

NATIONAL ASSEMBLY

OFFICIAL REPORT

Wednesday, 8th August, 2012

The House met at 2.30 p.m.

[Mr. Speaker in the Chair]

PRAYERS

COMMUNICATION FROM THE CHAIR

ASSENT TO BILLS

Mr. Speaker: Order, Members! I have one Communication to make this afternoon. This is with respect to Presidential Assent to Bills passed by the House. Standing Order No.125 requires the Attorney-General to present to the President, within 14 days of receipt from the Clerk, every Bill passed by this House. Thereafter, at the expiry of 14 days, the Attorney-General is required to file a return to the Speaker indicating the time and the date when the Bill was presented to His Excellency the President.

The returns now received indicate that the following five Bills were presented by the Attorney-General to His Excellency the President for assent and were duly assented to on 24th July, 2012 at 10.30 a.m. The Bills are:-

(1) The National Authority for the Campaign Against Alcohol and Drug Abuse Bill, 2012, which was passed by the National Assembly on 16th May, 2012.

(2) The Cancer Prevention and Control Bill, 2012, which was passed by the National Assembly on 13th June, 2012.

(3) The County Governments Bill, 2012, which was passed by the National Assembly on 19th June, 2012.

(4) The Public Finance Management Bill, 2012, which was passed by the National Assembly on 27th June, 2012.

(5) The Public Service Commission Bill, 2012, which was passed by the National Assembly on 28th June, 2012.

ORAL ANSWERS TO QUESTIONS

Question No.1618

VOLUME OF FUEL IMPORTS SUBJECTED TO FUEL LEVY SINCE JUNE 2009

Mr. Speaker: Member for Eldama Ravine not here? Perhaps, at this point, we will be a little lenient and give the Member for Eldama Ravine the benefit of the doubt just because of our

new circumstances. We will try and come back to that Question subject to him offering a reasonable explanation as to why he was not here timeously.

Question No.1639

ESTABLISHMENT OF MORE MIDDLE LEVEL COLLEGES TO OFFER
SCIENCE/TECHNOLOGICAL/ VOCATIONAL COURSES

Mr. Speaker: I will let the same apply to the Member for Migori.

Question No.1624

BENEFICIARIES OF CASH TRANSFER PROGRAMME TO OLDER
PEOPLE IN NAKURU COUNTY

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

(a) whether she could provide a per division list of beneficiaries of the Cash Transfer Programme to Older Persons in Nakuru County since the inception of the programme;

(b) what the criteria are used to determine the beneficiaries and their respective allowances; and,

(c) what immediate measures the Government will take to streamline and rationalize the programme and ensure that the elderly persons in all parts of the country benefit from the programme equitably.

Mr. Speaker, Sir, I have just received the answer, which is long, and I am studying it.

The Assistant Minister for Gender, Children and Social Development (Mr. Keya):

Mr. Speaker, Sir, I beg to reply.

(a) The list of beneficiaries of the Older Persons Cash Transfer Programme in Nakuru County per constituency, division and location is hereby tabled before the House.

(Mr. Keya laid the document on the Table)

(b) The criteria used to determine the beneficiaries is as follows:-

(i) they must be aged 65 years and above;

(ii) they must not be receiving any pension;

(iii) they must be from extremely poor households.

Each beneficiary gets Kshs2,000 per month, which is disbursed monthly. The total received by each beneficiary per year is Kshs24,000.

(c) The Older Persons Programme in Kenya is not a universal programme for all the older persons in the country, but a targeted programme intended for the very poor and vulnerable older persons who have to meet the criteria indicated at (b) above. This is majorly due to the limited resources. With increased allocation to the programme, more deserving older persons will be recruited into the programme.

Mr. Cheruiyot: Mr. Speaker, Sir, much as the Assistant Minister has attempted to provide an answer, my concern on the issue of criteria is who identifies the so-called deserving persons, so that we do not end up putting our grandparents into this programme?

Mr. Keya: Mr. Speaker, Sir, the persons who do the identification are our field officers. We have the District Gender Officer and the Provincial Gender Officer together with the Provincial Administration.

Mr. Njuguna: Thank you, Mr. Speaker, Sir. Because of the huge number of very poor and needy population in this country, what has the Ministry done to enhance this allocation per person so that we can have some of these economic hardships addressed properly?

Mr. Keya: Mr. Speaker, Sir, as you may recall, this started as a pilot programme which we up scaled and as of now, we are almost reaching the 210 constituencies. I would very much like to increase that, as a Ministry, but we are limited by resources. We are trying all our best and last year, we passed a Motion which increased the figure from Kshs1,500 to Kshs2,000. If, as a House, we request the Treasury to increase our budgetary allocation, we can do it as a Ministry.

Mr. Kabogo: Thank you, Mr. Speaker, Sir. The Assistant Minister is saying that this programme is for the entire country or the 210 constituencies. However, I have been following this in my constituency and this only happened once in 2010 in Thika West District. What criteria has the Ministry used to spread this programme in the entire constituency because Juja is a very large constituency? This allocation is not being received. What is the criterion? This is discrimination. Could the Assistant Minister confirm that they are giving some people money and leaving others out?

Mr. Keya: Mr. Speaker, Sir, from my answer, I said that this programme is not universal and we are in the process of reaching everybody. As a House, when we bring our Motion, we should now have it as a universal programme and it will be able to reach everybody. However, we are trying all we can to reach as many people as possible.

Mr. Konchella: Thank you, Mr. Speaker, Sir. The programme is very discriminative because there are many people who deserve this allocation and are suffering but are not benefiting. Could the Assistant Minister consider getting data from all the constituencies in the country of people who qualify so that he eliminates them based on the poverty index? Maybe this Parliament can consider getting enough money to help the Kenyans who are suffering at the moment.

Mr. Keya: Mr. Speaker, Sir, yes, the Ministry will consider that please.

Mr. Imanyara: Thank you, Mr. Speaker, Sir. The Assistant Minister concedes that this is not a universally applicable payment scheme. Could he consider, and this is a matter that I have raised previously, one very obvious category of older Kenyans that constitute the Mau Mau War veterans who fought for this country's Independence and are spread all over this country who are all over 70 years old, are very poor and have been abandoned completely by this Government to an extent that they are filing cases outside Kenya to seek some form of livelihood? Could the Assistant Minister consider giving the Mau Mau War veterans money under this scheme?

Mr. Keya: Mr. Speaker, Sir, as I have just answered the Member for Kilgoris, it is possible to do that and we will consider it.

Mr. Speaker: Ask the last question, the Member for Kuresoi!

Mr. Cheruiyot: Mr. Speaker, Sir, I want to thank the Assistant Minister for providing a good answer. However, I would like to urge him to also consider using some of the skills these

people have. Some of these people are repositories of traditional knowledge. Could he consider employing them and paying them more?

Mr. Keya: Mr. Speaker, Sir, we will consider that one.

(Laughter)

Question No.1621

DELAYED RECONSTRUCTION OF ILENGENI
DAM IN NZAUNI DISTRICT

Mr. Kiilu asked the Minister for Water and Irrigation:-

(a) why the Ilengeni Dam in Mutyambua Location, Nzau District has not been reconstructed despite an assurance given in the House by the Minister when answering a Question by Private Notice on Wednesday, 1st December, 2010; and,

(b) when the Ministry will start the works and whether she could indicate how much money has been allocated for the works.

Mr. Speaker: Where is the Minister for Water and Irrigation?

(Mr. Waititu entered the Chamber)

Hon. Waititu, we are waiting for you. Go to the right place from where you can answer the Question! Go to the Dispatch Box if you are not ready!

The Assistant Minister for Water and Irrigation (Mr. Waititu): Mr. Speaker, Sir, just give me a minute!

Mr. Speaker: Order, Mr. Assistant Minister! In these circumstances, we will not have much time! We wanted technology to expedite business.

The Assistant Minister for Water and Irrigation (Mr. Waititu): Mr. Speaker, Sir, I seek your indulgence that you give me two minutes to organize myself.

Mr. Speaker: Okay. We will give you time to catch up.
Yes, the Member for Kieni!

Question No.1493

CUSHIONING FARMERS FROM EFFECTS OF
MASSIVE CROP FAILURE DUE TO FROST

Mr. Warugongo asked the Minister of State for Special Programmes:-

(a) whether she is aware that most farmers in Kieni experienced a huge crop loss due to frost; and,

(b) what measures the Ministry has undertaken to cushion the farmers from famine.

The Assistant Minister, Ministry of State for Special Programmes (Mr. Gabbow): Mr. Speaker, Sir, I beg to reply.

(a) The Minister is aware that farmers in Keini experienced crop failure due to unexpected freeze and frost in January this year. The crops affected were mainly maize, beans, Irish potatoes and some horticultural crops.

(b) My Ministry cushions farmers by providing relief food to vulnerable populations in areas affected by severe drought or an unexpected crop failure. Kieni District has pockets of arid and semi-arid areas and the Ministry has been providing relief food to the affected populations in these areas. In the event that the number of vulnerable population increases due to crop failure occasioned by the frost, the Ministry will respond appropriately.

Mr. Warugongo: Thank you, Mr. Speaker, Sir. When I filed this Question, the crops in Kieni had been destroyed by frost and we thought that the answer would have come a little bit faster. However, I want the Assistant Minister to tell me, if it happens again whether he will give us more than he has been giving us in Kieni because quite a number of farmers are or were affected.

Mr. Gabbow: Yes, Mr. Speaker, Sir. We will increase the ration in Kieni District as from this month.

Mr. Ethuro: Thank you, Mr. Speaker, Sir. The Question by the Member of Keini is addressing the situation in the whole country. The UN has estimated that almost 10 million Kenyans are affected by famine. I expected the Assistant Minister to give a more elaborate answer than say that the Ministry will take appropriate measures. What will the Assistant Minister do not only for Kieni but for other districts in the Republic which have been affected by famine as we speak today? What is “appropriate”?

Mr. Gabbow: Mr. Speaker, Sir, my Ministry officials will be going round the country, especially the arid areas to ascertain the level of hunger in those areas. A report will be tabled here and appropriate action will be taken to increase the food rations. That is if the results show that the drought is biting.

Mr. Langat: Mr. Speaker, Sir, when you listen to the Assistant Minister answering the Question, it is very unfortunate that a whole Ministry waits until disaster strikes so that they can move around the country to get the statistics and by the time he gets the statistics, people are already dying. Could the Assistant Minister tell us whether they have an early warning mechanism which can enable them to determine where the problem is in good time so that he can respond?

Mr. Gabbow: Yes, the Ministry has an early warning system and that is what we are doing now. We just know that the budget has been approved to make us move on. So, we will move with speed and I promise in the next three weeks, we will be able to give that report.

Mr. M’Mithiaru: Mr. Speaker, Sir, the Assistant Minister says that they are preparing for the relief food, but now the rains are just around the corner and some parts of this country have been drought-stricken such that there has been crop failure. What is the Assistant Minister doing to ensure that as we approach the planting season, they are also ready to give farmers some relief seeds?

Mr. Gabbow: Mr. Speaker, Sir, I want to apologize. I did not hear the question very well. Could he repeat it?

Mr. Speaker: Mr. M’Mithiaru, would you like to repeat your question?

Mr. M’Mithiaru: Mr. Speaker, Sir, just like the Assistant Minister has said that they are preparing relief food for areas where there has been frost and drought-stricken areas, now that the planting season is around the corner, what plans has the Ministry put in place to ensure that the farmers who have not been able to have any harvest can get relief seed?

Mr. Gabbow: Mr. Speaker, Sir, I think that question should be directed to the Ministry of Agriculture.

Dr. Laboso: Mr. Speaker, Sir, in the spirit of preparedness, is the Assistant Minister aware that in the whole South Rift region, we have complete maize crop failure? As you travel around the country, I would like you to assure us that the farmers of the South Rift and their families are going to be taken care of. It is not just for this year because we are told the disease is a viral disease which will mean that they will not plant maize for the next three years or thereabouts. So, in your preparedness, could you assure us that we will have food for all the people from the South Rift region during this time that they will not be able to harvest anything?

Mr. Speaker: Assistant Minister, answer the part that is the question.

Mr. Gabbow: Mr. Speaker, Sir, the Ministry operates on a tight budget. If you see what we have been given this year on relief allocations, it may not be enough---

Mr. Ethuro: On a point of order, Mr. Speaker, Sir. The Assistant Minister has persistently told the House that the Ministry will go around the country. I want to put it to the Assistant Minister that he is misleading the House because he has officers on the ground who do early warning systems. The biggest problem in managing disasters especially famine has been the failure by the Ministry at the national level to respond to the issues coming from the districts. Does he need to go around the country? By the time he finishes the entire country, people will have suffered more.

Mr. Speaker: Order, Member for Turkana Central! If it is a point of order, you have already prosecuted it fairly effectively. Where you are now finishing off is a different area all together.

Mr. Gabbow: Mr. Speaker, Sir, I will respond to the first question from Madam that---

Mr. Speaker: Order, Assistant Minister! If you look at your Standing Orders, when a point of order is raised and allowed, you must address it immediately before you go back to the question.

Mr. Gabbow: Thank you, Mr. Speaker, Sir, for your direction. Yes, we have early warning systems around the country but we need also to ascertain at what level it is. As we get the data on the ground, as a Ministry, we will be able to evaluate. So, I have no problem. This will only take a few days. Kindly wait for our report and we will act efficiently.

Mr. Speaker: Now go back to the hon. Member's question.

Mr. Gabbow: Mr. Speaker, Sir, if the budget allows, we will make sure that we give you food.

Mr. Kigen: Mr. Speaker, Sir, the Assistant Minister is saying "if the budget allows" and yet it is a message from this House that there is a likelihood of shortage of food. Is that about the budget or it is about preparedness and asking for supplementary money to be able to make sure that the country is able to be fed?

Mr. Gabbow: Mr. Speaker, Sir, on drought preparedness, there are several Ministries which are involved. I am very sure once we find out there is need for us to give more food, more money will be solicited. I can assure the House that we will be able to feed hungry Kenyans.

Mr. Warugongo: Mr. Speaker, Sir, my constituency consists of 17 colonial villages. Although we are constructing some irrigation reservoirs we still need food from the Ministry. The Ministry normally gives us about 500 bags. I am asking him whether he can increase that to 3,000 or 4,000 bags of maize.

Mr. Gabbow: Mr. Speaker, Sir, it will not be possible to give Kieni District 4,000 bags of maize. However, I promise to increase the ration in Kieni District.

Mr. Speaker: Member for Kirinyaga Central!

Question No.1596

REPAIR OF FAULT POWER LINES
AT KAMITI CORNER ESTATE

Mr. Gitari asked the Minister for Energy:-

(a) whether he is aware that Kamiti Corner Estate residents are living in fear due to damaged power lines which killed two dogs and damaged electrical goods worth thousands of shillings in April, 2012; and,

(b) what steps the Ministry is taking to ensure that a permanent solution is provided for the fault.

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

(a) I am not aware that Kamiti Corner Estate residents are living in fear due to damaged power lines which supposedly killed two dogs and damaged electrical goods worth thousands of shillings in April, 2012.

However, the only complaint from the estate was an incident reported on 15th April, 2012, and that was on low voltage network which was falling below the recommended voltage of 240 to 415 voltages.

(b) The above fault was traced to a broken neutral conductor occasioned by third party short circuit by a concrete steel reinforcement of an encroaching building under construction. To avoid any future occurrence, the conductors were re-tensioned and the owner advised to apply for re-routing, failure to which, it will lead to power supply disconnection.

Mr. Gitari: Mr. Speaker, Sir, while I thank the Assistant Minister for the precise answer, I want to say that this incident happened a while back when I filed this Question. I think my Question was very clear. I was not talking about high voltage or low voltage. My Question was: "Is the Minister aware of an electric fault which killed two dogs in Kamiti Corner?" It was not about high or low voltage.

While answering part of the Question, he said that the only fault, which was reported on 15th, was about low voltage. He says they allowed people to continue encroaching onto their property as he has indicated in his answer to part (b) of the Question. Why did they allow this to happen?

