

NATIONAL ASSEMBLY

OFFICIAL REPORT

Tuesday, 21st October, 2014

The House met at 2.30 p.m.

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

PRAYERS

COMMUNICATION FROM THE CHAIR

PRESENCE OF DELEGATION FROM ISRAELI KNESSET ON SPEAKER'S ROW

Hon. Speaker: Hon. Members, I wish to introduce to you a delegation of senior staff from the Israeli Knesset (Parliament), who are seated at the Speaker's Row. The delegation comprises the following:

Mr. Ronen Plot	-	Director General, Leader of Delegation
Mrs. Shoshana Plot	-	Spouse to Director General
Dr. Shirley Avrami	-	Director, Research & Information Centre
Dr. Samuel Chayen	-	Sustainability Coordinator
Dr. Rubi Sandman	-	Head, Information and Technology
Ms. Netta Inbar	-	In-charge of incoming visits, Foreign Affairs Department
Mr. Shmuel Tzabari	-	Commander, M.K. Protection Force, Knesset Security

Hon. Members, their visit follows talks between the Knesset Director General (Clerk) and the Kenyan Ambassador to Israel and a subsequent courtesy call by three Israeli Members of the Knesset to the office of the National Assembly Leader of Majority Party earlier in the year. They are in the country on various bilateral engagements aimed at bolstering the existing cordial relationship between the two sister Parliaments of Kenya and Israel. Particularly, their visit brings to the administration of our Parliament the spirit of the "Green Knesset Project" geared towards investment in ecology with conservation of water, electricity and paper.

The delegation has been with us since Sunday, 19th October, 2014 and will depart in the course of today. As they leave the country for Israel, we wish them to take the Kenyan spirit to the Israel Knesset and the people of Israel in general.

On my behalf and that of the House, I wish to welcome them to the National Assembly and wish them all the best.

Thank you, hon. Members.

PAPERS LAID

Hon. (Ms.) Kajuju: Hon. Speaker, I beg to lay the following Paper on the table of the House:-

Report of the Committee on Regional Integration on the Protocol for the Establishment of the East African Community Monetary Union.

Hon. A. B. Duale: Hon. Speaker, I beg to lay the following Papers on the Table of the House:-

The Teachers Service Commission Financial Statements for the year ended 30th June, 2013 and the Certificate of the Auditor-General therein prepared pursuant to Article 254(1) of the Constitution.

The National Environment Tribunal Annual Reports and Accounts for the year ended 30th June, 2014.

The Agro-Chemical and Food Company Limited Annual Report and Financial Statements for the year ended 30th June, 2013

The Report of the Auditor-General on the Financial Statements of Kenya Citizens and Foreign Nationals Management Service for the year ended 30th June, 2013.

The Report of the Auditor-General on the Financial Statements of Kenya Animal Genetic Resources Centres for the year ended 30th June, 2013 and the Certificate of the Auditor-General therein.

The Report of the Auditor-General on the Financial Statements of Kenya Agricultural Research Institute for the year ended 30th June, 2013 and the Certificate of the Auditor-General therein.

The Report of the Auditor-General on the Financial Statements of Nyayo Tea Zones Development Corporation for the year ended 30th June, 2013 and the Certificate of the Auditor-General therein.

The Report of the Auditor-General on the Financial Statements of Kenya Leather Development Council for the year ended 30th June, 2013 and the Certificate of the Auditor-General therein.

Thank you, hon. Speaker.

NOTICE OF MOTION**ADOPTION OF REPORT ON PROTOCOL
FOR ESTABLISHMENT OF EAC MONETARY UNION**

Hon. (Ms.) Kajuju: Hon. Speaker, I beg to give notice of the following Motion.

THAT, this House adopts the Report of the Committee on Regional Integration on the Protocol for the Establishment of the East African Community Monetary Union, laid on the Table of the House on Tuesday, 21st October, 2014.

Thank you, hon. Speaker.

Hon. Speaker: Hon. Members, before we proceed to Statements, let me recognise students from the following institutions:-

(i) Yumbani Primary School from Makueni Constituency;

- (ii) Buruburu I Primary School from Embakasi West Constituency;
- (iii) Namagara Primary School from Malaba Constituency; and,
- (iv) Nairobi South Primary School from Starehe Constituency.

STATEMENTS

TRIBUTE TO PROF. ALI AL AMIN MAZRUI

Hon. A.B. Duale: Hon. Speaker, I want to take this opportunity to ask my colleagues to follow me in paying tribute to the late Prof. Ali Al Amin Mazrui.

Hon. Speaker, Kenya has lost one of its native sons, the most influential, most cherished and one of the most well-known scholars. Prof. Ali Mazrui died on 13th October, 2014 in the United States of America. He was a very popular professor of history. He was a political scientist and critical proponent of North-South relations. He was a documentary film maker, a teacher, an orator, a journalist, among many others. The late professor's brilliance raised him to the apex of scholarly distinction and earned him respect amongst his peers.

On the outset, I want to thank the national Government, and more particularly the Ministry of Foreign Affairs for making sure that Prof. Mazrui's will was achieved. They paid all the expenses pertaining to the bringing of the body of our brother scholar back home. I also want to thank the Mombasa County Government for playing a very significant role.

Prof. Mazrui was a man who was held in high esteem because he had set the bar for academicians not only in Africa and Kenya, but in the whole world. Ali Mazrui got his primary and secondary education in Mombasa at the then Arab School. He proceeded for his Bachelor's Degree in the University of Manchester in 1960, his Master's Degree in Columbia University in 1961 and got his Doctorate Degree in 1966. Mazrui left Kenya after graduating from Oxford and went to Uganda, where he taught at the Makerere University. He has been remembered by those who were at the Makerere University, including former President Mwai Kibaki, when he was the Chair of the Political Science Department as well as the Dean of the Faculty of Arts and Social Sciences.

In 1973, Mazrui moved to the United States where he spent the rest of his life, where he was involved in academic work. In 1974, a year after he relocated to the US, he joined the University of Michigan where he was elected the Director of the Centre for Afro-American and African Studies. He served in that capacity from 1978 to 1981. Until his death at the age of 81, Prof. Mazrui was the Director of the Institute of Global Cultural Studies. He was also a Professor in Humanities and Political Science, African Studies, Philosophy and Interpretation of Culture at the State University of New York.

Prof. Mazrui was one of Kenya's most outstanding intellectual and academician. He will be remembered for his path-breaking analysis and synthesis of history, economics and governance to fine-grain coherence between the Kenyan and the ultimate African experience. He had presented its analysis with persuasive eloquence at all public forums. The impressive body of publication and the lectures he gave is a catalogue for inquiry into which more schools to come in the world will use for many years. His spirit will always inspire Kenyan and African scholars for many years to come. His death was a

great loss to his family, to the Muslim community in Kenya, to his country, to our continent and humanity.

On behalf of the Jubilee Coalition, and on behalf of my colleagues in this House, I wish to express my sincere condolences to the family and friends, the people of Mombasa County, the coastal region, and the people of Kenya, East Africa and the world.

May his soul rest in peace!

Hon. Speaker: Yes, Leader of Minority Party.

Hon. Nyenze: Hon. Speaker, since the sudden and shocking demise of Prof. Ali Mazrui on 13th October, 2014, in New York, thousands of tributes have continued to pour in from people from all sheds of life who have remembered this fallen giant from all over the world. Presidents, prime ministers, ministers, university chancellors, scholars and students from all walks of life have poured their tribute. People have eulogized him in the most glowing terms. Therefore, I join the rest of the world in mourning Prof. Mazrui as the Member for Kitui West Constituency, the Leader of Minority Party and in my personal capacity as a fellow Kenyan. There are many tributes pouring in from all over the world for the late Prof. Mazrui, whose mortal remains were laid to rest at the 900-year old Mazrui family cemetery.

The late Prof. Mazrui was born in Mombasa on 24th February, 1933. He was buried next to his family in the same island of his birth and a life well spent. Prof. Mazrui was an author and co-author of more than 35 books, numerous book chapters, hundreds of scholarly articles, magazines, newspaper commentaries and a host of television series and triple heritage. The late Prof. Mazrui towered as an international scholar in every continent. He can be acclaimed as a great Pan-Africanist. He was a great African and a great humanist. Prof. Mazrui was a critical thinker whose views elicited both excitement and controversy alike.

Amongst his fellow scholars and students, he was, of course, the hallmark of deep and visionary thinkers that provoke controversy. I am sure that Prof. Mazrui was quite used to all this writing and controversy-provoking lectures. The truth is that most authentic deep-thinking Africans and non-Africans genuinely interested in understanding the reality as opposed to the perceived notions of African affairs have always valued his contributions even when they did not share his views. Many will remember the famous public intellectual debates between the late Prof. Mazrui and his contemporaries.

The most famous of the debates, of course, was that between Prof. Mazrui and Prof. Walter Rodney at the Makerere University Main Hall, in May, 1970. There were other debates between him and the late Prof. William Robert Ochieng and Prof. Taban of South Sudan. In all those intellectual matters, regardless of whether you agreed with him or not, you could not fail to note the mutual respect and courteous language that Prof. Mazrui used. It would be a good lesson of engaging in respectful debate. We must revive the culture of civilised public debate at our universities in honour of Prof. Ali Mazrui.

Prof. Mazrui was a humanist and selfless man who was not interested in acquiring material possessions. His widow, Pauline Uti Mazrui, gave testimony on how Prof. Mazrui would spend all his money helping others before the month ended and when asked, he would say that God would provide. Prof. Okello Oculi, who was a tutorial assistant in the Political Science Department at the Makerere University, escaped death at the hands of the late Idi Amin's soldiers only because Prof. Mazrui called Prof. Amin's

office and asked that he should be released. He later organised for Prof. Oculi to leave Uganda.

The current Technical University of Mombasa was a product of his effort to take university education closer to his people in Mombasa, when he was the Chancellor of Jomo Kenyatta University of Agriculture and Technology (JKUAT).

Hon. Speaker, Prof. Mazrui used his brilliant mind to traverse the world articulating African and global issues. He wore the badge of Pan-Africanism proudly as he stood up for the rights of the oppressed in Africa and in the global South. Indeed, Kenyan scholars have much to learn from Prof. Mazrui, who enriched the global debate on issues while some Kenyan scholars were busy advancing some petty and narrow ethnic agendas. Despite coming from a strict Muslim background and being the son of the Chief Kadhi of Kenya, Prof. Mazrui married two Christian women; one from Great Britain and another one from Nigeria. This shows that he embraced everybody and everyone and preached tolerance in words and in deeds.

As I conclude, I urge the Government and Kenyans to honour the legacy of Prof. Mazrui by promoting free speech. The fundamental freedoms are a prerequisite for the building of a civilized and a democratic society, where people are judged by conviction of their ideals and not by their tribes. Since 1966, when he got his PhD, Prof. Ali Mazrui never worked in any Kenyan university as a lecturer. We must avoid the conditions that have made our best minds go into exile. Prof. Mazrui may be gone but through his numerous works and deeds, he has attained immortality. His name shall live forever and will be mentioned alongside William Shakespeare, Chinua Achebe, Walter Rodney, Kofi Awoonah, Wole Soyinka, Leo Tolstoy, Okot P' Bitek and others, who have etched their legacy on indelible and unforgettable way on the sands of time.

Thank you, hon. Speaker.

Hon. Speaker: Yes, hon. Amina Abdalla.

Hon. (Ms.) Abdalla: Thank you, hon. Speaker. I would like to join my colleagues in sending my condolences to the family, friends and colleagues of the late Prof. Ali Mazrui.

Hon. Speaker, I thought it befitting to share a discussion that I held with Prof. Mazrui when I first met him as a graduate student at Cornell University in the Spring of 1998. With all humility, he showed so much interest in my research topic and wanted to know why I wanted to come back home before I finished my business there. Before I could explain why I wanted to come back very fast, one of my advisors quipped that the reason as to why I could be going back home fast was that I was the only graduate student who happened to have celebrated President Moi's win of 1997 election, and that probably I was coming back to make some contributions to that Government. Little did they know that I was actually coming back to go and work in the self-declared Republic of Somaliland!

Prof. Mazrui wanted to know why, as a progressive young person, I would have supported the candidature of President Moi in 1997. I joked to the professor that it was because Moi was the candidate for the minorities on the ballot paper, and that was the reason as to why I supported him. He was not amused and wanted to get my reasoning as to how I could live with the corruption and tribalism that thrived in Moi's Government. We went on to discuss tribalism, and I said that it was only me and him, as people from

small tribes, who could afford to talk about tribalism because every other person was only talking about tribalism when it was somebody else practising it, and that when they get opportunity, they do the same.

I had explained to him that leading Opposition figure then had just been to Cornell a month before; he only spoke English when he was at the podium. When he was socializing, he socialized in his mother tongue. I, as a minority, did feel the effect of tribalism. Tribalism should be felt, whether practised by those in power or by all of us.

The second issue was on corruption. He said, "You know, the Government is very corrupt!" I said that I was not going to defend that, but we must accept that a lot of times in Kenya corruption is more of lack of opportunity. I told him that should those people in the Opposition get into power they would practise as much corruption as those in power now. Sure enough, you saw it from 2003 when I was in this House. In 2007, leading Members of the second liberation practised corruption. The professor did challenge me then, "If you are implying that corruption is genetic to every Kenyan, it is for you as the young person to give us solutions to corruption and tribalism." I must today, pay tribute to Prof. Mazrui because when the opportunity to make legislation that would deal with corruption and cohesion in this country came up, I did play my part. As a legislator, I must say that we cannot legislate cohesion; we cannot kill corruption through legislation. We must then give to the next generation because a lot of those who were here have already reached the same conclusion with me that probably as Kenyans, corruption is genetic and we need to look for another opportunity to address it.

As a tribute to Prof. Ali Mazrui, I hope that this House will make legislation and will ensure that in our oversight role, we are able to guide this country so that we can kill this cancer of corruption and tribalism. Tribalism should not only be criticized when others are in power, but we also criticize it when we practise it in our small cocoons wherever we are.

With those few remarks, I pray that this Government gives a befitting memorial to Prof. Mazrui as a hero in the academia within this country. With those few remarks I beg to support.

Hon. Mwachugu: Ahsante, Mhe. Spika. Naomba nami nichukue nafasi hii kupeana rambirambi zangu kwa familia ya kaka yetu, ndugu yetu mpendwa, Prof. Ali Mazrui. Wengi wetu tulimfahamu Prof. Ali Mazrui tukiwa chuoni kama wanafunzi wakati alikuja kupeana mijadala kadha wa kadha, ijapokua wakati huo ilikua vigumu sana kwa mtu msomi mwenye fikira tofauti na za uongozi, kukubaliwa kuendelea kupeana mijadaala. Ilibidi mara nyingi Prof. Ali Mazrui awe nje ya nchi kwa kueneza na kufunza watu ambao walikua wanahitaji elimu yake na ufasaha wake. Tutakubali kuwa Prof. Ali Mazrui alikua amesifika. Alikua ana sifa za hali ya juu. Prof. Mazrui alikua ametukuzwa na watu kwa ule ufasaha wake na vile alivyo kuwa anawajibika katika shughuli zake za kila siku. Prof. Ali Mazrui alikua ametamba katika shughuli za elimu. Nani angeweza kutamba mbele ya Prof. Ali Mazrui kwa kisomo alichokua nacho? Baada ya kutamba kimasomo, alikua ameheshimika kwa sababu ya maadili yake. Ufisadi, kama wenzangu walivyotangulia kusema, ulikuwa si mmoja wa ngao zake katika maisha.

