

NATIONAL ASSEMBLY

OFFICIAL REPORT

Thursday, 18th July, 2013

The House met at 2.30 p.m.

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

PRAYERS

PETITIONS

EMPLOYMENT OF ECD TEACHERS BY TEACHERS SERVICE COMMISSION

Hon. Kang'ata: Hon. Speaker, Sir, this is a Petition dated 16th July, 2013. It is a Petition by 81 petitioners. It is about unemployed teachers who are supposed to be teaching in our pre-primary school institutions. They are petitioning the Government to employ them. The prayers which they are seeking are: -

(a) That this Parliament does revise the Ministry of Education's budget and provides for funds for employment of Early Childhood Development (ECD) education teachers by the Teachers Service Commission (TSC).

(b) In the alternative, to compel or cause the Ministry of Education to revise a circular dated 13th January, 2013 to expressly provide for a vote for payment of the said teachers.

Hon. Speaker, Sir, briefly, according to the Constitution, TSC is mandated to register all teachers, but it has failed to register ECD teachers. According to the Education Act, it is mandatory that education should be free and basic which includes Early Childhood Education but the Ministry of Education and the TSC have a programme called District Centres for Early Childhood Education (DICECE). They train ECD teachers. They are examined by the Kenya National Examinations Council (KNEC) on both diploma and certificate courses, but they are never employed by the Government. So, therefore, recently, there was a circular to the effect that some money was given and it was only Kshs100 per child to cater for the caregiver. That money is not enough. Recently and probably after the conclusion of the recent strike, we provided some funds to the teachers but what about those who are teaching in our nursery schools and at the pre-primary education level? So, therefore, they are essentially praying that the Government provides some funds for the employment of nursery school teachers. I do table the said Petition for consideration by the relevant Departmental Committee.

(Hon. Kang'ata laid the document on the Table)

Thank you, hon. Speaker, Sir.

Hon. Speaker: It is very surprising especially when you start trotting like that, it is not good. Well, it all depends. Some people say that there is early experience, but it depends on what you are experienced in.

(Laughter)

I think that is also part of the experience but hon. James Rege is recognized for his experience.

WITHDRAWAL OF BILLS ON NATIONAL POLICE SERVICE ACT
AND NATIONAL POLICE SERVICE COMMISSION ACT

Hon. Speaker: Hon. Members, this is a Petition regarding proposed amendments to the National Police Service Commission Act and the National Police Service Act. Hon. Members, our Standing Order No.225 (2) provides as follows: -

“When the Order “Petitions” is read, the Speaker shall –

(a) in case of a petition presented by a Member, direct the Member to present the Petition to the House or;

(b) in case of a Petition presented through the Clerk, report the Petition to the House;”

I, therefore, wish to convey to the House that my office has, through the Office of the Clerk, received a Petition regarding the proposed amendments to the National Police Service Act, No.11A of 2011 and the National Police Service Commission Act No.30 of 2011.

Hon. Members, the Petition dated 16th July 2013 is addressed to the National Assembly and it is signed by 29 citizens praying that Parliament refrains from making any amendments to the National Police Service Act and the National Police Service Commission Act. The view of the petitioners is that any amendment to the said law may violate the spirit and letter of the Constitution and erode the gains made in reforming the police service.

Hon. Members, as you are aware, the two Bills have been published, but are yet to be read the First Time. Whilst Parliament cannot be blocked from legislating, it is the right of every Kenyan to petition Parliament on any matter under the functions of Parliament. It is expected that Parliament will, through its committees, consider prayers sought by the petitioners.

Hon. Members, this Petition, therefore, shall stand committed to the Departmental Committee on Administration and National Security for consideration. In its report on the two Bills, the Committee is requested to consider the Petition and report its findings within 60 days or during consideration of the report of the Bills in the Second Reading, whichever is soonest.

Thank you. Next Order.

STATEMENTS

BUSINESS FOR THE WEEK COMMENCING 23RD TO 25TH JULY 2013

Hon. A.B. Duale: Hon. Speaker, Sir, pursuant to Standing Order No.44(1), on behalf of the House Business Committee, I would like to give a Statement regarding the business appearing before the House next week.

On Tuesday next week, the 23rd July, 2013, it is expected that the Departmental Committee on Education, Research and Technology will table its report to the House on the vetting of the nominees to the Teachers Service Commission and also give Notice of Motion for consideration of that report. If you allow me, the Chairperson of that Committee may confirm the position after making this Statement. This is in keeping with your Communication on 10th July, 2013, regarding the timelines for vetting of the said nominees.

On the same day, the House Business Committee proposes that the House will consider a Motion seeking to extend the constitutional timelines for the passage of the relevant legislation to actualize the provisions of Article 34. Those are Bills related to the freedom of the media. The Constitutional Implementation Oversight Committee (CIOC) has since informed the HBC that the Commission for the Implementation of the Constitution (CIC) only forwarded the legislative proposal on the freedom of the media Bill to the Cabinet last week. The Cabinet is yet to forward them to us for publication. It is, therefore, clear that if Parliament is to consider those Bills in detail, it is not possible to pass them by the deadline of 27th August, 2013, even if we were to forego our August recess. On the flipside, and I want Members to hear me very clearly, Members are aware that pursuant to Article 261(5), failure to pass those Bills before the constitutional timeline of 27th August, 2013, may attract any member of the public to petition the High Court to dissolve Parliament. We do not want to travel that route. In this regard, I wish to request all the Members to be present in the House on Tuesday next week to pass the Motion for extension which requires two-thirds majority of the House. I urge my colleagues that we should all be here on Tuesday next week at 2.30 p.m., so that we can get the required two-thirds majority to get the extension for the four months. If we do not do it, the many Omtatahs will go to court and dissolve Parliament.

On the same day, the HBC will be requesting the House to reduce the publication period of the National Police Service and the National Police Service Commission (Amendment) Bills, which have since been published and are within the precincts of Parliament. This will enable the relevant Departmental Committees to commence the process of consideration of the said Bills and also subject the two Bills to public scrutiny. The House will thereafter consider a Motion to nominate Members to the Pan-African Parliament in accordance with the Pan-African Parliament Protocol. Thereafter, the House may continue debate for the Second Reading of the following Bills, if debate is not concluded by then: -

- (i) The Capital Markets (Amendment) Bill, 2013;
- (ii) The Kenya Deposit Insurance (Amendment) 2013;
- (iii) The Micro-Finance (Amendment) Bill, 2013; and
- (iv) The Insurance (Amendment) Bill, 2013.

On Wednesday next week or the week after, the House may also consider the Value Added Tax Bill, 2013 and the Finance Bill, 2013, for Second Reading. The House may also continue with debate on the Motions proposed by the Members. I wish to thank the Members across the political divide for speedily understanding the need to commence their own pieces of legislation. In this regard, before we proceed on recess and even after we come back, this House has a number of Bills to consider. Most of the Bills emanate from the Members' initiative. This will, therefore, gradually reduce the number of ordinary Motions coming from the Members.

Finally, the HBC will sit on Tuesday, 23rd July, 2013, at the rise of the House to consider business for the rest of the week. I wish to lay the Statement on the Table of the House.

(Hon. A.B. Duale laid the document on the Table)

Hon. Speaker: Is something out of order, hon. Mbadi? You have made some intervention.

Hon. Ng'ongo: Hon. Speaker, Sir, I was just rising as a reaction to what the Leader of Majority Party has just presented. I am particularly concerned with the issue of extension of time. My concern is, yes, we will extend time, but the various constitutional bodies that are

tasked with the responsibility of coming up with those Bills have had all the time knowing very well that we have the deadline of August this year. My worry is that probably some of those bodies which know that their life is tied to the conclusion and passage of the Bills that are spelt out in the Constitution, could deliberately be slowing down the process so that they can continue existing.

Even as this House considers extending the time, it is high time that we reprimanded, through our CIOC, the various bodies that are tasked with the responsibility of coming up with this legislation, so that we do not continue to have some of the bodies like the CIC, which probably will have outlived its life after the passage of all the Bills.

Hon. A.B. Duale: Hon. Speaker, Sir, I totally agree with hon. Mbadi, but the Constitution is very clear that a Commission like the CIC has two aspects. The extinction of that Commission is based on the finishing of the legislation which is constitutionally bound for five years. I totally agree that those Commissions want to extend their lives by delaying Bills. It must come out very clearly that Parliament is ready, has all the time and the Committees are ready.

Hon. Speaker, Sir, I want you to direct the CIOC to call those Commissions and expedite those Bills because we have a Committee of Parliament that has been mandated to do the follow up. I want your direction that this Committee calls those stakeholders and makes sure that we do not go through what we went through in the last Parliament; of bringing Bills at the wee hours of the night or getting extensions every now and then. This extension is not necessitated by Parliament, but by other bodies who have failed in their mandate. This must come out very clearly even to the nation, as we ask our colleagues to be here on Tuesday, so that we can get the extension.

Hon. Speaker: In fact, our own select committee, quite apart from the fact that it is provided for in our Standing Orders, is clearly set out in the Sixth Schedule, Section 4 of the Constitution. It clearly provides that: -

“4. There shall be a select committee of the National Assembly to be known as the Constitutional Implementation Oversight Committee which shall be responsible for overseeing the implementation of this Constitution and which, among other things—

(a) shall receive regular reports from the Commission on the Implementation of the Constitution on the implementation of this Constitution, including reports concerning—

(i) the preparation of the legislation required by this Constitution and any challenges in that regard”.

For instance, our own CIOC should tell us what they have been told by the CIC has been the challenge in coming up with the legislation on Media Bill, for instance. This is because the last Bill which was enacted was done in the last Parliament. We are now in mid July and we should get a report as to what challenges, if any, they have encountered. The Sixth Schedule further provides: -

“4(a) (ii) the process of establishing the new commissions;

(iii) the process of establishing the infrastructure necessary for the proper operation of each county including progress on locating offices and assemblies and establishment and transfers of staff;

(iv) the devolution of powers and functions to the counties under the legislation contemplated in section 15 of this Schedule; and,

(v) any impediments to the process of implementing this Constitution;

(b) coordinate with the Attorney-General, the Commission on implementation of the Constitution and relevant parliamentary committees to ensure the timely introduction and passage of the legislation required by this Constitution; and,

(c) take appropriate action on the reports including addressing any problems in the implementation of this Constitution.”

So, the hon. Chair of the CIOC, Hon. Njoroge Baiya, you have your work cut out. Do not cede ground to other forces or those kinds of people.

(Laughter)

I hope hon. Njoroge Baiya is in the Chamber. He is not here. Where is the Vice-Chair of that Committee? Yes, Hon. Cheptumo.

Hon. Cheptumo: Thank you, hon. Speaker, Sir. I am not the Vice-Chair of that Committee. However, I wish that you give some directions on this issue. The Members, at the end of the day, will be seen not to have done their part and yet the problem is not even with our Committee. It is with the various stakeholders like CIC and the Kenya Law Reform Commission. I plead with you that you give direction that our Committee should be able to report to this House so that we know where we are. This is a problem I know because I was in the Ministry of Justice in the previous Parliament. We keep on following those stakeholders and they do not do anything. Unless you intervene, our very Committee of this House may also be held to ransom and will not be able to do anything.

Hon. Speaker, Sir, it is very important that you give direction that this Committee reports to the House and then we know where we are.

Hon. Speaker: But are you suggesting that the Members of the Committee are not aware of their mandate; that they require direction from time to time? Surely, what I have read out is in the Sixth Schedule of the Constitution. You should summon all those bodies, including the Attorney-General and the Kenya Law Reform Commission. Out there, they are busy advertising and holding workshops. They are saying that they are going to court to do this or that. They are holding Parliament to ransom, and Parliament has to seek extension of time to allow them to bring the Bills they are supposed to have brought. Hon. Cheptumo, as a Member of that Committee please--- I can see hon. Pius Ababu Namwamba who was a member of the previous Committee. Perhaps, he can shed some light. Yes, hon. Ababu.

Hon. Ababu: Hon. Speaker, Sir, a name that I abandoned ages ago seems to cause a lot of excitement to the Chair.

(Laughter)

Hon. Speaker: No! The name is appearing on the machine. You have not abandoned it officially.

Hon. Ababu: Hon. Speaker, Sir, when you mention that name, I can hardly recognize myself. However, on the more serious business or the mandate of this Committee, I had the privilege of serving on both Committees and on the Committee that negotiated the Constitution. I, therefore, understand that this Committee is the only one that has direct express constitutional characterization because the Constitution expressly establishes it. Therefore, the mandate of this Committee is constitutional, is express and is unambiguous.

What hon. Cheptumo, with due respect, is asking you to do is to belabour the obvious which I believe is above. You did not belabour the obvious and certainly you did not reiterate what is already a constitutional mandate. This Committee has the mandate and the authority to summon, give deadlines and set timelines for all bodies or agencies that have a constitutional responsibility in terms of the legislation set out in the Fifth Schedule of the Constitution. Therefore, you have done the correct thing to throw this ball right back to the court of the Committee. The Committee should go ahead and draw a framework within which it can task all agencies to fulfill the mandate required by the Constitution, without belabouring this any further.

Thank you.

Hon. Speaker: I fully agree with you. We do not have to direct the obvious because the mandate is very clearly provided for, hon. Cheptumo. We do not want, as a House, to be called upon again to extend time because bodies which are subservient to a Committee of this House have failed to do what they must do. If I were you, I would be suggesting that there is a quick or an earlier meeting early next week.

(Hon. (Eng.) Mahamud raised his hand)

Yes, Hon. (Eng.) Mahamud. Do not raise your hand because I can see you directly.

Hon. (Eng.) Mahamud: Hon. Speaker, Sir, I was trying to respond because hon. Cheptumo is not a Member of that Committee, but I am. I do not see my Chairman here, but I am aware that we have on two occasions called the CIC to discuss this matter on the constitutional timelines. Let me undertake, on behalf of the Committee, that we will set the ball rolling and fully undertake the mandate given to us by our Constitution.

Hon. Speaker: Very well. I think that is better. Sometimes next week, you should sit and perhaps draw the attention to the fact that Parliament will seek to extend time to accommodate them. This is completely, in my view, inexcusable. There is no reason why they should not have brought those Bills even two or three months ago. By the time we assembled, those Bills ought to have been before the House because all of those bodies existed, other than Parliament.

Hon. Gikaria: Hon. Speaker, Sir, what also came out in the meeting is that we had already passed and approved the calendar of Parliament. The specific date we are talking about of 27th August will be when we will be away on recess. We had actually tasked the Chairman, Hon. Baiya and his deputy, to engage your office and the Clerk's office so that they also get the way forward.

As the hon. Member has rightly said, it is true. On two occasions, we called the CIC and the only tricky part was that they were not meeting with the Kenya Law Reform Commission. However, they had everything in a draft form and they wanted to pass it over to the Committee for publication. I agree that, maybe, it is because we will be on recess on that date and we will not actualize the passing of the Bill.

Thank you, hon. Speaker, Sir.

Hon. Speaker: But our calendar was published three months ago. So, everybody and anybody ought to have known that Parliament has proposed to go on recess effective 2nd August. If there are any deadlines, whether they fall in August, it is the responsibility of those Commissions or the bodies to have brought the laws before the House. I am sure that everybody would be writing a lot of things if it was this House which was causing those delays but now that the ones causing the delays are in cahoots with those who have issues with the National Assembly, this story is not very important to them.

(Applause)

Anyway, the House will have an occasion to express it when the Procedural Motion is brought to the House. Do I assume that hon. Ms. Wahome is not going to talk about the same?

Hon. (Ms.) Wahome: Yes, hon. Speaker and thank you. I think it would be a wrong assumption because I would like to just add value or comment. I sit in that Committee and I think it has not been very vibrant.

Although I agree with hon. Mahamud that we have summoned the CIC twice, I think the presentations were not specific in terms of meeting the deadlines. Also, there have been some frustrations by the Office of the Clerk. Most Committees have been meeting in the corridors. We have had two meetings removed from the schedules because of lack of space. So, I think also the facilitation by the Office of the Clerk has also contributed to some slow movement in the work of the Committees. Some of us are still working from the streets because, as you are aware, we do not have offices. Also, that is affecting the morale of hon. Members.