Mr. Magerer: Mr. Speaker, Sir, I do not want my friend to get disappointed. I was answering the question about the fault that was reported in the said area. The part where the dogs were killed is what I was not aware of. As I said, I am aware of a low voltage problem, which was in the network. I said clearly that if the said contractor, who caused this kind of fault, does not apply for re-routing of the power line, we will disconnect the power line. For the information of hon. Members, we, at the Ministry of Energy, do not allow people to encroach onto land, where the power lines are supposed to pass over.

Mr. Kiuna: Mr. Speaker, Sir, what measures has the Ministry taken to compensate all those people whose properties were destroyed as a result of power failure?

Mr. Magerer: Mr. Speaker, Sir, we have comprehensive rules that we follow in the event that there is a problem occasioned by low voltage or excess voltage within the network. We are very clear that unless the fault is on the side of the supply of electricity, we do not take

responsibility. Where accidents or incidents are occasioned by malfunctioning of power supply, the Kenya Power Company (KPC) has guidelines on how to compensate the affected parties.

Mr. Njuguna: Mr. Speaker, Sir, we have seen some electricity posts erected in the middle of roads. Such posts are dangerous to motorists. What is the Ministry doing to make sure that power lines standing in the middle of roads are removed to avoid unnecessary loss of lives of Kenyans?

Mr. Magerer: Mr. Speaker, Sir, the issue that the hon. Member has highlighted is very critical. All the parastatals within the Ministry of Energy are only allowed to lay electric power lines within the way-leave areas. I am not aware of any construction that has been done in the middle of a road. However, I will countercheck this with my officers and ensure that they only construct power lines on the correct way-leaves that have been provided, so that we do not have such incidents or accidents occurring.

Mr. Speaker: Member for Uriri, I have already given you the Floor. What did you do?

Mr. Omollo: Mr. Speaker, Sir, I have already pressed the “MIC” button once.

Mr. Speaker: If you have pressed once, then wait.

(Mr. Speaker pressed a button on his control panel to give Mr. Omollo the Floor)

Mr. Omollo: Thank you, Mr. Speaker, Sir. You heard the Assistant Minister talk of low voltage. We know very well that the KPLC is supposed to protect consumers by installing under-voltage and over-voltage relays on their power lines, so that the power reaching consumers can be safe. Is he aware of that fact? What is the Ministry doing in terms of asking the KPLC to make sure that they revert to the old system of protecting electricity lines? We are tired of losing our good men and women.

Mr. Magerer: Mr. Speaker, Sir, definitely, I am a very responsible Assistant Minister. What the hon. Member has raised is exactly what we are doing. However, these are appliances which sometimes become faulty. In areas where we have had faults, we have been very quick to respond to ensure that we arrest the situation. So, I want to assure this House and Kenyans that the Ministry of Energy, together with its parastatals that deal with supply of electricity to their homes, are able to do what is expected of them. I want to assure you that that is exactly what we shall do. Such faults will not be occurring.

Mr. Speaker: Yes, Joseph. Hon. Gitari, where are you? I thought your first name is Joseph.

Mr. Gitari: Sorry, Bw. Speaker. There are many Josephs here. For example, we have Mr. Joseph Kiuna.

Mr. Speaker: The Joseph that is relevant now is the owner of the Question.

Mr. Gitari: Thank you, Mr. Speaker, Sir.

In his answer to part (b) of the Question, the Assistant Minister says that they advised the person who had caused the fault to do a re-routing of the works he was undertaking. Have they re-visited that issue to make sure that he followed their advice?

Mr. Magerer: Mr. Speaker, Sir, that is exactly what we have done. As I said, ours was to advise him to apply, so that we could re-route the power line. However, that does not mean that he could ignore the safety measures. So, I want to assure this House that that was done. The re-routing of the power line has already been completed.

Question No.1302

REPLACEMENT OF GK VEHICLE FOR NJORO DEO

Mr. Kiuna asked the Minister for Education:-

(a) whether he is aware that a GK vehicle attached to the Njoro District Education Officer (DEO) was involved in an accident in 2010 and was damaged beyond repair; and,

(b) when the Ministry will replace the vehicle.

The Assistant Minister for Education (Prof. Olweny): Mr. Speaker, Sir, I beg to reply.

(a) I am aware that motor vehicle registration No.GKA 410V, Suzuki Jimmy, which was attached to the Njoro DEO, was involved in a road accident on 28th November, 2010, near Kimende Shopping and was extensively damaged beyond repair.

(b) The Ministry is liaising with the Treasury with a view to getting more funds to procure additional vehicles for County Education Directors and DEOs who have no vehicles. The DEO, Njoro, will be considered alongside others when funds become available and more vehicles are procured.

Mr. Kiuna: Mr. Speaker, Sir, I appreciate the answer that the Assistant Minister has given. This vehicle had an accident in 2010. Last year, I raised the same Question and I was promised that we would be provided with another vehicle in the last financial year, but to date, we have not received any vehicle. Could he tell this House when the Ministry will provide us with a vehicle? Njoro District is very big. The DEO is having a lot of problems traversing the whole district to supervise the many learning institutions.

Prof. Olweny: Mr. Speaker, Sir, I commit and promise here that if I get the money, I will buy a vehicle for the Njoro District Education Officer (DEO). My problem is lack of money from the Treasury. At the moment, several DEOs and county directors have no vehicles to use. So, when money is availed do me, the DEO for Njoro will be given the first priority.

Mr. Letimalo: Mr. Speaker, Sir, the Assistant Minister has rightly said that he is aware that many DEOs - even before the appointment of county directors – have no vehicles. Could he inform the House if the procurement of vehicles has been factored in this year's budget or he is just giving us empty promises that you have been giving us for the last four years?

Prof. Olweny: Mr. Speaker, Sir, I did not check how much money for vehicles was factored in this financial. So, I do not have an immediate answer for that particular question.

Mr. Muturi Mwangi: Mr. Speaker, Sir, arising from the answer given by the Assistant Minister, he has not committed the Government or his Ministry because by saying "when the funds are available" and they have not factored them in the Budget, it means there is no commitment. We are getting to the examination season next term and most of the DEOs and county directors have no vehicles. Could he give an assurance that he will provide enough vehicles for our DEOs and county directors to manage the examinations appropriately?

Prof. Olweny: Mr. Speaker, Sir, the issue of adequate funding to my Ministry is a perennial problem and it means Parliament knows. We always request for money but we do not get enough from the Treasury. The budget that we make and everything else passes through this Parliament. So, what I can tell the Parliament is that if I get the money, I will do the needful. That is all I can say.

Mr. Manyara: Mr. Speaker, Sir, just this afternoon, you communicated to the House that one of the Bills that was assented to by His Excellency the President was the County

Governments Bill. It is a practice in this House that any Bill that come to this House with financial implications must have consent from the President. Is he suggesting that His Excellency signed this Bill into law without the Executive making provisions for county directors?

Prof. Olweny: Mr. Speaker, Sir, as far as I know, our county directors have their salaries. That is taken care of and I hope all of us know that the budget passed through this House denoted many things that relate to the devolved system. I hope you all know that. Some of those probably may come in the budget of the next Parliament.

Mr. Kiuna: Mr. Speaker, Sir, my DEO in Njoro District is a very hardworking woman and it saddens when I see such a hardworking woman criss-crossing the whole district hiking on motorbikes to inspect the various learning institutions. If the Assistant Minister cannot afford to get a new vehicle for the DEO in Njoro District, then let him provide her with a *boda boda*.

Prof. Olweny: Mr. Speaker, Sir, I sympathize with the situation. I am happy to note from hon. Kiuna that my officer is a hardworking officer but the only unfortunate thing is that she is not facilitated with transport. But I will do my best. Immediately I get the first set of vehicles, the DEO Njoro will get the first vehicle.

Mr. Speaker: Next Question by hon. Ochieng!

Question No.1530

REHABILITATION SECURITY ROAD

Mr. Ochieng asked the Minister of State for Provincial Administration and Internal Security:-

- (a) when security road (D219) was last repaired; and,
- (b) when the Government will provide funds for the maintenance of the road, which is currently in a bad condition.

Mr. Speaker: Is the Minister of State for Defence and Acting Minister of State for Provincial Administration and Internal Security not here? Minister for Higher Education, could you hold brief for your colleague? What is happening or not happening to him? He is on his way belatedly. So, give him time to settle. In the meantime, we will go back to hon. Lessonet's Question.

Question No.1618

VOLUMES OF FUEL IMPORTS SUBJECTED TO FUEL LEVY SINCE JUNE 2009

Mr. Speaker: Is hon. Lessonet not here? His Question is dropped!

(Question dropped)

Next Question by hon. Pesa!

Question No. 1639

ESTABLISHMENT OF MORE MIDDLE LEVEL COLLEGES TO OFFER
SCIENCE/TECHNOLOGICAL/ VOCATIONAL COURSES

Mr. Speaker: Is Mr. Pesa not here? His Question is dropped.

(Question dropped)

Next Question by hon. Kiilu!

Question No.1621

DELAYED RECONSTRUCTION OF ILENGENI DAM IN NZAUI DISTRICT

Mr. Kiilu asked the Minister for Water and Irrigation:-

(a) why the Ilengeni dam in Mutyambua Location, Nzau District, has not been reconstructed despite an assurance given in the House by the Minister when answering a Question by Private Notice on Wednesday 1st December, 2010; and,

(b) when the Ministry is going to start the works and if she could indicate how much money has been allocated for the works.

The Assistant Minister for Water and Irrigation (Mr. Waititu): Mr. Speaker, Sir, I beg to reply.

(a) Due to a downward revision of the budget for the Ministry over the last financial year, Ilengeni Dam could not be reconstructed as planned. However, all the necessary works for reconstruction have been completed and the necessary funds kept aside.

(b) The Ministry, through the National Water Conservation and Pipeline Corporation (NWCPC), is going to start the reconstruction this August and Kshs6 million has been allocated to carry out the works to completion.

[Mr. Speaker left the Chair]

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

Mr. Kiilu: Mr. Temporary Deputy Speaker, Sir, you have heard the Assistant Minister say that it has taken almost two years to reconstruct the dam. The Ministry had agreed to construct the dam two years ago. Now that the Assistant Minister has indicated that reconstruction of the dam will start this month, and part of the month is gone, could he confirm whether the services for the reconstruction have been procured and if so, indicate the name of the contractor who has been given the job?

Mr. Waititu: Mr. Temporary Deputy Speaker, Sir, it is true that the works have been procured. There is one contractor who is doing reconstruction. The name is Kip Kenya Construction and the contractor is supposed to be on site now. Actually, before I came to this Chamber, I confirmed that he is carrying out the works.

Mr. Kiilu: Mr. Temporary Deputy Speaker, Sir, I want to believe that the Assistant Minister is saying the truth and that we are not going to come back again here to confirm whether the works have been done. Could he confirm the date when the site is going to be handed over to the contractor?

Mr. Waititu: Mr. Deputy Speaker, Sir, the Member has all the reason to believe me because in the past I have given the correct information to him. I promise the Member that I will give him the contractual documents when we leave this Chamber which specify all the details of the contract and I am sure he will be pleased.

The Temporary Deputy Speaker (Mr. Imanyara): Last Question, Member for Nyakach!

Question No.1530

REHABILITATION OF SECURITY ROAD D219

Mr. Ochieng' asked the Minister of State for Provincial Administration and Internal Security:-

(a) when the security road (D219) was last repaired; and,

(b) when the Government will provide funds for the maintenance of the road, which is currently in a bad condition.

The Temporary Deputy Speaker (Mr. Imanyara): Mr. Minister, go ahead! I have allowed you! You can do it from the Dispatch Box, if you cannot get through!

The Minister of State for Defence and Acting Minister of State for Provincial Administration and Internal Security (Mr. Haji): Mr. Deputy Speaker, Sir, I apologize. I was just on the way when you first called out this Question.

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

(a) In Nyakach Constituency, we do not have a security road with such a classification (D219). The only roads whose classifications are closer to that are:-

(i) Sondu–Kolweny–Kusa Road, which is D218.

(ii) Kapserok–Store Pamba–Pap Onditi–Bodi Road, which is E219.

Mrs. Odhiambo-Mabona: On a point of order, Mr. Temporary Deputy Speaker, Sir. The Minister is not very audible! Also, I notice that your intervention button takes a little long.

The Temporary Deputy Speaker (Mr. Imanyara): Member for Nyakach, please, proceed.

Mr. Ochieng: Mr. Temporary Deputy Speaker, Sir, I have an answer from the Minister here. I want to make a correction as requested. The actual road that I have been talking about is E219 which is Kapserok–Store Pamba–Pap Onditi–Bodi Road. This is the road that is so important to my people. This is the road that links Upper Nyakach Division where the Minister was a former District Officer (DO) when he was still a youngster before he even became married! He was a DO there and he knows the road very well. I am happy that he has confirmed that if I classify the road properly, he will be able to finance it. I am, therefore, very glad.

Bw. Waziri, just tell me how much you are going to give me in order to repair this road to a motorable standard.

Mr. Haji: Mr. Temporary Deputy Speaker, Sir, I think I was cut short before I even finished my response.

However, a section of the Road E219 was cut off by huge galleys over ten years ago and is not passable. All the traffic was, therefore, diverted to Cherwa–Kanyambori Road, which is RAR45, from where they connect to Kapserok. The Sondu–Kolweny–Kusa Road (D218), the Onyuongo–Pap Onditi–Bodi section of E219 and Kanyamlori–Cherwa Road (RAR35) are

maintained every year through the routine maintenance levy funds and are in a motorable condition.

(b) Allocation of funds from our Ministry can only be considered if the road is classified as a security road. The same can be done if we receive the proper classification of the road the hon. Member referred to. Therefore, I suggest that he asks his District Development Committee (DDC) to make the necessary recommendation through the Provincial Commissioner (PC), so that it can be taken on as security road.

Mr. Mwangi: Mr. Temporary Deputy Speaker, Sir, could the Minister tell the House whether the Government has a policy of classifying some of these roads as security roads and what criteria the Government uses to designate security roads in the country?

Mr. Haji: Mr. Temporary Deputy Speaker, Sir, security roads are classified, so when there is a problem which needs security attention of the nation. Therefore, classification depends on the need to take care of the security of the community which lives in particular areas.

Mr. M'Mithiaru: Mr. Temporary Deputy Speaker, Sir, Igembe North Constituency is called a security district; but even a month ago when eight people were killed by bandits, it became a bit of a problem to access that area because there is no security road. What does the Minister take into account to decide that you must have a security road? Already I come from a security district.

Mr. Haji: Mr. Temporary Deputy Speaker, Sir, first and foremost, the road must be impassable. Secondly, it must be of a security nature. Therefore, classification, as I said earlier, it depends on the request that we receive from the Provincial Security Committee (PSC). Therefore, I advise the Member for Igembe North to follow the procedure and the matter will be looked into.

Mr. Njuguna: Mr. Temporary Deputy Speaker, Sir, while thanking the Minister for doing security roads in many parts of this country, could he assure this House that quality work is done on these roads?

Mr. Haji: Mr. Temporary Deputy Speaker, Sir, as in any other project by the Government, we always insist on quality. Quality will also depend on the resources available. We do not intend to do a shoddy job. We always try to do things that will please everybody.

The Temporary Deputy Speaker (Mr. Imanyara): Last question, Member for Nyakach.

Mr. Ochieng': Mr. Temporary Deputy Speaker, Sir, I do not have any last question. I think I am satisfied.

Thank you very much.

The Temporary Deputy Speaker (Mr. Imanyara): That brings us to the end of that order.

Next order!

POINTS OF ORDER

RESTORATION OF ELECTRICITY SUPPLY TO BURA CONSTITUENCY

The Temporary Deputy Speaker (Mr. Imanyara): First, are there any Statements that are being issued this afternoon from the Government?

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

The Temporary Deputy Speaker (Mr. Imanyara): What is your point of order, Dr. Nuh?

(Dr. Nuh moved to the Dispatch Box)

An hon. Member: He is not compliant!

Dr. Nuh: Mr. Temporary Deputy Speaker, Sir, my card has become dysfunctional; so I think I can go ahead from this Dispatch Box.

The Temporary Deputy Speaker (Mr. Imanyara): Go ahead!

