

NATIONAL ASSEMBLY

OFFICIAL REPORT

Thursday, 7th June 2018

The House met at 2.30 p.m.

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

PRAYERS

PAPERS LAID

Hon. Deputy Speaker: Let us have the Leader of the Majority Party. Let us have the Chief Whip of the Minority Party. Sorry, the Chief Whip of the Majority Party.

Hon. Washiali: Hon. Deputy Speaker, I beg to lay the following Papers on the Table:

The Reports of the Auditor-General and the Financial Statements in respect of the following institutions for the year ended 30th June, 2017, and the certificates therein:

- (a) Public Service Commission;
- (b) Kenya Local Loans Support Fund;
- (c) Receiver of Revenue – the Judiciary;
- (d) Kenya Citizens and Foreign Nationals Management Service;
- (e) State Department of Interior;
- (f) State Department of Devolution; and,
- (g) State Department of East African Community Integration.

The Reports of the Auditor-General and the Financial Statements in respect of the following constituencies for the year ended 30th June, 2016, and the certificates therein:

- (a) Teso South Constituency;
- (b) Ndhiwa Constituency;
- (c) Funyula Constituency;
- (d) Webuye Constituency;
- (e) Mt. Elgon Constituency;
- (f) Budalangi Constituency;
- (g) Kabuchai Constituency;
- (h) Turkana East Constituency;
- (i) Karachuonyo Constituency; and,
- (j) Mumias East Constituency.

Hon. Deputy Speaker: The next one is the Chairperson of the Departmental Committee on Trade, Industry and Co-operatives.

Hon. Kanini Kega: Hon. Deputy Speaker, I beg to lay the following Paper on the Table of the House:

The Report of the Departmental Committee on Trade, Industry and Co-operatives on the SACCO Societies (Amendment) Bill, 2018.

Hon. Deputy Speaker: Let us have the Chairperson of the Departmental Committee on Agriculture and Livestock.

Hon. Wangwe: Hon. Deputy Speaker, I beg to lay the following Paper on the Table of the House:

The Report of the Departmental Committee on Agriculture and Livestock on the Consideration of a Public Petition to Review the Crop Act (No.16 of 2013) to Recognise Bamboo as Scheduled Crop.

Hon. Deputy Speaker: Let us have the Chairperson of the Departmental Committee on Lands. I cannot hear you, Hon. Nyamai. Just stay there. We will give you the microphone from where you are.

Hon. (Ms.) Nyamai: Hon. Deputy Speaker, I beg to lay the following Papers on the Table of the House:

The Report of the Departmental Committee on Lands on the Inquiry into the Alleged Irregularities in the Compensation for part of LR No.7879/4 To M/S Afrison Import Export Limited and Huelands Limited by the National Land Commission (NLC) on behalf of the Ministry of Education for Acquisition of Land for Ruaraka High School and Drive-In Primary School.

The Report of the Departmental Committee on Lands on the 2018 Annual World Bank Conference on Land and Poverty held in Washington D.C. on March 19th – 23rd, 2018.

Hon. Deputy Speaker: The next one is Hon. Limo. Are you also tabling a report?

Hon. Limo: Hon. Deputy Speaker, I beg to lay the following Paper on the Table of the House:

The Report of the Departmental Committee on Finance and National Planning on the County Governments Retirement Scheme Bill, 2018.

Hon. Deputy Speaker: Let us move on to the next Order.

NOTICES OF MOTION

Hon. (Ms.) Nyamai: Hon. Deputy Speaker, I beg to give notice of the following Motions:

NOTING OF REPORT ON ANNUAL WORLD BANK CONFERENCE ON LAND AND POVERTY

THAT, this House notes the Report of the Departmental Committee on Lands during the 2018 Annual World Bank Conference on Land and Poverty, held in Washington D.C. on March 19th – 23rd, 2018, laid on the Table of the House on Thursday, June 7th, 2018.

REPORT ON INQUIRY INTO IRREGULARITIES IN COMPENSATION OF LAND IN RUARAKA

THAT, this House adopts the Report of the Departmental Committee on Lands on the Inquiry into the Irregularities in the Compensation for Part of LR No.7879/4 to M/S Afrison Import Export Limited and Huelands Limited by the National Land Commission on behalf of the Ministry of Education for Acquisition of Land for Ruaraka High School and Drive-In Primary School and,

pursuant to Standing Order No.215 (e), approve the recommendations of the Committee as contained in the said report.

Hon. Deputy Speaker: Let us move on to the next Order.

STATEMENT

Hon. Deputy Speaker: Let us have the Leader of the Majority Party.

BUSINESS FOR THE WEEK COMMENCING 12TH TO 14TH JUNE 2018

Hon. A.B. Duale: I am sorry, Hon. Deputy Speaker. Hon. Oscar Sudi of Kapseret was consulting me and I was telling him that I do not want to get involved in maize. I told him that I better be involved in the business of camels and not maize. I am sure Hon. Wandayi can vouch for that. If it is camels, yes! But not maize!

Hon. Deputy Speaker, pursuant to the provisions of Standing Order No.44(2)(a), I rise to give a statement on behalf of the House Business Committee. The Committee met this week at the rise of the House to give priority to business that will be considered today and on Tuesday next week.

As Members are aware, we are in the middle of the Budget cycle and have been considering the Report of the Budget Estimates for the 2018/2019 Financial Year since we resumed on Tuesday this week. Next week, from Tuesday, 12th June, 2018, the House will consider the proposed allocations to the respective votes and programmes for Ministries, Departments and Agencies (MDAs), the Judiciary and Parliament in the Committee of Supply as submitted by the Budget and Appropriations Committee. Thereafter, we will continue with the Second Reading of the Kenya Coast Guard Bill, 2018 and the Tax Laws (Amendment) Bill, 2018.

It is important for Members to note that on Thursday, 14th June, 2018 - which is next Thursday - the Cabinet Secretary for the National Treasury, Henry Rotich, shall present the Budget Highlights for the 2018/2019 Financial Year to the House plenary.

Finally, the House Business Committee will reconvene on Tuesday, June 12th 2018, at the rise of the House to consider the business for the coming week.

I now wish to lay this Statement on the table of the House.

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

Hon. Deputy Speaker: Let us go to the next one. Let us have Hon. (Dr.) Chris Wamalwa.

PERSONAL STATEMENT

STATE OF PREPAREDNESS FOR EMERGENCY RESPONSE

Hon. Wakhungu: Thank you, Hon. Deputy Speaker.

Pursuant to Standing Order 44(2)(c), I wish to request for a Statement from the Chairperson of the Departmental Committee on Transport, Public Works and Housing regarding

the aircraft crash that occurred on Tuesday, 5th June 2018 after take-off from Kitale Airstrip. Unfortunately, we have been told that the aircraft crashed and there were no survivors.

An aircraft enroute to Nairobi from Kitale with 10 people on board went off-radar on Tuesday evening, shortly after take-off at around 4 p.m. The Kenya Civil Aviation Authority (KCAA) issued a statement confirming this incident at around 9 p.m., which occasioned the onset of search and rescue efforts by the Air Accident Investigation Division (AAID), KCAA, Kenya Wildlife Service (KWS) and other relevant agencies. It has been confirmed that the wreckage has been located in the Aberdares Forest. This Airline is called SAX. People who come from Trans-Nzoia and its environs have used it regularly.

My concern is about our preparedness as a nation and the institutions responsible for emergency response in tackling such kinds of emergencies. It took KCAA about six hours to confirm that the plane had gone missing and search efforts are still ongoing. It took more than three days for aerial location of the missing aircraft.

I, therefore, take this opportunity on my own behalf and that of the great people of Kiminini Constituency and Trans-Nzoia County at large, to send a message of condolences to the families and friends. It is my prayer that the Almighty God gives the families strength and comfort at this difficult time. The pilot by the name Barbara Wangechi has flown me several times. We go to the same church. Her mother is an active member of the church. It is very scary. We do not know where we are headed to as a country at this particular time. I know the country is mourning. The families are crying but we want to pray for them. As the book of Revelations says, the Lord will wipe their tears. It is only the Lord who will wipe their tears. It is my humble request...

Hon. Deputy Speaker: You are making a request for a Statement.

Hon. Wakhungu: Hon. Deputy Speaker, I am mourning. Allow me.

Hon. Deputy Speaker: You will have an opportunity to contribute when that Statement is tabled in the House. For now, I do not want you to convert it into a sermon. You can even reserve that for this Sunday. When the Statement is tabled, you can raise all those issues.

I want to give an opportunity to two other Members to contribute and so, that is why I want you to save time for them. Have you finished?

Hon. Wakhungu: I am about to finish.

Hon. Deputy Speaker: Proceed. I know it is a difficult time for you.

Hon. Wakhungu: Hon. Deputy Speaker, I want to thank God that I exist today. I had booked my return flight on the same flight. I decided not to travel to Kitale but, instead, in the spirit of handshake, I went to Meru for the Madaraka Day Celebrations. After Meru, I went to Embu for the burial of the mother of our beloved Speaker, Hon. Muturi. From there, I went to the Mt. Kenya area to visit my in-laws.

(Laughter)

I thank God that I exist. You can imagine if I had gone to Trans-Nzoia at that time! Maybe, Chris Wamalwa would be no more. It is a time of mourning and we call upon the relevant authorities to speed the investigations so that we know what transpired.

Hon. Deputy Speaker: Let me give this opportunity to the Member for Saboti. Maybe, he will confirm the rumours that are going round.

Hon. Luyai: Thank you, Hon. Deputy Speaker. I do not know if it is the right time to send messages of condolence because we are not sure whether they are alive or dead. Is it an official record?

(Loud consultations)

In that regard, I will also join my colleague in sending my message of condolence to the families. What is peculiar is that, as a country, we have failed to rescue our fellow countrymen. I want to take you back to a similar air crash that happened with the members of the rugby team for Uruguay in 1972. The air crash happened somewhere in Argentina in the Andes Mountain. The survivors were rescued two months later. Sixteen out of the crew were saved and survived the air crash. My point is that taking 24 hours to locate where the plane was and then try to save or get the wreckage shows that we are doing badly as a country. The relevant authorities must come forth and report to this House on whether we need some technological help from other authorities.

Hon. Deputy Speaker: Hon. Amisi, just a brief comment will suffice. You will have an opportunity when the matter is brought again, that is, when the Statement is given. So, please wind up.

Hon. Luyai: The point is we need to work on our rescue mission as a country. It is sad. Some of us used that plane on almost a weekly basis. We could as well have been victims.

Thank you, Hon. Deputy Speaker.

Hon. Deputy Speaker: Very well. The Member for Marakwet East. Members, you should be suggesting issues you think the Statement should contain. Let us not do so much about the condolences. Let us be specific.

Hon. Bowen: Thank you, Hon. Deputy Speaker. I want to commend Hon. Wamalwa because he has brought a very important issue about the preparedness of the country whenever there is a disaster. We have now lost about 10 Kenyans. I also want to remind Hon. Wamalwa that the same Bible he is quoting, in the Book of Ecclesiastes, it says that there is time and place for everything under the heavens. So, your time was not yet, Hon. Chris Wamalwa.

There is need for this country to see how we can have in place a serious management unit in the country so that in case there is such disaster, there is a serious team with all the necessary machinery and equipment. It has taken so long. Even if there were survivors, it would be impossible to rescue them. For them to have taken about 48 hours to locate the aircraft, that was too long.

I also want to send my condolences to the families and relatives. Thank you.

Hon. Deputy Speaker: Hon. Members, I think we can save time. I can see there is a lot of interest in this matter. Maybe, I can give a chance to two last ones. Let us start with Hon. Onyonka and then, for gender purposes, we will see what to do. I will pick somebody.

Hon. Onyonka: Thank you so much, Hon. Temporary Deputy Speaker, for giving me this opportunity to also mention a few things about this flight. Last weekend on Sunday, I happened to travel to Kitale with Hon. Moses Kuria. That is the flight we were supposed to use on return. All the flights were full. I know many Members of this House may not know that Kitale Airstrip is one of the busiest airstrips in the Republic of Kenya. Indeed, like Hon. Chris Wamalwa has said, the problem with what happened in this accident worries many of us. Many of our colleagues, in the last two weeks, have been travelling because of public hearings which

we have been having about the Budget. Some of us travel because we go for holidays. Others were travelling back to Nairobi to take their children to school.

As many of the colleagues have stated, it is true that disaster management systems in this country leave a lot to be desired. Very fortunately, Members of this House, particularly the Committees which are involved, have the capacity of putting resources together so that we are able to have disaster preparedness in case there is an emergency. Unfortunately, in Kenya, what happens is that once an incident like this happens, everything ends after about one week. I really plead with this House to make sure we allocate money. Since we are in the budget-making process, let us be in a position to allocate resources. That is so that in case there is a problem, we can solve it immediately.

With those very many remarks, thank you Hon. Temporary Deputy Speaker. We wish the families comfort in this very sad occasion.

Hon. Deputy Speaker: One word from Hon. Shamalla and then that will be it.

Hon. (Ms.) Shamalla Jennifer: Hon. Deputy Speaker, I want to express my sincere condolences to all the persons that have perished in a tragic crash that took place two days ago.

In as much as we point fingers to the disaster management of this country, we must ask ourselves some pertinent questions. We see a lot of airlines being registered in this country. We welcome that move because it opens up the country for not only Kenyans, but also tourists. But, two pertinent questions must be asked on why it took so long to locate the aeroplane that crashed. One, did the airline have an emergency locator transmitter? It appears not. Second, did it have satellite tracing? It appears not. So, in investigating the causes of this plane crash, these two issues will have to be interrogated. If, indeed, they did not have those two crucial elements within this aircraft, we shall have to ask ourselves why that is the case.

Once again, I express my sincere condolences to the families of the victims.

Hon. Deputy Speaker: Okay. Next Order! I can see many Members want to speak on this. I see the Member for Pokot South and also the Member for Endebess. Let us save it for the time when the Statement will be read. Let us proceed. I decided to give a chance to a few Members.

In the meantime, let me recognise, in the Public Gallery, pupils and students from Kairi Rumwe Girls Secondary School, Gatundu North of Kiambu County; students from Jomo Kenyatta Boys High School from Bahati, Nakuru County; students from William Ng'iru Gitau Secondary School, Githunguri in Kiambu and students from Sukari Presbyterian Academy, Ruiru, Kiambu. Well, let me also recognise pupils from Moi Educational Centre, Nairobi. They are here to, of course, learn from the works of the National Assembly. They should feel very much welcome. In fact, I am told that a kid of yours truly is also in that school. Maybe, they should pass the regards.

Okay, next Order.

MOTION

REPORT OF THE BUDGET AND APPROPRIATIONS COMMITTEE ON THE BUDGET ESTIMATES FOR FINANCIAL YEAR 2018/2019

THAT, this House adopts the Report of the Budget and Appropriations Committee on the Budget Estimates for the National Government, the Judiciary and Parliament for the Financial Year 2018/2019, laid on the Table of the House

on Tuesday, 5th June, 2018, and pursuant to the provisions of Article 221(3) of the Constitution of Kenya, Section 39 of the Public Finance Management Act, 2012, and Standing Orders 235 and 239, approves the issuance of a sum of Kshs1,742,291,667,908 from the Consolidated Fund to meet the expenditure during the year ending 30th June 2019 in respect of the Votes and programmes as contained in the Schedule.

SCHEDULE: ANNUAL ESTIMATES FOR FY 2018/19 (IN KSHS)						
SUBMITTED ESTIMATES FOR FY 2018/19				BAC RECOMMENDED ESTIMATES FOR FY 2018/19		
VOTE, PROGRAMME CODES & TITLE	GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES	GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES
1011 The Presidency	7,673,262,253	1,108,830,000	8,782,092,253	7,673,262,253	1,108,830,000	8,782,092,253
0702000 Cabinet Affairs	1,395,913,982	714,200,000	2,110,113,982	1,395,913,982	714,200,000	2,110,113,982
0703000 Government Advisory Services	845,980,649	0	845,980,649	845,980,649	0	845,980,649
0704000 State House Affairs	3,215,934,363	305,030,000	3,520,964,363	3,215,934,363	305,030,000	3,520,964,363
0734000 Deputy President Services	2,215,433,259	89,600,000	2,305,033,259	2,215,433,259	89,600,000	2,305,033,259
1021 State Department for Interior	109,356,595,943	15,538,702,000	124,895,297,943	109,056,595,943	15,538,702,000	124,595,297,943
0601000 Policing Services	85,224,937,594	9,852,105,003	95,077,042,597	85,524,937,594	9,882,105,003	95,407,042,597
0602000 Planning, Policy Coordination and Support Service	18,825,072,135	4,466,596,997	23,291,669,132	18,225,072,135	4,436,596,997	22,661,669,132
0603000 Government Printing Services	720,390,037	150,000,000	870,390,037	720,390,037	150,000,000	870,390,037
0605000 Population Management Services	4,586,196,177	1,070,000,000	5,656,196,177	4,586,196,177	1,070,000,000	5,656,196,177

1023 Department Correctional Services	State for	26,065,711,187	1,812,600,000	27,878,311,187	26,265,711,187	1,812,600,000	28,078,311,187
0602000 Planning, Policy Coordination and Support Services		240,338,058	0	240,338,058	440,338,058	0	440,338,058
0624000 Betting Control, Licensing and Regulation Services		116,660,845	0	116,660,845	116,660,845	0	116,660,845
0604000 Correctional Services		25,250,839,234	1,749,400,000	27,000,239,234	25,250,839,234	1,749,400,000	27,000,239,234
0623000 General Administration, Planning and Support Services		457,873,050	63,200,000	521,073,050	457,873,050	63,200,000	521,073,050
1024 Department for Immigration and Citizen Services	State for	1,884,968,823	2,690,300,000	4,575,268,823	1,884,968,823	2,690,300,000	4,575,268,823
0605000 Population Management Services		1,884,968,823	2,690,300,000	4,575,268,823	1,884,968,823	2,690,300,000	4,575,268,823
1032 Department for Devolution	State for	2,883,499,310	9,637,920,000	12,521,419,310	2,883,499,310	9,137,920,000	12,021,419,310
0712000 Devolution Services		835,689,251	1,027,970,000	1,863,659,251	835,689,251	1,027,970,000	1,863,659,251
0732000 General Administration, Planning and Support Services		342,035,707	1,173,000,000	1,515,035,707	342,035,707	1,173,000,000	1,515,035,707
0713000 Special Initiatives		50,388,068	0	50,388,068	50,388,068	0	50,388,068

1013000 Integrated Regional Development	1,655,386,284	7,436,950,000	9,092,336,284	1,655,386,284	6,936,950,000	8,592,336,284
1035 State Department for Development of the ASAL	1,034,530,922	5,358,000,000	6,392,530,922	1,034,530,922	5,358,000,000	6,392,530,922
0733000 Accelerated ASAL Development	1,034,530,922	5,358,000,000	6,392,530,922	1,034,530,922	5,358,000,000	6,392,530,922
1041 Ministry of Defence	96,079,397,700	10,974,349,680	107,053,747,380	96,079,397,700	14,974,349,680	111,053,747,380
0801000 Defence	94,378,000,000	10,974,349,680	105,352,349,680	94,378,000,000	14,974,349,680	109,352,349,680
0802000 Civil Aid	200,000,000	0	200,000,000	200,000,000	0	200,000,000
0803000 General Administration, Planning and Support Services	1,301,397,700	0	1,301,397,700	1,301,397,700	0	1,301,397,700
0805000000 National Space Management	200,000,000	0	200,000,000	200,000,000	0	200,000,000
1052 Ministry of Foreign Affairs	15,170,174,901	1,937,740,000	17,107,914,901	15,170,174,901	1,937,740,000	17,107,914,901
0714000 General Administration Planning and Support Services	1,419,957,544	93,000,000	1,512,957,544	1,419,957,544	93,000,000	1,512,957,544
0715000 Foreign Relation and Diplomacy	13,537,881,040	1,644,740,000	15,182,621,040	13,537,881,040	1,644,740,000	15,182,621,040
0741000 Economic and Commercial Diplomacy	81,941,701	0	81,941,701	81,941,701	0	81,941,701

0742000 Foreign Policy Research, Capacity Development and Technical Cooperation	130,394,616	200,000,000	330,394,616	130,394,616	200,000,000	330,394,616
1064 State Department for Vocational and Technical Training	2,587,094,377	7,728,000,000	10,315,094,377	2,672,156,413	7,728,000,000	10,400,156,413
0505000 Technical Vocational Education and Training	2,351,842,753	5,728,000,000	8,079,842,753	2,446,199,631	5,728,000,000	8,174,199,631
0507000 Youth Training and Development	53,235,939	2,000,000,000	2,053,235,939	51,738,816	2,000,000,000	2,051,738,816
0508000 General Administration, Planning and Support Services	182,015,685	0	182,015,685	174,217,966	0	174,217,966
1066 State Department for Early Learning & Basic Education	88,504,860,854	11,178,830,978	99,683,691,832	88,511,455,306	10,418,830,978	98,930,286,284
0501000 Primary Education	16,633,329,299	4,300,363,125	20,933,692,424	16,619,546,847	4,100,363,125	20,719,909,972
0502000 Secondary Education	63,336,391,097	6,478,917,853	69,815,308,950	63,323,266,650	5,918,917,853	69,242,184,503
0503000 Quality Assurance and Standards	3,964,313,900	257,000,000	4,221,313,900	3,962,842,007	257,000,000	4,219,842,007
0508000 General Administration, Planning and Support Services	4,570,826,558	142,550,000	4,713,376,558	4,605,799,802	142,550,000	4,748,349,802

1067	State Department for Research & University Education	87,301,678,500	13,038,000,000	100,339,678,500	87,950,793,769	12,938,000,000	100,888,793,769
0504000	University Education	84,734,187,584	12,740,500,000	97,474,687,584	85,406,547,019	12,740,500,000	98,147,047,019
0506000	Research, Science, Technology and Innovation	2,297,944,858	297,500,000	2,595,444,858	2,291,209,767	197,500,000	2,488,709,767
0508000	General Administration, Planning and Support Services	269,546,058	0	269,546,058	253,036,983	0	253,036,983
1068	State Department for Post Training and Skills Development	887,818,000	1,039,480,000	1,927,298,000	885,693,000	1,039,480,000	1,925,173,000
0502000	Secondary Education	92,000,000	0	92,000,000	92,000,000	0	92,000,000
0508000	General Administration, Planning and Support Services	47,580,000	0	47,580,000	45,455,000	0	45,455,000
0907000	Manpower Development, Employment and Productivity Management	748,238,000	1,039,480,000	1,787,718,000	748,238,000	1,039,480,000	1,787,718,000
1071	The National Treasury	74,295,400,000	37,377,476,758	111,672,876,758	68,755,400,000	38,577,476,758	107,332,876,758
0717000	General Administration Planning and Support Services	68,530,860,023	3,445,936,355	71,976,796,378	62,690,860,023	3,445,936,355	66,136,796,378