Hon. Speaker, Sir, I think CIC is intending to seek an extension of their life because they have been busy doing everything else other than meeting their constitutional deadlines. Therefore, it is the work of the Committee where I sit to crack the whip and, in one way or the other, it has not done that adequately to bring the necessary Bills but I will convey the sentiments and the direction of this House to the Chairman.

Thank you.

Hon. Speaker: I think the sentiments of the House are well expressed by hon. Members who have contributed. I am sure you will have every opportunity to discuss this matter about the work being done by those commissions when you debate the Procedural Motion to extend the period of their service.

I will only encourage that if you are working from the streets, be careful. There are people who like chaining themselves to the gates. Make sure that you are not chained also.

Hon. Angatia, you had a statement which you wanted to make.

WRITE-OFF OF LOANS OWED TO AGRICULTURAL FINANCE CORPORATION
BY FARMERS FROM LOWER EASTERN REGION

Hon. Angatia: Thank you, hon. Speaker. Pursuant to Standing Order 44 (2)(a), I rise to give a response to a statement requested by hon. Bishop Robert Mutemi, MP, from the Departmental Committee on Agriculture, Livestock and Co-operatives.

Hon. Speaker, Sir, on Thursday, 23rd May, 2013, the nominated hon. Member rose on the Floor of the House and requested the Chairperson of the Departmental Committee on Agriculture, Livestock and Co-operatives to issue a statement on the Agricultural Finance Corporation (AFC) loans issued to farmers in the lower Eastern Region and consider write-off at the same time. In the statement, the hon. Member requested that I disclose the amount disbursed in the form of loans to farmers in the lower Eastern Region in the last 10 years.

Secondly, I state how much of the loans have been paid back and indicate the outstanding balance. The Committee summoned the Cabinet Secretary for Agriculture, Livestock and Fisheries on 11th June, 2013 to appear before it and answer the questions asked by the hon. Member.

Hon. Speaker, Sir, I wish to report to the House the following information from the Committee after interrogating the Cabinet Secretary: -

1. Loans write-off through Sessional Paper No.1 of 2002:

The following were the beneficiaries: -

Miwani Sugar Mill Limited	-	Kshs201million.
Ramisi Sugar cane Limited	-	Kshs6 million.
Scheme 12 Loan Coast Province	-	Kshs31 million.
Cases affected by Land Clashes	-	Kshs35 million.
Bad Debts	-	Kshs249 million.
Unsecured Loans	-	Kshs568 million.
Seasonal Crop Loans	-	Kshs2 billion.
Seasonal Crop Loans Agency	-	Kshs780 million.
Rush Loans	-	Kshs425 million.
Total	-	Kshs5.1 billion.

Lending projection for 2013/2014: The Corporation had planned to lend out---

Hon. (Ms.) Odhiambo-Mabona: On a point of order hon. Speaker, Sir. Thank you, I would want to request hon. Elmi to stop because he is the subject of my point of order.

Hon. Speaker: Which hon. Member are you talking about?

Hon. (Ms.) Odhiambo-Mabona: Hon. Elmi is just about to leave. I wanted you to make a ruling. Hon. Speaker, Sir, I know under Standing Orders, ladies are allowed to carry handbags into the House. I wanted to know whether that rule extends to both men and women because I can see hon. Elmi is carrying a handbag into the House.

My second point of order is one where, in the last Parliament, I had requested and the Chair had undertaken to give a ruling which he did not. So, I will make the same request that the House adopts a procedure whereby if you have your former school in the House, you be allowed to recognize it. My old school, Limuru Girls High School, is in the galleries and I would like to recognize it.

Thank you.

(Applause)

Hon. Speaker: The hon. Elmi, what is this that you are carrying?

(Laughter)

Hon. Elmi: Hon. Speaker, Sir, it is only my laptop that I am carrying.

Hon. Speaker: You are carrying your laptop? You are merely trying to catch up with the digital era. Is that correct?

Hon. Elmi: Hon. Speaker, Sir, because we have a Government that claims to be digital, I was just trying to be digital. I am carrying this thing so that they can know that CORD is also digital.

Thank you, Sir.

Hon. Speaker: Was it inspected so that only your laptop is inside?

Hon. Elmi: Hon. Speaker, Sir, it is only the laptop and those things that go with it; the Ipad.

Hon. Speaker: Hon. Odhiambo-Mabona, you do not have to fear and do not worry. He is actually sitting right behind you. So, you are protected as he is not carrying anything harmful.

Hon. Angatia you may proceed.

Hon. Angatia: Thank you, hon. Speaker. The loan projection for the 2013/2014 was planned and lent out of the total of Kshs2 billion.

On the status report on performance of loan granted in period 2004 to date, the Corporation disbursed Kshs13.9 billion during the period under review and the funds were used to finance 60,228 farmers across the country.

Status report on the performance of loans granted to the Lower Eastern Region from 2000 to date: AFC serves the lower region through two branches, in Machakos and Wote towns. In the period under review, the Corporation disbursed a total of Kshs454 million in the form of loans in the region. Out of that amount, Kshs90 million is outstanding in arrears. This is a repayment rate of 76 per cent which is so considerable. The funds were used to finance 2,298 farmers and agro-entrepreneurs to undertake various projects that include coffee rehabilitation, livestock off-take activities, horticulture, small-scale dairy farming and cotton production processing.

Hon. Speaker, with regard to update on the utilization of Kshs700 million released to AFC for drought relief, the Government released Kshs700 million to AFC during the year 2012/2013, being part of the Kshs2.1 billion awarded to the Corporation by Parliament under the Ababu Namwamba Motion for drought relief. The award was intended to cushion the farmers and the Corporation from the effect of drought which occurred in 2009 and 2010, thus resulting into inability by a number of farmers to repay the loans. The grant was meant to enable the Corporation to implement debt suspension and compensation.

Hon. Speaker the policy statement and strategy for dealing with appeals for write off in future is as follows:

I will begin with the consequence of the loan write-off. Although the Corporation recognizes that there are farmers who have been genuinely hit by drought and other natural calamities, it is of the view that blanket write-off of loan is not a viable option. The following reasons support that:

Erosion of the Corporation's capital base, loss of support from donor partners, potential impact on funds from other Government agencies - you know that Kenya Sugar Board, Coffee Development Fund and Livestock Enterprise Fund give their loans through AFC - and creation of negative culture in the borrowing climate.

The next one is the viable option for rehabilitation of farmers facing debt repayment challenges. This includes restructuring of the debt as the normal commercial banks do, loan rescheduling, suspension of interest accruals, refinancing and debt suspension. In order to support the farmers who have been affected, the Government has recommended that it will increase the subsidies and give them insurance.

Hon. Speaker, I would like to give a breakdown of the loan write off in 2004 according to counties. Trans Nzoia County, that is, Kitale, Kshs362 million; Eldoret, that is, Uasin Gishu, Kshs574 million; Kericho, Kshs12 million; Kakamega, Kshs91 million; Kisii, Kshs10 million; Kisumu, Kshs580 million; Migori, Kshs100 million; Molo under Nakuru County, Kshs108 million; Naivasha, Kshs82 million; Nyahururu, Kshs51 million; Nyeri, Kshs1 million; Kiambu, Kshs25 million; Embu, Kshs1 million; Machakos, Kshs151 million; Kajiado, Kshs67 million; Mombasa, Kshs184 million; Karatina, Kshs23,000; Kerugoya, Kshs45,000---

Hon. Speaker: How much long do you think that Statement is going to take?

Hon. Angatia: Lastly, hon. Speaker, before I table the document, I wish to mention the figures that were cleared. The total figure of the write-off is Kshs1,871,548. There is no major beneficiary of this loan beyond Kshs5 million. Everything is between Kshs50,000 to Kshs4.9 million.

Hon. Speaker, I beg to table the Report.

Hon. Speaker: The Member who requested the Statement, I suppose has an occasion to go through those documents. Honestly, to be fair, you require time to go through this. If you think you want to seek clarification, you may go ahead and do so.

Hon. Bishop Mutua: Hon. Speaker, I want to thank the Chairman of the Departmental Committee on Agriculture, Livestock and Co-operatives for attempting to reply to my question. However, I would like to raise two concerns. Indeed, I will need time to interrogate the Report. As he was giving the breakdown county by county you realize that in Lower Eastern, it is only Machakos that benefitted. At the moment, Kitui County farmers are being harassed. They are being threatened that their farms are going to be sold because of the said loans. They have been threatened that the police will be sent---

Hon. Speaker: Did you have an opportunity to appear before the Committee when they summoned the Cabinet Secretary?

Hon. Bishop Mutua: I am sorry I could not because I was in another Committee.

Hon. Speaker: I will not allow you. If you failed to appear before the Committee--- Those questions you are raising would be best answered by the Cabinet Secretary and his officials, not by your colleague who is the Chairman of the Committee. That is the procedure we are going to adopt. So, when you make a request for a Statement, you must appear before that Committee so that you interrogate those people. If you never went to ask those questions there and you are now asking your colleague questions, it is like you are requiring him to again go and ask the Cabinet Secretary when you could very well yourself have appeared and asked those questions. So, please, Bishop you cannot tell me---

Hon. Member: On a point of order, hon. Speaker.

Hon. Speaker: I am the one who is speaking. You must be totally out of order. Read your Standing Orders! So, Bishop, I want to suggest to you to take time and go through those documents. You are raising a very serious matter and so, I want to be sympathetic to allow you to appear before the Committee when the Cabinet Secretary is present again. I appreciate that you are raising a serious issue, but please also avail yourself so that the people who have the answers and who could make the intervention you are seeking can then give you an undertaking that they will make the intervention you may want to pursue through the Committee Chairman.

I am sure it will be a longer process for the Chairman to go and say that the Member has also requested that Kitui, Mwingi, Tseikuru and some other such like places be considered for write-offs or whatever. So, Bishop Mutua, go through those documents because you have not gone through them properly so that you can prepare the questions that you may wish to put to the Cabinet Secretary. I will allow you an opportunity to go and prosecute the issue before the Committee when the Cabinet Secretary is present.

Yes, hon. Savula.

Hon. Angatia: Thank you, hon. Speaker, for giving me the opportunity again. I will invite hon. Mutemi to attend the Committee session next Thursday. We will have both the Cabinet Secretaries for Agriculture and the Treasury. Since AFC is moving from the Ministry of Agriculture to the Treasury, he will have the opportunity to interrogate the two Cabinet Secretaries.

Thank you, hon. Speaker.

Hon. Speaker: Bishop, you can see that it is working out very well for you. So, it is up to you to avail yourself on Thursday. Even if you will be preaching somewhere, you must make sure that you attend the Committee session on that day. I know that you are a man of God and you may be willing to do something different.

Yes, hon. Kenneth Odhiambo.

Hon. Okoth: Thank you, hon. Speaker, for allowing me this quick intervention. I actually thought and felt strongly to rise in support of the point you have made. This matter has been coming up many times. I am very sensitive to it because we move Motions to urge the Government to do certain things and yet, we know that we are part of the Government, and an important branch of the Government for that matter. Therefore, we must do our job. The action is actually in the Committee sessions in this new dispensation. So, I call upon all Members of Parliament to take the Committees seriously. Hon. Members should show up and do business.

Hon. Speaker, I would like to acknowledge the fact that the Departmental Committee on Lands is doing a very good job. I sought a Statement here in the recent past and, subsequently, attended a session of the Committee to which the Cabinet Secretary was summoned to attend. I got the answers I needed and the process is now moving on. So, please, let us take the Departmental Committees seriously. I stand here as a lawmaker. Outside this building, I am a law-abiding citizen. When Parliamentary Committees sit, they have authority equivalent to that of the High Court of Kenya. So, please, do your job. If you summon people, please, show up.

Hon. Speaker: Hon. Okoth, you are doing a good job but---

Hon. Okoth: Hon. Speaker, they say they have heard it but they are not here. Some Committee Chairpersons do not show up.

Hon. Speaker: Hon. Okoth, resume your seat.

(Hon. Okoth resumed his seat)

Hon. Okoth, what you are doing is very useful, but it would be more useful if you were debating a Committee Report. I am sure that your colleagues have heard you. They will take your advice.

Hon. Namwamba, would you like to make an intervention?

Hon. Ababu: Thank you, hon. Speaker. I just wanted to stress the significance of this particular matter. As the Chairperson graciously did indicate, this matter arose out of a Motion I brought to the House in the last Parliament; out of the very grave concern that, in the absence of an effective insurance scheme for farmers and livestock keepers, any time we suffer any natural calamity like drought or floods, farmers and livestock keepers normally have very serious difficulties. Therefore, I just wanted to add that this session will not just be useful for the man of God, but it will also be useful for any other hon. Member who, time allowing, will actually engage very robustly on the matter of how to effectively cushion our farmers, including livestock keepers, in circumstances such as those. This particular intervention was very specific, where we asked the Government to avail Kshs2 billion in respect of a very bad drought at that time. I am very glad that the Government, indeed, responded positively to that particular request.

Finally, let me just stress one point, which my brother, hon. Okoth, was placing rather hilariously – that the Committee is a critical point of interaction between us, as a House, and the Executive. Indeed, rather than hon. Members coming to the House to purport to grill a fellow Member of Parliament who is playing an oversight role just like ourselves, we need to go to the Committees and fully exploit those forums of very healthy interactions between ourselves, as

hon. Members playing oversight role on the Executive, and the Executive giving us effective answers, in the absence of Question Time in this House.

Thank you.

Hon. Speaker: Next is hon. Paul Koinange who had made a request for a Statement.

FACILITATION OF TRADE/INVESTMENT
FOR KENYANS IN SOUTH SUDAN

Hon. Koinange: Hon. Speaker, pursuant to Standing Order No.44(2)(c), I rise to request for a Statement from the Chairperson of the Departmental Committee on Defence and Foreign Relations regarding efforts being made by the Government of Kenya towards facilitating trade and investment in the Republic of South Sudan for Kenyans.

As we are aware, since South Sudan became a republic, many individual Kenyans, firms and the Government of Kenya have invested heavily towards the reconstruction of that country. Many Kenyans are involved in businesses while others are employed and working in the various sectors of the economy of that country. I would like the Chairperson of the Committee to inquire into and report to the House on the following: -

(a) the level of business and professional investment by the Government of Kenya and Kenyans in the Republic of South Sudan;

(b) efforts made by the Government of Kenya towards facilitating trade and investment by Kenyans in South Sudan;

(c) progress on plans by the Governments of Kenya and South Sudan to construct an oil pipeline to Lamu as agreed in 2002, and explain why it is taking so long for the project to be implemented; and,

(d) the status of South Sudan's membership to the East African Community, which would not only open up opportunities for the citizens of both countries, but also for citizens of other member states of the Community.

Thank you, hon. Speaker.

Hon. Speaker: Without much ado, the request is hereby referred to the Departmental Committee but I can see that the Chairperson is seated next to you, hon. Koinange.

Hon. Gethenji: Thank you, hon. Speaker. I would request for not less than two weeks to respond to the request but that would put us squarely into the recess period. Therefore, I request that we respond to it immediately after the recess.

(Loud consultations)

Hon. Speaker: That is okay. There is no harm. Yes, hon. Mary Emaase.

SUPPORT SERVICES FOR VICTIMS OF CRIME

Hon. (Ms.) Otucho: Hon. Speaker, pursuant to Standing Order No.44 (2)(c), I rise to request for a Statement from the Chairperson of the Committee on Administration and National Security on the state of victims of crime.

I am making this request against the background of rising insecurity across the country, including Teso South Constituency in Busia County, Bungoma County and, recently, Machakos County. Reports from the media indicate that most of those committing horrendous criminal

activities are ex-offenders released from prison on completion of their jail terms or following presidential pardons.

Hon. Speaker, on 8th April, 2011, the then Vice-President and Minister for Home Affairs established a taskforce to look into means of guaranteeing safety to victims of crime and providing them with support services to secure the reparation of the harm caused to them. Therefore, in his Statement the Chairperson should inquire into and report on the status of: -

- (i) the Draft Victims of Offences Bill;
- (ii) the Draft Bail Information and Supervision Bill; and,
- (iii) the Government policy on compensation of victims of crime.

