise that, that is a different Question. However, the 800 nurses are based on the available resources. In other words, we can only employ 800 nurses this year. As I have already said, there is no criteria of saying how many nurses we are going to employ. In fact, we need over 10,000 nurses to provide health services in this country.

Mr. Abdirahman: Mr. Deputy Speaker, Sir, you have heard the honest and open admission by the Assistant Minister that even the 800 nurses will not be enough. It is not up to the citizens of this country to find solutions to problems. It is up to the Government to tell us how best it can address this problem, which it has failed to. The shortage of staff in key sectors, including education and health, cannot be addressed in the foreseeable future. It is not that we do not have enough nurses. The nurses are not distributed evenly.

Could the Assistant Minister consider, as a matter of priority, deploying nurses from the areas that are over-staffed to areas that are under-staffed, including Wajir South and Igembe South?

Dr. Gesami: Mr. Deputy Speaker, Sir, there is no single health institution in this country which has enough staff. Last week, I answered a similar Question here about Ijara. You will realise that some of the nurses that we had sent to Ijara resigned. They said that they could not work there. As the Government, we shall try our best to continue recruiting and posting nurses to those areas when funds become available.

Mr. Linturi: Mr. Deputy Speaker, Sir, since the Assistant Minister has conceded to the fact that he does not have enough health workers to post to every dispensary, I would like him to tell us how many health workers we require in this country. How much money is required to recruit the nurses and post them to health facilities? Next time, maybe the Ministry of Finance will be in a position to factor these figures into the Budget. In my opinion, health is very crucial for this country.

Dr. Gesami: Mr. Deputy Speaker, Sir, I want to indicate to the hon. Member that we require about 34,000 nurses for both public and private sectors in this country to give proper services. At the moment, we have about 16,000 nurses in the two Ministries.

Dr. Monda: On a point of order, Mr. Deputy Speaker, Sir. The Assistant Minister for Public Health and Sanitation has told the House that the Ministry does not have enough funds to recruit nurses. Would I be in order to ask the Chair to ask the Leader of Government Business to tell us when the funds will be available, so that technical people in all the Ministries can be employed and the problem of the shortage of staff is solved once and for all?

Mr. Deputy Speaker: The Deputy Leader of Government Business, when will the funds be available?

The Minister for Justice, National Cohesion and Constitutional Affairs (Ms. Karua): Mr. Deputy Speaker, Sir, I require some guidance from the Chair. Can one Question be answered by two Ministers, really? It is unprocedural. If the hon. Member wants to ask about funds, he

should ask a separate Question. It is not that I do not have the answer, but---

Mr. Deputy Speaker: Indeed, the Deputy Leader of Government Business is right! If you want to ask a Question on when funds will be available for all the Ministries, literally cross-cutting all the departments of the Government, you should put the Question in its own right and direct it, in my opinion, to the Prime Minister. Should the Leader of Government Business, the Deputy Leader of Government Business or the Minister for Planning, National Development and Vision 2030, choose to answer the Question, that will be okay.

Anyway, that is a Government policy. The Minister for Planning, National Development and Vision 2030 or the Minister for Finance can also answer. Nonetheless, it not for the Deputy Leader of Government Business to answer now.

Mr. K. Kilonzo: On a point of order, Mr. Deputy Speaker, Sir. With a lot of respect to you, you have spent almost two minutes trying to tell us where to direct Questions to. We need clarity in this House. The business of this House should be taken very seriously. Would I be in order to ask you to give us proper direction on where Questions to do with funds should be directed to?

Mr. Deputy Speaker: Indeed, if it is funds for projects, that would then be cross-cutting. I thought it was the Ministry of Finance, but I am at a loss on the issue of employment across the board. I thought that would be the Ministry of Planning, National Development and Vision 2030. That is my presumption. I could be wrong. But nonetheless, hon. Deputy Leader of Government Business, you could give us the direction on this.

Mr. Linturi: On a point of order, Mr. Deputy Speaker, Sir. My assumption on this matter is that the relevant Ministry should request for funds from the Ministry of Finance. We are really bothering the Assistant Minister for Public Health and Sanitation because we want him to clarify to this House whether he is in a position to send the request for funds to the Minister for Finance, so that this money is factored into the Budget next year.

Mr. Deputy Speaker: It is getting clearer to me, Mr. Assistant Minister for Public Health and Sanitation. You have said "when funds will be available". Did you, indeed, ask for the funds from the Treasury to see whether the Treasury will have the funds availed to you? What are the other bottlenecks in this case?

Dr. Gesami: Mr. Deputy Speaker, Sir, we have factored our request in our Vote, but the only amount available was enough to recruit the 800 nurses.

Mr. K. Kilonzo: On a point of order, Mr. Deputy Speaker, Sir. My earlier point of order was to get direction. In this House, directions are given by the Chair. In the event the Chair is unable to give directions at a point in time, he asks for time to come and give the direction. I know you are very informed. I am sure you are going to give us the proper direction to avoid ambiguity in future.

Mr. Deputy Speaker: Hon. Members, in the event that a Minister rises and says that such-and-such Government plans are going to be implemented when funds are available, it is upon the Minister himself to indicate when he will have the funds available from the Treasury. He should give a timeframe in that case. Should that be beyond the Minister's capacity, then we can ask the Prime Minister, the Leader or the Deputy Leader of Government Business to intervene.

As far as jurisdiction is concerned, it is fairly clear. Every Ministry is doing its own recruitment and every Ministry sources for funds from the Treasury.

Next Question!

Question No.135

ESCALATION OF BASIC FOOD ITEMS PRICES

Mr. Lekuton asked the Minister of State for Planning, National Development and Vision 2030:-

- (a) whether he could explain why the prices of basic food items and other essential commodities are skyrocketing; and,
- (b) what specific measures he is taking to ensure that the situation is arrested and all Kenyans are able to feed their families and afford other essential commodities.

The Minister of State for Planning, National Development and Vision 2030 (Mr. Oparanya): Mr. Deputy Speaker, Sir, I beg to reply.

(a) Globally, the prices of key food commodities, particularly maize, rice and wheat, which are the main staple foods in

many countries including Kenya, have risen tremendously in the last two years. This has happened because of both external and internal factors. The external factors which are beyond our control are:-

(i) Increase in world oil prices. At the moment, oil prices have been increasing for the last three years. At the moment, the price of crude oil is at US\$72 per barrel and locally, petrol and diesel prices are mainly close to Kshs100 per litre. This is obviously because oil is used for transportation, manufacturing and power generation. That has made the prices to go up.

(ii) The strengthening of the US Dollar due to some external factors like the financial crisis that we are having.

(iii) The increasing use of agro-fuels. The increase in oil prices has led to a search for alternative sources of energy such as bio-fuel made from grains. The conversion of food products into bio-gas fuel has reduced the amount of food coming into the world market, leading to higher food prices.

Climate change in the world has affected countries like Australia and Bangladesh which produce a lot of wheat and because of that, these countries are forced to import wheat. Of course, this is also due to increased demand for food generally due to increase in population in China and India.

Mr. Deputy Speaker, Sir, internally, why we have had high increase in food prices is because of the inadequate infrastructure that we have in our country. This has the effect of affecting our production and, therefore, the prices.

Change of weather has also led to the high prices. In 2005/2006, we had crop failure due to drought.

Also increase of population in Kenya has led to this situation. The population has been increasing at 2.7 per cent and this has not been matched by increase in production.

Mr. Deputy Speaker, Sir, post-election violence which happened early this year has also affected us because it affected agriculture, tourism, manufacturing and transport. It also led to the displacement of farmers and farm labourers leading to delayed farm production.

(b) The Government has taken the following measures:-

(1) It has zero-rated VAT on basic food commodities which include wheat, milk and maize flour.

(2) The Ministry of Agriculture has also initiated measures to make fertiliser available to the farmers at affordable prices. It has also made seeds accessible to farmers. The same has happened to credit.

(3) The Government has allocated, in this financial year's Budget, Kshs65 billion to finance new construction, rehabilitation and routine maintenance of various roads.

(4) The Government has undertaken to reduce some of the costs on energy by removing

VAT so that energy, like electricity, is affordable.

(5) There are other few social target measures that have been outlined in our medium-term plans which include school feeding programme, voucher system in five poorest districts and waiver systems in the health sector. All these are meant to address the needs of the poor.

Mr. Lekuton: Mr. Deputy Speaker, Sir, this is a very serious issue in our country. I quote the FAO Report which says:-

"Based on current indications, several agricultural commodities are likely to experience a few more unstable months ahead and in most instances, the fundamental point to even further gains in prices".

Mr. Deputy Speaker, Sir, this increase will not stop. The Minister gave us a lot of reasons why the prices are likely to go up but he gave us very shallow remedies. Twenty five per cent of Kenyans, to date, can afford to have three meals a day. Seventy five per cent cannot afford two meals a day. We have people in this country who take water for lunch because there is no food and go back to work.

Mr. Deputy Speaker, Sir, could the Minister inform the House what this Ministry is doing to make sure that--- I heard the Minister say that the price of oil is still going up. Since four months ago, dollars per barrel is now half the price it used to be. The prices of many products have not gone down. So, how do these remedies help the poor Kenyans today? What are those direct effects and when are we most likely to see them?

Mr. Oparanya: Mr. Deputy Speaker, Sir, the hon. Member of Parliament who tried to say that 75 per cent of Kenyans cannot afford two meals a day is wrong. According to the statistics we have, our poverty level at the moment is at 46 per cent and I have clearly testified here in general terms, because my Ministry does general planning and it is up to the various Ministries to have specific interventions. So, we give general directions and I have come up with quite a number of issues that are going to make sure that prices of essential goods are reduced.

The first one is to increase productivity which we are doing. We are saying that fertiliser will be available to farmers at reduced rates.

Secondly, we are importing more food like maize to make sure that in two months time, the prices will go down because it will mitigate the food shortage we have.

Thirdly, we have decided to increase the food reserves from the three billion bags to six billion bags so that in future we do not have a shortage.

Mr. C. Kilonzo: Mr. Deputy Speaker, Sir, having known the Minister for some time, I can assure you he was not involved in the planning of this budget. I say so because in the first place, there was hardly any money given for irrigation and I know he is the one in charge of planning. He could have provided money for irrigation. Since February, this Parliament has been discussing about fertiliser and we lack it in the eastern part of this country. We do not even get seeds. This year in Eastern Province we did not get seeds and yet this is our rainy season. I am just curious about the planning bit involved and that is why I am saying that I do not think the Minister was involved in the planning.

Mr. Oparanya: Mr. Deputy Speaker, Sir, that is an observation which I have noted.

Mr. Linturi: Mr. Deputy Speaker, Sir, Kenyans will not be fed if we do not become very serious with some of the policies that the Government undertakes. The reason why essential commodities are very expensive is because of grain handling at the Port of Mombasa. The monopoly at the Port of Mombasa is the one that has made food prices to be very high.

Mr. Deputy Speaker: Order, hon. Linturi! Ask your supplementary question! By now, you should be conversant with the rules. Seek further clarification but do not give a speech here! If you want to give a speech, put in a Motion!

Mr. Linturi: Mr. Deputy Speaker, Sir, could the Minister inform the House what measures

his Ministry is taking to end the monopoly of handling of grain at the Port of Mombasa because this is what is reflected in the cost of the very basic commodities?

Mr. Oparanya: Mr. Deputy Speaker, Sir, as you know, we do not encourage monopoly. This is a free market economy. So, I am not aware of any monopoly at Mombasa. To make Mombasa Port very efficient, we have decided that it operates 24 hours and as a Kenyan, you are free to go and invest there if you want to.

Mr. J.M. Kamau: Mr. Deputy Speaker, Sir, is the Minister aware that in some countries in Africa, the cost of bread has not gone up since 1969 and the reason for this is that the various governments have taken it very seriously to feed their people? Could he inform the House what he is doing to subsidise food prices in order to feed Kenyans so that our country does not go hungry? This is because when a country is hungry there is no development. Even Vision 2030 will not be achieved if the country is hungry for that long?

Mr. Oparanya: Mr. Deputy Speaker, Sir, the hon. Member knows very well that in Kenya, we practise free economy which is controlled by the market. We have been doing this for a very long time. However, because sometimes we have found out that the free economy does not work, we have to take care of our people to make sure that they have enough food at a reasonable price. That is why even the Minister for Energy announced, the other day, that the Government is going to regulate fuel prices. Those are some of the measures the Government is under-taking because of the crisis we have. I want to emphasize that this crisis is not only in Kenya, it affects the whole world.

Mr. Deputy Speaker: Mr. Lekuton, ask last the question!

Mr. K. Kilonzo: On a point of order, Mr. Deputy Speaker, Sir---

Mr. Deputy Speaker: Order, Mr. K. Kilonzo, do not stand on a point of order, when you actually want to ask a question!

Mr. Lekuton, please, proceed!

Mr. Lekuton: Mr. Deputy Speaker, Sir, the Minister does not seem to know that United States of America (USA) grows 60 per cent of the world maize. In ten years, they will reduce their maize production by 40 per cent because of ethanol and such things. We should stop relying on imports. When is the Government going to encourage private investors who would reverse dependency rainfed agriculture? What is the Government doing?

Mr. Oparanya: Mr. Deputy Speaker, Sir, I wish the hon. Member looked at the Vision 2030. Under Vision 2030, we have come up with clear measures.

Mr. Deputy Speaker, Sir, I have said I am going to come to you so that we organise a workshop for Members of Parliament. There are quite a number of varied interventions that the Government is undertaking and if I decided to enumerate them, I would talk here up to morning. Therefore, I request that we agree to organise a workshop for Members of Parliament to look at the Vision 2030 and the medium-term plans.

