

NATIONAL ASSEMBLY

OFFICIAL REPORT

Tuesday, 7th June, 2016

The House met at 2.30 p.m.

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

PRAYERS

COMMUNICATION FROM THE CHAIR

PARKING ARRANGEMENTS FOR MEMBERS ON BUDGET DAY

Hon. Speaker: Hon. Members, I wish to welcome you back from the one month recess. It is my hope that you are well rested and rejuvenated for the remaining part of the Fourth Session.

I wish to inform the House that pursuant to the provisions of Standing Order No.241 on pronouncement of Budget Highlights and Revenue Raising Measures before the Budget and Appropriations Committee, the Cabinet Secretary (CS) for the National Treasury will present to the National Assembly the Budget Highlights and Revenue Raising Measures for the National Government for the Fiscal Year 2016/2017 on Wednesday, 8th June, 2016 at 2.30 p.m.

In this regard, parking will be provided at the Kenyatta International Convention Centre (KICC) COMESA Grounds. You are therefore requested to remove your vehicles from the former Ministers' Parking currently reserved for the House leadership. That area is designated for a reception after the Budget Speech. Consequently, tomorrow, 8th June, 2016, all vehicles should be driven to the designated parking areas after dropping of Members at Parliament Buildings.

These measures are intended to ease congestion at the Main Parliament Building. Your co-operation in this regard will be highly appreciated.

Next Order!

PETITION

Hon. Speaker: There was a petition by Hon. Chris Wamalwa. Is he absent?

Next!

PAPERS LAID

Hon. Speaker: Hon. Washiali!

Hon. Washiali: Hon. Speaker, on behalf of the Leader of the Majority Party, I beg to lay the following Papers on the Table of the House:-

(i) The Traffic (Registration Plates) Rules 2016 and the Explanatory Memorandum (to be referred to the Committee on Delegated Legislation).

(ii) The Special Audit Report for the National Youth Service (to be referred to the Public Investments Committee).

(iii) Memorandum on the Ratification of the East African Community Protocol on Privileges and Immunities;

(iv) Memorandum on the Ratification of the East African Community Protocol to operationalize the extended Jurisdiction of the East African Court of Justice.

(v) Memorandum on the Ratification of the Nile Basin Cooperative Framework Agreement.

(vi) Agreement on the Nile Basin Co-operative Framework.

(vii) Memorandum of the Ratification of the Protocol to the Constitutive Act of the African Union relating to the Pan African Parliament (Items (iii)-(vii) to be referred to the Committee on Regional Integration).

(viii) Reports of the Auditor-General on the Financial Statements in respect of the following Institutions for the year ended 30th June, 2015 and the Certificates therein:-

(a) Ministry of Energy and Petroleum;

(b) Parliamentary Service Commission;

(c) Unclaimed Financial Asset Authority;

(d) Unclaimed Assets Trusts Fund; and,

(ix) The Fourteenth Batch of the nominees to three National Government Constituencies Development Fund Committees from the National Government Constituency Development Fund Board.

Thank you, Hon. Speaker.

Hon. Speaker: Very well. Next are supposed to be various reports of various Committees as indicated. The Chairperson of the Public Accounts Committee (PAC) is absent. Therefore, that business is dropped.

Chairperson of Budget and Appropriations Committee, Hon. Mutava Musyimi, you have the Floor.

Hon. Musyimi: Thank you, Hon. Speaker.

Hon. Speaker, I beg to lay on the Table of the House the Report of the Budget and Appropriations Committee on the Estimates of Revenue and Expenditure for the Financial Year 2016/2017, and the Medium Term.

Thank you, Hon. Speaker.

Hon. Speaker: Next Order!

NOTICES OF MOTIONS

APPROVAL OF NOMINEES TO NATIONAL GOVERNMENT CDF COMMITTEES

Hon. Lessonet: Hon. Speaker, I beg to give notice of the following Motion:-

THAT, pursuant to the provisions of Section 43(4) of the National Government Constituencies Development Fund (CDF) Act, 2015, this House approves the nominees to the following three Constituency Committees of the

National Government Constituencies Development Fund, laid on the Table of the House on 7th June, 2016–

- (i) Isiolo North Constituency;
- (ii) Laffey Constituency; and,
- (iii) Nyakach Constituency.

Thank you.

ADOPTION OF REPORT ON ESTIMATES OF REVENUE
AND EXPENDITURE FOR 2016/2017

Hon. Musyimi: Hon. Speaker, I beg to give notice of the following Motion:-

THAT, this House adopts the Report of the Budget and Appropriations Committee on the Estimates of Revenue and Expenditure for the Financial Year 2016/2017 and the Medium Term.

Thank you.

Hon. Speaker: Hon. Members, I wish to recognize students and pupils from the following institutions seated in the Speaker's Gallery:-

Nyangwa Boys High School from Mbeere South Constituency, Tiloa Primary School from Kuresoi North Constituency, Hot Courses Primary School from Lower Yatta Constituency and Ndugu Njenga Boys Primary School from Limuru Constituency.

You are all welcome to observe the proceedings of the National Assembly.

Next Order!

MOTION

CONSIDERATION OF SENATE AMENDMENTS TO WATER BILL

(Hon. (Ms.) Abdalla on 5.5.2016)

(Resumption of Debate interrupted on 5.5.2016 – Afternoon Sitting)

Hon. Speaker: Hon. Amina Abdalla, had you completed consideration of this business?

According to the records, Hon. Amina Abdalla moved the Report for consideration of Senate Amendments to the Water Bill.

Hon. Chachu Ganya, Hon. Ababu Namwamba, Hon. ole Kenta, Hon. Wilber Ottichilo, Hon. George Ogalo, Hon. David Gikaria and Hon. Gichigi had contributed to the debate. This is business which this House had already considered and passed, but it went to the Senate and the Senate proposed a raft of amendments.

Hon. Members: Put the Question!

Hon. Speaker: Is it the feeling of the House that I put the Question?

Hon. Members: Yes!

Hon. Speaker: Hon. Members, the Committee chaired by Hon. Amina Abdalla proposed to accept some of the amendments from the Senate and rejected others. Therefore, the best thing is that we put the Question. We can then proceed to the next Order, which is a Committee of the whole House, so that we can explain which of the proposed amendments the Committee is in agreement with and which they are not, so that should you be in agreement with all of them, then

the Bill will stand passed. But should you not be in agreement, then in the usual way, Articles 112 and 113 of the Constitution will set in for purposes of mediation.

(Question put and agreed to)

COMMITTEE OF THE WHOLE HOUSE

(Order for Committee read)

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

IN THE COMMITTEE

*[The Temporary Deputy Chairman
(Hon. Cheboi) took the Chair]*

THE WATER BILL

The Temporary Deputy Chairman (Hon. Cheboi): Order, hon. Members! We are now on Order No. 9, which is the Committee of the whole House on the Consideration of the Senate Amendments to the Water Bill.

*Clause 2
Senate Amendment*

THAT, Clause 2 of the Bill be amended by inserting the following new definition in its proper alphabetical order –

“wetland” means an area where plants and animals have become adapted to temporary or permanent flooding by saline, brackish or fresh water”.

Hon. (Ms.) Abdalla: Hon. Chairman, our report has things to reject and Clause 2 is one of them. Can I go ahead and explain?

The Temporary Deputy Chairman (Hon. Cheboi): Yes, proceed.

Hon. (Ms.) Abdalla: Thank you, Hon. Temporary Deputy Chairman. I wish to propose the rejection of Senate amendments to Clause 2 because it purports to define the word “wetland” and yet, the word is not used in the Bill.

Thank you.

(Loud consultations)

The Temporary Deputy Chairman (Hon. Cheboi): Order, hon. Members! Kindly settle down so that we can follow this very important matter. Please, let us hear us Hon. Abdalla again. What did you say?

Hon. (Ms.) Abdalla: Hon. Temporary Deputy Chairman, I propose that we reject the Senate amendments to Clause 2 because the Senate is asking us to add a definition for the word “wetland” and yet, the word is not used anywhere in the Bill. So, it is superfluous to define something that is not in the Bill.

The Temporary Deputy Chairman (Hon. Cheboi): It is very important to note that during the voting, if you vote “aye”, it means the Senate amendment will have been carried. If you vote “nay”, you will be voting the proposal by the Chairperson of the Departmental Committee on Environment and Natural Resources.

(Question of the amendment proposed)

Hon. Wakhungu: Hon. Temporary Deputy Chairman, I rise to support the Chairperson’s rejection because in practice, it is obvious that when you give a definition of a word, you must have used that particular word. In this case, if the term “wetland” is not mentioned anywhere in this Water Bill, then it does not have to be introduced or defined.

I support the rejection.

The Temporary Deputy Chairman (Hon. Cheboi): Very well. Let us have Hon. Florence Kajuju, Member for Meru.

Hon. (Ms.) Kajuju: Hon. Temporary Deputy Chairman, welcome back from the recess.

The Temporary Deputy Chairman (Hon. Cheboi): It is not your business to welcome Members from recess. It is the Speaker on the Chair who welcomes them.

Hon. (Ms.) Kajuju: I am welcoming specifically the Chairman.

I support the rejection of that amendment because legally speaking, when you put any word or name in the interpretative clause of any Bill, the purpose is to help Members to understand the content of the Bill or the Act. If it is not in the content, then it cannot be put in the interpretative section of the Bill.

The Temporary Deputy Chairman (Hon. Cheboi): Hon. Members, I want to repeat before I put the Question that, if you vote “aye”, you will be voting to confirm the Senate’s position. If you vote “nay”, you will be voting the confirmation to the proposal by Hon. Amina Abdalla.

*(Question, that the words to be inserted be inserted,
put and negatived)*

(Senate Amendment to Clause 2 negatived)

Clause 8

Senate Amendment

THAT, Clause 8 of the Bill be amended in sub-clause (3) by inserting the words ‘for domestic use’ immediately after the words “water works”.

Hon. (Ms.) Abdalla: Hon. Temporary Deputy Chairman, my Committee proposes that the Senate amendment to Clause 8 be rejected based on the fact that they are asking us to add the words ‘for domestic use’ immediately after the words “water works” and yet, water works has been repeated severally in this clause.

In essence, we do not know where to put it. Looking at all the options, it does not make sense to put that anywhere. I will seek for that amendment to be rejected.

(Question of the amendment proposed)

Hon. Njuki: Hon. Temporary Deputy Chairman, I agree with the Chairperson of the Departmental Committee on Environment and Natural Resources that for the sake of clarity and avoidance of ambiguity, it is important that we do not endorse this amendment. There is a very thin line between commercial and domestic use of water nowadays. Because of lack of clarity, we can reject this amendment.

The Temporary Deputy Chairman (Hon. Cheboi): Let us have Member for Kitui Central.

Hon. Mulu: Hon. Temporary Deputy Chairman, I want to join the Chairperson of the Committee in rejecting this addition of words. The words are supposed to make this clause clearer, but if the words are causing more confusion, there is no reason to include them. So, I want to support the Chairperson's amendment.

*(Question, that the words to be inserted be inserted,
put and negated)*

(Senate Amendment to Clause 8 negated)

*Clause 8B
Senate Amendment*

THAT, Clause 8B of the Bill be amended in sub-clause (5) by deleting the word "three" appearing immediately after the words "Resource Strategy every" and substituting therefor the word "five".

Hon. (Ms.) Abdalla: Hon. Temporary Deputy Chairman, I propose that the Senate amendment to Clause 8B be rejected. The production of that water resource strategy is supposed to take five years. The Senate is saying that we also take five years to review. So, the period of time for producing the strategy will clash with the period of review. We want it to remain as passed by the National Assembly which stated that you take five years to produce a strategy and three years to review the same. The Senate amendment would be clashing with the period of time. We seek its rejection.

(Question of the amendment proposed)

Hon. Makenga: Hon. Temporary Deputy Chairman, I rise to support the rejection as proposed by the Chairperson of the Committee. The reduction of the period from five years to three years would be conflicting. I support the rejection.

The Temporary Deputy Chairman (Hon. Cheboi): Let us have Hon. Ntutu ole Merekai. Sorry, Hon. Patrick Ntutu. I think the other one is also your name.

Hon. ole Ntutu: Hon. Temporary Deputy Chairman, do not be carried away by the politics of Narok. I support the Chairperson in rejecting this. I do not see the reason the Senate wants to increase the number of years.

Thank you.

*(Question, that the word to be left out be left out,
put and negated)*

(Senate Amendment to Clause 8B negatived)

*Clause 19
Senate Amendment*

THAT, Clause 19 of the Bill be amended in sub-clause (1) by inserting the words “georeferenced” immediately after the words “monitoring and”.

Hon. (Ms.) Abdalla: Hon. Temporary Deputy Chairman, we beg to agree with the Senate proposal to amend Clause 19 because they are introducing the need to have the information collected to be geo-referenced. As a digital Government, this is a progressive thing and we support the Senate amendment.

(Question of the amendment proposed)

Hon. ole Lemein: Thank you, Hon. Temporary Deputy Chairman. I rise to support the Chair of the Departmental Committee on Environment and Natural Resources. I agree with the Senate amendment.

Hon. (Dr.) Ottichilo: Hon. Temporary Deputy Chairman, I want to agree with the Chairperson and congratulate the Senate for introducing this very important technical term “geo-referencing” meaning that we are able to know exactly where all these facilities that are using the Geographical Information System (GIS) and the Global Positioning System (GPS) are located.

Thank you.

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

(Senate Amendment to Clause 19 agreed to)

*Clause 24
Senate Amendment*

THAT, Clause 24 of the Bill be amended in sub-clause (1)(b) by inserting the words “appointed by the appointing authority after approval by the county assembly” immediately after the words “the basin”.

Hon. (Ms.) Abdalla: Hon. Temporary Deputy Chairman, the Committee agrees with the proposed amendment by the Senate. The amendment is asking us to allow the county governments to approve members of the water boards that are from their county. This is in line with good practice of vetting persons proposed to this body. We support the Senate amendment.

(Question of the amendment proposed)

Hon. Onyura: Hon. Temporary Deputy Chairman, I rise to support the amendment and the proposal by the Chairperson for the Committee. As we know, water issues are largely devolved to the counties. It is an opportunity for the counties to play a role and more so to have a say in those that are being appointed to sit in the various committees.

I support.

Hon. Busienei: Hon. Temporary Deputy Chairman, I stand to support the amendment by the Chairperson that the directors should be approved by the county assemblies because they are the ones who know the appointed directors.

I support.

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

(Senate Amendment to Clause 24 agreed to)

Clause 25

Senate Amendment

THAT, Clause 25 of the Bill be amended by inserting the words “and county governments” immediately after the words “the Authority”.

Hon. (Ms.) Abdalla: Hon. Temporary Deputy Chairman, the Committee urges the House to approve the Senate amendment to Clause 25 in appreciation that water services are a shared function. The Authority needs to advise both the national Government and the county government. So, we support the Senate amendments to this clause.

(Question of the amendment proposed)

Hon. (Ms.) Sunjeev: Hon. Temporary Deputy Chairman, the explanation by Hon. Amina Abdalla is straightforward. I support.

Thank you.

Hon. Murungi: Hon. Temporary Deputy Chairman, I also want to support the Senate amendment simply because the water issues are devolved. Therefore, involving people from the country government in the management is a wise idea.

Thank you.

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

(Senate Amendment to Clause 25 agreed to)

Clause 30

Senate Amendment

THAT, Clause 30 of the Bill be amended in sub-clause (1)(d) by inserting the words “and rules and regulations” immediately after the words “harvesting policy”.

Hon. (Ms.) Abdalla: Hon. Temporary Deputy Chairman, the Committee proposes that we reject the proposed amendment by the Senate. They are asking us to give the Water Harvesting Authority powers to make rules and regulations. The powers to make rules and regulations have already been put under Article 140 of the same Bill. That is the function of the

Cabinet Secretary and not a Semi-Autonomous Government Agency (SAGA) under a ministry. We oppose that amendment.