STATE OF EX-CONVICTS IN KENYA

Hon. Speaker, secondly, pursuant to Standing Order No.44 (2) (c), I would like to request for a Statement from the Chairperson of the Committee on Administration and National Security on the state of ex-convicts in Kenya.

The previous Government had undertaken measures to enhance public safety and reduce incidences of repeat offences by ex-convicts.

Hon. Speaker: Just a second, hon. Emaase. Hon. Millie Odhiambo has some intervention.

Hon. (Ms.) Odhiambo-Mabona: Hon. Speaker, I would like to give some information to the hon. Member.

Hon. Otucho: Hon. Speaker, I allow her to inform me.

Hon. Speaker: Is the information in regard to the first request or is it general information?

Hon. (Ms.) Odhiambo-Mabona: Hon. Speaker, it is in regard to the issue of victims of crime.

I want to inform the hon. Member that, in the last Parliament, I brought the Victims of Crimes Bill to this House, but which lapsed before we went on recess. I have since again requested the House, or Parliament, to reintroduce it and it is in the process of being reintroduced in the House. Thank you.

Hon. Speaker: Hon. Emaase.

Hon. (Ms.) Otucho: I stand guided hon. Speaker, Sir. I was on the second paragraph. The previous Government had undertaken measures to enhance public safety and reduce incidents of repeat offences by ex-convicts, including appointing a 13-member taskforce on 13th August 2007 vide a *Kenya Gazette* Notice No.8238. In his Statement, the Chairperson should report on the status of number one, the taskforce report and two, the draft After-Care of Offenders Bill and the draft national after-care policy, which were both developed by the taskforce.

Thank you.

Hon. Speaker: Is the Chairperson in the Chamber? The deputy, if any? Any member of that Committee?

Hon. (Ms.) Muhia: Hon. Speaker, I will take the report and hand it over to the Committee, but I am not able to commit myself on timeframe because we need to deliberate on the issue of security at length. So, we can tell her on Tuesday how far we have gone.

Hon. Speaker: Members of committees from whom requests for Statements have been made, make sure that you take up the requests, inform and invite the Members seeking those

Statements, so that they can participate in the deliberations. Hon. Mary Emaase, is that all right with you?

Hon. (Ms.) Otucho: That is all right, hon. Speaker, Sir.

Hon. Speaker: Very well. Hon. Florence Mwikali Mutua.

ROLLING OUT OF SOCIAL WELFARE PROTECTION FUNDS

Hon. (Ms.) F.M. Mutua: Thank you, hon. Speaker, Sir. I had a request for a Statement. Pursuant to Standing Order No.44(2)(c), I wish to request for a Statement from the Chairperson of the Departmental Committee on Labour and Social Welfare regarding the rolling out of the Social Welfare Protection Fund for orphans, senior people and persons with disability in the country.

Hon. Speaker, Sir, the Government has been implementing the Old Persons Cash Transfer Programme in a few areas in the country on a pilot basis. The Chairperson should inquire into and report to the House on the following: -

(i) the steps the Government is putting in place to immediately roll out the programme to all orphans, senior people and persons with disability in the country;

(ii) what the immediate plans are by the Government to move it from a pilot project to a fully-fledged project;

(iii) the criteria used to identify and screen beneficiaries and who is responsible in the identification of the same at the grassroots level; and,

(iv) steps the Government has put in place to ensure transparency and accountability in the identification of beneficiaries and implementation of the programme in the country.

Thank you, hon. Speaker, Sir. I table the Statement.

(Hon. (Ms.) F.M Mutua laid the document on the Table)

Hon. Speaker: Hon. Gladys Nyasuna.

Hon. (Ms.) Nyasuna: Thank you, hon. Speaker. In the absence of our Chair and Vice-Chair, I will undertake to take this report to our Committee and we will need three weeks, in my estimation. I, therefore, think this will come immediately after the recess.

Hon. Speaker: Well, likewise, make sure that you invite the Member to your meeting. Yes, hon. Dr. Robert Pukose.

DEGAZETTMENT OF GOVERNMENT LAND IN RIFT VALLEY

Hon. (Dr.) Pukose: Thank you, hon. Speaker, Sir. Pursuant to Standing Order No.44(2)(c), I wish to request for a Statement from the Chairperson of the Committee on Delegated Legislation regarding degazettment of Government land. The Government reacquired some land in the former Rift Valley Province from a private developer and allocated it to members of the Cholim Co-operative Society. The Kenya Forest Service (KFS) later evicted those people from the land, claiming to have gazetted it as part of the Mount Elgon Forest for afforestation.

Hon. Speaker, Sir, the Chairperson of the Committee should inquire into and report to this House on:

(a) the situation surrounding the degazettment of the land already occupied by members of Cholim Co-operative Society;

(b) the status of this issue; and,

(c) whether the Government will compensate those farmers for the suffering and the loss caused by the forceful evictions.

Thank you, hon. Speaker, Sir.

Hon. Speaker: Chairperson of the Committee on Delegated Legislation, hon. William Cheptumo. It looks like there is nobody from that Committee even to give a response. Hon. Jacob Waweru.

Hon. Macharia: Thank you, hon. Speaker, Sir. I am a member of the Committee on Delegated Legislation, and I would like to say that I will take this request for a Statement to our Committee and, in my own estimation, we should be able to give it in two weeks' time. That is after the recess. Thank you.

Hon. Speaker: So, hon. Pukose, appear before the Committee in two weeks. Next on the order list is hon. Peter Kinyua. You did not carry your card?

PROGRESS ON CCTV CAMERAS PROJECT

Hon. Kinyua: Thank you, hon. Speaker, Sir. You must forgive me for that. Pursuant to Standing Order No.44(2)(c), I wish to request for a Statement from the Chairperson of the Departmental Committee on Administration and National Security on the progress of the closed-circuit television (CCTV) cameras that were scheduled to be installed by February 2013 by the former Ministry of Nairobi Metropolitan Development.

Hon. Speaker, Sir, in the light of the heightened insecurity around the country, it is imperative that this project takes off as soon as possible. Installation of those cameras will help the police to retrieve images of criminals, arrest perpetrators of crime and secure conviction in court.

In his Statement, the Chairperson should inquire into and report on: -

(i) the progress of the installation of the CCTV cameras; and,

(ii) the reasons that have occasioned the delay in the installation of the CCTV cameras in the major cities.

Hon. Speaker, Sir, I think it is also important to appreciate my constituents who, through a similar system, have volunteered and we have managed to arrest criminals using cameras installed by individuals behind Karatina Kenya Commercial Bank (KCB). This has occasioned the request for this Statement.

Thank you, hon. Speaker, Sir.

Hon. Speaker: Anybody from the Departmental Committee on Administration and National Security? Yes, hon. Wanjiku Muhia.

Hon. (Ms.) Muhia: Thank you, hon. Speaker, Sir. In the absence of the Chair again, we have asked the Inspector-General (IG) the same questions. So, this time round, I will be able to respond and I think we shall give a full report two weeks after the recess.

Hon. Speaker: Very well. The hon. Richard Momoima Onyonka.

STATUS OF FUNDS FOR CONSTRUCTION OF ROADS WITHIN CONSTITUENCIES

Hon. Onyonka: Thank you, hon. Speaker, Sir. Pursuant to Standing Order No.44(2)(c), I wish to request for a Statement from the Chairperson of the Departmental Committee on Transport, Public Works and Housing regarding the funds for road construction within our constituencies, which was being funded through the Kenya Revenue Authority.

I am aware that through the Division of Revenue Bill, 2013, money included for road construction had been forwarded to county governments and I had sought to find out the status and the position of those funds. But with the very able and immediate response from the Leader of Majority Party and the support of the Chairman of this Committee, this matter has been overtaken by events with a circular issued by the Cabinet Secretary, Eng. Michael S.M. Kamau vide reference No.MRA3545/B/vol.4 where all money which previously was to be used by the Members of Parliament for the construction of roads in their constituencies has been returned to the Members. I wish to express my gratitude. I am proud that this will help us to continue to provide services to our people in our constituencies.

Hon. Speaker: Information for the entire country.

ENCROACHMENT OF KENYA AGRICULTURAL RESEARCH
INSTITUTE LAND IN NAIVASHA

Hon. Aramat: Thank you, hon. Speaker, Sir. Pursuant to Standing Order No.44(2)(c), I wish to request for a Statement from the Chairperson of the Departmental Committee on Lands regarding the encroachment of the Kenya Agricultural Research Institute (KARI) land in Naivasha. That land has been illegally occupied by a group of pastoralists known as Isahakia Self Help Group. The High Court in Nakuru has issued four court orders for this group to vacate the public land, but no action has ever been taken by the Provincial Administration or the police to assist KARI to retain its land.

This is of concern as there may be other Government institutions that are facing the same challenge. The Chairperson should inquire into and report to this House on the status of occupation of this KARI land and the Government effort in ensuring that the land is reverted to KARI.

Hon. Speaker: The Chairperson, hon. Mwiru or any Member from that Committee to take up the request.

Hon. Ogalo: Hon. Speaker, Sir, the Committee is currently overloaded by a lot of requests. As you know, we have to do a good job and land is a sensitive issue. So, we will be looking at this issue within a maximum of three months. Three months will be sufficient.

Hon. Speaker: Hon. Aramat, the Committee is overloaded. What is your reaction?

Hon. Aramat: Hon. Speaker, Sir, the Committee has many Members and they can delegate responsibility. KARI is a very important institution in this country which has to develop technologies in livestock production. This land has been occupied by people and animals are dying, as I speak. There is no grazing land for the animals and the Government is losing a lot of money. If this goes on unchecked, we have a problem at hand. The Committee should give us a Statement in three weeks. Last year when I was not even in Parliament, I remember that the Public Investments Committee, led by the able hon. Linturi, visited the area on 22nd June, and a report was submitted to this House. No action was taken on that report.

Hon. Ogalo: Hon. Speaker, Sir, I said a maximum of three months. The land will not move. It will still be there. So, we require a maximum of three months. If we finish in two

months it will be fine, but we will not go beyond three months. It requires looking at the past records at the Lands Registry and getting a lot of information. We cannot promise to take three weeks. We will take a maximum of three months and I am speaking for the Chairman.

Hon. Speaker: Can I say cleverly put, maximum three months? They are not limiting. They could even give you a response within two hours, but maximum, three months. Hon. Aramat, I think the most important thing is that you should make available your request to the Committee, so that as they plan their activities, they have you in mind also as one of the issues that they need to address.

Hon. Kang'ata, again you have thrown your card away? We will very soon deactivate all machines for Members who come without cards, so that you will not use the Dispatch Box but today, since we are about to go on recess, you can proceed.

STATUS OF LOANS DISBURSEMENT BY HIGHER EDUCATION LOANS BOARD

Hon. Kang'ata: Thank you, hon. Speaker, Sir. Pursuant to Standing Order No.44(2)(c), I hereby request for a Statement from the Chairperson of the Departmental Committee on Education, Research and Technology regarding the status of loan disbursement to regular students in public universities by the Higher Education Loans Board (HELB) for the last four years.

There have been several incidents of less fortunate students in the regular programmes in public universities experiencing delays in disbursement of loans, especially those in the first year. We also have situations where the less fortunate students have had their applications rejected by the HELB without any justification, notwithstanding the increase of the rate of recovery of loans granted to former students. Public universities will be opening in August and September and if those students do not get the loans on time, they will be coming to Parliamentarians to pressure us to give them bursaries under the CDF. Therefore, we should pressurize HELB to explain to us through the Statement that I am requesting as to why they fail to give students loans prior to joining universities. I, kindly request for that Statement.

Hon. (Ms.) S.W. Chege: Hon. Speaker, Sir, I kindly ask the Member to give me two weeks and then I can respond to that.

Hon. Speaker: Hon. Irungu, is that okay?

Hon. Kang'ata: Hon. Speaker, it is okay.

Hon. Speaker: Pressure is also going to come to the Chair of the Committee. She also represents people, unlike others who represent corporate.

DISAPPEARANCE OF PERSONS IN LAIKIPIA COUNTY

Hon. (Ms.) Korere: Thank you, hon. Speaker, Sir. Pursuant to Standing Order No.44(2)(c), I wish to request for a Statement from the Chairperson of the Departmental Committee on Administration and National Security regarding mysterious disappearance of persons in Laikipia North Constituency of Laikipia County.

So far, three cases of disappearance of three men after interrogation by the Kenya Wildlife Service (KWS) officers on suspicion that they were engaging in poaching have been reported. It is alleged that two to three weeks after interrogation, the suspects normally disappear without trace. The most recent case was reported on 1st July, 2013. This case is about a man who disappeared and the family is still searching for him with no answers up to date.

Hon. Speaker, Sir, in his Statement, the Chairperson should clarify those allegations of poaching and whether the disappearance of those men is directly linked to the allegation by the KWS and ranchers from Lewa Wildlife Conservancy.

Thank you, hon. Speaker, Sir.

Hon. Speaker: Hon. Wanjiku Muhia, represent your Committee.

Hon. (Ms.) Muhia: Hon. Speaker, Sir, by virtue of representing the Chairman three times, I am almost the Chair. I kindly request the Member to visit our Committee on Tuesday at 10.00 a.m. at Continental House because the matter is weighty and we may need more details. After that, we will deliberate on it. I urge the hon. Member to kindly join us at 10.00 a.m. on that date.

Hon. Speaker: Thank you. You have even imagined that by now you are almost the Chair.

(Laughter)

THE MATTER OF KENYA PETROLEUM REFINERY LIMITED

Hon. Kamau: Thank you, hon. Speaker, Sir. The Member for Changanwe had requested a Statement from my Departmental Committee on Energy, Communication and Information on the issue of Kenya Petroleum Refinery Ltd., and we were due to give the Statement today. However, I want to request for your indulgence that we have had some emerging issues which the hon. Member is well aware of. We are requesting an additional one week to finalize this issue and report appropriately to the House.

On the same token, if you allow me, I would like to inform hon. Members that on Monday at 2.30 p.m., my Committee will be meeting three Cabinet Secretaries; one for the National Treasury, Devolution and Planning and Energy and Petroleum to explain why there has been diversion of Kshs6 billion from the Rural Electrification Authority (REA) to the county governments. If hon. Members are free, they are welcome to attend.

Thank you, hon. Speaker, Sir.

Hon. Shimbwa: Hon. Speaker, Sir, I have actually worked very closely with the Departmental Committee on Energy, Communication and Information. I was involved in all the stages and I am very satisfied that the Committee is doing a good job. I rise in this House this afternoon to commend the Chairman and his Committee Members. Therefore, I accept their request for one more week so that the report will be one that hon. Members will be happy about.

Thank you very much, hon. Speaker, Sir.

(Laughter)

Hon. Speaker: Well, hon. Kamau and his Committee Members will take the praise and accolades. Is there any hon. Member whose request for a Statement has not been responded to and may have been due?

Yes, hon. George Oner, the overworked Member.

(Laughter)

STATUS REPORT ON POLICE REFORMS

Hon. Ogalo: Hon. Speaker, Sir, over two months ago, I requested for a Statement on police reforms and I was told that the Joint Committee on--- What was that Committee called?

(Laughter)

Yes, it was the Committee on National Cohesion. I do not know whether the Committee has already been formed, but the Majority Leader should tell us because he was the one who responded at that time. He said that they were going to form the Committee after two weeks and then it would issue the Statement after two weeks. Up to now, there is no Statement and there is no information on whether the Committee was formed or not. Could the Majority Leader tell us what is happening?

Hon. A.B. Duale: Hon. Speaker, Sir, the name of that Committee is the “Joint Committee on National Cohesion and Equal Opportunity”. The National Assembly membership is ready and we are waiting for the other guys to give us their names so that we do the elections.

Hon. Members: Which guys?

Hon. A.B. Duale: Hon. Speaker, Sir, we are waiting for the Senate to provide the list. The Committee will be formed once that is done. Hon. Sakaja is one of the serious contenders for the chairmanship of that Committee. I am sure he will address all the hon. Member’s issues once he becomes the Chair of that Committee.

Hon. Speaker: So, we have to wait for the 67 Members to agree when to nominate Members to sit in that Committee. You will realize that they are very few. There might be very many Committees and, therefore, they may be struggling to find who will sit in this Committee. However, whatever the reason, we have communicated to them that they should give names of the Members so that the Committee can start working.