0718000	Public Financial Management	4,317,329,124	33,010,758,552	37,328,087,676	4,617,329,124	34,210,758,552	38,828,087,676
0719000	Economic and Financial Policy Formulation and Management	1,032,635,480	865,781,851	1,898,417,331	1,032,635,480	865,781,851	1,898,417,331
0720000	Market Competition	339,000,000	55,000,000	394,000,000	339,000,000	55,000,000	394,000,000
0740000	Government Clearing Services	75,575,373	0	75,575,373	75,575,373	0	75,575,373
1072	State Department for Planning	9,363,400,002	34,061,020,000	43,424,420,002	11,163,400,002	38,361,020,000	49,524,420,002
0706000	Economic Policy and National Planning	1,297,897,835	32,515,546,400	33,813,444,235	1,297,897,835	36,815,546,400	38,113,444,235
0707000	National Statistical Information Services	7,540,568,288	1,434,500,000	8,975,068,288	9,340,568,288	1,434,500,000	10,775,068,288
0708000	Monitoring and Evaluation Services	123,617,272	110,973,600	234,590,872	123,617,272	110,973,600	234,590,872
0709000	General Administration Planning and Support Services	401,316,607	0	401,316,607	401,316,607	0	401,316,607
1081	Ministry of Health	49,100,820,808	40,906,449,648	90,007,270,456	49,100,820,808	40,906,449,648	90,007,270,456
0401000	Preventive, Promotive & RMNCAH	1,686,224,200	8,270,164,143	9,956,388,343	1,686,224,200	8,270,164,143	9,956,388,343
0402000	National Referral & Specialised Services	22,694,658,104	17,510,301,335	40,204,959,439	22,694,658,104	17,510,301,335	40,204,959,439

0403000	Health Research and Development	6,470,337,792	426,400,000	6,896,737,792	6,470,337,792	746,400,000	7,216,737,792
0404000	General Administration, Planning & Support Services	6,890,519,328	2,220,000,000	9,110,519,328	6,890,519,328	1,900,000,000	8,790,519,328
0405000	Health Policy, Standards and Regulations	11,359,081,384	12,479,584,170	23,838,665,554	11,359,081,384	12,479,584,170	23,838,665,554
1091	State Department of Infrastructure	58,364,000,000	112,985,380,000	171,349,380,000	58,364,000,000	121,685,380,000	180,049,380,000
0202000	Road Transport	58,364,000,000	112,985,380,000	171,349,380,000	58,364,000,000	121,685,380,000	180,049,380,000
1092	State Department of Transport	10,324,195,400	90,424,591,835	100,748,787,235	10,324,195,400	90,424,591,835	100,748,787,235
0201000	General Administration, Planning and Support Services	306,655,953	1,108,000,000	1,414,655,953	306,655,953	1,108,000,000	1,414,655,953
0203000	Rail Transport	0	74,755,591,835	74,755,591,835	0	74,755,591,835	74,755,591,835
0204000	Marine Transport	815,168,490	12,226,000,000	13,041,168,490	815,168,490	12,226,000,000	13,041,168,490
0205000	Air Transport	7,245,422,571	2,035,000,000	9,280,422,571	7,245,422,571	2,035,000,000	9,280,422,571
0216000	Road Safety	1,956,948,386	300,000,000	2,256,948,386	1,956,948,386	300,000,000	2,256,948,386
1093	State Department for Maritime Affairs	1,668,659,873	0	1,668,659,873	1,668,659,873	0	1,668,659,873
0220000	Shipping and Maritime Affairs	1,668,659,873	0	1,668,659,873	1,668,659,873	0	1,668,659,873

1096 State Department for Housing, Urban Development and Public Works	3,122,021,961	29,101,373,965	32,223,395,926	3,122,021,961	29,101,373,965	32,223,395,926
0102000 Housing Development and Human Settlement	478,575,197	7,571,000,000	8,049,575,197	478,575,197	7,571,000,000	8,049,575,197
0103000 Government Buildings	468,121,832	1,564,200,000	2,032,321,832	468,121,832	1,564,200,000	2,032,321,832
0104000 Coastline Infrastructure and Pedestrian Access	104,604,734	339,200,000	443,804,734	104,604,734	339,200,000	443,804,734
0105000 Urban and Metropolitan Development	196,588,840	19,435,373,965	19,631,962,805	196,588,840	19,435,373,965	19,631,962,805
0106000 General Administration Planning and Support Services	611,550,789	55,600,000	667,150,789	611,550,789	55,600,000	667,150,789
0218000 Regulation and Development of the Construction Industry	1,262,580,569	136,000,000	1,398,580,569	1,262,580,569	136,000,000	1,398,580,569
1107 Ministry of Water Services and Sanitation	4,048,224,948	37,207,390,000	41,255,614,948	4,048,224,948	38,097,390,000	42,145,614,948
1001000 General Administration, Planning and Support Services	374,907,966	0	374,907,966	374,907,966	0	374,907,966
1004000 Water Resources Management	1,221,118,271	5,986,000,000	7,207,118,271	1,221,118,271	5,786,000,000	7,007,118,271
1017000 Water and Sewerage Infrastructure Development	2,452,198,711	31,221,390,000	33,673,588,711	2,452,198,711	32,311,390,000	34,763,588,711

1108 Ministry of Environment and Forestry	9,964,390,329	6,169,000,000	16,133,390,329	9,964,390,329	6,169,000,000	16,133,390,329
1002000 Environment Management and Protection	1,483,570,436	1,374,700,000	2,858,270,436	1,483,570,436	1,624,700,000	3,108,270,436
1010000 General Administration, Planning and Support Services	321,819,569	0	321,819,569	321,819,569	0	321,819,569
1012000 Meteorological Services	1,074,121,134	1,082,300,000	2,156,421,134	1,074,121,134	1,082,300,000	2,156,421,134
1018000 Forests and Water Towers Conservation	7,084,879,190	3,712,000,000	10,796,879,190	7,084,879,190	3,462,000,000	10,546,879,190
1112 Ministry of Lands and Physical Planning	2,690,474,000	3,330,000,000	6,020,474,000	2,690,474,000	3,345,214,997	6,035,688,997
0101000 Land Policy and Planning	2,690,474,000	3,330,000,000	6,020,474,000	2,690,474,000	3,345,214,997	6,035,688,997
1121 Ministry of Information Communications and Technology	4,854,383,839	27,046,614,114	31,900,997,953	4,854,383,839	27,646,614,114	32,500,997,953
0207000 General Administration Planning and Support Services	443,371,980	0	443,371,980	443,371,980	0	443,371,980
0208000 Information And Communication Services	2,579,613,956	438,000,000	3,017,613,956	2,679,613,956	438,000,000	3,117,613,956
0209000 Mass Media Skills Development	207,450,000	250,000,000	457,450,000	207,450,000	250,000,000	457,450,000
0210000 ICT Infrastructure Development	279,100,085	23,798,000,000	24,077,100,085	379,100,085	24,398,000,000	24,777,100,085
0217000 E-Government Services	1,344,847,818	2,560,614,114	3,905,461,932	1,144,847,818	2,560,614,114	3,705,461,932

1132 State Department for Sports Development	1,502,040,337	525,000,000	2,027,040,337	1,502,040,337	675,000,000	2,177,040,337
0901000 Sports	1,502,040,337	525,000,000	2,027,040,337	1,502,040,337	675,000,000	2,177,040,337
1134 State Department for Heritage	3,057,463,521	841,600,000	3,899,063,521	3,057,463,521	881,600,000	3,939,063,521
0902000 Culture/Heritage	1,408,391,017	466,600,000	1,874,991,017	1,408,391,017	506,600,000	1,914,991,017
0903000 The Arts	774,902,980	75,000,000	849,902,980	774,902,980	75,000,000	849,902,980
0904000 Library Services	687,938,467	300,000,000	987,938,467	687,938,467	300,000,000	987,938,467
0905000 General Administration, Planning and Support Services	186,231,057	0	186,231,057	186,231,057	0	186,231,057
1152 State Department for Energy	2,188,000,000	59,886,827,489	62,074,827,489	2,188,000,000	65,886,827,489	68,074,827,489
0211000 General Administration Planning and Support Services	343,561,150	128,885,000	472,446,150	343,561,150	128,885,000	472,446,150
0212000 Power Generation	906,031,734	12,265,769,777	13,171,801,511	906,031,734	12,265,769,777	13,171,801,511
0213000 Power Transmission and Distribution	788,944,920	46,284,172,712	47,073,117,632	788,944,920	52,284,172,712	53,073,117,632
0214000 Alternative Energy Technologies	149,462,196	1,208,000,000	1,357,462,196	149,462,196	1,208,000,000	1,357,462,196
1162 State Department for Livestock.	1,961,791,619	4,296,740,920	6,258,532,539	1,976,791,619	4,281,740,920	6,258,532,539
0112000 Livestock Resources Management and Development	1,961,791,619	4,296,740,920	6,258,532,539	1,976,791,619	4,281,740,920	6,258,532,539

1165	State Department for Crop Development	5,038,331,056	20,215,429,236	25,253,760,292	5,038,331,056	20,215,429,236	25,253,760,292
0107000	General Administration Planning and Support Services	2,501,568,169	194,000,000	2,695,568,169	2,501,568,169	194,000,000	2,695,568,169
0108000	Crop Development and Management	2,378,878,344	18,562,095,006	20,940,973,350	2,378,878,344	18,562,095,006	20,940,973,350
0109000	Agribusiness and Information Management	157,884,543	1,459,334,230	1,617,218,773	157,884,543	1,459,334,230	1,617,218,773
1164	State Department for Fisheries Aquaculture & the Blue Economy	607,161,651	2,184,000,000	2,791,161,651	607,161,651	2,184,000,000	2,791,161,651
0111000	Fisheries Development and Management	302,276,282	1,174,000,000	1,476,276,282	302,276,282	1,174,000,000	1,476,276,282
0117000	General Administration, Planning and Support Services	163,006,252	0	163,006,252	163,006,252	0	163,006,252
0118000	Development and Coordination of the Blue Economy	141,879,117	1,010,000,000	1,151,879,117	141,879,117	1,010,000,000	1,151,879,117
1167	State Department for Irrigation	918,128,745	17,058,000,000	17,976,128,745	918,128,745	17,058,000,000	17,976,128,745
1014000	Irrigation and Land Reclamation	766,176,225	6,664,000,000	7,430,176,225	766,176,225	6,664,000,000	7,430,176,225
1015000	Water Storage and Flood Control	45,000,000	10,394,000,000	10,439,000,000	45,000,000	10,394,000,000	10,439,000,000

1016000	General Administration, Planning and Support Services	106,952,520	0	106,952,520	106,952,520	0	106,952,520
1168	State for Department for Agricultural Research	5,085,872,824	475,899,330	5,561,772,154	5,085,872,824	475,899,330	5,561,772,154
0120000	Agricultural Research & Development	5,085,872,824	475,899,330	5,561,772,154	5,085,872,824	475,899,330	5,561,772,154
1173	State for Department for Cooperatives	500,599,580	870,000,000	1,370,599,580	530,599,580	840,000,000	1,370,599,580
0304000	Cooperative Development and Management	500,599,580	870,000,000	1,370,599,580	530,599,580	840,000,000	1,370,599,580
1175	State for Department for Industry	2,618,101,543	7,738,000,000	10,356,101,543	2,618,101,543	4,298,000,000	6,916,101,543
0301000	General Administration Planning and Support Services	445,487,863	180,000,000	625,487,863	445,487,863	180,000,000	625,487,863
0302000	Industrial Development and Investments	1,069,179,280	5,094,000,000	6,163,179,280	1,069,179,280	2,954,000,000	4,023,179,280
0303000	Standards and Business Incubation	1,103,434,400	2,464,000,000	3,567,434,400	1,103,434,400	1,164,000,000	2,267,434,400
1176	State for Department for Small and Medium Enterprises	1,712,381,914	1,012,000,000	2,724,381,914	1,712,381,914	312,000,000	2,024,381,914
0302000	Industrial Development and Investments	5,233,055	0	5,233,055	5,233,055	0	5,233,055

0303000 Standards and Business Incubation	110,244,400	700,000,000	810,244,400	110,244,400	0	110,244,400
0307000 Trade Development and Promotion	1,596,904,459	312,000,000	1,908,904,459	1,596,904,459	312,000,000	1,908,904,459
1184 State Department for Labour	1,778,921,574	509,920,000	2,288,841,574	1,788,921,574	509,920,000	2,298,841,574
0910000 General Administration Planning and Support Services	667,037,072	0	667,037,072	677,037,072	0	677,037,072
0906000 Promotion of the Best Labour Practice	684,397,387	150,900,000	835,297,387	684,397,387	150,900,000	835,297,387
0907000 Manpower Development, Employment and Productivity Management	427,487,115	359,020,000	786,507,115	427,487,115	359,020,000	786,507,115
1185 State Department for Social Protection	18,711,704,440	12,291,090,000	31,002,794,440	18,811,704,440	12,491,090,000	31,302,794,440
0908000 Social Development and Children Services	3,271,665,992	1,002,190,000	4,273,855,992	3,271,665,992	1,202,190,000	4,473,855,992
0909000 National Social Safety Net	15,142,401,487	11,288,900,000	26,431,301,487	15,242,401,487	11,288,900,000	26,531,301,487
0914000 General Administration, Planning and Support Services	297,636,961	0	297,636,961	297,636,961	0	297,636,961
1192 State Department for Mining	1,103,684,125	509,000,000	1,612,684,125	1,103,684,125	509,000,000	1,612,684,125

1007000 General Administration and Support Services	706,022,974	25,000,000	731,022,974	706,022,974	25,000,000	731,022,974
1008000 Resources Surveys and Remote Sensing	132,467,430	184,000,000	316,467,430	132,467,430	184,000,000	316,467,430
1009000 Mineral Resources Management	265,193,721	300,000,000	565,193,721	265,193,721	300,000,000	565,193,721
1193 State Department for Petroleum	271,500,000	3,258,500,000	3,530,000,000	271,500,000	4,758,500,000	5,030,000,000
0215000 Exploration and Distribution of Oil and Gas	271,500,000	3,258,500,000	3,530,000,000	271,500,000	4,758,500,000	5,030,000,000
1204 Ministry of Tourism and Wildlife	9,204,210,198	3,745,516,000	12,949,726,198	8,778,210,198	4,171,516,000	12,949,726,198
0306000 Tourism Development and Promotion	142,140,000	0	142,140,000	-283,860,000	426,000,000	142,140,000
0307000 Trade Development and Promotion	2,667,987,235	2,620,000,000	5,287,987,235	2,667,987,235	2,620,000,000	5,287,987,235
1019000 Wildlife Conservation and Management	6,394,082,963	1,125,516,000	7,519,598,963	6,394,082,963	1,125,516,000	7,519,598,963
1211 State Department for Public Service and Youth	13,442,533,200	12,318,334,400	25,760,867,600	13,442,533,200	4,068,334,400	17,510,867,600
0710000 Public Service Transformation	1,850,923,776	1,398,404,400	3,249,328,176	1,850,923,776	1,398,404,400	3,249,328,176

0709000 General Administration, Planning and Support Services	4,149,188,773	0	4,149,188,773	4,149,188,773	0	4,149,188,773
0711000 Youth Empowerment	7,442,420,651	10,919,930,000	18,362,350,651	7,442,420,651	2,669,930,000	10,112,350,651
1212 State Department for Gender	1,557,079,282	2,968,000,000	4,525,079,282	1,557,079,282	3,113,000,000	4,670,079,282
0911000 Community Development	0	2,230,000,000	2,230,000,000	0	2,375,000,000	2,375,000,000
0912000 Gender Empowerment	1,293,744,564	738,000,000	2,031,744,564	1,293,744,564	738,000,000	2,031,744,564
0913000 General Administration, Planning and Support Services	263,334,718	0	263,334,718	263,334,718	0	263,334,718
1221 Ministry of East African Community & Northern Corridor Development	1,026,757,114	65,000,000	1,091,757,114	1,026,757,114	65,000,000	1,091,757,114
0305000 East African Affairs and Regional Integration	1,026,757,114	65,000,000	1,091,757,114	1,026,757,114	65,000,000	1,091,757,114
1251 Office of the Attorney General and Department of Justice	4,028,129,000	1,614,000,000	5,642,129,000	4,040,129,000	1,114,000,000	5,154,129,000
0606000 Legal Services	1,812,377,536	0	1,812,377,536	1,812,377,536	0	1,812,377,536
0607000 Governance, Legal Training and Constitutional Affairs	1,570,903,629	1,548,000,000	3,118,903,629	1,582,903,629	1,048,000,000	2,630,903,629
0609000 General Administration, Planning and Support Services	644,847,835	66,000,000	710,847,835	644,847,835	66,000,000	710,847,835

1261 The Judiciary	13,255,000,000	4,049,000,000	17,304,000,000	13,255,000,000	1,549,000,000	14,804,000,000
0610000 Dispensation of Justice	13,255,000,000	4,049,000,000	17,304,000,000	13,255,000,000	1,549,000,000	14,804,000,000
1271 Ethics and Anti-Corruption Commission	2,751,540,000	100,000,000	2,851,540,000	2,801,540,000	125,000,000	2,926,540,000
0611000 Ethics and Anti-Corruption	2,751,540,000	100,000,000	2,851,540,000	2,801,540,000	125,000,000	2,926,540,000
1281 National Intelligence Service	30,711,000,000	0	30,711,000,000	31,211,000,000	0	31,211,000,000
0804000 National Security Intelligence	30,711,000,000	0	30,711,000,000	31,211,000,000	0	31,211,000,000
1291 Office of the Director of Public Prosecutions	2,312,276,000	100,000,000	2,412,276,000	2,812,276,000	100,000,000	2,912,276,000
0612000 Public Prosecution Services	2,312,276,000	100,000,000	2,412,276,000	2,812,276,000	100,000,000	2,912,276,000
1311 Office of the Registrar of Political Parties	822,232,095	0	822,232,095	822,232,095	0	822,232,095
0614000 Registration, Regulation and Funding of Political Parties	822,232,095	0	822,232,095	822,232,095	0	822,232,095
1321 Witness Protection Agency	437,686,280	0	437,686,280	483,086,280	0	483,086,280
0615000 Witness Protection	437,686,280	0	437,686,280	483,086,280	0	483,086,280
2011 Kenya National Commission on Human Rights	391,843,114	0	391,843,114	395,443,114	0	395,443,114

0616000 Protection and Promotion of Human Rights	391,843,114	0	391,843,114	395,443,114	0	395,443,114
2021 National Land Commission	1,275,666,510	0	1,275,666,510	1,260,451,513	0	1,260,451,513
0113000 Land Administration and Management	1,275,666,510	0	1,275,666,510	1,260,451,513	0	1,260,451,513
2031 Independent Electoral and Boundaries Commission	4,190,624,477	43,000,000	4,233,624,477	4,190,624,477	43,000,000	4,233,624,477
0617000 Management of Electoral Processes	3,780,167,627	43,000,000	3,823,167,627	3,780,167,627	43,000,000	3,823,167,627
0618000 Delimitation of Electoral Boundaries	410,456,850	0	410,456,850	410,456,850	0	410,456,850
2041 Parliamentary Service Commission	15,900,000,000	3,200,000,000	19,100,000,000	12,464,000,000	3,200,000,000	15,664,000,000
0722000 Senate Affairs	8,900,000,000	0	8,900,000,000	6,414,000,000	0	6,414,000,000
0723000 General Administration, Planning and Support Services	7,000,000,000	3,200,000,000	10,200,000,000	6,050,000,000	3,200,000,000	9,250,000,000
2042 National Assembly	23,400,000,000	0	23,400,000,000	21,915,000,000	0	21,915,000,000
0721000 National Legislation, Representation and Oversight	23,400,000,000	0	23,400,000,000	21,915,000,000	0	21,915,000,000
2051 Judicial Service Commission	464,000,000	0	464,000,000	364,000,000	0	364,000,000

0619000 General Administration, Planning and Support Services	464,000,000	0	464,000,000	364,000,000	0	364,000,000
2061 The Commission on Revenue Allocation	422,556,341	0	422,556,341	434,556,341	0	434,556,341
0724000 Inter-Governmental Revenue and Financial Matters	422,556,341	0	422,556,341	434,556,341	0	434,556,341
2071 Public Service Commission	1,160,220,000	59,290,000	1,219,510,000	1,160,220,000	59,290,000	1,219,510,000
0725000 General Administration, Planning and Support Services	806,395,296	59,290,000	865,685,296	806,395,296	59,290,000	865,685,296
0726000 Human Resource management and Development	202,088,409	0	202,088,409	202,088,409	0	202,088,409
0727000 Governance and National Values	151,736,295	0	151,736,295	151,736,295	0	151,736,295
2081 Salaries and Remuneration Commission	542,170,000	0	542,170,000	564,170,000	0	564,170,000
0728000 Salaries and Remuneration Management	542,170,000	0	542,170,000	564,170,000	0	564,170,000
2091 Teachers Service Commission	226,629,400,000	136,000,000	226,765,400,000	226,750,753,422	136,000,000	226,886,753,422

0509000 Teacher Resource Management	219,716,477,896	0	219,716,477,896	219,710,977,896	0	219,710,977,896
0510000 Governance and Standards	38,400,000	0	38,400,000	30,650,000	0	30,650,000
0511000 General Administration, Planning and Support Services	6,874,522,104	136,000,000	7,010,522,104	7,009,125,526	136,000,000	7,145,125,526
2101 National Police Service Commission	530,556,818	0	530,556,818	630,556,818	0	630,556,818
0620000 National Police Service Human Resource Management	530,556,818	0	530,556,818	630,556,818	0	630,556,818
2111 Auditor General	4,936,687,300	232,230,000	5,168,917,300	5,486,687,300	682,230,000	6,168,917,300
0729000 Audit Services	4,936,687,300	232,230,000	5,168,917,300	5,486,687,300	682,230,000	6,168,917,300
2121 Controller of Budget	618,470,000	0	618,470,000	618,470,000	0	618,470,000
0730000 Control and Management of Public finances	618,470,000	0	618,470,000	618,470,000	0	618,470,000
2131 The Commission on Administrative Justice	484,389,200	0	484,389,200	499,389,200	0	499,389,200
0731000 Promotion of Administrative Justice	484,389,200	0	484,389,200	499,389,200	0	499,389,200
2141 National Gender and Equality Commission	374,965,388	0	374,965,388	374,965,388	0	374,965,388

0621000 Promotion of Gender Equality and Freedom from Discrimination	374,965,388	0	374,965,388	374,965,388	0	374,965,388
2151 Independent Policing Oversight Authority	817,002,200	0	817,002,200	817,002,200	0	817,002,200
0622000 Policing Oversight Services	817,002,200	0	817,002,200	817,002,200	0	817,002,200
Total in Kshs.	1,075,968,241,376	660,954,426,353	1,736,922,667,729	1,069,491,026,558	672,800,641,350	<u>1,742,291,667,908</u>

(Hon. Ichung'wah on 6.6.2018)

(Resumption of Debate interrupted on 6.6.2018 – Afternoon Sitting)

Hon. Deputy Speaker: Are we supposed to get something from the Chairman of the BAC? You have the microphone. Proceed. What is it Hon. Chairman? I know the Hon. Chairman of the BAC wants to, again, exercise his power by going to the Dispatch Box.

I have given you the microphone where you are. By the way, this is something that we should comment on. Hon. Chairs especially, sometimes come without cards and they are supposed to contribute as a matter of right by virtue of the fact that there are issues which they are supposed to handle. When you are coming, you should always prepare to be with your cards.

Hon. Chair, proceed.

Hon. Ichung'wah: Thank you, Hon. Deputy Speaker, I had not noticed that you had given me the microphone from here. Otherwise, I did justice yesterday in terms of the Dispatch Box.

Hon. Deputy Speaker, I beg to move:

THAT, the Motion be amended by inserting the following words immediately after the word “Schedule”, “subject to any amendments in the Committee of Supply”.