Mr. Deputy Speaker: The Chair will be ready any time!

Next Question, Mr. Waititu!

Question No.283

NON-COMPLETION OF MANYANJA ROAD

Mr. Waititu asked the Deputy Prime Minister and Minister for Local Government:-

(a) if he is aware that Manyanja Road, connecting Sprine and Outer Ring roads and whose construction was scheduled to take one year, has not been completed despite

the lapse of the contract time; and,
(b) when the construction will be completed.

The Assistant Minister, Office of the Deputy Prime Minister and Ministry of Local Government (Mr. Githae): Mr. Deputy Speaker, Sir, I beg to reply.

(a) I am aware that Manyanja Road, which is 2.25 kilometres and connects Sprine and Outer Ring roads, was initially scheduled to be completed within a year. The work is ongoing with a contract period having been revised and the new expected completion date is now December, 2008.

(b) As stated in part "a" construction of the said road will be completed on or before 18th December, 2008, at 5.00 p.m.

Mr. Waititu: Mr. Deputy Speaker, Sir, I appreciate the new dates. However, I wish to let you know that this road is the gateway to Kayole Estate and Soweto areas which have suffered a great loss of business because of non-completion of this road. This road also could ease traffic jam on the notorious Outer Ring road. Therefore, the quick completion of this road will benefit the people of this area.

Mr. Deputy Speaker, Sir, there is a tendency of contractors who do not complete their work in time, being awarded contracts in Embakasi. I am requesting the Assistant Minister, through the Chair, that such contractors should not get contracts in Embakasi. I wish the Assistant Minister could give me a guarantee on that.

Mr. Githae: Mr. Deputy Speaker, Sir, I could not agree more with the hon. Member that this is a very important road because 80 per cent of all the people in Nairobi live in Eastlands. This is one of the gateways to the city centre. However, it is not that the contractor has been unable to complete the works. Some of the reasons he was unable to complete the work on time were, for example, sewer overflow caused by illegal connections and blockages by the residents. The post-election violence, which took place early this year, also affected this area heavily. We also had the long rains and encroachment of the road reserve which necessitated realignment of the road. We also have frequent dumping of excavated materials at night by private developers.

Mr. Deputy Speaker, Sir, most of the delay came about because of relocation of telephone, electricity and water pipes. I would like to assure the hon. Member that we are doing all we can and any contractor who does not complete a project in time, is blacklisted unless he obtains an extension, like this fellow has been given.

Mr. Deputy Speaker, Sir, I would like to assure the hon. Member that if the contractor does not complete this project by 18th December, at 5.00 p.m., he will not get another contract from the Nairobi City Council (NCC).

Mr. Deputy Speaker: Mr. Waititu, are you happy with the answer?

Mr. Waititu: Yes, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Next Question, Mr. Kioni!

Mr. Kioni: Mr. Deputy Speaker, Sir, this Question was deferred because of a bad answer that we received last time from the Assistant Minister.

Question No.348

AMOUNT OF MONEY LOST BY
PBK SINCE 2003

Mr. Kioni asked the Minister for Agriculture:-

(a) how much money been lost by the Pyrethrum Board of Kenya (PBK) from year 2003 to date; and,

(b) considering the adverse effects on farmers, what action he has taken against the persons responsible for the losses.

Mr. Deputy Speaker: Mr. Assistant Minister, the Question had been earlier deferred!

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

(a) The total losses incurred by the Pyrethrum Board of Kenya (PBK) since 2003 up to last year is Kshs3 billion. This included the burning of the factory, loss of pyrethrin and a bit of misappropriation.

(b) We have taken the following action against the persons responsible for the losses:-

(i) We wrote to the Kenya Anti-Corruption Commission (KACC), and I have a copy of the letter we wrote to Justice Ringera. I would like to lay it on the Table.

*(Mr. Ndambuki laid the letter
on the Table)*

(ii) We have also written a letter to the Inspectorate of State Corporations requesting them to investigate the matter. I would also like to lay on the Table a copy of the same.

*(Mr. Ndambuki laid the letter
on the Table)*

(iii) We also wrote a letter to the Controller and Auditor-General to conduct investigations, which he has already done.

Mr. Deputy Speaker, Sir, we are waiting for the investigations by KACC to be completed. I can assure this House that once the investigations are completed, all these people will be taken to court.

Mr. Kioni: Mr. Deputy Speaker, Sir, I want to thank the Assistant Minister for that attempt to answer the Question. We all know that 80 per cent of pyrethrum is produced within Nyandarua District and my constituency is within that district.

Mr. Deputy Speaker, Sir, since this misappropriation took place, the acreage of pyrethrum has dropped from 8,000 acres to 1,400 acres. Farmers in Ndaragwa Constituency have not been paid for, last 12 months. In the last three years, the number of farmers has dropped from 12,000 to only 2,000.

Mr. Deputy Speaker, Sir, I have a set of two answers from the Assistant Minister. The miss is hilarious! One answer says that a total of Kshs2.3 billion was lost. The other answer given to me today talks of Kshs3.02 billion. Both the answers were signed on the same day, 13th of October, 2008. We are talking about billions of shillings yet this is the level of seriousness this issue is getting.

Mr. Deputy Speaker, Sir, the Assistant Minister has said that seven officers were sacked. However, we have a report from the Government saying that two of the dismissed persons have since been reinstated because they were unprocedurally dismissed. Is the Assistant Minister in order to mislead this House? This is a document that was done by the Government and it is confirming that two of the persons that the Assistant Minister is saying were dismissed, have since been reinstated. Is it accurate to say that one of the officers; Mr. Muchina, was transferred to Kirinyaga with no functional duties yet he was part of the team?

Mr. Ndambuki: Mr. Deputy Speaker, Sir, according to the information that I have, the seven senior officers who were implicated in that were sacked. They are waiting for investigation to be concluded and they will be charged with others who were involved.

Mr. Deputy Speaker, Sir, on the two officers being reinstated---

Mr. Kioni: On a point of order, Mr. Deputy Speaker, Sir. The Assistant Minister has told us that the officers were sacked. They were reinstated. I have a document from the offices of the Government and I want to lay it on the Table of this House.

*(Mr. Kioni laid the document
on the Table)*

Mr. Deputy Speaker: Hon. Assistant Minister, could you deal with the two answers that have been signed by you? They have two different figures. One has Kshs2.3 billion and the other one Kshs3.02 billion. Which is which?

Mr. Ndambuki: Mr. Deputy Speaker, Sir, it is the one with Kshs3 billion. On the previous answer, the Question was deferred because the figures were erroneous. My colleague agreed to go and look at the figures. He has now come up with the correct figures.

Mr. Kioni: On a point of order, Mr. Deputy Speaker, Sir. These answers are dated the same day. It would have made sense if the dates were different. The answers were done the same day by the same person. The signature is the same. It is that of hon. William arap Ruto, EBS, MP, Minister for Agriculture, dated 13th October. It is the same position with the other answer.

Mr. Deputy Speaker, Sir, we are dealing with billions of shillings of taxpayers' money. We cannot continue having such kind of casual answers from this Assistant Minister. It is important that he gives us the breakdown of how they arrived at an extra Kshs1 billion.

Mr. Ndambuki: Mr. Deputy Speaker, Sir, according to the answer that was given last week, after the Parliamentary Committee on Agriculture, Lands and Natural Resources tabled its report, we went to compare. We got a report from the Controller and Auditor-General which we looked into and found that there were figures which were omitted previously. We have now included them to correct the position.

Mr. Deputy Speaker: Order, Mr. Assistant Minister! How do you explain the two answers being signed on the same day? You said that you went back and got some further information to enrich your answer here. But the two answers were signed on the same day, according to the hon. Member and the Chair.

Mr. Ndambuki: Mr. Deputy Speaker, Sir, could I request that we defer this Question so that I can verify---

Mr. Deputy Speaker: Order! Order, hon. Members! Mr. Assistant Minister, this Question was deferred last time because of the shoddy manner in which your Ministry handled it. Now, after a second time, there are so many discrepancies in the manner it is handled again. The Chair is giving you one last chance. The Question will appear on the Order Paper on Thursday next week. You better come up with a comprehensive, complete and one answer. Not two or three answers!

Next Question.

Mr. Ndambuki: Mr. Temporary Deputy Speaker, Sir, I agree.

(Laughter)

Mr. Wambugu: On a point order, Mr. Deputy Speaker, Sir. I can see we are having problems with this Assistant Minister. The Minister who signed these answers is seated in this House. Why can he not come and answer this Question?

Mr. Deputy Speaker: Order! The definition of a Minister in accordance with the Standing Orders of the House is the President, Vice-President, Prime Minister, Deputy Prime Ministers,

Ministers and Assistant Ministers. So, the Assistant Minister is entirely entitled to answer this Question as the Minister for Agriculture.

(Question deferred)

Next Question by hon. Alouch!

Question No.326

LEVEL OF GOVERNMENT FUNDING
FOR LBDA PROJECTS

Mr. Olago asked the Minister for Regional Development Authorities:-

(a) whether he could indicate how much funds the Lake Basin Development Authority has received from the Government of Kenya and from external sources, year by year, for the last 20 years;

(b) what major sustainable projects the Lake Basin Development Authority has undertaken in the last 20 years;

(c) whether he could confirm the routine and special audit carried on the Authority in the last 20 years, and explain what the same have revealed; and,

(d) what steps the Ministry has taken to revive the stalled construction of the Lake Basin Development Authority headquarters complex in Kisumu and also to empower the Authority to carry out its statutory mandate successfully.

Mr. Deputy Speaker: The Minister for Regional Development Authorities. Hon. Deputy Leader of Government Business.

The Minister for Justice, National Cohesion and Constitutional Affairs (Ms. Karua): Mr. Deputy Speaker, Sir, I beg to reply on behalf of the Minister for Regional Development Authorities

(a) The Lake Basin Development Authority has received a total of Kshs4,310,138,793.50 as funding from both the Government and other sources during the last 20 years. The details of the funding are indicated in Table 1, which I present before the House.

(b) The Lake Basin Development Authority has undertaken many development projects and programmes in areas within its jurisdiction in the last 20 years. Details of the major projects and programmes are indicated in Table 2, which I present before the House.

(c) The Lake Basin Development Authority has had 20 routine audits carried out by the Kenya National Audit Office on an annual basis, and an audit certificate duly issued for the audited account. Copies of all the audit reports have also been sent to the Clerk of the National Assembly in compliance with the Exchequer and Audit Act, Cap.412. A total of seven special audits have been carried out over the same period. Key issues raised in the audits and their current status are as follows:-

Between 1989 and 2007, Lake Basin Development Authority has been operating under fiscal and financial constraints due to a shortfall in Government grants and costs incurred on a bank overdraft of Kshs3,000,000 obtained from the National Bank of Kenya in 1999. The principal sum and interest accrued stood at Kshs958,815,666.20 as at May, 2007. That is close to Kshs1 billion. The total sum was however discharged by the Government in May, 2007, and that has greatly improved the Lake Basin Development Authority's financial position. Under the Lake Basin Development Authority headquarters building and staff building housing complex, a figure of Kshs312,389,212 in respect of work in progress which had been reflected in the Authorities'

balance sheet since 2003 has featured severally as a major audit issue. The contract sum of Kshs396,650,283 was under a contractual period of 72 weeks. However, the above projects stalled in 1992 due to lack of adequate funding from the Government. Only 20 per cent physical work valued at Kshs190,184,531.50 in 2007 had been done. There is a pending court case over the irregular disposal of the Authorities 262 acres of land curved out of the Muhoroni Livestock Multipurpose Centre without prior approval from the board and the Government.

A case involving the fraudulent transfer of the Authority's plot and house at Milimani, plot number, Kisumu Block 2/210 of Huruma Road by a former employee to his name is also pending at the Kenya Anti-Corruption Commission's (KACC's) offices. Over the years, the long outstanding debtors balance has risen to Kshs136,992,257.25 as at 30th June, 2007. This was as a result of an overpayment of Kshs122,269,659.10 to China Jingsu for the construction of the rice mill. The Authority is currently pursuing the matter through their lawyers to recover the same. The Authority has been unable to meet its financial obligations as and when they fall due. In particular, it has been unable to pay its long overdue creditors, who currently stand at Kshs203,959,690.25, out of which current pending bills also stand at Kshs182,678,833. The Ministry is sourcing for funds to complete the Lake Basin Development Authority's headquarters and staff housing complex, and has requested the Ministry of Public Works to enlist the project under "stalled projects" and that should be revived and completed under the National Reconstruction Programme.

Mr. Deputy Speaker, Sir, concerning the authority's operational mandate, the Ministry has developed a regional development policy, and has revised and redefined the roles and functions of all Regional Development Authorities. The relevant instruments for performing those functions have been entrenched in the proposed Regional Development Act in order to empower the Regional Development Authorities to perform them effectively. Service delivery charters for the Ministry as well as for the six Regional Development Authorities have been developed with a view to informing the public on the quality of services offered by the respective institutions. Collaboration with the private sector has been enhanced through joint public-private partnership forums for joint investment. Restructuring and rationalisation of the Regional Development Authorities is being undertaken to ensure that the institutions are revitalised and become more responsive to the increasing citizenry demands for efficient and effective services. Restructuring is also expected to improve efficiency in utilisation of public resources. A department of regional development services has been created at the Ministry's headquarters to offer the much needed technical back-stopping to issues pertinent to the Regional Development Authorities.

Mr. Olago: Mr. Deputy Speaker, Sir, the Lake Basin Development Authority (LBDA) was created under an Act of Parliament to stir development in the whole of Western Province, Nyanza Province, and to a large extent, in parts of southern Rift. However, it is very clear from this answer that the operations of this Authority have been hampered by lack of sufficient funding. Could the Minister assure the House that steps have been taken to ensure that the Authority shall be properly funded to carry out its mandate?