Hon. Midiwo: Thank you, hon. Speaker, Sir. Did you notice the Leader of Majority Party take the powers of a Committee to choose its leadership and pronounce hon. Sakaja to be the Chair of a Committee that is yet to be formed? Hon. Speaker, Sir, I request you to take those people for some training. However, that is on a light touch.

I have risen because hon. Onyonka alluded to a letter from the Ministry assuring hon. Members that our constituency roads money shall be reversed. Could the leader of that Committee tell us when we will get our money? I am just from a funeral of a senior member of my constituency and the biggest concern is how the body will get home tomorrow. This is because somebody somewhere is playing around with the money or roads across the country. Could somebody tell those Members when they will get that money because they have interest? Some of that money is actually from the other financial year. Could the Chairman of the Committee tell us that because we have not seen the letter? How would a Member of Parliament access a letter from a Cabinet Secretary? We need an explanation.

Hon. Speaker: You have said that you have come from a funeral and people are wondering how people will reach home. I am wondering; were you really at a funeral or you had a funeral service?

(Laughter)

Hon. Midiwo: I was in a funeral service, hon. Speaker, Sir.

Hon. Kamanda: Thank you, hon. Speaker, Sir. It is true that we have seen a letter which was written by the Cabinet Secretary for Transport and Infrastructure. Hon. Members will agree with me that the letter has come as a result of a lot of pressure. We will have the last meeting on Tuesday, 23rd. I want to assure hon. Members who are here that we will get our money. We have agreed that the money for the Kenya Rural Roads Authority (KeRRA) will be there. We are just waiting to have a meeting on Tuesday, 23rd July, 2013, with Mr. Rotich, the Cabinet Secretary for National Treasury, so that we can finalize this matter. Are you satisfied?

Hon. Speaker: That one satisfies hon. Jakoyo Midiwo and others but I have also noticed that hon. Millie Odhiambo has something.

Hon. (Ms.) Odhiambo-Mabona: Yes. Thank you, hon. Speaker, Sir. I know because of this digital era, sometimes our points of order get a bit mixed. I hope you will indulge me because my issue was a matter raised by the Leader of Majority Party. I know that in the last Parliament, the Committee on Equal Opportunity was pushed by the women hon. Members, but when it came through, men took both the chairmanship and the vice-chairmanship. I have seen hon. Sakaja in private to request him for once to be magnanimous and give the women their due position. I know hon. Tobiko is seeking the same chairmanship and so, could we just let hon. Tobiko chair that Committee, hon. Speaker?

Hon. Speaker: May I direct that we should not do any canvassing here because majority of the hon. Members here are not hon. Members for that Committee. So, whoever it is that takes the chairmanship is the hon. Member of this House. He could actually be from either House.

Please, it is not even contentious.

Hon. Sakaja: Hon. Speaker, Sir, if you may allow me to respond, first of all, I do not know why hon. Midiwo is pretending. He has been my chief campaign manager on this particular matter but the real issue of the Committee, I do not think the Leader of Majority Party is trying to impose--- I have just learnt that he is supporting. The real issue has been one name from this House, not from the Senate. The Senate brought 15 names and the National Assembly had 14 names. There is one name that was coming from CORD, which we still want the CORD leadership to expedite because the Committee on National Cohesion and Equal Opportunity is very important. There are many matters that need to be dealt with and already, I can see the in-try is full. So, if the name can be brought to the Floor of the House even on Tuesday, we can pass it.

As for what hon. Millie-Odhiambo was asking, I think the hon. Members are at liberty to decide who the leader of the Committee is, but you must realize that the Committee on National Cohesion and Equal Opportunity not only advances issues of women, but also issues of young people and marginalized communities and of course, as you know, I come from a marginalized community.

Hon. Members: You are young as well!

Hon. Sakaja: And I am also young.

Hon. Members: Yes!

Hon. Sakaja: So, people will decide.

Hon. Speaker: We can now go to business. This is to do with Statements. It is important that you begin to appreciate that you may think you want to raise an issue but begin to argue.

Hon. Simba: Thank you, hon. Speaker, Sir. I have not been contributing because my card got lost and I suspected that there was tendency and culture from a certain section of this House, which is fond of doing those things. I wanted to get the report from the Chairperson of the

Departmental Committee on Environment and Natural Resources. They had even asked a question here on TARDA three weeks ago.

Hon. Speaker: You are only comfortable with the acronym.

Hon. Simba: That is it, hon. Speaker. Tana, Athi and other abbreviations.

Hon. Speaker: Now that you do not know what it is, then nobody should respond.

Hon. Simba: The Chairperson of the Departmental Committee on Environment and Natural Resources was to give me the answer within two weeks, and it is now three weeks.

Hon. Speaker: No answer! No answer! It is just a report.

Hon. Simba: Yes, hon. Speaker, Sir. It is a report.

Hon. Speaker: In fact, I am directing that no debate on those reports is going to be entertained because that is not business. You should appear before that Committee when they have summoned whoever it is and from wherever the responses are going to come from so that the House will only receive a report which it will not discuss. We are spending time doing things which are not business. You may have an interest and legitimate one for that matter, but the best place to go and canvass it really is before the Committee. I really appreciate that not all the Committees may be televised and, therefore, people may miss the opportunity to be seen to be prosecuting a particular point in plenary, but this is the cost of this change; the new dispensation. That is the only way we can proceed so that the plenary becomes a place where we come to do real oversight, representation and legislative work.

If you have not appeared before the Committee, hon. Simba Arati, I would suggest that you---

Hon. Simba: I have, hon. Speaker, Sir.

Hon. Speaker: You have?

Hon. Simba: Yes, Sir.

Hon. Speaker: All right. Is there any hon. Member from the Departmental Committee on Environment and Natural Resources present; the hon. Amina Abdalla, the Chair?

Hon. Members: Hon. Oner is here!

Hon. Speaker: Hon. Oner again? Then I agree that you are overworked.

Hon. Ogalo: Hon. Speaker, Sir, the Leader of Majority Party should again talk about that issue on Sarah Serem because actually we are working.

Hon. Speaker, Sir, the hon. Member appeared before the Committee. I am a member of the Committee and we invited various people; the former Permanent Secretary, Regional Development Authority was before us and even the Managing Director (MD) who was suspended and other board members. We have a report which we have agreed on as a Committee and I hope it will soon be tabled before the House.

Thank you.

Hon. Speaker: I think I have even seen the report and I approved it for publication. I suggest the report be tabled through the Clerk's office. Hon. Mithika Linturi, the Floor is yours.

UNDERFUNDING OF THE OFFICE OF THE AUDITOR-GENERAL

Hon. Linturi: Hon. Speaker, Sir, I also want to bring it to your attention that a month ago, I sought a Ministerial Statement from the Chair, Budget and Appropriations Committee in regard to the underfunding of the Office of the Auditor-General. To date, it has not been brought. I am sure every hon. Member of this House will agree with me that, with the new dispensation, the Office of the Auditor-General is very critical for the support that it gives to this

House. With its expanded mandate, where it is really supposed to be looking at the operations of the county Governments, there is need to give him money, which was not given. So, I had sought to know how the Auditor-General is expected to do his duty without enough funds. I would appreciate if you gave directions on when this can be done because it is really a matter of national interest.

Hon. Speaker: Let us have the Chair of the Budget and Appropriations Committee, hon. Mutava Musyimi.

Hon. Member: He is not here.

Hon. Speaker: Then the Vice-Chairman can respond, or any Member present. Hon. Abdikadir Aden, go ahead.

Hon. Aden: Thank you, hon. Speaker, Sir. I speak on behalf of the Chair of Budget and Appropriations Committee. We were actually in a day-long sitting. I want to say that on that point, it is something that has been taken as a matter of priority and concern by the Committee. I want to assure hon. Linturi that this particular issue is having due attention and the concern it deserves. Unfortunately, there is nothing that can be done right now but in the Supplementary Budget, there could be something coming that way. I will take your concerns to the Chair as well.

I must say that this issue has been noted by the Committee and it is an agenda of concern on our desk.

Thank you, hon. Speaker.

Hon. Speaker: There is another intervention by Florence Kajuju.

STATUS OF TEACHERS' STRIKE

Hon. (Ms.) Kajuju: Hon. Speaker, there is an issue of national importance that I think should be addressed as soon as possible by the Chairperson of the Departmental Committee on Education, Research and Technology, whom I am seated next to. When she tried to respond to me, she did not convince me.

Hon. Speaker, yesterday, we got information that the teachers' strike was called off. However, before that, there was a directive by the Cabinet Secretary for Education that all public schools should be closed. I have been getting a lot of inquiries from my constituents. They want to know what the status is in as far as matters of education are concerned. Up to now, we have not received any information as to whether the schools remain closed or they are opened. It has already been declared that the teachers' strike is off. Allow me, hon. Speaker, to get a response.

Hon. Speaker: The Chairperson of the Departmental Committee may respond.

Hon. (Ms.) S.W. Chege: Hon. Speaker, I agree with hon. Kajuju that the matter is of national interest. It is true that the schools were closed yesterday and immediately the teachers called off the strike. The explanation given by the Cabinet Secretary and circulated in the media is that the Ministry needs to restructure the term because students have already lost 24 days. Remember kids were out of school during the general election. My Committee could summon the Cabinet Secretary so that he tells us how long the Ministry is planning to close the schools. I kindly ask hon. Kajuju to hold on until I confirm with the Ministry tomorrow. They will give us a concrete answer.

Hon. Kaluma: Hon. Speaker, I am seeking an intervention following the intimation given by a Member of the Budget and Appropriations Committee. The indication we are getting is that the Committee is reviewing those departments with limited funding. I request the

Committee to consider the Office of the Registrar of Political Parties with the statutory limitations and the restrictions that we have. That when considering all those underfunded departments, we consider also compliance to the law in terms of the minimum funding required for the Office of the Registrar of Political Parties.

Hon. Speaker: Yes, but in keeping with our procedures, I will not allow him to respond because this matter has just come up now. It is like people meeting on the streets and then shaking hands. It has not come through the correct route, hon. Kaluma. I understand your concern. This matter has been discussed elsewhere, but I am sure you could raise it more formerly with the Budget and Appropriations Committee.

We are through with Statements. Next Order, please.

MOTION

MECHANISMS TO CONTROL FLOODING OF TANA RIVER

Hon. Members, looking at the Order Paper, we should be in Order No.8, which is the Committee of the whole House, but for the convenience of the House in terms of Standing Order No.40(2), we will move to Order No.13 which merely is a Motion by hon. Wario whose Question could not be put because of lack of quorum. I will put the Question and then we will go back to Order No.8 and others.

The Motion as amended by hon. Wario reads as follows: -

THAT, aware that the heavy rains experienced across the country have caused flooding in many areas such as Tana River; concerned that the Tana and Athi River Development Authority (TARDA) and the Kenya Electricity Generating Company (KenGen) have been draining water from their dams to River Tana; deeply concerned that people living downstream have been displaced, property destroyed and loss of livelihood following the artificial flooding occasioned by those two Government agencies, this House resolves that TARDA and KenGen should immediately stop draining water from their dams to River Tana, undertake to construct a dam to regulate and control floods and forthwith compensate the people who have been affected.

(Hon. Wario on 16.7.2013)

(Debate concluded on 16.7.2013)

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

Resolved accordingly:

THAT, aware that the heavy rains experienced across the country have caused flooding in many areas such as Tana River; concerned that the Tana and Athi River Development Authority (TARDA) and the Kenya Electricity Generating Company (KenGen) have been draining water from their dams to River Tana; deeply concerned that people living downstream have been displaced, property destroyed and loss of livelihood following the artificial flooding occasioned by those two Government agencies, this House resolves that TARDA

and KenGen should immediately stop draining water from their dams to River Tana, undertake to construct a dam to regulate and control floods and forthwith compensate the people who have been affected.

COMMITTEE OF THE WHOLE HOUSE

(Order for Committee read)

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

IN THE COMMITTEE

*[The Temporary Deputy Chairman
(Hon. Kajwang') in the Chair]*

THE AGRICULTURE, FISHERIES AND FOOD (AMENDMENT) BILL

The Temporary Deputy Chairman (Hon. Kajwang'): Hon. Members, this is a very short Bill, with only two clauses. We have various amendments which we shall now proceed to prosecute and execute. We have amendments from hon. Samuel Chepkong'a and hon. Benjamin Washiali. Therefore, let us start with Clause 2.

Clause 2

Hon. Chepkong'a: Hon. Temporary Deputy Chairman, I beg to move: -

THAT, Clause 2 of the Bill be amended by: -

Deleting the word "twelve" and substituting therefor the words "twenty-four".

Hon. Temporary Deputy Chairman, when this Bill was being discussed yesterday, we were ably reminded by hon. Kaluma that one of the reasons as to why "The Donde Act" because unconstitutional is because it lapsed with time. Therefore, the purpose of this extension is to ensure that this Act does not die in a similar manner. It is a requirement of the Constitution that, in order for regulations made by Cabinet Secretaries to enjoy the force of law, they must be approved by the House. So, the Cabinet Secretary requires more time for him to come up with reasonable regulations.

As we are all aware, the Cabinet Secretary is fairly new in the Ministry. In order for him to be able to come up with regulations and administrative actions that will survive scrutiny, he should be given more time. He needs to come up with regulations that will be both efficient and effective so that he can implement the Act in a way that will be beneficial to all the farmers.

Hon. Temporary Deputy Chairman, with those remarks, I beg to move and ask the Leader of Majority Party to second it.

The Temporary Deputy Chairman (Hon. Kajwang'): Hon. Chepkong'a, we are in Committee. So, the Motion needs no seconding.

Hon. Members, I want us to be together on this matter, so that you can catch up with the gist of the amendment. What hon. Chepkong'a is trying to do by this amendment is to increase

the effective period of the principal Act from six months to 18 months. That is the period within which the Act should come into force.

(Question of the amendment proposed)

The Temporary Deputy Chairman (Hon. Kajwang’): Yes, Leader of Majority Party.

Hon. A.B. Duale: Hon. Temporary Deputy Chairman, yesterday, when this amendment Bill was being debated, hon. Members realized that the problem was much bigger than the operationalisation of the Act. We want to look at the entire AFFA Act. Initially, it was ALFA Bill but when we amended it and excluded the livestock sector from it, it became the AFFA Bill, which subsequently became the AFFA Act. We want the Committee to have a period of one year to look at the entire Act and deal with all the stakeholders.

Therefore, I support hon. Chepkong’a’s amendment.

The Temporary Deputy Chairman (Hon. Kajwang’): Let me go back to my requests list, so that we can have some order. Hon. Mildred Akoth Odhiambo, are you seeking to speak to this amendment? Please, proceed.

Hon. (Ms.) Odhiambo-Mabona: Thank you, hon. Temporary Deputy Chairman. I stand to oppose the amendment.

I am a Member of the Committee on Agriculture, Livestock and Cooperatives. We even had discussions with the Cabinet Secretary for Agriculture. As a Committee, we all agreed, including the Chairperson, that six months is sufficient for us to look at the weighty issues and decide whether to propose a complete repeal of the Act or propose amendments to it. Proposing a longer period is actually tying the hands of the Committee. As a Committee, we will be forced to stop operations for 12 months. Why do you not give us six months, so that even as a Committee, we can know under what regime we will be operating? Leaving us in limbo for one year is really paralyzing our work.

Therefore, I would like to, very strongly, oppose the amendment and urge our Chairperson to speak to this issue. As a Committee, we have agreed on this issue.

The Temporary Deputy Chairman (Hon. Kajwang’): Let me hear the Chairperson of the Committee on Agriculture. Where are you?

Hon. Angatia: Hon. Temporary Deputy Chairman, the Cabinet Secretary appeared before the Committee on 11th July, 2013 and said that he was ready to operationalise the Act but he required an extension of only three months from the commencement date. However, we noted that the regulations were not yet in place, the directors had not yet been elected, the chief executive officer of the Authority had not yet been appointed and the chairman was yet to be nominated and approved by Parliament. Therefore, as a Committee, we decided to give him six months. I think the Committee will stand by that decision.

Thank you.