Dr. Nuh: Mr. Temporary Deputy Speaker, Sir, I rise on a point of order to bring to your attention and the attention of the Minister that last week a Question on the issue of electricity to Bura was deferred. The Minister's response was that he would restore power to Bura before the beginning of the week. I just want to bring to your attention that the Kenya Power Company (KPC) is saying that there could be a bigger problem that cannot be rectified as soon as possible. I want to know from the Minister why he has reneged on his promise to restore power to Bura.

The Temporary Deputy Speaker (Mr. Imanyara): Mr. Y.M. Haji, would you be able to stand in for your colleague?

Dr. Nuh: Mr. Temporary Deputy Speaker, Sir, the Assistant Minister is in the House.

The Temporary Deputy Speaker (Mr. Imanyara): Where is the Minister for Energy? Were you listening to the Member?

Dr. Nuh, will you repeat your point for the Minister to follow?

Dr. Nuh: Much obliged, Mr. Temporary Deputy Speaker, Sir. I was bringing to your attention and that of the Minister the fact that although he promised that they would restore power to Bura by this week, the KPLC has intimated to me that there could be a bigger problem than expected. I want to ask the Minister why he has reneged on his commitment to the House that power would be restored to Bura come this week.

The Assistant Minister for Energy (Mr. Magerer): Mr. Temporary Deputy Speaker, Sir, when I make a promise I mean it and if the hon. Member is aware of another problem that I may not be aware of, probably my technical officers are going to be handy.

The Temporary Deputy Speaker (Mr. Imanyara): Were you in the House when that issue came up last week?

The Assistant Minister for Energy (Mr. Magerer): Mr. Temporary Deputy Speaker, Sir, yes, I am the one who made the commitment and there were lights as far as I am concerned since that time but if there is another problem that might be big in terms of technicalities, then I want to assure the House that my technical officers are going to react to it.

The Temporary Deputy Speaker (Mr. Imanyara): Are there any other Statements that are due from other Ministers?

MINISTERIAL STATEMENT

FATE OF WORKERS OF DEFUNCT AFRICAN SAFARI CLUB

The Assistant Minister for Labour (Mr. Ojaamong): Mr. Temporary Deputy Speaker, Sir, on 10th August, 2011, Mr. Yakub requested for a Statement regarding the goings-on in a company referred to as African Safari Club (ASC). He also requested to find out the fate of the staff that had been given a notice to quit and how they will be paid their outstanding dues.

The Ministry is aware of the ongoings at the ASC. First I want to give a small history of the ASC Limited which was established in 1967. Over the years, the company emerged as dominant player in the tourism industry in the North Coast area of Mombasa and beyond.

Throughout this period, the company operated a chain of beach hotels at the Coast and safari lodges in the national parks. At the height of their operations, they also owned a cruise ship and an airline known as the Sky Trail with three aircraft. The hotel chain owned by the company between 1967 and 2011 include; Coral Beach, Palm Beach, Malaika Beach also called Vasco da Gama, Kasr al Bahar also called Shimo la Tewa, Flamingo Beach, Silver Beach, Bahari Beach, Laguna also called Sea Horse and Watamu Beach. In the game parks, the company operated Crocodile Camp also referred to as Tsavo East, Kimana Camp, Amboseli, Mara Buffalo also referred to as Maasai Mara and Maasai Safari Lodge also referred to as Nairobi National Park.

By 2008, the ASC Group had employed over 2,400 Kenyans, the number reducing to 1,400 by 2009 and to about 500 by mid 2011. According to official records, the company has four directors; Mr. Karl Jacob Ruedin, Group Chairman and a Swiss national; Ms. Bridget Hutfli, a Swiss; Mr. Frank Neugebauer, a German and Mr. Renato Bachmann, a Swiss. The events leading to the current stalemate can be traced back to the mid 1990s when the lease periods for the various units under the ASC began to expire. The situation got worse after the 2008 post-election violence with serious loss of business leading to the closure of several units.

Indeed, in 2011 alone, five of the units, that is Kasr al Bahari, Shanzu, Paradise, Dolphine, Malaika and Laguna were sold off to settle outstanding commitments. By June 2011, the group had only one hotel remaining and that is Flamingo Beach Hotel under their name. However, an ownership wrangle ensued and the hotel was closed down on 5th April, 2011. Staff totaling 132 was consequently sent on leave and a skeletal staff of 32 retained. However, on 17th June, 2011 a new group of investors took over the place throwing away the workers forcing them to camp at the residence of the group's Chairman, Mr. Karl Jacob Ruedin within the Shanzu area of Kisauni District, Mombasa County. Over 400 workers have been camping at the residence since then.

The Ministry in conjunction with the Provincial Administration immediately initiated dialogue between the workers and the management resulting in the payment of Kshs1.3 million being salary arrears for February 2011 on 12th August, 2011. My Ministry is aware that the worker's dues are Ksh45 million being salary arrears for March, April, May and June 2011 and Kshs250 million being final terminal dues for all employees including those who had retired. The Ministry is closely monitoring the outcome of various court cases relating to the ASC. These include the Industrial Court, case No.466 of 2010 filed by Kenya Union of Domestic, Hotel, Educational Institutions, Hospitals and Allied Workers (KUDHEIHA), regarding the arrears of unpaid wages and case No.648 of 2009 lodged by Transport and Allied Workers Union. The award for the latter case was delivered on September 2010 but the management has lodged an appeal at the High Court.

I have personally visited employees camping at the director's premises and heard their grievances. I have advised them that the Ministry recognizes that there is a dispute on non-payment of terminal dues based on redundancy. In the light of the fact that the management of the ASC has clearly indicated so far they have no source of income to settle the dues, my Ministry in consultation with the Attorney-General's Office is in the process of referring the matter of non-payment of redundancy dues to court on behalf of the workers.

Mr. Yakub: Mr. Temporary Deputy Speaker, Sir, the House heard the unnecessary history which was given by the Assistant Minister for Labour. The directors of ASC are all foreigners. The Assistant Minister said that he personally went to see the 400 workers. The same 400 workers are the ones who have been camping at the site of one of the directors for the last 14 months. I am very much disappointed by this Ministry including its county office in Mombasa.

They have been talking about Kenyans suffering in foreign countries but here Kenyans are suffering in their own country and one of the causes of their sufferings is this Ministry.

When the Assistant Minister claimed that he is dealing with the matter of non-payment of redundancy dues in court on behalf of the workers through his office, could he clarify that the amount which he is talking about is the Kshs14 million plus Kshs250 million totaling to Kshs295 million? Where has this case reached and when will he inform the poor workers who have been there for the last 14 months about it?

The Temporary Deputy Speaker (Mr. Imanyara): Is there anyone else seeking clarification on this issue?

Mr. Shakeel: Thank you, Mr. Temporary Deputy Speaker, Sir. The Assistant Minister has given a long history. However, I would like to remind him that there is something called statutory debts. Those members of staff who were allegedly thrown out have the National Hospital Insurance Fund (NHIF) and the National Social Security Fund (NSSF) deductions that should have been paid by the employer. I would like him to confirm whether those statutory debts in respect of those employees were paid by African Safari Club before they went into liquidation.

Mr. Temporary Deputy Speaker, Sir, the other thing I would like to bring to the attention of the Assistant Minister---

The Temporary Deputy Speaker (Mr. Imanyara): Order! Order, hon. Shakeel!

Mr. Shakeel: It is related, Mr. Temporary Deputy Speaker, Sir.

The Temporary Deputy Speaker (Mr. Imanyara): One at a time!

Mr. Shakeel: It is related, Mr. Temporary Deputy Speaker, Sir. I was just trying to make it easier. I could have put them both together, but it is the same related issue. I seek your indulgence.

The Temporary Deputy Speaker (Mr. Imanyara): All right! Continue, Mr. Shakeel.

Mr. Shakeel: Mr. Temporary Deputy Speaker, Sir, African Safari Club owned a hotel at the Coast Province. The Assistant Minister is aware that any property that has a beach front cannot be sold to anybody without the approval of the State. Could he find out whether the Government did approve the sale? Were these statutory debts paid?

Mr. Njuguna: Thank you, Mr. Temporary Deputy Speaker, Sir. The Assistant Minister has informed the House that the African Safari Club has been selling certain properties to meet those very urgent needs of the club. Could he institute a caveat on the remaining properties so that the unpaid workers will get their dues from funds realized from the sale of these properties?

Mr. Ochieng: Thank you, Mr. Temporary Deputy Speaker, Sir. You have heard that four employees have already passed on and the harrowing experience that these workers have gone through is very serious. I remember even last time when we were having a meeting at Pangoni, many workers came to petition hon. Members of Parliament so that they could actually force the Minister for Labour to make sure that they are paid their dues.

Mr. Temporary Deputy Speaker, Sir, it has also been mentioned here by the Assistant Minister that the company disposed of some assets. If they did, where did these proceeds go to? Why did they not dispose of the properties, take the money and pay workers before they could settle any other debt they had?

The Temporary Deputy Speaker (Mr. Imanyara): Assistant Minister, you may now respond.

The Assistant Minister for Labour (Mr. Ojaamong): Mr. Temporary Deputy Speaker, Sir, Sheikh Yakub has indicated that the history was not useful. Indeed, it was useful because we

wanted to show how the company started making losses. He wanted to know whether workers will be paid the total amount they have demanded. My Ministry officials have taken time to compute a figure of Kshs45 million and Kshs250 million, respectively. So, I think I concur with him that is the amount that will be paid to them.

Mr. Temporary Deputy Speaker, Sir, as far as the statutory deductions are concerned, indeed, the company was very poor on the payment of the mandatory deductions. In fact, it owes several companies, the NSSF, NHIF, Kenya Power Company and other companies a lot of money. So, this is the money that keeps on paying these bills whenever they sell their properties. So, I just want to inform hon. Shakeel that the company was not good at paying statutory deductions.

Mr. Temporary Deputy Speaker, Sir, with regard to the hon. Member for Lari, indeed, the Chairman, Mr. Ruedin, had admitted that he had a very prime property along the beach; the house, where the employees are currently camping. He wanted to dispose it of so that he pays the workers. So, we are following this issue and we are waiting for the advice from the Attorney-General on how best we can secure this property in order to sell it off and then pay the workers who are still camping there.

Mr. Temporary Deputy Speaker, Sir, it is not four employees who have died while camping there as alleged by Mr. Ochieng. In fact, seven of them have died while camping there. So, the situation is not pleasing at all. With the advice of the Attorney-General, My Ministry will move very fast to secure this property, sell it and pay the workers.

The Temporary Deputy Speaker (Mr. Imanyara): Mr. Assistant Minister, these are people who have been camping there for the last 14 months. Hon. Sheikh Dor, I am reminded of referring this matter to the Committee which has powers to call witnesses and summon these people.

(Applause)

So, I do direct that this issue be referred to the relevant Committee dealing with labour matters for them to investigate, make recommendations and table their report to the House within four weeks from today. These are serious issues with Kenyans dying while camping at a site. So, those are the directions. The request is that they return to the House after four weeks, Sheikh Dor, and you will pursue it now before the relevant Committee.

Dr. Khalwale, I can see you have a request?

Dr. Khalwale: Yes, Mr. Temporary Deputy Speaker, Sir, I was pressing the button earlier to contribute on this particular issue, but it is concluded. I will revisit it after four weeks. But can I go ahead and raise my issue?

The Temporary Deputy Speaker (Mr. Imanyara): Yes, you may.

Dr. Khalwale: Mr. Temporary Deputy Speaker, Sir, I have requests for two Ministerial Statements.

POINTS OF ORDER

PROCUREMENT OF BIOMETRIC VOTER
REGISTRATION KITS BY GOVERNMENT

Dr. Khalwale: Mr. Temporary Deputy Speaker, Sir, the first one is from the Minister for Justice, National Cohesion and Constitutional Affairs in respect of the decision by the Government to take over the procurement of---

The Temporary Deputy Speaker (Mr. Imanyara): Hon. Wetangula, since your colleagues are not in the House, hold brief for them. Please, take note of the requests that are being made.

Yes, continue, Dr. Khalwale.

Dr. Khalwale: Yes, Mr. Temporary Deputy Speaker, Sir, this is in respect of the decision by the Government to take over the procurement of the Biometric Voter Registration (BVR) kits from the Independent Electoral and Boundaries Commission (IEBC).

Mr. Temporary Deputy Speaker, Sir, I would like the Minister to clarify the following:-

Did the Government satisfy itself that procurement by IEBC could not be concluded by looking at the recommendations of the technical tender committee which evaluated the various companies? Could he confirm that in the intended Government to Government procurement, the Government has settled on procuring the BVR kits from Canada? What informed the Government to settle on Canada and not any other Government?

Mr. Temporary Deputy Speaker, Sir, we would like him to clarify whether the settling on Canada was not as a result of pressure exerted on the two Principals by Her Excellency, Hillary Clinton, when she visited Kenya.

(Applause)

The Temporary Deputy Speaker (Mr. Imanyara): (off record)

Dr. Khalwale: Well, it is a question of language. On the same point, we would like him to clarify whether the decision that informed the Government was a clever attempt to award a Canadian Company by the name "Code Incorporate" which, in the first place, had lost out in the procurement.

Mr. Temporary Deputy Speaker, Sir, I would like the Minister to also clarify if the Government is aware of the managerial problems at the IEBC, facing both the Commission and the secretariat.

Mr. Temporary Deputy Speaker, Sir, could the Minister also clarify how he intends to overcome the legal bottlenecks which have set strict timelines for voter registration, so as to actualize BVR before the 4th March, 2013 general election.

Mr. Temporary Deputy Speaker, Sir, finally, could the Minister clarify what role the procuring department or Ministry will play in the said Government to Government arrangement?

The Temporary Deputy Speaker (Mr. Imanyara): Hon. Wetangula, will you convey that to the Minister for Justice, National Cohesion and Constitutional Affairs and indicate when he can respond? It is an urgent matter and you can only do so from either the Dispatch Box or Front Row.

(Mr. Wetangula moved to the Dispatch Box)

The Minister for Trade (Mr. Wetangula): Mr. Temporary Deputy Speaker, Sir, I will communicate and propose that, perhaps, Wednesday afternoon will be sufficient time.

The Temporary Deputy Speaker (Mr. Imanyara): Wednesday afternoon, Dr. Khalwale! That is reasonable. It is only a week.

Dr. Khalwale: Mr. Temporary Deputy Speaker, Sir, I request that you decline that request and direct that he gives the answer tomorrow afternoon. That is because all that I have sought for are on issues that have already been decided on.

The Temporary Deputy Speaker (Mr. Imanyara): Order! Given that the Minister is not in the House and he is actually conveying on his behalf, tomorrow may not be reasonable period. Let us settle for either Tuesday or Wednesday. Minister!

The Minister for Trade (Mr. Wetangula): Mr. Temporary Deputy Speaker, Sir, Wednesday is more reasonable for the reason that, if you heard His Excellency's Address yesterday, on Monday 13th and Tuesday 14th, there will be countrywide county peace conferences. They are coordinated by his Ministry. So, I do believe that he may even not be here on Tuesday. Wednesday is not too far; it is just a day after.

The Temporary Deputy Speaker (Mr. Imanyara): Okay. Dr. Khalwale, that is not unreasonable, Wednesday in the afternoon. You may go on with your second request.

DELAYED PAYMENT OF PENSIONS OF PBK FORMER EMPLOYEES

Dr. Khalwale: Mr. Temporary Deputy Speaker, Sir, my second Ministerial Statement is to the Minister for Agriculture. This is in respect of pension---

The Temporary Deputy Speaker (Mr. Imanyara): Is the Minister for Agriculture in the House?

Dr. Khalwale: Yes, Mr. Temporary Deputy Speaker, Sir. This is in respect of pensioners of the Pyrethrum Board of Kenya who include normal retirees and former employees who were retrenched in 2009. For your interest and clarity, those old people are currently at the gate of Parliament Buildings.

Mr. Temporary Deputy Speaker, Sir, I would like the Minister to clarify the following:-

(i) Why pensioners who earn a monthly salary have not been paid for the last nine months.

(ii) Why retrenchees who won a court award for wrongful calculation of their benefits have not been given the award that they were given by the court. It has not been honoured.

(iii) Could the Minister clarify the solvency of the pension scheme which, according to the latest actuarial evaluation, is bankrupt and in a deficit of more than Kshs777 million. I thank you.