Mara nyingi alikosana na wengi kwa sababu ya kuzungumza kwa undani kuhusu ufasadi. Aliwakemea wote ambao walikua wanajaribu kuendesha ufasadi. Tutakubaliana kuwa, kifo cha Prof. Ali Mazrui kimepokonya nchi hii na ulimwengu mzima na wasomi

wote kwa ujumla, Mwanakenya shupavu; shujaa. Nina imani atawekwa katika kumbukumbu zetu nchini kuwa mmoja wa watu wa Kenya ambao wamejibidisha iwezekanavyo katika mrengo wa elimu.

La mwisho, naomba wenzetu ambao pia nao wamesoma, wajaribu wawezavyo kuiga mfano wa Prof. Ali Mazrui. Si mtu ambaye alikuwa anataka kujilimbikiza mali ya ulimwengu. Sote tunajua tunaiacha, bali aliishi kama mtu mnyenyekevu, mpole mwenye hekima na busara, na mstaarabu. Yote haya ni maadili ambayo yalikuwa na Prof. Ali Mazrui.

Kwa hayo machache, naomba kutoa pole zangu kwa familia na nchi nzima kwa ujumla. Ahsante Mhe. Spika.

Hon. Chanzu: Thank you, hon. Speaker. I rise to pay tribute to Prof. Ali Mazrui and to pass a word of condolence to the family that he has left behind. Prof. Mazrui is a good example of what the scholars in the world have been able to do. I think from what we have read and what we have seen, it is something that as a country or a Government, we must learn to do so that we can harness the kind of qualities that were in Prof. Mazrui.

In 2003, this country through President Mwai Kibaki realized that Prof. Ali Mazrui had an important role to play in this country. President Kibaki appointed Prof. Ali Mazrui the Chancellor of Jomo Kenyatta University of Agriculture and Technology. He played an immense role in the university. It is from that time that the university was able to expand drastically up to the level that it has reached. Again, it is the quality of person, character and personality that earned the University the much reputation that it has today.

We have allowed mediocrity in our universities. In fact, if you go to a place like the University of Nairobi, the people who study locally do not find opportunity to teach there. Universities employ people who went to study outside the country and who may not be qualified to teach higher education. So, there is need for tolerance on our part. There is need for us to recognize those who have been able to perform so that we do not encourage mediocrity.

With those few remarks. I pay my tribute.

Hon. Wakhungu: Thank you, hon. Speaker and thank you for granting me this opportunity to pay my tribute to this great Kenyan, Prof. Ali Mazrui. I did not get an opportunity to meet Prof. Ali Mazrui, but I have read about him. I have read about his writings in the academic journal and, indeed, he was a great teacher. He was a great scholar. He was a great researcher and more importantly, listening to what people have to say, he was very charismatic.

Hon. Speaker, it is fortunate he passed on when the Heroes Act has been operationalised. It is important for this country to recognise the great Kenyans who have done so much as far as the improvement of the academic welfare of this country is concerned. Professor Ali Mazrui, as we have heard, was Chancellor of the Jomo Kenyatta University. He spearheaded the formation and establishment of the Mombasa Technical University. It is my humble request in line with the Heroes Act that if it adds value, the Technical University of Mombasa be converted to become Professor Ali Mazrui University.

It is, indeed, important that we recognize our heroes. We have just celebrated *Mashujaa* Day. Indeed, Professor is a *Shujaa*. One thing that is unique about Professor, as

much as he was a Muslim, he was very flexible. We are told that he married a Christian. In the world right now, Christians are facing persecution. It is high time Muslims and Christians existed peacefully. We must tolerate each other and be flexible. When you go to other countries, Christians are being persecuted because of their faith. It is my humble request that tolerance must be there when it comes to religion.

He was a patriot. You can imagine he had an opportunity to be an American, but he did not want to be a citizen of America. Many Members of Parliament who are here today, if they are given a chance to go to America, they will not want to come back. This is a man who had a chance and he said: "No, I have to go back to Kenya." Indeed, he was a patriot. He loved this country. That is why he accepted to be buried in Mombasa. He was a humble man. When many people get positions, they want to acquire wealth. The element of corruption comes in. This is a true Kenyan who, indeed, entertained zero-tolerance to corruption. Many of us talk about zero-tolerance to corruption, but when it comes to practice, we do the opposite. You can imagine a whole Professor; an international scholar, being so humble. He was very simple. I have no doubt he was a caring loving husband and father. I am requesting that as Kenyans, we must borrow a leaf from what Professor Mazrui believed in.

I know many of us are caring, but there are some attributes that we must learn from him, like humility, simplicity and zero-tolerance to corruption. Indeed, we are looking forward to having many Mazruis in this country. I am sure if we have one or two in every county, Kenya will be very far. I want to stop there, but I want to tell his family that he has gone; he has left his wives and children behind, but as a practising Christian; a practising Catholic, when you read the Bible, it says that the father and husband has gone, but we have a great Father in Heaven. We are calling upon the wives and the children to believe in God and everything is going to be possible.

Hon. Speaker: Hon. Sakwa Bunyasi!

Hon. Bunyasi: Thank you, hon. Speaker. It gives great pleasure to get an opportunity to add my voice to the good words that have been said about the great Professor Ali Mazrui. I got to know him when I was a first year student at the University of Nairobi back in 1968. As you might recall, for those few who might recall, that was about the peak of the political debate and romanticism that had characterized the newly independent states. His voice was particularly loud because while he was in Uganda, he was in a place to engage all the way to the President in public debates as he did in Tanzania.

In Kenya, the style was somewhat different and that was not going to be feasible. He was the kind of a person who seemed to speak his mind borne out of conviction and it was much easier to deal in Uganda than it was to deal in Kenya at the time. So, it was not a surprise that at the time he did not opt to come to Kenya.

Professor Ali Mazrui has done a lot in creating intellectual space in leadership. Leadership is not something to be governed entirely by the instruments of state. Leadership is something to think about, reflect about and allow an open policy debate around those aspects of leadership that are crucial in getting a country to move forward. He excelled in that respect as a political scientist. He was concerned principally about contemporary issues. In many countries, discussing contemporary issues becomes a riskier business than discussing historical issues.

He was a great historian, but a controversial one as some few might recall, particularly with the BBC sponsored series on issues of heritage and what African heritage should be. That was controversial. That is a debate that we will carry on long after he is gone.

Hon. Speaker, while I was also at the Diaspora for at least 30 years, we looked up to him as an excellent scholar that carried the African and the Kenyan flags high. Life has been pulled out of that body and soul that was a great light to the entire continent. I rest my statement by wishing the family of the late Professor well. From the Professor, we can emulate the fact that issues of public policy in leadership must be open to continuous and active debate borne out of some thinking and intellectualism, to lift it off from the raw differences that seem to split us all the time.

As I speak, for example, issues of leadership in Kenya are right at the forefront. We have gone presidential system, we have sub-national governments and there are some legitimate public policy debates that we need to carry on devoid of the raw reactions that we tend to fall into. Prof. Mazrui would have given us an example there that this is a debate that we should be fairly engaged in at all levels; namely, at the sub-national and national levels. If we do that, Mazrui is not going to die. He is gone but he will live on with us given the volume of space he has created and the volume of materials that he has given us to use as we occupy that space. I look forward to another Ali Mazrui in this current generation.

Thank you.

Hon. (Eng.) Gumbo: Thank you, hon. Speaker, for giving me the opportunity to join the rest of the country in sending my own messages of condolences and that of the people of Rarieda to the family of this great Kenya, an academic giant.

I only managed to meet Prof. Mazrui once, but even before I met him, I had become an ardent reader of the many informative opinion pieces he penned in our dailies from time to time. I got the privilege to share an audience with him when he delivered a very famous Jaramogi Oginga Odinga lecture at the Laico Regency Hotel sometimes in the middle of the last decade. From the lecture and even from the many articles that the Professor has been writing, he came across as a man of infectious concise and prodigious knowledge. I do not want to repeat what everybody has said and what is a fact, but Kenya and the world as a whole has truly lost an academic giant. Indeed, I feel proud to have been born in the same country as this great man.

Even as we send our messages of condolences and tribute to this great professor and great son of Kenya, the cry of shame for our country must be why we find it so difficult to recognise our heroes and reward them accordingly in their lifetime. I say so because some 11 years ago, a Kenyan died in the general ward of the Kenyatta National Hospital, a nameless, faceless and unknown person. This Kenyan, unknown to many, was the first Kenyan who made it possible for our National Anthem to be played at any Olympic stadium in any part of the world. Here, I am talking about Naftali Temu, the first Kenyan to win an Olympic Gold Medal in 1968 in Mexico City. Even in death, this great Kenyan was not accorded the honour he deserved.

Last year, Kenya lost perhaps one of the greatest academic giants of all times in East African when Prof. David Wasawo passed on. Unknown to many, Prof. David Wasawo was actually the first black professor in the whole of East Africa, yet in his

lifetime, I do not believe this great son of Kenya was accorded the honour he deserved even in death. When Prof. David Wasawo died, I would have expected that the highest levels of leadership in this country would have sent their messages of condolences. I listened but I did not hear any.

As I speak, one of the sportswomen of this country who has brought great joy to our households; Conjestina Achieng', is a nervous wreck. These kinds of realities paint quite a shadow on the way we recognise our heroes. Only last week, one of the very few soccer exports from Central Province, Paul Waweru, was serialised in one of the news items. Right now, he is a total wreck yet at the pick of his life, Mr. Waweru was a leading defender for Harambee Stars. This country must adorn these great sons and daughters of Kenya in their lifetime.

One of the things that strike me when I go to other countries is the way the heroes and heroines of those countries are held in great awe. When I first went to America, one of the smiling faces that greet you is that of Michael Jordon, Carl Lewis, Bob Beamon, Ed Moses, Mohamed Ali to name but a few. These great sons of those countries have been given ambassadorial duties in their lifetime, have been adorned, recognised and I wonder why it is so difficult to do that in this country.

In the last Parliament, I was privileged to have moved a Motion that was aiming at recognising those who have brought joy to this country, particularly in the field of sports. It is a pity that when we finally did the Sports Bill, the good intentions of that Motion, which was to reward our great sons and daughters in their lifetime, did not get realised in that Bill. I think it is not too late. As a country, we need to turn a corner, so that we are able to recognise all those Kenyans who have made tremendous achievements, whether it is in the field of academia, science and technology, medicine, sports or even in politics, to name but a few.

With those few remarks, I pray that the Almighty God will rest the soul of this great professor in eternal peace.

Hon. Speaker: Hon. Members, we had indicated that we will set aside 30 minutes to join other Kenyans and other people of the world in paying tribute to the late Professor Ali Mazrui. We have done so in about 35 minutes. So, we will revert to business.

(Some hon. Members stood up in their places)

If I could request those Members who are standing to kindly take their seats or you will remain standing for quite some time.

COMMUNICATION FROM THE CHAIR

STAY OF PROVISIONS ON COMMITTEE ON GENERAL OVERSIGHT

Hon. Members, I wish to make the following Communication: I am in receipt of a Communication from His Excellency the President dated 17th October, 2014, touching on the amendments to the Standing Orders requiring the attendance of the Cabinet Secretaries before the Committee on General Oversight.

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His Excellency the President has called for a stay of these provisions and review of the same in view of the doctrine of separation of powers. Before I give direction on how to address the matter raised by His Excellency the President, allow me to give a prognosis of review of the rules of procedure of the House that have been undertaken in the recent past to enhance parliamentary oversight of the Executive, particularly using Statements and Questions.

Hon. Members, in our endeavour to create a proper interface between the House and the Executive on the oversight role of the Legislature, the procedure under the House Rules Committee has since the inception of this Parliament considered a number of options to be used in actualizing the provisions of Article 153(3) of the Constitution, bearing in mind the principle of separation of powers amongst the three arms of the Government.

The Executive interacts with Parliament through several ways including the Presidential Speeches at the opening of a new Session of Parliament and during the Special Sittings of Parliament, submission of Budget Estimates by the Cabinet Secretary for Finance, provisions of full and regular reports by the Cabinet Secretaries on matters under their control as provided for in Article 153(4)(b), interaction with Parliamentary Committees on audit matters or policy matters, consideration of Bills, consideration of Sessional Papers and Petitions submitted by the public among others.

One other method of holding the Executive to account is through Parliamentary Questions. Questions give hon. Members an opportunity to ask the Government to clarify its stance on a particular issue or commissions or omissions in executing its mandate.

Hon. Members, you may wish to note that the then Members of the Standing Order Committee of the Tenth Parliament had a big task in preparing and aligning the Standing Orders of the House to the new constitutional dispensation, given the change from unicameralism to bicameralism and from a semi-presidential system to a pure presidential system of government, where Cabinet Secretaries are accountable to the President for the exercise of their powers and the performance of their functions.

The task of implementing the new Standing Orders, respecting the new Constitution was left to this Eleventh Parliament. Just as there has been challenges faced in implementing the Constitution in all levels and sectors of the three arms of Government, for which His Excellency the President has alluded to in His Communication to the Speaker, the Legislature has added its fair share of these challenges. Whereas we have done relatively well in the legislative and budgeting processes, the role of Committees in other oversight roles still has teething problems. For example, the House has since amended the Standing Orders to allow the Auditor-General to present before the Public Accounts Committee his findings on examinations of the accounts showing appropriations of the sums voted by the House to meet the public expenditure and other such accounts, and the Cabinet Secretary for Finance to pronounce before the House the Budget highlights and revenue raising measures at the same time as his counterparts in the East African Community

One area, however, that has created challenges is that of holding Executive to account by seeking information through Statements or Questions. Question Time is the highlight of the parliamentary agenda. A study carried out by the Inter-Parliamentary Union (IPU) found out that a large majority of parliaments, indeed, 67 out of the 88

researched on, set aside time for oral questions to the government. The study also revealed that regular question time is rare among countries with a presidential system, but it does occur. For example, in Philippines, which is a pure presidential system, Members of the House of Representatives put questions to the Executive Branch who appear in the House to answer questions.

Indeed, Section 22 of Article VI of the Constitution of Philippines states that the Heads of Departments, which in this case means the Cabinet Secretaries, shall attend the House and answer questions when requested by the House. In our own case, Article 153(3) requires Cabinet Secretaries to attend before a Committee of the House and answer any question concerning a matter for which a Cabinet Secretary is responsible.

In the last two sessions of Parliament, Members have had to seek answers and information on matters affecting their respective constituencies through Statements which required Committees to interact with the Cabinet Secretaries and respond to Members' queries in the House. As we are all aware, this method presented its own challenges, including the Leader of Majority Party and Chairpersons of Committees appearing to be holding brief for the Executive while responding to request for Statements yet the Executive and the Legislature are delinked. This was further compounded by the fact that the Chairpersons should offer leadership when their respective Departmental Committees are carrying out their oversight role on the Executive. The worst scenario was when the Deputy Minority Whip, who also happens to be a member of a Committee, responded to a Statement in the House calling to question the use of Statements for holding the Executive accountable when even the minority were responding on behalf of the Executive.

It was also found out that majority of the Departmental Committees were spending most of their time seeking information and responding to Statements instead of focusing on the cardinal legislative matters under their mandate in the new Constitution, like Budget scrutiny and introduction and review of Bills. The Procedure and House Rules Committee, aware that holding the Executive to account using questions is the practice the world over, whether in parliamentary or presidential system, therefore, proposed the amendments of the Standing Orders to do away with the Statements and created the Committee on General Oversight to actualize provisions of Article 153(3) of the Constitution. Whereas the formation of the Committee is within the provisions of the Constitution, there have been concerns from several quarters that the operation of the Committee might infringe on the doctrine of the separation of powers and, in particular, provisions of Article 153(2) which provides that the Cabinet Secretaries are accountable individually and collectively to the President for the exercise of their powers and the performance of their functions. Indeed, His Excellency the President, has in his Communication to the Speaker, raised this particular concern and I quote:

“The framers of the Kenyan Constitution adopted the principle of separation of powers and in presidential systems, a strict separation is often a fundamental constitutional principle. In rare instances would such a system encapsulate “question time” in appreciation of the distinct separation whose fabric runs through the entire system of government.”