The Temporary Deputy Chairman (Hon. Kajwang’): Hon. Members, we have heard from the Committee. Let us have some more discussions on the amendment.

Yes, hon. Ferdinand Kevin Wanyonyi.

Hon. F.K. Wanyonyi: Hon. Temporary Deputy Chairman, if we give those people another one year, we will not be able to measure their performance. Therefore, I support what the Chairman has said. Let us give them six months because when the President assented to the Bill, there was already a coordinating team in place in the Ministry. If we give them so much time, we will not be able to measure their performance. I quite agree with the Chairman. If the Committee

met with the Cabinet Secretary and he agreed that he would do it within six months, let us give them six months. The Cabinet Secretary and his technical team are working under the directions of performance contracting. If we give them more than six months, at the end of the day---

The Temporary Deputy Chairman (Hon. Kajwang’): Okay, the point is home, hon. Wanyonyi. Yes, hon. Washiali.

Hon. Washiali: Thank you very much, hon. Temporary Deputy Chairman.

I am also a Member of the Committee. The idea being floated by our Chairman---

The Temporary Deputy Chairman (Hon. Kajwang’): Just a minute, hon. Washiali.

Hon. Konchella, are you serious that you are requesting for an intervention or you passed your hand over the request button by mistake?

Hon. Konchella: It was by mistake, hon. Temporary Deputy Chairman.

The Temporary Deputy Chairman (Hon. Kajwang’): Okay, please, proceed, hon. Washiali.

Hon. Washiali: Thank you, hon. Temporary Deputy Chairman. The idea being floated by hon. Chepkong’a was also floated during the deliberations of the Committee. The Committee has 29 Members. We debated the proposals and agreed that the most appropriate period would be six months, as per the Act itself. The Act had given---

The Temporary Deputy Chairman (Hon. Kajwang’): Hon. Langat, let hon. Washiali develop his point before we hear your point of order. Let us understand the gist of his submissions.

Proceed, hon. Washiali.

Hon. Washiali: Thank you, hon. Chairman for that protection. The period I had been asked to present to the Agricultural Sector Coordination Unit (ASCU) was six months, as per the Act. We thought that by giving the ASCU that period, it would be long enough. If we extended that beyond the six months, then they will again go back to sleep like they did last time. I think the Committee on Agriculture, Livestock and Co-operatives is proactive and it would like to see things moving. Therefore, I oppose the amendment by hon. Chepkong’a. We should carry the amendment as it is on the Order Paper.

The Temporary Deputy Chairman (Hon. Kajwang’): All right Members. Thank you. You see, we do not want to make this a point of serious debate. We really want to have consensus on these issues as fast as we can get. You see the direction that the Committee is taking, but you also hear the responses of Members. So, when you rise to speak, please, let us help each other so that we do not take too long on this subject. You see, hon. Serut, do not carry up your hands again. I am able to see you from here. You are an independent Member and so, I need to recognize you.

Hon. Serut: Thank you Chair. What I would like to inform Members is that the originator of the six months extension is the Cabinet Secretary himself. I am a Member of the Committee. In fact, he was saying that if we gave him only three months, he would be able to deal with this issue. I know there are Members who were saying---

Hon. Chepkong’a: On a point of order hon. Temporary Deputy Chairman, Sir.

The Temporary Deputy Chairman (Hon. Kajwang’): Who is that? Hon. Chepkong’a, before you are able to articulate your Standing Orders, show me under which order you are rising, and show me the substance of that order. That is before I think something is out of order.

Hon. Chepkong’a: Hon. Chairman, I rise on a point of order pursuant to Standing Order No.83, as read together with Standing Order No.107. That is with regard to giving correct information.

The Temporary Deputy Chairman (Hon. Kajwang’): So, you want to give him correct information? Has he given incorrect information?

Hon. Chepkong’a: Is he in order to say that the Cabinet Secretary only gave information in the Committee and he has not given any other information thereafter? I am aware that the Leader of Majority Party has received information. The Cabinet Secretary is saying that he is comfortable with 24 months. Thank you.

The Temporary Deputy Chairman (Hon. Kajwang’): There are so many here. Order! Let me appreciate a few things. First of all, I want to appreciate hon. Chepkong’a for citing the Standing Order under which he has risen. This is how we are going to conduct business in this House. You are able to take us to the order under which you rise and show us the substance of your order. Otherwise, most of us are rising on points of order when they just want to ventilate on issues. A few things have come up. Yes, Leader of the Majority Party.

Hon. A.B. Duale: Hon. Temporary Deputy Chairman, Sir, with regard to procedure, the issue at hand is the Committee of the whole House. Hon. Members know very well that when we are in the Committee of the whole House, whether you are Member of the Committee or not, you are allowed to bring an amendment.

Secondly, the issue of a Cabinet Secretary is neither here nor there. That should not be the matter for this House. Any amendment should be debated and then the Chair should put the Question and it is either carried or not. I know that the amendments belong to the Committee, but the moment it becomes a matter of a Committee of the whole House---

The Temporary Deputy Chairman (Hon. Kajwang’): Leader of Majority Party, I get the procedure. You have given the procedure. Any Member has a right to introduce an amendment which is correct. So, on that point of order that hon. Chepkong’a has given, hon. Serut you can now finish your submissions. Would you, please, make a request? There you go. We want to finish within one hour.

Hon. Serut: Thank you. All I was trying to do was to respond to the issue that hon. Chepkong’a had raised. He said that the Leader of Majority Party had received communication from the Cabinet Secretary. I had to put the record straight. The Cabinet Secretary was the originator of the six months. As a Committee, we agreed that we will endorse the six months extension, giving it a total of 12 months.

Hon. Chair, if the Cabinet Secretary is uncomfortable with this particular Act being in place within six months, he can bring an amendment.

The Temporary Deputy Chairman (Hon. Kajwang’): Thank you, hon. Member. You are an independent Member and so, you get sympathies of the Speaker. Now, hon. Langat, are you on a point of order or are you making a request to contribute? I can see you are on both. Which is which?

Hon. Langat: Earlier on, I wanted to speak to the Bill but now, when the issue of procedure came---

The Temporary Deputy Chairman (Hon. Kajwang’): So, why do you not speak to the Bill and leave the sideshows?

Hon. Langat: First of all, I want to tell this House that we are discussing the amendment by hon. Chepkong’a. You know what the Committee has tabled, maybe, came from the Cabinet Secretary. We do not know where they got it from. What I know now is that this House has power to amend, agree or disagree on any Committee’s report. We have done it before. A Committee’s report has come before this House and it has been amended here. Therefore, it is not right for us to be told: “Because the Cabinet Secretary said six months, it is enough and we

must be bound by that.” I want to tell the House that yesterday, when the debate and issues came before this House, we were unanimous that there are serious issues on the Act and, therefore I am urging Members so that we can get time to deal with the issues that have arisen. Let us extend time as proposed by hon. Chepkong’a. We respect the Committee.

The Temporary Deputy Chairman (Hon. Kajwang’): Thank you. Hon. Chepkong’a, I see you are on intervention. Do you want to declare your intervention?

Hon. Chepkong’a: On a point of order hon. Temporary Deputy Chairman, Sir. I rise on a point of order pursuant to Standing Order No.83. I am being intimidated by the Chairman of the Committee on Agriculture, Livestock and Co-operatives here, but it is okay. This is on a serious matter. The Chair of the Committee on Agriculture, Livestock and Co-operatives, who happens to be my neighbour here, has purportedly convinced me.

The Temporary Deputy Chairman (Hon. Kajwang’): He has a very good reputation.

Hon. Chepkong’a: I totally agree with the Chair. You know, of course, I had a very important point. He tells me: “Let us give them six months, but we know that they will need to extend the six months.” He agrees that in terms of practicability, it will not be possible but in the interest of time and so that we can move forward, I withdraw this amendment. That is also because of good neighbourliness.

The Temporary Deputy Chairman (Hon. Kajwang’): All right. Do I understand you? Can you speak to the HANSARD and clearly say what you are withdrawing or not? Just make a request if you do not mind.

Hon. Chepkong’a: Thank you. I have formally withdrawn pursuant to the persuasion by the Chair of the Committee on Agriculture, Livestock and Co-operatives. He has undertaken to come back to us.

The Temporary Deputy Chairman (Hon. Kajwang’): All right. Hon. Members, that being the case, there is no amendment to Clause 2 and, therefore, I will put the Question.

(Proposed amendment to Clause 2 withdrawn)

(Clause 2 agreed to)

(Clause 1 agreed to)

Short Title

Hon. Washiali: Thank you, hon. Temporary Deputy Chair. I beg to move: -

THAT, the short title of the Bill be amended by inserting the word ‘Authority’ immediately after the word ‘Food’ and before the symbol “(”.

My amendment is harmless. I just want the Bill to be consistent with the Act that we are trying to extend. The Act is titled “The Agriculture, Fisheries and Food Authority Bill”.

(Question of the amendment proposed)

The Temporary Deputy Chairman (Hon. Kajwang’): Hon. Savula, I hope you have been attentive to what is going on. Members, when you are consulting hon. Savula, give him time to follow the proceedings.

Hon. Angatia: Hon. Temporary Deputy Chairman, the short title of the Act is “Agriculture, Fisheries and Food Authority Act, 2013”.

The Temporary Deputy Chairman (Hon. Kajwang’): What was the gist of your submission, hon. Savula? I have not heard you properly, please.

Hon. A.B. Duale: Hon. Temporary Deputy Chairman, the original Bill was reading “The Agriculture, Fisheries and Food Authority Act, 2013, but I think when they were printing, they forgot and said “The Agriculture, Fisheries Food (Amendment) Bill, 2013.” That is the only thing. The old Bill had the word “Authority”.

The Temporary Deputy Chairman (Hon. Kajwang’): All right, Members, I think you now understand where we are going. Any other discussion?

(Question, that the word to be inserted be inserted, put and agreed to)

(Short title as amended agreed to)

Long Title

Hon. Washiali: Thank you, hon. Temporary Deputy Chairman. I beg to move: -

THAT, the long title be amended by inserting the word ‘Authority’ immediately after the word ‘Food’ and before the word ‘Act’.

Again, this is just a harmless amendment for the Bill to be consistent with the Act as the title was in the original Act.

(Question of the amendment proposed)

Hon. Omagwa: Hon. Temporary Deputy Chairman, I want to support that amendment, but we all agree that this is a bad law. We are only doing this so that we can come back to this House and repeal this Act.

Hon. Mbiuki: Hon. Temporary Deputy Chairman, I rise to support the amendment and acknowledge the sentiments which were raised by hon. Members yesterday that this Act has some serious shortcomings. We want to assure this House that within the next six months, after the extension, we are going to come forth and make all the necessary amendments to repeal or even abolish the Act all together if at all that will be in the interest of Members.

Hon. Wangamati: Hon. Temporary Deputy Chairman, I rise to support the amendment as moved.

The Temporary Deputy Chairman (Hon. Kajwang’): Please, speak to the microphone. I understand you are as tall as you are senior. So, just speak to the microphone though.

Hon. Wangamati: Hon. Temporary Deputy Chairman, I support the amendment.

The Temporary Deputy Chairman (Hon. Kajwang’): Members, I have a request from a lady. Let us have a lady’s voice here. Hon. (Ms.) Munene.

Hon. (Ms.) Munene: Hon. Temporary Deputy Chairman, I rise to support the amendment. I am a Member of the Departmental Committee on Agriculture, Livestock and Co-operatives and when we are given time, we will come back to this House with a full report and hon. Members will be happy.

The Temporary Deputy Chairman (Hon. Kajwang’): Those of us who are having discussions on the Act as a whole can hold on and come back when the Act comes for real amendments. Here, we are just trying to get this out of the way.

(Question, that the word to be inserted be inserted, put and agreed to)

(Long title as amended agreed to)

Hon. Members, we have now completed the business of the Agriculture, Fisheries and Food (Amendment) Bill, 2013 in the Committee. I now request hon. Angatia to report.

Hon. Angatia: Hon. Temporary Deputy Chairman, I beg to move that the Committee doth report to the House its consideration of the Agriculture, Fisheries and Food (Amendment) Bill, 2013, and its approval thereof with amendments.

(Question proposed)

(Question put and agreed to)

(The House resumed)

[The Temporary Deputy Speaker (Hon. Cheboi) in the Chair]

REPORT, CONSIDERATION OF REPORT AND THIRD READING

THE AGRICULTURE, FISHERIES AND FOOD (AMENDMENT) BILL

Hon. Kajwang’: Hon. Temporary Deputy Speaker, Sir, I beg to report that a Committee of the whole House has considered the Agriculture, Fisheries and Food (Amendment) Bill, 2013 and approved the same with amendments.

Hon. Angatia: Hon. Temporary Deputy Speaker, Sir, I beg to move that the House doth agree with the Committee in the said Report.

Hon. Cheptumo: I second.

(Question proposed)

The Temporary Deputy Speaker (Hon. Cheboi): Hon. Members, you are free to contribute but it should be as minimal as possible because we still have the Third Reading.

Hon. Members: Put the Question!

The Temporary Deputy Speaker (Hon. Cheboi): Is that unanimous?

Hon. Members: Yes.

(Question put and agreed to)

Hon. Angatia: Hon. Temporary Deputy Speaker, Sir, I beg to move that the Agriculture, Fisheries and Food (Amendment) Bill, 2013 be now read the Third Time.

Hon. Mbiuki: I second.

(Question proposed)

The Temporary Deputy Speaker (Hon. Cheboi): Hon. Members, you can ventilate on this. I can see some requests. Yes, Leader of Majority Party.

Hon. A.B. Duale: Hon. Speaker, Sir, I will be very brief because I contributed to this Bill yesterday. This is a very fundamental Bill. In my appeal, it is very unconstitutional. That is why this Bill was called ALFA. Those of us who come from the livestock producing areas and were in the last Parliament removed the aspect of livestock. Today, it is called AFFA Act, 2013.

I urge the Departmental Committee on Agriculture, Livestock and Co-operatives, in the interest of Kenyan farmers, to make use of the six months window. If they feel that they can bring an amendment because they feel that this Bill is unconstitutional, then they should do that within this period. We do not want another extension. We will not give another extension after six months. You have six months to tell us, as a country or as Parliament, whether this Bill is constitutional and whether it meets the interest of Kenyan farmers.

Hon. Temporary Deputy Speaker, Sir, I beg to support.

Hon. M'uthari: Thank you, hon. Temporary Deputy Speaker, Sir. I rise to support this Bill. I reiterate the fact that it needs to be looked at given the importance of the agriculture sector in this country. We cannot afford to come up with a Bill or an Authority that may have some ambiguity or problems in terms of implementation and then, at the end of the day, we cripple a very important sector that employs very many people. Many industries rely on agriculture. So, we have to look at it in terms of efficiency, effectiveness and how best it will serve the interests of Kenyan farmers.

Hon. Temporary Deputy Speaker, Sir, I support.

Hon. Ogalo: Thank you, hon. Temporary Deputy Speaker, Sir. I also support this Bill. However, we are creating an Authority through this Act. That is three-quarters of the Cabinet Secretary's job. We have a Cabinet Secretary for Agriculture and yet, we have an Authority that wants to control three-quarters of the functions that he is supposed to control. Which is this Authority that will be dealing with sugar, coffee, pyrethrum, cotton *na kila kitu*? The Authority is unconstitutional and is unnecessary bureaucracy. Let us get this Act back to this House and kill it quickly so that we can move the country forward.

Thank you, hon. Temporary Deputy Speaker, Sir.

(Laughter)

Hon. Gikaria: Thank you, hon. Temporary Deputy Speaker, Sir. I think it has already been said that Members who were in the Tenth Parliament like the Leader of Majority Party had an opportunity to remove livestock. We also want to be given an opportunity within the six months to remove agriculture and, maybe, leave the fisheries and food.

(Laughter)

I am saying this because Nakuru County, as you know---

Hon. Omagwa: On a point of order, hon. Temporary Deputy Speaker, Sir.

The Temporary Deputy Speaker (Hon. Cheboi): Let us get things right. Under which Standing Order are you rising? We have to start going that direction very strictly.

Hon. Omagwa: Hon. Temporary Deputy Speaker, Sir, I stand guided but an anomaly has been made in this House and you can see it.