The Temporary Deputy Speaker (Mr. Imanyara): Mr. Assistant Minister, indeed, those pensioners have been camping outside the precincts of Parliament for the last two days and it is an urgent matter. Would you be able to issue a Statement on this on Tuesday afternoon?

(Mr. Mbiuki failed to log in)

Put on your microphone, please. Just press once and if it does not work, you can go the Dispatch Box. It is okay now. You can go on. Go to the Dispatch Box.

The Assistant Minister for Agriculture (Mr. Mbiuki): Mr. Temporary Deputy Speaker, Sir, yes, we can do that on Tuesday afternoon.

The Temporary Deputy Speaker (Mr. Imanyara): Dr. Khalwale, Tuesday afternoon.

Dr. Khalwale: On a point of order, Mr. Temporary Deputy Speaker, Sir. I am glad that the Assistant Minister has accepted to take that particular responsibility. But in view of that, now that you have conceded, could you arrange for humanitarian intervention for the pensioners who

are currently camping out here? Besides giving them food, could you organize for transport to take them back to their homes?

(Applause)

The Temporary Deputy Speaker (Mr. Imanyara): Better still, you can actually go and see them after this. They are camping outside Parliament. Mr. Assistant Minister, you can meet them outside there as you come in. They will be given a better reassurance if they meet you.

You can go to the Dispatch Box because I am allowing your request and you appear not to be able to control the facility.

(Mr. Mbiuki moved to the Dispatch Box)

The Assistant Minister for Agriculture (Mr. Mbiuki): Mr. Temporary Deputy Speaker, Sir, I am going to liaise with my Permanent Secretary right away, to see if we can do something. But, meanwhile, immediately I am done with the business of the House, I will go and meet those pensioners and give them some assurance.

The Temporary Deputy Speaker (Mr. Imanyara): Very good! What is your point of order, hon. Shakeel?

Mr. Shakeel: On a point of order, Mr. Temporary Deputy Speaker, Sir. The people who are outside the gate are the Syokimau Internally Displaced Persons (IDPs) and not the pensioners. So, when the Assistant Minister is going outside, could he also address the Syokimau IDPs, because they also have a claim against the Government and they have no money to go back home.

(Ms. Ndeti stood up in her place)

The Temporary Deputy Speaker (Mr. Imanyara): Hon. Wavinya Ndeti, are you on a point of order? You are an Assistant Minister and can only do so from the Dispatch Box or Front Row. I also remind you that you are an Assistant Minister of Government, as you make the Statement.

(Ms. Ndeti moved to the Dispatch Box)

The Assistant Minister for Youth Affairs and Sports (Ms. Ndeti): Mr. Temporary Deputy Speaker, Sir, I would really want to know if they are from Syokimau, because I am the area Member of Parliament. If there are my people out there, I would really like to go there with the Assistant Minister and know what is happening.

The Temporary Deputy Speaker (Mr. Imanyara): Very well. Order, Assistant Minister! Actually, I can confirm to you that they are there because I met them on the way here. So, you may accompany the Assistant Minister as he goes to address the pensioners.

Hon. Duale, what is your point of order?

Mr. Duale: On a point of order, Mr. Temporary Deputy Speaker, Sir. What hon. Shakeel said is that there are two different groups. So, the Assistant Minister can assure the two groups.

The Temporary Deputy Speaker (Mr. Imanyara): Order! Order! Indeed, there are two groups. The second group consists of constituents of the hon. Assistant Minister, hon. Wavinya

Ndeti and she has graciously agreed to accompany her colleague, the Assistant Minister, so that they can meet the two groups.

The next request I see here is from hon. John Olago Aluoch!

FUNDING OF LVEP FOR REMOVAL OF WATER
HYACINTH FROM WINAM GULF

Mr. Olago: Mr. Temporary Deputy Speaker, Sir, I rise to seek a Ministerial Statement from the Minister for Environment and Mineral Resources. I want to declare that as I make this request, I have consulted with hon. Shakeel, who is also concerned about the same.

Mr. Temporary Deputy Speaker, Sir, I would like to request for a Statement from the Minister for Environment and Mineral Resources on the extent of funding of Lake Victoria Environment Programme (LVEP) for the removal of water hyacinth from---

The Temporary Deputy Speaker (Mr. Imanyara): Order! Order! Is the Minister in charge here? I just want to know which Minister is taking notes. May I request the Assistant Minister for Education to handle this on behalf of his colleague. Prof. Olweny, can you, please, take note of that?

Mr. Olago: Mr. Temporary Deputy Speaker, Sir, it is very appropriate because this also concerns his people.

Mr. Temporary Deputy Speaker, Sir, I seek the Statement from the Minister for Environment and Mineral Resources on the extent of funding of LVEP for the removal of water hyacinth from Winam Gulf of Lake Victoria and the methodology for the same. In the Statement, I would wish the Minister to address the following pertinent issues:-

(i) The total amount of money allocated and the procurement procedure adopted in identifying the firms or the groups that were to be engaged in this removal.

(ii) The agency fees charged by the firm or groups that were identified from persons who used to be engaged as manual removers of water hyacinth.

(iii) How the Lake Victoria Environment Programme is engaging with the local fishermen and the members of the Beach Management Units in harnessing synergy for the removal of the water hyacinth.

(iv) The circumstances surrounding the demonstrations in Kisumu on 29th July, 2012, over the manner of the implementation of that project.

Mrs. Odhiambo-Mabona: On a point of order, Mr. Temporary Deputy Speaker, Sir. I would want to add onto the same statement. While the Minister is addressing the issue, he should also indicate what he is going to do to the fishermen whose boats have been sandwiched and stranded. They are not able to get their boats out and they have no other means of survival. I was in Lambwe and Homa Bay last week and fishermen asked me to ask the Government what it is doing, especially to those who are by the shores, to help them remove their boats and fishing gadgets. What is the Government doing in the short-term, to help them survive when the hyacinth is in place?

The Temporary Deputy Speaker (Mr. Imanyara): Assistant Minister, when can this Statement be given?

The Assistant Minister for Education (Prof. Olweny): Mr. Temporary Deputy Speaker, Sir, I undertake that I will pass the message to the Minister for Environment and Mineral Resources. I will ask him to deliver the Statement on Wednesday next week in the afternoon.

The Temporary Deputy Speaker (Mr. Imanyara): Next Wednesday in the afternoon. The next request is from hon. Chanzu. To whom is it directed? I would like to find out.

Mr. Chanzu: It is directed to the Minister for Transport.

The Temporary Deputy Speaker (Mr. Imanyara): Is the Ministry of Transport represented? Mr. Githae, please, take note for your colleague's attention.

STATUS OF AIRPORTS AND AIRSTRIPS IN THE COUNTRY

Mr. Chanzu: Mr. Temporary Deputy Speaker, Sir, I rise to seek a Ministerial Statement from the Minister for Transport on the status of airports and airstrips in the country. In this Statement, he should tell us the following:-

(i) He should first of all give the full list and the locality of the airports and airstrips in the country.

(ii) He should give the state of repair and maintenance of all the airports and airstrips in the country.

(iii) He should clarify the adequacy of security measures at these airports and airstrips.

(iv) He should clarify whether there are adequate budgetary provisions for the maintenance of these facilities.

The Temporary Deputy Speaker (Mr. Imanyara): Mr. Githae, when can your colleague do that?

The Minister for Finance (Mr. Githae): Mr. Temporary Deputy Speaker, Sir, I think Thursday will be in order. Wednesday seems to be very congested.

The Temporary Deputy Speaker (Mr. Imanyara): There is a collective responsibility. He is already on his feet; if Thursday will do, that will be fine. Is Thursday okay with you, hon. Chanzu?

Mr. Chanzu: Yes, Mr. Temporary Deputy Speaker, Sir.

The Temporary Deputy Speaker (Mr. Imanyara): Thursday next week.

PROPOSED REGISTRATION OF KENYAN VOTERS IN DIASPORA

Prof. Kaloki: Mr. Temporary Deputy Speaker, Sir, thank you for this opportunity. I rise to seek a Ministerial Statement from the Minister for Justice, National Cohesion and Constitutional Affairs.

The Temporary Deputy Speaker (Mr. Imanyara): The Deputy Leader of Government Business is here now. Mr. Kimunya is here now.

Prof. Kaloki: Mr. Temporary Deputy Speaker, Sir, I rise to seek a Ministerial Statement from the Minister for Justice, National Cohesion and Constitutional Affairs with regard to the proposed registration of Kenyans in the diaspora to participate in the forthcoming general election in 2013 by the Independent Electoral and Boundaries Commission. In the Statement, the Minister should:-

(i) provide a list of the polling stations that the Commission intends to establish in the diaspora, indicating their respective countries or States within the country, counties or specific towns in those countries;

(ii) indicate when the Commission will gazette these polling stations and the registration of voters in these stations and when that exercise will commence and end;

(iii) explain the role the Kenya Diplomatic Missions abroad will play in the registration of voters and the conduct of the elections, if any;

(iv) clarify whether voters in the diaspora will be allowed to vote anywhere at their convenience if the Commission adopts the electronic voting in the forthcoming general election. There is concern with all the Kenyans living outside the country and clarification is in order. That way, they will know how they will be able to participate in the forthcoming general election.

Dr. Khalwale: On a point of order, Mr. Temporary Deputy Speaker, Sir. In relation to that Ministerial Statement, the Minister should also come prepared with a clear position from the IEBC to confirm that when the voters in the diaspora will be voting, they will vote for the President, the Governor, the Senator, the Women Representative, the Member of Parliament and the County Representative. He should also tell us what instrument they have to make sure that votes of one ward do not end up in another far removed ward.

Mr. Namwamba: On a point of order, Mr. Temporary Deputy Speaker, Sir. This matter, indeed, as Prof. Kaloki rightly puts it, is critical for the integrity and the credibility of the whole electoral process. I would want to add that when the Minister responds to this, he should provide to the House various possible scenarios, including the possibility that it may not be possible or practical to have the diaspora voting in the first election under the new Constitution. I say this because there are certain matters addressed by the Constitution in a progressive version. So, we should also not be anticipating instantaneous realization of some of the innovations in the Constitution that anticipated progressive actualization. Therefore, the Minister should tell the House not only the level of preparedness, but also the possibility that, in fact, this may not be possible at the first election.

The Temporary Deputy Speaker (Mr. Imanyara): Mr. Kimunya, now you may indicate when your colleague, the Minister for Justice, National Cohesion and Constitutional Affairs, will give this Statement.

Mr. Duale: On a point of order, Mr. Temporary Deputy Speaker, Sir. On the same, I want to ask the Minister to tell the country what mechanism he will use to regulate and facilitate the campaigns that will take place in the diaspora. What will IEBC use in regulating and facilitating the campaigns that will go on in the diaspora?

Mr. Ruto: On a point of order, Mr. Temporary Deputy Speaker, Sir. I would like to add that the Minister should indicate clearly the methodologies of determining in the diaspora which counties these voters purport to belong to including the wards. I want the methodology of determining whether they would ordinarily reside in Kenya and whether it would not lead to a situation where all of them may agree to register in only one ward and, therefore, decide the representative of that ward should come from the diaspora. They may also choose a Member of Parliament to come from the diaspora.

The Minister for Transport (Mr. Kimunya): Thank you, Mr. Temporary Deputy Speaker, Sir. The matters canvassed are very genuine and very current. While communicating the response to the Minister for Justice, National Cohesion and Constitutional Affairs, I also want to remind the House that we are expecting the electoral rules and regulations which are supposed to be submitted within six months before the elections. Those rules and regulations are being worked on. They will contain all the matters that have been requested for discussion and approval by the House. While we are waiting for that, I will communicate this to the Minister for Justice, National Cohesion and Constitutional Affairs and we can have a holding response by Thursday, next week while we get the comprehensive issues covered within the electoral rules

and regulations which are being worked on. I can confirm that those rules and regulations are already being worked on for tabling in this House before the end of this month.

The Temporary Deputy Speaker (Mr. Imanyara): Thursday, next week! There being no request, Mr. Kimunya, may I also remind you that there is a statement expected from the Leader of Government Business with regard to the 79 or so pending Ministerial requests and I think you had indicated that there would be some kind of response. I cannot quite remember whether it was today, but I do not believe that the Vice-President and Minister for Home Affairs is here. Could you give some indication when he will do this as the Leader of Government Business?

The Minister for Transport (Mr. Kimunya): Mr. Temporary Deputy Speaker, Sir, yes, indeed, I promised that we were going to discuss that. My undertaking was that I was going to raise the matter before the Cabinet. I want to confirm to this House that, indeed, the matter was discussed within the Cabinet and it was emphasized on the need to dispose of all pending Ministerial Statements. Action has started. Yesterday, we heard from the Office of the President a couple of them being disposed of. A circular has been circulated and every Ministry is looking at how we will dispose them. We will be working together to allocate time because 79 Statements will require a lot of time. We will work together with the Speaker's Office in terms of when we will allocate time for their disposal. However, I can confirm that action has been taken. Perhaps, we do not need to make any other Statement except to work together to allocate the manner in which they will be disposed of within the next couple of days beginning this Thursday.

The Temporary Deputy Speaker (Mr. Imanyara): Very well. I have just seen a request by Mr. Githae. Mr. Githae, what is your request before I go to the next Order? I can also see two interventions by Millie and Mr. Mungatana. So, I will take Mr. Githae's and then those two before I call the next Order.

Yes, Mr. Minister.

The Minister for Finance (Mr. Githae): Mr. Temporary Deputy Speaker, Sir, I just wanted to support what the Deputy Leader of Government Business has said. In fact, a circular has gone out and each Ministry has been asked to say when they will issue the Statement. Tomorrow, Thursday happens to be the Ministry of Finance's turn. Therefore, I want to appeal to whoever had sought a statement from the Minister for Finance to be here tomorrow.

The Temporary Deputy Speaker (Mr. Imanyara): Mr. Githae, the Chair can assist you by availing you a copy of the requests and if there are any from your Ministry, you will see from the schedule that the Clerk will provide you.

The Minister for Finance (Mr. Githae): Mr. Temporary Deputy Speaker, Sir, I wanted to tell all hon. Members to be available tomorrow because I intend to read all the statements from the Ministry of Finance tomorrow.

Mr. Mungatana: On a point of order, Mr. Temporary Deputy Speaker, Sir. This is in relation to what the Minister has just intimated. It will be very useful if the Ministers can indicate to Members of Parliament specifically because sometimes we have had situations where Ministers come late. Ministers have been late many times when hon. Members are here but on the days they are ready, they do not alert them. They should use their Ministries to get to the hon. Members so that they can be present so that we dispose of these matters in an efficient manner.

The Temporary Deputy Speaker (Mr. Imanyara): I think the Leader of Government Business has heard you. At least, some steps are being taken.

Mrs. Millie, what was your point or order? If you are not able to use the facility, you may use the Dispatch Box because I have accepted your request. This is the second time I am accepting it.

Mrs. Odhiambo-Mabona: Thank you, Mr. Temporary Deputy Speaker, Sir. I would also like to inform the Minister that I had actually looked at the list and I noted that some of those statements have been overtaken by events. Indeed, I noticed that one of them, I am the one who requested for it last year when there were rogue wild animals in Lambwe Valley and we wanted the Minister to capture them, unless they have been rogue for the last one year. All the Minister needs to do now is to consult with the respective Members. If some of them are irrelevant, that might reduce the statements to about 20.

The Temporary Deputy Speaker (Mr. Imanyara): I think the Ministers are listening and they will consult the hon. Members who requested for the Statements.

We can now move on to the next Order!

BILLS

First Reading

THE PROCEEDS OF CRIME AND ANTI-MONEY LAUNDERING (AMENDMENT) BILL

*(Order for the First Reading read – Read the First Time
and ordered to be referred to the relevant Departmental Committee)*

Second Reading

THE PUBLIC PRIVATE PARTNERSHIPS BILL

The Minister for Finance (Mr. Githae): Mr. Temporary Deputy Speaker, Sir, I beg to move that The Public Private Partnership Bill, Bill No.12 of 2011 be now read a Second Time.