This is meant to accommodate any of the issues that may come up within the contributions of Members in the Second Reading Stage. I would like to ask the Member for Ntonyiri to Second.

Hon. Maore: Hon. Deputy Speaker, I second.

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

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

(Question of the Motion as amended proposed)

Hon. Deputy Speaker: Hon. Member, we will proceed from where we left yesterday. I am informed that the Chair, Departmental Committee on Defence and Foreign Relations Committee who was supposed to have taken the Floor yesterday was absent with permission. Can you please proceed, and then we will open the plenary.

Hon. Katoo: Thank you, Hon. Deputy Speaker. First of all, I want to thank you for indulging me yesterday. I was supposed to present this proposal, but I was away with permission as you have said. Therefore, I rise to support the Motion as amended this afternoon, by the Chair of Budget and Appropriations Committee. The Departmental Committee on Foreign Relations Committee oversees four Government Ministries and agencies, one, the Ministry of Defence, the Ministry of Foreign Affairs and International Trade, the Ministry of East African Community (EAC) and Northern Corridor Development and the National Intelligence Service (NIS).

So, Hon. Deputy Speaker, I want to make my contribution to this Motion in a form of three clusters because two of the Ministries that we oversee are under the National Security sector, that is the Ministry of Defence and NIS. The Ministry of Foreign Affairs is clustered under the Administration sector and the Ministry of EAC is under the general economic and commercial affairs sector.

In security, threats remain alive with the Somalia-based *Al Shabaab* threatening to attack as the holy month of *Ramadhan* continues. On the diplomatic front, Kenya is on the offensive with the recent opening of a mission in Havana, Cuba, and more lined up in the 2018/2019 Financial Year. In the medium term expenditure framework sector classification, as I have said, Defence and NIS are classified under the National Security sector, while the foreign affairs and international trade is classified under the public administration and international relations. The Ministry of EAC and Northern Corridor Development is classified under the general economic, commercial affairs sector. These sectors are key in the delivery of goals and objectives of the three pillars of Vision 2030 and the Sustainable Development Goals (SDGs) as well as the Big Four Agenda.

Following the tabling of these Estimates, the Committee on Defence and Foreign Relations held a briefing with the Parliamentary Budget Office and subsequently held consultative meetings with the Ministries which it exercises oversight. The committee meetings took place from Monday 14th to Thursday 17th May 2018. I am happy to note that the National Security sector has been funded to a tune of Kshs111 billion to the Ministry of Defence, Kshs31.2 billion for the NIS against a resource requirement of Kshs121 billion and Kshs43 billion, respectively. The allocation for the sector will be utilized to provide a secure environment that is safe and conflict-free to promote public confidence and also to integrate the various sectors of the economy. A secure environment attracts investments to a country as no investor would want to invest in a troubled and conflict-infested society.

Additionally, the resources will go towards security intelligence and counter intelligence, modernisation and expansion of surveillance system and operational support infrastructure. It is noted that the investment that has been put in the two Government agencies - that is Defence and National Intelligence Service in the security sector - has yielded some positive fruits that are seen in the reduction of terrorist attacks over the last two or three years. National Security is a prerequisite in providing enabling environment for implementation of the flagship project for Vision 2030, such as Lamu Port-South-Sudan-Ethiopia Transport (LAPSSET) Corridor, ensuring exploitation of natural resources such as oil for development, protecting the population and other

assets against an ever growing threat of terrorism. Improved security will also contribute to better environment of doing business and bring in more tourists.

This sector is, therefore, critical to the survival and development of a country. Therefore, it is important to say that these are enablers for the realization of national goals including the Big Four Agenda, Vision 2030 as well as regional goals on Africa Agenda 2063 and the United Nations Sustainable Development Goals.

Under the Foreign Relations, the Ministry of Foreign Affairs proposed allocations which amounted to Kshs17.1 billion against a resource requirement of Kshs36 billion. This gap is huge and may affect the operation of our foreign missions abroad. But in view of the limited resources against the many wants of the country, my Committee is optimistic that the Ministry will be considered for additional resources in the Supplementary Budget to enable them undertake some critical activities which have not been factored in this Budget. These activities include, the construction of a new Ministry headquarters at an estimated cost of Kshs4 billion; opening of fully-fledged diplomatic missions in Accra, Dakar, Mozambique and Djibouti and consulate and liaison offices in Guangzhou, Mumbai, Hargeisa, Lagos and Kismayu, among others. Some of these are already in the Ministry's Budget, but without the requisite allocations from the National Treasury for operationalisation, the amount allocated so far is not adequate to take care of this operation.

(Loud consultations)

Hon. Deputy Speaker, I seek your protection as consultations are too high.

The Government approved the transformation of the Foreign Service Institute to Foreign Service Academy which has not been operationalised due to lack of funding. There is a Kshs2 billion for acquisition of infrastructure, establishment of a research centre and Kshs500 million in working capital under recurrent expenditure to cater for training equipment and capacity building of trainers and researchers.

At the invitation of His Excellency the President, Kenya will be hosting the Sustainable Blue Economy Conference from 26th to 28th November 2018. There is no allocation of funds in the 2018/2019 Financial Year. The total cost of hosting this conference will be Kshs800 million. Nevertheless, with these limited resources...

(Hon. Ouda stood up in his place)

Hon. Deputy Speaker: Hon. Ouda, two Members cannot stand at the same time, but what is it Member for Kisumu Central? What is out of order?

Hon. Ouda: Hon. Deputy Speaker, consultations are allowed but, please, protect the Member on the Floor. The Leader of the Majority Party and his team are making a lot of noise. We want to hear what is going on. Consultations are allowed but protect the Member.

Hon. Deputy Speaker: Hon. Ouda, I know you know one thing for sure, especially noting the background that you come from. In the august House, no Member makes noise. They only consult loudly once in a while. But again, the Member who is contributing has not asked for protection. If you are to ask for protection, you should be asking for protection for yourself.

Hon. Katoo: Hon. Deputy Speaker, I have been asking for protection.

Hon. Deputy Speaker: What is it, Leader of the Majority Party?

Hon. A.B. Duale: Hon. Deputy Speaker, Hon. Ouda, the Member for Kisumu Central is still living in the county assembly. Number one, you have corrected him that we do not say someone is making noise. Secondly, I want to inform him that there is the HANSARD in the National Assembly. You do not need to follow what the Member is saying. At the end of the day, you can get the HANSARD and follow what has been said. And I am happy, today is the first day I am seeing him in the House. I do not know where he has been. I do not know whether he has made his maiden speech. In fact, that point of order was the maiden speech.

(Laughter)

Hon. Deputy Speaker: I think I should protect Hon. Ouda. I know he has contributed a few times, honestly. In any case, even if he had not, he would already have made one on a point of order. Proceed, Chair.

Hon. Katoo: Thank you, Hon. Deputy Speaker. Indeed, consultations are so high.

Hon. Deputy Speaker: I cannot see Members who are consulting here. Maybe, there are a few to my right.

Hon. Katoo: I hope my time has been well taken care of.

Hon. Deputy Speaker: We have. You still have about three minutes.

Hon. Katoo: I was saying with regard to the Ministry of Foreign Affairs that, since the resources are limited, the Ministry will focus on expanding Kenya's diplomatic representation and footprint across the globe and strengthening Kenya's leadership role in shaping a global agenda at the bilateral and multilateral levels. To aid in the achievement of the Big Four Agenda, the Ministry will focus on its engagement with countries and regions which have comparative advantage to drive Kenya's agenda in the Big Four and lobby to translate the current enabling business environment to become attractive for long-term and sustained investment.

As this House may be aware, regional integration is key to our development in this region and the wider African continent. Economic partnership, therefore, plays a critical role in so far as Vision 2030, Sustainable Development Goals as well as Agenda Africa 2063 are concerned. Kenya is a leading player in championing for regional integration. This is where the Ministry of East African Community and Northern Corridor Development comes in within the region and globally. It is noted that Kenya was among the first two African countries to ratify the African Continental Free Trade Area and the COMESA-EAC-SADC Tripartite Free Trade Area (TFTA). Kenya and Ghana were the first two countries to ratify those agreements.

The Ministry of East African Community and Northern Corridor Development plays a critical role in this arrangement, being in charge of coordination of regional integration activities. But with a proposed budgetary allocation of Kshs1.09 billion against a resource requirement of Kshs1.9 billion, the resources during the medium-term period for Financial Year 2018/2019-2020/2021 will be geared towards improving the implementation of East African Customs Union, among others. But my Committee observed that the Ministry was not allocated adequate resources to enable it operationalise its activities in line with additional mandate of Northern Corridor Development, LAPSET and South Sudan Liaison Office. Some of the critical areas not funded amount to Kshs406 million. However, the committee noted that there was only one pending bill, and that was with the Ministry of Defence, of Kshs858 million, which dates back to 1990, that is 28 years old. This pending bill has been a subject of a court dispute which eventually was awarded by the High Court, totaling to Kshs1.4 billion. That is inclusive of

accrued interest. But through negotiations, the Ministry agreed to pay Kshs8050 million but it was not factored in the Budget.

Hon. Deputy Speaker, I wish to thank your office, that of the Clerk, members of my committee, my secretariat and members of BAC for having considered our recommendations in this Report. I beg to support.

Hon. Deputy Speaker: Now we have finished with the chairs of the departmental committees and so, it is open to the rest of the membership. We will start with the Member for Teso North, Hon. Oku Kaunya.

Hon. Kaunya: Thank you very much, Hon. Deputy Speaker. In contributing to this Motion, I would wish to, first of all, thank the Chairman and the Committee for the work they did. I would like to point out that in terms of the provisions that have been given, there are key areas that have been addressed though not adequately. In terms of national security which we know is a major driver of the Big Four Agenda, we talk of police welfare - particularly housing - which we hope the Budget will provide for 20,000 housing units. I would propose that since affordable housing is one of the major Big Four Agenda, the Budget Committee should consider that a large section of what we are providing as affordable housing should go to the police to house the officers so that they are able to deliver on our expectations.

Secondly, on the issue of police reforms, in terms of the Budget, one recommendation that, perhaps, needs to be taken into account is the question of reforms which has taken over 20 years. As we try to achieve what we want and where the public will be satisfied with the services that are provided by our security agencies, one of the things that need to be taken into account in terms of the Budget is the disaggregation aspect. The Budget, particularly utilisation, ends up usually at the divisional level in terms of police hierarchy. It would be an important step if we want to achieve results on the ground to make sure that the Budget reaches the police station and the AP post level where services are given. Apart from that, we want to tell the Committee that already, for the chiefs, some money has been provided, which facilitates the work at the chief's level.

Hon. Deputy Speaker, if we manage to have these amounts given disaggregated to the police stations level and the Administration Police posts level then, the officers will be facilitated to get fuel for their vehicles and stationery. This will make them operational and efficient.

Another aspect which I would like to point out is on national co-ordination of administration at the local level. This is key if we want to achieve the Big Four Agenda. Therefore, the provision that has been given for construction of sub-county offices is welcome. I want to thank the Budget and Appropriations Committee for providing for that.

Lastly, as I wind up, there is the Kshs8 billion that was slashed from the National Youth Service budget. I want to commend this Committee because institutions must be accountable and before investigations are completed, this is a good step. I am very happy because the Committee has allocated that money towards filling the skills gap by training our youngsters to acquire essential skills.

Thank you, Hon. Speaker, I support this Motion.

Hon. Deputy Speaker: Very well. Let us have Hon. Rasso, Member for Saku.

Hon. Dido: Thank you, Hon. Deputy Speaker. I rise to support the Report by the Budget and Appropriations Committee which is before this House. At the outset, this House is involved in the budget-making process and this should not be an annual ritual. As this House passes the Budget, it must truly reflect the wishes of the people we represent on the ground. They must see the effects of its passing by this House.

I am very disappointed because Badassa Dam, which is in the Constituency that I represent, has been under construction since 2008. It has disappeared from the 2018/2019 budget allocations. I need justification for this action. We have said water for every household by the year 2030. As a middle income country, at least, the basic necessity for life is water. Suddenly, that dam has disappeared off the radar. This is a serious disappointment to me.

I want to thank the Chair of the Budget and Appropriations Committee. For those of us who were in the last Parliament, we know that the previous Budget and Appropriations Committee did not consult other Members. They just brought a budget on the Floor of this House and it was forced down our throats. However, the current Committee has done due diligence. The restriction caused by the resource envelope was a limitation on their side. However, they tried as much as possible to consult.

The Budget is reassuring because they have managed to look at water, roads and social amenities in the areas of health and education. I hope subsequent Budgets in future will look at areas which touch the people. In the area of health, one thing which came to light is the universal healthcare. It is also in the Big Four Agenda, which the President considers as his legacy project. Also, where we come from, a major concern today is health. Due to lack of facilities in most of the outlying areas, people are forced to go to big hospitals in the major cities. This in itself is bringing a lot of economic hardships to the poor and they cannot access healthcare. The Budget and Appropriations Committee should look into this from a bottom-up approach.

I am a member of the Departmental Committee on Defence and Foreign Relations. Looking at the budget in the Ministry of Foreign Affairs and International Trade, one of its major dockets is trade. If we are going to give them only Kshs.81 million to hold trade symposiums or facilitation, I think this is inadequate and unacceptable.

With those few remarks, I beg to support. Five minutes is a very short time.

Hon. Deputy Speaker: Hon. Atandi Onunga, Member for Alego Usonga.

Hon. Atandi: Thank you, Hon. Deputy Speaker for giving me an opportunity to contribute to this Motion. For the first time, I have seen the National Assembly is a budget-making body because of the way this Committee has executed its mandate. They have captured the Budget in a way that makes a lot of sense. As we are aware, the purpose of the Budget is basically to implement the Government's development agenda. Therefore, we should ensure that it complies with fiscal discipline because, as a country, we only budget for what we can fund. From the estimates, a fundamental question I want to ask this House is this: How is this Budget going to be financed?

From the estimates and projections, we can see that domestic revenues will probably fund 62 per cent of this Budget. This means about 38 per cent of this Budget will be funded through domestic and foreign borrowings. To me, this is a very critical area because, in short, there is a mismatch between the projected revenues and expenditures. Domestic debts are basically short-term Treasury Bills. They constitute the largest source of local borrowings. In terms of foreign borrowing, we are going to rely on concessional loans or probably the Euro Bonds.

As you are aware, Kenyans are concerned about the ballooning level of our public debt. As we talk right now, every Kenyan born today accrues a total of Kshs100,000 on his or her head. I know that the Finance Bill will come to this House shortly. I am a Member of the Departmental Committee on Finance and National Planning, but I am not certain that the proposal contained in that Bill is going to help us sort this deficit. I am concerned because this House must be very careful and critical when it looks at the way this Budget is going to be funded.

Another issue of concern to me is the fact that, in this financial year, we are going to use around Kshs800 billion in funding our debts. Some of the debts that are going to be funded are the sovereign syndicated bonds that were procured in 2014. If you add all these accumulations, you will realise that, as a country, we are going to spend more than 50 per cent of our GDP on funding debts. This is contrary to the Public Finance Management (PFM) Act. Even though the Budget has captured this matter very well, the issue that this House must concern itself with is how this Budget is going to be funded. I am not very certain that this is going to be realised as expected.

The other observation that I have done in this Budget is that a substantial amount of resources is going to be spent on Recurrent Expenditure, as opposed to Development Expenditure. You know that for this country to realise economic development, more resources need to have been allocated towards Development Expenditure as opposed to Recurrent Expenditure. The other issue is that following the experiences of past budgets, development programmes are never sufficiently implemented because of the inefficiencies and incapacities of the implementing agencies. At the end of the day, you find projects lagging behind. I would like the Budget and Appropriations Committee to look into this matter and ensure that...

Hon. Deputy Speaker: Let us have Hon. Nyoro Ndindi, the Member for Kiharu.

Hon. Nyoro: Thank you very much, Hon. Deputy Speaker, for giving me this opportunity to contribute to this very important debate before us. That is because this House has the sole mandate of budgeting for the country's expenditure. It is actually the only institution mandated to perform that role. In any country, directed economic growth is very important. I am very happy that the Jubilee Government, led by our President, has seen its path in terms of where we are, as a country. In this Budget of Kshs3 trillion, we have specific areas we are targeting. The Big Four Agenda covers affordable healthcare and manufacturing, which is very important in terms of creating employment for young Kenyans; food security, which comes in handy in supporting farmers who are on the supply side of our food chain; and affordable housing so that we can give it to the people of this country.

However, I have to say that there is a fallacy we peddle every time we make the Budget – the fallacy of marginalisation – which looks like it is true. There is the fallacy that the closer you are to Nairobi, the more developed you are. We tend to regard areas that are furthest from Nairobi worse off, however rich they are than Murang'a and neighbouring counties like Mwea and Kajiado. We are considered to be well off. In Kiharu, where I come from, there are areas which are poorer than the poorest parts of, for example, Turkana County. This is a fallacy we are going to deal with in future, so that we can look at the voters of this country and the taxpayers as people and not more as kilometres.

I am also basing my argument on the NG-CDF allocation. Kiharu Constituency has over 120,000 registered voters. However, we are given the same amount of money as so many other constituencies with much smaller populations. This kind of skewed allocation of resources will be dealt with in future, so that large constituencies can be considered to benefit from the Equalisation Fund.

Many economists always advocate for a lean government because it gives birth to a big country. Where we have as few entities as possible controlled by the Government, we have fewer areas where public money can be siphoned. Therefore, it is my opinion that we continue to consolidate some Government entities so that we can have fewer institutions. This will reduce the Recurrent Expenditure and ensure that more resources go into development.

I am very pleased by the additional funds that I have seen in the Report. A sum of Kshs3.8 billion is going to NG-CDF. I am very pleased by the Kshs1 billion going to the Last Mile Connectivity Project and Kshs8.7 billion going towards rehabilitation of infrastructure damaged by the heavy rains being experienced across the county. I am happy because the county I come from is one of the biggest victims of the heavy rains we are receiving. I am sure that the Kshs8.7 billion...

Hon. Deputy Speaker: Your time is over. I can confirm to you beyond doubt that they were five minutes. It is your word against the Speaker's word. Of course, you lose. Let me now give a chance to Hon. Gladys Wanga Nyasuna. As I give her that opportunity, let me recognise, in the Speaker's Gallery, students from Upper Hill School, Nairobi County.

Proceed, Hon. Gladys.

Hon. (Ms.) Nyasuna: Thank you, Hon. Deputy Speaker, for giving me this opportunity to contribute to the debate on the Report on the Budget.

I would like to congratulate the Budget and Appropriations Committee for taking their role very seriously in terms of engaging with Parliament as far as budget-making is concerned. Previously, the Budget Estimates would come from the Executive, and Parliament would make very minimal changes to the document. We have since seen a lot of reallocations done by the Budget and Appropriations Committee, domiciling the budget-making power in Parliament. We now realise that the power to make the national Budget is truly in Parliament. I thank the Committee.

Having said that, I would like to go directly to the Motion. Youth unemployment in this country remains a major problem. When massive resources were directed towards the NYS and other youth empowerment programmes, there was excitement all over. We were eager to see how we could transform the youth of this country through a five-point plan, but the whole programme has turned into a disaster. Therefore, the decision to reduce money from the NYS is prudent. When the Departmental Committee on Labour and Social Welfare, in which I sit, reduced money from the NYS Vote, the intention was not to make the youth of this country lose that money. The intention was to reduce the money from the NYS, but not to punish the youth. It was meant to redirect that money towards other youth programmes.

I would like to fault the Budget and Appropriations Committee for taking the money away from NYS and redirecting it to other projects, like infrastructure development, in total disregard to recommendations by the Departmental Committee on Labour and Social Welfare. Redirecting funds from the NYS to infrastructure is not right. We have to invest in the development of our people. Taking the money away from NYS is good, but directing it to programmes not related to youth empowerment is not fair. What the Departmental Committee on Labour and Social Welfare had recommended was for that money to be channelled to the youth through the Youth Enterprise Development Fund and the Women Enterprise Development Fund, as well as through the National Government Affirmative Action Fund. However, what happened ultimately was that the money was taken away, but has not really been seen.

Hon. Deputy Speaker, the reason why Committees are engaged in budget-making process is to allow them to interact directly with the State departments. Recommendations that committees make should be taken as seriously as possible. Ninety per cent of the recommendations that the Departmental Committee on Labour and Social Welfare made to the Budget and Appropriations Committee were all taken out. The Committee went ahead and made the Report in the way they only knew how. I want to register that.

I would like to say that it is a good thing that the national safety net programme has an additional Kshs100million to operationalise 290 social assistance committees. The Departmental Committee on Labour and Social Welfare had recommended to allocate Kshs290million, which is Kshs1 million for each constituency towards the operationalisation of the constituency social development committees. It cannot be five minutes since I started talking. This reduction to Kshs100million is something because we had committees on the ground to help to select the elderly, but they have never been facilitated. So, I am glad that, at least, something has gone towards that facilitation.

The marginal increase in the national Government Affirmative Action Fund is appreciated. However, we hoped that this could have been a little more, so that we can have a fund that can do something instead of having one that is too minimal to make any impact. We know that there could be politics around that, but we hope that women representatives can also get the same treatment as Members of this very dignified National Assembly.

Hon. Deputy Speaker, this is sabotage!

(Laughter)

Hon. Deputy Speaker: You are completely out of order, Hon. Gladys. I will give the opportunity to Hon. Lesuuda, Member for Samburu West. Members should also be informed that there is a watch on both sides of the wall. So, you can check and confirm your time, so that you do not enjoy your contribution until you forget that the time is over.

Proceed Hon. (Ms.) Lesuuda.

Hon. (Ms.) Lesuuda: Hon. Deputy Speaker, thank you for giving me an opportunity to contribute to this very important Motion. Having sat through this budget-making process, I must commend the Budget and Appropriations Committee and also the Parliamentary Budget Office for their input and the work that they have put in for us to ensure that these Estimates are tabled on time.

One of the issues that I really wanted to speak about is public participation, which we adequately participated in. We went to 12 counties across the country. It was very important for us to take in the views of the members of the public as we make the Budget as Parliament. It is important that we take their views. One of the things that we realised is that public participation always happens towards the end of the budget-making process. Therefore, most of the things that we capture are not the aspirations of the people. That is why, as the Budget and Appropriations Committee, we sat and thought that it is very important that we go out and speak to the people in the counties before we finalise the Budget Policy Statement, so that we take in the views and needs of the people.

During the period, it was clear that there are some counties which put into use the resources that they receive, especially on health matters. We visited Coast General Hospital in Mombasa County and you cannot even tell that it is a public institution. It is very important for us, as a country, and also as we do our oversight role, to look at how we use the monies once they are appropriated. We should ensure that public institutions, counties or even those that are directly under us through NG-CDF and National Government Affirmative Action Fund use the resources that are allocated to them in a prudent manner.

Secondly, it is important for us to realise as a country, and especially as politicians who sit in this House, that with the handshake and political temperatures having gone down, it is foreseen that our economy will rise and by the time we come back for the Supplementary

Budget, we will have raised more taxes. So, it is important that we also go slowly at least for the next two years in politics and succession politics. We should reduce it and continue as we are doing right now, so that we can continue to grow as a country and raise more resources, so that we can fund our Budget adequately.