(Question of the amendment proposed)

The Temporary Deputy Chairman (Hon. Cheboi): I will allow two Members who have not spoken this afternoon to contribute on this. Hon. (Ms.) Cecilia Ngetich.

Hon. (Ms.) Ngetich: Thank you, Hon. Temporary Deputy Chairman. I want to support the proposed amendment by the Senate. The rules and regulations will articulate the implementation of the provision of the service.

The Temporary Deputy Chairman (Hon. Cheboi): Hon. (Ms.) Janet Nangabo Wanyama.

Hon. (Ms.) Wanyama: Thank you, Hon. Temporary Deputy Chairman. I want to support the Chairlady of the Committee because she has just indicated that the rules and regulations have already been captured in the Bill.

*(Question, that the words to be inserted be inserted,
Put and negatived)*

(Senate Amendment to Clause 30 negatived)

Clause 63

Senate Amendment

THAT, Clause 63 of the Bill be amended in the headnote appearing immediately before the clause by deleting the word “Boards” and substituting therefor the word “Agencies”.

Hon. (Ms.) Abdalla: This is just to clear an error because previously, we had water boards and we forgot to amend it with the new terminology for those bodies that we are now calling agencies. We support this amendment because it is just correcting an error.

(Question of the amendment proposed)

The Temporary Deputy Chairman (Hon. Cheboi): Hon. Makenga.

Hon. Makenga: Thank you, Hon. Temporary Deputy Chairman. I rise to support the Senate proposed amendment because it seeks to align the clause. Initially, the word “agencies” was omitted. Aligning it will give it a better meaning.

The Temporary Deputy Chairman (Hon. Cheboi): Member for Butula, Hon. Onyura.

Hon. Onyura: Hon. Temporary Deputy Chairman, the Member for Ugenya has just distracted me.

The Temporary Deputy Chairman (Hon. Cheboi): Member for Bomet Central, Hon. Tonui.

Hon. Tonui: Thank you, Hon. Temporary Deputy Chairman. I wish to support this amendment because it is simply a clean-up.

(Question, that the word to be left out be left out,

put and agreed to)

*(Question, that the word to be inserted in place thereof be inserted,
put and agreed to)*

(Senate Amendment to Clause 63 agreed to)

Clause 64

Senate Amendment

THAT, Clause 64 be amended in sub-clause 1(b) by inserting the words “from the respective counties” immediately after the words “the Cabinet Secretary”.

Hon. (Ms.) Abdalla: Hon. Temporary Deputy Chairman, we wish to reject the Senate amendment to this clause because it creates ambiguity as to where the chairperson of the development agency should be appointed from. The amendment states that the chairperson will be appointed from the respective county. For instance, the Coast Water Board will appoint a person from Mombasa County and not from the entire basin. We want to improve it. We are not refusing that the chairperson should come from the counties in that basin, but not the county where the headquarters is based.

(Question of the amendment proposed)

The Temporary Deputy Chairman (Hon. Cheboi): Member for Kipipiri.

Hon. Gichigi: Ahsante, Mhe. Naibu Mwenyekiti wa Muda. Naunga mkono maoni ya Mwenyekiti wa Kamati ya Maji na Mazingira. Tukisema kuwa wenyekiti watoke kwenye kaunti zinazohusika, ni lazima kuwe na uwazi na usawa.

The Temporary Deputy Chairman (Hon. Cheboi): Member for Shinyalu.

Hon. Anami: Hon. Temporary Deputy Chairman, the appointment of those officials will be tricky. Whereas I agree with the Chairlady, it would be useful to be specific that it should be from one of the counties benefiting from the services of that Committee. I want to remove the word “respective” but retain the concept of having them---

The Temporary Deputy Chairman (Hon. Cheboi): Hon. Anami, you cannot do what you are proposing to do now. You either support or reject the proposed amendment by Hon. (Ms.) Abdalla. If you had a proposal, it would not be at this point. Let me give a brief opportunity to Hon. (Ms.) Abdalla. She might probably clarify something.

Hon. Anami: Thank you, Hon. Temporary Deputy Chairman.

Hon. (Ms.) Abdalla: We are rejecting this amendment to allow us negotiate for a better proposal. We are not rejecting that the chairperson should come from counties covering that area. With this amendment, if the water board is based in Kakamega County and covering Bungoma and Busia counties, it can be interpreted that the chairperson should only come from Kakamega County. We are going to negotiate with the Senators that the chairperson should come from any of the counties of the entire basin. If we do not reject it, we cannot mediate on it. The best way is to reject the Senate amendment for purposes of improving the law.

(Question, that the words to be inserted be inserted,

put and negatived)

(Senate Amendment to Clause 64 negatived)

Clause 72

Senate Amendment

THAT, Clause 72 of the Bill be amended—

(a) in the marginal note by deleting the word “accreditation” and substituting therefor the word “licensing”; and

(b) in sub-clause (3) by deleting the word “accreditation” appearing immediately after the words “applicant meets the” and substituting therefor the word “licensing”.

Hon. (Ms.) Abdalla: The Committee agrees with the proposed amendment by the Senate. Essentially, it is using a more appropriate word “licensing” as opposed to what we previously had.

(Question of the amendment proposed)

The Temporary Deputy Chairman (Hon. Cheboi): Member for Galole, Hon. Hassan Dukicha.

Hon. Dukicha: I support the proposed amendment by the Chairlady because licence is very important.

The Temporary Deputy Chairman (Hon. Cheboi): Member for Embakasi West, Hon. Theuri.

Hon. Theuri: I support.

*(Question, that the words to be left out be left out,
put and agreed to)*

*(Question, that the words to be inserted in place thereof be inserted,
put and agreed to)*

(Senate Amendment to Clause 72 agreed to)

Clause 73

Senate Amendment

THAT, Clause 73 of the Bill be amended—

(1) in sub-clause (1)—

(a) in the marginal note by deleting the word “accredited” and substituting therefor the word “licensed”;

(b) by deleting the word “accredited” appearing immediately after the words “register of all” in the introductory phrase and substituting therefor the word “licensed”;

(c) in paragraph by deleting the word “accredited” appearing immediately after the words “providers are” and substituting therefor the word “licensed”; and,

(d) in paragraph(d) by deleting the word “accreditation” appearing immediately after the words “to their” and substituting therefor the word “licence”;

(2) in sub-clause (2) by deleting the word “accredited” appearing immediately after the words “ register of the” and substituting therefor the word “licensed”; and,

(3) in sub-clause (4) by deleting the word “accredited” appearing immediately after the words “conduct of” and substituting therefore the word “licensed”.

Hon. (Ms.) Abdalla: Hon. Temporary Deputy Chairman, the Committee agrees with the proposed amendment. It is consequential. If we change “accreditation” to “licensing”, we have to continue doing that in the subsequent clauses.

I support the amendment.

(Question of the amendment proposed)

The Temporary Deputy Chairman (Hon. Cheboi): I will give the opportunity to two Members, starting with the Member for Taveta, Hon. Shaban.

Hon. (Dr.) Shaban: Hon. Temporary Deputy Chairman, I agree with the proposal of the Chair that this Senate amendment be carried.

The Temporary Deputy Chairman (Hon. Cheboi): Let us have the Member for Kitui Central, Hon. Makali Mulu.

Hon. Mulu: Thank you, Hon. Temporary Deputy Chairman. I want to support the amendment as proposed by the Senate because the word “licensed” is better than “accredited”.

*(Question, that the words to be left out be left out,
put and agreed to)*

*(Question, that the words to be inserted in place thereof be inserted,
put and agreed to)*

(Senate Amendment to Clause 73 agreed to)

*Clause 74
Senate Amendment*

THAT, Clause 74 of the Bill be amended—

(1) in the marginal note by deleting the word “accreditation” and substituting therefor the words “a license”;

(2) in sub clause (1)—

(a) by deleting the word “accreditation” appearing immediately after words “revoke the” in the introductory phrase and substituting therefor the word “license”;

- (b) in paragraph (a) by deleting the word “accreditation” appearing after the words “Board that the” and substituting therefor the word “licensing”;
- (c) paragraph (b) by deleting the word “accreditation” appearing immediately after the words “criteria for” and substituting therefor the word “licensing”;
- (d) in paragraph (c) by deleting the word “accredited” appearing immediately after the words “they were” and substituting therefor the word “licensed”;
- (e) in paragraph (e) by deleting the word “accreditation” appearing immediately after the words “conditions for” and substituting therefor the word “licensing”.

(3) in sub-clause (2) by deleting the word “accreditation” appearing immediately after the words “revocation of” and substituting therefor the word “ a license”; and,

(4) in sub-clause (3) by deleting the word “accreditation” appearing immediately after the words “person whose” and substituting therefor the word “license”.

Hon. (Ms.) Abdalla: Hon. Temporary Deputy Chairman, the Committee agrees with the proposed amendment by the Senate. It is a consequential amendment of substituting the word “accreditation” with the word “license”.

We support the amendment.

(Question of the amendment proposed)

The Temporary Deputy Chairman (Hon. Cheboi): I will give the opportunity to two Members, starting with Hon. Mwaita.

Hon. Mwaita: Thank you, Hon. Temporary Deputy Chairman. I support the Chair because the amendment is consequential, as she has said. The word “licensing” is more appropriate than the word “accreditation” which is *ad hoc*.

I support the amendment.

The Temporary Deputy Chairman (Hon. Cheboi): I do not seem to flag out anybody from the left of the Chair. So, I will proceed to give the opportunity to the Member for Kipipiri.

Hon. Gichigi: Hon. Temporary Deputy Chairman, I wanted to contribute to the next amendment, but I support this one.

*(Question, that the words to be left out be left out,
put and agreed to)*

*(Question, that the words to be inserted in place thereof be inserted,
put and agreed to)*

(Senate Amendment to Clause 74 agreed to)

*Clause 75
Senate Amendment*

THAT, Clause 75 of the Bill be amended by deleting sub-clause (1) and substituting therefor the following new sub-clause—

(1) Each county government shall establish a water services provider.

Hon. (Ms.) Abdalla: Hon. Temporary Deputy Chairman, the Committee proposes the rejection of the Senate amendment to this clause. The Senate is making it mandatory that each county should establish a water services provider. This will create a monopoly. It will also make it mandatory that each county must do it only once. So, we feel that this amendment is prohibitive, especially in counties which are very big. They are supposed to establish one water services provider. We also feel that making it mandatory would not be necessary. So, we reject this amendment.

(Question of the amendment proposed)

The Temporary Deputy Chairman (Hon. Cheboi): I will give the opportunity to two Members. Let me start with Hon. Gichigi.

Hon. Gichigi: Thank you, Hon. Temporary Deputy Chairman. I was waiting to contribute to this clause. I support the position of the Committee. I propose that we reject this proposal by the Senate. This is a proposal that comes from somebody within Nairobi who does not understand how water is provided in most of the counties where we have hundreds of water service providers. It will not be possible to consolidate all water service providers. I doubt that there is any single county that can create one company to provide water in it. It is completely wrong.

I oppose the amendment.

The Temporary Deputy Chairman (Hon. Cheboi): I will give another opportunity to Hon. Wilber Ottichilo, the Member for Emuhaya.

Hon. (Dr.) Ottichilo: Hon. Temporary Deputy Chairman, I want to support the Chair of the Committee because this will be very dangerous. Appointing one water service provider will create a monopoly. If that water service provider does not deliver, then that county will really suffer.

So, I want to support the Chair, and reject the Senate amendment.

*(Question, that the words to be left out be left out,
put and negated)*

(Senate Amendment to Clause 75 negated)

Clause 102

Senate Amendment

THAT, Clause 102 of the Bill be amended by deleting sub-clause (1) and substituting therefor the following new sub-clause—

“A water user may enter into an agreement with any person with respect to the execution and maintenance by any party to the agreement of such works as the water user considers necessary or as the conditions of the water user may require for the purpose of protecting the catchment areas, drainage of land, carrying out soil conservation measures, the control of

vegetation or effectively collecting, conveying or preserving the purity and quantity of water which the water user is for the time being authorized to take.”

Hon. (Ms.) Abdalla: Hon. Temporary Deputy Chairman, we propose the rejection of this amendment by the Senate. Basically, the Senate is saying that we can have any water user made responsible for the execution of the maintenance of services. The word “water user” is very broad. It should only be confined to people who are licensed to maintain the same.

So, we propose the rejection of this amendment.

(Question of the amendment proposed)

The Temporary Deputy Chairman (Hon. Cheboi): I will give the opportunity to two Members, starting with the Member for Taveta, Hon. Shaban. I hope your microphone is working. If it is not working, you should not sit too close to Hon. Abdalla. Get another microphone.

Hon. (Dr.) Shaban: Thank you, Hon. Temporary Deputy Chairman. I stand to support the Chair’s position so that we stop having these ambiguities in our law.

Therefore, I stand by the rejection of the Senate amendment.

The Temporary Deputy Chairman (Hon. Cheboi): Let us have Hon. John Bomett Serut.

Hon. Serut: Hon. Temporary Deputy Chairman, I support the position taken by the Committee because the word “water user” brings a lot of ambiguities. It will be nobody’s job to do it. We have to define who has to do that work.

Thank you.

*(Question, that the words to be left out be left out,
put and negated)*

(Senate Amendment to Clause 102 negated)

Clause 109

Senate Amendment

THAT, Clause 109 of the Bill be amended in sub-clause (1) by inserting the words “geo referenced” immediately after the words “monitoring and”.

Hon. (Ms.) Abdalla: Hon. Temporary Deputy Chairman, the Committee agrees with the proposed amendment to Clause 109 because it is the same as the one for geo referencing. It is important to have data geo-referenced.

(Question of the amendment proposed)

The Temporary Deputy Chairman (Hon. Cheboi): I will give the opportunity to two Members, starting with the Member for Magarini, Hon. Kombe.

Hon. Kombe: Thank you, Hon. Temporary Deputy Chairman. I support the position of the Committee regarding the amendment.

The Temporary Deputy Chairman (Hon. Cheboi): Hon. Kiaraho, the Member for Ol Kalou!

Hon. Kiaraho: Hon. Temporary Deputy Chairman, I support the Senate amendment.

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

(Senate Amendment to Clause 109 agreed to)

*Clause 114
Senate Amendment*

THAT, Clause 114 of the Bill be amended in sub-clause (1) by deleting paragraph (g) and substituting therefor the following new paragraph—

(g) receive grants for onward lending to water services providers, counties and community schemes towards water services and water resources management projects for the underserved areas and urban poor;

Hon. (Ms.) Abdalla: Hon. Temporary Deputy Chairman, the Committee rejects the proposed amendment by the Senate. What the Senate has done in this amendment is to substitute the word “community” with the words “community scheme”. This is in line with water resource management projects in underserved and urban poor areas.

So, Hon. Temporary Deputy Chairman, first of all, the words “community schemes” are not defined in the Bill and the Committee felt that using them would hinder poor people from registering into a scheme and benefiting from water projects.

So, we propose the rejection of that amendment and the retention of the word “communities”.

(Question of the amendment proposed)

The Temporary Deputy Chairman (Hon. Cheboi): I will give two Members. I will start with Hon. Michael Onyura, Member for Butula.

Hon. Onyura: Hon. Temporary Deputy Chairman, I want to support the position taken by the Chair of the Committee. I am convinced by what she has said that substituting the expression “community schemes” might deny water to a wider section of the population.

I support the Chair. I am convinced.

The Temporary Deputy Chairman (Hon. Cheboi): Let me also give Hon. Tonui, Member for Bomet Central.

Hon. Tonui: Hon. Temporary Deputy Chairman, I want to support the position of the Committee Chair because if the words “community scheme” are not defined in this Bill, they will bring ambiguity. So, we better leave it.

Thank you.