This is one of the most important Bills to come to this House in view of our Vision 2030. The overall objective of the Bill is to create an enabling framework for attracting private-sector investments into key public infrastructure and social services. This is intended to facilitate and attract private-sector investments while maintaining the principle of good governance as the driving force. The Government intends to use the Public Private Partnerships Law to increase the capacity for funding for key infrastructure development projects which is in line with Vision 2030. This will also improve efficiency and the cost effectiveness of public-sector services and increase and expand business opportunities for the private sector.

In other words, what we are saying is that it is not possible for the Government to undertake all the development projects in this country. We now want the private sector also to play its part.

Mr. Temporary Deputy Speaker, Sir, under Vision 2030 the private sector will be the main driver of that vision. For example, if you take the Ministry of Nairobi Metropolitan Development, for them to make Nairobi metropolis as a first class African city they required Kshs1.3 trillion. Obviously, that cannot come from the Government because then it will mean

taking the entire budget of the whole Government. So, this is where we are now saying, now is the time for the private sector to be the main driver of the economy.

Mr. Temporary Deputy Speaker, Sir, in an attempt to provide a legal and regulatory framework for the public private partnerships, the Government issued the public private regulations in March, 2009. Unfortunately, it has been found out that these regulations are not adequate as there are a lot of gaps and missing areas. Therefore, the Government then thought that the best way would be to address the whole regulations and put them into law so that they are now anchored in law and not just in mere regulations. That is why this Bill has come before this august House.

This Bill borrows from the best practice in countries which have been at the forefront of public private partnerships. These countries include Malaysia, India, South Africa, Egypt, British Columbia, Ghana, Australia, Tanzania, United Kingdom, Indonesia, Philippines, Brazil, Mauritius, among others. In these countries you will find that the toll roads in particular have actually been done through public private partnership. This is what we intend to do so that as the Government finances some of the projects through the budgets, then we can do the others through the public private partnerships.

Mr. Temporary Deputy Speaker, Sir, the new Constitution requires that every Bill before it is brought to this House, that first of all it be discussed with the stakeholders. I am glad to inform this House that this Bill has been developed through a consultative process and several stakeholders' workshops were held to seek views and consensus. The main workshop was held on 6th June, 2012, where both public and private sector institutions were invited to present their views.

In addition to this, several presentations and meetings have been held with specific stakeholders to sensitize them on the requirement of the Public Private Partnership Bill and policy. The Public Private Partnership Bill was developed together with the Public Private Partnerships policy which were both discussed and approved by the Cabinet in December, 2011.

If I now turn to the key highlights of the Bill to enable hon. Members to contribute effectively to the Bill, the Bill provides for definition, scope and types of public private partnerships that the Government will recognize. Some of these common types include the ones that we know which we call consensus, build-own-operate-transfer and build-own-operate leases; long term performance management contracts. Those are all the various categories of public private partnerships. Each project will depend on what is the most convenient and which will be quicker and cheaper. Sometimes you could have a combination of all these. Every project tends to have its own trademark.

The Bill also establishes the Project Facilitation Fund which will assist in the preparation of public private partnership projects because this is where the problem has been. For example, a Ministry gets an idea or proposal but they have no funds to prepare full feasibility studies.

So, this Bill provides for Project Facilitation Fund to assist in facilitation of public private partnership projects and to provide viability fund gapping for projects that are economically viable but require Government support to be financially viable and provide a source of liquidity to meet some of the contingent liabilities that may crystalize. This also aims at making the service affordable to members of public and, therefore, the Government will create physical incentives to attract the private sector.

Already we have what we call bankable projects where during the recent investment conference in London, we were very grateful to His Excellency the President who attended and therefore raised its profile, but they are many. It is important for investors to listen to this. For

example, we intend to have a toll road through public private partnerships from Nairobi to Mombasa. We will have the main one which will be used by whoever wants to do so, which will be free. But we also have another one where maybe from Nairobi it may have a maximum of three stops on the way so as to shorten the journey and for that one, you have to pay.

There is also another one from Limuru all the way to Nakuru. Even with the rehabilitation of that road, initially there was traffic jam on weekends but now there is traffic jam on that road any time of the day. That is a prime candidate for public private partnership. If you know of anybody who would like to participate in this public private partnerships, this is the time to tell us because I am sure we will soon pass this law so that that arrangement is anchored by law. I could go on and there are many of those which are economically viable.

We want the projects that are economically viable to be done through public private partnerships. The ones which are not economically viable but are necessary, then the Government can fund them. That way we will be able to achieve the two purposes.

The projects will be procured competitively to ensure fairness, value for money and efficiency among others. Also a window exists in this Bill for proposals initiated directly from investors so as also to encourage innovation from the private sector. So, again we have not shut completely requests from individual investors.

Mr. Temporary Deputy Speaker, Sir, the Bill provides for minimum contractual obligations that are required to be specified within the project management including performance standards expected from the private sector; the tariff. To make sure that there is proper governance you will again see in the Bill that various approvals are required. For example, Parliament will be required to ratify, if it is a concession for natural resource as per Section 71 of the Constitution. The Cabinet authority will also be required for projects of long term nature and of high value.

There is also the Public Private Partnership Committee for small projects. Again we do not want to make it autocratic. I must emphasize that whatever happens the implementing agency will be the relevant department or Ministry. So, all these others are to assist. So, Ministries and Government institutions will still remain the implementing agencies.

It also authorizes county governments to enter into public private partnerships and to process them on their own. We hope that the county governments will also then be able to pass their own version of public private partnerships.

Mr. Temporary Deputy Speaker, Sir, this Bill has been developed on various principles whose main objectives are:-

1. Provide real capacity of Government and other public bodies to enter into long term public private partnerships contracts to create certainty and investor confidence.
2. Address all the legal gaps and remove conflicts and overlaps in the existing laws, which are many. You find that in the Public Private Partnership Policy, the Public Procurement and Disposal Act, and even in individual contracts by Government Ministries, there are overlaps and gaps and, sometimes, conflicting clauses.
3. Consolidate all issues related to public private partnerships into one Bill.
4. Establish legal institutions that will process the public private partnerships.
5. Provide a framework for public private partnerships project development, including procurement.
6. Establish a Projects Facilitation Fund.

Mr. Temporary Deputy Speaker, Sir, once enacted into law, the Public Private Partnership Bill shall create a legal and regulatory framework, which is expected to yield

substantial benefits to the country in its efforts to achieve the objectives of Vision 2030 and its aspirations.

Since this Bill has been developed through a consultative process, involving all stakeholders, whose comments have been incorporated into it, I do not want to belabour the point. Therefore, I want to move and ask my friend, Shakeel, to second it. He is one of the people who have really been following it up with the Ministry of Finance, asking when we are going to bring the Bill to Parliament. Therefore, I want to give him this opportunity, so that he can see that his endeavours were not in vain.

With those remarks, I beg to move.

Mr. Shakeel: Mr. Temporary Deputy Speaker, Sir, I beg to second the Bill. This is a Bill we have waited for a long time.

The Bill is a tool for development that has been used by other nations to leapfrog their development and take it out of the strict confines of Government. This policy is basically based on the principle that there are certain assets that can be developed or appreciated and increased more by private sector players, who have the ability to move fast and ensuring efficiency and effectiveness without bureaucracy.

The Bill is very clear in that it has finally set up procedures and guidelines. I sit in the Committee on Finance, Planning and Trade. I remember that we went through a very rigorous workshop in Mombasa with all stakeholders. We discussed this policy in great detail. I can confirm that the stakeholders and our Committee have been involved.

Mr. Temporary Deputy Speaker, Sir, had we enacted this Bill much earlier, we would not have had the tragedies we have had with the Rift Valley Railways, the Ken-Ren fertilizer plant, and many other ghost projects. These projects were, probably, initiated with very good intentions, but which ended up in the hands of those who mismanaged them. This Bill will now provide for strict guidelines and procedures that must be followed. There will be a lot of transparency when projects of such magnitude are started.

The Bill envisages two types of proposals, namely, those which may be solicited by the National Government or County Governments and investment proposals which may be privately initiated such as the ICC City in Kwanza, the coal mining proposal in Kitui and others. We have also the Trans Mara Conservancy initiative which has instilled sense into our management of wildlife. We have seen this happening in Doha, Singapore and Malaysia, among other countries.

Mr. Temporary Deputy Speaker, Sir, there are many of us who take 45 minutes to fly from Kisumu to Nairobi, but it takes us two hours to travel from the airport to the City centre. One of the programmes we are hoping to promote is a light railway or a monorail. I was in Malaysia, where I saw this service. I went and saw the operators and the persons who built the monorail. They logged into the Internet, retrieved the map of Kenya and said: "We can build a line from where the dual carriageway starts on Waiyaki Way, all the way to the airport. It will cost you about US\$10 million per kilometre."

During that time, they were very much willing to finance the project, build, operate and transfer. As the Minister said, there are other options. Another option is build, transfer and operate, which is a very good option. I used to sit on the Board of the New Nyanza Provincial General Hospital. We had Victoria Hospital, which was at that time run by the colonialists. It was a "whites only" hospital. We have since developed it. If the Ministry of Health had come up with proposals of private public partnership, we would very easily have privatised it. We could then have used that money to cater for patients in the public hospital who could not afford to pay

for services offered in private hospitals. Unfortunately, because procedures were not there, this could not be facilitated.

Mr. Temporary Deputy Speaker, Sir, as I said, the policies and procedures contained in this Bill start from the invitation of the bid through to technical evaluation, negotiations, project assessment, Cabinet approval, execution and establishment. It also assesses, evaluates and continues to control the development of a particular project. As I said, this is something which needs to be put together, and which needs to be done very quickly. A development must be economically viable and must have efficiency.

I want to say at this stage that had we had such a law in place to refer to, the De La Rue scam would not have gone as far as it has gone. We would have seen it or knocked it out much earlier.

With those few remarks, I beg to second.

(Question proposed)

The Minister for Transport (Mr. Kimunya): Mr. Temporary Deputy Speaker, Sir, I rise to support the Bill which has come at a time when this country is on a development kick-off path. Obviously, we require resources and money from all potential investors, both from within the public and the private sectors, to help in terms of realising our Vision 2030 goals.

If you look at this Bill, you will realise that it answers part of our historical problems. We are coming from a history where corruption was the order of the day. As a result, it has almost become a situation where Kenyans believe that everyone is corrupt, unless proved otherwise. So, every time there is a procurement of a certain magnitude, be it within the Constituencies Development Fund (CDF) or Parliament; or be it a Government procurement or even a corporate body's procurement; once the tender is declared as having been won by bidder "a" or bidder "b", the first thing you hear is that there was corruption. It then goes down to people going to court to prove that they won it without corruption. Now, it gets worse when you start looking at any other model apart from what is known. When somebody comes and says: "Yes, we can partner with the Government, Nairobi City Council (NCC) and Nyandarua County to put up a district headquarters, district hospital or some train service", the first thing that comes to the mind of the Kenyan people, and especially our media, is that there must be corruption. How much is involved? Who is taking what? People never seem to look at the bigger picture. That is the difference between us and what is happening within our neighbourhood in Uganda, Rwanda and in all the other countries, where things are taken in good faith. That is because there is a law and process that people can go and check.

Mr. Temporary Deputy Speaker, Sir, well, it may be that this law will cure that. The approval of pudding is in the eating thereof. But, at least, it needs a major step in trying to remove some of those suspicions and mindsets that have now almost become inbuilt within the Kenyan psyche, that nothing happens unless there must be corruption. We have seen all that and the fight within the Biometric Voter Registration System and the media analysis of it.

So, it is a big step and I am very happy that, at last, this law has come into being and I am hoping that this House will give it its maximum support – amend as necessary if need be. I cannot quite figure out what needs to be amended. I think it is very good as it is and let us start the practice. That is because when you look at what we have ahead of us - and I was very encouraged to hear hon. Shakeel. I am very impressed with his mastery of Public Private Partnerships (PPPs). I followed every word. When he talks about the frustrations you get--- If

you travel from Kisumu or Mombasa, it takes 30 minutes by air. You come to the airport and between the airport and the city, you spend another two hours. It has now reduced because of the opening up of the Museum Hill Roundabout and traffic can flow on Thika Road. However, we have created gainfully, because of the finances, a rail station at Syokimau. I am hoping that at some point, when it is officially opened, we should have as many Members of Parliament using that route or appreciating it. We will then see what else we can do. We would have done it faster if we had identified partners from other countries to do it. But every time you try to do that, everyone says corruption.

Mr. Temporary Deputy Speaker, Sir, it is the same thing with the design of our airport. We need a lot of money. A typical expansion like what we are doing at the airport, we require to spend not less than US\$1 billion to synchronise our airport with the demands that seem projected in the future. An actual public private partnership will be a partnership with the main user, Kenya Airways. But we do not have *roho*. If we start doing that, you will hear again “corruption, corruption, corruption” because that is the only thing we understand, if it is not done in terms of what we think should be done.

Now, a couple of years ago, we had this issue with privatization or outsourcing of some of the services at our port in Mombasa. Our port is growing at 19 per cent in terms of the cargo volumes because the region is growing. But our capacity to inject money into it is also tied with the demands at the national Treasury across the entire country. So, we can only release so much for the development of the port and yet, if we had this law and if, as Kenyans, we opened our minds that it can be done as it exactly happens in other countries, we would have provided partners to come and partner with us within the development of berths 11 to 14. By now, we will be having that sorted out and we will be getting bigger ships coming on board so that we can have more cargo and more efficiency because of the partnership. I am hoping that this law will unlock some of these things so that, as we move into county governments, national government and delivery of services into the future, we will be looking at what is the best interest for our country and region without looking at who is doing what or who is partnering with who, why are they together and what is there to gain except the national gains that we will be getting through.

Mr. Temporary Deputy Speaker, Sir, so, the port of Mombasa rings in my mind as a prime candidate for some of those public private partnership projects. The Lamu Port development will cost us about Kshs1 trillion plus. Now, there is no way we are going to commit our entire budget to that, unless we identify partners that we can work with to say: “Who does the pipeline, railway, port, roads, the resort cities and how can we partner together so that people can bring in their expertise, capital, we provide the land, oversight, regulation, market and it becomes a win-win situation?” That is what has happened across the entire world. It is exactly the same thing that you can identify literally because that is what the public sector does. There is a window for partnering with our private sector so that the Government does what it does. It needs to invest, provide the land, regulation, oversight and the private sector brings in the capital and expertise and together, our people are liberated from poverty and move on to prosperity, which is exactly what we anticipated when we designed National Vision 2030 which we all talk about. There is no way we are going to achieve a globally competitive and prosperous nation unless we embrace the new methods of doing business, which is inviting the people within the private sector and tell them: “Bring in your capital and resources and we will provide what we can as the public sector and, together, we create a win-win situation.”

Mr. Temporary Deputy Speaker, Sir, it is happening within the transport sector. The *matatus* are private. The roads are owned by the Government. All the trucks on the road are

private. The roads are owned by the public. It can be done within one operation. Right now, we have to do it separately. Let us do the road and you bring your vehicles. You could actually do it where you have the private sector even bringing the road and the trucks on it, and the Government just provides the way leave. If you look at every stable country where these things have happened, almost all roads you find between China to Hong Kong and within the United States are private roads. They have been constructed and everyone goes and pays a toll. But everyone gets the benefit of a smooth road which you pay for. Public funds are not tied to it. We can tie the public sector funds to the provision of education and social services. These are things that the private sector can do and make a return on their capital out of it. That should be excluded from public services.

I could go on and on and on and I believe this law will help us to achieve that and, hopefully, we can then all rally behind it together, experiment it as we go into the new dispensation. We have got a new Constitution to implement. It is going to be expensive. We have got infrastructure to provide within 47 counties. If we do not adopt this, some counties will never receive the housing that they require for the staff who will be working in those counties, unless the county governments can say: "Here is the land and we would like to invite an investor to come and put up buildings and lease them back to the county government." Even in headquarters, hospitals, universities, these are all opportunities that can we can create and there are lots of money lying around in the banks. All that money could have been ploughed into projects if we could only remove--- I want to appeal to this House that let us now try to create some positivity's and help our country move forward by showing people that the private sector are not necessarily crooks just because they have decided to partner with the Government. It is a win-win situation and we can create it.