There is one other issue that we realised. There are projects which we always allocate money for, but we do not complete them. Once we start the budget-making process, we start new projects instead of finalising our stalled projects and dealing with our pending bills. One of the cases is in my constituency. There was money which was allocated for a university last year. Samburu County has no university. So, Laikipia Campus Maralal University was allocated Ksh83million for a start. However, it was taken away during the Supplementary Budget. So, it is also important that during the Supplementary Budget, we do not take away money for development. We have also captured it in this Report. Money for development should not be cut. We should cut the one meant for recurrent expenditure.

Thank you, Hon. Deputy Speaker.

Hon. Deputy Speaker: Hon. Wanjira Wangari. Is she from this other side? I am sorry to the Hon. Members who are on my left side.

Hon. (Ms.) Wanjira: Thank you, Hon. Deputy Speaker. I also rise to support this Report of the Budget and Appropriations Committee. I know that they put in a lot of hours to come up with it. It was also a recess meant for working in our specific committees. Some of our inputs were considered and some were not. Generally, I want to support public participation. I agree with the Members and the Committee that it should be done in between - but not just once - so that it can have meaningful contribution and whatever is said at the public participation can be included.

I also want to note that with the handshake, it is expected that revenue collection will get better. I want to delve into a few issues. One, I want to note the reduction of the National Youth Service budget allocation. As a Member of the constituency which hosts NYS, I want to confirm that in the constituent colleges of NYS in my constituency, there are about 16,000 young women and men who are being fed through credit. We only hear about the issue of the Kshs9billion in Nairobi. We must not only reduce the budget or the allocation to NYS, but also separate and decentralise it. Let every constituent college come up with its requirements and be given an authority to incur expenditure. We do not have to buy meat in Gilgil and be paid in Nairobi. I have young people in my constituency who grow cabbages and supply to NYS, but they have not been paid for the last two or three years. People from Mbegi supplied tomatoes, but they have not been paid for the last two years. Then you get people who supply air and are paid in Nairobi. We have shylocks who want to auction the property of genuine suppliers. Let us decentralise the expenditure of NYS from Nairobi. Let every constituent college get its own budget and authority to incur expenditure.

I want to commend the Budget and Appropriations Committee on the issue of infrastructure and road repairs. The rains which are pounding this country were only seen in the 1960s. There is destruction of infrastructure, whether it is the sewer systems or roads. Every constituency and Member of this House can attest that the destruction of roads is massive. I hope that the sharing of this money to develop infrastructure and repair our roads will be done accordingly and fairly, so that each constituency gets its share of the infrastructure development.

I also want to touch on the issue of health. I note that you have given about Kshs40 billion to the referral hospitals. Hon. Deputy Speaker, I know that this House does not speak in futility and in vain. I remember *Hon. Jicho Pevu* had moved a Motion on getting more referral

hospitals. Referral hospital will take a lot of pressure from our small hospitals. I hope counties are taking cue as they develop their CIDPs, to improve village dispensaries and sub-county hospitals so that we take off pressure from Kenyatta National Hospital and Moi Teaching and Referral Hospital in Eldoret. We do not have to go for treatment for malaria and pneumonia to Kenyatta National Hospital and we also do not need to go for anti-retroviral medication and family planning services at Kenyatta National Hospital and Moi Teaching and Referral Hospitals.

Hon. Ouda: On a point of order, Hon. Deputy Speaker.

Hon. Deputy Speaker: What is your point of order, Hon. Member for Kisumu Central?

Hon. Ouda: Hon. Deputy Speaker, who is the Member going by the name *Jicho Pevu*? I have never heard of such a Member in this House. Hon. Deputy Speaker, I kindly seek your indulgence.

Hon. Deputy Speaker: I thought you have been in this House for the last eight months.

Hon. Ouda: Who is the Member? We all have names. Can the Member tell us the Member she is referring to as *Jicho Pevu*?

Hon. Deputy Speaker: Obviously, there is no Member by that name, but Hon. Member for Kisumu Central, you are known for making it to high places using different antics. I believe this is one of them.

(Laughter)

Therefore, I will not punish you for making a very strong effort to maintain your position in the House. So, let us proceed. Member for Gilgil, you should wind up because you have half a minute remaining.

Hon. (Ms.) Wanjira: Thank you Hon. Deputy Speaker for protecting me from Hon. Ouda.

The other issue I have noted in the Budget Estimates is the increased allocation for the last mile electricity connectivity. Most people have been applying for electricity connections to households. I know the Jubilee Government is very keen to ensure that villages are lit and institutions have electricity. That is very commendable.

Another issue is on the budget of the Ministry of Lands and Physical Planning. I hope the money that has been allocated will be used appropriately to ensure that almost every constituency gets a land registration office. Even if Gilgil is a new constituency, we have people travelling from Kong'asis, and you know how far that is, to go to Naivasha when they have issues to do with land. It is about time every constituency got a lands registry office so that these services can be taken closer to the people including civil registration services as I have said in this House before. One should be able to get a birth certificate at the constituency level.

With those many remarks, I support. Thank you.

Hon. Deputy Speaker: Hon. Oduol Adhiambo.

Hon. (Prof.) Oduol: Thank you, Hon. Deputy Speaker. I would like to support and commend the Budget and Appropriations Committee. I would also like to acknowledge that as we talk about social protection systems and social interventions, which are intended to cushion the vulnerable in society, it would be good we have a plan that is holistic that does not stop at a pilot stage.

The universal healthcare programme is going to be piloted in 12 counties one of which is Kisumu and it would be useful for us to be aware and learn from existing programmes such as

the orphans and vulnerable children programme, the elderly persons and persons living with disabilities which up to date are at the pilot stage. It is useful in terms of our plans and how we make budgetary projection to be much more focused so that it is done holistically.

Counties are going to receive an additional Kshs46 billion than they did in the previous financial year. It is useful to look at the delays in releasing cash to the counties. Most of the counties, as a result of these delays, have been forced to not only rely heavily on revenue collection, but in other cases they have lacked funds for important tasks which include salaries and healthcare. My county, Siaya, is a case in point where some staff have not received their salaries even for February.

We also note in the Report of the Committee that during public participation there was specific mention of the need to have extension services. As we look at the Big Four Agenda, particularly food security, it is important for us to recognise that we need to ensure we have necessary veterinary and agricultural production extension services so that we have them in semi-arid areas, which currently do not seem to be able to produce sufficient food and veterinary related productions.

I conclude by thanking the Committee and emphasise that we need to reduce the debt level from 57 per cent to 50 per cent and also bring down the external debt. We also need to be much more alert with the high level of corruption and ensure we have clearly defined accountability mechanisms that would allow Committees and the National Assembly, at large, to do the necessary monitoring and evaluation. I thank the Committee.

In the interest of the handshake, there are two 001 nominees. I have noted that we assume that we only have one 001 nominee. I have the honour, as I thank my party Orange Democratic Movement (ODM) to also be referred to as Nominee 001. I commend the handshake because it has made this clear.

Thank you.

Hon. Deputy Speaker: Let us have the Member for Seme. I want to demonstrate something, Hon. Member for Seme, that even if you came here early, the Speaker still has the leeway to make a decision one way or the other. You were ahead in the list, but I decided to give the chance first to Hon. Oduol.

Hon. (Dr.) Nyikal: I do not believe in that reason.

Hon. Deputy Speaker: If you do not believe it, I might deny you the opportunity so that you can believe it.

Hon. (Dr.) Nyikal: That would amount to abuse of office.

Thank you, Hon. Deputy Speaker for giving me this opportunity. I thank the Budget and Appropriations Committee and its Chairman. They have done a good job. I will only confine myself to the process because it is important. I have always said in this House that when we do the Division of Revenue Bill as we had done earlier... Now we are dealing with the national Government account and yet we do not know the needs of the county governments. So, we tend to go with the 15 per cent and the Commission on Revenue Allocation's recommendations.

There is need to have that information about county needs on top of what is provided for legally. The sector hearings that was done found out that there are many areas of need in county governments. For example, they found that there are many hospitals in Nairobi that do not operate. They found that equipment in a hospital in Pokot is not being used because they have no electricity. They also found that there are many dilapidated roads and proceeded to provide funds for them. These are county governments' functions. We have just done division of revenue but we are taking over these functions and providing money for them. It indicates that it was

important that we should have known that beforehand and taken into consideration the matter when we were doing the Division of Revenue Bill. They have also recommended that they amend the Public Finance Management Act so that sector hearings come early so that they are factored in the Budget Policy Statement.

Again, that is indicating that we need, at the time we are discussing the Budget Policy Statement, to have some guidelines on the needs of counties. That is important. If they decide to make that amendment, it should not be done for sector hearings. They look at the bigger picture and see how that gets into the BPS.

The other thing I would like to talk about is the budget process and our big problem of corruption. I applaud the recommendation of the Budget and Appropriations Committee that MDAs or institutions involved in corruption should half their budgets. They have done that for NYS. There is something I would like to say. I have been in the Budget and Appropriations Committee. Corruption has crept into the budget process. I say this because I have noticed that every time we have these mega scandals, it follows very large provisions in those institutions. I do not think it is a coincidence. As an institution that is mandated with budget-making, we should start being very careful when we see very large provisions going into certain MDAs. After that, we should monitor those institutions. Like now, we have put a lot of money in the areas of the Big Four Agenda. We must therefore be very careful and monitor those areas. Where there is meat, flies will get there. If we do not do that, the Big Four Agenda will turn out to be four pillars of corruption.

With that, I thank you for giving me the opportunity.

Hon. Deputy Speaker: Hon. Member for Tigania West.

Hon. Mutunga: Thank you, Hon. Deputy Speaker, for the opportunity to contribute to this important Motion. I commend the work of the Budget and Appropriations Committee not because I am a Member of the Committee but because the Committee worked tirelessly to come up with the best budget so far in this country.

We did a lot of consultations at the departmental committee level and with the National Treasury to try and find out why we have delays especially in the release of the Exchequer and that causes delay in project implementation. We also consulted National Treasury on the budget ceilings.

(Loud consultations)

Hon. Deputy Speaker, I need protection. There is a lot of consultation.

Hon. Deputy Speaker: Order! I have heard you and I will act accordingly. Proceed.

Hon. Mutunga: Hon. Deputy Speaker, there was no single reduction or allocation that we did without negotiation. They were all negotiated and the chairs of the various committees gave us the reasons they thought were necessary to reallocate. Even where we made proposals as a committee, it was very well discussed with the departmental committee chairs and agreed upon. The Committee also looked at the focus of the Budget, the entire allocation in view of Kenya and the way Kenyans will look at it. We looked at the local level needs and the priorities of the people especially when we did public participation.

There are few key highlights from this Report by the Chairman. One of the things is the imbalance between the recurrent expenditure and the development expenditure. It is possible that right now, Kenya maybe putting a lot more money in recurrent expenditure than development expenditure. I want to assure this House that this is reducing and it is also very much dependent

on the sector. Some sectors are putting a lot more money in development expenditure than in recurrent expenditure.

The other issue that is important to note is the huge reallocations that we did in respect of money that could be better used in other areas other than being misused. We even got money from the National Treasury. Around Kshs4.87 billion is reallocated which is something that has never happened in this country. We negotiated with the National Treasury on this particular issue. Therefore, the Budget and Appropriations Committee brought a good report.

The other issue that we also looked at is the focus on the priorities of the people and the Big Four Agenda which has also been supported in this Budget.

The other issues that are important are the variety of the Government initiatives that have been going on and the need to verify the need to have facilities on lease. We realise that in some counties, they have been very effectively utilised. I want to mention Kirinyaga County where I did public participation and found a hospital that is improving from Level 5 to something better. The hospital there is like a referral hospital. It is clean, effectively working and the equipment is working very well. It is highly comparable to the Mombasa case. We even have a Renal Unit that is performing very well. The people's proposals were brought from not only the 12 counties that we visited but also from other neighbouring counties. We considered all these proposals and agreed that in future we shall have the proposals carry the day in terms of what is supposed to be funded. I find the Budget fairly balanced. I support this Motion in that respect.

Also of importance is the fact that if you look at different sectors, they did internal reallocation. They considered what needs to be moved from one vote to the other. We agreed based on the priorities that they gave us and the reasons why they thought it was necessary to do reallocation.

With those few remarks, I support.

Hon. (Ms.) Ngirici: Thank you, Hon. Deputy Speaker. As I stand in support of this Report, I wish to congratulate the Budget and Appropriations Committee. I thank them. I am also pleased to note that it was at my county, Kirinyaga, which was among the few selected counties where the Committee held public participation forums in line with Article 118 of the Constitution. I affirm that most of the issues they submitted are real issues affecting the common *mwananchi*, at the grassroots level.

From the submissions made by Kirinyaga residents, I affirm that there is statistical need to improve the current state of the roads in the country. I would recommend that the money allocated towards rehabilitation of various roads in various constituencies be adopted out of the urgent need of the residents but moving forward we wish to see more money being allocated towards upgrading various roads to bitumen standard. Kirinyaga residents equally welcomed the move to improve the basic infrastructure in public schools in the counties. The allocation of money has been welcomed in Kirinyaga County.

On the side of agriculture, I wish to note that among the big drivers of economy, any recommendation made in the House should not in any way affect the project related to this sector. In fact, I wish I would not find any substantive reason to guarantee reduction of money allocated towards the construction of dams and agro-processing industries like tomatoes, French beans among other processing plants that have been allocated money like fish in Migori and honey processing plants in West Pokot.

Now that we are working in line with the Big Four Agenda, I commend the fact that the Government has moved forward to establish and allocate money to the industrial parks. In reference to the policy recommendations in this report on fertiliser, we wish that there would be

subsidies for fertilisers in the coffee sector. We also appreciate the fact that there was money that was put for the coffee growing counties.

Last but not least, being among the 47 elected women representatives, we appreciate Kshs145 million that was allocated to us. You realise that the money allocated to most of these women is used to touch the lives of Kenyans. Having so little money to spend will not make any noticeable impact. We wish that next time the Budget and Appropriations Committee takes note and our colleagues realise that we are part of them. We are their sisters if not colleagues or their mothers. They at least had a substantial amount that can be noticed and that can help us to be felt on the ground.

With those few remarks, I thank you Hon. Deputy Speaker for this chance.

Hon. Deputy Speaker: Next is Hon. Wilson Sossion.

Hon. Sossion: Thank you Hon. Deputy Speaker for giving me this opportunity to contribute to the Motion on the Budget prepared by the Budget and Appropriation Committee.

I will talk on the Teachers Service Commission (TSC) and education. I laud this country as being one of the few countries in the world that has devoted its Budget to education within the international minimum set standards of six per cent of GDP and 20 per cent of the overall national Budget. In the last financial year, Kenya devoted about 5.9 per cent. This is quite commendable but we, as a nation, have emphasised a lot of focus on education within the Sustainable Development Goals (SDGs) Agenda Framework No. 4 of delivering equitable, quality education for all. Our Constitution and the rest of the legal framework are very explicit on the provision of quality education. Education remains a fundamental right for every child. On this Budget, for the TSC, the allocation stands at Kshs226 billion. If it remains as it is, it means the TSC shall not be able to recruit additional teachers in July 2018.

Statistics from the TSC projects that, in the next four years, the teacher requirement in this nation shall be 150,000. The estimated and the proposed annual recruitment to bridge the gap is 22,000 at the rate of Kshs10 billion annually. Therefore, what this means is that the Budget and Appropriations Committee ought to work further, despite having done an excellent job, to try and make available further funding to the TSC to ensure that more teachers are made available.

The delivery of quality education in any classroom and learning institution can only be done through adequate teachers. I would wish to mention a specific provision in the SDGs Agenda No. 4 on how to ensure that the seven targets and the overall goal are achieved. There are three things that countries must invest in – school infrastructure, scholarships and teachers. The Stockholm Declaration and the framework for action is very specific in its wording; that, nations and countries must train, recruit and support enough teachers to deliver teaching. In this nation, we are aware of the shortage of teachers in all classrooms across the country. That shortage definitely puts this nation on a crossroads in terms of delivery of quality education.

I propose that there is room for the Budget and Appropriations Committee to work further to offload. At the end of the day, the absence of teachers results in direct cost to the households. The unending and undeserved ever-rising cost of education which is reflected in fees and boarding schools directly arises from inadequate teachers. We believe that with the good work that the Budget and Appropriations Committee has done, including the process of public consultation they have engaged in – this is one such forum – it is possible that this House can affirmatively make Kshs10 billion available to guarantee recruitment of more teachers.

There are reasonable sources of financing. In this nation, there are all indicators that tax evasion is very high. It rises into billions of shillings. The United Nations puts tax evasion at

Kshs37 billion, with corruption. If those two vices are dealt with, this nation can even provide education...

(Hon. Lessonet gestured)

Hon. Deputy Speaker: I do not know why the Member for Eldama Ravine is pointing this direction menacingly. You have already stood. Are you on a point of order? Let me give chance to another Member first. What is your point of order, Hon. Lessonet?

Hon. Lessonet: Thank you, Hon. Deputy Speaker. I want to put a question to the Member who has just finished speaking.

Hon. Deputy Speaker: You want to put a question?

Hon. Lessonet: I am on a point of order because I have heard him lament about a shortage of 140,000 teachers. While in this law-making House – a House that makes policy – I expected to hear him, especially being an expert in teacher management, tell us what the solution to the shortage of 140,000 teachers is. It cannot just be as simple as allocating money. Resources are always in short supply. They cannot be available to do 140,000. I wanted him to even tell us about interns. Why is the Kenya National Union of Teachers (KNUT) against recruitment of interns? We can take in 40,000 interns at a lower cost for three years.

Hon. Deputy Speaker: Hon. Lessonet, you have probably passed the point you had. Obviously, what you have just stated is not a point of order by any standard. If you really wanted Hon. Sossion to reply to that, unfortunately he has no more time to reply; you will wait for another opportunity to be given to him so that he can comment on it. So, you have made your point.

We shall proceed.

(Several Members stood up in their places)

What is it again? Why are Members standing up and down? I know the cards are not working. Hon. Pukose, yours is working. I am not giving you the opportunity. I can confirm that you are about number three. You are not top on the request list. You will have to wait patiently as other Members contribute. Let me give chance to the one on top of the list. It is Hon. Murungi Kathuri, the Member for South Imenti. He is not in the House. We will go to Hon. Hilary Kosgei, Kipkelion West.

Hon. Hilary Kosgei: Thank you, Hon. Deputy Speaker. I rise to support the Budget Report and recommendations and laud the Budget and Appropriations Committee for cutting money from wasteful spending departments like the NYS. They should have reallocated those funds to the needs of the teachers that Hon. Sossion is talking about.

Even as the Government insists on a 100 per cent pupil transition from primary school to secondary school, it has put more effort on infrastructural development and left the issue of teachers behind. In this country, especially in the constituencies we come from, we have day secondary schools with a total number of over 300 students still having two teachers from the TSC. They are expected to compete with students from well-established institutions in this Republic. Therefore, I support that we still have a leeway in this Budget to channel more resources towards employing more teachers.

I want to commend the recommendations of the Budget and Appropriations Committee, especially on the subsidised fertilisers. For a long time, coffee farmers have been left behind in

this country. The recommendations by the Budget and Appropriations Committee that Kshs1 billion be ring-fenced from the fertiliser subsidy to coffee farmers is a welcome move to support farmers who come from coffee growing regions, like my constituency of Kipkelion West.

Tourism is still a sector in dire need of recovery.

[The Deputy Speaker left the Chair]

*[The Temporary Deputy Speaker
(Hon. (Ms.) Tuya took the Chair)]*

I saw a recommendation proposing removal of funds from the tourism recovery programme to Ushanga Kenya Initiative. We should have added more money towards the development and further promotion of tourism activities in this country.

The other recommendation that I support is on the water sector which lies under the committee of Parliament that I sit in. The Government of Kenya has left a lot of water programmes to donors who easily fund programmes in towns where the returns on investments are fast, leaving the rural constituencies unattended to. The Budget and Appropriations Committee's proposal to give Kshs200 million to the Northern Water Services Board is a welcome move because it is an area that is largely ignored and they have the needs of water like any other people in the Republic of Kenya. So, water must follow the energy sector where we have the last mile. We should encourage and give resources to the Ministry of Water and Sanitation to start the last mile provision of water to the rural communities of this country, so that we can easily achieve the agenda on food security.

With those few remarks, I beg to support.

The Temporary Deputy Speaker (Hon. (Ms.) Tuya): The Leader of the Majority Party.

Hon. A.B. Duale: Thank you, Hon. Temporary Deputy Speaker. I want to state that this is the first Budget that was prepared after the 2017 General Election. At the outset, I want to thank the Budget and Appropriations Committee Members, the Budget Office of the National Assembly and above all the National Treasury, for making sure that they deliver to this House a Budget Estimate within the timelines given by the Constitution and the Public Finance Management Act, 2012.

I am very grateful for the new procedure that we have introduced in this House with regard to the consideration of the Budget Estimates. This has given an opportunity to the Budget Estimates to be dealt with in a more participatory manner where the Budget Committee went round 11 counties, listened to the views of Kenyans and through the various departmental committees, the people's representatives had an opportunity to deal with Budget as provided for in the Constitution. This new process that is provided for in Chapter 12 of the Constitution of Kenya 2010 and the Public Finance Management Act Section 38 and 39, has given the National Assembly the exclusive rights to consider and scrutinise the Budget on behalf of the people of Kenya. These are powers given to this House.

I listened to Members yesterday, I really wanted the Chair of Budget and Appropriations Committee to consider the issues raised by Hon. Wafula Wamunyinyi and Hon. Chris Wamalwa regarding specific roads in their counties and the requests made by the women representatives regarding the special funds for women. The 47 women Members of Parliament are our sisters and colleagues, we get 2.5 per cent of the national revenue as NG-CDF. I am sure when we get to the Committee of the whole House or Committee of Supply on Tuesday the Budget and

Appropriations Committee Chair will be magnanimous. We cannot be the House that makes the Budget and at the same time, be a House that denies our colleagues the little resources that they want. I really want the Chair to listen to the various requests in the speech made by the county women representatives in as far as their fund is concerned.

Lastly, there was a concern raised by Hon. Jimmy Angwenyi regarding the reallocation of funds related to ongoing projects in the Estimates. We must finish projects. The Cabinet Secretary for National Treasury cannot have the leeway to leave projects pending in every county and constituency, which all end up becoming white elephants. For a Budget to be credible, it must be technically sound. It must also be faithful to the legal provisions both in the Constitution, the Public Finance Management Act and the Standing Orders. Above all, the Budget must be consultative and must have politically anchored mechanisms to decide on and fund the priorities that the people of Kenya need. The Budget process in Kenya has been reformed over a period of time. I am a very proud Member of Parliament because different countries are now benchmarking on our system since the promulgation of the Constitution of Kenya 2010 because it is the people who own through their representatives the budget-making process.

I am happy to note that the estimates of expenditure and revenue for the 2018/2019 have adhered to various elements of the Budget as contained in the various statutes. These elements relate to the timelines and the comprehensiveness that a budget deserves.

On the financing proposals, the Estimates of Revenue tabled in the House gave anticipated deficit for the coming financial year and both the medium term and the proposed source of financing as well as the loans and the guarantees made by the national Government. All these have been provided by the Cabinet Secretary to this Committee. This includes the estimate of the principal interest and other charges to be paid by the national Government. In this financial year, the resolution of the House that we passed, when we passed the Budget Policy Statement (BPS) was that the limit of that deficit should not be more than six per cent for the 2018/2019 and I am sure the National Treasury has confirmed to the Committee and to the House that they will reduce that deficit to a lesser figure.