*(Question, that the words to be left out be left out,
put and negated)*

(Senate Amendment to Clause 114 negated)

*Clause 115
Senate Amendment*

THAT, Clause 115 of the Bill be amended in sub-clause (1) by deleting paragraphs (b) and (c).

Hon. (Ms.) Abdalla: Hon. Temporary Deputy Chairman, the Committee proposes that we reject the proposed amendment by the Senate.

Essentially, what the Senate is saying is that the Water Trust Fund that is supposed to give water to underserved areas where it is not economical to have water services providers and the like should neither receive money from the Equalisation Fund nor from the counties. We are rejecting that because the Water Trust Fund, sometimes, gets funds from donors who require matching funds. If a county or region feels that a water project is important enough for them to provide a portion of the Equalisation Fund, this deletion by the Senate would deny the Water Trust Fund that money.

Water is a shared function. For the Senators to refuse the counties to contribute to the Water Trust Fund, it means that they are assuming that water for underserved areas or areas where water provision cannot pay back for itself, should be the function of the national Government and not shared by the counties.

So, for those reasons, we propose that the House rejects the Senate amendment to deny the Equalisation Fund and counties from contributing to the Water Trust Fund.

(Question of the amendment proposed)

The Temporary Deputy Chairman (Hon. Cheboi): I will give the opportunity to two Members starting with Mary Seneta, Member for Kajiado.

Hon. (Ms.) Seneta: Hon. Temporary Deputy Chairman, I support the position of the Chair to oppose the Senate amendment.

Hon. Mwaita: Hon. Temporary Deputy Chairman, I support the Chair because this idea of trying to deny counties, especially the arid ones, access to the Water Trust Fund is wrong. So, I support what the Chair has said. They deserve water, particularly, areas which are water deficit.

*(Question, that the words to be left out
be left out, put and negatived)*

(Senate Amendment to Clause 115 negatived)

*Clause 117
Senate Amendment*

THAT, Clause 117 of the Bill be amended in sub-clause (1) by deleting the words “which shall be a subordinate court as provided under Article 169(1)(d) of the Constitution”.

Hon. (Ms.) Abdalla: Hon. Temporary Chairman, the Committee agrees with the proposed Senate amendment to Clause 117. Essentially, what it does is to delete unnecessary words and makes the law neater.

(Question of the amendment proposed)

The Temporary Deputy Chairman (Hon. Cheboi): I will give two Members starting with the Member for Mt. Elgon.

Hon. Serut: Hon. Temporary Deputy Chairman, I support the position of the Senate and Committee because it is just a mere cleanup exercise.

The Temporary Deputy Chairman (Hon. Cheboi): Let us have Member for Kitui Central. Do you want to speak to this one?

Hon. Mulu: Yes. I support the Senate's amendment because it makes the whole thing clearer.

*(Question, that the words to be left out be left out,
put and agreed to)*

(Senate Amendment to Clause 117 agreed to)

*Clause 130
Senate Amendment*

THAT, clause 130 of the Bill be amended by inserting the words "conservation and" immediately after the words "for the".

Hon. (Ms.) Abdalla: Hon. Temporary Deputy Chairman, the Committee agrees with the proposed amendment by the Senate. What this amendment does is that it demands that the income received from water permits will not only be used for water management, but also for conservation. This is a welcome inclusion.

(Question of the amendment proposed)

The Temporary Deputy Chairman (Hon. Cheboi): I will give two Members starting with Hon. Kathuri Murungi, Member for South Imenti.

Hon. Murungi: Hon. Temporary Deputy Chairman, I want to support this amendment by the Senate because it is the right thing to do. For most rivers, as we speak now, permits for exploitation are given and the Water Resources Management Authority (WRMA) does not give back to the people who conserve those rivers.

Thank you.

Hon. (Dr.) Ottichilo: Hon. Temporary Deputy Chairman, I want to support this amendment by the Senate and also the endorsement by the Committee. This is a very innovative proposal because most of our water resources are not conserved. WRMA gives licences for exploitation but not for conservation. As a result, most of our rivers have dried and most catchment areas have been destroyed. Therefore, we are running a major risk of having water becoming deficient in many areas of the country.

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

(Senate Amendment to Clause 130 agreed to)

*Clause 139
Senate Amendment*

THAT, Clause 139 of the Bill be amended by inserting the words “a county government” immediately after the words “Cabinet Secretary”.

Hon. (Ms.) Abdalla: Hon. Temporary Deputy Chairman, the Committee agrees with the proposed amendment. It indemnifies the county government the same way it indemnifies the Cabinet Secretary from being charged if there is a problem with the works they have inspected. So, it broadens it especially because water is a shared function. So, you cannot just indemnify the Cabinet Secretary and leave the county government.

(Question of the amendment proposed)

The Temporary Deputy Chairman (Hon. Cheboi): I will give two Members starting with the Member for Wajir, Hon. Fatuma Ibrahim. You do not want to speak to this one. Let me have the Member for Belgut.

Hon. Eric Keter: Hon. Temporary Deputy Chairman, I concur with the Committee that the “Cabinet Secretary” be replaced with “county government” because it is very appropriate and timely. It is also immediate in case of issues related with water in the county.

The Temporary Deputy Chairman (Hon. Cheboi): Order, Members! You seem not to be keen on that one. What is your point of order, Hon. Member for Kiharu? You have just walked in and have found that something is out of order?

Hon. Kang’ata: Thank you, Hon. Temporary Deputy Chairman. I seek your direction on this issue. When a matter is committed to this House from the Senate, and one had an amendment that he or she originally wanted to be incorporated in the original Water Bill when the matter was before the National Assembly, but for one reason or another it was not discussed, can one, at this point, take up that issue and have their amendment considered during the Committee of the Whole House stage?

The Temporary Deputy Chairman (Hon. Cheboi): Hon. Member for Kiharu, we are now only considering the Senate amendments. Whatever we would have done before as a House, in terms of those amendments you wanted to introduce, is now water under the bridge. There is nothing much you can do now. We are considering the Senate amendments. That is why, as you can see, we are not going clause by clause. We are only discussing those amendments that have been proposed by the Senate.

Hon. Members, I will put the Question. We are considering the Senate Amendment to Clause 139. Hon. Abdalla, I want you to be keen on this one because you are the Chairperson of the Committee. The Members will make their decision.

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

(Senate Amendment to Clause 139 agreed to)

*Clause 140**Senate Amendment*

THAT, Clause 140 of the Bill be amended in—

(a) sub-clause (2)(a) by deleting the word “commission” appearing immediately after the words “Authority, the” and substituting therefor the word “Board”; and,

(b) sub-clause (2)(h) by inserting the words “or the Board” immediately after the word “Authority”.

Hon. (Ms.) Abdalla: The Committee agrees with both the amendments proposed by the Senate to Clause 140. The first amendment to sub-clause (2)(a) corrects an error in that clause. The second amendment to sub-clause (2)(h) empowers the Cabinet Secretary to make regulations with respect to keeping of records. We welcome that. We urge the House to approve both amendments to Clause 140 as proposed by the Senate.

(Question of the amendment proposed)

The Temporary Deputy Chairman (Hon. Cheboi): I will give an opportunity to two Members. I will give an opportunity to the Member for Butula and the Member for Mount Elgon in that order.

Hon. Onyura: Hon. Temporary Deputy Chairman, I agree with the proposal by the Chair of the Committee since she has informed us that it was mainly correcting an error and an omission. I support the amendment.

Hon. Serut: Thank you, Hon. Temporary Deputy Chairman. I agree with the concurrence between the Senate and the Committee.

*(Question, that the word to be left out be left out,
put and agreed to)*

*(Question, that the word to be inserted in place thereof be inserted,
put and agreed to)*

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

(Senate Amendment to Clause 140 agreed to)

*Clause 154**Senate Amendment*

THAT, Clause 154 of the Bill be amended in sub-clause 5 by deleting the word “Board” appearing immediately after the words “event that the” and substituting therefor the word “Authority”.

Hon. (Ms.) Abdalla: Thank you, Hon. Temporary Deputy Chairman. The Committee agrees with the proposed amendment by the Senate because it adds a more inclusive word.

(Question of the amendment proposed)

The Temporary Deputy Chairman (Hon. Cheboi): I will give an opportunity to two Members, namely, Hon. Ottichilo and Hon. Gichigi in that order.

Hon. (Dr.) Ottichilo: Hon. Temporary Deputy Chairman, I support the amendment by the Senate and the Departmental Committee on Environment and Natural Resources.

Hon. Gichigi: Thank you, Hon. Temporary Deputy Chairman. I also support the amendment. This proposal is tidying up the Bill.

The Temporary Deputy Chairman (Hon. Cheboi): Since this is the last amendment, I will give an opportunity to two more Members. Let us have the Member for Othaya and the Member for Molo in that order.

Hon. (Ms.) Munene: Thank you, Hon. Temporary Deputy Chairman. I support what the Chairlady has said.

The Temporary Deputy Chairman (Hon. Cheboi): Lastly, let us have the Member for Molo.

Hon. Macharia: Thank you, Hon. Temporary Deputy Chairman. I support the amendment.

*(Question, that the word to be left out be left out,
put and agreed to)*

*(Question, that the word to be inserted in place thereof be inserted,
put and agreed to)*

(Senate Amendment to Clause 154 agreed to)

The Temporary Deputy Chairman (Hon. Cheboi): That marks the end of the proposals we had. I call upon the Mover to move reporting.

Hon. (Ms.) Abdalla: Hon. Temporary Deputy Chairman, I beg to move that the Committee doth report to the House its consideration of the Senate Amendments to the Water Bill (National Assembly Bill No.7 of 2014) and its approval thereof with amendments.

(Question proposed)

(Question put and agreed to)

(The House resumed)

*[The Temporary Deputy Speaker
(Hon. (Ms.) Shebesh) in the Chair]*

REPORT

THE WATER BILL

Hon. Cheboi: Thank you, Hon. Temporary Deputy Speaker. I beg to report that the Committee of the whole House has considered the Senate Amendments to the Water Bill (National Assembly Bill No.7 of 2014) and approved the same with amendments.

Hon. (Ms.) Abdalla: I beg to move that the House doth agree with the Committee in the said Report. I also request Hon. Ottichilo to second the Motion for agreement with the Report of the Committee of the whole House.

Hon. (Dr.) Ottichilo: I second.

(Question proposed)

(Question put and agreed to)

SPECIAL MOTION

APPROVAL OF FINANCING FOR THE DEVELOPMENT OF THE SECOND CONTAINER TERMINAL PHASE II

THAT, this House notes the Sessional Paper No.1 of 2016 on Government Guarantee on Borrowing for the Construction of the Second Container Terminal Phase II, laid on the Table of the House on Thursday, March 10, 2016 and pursuant to the provisions of Article 213 of the Constitution, and sections 50 and 58 of the Public Finance Management Act (CAP 412C) approves the Government of Kenya Guarantee against a loan of Japanese Yen (Y) 32.116 billion, equivalent to Kshs27.30 billion at the current exchange rate, to be borrowed by the Kenya Ports Authority (KPA) from the Japan International Cooperation Agency (JICA) negotiated at the rate of 0.11 per cent per annum and repayable in thirty four (34) years, with a six-year (6) moratorium, to finance Phase II of the development of the Second Container Terminal at the port of Mombasa as part of the Mombasa Port Development.

(Hon. A.B. Duale on 5.5.2016)

(Resumption of Debate interrupted on 5.5.2016 – Afternoon Sitting)

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Let us have the Leader of the Majority Party or the Deputy Leader of the Majority Party. We are resuming debate. It is open to Members. Who was on the Floor? Do you know who was on the Floor? I have three requests. I hope they are on this Motion namely, The Approval of Financing for the Development of the Second Container Terminal Phase II. Hon. Tonui, do you want to speak to this?

Hon. Tonui: Thank you, Hon. Temporary Deputy Speaker for giving me the opportunity to contribute to this Motion. I did not expect it to be on the Order Paper today. Otherwise, I would have come better prepared. Nevertheless, because this is the only opportunity to handle it, let me contribute to it.

I oppose this approval. It is not a timely request. I understand that currently, at the Kenya Ports Authority (KPA), we are using Phase I and have just completed construction of Phase II. It was constructed at a cost of Kshs27.30 billion. It is yet to be used. When we visited the Port,

Phase I was not being used fully or being properly utilised. That day, there were several berths without ships. It looked like staff members were on holiday. We are yet to use Phase II, but we are talking of going for more loans to build Phase III. We should use Phase II and understand the need for expansion. The fact that the loan is going to be cheap because the interest is very low is not an adequate reason for us to go on a borrowing spree. We need to borrow cheap money and utilise it in better areas, like the construction of tarmac roads in our rural areas rather than concentrating on the Kenya Ports Authority (KPA).

When we visited the Port, one of the managers there mentioned to us – God forbid – that the Port would be closed should an accident occur in the channel that leads to the docking berths because the channel is one-way. It cannot allow two ships to pass at the same time. I wonder whether it makes sense to continue investing in it when we know that there is the development of the Port of Lamu, which is going to be the largest sea port in Kenya. Those resources need to be re-directed to the building of the Lamu Port while we wait to exploit the current capacity of the Port of Mombasa under Phases I and II, which are complete. The number of berths that will be created in Phase II will be less than those in Phase I, despite Phase I having been much cheaper.

The issue of service roads at the Port of Mombasa has been sorted in Phase II. The additional funds we are borrowing for Phase III are not for road works. Why should it be more expensive than Phase I? It is not wise for this House to approve this before the other phase is properly used. That is my point of contestation.

Now that we have the Standard Gauge Railway (SGR), goods will be moving out of the Port of Mombasa at a faster rate. Cargo will not accumulate because of faster means of transport inland. Why do we need to increase the cargo holding capacity of the warehouses within the Port when we have the SGR, which will ensure that the movement of goods out of the Port of Mombasa is faster?

This borrowing is not a priority at the moment. The way we are burdening the taxpayers with many loans is not good. It will be quite irresponsible of this House to continue to encourage a borrowing spree on projects which we consider to be non-priority. As we continue to borrow for the KPA, the cost of operations at the Port will go up. We now have strong competition from Tanzanian's Dar-es-Salaam and Tanga ports. We need to reduce the cost of shipping services in this country. That is why the Ugandans are now re-routing their goods through Tanzania. The road works linking Moshi with Mwanza and Arusha are being completed. It implies that goods destined for Uganda, Rwanda and Burundi will pass through the southern route rather than the Kenyan route. The latter tends to be more expensive in shipping and everything else.

I oppose this Special Motion. I request my colleagues to oppose it so that we can bring in responsibility. That is so that we are not eager to borrow whether the loan is on 10 per cent interest or something else. I do not see the urgency for borrowing Kshs27.30 billion to expand the Port of Mombasa. It is not a priority. Let us be responsible as a House and ensure that we only approve what is truly necessary for this country.

Thank you, Hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Okay. I now give the Floor to Hon. Samuel Gichigi.

Hon. Gichigi: Thank you very much, Hon. Temporary Deputy Speaker. I am happy to see that I am not alone in opposing this Motion.

The building of a second terminal at the Port of Mombasa is not a priority. The truth of the matter is that the phase that has just been completed has not been commissioned. We are in a

situation like that of a poor person who has borrowed to buy a car. When the car has just been delivered and it is not being used, the poor man goes on to borrow again to buy another car.

Any person who has followed up the story of debts in this country understands where we are and how much each person in this country owes in terms of domestic and external debts. If this money was being borrowed for priority projects like roads, it would be okay. While we completely understand that the expansion of the Port of Mombasa is not bad, it is going to be a white elephant. We will use many more billions to maintain it as it lies idle for many years. My colleague has indicated what is happening. As we speak, there is a bigger and better terminal that is not being used.

Secondly, we are investing too much in the SGR so that we can move goods from the Port faster. It means we will not need another terminal or storage facilities for cargo because cargo will be moving to the interior faster. Thirdly, we were hoping that the fuel from Uganda and goods from Rwanda would be using the Port of Mombasa. Indications are that it will not happen. The reasons that made us to think that this is a good project are no longer there. We are saying “no”.