Ms. Karua: Mr. Deputy Speaker, Sir, that will be done, and financial discipline shall also be ensured in the Authority. If you look at the over-spending and the pending bills, that is why I have said that we are doing restructuring of the regional authorities.

Mr. Deputy Speaker: Mr. Olago!

Mr. Olago: No further questions.

Mr. Deputy Speaker: Next Question by hon. Member for Limuru, Mr. Mwathi.

Question No.200

DISBURSEMENT OF WEDF MONEY

TO LIMURU WOMEN GROUPS

Mr. Mwathi asked the Minister for Gender, Children and Social Development:-

(a) whether she could confirm that most deserving women have not accessed funds under the "Women Enterprise Development Fund" since its inception;

(b) how much of the money has been disbursed to women groups and individuals in Limuru Constituency; and,

(c) whether she could explain the steps she is taking to ensure that women who require entrepreneurial skills are trained before accessing the money and indicate when such will start.

Mr. Deputy Speaker: Is the Minister for Gender, Children and Social Development here?

The Minister for Justice, National Cohesion and Constitutional Affairs (Ms. Karua): Mr. Deputy Speaker, Sir, may I apologise because I do not have an answer to that Question. May I request that the Question be deferred and I apologise for the absence of the Minister and her deputy.

Mr. Olago: On a point of order, Mr. Deputy Speaker. It is becoming increasingly clear that Ministers do not take their work seriously; if apologies are going to be tendered in this House the way they are being tendered then the Chair will be encouraging laxity on the part of Ministers.

The Assistant Minister, Office of the Deputy Prime Minister and Minister for Local Government (Mr. Githae): On a point of order, Mr. Deputy Speaker, Sir. I think the sword cuts on both sides. This afternoon we dropped more than six Questions, because Members of Parliament were not in the House. One of the Questions was for the Ministry of Local Government and I was ready with an answer. So, I think the sword cuts on both sides.

Mr. Mwathi: On a point of order, Mr. Deputy Speaker, Sir. Despite the fact that, that could have been a defence, is it in order for the Assistant Minister to defend himself using another wrong. Two wrongs do not make a right.

Mr. Deputy Speaker: Madam Deputy Leader of Government Business, the Chair takes cognisance of the efforts you are making to answer these Questions. Nonetheless, the Question will be deferred to Tuesday next week.

(Question deferred)

POINTS OF ORDER

TABLING OF THE WAKI REPORT

Mr. Kioni: On a point of order, Mr. Deputy Speaker, Sir. I rise on a point of order to seek a Ministerial Statement from the Office of the Prime Minister as to when he will table the Waki Report in this Parliament, so that hon. Members are able to look at the issues contained therein in a manner that is informed as opposed to the position today, where all that we are discussing are issues that come from the media. This is a defining moment in this country's history, and the urgency of this matter cannot be over-emphasized.

An hon. Member: On a point of order, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Order! You cannot rise on a point of order when another one has been raised. You wait until the first point of order has been responded to.

The Minister for Justice, National Cohesion and Constitutional Affairs (Ms. Karua):

Mr. Deputy Speaker, Sir, is it too much to ask for two weeks or ten days?

Mr. Deputy Speaker: Are you asking for ten days?

The Minister for Justice, National Cohesion and Constitutional Affairs (Ms. Karua): Yes, Mr. Deputy Speaker, Sir.

Mr. Kioni: Mr. Deputy Speaker, Sir, this issue is affecting all of us in a manner that is not healthy. We need to discuss issues when we have the gist of the report. Ten days is too long to keep a country in suspense and engage in the kind of a debate we have seen. It should come next week.

The Minister for Justice, National Cohesion and Constitutional Affairs (Ms. Karua): Mr. Deputy Speaker, sir, I think I better be quite clear. We are waiting for the Report to be adopted by the Cabinet before it is tabled here. That is the procedure. It is just a formality. I am asking for ten days because I know that the Cabinet will not sit until Thursday next week. Otherwise, it has been released to the public and we are definitely going to table it in Parliament for adoption.

Eng. Maina: On a point of order, Mr. Deputy Speaker, Sir. This is a matter which could be touching on the destiny of this country. We all understand that there is also a time span set in the Report. I want to state that I feel that this matter should be of national importance.

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

Mr. Deputy Speaker: Mr. Olago, is it on the same?

Mr. Olago: Yes, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: The Minister has given an indication on when and has explained why. It has to be adopted by the Cabinet, which is not sitting until next week. It is only a few days.

Mr. Olago: Mr. Deputy Speaker, Sir, the answer from the Minister is unsatisfactory and I am asking for your direction. Is this House bound by decisions of the Cabinet? What if the Cabinet refuses to adopt the report?

The Minister for Justice, National Cohesion and Constitutional Affairs (Ms. Karua): Mr. Deputy Speaker, Sir, I think the procedure in the Commonwealth is that the Government tables its proposal. It is for the House to adopt or reject them. But it is a procedure that a Minister, who is an hon. Member of the Government, must have the sanction of the Cabinet before transacting any business.

Having said that, Mr. Deputy Speaker, Sir, both the Legislature and the Executive have a duty to guide this country in all the situations. I would like to appeal, through you, to hon. Members to take time and read the report. It is in the public domain. Let us not react without reading it. We asked for this report. We have got it. All it is asking for is investigations. I do not think any hon. Member opposes investigations. The report has not convicted anyone!

I need not go any further, Mr. Deputy Speaker, Sir,

(Applause)

Mr. C. Kilonzo: On a point of order, Mr. Deputy Speaker, Sir. You heard the Minister say that we should take time to read the document because it is in the public domain. We know that the media is already printing the report. That is why we are asking: Rather than read what is in the public domain in the media, why can you not give us a copy of the document?

Mr. Deputy Speaker: Order, Mr. C. Kilonzo!

The Minister for Justice, National Cohesion and Constitutional Affairs (Ms. Karua): Mr. Deputy Speaker, Sir, I think it is fair that even before tabling the report, there is nothing to stop me from supplying copies to Members of Parliament. I undertake to supply copies of the report to hon. Members.

(Applause)

They are entitled to it, just like the public, even before it is---

Mr. Deputy Speaker: Order! Order, Deputy Leader of Government Business! Order! You cannot circulate a report before it is tabled in this House. You will have to own it first, as a Government. It is only then that you are allowed to circulate it to hon. Members! I think this is a matter that you all know.

The other thing, hon. Members, is that the Chair does not determine the Business of the House. The Business of the House is determined by the House Business Committee (HBC). It has hon. Members, a majority of whom are from the Government. So, essentially, they are the ones who will--- The House cannot initiate--- As much as you can be frustrated about what you want to debate on the Floor of this House, the House cannot initiate that! The Chair cannot initiate that! It is only the HBC that can do that.

Proceed, Madam Minister!

The Minister for Justice, National Cohesion and Constitutional Affairs (Ms. Karua): Mr. Deputy Speaker, Sir, we need a bit of clarification. This is a report that, on the very day it was received, it was released to the public. It means that you can actually walk to the Government Press and buy a copy. Other than formally laying it on the Table, nothing stops Parliament, itself, as an institution, from informally buying copies for its hon. Members and availing them in an informal manner, so that hon. Members can have advance copies. That is all I am trying to state! Let Parliament act!

(Applause)

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

Mr. Deputy Speaker: Do you want us to dwell on this any further than that?

Dr. Eseli: There is something else, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: What is it, Dr. Eseli?

Dr. Eseli: Thank you, Mr. Deputy Speaker, Sir. In order for Parliament to own the document, the Executive has to lay it on the Table of the House. Is it in order for me to request for an emergency Cabinet meeting, so that they can bring this paper to us as soon as it can happen?

Thank you, Mr. Deputy Speaker, Sir.

(Applause)

Mr. Deputy Speaker: The Leader of Government Business is in the House. The Vice-President and Minister for Home Affairs is here. Do you have something to say or you still want the Deputy Leader of Government Business to deal with that?

Proceed, Ms. Karua!

The Minister for Justice, National Cohesion and Constitutional Affairs (Ms. Karua): Mr. Deputy Speaker, Sir, as hon. Members are aware, Heads of States from the Inter-Governmental Authority on Development (IGAD) countries have been meeting in Nairobi. The Government is aware of the urgency of the matter, but there were other intervening circumstances. We hear you, and the Executive will act accordingly.

(Applause)

DELAY IN ISSUING MINISTERIAL

STATEMENT BY MINISTER OF FINANCE

Mr. Mbadi: Mr. Deputy Speaker, Sir, last week, I asked for a Ministerial Statement from the Ministry of Finance, and I was promised that the Statement would be brought yesterday. But, up to now, I have not heard of any response to that.

Mr. Deputy Speaker: The Deputy Leader of Government Business, there was to be a Ministerial Statement from the Ministry of Finance. When will you have it available? It should have been brought here yesterday.

The Minister for Justice, National Cohesion and Constitutional Affairs (Ms. Karua): May we, once again, apologise and ask that we will issue it on Tuesday. We will tell the Ministry of Finance, if you grant us that indulgence, that they really have to have the Statement on Tuesday.

Mr. Deputy Speaker: It is so granted!

Yes, Mr. Chanzu?

CONFLICTING FUNCTIONS BETWEEN
MINISTRIES OF PUBLIC HEALTH AND
SANITATION/MEDICAL SERVICES

Mr. Chanzu: Thank you, Mr. Deputy Speaker, Sir. On 5th August, 2008, I asked for a Ministerial Statement from the Office of the Right Honourable Prime Minister on the prevailing serious conflict of roles and duties between the Ministry of Public Health and Sanitation and the Ministry of Medical Services. Up to now, the Statement has not been forthcoming.

The Vice-President and Minister for Home Affairs (Mr. Musyoka): Mr. Deputy Speaker, Sir, the same was communicated to the Office of the Right Honourable Prime Minister and I think it will be in order to give him a little bit more time. But I hope that by Tuesday or Wednesday, next week, the Prime Minister will be in a position to deal with it.

Mr. Deputy Speaker: Is it on Tuesday or Wednesday next week? Which one?

The Vice-President and Minister for Home Affairs (Mr. Musyoka): Mr. Deputy Speaker, Sir, could we settle for Wednesday afternoon? After all, it does coincide with the anticipated Prime Minister's Question Time.

Mr. Deputy Speaker: It is so granted!

NON-REMITTANCE OF CESS BY
INSTITUTIONS IN NAIVASHA

The Assistant Minister, Office of the Deputy Prime Minister and Ministry of Local Government (Mr. Githae): On a point of order, Mr. Deputy Speaker, Sir. About two weeks ago, the hon. Member for Naivasha requested a Ministerial Statement on non-remittance of cess by institutions in Naivasha and I have been having it ready for the last one week. You have said that, probably, we may have time today. I was just wondering whether I can proceed.

Mr. Deputy Speaker: Is the hon. Member for Naivasha in the House? Mr. Assistant Minister, you could have your Ministerial Statement ready for Wednesday afternoon, next week. The information will be communicated to the hon. Member for Naivasha

COMMITTEE OF THE
WHOLE HOUSE

DEFERMENT OF COMMITTEE STAG:

THE CONSTITUTION OF KENYA
REVIEW BILL

Mr. Deputy Speaker: Order, hon. Members! This Bill is still with the drafters. It is deferred to another date. We will proceed on to Order No.8. Order No.7 is deferred to Tuesday next week. Is that okay with you?

Proceed to the next Order!

BILL

Second Reading

THE ANTI-COUNTERFEIT BILL

The Minister for Industrialization (Mr. Kosgey): Thank you very much, Mr. Deputy Speaker, Sir. I beg to move that the Anti-Counterfeit Bill be now read a Second Time.

Mr. Deputy Speaker, Sir, the objective of this Bill is to make trading and manufacturing of all manner of counterfeit goods illegal or against the law. Counterfeiting is a malpractice that is spread worldwide. It has been increasing in Kenya with a negative impact on our economy. It has been the decision of the Government, all along, that we make counterfeiting an illegal activity and punishable in law. Up to the time when this Bill was introduced, the Customs Act was in operation; it is being used to combat this very bad menace. It has been found necessary to have a proper law that can deal with it effectively, hence the introduction of this Bill in Parliament, and the subsequent request that it be made into law in order to deal effectively with counterfeit goods.

Mr. Deputy Speaker, Sir, as I have said, counterfeit goods have had a very bad effect. I will define what counterfeit means later. Counterfeits have a very negative effect on our economy. Companies have had to relocate, because this country has become one where counterfeit goods come in freely. Companies have also lost money as a result of counterfeit goods sold in the local market. Counterfeit goods have also cost the Government revenue, because they usually retail at a lower price, and it is impossible for the Kenya Revenue Authority (KRA) to tax counterfeit goods that come through our porous borders into the market. Counterfeit goods have also been known to be harmful to health; even medicines, including generics, and other pharmaceutical products are counterfeited. We have counterfeit generic goods! It is estimated that even as I speak, a lot of the malarial tablets - 50 per cent of them - are counterfeit, and probably have no effect on the treatment of malaria.

Figures have been quoted that show that up to Kshs50 billion has been lost by industries, or manufacturers, as a result of this illicit trade. Individual companies have lost up to Kshs200 million!

(Loud consultations)

Protect me from those talking at the back!

Mr. Deputy Speaker: Order, hon. Members!

The Minister for Industrialization (Mr. Kosgey): Thank you, Mr. Deputy Speaker, Sir. Up to Kshs500 million has been lost by certain sectors of our economy.