Mr. Temporary Deputy Speaker, Sir, with those words, I want to support and urge all the Members in this House to support this Bill so that we can start implementing it. We will now unlock the capital that is tied with all the infrastructural development projects that are crying for injection of investment capital that we do not have and yet, if it was injected tomorrow, Kenya would be a totally different country and the leader within the region as we would like to see it happening. If it cannot happen in our own neighbourhood and it cannot happen here and yet we are the leaders within the region--- Other countries have done it before. Let us do it and with those words, I beg to support.

Mr. Mungatana: Mr. Temporary Deputy Speaker, Sir, thank you for giving me this opportunity to also make my contribution on this Bill. On the onset I want to say that I support this Bill and I strongly do so. I think this is one of the pieces of legislation that the Government has brought that is really forward looking.

I could not agree more with Mr. Kimunya's submission. Recently, we had some consultations as political parties and we were told about the cost of trust in this country. We were told how expensive it is to conduct elections in Kenya because of the cost of trust. In a country like Sweden, we were informed that the person who presides over the elections is the person who takes leave as a doctor; he volunteers his services and, therefore, there is no salary attached to it. That is the private sector coming in. The person who prepares the ballots is the political party participating in the election.

Mr. Temporary Deputy Speaker, Sir, they prepare this and there is no rigging. Therefore, there is no police. You can see that because of institutionalization of the fact that private people can actually add value to public service, they have reduced their cost of conducting elections, public service and, therefore, make longer steps at a lower cost in terms of development. I think

this piece of legislation that institutionalizes this kind of arrangement must be supported by all well meaning Members of Parliament. I know that all of us here are well meaning.

Mr. Temporary Deputy Speaker, Sir, some of the things though that are contained in this Bill--- We have been informed by the Minister that there has been wide consultations and I thank him for that. However, still I believe we can improve this Bill. It appears to me that county governments have just been mentioned in passing. If you look at all the lists under Clause 22 of projects that could be potentially for public/private partnership are supposed to be submitted to a committee. This is a national committee. The county governments will not have a quick way of partnering in a way that will essentially make the private people within their counties to participate very easily without having to go through the bureaucracy at the national level.

The same Bill in Clause 53 talks about submission of memorandum to the Cabinet for approval. This submission of memorandum comes after there has been preparation and submission of project and risk assessment report, which is expected under Clause 52 of this Bill. Therefore, you have a procedure that really is still so centrally locked up. It still so clearly favours people who think of Kenya in terms of the national Government. Even when you look at the establishment of the public/private partnership committee in Clause 4 it really looks like this is a committee of the national Government. The county governments have not been given their proper position. I want the Government not to be in a hurry. We are saying that we support the principle behind this law, but we must not be in a hurry to crystallize everything at the national level, make it so difficult and bureaucratically impossible for the county governments to quickly do these things---

Mr. Shakeel: On a point of order, Mr. Temporary Deputy Speaker, Sir. Perhaps, my brother Mr. Mungatana has not referred to Clause 62. There are two elements; as I said earlier there is that which is a publicly solicited proposal for which the criteria is quoted---

The Temporary Deputy Speaker (Mr. Imanyara): Order, Mr. Shakeel! Please, do not anticipate what the Member is saying.

Mr. Mungatana, please, proceed.

Mr. Mungatana: Mr. Temporary Deputy Speaker, Sir, I think he has just not got what I am saying. What I am trying to say is that this whole Bill seems to be too centrally locked. It has not opened up the freedom for county governments to move as fast as the national Government is able to move, and as we would want the county governments to do.

The prominence of the 46 other governments has not been secured properly within this proposed Bill. I would want the Minister to look at this again. I am sure his officers are listening. What is it that we can add to this Bill; we will think around it together. We will make it easy for county governments, particularly the examples Mr. Kimunya mentioned--- There are counties where we will need universities to be set up very quickly and this will need private/public partnership. There are counties where we will need county hospitals to be set up very quickly and this again will require public/private partnership to come in at a very fast rate. There are counties where the trunk roads are in such a bad condition, and we would want Public/private partnership to come in as a quick first aid to resolve some of the problems that exist.

Mr. Temporary Deputy Speaker, Sir, what is it that we can in-built within this Bill, as Parliament, to make it better, so that counties that are way behind can move at the same rate as other counties? I will be proposing some amendments and I hope the Minister will adopt those amendments to make this Bill better. There is no time as we have all realized. Five years is a very short time; you enter the first year you are supposed to be settling, and before you know it you are in an election mood again. It will be particularly important for the county governments to

have a very quick nicely laid out system under which money will come from Nairobi and will be invested there. We need to have those kinds of systems in-built in this Bill.

The second point I wanted to make is to urge that we need to learn from what has happened in other countries in the world. Public/private partnership has not been entirely successful in some nations. We need to know what has gone wrong, so that we can make the necessary adjustments within this Bill to make it a reasonable kind of law that will avoid the pitfalls that other countries have suffered from. We have to make it clear that this will not be an opportunity for profiteers. We must get it right from the very beginning, by not allowing exceedingly high returns on investments that will be involving the Government, and that could go even higher than the Government bond rate. We must not make it an opportunity for public entities to be robbed blind. The whole idea of people rushing into partnership should be protected by this law. We have been told about Malaysia being one of the countries that have been successful in the East but there is a reason why the privatization of water services, for example, in the City of Paris was withdrawn at the end of 2009. The City of Paris refused to renew the contract with two of the French corporations which were giving water services for that city and the reasons were very simple. It became more expensive to engage with these private companies as opposed to the Government of the City of Paris providing the same service to the people. So we need to ask ourselves: What is it that the Public Private Partnership (PPP) did wrong in that case that it warranted the Government of the city of Paris to take it back to the public and in one year, the water rate charges for the residents of Paris went down by between 5 per cent and 16 per cent of the charges that they were getting when it was being managed and run by the private French corporations?

Mr. Temporary Deputy Speaker, Sir, these partnerships were entered into in good faith like the previous speaker said but then they became impossible to sustain because people were suffering. I need not repeat that even in this country, there was a clear proposal to create a toll road, I think, from Athi River all the way to Nairobi. You will remember that when this matter came to Parliament, there was hue and cry because the calculations of you driving from Machakos, down Athi River all the way and back was becoming too expensive. That was an example of PPP. When the then Minister for Transport presented the Sessional Paper before this House, he convinced us that the money was there, the PPP was there and everything would work smoothly and we were even shown drawings but the reality of the matter was that it was too expensive for ordinary Kenyans. So what is it that we can put here? We must state that this is not an opportunity for profiteers to come and finish off from the public the little resources they have.

In the UK, another example, two thirds of the London underground PPP was taken back into public control in July 2007. Again, why? What happened? There are pitfalls where we are walking. We should not be too excited to endorse what the Government is bringing here. We should not be too quick to run and say it is wonderful, let us embrace it, without looking at what it is that we can inbuilt within this Bill to protect the people of Kenya. We must know by now that even in the Stock Exchange before the regulator came in, people were just being ripped off at the Stock Exchange. I want us to be careful. Let us not just pass this Bill. This is one of the most important pieces of legislation that is going to hit us directly. This is one thing that we must read line by line and think together and see what it is that we can inbuilt because I strongly want to underline that any person who is going to enter into a PPP must not get unreasonably high returns. They must not get returns that are unconscionable; returns that are going to make the people of Kenya poorer so that they say: "Okay, the water services are here or health services are here but none of us can afford it." Then we have in a few years to take a return back. Then it

becomes so expensive. In some of these PPPs that I have looked at, the government - whether it is a city government, council government or a national government - is tied up in some horrible contracts that it is more expensive to pull out than to continue being ripped off for the next ten years.

Mr. Temporary Deputy Speaker, Sir, we must protect our people. We must be careful about what we are doing in this House today and I urge all hon. Members that we must look at the bottom line of it and say: "Yes, the utility of these services must be provided but at what cost?" Yes, money must be removed from banks and be invested in infrastructure for public service. Yes, let us partner between public entities and the private sector but at what cost? Let us not allow profiteers to come and put the people of Kenya under the yoke of slavery. This is not going to be a one year or two years thing. All the PPPs that I have studied will run for ten, 20 or 30 years. So let us not be over-excited. Let us check the limit of the profiteers and let us protect the people of Kenya. It is our duty! Yes, we want development but it is our duty to protect our people.

With those cautious few remarks, I beg to support.

Mr. Duale: Mr. Temporary Deputy Speaker, Sir, I stand to support this Bill. This is a very important Bill that will spur economic growth and investment in this country. Why PPP? Some reasoning is that the masses, the citizens expect governments to provide all services and this puts governments under pressure in terms of performance, coupled with very limited resource. This Bill and policy framework will open up provision of public services from private capital and expertise. This Bill is giving an opportunity to the Government and to the public sector; that now you have opened the gates to more capital investment and more expertise and more technology. That is why we say that this is a very important Bill in terms of improving our investments and social infrastructure.

*[The Temporary Deputy Speaker
(Mr. Imanyara) left the Chair]*

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

Mr. Temporary Deputy Speaker, Sir, this Bill that has come to this House this time through the Minister for Finance will create a very conducive environment for the private sector. The private sector in this country has been doing very well but the engine of growth, the 10 per cent or 15 per cent that we anticipate in economic growth and our GDP is a result of the role the private sector plays. This has opened the private sector to a bigger opportunity by partnering with the public sector. The participation of the private sector in this engagement gives the public sector, the Government, three key fundamentals that were lacking in the public sector. One is the investment of capital. There will be huge investments from the private sector to the public sector. Two, there will be more input of managerial and technical expertise from the private sector that will flow to the public sector. I want to say it here and I am sure the Minister for Finance will agree with me that the Government has been hiring and borrowing expertise from the private sector at a very high price and that the Government has been borrowing from the private sector at very expensive rates. This Bill will close that window.

This Bill will give good managerial skills and expertise that are not available to the public sector. Finally, this Bill will create for the public sector an avenue to get new technology.

Technology was not the preserve of the public sector but the Government was borrowing technology from the private sector but this Bill will open that door; that the Government and the private sector will be together and technology will be availed. More fundamentally, this Bill is coming at a political transition period where huge Government investments that are undertaken by the current Government will not survive if there will be a change of Government. But if those investments are anchored within the PPP policy framework, they will not be affected by the political transition that we anticipate next year, God willing.

Mr. Temporary Deputy Speaker, Sir, I totally agree with hon. Mungatana that there is need for a lot of consultation on this policy framework in the central Government. This PPP policy framework must equally be anchored within the 47 county governments that we are going to have next year. I want to give a classical example. One of the success stories of the PPP policy framework, through which a country has grown its economy and its social infrastructure, is South Africa. In South Africa, both the provinces and the national Government have an equal opportunity for PPP.

(Applause)

So, I see a situation where, as a country under the new dispensation, every policy framework and every Bill that we bring, we will put the county governments to be subservient to the national Government. That is against the spirit and the letter of the Constitution. So, when we look at this Bill at the Committee Stage, we need to bring that out very clearly.

Mr. Temporary Deputy Speaker, Sir, I want the Minister for Finance to listen to me because 70 per cent of the Budget for Vision 2030 is supposed to come from the private sector. So, it is now that the Government has realized that Vision 2030 will not move, but this Bill will make, facilitate and fast-track Vision 2030 with 70 per cent of the resources and the funding for those projects anchored from the private sector. I think this Bill has come at the right time.

Mr. Temporary Deputy Speaker, Sir, this Bill has a very fundamental component. That is the component of a central institution that will regulate this PPP law, because we know that such an institution is the one that will regulate, facilitate, supervise and approve the public at every level. That is why we see that we cannot have an institution that does not have checks and balances. This is where we must make it very, very clear, as my colleague, hon. Mungatana, said, that this PPP policy framework has success stories and it has failures across the global economies that have used this system. As a country, there will be challenges in terms of the PPP partnership. In a lot of countries that have used this system, the acceleration of corruption or mega scale corruption is more pronounced. So, we must have this central institution that the Minister has put in the Bill that will make sure it will regulate, identify, facilitate, monitor and supervise how this PPP system will go.

Mr. Temporary Deputy Speaker, Sir, the most important thing for me and the fundamentally important element of this Bill is that the Government and the public sector were exposed; there was high risk associated with investment in public sector. Very few people want to invest in public sector projects. When we have this kind of policy framework and legislation, this Bill will mitigate and help reduce the risk that comes up with investments in the public sector.

Mr. Temporary Deputy Speaker, Sir, I think we have an opportunity to use this policy framework for the County Governments. But 15 per cent is too little in terms of economic growth and in terms of uplifting the social infrastructure of our people. We expect that the 47

County Governments that will be in place, God willing, next year, will use the PPP opportunity to improve, borrow and engage in improving the three main key sectors that are important to our people. They can use this policy framework of a joint venture to improve the water, healthcare and the social infrastructure of our people.

Finally, Mr. Temporary Deputy Speaker, Sir, look at the road network that we have experienced in this country for the last four years; the Thika Super Highway. This was done through a partnership between the public sector and the donor community. This is a classical success story. As the Minister said, we can do the same in terms of the road toll stations that we see everywhere in the world; that our economy can grow, that investments can prosper; that we can improve the lives of our people, we can increase our Gross Domestic Product (GDP), we can create employment for our people, we can improve our own health sector if the PPP policy framework is managed very well.

With those few remarks, Mr. Temporary Deputy Speaker, Sir, I beg to support the Bill.

(Applause)

The Temporary Deputy Speaker (Prof. Kaloki): Thank you, hon. Duale.

Now, hon. Njuguna, you may proceed.

Mr. Njuguna: Thank you, Mr. Temporary Deputy Speaker, Sir, for the chance to make my contribution to this very important law. As stated by the Minister, this will be the stimulus for economic growth for Vision 2030. It will facilitate creation of jobs for our youth in this country. It will also enable industrialization of our country, particularly in the 47 County Governments that will be created by the new Constitution by 2030. It, therefore, calls for the impediments and bottlenecks that have continued to frustrate investments in this country to be addressed through this law.

Mr. Temporary Deputy Speaker, Sir, the cost of electricity in this country to private investors has been the cause of a major cry. The cost of water has also been a problem. Land acquisition for the investors has also been a problem. Security challenges have also been a problem. Infrastructure in this country has been a problem to investors. We know acquisition of business licenses in this country has been a nightmare. In Rwanda, for example, private investors acquire licenses within the shortest time possible. With this law, that impediment will be addressed.

Mr. Temporary Deputy Speaker, Sir, the 47 County Governments will be able to realize a firm foundation if this PPPs are encouraged. I have been to China, Beijing and Shanghai. We have seen foreign investors investing in housing. They have put up adequate magnificent buildings for the rural population to settle. This allows people to acquire decent houses. In the process, they are able to contribute effectively to the economy of the county.

Mr. Temporary Deputy Speaker, Sir, the Public Private Partnerships (PPP) will also accelerate economic and social development. Without this, our country will not be able to effectively carry out oil exploration. Now that we have discovered oil in certain areas of this country, the private sector will be welcome to accelerate oil exploration for our own use and for export. We need to make sure that once oil is available, the local communities, county governments and resources from the national Government are allocated in an accountable and transparent manner, without causing unnecessary political turmoil, as experienced in Nigeria.

Mr. Temporary Deputy Speaker, Sir, PPPs will also do wonders like what is now being done by Tatu City Investors in Kiambu County. They will also be expected to start other cities in

the other counties. Fulfillment of this role will require real commitment and implementation by the Government, so that the benefit of this partnership will be realized by the Kenyans. As earlier mentioned by hon. Mungatana, we will require expanded university education in this country. We require more universities. As we welcome more private investors, they will be expected to conduct their businesses in this country in a sober manner and in a caring environment. We noted recently that our university students are misbehaving by engaging in criminal activities. This will deter further investments in this country.

Mr. Temporary Deputy Speaker, Sir, our Kenya Revenue Authority (KRA) has a very brilliant vision to collect Kshs1.2 trillion. But by 2030, KRA will be expected to realize about Kshs20 trillion. This will only be possible with the passage of this brilliant law. We have seen Kenya Airways improving and expanding its services in terms of continental and international flights. But we need our employees already engaged by Kenya Airways to be well remunerated and recognized and not to be frustrated by the partners of Kenyan Airways. We want them to feel that they are benefiting from that partnership.