As I wind up, any person who has done a little research on maritime commerce in this country knows that the priority investment by this country is not a second terminal at the Port of Mombasa. It is in coming up with a ship of this country. We have to look for ships outside the country for our students who are learning maritime skills. They have to go to countries like Singapore for attachments.

Even for the goods that this country or Government imports, we have to keep using ships from other countries. If you look at the ocean fishing industry, we do not have a fishing port in this country. Other countries send their trawlers to our coast. They fish and put the fish in cold storage facilities in ships and move away. This country also requires a berth to accommodate luxury cruise ships. It is not this sort of thing that we are trying to invest in.

I have engaged members of the Departmental Committee on Finance, Planning and Trade. Most of them are opposed to this borrowing but they are afraid to say so.

We oppose.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): I now give the Floor to Hon. Makali Mulu.

Hon. Mulu: Hon. Temporary Deputy Speaker, I rise to oppose the borrowing of the money because there are some facts which we cannot overlook. The JICA has given us a very good deal in terms of the interest rate of this money and the repayment period of 34 years. They have also given us a very good grace period of six years.

There are fundamental questions which have not been answered in the process of trying to determine whether that money should be borrowed or not. The first question is the issue of capacity. The money is being borrowed so that this country can build what they are calling a Second Container Terminal. Already, there is another terminal which has just been completed. We do not know whether it is being used or not because it has not been officially commissioned. This is a case where we are being told to borrow money to do another terminal and yet, there is another terminal which has been completed and has not been fully commissioned. The question is: Do we really need this additional capacity now? From where I stand, I imagine that the best approach would have been for the existing capacity to be properly made use of and then this House will be requested to approve additional borrowing for a second terminal.

The second issue which is not clear is the issue of the Lamu Port, which is going to be constructed through the Lamu Port-South Sudan-Ethiopia-Transport (LAPSSSET) Corridor

programme. The question is: If we are going to get a new port, what is going to be the impact of Lamu compared to Kilindini? Is it going to be a situation where the large capacity needs to be shared? This is because some of the traffic will be moved to Lamu and there might be no need to have additional capacity at KPA.

The third issue which is important is the Standard Gauge Railway (SGR). From where I stand, my understanding of that project is that, once the railway is completed, it is expected that the issue of efficiency in terms of moving containers from Mombasa upwards will improve. Then, it means we do not need a lot of storage capacity in Mombasa before the containers will be moved to Nairobi. The question is: If efficiency is going to improve through the SGR, then why do we need additional capacity at KPA? You realize then that it is not clear.

The other issue which is important is competitive advantage. You will realize of late that Kenya, as a country, is losing competitive advantage. I have read in the daily newspapers and it has been discussed that we have lost because Uganda is going to do their own railway through Dar-es-Salaam. Rwanda is proposing to do the same which means that a lot of this traffic which we have been expecting to go through Mombasa will now be diverted to Dar-es-Salaam. So, what is the impact of this diversion? Does it not mean that, at the end of the day, a lot of that traffic will go to that port and then this additional capacity we want to provide will not even be important to this county and might never be used?

The other important issue which we need to consider is public debt as a country. We might not want to accept it but Kenya is getting to a level where the issue of public debt needs to be of concern to all of us. I get very worried when we do not take this matter seriously because that money is cheap. But the fact that we are borrowing is going to increase our public debt. The other day, when we passed the Supplementary Estimates, I remember one of the important statistics there was the interest rates that we are now paying to our public debt, both domestic and external. It keeps on increasing. What is going to happen is that we are now crowding the private sector.

When you combine all these factors, even though the KPA has demonstrated that they are able to repay this loan, I do not think it is the right time for the Government to guarantee the KPA. I think what we need to do as a House is to ask the KPA and more so the Ministry of Transport and Infrastructure to answer some of the questions I have raised - which are the implication of the new Lamu Port, the SGR, Kenya losing competitive advantage where Uganda and Rwanda are going through Dar-es-Salaam and the issue on public debt. If we get those questions answered adequately as a House, then we will be ready to say: "Let us support this borrowing." In terms of timeliness, this is not the right time to get that money as a debt to this country.

With those remarks, I oppose the borrowing.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Okay, hon. Member. I now give the Floor to Hon. Keter.

Hon. Eric Keter: Thank you, Hon. Temporary Deputy Speaker, for giving me an opportunity to air my views on this very important Motion. First and foremost, I stand to support this Motion simply because it is one way in which we can increase the revenue of this country. We may have the pros and cons of any development agenda we bring to this House. There are times we look at various ways of developing this country. When an idea of this nature comes, then we should look at it objectively and, at the same time, look at the effects of what it will bring to this nation. As we talk right now, we have very few industries and we should not go to

the point where any idea or proposal which comes up is opposed. That is not good for this country.

Employment is going to be another factor for our people. Having the Second Container Terminal Phase II effected through the loan from the Japanese is a good thing. I appeal to hon. Members that we should be very creative in making many proposals that are going to build this country in terms of employment and improving the economy. I beg to support this idea.

Thank you, Hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Okay, Hon. Members, I now give the Floor to the Member for Magarini.

Hon. Kombe: Ahsante, Mhe. Naibu Spika wa Muda. Ni masikitiko kwamba aliyeshiba hajui mwenye njaa. Ujenzi wa sehemu ya pili ya kituo hiki ni muhimu sana. Nasimama kuunga mkono kwa sababu kwanza ni kituo ambacho kitaongeza nafasi za kazi kwa watoto wetu. Vijana wetu hawana kazi na kwa wakati huo ambapo ujezi utakuwa ukiendelea, wataajariwa na pia vile vile ukikamilika, kuna wengine wengi ambao wataajariwa.

Hivyo pia, itakuwa ni nafasi kwa nchi kujiongezea mapato yake. Kufikia hivi sasa, Bandari ya Mombasa inachangia hela nyingi kwa uchumi wa taifa. Kwa hivyo, kupinga Hoja hii ni hatua ya kurudisha nyuma maendeleo. Tukisema kwamba hata vile vilivyoko bado havijatumika kikamilifu ni sawa na kusema ya kwamba kwa sababu mwaka ujao tutajenga shule zingine hakuna haja tupanue zile shule zilizoko. Hayo ni mawazo duni na siyatazamia kuzungumziwa na waheshimiwa katika Bunge hili.

Kwa hayo machache, naunga mkono Hoja hii.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): I now give the Floor to Hon. John Waluke.

Hon. Koyi: Thank you very much for giving me a chance to also contribute to this Motion. I rise to oppose the building of the second terminal by the Kenya Ports Authority (KPA). It is a good idea but at a wrong time because the economy of this country at the moment is not very sound.

So many things are happening in this country. Maybe we are burdening the country with many projects like this one. Even if we are borrowing, it is a debt the people of Kenya will repay. Why am I saying this? It is because of what we are reading about countries like Uganda and Rwanda relocating to the Dar es Salaam Port to transport their goods. That is money that we were expecting through the Standard Gauge Railway (SGR). If, indeed, it is going to be the way it should, there is no need for us to borrow money to build a second terminal. Look at the Kenya Airways (KQ). The other day we read that KQ sold 200 pilots to Ethiopia. It means our national carrier is also not doing very well. So, I stand to oppose.

Thank you.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): I now give the Floor to Hon. Mary Emaase.

Hon. (Ms.) Otucho: Thank you, Hon. Temporary Deputy Speaker. I speak as a member of the Departmental Committee on Finance, Planning and Trade. We visited the site where KPA wants to develop the second terminal. I think we need to understand why. One of the reasons they gave is that KPA would like to expand capacity beyond demand. It is part of KPA's strategy and continued effort to expand cargo handling capacity at the port. We are all aware that KPA is one of the key institutions, in line with Vision 2030, that is meant to drive the economy of this country. Besides expanding capacity, the terminal will enable the port to match future trends and stay competitive when it comes to cargo handling and go a long way in boosting the economy.

However, we asked questions with respect to the financing. Our Committee referred this Motion to the House so that the representatives of the people can give it an approval. What this Motion is asking is for the Government to approve that borrowing because when the Government approves the borrowing then it is going to be a guarantor for the borrowing. So, our concern as a Committee given our debt levels was: Is KPA as an organisation financially stable? How sound are their financial statements? Are they able to repay the loan? Have they gone through due diligence to make sure that, that has been analysed and evaluated? There was a representative from the National Treasury and we were told that that has been done and that KPA is sound and able to repay the loan. So, what the Government would do here is just to guarantee the borrowing, but the repayment is not coming from the taxpayer but KPA. But our concern was: In an unfortunate event that KPA is unable to repay this loan, then it would become a liability to the Government and it is only at that point that the Government would have to repay this loan.

However, we also raised other concerns. We also have plans to build Lamu Port. With the construction of the Lamu Port and we already have another berth that was just completed which has not been operationalised and when we were at the port we also did not notice any congestion at the port, we were wondering whether we really need this second terminal at this point in time. Those were questions we raised, but we were told that we need to expand. This is a long-term development that will take some time. We do not need to wait as a country until when demand arises and then we begin to look for money to build another berth. We need to do it early so that we increase capacity to allow more vessels to dock at the same time. If you have a port where vessels have to queue before they can berth and offload, then investors would prefer another port where they are able to berth immediately and offload.

I think the idea is good and we should support it as long as KPA is able to pay. Government is just giving a guarantee. Considering the benefits of more vessels berthing, the income that will be generated and with the SGR, it would require that the vessels are able to berth in time. That will enhance efficiency in terms of operations at the KPA.

Thank you, Hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): I now give the Floor to Hon. Wangamati.

Hon Wangamati: Thank you, Hon. Temporary Deputy Speaker, for giving me this opportunity to comment a little on this important issue. I support this Motion with the following reasons: It should be looked at before we start approving so many loans for the country. As other Members have said, we are going for a loan and the other loans that we have received continue to pile up. Sometimes we do not even repay them in time. As one Member has said, KPA is having a lot of problems. Whenever we talk about it, the Government has helped it to pay off some debts. We are yet to hear why these things continue like that. I think there is some group of people in this country who just want to overload the country with loans and yet we could do without some of these loans. We could finance these constructions ourselves as a country.

The Port of Mombasa is important and we need to expand it. I say this because Lamu is not going to come up taking into account that Ethiopia has turned to Egypt. They will get their goods through the Egypt Port. Sudan is having problems with us. I do not know the reason. I expect that one of these days a Government official will come and brief this House on what is going on between Uganda and Rwanda. They had a meeting with us in Lamu and they are now abandoning the project. It is important for Members to be briefed on this issue. They should take this issue seriously to find out why people are running away from us.

What have we done wrong? I agree with the idea of expanding the Mombasa Port. We want Mombasa to compare itself with other international ports on cleanliness. Sometimes Mombasa is dirty. When I go there, I wonder what is happening to the city. Mombasa Port is an old port and should be competing with Dubai. It serves the whole of East Africa. Even if they went to Tanzania, if we expand the Mombasa Port and offer standard services, they will come back to us. However, we want the Kenyan Government to tell us why these people are going away. We want the Government to tell us why they are always taking loans. Time has come when we should finance some of these projects ourselves.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): I now give the Floor to Hon. Nelson Gaichuhie.

Hon. Gaichuhie: Thank you, Hon. Temporary Deputy Speaker. From the outset, I support this Motion. The reason is that I am the Vice Chair of the Departmental Committee on Finance, Planning and Trade and we had opportunity to visit the KPA and saw Phase 1 of the terminal. This loan is supposed to do Phase II. We were taken around the terminal. We saw what the terminal takes, the machines that are involved and the time it takes to build a terminal. There could be competition from the region, but this is because our port is not well equipped. This loan is supposed to buy equipment for the Phase II Terminal and to also expand the terminal. The SGR is almost starting to operate. We need to expand the capacity of the port so that we can make use of the SGR.

Again, this is a concessional loan and the interest rate is very cheap. We cannot get such a loan from any other place apart from Japan. They have looked at KPA and seen that it is able to repay this loan even without involving the Government. There is a prepayment plan. There is a good grace period before we start repaying the loan. Going by the period that we are required to pay this loan, we can repay the loan. Building Phase II of the terminal will take almost four years. So, if we refuse to approve this loan and say that we should wait until we have the capacity, by the time we will say that we need this loan, we might not get it. By the time we get the loan, the building of the terminal is going to take a while. That is why I support the loan.

Kenya is well placed and we handle cargo that is on transit. A terminal like this can handle containers that are on transit. People think that we only get containers for local use. This is a transit point where cargo destined to other destinations is left before another ship takes it. We found it necessary for us to get this concessional loan, so that we can expand our port and construct Phase II Terminal take off.

With those few remarks, I support.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): I now give the Floor to Hon. Rose Nyamunga.

Hon. (Ms) Nyamunga: Thank you, Hon. Temporary Deputy Speaker, for giving me this opportunity to contribute to this Motion. As a Member of the Departmental Committee on Finance, Planning and Trade, I also had opportunity to visit the port. My colleagues have already raised the issues that we raised as a Committee at that time. We did not feel that it was necessary to start another terminal at this time because they have not even started using the existing one that is completed. Initially, the Committee felt that it was not necessary, but they managed to convince us.

First, they were saying that the cost of doing another berth is very high, but right now the Japanese Government is ready to give them a loan at an interest rate of almost 1.6 per cent which we thought is a very good rate. Secondly, they were arguing that if they leave it for another four years, the cost of money will have increased. Those are some of the reasons why they are in a

hurry to start another one. Also, it takes like four years to complete one. The amount of work that will pass through the port is increasing. Trade between Kenya and other countries like even Uganda and Rwanda is increasing. More and more goods are being transported. We should also take into account the fact that the railway is also coming up and the port is connected to the railway. That will make our goods move very fast.

The other issue is that of one window at the port. Right now, we have the one window system, meaning that clearing goods is very fast. That will make us have a lot of goods and do a lot of passages of goods. Those are some of the issues that they raised. On the issue of the debt burden on Kenya, the argument was that Kenya is only guaranteeing the loan for KPA and they are not going to be directly liable. However, just in case something goes wrong, then the Kenya Government will automatically take over.

So, those are some of the issues that we raised with them. We asked them why they are in a hurry considering the fact that the one that they have just completed is not operational. We argued and at the end of it all, we thought it was important and right for us to have the loan approved for them.

We also raised the issue of the Lamu Port. We wanted to know why we cannot diversify and do the Lamu Port instead of adding more and more berths at the Mombasa Port just in case something goes wrong and we need to use another port. Those are some of the issues that we raised. Looking at all the issues that were raised and the pros and cons, we decided, as a Committee, that it is good for us to approve this loan, so that they start doing the work earlier than later.

I support and thank you so much.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): I now give the Floor to the Member for Kiharu.

Hon. Kang'ata: Thank you, Hon. Temporary Deputy Speaker. I rise to support the proposal for several reasons.

First, I imagine if we were to delay the construction of this terminal within the next four or five years, it will be very expensive. When you look at the trends of the world economy, you will notice that the American economy is strengthening. As a result of that strengthening, it means that the dollar will become very strong. Noting that we pay our debts using dollar denominated currencies, it means that if we delay and the American economy, as projected, becomes strong, we shall be paying at a higher premium. So, it is better we pay now before we start paying thereafter at a high rate.

Secondly, we need to make Mombasa a competitive port. This is one of the methods of making it competitive because the traffic is going to be diverted via Djibouti towards Ethiopia. There is also a proposal that Uganda and Rwanda are going to be importing their cargo via Tanzania. Therefore, it means Mombasa is at a danger of being edged out of the market. It is up to us to be more competitive by building another terminal and ensuring that Mombasa can handle a higher volume of cargo as opposed to us relying on the new terminal that was recently built by the Japanese Government.