What are counterfeits? These are imitations, in simple language, of actual goods. "Counterfeit" means goods that are the result of counterfeiting or goods made to look exactly like

the real thing, when they are not the real thing. So, it is very difficult sometimes to distinguish between a counterfeit and the real thing except sometimes it does not serve the purpose for which the real thing was intended to serve. Therefore, as I said, particularly consumer goods that tend to harm health, this vice must be fought and eliminated. Counterfeit goods, or items, will then be labelled as such. Counterfeits enter the country through various routes; maybe through ports or porous borders and find their way into the local market.

When you invent something, you are protected under the Intellectual Property Act, and sometimes the Copy Rights Act or the Trade Marks Act, so that you can enjoy the benefits of your invention or manufacture. Once somebody, who has not put in any intellectual activity, benefits from your invention, copy right or trade mark, then the meaning of trade, research and development is lost. Therefore, we must protect our country so that we can call on industrialists, or investors, to come into the country, knowing very well that if they manufacture their goods here, they will have access to the market, and that nobody else, who is not entitled to a particular item, will have undue advantage of the market, or will infringe on somebody else's patent, trade mark or intellectual property.

Mr. Deputy Speaker, Sir, this Bill calls for the establishment of an agency called "the Anti-Counterfeit Agency" with a board. The board will have a chief executive, or an executive director. It calls for an 18-member board - I think it will be a bit too large and we shall probably introduce an amendment to reduce that number - with the power to appoint inspectors, or people who can arrest or confiscate items and detain them in a counterfeit goods' depot. The powers of the board will also be to enlighten and inform the public on matters relating to counterfeiting, so that every Kenyan will be aware of what counterfeit goods are. It will also combat counterfeiting in trade and other dealing in counterfeit goods; it will devise and promote training programmes on combating counterfeits. It will co-ordinate with the national and regional bodies to make sure that counterfeiting will be an illegal activity in Kenya. It will also carry out other functions as prescribed by this Act.

To be able to carry out the above functions, the board will have employees. In this particular case, I talked of inspectors, who will seize goods that will have been reported as being counterfeit. At the moment, as you know, the Customs Department can seize such goods. We are not going to say that from now on, or from when the Bill will come into operation, the Customs Management Act will cease to operate. It will not be so because not every good that will be seized by Customs officers is counterfeit. Some of the goods that are seized are genuine but, probably because duty has not been paid, they are seized. So, they will work side by side, but the duties of combating counterfeits will fall squarely on the board much more than on the KRA, as is currently the case.

Mr. Deputy Speaker, Sir, we expect that this body will be financed through grants or Government allocations in the normal budgetary allocations. In other words, they will not impose any levy and make goods in Kenya more expensive. So, there should be no fear that by setting up this board, we will impose some levy on the manufacturers. As I have already stated, the impact has been quite enormous and very negative on our economy.

I have already spoken about the inspection that will be done by the board. However, when you seize goods, there will always be an aggrieved party, a person who will say that the goods were genuine. So, we are providing an outlet, so that anybody who thinks that his goods have been seized unfairly because they are not counterfeits--- Maybe somebody reported that the goods were counterfeit and they are seized when that was not justified; such person will appeal against such things. That is provided for in this Bill.

Mr. Deputy Speaker, Sir, also, the evidence will be adduced to prove or otherwise that these goods are counterfeit or not. I said that besides lodging a compliant to the board, it can also

be lodged under the Customs and Management Act to the Commissioner-General of Kenya Revenue Authority (KRA) or to the Executive Director of the Agency.

After the goods have been seized, there will be forfeiture and they will then be subject to disposal by the agency or KRA. The disposal procedure is in the Customs Management Act. There will also be penalties that can be meted upon a person who is trading in counterfeit goods.

Mr. Deputy Speaker, Sir, a lot of fears were expressed by stakeholders that if we introduce this Bill, it will make the manufacture of generic medicines an illegal offence. I said at the beginning, that at the moment, even pharmaceutical generics are counterfeited. Nevertheless, we intend to introduce during the Committee Stage an amendment that will make the manufacture of generic medicines in particular be within the law. We will introduce an appropriate amendment which is in keeping with World Health Organisation (WHO) requirements. So, those who think that the enactment of this Bill will pose a great health hazard by generics not being allowed in this country, should really not fear because we have taken their sentiments on board and generics will continue being imported or manufactured in this country legally. Generics have also been counterfeited. In fact, we have as I said, malaria tablets that are chalk or *chokaa* in Swahili and this has really adversely affected the health situation in the country leading to innocent lives being lost as a result of the use of fake pharmaceutical products.

Mr. Deputy Speaker, Sir, you can name the range of products that are affected particularly in this country. These include batteries, biro pens, dry cells, shoe polish and consumer goods like Roiko, petroleum jellies, tea and so on. People have been making and labelling tea as though it comes from the known packers and of course when you have really patented or registered your trademark and somebody makes products similar to yours, it is counterfeiting.

This Bill is fairly straightforward. We do not really need to belabour it so much. As I said, to recap, its main purpose is to make the manufacture and trade in counterfeit goods illegal. I have defined what counterfeit goods or counterfeiting is. The functions will be undertaken mainly by the agency which we are proposing to set up in this Bill in conjunction with the Customs Management Act as presently provided by the law.

With those few remarks, I beg to support. It will be seconded by hon. Mungatana.

The Assistant Minister for Medical Services (Mr. Mungatana): Mr. Deputy Speaker, Sir, let me take this opportunity to congratulate the Minister for Industrialization for moving this Bill at this point in time in the House. When each Minister takes responsibility, they should leave a mark in the position in which they are serving. I want to recognise that this Bill will leave a mark and change the way we do business in this country.

For a very long time, we have had musicians in particular who have been badly affected by counterfeits. These are people who have waited for that talent to start and then copy their music. They face difficulties as they invent their music and then somebody sits somewhere in River Road or some other corner and counterfeits the hard work of our performing artists. The result has been there for everyone to see. While in other countries, you can speak of musicians who are well paid because of the work that they do in producing the music that entertains us, the same cannot be said of Kenyan musicians today. In the past, this country never took a very active role in looking at this vice because it was regarded as a profession of people who were not keeping on the right line. People were supposed to be lawyers, doctors and teachers. In fact, when your son or daughter expressed interest in music, they were regarded like they were going in the wrong direction. So, what then happened is that the attitude developed and even the law to protect that profession has not been on the table for a very long time.

Mr. Deputy Speaker, Sir, I stand here to very strongly second this Bill on behalf of this Minister and say that it is time that we had a Bill of this nature. We have had industrialists in this country who have invested in this country. They have taken loans which have accrued high interest

rates. They have manufactured alkaline batteries, biro pens and petroleum jelly. Then some people who know that there is no law covering this kind of pilfering have perfected the art of "white collar thieving" so that batteries are purchased by local consumers who believe they are genuine. When you use them in your torch for a day or two, they do not function. You purchase biro pens and after a little usage they do not work. The same thing applies to petroleum jelly. It is used so much on our babies for those of us who are still in that process of bringing them up. Cases have been recorded of skin that has been messed up because of using fake petroleum jelly.

Mr. Deputy Speaker, Sir, this activity of counterfeiting has been so much in the countryside especially in border districts. A lot of goods have been coming into this country from Somalia. For those of us who are not very far from that area, like Lamu and Garissa, you will see some of these goods coming into this country. You will find electronic goods coming to this country given a certain name. People believe that when they are purchasing them, they are purchasing the genuine thing. However, upon purchase and taking those things to your house, they turn out to be counterfeit.

Mr. Deputy Speaker, Sir, I want to congratulate the Minister and very strongly support this law. I would urge the House to very strongly support this law.

Mr. Deputy Speaker, Sir, having said this, it is important for us to note that there was a very strong reservation from the Non-Governmental Organisation (NGO) world and other stakeholders. They raised the issue that the definition of counterfeit as provided for in this Bill that we want to legislate into law, was going to affect, in particular the production of Anti-retrovirals in this country and therefore, affect those of us who are HIV positive. I want to confirm that I was also very concerned. I was reached by the people who are affected within our Ministry. Right now, the country is supporting about 230,000 people on Anti-retrovirals.

Mr. Deputy Speaker, Sir, these people depend heavily on generic drugs. This is because they are cheaper and more accessible than the ones manufactured under licence. The concern was not only on the Anti-retrovirals but also other things. I am very glad to hear from the Minister himself while moving this Bill that instead of him pulling it out all together as was being suggested, he has undertaken to make a special amendment at the Committee Stage of the Bill to cover generic drugs. This is in keeping with the requirements of the World Health Organization (WHO). These people were saying that we should withdraw this Bill and redraft it afresh. This is a beautiful thing. I want to say that this is what we want to see amongst Members of the Executive. I thank him very much for that.

Mr. Deputy Speaker, Sir, I also support the formation of the agency and in fact, the functions that have been proposed. However, there is need for us to improve on the clause that deals with the board of the agency. We need to think together. When this Bill comes to the Committee Stage, I believe there will be amendments from this House. Already, the members of the board are too many. If you have a rough count, you will see that they are 18 members. Those are too many even going by normal standards. When we have been legislating many of the laws, 18 is a bit on the higher side. That is number one.

Mr. Deputy Speaker, Sir, therefore, we need the Parliamentary Committee that is in charge of this Bill to help us by thinking together. When the Minister will be moving the amendments during the Committee Stage, we will want an input on that direction, particularly to reduce this number to a reasonable number.

Secondly, Mr. Deputy Speaker, Sir, I would prefer that this board is not Government-heavy, the way it is. If you look at the membership of the board, right from "a" all the way to "o" which is about 16 appointees, they are either representatives of a director, chief executive of this or the Attorney-General or the director of this or the Commissioner of Customs or his representative or a Permanent Secretary or his representative. All these are Government appointees. There must

have been a reason they thought of bringing in so many Government appointees. However, I would want to

persuade them that the industry that is really affected here includes the pharmaceutical industry and the artists and music industry. It would be important for these particular industries to be represented in the board of the agency. The pharmaceutical industry is the one that imports pharmaceutical into the country. It is, therefore, important for them to have representation through their associations.

Mr. Deputy Speaker, Sir, the music industry is also one that heavily suffers from counterfeiting. It is important for them to have their representative in this board of agency.

Mr. Deputy Speaker, Sir, the Pharmacy and Poisons Board looks at the standards of medicines that are brought into this country. So, it should have a clear representation in the board of the agency that deals with counterfeiting.

Mr. Deputy Speaker, Sir, I believe that the security agencies in this country, in particular the National Security Intelligence Service (NSIS) that deals with tracking things and national security in general, must be represented in this board. This is because tracing counterfeited goods will definitely need some co-ordination from the security arms of this country. It is important for them to be part and parcel of the board that manages the agency.

Mr. Deputy Speaker, Sir, we have been very clear when passing laws in this august House that it is important for us to be sensitive to the question of gender equality. There must be a clear provision that creates gender sensitivity within this board.

Mr. Deputy Speaker, Sir, I have to state again that, it is clear that for most of the laws that we have been passing, it is an established principle that some aspect of regionalisation of the appointments to the boards that we create must be factored. I would suggest that amongst the three to be appointed, one of the criteria that must be added should be a consideration of the region where the person comes from, gender and youthfulness.

Mr. Deputy Speaker, Sir, I would urge very strongly that those categories be involved in the formation of the board. There is another thing that is a matter of concern, but the Minister has captured it very well. Clause 15 and 16 of the proposed Anti-Counterfeit Bill has come out very clearly to protect those who feel that what they are doing is correct business and, probably, they are being arrested or their goods seized without fair or due procedure being followed. The Minister has made it very clear that there is going to be a due process to be followed. In the event that anybody's goods are seized unfairly and he is doing fair business - not counterfeit business - the provisions in Clause 15 and 16 have come out very strongly to provide for the payment of damages to any Kenyan who is genuinely involved in his work, and his work is affected unfairly by the inspectors who have been created.

Mr. Deputy Speaker, Sir, I believe that the drafters, through the Minister, also thought very clearly about the burden of evidence which is in Clause 26. They have clearly set out the kind of levels of evidence which makes it easy for us to nail the people who have been stealing from our people who have invested in this country - honest businesses or inventions. It is very clear that when an inspector gives his statement in court or in any tribunal that has been set up, his statement to say that he found some goods at a certain place, date and time is already *prima facie* evidence. That is a beautiful invention, so that we do not have to take people. You have been found with counterfeit goods and then, you go there and say: "Prove it." Now, the burden has shifted. That is good because then, we will be making life easy for the inspectors. We are sending a very clear message. This Parliament is sending a message that: We are tired of people in this country who steal from those who have invested and, thus, making a quick kill. That denies the real people who have invented something the money that they should be getting because of their inventions.

So, on the whole, this is a beautiful piece of legislation. I have looked at it. I believe that this House should pass this legislation without much ado. The necessary amendments need to be

brought. I am sure the Minister, and his team which is in Parliament today, will propose appropriate amendments from all the debates that we shall have here. Our Parliament Committee Report will also enable us to have a good Bill. Otherwise, this is a good Bill that will help us to move in the right direction in this country.

With those few remarks, I beg to second.

(Question proposed)

The Minister for Development of Northern Kenya and Other Arid Lands (Mr. I.E. Mohammed): Thank you, Mr. Deputy Speaker, Sir. I would like to support this Bill. First of all, I welcome the assurance from the Minister that amendment will be brought to the Bill to ensure that anti-retroviral drugs will not be affected. Therefore, generic drugs, which are very critical, will not be affected.

Mr. Deputy Speaker, Sir, I come from a region where counterfeit goods are a major menace. Only God knows how many people have died as a result of counterfeit drugs and goods. Counterfeit goods are very dangerous. They kill the innocent. Go to toys. Parents love their children. They buy toys with the believe that those toys adhere to the right standards and bear the brands which they know. But when they buy those counterfeit toys, small children put them in their mouths and they die.