In conclusion, the President states thus:-

“Constitutionally based separation of powers doctrine will require that provisions relating to the Executive Branch, officials appearing before parliamentary Committees as envisaged under Article 153(3) of the Constitution be implemented in a manner that will not unnecessarily upset the delicate balances between the Executive and the Legislative branches.”

Hon. Members, you are all aware that the implementation of the new Constitution requires interpretation by several organs of the State. We, in the National Assembly, are alive to the provisions of Article 259(1) of the Constitution which requires the interpretation of the Constitution in a manner that:-

- (a) promotes its purposes, values and principles;
- (b) advances the rule of law, and the human rights and fundamental freedoms in the Bill of Rights;
- (c) permits the development of the law; and,
- (d) contributes to good governance.

It is neither the intention of the Speaker nor, indeed, this august House to be insensitive and indifferent to the issues that have been raised concerning the establishment of the Committee on General Oversight.

His Excellency the President, in his Communication has made the following two recommendations or suggestions namely;

1. There be a stay of the newly introduced Standing Orders, New Part XXIA (The Committee on General Oversight - Standing Order No.170A to 170L) as they relate to the answering of questions by Cabinet Secretaries before the Committee on General Oversight.
2. The National Assembly considers revising the newly introduced Standing Orders to emphasize the principle of separation of powers.

Hon. Members, from the foregoing and in order to ensure that the National Assembly discharges its oversight role without let or hindrance and for the House to address itself to the issues raised in the Communication from the President and using the powers conferred upon me by provisions of Standing Order No.1(1), which states that “In all cases where matters are not expressly provided for by these Standing Orders or by other Orders of the House, any procedural question shall be decided by the Speaker,” I, therefore, rule as follows:

1. That the operation of the Committee on General Oversight be and is thereby suspended forthwith to enable the National Assembly seek ways to engage on how best to handle the matters that have been raised regarding its establishment. The Procedure and House Rules Committee will spearhead these consultations and for which the Communication from the President is now hereby referred to for consideration and advice accordingly.
2. The Cabinet Secretaries shall, once a week on every Tuesday between the hours of 10.00 a.m. and 12.30 p.m. when the House is sitting, be required to attend before Committees of the National Assembly to answer questions submitted by Members concerning matters for which the Cabinet Secretaries are responsible. The provisions relating to questions that applied to the Committee on General Oversight shall apply *mutatis mutandis* to questions in the Committees. In other words, questions will be

approved by the Speaker and thereafter transmitted to the concerned Cabinet Secretaries who will then appear before Committees to answer those questions.

3. A maximum of three Committees will meet every Tuesday to give opportunity to Cabinet Secretaries to answer questions submitted to them and on that day, the concerned Committees shall invite the Members who have given notices of the questions to be replied to in the Committees and, indeed, all other Members who may be interested to appear to ask any other supplementary questions.
4. The Leader of Majority Party shall, in consultation with the Executive co-ordinate and determine when the Cabinet Secretaries will appear to respond to questions and shall, every Thursday before 5.00 p.m. submit to the Clerk a list showing questions scheduled for reply the following Tuesday for publication in the Order Paper.
5. The agenda of the Committees having questions showing the schedule of questions listed for response and the order in which the questions shall be taken in the committees shall be appended on the Order Paper of every Tuesday of the week.
6. On the day Cabinet Secretaries are appearing to respond to questions, the questions must be dealt with conclusively and any question not asked shall be carried over to the next meeting of the Committee to be included in the agenda of the Committee when it next meets to consider the questions.
7. To ensure optimum use of parliamentary time, no issue that has been interrogated in Committees during question time will be revisited in the normal business of the Committees and no Cabinet Secretaries will be required to appear again before a Committee of the House on the same or similar question.
8. The Committees having questions will sit every Tuesday within the precincts of Parliament starting 10.00 a.m. and each Committee will have a maximum of 50 minutes to deal with questions falling within its mandate as will have been raised.
9. Press representatives are invited to cover the proceedings and where possible live television coverage will be availed by Parliament.

I thank you, hon. Members.

Hon. Eng. Gumbo: On a point of order, hon. Speaker.

Hon. Speaker: On what? There cannot be any point order on this. We will be out of order.

(Loud consultations)

Hon. Members, it cannot be the order that the Speaker makes Communication and then it becomes subject of debate.

Let me give the Deputy Leader of Minority Party two minutes.

Hon. Midiwo: Thank you, hon. Speaker for indulging me. I agree and as I said before, for us to have arrived at that particular Standing Order which required Cabinet Secretaries to report to this House, you were actually trying to find a solution to a very difficult circumstance. There are people in the Executive who seem to be uncomfortable with the Standing Orders

Hon. Speaker, Cabinet Secretaries must be held accountable. They must be accountable for their actions, they must be held to account and they must be accountable for their actions. It would be good as a House to tell the nation that it is not the Speaker or the Leader of Majority Party who makes Standing Orders. The Standing Orders are property of this House. In fact, the Standing Orders are part and parcel of our new

Constitution and the Constitution says so. We are allowed by our own rules to change them.

Hon. Speaker, when I hear Mr. Nyachae blaming the Speaker or the Leader of Majority Party, I feel bad. We also have a duty as Members of this House to tell him that he is wrong. Tell him that he is wrong because whenever duty calls for him to act, he does not do his job. He is in fundraising all the time. He is supporting fundraisings because it is convenient for him - he was born with a bottle of milk in his mouth. So, he has not struggled like the rest of us.

Hon. Speaker, I am standing here to defend the dignity of this House and the rules of the House. The Communication that you have just made, this House must interrogate. That does not suspend the Standing Orders of this House because what somebody does not want in the Executive--- I want to say without fear of contradiction that for you to sit on that Chair when the Cabinet Secretaries are here, some people are saying that you have become the Prime Minister. Shame on them! What we were trying to do was to make the work of the Executive easy. I must say that because I have heard it in the corridors of power.

Hon. Speaker, we need to inform the nation and the Executive in particular that if there is a contradiction in law, the body to interpret the law is the court. So, they cannot be calling you to State House or otherwise or anywhere, to try to tell you that they are uncomfortable. They may be uncomfortable, there are so many parts of our laws that we are uncomfortable with but the body to stop this House or declare anything unconstitutional is the court. There must be a resolution to undo our Standing Orders. That way, we will be doing our Business the right way. It is important that we must know that in the past, Cabinet Secretaries, the former Ministers or Permanent Secretaries used to take money to the powerful.

Now, we want to have these Tuesday meetings. You must also thank God because it was putting too much on your plate. We will get them here tomorrow, next week or any other time, if they try to dip their fingers in the holes that do not belong to them. We must interrogate these people on why they are happy. Let me thank the Cabinet Secretary, Charity Ngilu, for having been brave because she knows the role of Parliament.

(Applause)

Hon. Speaker, you must guide us. We are implementing a new Constitution which all of us must have participated in. We plead with the Executive never to try to return us to one party era. If they have a problem, they need to task you and we deliberate and find a solution. Thank you, hon. Speaker.

Hon. A.B. Duale: Thank you, hon. Speaker. I got a bit worried when my good friend, hon. Jakoyo said that he got it from the corridors of power and I know access to corridors of power is very much limited and more so to the Opposition.

(Laughter)

After this hon. Speaker, I will ask him to tell me whether there are short cuts.

(Laughter)

Having said that, many Members including hon. Sakaja were asking me the access route to corridors of power and I told him about the one in the *Star Newspaper*.

(Laughter)

We tried one route, a route in the creation of the Committee on General Oversight as provided for in the Standing Orders, that Parliament can create committees because it is a function of Parliament. I want to tell Charles Nyachae that he can go to court but the sole function of creating committees is a prerogative of the National Assembly or the Senate.

Secondly hon. Speaker, over a period of time, for the last 18 months, as a House we have been navigating on how best under a new presidential system of government the 349 hon. Members of this House can represent their people and carry out the oversight role. I want to thank the National Assembly, unlike other institutions of Government for showing that we can listen to divergent views from other people. We want to listen to divergent views; the most outrageous like the one from Charles Nyachae, if they have solid basis on the Constitution. I agree with you now that you have read your Communication based on the communication from the President. You have said that it will be a matter for the Committee that you chair, of Powers and Privileges to look at it.

I want to tell my colleagues that we have not lost anything because each and every hon. Member of this House who is a Committee Member, a Chair or a Vice Chair is competent enough to interrogate those Cabinet Secretaries. So, whether you appear before the National Cohesion and Integration Committee led by hon. Sakaja or you appear before the Committee on Agriculture, Livestock and Cooperative led by hon. Noor, the membership is up to the task.

Hon. Speaker, I want to tell my colleagues that we have not lost anything. We still have Tuesday morning where questions will be circulated in three Committees. Members who do not belong to those Committees have the right to go and sit and ask questions. I want to tell those who believe in proper separation of power to go further and implement proper separation of power to ensure that no hon. Member of this House can walk to a Cabinet Secretary and be given a chance to go outside the country using resources given by that Ministry. Any correspondence between the Executive and the Legislature must come to the hon. Speaker. When this House appropriates Budget, it does so to four organs; Parliament, that is National Assembly and Senate, Executive, Judiciary and County Government under Division of Revenue Bill. When the Executive uses money appropriated to it to sponsor hon. Members of Parliament for a trip, then the question is; where is the Auditor General? All foreign trips of hon. Members of Parliament are appropriated within the budget of the Legislature.

The Chair of Public Accounts Committee - I want the hon. Speaker to listen to that - you must implement the separation of powers. Hon. Members of Parliament cannot have it both ways. You cannot wine and dine in the evening with the Executive and during the day you want to come and play your oversight role. We are either together or

not. So, I want to tell my colleagues that nothing has been lost because on Tuesday from 10.00 a.m. to 12.30 p.m. as we wait for the Committee that is chaired by hon. Speaker to look at the Communication, the Committee on Energy, Communication and Information can interrogate questions related to that field, the Committee on Education, Research and Technology can interrogate on questions related to education sector and the same case can apply to the Committee on Transport, Public Works and Housing. Next Tuesday, we can do the same.

Hon. Speaker, after the Orders on Prayers, Statements and Communication from the Chair we go to substantive Business of the House. If we do that, we will get more time to deal with Bills. We will create more time for Committees to do proper Budget oversight and deal with both Private and Public Members' Bills. What we are doing is to create more time for Committees to basically deal with their mandates and desist from having Chairs and Vice Chairs reading Statements on behalf of the Government.

I want to welcome that Communication because I think it has given a leeway. I want to tell all and sundry that the National Assembly, under your leadership, will listen to each and every divergent view. Now that we have a Communication from the President, it is the Executive's opinion that we take it to the Procedure and House Rules Committee that you chair, to look at and bring a report. If we feel that, that is the way to go, we go back to our colleagues. I want to ask the hon. Speaker to move a step further and implement the separation of power, more so between the Executive and the Legislature.

The culture of hon. Members of Parliament, who are my colleagues, having the leeway with Cabinet Secretaries should stop. In my opinion, members of a particular Committee should not sit with institutions and personnel that they oversee. For example, if I belong to the Committee on Labour and Social Welfare, it is unconstitutional and illegal to lobby for an institution that I oversee. It is even better for a member who does not belong to that Committee to do so. So, our Tuesday is back. We will keep the Committee on General Oversight somewhere so that in case we need it, we will have it. We do not want to kill it. Members will miss the allowances, but it should be in our books in case we need it.

I am a serious Muslim and I believe in God. Those who opposed that Committee, one year late might see its relevance. Hon. Members will chair Committees on Tuesdays. I am sure next Tuesday we will have the first batch of the three Cabinet Secretaries. On every Thursdays, hon. Members whose questions will be coming up will be informed. By the end of the day, Parliament will have played its oversight role.

Thank you, hon. Speaker.

Hon. Speaker: Hon. Members, I told you it is not an occasion for debate, but I will allow the Leader of Minority Party to express himself and then we go to the next Order of Business.

Leader of Minority Party, please conclude.

Hon Nyenze: Thank you, hon Speaker. First I want to thank you. I was out of the country but I saw the spirited fight you put so that the new Standing Orders that this House passed were effected, but the Executive overruled this House. Because we are implementing a new Constitution and our role is legislation and oversight besides representing our people, if we accept what the Executive wants, the exclusion of Cabinet

Secretaries sitting in this House answering questions, we will have eroded our power as a National Assembly and we will not have power. I think we debated and we could see deficiencies whenever the Chairmen of Committees were presenting answers because they were consulting and it was not forthcoming. So, the decision we arrived at to make the new Standing Orders was after a lot of soul searching and a lot of consultation. It was the best thing to do. If I may ask now that the President has requested for a stay of these new Standing Orders, how long is the stay? If it was a stay for a month for consultation and this National Assembly agrees with what the Executive says, that would be a good way of going forward. But as things stand, if you give in to what the Executive wants you will be answerable to the Kenyans you represent because you will be losing your opportunity to play oversight on the Executive.

(Applause)

If we give in to some of the demands the Executive wants, what will be our role? I request you because you know I respect you, instead of ruling and accepting what the Executive wants, let us stand our ground. Let us consult as the National Assembly because we are 349 hon. Members. We consulted and we saw that the old system was not working. If we decide to go back to the old system, we will not move anywhere and we will be blamed that we are being controlled by the Executive. I want us to be very forthright and true to ourselves.

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

Hon. Speaker: What is your point of order?

Hon. Nyenze: It is not a point of order!

Hon. Speaker: He says it is a point of order.

Hon Sakaja: I am standing on a point of order, hon. Speaker. In as much as you have opened the floor to what hon. Members have to say, is it in order for hon. Members then to debate or to oppose a ruling that you have already made pursuant to Standing Order No.1? You already made a ruling on the matter and you have given a Communication. Are there not any other channels through which such ideas can be channeled, like the Committee? Since he has given Communication, it is not in order for us to even debate the Communication. It is very magnanimous for us to debate it, so, I think the hon. Member is out of order to start opposing the Communication that you have given.

Hon Nyenze: Hon. Speaker, I am not opposing.

Hon. Speaker: Indeed, hon. Nyenze, you are out of order to the extent that you are proposing to me to countermand what I have already communicated. It is not possible. I have directed that that Communication is referred to the Procedure and House Rules Committee which will lead the discussions and whatever consultation that will be necessary. But in the mean time just like we had provided in the Standing Order Nos.170(A-L), each Cabinet Secretary will still – for avoidance of doubt – have a maximum of 45 minutes. That is what we had provided for just for clarity because I know hon. Nyenze was out of the country. Each Cabinet Secretary was to be before the Committee on General Oversight for a maximum of 45 minutes on any Tuesday that one is required by that Committee to come and answer questions. Any question not answered

at that time is rolled over. It is for the same reason that I am saying that while the Procedure and House Rules Committee goes to look at that Communication, the Departmental Committees will still sit within the precincts of Parliament and the Chairpersons are going to ensure that they stay within the time available; 50 minutes but of course only five minutes for housekeeping matters. Every hon. Member of this National Assembly will be at liberty to attend those sessions. At exactly 50 minutes, the Chairman of one Committee leaves the Chair and the next Cabinet Secretary is called in. the Chairperson of the Committee to which the questions relate to and all hon. members who have interest in asking questions will still be there to ask them for 45 minutes to 50 minutes maximum, because of housekeeping matters. The third Chairperson and the third Committee takes over. At 12.30 p.m. the session will be over. The only thing that perhaps one can argue is that during that period of two-a-half hours, you may not necessarily see the face of the Speaker but the Chairpersons of respective Committees will chair those respective sessions. So, we will still insist and uphold the principle that it is mandatory that Cabinet Secretaries appear as per the Constitution; Article 153 to answer questions before Committee. We are still remaining faithful to that: They will still have to appear. For the time being, what we are suspending is the fact of the Speaker or Deputy Speaker chairing those sessions. That is the only thing and I am sure you have faith and confidence in the chairs of Committees. However, file as many questions as possible and appear in your droves. Appear in as many numbers as possible and ask questions. Hon. Members have not been denied any of their rights. No right has been taken away. I will not allow your rights to be taken away to hold Cabinet Secretaries accountable by way of questions. So, that is retained. It is just removing myself from chairing those sessions.