All factors being constant, I believe Kenya and Africa is rising. When you are in a place where the society is becoming more prosperous, shipping exports and imports becomes a very important aspect of economic activities. We must leverage on the fact that we have a sea. It is noted all over the world that one of the ingredients of economic take off is having a long coastline. Therefore, I do not belong to the school of thought that we have enough terminals in

this country. We need to have several in Lamu and Mombasa. Therefore, any attempt to build a terminal must be supported by any country.

Hon. Temporary Deputy Speaker, there is a fundamental accounting principle which is usually expressed in form of an equation which reads: “Capital + Liability = Assets”. Therefore, we should never fear taking liabilities. This is because liabilities added to capital form an asset. In my assessment, there is nothing wrong in us taking loans so long as we can manage our debt portfolio. A question has been raised as to whether our debt is sustainable. There is a World Bank benchmark as to what percentage of the Gross Domestic Product (GDP) a country should take a loan. I have analysed our debt portfolio and we are within the World Bank standards which clearly shows that, indeed, we are yet to breach that standard. Our loan portfolio is still manageable and we should leverage on that. We should take loans, but not use them to pay recurrent expenditure. We should take loans to build roads and other infrastructural projects because it is this infrastructure which can make our economy to grow.

When you look at the continents of the world such as Europe, America, and Asia, their population is stagnating. The only continent that has a young population is Africa. That means going forward, Africa is the place that is going to have the greatest economic activities because a young population is what powers an economy. Taking that into account it, therefore, means that we as Kenyans, must use our resources particularly our luck and the fact that we have a coastline to leverage on economic activities in a rising Africa. It makes all the sense to have a port and a terminal which is fuelled by a debt, so that we leverage and ensure that in the entire Horn of Africa from Eritrea, Ethiopia up to the south of the Sub-Saharan Africa, we have the best port. That can only happen if, indeed, we have a new terminal.

Therefore, I support. This is a very good idea. There is nothing wrong with having a debt *per se* so long as that debt does not breach the benchmark of the ratio of debt *vis-a-vis* the GDP. Our GDP per capita is only Kshs1,200 per person. When we invest more in infrastructure, we shall double our GDP within this generation and ensure our living standards are raised.

With those few remarks, I support.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): I now give the Floor to Hon Grace Kipchoim.

Hon. (Ms.) Kipchoim: Thank you, Hon. Temporary Deputy Speaker for giving me this opportunity. From the outset, I support the Motion. We should support KPA in borrowing the loan, so that we can expand our infrastructure. This country is growing. When we open up our infrastructure and get more ports, we will enhance trade and the economy will grow. I support the idea that KPA be given opportunity to get the loan so long as they are in a position to repay it. We are now building the SGR and once it is complete, it will link us with our neighbours like Uganda, Rwanda and Southern Sudan. We shall need more terminals to dock cargo since investors will be using our ports. This will also create employment opportunities for our youth. More terminals will also increase our revenue as a country.

With those few remarks, I support. Thank you.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): I now give the Floor to Hon. John Serut.

Hon. Serut: Thank you, Hon. Temporary Deputy Speaker. From the outset, I oppose the guarantee to the KPA from the Government to borrow this money. We have been told that what the port requires is a guarantee from the Government to expand the port for the future and not now. This is a need for the future. If the port has a lot of money that is not being used, it should be brought to the Treasury as revenue and it can be used for other urgent projects such as roads.

This House seeks to give the Government an approval to give guarantee to the port, but my concern is how the public debt is. Are we able to service it comfortably? The answer is no. There has been public outcry that the public debt keeps going up day in, day out. Despite the interest rate that they are giving us, I feel that the issue of giving guarantee by the Government should not take place now. I disagree with my colleagues who have said that the Government is merely guaranteeing. If KPA is not able to service the loan, it means that the Government will look for money to repay the loan.

Allow me to oppose because it is not a priority. This is a future need. We must look at the effects of the diversion of goods to the Port of Dar es Salaam in terms of the consequences this has on KPA.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Hon. Member for Samburu West, do you have a point of order or you are putting an intervention? Hon. Lelelit, it is you I am asking.

Hon. Lati: No.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Your name is still on the list. Just press your button twice. I now give the Floor to Hon. Robert Mbui.

Hon. Mbui: Thank you, Hon. Temporary Deputy Speaker for the opportunity to give my comments on this Motion where the Government is proposing to give guarantee on borrowing for the construction of the Second Container Terminal Phase II within the Port of Mombasa.

I understand that every Government has to ensure that it has excellent infrastructure to grow the economy. I understand the benefits of a new terminal because it will be managing more cargo. We have to be careful on the amount of borrowing or guaranteeing that this Government is giving on infrastructural development projects.

I want to mention what has happened in the recent past. We are coming up with the LAPSSET and the SGR projects. These projects were based on the understanding that our integration process agenda would be enhanced by that infrastructural development. The Government borrowed heavily to facilitate the projects. Unfortunately, on LAPSSET, Rwanda has pulled out. On the SGR project, Uganda has also pulled out. It looks like we will be borrowing to expand this port project on the understanding that we will have more traffic on the SGR and maybe that does not happen. We have to be careful on the amount we borrow as a nation. Because of that, I would hesitate to give my support to this borrowing.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): I now give the Floor to the Member for Samburu North.

Hon. Lentoimaga: Thank you, Hon. Temporary Deputy Speaker for giving me this opportunity. I want to support this Motion because of the following reasons: The Port of Mombasa is a strategic institution and a gateway to our country. All goods that come to our country through the sea come through this port. It is an old port that has served this country very nicely and strongly. Therefore, the expansion of this port is very critical. We should invest more in it.

Our neighbours use the same port and we have a lot of competition from Ethiopia, Tanzania and even landlocked countries like Uganda. They want to look for other routes of transporting their goods. If we do not live within the current era of the new technology, we will lag behind. We should embrace technology and invest a lot of money in this port, so that we can reap resources from our neighbours. With the expansion of this port, many jobs will be created which will provide money that will trickle down to fight poverty. We have many jobless people

in our cities like Nairobi and Mombasa. The population of those who are between the ages of 19 to 35 is huge.

Recently, Kenya had hope of having the only pipeline to Uganda pass through here because Uganda had indicated so, but because of competition and the cost of providing that service, they left us and went through Dar es Salaam. If we do not invest to expand our port, we will lose our landlocked neighbours who have been relying on it.

We have a lot of investments and exploration of resources in northern Kenya. If you go to North Eastern, Samburu, Marsabit and Isiolo, you will realise that new resources are being exploited like geothermal, oil and wind power. Electricity connection and roads are also being done. Exploration of these resources relies on heavy machinery that come through Mombasa Port. The other day when I was going to my constituency, I saw huge machineries being transported to Lake Turkana for wind power exploration. These machineries came through the port. If the port is not expanded, we will not benefit from the exploration of these resources. Mombasa Port needs more expansion than even what we are proposing. If we do not expand it, we are going to lag behind in exploration of resources in our areas.

When we expand the port, we will attract investors from the outside world. If the port is outdated and crowded, they will shy away from our country. We should expand it because we want to be better. We should not be stuck in old technology. The Japanese are saying that they want to improve every single project and it should be continuous. According to history, South Africa outshined countries in Africa because during the Apartheid era, they put in a lot of resources to improve their technology and strategic plans to be self-reliant. We want to be self-reliant. As we wind up the Lamu Port, we must expand Mombasa Port to serve our country now and in the future.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): I now give the Floor to Hon. Ababu Namwamba.

Hon. Ababu: Thank you, Hon. Temporary Deputy Speaker. I want to support this Motion. I want to acknowledge the very good long standing relationship that Kenya has had with the people of Japan.

It is a relationship that has impacted positively on the economic development of this country in many sectors. Today, JICA remains one of the major drivers of grassroots community development in the country. Two months ago, I hosted a delegation of the Japanese Embassy in my constituency, Budalangi, led by the Deputy Ambassador, His Excellency Mikio Mori. The purpose of that delegation was to initiate a very unique project of establishing rural industrial park which has the capacity to create employment and add value to locally produced stuff like rice and *omena*. Therefore, I am very excited by the fact that this relationship or partnership is between the Government of Kenya and the Government of Japan. I know for certainty in very real terms, the value of that relationship. I applaud the Government of Kenya for strengthening the relationship with this important bilateral development partner.

Our concern in this kind of arrangement is not really about whether or not we need the second container terminal Phase II. This is a matter that we have talked about for a long time. Those of us who are familiar with Vision 2030 know that these are some of the projects which are mentioned there. They are key in pushing this country to the next level, in terms of competitiveness in handling goods which are coming and leaving this economy for other places. As a Member of this House, I fully support the need to have a Second Container Terminal Phase II. My only concern is on the implication this has on the debt situation or the overall indebtedness health of Kenya. We are talking about Kshs27.3 billion. It is important to look at

this in the context of the broader implications of the debt burden and how much this adds onto that debt burden. There is empirical information suggesting that we are not doing so badly in terms of our indebtedness. However, I dare say that we are not necessarily in a comfort zone in terms of indebtedness. It is a deal that I will find very difficult to oppose. Therefore, I am supporting it. As we secure this deal, let us take time to interrogate the implications of this hefty borrowing on Kenya's debt situation. Hefty borrowing has become quite common in Kenya.

I wish to remind Hon. Members that this is quite a departure from the policy direction that had been established by the National Rainbow Coalition (NARC) administration under retired President Kibaki, which focussed more on maximising our capacity for self-financing. That included some very good measures like tightening the loopholes in the taxation arena, maximising tax revenue, widening and broadening the tax base and collecting more taxes internally so that we would then be able to finance important projects like this one using locally generated resources. At one time, this country was able to finance its development Budget to as much as 97 per cent under President Kibaki. Therefore, it is a model which we have tried before and we have no reason to revisit.

Let us see through these mega projects, namely, the Second Container Terminal Phase II and the SGR. All these are important projects. They have mega positive effect on the growth of our economy. However, let us also think about future generations and the depressing effect that a big or huge debt burden has on the economic stability of our country. Otherwise, I hope that as soon as this deal is secured, this project will take off and it will run to conclusion. I hope that it will not be stopped by headwinds like we experienced with important projects like the Jomo Kenyatta International Airport (JKIA) Greenfield Project. It was a key infrastructural development project. I recall that we spent a lot of time going over it in the 10th Parliament. It is a project which definitely was going to improve Kenya's standing in terms of the quality of Jomo Kenyatta International Airport. However, for some reasons that I must say the Government has struggled to explain properly, the Greenfield Project was suspended.

The suspension of the Greenfield project has serious economic implications for us because at the end of the day, we will pay a considerable sum of money in respect of that project though the project shall never come to be. So, the fate of the Greenfield Project should not befall this particular project. I want to hope that as soon as this deal is secured, we will see some very concrete steps in the direction of having the Second Container Terminal Phase II up and running to full conclusion.

I support the Special Motion on the Approval of Financing for the Development of the Second Container Terminal Phase II.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): I give the Floor to Hon. Helen Sambili.

Hon. (Prof.) Sambili: Thank you, Hon. Temporary Deputy Speaker, for giving me the opportunity to contribute to the Special Motion.

I would like to begin by acknowledging the support that we continue to get from the great nation of Japan. My constituency has benefitted from funding from Japan in the construction of Oldebesi Secondary School, which gives a second chance to girls who had dropped out of school because of various reasons. We truly appreciate the support that we continue to get from this nation. However, I have some concerns with this particular request from the KPA for the Government to guarantee the borrowing of Kshs27.3 billion. I feel that this is not justified at the moment, particularly because there are issues that have been raised by some of the Members of this Committee in the summary of this Motion. We were told that the interest rate is 0.11 per cent

per annum. However, one of the Members has said that the interest rate will be 1.6 per cent per annum. So, I wonder what is the right percentage that we will repay the loan at.

Thirdly, we were told that the money for servicing this loan will not come from the taxpayer. Even if the money will come from the KPA, this money should be used for more urgent projects.

Finally, since Phase 1 of the Second Container Terminal has not been fully utilised, let us consider and be frugal in using our resources. We should not be very generous in approving loans that will burden the future generations of this country.

So, despite the appreciation of the support that we have had from Japan and the good relationship that we have, I oppose this particular construction of Phase II of the Second Container Terminal.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Thank you, Hon. Member. I now give the Floor to Hon. Jacob Macharia.

Hon. Macharia: Hon. Temporary Deputy Speaker, I rise to support the Motion where KPA is requesting the Government to guarantee it to borrow a loan of Kshs27.3 billion in order to finalise the construction of the second container terminal. Of late, we have seen other countries pulling out of the SGR project. We have also seen countries like Rwanda and Uganda walking out of the oil pipeline. In view of this and the fact that we have the LAPSET project in Lamu, it is important that we have this second container terminal. This loan has a very comfortable repayment period of 34 years and a six years moratorium in which we are aware it will be possible to have finished constructing the second container terminal.

This terminal will help KPA to improve the handling of containers and cargo in Mombasa, which has been a nightmare. This second container terminal is a necessity irrespective of the fact that this loan will add on to our debt capacity. I believe it is necessary and I support.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): I now give the Floor to Hon. Nicholas Gumbo.

Hon. (Eng.) Gumbo: Thank you, Hon. Temporary Deputy Speaker for the opportunity to contribute to this debate. The principles of public finance as outlined in Article 201 of our Constitution are very clear. One of those key principles requires that the burden of taxation shall be shared fairly. The other principle under Article 201(b)(iii) says that expenditure shall promote equitable development of the country including making of special provisions for marginalised groups and areas.

Under Article 201(c) of our Constitution, we are required to ensure that the burden and use of resources and public borrowing shall be shared equitably between the present and future generations. Based on these constitutional provisions, I find myself constrained to support this Motion. Hardly three years ago, our national debt stood at below Kshs2 trillion. In three short years, with the approval of this House, our national debt currently stands at almost Kshs3.5 trillion. What it means is that every Kenyan, including Members of this House and children being born at this particular time, are indebted to a tune of almost Kshs90,000. That might not look much, but if you compare that with our GDP and even with its rebasing, it is substantial.

I know, of course, that it is important that we have an efficient port, Mombasa being our largest port at the moment. But even as we look at what we need to do to improve efficiency at the port, we also need to ask ourselves what has been ailing the efficiency of the Port of Mombasa over the years. I have heard people saying that you need a long shoreline to have a port which can handle many more containers. Nothing could be further from the truth. One of the

busiest ports in the world is the Port of Singapore which currently handles over 30 million 20 by 40 equivalent containers per year.

Before the second berth is done at the Port of Mombasa, our container handling was hardly a million 20 by 40 equivalent of containers per year. This means that we cannot compare to the capacity of the Port of Singapore. By the way, Singapore is hardly the size of Rarieda Constituency. Other than merely expanding the port, we need to look at what is really hampering efficiency within the Port of Mombasa.

I dare say here that, yes, it may look that it is in the national interest in trying to give Mombasa Port extra capacity, but handling containers alone is not what we require. After the containers are handled, we need to evacuate them. Look at the gridlock that is now happening between Mariakani and Mazaras today. After 50 years if, indeed, we were serious about improving transportation and the transport economy in this country, I do not see why the dualing of Mombasa Road all the way from Mombasa to Nakuru to Kisumu to Busia and even to Malaba through Eldoret should not have been a national priority. I have seen economic models which clearly suggest that if we had taken the bold step to undertake that project to dual the road all the way, the benefits are enormous. You have seen the kind of trauma and problems people go through. Only yesterday, Mombasa Road was blocked by tracks. The kind of excruciation that transporters go through because there is no alternative is painful. It is the only route.

So, our appetite for debt is becoming unmanageable. Really, the conversation we should be having as representatives of the people of Kenya is how to dampen our appetite for debt. Debt might look attractive. I remember about two years ago when this House set to increase the public debt margins for the country and we were told that we were only giving ourselves a safety net. That literally opened the floodgates for this unbelievable expansion of our public debt.