Mr. Deputy Speaker, Sir, I would like to say here that, we do not only need to pass the Bill, but we must go out there and popularise it. There are many parts of this country where it might take a long time for people to know what this Bill is all about. Therefore, I propose that a big campaign follows the enactment of this Bill.

I would like to say that, that agency, once we form it, must be given enough resources to undertake that task very seriously. Otherwise, we will have another agency that is not effective in this country.

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

The Assistant Minister for Youth Affairs and Sports (Mr. Kabando wa Kabando): Thank you very much, Mr. Deputy Speaker, Sir. I rise to support this very important Bill, which seeks to bring some changes in our industries and achieve the targets that have been set, particularly with regard to Vision 2030.

Mr. Deputy Speaker, Sir, the loss in business and motivation among our people to engage in productive technology and enterprise is enormous. Even quantifying the amount of money that is lost in this country because of counterfeit goods--- If you look at the pillar of motivation and inspiration to engage in business and creativity, it is not an affair that you can quantify. When a nation does not have the motivation to engage in enterprise or do programmes through higher institutions of learning--- Programmes that are going to discover new technologies, the loss is very huge. For a country without motivation, no matter how much money it has; no matter the investments, no matter the potential, it cannot grow. Therefore, this Bill, should inspire our people to be creative, especially in the field of science. It should create the confidence and hope that is very important for a nation to grow.

Kenya, globally, is celebrated as a nation of very optimistic people. There have been very encouraging instances, even in the very remote parts of this country, where young people have invented radios and television sets. Even humble medicine people have come forward. If we had a system that would harness those efforts, we would be getting our own home-made products which are branded, promoted and owned by Kenyans.

Mr. Deputy Speaker, Sir, when you move around the world--- When you get an opportunity to visit some capital cities of some countries and see some products coming from Africa,

particularly this country - say our coffee or tea--- It is branded in other nations and the origin is not Kenyan and yet, it is ours. For instance, if you go to Europe, you will find many brands of coffee - French coffee, German coffee - and yet, those countries do not grow those crops.

[Mr. Deputy Speaker left the Chair]

*[The Temporary Deputy Speaker
(Prof. Kaloki) took the Chair]*

There are many products in our markets, which are not even branded because they are counterfeits and are not regularised. This causes a lot of demotivation to those genuinely involved in enterprise. One example is in the music industry.

I had the opportunity to attend one of the most successful local music festival by the people of Gatanga Constituency, where a lot of able and celebrated musicians come from. In fact, in Gatanga they say that music is their cash crop. The show was very colourful and attractive. When you meet with individual musicians from that area and other areas and you assess their success in terms of economic gains, compared to the fame they enjoy because of their talents, you get very disappointed. In a field of science, there have been a lot of cases cited and featured in the mainstream media of people--- Even young girls and boys in high schools have attempted to be creative but their talent is never harnessed, so that it is identified for promotion and ownership by the country. Therefore, this Bill seeks to redress such anomalies so that we can enhance the capacities available and enable people who are genuinely committed to sacrifice time to find new ways of doing business by developing new products and being innovative, so that they can benefit from their efforts.

Mr. Temporary Deputy Speaker, Sir, the Ministry of Youth Affairs and Sports, where I am an Assistant Minister, has flagships of the critical generation in this country. The creation of jobs is a core function. This Bill, while seeking to address the collective issues in counterfeits will excite many young people, who comprise more than 70 per cent of our population. These are people who have had good education, opportunities and have not enjoyed benefits from those opportunities because the environment was not conducive. Therefore, this Bill will entrench the flagship that is Vision 2030 in the creation of jobs and employment. That is good for our nation, because it particularly focuses on the young people.

Mr. Temporary Deputy Speaker, Sir, protecting creativity is important. As a sovereign nation, there is nothing that can benefit our population more than protecting that which we have. What we have is what we should promote. We have so much that we can sell in all the sectors of the economy, and the social services. We can ensure that the little we have, we can do as the ants do; little by little, focusing on it, promoting, ensuring that it is given legal backing and ensuring that the effort is achieved.

Mr. Temporary Deputy Speaker, Sir, there is need for us to celebrate the knowledge economy. A nation can never realise itself or celebrate its fortune without giving serious support to the knowledge economy. As a nation, time has come where every year we should reflect. Every year, we watch and witness multitudes of students graduating from the public and private universities and joining the job market. We are not saying that the job market is only within the public sector. For a nation to realise its prosperity, it must have a target, as we have done through Vision 2030. We should create opportunities for our people who are graduating from universities and colleges, particularly from science and technology based colleges, for them to benefit in formal business. Formalisation of business can only be achieved if we reduce, or eliminate, the existence of counterfeit products.

Therefore, this country needs rebranding of our own culture, vision, which we are doing through Vision 2030; we need to ensure that we do engage in programmes to be facilitated by this Bill. We need to create a new platform for the young generation. These programmes should be largely excluded from the mainstream of economic management. The young generation is not equipped with wealth or material possessions. Yesterday, I was going through a well written out piece in one of the dailies in Kenya, which talked about the need to have a generational transition. The piece enumerated the areas into which we need to mainstream the young people.

We need more in ensuring that job and wealth creation focuses on technology. We should mainstream the young generation, so that they can feel that they own this country. Otherwise, if we do not engage in that effort, the problems that we witnessed since Independence will be recurring, and we will find it very difficult to address matters in a concrete and comprehensive manner, a manner that will ensure that, as a country, we are stable, economically successfully and people are fulfilled and are happy and proud to be Kenyans. Economic fulfilment and economic realization are the only ways to ensure that Kenyans speak with one voice, and that divisions that are very visible across the country, particularly between those who have and those who do not have, are abridged. This abridging can happen by ensuring that we introduce a good system through this Bill. That will entrench knowledge and the benefit of initiatives that are going to bring some currency on the table of the majority of our population, who happen to be the young people.

Mr. Temporary Deputy Speaker, Sir, finally, the young generation of this country is a happy generation if it is given some motivation and inspiration. Beyond the passing of this Bill, which I am sure will be done, I urge the Ministry of Industrialization to relate with other Ministries in a more unique and creative way that will ensure that specific targets within each Ministry are set. The Ministry of Industrialization can be the instigator, or catalyst, for programmes in each Ministry, irrespective of the sector, that will ensure that there are budgets and specific quarterly and annual work plans that clearly target young people and ensure that there is stock-taking at the end of the year. I know that it is not the supervisory Ministry. But I am just saying that in order for us to realize the industrialization that we are seeking, we should have a special focus for the critical generation of this country that will benefit from this timely Bill.

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

(Applause)

Mr. Affey: Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to support this Bill. I want to congratulate and thank the Minister for finding it appropriate to bring this Bill before the House.

Mr. Temporary Deputy Speaker, Sir, this matter is so critical that it touches on the lives and health of Kenyans. Therefore, it requires absolute support by this House. I just want to request the Minister that, as Parliament discusses this Bill, there is a possibility, perhaps, that the parliaments of this region, particularly those in the East African Community--- If, indeed, a Bill similar to this one has not been passed in Uganda, Tanzania, Ethiopia and, particularly, countries that are in the neighbourhood, the Minister should encourage them to have similar laws, so that we can have harmony. The stability of our region is critical to this Bill being useful here. We trade with our neighbours and, therefore, there is a lot of mischief that can happen, particularly when this kind of law is not practised or implemented in countries that are surrounding us.

Mr. Temporary Deputy Speaker, Sir, having said that, I do not have a lot of quarrel with this Bill. I just want the Minister to re-emphasize the definition of "counterfeit goods" because we have generic medicines, which are not necessarily counterfeits. We have generic medicines that help our people. We have Anti-retroviral (ARVs) medicines that HIV/AIDS patients use. We have

other generic medicines that we use in our hospitals, and which cannot be called counterfeits. Therefore, there is a possibility of misunderstanding this term. It will be very fine if the Minister re-emphasizes it and made it more clear. Indeed, perhaps, the Minister needs to conduct civic education to let the country know what is counterfeit, what is generic and what is original, so that people can make sound judgements when they want to purchase whatever they need.

Mr. Temporary Deputy Speaker, Sir, the board that the Minister intends to establish, first of all, is too large! It looks too large for that kind of job. Any organisation that is large is likely to be ineffective. It cannot be as effective as we expect it to be. So, if there is a possibility for the Minister to review the membership to this board, he should reduce it to a maximum of eight qualified Kenyans. That will not give him a lot of--- I saw that he has put several nominated bodies. I do not think it is even necessary to put all those bodies in that board. If you get eight competent Kenyans, it might be easy--- The formula is to get one person from each of the eight provinces. That will help the Minister to make up his mind. So long as they are competent and they know what we expect them to do--- I think that will help us to reduce the expenditure on the board itself. When you have 28 members, you will have to pay them allowances, give them insurance cover, pay for their meetings--- Surely, I think the Minister can do with a very small board and get the Chair from among them.

Mr. Temporary Deputy Speaker, Sir, when the Minister says that the chair must be a lawyer, I could not understand the wisdom. Should he or she be a lawyer or a scientist? It requires to be qualified further. Why would you require a lawyer to head that board? It can be a Kenyan who is qualified, as long as he or she is educated and understands what the mandate of the board is. You do not have to restrict it to a lawyer or a scientist. It could be a doctor, an ambassador or a former hon. Member of Parliament. I do not think it is necessary to reserve it for scientists and lawyers. If there is a way you can review that, Mr. Minister, it will be good enough.

Mr. Temporary Deputy Speaker, Sir, as we handle this matter, there is a very important issue of what we call cross-border surveillance. Those goods come from areas, as hon. Mungatana has just said--- They come from Somalia because it is a collapsed system. They do not have institutions there. The Minister might want to know that, in Somalia today, there is a Minister for Industry. But there is no Ministry of Industry! We do not have the Ministry. We just have a Minister. We are talking about a situation where you are dealing with people who have got the institutions. Therefore, through that coastline, anything can find its way into our borders and homesteads. Those counterfeit goods, first of all, are very cheap. When they are cheap, many people can easily be attracted to buy them. Then, in the process, they endanger their lives. To avoid that, I would like to suggest to the Minister to see how we can collaborate with the police and Customs officials. In fact, they could have officers who are trained to detect those counterfeit goods stationed at our entry points, particularly where those very risky goods find their way into our country.

Mr. Temporary Deputy Speaker, Sir, finally, I would like to request the Minister - just to repeat it - to look into the issue of civic education. It is important for the Minister and his officials to undertake television programmes and community awareness programmes so that people can understand those counterfeit goods that are dangerous to their lives.

Mr. Temporary Deputy Speaker, Sir, with those few remarks, I support the Minister and congratulate him for bringing this Bill.

Thank you, Mr. Temporary Deputy Speaker, Sir. I beg to support.

(Applause)

Mr. M'Mithiaru: Thank you, Mr. Temporary Deputy Speaker, Sir. Let me also

congratulate the Minister and his staff for a job well done in bringing this Bill to this House. Let me also recognise the efforts that have been made by the various stakeholders to ensure that this Bill has seen its way to the House.

Mr. Temporary Deputy Speaker, Sir, counterfeiting is a very dangerous activity, especially when we know the kind of impact it has in the lives of Kenyans. When it comes to the manufacturing sector, counterfeiting has affected the growth of that sector. That is because counterfeit goods have found their way into the market, when they have not been produced by the mainstream manufacturing sector.

Mr. Temporary Deputy Speaker, Sir, we also know that when we see goods in the market that have not passed through the due process, they have also deprived the Government the due revenue that is normally realized through the taxes that are paid by the manufacturers. We also do realize, especially with regard to counterfeit medicines, the danger they pose to the lives of the people. When some people take counterfeit medicine, they tend to make the diseases they are supposed to treat be very resistant to medication. So, we have very many Kenyans today who are languishing with untreatable diseases, just because they consumed medicines that do not have the quality to treat the diseases. As a result, today we have many Kenyans who have been to hospitals all over. Some of them say that doctors cannot diagnose their disease, just because the chemicals that are in those counterfeit medicines are not the ones that are supposed to treat the disease, and have reacted with their bodies, hence they have caused them a lot of havoc.

Mr. Temporary Deputy Speaker, Sir, we know that counterfeiting cuts across all the sectors of the economy today. Talk of any area, medicine, manufactured goods or music, which was spoken about earlier, there has been counterfeiting in all those sectors. Why has it been so? It is because there has been no effective legal and regulatory framework to curb the menace. The passing of this Bill is going to bring sanity in all our sectors of the economy, and ensure that there is a legal framework which the consumers can resort to when they are sold counterfeit goods. There is also the regulatory framework that will be established through an authority to ensure that there is proper supervision and inspection of all the outlets, through which counterfeit goods come into our market. So, it is only good that this House should support this Bill, so that it addresses the issues that have posed danger in our own country.

We know very well that today there are no laws and regulations that discourage counterfeiting. Provisions that relate to counterfeits are scattered in very many Acts of Parliament. I think this Bill will bring together all the issues on counterfeiting under one Act. This is going to be easy to manage in terms of effectiveness. There will be a way to trace the impact of the Act once it becomes law. We know today that counterfeit goods, like medicines, are close substitutes of the genuine goods and the unsuspecting consumer is just a victim; they do not know what they should do. So, this law will be useful in addressing all those issues.

What I would like to see in the law is that the powers of the inspectors, who are going to be the enforcement officers of it once it becomes law, are enormous. This is an area that we cannot just leave to the inspectors without giving them the teeth with which to "bite". This will ensure that all those who practise, aid or abate counterfeiting will be brought to book as quickly as possible.