Mr. Temporary Deputy Speaker, Sir, on maritime business, there has been a lot of unnecessary demurrage charges because the cargo ships are unnecessarily delayed at the Port of Mombasa. As a result, a lot of business has been diverted to the Port of Dar-es-Salaam and elsewhere. So, with experienced and well moneyed partners, that Port can create a lot of resources for this country.

Mr. Temporary Deputy Speaker, Sir, on agriculture, the PPPs will also help in adequate production of maize, wheat, rice and sugar. This country will also become an exporting nation. We should not continue importing sugar from Sudan, rice from Egypt and even Brazil. This country can be self-sufficient and be proud. We can feed our 40 million Kenyans if this law is allowed to take effect. Given our weather and rains, we should be able to capitalize on the blessings that we have been given.

Mr. Temporary Deputy Speaker, Sir, we should also encourage space exploration. Kenya should be the first country in Africa to think of sending a spacecraft to Mars, the way Americans have done. We have seen what the Chinese have done. Therefore, the private investors must partner with our Kenya Government to make sure that we also claim our portion in Mars, so that when our population increases, we will have another place to take our people.

Mr. Temporary Deputy Speaker, Sir, it is also important that we address devolution and make sure that it was not an illusion. The PPPs will play a critical role.

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

The Minister for Finance (Mr. Githae): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order for the Member for Lari to mislead this House that this Bill does not provide for county governments and yet – and I think this is important so that everybody is aware – if you look at the definitions, “contracting authority” means a State department, agency, state corporation or county government, which tends to have a function undertaken by it and performed by a private party? So, this Act applies equally to county governments and---

The Temporary Deputy Speaker (Prof. Kaloki): Order! Order, hon. Githae! Actually, I think you are contributing. There is an issue that came up from other speakers, especially hon. Mungatana, that there are some areas in this Bill that we need to strengthen a little bit, to give some teeth to the county governments and I think he was convincing. Hon. Njuguna is just on that line. You should be taking some notes and later, be able to respond on this.

(Applause)

Hon. Njuguna, are you done?

Mr. Njuguna: Mr. Temporary Deputy Speaker, Sir, I have already concluded by fully supporting the Bill.

Dr. Otichilo: Mr. Temporary Deputy Speaker, Sir, I rise to support this Bill.

Mr. Temporary Deputy Speaker, Sir, first, I want to congratulate the Minister for Finance. For the short time that this Minister has been in office, we have seen tremendous improvement in that Ministry. For the first time, he is demystifying the Ministry of Finance. We are seeing the Ministry of Finance operating like any other Ministry. So, I want to laud the Minister. He is very simple, accommodative and doing a good job.

Mr. Temporary Deputy Speaker, Sir, secondly, this is a very important Bill. This is a Bill that we have been asking for, for a long time. I am very happy that this Minister has finally brought it. This Bill will open up this country for investment. It will also create employment for our youth in this country. So, it is important that we, Members of Parliament, support this Bill and fast-track it, so that it can be assented to by the President as soon as possible, and make it operational. Why am I saying that this Bill is extremely important for this country? This country is endowed with a lot of resources that remain unexploited. Allow me just to refer to a few.

The first one is the fishing industry in this country. Did you know that Kenya has 200 nautical miles of the Indian Ocean, where we have so much fishery resources yet we are not exploiting them at all? If you take a small country like Namibia, fish is her first export, yet her range of ocean is smaller than that of Kenya. If we exploit this industry, Kenya will become a major fishing country in the world. We could create thousands of jobs, but this industry lies fallow. Nobody is exploiting it. A few of the Japanese and Korean trawlers are exploiting our resources; they even trawl all the way to the coast and get our few prawns that are within the estuaries. So, this is an area where public/private partnership could create a lot of employment and resources in this country.

Mining is a very important industry in this country, but it remains unexploited. This country has put very little resources to mineral exploration, yet she has rich resources in terms of minerals. This exercise is very expensive and I am sure Members like hon. Muthama will tell you that you need a lot of investments in the mining industry. But the potential is enormous. Within the short time that we have had the discovery of oil, we have seen the excitement that it has caused. I want to assure you that oil is just one of the many other minerals that this country is endowed with. This country has a lot of mineral resources, particularly gold and others. An example is coal, which is already causing a lot of issues in Kitui and other places. This is an area where we need public/private partnership because, as a country, we do not have enough resources to go into these sectors singlehandedly.

It has been projected that within the next 50 years, more than 50 per cent of Kenyans will be urbanized. Therefore, the biggest challenge that we have is to provide good housing for these people. Already major towns like Nairobi, Mombasa and Nakuru are experiencing a very serious shortage of housing. This is an area again where public/private partnerships can work extremely well. Some of us have had a chance, through Parliamentary Committees, to visit Mexico and Brazil and we have seen what public/private partnerships in sectors can do. It can do a lot. This in turn will create a lot of employment opportunities for our youth.

Kenya is strategically placed when it comes to the aviation industry. However, we have never taken a serious look at how to expand the Jomo Kenyatta International Airport. It is sad that we say that Jomo Kenyatta International Airport is a very important international airport, but

we only have one runaway. When we have any problem on the runaway, everything goes amok. How can the country that expects to become a middle income industrialized country by 2030, have its main airport with only one run way? We have to make drastic decisions and use partnership with the private sector to build a second run way to ensure that wherever there is a problem, we have an alternative. We have this major project that is called “Green Field Project”. It is important that this country, through the Ministry of Finance, once this Bill is enacted, makes immediate decisions and enters into this Green Field Project, so that we can construct a second run way. This will ensure that if something happens, we will have an alternative run way.

We have brilliant ideas like the Konza City. You will listen and see how Konza City will look like and say: My God, I should live to see it. But it is not going to be possible through public funding. We will need the private sector. So, it is also important that as we market Konza City, we must ensure that the interests of the people, particularly the local people, are taken into account. There is a risk that we will be carried away by the zeal to get investors only to compromise the social welfare of our people. So, as we look at all these projects, which have a very high potential for creating employment for this country--- I believe that if we go the way this Bill is proposing, we may not be talking of unemployment, but of looking for people from outside to get employed in specialized areas. The potential that we have in this country is just enormous.

However, I must caution. They say that once bitten, twice shy. We have had an extremely bad experience with the Rift Valley Railways. We were made to believe that this would make our railway system become operational. Therefore, we were made to approve the privatization of our railway system. I do not want to talk about the rest. We were duped by our own people. Our own people appended signatures to agreements when they knew very well that we were being duped. Even the key investor did not have anything. In fact, he had a negative in his account, yet he was given the project. Finally, we have seen nothing. Our railway system is even more dilapidated than when it was under the management of the Kenya Railways Corporation (KRC). In fact, it would have been better to have it under the KRC and we would, probably, have seen some development. Because of the type of agreement that we entered into, it was not easy to discontinue it. The same investor has now sold his interest to an Egyptian company, which is now supposed to be running the railway system. If we are not careful, we can also mortgage the resources of this country to pirates and thieves. We have to be extremely careful. That is why I agree with hon. Mungatana that as much as we want these public/private partnerships, we must be extremely careful because we have so many so-called investors. They are briefcase investors. For example, the RVR was a briefcase investor from South Africa. He never owned anything. Now he has made millions, moved away and he has sold it to somebody else.

The LAPSSET project requires billions of dollars. It is a grand idea and I believe that when implemented, it will transform this country, particularly the northern Kenya region. But without private investment, that project is not going to be realized. Already, in our current Budget, as much as we have said that we are committed to LAPSSET, I am sorry to say that we have only allocated it Kshs2 billion. The Minister is here and he can confirm or deny this. He has only allocated Kshs2 billion to the LAPSSET project. What can you do with Kshs2 billion in a project which requires trillions of shillings? So, we need private investors to come on board in this programme so as to have the project realized.

As a precaution, as we do this, the welfare of Kenyans must be given the first priority because we know that we are dealing with people - the so called investors – who not all of them are genuine. Therefore, we must be very careful.

Mr. Temporary Deputy Speaker, Sir, I could talk on and on but I will not do that because I want my other colleagues to speak. However, I want to say that with regard to the county governments, yes, this Bill talks about them, but we need more representation and inclusion of the county government in this Bill so that it is more representative. Otherwise, this Bill gives a very nice institutional and regulatory framework for managing Public Private Partnerships (PPPs).

It establishes a Public Private Partnership Committee Unit and Boards that it will ensure that this is realized. If this Bill goes through, the Minister for Finance will have to ensure that the people who will be in this Committee are people who are nationalists and will be ready to see that this country moves forward. However, if he will appoint the same mandarins who have been in the Treasury for many years and have retired, we will go back to where we have been. So, with this Committee, Units and Boards, we want young blood and people who can come up with new ideas and not to take the people who have retired and bring them to these boards because they will think the old way.

With those very many remarks, I wish to strongly support this Bill.

The Minister for Foreign Affairs (Prof. Ogeri): Thank you, Mr. Temporary Deputy Speaker, Sir. I stand to fully support this Bill on the Public Private Partnerships. In my current engagements, these are the issues that we have come across in many fora. Recently, we came from a very successful investment conference in London where investors were specifically asking questions which are being raised here today.

The other time, we had a programme in Morocco by some of our Eastern Countries. We have just come back from the Forum on China-Africa Co-operation (FOCAC) Conference in Beijing on the investments agenda and as you will realize, most of our countries are now the fastest growing countries in Africa.

This Bill attempts in many ways to address the issues related to financing, construction, development and the operations of the infrastructure and all the development projects of the country either through concession or other contractual arrangements. This Bill also brings on board the institutions to regulate, monitor and supervise implementation of project agreements. That is why the issues being raised here are valid. Without this Bill being passed into an Act of Parliament, we will not be able to manage and sustain the programmes of Public Private Investments.

If we look at the Government participation, we will find that the resources within the Government are limited. We can all see it on the Floor of this House when we compete for resources in the various sectors of our Government and each line Ministry saying that it does not have enough resources to meet the demands of Kenyans. This is one sure way of jump-starting the economy or in being able to mobilize resources from sources within and without so that you can fund some of the flagship programmes that the Government has fast tracked. This is because not everybody will walk in and start a project which has not been carefully studied and agreed upon by the Government as a priority. Therefore, there are safeguards which this Bill is trying to bring in. Whereas we may allow the private sector to behave in the manner they want, if they want to partner with the public sector, they must move along the lines of priority projects which in the opinion of the Government or the public sector can add value to the national economy and, certainly, to our Gross Domestic Product (GDP).

When the Lamu Port-Southern Sudan-Ethiopia Transport Corridor (LAPSSET) project as a flagship of Vision 2030 was set up, it was obviously clear that you would have a massive development agenda namely socio-development, industrial development, transport – corridor development and irrigation projects along the route. You require heavy capital investment to implement the LAPSSET project and the Government cannot do it alone. What the Government can do is only to bring this money to create basic infrastructure by developing a port in Lamu, developing one or two berths and the rest of the people can see it as a viable project that they can partner with the Government and proceed on. That is why it is in the interest of this nation that the Minister for Finance indicated in his Budget that there was a provision of Kshs2 billion in order to create this viable environment for the investors to see that this is a reality and it is no longer a talk show. It is serious business and the Government is committed to it and, therefore, we are willing to invest in that project.

For the investors to come in, they will need a law that will regulate them. They also need an institutional mechanism that will regulate them. One of the things that this House may be fully aware of is the Kenyan Diaspora. The Kenyan Diaspora which is run by my Ministry at the moment is one of the areas that have vast resources but unfortunately, we have not been able to organize and channel those resources to productive use or for the development of our country, Kenya.

Investors who have come up in a group have the resources that they can invest in socio services like education and in various industries within their country or region. However, they need the legal framework to help them to channel these resources to this country. Currently, we have seen Kshs3 billion being transmitted through the diaspora remittances to Kenya. These are resources which, if properly handled and channeled, will create a tremendous difference in the way we develop our nation.

Mr. Temporary Deputy Speaker, Sir, something has been said about the Konza City. If we are going to be a successful nation, if we are going to emulate the tiger nations, one of the things that we must invest in massively is infrastructure in health, education and water. In education you are in a position to create a powerful human vehicle that will drive the economy of this nation to the levels of GDP that we have set for ourselves.

Therefore, human capital development becomes a function of states but does not preclude the private sector in the environment of human capital development. Already we are seeing an example like in our universities today where you have both the public universities and Government universities. There is very healthy competition going on and you will see that at the end of the day the quality of programmes, the quality of the curricula that will be developed will create such high skills and technology that is necessary and important to be able to energize the growth of our population.

Even when you bring in private partners within the domain of the public operations, you need the human capital expertise to be able to move the agenda forward. Therefore, human capital development is a key factor where again the Government can put in seed money and invite the private sector to participate fully so that they can create ample human capital. For instance the Konza City is one example where this nation is way ahead.

In fact some of the innovations that have been carried out are by Kenyans themselves. The M-PESA is a modern way of transferring money from point A to B. When you talk about this to the rest of the world they get mesmerized; they wonder how simple, basic Kenyans are able to develop a technology with an effective banking system that has beaten all the international banking systems. So, the message here really is that we can be able to create an indigenous

innovative technology that will help us to be cost effective and to be able to deliver the goods and services that are required by this nation to their own citizens and, of course, in doing business with the rest of the world.

In the practice where I am at the moment, the kind of diplomacy we used to engage in - political diplomacy - has now drastically changed into economic diplomacy. It is about investments, trade, engagement and what you can do for your country. Therefore, it is a completely new arena altogether. If we do not have rules and regulations governing these investments it will be extremely difficult for this nation to move forward. Certainly, it requires heavy capital outlay, massive investment, injection of capital and resources to be able to develop our minerals and agri-businesses.

In Brazil for instance, we went there recently for the Rio Plus 20. When we met the investment groups in one of the dinners that we gave, it was quite clear to us that there were multi-billionaires. One company alone was in terms of billions of Kenya shillings. Out of agri-business industry investments, they have done extremely well. I believe given the nature of this nation; the new Constitution, the new institutional framework that we are now creating, one such institution we are creating of public private partnership, we should be in a position now to mobilize capital and move to seven or 10 per cent GDP. That is what will make the difference. That is what will be affordable for this nation. This is what will help us to be better off than other nations around us and obviously, a regional leader.

I fully support this Public Private Partnership Bill to be passed.

Thank you.

Mr. Muthama: Mr. Temporary Deputy Speaker, Sir, mine is just a humble request. Looking at the time and the number of hon. Members who wish to contribute to this Bill, I would like to ask kindly if it is possible to request each hon. Member to take not more than five minutes so that we may be able to complete debate on this Bill.

The Temporary Deputy Speaker (Prof. Kaloki): I can see now we have about five requests from you. Assuming there are no more speakers, those five hon. Members should be able to take about 25 minutes.

Hon. Members, can we agree on three minutes so that we can be able to complete debate on this particular Motion today. Let us now move to Mr. Ogindo.

Mr. Ogindo: Mr. Temporary Deputy Speaker, Sir, I rise to support the Bill. In supporting I want to first of all congratulate the Minister for this Bill that is almost late in this country. It is never late for a good initiative.

I want to start by saying that at the Committee level, and I want to concur with my predecessors, we will want to see a situation whereby the county governments are mainstreamed in the committee. It is because the entire nation today is divided into counties and most of these partnerships will take place in certain counties. It is the counties that are least developed today that would want to engage in this partnership as fast as possible. As such, we would want to see a situation whereby they have a mechanism or channel of mainstreaming their proposals. Having said that, I want to say that this Bill is really a fantastic Bill because in the Second Schedule, you see it outlines all possibilities of engagement that you want to think about under the sun.

Mr. Temporary Deputy Speaker, Sir, it is with regret that Kenya after Independence, 50 years down the line we are still where we are, simply because we have always left development to be in the hands of the Government. The world over, all these countries that are developed, the work of the Government is always to create the infrastructure and the conducive environment for the private sector to thrive. It is on this account that we are going to unlock the potential of these

countries and also the potential of the various countries. I have had an opportunity to travel outside this country like many other hon. Members. What strikes you is the level of development in those countries. When you make enquiries you are told that this is the work of the private sector that has engaged themselves in the provision of public services.