The objective may be noble, but really, when we do things like this, are we living by the constitutional principle which requires that the burdens and benefits of the use of resources and public borrowing shall be shared equally between present and future generations? Are we not merely picking up debt which we know we will not be able to service now? We are well aware that the burden of paying this debt is being transferred to future generations who, by the way, are not responsible for this unbelievable exponential expansion of our public debt.

The conversation this country should now be having is how to reduce public expenditure. Why are capital projects becoming possible only through debt? Why can it not be possible for us to live reasonably within our means by trying to do as many of the capital projects as possible through the substantial revenues that we raise in this country? We are shying away from that reality. The truth of the matter is that currently, there is too much unnecessary public spending even in terms of what we give to public offices in this country. We need to have a bold conversation as a country before we build this voracious appetite for debt. These are painful steps that we have to take as a country. How do we reduce public expenditure in Kenya? How do we make Kenya live within its means? This country has the capacity to live within its means. It has been said that we are only providing a guarantee. It has been said that this loan is contentious. It has been said that when this loan is taken it will be affordable and most of it will be taken up by the KPA. Let us not forget that KPA is owned by the people of Kenya. Ultimately, whether it is the KPA or any other agency within Government that is taking up the loan for the Second Terminal, that burden is transferred to the people of Kenya. That is the point that I do not agree with.

In conclusion, our appetite for debt in the last three years has almost become unmanageable. Some of the projects that we are undertaking ought to have been done a long time

ago. This country must find a way to live within its means. This country must find a way to lessen the burdens that we keep on piling on the present and future generations of Kenya instead of increasing them through approvals such as this.

With those remarks, I pause and request my colleagues that before we approve the Government of Kenya guarantee for the amount of Kshs27.3 billion, let us stop to think what we have done to our country in consciously allowing our debt to balloon to almost unmanageable levels.

I oppose the Motion.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): I now give the Floor to Hon. Peter Mwangi.

Hon. Mwangi: Thank you, Hon. Temporary Deputy Speaker for giving me this chance to contribute to this very important Motion on allowing KPA to borrow money from the Japanese Government to expand the Mombasa Port. Mombasa is the gateway to this country. It is very good that we give money to enable expansion of the Port. I support the Motion, but with many reservations.

Sometimes, it is a big burden trying to get to Mombasa. I would like to request that as we expand the Port of Mombasa, let us look at the time it takes for cargo which comes from Mombasa to get to its destination. It is time we asked ourselves why our neighbours are running away from us. The answer is that corruption is very high along our roads. We need to ask ourselves whether we are getting enough from our weighbridges. The people working at the weighbridges will affect the payment of this loan. Even if KPA is the one repaying the loan, it has to be assisted by other agencies.

Recently, Uganda agreed to partner with us in the construction of the SGR. They later turned around and said that it will pass through Tanga. The reason they gave is that constructing the SGR through Kenya will take a long time. When you look at it, you will see that it is true. Sometimes it takes years for a project to be completed in this country because of our political leadership. What are we saying when we tell our people to block roads? We are saying that we shall not be able to repay the loan. It is high time every political leader asked himself or herself whether what he or she says favours the climate of business in this country. If we continue doing things as we are doing, we shall not be able to repay some of our loans. This country is capable of repaying any loan given the fact that we have a very conducive environment.

I support the Motion. I know that this loan will create jobs for our youth. The biggest question is how the Opposition is behaving especially in this era when we want our country to develop. This is our country. Even if there is a disagreement, let us sit down and have dialogue. We do not have to waste a lot of time engaging in unnecessary demonstrations. I request all Members to allow the borrowing of this money. The interest rate is very low. Let us assist KPA and the Kenyan public by behaving maturely.

I support the Motion.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): I now give the Floor to the Member for Matayos, Hon. Geoffrey Odanga.

Hon. Odanga: Thank you, Hon. Temporary Deputy Speaker. From the outset, I oppose the Motion. Despite the fact that a second terminal would be beneficial to the country, it would only be beneficial after a very long time. The current container terminal has not been used to its full capacity. If the reason for constructing a Second Container Terminal Phase II is not out of necessity, then we do not have to construct it as if it is a matter of priority. It must be out of necessity and if it makes immediate economic sense.

Kenya has become very heavily indebted. Her debt to date stands above Kshs3.4 trillion. That is enough reason for us to worry. This is a debt that will be carried forward to future generations, namely, our children and grandchildren. The fact that this loan will take over 34 years to complete servicing is a big enough reason to worry us. We do not need to approve it as of now because whatever that container terminal is supposed to do is not enough. Our roads are not big enough. The roads from Malaba or Busia to Mombasa are still narrow. They are not able to manage the load that will be handled at this terminal. Though it may be a valuable project, it will only be valuable in a very remote sense.

I oppose the Motion.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): I now give the Floor to Hon. Lelelit, Member for Samburu West.

Hon. Lati: Thank you, Hon. Temporary Deputy Speaker. I support the Motion.

The only thing that we should look at as a country when we want to borrow is not the amount that we are borrowing, but the return on investment (ROI) from the loan. That is the only viable benchmark in terms of borrowing. In this case, if we were borrowing this money to put it into some social programme, I would ask whether it really makes sense because the financial ROI could be nothing. While we are not only trying to compete with the world, but also within the East African region in terms of transportation and port services, we can only look at the ROI on this project. It is obvious. You do not have to be a mathematician. Kenya is not the only country that borders the Indian Ocean. We are not the only ones who can provide port services. We have already seen countries like Uganda and Rwanda moving to Tanzania. That competition alone should open our eyes to develop our infrastructure so that competitively, we become the best port in the world.

I have not heard anybody talk about the investment returns of this project being low or bad. I have only seen people who are scared of borrowing. It can only be bad if it does not return the investment. In a capital project like this one, it is obvious that we have returns which are guaranteed almost as the loan. It also provides a horizontal integration to other investment projects that we are undertaking. The only way a railway line can be viable for our country is if it can be horizontally integrated with the Port of Mombasa, so that we can move goods to the inland and other countries. Without that, the SGR that we are constructing will probably mean nothing.

Let us think harder because this is not a lot of money in terms of the use we are going to put it into. The Government of Japan is lending us this money as a zero-interested loan. You can easily “Google” and look for terms of 30-years bond. This is similar to such a bond. Look at the kinds of interests at which money is being lent in the market. In this case, we are talking about 0.11 per cent. It is not even a percentage of something or half a percentage. It is 11 points of a percentage. The only thing that we have to take care of, because the loan will be repaid in Japanese Yens, is to manage our exchange rate regime. It is up to us, as Kenyans, to make sure that we buy less Japanese cars. The only thing that can make the interest rates hit us is if we continue buying lots and lots of Japanese cars. Obviously, we need Yens to buy cars and the demand for the Yen will be high. That will make the exchange rate high. That is what we have to manage. Otherwise, this is a free loan.

No country can develop without developing her infrastructure. If you go back into history, the United States of America is what it is today because of the events after the World War II. After the war, America got into the famous “high interstate highways”. That made sure that the East Coast and the West Coast are connected. It made sure that goods could be moved

into the inland and across the USA. That is why the USA economy became integrated. That is exactly what the Government is doing. The Government will not support a loan that will affect our people in future, especially if the project will not return on investment. This particular project will return on investment.

Let us not just look at it in terms of making sure that we do not burden our people with debt. In this case, maybe, we are actually burdening our future generations with incomes. It is the future generations that will enjoy incomes from the loan. Our biggest competitive advantage in the East African region is that Nairobi is the financial capital of this region. It looks like there is no challenge as at now. If you look at what the Musevenis of the world are doing, the clear challenge that is coming to Kenya is that people are trying to compete with us in terms of transport and infrastructural services that we provide to this region. We must think forward. I support the Government. This is something they need to do very quickly. Otherwise, we will lose our attraction, competitive advantage and many other things will follow if we just shy away from every loan that we want to use for infrastructural development.

With those remarks, I support.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): I now give the Floor to the Member for Limuru Constituency, Hon. (Eng.) Kiragu.

Hon. J.K. Chege: Thank you, Hon. Temporary Deputy Speaker for giving me this opportunity. I support the Motion for approval of financing for the development of the Second Container Terminal, Phase II.

I happen to have come from Japan last week where I had a chance to visit the Port of Yokohama. The Japanese have reclaimed the sea to add to their capacity within the port. I also visited Dubai, where I saw what they are doing to their port. The effort of developing the Port of Mombasa has been systematic. We have been dredging the Port of Mombasa to enable bigger ships dock there. We know that we have two railways systems, namely, the Metre Gauge Railway (MGR) and the SGR. The port requires flexibility and added capacities, so that we do not only serve our inland demand, but also use it for transshipment.

It is not every container that comes to Mombasa that comes to the inland in Kenya or Uganda and other neighbouring countries. As in the case of Singapore and Dubai, it is possible for us to create a port where the neighbouring countries along the coast can get their containers brought in by the big ships and then smaller boats deliver those containers to the neighbouring areas.

The JICA, which is supporting us in terms of this financial commitment for the development of the Port of Mombasa, has been around for many years. They were involved in putting up the Nyali Bridge through the Government of Japan. Studies have been done by JICA to see how we can have a bridge constructed across the Likoni Creek. If we do not support the expansion of the Port of Mombasa in terms of constructing the Second Container Terminal Phase II, this project will not give us full benefits as intended.

Although there is the worry of the national debt growing, something which we cannot fail to take note of, it is important to support the approval of this loan for this investment to be put in place. That way, we will complete this project. Although there has been a lot of talk about our neighbouring countries not supporting us in terms of the SGR and the oil pipeline, we must believe that this country can develop to a point where we can industrialise and use our ports for purposes of export. We cannot wait for our neighbouring countries to come up with the kind of airlines and facilities that exist in this country. What we have done is to be ahead of them. By creating such a port, we will not have to do much to persuade them to come back to Mombasa.

There are more benefits for allowing KPA to complete this project than denying them the money they require to complete it.

I am also aware that we need to improve Mombasa. The tourism industry has not been doing well and Mombasa needs the support of all of us.

With those remarks, I support.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): I give the Floor to the Member for Lamu East Constituency, Hon. Ali.

Hon. S.A. Ali: Asante, Mhe. Naibu Spika wa Muda. Kwa kweli, Hoja hii ni ya kushangaza. Kuzungumza kuhusu Bunge hili kupitisha mkopo wa Kshs27.3 bilioni ni jambo la kushangaza. Huu mradi ambao unafanyika Mombasa ni mradi ambao tukiwa watu wa Pwani na Wakenya, tungependa uwe kwa sababu ya kuinua uchumi wa nchi hii na uchumi wa Pwani.

La kushangaza ni kwamba jambo hili limeletwa Bungeni ilhali mradi huu unaendelea. Ninashindwa pesa hizi zilikuwa zimepangiwa kulipwa namna gani ilhali huu ni mradi ambao tayari umeanza. Isitoshe, linalonishangaza ni kwamba mbali na kuwa kuna umuhimu mkubwa wa kuinua uchumi wetu, ni vipi tutaweza kusaidia sehemu zingine kuinua uchumi wake kuliko kusema tunapeleka pesa mahali Fulani? Kuna miradi ambayo imekwama kama vile mradi wa LAPSSSET. Ukizungumza kuhusu LAPSSSET, unaambiwa kuwa tatizo ni pesa. Huu ni mradi ambao kwa imani yangu Serikali ikiekeza pesa zake unaweza kusaidia pakubwa uchumi wa nchi hii. Lakini lanishangaza pakubwa leo kuona kwamba Bunge hili lahitajika kupitisha Hoja hii ili pesa zilipwe hili shirika la Kijapan ili kutekeleza mradi huu.

Kwa kweli, hatuwezi kukataa maendeleo yasifanyike, na tukiwa kama viongonzi tuna kila haki kuhakikisha kwamba tumesaidia nchi hii katika swala nzima la uchumi wetu. Lakini, mambo mengine kama haya yanahitaji maswala mengi kutoka kwetu sisi viongozi. Kwa mfano, tunasema kwamba tutachukua takribani miaka 34 kulipa deni hili na ilhali tuna uhakika KPA ni shirika moja katika nchi hii linaloingiza pesa nyingi sana. La ajabu ni kwamba leo Serikali inajiongezea madeni kama haya, na nina imani kwamba mzigo huu utakuwa wa wananchi. Hili linatendeka ilhali ushuru unaotowwa mizigo katika bandari ni wa juu. Baadaye wanaoleta bidhaa ama kufanya biashara katika nchi hii wanalipa ushuru ule na kuongeza bei za bidhaa ambazo wameleta.

Kama viongozi tunahitaji kujadiliana pakubwa kabla hatujajiweka katika madeni kama haya ambayo mwisho wake kama ninavyosema, yatakuwa mzigo wa mwanachi wa Kenya wa kawaida. Mimi ningependa kusema kwamba kuna miradi mingi ambayo inahitaji kufanyika na ni bora zaidi. Kama hizi pesa zitatumika, zitafungua milango nchini na kuinua uchumi.

Kama nilivyosema, tunahitaji maendeleo na uchumi uinuke katika nchi hii lakini ninaona Hoja hii ina maswala mengi ambayo tunahitaji kufahamu kupitia kwa Serikali ama kupitia wahusika. Hatuoni haja kama viongozi kupitisha pesa hizi halafu ziwe mzigo kwa wananchi ama kupitisha pesa hizi ilhali kuna sehemu zingine kama nilivyosema kama Lamu zinazohitaji pesa hizi ili miradi ambayo imekwama kama hii iendelee.

Kwa hivyo, ningependa Serikali ihakikishe kwamba tumefanya mambo ambayo yatawaridhisha wananchi na kuinua nchi hii ili tuweze kuimarisha chumi wetu. Tusifanye haya kwa sababu ya ubinafsi wa watu ama maslahi ya watu fulani katika nchi hii.

Asante sana, Mhe. Naibu Spika wa Muda.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Asante. I now give the Floor to the Member for Mavoko, Hon. Makau.

Hon. King'ola: Hon. Temporary Deputy Speaker, I want to confirm that I sit in the Departmental Committee on Finance, Trade and Planning. We visited the site at the KPA and I

must confirm that the 22nd or 23rd berth of Phase II is in top gear. From our interviews with the management of KPA, they confirmed that once we give this grant as a Government they are able to service it as required and they do not foresee any obstacle in repaying it.

From the outset, I want to support this Motion because for such infrastructure to be in Kenya I can only compare it with Singapore which is a container terminal hub in the world and they began this way. We are doing very many projects without a plan but when I visited and saw the projection and the business they are about to undertake, I found that it is going to attract many nations. As opposed to what most Members are asking why Tanzania, Rwanda or Uganda are running from Kenya, we only need to streamline our way of doing business by easing the cost of doing business and terms of handling containers. They assured us of using minimum time.

Once we streamline our structures, we are going to attract customers. I support the Government giving this grant. The rate is very affordable although I know most leaders have concern over public debt of this country. I know in 2013 the national debt was Kshs1.3 trillion. As we speak now, I know it is increasing to Kshs3.6 trillion and this is not a good thing. However, if loans like this will attract investments by increasing more berths, it is going to help this nation as opposed to the loans we are taking and putting into projects that sometimes turn out to be white elephants and so much money is lost in corruption.

I know some will ask what happened to the LAPSSSET and what is happening to Lamu Port. I think the KPA has an ambitious development projection of what they are going to do. Given the fact that the donor has offered good terms I cannot think otherwise than urging Members to support the KPA to receive this grant. This is because more business will emanate from this noble project. Again, if you look at how we are planning to do the Dongo Kundu area for special economic zones, you will find that this container terminal will help Kenya ease handling of cargo and fast-track activities of the SGR. I think this is an infrastructure that is noble and good for Kenya, East Africa and the World.

I support.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Hon. Members, I now give the Floor to the Member for Malindi, Hon. Mtengo.