Hon. Nyenze, I know you were out of the country and we should be welcoming you back but you are coming in when there is this matter.

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

Hon. Speaker: Hon. Ababu, what is your point of order? I was merely making a clarification. I am not revisiting the Communication.

Hon. Ababu: Hon. Speaker, I perfectly agree with you that my point of order has nothing to do with the clarification you have made. But it has been triggered by the contribution of my very good friend, hon. Sakaja to the extent that after you have given a Communication, an hon. Member cannot give a view that may appear to differ. This is a House of rules; it is a House of records; it is a House of traditions. It is a tradition of this House that even after the Chair has given direction and especially if that direction is intended to receive further consideration by another organ of this House, in this case, the Communication from the Chair will receive further consideration by the Rules Committee, nothing in the traditions and practice of this House precludes Members of this House from putting on record sentiments that could be considered by the Rules Committee in considering your Communication. Therefore, those views some of them may be divergent from the Communication from the Chair but the purpose is to give the Rules Committee the broadest range of sentiments possible to enable it prosecute that direction. Therefore, I just thought that the position taken by hon. Sakaja cannot go unchallenged in view of the traditions and practices of this House. The Leader of Minority Party is perfectly in order to hold views that could guide the Rules Committee in considering your Communication.

Hon. Speaker: Obviously, hon. Ababu, you are out of order to suggest that when I have already ruled that the Leader of Minority Party was out of order to suggest that I countermand the rule, you are now ruling him in order. You have no capacity to make that kind of ruling in as much as I agree with you about it. .

(Laughter)

That is what we are doing: Getting these sentiments but since this is not the Business for today, this matter will be considered fully at length when the Procedure and House Rules Committee meets. It could still come up for debate here.

Hon. Nyenze: Hon. Speaker, although I was away, I do not know what changed because we came to a consensus that answering questions will not be possible through Committee Chairmen and we agreed as a House and it was unanimous. As I said, we represent people besides playing oversight role on the Executive, we will be judged harshly if all of us can come to a consensus and agree on some Standing Orders and then all of a sudden something changes drastically. If you give a ruling and I cannot challenge you because once the Speaker gives a ruling, you cannot challenge that but we give views which may be considered in the said Committee.

If we cede our ground and we agree to allow the status quo---

Hon. Speaker: Which status quo?

Hon. Nyenze: I want that on record because it is very important.

Hon. A.B. Duale: On a point of order, hon. Speaker. I do not want to interrupt my colleague and partner on the other side for many reasons including age and friendship. But he is making serious allegations that we are ceding ground. Where is the ground? Where is the sea? There is no ground we are ceding or the sea. You made a good Communication and you gave the way forward that the Procedure and House Rules Committee will look into the Communication. The Chairs are as competent as the Speaker. The membership is as competent as the membership of this House. So, because my good colleague was away when we were opening the House last week, it is even better to give the Floor to – without being rude – hon. (Eng.) Gumbo or hon. Wakhungu who have the spirit and the letter of the discussion and who asked Mrs. Ngilu questions. In my community, when you come late, you wait for the rest to talk and then you pick from there. So we are not ceding ground. You did not say in your Communication that we are ceding ground. Is the hon. Member in order to say that we are ceding ground? There is neither ground nor sea here. There is no land we are ceding. There is no sea we are ceding. I am sure we are not ceding land in Karen, because it is now in problems.

Hon. Speaker: You should conclude so that we can proceed to the other business.

Hon. Nyenze: Let me conclude, hon. Speaker.

When I say we are ceding ground, this is a decision we took as the National Assembly and we were playing our role which we were elected to do. We all agreed, but something happened and it changed. I started by thanking the Speaker for standing firm with Members of the National Assembly because I followed wherever I was; you can always follow. You stood your ground but I cannot challenge your ruling today but since hon. Members had come to that conclusion after a lot of consultation, it is good to give

them time to ventilate and react although you have ruled on that matter. This is not a small matter. We may take it as a small matter but the moment we just give in and accept what the Executive wants, the next thing is that we will make a decision and then something will be done and we will lose our face. We will lose the power that we have been given by the people of Kenya.

I want to finish by saying that we should play oversight by bringing the Cabinet Secretaries here to ask them questions. We respect the President and he has asked for a stay of the new Standing Orders. If you can be honourable enough to tell us how long the stay should take, we will appreciate.

Hon. Speaker: Hon. Members, even as I put that matter to rest, please bear this in mind: That Cabinet Secretaries will continue to appear to answer questions before Committees of this House. Some of the issues I can hear from what you are raising are matters which are administrative. You should trust the capability of the leadership to do proper--- We have the interest of membership. Hon. Members must be seen to ask questions to Cabinet Secretaries. That is what you should be comfortable with.

(Several hon. Members stood up in their places)

Hon. Members, we proceed to the next Order.

MOTION

THANKS FOR EXPOSITION OF PUBLIC POLICY

THAT, pursuant to the provisions of Standing Order 24(6), the Thanks of the House be recorded for the Exposition of Public Policy contained in the Address of H.E. The President delivered on Monday, October 06, 2014 during the special Sitting of Parliament.

(Hon. A.B. Duale on 15.10.2014)

(Resumption of Debate interrupted on 16.10.2014)

Hon. Speaker: Hon. Members, what remained on this Business was to put the Question.

(Question put and agreed to)

COMMITTEE OF THE WHOLE HOUSE

THE MINING BILL

Hon. Speaker: Through the Committee Chair, the Business appearing as Order No. 9, will be deferred. I know several of you have put in proposed amendments, but in order to allow all of them to be put together by the staff, this matter will be considered on

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Tuesday, 28th October, 2014. This is to allow for many of you that have proposed amendments to submit them to the Clerk's Department for inclusion.

(Committee of the whole House deferred)

BILL

Second Reading

THE SECURITIES AND INVESTMENT ANALYSTS BILL

(Hon. Gaichuhie on 14.10.2014)

(Resumption of Debate interrupted on 14.10. 2014)

Hon. Speaker: Yes, what is the position? Hon. Members, the Question was proposed. Therefore, any hon. Member is at liberty to contribute.

Let us hear from hon. M'uthari. I am following what is on the screen. Did you put your card to contribute to this Motion, hon. M'uthari?

Hon. M'uthari: No, I did for the previous matter on the Order Paper.

Hon. Speaker: Does that apply to all these hon. Members who have their cards here? Hon. Benjamin Langat, you have the chance to contribute.

Hon. Langat: Thank you, hon. Speaker. As you might have noted, this is a Bill that is being sponsored by my Committee. I want to thank my Vice-Chair who moved the Bill while I was away. I want also to thank the person who seconded the Bill while I was away.

Hon. Speaker, as you might see, this Bill is actually meant to bring the field of Securities and Investments Analysts into an organized profession. This is one of the areas I did generally in my profession; accountancy.

Hon. Speaker, this Bill will look at the unique issues of the investment because our economy has grown too fast. It is only recently when we did what is called re-pacing of the economy so that our Gross Product Domestic (GPD) is reflective of what is happening in the economy. As our economy is growing and becoming more complicated, it is only fair that we have professionals who will handle the unique economic issues in our country. That is why in this field; looking at the complexities in financial sector – long time ago, we used to have auditing as the only sector which existed. Maybe there was auditing and accounting. But we have come to a situation where the economy has now grown fast. We enacted the retirement benefits service six years ago because our retirement funds are growing day-by-day. We will require unique professionals to analyze and manage our pension.

Hon. Speaker, we will require our professionals to look at the sector of investments in the insurance sector. This country is littered with issues in terms of collapsing investments funds; for instance, Francis Thuo and Ngenye Kariuki Investments the other day. If this Bill had been brought forth, we would not have

witnessed that collapse. As a country, we need to build our own professionals and we do not need to borrow.

As we speak right now, Kenyans are busy doing examinations from certified financial analysts of the United States of America.

[The Speaker left the Chair]

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

Hon. Temporary Deputy Speaker, we need to domesticate our professions. The problems being faced in Kenya today are unique. You cannot have an international examination body from the USA knowing very well that challenges in the USA are not the same as in Kenya. The United States of America is ahead of Kenya, almost 150 years older than Kenya. Kenya is only 50 years old after Independence. Therefore, our financial sector challenges are more unique. I am happy that with this Bill, we will have our own professionals and we shall administer our own examinations which capture the unique situation in Kenya.

Hon. Temporary Deputy Speaker, once this Bill is enacted – personally I am one of the people who are the initial Certified Financial Analysts of East African Examinations but because of lack of organization, you will find that those professions are not recognized. Therefore, I want to support this Bill so that we organize our profession and get a pool of professionals to handle our situation.

Hon. Temporary Deputy Speaker, the Euro Bank collapsed several years ago and the Kenya Government lost a lot of money because of that. I believe it was because of lack of professionals to analyze whether it was worth, for example, National Social Security Fund (NSSF) investing their money in such bank. Once this Bill is enacted, we will have a profession like the Certified Public Accountants of Kenya (CPAK) and the Institute of Engineers of Kenya (IEK). We will have a profession that is recognized both in Kenya and perhaps, internationally.

I would like to urge the House to support this Bill because this is for a professional organization. We have looked at it at the Committee level. We will not incur any money from the Government. This is just a professional body which will be funded by members from their own contributions. We can do the best engineering and we can do the best buildings, but if we do not have people who can guide us on the investment situation in the country, we are failing.

I am urging hon. Members to support his Bill to facilitate this profession. We need people who can manage retirement benefits. We need professionals who understand the stock markets. There are new products coming in from the Stock Exchange, therefore, we need professionals who understand how these dynamics are arranged and the futures markets. The other day, this House facilitated the Government on the stock exchange to form what we call the futures exchange. Unless we have an organized profession to supply professionals to that sector, we will stay for long and we will form institutions which are not viable.

Therefore, this is a fairly straight forward Bill. We have talked to the stakeholders and there will be one or two amendments which we will be bringing. By and large, this is

just a professional body like the Law Society of Kenya (LSK) Institute of Certified Public Accountants of Kenya (ICPAK) and Institute of Engineers of Kenya (IEK). Therefore, it should not worry hon. Members that we are forming another parastatal. It is not a parastatal, it is a professional body.

With those few remarks, I support the Bill and I want to urge hon. Members to strongly support it.

The Temporary Deputy Speaker (Hon. Kajwang’): Hon. Members, I can see there is a list of requests. I am not very clear in my mind whether these hon. Members are signifying that they want to contribute to this Bill. Therefore, may you just refresh so that I know exactly the Members who are desirous to contribute?

Member of Parliament for Seme Constituency, do you want to contribute to this Bill?

Hon. (Prof.) Nyikal: Yes, hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. Kajwang’): Okay. Let us start with the hon. Member for Seme; I can see he is the first on the queue.

Hon. (Prof.) Nyikal: Thank you, hon. Temporary Deputy Speaker, for giving me this opportunity to contribute to this Bill which is long overdue.

This country has really suffered. Financial institutions have come up, parastatals and corporate bodies have lost out in investments because of lack of proper advice. People have come out to advise them, but in the long-run, it has turned out that they did not get proper advice, the public and the country at large has lost large sums of money. Therefore, we need to set up this institution so that like any other profession, professionals in this field are guided by a body of knowledge, code of conduct and etiquette.

In the financial sector, this is perhaps needed more than anywhere else. We, therefore, need to put a framework in place to avoid quacks and pretenders masquerading to give advice to people and institutions. There is need, therefore, to establish this institute in order to determine the requirements in terms of educational background and qualification which are long overdue.

Hon. Speaker, it is also important that there are ways and means of reprimanding those who do not adhere to this. Definitely, there will be disputes to be resolved. I support the idea that we establish a body that deals with securities and investment Analysts in this country to advise institutions and persons who need such advice.

Thank you.

The Temporary Deputy Speaker (Hon. Kajwang’): Hon. Member for South Mugirango, are you in chamber?

An hon. Member: He is not in.

The Temporary Deputy Speaker (Hon. Kajwang’): Absent though desiring to contribute. Hon. Member for Rarieda Constituency, the Floor is yours.

Hon. (Eng.) Gumbo: Thank you, hon. Temporary Deputy Speaker, for giving me this opportunity to contribute to this Bill.

Some two years ago, I had a very interesting encounter with a child whom I had known to be of very little education. He came to me and introduced himself as a financial literacy expert. When I asked him what “financial literacy” meant, he claimed to be able to advise me on how best I could utilise the finances I had to maximize on

returns. I found it a bit ludicrous, because to the best of my knowledge, this fellow had never done any business studies and he had no financial background, least of all, he was someone I knew to have had very little schooling.

The reason why this was happening the way it did is because of a lacuna in law which is allowing it to be everybody's fair game. In that respect, this Bill is very timely because if you look at the Memorandum and Articles of Association of this Bill, it gives the broad outlines of what the Bill intends to achieve.

Hon. Speaker, Part II of the Bill establishes the Institute of Certified Securities Investment Analysts. I happen to be from that professional background, therefore, I understand the effects and benefits of proper regulation as indeed timely. The financial sector in Kenya is today one of the fastest growing sectors.

I have argued on the Floor of this House that the very geographical construct of Nairobi, makes it indeed, a hub for financial securities to the extent that we are enacting this Bill to bring about regulations in this sector which is very timely.

Hon. Temporary Deputy Speaker, one of the biggest problems we have had as a country is to deal with conflicts over tangible wealth. Right now you are aware we have a very longstanding dispute regarding a major piece of land in the capital city. I think it is time that we disabused the notion of Kenyans that to be wealthy you have to own land a quarter the size of Kenya.

I happen to be somebody who is a professional in the services sector and I think the way of the future is to find residence in services, and financial services is one of those areas. So, regulating the securities and investments analysts is therefore key because if the sector needs to grow, we would have to have professionals who can be held to account. These are professionals who adhere to certain codes of conduct. These are professionals who adhere to certain bodies which regulate their profession and professionals who are accountable for their actions.

Hon. Temporary Deputy Speaker, so, I think the Bill is timely. Of course, as we go forward to the Third Reading, we will adopt the Bill in a broad context. However, I think as we go to the Third Reading, we will be proposing some amendments to the Bill to make it contemporary and also to tailor make it with situations that are uniquely Kenyan.

This is because one of the aspects of our country which we have not appreciated is the ability of Kenyans, particularly young Kenyans who have the ability and disposition towards innovation and this innovation is not just restricted to systems. However, even if you look at the financial sector, some of the financial wizards, if I choose to call them so, in our society today are very young promising Kenyans. These people need an environment that can promise them good returns for their labour and these people need an environment where they will know that they will be shielded from quacks.

Hon. Temporary Deputy Speaker, I happen to be an engineer by training and sometimes it depresses me to see some of the problems that I see when a sector is unregulated. We, as engineers in this country have for many years had problems due to invasion by non-professionals who masquerade as engineers and it is shocking to learn that, in fact, in some instances up to 60 per cent of what ought to be solid engineering work in Kenya is actually in the hands of quacks.

Therefore, hon. Temporary Deputy Speaker, coming early as it is to the extent of regulating security investments analysts, I think we are starting early to appreciate the role that this sector plays in our economy and to understand and underpin it through the legal grounding. This is so that we can inculcate professionalism but above all, we can encourage those Kenyans who want to go into this sector to undertake it knowing that the letter of the law is there to protect those who want to pursue honest careers as securities and investment analysts.