Mr. Temporary Deputy Speaker, Sir, when I went through the Bill, I saw that there was a creation of a very large board of about 28 people. That is a very large board, indeed. It is not a board! I would say it is kind of a rally group, because 28 people are just too many. I think a lean board would be more effective than a very big one. So, I am sure the Minister will also look into that issue to ensure that when it comes to amendments, this can be done so that we can have a leaner board.

The other issue is that those who practise counterfeiting have been there. They have money and are able to fight back very vigorously. So, they may even move to court to file cases that are

going to be in court for years and years. I would say that to ensure that we do not subject Kenyans to the rigors of undue court process, in this Bill, we can have a provision for a tribunal. This tribunal will bring the parties together and hasten the process, where there is dispute between parties. So, this is a Bill that is long overdue. It is a Bill that is going to save Kenyans, and it needs to be supported by everybody.

With those few remarks, I beg to support.

Dr. Otichilo: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this chance to make my comments on this Bill. First, I would like to congratulate the Minister for bringing this Bill to the House. It has been long overdue. I would like to urge my colleagues in this House to support this Bill, because it is going to make a lot of difference in this country. It is going to encourage a lot of innovation in various sectors of our economy.

This Bill is extremely important, particularly in the music sector. We have had many of our good musicians, who have come up with various good music pieces, which have been copyrighted. Immediately the music is produced, it is pirated in River Road and everywhere. Most of us who visit most social places will agree with me that we find counterfeited, or pirated, music being sold everywhere. The owners or producers of the music get nothing. I happen to come from a constituency, Emuhaya, where we have many musicians. We have had many musicians from this constituency, but I can assure you that most of them are extremely poor, yet their music is played on radio and TV all over everyday. Take a musician like Daudi Kabaka. His music is played everywhere, but the guy died a very poor person. I can also enumerate many musicians in Emuhaya who are paupers and some died. They could not even have money for burial! So, I think this Bill is going to bring sanity, particularly to the music industry.

As my colleague said earlier, we have a lot of innovation in science and technology that is coming up. Most of young people are involved in a lot of innovation and it needs to be protected. I believe that this Bill, once enacted into law, is going to protect various innovations, particularly in the area of design. We have people who come up with very nice designs, but immediately they come to the market, they are just pirated and the designers end up with nothing, yet people who did not do anything end up reaping where they did not sow.

Equally in the manufacturing sector, there are a lot of counterfeit goods that are coming into the country. This is, indeed, a bad thing because the manufacturers, who spend a lot of money on research and development and come up with very high quality products, end up losing their money, because of these counterfeit goods. So, I want to commend the Ministry for coming up with this Bill.

As my colleagues noted earlier, there is a need to look at the definition of "counterfeit" because what is in this Bill is not the international version of it. I would like to appeal to the Ministry to look at the definition, and, if possible, let us adopt the international definition, which is well accepted even by the World Trade Organisation (WTO).

Mr. Temporary Deputy Speaker, Sir, the issue of generic medicines has also been raised by the earlier contributors and I also want to add my voice to this. Generic medicine is legitimate medicine. It is medicine that is of high quality. It is medicine that meets the set standards, except that it is not medicine that is produced by the originator. Therefore, this Bill should be very clear on this issue because generic medicine is very important to this country because it is relatively cheaper than the original medicine and most Kenyans depend mainly on it since it has the same efficacy as the original one. Therefore, we should make sure that this Bill does not include generic medicine to be considered as being counterfeit. So, I would like to appeal to the Ministry to look at the issue of generic medicine and make sure that we cover it so that our people are covered and can continue accessing it, since it is fairly cheaper than the so-called original medicine.

Mr. Temporary Deputy Speaker, Sir, I also want to add my voice on the issue of the

members of the board under Section 6 of this Bill. I think we have too many people on this board and as most of my colleagues have said, such a big board may not be very effective. So, I think the Minister should look at this and see to it that he looks at the membership afresh and comes up with a much leaner but more representative board. When I was going through the list, I found that there was no representation from the Pharmacy and Poisons Board and I think this is a very important board which should be represented on this particular board. Therefore, I would like to propose that at least, the Pharmacy and Poisons Board be represented on this Board because it is very important.

Mr. Temporary Deputy Speaker, Sir, I also wish to turn my attention to Section 34 of this Bill. Going through this Section, I get a feeling that a lot of powers have been given to the Kenya Revenue Authority (KRA) to do most of the control and so on. I think this needs to be limited. I believe KRA has a big role to play in this Section but I equally believe that Kenya Bureau of Standards (KEBS) would even have a major role to play because it is actually the technical organisation in this country that ensures that the quality of goods manufactured or imported in this country meets the international standards. Therefore, I believe under this Section, the KEBS should be given quite a lot of powers to ensure that all the goods entering or manufactured in this country meet the set standards by the International Standards Organisations (ISO) as we know it.

I also believe that apart from the KEBS, also the Pharmacy and Poisons Board should also be given a lot of powers to be able to ensure that this Bill is enforced. They should be part and parcel of this enforcement team.

Mr. Temporary Deputy Speaker, Sir, lastly, I have not had time to look at the Intellectual Property Rights Act and I believe the Minister should look at it and ensure that there is some form of harmony with this Bill because we do not want to end up again with some conflict between the Intellectual Property Rights Act and this Act because they are quite inter-related and, therefore, we need to ensure that they are not conflicting or contradicting.

Finally, I wish also to call upon the Ministry to create awareness. After this Act goes through this Parliament and becomes law, there is need for the Ministry to initiate awareness programmes about this law because it is a very important law. Unless the Ministry comes up with a pro-active awareness programme, Kenyans will not know about this law and it will just be like many other laws we have been enacted in this House which have been forgotten and people do not know that they exist.

So, with those remarks, I wish to support this Bill.

The Assistant Minister for Industrialisation (Mr. Muriithi): Thank you, Mr. Temporary Deputy Speaker, Sir. I will be very brief indeed as the hon. Members are urging me to be.

I rise to support this Bill. This matter of counterfeiting is a very serious one for our economy and, in fact, this House has addressed itself to this issue a couple of times in the very recent past. It has asked the Minister on a couple of occasions to show what he is doing about combating this menace. Some Members have brought to the House what it is that this economy is losing because of counterfeiting and I do not wish to repeat.

Mr. Temporary Deputy Speaker, Sir, let me just point out a couple of things. The first one is about we as a nation, developing and securing markets for the goods that we manufacture in this country. We have set ourselves the objective to be the manufacturer of choice, particularly for basic goods in the East and Central African region. I have on occasion had to work with other departments like the Customs and so on, to intercept transit goods made in other countries. In one particular instance in recent times, we have found a consignment destined for the Democratic Republic of Congo (DRC) originating from China and transiting through the port of Mombasa. Those goods were hand tools like ores, *pangas*, umbrellas and pens, all bearing the names of Kenyan manufacturers and yet clearly from the documentation, they were not manufactured in Kenya.

So, it is very critical that we provide for a mechanism to be able to secure the markets that we already have because the reason a counterfeiter in a third country is copying goods made by Kenyan manufacturers and taking them to the market in the region, is because those goods from our country do in fact enjoy that market. Their quality is seen to be excellent. Therefore, as I have already indicated, we have set ourselves a target as a nation to be a manufacturer of choice in the region. We have said in fact that we wish to double the market share of our products in this region in the East African Community (EAC) and Common Market for Eastern and Southern African (COMESA). To achieve that, we must ensure that we do not allow counterfeiters to take advantage of the market we have already developed.

Mr. Temporary Deputy Speaker, Sir, the issue of innovation, growth and employment has already been spoken about by my colleagues who have contributed to this Motion. Therefore, I would not wish to repeat. However, let me congratulate the Minister for the consultative process that had been put in place to ensure that all the stakeholders involved in this matter are part of the process. This is about us, as a nation, getting together to say; "look, this is hurting us and we need to provide for a mechanism to protect ourselves in law".

Mr. Temporary Deputy Speaker, Sir, as I conclude, if one reads Clauses 11, 12 and 13 of this Bill, you will see that we have sought to look at issues of civil and criminal liability. I know a good thing can be made better. Many hon. Members have said we could improve on the institutions that have power under Clause 12. However, the reason to provide for the power of seizure is to ensure that counterfeit goods do not find their way back into the market, even when they have been so determined. Clause 13 provides for specific penalties. After all, the purpose of this law is to punish and, therefore, deter the activity of counterfeiting.

With those few remarks, I beg to support.

The Temporary Deputy Speaker (Prof. Kaloki): Hon. Members, I will now call upon the Minister to reply!

(Applause)

The Minister for Industrialization (Mr. Kosgey): Thank you very much, Mr. Temporary Deputy Speaker, Sir.

Mr. Temporary Deputy Speaker, Sir, that applause shows the acceptance of this Bill by the Members. I wish to thank all the Members who have contributed to this Bill, particularly, the Seconder who made very useful contributions. However, that is not to say that others who spoke did not make useful contributions.

Mr. Temporary Deputy Speaker, Sir, at the outset, I wish to state that I have taken into consideration, in particular, the fact that currently, there are laws in this country that deal with the same issue of protecting certain aspects of our economy. One of the law that was referred to is the Music and Copyright Act. The others include the Trademarks Act, the Intellectual Property Rights Act and the Pharmacy and Poisons Act. However, as I said from the beginning, there is need to have a particular law. It is not going to be in conflict with the existing legislation. It is not even going to be in conflict with the Customs Management Act. It will be complementary.

Mr. Temporary Deputy Speaker, Sir, the issue of counterfeit has become a serious menace and threat to our economy. There is need for this Anti-Counterfeit Bill, specifically to deal with counterfeit goods. Similar laws exist in South Africa and in more developed counties in the West. These laws are meant to safeguard intellectual property rights and manufacturers from counterfeit goods.

Mr. Temporary Deputy Speaker, Sir, I have noted the concern of Members, particularly on the definition of counterfeit. As I said, this will not affect generic drugs. We will introduce a

specific amendment so that it is in keeping with the World Health Organization (WHO) requirements. People who are currently on generic drugs, particularly those living with HIV, have nothing to fear. However, generic drugs also suffer from counterfeiting. There are counterfeit generic drugs in the country which are not effective. Their efficacy is zero. I gave the example of anti-malarial drugs which are really just chalk or *chokaa* in Kiswahili.

Mr. Temporary Deputy Speaker, Sir, I have noted the concerns of hon. Members on the size of the board. We are going to amend that. Actually, 18 members is not a board. It is a *baraza*! We do not want to ask the chairman of this board, when eventually appointed, to chair a *baraza* instead of a board. So, we will bring a much leaner board. Under the Companies Act, I think directors are a maximum of 11.

Mr. Temporary Deputy Speaker, Sir, I have also noted the sentiments of hon. Members who said that when appointing members of the board, we need to take into consideration, gender representation. I think it is now a common practice in Kenya, to take into consideration, gender representation in various boards. I think this is an unwritten rule which I hope will be

written one of these days that a third of any organisation or board should be of either gender. It does not say that the women should not be more. If the women are more, you take care of the men and make sure they are a third and *vice-versa*.

Mr. Temporary Deputy Speaker, Sir, I had noted the sentiments of hon. Members with regard to the definition of the chair or the Executive Director should be a lawyer. I intend to amend it at the Committee Stage to make sure that we do not discriminate against other Kenyans who may be qualified but may not necessarily be lawyers. This should not be a preserve of lawyers but any competent Kenyan who will have the necessary qualifications to chair a board of this nature will be appointed as the Executive Director of this body.

Mr. Temporary Deputy Speaker, Sir, it is very important that the Pharmacy and Poisons Board is represented in this board. This is particularly because counterfeit drugs have been a health hazard to Kenyans. So, they will be represented. This was an oversight. I have received suggestions from stakeholders that it should be so. I thank hon. Members for being very vigilant. They are just as vigilant as stakeholders out there who want to see things done correctly.

Mr. Temporary Deputy Speaker, Sir, I do not need to emphasize what I said about introduction of an appropriate amendment to make sure that we do not outlaw generic drugs. We do not need to emphasize this point. We need to make sure that Kenyans who are listening to this debate and knowing today that the Anti-Counterfeit Bill has gone through its Second Reading, they have nothing to fear, particularly with respect to generic drugs. The generic Anti-Retroviral drugs will continue coming to the country. But as I said, even some ARVs are counterfeited. They may be taking the wrong drugs while thinking that they are the right drugs.

Mr. Temporary Deputy Speaker, Sir, the bit about music--- Let me just go back a little bit. Music and piracy, in the wider sense of the word, is counterfeiting. There is a law currently, the Music Copy Right Act. There is a board to that effect. Since the emphasis will be counterfeit manufactured goods, that board must be told to wake up and do its job. It does not have teeth. But I hope one day it will be given teeth. However, the inspectorate here, which is being created through the Agency, will have some teeth. They will have some teeth and some prosecutorial powers. That will assist the Music Copy Right Board in the performance of their duties.

With those few remarks, I beg to move.

(Question put and agreed)

MOTIONS

ADOPTION OF SESSIONAL PAPER NO.2
ON NATIONAL LIVESTOCK POLICY

The Minister for Livestock Development (Dr. Kuti): Mr. Temporary Deputy Speaker, Sir, I beg to move:-

THAT this House adopts Sessional Paper No.2 of 2008 on National Livestock Policy laid on the Table of the House on Thursday, 17th July, 2008.

Mr. Temporary Deputy Speaker, Sir, the livestock sector has a great potential which we, as a country, have not managed to tap to its full capacity. The sub-sector contributes, even as ignored as it is, 10 per cent of Gross Domestic Product (GDP). Livestock is the mainstay of livelihoods for occupants of Arid and Semi Arid Lands (ASALs), which occupy 80 per cent of the land mass in this country. About 90 per cent of the population in ASALs depend on livestock for their income. In high potential areas, dairy production is a source of income to over 600,000 households.