Hon. Mtengo: Hon. Temporary Deputy Speaker, I rise as an authority in matters maritime. I speak with a lot of confidence because I have been in this sector for very many years. I would like to declare from the outset that I support this Motion but with conditions. The efficiency of a port is not measured by its size but rather by the off-take of cargo both inward and outward. As much as we wish to support that the Government guarantees the Kshs27.30 billion debt, I am of the opinion that we, as Parliament and the Government, need to look at the other complementing sectors that contribute to the efficient movement of cargo both inward and outward from our ports.

Our roads are already suffering. If you travel to Mombasa by road, trust me, you will find that from Voi all the way to Mombasa Port and out is chaotic. As much as we are looking at the growth of the port, there are other complementing factors that the Government has to look into. I know that once Phase II of the terminal is complete, we will have a high turnover of vessels because it will be in a position to accommodate bigger vessels and more cargo. But remember as we pile our containers six stack high and have a high turnover of vessels into and out of the port, we still have challenges. Have we addressed the issues of non-tariff barriers? Have we also looked at the clearance processes of our cargo? How efficient are the weighbridges on our roads? How long does it take for a container to be cleared to exit this country? There is an exodus of

hinterland countries to Dar es Salaam Port not necessarily because it is bigger than Mombasa Port or their infrastructure is 100 per cent better than ours, but because all those elements that contribute to the logistic chain support one another and they are efficient.

I know once this facility is done it will spur the economic activities within Mombasa. There will be a lot of employment opportunities. We wish to support it. However, I am still adamant that the Government has to look at other supplementing and complementing factors in the logistics chain before we look at just one side of infrastructure development.

Thank you. I support.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): I want to give this opportunity to the last Member to contribute to this Motion. That is the Member for Samburu East, Hon. Letimalo.

Hon. Letimalo: Thank you very much, Hon. Temporary Deputy Speaker for giving me the opportunity to support this Motion that calls for financing the development of the second container terminal at the Mombasa Port. I want to imagine that the KPA management must have given consideration to why this second container terminal should be constructed. It must have considered that it has a lot of benefits to Kenya. We know that the KPA is one of the institutions that generate a lot of revenue to our economy. The construction of the SGR is certainly going to speed up movement of goods and services. Three, it means we are going to realise an increase in revenue and attract a lot of investments. So, it is a very important facility.

Above all, as one of my colleagues has said, we should not forget that there are many development activities taking place even far away from that port, like the wind power in Marsabit County. I have personally witnessed trucks transporting big equipment. Suppose the road between Isiolo and Marsabit had not been tarmacked, how long would it take to transport the equipment from Mombasa to Marsabit? It would take a lot of time. In fact, we would be talking of several weeks. The good infrastructure has now enabled the vehicles to move faster. It is important, therefore, that as we consider development in the interior, there is need to expand this facility to create room for vessels and other commodities that will be required. For that reason I support.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Hon. Members, there are no more people to contribute. Everybody who wanted to contribute has contributed. Is the Mover in the House? If the Mover is not in the House, then we should move on to the next Order.

MOTION

APPROVAL OF NOMINEES TO CONSTITUENCY COMMITTEES

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Hon. Letimalo, I am made aware that you will be moving this Motion.

Hon. Letimalo: Thank you, Hon. Temporary Deputy Speaker. I want to move this Motion on behalf of the Chairman of the Committee on the National Government Constituencies Development Fund.

I beg to move:-

THAT, pursuant to the provisions of Section 43(4) of the National Government Constituencies Development Fund Act, 2015, this House approves the nominees listed hereunder to the respective Constituency Committees of the National Government Constituency Development Fund:—

1. LAFEY CONSTITUENCY

1. Mohamed Daar Bulle	Male Youth Representative
2. Mohamed Madey Hassan	Male Adult Representative
3. Amal Osman Haji	Female Youth Representative
4. Katra Noor Omar	Female Adult Representative
5. Hussein Bulle Hassan	Representative of Persons with Disability
6. Mursal Sheikh Abey	Nominee of the Constituency Office (Male)
7. Nasra Samow Bare	Nominee of the Constituency Office (Female)

2. NYAKACH CONSTITUENCY

1. Justus Ochieng Odhoch	Male Youth Representative
2. Joel Onono Mc Odongo	Male Adult Representative
3. Leah Akoth Aringo	Female Youth Representative
4. Hellen E. Were	Female Adult Representative
5. Nashon Ogada Osenya	Representative of Persons with Disability
6. Henry Okoth Odingo	Nominee of the Constituency Office (Male)
7. Susan Atieno Otieno	Nominee of the Constituency Office (Female)

3. ISIOLO NORTH CONSTITUENCY *(Additional Nominees)*

1. Moses Lerosion Edwin	Male Adult Representative
2. Mary Naitore Kimathi	Female Adult Representative

Ever since we reconstituted the National Government Constituencies Development Fund (NGCDF) committees under the new Act, over 280 constituencies have had their nominees approved and gazetted. That is a confirmation that Kenyans appreciate and value the contribution made by the committees in our respective constituencies. There are a few constituencies that are yet to submit their nominees for approval by this House.

I am also aware that the National Treasury has released funds meant for the NGCDF to the Board for disbursement to the constituencies. It is, therefore, necessary that all these committees are approved and gazetted so that they are able to transact business, especially to disburse education bursary funds as well as funds for other development projects for this financial year.

Lastly, I am aware that we have one constituency whose nominees are now a matter of court proceedings. Whereas I know that every Kenyan has a right to lodge any complaint or seek redress in a court of law, I think it is important – and this is the appeal I want to make to all Kenyans – that instead of being a litigious nation--- Kenya is becoming a litigious nation; every

minor matter is being rushed to the courts. It is also important for Kenyans to know that there are other alternative dispute resolution mechanisms. The NGCDF Board has structures that listen to grievances and complaints emanating from constitution of these committees. So, instead of rushing to the courts where matters take a long time before a decision is reached, it is important they explore other avenues like tribunals to ensure that services are not delayed. This is particularly when we are coming towards the end of the financial year when we need to disburse these funds and put them into use within the period required.

I request the Member for Magarini to second.

I beg to move.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Yes, the Member for Magarini.

Hon. Kombe: Thank you, Hon. Temporary Deputy Speaker. I rise to second this Motion. It is, indeed, in good taste that we have the NGCDF committees in place so that we help most of the people who are in need, particularly with bursaries. Many students are really waiting. I believe the approval of these nominees will go a long way in helping the students.

I second.

(Question proposed)

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): We will start with the Member for Uriri, Hon. Kobado.

Hon. Kobado: Hon. Temporary Deputy Speaker, I am queuing for Order No.12.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Then let us have Hon. Ababu Namwamba.

Hon. Ababu: Hon. Temporary Deputy Speaker, anything concerning the NGCDF must be supported because if there is one model that has really proven a success, then it is CDF. With the benefit of hindsight, you even imagine that if we had taken the CDF model, refined it and built it as the framework for devolution, this country would have made greater strides in development than we have witnessed with billions of shilling being pumped into counties but there is really not much to show for it.

Therefore, I support this Motion because we are inching closer to the process of transiting from the old legislation to the new one. The approval of these committees by this House is an important step in that direction. The process of approving members of the NGCDF committees that we have been undertaking before we went on recess is actually a very unique innovation. Previously, these committees were picked in a different fashion. The new approach where the selection is done in a broad-based fashion involving officers of the National Government at the sub-county level, the sub-county commissioner and representatives of the office of the Member of Parliament and other interest groups and then bringing these names here gives the NGCDF committee considerable authority and that knowledge and appreciation of knowing very clearly that they have a responsibility to this House and that they have to take their responsibilities very seriously. In case of any problems in the management of the Fund through this committee, these committees must know that they now bear direct responsibility to this House and we now have a very strong oversight role. This is because besides these committees, we have also established the unique oversight committee. That Committee will ensure that the NGCDF committee performs its mandate and funds are utilised properly.

I want to tell this House my experience with NGCDF since I entered Parliament in January, 2008. The CDF is truly a working model of decentralisation of resources. Schools,

health centres and rural access roads have been constructed all over the place using the NGCDF funds. If you come to Budalangi, you will see that we have constructed a whole university campus that just opened its doors to students last month using the NGCDF. It was progressively developed over a period of five years. It is a fantastic statement or testament to the transformational power of the NGCDF. This Fund should be supported. I tell those who have been against this Fund and those who have been plotting and conspiring to kill this initiative “shame on you” because if you love this country and if you appreciate grassroots development, you really need to support the NGCDF.

I am also confident that even in terms of accountability, audit and reporting, if we adopted a similar model in terms of overseeing country resources, we would actually make great progress because the manner in which the NGCDF funds are audited and reported, leaves very little room for the funds to be wasted. I would imagine if you were to undertake an empirical, unbiased and objective assessment of this Fund, you would actually rate it at above 90 per cent in terms of resources that actually end up in projects that are transformational and changing the face, character and the fortunes of our people and our land across the length and breadth of our Republic.

So, I congratulate Lafey, Nyakach and Isiolo constituencies for fulfilling the requirements of the new law. I want to say that as members of this House, let us continue to jealously protect NGCDF.

In conclusion, I am really happy that the new law has removed Members of Parliament from direct engagement in this Fund. That is a good thing because NGCDF has also been like a yoke around the neck of a Member of Parliament. Many decisions are made. Using myself as an example, I have never sat in NGCDF committees in my constituency. Many things are done by the NGCDF committee and the Fund Account Manager but at the end of the day, whenever anything goes wrong, it is the Member of Parliament who is crucified. Whenever there are any audit queries, it is the face of the Member of Parliament that is splashed out in the media. So, it is actually a good thing. Colleagues, you should applaud the move that has removed Members of Parliament from the centre of this Fund so that we can just oversee it and make sure that it is functioning effectively and implementing the vision that you have for your constituents and our people.

I support, Hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): I give the Floor to the Member for Turkana County, Hon. Joyce Akai.

Hon. (Ms.) Emanikor: Thank you, Hon. Temporary Deputy Speaker. I rise to support this Motion knowing the importance of the NGCDF in Kenya, particularly in the rural areas. Delay in approval of these committee members is tantamount to denying the citizens of Kenya their right to services. We know the impact that the NGCDF has had on the lives of Kenyans. It has been a cross-sectoral impact. It has touched the lives of many Kenyans, looking at water projects, health, security and bursaries. Thousands of students, if not millions, across the country have gone through NGCDF to attain higher levels of education. It is very important that this Motion is approved so that we fast-track the projects that await this approval. Any local person in the village would really know and identify with NGCDF and the work NGCDF is doing.

The NGCDF, being a model that is envied across Africa and indeed the whole world, should get a boost through more funding. It is a pity that some people have the guts to sue NGCDF and also the Affirmative Action Social Development Fund because I do not think any

right thinking Kenyan will go that far. I beg that this House gives the same support in the same spirit to the Affirmative Action Social Development Fund because these funds are the same.

Hon. Temporary Deputy Speaker, I beg to support. Thank you.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): I now give the Floor to the Member for Kakamega County, Hon. Ameso.

Hon. (Ms.) Amolo: Asante sana, Mhe. Naibu Spika wa Muda. Ninasimama kuunga mkono Hoja hii kwa sababu tumeona vile NGCDF ilivyosaidia Wakenya wengi, hasa maendeleo katika maeneo Bunge yetu hapa Kenya. Mahali popote unatembea, lazima utaona jengo lililo na alama ya NGCDF. Hili ni jambo nzuri sana kwa sababu linatuonyesha Wabunge wetu wanatumia pesa hizo kwa njia inayofaa. Linge kuwa jambo zuri pia ikiwa kaunti zingeiga mfano wa NGCDF ili magavana wetu wasiwe wanaambiwa saa zote wazitumie zile senti bali wawe na kamati ambayo itatoa mipango ya vile zile pesa zinaweza kutumika.

Ni jambo lakushangaza unapopata Wakenya wengine wanaenda kortini kupinga NGCDF na zile fedha ambazo zinatengewa wawakilishi wa akina mama pia. Ninashangaa ni Mkenya wa aina gani ambaye anaweza kujitokeza kwenda kupeleka NGCDF kortini na kusema kuwa Wabunge hawafai katakata kuwa na zile senti za NGCDF. Wakenya wakitembea mahali popote nchini wataona alama za NGCDF na watajua hizo pesa zimetumika vizuri.

Vile vile, ningependa ninawajulishe Wakenya kuwa si Mbunge anayehifadhi pesa za NGCDF bali ni kamati ambayo imeteuliwa. Kwa mfano, leo hapa Bungeni tumeona maeneo bunge ambayo tayari yamewasilisha kamati zao za NGCDF. Maeneo Bunge ya Nyakach, Lafey na Isiolo sasa wanakamati wao wanajulikana. Ikiwa pesa za NGCDF hazitatumika katika njia inayofaa basi itakuwa ni hao wanakamati wa maeneo bunge hayo ambao wamezitemia kwa njia isiyofaa, na hao ndio watakaokuwa na jukumu la kueleza vile hizo pesa zimetumika.

Ukitembea katika shule mbalimbali, utapata watoto ambao wamesaidiwa na hizo pesa za NGCDF. Wengi wao wamesoma kwa mujibu wa zile pesa za NGCDF. Kwa hivyo, ni vizuri NGCDF iendelee kusaidia katika elimu na usalama. Pesa hizi ndizo zinazowasaidia watoto wetu sana kumaliza masomo yao shuleni na kujiunga na vyuo vikuu.

Tunasema hivi, NGCDF na zile pesa za wawakilishi wa akina mama ziweze kuendelea ili sote pamoja kama viongozi katika nchi yetu ya Kenya tusaidie wananchi wetu kuweza kuendelea na mijengo ya shule ili iwe ya kisasa. Tumeona mabadiliko makubwa sana.

Ukitembea katika eneo Bunge la Kibra utaona shule zimeinuka kabisa na zimeweza kuchukua hatua nyingine kwa sababu ya NGCDF. Vile nimesikia na kushuhudia Mbunge wa eneo Bunge la Budalang'i akisema NGCDF ndio imewezesha wao kuwa na chuo kikuu katika Budalangi. Ninataka kumuunga mkono sana na Wabunge wengine waweze kuangalia hizo pesa na wafungue vyuo vingine ambavyo vitaleta faida katika nchi yetu ya Kenya. Kwa hivyo, ninasimama kuunga mkono Hoja hii.

Asante sana.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Okay. I now give the Floor to the Hon. Member for Gilgil, Hon. Ndiritu.

Hon. Ndiritu: Thank you, Hon. Temporary Deputy Speaker. I also rise to support the Motion and congratulate the constituencies whose committee members we are approving. I also congratulate those who came up with the idea of NGCDF which has grown with time and reformed, the last being the NGCDF Act 2016, which has brought a number of improvements.

I also want to congratulate the Treasury for disbursement of the required funds so that we are able to implement our programmes in spite of having disbursed the first tranche of money to NGCDF a bit late in mid-November. They have gone on to disburse in quick succession. As we

have been assured by the Mover of the Motion, there is enough money for the financial year. So, we look forward for fast disbursement. The Board has also done a good job and we have been able to relate with them very well. The new model of NGCDF 2016 has put life and distanced the day to day administration of the fund from the Member of Parliament hence avoiding the noise we used to hear.

For those people who have been making a lot of noise about NGCDF and those who have been going to court, it is the effect of the NGCDF that has always scared them. Today whenever most of the people in our constituencies think of any development, they never mind whether we are in the devolved era where many functions have been removed from the NGCDF. Today, their first stop when they want to do a project, is at NGCDF or at the Member of Parliament's place. That shows that whatever NGCDF has been doing has been recognised and people appreciate it as the best avenue to solve their problems.

Secondly, the management of NGCDF gives the local people the opportunity to manage the funds themselves. The project management committees are a way of empowering the local people down in the village. They come up with their project and they are able to have funds and manage them. I always tell them not to look at the MP or those in high places if they cannot take care of the few millions that they have been given through NGCDF. Do not point at a speck in a Member of Parliament's eye and yet there is a log in your eye. So, it is a good idea.