The Temporary Deputy Speaker (Hon. Cheboi): That is perfectly in order. You will have an opportunity once you tell us the particular Standing Order you are proceeding on so that we can make a good ruling on it.

Hon. Omagwa: Hon. Temporary Deputy Speaker, Sir, I am unable to point it out but I know that an anomaly has been committed.

(Laughter)

The Temporary Deputy Speaker (Hon. Cheboi): You can execute your point of order now.

Hon. Omagwa: Hon. Temporary Deputy Speaker, Sir, I remember it is Standing Order No.107. Is Hon. Gikaria, who is my good friend, in order to make this House look like it is separating issues and say that people who are in charge of livestock have their own cake and other people who have their fish have it? Is this not the National Assembly where every aspect has to be considered irrespective of whether you are a fish, livestock, coffee or tea farmer? Is the hon. Member in order to do that?

The Temporary Deputy Speaker (Hon. Cheboi): That is okay, hon. Onyancha. You have cited Standing Order No.107. Are you sure that hon. Gikaria---

(Laughter)

I really do not want to proceed in that direction. However, this is for hon. Members to understand. We want anybody who rises on a point of order to cite a specific section of our Standing Orders that has been flouted and then we can execute it properly but I had given hon. Onyancha some leeway.

So, hon. Gikaria, proceed. I will not ask you to respond to hon. Onyancha's point of order.

Hon. Gikaria: Thank you, hon. Temporary Deputy Speaker, Sir. I just want to say that the pyrethrum industry has collapsed and we want to use this opportunity to revive it. If I heard it right yesterday when this Bill was being debated, we were told that it was rushed so that it could meet the constitutional deadline for passing some of the Bills. That is why we got a little bit worried. We will have an opportunity to look into the actual Act and give an input within six months.

I rise to support.

Hon. Kubai Iringo: Thank you, hon. Temporary Deputy Speaker, Sir. I also want to support this amendment. We had a lengthy debate on the Bill yesterday and we thought that it must be amended. As it was alluded to by many hon. Members, especially those from the Tenth Parliament, I feel that we should have given it more time. However, because the Cabinet Secretary had said that he or she will do it in six months, let us wait. We will also look at it since the Tenth Parliament managed to remove livestock from this Bill. I do not see how fisheries can be managed the same way agriculture is managed. That is because every crop or aspect of

agriculture has different management problems. So, lumping them together is killing those which are not in---

Hon. Member: On a point of order, hon. Temporary Deputy Speaker, Sir.

The Temporary Deputy Speaker (Hon. Cheboi): You are out of order. Proceed, hon. Iringo.

Hon. Iringo: Thank you for your protection, hon. Temporary Speaker, Sir. There are those crops that are grown in large areas and those that are grown in marginal areas. There are some which do not have a big market. At the end of the day, they are forgotten. Pyrethrum and sisal are among the dying industries which cannot be compared with tea and coffee, which are very vibrant. As I said, in the process, once this amendment is done, we are going to incorporate *miraa* in the same, so that it can also be protected by those other agricultural products.

Thank you and I support.

Hon. Chanzu: Thank you hon. Temporary Deputy Speaker, Sir. I also rise to support debate on the Bill. This Bill deals with a very wide sector of this economy. Therefore, it is important there is adequate time given for the debate. Secondly, it is quite constitutional that we need to have time for public participation. Therefore, I support.

Hon. (Ms.) Odhiambo-Mabona: Thank you, hon. Temporary Deputy Speaker, I just want to seek your guidance. I know you are aware that majority of us are new and it is good for us to get the procedures right as much we are learning. At this stage, it is not a debating stage. If you could kindly guide the House that comments are limited to almost one sentence or a line so that the House gets it right from the beginning.

The Temporary Deputy Speaker (Hon. Cheboi): What hon. Millie Odhiambo is raising is perfectly in order. Well, only that you did not proceed the way we had agreed. We must cite those specific Standing Orders that are flouted, but obviously, yours is a very genuine point of order. Really, we do not need to take a lot of time here. I have not seen hon. Members who have discussed this debate at length. They have just been making short statements. This is the Third Reading and everybody would have to know that. So, I think it is a perfect thing and it is good for learning. You have made your point, hon. Millie-Odhiambo.

Hon. Serut: Thank you hon. Temporary Deputy Speaker, Sir. I am a Member of the Agriculture, Livestock and Co-operatives Committee and I would like to take this opportunity to thank hon. Members who have passed the extension and I hope it is going to assist us to ventilate on this particular Bill. The onus to decide whether this Bill will be enacted into law or not, remains a function of this House. We will revert into the House once we have listened to the stakeholders and this House will have to decide otherwise.

Hon. Mbiuki: Thank you hon. Temporary Deputy Speaker, Sir. I also want to echo the sentiments of hon. Serut that, as a Committee, we really acknowledge and appreciate the extension accorded to this particular Bill. We want to assure this House that immediately this Bill is assented to by His Excellency the President, the Committee will be able to take it up so that we can engage all the major stakeholders to ensure that all the issues which have been raised by hon. Members, especially that we cannot mix pyrethrum which is a poison with sugar, are taken care of. Those are very serious sentiments and we need to separate the poisonous crops like pyrethrum from sugarcane.

I beg to support.

The Temporary Deputy Speaker (Hon. Cheboi): I am giving this chance to hon. Anyanga T.A. Hon. Members will realize the Chair is trying to give opportunities to as many hon. Members as possible, but that is for a good reason.

Hon. A.T. Anyanga: Thank you, hon. Temporary Deputy Speaker, for giving me this opportunity. I rise to add my voice to this debate in support of the amendments. For me, what this tells us as a House is that, we now have an opportunity to make laws that we shall not regret tomorrow. If you look at some of the challenges we are faced with, it is because of the manner in which certain Bills were passed in the last Parliament which, today, are coming to haunt us. A good Bill or a good law that we have in mind is the current Constituencies Development Fund (CDF) 2013. So, in terms of looking at what we need to do in the agriculture sector, hon. Members have raised their concerns and I do add my voice that we need to give a closer look at the issues raised so that, as we develop the Agriculture Bill 2013, we take into considerations all the key issues.

Finally, across the globe, countries are moving towards specialization. It will be very sad if Kenya, as country, we are trying to address food insecurity and unemployment and we are actually killing institutions that will offer those kinds of opportunities by trying to lump all agricultural products under one body. I do not think that will drive us towards competitiveness.

I beg to support and thank you.

Hon. Sakaja: Thank you hon. Temporary Deputy Speaker, Sir. In as much as I would like to support the amendments that have come, I think the Committee will have quite a task going ahead as this Bill is being processed to actually convince hon. Members; even as they listen to stakeholders as to the reasoning behind some parts of this Bill. It, indeed, does not make sense to consolidate the laws and regulations in the agriculture sector by creating an authority that almost rivals the Ministry itself; an authority that brings together different sub-sectors in agriculture when we are trying to move into specialization.

The Committee should really convince us as to where the place of efficiency and specialization is on this. We would also like to hear the way forward on what the motivation was in removing the livestock sector the Leader of Majority Party has been speaking about here. Unless that is done, we will oppose this Bill. Really, it looks like we are only adding levels of bureaucracy and red tape in the agriculture sector and bringing together sub-sectors that have nothing whatsoever to do with each other. We have seen what certain parastatals specializing in different areas, whether it is coffee, tea or pyrethrum have been able to do in developing agriculture and different sub-sectors. So, in the absence of that and with the hope that by that time we shall be convinced, I support.

Through the Chair, the Chairman of the Committee should take time and really explain and convince us as to why we need to amalgamate some of those institutions, whereas some of them have been performing very well and have been able to specialize.

Thank you.

Hon. Nyenze: Thank you, hon. Temporary Deputy Speaker, for giving me this chance. I rise to support the amendments. I just want to remind the Committee Chairman, hon. Angatia, who is my very good friend, that agriculture forms the backbone of our economy and if at all we attain the double digit economic growth the Jubilee Government promised us, there will be less bureaucracy in running agriculture and more allocation of resources so that the agro-based industries will lift this country to the next level of development.

I support those amendments although I am against the bureaucracy and amalgamation of parastatals. Parts of Lower Eastern Province, that is, Machakos, Makueni and Kitui have been left out. When we talk about livestock and agriculture, those areas are normally left out. We normally concentrate on North Eastern Province. When we talk of Arid and Semi-Arid Lands, we are also left out. A time has come when we are going to oppose some of these Bills. The

Ministry of Agriculture should take this matter seriously. When the Jubilee Government says that it will irrigate 1 million acres - and which we support - we know that River Tana, Athi River and other very big rivers pass through Ukambani. That is where we have land to irrigate but when it comes to the allocation of resources to build major dams, the whole of Eastern Province is left out. The Departmental Committee on Agriculture, Livestock and Co-operatives should look into that anomaly.

If we really want to be food secure, we have to concentrate on Lower Eastern. It is neither in Central nor North Eastern Province. We grow a bit of cotton and coffee. We also keep livestock. So, we have something to talk about but when it comes to allocations, we are given nothing.

I support.

Hon. Chepkong'a: Thank you, hon. Temporary Deputy Speaker. I totally sympathize with the Leader of the overwhelming Minority that they keep growing a bit of it. I think the Jubilee Government has a very good manifesto. If he had read it, they would not be growing just a bit of it.

I rise on a point of order pursuant to Standing Order No.95. There is consensus in the House and the Leader of Minority Party agrees that he also supports it. Could I be in order to ask the Mover be called upon to reply?

The Temporary Deputy Speaker (Hon. Cheboi): Is the Mover present? I do not think we will go that direction. Again, in the absence of the Mover, the best thing will be to put the Question.

(Question put and agreed to)

*(The Bill was accordingly read the
Third Time and passed)*

Next Order!

BILL

Second Reading

THE CAPITAL MARKETS (AMENDMENT) BILL

Hon. Langat: Thank you, hon. Temporary Deputy Speaker. Before I move the Bill, I want to report progress pursuant to Standing Order No.127 (5) regarding the Report that should accompany this Bill from my Committee. We are working on the Report. The Bill came to us together with many other Bills including the Value Added Tax Bill, which has attracted a lot of public interest and participation. I will table the Report before next week. I am ready now to move the Bill.

Hon. Temporary Deputy Speaker, I beg to move that the Capital Markets (Amendment) Bill be now read a Second Time.

This Bill, as the title indicates, seeks to bring amendments to the Capital Markets Act. We know that our capital markets have grown tremendously in the last 10 years. I want to thank our immediate former President for giving our capital markets freedom to trade at that time. In

the last 10 years, many Kenyans have come to know about the capital markets. They never used to know them because they were operating in a very secretive manner.

In those 10 years, Kenyans have participated in the processes by investing in shares, for example, KenGen and Safaricom. Kenyans now have a clear understanding about capital markets.

This country can only develop if we have an efficient capital market, where those who are in need of money for investment can go and source the same and those who have money to invest can make it available; a market in which people will have a lot of confidence because it is well regulated. The last 10 years have brought about serious challenges, requiring the Capital Markets Authority (CMA) to address them. I talk of challenges and opportunities because challenges come together with opportunities.

Hon. Temporary Deputy Speaker, some emerging issues have made it necessary that amendments are made. One of them is that our commercial activities are increasingly becoming global. We are trading with many countries. We want US Dollars and they want Kenya Shillings. So, there is a new matter that this Bill seeks to introduce. It seeks to bring a framework for future market, which is a new concept. I want to thank CMA for being proactive so that before this matter picks up, they will already have introduced the framework. More than a year ago, this House constituted a select committee to deal with the depreciation of the Kenya Shilling. During that time, the local currency depreciated from an exchange rate of about Kshs70 to the US Dollar to Kshs90, which subsequently appreciated and stabilized at about Kshs80 to the US Dollar. Those are the challenges that investors face.

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

*[The Temporary Deputy Speaker
(Hon. Kajwang') took the Chair]*

If we had a market similar to that being proposed by this Bill, called “the futures market”, it would be possible for an investor who, for example, would need some US Dollars eight months from today to fix the price with a bank. If there is no serious movement, eight months later, he will still benefit. In case there is serious negative movement, he will still benefit. So, one of the things that the Bill seeks to introduce is a market called “futures market”, in addition to the stock market, which all of us know.

Hon. Temporary Deputy Speaker, another issue that has come up is regionalization. Ten years ago, there was the rebirth of the East African Community (EAC). Some serious proposals have been made about the EAC, one of which is for the region to have a common market protocol. A common market protocol requires that we allow free movement of people, capital and labour within the EAC. One of the good things about this Bill is that it is facilitating the operationalisation of the EAC common market protocol so that somebody who is licensed in, say, Rwanda, can participate in our capital market, under the supervision of CMA. This is one of the major issues that this Bill seeks to facilitate, in the spirit of integration of EAC. So, to that extent, the Bill is proactive. Therefore, we should support it.

Another issue that is coming up is about corporate governance---

The Temporary Deputy Speaker (Hon. Kajwang'): Hon. Regina Muia, I can see that you have made an intervention for a point of order. What could be out of order? Please,

remember that we are now moving in the direction of hon. Members having to state exactly under what Standing Order they rise.

Hon. (Ms.) Muia: Hon. Temporary Deputy Speaker, I rise under Standing Order No.83, which says that any hon. Member may raise a point of order any time during the speech of another hon. Member, indicating the Standing Order upon which the point of order is based. In this case, I would like to refer the House to Standing Order No.173, which says that, unless otherwise provided by any written law or the Standing Orders, the Committee on Selection shall, in consultation with the parliamentary parties, nominate Members who shall serve on a Select Committee.

Hon. Temporary Deputy Speaker, as I stand here, I am a very worried hon. Member. For the last seven weeks, some of the hon. Members seated here have not sat in any committee. I am a Member of the 11th Parliament. I am a Member of a political party. Previously, I used to sit in the Committee on Administration and National Security. In mid-May, 2013, I made a request to be moved to the Committee responsible for energy because the committee also caters for communication and information. I am a Member of Parliament from the area where Konza City is located. So, an agreement was made but since 26th May, 2013, I have not sat in any Committee. I am just wondering whether I am a Member of this House or not.

The Temporary Deputy Speaker (Hon. Kajwang'): Hon. (Ms.) Muia, I am very sympathetic, considering the industry with which you have searched the Standing Orders and stated the Standing Order under which you rise but, listening to your contribution, you sound irrelevant to the issue at hand. It is for that reason that I will rule you out of order. However, you need to have an engagement with the party whips because, as you have rightly said, under Standing Order No.173, every hon. Member of this House is entitled to sit in at least one Committee. So, you are out of order, in respect of the issues that you have agitated but, please, start engaging the whips.

Hon. Langat, I hope that you are back to where you were before that intervention. I am sorry about that. Can you, please, proceed?

Hon. Langat: Hon. Temporary Deputy Speaker, I sympathize with the hon. Member. The Leader of Majority Party is here. He can offer her a Committee from the other side.

Hon. Temporary Deputy Speaker, I was in the process of saying that the other major issue that this Bill is trying to address is that of corporate governance. This Bill does this in two ways. Previously, CMA itself used to issue rules and regulations and enforce them, *et cetera*. The current Bill proposes to give power to the Cabinet Secretary to make rules and regulations whereas CMA issues guidelines and notices and enforces them. This is in line with the new Constitution, which bars an entity from undertaking all the processes alone. Secondly, the Act gives power to the CMA to manage the Investor Compensation Fund. However, this Bill seeks to give that power to an authority called Compensation Fund Board, so that they can manage those funds and give CMA time to concentrate on its mandate.

There are so many other provisions that this Bill seeks to make, but I just want to mention a few of them. I have already mentioned the issue of corporate governance. This Bill also seeks to give express powers to the President to appoint the Chairman of the Board, and the Cabinet Secretary in charge of Treasury to appoint the Chief Executive Officer (CEO). This is very good in terms of separation of powers.

Hon. Temporary Deputy Speaker, Sir, I have already talked about regionalization, that it now recognizes people who are registered in our sister countries, and that is the East African region. They can now come to Kenya and participate in capital markets of Kenya and they are

rated the same as Kenyans. I believe they can also go to Uganda and also participate in that market.