Hon. Temporary Deputy Speaker, with those remarks, I wish to support but as we go forward I will be proposing some amendments to this good Bill so that it can fully embrace the objectives that are envisaged in the proposals. Thank you and I support.

The Temporary Deputy Speaker (Hon. Kajwang'): All right. Member for Kiminini.

Hon. Wakhungu: Thank you, hon. Temporary Deputy Speaker. I rise to support the Bill. This Bill is long overdue. We are aware there is Certified Public Analysts and I have discussed this with the Chair. In terms of consistency, for instance, we have the Institute of Certified Public Accountants of Kenya (ICPAK).

When we go to the Third Reading, we will recommend that this institute be given a name that is consistent with the profession. So, it should be called ICFAK, that is Institute of Certified Financial Analysts of Kenya. I think that is going to be in line with the existing bodies. This body has been long overdue. It is going to advise in terms of investments. We saw Safaricom, Equity, KenGen and many other organisations that were listed in the Nairobi Stock Exchange (NSE). We did not have professionals to advise investors on how to invest. As a practice and discipline, we have some investors who want to be long term and others who want to be short term.

I met a doctor friend who had so much money that he wanted to invest. He went for the Initial Public Offering (IPO) and he wanted a short term investment where you look at the capital appreciation as opposed to when you are looking at issues of dividends. We did not have proper professionals to advise investors and that is why I want to thank the committee that came up with this Bill. We want it to move with speed so that we can even prioritise it. As we move on, there are many public organisations which are supposed to be listed in NSE and members of the public need professionals to advise them accordingly.

Hon. Temporary Deputy Speaker, having such a body in place is going to help us remove quacks. At the same time, Certified Financial Analysts as a practice is very expensive. I know it is in Strathmore. We have been having it studied in South Africa. When such a body is in place, it is going to domesticate this profession so that we can have local centres of training of this profession. Looking at the forces of demand and supply, obviously the fees is going to be low. The exam fee and the training fee are going to be low. So, it is a profession which is very critical.

Of late, we have seen actuaries coming in to do this work but if we are going to have the real professionals now concentrating on the issue of financial investments, I know it is going to touch on the issue of securities and investments.

Hon. Temporary Deputy Speaker, again if we have such a body in place it is going to work on accreditation. If somebody has studied maybe actuarial science and he wants to study CFA, he can be exempted in some units. So, you do not need to go and

start from the basics, if you want to be an analyst. If you have a basic degree that is related to the field of finance, there will be exemptions.

So, hon. Temporary Deputy Speaker, I really support this. It is going to add value. Again in terms of foreign investors, we can attract many foreigners who want to invest in this country if we have such a body in place. Once the practice is streamlined, we are going to have investors from United States of America (USA), United Kingdom (UK) and wherever wanting to buy shares here. This will bring foreign investment into this country.

So, hon. Temporary Deputy Speaker, it is a wonderful idea. We should move with speed so that we have this thing in place. We have been having so many quacks going around conning people.

Thank you, hon. Temporary Deputy Speaker and I support so long as we are going to amend the name. We have already agreed with the Chair that when it comes to the Third Reading we will do that.

The Temporary Deputy Speaker (Hon. Kajwang’): Thank you. Member for Wundanyi. He is not present though desiring to contribute. Nominated Member, Isaac Mwaura.

Hon. Mwaura: Thank you, hon. Temporary Deputy Speaker. I rise to support the establishment---

The Temporary Deputy Speaker (Hon. Kajwang’): Yes, Member for Rarieda. Just hold on Nominated Member.

Hon. (Eng.) Gumbo: Hon. Temporary Deputy Speaker, I do not intend to interrupt hon. Mwaura but you know part of the problem that frustrates our debate in this House is lack of research facilities. The reason some of us spend so much time in this House is because we hope to use the Wi-Fi in the House to do research. For the past one week the Wi-Fi of this House has been down and it is very frustrating. I think it is really incumbent upon the leadership of this House to ensure that because we do not have researchers at our beck and call, we are facilitated to be able to do work parallel to contributing in the debate.

I think it is a matter that we cannot take lightly because it is making us waste a lot of time sitting in this House when we carry our iPods and phones to the House and when we can be doing some research alongside what is going on. There is nothing. We are able to receive Wi-Fi from the Kenyatta International Convention Centre (KICC) but there is nothing in this House. I think this House really must be digital and contemporary and Members must be facilitated to do their work.

Thank you, hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. Kajwang’): What you are saying is a substantive issue. I am one of those that have been frustrated because I am unable to access the internet. I think not just for a week but for quite some time. Whenever we try to access the Wi-Fi, there are accesses such as Sonko Wi-Fi which are stronger than the Bunge Wi-Fi. It is something that we must take up and I order the Clerk-at-the-Table to disseminate this information to the Information and Technology (IT) people so that this is rectified with immediate effect. By tomorrow, there should be a report. If they are unable to do it, there should be sufficient report to Members on why Members cannot access the Wi-Fi. That report should be tabled tomorrow by Two O’clock.

Okay, let us proceed. Hon. Isaac Mwaura. You have three more minutes. You can still be brief and use the seven minutes that you have.

Hon. Mwaura: Okay. Thank you, hon. Temporary Deputy Speaker. I think also, generally, with regard to the matter that has been raised by hon. Gumbo, it is the speed of that internet that needs to be looked at and more so even in our offices at Continental House. Sometimes it is very frustrating for a Member when you want to transact business and you cannot connect to the internet. You have to give excuses to people you are engaging with. It is a bit embarrassing.

Hon. Temporary Deputy Speaker, I rise to support the establishment of this institute because this is one of the sectors that have really grown and people are making a lot of money out of it and yet the nature of it is speculation. It is speculation to the point that you really depend on the advice that you are given by the so-called analysts or brokers for you to invest and yet if you look at the entry behaviour of those who claim to be experts in this field---

(Hon. Jared Opiyo crossed the Floor without bowing to the Chair)

The Temporary Deputy Speaker (Hon. Kajwang’): Member for Awendo, you are not a new Member in this House anymore. You cannot just be passing left and right of the Chamber. Can you go back to the Bar and start afresh?

(Hon. Jared Opiyo went back to the Bar and bowed to the Chair)

The Temporary Deputy Speaker (Hon. Kajwang’): All right, Hon. Mwaura, proceed.

Hon. Mwaura: Thank you. Therefore, if you look at the entry behaviour, not the one of my friend, hon. Jared Opiyo, but of people who enter into this profession –the markets, it is highly questionable. You just have a graduate in Economics who therefore claims also to be an expert in these fields and, therefore, it is not sufficient to say that this sector has been properly regulated. The existence of the Capital Markets Authority (CMA) really has served to regulate the books and other money markets but not necessarily the players themselves who are very important. As they say, for any form of human endeavour, the most critical element is human capital. So, therefore, this Bill that seeks to establish an institute whose members are very well delineated will go a very long way. If you look at the functions of the institute, one of them of course requires that they advise the Cabinet Secretary responsible for matters of security and investments, on what needs to be done on a day to day basis with regard to policy. That is very important.

I am reminded, for example, of a time when there was a very big tug of war on administrative matters on who was to head the CMA. So, I think this kind of body that brings professionalism into play will also advise the CS on the calibre of people who are required to occupy such high offices that determine the character of our capital market, securities and investments.

Hon. Temporary Deputy Speaker, we also need this body because this sector is very critical with regard to weighing in on the real value of our investments. As the Chair had said before, this country’s economy has been rebased and we are now in the lower

middle-income economy in terms of the rankings. However, if you look at the development model, this is what you can call the semi-periphery. We want to move into the periphery or the core of development. If that were to happen, we must have a proper calculation of what is flowing in terms of cash flows and investments in the market.

Hon. Temporary Deputy Speaker, one would actually notice as a Kenyan or maybe an onlooker that there is a lot of money in the informal economy that is not in the formal economy. This money is, of course, invested in these securities. Therefore, if there are no proper ways and means of ensuring that you formalize the economy with people who can be put to test and qualify for the same, it is very critical that, that loophole is sealed.

Hon. Temporary Deputy Speaker, again, if you look at the functions of the institute, you will find that it is supposed to ensure that there are standards of competence. It is very interesting to say that whatever is there is inadequate. Therefore, one may not have any form of recourse if he or she has a complaint on any form of misadvice. I would like to imagine that this kind or type of competence would also require some form of honesty so that you are not selectively given information for investment that would otherwise be detrimental just because somebody would like to cash-in on what is already being offered in the market.

You remember very well the case of Equity shares. When they were floated in the market and were oversubscribed, the price went very low. This is the case and yet people had even taken loans and were unable to invest properly. I think these are some of the things that would ensure that we do not misdirect capital that would otherwise be used for the growth of the economy.

This institute, as well, has the responsibility of advising the Capital Markets Authority (CMA) with regard to the day-to-day goings on within the whole sector of securities and investment. This is very welcome because while on one hand the CMA has been seen as the man with the big stick, sometimes the decisions that are supposed to be made by that Authority must be informed or must be as a result of advice coming from the best that we have in that sector.

In fact, this institute is also given the responsibility of promoting its own recognition at the international level. If you look at our financial sector or our securities and investment sector, you will find that we rank quite highly. The Nairobi Stock Exchange is quite close to the number one which is Johannesburg Stock Exchange. That, therefore, means that we in this region, especially now that our economy is also ranked quite highly, need to develop a way in which we are recognized at the international level and that we have the sum total of that which is required for such a sector to function properly.

Hon. Temporary Deputy Speaker---

The Temporary Deputy Speaker (Hon. Kajwang’): Yes, I promised three minutes to you. Could you press the intervention button?

Hon. Mwaura: Thank you, hon. Temporary Deputy Speaker. If you look at the Bill, you will find that it provides very clearly that upon the enactment of this legislation everybody who is under its ambit should undergo some credibility test, if I can call it so. This is to ensure that there is a way in which the country can weed out quacks and people who masquerade as professionals in this area. I think this will be very welcome. This is

with regard to ensuring that we have proper people who can execute these mandates effectively and efficiently.

We need to look at way in which people make money or ways in which our youth can get jobs. We also need to look at ways in which we can ensure that there is proper distribution of investment. The best way to do that is to have bodies that are self-financing. If you look at the Bill, it says very clearly that this is not a body that is coming to stifle or get money from the taxpayer. Of course, I would like to imagine because they are dealing with money that they can also raise their own revenue, pay their staff and execute their own administrative measures and procedures quite independently. This is very welcome.

Now that we are also known as a country to have a very well developed human resource, it is incumbent upon us to pass as many regulatory bodies with regard to professions as possible so that we are able to standardize the manner of operation. This is because this country has also suffered a lot by having quacks and people who have made many Kenyans lose their hard-earned money just because they are not properly regulated.

Hon. Temporary Deputy Speaker, with those many or few remarks, I rise to support the Bill.

The Temporary Deputy Speaker (Hon. Kajwang’): Yes, the Member for Sirisia. Is he in the Chamber? He is absent though desiring to contribute.

Yes, the Member for Kisumu East.

Hon. S.S. Ahmed: Thank you, hon. Temporary Deputy Speaker. I was wondering whether my machine was working or not. I rise to support this Bill---

The Temporary Deputy Speaker (Hon. Kajwang’): Order, hon. S.S. Ahmed. My records state that you seconded this Bill. Is that true?

Hon. S.S. Ahmed: Yes, I seconded this Bill, hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. Kajwang’): Then according to the Standing Orders, unfortunately, you cannot contribute twice to a Bill. I am sorry for that.

Yes, the Member for Narok South.

Hon. ole Lemein: Thank you, hon. Temporary Deputy Speaker for giving me this opportunity to contribute to this Bill. I want to say that the establishment of the Institute of Certified Securities and Investment Analyst is long overdue.

Indeed, given the pace at which the economy of this country is growing, it is high time that an institute of this nature is established to re-organize the sector.

It is true that this organization will bring about accountability, efficiency and trustworthiness in securities, investment and analysts in this country. It is also worth noting that most of the institutions of higher learning have come up with courses like actuarial science, financial analyst and so forth. The students have been released to the market and yet a body to monitor and re-organize their market is not there.

Hon. Temporary Deputy Speaker, it is also very important to note that this institute will propel the economy of this country to greater heights. If you look at the importance of the Institute of Certified Public Accountants of Kenya and the Institute of Certified Public Secretaries of Kenya and what they have contributed to this country, you will find that it is immense. Therefore, this institute is important because it will look at the insurance, the retirement benefits and the stock market of which we have the biggest in East and Central Africa.

As a country, we want to compete with the very best in the financial sector. We also want to look at what the whole world is doing in terms of financial development. I want to echo the Chair by saying that this institute will handle the uniqueness of the economy of the current Kenya in conformity with the world. Just like the rest of the Members have suggested, I want to say that during the Third Reading, there could be a number of amendments to the Bill.

Hon. Temporary Deputy Speaker, I support the Bill.

Hon. (Ms.) Gathecha: Thank you, hon. Temporary Deputy Speaker. I rise to support this Bill and acknowledge that it is about time that we had this Bill to regulate those involved in the security industry. Any financial instrument or any person dealing with services to the public that deal with funds should definitely be in a regulated industry. This is because we are dealing with a very complex and very sensitive area that is securities and investments in this country. If we look at the growth and the rate at which Kenya is growing currently, it is important that we rise to the international standards that have been set and that we become members and those who are coming to play in the financial market within Kenya are also regulated and understand that there is a structure and a system in which to operate.

We want to establish Kenya as a hub for economic development and as a securities industry. I know we were in competition with West Africa and South Africa to ensure Kenya bid for the position of becoming the securities and investments hub within Africa. If we are going to play in that big league and given the natural resources that we have found in this country, it behooves this country to ensure that those who participate in this particular industry are regulated and that they have a fiduciary responsibility to the public and to the members that we are dealing with.

Hon. Temporary Deputy Speaker, I foresee this Bill expanding the financial market within Kenya. The reason being we have areas we need to deal with. We have a lot of coffee, tea, oil, wealth, mineral resources and food. If we are going to capitalize on this particular wealth, we need to play in the type of field that allows international companies and international organizations to be able to come in and play and understand that they cannot come in and use this country as a conduit to clean money; as a conduit where they can come in and wash terrorist money or activities like that.

The regulation in the securities and investment will ensure that those who are participating are people of integrity, they are also people who, even as we establish the institutions that will be teaching these particular courses. Once these people are working, whether it is in the financial industry or whichever industry they are working in, we will know that there are certain standards that have been maintained and there is a certain requirement for education. This will also expand the level of research and investment in this country and within our education to ensure that those who will be regulated to work in this industry have the particular educational requirements for them to do so.

Hon. Temporary Deputy Speaker, I support this particular industry. Being a professional and a certified financial planner myself; I see the importance and the necessary requirements for people to ensure that they are regulated as professionals dealing with the public to have a certain standard of engagement which they deal with. If we can expand the level of qualifications for people who are engaged in this particular industry, it will assist this country. If we look at the intricate financial systems that are

currently available, we will realize that these particular people who will be regulated in this particular Bill will not only advise the Cabinet Secretaries involved in creating financial instruments in this country to ensure that we have the level of investments that are required and to ensure that we develop our country and meet the Vision 2030 goals that are currently being established, but will also be able to securitize and ensure that the financial instruments that we create will be able to position anybody participating in that particular industry to meet the necessary requirements.

The issue of quacks in the financial industry is a serious problem. Anybody can go in and decide that they are going to work for a particular company and they do not have to have the basic educational requirement. What this does is expose Kenyans to a level of vulnerability that creates an opportunity for them to be swindled and exposed at a very high level and cleaned out all of their savings. That is not the kind of country that you would want to invest in. It is important that we have a board, an institution that sets the examinations, the standards of operating, and the behaviour of those who are operating, especially within the financial industry. Not only am I commending the particular Committee that has come up with this particular Bill, is it important that in this country people are brought to accountability for their actions. In this particular Bill, sentences have been established for those who will be involved or found to be guilty of committing offences. They will be sentenced to imprisonment to a term of up to six months. Those involved in dishonesty and corruption; it is important that not only do we hold people accountable, but we also ensure that for the particular crime that they have committed, there is the requisite jail term and requisite responsibility that they will take with them, once the court finds them guilty. We want to ensure that the public is protected, and this will ensure that we have a safer society.