The growth of our economy has been resilient and broad-based but the GDP growth in 2017 slowed down to 4.9 per cent from the 5.9 per cent of 2016. This was occasioned by a number of factors which includes drought, weak credit growth that we found ourselves in, in the financial sector, the pickups in the oil prices globally and the prolonged electioneering period of 2017. This economy according to the National Treasury figures is projected to grow or to recover to 5.9 per cent in 2018/2019 and around seven per cent over the medium term financing.

Yesterday, the Chairs of the various committees had an opportunity to contribute after listening to their various stakeholders. I watched my colleagues, and all of them were reading scripts written for them by the Budget Office and their clerks. It is good for Members to internalize what they are being given by the people. It is against the Standing Orders. I only saw the Chair of Departmental Committee on Finance Hon. Limo, who contributed without referring to notes. Notes are meant for reference. It is against the Standing Orders for one to stand and read notes. I think, in the next financial years, we expect Members to read what is given to them by their committee's technical team and to condense it to a summary and present and give a critique to the House.

The other thing I want to urge Chairs of Committees is, you are supposed to oversee the Executive. Please do not come and speak for the Executive. Let us support the Executive when they comply with the law, but we should not just support the Executive when we feel they are

violating the law. I urge committees of this House and the House in general, we are at the forefront in the fight against corruption, and we must make sure that we follow to the letter the money we appropriate to each and every public officer. This House must change its way of doing things.

After we approve this Budget, the departmental committees must submit a quarterly report of their departments in terms of the implementation and monitoring of those monies. We cannot wait for one Budget to the other Budget. So if it is the committee on national security, every three months they should tell the House how the money we have appropriated to that department is spent, be it the National Treasury or Agriculture, so that we can track this money as the people of Kenya and make sure that the money we have allocated to every project has value to Kenya. Add me just two minutes.

Chapter 12 of the Constitution and sections 38 and 39 of the Public Finance Management Act empower Parliament to participate and take charge of the budget-making process. That is why we are different from the Senate.

The Temporary Deputy Speaker (Hon. (Ms.) Tuya): The Leader of the Majority Party, you asked me for time but you have not given me time to give it to you. Two minutes for you.

Hon. A.B. Duale: Hon. Temporary Deputy Speaker, I saw our colleagues over the holiday between the two Speakers. There is nothing unusual between the two Houses. For example, the budget-making process is an exclusive power given to the National Assembly in Chapter 12 of the Constitution and sections 38 and 39 of the Public Finance Management Act. The same Constitution is very clear in black and white that any money Bill must originate from the National Assembly. Hon. Mbadi and I will make sure we defend the Constitution. It is not about the Speaker. In fact, as we move forward, every time a message is read by the Speaker from the Senate, we will scrutinise that Bill and if we feel from the BAC report that it is a money-related Bill then that Bill ought not to have originated from the Senate. The 12th Parliament must live to the fidelity of the Constitution. In the 11th Parliament we were testing the systems, but this time we know our roles and they are defined well in the Constitution.

It is the same Members in the 10th Parliament, some of whom are today senators and governors, who sat in the constitution-making committee: Hon. Kiraitu Murungi, Hon. Anyang'-Nyong'o, Hon. Wetangula, Hon. Orenge, name them. They sat in the committee and decided to give themselves the type of Senate that Kenya needs. There is a world of difference between the Senate of the US and the one of Kenya. In other jurisdictions, the Senate is a referral chamber; it is a vetting chamber. But for us, our Senate is only to protect and defend the county governments.

So this House must seize the moment. You have powers in the budget-making process, given to you by the Constitution, the Standing Orders and the Public Finance Management Act. Let us make sure that this Budget is followed to where it will go after we appropriate to every village and we make a report to the House every three months, that the amount of money which was supposed to go to a road in Taveta, that road is 50 per cent complete. We should not just sit back here. Members of committees must go to the rural areas. The idea of going to Mombasa over the weekend should be a thing of the past. Committees must go to Suba, Garissa, Mombasa, Gem and see the money that we have appropriated. That is the only way we can...and they can go to Kitale. We must reduce the traffic going to Mombasa and divert it to the villages, counties and constituencies of the Republic of Kenya.

I beg to support and thank Hon. Kimani Ichung'wah. I told him: "Now you have graduated." In the next Parliament, he is qualified to be either the Leader of the Majority Party or the Leader of the Minority Party.

(Laughter)

The Temporary Deputy Speaker (Hon. (Ms.) Tuya): Members, the subsequent speakers should know that the time taken by the Leader of the Majority Party is given by order of the Standing Orders. So you should not think that the timing has changed. You still have your five minutes. The 15 minutes are just a preserve of the Leader of the Majority Party and Leader of the Minority Party.

I will give a chance to the Member representing special interests of persons with disabilities, Hon. Dennitah Ghati.

Hon. (Ms.) Ghati: Hon. Temporary Deputy Speaker, I want to thank you for this opportunity. Allow me to thank the budget committee. This is a Budget that is really inclusive. I also want to take this opportunity to say that I am happy that the budget committee visited my county. You are aware that I represent persons with disabilities. You are also aware that I am the immediate woman representative of Migori County. I was very happy to see the budget committee in my county at least looking at the issues that we looked at in the last Parliament like the issue of education. And I am happy that my people came out to give their views. The people of Migori basically sat down and presented their views. And they talked. The Committee looked at the issue of upgrading Migori TTC into a university. That is a good observation and I must thank the chair and the various stakeholders that visited my county.

I want to pick from what the Leader of the Majority Party has just mentioned. The issue of budget-making should not stop with us. It should be a regular issue so that if the budget committee goes to Kilifi, they need to go into rural areas of Olenguruone. They need to go to Kuria. They need to go everywhere, especially to areas that bring issues of equalisation. We have constituencies in our counties that are basically not as up-to-date as the way counties are ranked and subsequently given their share of the Equalisation Fund. So I am happy that now we are looking at issues that are very pertinent to our people.

As a representative of persons that live with disabilities, I wish to say that I will also be very keen even as we upgrade these institutions, like the TTC in my county that is going to be upgraded into Migori University, to look at how these structures that are put in place are accessible to my constituency. We have persons living with disabilities who belong to various constituencies. Therefore, even as we upgrade the structures, like the TTCs and colleges, we want to ensure that we also promote inclusive education for persons that live with disabilities in those counties and constituencies. So it is very important that even as we upgrade and allocate money to these institutions, we also need to know that persons that live with disabilities in those constituencies and counties access education. Our various education institutions have to be extremely accessible to our people so that they are not transported from Migori, for instance, all the way to Thika to look for education simply because they have a wheelchair or they use assistive devices. So I am very happy.

Allow me to touch on the issue of NYS. The budget for NYS has been reduced simply because of some gluttonous Kenyans who have made it impossible for our young people to access the services. The young people are suffering through this reduction of NYS budget simply

because of some rich, well-to-do people who masquerade as young people. They have eaten into NYS budget. That is why we are reducing the budget of NYS.

Hon. Temporary Deputy Speaker, I am not happy and I am sure our young people are unhappy as well because their budget has been reduced. This money should have been reallocated to another fund which would touch the people in our constituencies and especially the youth who are the majority. I want to urge the Budget and Appropriations Committee to not only cut and reduce the NYS budget but look at how to redirect this money so that our young people can access these funds through the youth fund or other funds which look into youth affairs.

Thank you, Hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. (Ms.) Tuya): The Member for Kisumu Central. Is this your maiden speech?

Hon. Ouda: No! I have been intervening when Hon. Duale is consulting loudly.

The Temporary Deputy Speaker (Hon. (Ms.) Tuya): I cannot get you Hon. Ouda, can you clarify whether this is your maiden speech?

Hon. Ouda: Not really, I do not know.

The Temporary Deputy Speaker (Hon. (Ms.) Tuya): I know you have raised a point of order.

Hon. Ouda: Yes, I have made a point of order.

The Temporary Deputy Speaker (Hon. (Ms.) Tuya): But, that cannot be your maiden speech.

Hon. Ouda: Hon. Temporary Deputy Speaker, you have taken my one minute, so you will give me six minutes. First of all I am very delighted and I want to thank the Budget and Appropriations Committee led by their Chairman for the work well done. They tried to consult widely and involved this House in every process they undertook.

I cannot forget to thank the various committees for working overtime especially during recess to make this process successful. Having said that, I cannot forget to take cognisance and observe one thing in this Budget going forward. The backbone of any growing economy is agriculture. You cannot purport to be a growing economy if you do not pay attention to agriculture. For example, I think even in the last Budget agriculture was given slightly above 2 per cent of the total budget. However, we are part of the Maputo Declaration and agriculture should receive 10 per cent of the Budget. I want to urge this House going forward to consider this.

I want to talk about the Big Four Agenda confidently because I am opposition in Government or rather Government in opposition. That is why I am a bit soft when it comes to Hon. Aden Duale. In future Budgets, if at all Hon. Kimani Ichung'wah will still be the Chair, let this House be serious when it comes to matters agriculture and give it more money. I have seen money being moved from other areas to support infrastructure, internal security and defence. Let us also move money to the State Department of Agriculture.

I want to concur with everybody here that as a country we need to work as a team going forward. I know the handshake is there and there are prophets of doom when it comes to it. They should take note that the handshake has seriously taken off and this economy will definitely grow because of this. In any other recurrent budget any movement of money from one department to another should be directed to agriculture so that we can reinforce the Big Four Agenda as laid down by the President and Government.

Thank you, I still insist that we should support the handshake together so that the economy can grow.

The Temporary Deputy Speaker (Hon. (Ms.) Tuyu): Member for Kajiado North.

Hon. Manje: Thank you, Hon. Temporary Deputy Speaker. I want to contribute to the budget-making process. If you look at this document wholesomely, it does not support the reality on the ground. Our country is agricultural-based. Therefore, if we do not allocate resources towards this it means we are allocating resources to other areas.

If you check the amount allocated to the State Department of Agricultural Research of about Kshs.5 billion and the State Departments of Irrigation, Fisheries and Livestock which are agricultural in nature and compare them with other State Departments you will find we are not supporting the correct thing. Compare those State Departments I have mentioned with social protection and you will find we are geared more towards giving than the production section.

That is why I tend to think that we need and ought to have made changes in this document to make sure it is geared towards what we want to achieve. Look at this Budget critically and compare it with Vision 2030 you will find realistically it does not support it. Also there is no provision for the Big Four Agenda. It has not come out clearly how resources have been geared towards this particular docket. Kenyans normally say that in 1978...

(Loud consultations)

Hon. Temporary Deputy Speaker, there is a lot of background noise.

The Temporary Deputy Speaker (Hon. (Ms.) Tuyu): Order Members! Order Members! Kindly let the Member for Kajiado North make his contribution without a lot of interference.

Hon. Manje: Thank you, Hon. Temporary Deputy Speaker. I wanted that protection so that I can concentrate. In 1978 we were at par with Singapore and Malaysia and then afterwards we lost course. I want to ask the Members to recall that during the same year the founding father of this nation died. So, maybe he died with that vision because he supported the agriculture sector and that is why our pyrethrum, tea, coffee and the whole agriculture sector including sisal were doing very well. Children who completed school were easily absorbed into this sector. Today, the opposite is happening because we are taking resources where they do not deserve.

We are talking about fighting corruption but if you look at the money which has been allocated to the Ethics and Anti-Corruption Commission (EACC) of about Kshs.2.8 billion and also the Auditor-General of Kshs.5 billion, the two add up to Kshs.7.8 billion and compare this with the entire amount that has been allocated to intelligence of Kshs.31 billion, the allocation does not correspond to what we see on the ground. If you want to fight corruption then it means we have to allocate more resources to the Auditor-General because he is the one who controls these funds and checks whether they have been stolen. We have to make sure that we spend a lot of money in planning.

Hon. Lessonet: On a point of order, Hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. (Ms.) Tuyu): Hon. Lessonet, what is it? Order, Member for Kajiado North! I can see you are frantically trying to attract my attention without having inserted your card.

Hon. Lessonet: On a point of order, Hon. Temporary Deputy Speaker. This matter has been adequately canvassed. The mood of the House is that the Mover be called upon to reply.

The Temporary Deputy Speaker (Hon. (Ms.) Tuyu): Order, Hon. Members!

Hon. (Ms.) Odhiambo-Mabona: On a point of order, Hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. (Ms.) Tuya): Oder, Hon. Millie! Hon. Lessonet, can you come out clearly on what you are speaking to? Order, Hon. Members! Hon. Lessonet, can you come out clear on your point of order, please?

Hon. Lessonet: Hon. Temporary Deputy Speaker, I am rising under Standing Order No.95. I request that the Mover be called upon to reply. We have canvassed and talked about this matter for two days.

The Temporary Deputy Speaker (Hon. (Ms.) Tuya): Okay, Hon. Lessonet, I heard you.

Hon. (Ms.) Odhiambo-Mabona: On a point of order, Hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. (Ms.) Tuya): Hon. Millie, we cannot have a point of order on top of another. We need to dispense with the one at hand. Order, Hon. Members!

Hon. (Ms.) Odhiambo-Mabona: On a point of order, Hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. (Ms.) Tuya): You are out of order.

(Loud consultations)

Order, Hon. Members! Order, Hon. Members! I have no authority to make any decision. The decision is upon the Members. Hon. Lessonet has presented a Motion before the House and I am going on to put the Question on whether or not we call the Mover to reply.

Hon. Members: No!

The Temporary Deputy Speaker (Hon. (Ms.) Tuya): Hon. Members, you cannot refuse to make a decision. I go ahead to put the Question.

(Question, that the Mover be now called upon to reply put and agreed to)

Order, Hon. Members! Let us have the Mover.

Hon. (Ms.) Odhiambo-Mabona: On a point of order, Hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. (Ms.) Tuya): Hon. Millie, you can only raise a point of order against an issue which is on the Floor. The issue which I have just presented to the Floor is a vote and I think we have closed that. The Members have called upon the Mover to reply. So, proceed, Hon. Ichung'wah.

Hon. Ichung'wah: Much obliged, Hon. Temporary Deputy Speaker. Let me take this opportunity to commend the House and, indeed, all the Members for the seriousness and keenness employed during the consideration of this 2018/2019 Budget Estimates. My Committee is greatly encouraged by the participation by all the Members both during this debate and even at the committee stages as they deliberated on the Estimates during the committee stage. It is expected that this great involvement will enhance the role of this 12th Parliament and will have a long term positive budgetary results in the budget-making process of our country.

(Loud consultations)

The Temporary Deputy Speaker (Hon. (Ms.) Tuya): Order, Hon. Members! There is a lot of noise happening. Anyone moving out, please, do so quietly. You may even want to hear the Chair of BAC on how he is going to respond to some of the issues you have raised. So, let us make our movements as silent as possible.

Hon. Ichung'wah: Thank you, Hon. Temporary Deputy Speaker. I also wish to thank the Chairs of the various departmental committees and the leaders of delegations to the 12 counties in which we conducted public participation for their commitment and dedication in that process. As we agreed in Mombasa during our retreat with the Liaison Committee under the able leadership of Chairman of that Committee, we committed, for the first time as the BAC, that we will liaise with Chairs of committees and brief them after we consider all their departmental committee reports. We did that for the first time in the history of this House. We have listened to Members contribute to this debate and we have picked up pertinent issues. You remember yesterday Hon. Chris Wamalwa and Hon. Wafula Wamunyinyi raised issues on the public participation exercise in Bungoma. As I stated when I gave Notice this morning, we will consider certain amendments especially in relation to the issues that were raised by the people of Bungoma in terms of their priorities and to make sure that we address their concerns as a people in this year's Budget.

Even the issues raised by the Member for Kisumu Central in terms of more resources going towards agriculture in this Budget will be addressed. As you notice, in our report, we have committed and ring-fenced Kshs1 billion of fertiliser subsidy to go towards our coffee farmers. A lot of resources have been dedicated to the agricultural sector.

Public hearings have been carried out and questions have been raised on the public participation exercise since 2012. It is the commitment of the BAC to continue with this practice and ensure that every of our 47 counties is visited by the end of the life of this 12th Parliament. The selected 12 counties were from a sampling framework which we adopted as a committee with various variables, namely, geographical location and our geographical dispersion as a country, marginalisation, the Big Four Agenda, urbanisation and current issues on development. Of course, the sampling method we used is not discretionary, but it worked towards equity at the end of it. That is why I have committed that by the end of this current Parliament, we will have visited all the 47 counties. The timing of our public hearings is also likely to change if we amend the Public Finance Management Act 2012 and allow the activity to take place in the period between September and November every year. This will enhance the number of counties that we cover each year. More importantly, we need to appreciate that this exercise is geared towards the national Budget and not the county budgets. In the 12 counties that we visited, a lot of issues relating to county budgets were raised.

On project prioritisation, the Committee developed a benchmark that favoured efficiency and timely completion of projects primarily those that can be completed within one financial year. This gave special attention to stalled projects that can be completed within one year.

The Temporary Deputy Speaker (Hon. (Ms.) Tuya): Is your time up? Please, put the Chair back on to complete his submission.

Hon. Ichung'wah: I was saying to conclude by saying there are stalled projects which have a substantial impact on society. The largest projects will, therefore, be considered through the medium-term framework. A lot of projects will be considered like the ones Members mentioned about the Mitihani House, the stalled Nyayo wards in Dandora and other areas. We also appreciate the huge responsibility that Chairs of the various departmental committees undertook.

I am under a lot of pressure to conclude. In conclusion, I appreciate every Member, including the leaders in this House, especially the Leader of the Majority Party and the Leader of the Minority Party. I also appreciate the whips of both the majority and the minority sides and the Members of the BAC for their invaluable support during the budget process. For the first time, this process has been very participative.

Hon. Temporary Deputy Speaker, let me finally take the opportunity to thank you, all the members of staff of Parliament, especially those of the Parliamentary Budget Office and our clerks who have put in invaluable work during this process. This was from the beginning in May and even way before that for the Parliamentary Budget Office. I appreciate them for the tremendous work they have put in. Allow me to give notice that I will actualise the sentiments from Members as necessary amendments through the Committee of Supply, which will not lead to increase of the overall expenditures but will take care of reallocations only. I think it is important to note that we have a fiscal deficit that we must guard against.

Therefore, with those few remarks, I beg to reply.

(Loud consultations)

The Temporary Deputy Speaker (Hon. (Ms.) Tuya): Order Members! I confirm that we have the requisite quorum to put the Question. I also want to remind the Members that this stage might have come to an end, but we have six more days within which we can interact more with this budget-making process. So, it is not all done. You still have a lot of time to interact with it.

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

Resolved accordingly:

THAT, this House adopts the Report of the Budget and Appropriations Committee on the Budget Estimates for the National Government, the Judiciary and Parliament for the Financial Year 2018/2019, laid on the Table of the House on Tuesday, 5th June, 2018, and pursuant to the provisions of Article 221(3) of the Constitution of Kenya, Section 39 of the Public Finance Management Act, 2012, and Standing Orders 235 and 239, approves the issuance of a sum of Kshs1,742,291,667,908 from the Consolidated Fund to meet the expenditure during the year ending 30th June 2019 in respect of the Votes and programmes as contained in the Schedule subject to any amendments in the Committee of Supply.

SCHEDULE: ANNUAL ESTIMATES FOR FY 2018/19 (IN KSHS)

SUBMITTED ESTIMATES FOR FY 2018/19				BAC RECOMMENDED ESTIMATES FOR FY 2018/19		
VOTE, PROGRAMME CODES & TITLE	GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES	GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES
1011 The Presidency	7,673,262,253	1,108,830,000	8,782,092,253	7,673,262,253	1,108,830,000	8,782,092,253
0702000 Cabinet Affairs	1,395,913,982	714,200,000	2,110,113,982	1,395,913,982	714,200,000	2,110,113,982
0703000 Government Advisory Services	845,980,649	0	845,980,649	845,980,649	0	845,980,649
0704000 State House Affairs	3,215,934,363	305,030,000	3,520,964,363	3,215,934,363	305,030,000	3,520,964,363
0734000 Deputy President Services	2,215,433,259	89,600,000	2,305,033,259	2,215,433,259	89,600,000	2,305,033,259
1021 State Department for Interior	109,356,595,943	15,538,702,000	124,895,297,943	109,056,595,943	15,538,702,000	124,595,297,943
0601000 Policing Services	85,224,937,594	9,852,105,003	95,077,042,597	85,524,937,594	9,882,105,003	95,407,042,597
0602000 Planning, Policy Coordination and Support Service	18,825,072,135	4,466,596,997	23,291,669,132	18,225,072,135	4,436,596,997	22,661,669,132
0603000 Government Printing Services	720,390,037	150,000,000	870,390,037	720,390,037	150,000,000	870,390,037
0605000 Population Management Services	4,586,196,177	1,070,000,000	5,656,196,177	4,586,196,177	1,070,000,000	5,656,196,177
1023 State Department for Correctional Services	26,065,711,187	1,812,600,000	27,878,311,187	26,265,711,187	1,812,600,000	28,078,311,187
0602000 Planning, Policy Coordination and Support Services	240,338,058	0	240,338,058	440,338,058	0	440,338,058

0624000 Betting Control, Licensing and Regulation Services	116,660,845	0	116,660,845	116,660,845	0	116,660,845
0604000 Correctional Services	25,250,839,234	1,749,400,000	27,000,239,234	25,250,839,234	1,749,400,000	27,000,239,234
0623000 General Administration, Planning and Support Services	457,873,050	63,200,000	521,073,050	457,873,050	63,200,000	521,073,050
1024 State Department for Immigration and Citizen Services	1,884,968,823	2,690,300,000	4,575,268,823	1,884,968,823	2,690,300,000	4,575,268,823
0605000 Population Management Services	1,884,968,823	2,690,300,000	4,575,268,823	1,884,968,823	2,690,300,000	4,575,268,823
1032 State Department for Devolution	2,883,499,310	9,637,920,000	12,521,419,310	2,883,499,310	9,137,920,000	12,021,419,310
0712000 Devolution Services	835,689,251	1,027,970,000	1,863,659,251	835,689,251	1,027,970,000	1,863,659,251
0732000 General Administration, Planning and Support Services	342,035,707	1,173,000,000	1,515,035,707	342,035,707	1,173,000,000	1,515,035,707
0713000 Special Initiatives	50,388,068	0	50,388,068	50,388,068	0	50,388,068
1013000 Integrated Regional Development	1,655,386,284	7,436,950,000	9,092,336,284	1,655,386,284	6,936,950,000	8,592,336,284
1035 State Department for Development of the ASAL	1,034,530,922	5,358,000,000	6,392,530,922	1,034,530,922	5,358,000,000	6,392,530,922