Hon. Temporary Deputy Speaker, Sir, one of the other issues which this Bill seeks to do is that it wants to remove the requirement for renewal of licences every one year. This is so that if you have been licensed as a player, you will retain your licence until or unless it is revoked. That is a provision but I think my Committee will consider and see whether we want to agree with that because some quarters believe that, that annual renewal gave the Authority an opportunity to monitor those players so that you do not get to know them when you are revoking and when they are already dead. I think at some point we will agree whether we may really want to make it most specifically maybe three years so that we retain those players.

Hon. Temporary Deputy Speaker, Sir, one other issue is the abuse of the markets. That is those who come to manipulate the markets. Even before I talk about that, this Bill has provided a robust information system to those who are issuing those relevant shares, and it makes it law that, that information must be provided to the members or those who are interested in participating. I like it because it is saying, for example, that if you make a prospectus and you put misleading information inside there or you omit information in a manner that when you read the report or the prospectus it misleads, then penalties have been proposed and I think that is a very good thing in this Bill. This is so that those who are planning to sell the shares to the public are supposed to be truthful. They must declare all the information and, therefore, failure will lead to payment of some fine or you will be jailed.

There is also another element of using information which is privileged to yourself and, therefore, you make a lot of claims or you use the information which is privileged to you to avoid losses, which you are supposed to rightfully make because of your investment strategy. That is usually called insider dealing and this Bill prescribes many fines for those who are using privileged information to benefit themselves. In fact, those who are going to engage in insider dealing are highlighted because it is saying that first of all, you will pay a fine of between Kshs10 million to Kshs30 million. In fact, if you are found to have engaged in that practice, then it even says you must pay two times the gains you made or two times the losses you saved or the losses you were supposed to have made.

Hon. Temporary Deputy Speaker, Sir, this Bill, in my view, seeks to really build confidence in the market. It gives the CMA more power to really take care of the market. It even gives the Authority now power to intervene in the market in case of any occurrence which causes a disturbance in the market, just the way our Central Bank of Kenya (CBK) does when there is a problem over money matters. It intervenes and this Bill also gives the CMA power to intervene in case there are problems so that confidence can easily be regained.

Hon. Temporary Deputy Speaker, Sir, I want to say that it has good intentions but according to the meetings we have had so far with the CMA, we have informed them that they need to really get out of Nairobi. They need to be present in our counties. People need to know about the CMA. It has been there for very many years but if you ask many Members here about it, many of them may not know it because it has adopted a strategy of secrecy. The other day, I read in the newspapers that they were doing what we call the Capital Markets Day which I think is a good thing to do so that Kenyans can know about it and be able to participate. I want to tell them that they need to implement the Act and create confidence. Where there have been malpractices, they must shift their strategy so that the Kenyan capital markets continue to have the confidence that the Kenyan people want.

Hon. Temporary Deputy Speaker, Sir, there are so many things that I can say but I hope if all of us 349 Members read this Act, we will have a very good Act in the end.

With those few remarks, I beg to move that this Bill be read a Second Time. I will want to ask the honourable Leader of Majority Party to second the Bill.

The Temporary Deputy Speaker (Hon. Kajwang’): Proceed, Leader of Majority Party.

Hon. A.B. Duale: Thank you, hon. Temporary Deputy Speaker, Sir. First, I want to say that it is very very sad that the House is empty when we are discussing a very important financial related Bill. The Capital Markets Act, Chapter 485A of the Laws of Kenya is what we are amending. We are amending it so that we can get a more reformed regulatory body. Why do we want to amend, before I go to the section? A lot of recommendations will always come from the Committee and Members of Parliament.

From the outset, it is very sad that the CMA has no substantive Chief Executive Officer for over eight to nine months. In fact, it is a year. It is very very sad. The former Minister for Finance, the hon. Robinson Githae was given three names by the board and he decided to go home with those names. It is very very sad and he lost the elections. We even do not know those three names, but I hope the new Cabinet Secretary of the National Treasury will fast-track and give this institution a substantive CEO.

Hon. Temporary Deputy Speaker, the amendments are mainly geared towards improving the regulatory aspect of it. Secondly, the amendments are geared towards promoting Kenya as an investment destination choice. We cannot talk of promoting investments both domestic and international if we are not going to amend and reform our CMA.

Finally, one of the reasons why I think we have amendments to the CMA Bill 2013 is to create an environment for the mobilization of long-term resources so as to finance capital projects. We are talking of Vision 2030 and for us to mobilize long term resources, we have no choice. Those amendments in my opinion will mobilize resources for major projects.

Hon. Temporary Deputy Speaker, Sir, I will go to very few areas. Clause 4 of this Bill is correcting the inconsistency in Section 8 of the former Bill.

Clause 4 is consistent with Section 8 of the former Act. It basically gives the President the powers to appoint the Chair of the Capital Markets Authority and gives the Cabinet Secretary for the National Treasury the powers to appoint the Chief Executive. Clause 5 is basically amending Section 10 of the previous Act as far as protection from personal liability of the board and the staff of the CMA when they are discharging their duties within the instruments is concerned. So, the board and the staff are free from any liability. Clause 5 is amending Section 10 and giving that protection.

Hon. Temporary Deputy Speaker, Sir, amendment to Section 12 introduces Clause 12A and this again gives clarity between the role of the Cabinet Secretary in terms of issuing regulations and rules and that of the CMA in terms of issue of guidelines and notices so that, that becomes very clear. So, the CMA will have the powers to implement the Act as per the regulations and the notices given by the Cabinet Secretary. Clauses 10, 11, 12 and 13 introduce a new phenomenon called the “future markets” into our country. Clause 9 basically harmonizes Section 18 and creates a new Section 18A on the administration of what they call the “Investor Compensation Fund” which again becomes a mandate of the Investments Compensation Fund Board. Clause 14 introduces new sections, namely, Sections 22A, 22B, 22C, 22D, 22E and this basically give power to empower the CMA to issue directions and interventions in the operation of securities. Clause 28 introduces again new clauses, namely, 33D, 33E and 33F. This is

basically again to empower the regulator to petition the court for the winding up of a licence of a person if the CMA feels that, that is in interest of the investors.

Finally, Clause 30 introduces a new section called 34B. I want to urge you that the Clerk's office should provide the Members with the previous Capital Markets Act, Chapter 485A(4) of the Laws of Kenya, so that Members can interrogate the amendments. If you look at the amendments, unless you have read the previous Act, they do not make sense at all. So, I hope the Clerk's office will produce the previous Act, so that Members can relate what is being amended to what was there before. So, this Bill of 2013 introduces a new section, Section 34B and this is again more on procedure for compounding the offences. Section 31 is amended basically again to provide consequential amendments just like any other Bill. I have highlighted the key areas that this Bill is seeking to amend, but the Nairobi Stock Exchange is automated. We need to have a more reformed CMA. We cannot have a professionally reformed stock market when the regulator is living in the 1980s. We need the two to move at the same pace. I am sure that under the leadership of the Jubilee Government, a very digital Government, a Government that believes in serious investments and in double digit economic growth, the Capital Markets (Amendment) Bill, 2013, among the many other financial related Bills that are coming to this House, will be of great importance to this country.

So, I hope that we will pass this Bill, of course with amendments both from the Committee and from the Members. Today, I was shocked when the Chair of the Committee on Agriculture, Livestock and Co-operatives said that he has an amendment. An amendment can be brought to a Bill by the 349 Members and you do not need to consult anybody - not even the Speaker. You just need to take the amendments 24 hours beforehand and the amendments will appear. So, we expect Members to bring amendments to this Bill and the Committee to sit with the stakeholders. I am sure the Acting Chief Executive Officer of the CMA and his team are here and I am sure they will take notes. I urge the Chair of the Finance Committee to give them another chance, so that they can appear before them before the Committee brings amendments, so that they can agree on harmonized amendments.

With those very few remarks, I beg to second the Bill.

The Temporary Deputy Speaker (Hon. Kajwang'): The Leader of the Majority Party, just allow me to correct you. Amendments must have the notification of the Speaker, although that notification should come 12 hours to the time the Member wants to put them across.

(Question proposed)

Hon. Grace Millie Odhiambo, you are the voice of gender.

Hon. (Ms.) Odhiambo-Mabona: Thank you, hon. Temporary Deputy Speaker, Sir, for recognizing that I am the voice of gender, but it is not gender because gender is both men and women, but I am the voice of the women and also the voice of the people of Mbita.

I wanted to talk to the Leader of Majority Party, if you could indulge me before he goes away. What I wanted to tell him has implications on his going away, but as he was speaking, he was raising concerns that are very important to the Bills before the House. He was concerned that many Members are not available to see. I do not think he understands the meaning of the majority leader. I have raised it before with him that if he cannot do that task, he should let me sit on that Chair because ideally, I should be sitting on that Chair before he used the digital method to force himself on that Chair.

Hon. Temporary Deputy Speaker, Sir, having said that, I want to say that I support the amendments. The Majority Leader should, in consultation with the Legal Department, know that when he has substantive amendments to a Bill, he should bring a complete repeal of the Bill and not come up with piecemeal amendments because it becomes very difficult to make references and substantive contributions on that Bill.

For example, there are some issues that I wanted to make references to, but I could not get this Bill online or in the library. That is because there are very many amendments. I know that the Bill makes reference to the sections that we are seeking to amend. However, those sections have implications to other sections of the law. So, when you have those substantive amendments, you need to overhaul the Act.

I would like to say that it is important for us to bring some level of development in the CMA and to keep in touch and be in tandem with international development and standards.

Hon. Temporary Deputy Speaker, Sir, I would like to urge caution that there is a level of excitement with the technological world. As a country that is still trying to introduce laptops to Class One pupils and teachers who have absolutely no knowledge of the technological world, we need to be very cautious on our excitement with digitizing.

We are a country that needs to digitize but also remember that more than half of the population is analogue. They do not even know how to read and write. So, we must be alive to that fact. Even as we move slowly to digitalize, we must be aware that we are in a country that is very analogue. I am both analogue and very digital and I am very proud. I do not want to pretend to be digital and, therefore, unaware of the communities that we represent. We do not fish using computers, but we fish using our hands. That is very analogue.

Hon. Temporary Deputy Speaker, Sir, I also want to say that I am very happy that this Bill seeks to regulate and bring order and consistence in this sector which is good for investment. At the same time, we should ensure that we reform our governance sector because, if it is not reformed, it will not bring confidence to investors. I am seeing a very growing and worrying trend in the governance sector.

It is only yesterday that a staff of the former Prime Minister was summoned by the Criminal Investigations Department (CID) on charges, when I first read about them, I was in Class Five. We are retrogressing as a country, and we need to be very wary when we want to start summoning people on things that do not even exist in law; we see that they are imagining overthrowing the Government. How do you get into somebody's head? Is it digital through which you see what people want to imagine?

Having said that, I want to say that in relation to this law, I have heard the Chairman of the Committee speak about future markets. I would like him to speak specifically to that. I am a lawyer by profession and I will not purport to be an expert in this field, but I am a legislator. So, I want to be abreast with what he is talking about.

When I relook at the Act, it appears to do the exact opposite of what he is telling me because we are amending and removing future markets in most of the sections. So, I want to know what mischief you are trying to cure with that.

I would also like the Chairman, in his response, to talk to Clause 2(c). Will this clause not in a way give room to pyramid schemes like ventures in this country by what it seeks to do? I want the Chairman to look at Clause 2(c) very carefully because I was very worried that what this clause seeks to do will, in a sense, reintroduce pyramid schemes.

Hon. Temporary Deputy Speaker, Sir, I could do this myself. This is an issue to do with style in the definition of "expert". They have defined "expert" and they are really not saying

anything. You cannot define a word by using the same word. You cannot say that an expert is an expert. What is that? I have a suggestion of tidying up that clause.

I would like the Chairman to clarify to us what mischief he is trying to cure in Clause 5 by introducing some of those provisions that were not there before and particularly by introducing spouses, wives and other significant or insignificant others. I also notice that in the process, he has done away with the category that could have included the come-we-stay unions. I do not know whether he wants to be in the spirit of the Marriage Bill. However, I want him to tell us the mischief that he is trying to cure with the introduction of spouses, wives and others.

In Clause 4, I want to encourage the Chairman to include the provision for an open and competitive process in hiring because it is not just enough to say that you are giving the President the opportunity to hire the Chairman, and the Cabinet Secretary to hire the Chief Executive Officer. If we do not provide for an open and competitive process, the Chief Executive Officer can decide to be hiring his relatives and friends.

I would also like the Chairman to speak about Clause 6(b)(v). How do we ensure that the foreign bodies that are spoken about here are authentic? That is because Kenyans are always duped by foreigners, unless we provide a system through which foreign bodies are accredited so that you do not say that if you are a foreign body, then you can come and do business. How do you authenticate those foreign bodies?

Hon. Temporary Deputy Speaker, Sir, because I want to give other Members time to contribute, I will not raise all the issues that I have in respect of this Bill. However, I want to finish by saying that, please, slow down on this overexcitement with digital because it will take you to The Hague.

The Temporary Deputy Speaker (Hon. Kajwang’): Thank you hon. Odhiambo-Mabona. At the end of the day, do you support the Bill or do you oppose it? Could you speak to the HANSARD?

Hon. (Ms.) Odhiambo-Mabona: Thank you, hon. Temporary Deputy Speaker, Sir. When I started my contribution, I said that I support. I support the Bill.

The Temporary Deputy Speaker (Hon. Kajwang’): The Chairperson of the Departmental Committee, can you liaise with the Office of the Clerk so that you can provide Members with copies of the Act because this is a very substantial amendment. That way, Members can follow. This will enable us to debate this Bill when we understand it. I am sure that if you talk to the consumers where this Bill is coming from, you will provide every Member here with a copy of that Act so that we can contribute intelligently. That is food for thought.

Hon. Sakaja: Thank you, hon. Temporary Deputy Speaker, Sir. I would like to advise Hon. Odhiambo-Mabona that life is moving and technology is here with us.

The Temporary Deputy Speaker (Hon. Kajwang’): I direct the people handling those microphones to give the speaker the microphone at any given time. Hon. Sakaja, do not advise a Member. Please contribute to the National Assembly of Kenya.

Hon. Sakaja: Hon. Temporary Deputy Speaker, Sir, I am at liberty to advise, but I will not. I will just mention because she has spoken---

The Temporary Deputy Speaker (Hon. Kajwang’): Please, you are at liberty to discuss the issue on the Floor.

Hon. Sakaja: Hon. Temporary Deputy Speaker, Sir, she is willing, but I stand advised by the Chair.

The Temporary Deputy Speaker (Hon. Kajwang’): Thank you.

Hon. Sakaja: I will still mention the things she has mentioned because she has mentioned them with respect to this Bill.

The Temporary Deputy Speaker (Hon. Kajwang’): That is perfectly in order.

Hon. Sakaja: Hon. Temporary Deputy Speaker, Sir, technology is here with us, and one of the most exciting things about this is that we are catching up with the rest of the world by even introducing a futures market which has been in the United States of America from 1850s - and this is 2013.

When hon. Millie-Odhiambo or any hon. Members keeps telling us to slow down with respect to technology, we are really worried. Not even half of Kenya is analogue, maybe, politically. In terms of the young people in this country, who are the majority, they understand what technology can do to improve the lives of many. That is why we are excited. In any case, she is asking where she can find the Bill. It is online. The Kenya Law Reports or www.kenyalawreports.org, you can get the Act. The mother Act is there online.

Hon. Temporary Deputy Speaker, Sir, I would like to acknowledge the fact that the CMA has in the last 10 years performed exceptionally well, despite the challenges they have had. We have seen the growth of the Capital Markets in this country which has even created millionaires, like hon. Dennis Waweru here who naturally would not have had an opportunity to make certain gains in traditional markets. Of course, hon. Dennis Waweru, that is on a light touch. Really, it has given opportunities to so many Kenyans. With whatever they have, they have come and participated in Initial Public Offerings (IPOs), they are trading in the stock exchange and indeed, it has even contributed to raising funds for very noble projects and development programmes in this country.

Hon. Temporary Deputy Speaker, Sir, I must also acknowledge that for a long time, that institution was headed by a young lady who was below the age of 35 years. This shows that, indeed, young people in this country can perform and can lead such institutions with outstanding records. I must take off my hat for Ms. Stella Kilonzo. Even currently, the Acting CEO is a young person and he is doing very well. We must acknowledge that.