During the last five years, the industry has registered an impressive growth in the dairy sector, as manifested by an increase in milk production from 2.8 billion litres in 2002, to over 4.5 billion litres in 2007. In addition, the livestock sub-sector produced over 353,000 tonnes of beef valued at Kshs49.5 billion in 2007.

Mr. Temporary Deputy Speaker, Sir, the rural-based nature of livestock sub-sector makes it a suitable enterprise to create employment in the rural areas, and increase household farming income, which is crucial towards the realisation of macro economic blue print of Vision 2030. The goal of livestock production is to ensure adequate supply of affordable livestock products for the nation, and a surplus for the export market. In order to support livestock production and trade, my Ministry has continued to invest the available resources in livestock disease control and livestock improvement programmes. As a measure to enhance regional and international livestock trade, disease free zones are in the process of being created. That has been identified as one of the flagship projects in Vision 2030. That is expected to enhance economic opportunities for livestock producers among ASAL communities, leading to renewed interest in our livestock and livestock products by investors in Europe, Middle East, Eastern and Southern Africa markets.

Mr. Temporary Deputy Speaker, Sir, many reforms in the sub-sector have been undertaken without supportive policy framework which, sometimes, leads to conflicting legal mandate that affects operational efficiency in the livestock sub-sector. I wish to bring to the attention of this august House that the current National Livestock Development Policy was developed way back in 1980, and does not adequately address the existing and emerging challenges facing the livestock industry. The challenges of inadequate livestock disease control, market infrastructure, little value addition and un-coordinated market liberalisation has constrained growth in the livestock sub-sector. In addition, inability to meet the international animal health standards due to frequent livestock disease outbreaks and quality requirements has limited access of our livestock and livestock products to the international markets.

Mr. Temporary Deputy Speaker, Sir, the main objectives of the proposed National Livestock Policy are:

- (a) To conserve and improve the animal genetic resource of this country.
- (b) To achieve effective control of animal diseases and pests in line with international conventions.
- (c) Focus research efforts in the livestock sub-sector towards solving the current and emerging problems.
- (d) Ensure quality standards and quality assurance at all levels of production and marketing chain for increased competitiveness and address issues that are directly responsible for other

sectors, but impact on livestock production.

Mr. Temporary Deputy Speaker, Sir, I now wish to briefly update hon. Members on the key challenges, and respective policy proposals to address them. With regard to animal genetic resources, there has not been clear characterisation and documentation to determine the conservation and livestock improvement needs in the country. The breakdown of the past breeding schemes has resulted to inadequate production and supply of breeding stock. Just to expound on that, the seed of a Boran bull--- The only place on earth the Boran bull seed is found is Kenya. But because we are not protecting our genes properly, now South Africa is selling and exporting Boran bull gene and making money out of it. That is because we do not have policies in place to regulate that. That puts the country at a risk of losing its vital indigenous livestock resources. The policy proposes to regulate and facilitate documentation and conservation of livestock gene resources and promote the delivery of breeding services through decentralisation and expanding the mandate of the Central Artificial Insemination Services, while retaining the station's strategic public role as an animal gene bank and encouraging more stakeholder involvement in semen production and distribution.

Mr. Temporary Deputy Speaker, Sir, one of the major challenges in the livestock sub-sector is the control of animal diseases and pests. There has been frequent outbreaks of livestock diseases and poor co-ordination of provision of clinical services. Before the 1980s, this country had a very elaborate system of disease control and the areas were zoned very well. We had an elaborate system in northern areas where animals moved freely and, therefore, control was very difficult. There were holding grounds where animals would be held for four weeks and then moved to disease free zones in the highlands. There were specific stock routes where animals would be moved from diseased areas through the holding grounds to the disease free zones. They would then be transported to local and international markets.

Mr. Temporary Deputy Speaker, Sir, all that fell apart in the 1980s when the structural adjustment programme squeezed the livestock sector out, and the livestock sector services, extension services and the dips were all privatised. Therefore, disease control has become a major challenge; in actual fact, this Ministry only does "fire fighting" when emergencies arise. Regular vaccinations, control of foot and mouth diseases, control of peste des petitis ruminants (PPR), which is a new disease, control of the Rift Valley Fever and other notifiable diseases has become just a matter of "fire fighting". When the services were privatised, there was also a freeze on employment. For 20 years, this sector has not employed any staff, yet it is a technical sector that requires highly qualified veterinary doctors, animal health assistants, extension workers and so on. For 20 years, there has been a freeze on employment and purchase of vehicles. Vehicles are essential for surveillance of diseases.

Mr. Temporary Deputy Speaker, Sir, there was reduced budget and funding and, therefore, the laboratories that were used for surveillance and diagnosis almost collapsed. This affected the quality of livestock products and disease control was non-existent. This resulted in the country being branded by the World Animal Health Organization (WAHO) "a disease country" and, therefore, livestock products from Kenya could not access any markets other than the local markets. So, all the international markets were closed to us, because we failed to put into place policies, practises and programmes that could control diseases effectively for us to be able to access international markets.

Mr. Temporary Deputy Speaker, Sir, regarding the challenge of livestock feeds and nutrition, the policy notes that livestock feeds account for between 60 per cent and 80 per cent of the total production cost, depending on the intensity of production, thereby reducing the earnings of the livestock producers. Further, the standardisation of some seeds and feed ingredients is not complete and there are challenges of meeting the quality standards by some feed manufacturers.

The grazing animals on the other hand, go through periods of feed scarcity occasioned by dry seasons and droughts. The proposed measures to address these challenges include mitigating against the high cost of livestock feeds by encouraging co-operatives and farmer groups to engage in manufacturing own feeds while diversifying the feeds base. The policy also proposes to put in place the necessary institutional framework to ensure quality feed production and further create initiatives for drought preparedness and recovery to secure animals and humans during periods of drought.

Mr. Temporary Deputy Speaker, Sir, many challenges exist in the marketing and value addition of our livestock and livestock products. Poor market infrastructure, marketing distribution systems and inadequate market information continue to plague the livestock sub-sector. In addition, the high cost of equipment, limited technology and skilled manpower at the local level has slowed down the pace of value addition. To address these challenges, the policy proposes to strengthen producer marketing groups and encourage their advancement to value addition and processing. The Government will also divest from the Kenya Meat Commission (KMC) to bring on board livestock producers along the current public asset privatisation programme. It further advocates for collaboration with relevant stakeholders in developing adequate market infrastructure in addition to creating mechanisms and leakages for more local and international market information. The policy also calls for more public and private sector financing of livestock activities.

Mr. Temporary Deputy Speaker, Sir, the policy notes the potential impact of international trade rules in the sub-sector. In this regard, the policy recognises the need to categorise livestock and livestock products as special products based on criteria of food and livelihood security and rural development. Research and extension are critical for livestock development. The current institutional arrangement places livestock research under the Kenya Agricultural Research Institute (KARI), and it is not under the mandate of the Ministry in charge of livestock development. While universities and other private livestock research institutions operate under different research mandates, these, coupled with lack of comprehensive extension messages, and the absence of formal collaboration by extension service providers, has been a major challenge to livestock research development in this country. In view of this, the policy proposes the establishment of the Kenya Livestock Research Institute as an umbrella institution to carry out livestock research in combating all the livestock diseases. The policy also provides for collaboration with private extension service providers to develop dynamic and comprehensive extension services. The concept of food security in this country has traditionally been equated with the availability of cereals, and this is a very important issue to be noted. This definition excludes livestock products such as beef and milk.

Mr. Temporary Deputy Speaker, Sir, there has been insufficient preparation for the management of drought and its related effects. To address this situation, the policy proposes the expansion of the definition of "food security" to include livestock products, particularly milk and beef. If you process meat and can it, it can remain fit for consumption for five years while powder milk will be good for two years. Instead of buying yellow maize for rural, or communities living in Arid and Semi-Arid Lands (ASALs), it is important that when we use the drought monitoring indicators, and there are indicators showing an oncoming drought it would be important to off-take livestock, process them into canned meat and store it. When the drought actually comes, those animals that would have been wiped out, will already have been stored in cans and then the canned beef will then be supplied to the communities at risk. Since it is their speciality, they will like it better than the yellow maize. In fact, instead of consuming yellow maize, they sometimes use it to feed their animals and make them survive. That also applies to powder milk. Therefore, this policy further acknowledges the need to strengthen and institutionalise the early warning systems in order to mitigate the effects of disasters that affect the livestock sub-sector.

Regarding the institutional and legal framework, the policy proposes the formation of a Kenya Livestock Marketing Board to promote market research and development in and out of the country. The establishment of the Kenya Livestock Inspectorate Board is proposed to ensure that livestock products for local and international markets meet the standard for safe human consumption. In addition, an Animal Feeds Inspectorate Service will be established to ensure that seed quality standards are set and met. Further, the Kenya Livestock Breeding Board will be set up to co-ordinate and regulate all breeding activities and give direction on breeding strategies.

In conclusion, I now wish to request this House to consider and approve Sessional Paper No.2 of 2008 on the National Livestock Policy.

With those few remarks, I beg to move, and request hon. I.E. Mohamed to second the Motion.

The Minister of State for Development of Northern Kenya and Other Arid Lands (Mr. I.E. Mohamed): Mr. Temporary Deputy Speaker, Sir, I want to second this Motion, and congratulate the Minister and his team for bringing this Sessional Paper to the House. It is 45 years since Independence, yet we have not had a livestock policy. For the first time, a livestock policy has been brought here. That means a lot for livestock keepers. The importance of livestock in the economy of this country has been well covered by the Minister. Livestock brings billions of shillings to the Exchequer. This policy is going to give it the recognition that it deserves.

Livestock is the backbone of very large communities in this country. Over 70 per cent of arid lands of this country rely on livestock. This policy seeks to improve their lot. The improvements that are being proposed are wide ranging, as you have heard from the Minister. I believe that when the livestock marketing systems will be put in place, as proposed in this Sessional Paper, the contribution of livestock will be much greater to this economy.

Mr. Temporary Deputy Speaker, Sir, we lose billions of shillings due to diseases that affect livestock. Therefore, when we implement disease control plans as stipulated in this policy, we will save a lot of money and also livelihoods of millions of Kenyans. We also lose millions of shillings to drought. I would say billions of shillings! Whenever drought sets in, we lose a lot of livestock. By proposing that we have an off-take system in which we will preserve meat and milk as part of the national food security reserve, instead of the national cereals reserve, I think this policy is going to take us very far.

Mr. Temporary Deputy Speaker, Sir, very close to the hearts of many Kenyans is the fact that this policy is going to, for the first time, make camel as part of livestock in this country. Previously, camels have been treated as wild animals. Many Kenyans will be surprised when I say that camel milk is now being sold in our supermarkets and attracts Value Added Tax (VAT), as if it is not milk. I think the current definition of "milk", as I am told, is "an excretion from a cow". So, not only is it going to improve the lot of those who keep camels, but I think emotionally, it will also bridge the feelings of marginalisation by many camel keepers.

Mr. Temporary Deputy Speaker, Sir, I think we all know that research is very important and yet, very little effort has been made when it comes to livestock. I believe that the proposal that is being put forward by this policy, of ensuring that we have a Kenya Livestock Research Institute (KLRI), is going to further improve the livelihoods of livestock keepers. It is possible to improve our breeds. I will go back to the camel again. The camel, as it is, is milked four times a day. But I am told that, in countries which are not very far from us, improvements have been done where you can get up to 80 litres of milk from a camel. I am sure you could do the same with goats and cows if we conduct livestock research.

Mr. Temporary Deputy Speaker, Sir, a number of institutions have been proposed by the Minister. I think they will take the livestock industry very far. But I would like to say that we add some more. It is not because we just want to create many institutions. It is because that sector has

been neglected for so long as compared to others in the agricultural industry. We need to put in more. So, I propose that the Minister considers setting up the Livestock Enterprise Fund, Livestock Development--- An equivalent of the Agricultural Development Corporation. I propose that we come up with a mechanism to give livestock insurance, so that people who keep livestock are able to insure their livestock against drought and other odds.

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

(Applause)

(Question proposed)

The Assistant Minister for Industrialization (Mr. Muriithi): Thank you, Mr. Temporary Deputy Speaker, Sir. I rise to support this Sessional Paper because the livestock sector is, in fact, a very significant sector. Let me, from the very beginning, congratulate the Minister for bringing this Sessional Paper before the House. I believe it will allow us, as a country, to realise the vast potential of that sector.

Mr. Temporary Deputy Speaker, Sir, good management practice is that we benchmark ourselves against others. If we were to compare the total value realised from that sector to that of Botswana, the herd size or the number of animals that they have is far less than ours, but the total value realised by that sector is four times what we realise. So, I believe that by setting a proper policy, it will assist this country to realise that very great potential that, that sector has.

Mr. Temporary Deputy Speaker, Sir, if we were to compare - and the Minister has said that we have done well in the last few years by increasing milk production in this country--- The Minister reported that we are now producing 4.5 billion litres of milk annually. But if we were to compare that, for example, with the production in New Zealand, a country which is far smaller in geographical size but with a similar herd size as ourselves, New Zealand is producing 12.5 billion litres of milk annually. So, we have a sector that has a great potential. But we must exploit it! We must work to realise that potential and that is why I am saying we must congratulate the Minister for bringing this Sessional Paper.

Mr. Temporary Deputy Speaker, Sir, many people may not realize but, where I hail from in Rumuruti in Laikipia, we have one of the largest livestock auctions. Once a week, we get together and trade in excess of 1,000 animals, camels included. So, this matter is of great importance to us in Laikipia.