0733000 Accelerated ASAL Development	1,034,530,922	5,358,000,000	6,392,530,922	1,034,530,922	5,358,000,000	6,392,530,922
1041 Ministry of Defence	96,079,397,700	10,974,349,680	107,053,747,380	96,079,397,700	14,974,349,680	111,053,747,380
0801000 Defence	94,378,000,000	10,974,349,680	105,352,349,680	94,378,000,000	14,974,349,680	109,352,349,680
0802000 Civil Aid	200,000,000	0	200,000,000	200,000,000	0	200,000,000
0803000 General Administration, Planning and Support Services	1,301,397,700	0	1,301,397,700	1,301,397,700	0	1,301,397,700
0805000000 National Space Management	200,000,000	0	200,000,000	200,000,000	0	200,000,000
1052 Ministry of Foreign Affairs	15,170,174,901	1,937,740,000	17,107,914,901	15,170,174,901	1,937,740,000	17,107,914,901
0714000 General Administration Planning and Support Services	1,419,957,544	93,000,000	1,512,957,544	1,419,957,544	93,000,000	1,512,957,544
0715000 Foreign Relation and Diplomacy	13,537,881,040	1,644,740,000	15,182,621,040	13,537,881,040	1,644,740,000	15,182,621,040
0741000 Economic and Commercial Diplomacy	81,941,701	0	81,941,701	81,941,701	0	81,941,701
0742000 Foreign Policy Research, Capacity Development and Technical Cooperation	130,394,616	200,000,000	330,394,616	130,394,616	200,000,000	330,394,616
1064 State Department for Vocational and Technical Training	2,587,094,377	7,728,000,000	10,315,094,377	2,672,156,413	7,728,000,000	10,400,156,413

0505000 Technical Vocational Education and Training	2,351,842,753	5,728,000,000	8,079,842,753	2,446,199,631	5,728,000,000	8,174,199,631
0507000 Youth Training and Development	53,235,939	2,000,000,000	2,053,235,939	51,738,816	2,000,000,000	2,051,738,816
0508000 General Administration, Planning and Support Services	182,015,685	0	182,015,685	174,217,966	0	174,217,966
1066 State Department for Early Learning & Basic Education	88,504,860,854	11,178,830,978	99,683,691,832	88,511,455,306	10,418,830,978	98,930,286,284
0501000 Primary Education	16,633,329,299	4,300,363,125	20,933,692,424	16,619,546,847	4,100,363,125	20,719,909,972
0502000 Secondary Education	63,336,391,097	6,478,917,853	69,815,308,950	63,323,266,650	5,918,917,853	69,242,184,503
0503000 Quality Assurance and Standards	3,964,313,900	257,000,000	4,221,313,900	3,962,842,007	257,000,000	4,219,842,007
0508000 General Administration, Planning and Support Services	4,570,826,558	142,550,000	4,713,376,558	4,605,799,802	142,550,000	4,748,349,802
1067 State Department for Research & University Education	87,301,678,500	13,038,000,000	100,339,678,500	87,950,793,769	12,938,000,000	100,888,793,769
0504000 University Education	84,734,187,584	12,740,500,000	97,474,687,584	85,406,547,019	12,740,500,000	98,147,047,019
0506000 Research, Science, Technology and Innovation	2,297,944,858	297,500,000	2,595,444,858	2,291,209,767	197,500,000	2,488,709,767

0508000 General Administration, Planning and Support Services	269,546,058	0	269,546,058	253,036,983	0	253,036,983
1068 State Department for Post Training and Skills Development	887,818,000	1,039,480,000	1,927,298,000	885,693,000	1,039,480,000	1,925,173,000
0502000 Secondary Education	92,000,000	0	92,000,000	92,000,000	0	92,000,000
0508000 General Administration, Planning and Support Services	47,580,000	0	47,580,000	45,455,000	0	45,455,000
0907000 Manpower Development, Employment and Productivity Management	748,238,000	1,039,480,000	1,787,718,000	748,238,000	1,039,480,000	1,787,718,000
1071 The National Treasury	74,295,400,000	37,377,476,758	111,672,876,758	68,755,400,000	38,577,476,758	107,332,876,758
0717000 General Administration Planning and Support Services	68,530,860,023	3,445,936,355	71,976,796,378	62,690,860,023	3,445,936,355	66,136,796,378
0718000 Public Financial Management	4,317,329,124	33,010,758,552	37,328,087,676	4,617,329,124	34,210,758,552	38,828,087,676
0719000 Economic and Financial Policy Formulation and Management	1,032,635,480	865,781,851	1,898,417,331	1,032,635,480	865,781,851	1,898,417,331
0720000 Market Competition	339,000,000	55,000,000	394,000,000	339,000,000	55,000,000	394,000,000
0740000 Government Clearing Services	75,575,373	0	75,575,373	75,575,373	0	75,575,373

1072 Department Planning	State for	9,363,400,002	34,061,020,000	43,424,420,002	11,163,400,002	38,361,020,000	49,524,420,002
0706000 Economic Policy and National Planning		1,297,897,835	32,515,546,400	33,813,444,235	1,297,897,835	36,815,546,400	38,113,444,235
0707000 National Statistical Information Services		7,540,568,288	1,434,500,000	8,975,068,288	9,340,568,288	1,434,500,000	10,775,068,288
0708000 Monitoring and Evaluation Services		123,617,272	110,973,600	234,590,872	123,617,272	110,973,600	234,590,872
0709000 General Administration Planning and Support Services		401,316,607	0	401,316,607	401,316,607	0	401,316,607
1081 Ministry of Health		49,100,820,808	40,906,449,648	90,007,270,456	49,100,820,808	40,906,449,648	90,007,270,456
0401000 Preventive, Promotive & RMNCAH		1,686,224,200	8,270,164,143	9,956,388,343	1,686,224,200	8,270,164,143	9,956,388,343
0402000 National Referral & Specialised Services		22,694,658,104	17,510,301,335	40,204,959,439	22,694,658,104	17,510,301,335	40,204,959,439
0403000 Health Research and Development		6,470,337,792	426,400,000	6,896,737,792	6,470,337,792	746,400,000	7,216,737,792
0404000 General Administration, Planning & Support Services		6,890,519,328	2,220,000,000	9,110,519,328	6,890,519,328	1,900,000,000	8,790,519,328
0405000 Health Policy, Standards and Regulations		11,359,081,384	12,479,584,170	23,838,665,554	11,359,081,384	12,479,584,170	23,838,665,554
1091 Department Infrastructure	State of	58,364,000,000	112,985,380,000	171,349,380,000	58,364,000,000	121,685,380,000	180,049,380,000

0202000	Road Transport	58,364,000,000	112,985,380,000	171,349,380,000	58,364,000,000	121,685,380,000	180,049,380,000
1092	State of Transport	10,324,195,400	90,424,591,835	100,748,787,235	10,324,195,400	90,424,591,835	100,748,787,235
0201000	General Administration, Planning and Support Services	306,655,953	1,108,000,000	1,414,655,953	306,655,953	1,108,000,000	1,414,655,953
0203000	Rail Transport	0	74,755,591,835	74,755,591,835	0	74,755,591,835	74,755,591,835
0204000	Marine Transport	815,168,490	12,226,000,000	13,041,168,490	815,168,490	12,226,000,000	13,041,168,490
0205000	Air Transport	7,245,422,571	2,035,000,000	9,280,422,571	7,245,422,571	2,035,000,000	9,280,422,571
0216000	Road Safety	1,956,948,386	300,000,000	2,256,948,386	1,956,948,386	300,000,000	2,256,948,386
1093	State Department for Maritime Affairs	1,668,659,873	0	1,668,659,873	1,668,659,873	0	1,668,659,873
0220000	Shipping and Maritime Affairs	1,668,659,873	0	1,668,659,873	1,668,659,873	0	1,668,659,873
1096	State Department for Housing, Urban Development and Public Works	3,122,021,961	29,101,373,965	32,223,395,926	3,122,021,961	29,101,373,965	32,223,395,926
0102000	Housing Development and Human Settlement	478,575,197	7,571,000,000	8,049,575,197	478,575,197	7,571,000,000	8,049,575,197
0103000	Government Buildings	468,121,832	1,564,200,000	2,032,321,832	468,121,832	1,564,200,000	2,032,321,832
0104000	Coastline Infrastructure and Pedestrian Access	104,604,734	339,200,000	443,804,734	104,604,734	339,200,000	443,804,734

0105000 Urban and Metropolitan Development	196,588,840	19,435,373,965	19,631,962,805	196,588,840	19,435,373,965	19,631,962,805
0106000 General Administration Planning and Support Services	611,550,789	55,600,000	667,150,789	611,550,789	55,600,000	667,150,789
0218000 Regulation and Development of the Construction Industry	1,262,580,569	136,000,000	1,398,580,569	1,262,580,569	136,000,000	1,398,580,569
1107 Ministry of Water Services and Sanitation	4,048,224,948	37,207,390,000	41,255,614,948	4,048,224,948	38,097,390,000	42,145,614,948
1001000 General Administration, Planning and Support Services	374,907,966	0	374,907,966	374,907,966	0	374,907,966
1004000 Water Resources Management	1,221,118,271	5,986,000,000	7,207,118,271	1,221,118,271	5,786,000,000	7,007,118,271
1017000 Water and Sewerage Infrastructure Development	2,452,198,711	31,221,390,000	33,673,588,711	2,452,198,711	32,311,390,000	34,763,588,711
1108 Ministry of Environment and Forestry	9,964,390,329	6,169,000,000	16,133,390,329	9,964,390,329	6,169,000,000	16,133,390,329
1002000 Environment Management and Protection	1,483,570,436	1,374,700,000	2,858,270,436	1,483,570,436	1,624,700,000	3,108,270,436
1010000 General Administration, Planning and Support Services	321,819,569	0	321,819,569	321,819,569	0	321,819,569
1012000 Meteorological Services	1,074,121,134	1,082,300,000	2,156,421,134	1,074,121,134	1,082,300,000	2,156,421,134

1018000 Forests and Water Towers Conservation	7,084,879,190	3,712,000,000	10,796,879,190	7,084,879,190	3,462,000,000	10,546,879,190
1112 Ministry of Lands and Physical Planning	2,690,474,000	3,330,000,000	6,020,474,000	2,690,474,000	3,345,214,997	6,035,688,997
0101000 Land Policy and Planning	2,690,474,000	3,330,000,000	6,020,474,000	2,690,474,000	3,345,214,997	6,035,688,997
1121 Ministry of Information Communications and Technology	4,854,383,839	27,046,614,114	31,900,997,953	4,854,383,839	27,646,614,114	32,500,997,953
0207000 General Administration Planning and Support Services	443,371,980	0	443,371,980	443,371,980	0	443,371,980
0208000 Information And Communication Services	2,579,613,956	438,000,000	3,017,613,956	2,679,613,956	438,000,000	3,117,613,956
0209000 Mass Media Skills Development	207,450,000	250,000,000	457,450,000	207,450,000	250,000,000	457,450,000
0210000 ICT Infrastructure Development	279,100,085	23,798,000,000	24,077,100,085	379,100,085	24,398,000,000	24,777,100,085
0217000 E-Government Services	1,344,847,818	2,560,614,114	3,905,461,932	1,144,847,818	2,560,614,114	3,705,461,932
1132 State Department for Sports Development	1,502,040,337	525,000,000	2,027,040,337	1,502,040,337	675,000,000	2,177,040,337
0901000 Sports	1,502,040,337	525,000,000	2,027,040,337	1,502,040,337	675,000,000	2,177,040,337
1134 State Department for Heritage	3,057,463,521	841,600,000	3,899,063,521	3,057,463,521	881,600,000	3,939,063,521
0902000 Culture/Heritage	1,408,391,017	466,600,000	1,874,991,017	1,408,391,017	506,600,000	1,914,991,017
0903000 The Arts	774,902,980	75,000,000	849,902,980	774,902,980	75,000,000	849,902,980
0904000 Library Services	687,938,467	300,000,000	987,938,467	687,938,467	300,000,000	987,938,467

0905000 General Administration, Planning and Support Services	186,231,057	0	186,231,057	186,231,057	0	186,231,057
1152 State Department for Energy	2,188,000,000	59,886,827,489	62,074,827,489	2,188,000,000	65,886,827,489	68,074,827,489
0211000 General Administration Planning and Support Services	343,561,150	128,885,000	472,446,150	343,561,150	128,885,000	472,446,150
0212000 Power Generation	906,031,734	12,265,769,777	13,171,801,511	906,031,734	12,265,769,777	13,171,801,511
0213000 Power Transmission and Distribution	788,944,920	46,284,172,712	47,073,117,632	788,944,920	52,284,172,712	53,073,117,632
0214000 Alternative Energy Technologies	149,462,196	1,208,000,000	1,357,462,196	149,462,196	1,208,000,000	1,357,462,196
1162 State Department for Livestock.	1,961,791,619	4,296,740,920	6,258,532,539	1,976,791,619	4,281,740,920	6,258,532,539
0112000 Livestock Resources Management and Development	1,961,791,619	4,296,740,920	6,258,532,539	1,976,791,619	4,281,740,920	6,258,532,539
1165 State Department for Crop Development	5,038,331,056	20,215,429,236	25,253,760,292	5,038,331,056	20,215,429,236	25,253,760,292
0107000 General Administration Planning and Support Services	2,501,568,169	194,000,000	2,695,568,169	2,501,568,169	194,000,000	2,695,568,169
0108000 Crop Development and Management	2,378,878,344	18,562,095,006	20,940,973,350	2,378,878,344	18,562,095,006	20,940,973,350
0109000 Agribusiness and Information Management	157,884,543	1,459,334,230	1,617,218,773	157,884,543	1,459,334,230	1,617,218,773

1164	State Department for Fisheries Aquaculture & the Blue Economy	607,161,651	2,184,000,000	2,791,161,651	607,161,651	2,184,000,000	2,791,161,651
0111000	Fisheries Development and Management	302,276,282	1,174,000,000	1,476,276,282	302,276,282	1,174,000,000	1,476,276,282
0117000	General Administration, Planning and Support Services	163,006,252	0	163,006,252	163,006,252	0	163,006,252
0118000	Development and Coordination of the Blue Economy	141,879,117	1,010,000,000	1,151,879,117	141,879,117	1,010,000,000	1,151,879,117
1167	State Department for Irrigation	918,128,745	17,058,000,000	17,976,128,745	918,128,745	17,058,000,000	17,976,128,745
1014000	Irrigation and Land Reclamation	766,176,225	6,664,000,000	7,430,176,225	766,176,225	6,664,000,000	7,430,176,225
1015000	Water Storage and Flood Control	45,000,000	10,394,000,000	10,439,000,000	45,000,000	10,394,000,000	10,439,000,000
1016000	General Administration, Planning and Support Services	106,952,520	0	106,952,520	106,952,520	0	106,952,520
1168	State Department for Agricultural Research	5,085,872,824	475,899,330	5,561,772,154	5,085,872,824	475,899,330	5,561,772,154
0120000	Agricultural Research & Development	5,085,872,824	475,899,330	5,561,772,154	5,085,872,824	475,899,330	5,561,772,154
1173	State Department for Cooperatives	500,599,580	870,000,000	1,370,599,580	530,599,580	840,000,000	1,370,599,580

0304000 Cooperative Development and Management	500,599,580	870,000,000	1,370,599,580	530,599,580	840,000,000	1,370,599,580
1175 State Department for Industry	2,618,101,543	7,738,000,000	10,356,101,543	2,618,101,543	4,298,000,000	6,916,101,543
0301000 General Administration Planning and Support Services	445,487,863	180,000,000	625,487,863	445,487,863	180,000,000	625,487,863
0302000 Industrial Development and Investments	1,069,179,280	5,094,000,000	6,163,179,280	1,069,179,280	2,954,000,000	4,023,179,280
0303000 Standards and Business Incubation	1,103,434,400	2,464,000,000	3,567,434,400	1,103,434,400	1,164,000,000	2,267,434,400
1176 State Department for Small and Medium Enterprises	1,712,381,914	1,012,000,000	2,724,381,914	1,712,381,914	312,000,000	2,024,381,914
0302000 Industrial Development and Investments	5,233,055	0	5,233,055	5,233,055	0	5,233,055
0303000 Standards and Business Incubation	110,244,400	700,000,000	810,244,400	110,244,400	0	110,244,400
0307000 Trade Development and Promotion	1,596,904,459	312,000,000	1,908,904,459	1,596,904,459	312,000,000	1,908,904,459
1184 State Department for Labour	1,778,921,574	509,920,000	2,288,841,574	1,788,921,574	509,920,000	2,298,841,574
0910000 General Administration Planning and Support Services	667,037,072	0	667,037,072	677,037,072	0	677,037,072
0906000 Promotion of the Best Labour Practice	684,397,387	150,900,000	835,297,387	684,397,387	150,900,000	835,297,387

0907000 Manpower Development, Employment and Productivity Management	427,487,115	359,020,000	786,507,115	427,487,115	359,020,000	786,507,115
1185 State Department for Social Protection	18,711,704,440	12,291,090,000	31,002,794,440	18,811,704,440	12,491,090,000	31,302,794,440
0908000 Social Development and Children Services	3,271,665,992	1,002,190,000	4,273,855,992	3,271,665,992	1,202,190,000	4,473,855,992
0909000 National Social Safety Net	15,142,401,487	11,288,900,000	26,431,301,487	15,242,401,487	11,288,900,000	26,531,301,487
0914000 General Administration, Planning and Support Services	297,636,961	0	297,636,961	297,636,961	0	297,636,961
1192 State Department for Mining	1,103,684,125	509,000,000	1,612,684,125	1,103,684,125	509,000,000	1,612,684,125
1007000 General Administration Planning and Support Services	706,022,974	25,000,000	731,022,974	706,022,974	25,000,000	731,022,974
1008000 Resources Surveys and Remote Sensing	132,467,430	184,000,000	316,467,430	132,467,430	184,000,000	316,467,430
1009000 Mineral Resources Management	265,193,721	300,000,000	565,193,721	265,193,721	300,000,000	565,193,721
1193 State Department for Petroleum	271,500,000	3,258,500,000	3,530,000,000	271,500,000	4,758,500,000	5,030,000,000
0215000 Exploration and Distribution of Oil and Gas	271,500,000	3,258,500,000	3,530,000,000	271,500,000	4,758,500,000	5,030,000,000

1204 Ministry of Tourism and Wildlife	9,204,210,198	3,745,516,000	12,949,726,198	8,778,210,198	4,171,516,000	12,949,726,198
0306000 Tourism Development and Promotion	142,140,000	0	142,140,000	-283,860,000	426,000,000	142,140,000
0307000 Trade Development and Promotion	2,667,987,235	2,620,000,000	5,287,987,235	2,667,987,235	2,620,000,000	5,287,987,235
1019000 Wildlife Conservation and Management	6,394,082,963	1,125,516,000	7,519,598,963	6,394,082,963	1,125,516,000	7,519,598,963
1211 State Department for Public Service and Youth	13,442,533,200	12,318,334,400	25,760,867,600	13,442,533,200	4,068,334,400	17,510,867,600
0710000 Public Service Transformation	1,850,923,776	1,398,404,400	3,249,328,176	1,850,923,776	1,398,404,400	3,249,328,176
0709000 General Administration Planning and Support Services	4,149,188,773	0	4,149,188,773	4,149,188,773	0	4,149,188,773
0711000 Youth Empowerment	7,442,420,651	10,919,930,000	18,362,350,651	7,442,420,651	2,669,930,000	10,112,350,651
1212 State Department for Gender	1,557,079,282	2,968,000,000	4,525,079,282	1,557,079,282	3,113,000,000	4,670,079,282
0911000 Community Development	0	2,230,000,000	2,230,000,000	0	2,375,000,000	2,375,000,000
0912000 Gender Empowerment	1,293,744,564	738,000,000	2,031,744,564	1,293,744,564	738,000,000	2,031,744,564
0913000 General Administration, Planning and Support Services	263,334,718	0	263,334,718	263,334,718	0	263,334,718

1221 Ministry of East African Community & Northern Corridor Development	1,026,757,114	65,000,000	1,091,757,114	1,026,757,114	65,000,000	1,091,757,114
0305000 East African Affairs and Regional Integration	1,026,757,114	65,000,000	1,091,757,114	1,026,757,114	65,000,000	1,091,757,114
1251 Office of the Attorney General and Department of Justice	4,028,129,000	1,614,000,000	5,642,129,000	4,040,129,000	1,114,000,000	5,154,129,000
0606000 Legal Services	1,812,377,536	0	1,812,377,536	1,812,377,536	0	1,812,377,536
0607000 Governance, Legal Training and Constitutional Affairs	1,570,903,629	1,548,000,000	3,118,903,629	1,582,903,629	1,048,000,000	2,630,903,629
0609000 General Administration, Planning and Support Services	644,847,835	66,000,000	710,847,835	644,847,835	66,000,000	710,847,835
1261 The Judiciary	13,255,000,000	4,049,000,000	17,304,000,000	13,255,000,000	1,549,000,000	14,804,000,000
0610000 Dispensation of Justice	13,255,000,000	4,049,000,000	17,304,000,000	13,255,000,000	1,549,000,000	14,804,000,000
1271 Ethics and Anti-Corruption Commission	2,751,540,000	100,000,000	2,851,540,000	2,801,540,000	125,000,000	2,926,540,000
0611000 Ethics and Anti-Corruption	2,751,540,000	100,000,000	2,851,540,000	2,801,540,000	125,000,000	2,926,540,000
1281 National Intelligence Service	30,711,000,000	0	30,711,000,000	31,211,000,000	0	31,211,000,000
0804000 National Security Intelligence	30,711,000,000	0	30,711,000,000	31,211,000,000	0	31,211,000,000

1291 Office of the Director of Public Prosecutions	2,312,276,000	100,000,000	2,412,276,000	2,812,276,000	100,000,000	2,912,276,000
0612000 Public Prosecution Services	2,312,276,000	100,000,000	2,412,276,000	2,812,276,000	100,000,000	2,912,276,000
1311 Office of the Registrar of Political Parties	822,232,095	0	822,232,095	822,232,095	0	822,232,095
0614000 Registration, Regulation and Funding of Political Parties	822,232,095	0	822,232,095	822,232,095	0	822,232,095
1321 Witness Protection Agency	437,686,280	0	437,686,280	483,086,280	0	483,086,280
0615000 Witness Protection	437,686,280	0	437,686,280	483,086,280	0	483,086,280
2011 Kenya National Commission on Human Rights	391,843,114	0	391,843,114	395,443,114	0	395,443,114
0616000 Protection and Promotion of Human Rights	391,843,114	0	391,843,114	395,443,114	0	395,443,114
2021 National Land Commission	1,275,666,510	0	1,275,666,510	1,260,451,513	0	1,260,451,513
0113000 Land Administration and Management	1,275,666,510	0	1,275,666,510	1,260,451,513	0	1,260,451,513
2031 Independent Electoral and Boundaries Commission	4,190,624,477	43,000,000	4,233,624,477	4,190,624,477	43,000,000	4,233,624,477

0617000 Management of Electoral Processes	3,780,167,627	43,000,000	3,823,167,627	3,780,167,627	43,000,000	3,823,167,627
0618000 Delimitation of Electoral Boundaries	410,456,850	0	410,456,850	410,456,850	0	410,456,850
2041 Parliamentary Service Commission	15,900,000,000	3,200,000,000	19,100,000,000	12,464,000,000	3,200,000,000	15,664,000,000
0722000 Senate Affairs	8,900,000,000	0	8,900,000,000	6,414,000,000	0	6,414,000,000
0723000 General Administration, Planning and Support Services	7,000,000,000	3,200,000,000	10,200,000,000	6,050,000,000	3,200,000,000	9,250,000,000
2042 National Assembly	23,400,000,000	0	23,400,000,000	21,915,000,000	0	21,915,000,000
0721000 National Legislation, Representation and Oversight	23,400,000,000	0	23,400,000,000	21,915,000,000	0	21,915,000,000
2051 Judicial Service Commission	464,000,000	0	464,000,000	364,000,000	0	364,000,000
0619000 General Administration, Planning and Support Services	464,000,000	0	464,000,000	364,000,000	0	364,000,000
2061 The Commission on Revenue Allocation	422,556,341	0	422,556,341	434,556,341	0	434,556,341
0724000 Inter-Governmental Revenue and Financial Matters	422,556,341	0	422,556,341	434,556,341	0	434,556,341
2071 Public Service Commission	1,160,220,000	59,290,000	1,219,510,000	1,160,220,000	59,290,000	1,219,510,000

0725000 General Administration, Planning and Support Services	806,395,296	59,290,000	865,685,296	806,395,296	59,290,000	865,685,296
0726000 Human Resource management and Development	202,088,409	0	202,088,409	202,088,409	0	202,088,409
0727000 Governance and National Values	151,736,295	0	151,736,295	151,736,295	0	151,736,295
2081 Salaries and Remuneration Commission	542,170,000	0	542,170,000	564,170,000	0	564,170,000
0728000 Salaries and Remuneration Management	542,170,000	0	542,170,000	564,170,000	0	564,170,000
2091 Teachers Service Commission	226,629,400,000	136,000,000	226,765,400,000	226,750,753,422	136,000,000	226,886,753,422
0509000 Teacher Resource Management	219,716,477,896	0	219,716,477,896	219,710,977,896	0	219,710,977,896
0510000 Governance and Standards	38,400,000	0	38,400,000	30,650,000	0	30,650,000
0511000 General Administration, Planning and Support Services	6,874,522,104	136,000,000	7,010,522,104	7,009,125,526	136,000,000	7,145,125,526
2101 National Police Service Commission	530,556,818	0	530,556,818	630,556,818	0	630,556,818
0620000 National Police Service Human Resource Management	530,556,818	0	530,556,818	630,556,818	0	630,556,818

2111 Auditor General	4,936,687,300	232,230,000	5,168,917,300	5,486,687,300	682,230,000	6,168,917,300
0729000 Audit Services	4,936,687,300	232,230,000	5,168,917,300	5,486,687,300	682,230,000	6,168,917,300
2121 Controller of Budget	618,470,000	0	618,470,000	618,470,000	0	618,470,000
0730000 Control and Management of Public finances	618,470,000	0	618,470,000	618,470,000	0	618,470,000
2131 The Commission on Administrative Justice	484,389,200	0	484,389,200	499,389,200	0	499,389,200
0731000 Promotion of Administrative Justice	484,389,200	0	484,389,200	499,389,200	0	499,389,200
2141 National Gender and Equality Commission	374,965,388	0	374,965,388	374,965,388	0	374,965,388
0621000 Promotion of Gender Equality and Freedom from Discrimination	374,965,388	0	374,965,388	374,965,388	0	374,965,388
2151 Independent Policing Oversight Authority	817,002,200	0	817,002,200	817,002,200	0	817,002,200
0622000 Policing Oversight Services	817,002,200	0	817,002,200	817,002,200	0	817,002,200
Total in Kshs.	1,075,968,241,376	660,954,426,353	1,736,922,667,729	1,069,491,026,558	672,800,641,350	<u>1,742,291,667,908</u>

Next Order.