I support. Thank you.

The Temporary Deputy Speaker (Hon. Kajwang’): Member for Mosop

Hon. Bitok: Thank you so much hon. Speaker for giving me this opportunity to contribute on the Securities and Investment Analysts Bill which from the outset I support. Being a professional, I look at it as a positive direction taken by this country to bring order in management of financial markets and also to contribute to economic growth and orderliness in undertaking businesses. It can also be a way of controlling the upsurge of quacks in the industry which in the end leads people astray. In enacting this Bill, we will be able to control the way we undertake activities in this country. I am happy to note that the body that will be examining the professionals is the body that has been in Kenya for quite a while and has produced professionals like the Certified Public Accountants, Public Secretaries, Certified Credit Professionals and so on. Coming into securities and investments, you realize it will come a long way in ensuring that as a middle income economy, we have the right bodies to undertake controls and also give us certified information that will be relied on and people can have recourse to a body that is properly controlled. This will go a long way in giving us leeway to further establishment of markets within and without Kenya. I support.

Hon. Aden: Thank you, hon. Speaker. I wish from the outset to join my colleagues in supporting this Bill. The Insecurities and Investment Analysts Bill is, indeed, on the regulations of the securities market. It is one that is of high importance to us as Kenyans. From the outset, I want to say that, indeed, Kenya is one of the very

important markets in Africa, that is priding itself as being one of the sophisticated markets for the two main reasons, that is; one, we have very well established financial institutions whose credibility is now rating at international levels. Secondly, we are privileged to have capable human resource that is able to carry out very unique products in the securities and ensure that they can offer Kenyans as well as international investors these products.

The growth of securities market will give Kenyans an opportunity, first of all, Kenyans will have the opportunity to invest in or diversify their investment portfolio. Unfortunately, not many Kenyans have much opportunity in terms of what they can invest in. If they get capital, people tend to crowd in the same traditional business of either shops or the business of buying and selling. But with the opportunity of a well established securities market, Kenyans will now have an opportunity to say that they can diversify their portfolio. That will give them an opportunity to shield them from the shocks of the normal economic trends. So, if ordinary businesses either in small-scale industries or in the investments of the shops and the likes are not working very well, then at least they know that their investments in the securities will probably be one that can save them at that particular opportunity. That diversification of portfolios is an opportunity that can be created if we establish a well regulated securities market.

Additionally, we can be able to attract as country direct foreign investment. Once investors have the confidence that there is a well established securities market, then they can bring in their capitals and invest in the various instruments and security products in the securities exchange. The regulations will get rid of the so-called rogue fellows or conmen in this industry. I must say that, one of the good things to do is to ensure that institutions that are handling securities do so, by using or ensuring that they have professionals in place. This is very important. If you remember what happened during the financial meltdown in the developed economies, one of the reasons that brought down quite a number of economies is because of rogue unqualified people in the securities market. These products are of the nature that they are not visible; they are not things that you can buy and sell. They are not physical products, so when I say buy and sell, you cannot buy and sell them. They are not physical products like the traditional businesses. For that reason, if you have rogue or people who are out to con people, they can, indeed, manipulate this market and they are known to have done a lot of damage to even well developed economies such as the United States of America. Time and again you will see in the international media, certain traders in the securities markets who have been arrested because of certain reasons. That is possible when we have well established and regulated securities markets. For that reason, this particular legislation, indeed, gives us an opportunity to give the international investors and Kenyans the confidence to say that you can invest in Kenya and in the securities market, well aware that you are protected by law and each and every one of the professionals operating in that particular institution are people who are working within a legal framework. Indeed, I want to say that Kenyans stand to benefit a lot if this particular market is well regulated. That is because many Kenyans do not understand the securities market very much. It is not the ordinary “buy and sell” markets. It will help a lot if we implement those very important laws to ensure that Kenyans are protected. It will ensure that our economy is not just a bubble, but an economy that is based on very clear legislations and guidelines that govern all areas, up

to and including the little known securities market. For that reason, this is a very important legislation. Perhaps, it is one of the best legislations that this House has passed. It will, indeed, add a lot of value to our economy and to the lives of Kenyans and secure our investment and the investment of those who have confidence in our economy. We want to attract as many investors as possible out there.

For those reasons, I support this Bill.

The Temporary Deputy Speaker (Hon. Kajwang’): Member for Ndhiwa, are you in the Chamber? Absent, though desiring to contribute. Member for Gichugu!

Hon. Barua: Thank you, hon. Temporary Deputy Speaker, for giving me this opportunity to contribute to this important Bill, which from the outset, I support. I would like to support this Bill for several reasons. First, it is timely. Secondly, it is going to give the investors of all calibers, both small and big, an opportunity to get the most important information required in investments.

One of the biggest aspects of an investor is the ability to take risks. Investments are about taking risks while hoping to get benefits from them after some time. The risk that we are talking about is what is called calculated risk. At the moment, most investors, both small and big, are investing in a risky environment and they are taking risks which they do not understand. So, this particular Bill is going to secure and protect investors and give them the right knowledge, which is important for proper investments. In other words, I want to put it to the House that the issue of risk taking propensity is going to be well taken care of. Many people, including some in this House, have lost money through risky investments. The investments which have been there in the past have not been under the protection of the law. In my opinion, this Bill is going to give the right investment information based on the amount of money which one is going to invest. In other words, information on market segmentation and diversification is very important.

Many people have lost money because of being enticed by people who promise to double or triple their money. At the end of the day, we end up losing money and income for families. This is the first time that we are going to have families and individual investors protected from those quacks and rogue companies, which are not professionals. This Bill is going to improve professionalism in the investment sector. People who have some money to invest in this country will invest in confidence because there is a bigger possibility of getting returns.

I would also like to mention organized security regime. When that regime is organized, we are going to have people from far and wide - international investors - investing in this country. This Bill is going to increase investor confidence and support our economy.

The standard of professionalism is very important. It is what can give people confidence in what they are doing. This issue of certifying stock brokers and others is very important. In the past, this has not been happening. This Bill will also ensure that there are reduced incidences of money laundering. In the past, people have invested money from sources which are not known. By so doing, money laundering has been very rampant. This Bill is going to curtail that and help this country to reduce the extent of money laundering and protect Kenyans from loss of their property.

With those few remarks, I support this Bill.

Hon. (Ms.) Sunjeev: Thank you, hon. Temporary Deputy Speaker for giving me this opportunity to contribute to this Bill. I stand to support this Bill. When a Bill comes to the Floor of this House, one of the most important things that we have to look at is its purpose.

If I can cite what was said by the Governor of the Central of Kenya in June this year, he said that one of the key elements that had attributed to the rapid expansion of the Kenyan bond market was having a stable legal regulatory regime. That goes to say that regulation is definitely required in any form of business. It was also cited last year that Kshs1.3 trillion had been traded across the Mpesa platform. That means that Kenyans have the money to invest safely and reap the benefits safely. I use the word “safely” because we have to trust the people who are going to invest our money. That leads us to also investors from abroad who have a lot of capital and they want to entrust it to an institution that can invest it for them properly.

The Bill also provides that when a person is caught committing that kind of business fraud as a first offender, he should be fined not more than Kshs500,000. However, if that same person is caught a second time, he should be fined not more than Kshs1,000,000. I find that a bit strange because I think we should put a higher bar in terms of the fines. As you are aware, in December, 2013, we passed the Wildlife Bill, which provides that a person who is caught poaching should be fined Kshs20 million. We still have a long way to go to enact proper legislation in terms of punishing the culprits who take the money off innocent Kenyans and foreign investors and take them for a jolly good ride.

From the outset, I support this Bill. I support what everybody else has said that this is very timely. Thank you for giving me this chance.

Hon. A.B. Duale: Thank you, Temporary Deputy Speaker. I stand to contribute to the Securities and Investment Analysts Bill, 2014. I want to thank the Chairman of the Departmental Committee on Finance, Planning and Trade, hon. Benjamin Langat, for bringing this Bill. The principal purpose of this Bill is to provide for the establishment of the powers and the functions of a new professional body to be known as the Institute of Certified Securities and Investment Analysts. This Bill deals with the registration of certified securities and investment analysts to facilitate the realization of an accountable, efficient and trustworthy securities market.

Once enacted into law, this Bill will introduce individuals who are practicing as financial securities and investment analysts. If you do not own a licence, penalties have been provided. For instance, you would be required to pay a fine of Kshs500,000 or you go to Kamiti for two years. There are many brokers who wear good suits and who have nice offices in down-town Nairobi. They will tell you that they are experts and they would want to advise you on how to use your money. I want to tell them - if they are watching - that their days are numbered. That is because the law is going to catch up with them. Never again will you form stock brokerage and investment companies and expect to go away with the money that has been got through sweat and hard labour.

This Bill introduces a segment where it seeks to enhance professional conduct among financial securities and investment analysts. The segment is to be known as ICIA. What will those people do? They are supposed to give investment advice based on facts

and empirical evidence. They offer financial decisions and advise on various investment transactions. They will advise on accounts and records and, above all, they do verification and certification of investment securities. There is something in this Bill that for one to practice and to be a member of that professional body, he or she must pass a final certified security investment analyst examination. So, those guys with big offices in Nairobi and nice suits, please, know that you still cannot join this profession unless you go to school. It is only in Parliament – that is Senate and National Assembly - that you do not use your certificates. It is very sad.

I had the pleasure to serve in the last Parliament with hon. Gumbo, hon. Langat, and hon. Kamama. We set the bar very high for MCAs, governors, senators and members of parliament. This House cannot sit to deal with a Bill that ensures that individuals without required academic standards cannot belong to that body. I have nothing to apologize for by saying that in this House, we have opened the gates for every Tom, Dick and Harry to be Members. That is why you see the House is empty now and yet, we are dealing with a serious financial-related Bill.

The Temporary Deputy Speaker (Hon. Kajwang’): Although I do not see any Tom, Dick and Harry in the House!

Hon. A.B. Duale: Hon. Temporary Deputy Speaker, I was talking about before you joined the House. Hon. Gumbo and I said that we need to pass a law that will require a Member to have the basic education to read a Bill. You do not need to go and do research. If you look at the backside of any Bill, there is an element written “Memorandum of Objects and Reasons.” If you go to schools that teach good English and you are as sharp or intelligent as the hon. Member for Ndhiwa, then you can read and contribute to a Bill.

(Applause)

In the last Parliament, the majority of the people who opposed us--- We had very many Members who had never gone to school. In fact, that Bill helped us identify Cabinet Ministers who had never seen an inside of a high school. I am sure *Mzee* Kibaki looked at his Cabinet and asked: “What is happening?” The former Prime Minister had his share in the Cabinet of people who had never gone to school!

(Laughter)

Yes! It affected both of them! You know, honourable Leader of the Minority Party, you were not in the House. It is only hon. Gumbo and hon. Kamama who can challenge me because they were there. A time will come when we must create a serious professional body and set the bar very high for the leadership. This House cannot pay tribute to Prof. Ali Mazrui! How does Prof. Ali Mazrui inspire you? He must inspire you because of his academic excellence.

I will have many amendments and the Chair will have to tell us what made him wake up one morning and decide to create a professional body as much as we support him. So, he must tell us that when we come to the Third Reading. We might also increase the fine. Those who are entrusted to design an investment portfolio, or entrusted with

your financial transactions, or give you financial advice that if you invest here, you will get this and that, the penalty must be very high. If that investment goes down the drain, the advisor must also go down the drain with his brothers and sisters in that office.

Hon. Temporary Deputy Speaker, with those many remarks, I support, but with amendments.

Hon. Oyugi: I thank you, hon. Temporary Deputy Speaker. Before I contribute to this Bill, I would like to let hon. A.B. Duale know that speaking to a Bill is more than just reading the Memorandum of Objects; it involves doing more research. I appreciate the fact that it makes life easy for a couple of people who might not have the time to research.

The Temporary Deputy Speaker (Hon. Kajwang’): But you are not modest enough to confirm that you are intelligent and sharp as hon. A.B. Duale said?

Hon. Oyugi: I was going to speak to that other encomium conferred upon me by hon. Duale. I really thank him for believing that I am sufficiently or a bit intelligent. I appreciate you. Thank you. I feel honoured, hon. A.B. Duale.

This particular Bill is very important. When you leave a profession such as investments uncontrolled, that is how you invite anarchy. In fact, now I understand why most Kenyans might not have been interested in investing in securities. It is because no one was regulating it! You would put in your money, there would be no returns and half of the the money would be gone. Some of us were subjected to quacks who gave us the impression that they could interpret the stock markets and no sooner had you put in your money; than the money “walked away” through some very unprofessional methods. This Bill is useful as it seeks to provide for the establishment, powers and functions of issuance of certified securities.

It is timely, in order and I think well intentioned.

Hon. Speaker, one of the useful things of this Bill is in Section 5 which speaks to the funds of the institute not increasing taxes on the Kenyan taxpayers. The institute itself shall generate its own funds. I really think that is something good. They have seen that the amount of investment that happens in that field is enough to generate money that is sufficient for the institute to run itself. Section 6 speaks to the fact that people can remain ordinary members, despite the fact that you might not have sufficient qualifications but, at least, you have investments and issues dealing with stocks and securities and, hence, you can be made a member of the institute.

Hon. Speaker, I would like to specifically speak to Section 8 of the Bill which, in the first part, seeks to promote standards of professional competence and practice amongst its members. You cannot have a whole regime of investments not having professional competence and practice. Along those lines, I want to assure hon. Duale that some of us in the Departmental Committee on Justice and Legal Affairs have already put mechanisms in place to ensure that Parliament is subject to some sort of qualifications so that the people coming in to the 12th Parliament ought to be of certain criteria. They should be people who can appreciate and discuss Bills.

Section 8(c) of this particular Bill speaks to something very useful. It is hoping to promote research into the subject of securities so that many Kenyans can invest on the basis of research and projections which are not left for you to decide, or just getting someone on the streets to advice you on what you ought to invest in. So, research being

documented will be very useful. The best part of this Bill, in my opinion, is Section 8(g) which seeks to design an initial ethics test. It is appreciating that there are many people who could have qualified as members of the institute, but they ought to be subjected to an ethics test because they might have been in investments, but they might not have undertaken an ethics test. I really think subjecting people to the ethics test and determining their professionalism is something that really ought to be considered.

The registration of the Board under Section 13 is a good thing. But then the people who will be registering persons should be members of the institute and not just individuals. The Board should be well intentioned and one that is given *gravitas*.

The procedure for application is also very well highlighted in Section 14 of this particular Bill. I would like to speak to Section 16. It talks about qualifications for registration. It confirms that before you register, there will be a test to confirm that you have passed the final studies by Security and Investment Analysis Examination. This, of course, will go to what the hon. Member for Seme spoke about. It will avoid quacks, charlatans and people in good suits walking in the streets of River Road as hon. Duale calls them. It will ensure that we have people who have qualified and they know issues of investments. Those are people who will not be working through guesswork. So, Section 16 of the Bill is very useful.

Hon. Speaker, like all professional bodies, I think this particular Bill speaks in Section 17 in terms of where disqualifications can occur. That then does not make it obvious that once you are a member of the institute you cannot be disqualified. A regime that provides for registration must also provide for disqualification in the case that the institute may find you behaving in a manner that is not as per the conduct the institute shall have put in place.