Mr. Speaker, Sir, I once engaged in a conversation with somebody in Turkey and he asked: what is stopping Kenya from outsourcing dialysis services? This is because dialysis is killing a lot of Kenyans. What you understand is that this proposal has been made to several high-flying Government officials but no one takes it up and yet it has the effect of saving lives and reducing the costs. This is simply because there is a bad culture in this country where everybody wants to ask what is in it for them before they ask what is in it for the country. That is why we got stuck with our geothermal potential. We have a huge geothermal potential in this country. The energy cost would be very much affordable in this country if only we opened up our geothermal sector to public private partnership. Lake Victoria has huge potentials; ranging from communication to sporting and even to---

The Temporary Deputy Speaker (Prof. Kaloki): Order, hon. Ogindo! We agreed that you have three minutes. So, could you make your concluding remarks, please?

Mr. Ogindo: Mr. Temporary Deputy Speaker, Sir, I want to understand that to mean we need to revise our Standing Orders.

Some of these things are very fundamental and we need to bring out our thoughts on them.

The Temporary Deputy Speaker (Prof. Kaloki): I am allowing you one more minute because we had agreed. We voted for it. Is that still holding? Should we do three minutes or five minutes, hon. Members?

Hon. Ogindo, just make your concluding remarks, please.

Mr. Ogindo: Mr. Temporary Deputy Speaker, Sir, that engagement has distorted my thought lines.

I beg to support.

The Temporary Deputy Speaker (Prof. Kaloki): Very well, hon. Ogindo. We go to hon. Obure.

The Minister for Public Works (Mr. Obure): Mr. Temporary Deputy Speaker, Sir, first of all, I want to associate myself with the sentiments expressed by those who spoke earlier, who have engaged themselves in very high quality debate on this important subject.

I also want to congratulate the Minister and say that he has done a tremendous job in a very short time. He will be remembered for being simple and very accessible as well as for being willing to learn. That is the right way to go.

Mr. Temporary Deputy Speaker, Sir, once enacted into law, this Bill will bring us much closer to achieving our Vision 2030. It is a very fundamental Bill. We all acknowledge the fact that we have many requirements in this country. We all look forward to raising finances locally, and particularly through taxation. Finances raised through taxes and so on are hardly enough to meet our requirements. Therefore, this is the way forward which we have desired for a long time.

Trying to attract private investors to assist us to engage in investment in physical infrastructure such as roads, airports, railways, ports as well as investment in energy, health, education, industry, and so on, is the way other countries have gone. A notable example in this respect is India, which has been able to make tremendous development strides using public private partnerships. The most important thing that we need to put in place is a simple, clear and well understood legal framework to be able to attract the capital that we need so badly in this

country. What I see here today meets that criterion in my opinion. It is a very modern and comprehensive piece of legislation once adopted, and I think it will help us to achieve our objectives in terms of economic development.

Mr. Temporary Deputy Speaker, Sir, illustrations have been given about Kenya Railways, which have instilled a lot of fear in us. But I would like to say that if we had this law in place, we would not have made the kind of mistakes we made in the case of Kenya Railways. So, this law will protect both the investors and the taxpayers overall and, therefore, I am very happy today because I think we are moving in the right direction. If you look at the various sections of the law, even the fears hon. Mungatana was expressing are actually catered for and, therefore, we should recommend for this to go straight into the Committee and back here so that we can adopt it as law. It is a very important law.

I support and thank you.

Mr. Mututho: Mr. Temporary Deputy Speaker, Sir, I would like to support and since three minutes is very short, I will go straight to the point. If you look at Part IV of the Bill - the Public Private Partnership Committee, you will see that it is all Government. So, I would really urge that those appointed under Part 4(g) are appointed by a consortium of all professional bodies who will appoint the four people, so that we do not have all this process domineered by the Government.

I wish the Ministers could listen because this is very critical. Under the degree, these Ministers still think that the most important degrees are everything else except agriculture. So, if you could look at all the degrees from the universities that are recognized in Kenya, they should be from any of the following fields: Finance, economics, engineering or law. That cuts off the other professional bodies. I want to tell you that in Singapore now, their income is derived from the two casinos and none of them is in these two fields. So, if there are private partnerships affecting casinos, then they do not come under this particular area.

Mr. Temporary Deputy Speaker, Sir, I celebrate the inclusion of the Second Schedule where we are talking about (ii). That is very suitable for what we are thinking. The National Irrigation Board (NIB) should own the infrastructure in irrigation so that all the other bodies can now produce and that is really good.

Three, the lease of equipment now is possible and Kenyatta National Hospital (KNH), the police and everybody else does not have to buy a new car, thus easing the burden of purchasing. That is because they can lease/hire that kind of equipment. This is one Bill that could have been done the first time when this Government took over but, nevertheless, it has come in not too late, but in time to spearhead the development in terms of total infrastructure in this country, involving the public at all levels.

With my three minutes, I support.

The Temporary Deputy Speaker (Prof. Kaloki): Mr. Bett, please, proceed.

The Minister for Roads (Mr. Bett): Thank you Mr. Temporary Deputy Speaker, Sir. I stand to support this Bill.

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

*[The Temporary Deputy Speaker
(Dr. Laboso) took the Chair]*

My requirement in the Ministry of Roads to rehabilitate our roads is in excess of Kshs500 billion. That is a staggering amount. If this Bill is passed today it will go a long way in alleviating that burden. It will go a long way in assisting in the required rehabilitation on our roads. I even wish that this Bill was in place when we were struggling with the problem of the Nairobi Urban Toll Road, which stalled because we did not have this law in place.

Madam Temporary Deputy Speaker, this will enable us---

The Temporary Deputy Speaker (Dr. Laboso): Are you on a point of order, Mr. Kamama?

The Assistant Minister for Higher Education, Science and Technology (Mr. Kamama): Madam Temporary Deputy Speaker, I think I was here earlier than Mr. Bett and---

The Temporary Deputy Speaker (Dr. Laboso): Mr. Kamama, you must have removed yourself from the system. It is Mr. Bett's which was on. Please, switch on the button for intervention.

The Assistant Minister for Higher Education, Science and Technology (Mr. Kamama): I did the correct thing.

The Temporary Deputy Speaker (Dr. Laboso): Mr. Bett, please, continue.

The Minister for Roads (Mr. Bett): Madam Temporary Deputy Speaker, I think that problem of technology has eaten into my time and I hope I will be compensated.

I was saying that if this law was in place I would have been able to get the work started on the Nairobi Urban Toll Road; it would have also contributed immensely to decongesting our roads in Nairobi. Apart from that, it would also generate employment. We have a huge number of youths who are unemployed. If we are able to partner with countries outside our county or companies outside our country in development projects, we will be able to reduce the level of unemployment, in addition to creating wealth. The moment we create wealth in our country, this will have multiplier effects; this will in turn have positive effects on our economic development.

Therefore, this is crucial, and, indeed, in terms of flagship projects, notably in railways and roads---

The Temporary Deputy Speaker (Dr. Laboso): Minister, your time is up. Mr. Kamama, please, proceed.

The Assistant Minister for Higher Education, Science and Technology (Mr. Kamama): Madam Temporary Deputy Speaker, first of all I want to totally support this Bill. I want to congratulate the Minister for fast tracking the bringing of this Bill to the Floor of this House.

We have a lot of challenges as a country. You know by the year 2030 we will be 60 million people in this country, and 20 million people will be residing in Nairobi. So we have monumental challenges, as a country, to feed and provide services to the millions of Kenyans. Therefore, this Bill will actualize all our priorities and the services required for the many people we are going to have in future.

Madam Temporary Deputy Speaker, we have a lot of potential in many areas. That is why the Public/Private Partnership (PPP) will come in. In mining and wind power, we have tremendous potential, especially in Marsabit and Turkana. In geothermal energy, my constituency alone can actually serve this country. We have a potential of more than 1,500 megawatts. There is coal. We can also have partnership in roads, railway transport; because the Government is always poor at business, we need to invest so as to create wealth.

LAPSSET is a project that will transform the entire North Eastern Province or the entire northern Kenya. Therefore, we need to move in. I want to ask the Minister for Finance to

actually pay extra attention to that project; Kshs2 billion for it is insufficient. We want so many investors to come in. So we want so many investors. We want like five investors to start all those projects all the way from Lamu to Nadapal.

Madam Temporary Deputy Speaker, lastly, we want to partner in the business of manufacturing fertilizer. In this country, inputs for farming is a big issue and so we want as a matter of priority, to give a lot attention to getting a partner who can manufacture with us fertilizers for our farmers. I am happy that the Minister for Finance is here and the Minister for Agriculture is also around. They are serious Ministers and so we need that factory together with other---

The Temporary Deputy Speaker (Dr. Laboso): Hon. Member, your time is up and, please, note that as soon three minutes are over, your microphone will go off.

Mr. Muthama: Madam Temporary Deputy Speaker, I also stand to support this Bill. I was getting a little bit worried because I was wondering how the execution of the contracts will be implemented until I saw Clause 57 where I realized that Parliament and Cabinet Secretaries will be involved in giving authority and screening the partnerships.

With three minutes, nobody can say a lot but I want to inform the Minister here that Kenya is an economic power house and more so in Africa. Kenya is on the world map. It has all the resources that are required and the only problem - I want to speak as a businessman - or the challenges that we are facing in this country are utterances from politicians. If that can be contained and politicians are made not to send such messages where they scare investors, Kenya does not even need to go out and source for investors to come and form partnerships in this country. In every country that has developed, development comes through the private sector because even the taxes that are collected to service the functions of the Government are paid by the private sector. Civil servants who pay taxes pay them after being paid and the results are so meager.

The Minister has been involved in the private sector. I know one of the institutions that he used to head at the Runda Estate and the developments he left behind such as water is still there. We are still enjoying water in Runda and there is no problem at all. So, the Minister is quite conversant with what is needed and what it takes for the country to have an environment that allows investors to come.

The other issue is that we should be careful and look at all the policies so that we do not end up with briefcase operators taking advantage of well behaved Kenyans and taking them for a ride.

With those few remarks, I beg to support.

Mr. Langat: Madam Temporary Deputy Speaker, I also want to support this Bill and I want to congratulate the Minister for being very fast enough. I saw in the Order Paper yesterday the Finance Bill which in the last financial year we did in the last three months to the end of the financial year. I think through the Private Public Partnership Bill, the achievement of Vision 2030 will almost be actualized in the next ten years because as we speak right now, many developments have started taking place because of the financial requirements. I heard hon. Members mentioning LAPSSSET being allocated Kshs2 billion and I think at that rate, that project will take almost 30 to 50 years to complete. But with what has been put forward here, we will be able to see these projects moving forward because Kenyans are willing to invest in their country.

Kenyans in the Diaspora are willing to invest in this country, but the main problem has been lack of a clear policy on these investments. Therefore, this Bill is very useful and it will help us develop this country.

Madam Temporary Deputy Speaker, this Bill is very good in totality. However, I also want the Minister tell us how a dispute between two parties that have entered into an agreement will be resolved. For example, if a public body enters into an agreement with a private investor, who will resolve their dispute, if any? I have looked at this Bill, but I do not see any mechanism of dispute resolution. We do not have to assume everything will be perfect. I believe at the Committee stage, we should look at dispute resolution mechanism. It will be important to come up with dispute resolution so that we maintain investors' confidence. I urge the Minister to consider this at the Committee stage.

Madam Temporary Deputy Speaker, this Bill will transform this country in a big way.

With those few remarks, I beg to support.

Prof. Kaloki: Thank you, Madam Temporary Deputy Speaker. I rise to support this particular Bill which is a key to the development of this country towards the realization of Vision 2030---

The Temporary Deputy Speaker (Dr. Laboso): What is it, hon. Wetangula? Are you on a point of order?

The Minister for Trade (Mr. Wetangula): Yes, Madam Temporary Deputy Speaker. It is not practically possible that Prof. Kaloki is ahead of me because he was on the Chair when I logged in. He cannot come from the Chair and be ahead of me unless the electronic system is not working.

(Laughter)

The Temporary Deputy Speaker (Dr. Laboso): Minister, the Chair determines who will speak. So, just hold your horses; you will get your time.

The Minister for Trade (Mr. Wetangula): Thank you, Madam Temporary Deputy Speaker.

Prof. Kaloki: Thank you, Madam Temporary Deputy Speaker, for that protection. The turn for the Minister to contribute will come.

Madam Temporary Deputy Speaker, this particular Bill will assess the development of counties, especially on the issue of food security. People in Makeni County have been struggling to get food for many years. The Government has not been able to come up with programmes that could address food security there. I believe with the enactment of this Bill into law, investors will invest in food production in Makeni County and other semi-arid areas of this country. There will be a structured way of investing in this country. The private sector will invest in dams which will be useful in irrigation of these areas. We will be able to produce enough food for domestic consumption and for export.

Madam Temporary Deputy Speaker, Sir, education is key to development. There are some counties in this country which do not have colleges or universities. With the enactment of this Bill, funds will now flow in from developed countries to those counties, so that structures for higher learning can be developed. We need to establish colleges and universities in all the counties so that we achieve Vision 2030 in this country.

Madam Temporary Deputy Speaker, the Minister must make sure that we do not have bottlenecks and barriers when we implement this law. He should make sure that there is a smooth implementation of these particular programmes, so that the private sector will not have---

(Prof. Kaloki's microphone went off)

The Temporary Deputy Speaker (Mr. Imanyara): Now, hon. Wetangula, you can have your time.

The Minister for Trade (Mr. Wetangula): Thank you, Madam Temporary Deputy Speaker. I would have wanted to speak on this Bill for a minimum of 30 minutes, but you have given me three minutes.

Madam Temporary Deputy Speaker, let me just say that I support the Bill because many countries and economies have gone this direction. There is a lot of money in the private sector that can help develop the country. The railway systems, concessioning of roads, industrial establishments like the fertilizer plant that hon. Kamama talked about; all these can come through Public Private Partnerships (PPPs), Build, Operate and Transfers (BOTs) and so on. So, this is a good idea. I hope that the Minister will make sure that this comes to fruition quickly.

Madam Temporary Deputy Speaker, there should be dispute resolution mechanisms, like hon. Benjamin said. More importantly, the committee being set up to run the establishment should not be a hindrance, but a support mechanism for PPPs to grow.

Madam Temporary Deputy Speaker, I support.

(Mr. Shakeel stood up in his place and raised his hand)

The Temporary Deputy Speaker (Dr. Laboso): Hon. Minister now! Hon. C. Onyancha, I am sorry you will not be able to speak today. You will speak next time, unless the Minister wants to give you a minute. The Minister has only three minutes. Please, allow him to reply. Hon. Wetangula, what is your point of order?

The Minister for Trade (Mr. Wetangula): On a point of order, Madam Temporary Deputy Speaker. Is it in order for my good friend here to stand up and raise his hand as if he is in a classroom, when we have hi-tech facilities with us to attract the attention of the Chair?

(Laughter)

The Temporary Deputy Speaker (Dr. Laboso): I think we are all trying to get used to the technology. So, we will forgive our friend for that type of behaviour. Make use of the buttons, hon. Shakeel! Hon. Minister, continue.

The Minister for Finance (Mr. Githae): Thank you, Madam Temporary Deputy Speaker.

Madam Temporary Deputy Speaker, I just want to thank hon. Members for those very wonderful contributions. We have heard from hon. Benjamin Langat on dispute resolution. Yes, it is true. I have just looked at the Bill and found that there is no provision for dispute resolution mechanism. We are assuming that everything will flow smoothly. During the Committee Stage, I will come up with amendments on dispute resolution.

Madam Temporary Deputy Speaker, I would just like to emphasize that this Bill applies to county governments. The only provision given to the company secretary is to come with a

threshold, so that not all PPPs with county governments follow the law. That is because if we have got 47 counties, the committee may then be faced with so many applications that it may not be able to function.

Madam Temporary Deputy Speaker, I want to say that if this law was there, all the problems that we have had like Rift Valley Railways and ghost projects would not have occurred.

Madam Temporary Deputy Speaker, with those words, I beg to move.

(Question put and agreed to)

(The Bill was read a Second Time and committed to a Committee of the whole House tomorrow)

ADJOURNMENT

The Temporary Deputy Speaker (Dr. Laboso): Hon. Members, since there is only about a minute left, I think we cannot start another Order. I, therefore, want to bring this Sitting to a close. The House stands adjourned until tomorrow, Thursday 9th August, 2012, at 2.30 p.m.

The House rose at 6.29 p.m.