REPORT AND THIRD READING

THE ENERGY BILL

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THAT, this House do agree with the Report of the Committee of the whole House on its consideration of the Energy Bill (National Assembly Bill No.50 of 2017).

(Question put and agreed to)

I now call upon the Mover to move Third Reading.

Hon. A.B. Duale: Hon. Temporary Deputy Speaker, I beg to move that the Energy Bill (National Assembly Bill No.50 of 2017) be now read a Third Time. I also request the Vice-Chair of the Departmental Committee on Energy, Hon. Pukose, who is the only surgeon in the House, to second.

(Loud consultations)

The Temporary Deputy Speaker (Hon. (Ms.) Tuya): Order Members. We are transacting some important business.

Hon. (Dr.) Pukose: The rest are quacks or herbalists.

The Temporary Deputy Speaker (Hon. (Ms.) Tuya): The Leader of the Minority Party, you cannot be the one who is leading the pack. Can you do the necessary, Leader of the Minority Party and make sure we are constituted?

Hon. (Dr.) Pukose: Hon. Temporary Deputy Speaker, I second.

The Temporary Deputy Speaker (Hon. (Ms.) Tuya): Order Members. The Members are shaking hands. Who is this Member who is shaking hands?

An Hon. Member: It is Hon. Moses Kuria.

(Question proposed)

Hon. Members: Put the Question.

The Temporary Deputy Speaker (Hon. (Ms.) Tuya): Should I go ahead to put the Question?

Hon. Members: Yes.

(Question put and agreed to)

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

The Temporary Deputy Speaker (Hon. (Ms.) Tuya): Next Order.

COMMITTEE OF THE WHOLE HOUSE

(Order for the Committee read)

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

IN THE COMMITTEE

*(The Temporary Deputy Chairlady (Hon. (Ms.) Tuya)
took the Chair)*

THE PETROLEUM (EXPLORATION, DEVELOPMENT
AND PRODUCTION) BILL

The Temporary Deputy Chairlady (Hon. (Ms.) Tuya): Hon. Members, we are in the Committee of the whole House to consider the Petroleum (Exploration, Development and Production) Bill, National Assembly Bill No.48 of 2017.

New Clauses 99J, 99K, 99L, 99M, 99N, 99O, 99P, 99Q, 99R, 99S, 99T, 99U, 99V, 99W, 99X, 99Y, 99Z

Hon. (Dr.) Pukose: Hon. Temporary Deputy Chairlady, I beg to move:

THAT, the Bill be amended by inserting the following new Part immediately after Part VIII—

Replacement of a licence, permit or certificate.

99J. (1) A licensee or permit holder may apply for replacement of a licence, permit or certificate.

(2) A licensee or permit holder may apply for replacement of a licence, permit or certificate where it is lost, destroyed or defaced.

(3) The licensing authority shall, upon payment of the prescribed fee, issue a duplicate licence, permit or certificate to the licensee.

Transfer of a licence or permit.

99K. (1) A licensee shall not transfer or otherwise divest any rights, powers or obligations conferred or imposed upon the licensee by the licence or permit without the consent of the licensing authority.

(2) The licensing authority may, on application by any of the following persons, transfer a licence or permit—

(a) in the case of a death of the licensee, to the legal representative;

(b) in the case of the bankruptcy of the licensee or assignment for the benefit of the licensee's creditors generally, to the lawfully appointed trustee or assignee;

(c) in the case of a corporation in liquidation, to the lawfully appointed liquidator;

(d) in any case where the licensee becomes subject to a legal disability, to any person lawfully appointed to administer the licensee's affairs; or

(e) in the case of voluntary transfer of the undertaking, to the new owner of the undertaking.

(3) The licensing authority shall satisfy itself of the legal, technical and financial competence of the transferee to carry out the undertaking.

(4) The transferee shall undertake in writing to comply with the conditions of the licence or permit.

(5) The licensing authority shall not withhold any consent to any application to transfer unless it has reason to believe that public interest is likely to be prejudiced by the transfer.

Register of licences and permits.

99L. (1) The licensing authority shall keep a register, in such form as it may determine, of all licenses and permits granted and shall record therein, in respect of each licence or permit—

- (a) the particulars required under sections 99B and 99O;
- (b) particulars of any duplicate issued or any amendment of the licence or permit made under sections 99F and 99J;
- (c) particulars of any suspension or revocation of the licence or permit under sections 99I and 99Q; and
- (d) such other particulars as may be prescribed.

(2) Subject to subsection (3), any person may, during official working hours, and upon payment of the prescribed fee, inspect the register of licences and permits.

(3) Notwithstanding subsection (2), a person who is—

- (a) a member of the Kenya Police Service or a public officer acting in the course of his duty; or
- (b) an employee of the licensing authority or person authorised in writing by the Authority.

may inspect the register without payment of any fee.

Appeal against action of a licensing authority.

99M. A person aggrieved by the action of the licensing authority in—

- (a) refusing to grant or renew a licence, permit or certificate or revoking a licence, permit or certificate; or
 - (b) imposing conditions on a licence, permit or certificate; or
 - (c) refusing to replace or amend a licence, permit or certificate,
- may, within thirty days of receipt of written notification, appeal to the Tribunal.

Construction permits.

99N. (1) A person who intends to construct a pipeline, refinery, bulk storage facility, retail dispensing site, centralized gas reticulation system or designated parking place for petroleum tankers shall, before commencing such construction, apply in writing to the licensing authority for a permit to do so.

(2) An application under subsection (1) shall—

- (a) specify the name and address of the proposed owner;
- (b) be accompanied by the registration documents of the proposed beneficial owner;
- (c) be accompanied by a copy of detailed layout plans and specifications prepared by a professional engineer;
- (d) in the case of a pipeline—
 - (i) specify the points, between which the proposed pipeline is to run;
 - (ii) state what products are to be transported by the proposed pipeline.
- (e) in the case of a refinery, bulk liquefied petroleum gas, or natural gas facility specify the location, type and capacity;
- (f) be accompanied by an environment and social impact assessment licence; and
- (g) contain such other details as may be necessary.

(3) The licensing authority shall consider every application received under this section and shall, if satisfied that the applicant meets the prescribed requirements, grant to the applicant, within forty-five days, the permit to construct a pipeline, refinery, bulk storage facility, bulk liquefied petroleum gas facility, natural gas facility, retail dispensing site, centralised gas reticulation system or designated parking, as the case may be.

(4) A permit shall be subject to such conditions as maybe prescribed.

(5) Where the licensing authority refuses to grant a permit under this section, it shall notify the applicant of such refusal specifying the reasons thereof and shall deliver such notice to the applicant.

Conditions for
granting permits.

99O. (1) The licensing authority shall, before issuing a permit under section 99B take into account all relevant factors, including but not limited to—

(a) the relevant Government policies and guidelines;

(b) compliance with the relevant environmental, safety, planning, and maritime laws, County Government laws;

(c) the relevant Kenya Standard or in the absence of such standard, any other standard recommended by the licensing authority in consultation with the Kenya Bureau of Standards;

(d) the technical and financial capability of the applicant and methods of financing the proposed pipeline, refinery, bulk storage facility, or retail dispensing site; and

(e) any other matter which, in the opinion of the licensing authority, may be affected by the granting or the refusal of the permit being sought.

(2) A permit shall contain such terms and conditions as the licensing authority may consider appropriate, including but not limited to the—

(a) duration of the permit;

(b) person authorised to execute the works;

(c) area in which the works shall be executed; and

(d) conditions to be satisfied before any works authorised by the permit are used, which may include a requirement for the execution of further works.

(3) Where a permit contains conditions prescribed in subsection (2) (d), no person shall, before the conditions are satisfied, use any works the execution of which was authorised by the permit, except to the extent specified in a notice given by the licensing authority to the licensee specifying the extent to which the works may be used, notwithstanding that some of the conditions have not been satisfied and such permit may, at any time, be revoked by the licensing authority in a subsequent notice in the *Gazette*.

(4) A notice given by the licensing authority under subsection (3) shall be conclusive evidence for the purposes of this Act that those conditions have been satisfied.

(5) Where a permit referred to in subsection (3) is cancelled or otherwise ceases to be in force prior to the completion of the authorised works, the licensee shall, to the extent of partially executed works, be deemed to have satisfied the prescribed conditions.

Exemption from the
requirement for a
permit.

99P. Notwithstanding any other provision of this Act—

(a) emergency works for the construction of a pipeline, may be executed without any authorisation by the licensing authority:

Provided that as soon as is reasonably practicable and in any event not later than sixty days after the works have commenced or have been executed, the owner of the petroleum logistics facility shall inform the licensing authority in writing of the works executed attaching copies of detailed construction drawings of such construction works and the route taken or intended to be taken by the petroleum logistic facility;

(b) no permit shall be required for the construction of a pipeline within a storage depot, a pipeline facility or refinery.

Suspension or
revocation of a
construction
permit.

99Q. (1) Subject to subsection (2), the licensing authority may, by notice in the *Gazette*, suspend or revoke a construction permit if any term or condition thereof has not been complied with within the prescribed period.

(2) Where the licensing authority intends to revoke or suspend a permit under this section, it may, at least twenty-one days before the date of the intended revocation or suspension, notify the holder of the permit of such intention, specifying the reasons thereof, and shall take every precaution to ensure fairness in the exercise of this power.

(3) The licensing authority may in writing, reinstate a permit revoked or suspended under subsection (1) if satisfied that the reasons for the revocation or suspension no longer exist.

Validity
permits.

99R.If, after a permit to construct a pipeline, a refinery, a bulk storage facility or a retail dispensing site has been granted, the execution of the works has not commenced at the expiry of twelve months from the date on which the permit was granted, or at the expiration of any extended period which the licensing authority may allow, the permit shall cease to have effect.

Destruction
illegal
construction.

99S.(1) Where a person has constructed a pipeline, refinery, bulk storage facility, retail dispensing site or a centralized gas reticulation system without a permit, the licensing authority may-

(a) give that person a notice of twenty one days to obtain the permit;

(b) direct that person to stop the construction; or

(c) direct that person to decommission the pipeline, refinery, bulk storage facility, retail dispensing site or a centralized gas reticulation system.

(2) If the owner or occupier of the facility in sub section (1) fails to remove the works, the licensing authority shall decommission the works at the cost of that person.

(3). Notwithstanding subsection (1), any person who constructs a pipeline, refinery, bulk storage facility, retail dispensing site or a centralized gas reticulation system without a permit is liable on conviction to a fine of not less than one million shillings.

Standards
for
petroleum.

99T.(1) A person who offers for sale in Kenya or transports or stores petroleum meant for use in Kenya shall ensure that the specifications of such petroleum conforms to the relevant Kenya Standard, but where no such standard exists, the relevant international standards approved by the Kenya Bureau of Standards:

Provided that no person shall divert to sell in Kenya, goods destined for other markets.

(2) A person who—

(a) sells or offers for sale petroleum not conforming to the relevant Kenya Standard or any other standard approved by the Kenya Bureau of Standards; or

(b) stores, transports, or sells or offers for sale adulterated petroleum, commits an offence and shall on conviction, be liable to a fine of not less than five million shillings, or to a term of imprisonment of not less than two years, or to both.

(3) A person who diverts with intent to sell in Kenya petroleum destined for other markets commits an offence and shall on conviction, be liable to a fine of not less than ten million shillings, or to a term of imprisonment of not less than five years, or to both.

Maintenance of minimum operational stocks.

99U. It shall be the duty of a person licensed to import petroleum to maintain such quantities of petroleum and at such locations as may be prescribed by the Cabinet Secretary on the recommendation of the Authority.

Contracts for common user facilities.

99V.(1) A person licensed to operate a common user facility shall provide non-discriminatory open access to its facility for use by any licensee or person on payment of fair and reasonable charges as shall be prescribed in regulations made under this Act.

(2) A licensee shall promptly evacuate its petroleum products held by a common user logistic facility in accordance with this Act.

(3) Where any licensee wilfully delays to comply with the terms of the contract pursuant to sub-section (1), the Authority may compel the licensee to evacuate the petroleum products when appropriate and in the event of the licensee failing to comply with such direction the Authority may order disposal of such products held by a common user logistic facility and impose such penalties and fines as may be prescribed in regulations.

Forms of contract for common user facilities.

99W.(1) Every person licensed to operate a common user facility shall use a form of contract approved by the Authority which shall set out the rights and responsibilities of the licensee and users of the facility, as the case may be.

(2) In approving a form of contract under subsection (1), the Authority shall satisfy itself that such form of contract has fair and reasonable provisions dealing with issues, including but not limited to—

- (a) limitation of liability of the licensee;
- (b) termination and suspension provisions;
- (c) account and meter deposits;
- (d) metering; and
- (e) complaint handling and dispute resolution.

Power of the Cabinet Secretary to provide strategic petroleum stocks.

99X. The Cabinet Secretary may undertake in whole or in part, the provision of financing, procurement, storage, maintenance and management of petroleum strategic stocks.

Compliance with environmental, health and safety laws.

99Y.(1) A person engaged in petroleum business shall comply with the applicable environmental, health and safety laws.

(2) In the event of a fire, explosion, oil spill, injury or fatality occurring in the course of operating a petroleum logistics facility, transportation or sale of petroleum, either by accident or through negligence, the operator or person transporting or selling the petroleum shall forthwith clean up the polluted or damaged environment, at the operator's own expense, to the satisfaction of the licensing authority and any other relevant authority:

Provided that any person engaged in the storage, transportation or sale of petroleum and petroleum products shall have an oil clean-up plan in compliance with the National Oil Spill Policy, relevant environmental health and safety regulations or guidelines.

(3) If the operator or person transporting or selling petroleum fails, or unreasonably delays, to carry out the work referred to in subsection (2), the licensing authority may cause any work not carried out to be executed at the expense of the said operator or person transporting or selling the petroleum.

(4) Nothing contained in this section shall be construed as relieving the operator or person transporting petroleum from any liability in respect of any loss or damage caused by his failure to comply with safety measures as required in subsection (5).

(5) A person transporting petroleum by road, rail, coastal or inland waters, pipeline or any other mode shall institute measures to ensure that their mode of transportation is safe.

(6) The licensing authority may, at any time, require the operator of a facility or a transporter to show that he is in compliance with the provisions of this section.

Designated parking for petroleum tankers.

99Z. (1) It shall be the duty of every County Government to designate or provide a place or places exclusively reserved for parking of petroleum tankers.

(2) A person who is in charge of or in control of any petroleum tanker and parks it outside a designated parking area for petroleum tankers commits an offence and shall on conviction, be liable to a fine not exceeding one hundred thousand shillings or to a term of imprisonment of six months or to both.

These are parts of Part V of the Energy Bill. Initially, the Ministry of Energy and Petroleum was one. However, when we were drafting the initial Bill, which is the Energy Bill, the petroleum and energy were lumped together. We decided to separate the two ministries to have the Ministry of Energy and the Ministry of Petroleum. Therefore, the two Bills had to be separated. So, we removed parts of Part V, which we deleted in the Energy Bill. Those are the sections that we deleted. They are now being moved to the Petroleum (Exploration, Development and Production) Bill because they were not issues of energy, but petroleum. That is where we are bringing this amendment from. This is basically in reference to the issues of licence; replacement and transfer of licence or permits. This is what this section is talking about.

I ask Hon. Elijah to second.

Hon. Memusi: Hon. Temporary Deputy Chairlady, I second the proposed amendments as a Member of the Departmental Committee on Energy. Thank you.

(Question of the new clauses proposed)

(New clauses read the First Time)

(Question, that the new clauses be read a Second Time, proposed)

The Temporary Deputy Chairlady (Hon. (Ms) Tuya): Hon. Wakhungu Wamalwa of Kiminini.

Hon. Wakhungu: Thank you, Hon. Temporary Deputy Chairlady. I agree with what Hon. Pukose has put across. When he says that the Ministry was split into two, I expected him to say that it is as a result of the Executive order. It is only an Executive order that can split ministries and this led to this or that. Unfortunately, my friend, the surgeon, forgot to say that.

I support. Thank you.

The Temporary Deputy Chairlady (Hon. (Ms) Tuya): Hon. Tongi Nyagaka.

Hon. Tongi: Hon. Temporary Deputy Chairlady, I agree with the amendment as moved by the Member, the only surgeon in the House. However, he would have qualified his statement by saying that he is doing that not because there is anything wrong with what we did in the last session, but because of the new dispensation that we have in place. That way, we would not have issues. What happens if we change again and merge the Ministry of Energy and the Ministry of Mining and Petroleum? Are we going to amend the law to resonate with the changes that we are making now? That is why it would have been nice if he said that we are doing this as a short term measure, but going forward, we might want to merge it for purposes of unity and synergising the efforts to achieve a better result from the oil in Turkana.

I support the amendment.

The Temporary Deputy Chairlady (Hon. (Ms) Tuya): Hon. Murungi Kathuri. He does not seem to be here. Hon. Omboko, Member for Emuhaya.

Hon. Milemba: Thank you, Hon. Temporary Deputy Chairlady. Basically, what I wanted to raise has been raised by the two Members who have spoken before me. I wanted to state that there is need to give a justification. Therefore, moving forward, we shall ask Dr. Pukose to be doing that or any other Member who will be involved in the same scenario to make justification.

I support. Thank you.

The Temporary Deputy Chairlady (Hon. (Ms) Tuya): Hon. Nyikal Wambura.

Hon. (Dr.) Nyikal: Hon. Temporary Deputy Chairlady, as I support, we need to look at the procedure. As much as the procedure is right, the two Bills are very close and were discussed at different times. Because they were split, some clauses have been moved. I would like to get a clarification whether before the clauses were moved, they were conclusively canvassed. We may miss a point if they were not discussed in the Energy Bill and they are not really being properly canvassed.

Further, the truth is that many Members seem not to be following what is happening. It is not right for Members to pass something if it is not very clear to them. Time should not be a major issue. It is good to brief Members. I would have suggested that we go item by item in order to know what each means. This is for a long time to come. It would not be proper for us to pass it because we want to save time.

I need guidance, otherwise, I would support. Were they properly canvassed when the other Bill was being discussed?

The Temporary Deputy Chairlady (Hon. (Ms) Tuya): Let me give this chance to Hon. Ochieng'. Do you want to contribute? Okay. We can have Hon. Pukose.

Hon. (Dr.) Pukose: Thank you, Hon. Temporary Deputy Chairlady. Let me address the issues that have been raised by the Members.

Initially, these were two Bills. We had the Energy Bill and the Petroleum (Exploration, Development and Production) Bill. In the initial Bill, because the Ministry in charge was the Ministry of Energy and Petroleum, all the clauses we have transferred here were in the Energy Bill which we have just passed in the Motion under Order No.9. We decided to remove sections that were concerned with petroleum in the Energy Bill and introduce them into the Petroleum (Exploration, Development and Production) Bill. It went through the process of public participation and the Committee went through it.

We decided to delete the whole of Part V of the Energy Bill that we passed. Part V that was deleted was transferred to the Petroleum (Exploration, Development and Production) Bill because these matters were not concerned with energy. They were concerned with petroleum. So, we deleted them and brought them into the Petroleum (Exploration, Development and Production) Bill.

Splitting of ministries was done through an Executive order. We now have the Ministry of Mining and Petroleum. But in as far as matters pertaining petroleum, initially, we had the Petroleum Act, which does not sufficiently cover all the issues that have been raised here. Initially as a country, we were not extracting petroleum. It is a new phenomenon in the country after the discovery of oil in Lokichar and other 35 blocks within the Lamu Basin. In total, they are 37 blocks. The other blocks are in the Rift Valley, Turkana Area.

In the extraction of petroleum, there are matters that will arise as far as upstream, midstream and downstream are concerned. For us to perform these duties, we must have laws and regulations that are going to guide us. In the initial Bill, these laws were done, but were in the Energy Bill. Now that we have a sector that is complete and in the process of making laws, it means that we delete clauses in the Energy Bill and introduce them as new clauses in the Petroleum (Exploration, Development and Production) Bill. It is a new clause in the Bill deleted from the other Bill. What was deleted does not go into waste but is transferred here. In the process of bringing it here, we have to do so as a new clause. These are the technicalities as far as the law-making process is concerned.

Thank you.

The Temporary Deputy Chairlady (Hon. (Ms) Tuya): You have made your point loud and clear.

Hon. (Dr.) Nyikal: I want to sound a warning here. The truth is that Members are not clear. What he has said is right. I have the three documents here. What is not right is that Members are not actually clear on this.