I also like the fact that there is provision on how to apply for a practicing certificate. This shall ensure that the conduct of the various members of the institute is reviewed constantly. That way, members who have been subject to what I talked about - the ethics test--- If at all you are found not to have worked towards ethics, then I really think you should be subject to disqualification.

Finally, I would like to speak about Section 26 of the Bill which gives out disciplinary provisions. The disciplinary provisions read together with Section 8(g) of this particular Bill talks about ethics, disqualification and deregistration. It will make the securities and investment section in this country one that is robust and professional. Many more Kenyans will be more encouraged to invest in securities and also stocks.

With those few remarks, I would like to support this Bill. We look forward to proposing a couple of amendments when we come to the Committee of the whole House.

Thank you.

The Temporary Deputy Speaker (Hon. Kajwang’): All right. Thank you. Now, the hon. Member for Kitui Central.

Hon. Nyenze: It is Kitui West.

The Temporary Deputy Speaker (Hon. Kajwang’): It is Kitui Central. You may have to go to the Reception and make that truce with your counterpart later on, so that you are not known to be the hon. Member for Kitui Central. When the House rises at the close of business, attend to the receptionist so that you are not known as the Member for Kitui Central! All right. Proceed!

Hon. Nyenze: Hon. Temporary Deputy Speaker, the Leader of the Majority Party says that there is no difference between Kitui West and Kitui Central.

The Temporary Deputy Speaker (Hon. Kajwang’): Let me listen to the Member for Garissa Town.

Hon. A.B Duale: Thank you, hon. Temporary Deputy Speaker for your direction. But there is a hon. Member for Kitui Central in this House. The cards are similar to the ATMs. It is like walking to the ATM and abusing hon. Gumbo’s ATM card. This hon. Member represents the biggest opposition coalition and for transparency and accountability he should use his card. If you allow him, he can go to the Reception and come with the card that shows Kitui West and not Kitui Central. Alternatively, he can use the Dispatch Box. This will go into the HANSARD that he has used a platform meant for the hon. Member for Kitui Central---

The Temporary Deputy Speaker (Hon. Kajwang’): I can confirm for the avoidance of doubt that the hon. Member is using his card. However, for what the Leader of the Majority Party calls accountability and transparency--- It happens to be for Kitui Central and so, I have directed on how he will be able to get his card.

Hon. Nyenze: Thank you, hon. Temporary Deputy Speaker. Hon. Duale always wants to cause trouble for me all the time! I thank you for saving me.

I stand to support this Bill because it is very good and timely. This is the time when many investors are salivating to invest in Kenya. Currently, there is no formal recognition of qualified certified securities and investment analysts (CSIA) in Kenya, notwithstanding that courses and professional exams are offered in Kenya for aspiring Kenyan professionals. Lack of professional recognition of CSIA qualifications by the Kenyan Government puts Kenyan trade professionals at a distinct disadvantage in the Kenyan job market. This Bill, therefore, seeks to provide a formal recognition of those professionals as provided for in Part 3 of this Bill, and that is why I support it.

This Bill also seeks to establish the Institute of Certified Security Investment Analysts as a self regulating professional institute in Kenya, which is seen in part 2 of the Bill. I am convinced that the formal recognition of both the internationally recognized CSIA and safe-guarding professional institute in Kenya will redress the imbalance in the job market. I am sure this will deepen the financial services sector by creating more job recognition and, therefore, the opportunity for Kenyans who are trained as securities and investment professionals. As the Kenyan capital market deepens, there is a growing need to have professionals to manage their new products and the products being introduced in the market and to expand the market.

In Kenya, the main qualification for which securities and investment professionals train is the CSIA qualification. This is offered in 20 colleges and universities. Over 350 graduates are in the market to date and over 2,000 students are currently in different levels of the course. I want to say that this Bill, which is being debated, has come at the right time when Africa is experiencing---

The Temporary Deputy Speaker (Hon. Kajwang’): Hon. Member for Tiaty, what is out of order?

Hon. Abongotum: On a point of order, hon. Temporary Deputy Speaker. With all due respect to the good Leader of the Minority Party in this House, you realize that he is reading word for word from his prepared text. We are not in a conference and I know he

is a man of great intellect. Is it really in order for him to read word for word when the Standing Orders do not allow? He should operate the way he normally operates. Is he in order?

The Temporary Deputy Speaker (Hon. Kajwang’): Leader of the Minority Party, could you have been reading your notes? That is the point of order that has been raised. Press the intervention so that I can see you again.

(Hon. Nyenze pressed the intervention button)

Now you are the Member of Parliament for Kitui West! I do not know what has happened. Now you represent Kitui West.

Hon. Nyenze: Hon. Temporary Deputy Speaker, I think hon. A.B. Duale was trying to play around with my position here. I just want to tell my friend, hon. Abongotum that I am not reading word for word. I am only referring to my written notes. I do not want to deviate from the subject or dwell on other irrelevancies. I want to go directly to what I was saying. This Bill has come at the right time when there is an appetite for investments in Africa. So many companies are coming to Africa because of the new discoveries of mineral resources that we have. This Bill has come at the right time so that it can regulate the investments sector. Anything that deals with regulation of capital is very ideal at this time.

Kenya, like many African countries, lacks the infrastructure for investment. Those countries that have invested heavily in infrastructure and in financial management are the ones that are attracting a lot of foreign direct investments. If you look at Rwanda, which is a small country with very few resources compared to Kenya, they have a one-stop shop. If you want to start a business there, within a week, you can apply, be guided and start business. In this country, you would take years. This Bill seeks to streamline the investment climate given that the financing capacity of our Government is limited because of devolution. A lot of money has been sent to the counties. To engage in those mega projects will be a challenge for this Government or any other government. Funds will not be enough to run some of the projects that the Government wants to do so as to become a middle income country by 2020.

An hon. Member: Two years from now!

Hon. Nyenze: I am being reminded that it is in two years to come.

Hon. Temporary Deputy Speaker, Kenya stands to benefit if we put our act together. As has been alluded to by another hon. Member, the time when people started financial institutions, collapsed them after getting public resources and were never prosecuted, will come to an end once this Bill is enacted into law. I want to commend the Committee for a job well done. The only amendment that I want us to include is on the penalties. They appear to be very small. The sums of Kshs500,000 or Kshs1 million are too small. That is nothing for the fraudsters. I wish that there are amendments to set punitive penalties so that people will not engage in any kind of financial misappropriation. I was in China for the past one week and I want to share with hon. Members in this House the experience that I got. It is good to listen to this. Financial management is placed at the top of the chart and other things like infrastructure, water resources, harbours and railways follow in that order. China has made tremendous

development by regulating its financial sector, developing its transport infrastructure and doing away with unnecessary politics. It is focusing all the energies of its citizens into achieving one goal of development. For Committee Members who accompanied me - I led a delegation to China on benchmarking - as leaders who represent our constituencies, we can borrow a leaf from what the Chinese have done by uplifting more people from poverty and by trying to streamline their financial sector, developing their transport infrastructure and the labour market. If Kenya has to develop--- This Bill has come at the right time and so, let us implement it. Let us be very strict on the punishment for those who violate the law that we are about to enact.

I want to thank hon. Langat and his Committee. They did a good job and it is always good when a Committee becomes serious, sits, dissects and looks at issues instead of passing through them and presenting something that is not digested properly. This is a serious Committee and after going through this Bill, I have seen that they have looked at every bit. The only correction that I will suggest is on the part of the punishment. The penalty should be increased from Kshs500,000 and Kshs1 million to Kshs20 million. That will make people scared. But if the penalty is too small, people will keep breaking the law and you will not take them anywhere. I want to conclude by saying that according to the World Bank, Kenyans rank the lowest on savings, which is only 9 per cent of our Gross Domestic Product (GDP). We do not save. Uganda, Rwanda and Tanzania save a lot. The Chinese save even more! Unless you have a saving culture, you cannot get anywhere. If you want to go for holidays, spend and yet you have no saving culture, you will not grow rich. For us to grow rich as a country, let us teach our people how to save. Whatever you get, save that money. Save as much as you can and use as little as possible. We should avoid wastage.

I want to end by saying that I support this Bill. It is a very well thought out Bill and Kenya will now benefit because of the hydrocarbons that we have discovered in Turkana, the coal we have discovered in Kitui, the iron ore we have discovered in Kitui and Taita Taveta and so many other minerals elsewhere. So many countries are coming together and this Bill is very timely. That is because once you get your financial act together, then you are preparing for a take-off. You will be an industrialized country by 2030 as the Vision envisages.

I support this Bill.

Hon. Abongotum: Thank you very much, hon. Temporary Deputy Speaker, for granting me this opportunity to contribute to this very important Bill.

I want to support the sentiments of Leaders of Majority and Minority Parties on this Bill. I want to thank the Committee chaired by my good friend, hon. Langat, Member of Parliament for Ainamoi Constituency, for coming up with a very special Bill concerning our business environment.

Hon. Temporary Deputy Speaker, a country without highly developed financial sector and good policies on securities and investments can never move forward. That cannot be gainsaid.

Hon. Temporary Deputy Speaker, if you Google and see the operations of New York stock Exchange, London Stock Exchange; Johannesburg Stock Exchange and, of course, the Nairobi Stock Exchange and Securities, you will see volumes of money being traded in that area. It is really flabbergasting. Therefore, this is one of the best Bills the

committee has come up with this time. I am saying this because I also trade in financial securities.

When I was District Officer I in Murang'a, I went to Kenya Commercial Bank to buy Treasury Bills. When I went to the bank, the manager told me that he did not have the forms because nobody was trading in Treasury Bills. Therefore, he had to go to Nakuru to get the forms so that I could fill them. Therefore, this is an area where we must develop.

Hon. Temporary Deputy Speaker, if I can take you back, when the current President of America, Barrack Obama took over, he actually had a lot of problems trying to solve the so-called Lima and Brothers Mortgage industry fiasco. That company was initiated in 1845 and by the time Obama was taking over, the entire mortgage industry had collapsed because of poor advice by analysts. Therefore, he had to struggle so much to bring it to form. Even up to now, we still have people in America who are actually homeless. In America, there is a policy for the poor and homeless. Here in Kenya, homelessness is really not a big issue.

This, therefore, is the best Bill that will assist those who will want to trade in Treasury Bills. My good friend, hon. Nyenze said that we are discovering minerals. He said we have titanium in Kwale, oil in Turkana and we hope that we may also get something in Baringo and Nyakach. There is no reason why we should not get oil in Nyakach and Baringo when a small lake in the North of Uganda called Albert, which used to be called Lake Idi Amin, has a lot of oil in that area. This is because of the amount of hydro-carbons. There are a lot of hydro-carbon deposits in the entire lake basin accumulated for millions and millions of years. I am told through my research that, when you look at evolution from the pre-Cambrian age up to Jurassic age - which is about 150 million years ago - and then Jurassic, Mesozoic paleoic coming this way, you can get oil. Therefore, oil was zoned around 150 million years ago.

The Temporary Deputy Speaker (Hon. Kajwang'): Hon. Oyugi, you need to sit at peace so that you can hear some very good information on history. Those things happened probably before you were born.

Hon. Abongotum: Hon. Oyugi is an intellectual per excellence. We know that because where he comes from, people elect intellectuals. He is one of them.

Therefore, there is no reason why we should not get oil in Lake Victoria when we can get oil from a small lake like Lake Albert.

The Temporary Deputy Speaker (Hon. Kajwang'): Hon. Member for Ndhiwa, are you excited about pre-Cambrian and Jurassic years?

Hon. Oyugi: Thank you, hon. Temporary Deputy Speaker. Of course, I do respect the hon. Abongotum's good parlance on Jurassic and pre-Cambrian. But I am wondering whether the hon. Member is in order to tell us that if you look at the New York Stock Exchange and the Nairobi Stock, you will be flabbergasted. I appreciate his choice of language, but what is flabbergasting in the Nairobi Stock Exchange?

The Temporary Deputy Speaker (Hon. Kajwang): Well, you need to listen more to what the hon. Member of Tiaty has to say.

Hon. Abongotum: Hon. Temporary Deputy Speaker, what is flabbergasting is the amount and the volumes of money involved. You can go to Nairobi Stock Exchange

with some saving – I agree entirely with what hon. Nyenze has said – and you trade in and get a lot of money by just sitting down and thinking.

I was reading one of the magazines about one of the investors in Centum who made Kshs5 billion in five minutes. Therefore, it is flabbergasting to see people make money without sweating, but thinking smart. That is the context.

Hon. Temporary Deputy Speaker, I want to agree with hon. Nyenze that Kenyans must be told or taught to save money. In Africa and in Europe, the saving culture is not there. The Chinese, Asians and Koreans save between 50 to 56 per cent of their total monthly or annual income. In Korea, people are being advised to go and enjoy themselves in Africa. They are advised to go to the beaches of Zanzibar, Mombasa and enjoy themselves. They have a lot of idle money which is normally used by Government to trade and do A, B, C and D. Therefore, we need to teach our people how to save.

In Kenya here, I do not know how much we save. I think people save something like 5 per cent and they consume the rest. The culture of saving needs to be inculcated in our people. Of course, you will know that, if you go to Europe and America – and my good friend, hon. Oyugi has been in America for very many years - people just go to the bank, sign and come to Africa. That is something that we really want to encourage. Therefore, the culture of saving must be encouraged.

On the issue of analysis, we need to be told the truth. I am happy that one of the financial consultants who serve in my Committee - the hon. Leader of Kalaus Party, the hon. Dalmas Otieno Onyango - is an expert in this area. I am happy that he is here.

The Temporary Deputy Speaker (Hon. Kajwang’): Did you say that the hon. Member for Rongo is--- Can you repeat what you said? I did not hear it properly.

Hon. Abongotum: He is the Chair of Kalaus Party.

The Temporary Deputy Speaker (Hon. Kajwang’): Is he the Chair of Kalaus Party?

Hon. Abongotum: Yes, hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. Kajwang’): Yes, hon. Member for Rarieda constituency. What is out of order?

Hon. (Eng.) Gumbo: Hon. Temporary Deputy Speaker, I want to believe that the hon. Member for Tiaty Constituency is aware that he is making a very dangerous statement. Is he in order to suggest that the hon. Member for Rongo is the Chair for Kalaus political party; when I am aware that he is here on account of being a member of the largest party in the land - Orange Democratic Movement (ODM)? The Political Parties Act is very clear. He would have to quit his seat as a Member for Rongo Constituency. I am a *Rongolian* in the Diaspora and I would have known if he had moved from the Great party, ODM. Is he in order to suggest that?

The Temporary Deputy Speaker (Hon. Kajwang’): The point of order seems that you infer that the Member is a member of another party so as to suggest that he should not be occupying membership to this House other than being a member of that party that you refer to.

Hon. Abongotum: Hon. Temporary Deputy Speaker, you can be a chairman of a party and also a member of the great party.

The Temporary Deputy Speaker (Hon. Kajwang’): No! The way the law is designed now, you being in the former House which was the previous Parliament, is such

that if somebody is an active member of a party to the extent that he is a chair, then he is unable to hold two parties. That is what you passed as law.

Hon. Abongotum: Hon. Temporary Deputy Speaker, we read and it is actually not a secret that he is intending to be a formidable---

The Temporary Deputy Speaker (Hon. Kajwang’): Just hold on! I am going to give you an opportunity. But I can see that the Member for Rongo, whom you have mentioned fairly adversely, is intervening.

Hon. Anyango: Hon. Temporary Deputy Speaker, *Kalausi* is just a nickname. I do not know how they started giving it to me and, as far as I know, there is no such party registered anywhere. But they love describing me as a competent party leader before I can even have a party. But I am in the Orange Democratic Movement (ODM) as of now.

(Laughter)

The Temporary Deputy Speaker (Hon. Kajwang’): All right. Member for Tiaty, just give me the intervention button so that I can see you?