In the last three years we have done four bridges, those that the county or national Government would have taken years to build. It is just a matter of a single public participation, money is disbursed and we have the citizen's problem solved.

It is the best and the fastest way that the citizenry is able to get development and problems solved. I, therefore, support this Motion wholeheartedly and would even go on to say: "Long live NGCDF."

Thank you.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Okay. I now give the Floor to Hon. Lempurkel from Laikipia North.

Hon. Lempurkel: Thank you, Hon. Temporary Deputy Speaker. I rise to support this Motion. The NGCDF has done marvellous things to this country especially in my constituency. Since Independence we had never had a constituency of Laikipia North but when I came to Parliament, the kind of work that NGCDF has done is marvellous. We have seen NGCDF building schools, classes and hospitals among others. So, I am wondering about those people who always go to courts over NGCDF. The wonderful thing about the NGCDF is that we have the project committees formed by members of the communities who can engage with the fund managers. They can manage this money and when we involve them we get our priorities right.

Our role as Members of Parliament is legislation and to ensure that projects are done well according to the Bill of Quantities (BQs) and they meet the standards of the Government's BQs. We are getting only 2.5 per cent from the national budget and I would suggest that we increase it to 5 per cent. Many poor children and orphans have gone to school through the NGCDF support up to the university level. We even have some children who come from very poor families given scholarships to go and study outside the country. So, the committees of these three constituencies we are passing are important because they empower the communities.

The people on the ground can sit down and decide their priority; whether it is a classroom or a road. This is a way of empowering our people. The NGCDF money is taxpayers' money. I want to urge Members of Parliament to protect the CDF. This fund has touched *wananchi*. If you

go to a village where there is a chief's office, you will see the various developments done by the NGCDF.

In my constituency, the NGCDF that has a budget of Kshs100 million, 90 per cent of it goes to development expenditure and 10 per cent to recurrent expenditure. It has done a lot compared to the county government that has a budget of billions. In the county budget, about 80 per cent goes to recurrent expenditure and only 20 per cent goes to development expenditure. We should also have county boards just like we have the NGCDF boards so that counties can have priorities.

I support the Motion.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): I now give the Floor to the Member for Uiri.

Hon. Kobado: Thank you, Hon. Temporary Deputy Speaker. Allow me to add my voice to this important Motion. If there is any fund that has transformed this country, then it is the CDF fund. It is a fund that county governments need to borrow from the systems that have been set, models that have been tested and have been proven to work. It is a fund that has been pro the poor. Indeed, the poor in the various constituencies believe that CDF is synonymous with infrastructural projects. However, for infrastructural projects, there are three parameters that would help manage them; budget allocation, time frame and the deliverables in terms of their qualities. That touches on disbursement of NGCDF.

There is need for disbursement to be done on time because when it is delayed, it leads to a situation where implementers of the projects may need to trade off time in terms of the quality and budget allocated. There is need for the board to fast-track disbursement of NGCDF. It is good that we aligned the NGCDF to the 2010 Constitution and Vision 2030. With the new framework, it is going to be more effective to oversee and supervise the project through monitoring and evaluation now that we have the oversight committee which is controlled by the Members of Parliament. With the current arrangement, conflict of interest does not arise. If the fund is well managed, it is going to create a lot of impact on the ground. As we devolve some of the functions to the county governments, the fund will strictly remain to address the aspects of education in terms of the social and physical infrastructure. This will change and improve the quality of education in this country.

The Act is clear on the amount of money that is supposed to be allocated to NGCDF; a minimum of 2.5 per cent. There is need to review the allocation to 5 per cent because the impact that this fund has made is seen on the ground and has turned around various sectors of the economy in this nation.

With those few remarks, I strongly support this Motion. I also want to congratulate those constituencies that though they have come late, they have been able to put their committees in place for approval.

I support.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Let us have the Member for Igembe North.

Hon. M'uthari: Thank you, Hon. Temporary Deputy Speaker, for giving me the opportunity to contribute. Let me also take this opportunity to support this Motion for the approval of nominees to the constituency committees of the NGCDF. This Fund has contributed immensely to the development of this country. This is one Fund that shows what money can achieve when it is allocated properly, and there is proper planning at the local level. For example, most of the schools in my constituency were constructed using the NGCDF money.

Many roads have also been opened up within the constituency using the NGCDF money. There are very many developments in my constituency initiated by this Fund.

We have the Constitution, which provides for the devolved system of government. However, there is no comparison between what the NGCDF has been able to achieve with about Kshs100 million, with the billions of shillings that are being channelled to the county governments. It is high time that there is even restructuring at that level so that if there is devolution, it is not only for employment but it also meets the needs of the people. For example, a lot of money is spent in my county in meetings in the name of participation, but it is for campaign for the incumbents. In the process, funds are not channelled to development. In fact, you wonder about very many things at the county level. For example, you may see a governor travelling in a helicopter to open one Early Childhood Development (ECD) classroom, with an entourage of 100 vehicles. By the end of the day, the money spent by the county boss to go and open a single project is more than the money for the project.

The question of administration is skewed. I thought that when we were going for devolution, the whole idea was to channel resources to the right place, where the people can control. Ninety-five per cent of NGCDF is channelled to the development projects. The money which is allocated for sports, environment and administration is less than 10 per cent.

I am also glad because we made changes in the CDF Act and came up with the NGCDF, which we are using to fund the projects. Although to a certain extent that will have a disadvantage, aligning the activities of the NGCDF with the Constitution is necessary. It is a good thing to have funds at the local level where Members of Parliament are not directly involved. This will help the people who are appointed through a panel to man the development projects. This will also remove the image of the people where everything is done by the Member of Parliament. People elect the Member of Parliament and then by the end of the day, everything that happens, including responsibility of other people, is executed by the Member of Parliament. Because of the way the NGCDF has been able to touch the lives of very many Kenyans, the areas which had been marginalised and neglected previously by governments have experienced the Government. That is why three years after devolution, when people have challenges at the local level, they do not think about the governor or anybody else, but a Member of Parliament. They believe that their help comes from the Member of Parliament. When they have issues about those functions that are completely devolved, they still ask for the Member of Parliament to intervene. They think that is where the money comes from. Although the new Act which has created this possibility is good, in a way, it also denies the local people the opportunity to identify exactly--- When people have a problem of water, agriculture, health or a dispensary, they do not care where the money comes from. Their interest is whether they have water in their places, a road or a dispensary.

So, we have to abide by the law. This is why all peace loving Kenyans should abide by the Constitution. We cannot create laws that we are not willing to respect and have the way so that by the end of the day what people feel at one time is what they want to take. It is necessary to respect the Constitution that we worked for very many years to change. Even what we are doing here is to align these activities at the community level with the supreme law of the land, that is, the Constitution of Kenya.

With those few words, I congratulate Lafey, Isiolo North and Nyakach constituencies for fulfilling the requirements for carrying out activities of transforming these respective areas in the Republic of Kenya.

Thank you, Hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Okay, Hon. Member. I now call the Mover to reply. Yes, Hon. Letimalo.

Hon. Letimalo: Hon. Temporary Deputy Speaker, I just want to thank Hon. Members for supporting the Motion. It goes without saying that the contribution made by the Constituencies Development Committees, even before the amendments we made to conform to the Constitution, is realised by everybody.

So, mine is just to appeal to those constituencies that have not yet submitted their list of nominees to do that so that services that are required by constituents of those specific constituencies will be rendered.

I beg to reply.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Hon. Members, we will not put the Question at this time for obvious reasons. Therefore, let us move on to the next Order.

BILL

Second Reading

THE ELECTION LAWS (AMENDMENT) (NO.3) BILL

(Hon. Chepkong'a on 4.5.2016)

(Resumption of Debate interrupted on 5.5.2016 - Morning Sitting)

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Yes, Hon. George Ogalo. First, is he in the House?

Hon. Members: No.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): So, we can have the Member for Uriri.

Hon. Kobado: Thank you very much, Hon. Temporary Deputy Speaker. This is a Bill I wanted to speak to. This Bill is timely; timely in the sense that elections are around the corner. There is need to come up with some minimum reforms to polish up the Acts.

I support this Bill but there are certain aspects that we really need to look at very critically to amend. I want to speak to Clause 3 that proposes to amend Section V of the Elections Act, 2011 for persons that are applying for national identity cards to register as voters before the issuance of the actual identity cards. This particular clause sounds malicious. I say so because we should give Kenyans the opportunity to elect the leaders that they feel can effectively represent them.

There is duplication in the steps that a person goes through to be issued with an identity card and to register as a voter. Why must we do it twice? We can critically set up the steps for registration as a voter and look at those steps in the process that do not add value and are redundant so that we reduce them and come up with a process that is simple and short. Normally, the best method for doing anything is simple and cheap. There is need to look at this once again so that we leave it as it is. For you to be eligible as a voter, you need to be a Kenyan citizen. Secondly, you need to reside in the area where you want to vote. You also need to be, at least, 18 years of age. We can reconsider this step to include those who may not be 18 years of age at the

time of registration but are likely to turn 18 years of age before the general election. They should also be allowed to register.

Allow me to address myself to Clause 7 of this Bill. Clause 7 seeks to amend Section 22 of the Elections Act, 2011 to require minimum qualifications. The minimum qualifications have been set out as a diploma from a recognised institution for those who are running for seats in the county assembly and a degree for those who are aspiring to run for seats in the National Assembly or the Senate. Looking at this particular clause very critically, this law is going to be elitist. It is creating a legal requirement that I would consider elitist.

Education is important. There is no doubt about that. The more time you spend in school the more you become a better leader. However, there are exceptions to this rule which we need to consider. Education is not just formal education. You can get education through a formal route, informal route or non-formal route. It is still education. You can gain self-education as you progress in your career. Take for instance a person who has been elected as a councillor at age 18. He or she may have been in politics for 30 years. Even if this person does not have formal education, he or she has education that he or she has gained informally through a career in politics. Locking them out would be unfair. I am not defending this clause out of fear. People might think that some of us are defending this clause because we feel our positions are threatened. Personally, I do not support this clause although I would have no problem with it. I hold a Master's Degree from a reputable university.

That aside, we have to consider what the role of Members of Parliament is *vis-a-vis* the role of the President or the governor. Governors and the President hold executive positions. Executive positions are purely or heavily management roles. Elective positions such as those who vie for parliamentary elections as Members of Parliament or Senators are purely leadership positions. The position of the President or the governor is executive in the sense that they are charged with the responsibility of overseeing resources namely, human, physical and monetary resources. There is a designed structure in which the President fits. There is a designed structure in which the governor fits with people formally reporting to him or her.

Hon. Temporary Deputy Speaker, in the case of Members of Parliament, there is no such formal structure. Members of Parliament are not directly responsible for resources. We are not overseeing any resources directly. There are no people who are directly responsible for what we are doing. Our work is to provide leadership. Sometimes, people ask whether leaders are made or born. Strictly, they are born. Managers are made. One has to go through some training to become a professional so that you can manage.

Hon. Temporary Deputy Speaker, I propose that this clause be amended to allow people to come in as it used to be, so that one can be elected and perform his duties as a leader once one has attained qualifications higher than secondary school.

There are people who have achieved in leadership without formal education. They have done very well and the list of such people is long. The richest man in history, Rockefeller, never had formal education. Henry Ford, who is the father of the motor industry, was an artisan. He was a hands-on person who grew through the industry and became its father.

Winston Churchill is known for leading the United Kingdom (UK) to victory during the Second World War. He never had any proper formal education. Abraham Lincoln, who is the best known President – a person who effectively finished slavery in the United States of America (USA) – did not have any formal education. Bill Gates dropped out of university, where he was doing his course in business management, and succeeded in his area. Tom Mboya is another such leader.

The list is long.

We should not consider qualifications as far as electing leaders is concerned.

Finally, I want to speak to Clause 13. It is about requiring a certain number of voters prescribed to polling stations. This is important. If we are to achieve quality in elections, the first step is to standardise the processes. Standardising the process would mean creating uniformity in every polling station. You can only do that if the resources directed to every polling station are standard.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Thank you, Hon. Member. I now give the Floor to Hon. Ababu Namwamba.

Hon. Ababu: Thank you, Hon. Temporary Deputy Speaker.

I support this important law. It is intended to improve the environment within which we conduct our elections.

It is good that this law is coming at a time when we are grappling with the issue of the Independent Electoral and Boundaries Commission (IEBC) as the referee for a political competition.

But, that is beside the point. I wish to make my contribution on two issues. One is Section V of this Bill. It seeks to amend Section XIII of Bill No.24 of 2011. I commend the effort to increase the number of days for resolving disputes arising from party primaries.

We know that one of the most difficult periods for any political party is normally the period for party primaries. It is a period of great challenge for political parties and political actors. One of the greatest challenges which we have always had is insufficient time to resolve disputes. We have had cases where nominations are held very close to the general elections' date that political parties barely have any time to look at the disputes arising out of the elections. As we know, definitely disputes will emerge and we need sufficient time to address them.

I am very happy that this law has now provided more days in which political parties will hear and determine all intra-party disputes arising from party primaries. That is commendable. It is one section which, in my view, we should carry as it is, and the contribution there is just to commend it.

Section 7 on leadership and education is an interesting one. Hon. Temporary Deputy Speaker, you will recall you and I as Members of the 10th Parliament had an opportunity to debate this matter at length and it raised a bit of heat. I remember tears even rolling on the Floor of the 10th Parliament over this matter. It is a good thing that we now have opportunity to revisit and debate it. We need to ask whether there is, indeed, a collation between leadership and standard of education or academic qualifications.

This House will recall that when the Salaries and Remuneration Commission (SRC) was preparing the scales for remuneration, salaries, income and allowances for public officers and State officers, among the greatest challenge that they had in providing a logic empirical scale for Members of Parliament was the question of absence of academic standards. It is an issue that has continued to disturb the SRC to date. The SRC has continued to ask us how they are supposed to prepare salary scales for Members of Parliament when they have no standard or empirical measure in terms of education standards. That is a major factor in determining how you are supposed to be remunerated.

In my view that is a gap that has to be filled. We cannot have public officers and State officers such as Members of this House who expect to be remunerated *vis-a-vis* other public officers and State officers yet you keep on insisting that your role should not be gauged on the basis of academic qualifications. That cannot happen and listening to my colleague who was

quoting Henry, Rockefeller and all these fellows, we must admit also that those were days when opportunities for education were very limited. Now, we have opportunities for education. Every corner you turn there is a secondary school and every direction you look there is a college. You have to be a really lazy bone to not take advantage of the countless opportunities we have for education.

We have virtual opportunities where you can sit in this Chamber and still be able to pursue higher academic qualifications. Really, I would not like to quote fellows who made their money like Rockefeller two centuries ago when access to education was a very difficult endeavor.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Hon. Member you have one minute unless you want to continue when this Bill comes to the Floor next.

Hon. Ababu: It depends on how much time I have remaining.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): You only have a minute.

Hon. Ababu: But, how many more minutes remaining? I would even prefer to make this point before the whole House. I definitely want us to appreciate the importance of the link between education and leadership.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Hon. Member, I am sorry, I am not able to tell you that but I know you will have probably seven or eight minutes.

Hon. Ababu: I will take the one minute and use the balance in the next sitting.

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): Okay. Go ahead.

Hon. Ababu: I took time off work to travel all the way to Washington, D.C. to pursue my postgraduate studies and I have always asked myself: Did the time I took off work to pursue that further education add any value to me? Did it prepare me to be a better leader, a better debater, a better legislator? The answer is definitely, certainly, unequivocally, unambiguously yes. There is a correlation between a good education and leadership.

I will continue in the next sitting.

ADJOURNMENT

The Temporary Deputy Speaker (Hon. (Ms.) Shebesh): You will have your eight minutes when the Bill comes back to the Floor.

Hon. Members, the time being 6.30 p.m., this House stands adjourned until tomorrow, Wednesday 8th June, 2016, at 9.30 a.m.

The House rose at 6.30 p.m.