Mr. Temporary Deputy Speaker, Sir, let me make some two specific proposals to the Minister. I want to urge him, as he rightly pointed out, that we are not exporting as we should, because we are no longer able to convince the world that we have disease-free zones. One of the challenges is that many of the holding grounds that existed, and provided the underlying mechanisms for disease control, have been grabbed. I want to urge the Minister to move with determination and speed to repossess those holding grounds. From Rumuruti to the boundary with Ethiopia, most holding grounds that served us as the animals moved towards the off-take points are now in private hands. We will not be able to go back and point to where we are exporting our beef, mutton and live animals as we should. Therefore, I want to suggest to the Minister that he does so, indeed.

Secondly, I want to urge the Minister to assist us to brand our products. Internationally in the leather trade, those countries that have been able to realise very good potential from leather, it is because they have been able to brand; so, now people talk of "Botswana leather". So, I want to urge the Minister to assist us in branding. We would like to see us being able to talk of leather from Laikipia, Garissa or Isiolo in the international market.

With regard to milk production, as I said, it is commendable that we are now at 4.5 billion

litres of milk per annum, and we have the potential to do twice or three times this amount. So, I want to urge the Minister--- Milk production, as he rightly points out, has a lot to do with the genetic material that we have. Because of the structural adjustments programmes and other reasons that made the Government cut back on certain services, we no longer subsidise artificial insemination (AI) services in this country, contrary to what our competitors are doing. Therefore, the animals we have are producing a tenth, or perhaps a quarter, of their potential. I believe that time has come and I urge the Minister to set a specific target, so that in this country, we aim at providing no less than 2.5 million AIs every year. At the moment, we are only providing less than 400,000 AIs per year. I believe that time has come for us to set a very specific target, and I urge the Minister to do so, so that we can bring back milk production. This has enormous potential for us, as a country.

If we look at COMESA, for example, a market that is in excess of 400 million people; if we can double our milk production, there is no reason why we should not be supplying powdered milk to this very significant market. This would have enormous backward linkages, because already, we have quite a number of processors in the country. If we are able to double or triple milk production, by definition, we will have to have twice, or maybe, three times, as many processors and, therefore, create a great deal of jobs in this country. So, just to re-state my points again, I wish to urge the Minister, as I support this excellent effort, to bring a policy--- I urge him to set, as the very minimum, a target of 2.5 million AIs per year.

With those few remarks, I beg to support.

Mr. I. Muoki: Thank you, Mr. Temporary Deputy Speaker, Sir, for this opportunity. I would like to say that this is a very important subject; I am very happy that when I look across the House, I see most hon. Members who come from the ASALs are in the Chamber the way I am in it, so that we can discuss this important Motion. I would like to congratulate the Minister because he comes from an ASAL region and, indeed, he has been very keen on the issue of livestock. I want to tell him to keep up because it is through him, and his initiatives, that we shall achieve a lot in this sector.

The issue of livestock is very important. Our country is about 80 per cent ASALs. You will realise that the ASALs are the areas that are very ideal for livestock. We are talking about camels, goats, traditional cattle and other kinds of livestock. If we support the Minister and the activities that he is undertaking, we will stand to benefit, as a country.

Of importance, would be the improvement of livestock. You know the way, as the Minister said, livestock in this country was kept for historical reasons. The more animals, the richer you are and the more important you are. It was a symbol of pride and importance. Therefore, we still have that element in our thinking, and it is high time we looked at the sector and tried to improve our livestock. I am thinking of, for example, trying to cross-breed our local breeds in most areas, like where I come from; most of the ASALs have such animals. With improvement or cross-breeding, we will have animals which are able to stay in those areas and which are of good quality. This will ensure that we have good quality livestock.

I would also like to say that, as a country, it is high time we thought of livestock farming as a business. With the kind of land and climate we have, I am sure we can develop the livestock sector, so that we would be self-sufficient in terms of meat and milk supply. We would also export these to other countries and earn some good export revenue. We can also use livestock as a commercial venture by buying livestock across the region, where we would have animals from one region being sold to another, or where we would have animals from the rural areas being sold to the cities for meat. Therefore, it would be very important if we could try to develop our livestock to the level where we would be self-sufficient and even have something for export.

Mr. Temporary Deputy Speaker, Sir, in addition to that, one issue that the Minister and the

Ministry will have to address very effectively is diseases.

Mr. Temporary Deputy Speaker, Sir, we need a mechanism, whereby should we have a disease outbreak, the response should be very fast and it should not affect livestock. We have had cases of disease outbreaks for animals and by the time the Ministry takes action, we have lost many of them.

The other issue is that of diseases and their perception from international countries. You will realise that if we have a small problem of a disease outbreak, it is so amplified internationally that it affects the international market of our livestock products. Therefore, we need to address such issues so that we do not lose our animals through disease and at the same time, we can become a disease-free country for livestock and, therefore, our international markets will be ready and waiting for us.

Mr. Temporary Deputy Speaker, Sir, I would also like to emphasise the issue of research for high quality livestock. You find that research and its transfer through extension staff to the farmers is very important. It is a pity that the kind of research we expect for livestock is mainly in the Ministry of Agriculture and yet it mainly deals with crops. We also have the Ministry of Livestock Development and the Ministry of Fisheries Development. You will find that if research for livestock is under another Ministry, then, of course, it will not be as effective as if it was under the Minister himself. Therefore, it is very important to have good mechanisms for research so that whatever they find can also be transferred to the farmer through the extension workers.

In this vein, we would also like to see more extension farmers. I am sure we have a shortage of staff in every Ministry in this country. In Arid and Semi-Arid Lands (ASALs), it is very important to have these extension workers. I know like in my constituency, Mutomo, we have very few of them. We have a whole division being manned by one officer and given the vastness of such an area, you find that no matter how hard working this office is and willing to serve people, he will not be as effective as if there were three others assisting him. Therefore, it is also very important for the Minister to see that whenever he gets money, he increases the ratio of livestock officers to the farmers and that will go a long way in terms of helping the farmers.

Mr. Temporary Deputy Speaker, Sir, I come from a region which is conducive for bee-keeping and you get honey which is not contaminated by pesticides or other chemicals. I would like to specifically urge the Ministry to have affirmative action for such areas, whereby our farmers would be enabled in one way or another through credit facilities, extension workers, education and other arrangements to improve bee-keeping. Through that, we know we can get honey, wax and pollination from bee-keeping which will assist the farmers from the region. Therefore, I would like to urge the Minister and his staff to take the issue of bee-keeping seriously, especially in regions like Mutomo Constituency where I come from.

I would also like to say that Kenyans need to change their thinking. I am sure if we talk about something like ostrich or butterfly farming, somebody may not take them as very important. The Ministry should encourage Kenyans to engage themselves in emerging livestock, because this is a very important sector in terms of making money. If we can encourage our farmers to engage in butterfly farming like is done in Kilifi, they will make money. There are people who make a lot of money from ostrich farming, guinea fowl farming; which are very common in my place, crocodile farming and other livestock. We call these emerging livestock.

Mr. Temporary Deputy Speaker, Sir, I would like the Minister, through the extension officers, to encourage our farmers. In this way, when we talk about livestock farming, we do not just think about cattle, goat and sheep. We should think across the board and think about cattle, goats, sheep, camel and emerging livestock so that we improve our country.

Mr Temporary Deputy Speaker, Sir, along with my colleagues, I would like to say that this is a very important Policy Document which we should all support. We should support the Minister

and even where possible, ask the Government to increase the budget of the Ministry. The policies are good but the Ministry has been allocated less than 4 per cent of the national budget. That poses a big challenge to the Ministry. As I have already said, those of us who come from ASAL areas are very supportive of all the good policies the Minister has proposed. If there is a way we could increase the allocation for the Ministry of Agriculture as we said, it should be done along with the Ministry of Livestock Development. We would then be talking about developing this country to the right direction.

With those few remarks, I beg to support

The Assistant Minister, Ministry of State for Defence (Maj-Gen. Nkaisserry): Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to make very few remarks on the National Livestock Policy.

Mr. Temporary Deputy Speaker, Sir, first of all, I would like to congratulate the Ministry under the able leadership of Dr. Kuti for coming up with this Policy.

Mr. Temporary Deputy Speaker, Sir, in this country, Livestock Policy has been long overdue. It is during the tenure of the current Minister, who is a pastarolist, that we are now able to see this Policy being brought to Parliament. I hope that once Parliament adopts this Policy, the Government will take appropriate action to ensure it is implemented so that it can help the pastarolists.

Mr. Temporary Deputy Speaker, Sir, there are quite a few areas which I think the Minister and his technocrats need to look into. First and foremost, I have gone through the Policy and I did not see a concrete recommendation that we should have pilot livestock farms in every constituency. This could even be supported by the Constituencies Development Fund (CDF). Each constituency will have a pilot farm which can do several things. They will undertake to maintain high quality livestock breed. These include cattle, sheep, goats and camel in the case of North Eastern Province. This is very important!

We can have such pilot projects. We used to have Livestock Marketing Development (LMD) projects. Some of those LMDs have been converted into holding grounds by local authorities. The Ministry should repossess those LMDs. We should convert the LMDs land into pilot livestock projects to improve the quality of our breeds. I do not see that in the proposed policy.

Secondly, I have looked at that policy, but it has not come out very strongly on the establishment of a revolving fund for pastoralists. We should take that away from Agricultural Finance Corporation (AFC). We should have an independent fund for livestock farmers. That way, we would disengage from AFC and create a Livestock Finance Corporation (LFC). That way, we will have our own money to mitigate the problems of drought and cushion livestock farmers. You realise that AFC is writing off loans owed by coffee farmers. It is writing off loans totalling to billions of Kenya Shillings. It has written off Kshs3.2 billion for coffee farmers. It is also contemplating writing off loans owed by sugar-cane farmers to the tune of Kshs42 billion. But livestock farmers, who have always been affected by drought, have not received a write off of even Kshs1 billion. The Government is not taking care of livestock farmers. Mark you, 80 per cent of the land in this country is occupied by pastoralists. The strongest economy is held by pastoralists. But this Government is not really considering livestock farmers. So, the policy did not come out forcefully on this issue.

Thirdly, I would like to talk about the issue of marketing of livestock products. I suggested to the former Minister for Livestock in the Ninth Parliament that it is important to establish an abattoir in every constituency, so that we can support the Kenya Meat Commission (KMC). We have tried to keep KMC afloat. I cannot say it is because of corruption, but there is total failure in KMC because it is doing nothing. I am a livestock farmer. I supplied beef cattle to KMC with an

agreement of certain amount of money per certain quality. They tend to give quality to exotic animals from white farmers. When you bring livestock from Ukambani, you are given a raw deal. Your breed is always under-graded. That is unacceptable. We need an abattoir in every constituency, so that we can supply beef. We can be the agents of KMC to supply beef even to Saudi Arabia and Middle East. We could take off from Garissa and Wajir. We have an international airport at Wajir, which was built for military purposes. We can use it for military purposes when there are military operations but, for the time being, we can convert it and use it to supply beef and livestock products to Middle East and the rest of the world. It is not very clearly stated in the Sessional Paper. I have not seen that issue captured in the policy. So, it is important that we include it in the policy .

Mr. Temporary Deputy Speaker, Sir, regarding the issue of vaccination, we have the problem of peste des petitis ruminants (PPR) which is very new. We also have the problem of East Coast Fever and Rift Valley Fever. What is the responsibility of the Government if it cannot vaccinate livestock, yet farmers can pay some little money. Vaccination is imperative and it is in law. Vaccination of certain diseases must be taken care of on a regular basis because we have scientists to tell when to vaccinate livestock. I think this is a very good policy if the Minister could go back and modify it. We request the Government to adopt this policy and ensure that livestock farmers are given what is due to them.

With those few remarks, I support.

Mr. Gabbow: Mr. Temporary Deputy Speaker, Sir, I would like to contribute to this Motion on the development of the livestock policy. I will be very brief because most of the issues have been tackled.

I want to urge the Ministry to start cross-breeding of animals. This will raise the quality of the indigenous animals I would also want to talk about the Kenya Meat Commission (KMC). The KMC has not been doing a good job. Most of the animals taken to the market are exotic. Most of the animals that they are buying right now come from the white farmers, and our animals are given a raw deal. We need to make sure that the animals from the pastoralist areas are given consideration. We are not very happy with what is happening at the KMC.

We are also talking about creating abattoirs in areas where livestock is reared. For example, in Wajir we have an international airport. The proximity of Wajir to Saudi Arabia, which at the moment imports animals from as far as New Zealand and Australia--- It is a market that is ready. We only need to have some cooling facility, because the airport is ready.

We also need to increase veterinary or extension officers; of late we have not had employment of veterinary officers. I do not know whether there is an embargo on that. They should be employed to improve the control of diseases. There are so many animals and the officers are quite few in the field.

I am glad that the issue of a revolving fund is coming up. We hear about loans being given to farmers, but livestock farmers are not part of that. We would like to see development of a financial institution to mitigate the effects of drought. We are also asking if the Ministry could develop cooling houses so that we could market our meet locally.

Mr. Temporary Deputy Speaker, Sir, there is a sad story of the Livestock Marketing Division and livestock holding grounds. We know that very powerful people have grabbed that land, yet it is a Government land. It is an issue that has to be tackled. At the moment, we do not have any holding grounds. What we have is in the hands of very few rich people. We would like the Government, or the Ministry, to move fast and repossess that land, regardless of the status of the owners. It should not fear them, because this is Government land, and we are aware that it should be repossessed.

With those few remarks, I beg to end my contribution.

ADJOURNMENT

The Temporary Deputy Speaker (Prof. Kaloki): Hon. Members, it is now time for the interruption of the business. The House is, therefore, adjourned until Tuesday, 4th November, 2008 at 2.30 p.m.

The House rose at 6.30 p.m.