Hon. Abongotum: Yes. Hon. Temporary Deputy Speaker, I totally agree with him and I can confirm that in every meaning of what I am saying that he is a competent party leader in this country, but without a party at the moment. So, I can confirm that.

Hon. Temporary Deputy Speaker, as I finish, I support the creation of an examination board. I agree that we need to have an examination board. Penalties must be increased from Kshs500,000 to something close to Kshs5 million. That is because when you give financial advice that is going to really affect the entire economy; when you give a mis-informed and negative advice, I think somebody must pay the cost. I think hon. Langat is here. He is an expert and very much educated in the area of finance. So, please, raise this bar to about Kshs5 million.

Lastly, hon. Temporary Deputy Speaker, I want to say that we must teach our children to be savers. You know most parents actually save for their children. But when we give them money to save for one or two reasons, we need to also inculcate that without saving, there is no future. In economics, you cannot actually break the poverty cycle if you do not invest and save.

So, hon. Temporary Deputy Speaker, generally, I just want to say that saving is a culture that must be inculcated. In fact, in Africa---

The Temporary Deputy Speaker (Hon. Kajwang’): That was the time we had for you. Thank you. Member for Endebess!

Hon. (Dr.) Pukose: Thank you, hon. Temporary Deputy Speaker for allowing me to contribute to this very important Bill on securities and investment analysts. I want to join my colleagues and say that this is a very timely intervention by this hon. House. For a long time, we have had people who are not very qualified or quacks pretending to be security investment analysts and many Kenyans have had problems in accessing critical information in as far as investments in securities are concerned.

Hon. Temporary Deputy Speaker, many Kenyans in the past, whenever there have been issues of trading in the Nairobi Stock Exchange (NSE), where certain companies are floating their shares, are faced with challenges. Whom do you go to? How qualified is the person who is going to give you advice on various areas of investment? That is a big

challenge. You will find that, more often than not, people have invested in some securities firms which have collapsed with peoples' investments and those could be life savings.

When we are blaming Kenyans for not being able to save, it is because of the fear of the unknown. Kenyans fear that if they go and invest in a certain company, it may collapse soon and go down with their investments. That is because that has happened over a period of time. If we can regulate that industry, where somebody who is a security or investment analyst is registered and we can be able to know whether he or she is qualified, that will be good. What are the minimum qualifications for them to be registered? Do we have a board to monitor those people? If it is there, then I think we will be going the right way. That is because when I go to NSE to invest my money, I want to be assured of making profits.

Right now, and for the last few years, many Kenyans fear to go to NSE to invest. That is because they do not know how to invest. There are people who have invested - and I am one of them - who find that their investments are lying idle for a period of years. They wait to see whether the market price is going to increase and it might take a long time before they realize profits. So, they fear. Do I need to go back and invest in another kind of company or what happens?

So, this is timely. Again, I want to join my colleagues by saying that we must also be able to have penalties for those who are going to flout market regulations. That is because when people invest, they need to have sincerity and trust. We need to trust those who can assist us to invest in a company and make money. When you go to other countries, especially West and East, the reason why people invest in the stock exchange is because they have confidence. During breaks, people are able to look at the market price for their commodities or investments. Is the price fluctuating, going up or going down? Then, at the rate at which you find that the price has gone up, you can contact your securities company and have your shares sold so that you can make some profits out of them.

So, we should impose stiffer penalties for those who are going to flout the regulations. We should be able to regulate that sector.

So, with those remarks, I support this Bill and thank you very much for giving me this opportunity to contribute.

Hon. Lati: Thank you, hon. Temporary Deputy Speaker. This is really good. I just got in and got a chance. Sometimes, it is really hard to get a chance to speak in this House. I thank you for this chance. I think this is a very important Bill. It will create a body - just like in the developed countries - that tries to bridge industry practices with the investment theory and ethical practices in our country.

Hon. Temporary Deputy Speaker, if you look at a country like the United States of America (USA), you will find that there are special programmes that deal with finances. This is the CFA programme. People have confidence in the markets because there are professional bodies that guide investment along those areas. The bodies also provide enough security for people to put their lifelong investments into the stock markets and the futures markets.

According to the last re-calculation of the GDP, Kenya is one of the top ten economies in Africa. More importantly, in terms of the stock markets and the financial

markets, we are one of the best. In the Sub-Saharan Africa, we are just behind South Africa.

A few months ago, we had another Bill on the futures exchange which is a very sophisticated kind of market and assets. It is very necessary that we have a practicing body that helps guide investors and professionals in those areas on how best to run those practices in an ethical way.

Hon. Temporary Deputy Speaker, if you look at the CFA programme in the US, you will find that it is actually the one that develops regulations that guide the market and helps the regulatory authorities that deal with the stock markets on the best things such as avoidance of insider trading. Those are important confidence builders for our people.

We are a country that is doing well economically, but we still have a very low saving culture. With the kind of economy that we are now dealing with in Kenya, you expect people to have disposable incomes enough for every household to engage, in one way or the other, in the investment of our stock market.

Hon. Temporary Deputy Speaker, the stock markets are very important in the sense that countries do not need to have all the resources or wealth. Being the financial hub of Eastern and Central Africa, if we build confidence in our people to the stock market, we can become a very strong powerhouse without necessarily thinking about having the natural resources that many of our people are thinking about.

In developed countries, every household is a participant in the stock market because there is confidence within the markets. That is because of the standard practices that are provided by bodies like the one that we are trying to establish here.

Hon. Temporary Deputy Speaker, I support this Bill and hope that we will pass it. I hope that we will get things moving very quickly so that we can bring our people into the entire spectrum of investment assets within the markets and make Kenya, as a country, an investment hub for East Africa and Africa at large. That is because we have enough professionals. Kenyans are well educated people. Kenyans are also very smart people and will do very well in programmes like the CFA. What we are basically doing is to domesticate the CFA so that we have a Kenyan version of the CFA.

Hon. Temporary Deputy Speaker, with those few remarks, I support this Bill.

Hon. Anyango: Thank you, hon. Temporary Deputy Speaker, for giving me this opportunity to contribute to this Bill. I wish to support it, first, because it contributes to the building of professionalism in our country. Ideally, we should have each and every person belonging to a professional society. It is in those professional societies where competence is engaged, regulated, promoted and, somehow, supervised; that we are able to tackle the key principles and values that the new Constitution expects us to practice in this country.

Ideally, the way the accountants and lawyers have a professional body--- Securities analysts is one of the modern professions at present particularly in countries where resource mobilization is a serious business. Our stock exchange has only a few companies being quoted. We expect several thousand companies to be taken to the stock exchange. With the right policies, motivation and incentives, we should have a number of companies being quoted in our stock exchange. There should be a call towards resource mobilization, pinning down the capital that is already being employed in the different establishments to stay in those companies to promote production and employment. As of

now, that is very minimal. In fact, you can tell in which area we have viable co-operatives and companies, and whether they are growing or stagnating.

We need to promote investments in securities as a means of mobilizing capital which is what really employs. Unless we do this adequately, we will continue to be overwhelmed by unemployment in our country.

As a country we need to grow the industrial sector.

(Hon. A.B. Duale consulted with hon. Ochieng)

Hon. Temporary Deputy Speaker, if there could be order. I was going to make a very important point which I wanted hon. Duale to listen to.

When I look at the national accounts of our country, I find that the manufacturing sector is stuck at 13.5 percent of the GDP. There is no way we can increase employment in our country until we tackle industrialization. We will not tackle industrialization because it takes a lot of capital. So, we will not be able to raise that capital unless there is good order in the securities market so that more Kenyans can investment in that market.

Venture capital is lacking in our country now. So, for any business to expand, they have to rely on debt capital. The psychology of our people now is that they want to control their enterprise. By controlling your enterprise, most likely, you are limiting the growth of the enterprise to the capital you can raise yourself. That is because you do not want to cede control to other investors.

We have to put in place incentives that will change this attitude so that more venture and investment capital can be put in place so that our people can expand within the investment potentials that are available in the market. That is not happening.

Hon. Temporary Deputy Speaker, when I arrived, the Member for Tiaty was talking about the savings rate. Actually, the Kenyan savings rate is very low that for every Kshs100 which we earn at the national level, 93 per cent is consumed. This means that we hardly save 7 per cent. So, all the growth that we are able to achieve is growth which is coming from debt capital. The Government is borrowing and it does not have savings out of ordinary revenues. It spends all ordinary revenues in Recurrent Expenditure and all Development Expenditure comes from debt or borrowing by the Government.

In fact, we are now reaching our borrowing limit. If it was set at 50 or 60 per cent of the GDP, without the debasing of our national accounts, we have already hit the limit or the maximum we can borrow as a Government.

If you look at the private accounts, it is the same scenario. If we continue to develop our economy in this manner, we will have only the few that have accumulated some capital getting richer and richer and the majority who do not have that capital will be waiting for employment which will not be there.

Hon. Temporary Deputy Speaker, I am sure you are aware how those who have, have developed the hand-out culture so that they buy their seats to Parliament, to the Executive and to the co-operatives. This is to an extent that even student union movements are looking for funds which they can use to buy leadership as students. That is a stagnating economy. There is no way we can lift this economy to grow at more than 10 per cent of the GDP unless the savings and investment levels are increased.

(Loud consultations)

You can see the interest in the House when you go professional in those things that even the Members do not wish to listen. The solution is not listening to what matters, but what will change the growth in our economy. That is what our dilemma is. So, we are going the simplistic way. I am sure the Mover of the Bill may have analyzed this. Unless we bring down the consumption percentages to less than 70 per cent and the saving levels go beyond 30 per cent, we cannot achieve a 10 per cent growth rate in the GDP with the capital output ratio of about 5 per cent. That is actually the beginning. We will make sure that we train investment analysts who will be able to develop the securities sector and win the trust of investors, leading to an increase in the funding being channelled to our economy through various securities agencies. I would like to support this Bill and underscore the fact that although they have nicknamed me “Kalausi”, “Kalausi” is not a party at all. It is all about members showing some confidence in me – that, they wished I headed a party. I have not reached that stage but on the day I will do so, there will be change in the way we manage the political economy of this country. There will be growth in this country. We are not yet there, but that day will come.

Thank you, hon. Speaker.

The Temporary Deputy Speaker (Hon. Kajwang’): Thank you for those words. You have shown your worth – that, you are a leader of great potential, except that time will tell.

Member for Emurua Dikirr, I am not sure we can reach you, unless you are going to take exactly five minutes. You will excuse me, if I cut you short after five minutes.

Hon. Kipyegon: Hon. Temporary Deputy Speaker, I must thank you for giving me this opportunity to make a small contribution to this important Bill, which touches on the creation of the proposed investment body that will regularize and guide us on matters to do with investments.

For a long time, Kenyans have been treated to “all kind of thrills” in matters of investments because they have never had a serious body that regulates the practice and give people advice on the best types of investments. People have just been diving into investments without knowing whether they will make profits or losses. Some people have taken advantage of the fact that we do not have serious rules on investments to the extent that they have started exaggerating on matters that have serious concerns on investments. One thing that we must agree on and accept is the fact that when we want to get advice on which areas we need to invest on, and in which areas we could to take a risk, we do not have people to run to. The creation of this particular body will allow Kenyans to have legal and confirmed advice whenever they decide to take such risks.

Hon. Speaker, the formation of that body will create a very serious discipline in the area of investment. As is the case in other bodies like the Law Society of Kenya (LSK), we will have discipline. There are rules and regulations that guide them. In this particular sector, where Kenyans are putting their money, we need to have a very serious body to regularize the practice and advise people on how to invest.

Hon. Speaker, you must have realized that, as Kenyans, we like investing on areas where we are not even sure of the outcome; or in areas where we believe that we can invest because other people have invested in. That body can also help in regulating the

practice. For example, in Kenya, the pricing mechanisms in the land sector have been exaggerated to a level that some people can even kill to acquire even a small piece of land. Today, we hear of land issues in the country. The latest issue is that of Karen. The reason as to why we are having a very serious problem in the land sector is because the cost of land has been exaggerated. It has been over-priced and we need to regulate it. A body like the one proposed in this Bill can also advise on how to invest on such areas, so that people do not exaggerate the cost of property. The cost of land needs to be regulated. Land could even be de-valued, so that people can be discouraged from grabbing public land.

The creation of that body will, in a way, help the investors from other countries to come and invest in this country. In most cases, they tend to rely on the media or what is “flying” in the news. We want to have a body which, even the investors from other countries, can trust. They can know in which particular areas they can invest and which are stable.

I want to end by saying that for a long time, some of us have been investing in areas like land, cattle and banking, without looking at other areas which can enable us to make good money and security. That body will come in handy in helping the people of this country to know which areas to invest.

With those few remarks, I support this Bill.

The Temporary Deputy Speaker (Hon. Kajwang’): This is therefore, the opportunity to call upon the Mover to reply.

Hon. Langat: Thank you very much hon. Temporary Deputy Speaker. I want to thank Members who have contributed to this very important Bill. In responding, I want to say that I have taken note of their comments. My Committee will look at those comments. Where necessary, based on the comments from the Floor of the House, my Committee will look at the necessary amendments based on the debate on the Floor of the House.

I want to thank Members because most of them have given us good compliments. That shows that my Committee has been very spot on this Bill. The sector we are dealing with is a very crucial one. The financial sector comprises of the banking sector, which everybody knows, has been properly regulated. It has been properly supplied with professionals. The other is the capital markets sector or the securities sector, which has been regulated to the extent of the Capital Markets Authority and the Nairobi Securities Exchange. However, it is pointless to come up with regulations when the professionals in the sector are not qualified or answerable to anybody.

We are attempting to make the regulation of the CMA complete by making sure that the sector is supplied with professionals who have ethics. Somebody should be watching over those professionals and a fine should accrue to any of the professionals in the event that they misbehave. Earlier on, I said that, as the economy becomes complex, our financial sector becomes very complex. The only way we can address the complexity is to have professionals that can comprehend the peculiarities of the sector. The EA has its own system, but we cannot copy 100 per cent. We need to domesticate and have our unique professionals who understand the Kenyan situation.

I do not know whether Dr. Chebet is still interested. I can donate a minute or two because I saw her complaining bitterly.

The Temporary Deputy Speaker ((Hon. Kajwang’): But there is nothing to donate. You are just on the last minute. Just canvass your last minute.

Hon. Langat: So, may I donate two minutes to Dr. Chebet?

The Temporary Deputy Speaker ((Hon. Kajwang’): No, that is not possible. According to the Standing Orders, if you wanted to donate, you would have started with that and then you donate. You do not do it when you are about to wind up.

Hon. Langat: Hon. Temporary Deputy Speaker, I thought I could donate some time. Anyway, I stand guided by your ruling. I would like to thank all the hon. Members. I look forward to seeing the Members during the Third Reading. I invite all those who have amendments to come forward. I heard the threat from the Leader of the Majority Party and the Member for Rarieda. The Deputy Minority whip also proposed an amendment. I invite all of them to prepare their amendments. We want to approach this thing very well. If possible, they could discuss with me and my Committee so that when we come to the House, we spend our time efficiently. They are, however, invited to bring their own independent amendments so that I can take care of the Leader of the Majority Party, who seems to be having issues with that suggestion.

Thank you very much. I support.

Hon. Members: To reply!

Hon. Langat: I beg to reply.

The Temporary Deputy Speaker (Hon. Kajwang’): Thank you very much. I, therefore, order that the business appearing as Order No.10 in the Order Paper, the Securities and Investment Analysts Bill (National Assembly Bill No.21 of 2014), appear in the Order Paper of tomorrow afternoon for the purpose of voting upon the Second Reading.

ADJOURNMENT

The Temporary Deputy Speaker (Hon. Kajwang’): Hon. Members, the time being 6.30 p.m. this House stands adjourned until tomorrow Wednesday, 22nd October, 2014 at 9.30 a.m.

The House rose at 6.30 p.m.