Hon. Temporary Deputy Speaker, Sir, I would like to speak about just a few things in this amendment Bill. First of all, this amendment introduces the futures market in this country, and it is very exciting. As I have mentioned, if you look at the Chicago Mercantile Exchange that started as early as the 1900 Century, the futures exchange in Chicago---

Hon. Member: On a point of order, hon. Temporary Deputy Speaker, Sir.

Hon. Sakaja: I am ignoring that point of order because it is disturbing my train of thought. The futures exchange in Chicago has really transformed agriculture in the USA. At that time, what they would trade mostly in was agricultural products. Today, the largest futures exchange in the world is in the National Stock Exchange of India and Mumbai, followed by the JAC in South Africa.

Hon. Temporary Deputy Speaker, indeed, introducing this futures exchange is in line with what Millie-Odhiambo was asking, and we can explain what it is.

(An Hon. Member interjected)

Hon. Temporary Deputy Speaker, Sir, could you kindly deal with this hon. Member who is disturbing me?

The Temporary Deputy Speaker (Hon. Kajwang’): Proceed, hon. Sakaja.

Hon. Sakaja: The futures exchange is where you can set a price for a commodity or a good that you want to purchase in the future by agreeing on a price now, especially in industries where there is large or high fluctuation of prices. This shields those who engage in it. For example, I can say that I want to buy oil in the next 10 years at this price, knowing that market or rather the price might be much higher then and I lock it at that price. Then you go into options but I think for now we will stick into matters of futures exchange. So, it is something that is radically transformative.

I would like to actually note that in the year 2009 or 2010, if I am not wrong, His Excellency Uhuru Kenyatta, actually hinted and mentioned about the formation or the setting up of futures exchange. This, indeed, is part of the promises that he made even before he was President, and I must applaud him for that.

Hon. Temporary Deputy Speaker, Sir, one other thing about this Bill - because now we just talk about the general principles - is that it provides alternative structures for capital raising, including securitization. The Chair will realize that for us to achieve Vision 2030 in this country, it is important that we look at Domestic Resource Mobilization (DRM) as avenues for raising capital that we need. If we look at the traditional sources of capital that can be raised even for this Government projects, it will be impossible for us to achieve Vision 2030. What the Bill gives us is alternative sources of capital raising. To this end, the Bill expands the horizon from the traditional issuance of long-term bonds to well packaged financial instruments such as the Mortgage Backed Securities (MBS). Overall, the Bill provides a very clear framework for securitization of transactions.

Hon. Temporary Deputy Speaker, Sir, I also heard a Member asking where the mischief is because they are not understanding how we are creating the futures market. The Bill is clearing a distinction between the stock markets and the futures markets. That is why in some cases you can see that futures are being removed from that definition because they must be dealt with separately as an exchange on its own. So, that is why that is being done.

Hon. Temporary Deputy Speaker, Sir, I must note that this Bill allows for regulation of cross-border trading of capital markets. This, indeed, will strengthen the economic integration which we are, in the East African Community, providing more opportunities for this country. You will realize that we are surrounded by more than 400 million people and you realize that, indeed, through the Capital Markets, we can have investors from elsewhere coming into this country through the capital markets and also Kenyans having the liberty to invest across the borders.

Hon. Temporary Deputy Speaker, Sir, I think the Chairman clearly explained the penalties that will come with insider trading. At some point, we had seen a clique forming within the capital markets that was giving each other information instead of trading at the expense of other investors. Those penalties must be enforced since they are being proposed in this Bill. That is because everybody who walks into the capital markets should know that they have, at least, an opportunity or the same set of information available to all of them and there is a fair level playing ground.

Hon. Temporary Deputy Speaker, Sir, finally, I just want to speak about internal reorganization of CMA because as you realize, there have been inconsistencies in the previous Act on clarifying the appointing powers of who appoints who. It is clear that the President has sole powers of appointing the Chairman, while the Cabinet Secretary is empowered to appoint the CEO. That is clear and it protects personal liability on members of the board and staff in connection with actions which are taken in good faith, pursuant to all legal instruments issued

under the Act. This will allow members of staff and the board, to, indeed, give their whole in the performance of their duties.

With those remarks, I beg to support this Bill. I am in the Second Reading and I hope we will still have time because I am a Member of the Departmental Committee on Finance, Planning and Trade so that we can educate hon. Members more on the implications of this Bill. Even as we continue with the hearing from members of the public, we would like them to come and give their contributions to this Bill.

With that I support.

The Temporary Deputy Speaker (Hon. Kajwang'): Thank you so much, hon. Sakaja.

Hon. Waweru, you are next on line, but allow me to recognize hon. Anyanga A.T., so that we have divergence of opinions on this Bill.

Hon. A.T. Anyanga: Thank you, hon. Temporary Deputy Speaker. I rise to support the Bill. In so doing I want to recognize the fact that the reforms we are carrying out in the capital markets are part of the wider reforms that we should see taking place in the financial sector of this country. However, we know that in order to grow this economy, we need to be looking at how the service industry is developed. Indeed, under the economic pillar of the Vision 2030, one of the key sectors focused on in order to drive this economy is the financial services sector. In order to grow this sector, we need to look at how to develop the capital markets.

The exciting thing about the amendments to this Bill is the fact that if you look at the kind of products that are being proposed to be developed, they are very new and innovative. This is in the sense that we are moving away from the traditional stock market which we have been having in Kenya to more modern innovative markets like the futures markets. If you look at other developed financial markets, for example, Hong Kong, London, New York, Johannesburg and so on, all those markets are where they are by virtue of taking on board or embracing new products like what the Capital Markets Authority is proposing to develop in Kenya. If you have to be competitive, remember one of the challenges that faces us as a country is global competitiveness. We are not going to achieve this global competitiveness if we are not able to attract financial investment in Kenya - both from local investors and regional and international investors.

It is in this regard that I feel we need reforms that will give investors confidence to put their money into this economy. We will then be able to grow and develop this economy to the level that we need to reach and achieve our goal of Vision 2030. Beyond that, however, we must also realize that one of the challenges we are faced with as a country is that the capital markets is a fairly elitist market - it is a market that is understood by very few people and yet, when we have IPOs, we appeal to the general public to invest in them. So, the Capital Markets Authority has a huge task to educate the general public on the dealings of the stock market, the futures market and the commodities market.

We know that in the past, we have had situations where people get into investments during IPOs with absolutely no knowledge of what they are getting into. Ultimately, when they get dividends of one shilling or half of a shilling, they imagine that probably the companies that they have invested in have ripped them off when in reality, they should have been educated enough to understand.

My support for this Bill is because of the good reforms that will be coming to the capital markets and, secondly, the fact that there is clear separation of powers between the regulator, the Cabinet Secretary and the President, particularly with regard to appointments. Thirdly, when I look at the issues of governance within the sector, I realize that problems which have bedeviled

this sector, including insider trading, have been given very clear guidelines on how they will be dealt with.

Hon. Temporary Deputy Speaker, of significance is the issue of unclaimed dividends. There are many people who pass on and their dividends are unclaimed. There has never been an authority to follow up those kinds of dividends to pass them on to the beneficiaries. This Bill proposes clearly that the unclaimed dividends be surrendered to the Unclaimed Assets Authority which is now an institution that is in charge of that. In this country, we have billions of shillings in the banks and at the Nairobi Stock Exchange whose owners have passed on, but whose claims have not been put in place because, for a long time, we did not have an authority to undertake that exercise.

As I conclude, I would like to add a link to what we are doing to the education sector. We are dealing with a very sophisticated area of financial management. However, if you look at our education system, in the most sophisticated institutions of Kenya, what we are discussing as the futures markets, derivatives, commodity markets and so on are subjects that even professors are grappling with in the universities. In order to grow the capital markets, we need to have a curriculum that addresses very specific areas of finance like this one. As it is today, graduates in Bachelor of Commerce, or Finance and related areas like accounting in our universities still struggle to understand how the capital market operates.

The challenge, therefore, is how we link our education system to the new frontiers that we are getting into in order to grow our economy. I think that the area of capital markets is one that should have a clear strategy in the education system with the aim of developing experts and professionals.

I thank you, hon. Temporary Deputy Speaker and I beg to support.

Hon. Waweru: Hon. Temporary Deputy Speaker, I support the Bill. I would like to tell hon. Millie Odhiambo that, at this rate, she should be able to sell fish from her constituency in advance in the futures and commodities market. She should not fear technology. Laptops and computers are here with us. It is about time we told people that some of the phones we are using currently are like computers and so, I do not understand the big issue.

As it is at the moment, it is possible to even transact in the stock exchange using the mobile phone. Those are some of the things the Jubilee Government would like to take forward. I want to support this Bill because for one, having interacted with most of the investors, I think Nairobi is one of the best investment destinations. It is in fact one of the Sub-Saharan financial hub. One of the things that most investors look at is how deep your financial market is and how liquid the market is for you to put your money. The other major thing that investors look at is the micro-economic environment, the infrastructure, demographic issues, gross domestic product growth and political stability. So, when we try to reform our markets and establish a futures market--- It is a welcome thing although we need to come up with a few amendments. As you are aware, the NSE has been in existence since 1954. It was only in 1994 that we had the CMA. This tells you that the markets and products precede regulation.

Therefore, I support the Bill but I would urge the CMA to consult seriously with the relevant practitioners, so that they do not come up with regulations that do not support product innovation. Since we are talking about achieving Vision 2030, which is about transforming ourselves to a medium-income country by 2030, capital market future commodities is the way to go but we need to come up with products. My feeling is that the proposed futures market should have been captured as a product of an existing establishment like the current Nairobi Stock Exchange which has a new infrastructure and secretariat, so that we can take off.

Therefore, one of the things that I am going to urge the CMA to do, having done a very good job, is that we need to start like yesterday to be able to move forward and establish the proposed market to allow the NSE to roll it out since they have bought the system. The NSE has the infrastructure required for offering this one as a product alongside others. That way, we will be able to take off almost immediately. As hon. Sakaja has said, the futures market is very important because one can have some level of probability, if you want to predict on some of your financing. I realize that so many people do not understand those terms, but it is simply predictability on some inputs if you are, for example, looking at getting some kind of financing in the future.

The Temporary Deputy Speaker (Hon. Kajwang’): Thank you, hon. Waweru. Next is hon. Kenneth Odhiambo Okoth. We have about six more minutes to go.

Hon. Okoth, you have 10 minutes but we can only spend the next six minutes. Are you able to share those minutes equitably with your colleague, hon. Junet Sheikh Nuh, who would want to say something about this Bill? So, if you can take three minutes, hon. Junet can take three minutes as well.

Please, proceed.

Hon. Okoth: Thank you, hon. Temporary Deputy Speaker. I rise to support the Bill and echo the point that hon. Millie Odhiambo had suggested in terms of procedure when we have so many substantial changes. The spirit and the direction in which we are going to digitize and revolutionize the economy and make business systems in this country is all good. We might help and actually do a whole new Bill and repeal the old one. Be that as it may, I want to support the Bill.

As it has been said, there is a lot of business to be done. If we put in the legal structures, they will sell out Nairobi as an investment capital in East and Central Africa, and in the whole of South Sahara, competing with financial institutions like the Stock Exchanges of South Africa and Nigeria. It will be really a fantastic thing for us. So, I am fully in support of this initiative. My only concern relates to this would be outside this Bill.

Hon. Temporary Deputy Speaker, as a patriot of this nation, I remain very concerned that our children cannot participate in the business of the futures market, if they are not well educated to become the future stock brokers to manage this market and things like Nairobi Mercantile Exchange, which hon. Sakaja will soon set up in the model of the Chicago Mercantile Exchange. Our young people are out of school. The teachers have agreed to go back to work. Let us get a statement quickly from the Government as to when the schools will be opened.

We are discussing important issues, but what our young people need urgently, in order for them to be able to participate in those matters in future, is education. I am sure that the children of Ruaraka Constituency, who are right now sitting at home with their parents listening to us talking about such important matters and ignoring the most urgent issue affecting them today, having been out of school for 24 days, are wondering why this House is not taking an interest and a seriousness of purpose. We are saying that we cannot discuss this issue at the earliest but until Tuesday. I hear that the Government has some point of information. I hope that hon. Sakaja can give us information as much as possible.

The Temporary Deputy Speaker (Hon. Kajwang’): Hon. Okoth, do you want information from hon. Sakaja?

Hon. Okoth: Hon. Temporary Deputy Speaker, I have reconsidered my position. I do not want information from him. I want action. The matter is---

The Temporary Deputy Speaker (Hon. Kajwang’): Thank you very much, Member for Kibra.

Hon. Okoth: Hon. Temporary Deputy Speaker, my six minutes are not yet over.

The Temporary Deputy Speaker (Hon. Kajwang’): Did you not want to share them with your colleague, hon. Junet?

Hon. Okoth: Hon. Junet, please, the children of Migori are out of school. How do you feel about that and how can we invest in fantastic practical financial futures market that we cannot justify?

The Temporary Deputy Speaker (Hon. Kajwang’): Member for Kibra, I appreciate that you have good discussions but, please, let us see how they relate to the Bill before the House. Let the children, their education and all those good things relate to the Bill we are discussing.

Hon. Junet, you have three to four minutes to say the last word before the House rises.

Hon. Nuh: Thank you, hon. Temporary Deputy Speaker. It is only that two minutes were wasted by the hon. Member for Kibra on issues that are not related to this Bill. He needs to read the Standing Orders. It is true that the children have problems, but this is not the right time to talk about them.

Hon. Temporary Deputy Speaker, I stand to support the Bill since it is going to make changes in the financial sector of this country. If there is a segment of the financial sector that is mysterious in this country, it is the securities exchange. It is a segment which operates like a cartel. Since Independence, many people have been trying to join the securities exchange. Even getting a seat on the board is like vying for the presidency of this country. I stand to be corrected if I am wrong, but that is how I see it.

The securities exchange is one of the institutions that create wealth and jobs for this country. People fight over land just for the reason that it is an investment commodity. If people invest in the securities exchange, they can make more money than investing in land, except that Kenyans are not educated on the operations of the securities exchange. People are not being told how the NSE operates.

(Hon. Okoth crossed the Floor without bowing)

The Temporary Deputy Speaker (Hon. Kajwang’): Order, hon. Okoth! You cannot just cross the Floor anyhow. Could you, please, go to the Bar and do the necessary before crossing to the other side to talk to your colleague? You do not just walk across anyhow. Come back this other way.

(Hon. Okoth walked to the Bar and bowed to the Chair and withdrew from the Chamber)

Thank you. You are now at liberty to leave the Chambers.

Can you finish, hon. Junet?

Hon. Nuh: Hon. Temporary Deputy Speaker, the hon. Member is representing Kibra, a place where there is no law and order, except flying toilets.

(Laughter)

The Temporary Deputy Speaker (Hon. Kajwang’): I am sure you want to withdraw that one, hon. Junet.

Hon. Nuh: No! There are flying toilets at night!

The Temporary Deputy Speaker (Hon. Kajwang’): Hon. Junet, there was law and order in Kibra the last time I checked.

Hon. Nuh: Hon. Temporary Deputy Speaker, it is okay. There is law and order. I withdraw that bit but there are flying toilets in Kibra at night.

To continue with my contribution, a securities exchange is a place where people can develop their lives financially. People think that investing in land in this country is the main thing. If people had diverted their attention from land and invested in securities, they would have done much better than the way it is today in this country. It is the duty of the Government to teach its citizens about investment destinations. It is up to the Government to teach the citizens that the securities exchange is a good place to invest, and that it is a place which can give them high returns on their investments.

This Bill is even going further to make the securities exchange better than it is today. If you want to know that the securities exchange in this country is like a cartel, you should note that for the last one year, the Government could not employ the Chief Executive Officer of the CMA. We have been having an acting CEO because the stakeholders in that sector cannot agree on which person to run the place.

ADJOURNMENT

The Temporary Deputy Speaker (Hon. Kajwang’): Hon. Members, it is now time to interrupt our business. The House is, therefore, adjourned until Tuesday, 23rd July, 2013 at 2.30 p.m.

The House rose 6.30 p.m.