The Temporary Deputy Chairlady (Hon. (Ms.) Tuya): Hon. Nyikal, you are very senior and you understand how the Order Paper outlines the proposed amendments. Look at your Order Paper and you will see them. Members should always be guided by the Order Paper, which clearly spells out all the clauses that we are talking about.

Hon. (Dr.) Nyikal: Hon. Temporary Deputy Chairlady, I agree. And as it has been lined out, I will let it pass.

The Temporary Deputy Chairlady (Hon. (Ms.) Tuya): Chair.

Hon. (Dr.) Pukose: Hon. Temporary Deputy Chairlady, in the Energy Bill, it is Part V. When it comes to the Petroleum Bill, we are moving that Part V to Part IX. That is why it is now coming from 99 onwards. The numbering in the Energy Bill is not going to be the same as in the Petroleum Bill. They are going to vary. Which position are you going to place it? That is why we start numbering it.

Hon. Odhiambo: I just wanted, as a Member of the Committee, to get the indulgence of Hon. Nyikal and tell him that this Bill was canvassed through a number of instruments. As you are aware, the President already flagged off, on Sunday, oil that is going to Lamu. We have in Lokichar 80,000 barrels in stock. For purposes of expediency, it is prudent that this Bill is passed in its entirety based on the advice from my Chair because it will help this country. More importantly, you may not be aware...

The Temporary Deputy Chairlady (Hon. (Ms.) Tuya): your point is made.

Hon. (Dr.) Nyikal: *(Off-record)*.

The Temporary Deputy Chairlady (Hon. (Ms.) Tuya): Order! You cannot have those exchanges, Hon. Nyikal. Members, we are not debating.

Hon. Milemba: *(Inaudible)*.

The Temporary Deputy Chairlady (Hon. (Ms.) Tuya): You are out of order, Member for Emuhaya. You do not even have the microphone from me. So, you are addressing me inappropriately. The issues canvassed have been properly enumerated by the Chair. Again, Members should look at the Order Paper. Hon. Nyikal, there is an issue of how the numbering has been done. It is just a matter of drafting, but the content is there.

*(Question, that the new clauses be read
a Second Time, put and agreed to)*

(The new clauses were read a Second Time)

*(Question, that the new clauses be added to
the Bill, put and agreed to)*

New Clauses 99AA, 99BB, 99CC, 99DD, 99EE, 99FF, 99GG, 99HH and 99II

Hon. (Dr.) Pukose: Hon. Temporary Deputy Chairlady, I beg to move:

THAT, the Bill be amended by inserting the following new Part immediately after Part VIII—

Offences attempted offences. and 99AA.(1) A person who—

- (a) contravenes any provisions of section 99U on maintenance of minimum operational stock of petroleum;
- (b) being the owner or operator of a refinery, pipeline, bulk liquefied petroleum gas or natural gas facility, service station, filling station or storage depot or transporter of petroleum, fails to institute appropriate environmental, health or safety control measures;

- (c) being the owner of a pipeline, refinery or bulk liquefied petroleum gas or natural gas facility, contravenes the provisions of this Act or any regulations made thereunder relating to the construction or operation of a pipeline, refinery or bulk liquefied petroleum gas or natural gas facility or regulations thereof;
- (d) vandalises, destroys, or interferes in any manner or illegally interconnects with such pipeline;
- (e) illegally acquires, handles or is in possession of any petroleum products;
- (f) maliciously misinforms the public leading to economic sabotage;
- (g) who not being an owner of any petroleum pipeline plant equipment or auxiliaries illegally acquires, handles or is in possession of any petroleum pipeline plant, equipment auxiliaries;
- (h) who trespasses or encroaches on to any petroleum pipeline wayleaves or installations;
- (i) who illegally acquires any interest in public land set aside for petroleum infrastructure projects;
- (j) being the owner of a retail dispensing site or storage depot, contravenes the provisions of this Act relating to the construction or operation of a retail dispensing or site storage depot;
- (k) being the owner or operator of a bulk storage facility for petroleum products, service station or storage depot, or being the owner of any petroleum stocks, hoards petroleum products;
- (l) owns or operates an unlicensed petroleum or gas storage, filling or handling facility;
- (m) refills, rebrands, trades or otherwise deals with liquefied petroleum gas cylinders of another licensee for gain without the said licensee's prior written consent;
- (n) being the owner of a retail dispensing site, under dispenses or sells above any price that may be recommended by licensing authority Cabinet Secretary from time to time;

- (o) constructs any facility defined in section 99N without obtaining a construction permit;
- (p) is in charge or in control of a petroleum tanker transporting or carrying adulterated petroleum or discharges export petroleum in the country;
- (q) owns a petroleum tanker transporting or carrying adulterated petroleum;

commits an offence and shall on conviction, be liable to a fine of not less than:

- (i) one million shillings, or a term of imprisonment of not less than one year, or to both such fine and imprisonment; if the offence relates to paragraphs (a), (h), (k) and (p) or
- (ii) ten million shillings, or a term of imprisonment of not less than five years, or to such fine and imprisonment, if the offence relates to paragraphs (b), (c), (d) (e), (f), (g), (i), (j), (l), (m), (n), (o) and (q).

(2) A person who attempts to do any such thing as mentioned in subsection (1) commits an offence and shall on conviction, be liable to a fine of not less than—

- (a) five hundred thousand shillings or a term of imprisonment of not less than six months or to both such fine and imprisonment if the offence relates to sub-section (1) (h); and
- (b) five million shillings or a term of imprisonment of not less than three years or to both such fine and imprisonment if the offence relates to sub-sections (1) (d) (e), (f), (i), (j), and (m).

Contraventions by petroleum carrying ships.

99BB.(1) The owner or master of any ship carrying cargo, any part of which consists of petroleum, who fails to give notice to the port authorities upon entering a port, shall, on conviction, be liable to a fine of not less than ten million shillings, or to a term of imprisonment of not less than two years, or to both.

(2) The owner or master of any ship carrying cargo, any part of which consists of petroleum shall comply with any law relating to the transportation of petroleum.

(3) A person who, while within Kenya's Exclusive Economic Zone and Outer Continental Shelf, discharges or allows to escape into the –

- (a) petroleum or water mixed with petroleum;
- (b) water from bilges or tanks;
- (c) water used for flushing pipes and connections; or
- (d) sand used to absorb petroleum,

commits an offence and shall on conviction, be liable to a fine of not less than ten million shillings, or to a term of imprisonment of not less than five years, or to both such fine and imprisonment and be responsible, at his or her own cost, for cleaning the water and restoring it to its original status.

(4) The government or a relevant agency shall as is reasonably practicable restore the environment to its former condition and such costs shall be recoverable from the owner or master of ship.

Regulations
downstream
petroleum.

for

99CC. The Cabinet Secretary may, on the recommendation of the Authority, make regulations—

- (a) defining the kind of petroleum to which the regulations shall apply, and dividing petroleum into classes or categories and making different provisions with regard to such classes or categories;
- (b) providing for the importation, refining, exportation, landing, loading, shipping, transportation, storage, wholesale and retail of petroleum and prescribing a system of licensing for the purposes aforesaid, the manner in which application for any such licence shall be made, the conditions of licence, the authorities which may grant such licences, the fees which may be charged and any other matters incidental thereto;

- (c) setting, reviewing and adjusting tariffs and charges for common user storage facilities and refining of petroleum;
- (d) providing for importation of petroleum through open tendering system and the manner in which such system shall operate;
- (e) providing for maintenance of minimum operational stocks and procedures thereof;
- (f) providing for maintenance of strategic stocks and procedures thereof;
- (g) providing for the mode of sale, metering, documentation and display of prices of petroleum in retail dispensing sites and depots;
- (h) providing for environmental, health and safety standards associated with the handling, storage and use of petroleum;
- (i) providing for notice to be given by the owner or master of any ship entering a port with petroleum, and for ascertaining the quantity and specification of any petroleum on board any such ship;
- (j) determining the places at which, and the conditions on and subject to which, petroleum may be imported, offloaded, landed, stored, loaded or transhipped;
- (k) providing for the delivery to such officer as may be specified, samples of petroleum landed or intended to be landed and for the testing of such sample;
- (l) providing for the type and location of the premises in respect of which licences to possess petroleum may be granted, the inspection of premises so licensed and the taking of samples and the testing of petroleum found thereon;
- (m) governing the design, construction and operation of pipelines, refineries, bulk liquefied petroleum gas facilities, retail dispensing sites, storage depots and providing for the protection of property and the environment and the safety of the public in the construction and operation thereof;
- (n) governing the design and construction of vehicles to be used in the transportation of petroleum by road, rail, inland or coastal waters;

- (o) prohibiting or restricting the carriage of goods and passengers in vessels carrying petroleum;
- (p) prescribing the quantity of petroleum that may be conveyed at any one time or in any one vehicle;
- (q) prescribing the precautions to be observed in the transportation of petroleum, in the manner of packing and the mode and time of transit and in the loading and unloading of vessels used for such transportation;
- (r) in consultation with the body responsible for standards, prescribing apparatus for testing petroleum, the tests to be applied and the manner in which tests are to be carried out;
- (s) in consultation with the body responsible for standards, appointing inspectors and agents for the testing and examination of petroleum and prescribing their powers and duties;
- (t) prescribing the marking of fuels and categories of the petroleum in which such marking shall be carried out;
- (u) prescribing for the provision of petroleum data and information to the Authority ;
- (v) providing for the development and coordination of a National oil spill response plan including measures to prevent oil spills and a mechanism for compensation in the event of an oil spill;
- (w) reviewing and approval of contracts on third party access to midstream petroleum infrastructure on reasonable terms and conditions;
- (x) reviewing and approval of contracts on the use and access of petroleum logistic facilities;
- (y) determining the maximum wholesale and retail prices of petroleum and petroleum products;
- (z) prescribing guidelines and standards to be applied by all licensing authorities to ensure uniform standards of operation in the sector; and
 - (aa) governing the qualification and certification of petroleum road tanker drivers;

- (bb) on the handling of petroleum products in aviation;
- (cc) on the joint procurement of petroleum products;
- (dd) prescribing requirements for undertaking businesses dealing with lubricants; and
- (ee) generally for the better carrying out of the objects and purposes of this Act.

Licensee to furnish information. 99DD. It shall be the duty of every licensee to furnish to the licensing authority at such times and in such form and manner, such information as the licensing authority may, in writing, require.

False information. 99EE. A licensee who makes a false statement or a statement which he has reason to believe is untrue, to the Cabinet Secretary, or to the Authority, committee, agent or an officer acting on behalf of the Authority, as required under this Act, commits an offence and shall, on conviction, be liable to a fine not exceeding ten million shillings or imprisonment for a term not exceeding five years or to both.

Disclosure of information. 99FF. Information obtained under section 99EE relating to any matter shall not be published or otherwise disclosed to a third party without prior consent in writing from the person from whom the information was obtained—

Provided that nothing in this section shall restrict—

(a) the disclosure of such information—

(i) to the Cabinet Secretary for the time being responsible for petroleum;

(ii) to any officer or authority having functions in relation to petroleum, policy development or economic planning of petroleum business in Kenya; and

(iii) in furtherance of a right to a person as provided for under the Constitution;

(b) the use of such information in any manner, which the Authority deems necessary or expedient in connection with the objects of this Act.

Licensing authorities not to discriminate. 99GG. While discharging its functions and exercising its powers under the Act, a licensing authority shall ensure that no particular person is given undue preference or subjected to any undue disadvantage.

Prosecution of offences. 99HH. The Director Public Prosecutions shall, on the request of the Commission, appoint any officer of the Commission or an advocate of the High Court to be a public prosecutor for the purposes of prosecuting offences under this Act.

Consolidated Energy Fund. 99II. (1) The Cabinet Secretary shall establish the Consolidated Petroleum Fund to cater for strategic petroleum reserve.

(2) The sources of funds shall be—

(a) appropriations from Parliament;

(b) contributions from the petroleum sector players;

(c) Government securities and corporate bonds;

(d) recovered assets from proceeds of crime in the petroleum sector;

(e) grants, gifts and donations; and

(f) monetary sanctions imposed by the Authority.

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(3) For the avoidance of doubt, the fund shall be managed in accordance with the Public Finance Management Act.

(4) The Cabinet Secretary may prescribe regulations for the management of the Fund.

(Question of the new clauses proposed)

(New clauses read the First Time)

(Question, that the new clauses be read a Second Time, proposed)

The Temporary Deputy Chairlady (Hon. (Ms.) Tuyu): Hon. Tongi.

Hon. Tongi: Hon. Temporary Deputy Chairlady, I wanted to speak on the next one.

The Temporary Deputy Chairlady (Hon. (Ms.) Tuyu): Hon. Seroney Kipkorir.

Hon. Seroney: Hon. Temporary Deputy Chairlady, I was preparing to contribute on the other one. Most of the time, you find that the queue is too long and so, you set yourself before time.

The Temporary Deputy Chairlady (Hon. (Ms.) Tuyu): What is the next one you are contributing to?

Hon. Seroney: Motion No.11 on the Order Paper.

The Temporary Deputy Chairlady (Hon. (Ms.) Tuyu): Hon. Members, we are in Committee of the whole House. You can take out your cards and put them back so that you do not confuse the Chair.

(Question, that the new clauses be read a Second Time, put and agreed to)

(The new clauses were read a Second Time)

(Question, that the new clauses be added to the Bill, put and agreed to)

(First Schedule agreed to)

(Second Schedule agreed to)

Clause 2

Hon. (Dr.) Pukose: Hon. Temporary Deputy Chairlady, I beg to move:
THAT, Clause 2 of the Bill be amended—

(a) by inserting the following new definitions in their proper alphabetical sequence—

“adulterated petroleum” means any mixed refined petroleum products that alter product specifications detailed in the applicable Kenya Standards;

“agent” means a person appointed in writing by the Authority to perform any of its functions;

“building” has the meaning assigned to it under the relevant written law;

“consumer” means any person who is supplied or entitled to be supplied with petroleum;

“danger” means risk to the environment, health, life, person or property of anyone from shock, fire or otherwise arising from the exploration, production, importation, exportation, transportation, refining, storage and sale of petroleum;

“factory” has the meaning assigned to it under the Occupational Safety and Health Act;

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2007.

“Kenya Standard” means a specification or code of practice declared by the Council under the Standards Act.

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“licence” means any document or instrument in writing granted under this Act, to any person authorizing the importation, exportation, refining, storage and sale of petroleum;

“licensee” means a holder of any licence issued under this Act;

“licensing authority” means any person or body, including the Authority, with powers to grant, revoke or suspend a licence under this Act;

“liquefied petroleum gas” means commercial propane, commercial butane, commercial pentane and mixture thereof as specified in the relevant Kenya standard;

“minimum operational stocks” means the amounts of petroleum prescribed by the Cabinet Secretary on the recommendation of the Authority under section 99U;

“open access” means the non-discriminatory provision for the use of common user petroleum logistics facility by any licensee or consumer;

“open tendering system” means the mode of procurement of petroleum products in Kenya whereby the lowest bidder on any given product is allowed to import on behalf of all the other oil marketing companies;

“person” means any natural or juridical person;

“petroleum business” means a concern carrying on the importation, exportation, refining, storage, transportation, supply or sale of petroleum;

“refine” means to process petroleum crude in a refinery in order to yield petroleum products;

“refined petroleum products” means the products yielded from the refining of petroleum;

“refinery” means a distillation plant for refining of petroleum crude to yield petroleum products;

“retail dispensing site” means premises where petroleum is stored in bulk in one or more tanks and dispensed to consumers for their own use and includes filling and service stations;

“retail” means—

(a) selling or offering to sell petroleum to a consumer;

(b) acting as agent or broker for a retailer with respect to the sale or offering for sale of petroleum; or

(c) acting or offering to act as an agent or broker for a consumer with respect to the sale or offering for sale of petroleum;

“retail supply licence” means any document or instrument authorizing a person to supply petroleum in the manner described in such document or instrument to any premises and such licence shall also entitle the licensee to receive a bulk supply from another licensee;

“social impact assessment” means a method of analysing the impacts of a proposed activity, project or plan on the social aspects of the environment which include, without limitation, the way —

(a) people cope with life through their economy, social systems, and cultural values;

(b) people use the natural environment, for subsistence, recreation, spiritual activities and cultural activities;

(c) people use the built environment for shelter, making livelihoods, industry, worship, recreation and gathering together;

(d) communities are organised and held together by their social and cultural institutions and beliefs; and

(e) of life that communities value as expressions of their identity;

“specification” has the meaning assigned to it in the Standards Act;

“storage depot” means premises consisting one or more tanks for storing petroleum;

“strategic environmental assessment” means a formal and systematic process to analyse and address the environmental effect of policies, plans and programmes and other strategic initiatives;

“strategic stocks” means petroleum kept for purposes of ensuring security of supply;

“street” includes any way, road, lane, square, court, alley, passage, whether a thoroughfare or not, over which the public have a right of way, and also the roadway and footway over any public bridge, or causeway;

“undertaking” means any business undertaken pursuant to a licence or a permit and includes all the assets and liabilities from time to time constituting or belonging or appertaining to such business, whether public or private, for the importation, exportation, refining, transportation, storage or supply of petroleum but does not include an undertaking which the Authority in consultation with the Cabinet Secretary, by statutory instrument, declares not to constitute an undertaking for the purposes of this Act;

“vandalise” means to commit any wilful, negligent, reckless or malicious act which destroys or damages petroleum infrastructure.

“works” means pipelines, machinery, lands, buildings, structures, earth works and water works, and includes any apparatus or things of whatsoever description, required for the importation, exportation, storage, refining, transportation, dispensing and supply of petroleum.

(b) by deleting the definition of the term Authority and substituting therefor the following new definition—

“Authority” means the Energy Regulatory Commission established under section 4 of the Energy Act, 2006.

These definitions had been put into the Energy Bill. We are just transferring them from the Energy Bill to the Petroleum Bill.

(Question of the amendment proposed)

The Temporary Deputy Chairlady (Hon. (Ms.) Tuyu): Are there Members wishing to contribute? Hon. Mbui?

Hon. Mbui: Hon. Temporary Deputy Chairlady, I had wanted to contribute on the previous comments. I was curious about the numbering from 99 where it goes to 99(AA) and 99(BB). I was a bit curious why we are doing that as opposed to just continuing from 99 to 100 going forward. I had wanted to ask that. That is why I had put my card.

The Temporary Deputy Chairlady (Hon. (Ms.) Tuyu): As I had pointed out, it is a drafting technique. Drafters are the ones who would best understand. That is the order in which they do the numbering. But the substance and contents remain the same.

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

(Clause 2 as amended agreed to)

Long Title

Hon. (Dr.) Pukose: Hon. Temporary Deputy Chairlady, I beg to move:

THAT, the Long Title of the Bill be amended by inserting the words “regulation of midstream and downstream petroleum” immediately after the words “apply to upstream petroleum operations”.

This is just in aligning it with the Petroleum (Exploration, Development and Production) Bill because we are just doing that Bill. When we talk of ‘midstream’, it means the pipeline of transporting the petroleum. Then the ‘downstream’ means the distribution and ‘the upstream’ is where you are extracting the petroleum. We are aligning the Bill to deal with petroleum matters.

(Question of the amendment proposed)

The Temporary Deputy Chairlady (Hon. (Ms.) Tuya): I see no requests to contribute. Oh, Hon. Nyikal?

Hon. (Dr.) Nyikal: I will just indulge the Chair to put a little more explanation. He is referring to petroleum. But even this is making reference to petroleum. What difference does it make?

The Temporary Deputy Chairlady (Hon. (Ms.) Tuya): Hon. Chair, did you get the question?

Hon. (Dr.) Pukose: No.

The Temporary Deputy Chairlady (Hon. (Ms.) Tuya): Hon. Nyikal, please come clear.

Hon. (Dr.) Nyikal: I am not getting the significance of the amendment because it is aligning to talk about petroleum. As it is, the Bill is still making reference to petroleum. I am indulging him if he can afford the time to just say it again and show me what it really means.

Hon. (Dr.) Pukose: What I explained to the House is that we are talking of regulation of midstream and downstream petroleum. Initially, it was not covering the midstream and the downstream. “Midstream” means transportation of petroleum where the road or railway is used. When we talk of ‘the downstream’, it means distribution at the area of petrol stations, gas stations and all that. We want the Bill to cover the whole thing right from the point of extraction which is the upstream, midstream and downstream.

The Temporary Deputy Chairlady (Hon. (Ms.) Tuya): Very well.

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

(The Long Title as amended agreed to)

(Title agreed to)

Clause 1

Hon. (Dr.) Pukose: Hon. Temporary Deputy Chairlady, I beg to move:

THAT, Clause 1 of the Bill be amended by deleting the words “(Exploration, Development and Production).”

This follows what we had just done up there. Exploration, development and production is basically limiting it to the upstream. Now that we brought the midstream and the downstream, the title has to change, so that it has the issue of exploration, development, production, transportation which is midstream and also distribution which is at the downstream.

(Question of the amendment proposed)

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

(Clause 1 as amended agreed to)

The Temporary Deputy Chairlady (Hon. (Ms.) Tuya): Mover?

Hon. (Dr.) Pukose: Hon. Temporary Deputy Chairlady, I beg to move that the Committee doth report to the House its consideration of the Petroleum (Exploration, Development and Production) Bill (National Assembly Bill No.48 of 2017) and its approval thereof with amendments.

(Question proposed)

(Question put and agreed to)

(The House resumed)

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

The Temporary Deputy Speaker (Hon. (Ms.) Mbalu): Members, we are in the House. I call upon the Chairperson to do the reporting of the Committee of the whole House.

Hon. (Ms.) Tuya: Hon. Temporary Deputy Speaker, I beg to report that the Committee of the whole House has considered the Petroleum (Exploration, Development and Production) Bill (National Assembly Bill No.48 of 2017) and approved the same with amendments.

The Temporary Deputy Speaker (Hon. (Ms.) Mbalu): The Mover to move agreement with the Report.

Hon. (Dr.) Pukose: Hon. Speaker, I beg to move that the House does agree with the Committee in the said Report. I request Hon. Elisha to second the Motion for the agreement with the Report of the Committee of the whole House.

The Temporary Deputy Speaker (Hon. (Ms.) Mbalu): Hon. Elisha, second.

Hon. Odhiambo: I second the Motion as it is.

(Question proposed)

(Question put and agreed to)

The Temporary Deputy Speaker (Hon. (Ms.) Mbalu): Hon. Kathuri, do you want to contribute to this?

Hon. Members: He is not here.

The Temporary Deputy Speaker (Hon. (Ms.) Mbalu): This idea of Members leaving cards here is not good. Member for Turkana South.

Hon. Ekomwa: Hon. Temporary Deputy Speaker, I am rising to seek clarification and your indulgence. I remember the other time this Bill was suspended. I have just arrived now and I want to understand whether what we passed the other time has been considered.

The Temporary Deputy Speaker (Hon. (Ms.) Mbalu): You are quite in order. I remember recommitment on this was raised. May I consult?

As we consult, there is a school that has been here for some time, we are sorry because we could not stop the Committee of the whole House to recognise you. I would like to recognise the presence of Sawagongo High School from Gem Constituency, Siaya County, who are in the Public Gallery. They are welcome to watch the proceedings of the House.

Let me allow the Chairperson to comment on the issue of recommitment raised by an Hon. Member.

Hon. (Dr.) Pukose: Thank you, Hon. Temporary Deputy Speaker. In the Petroleum (Exploration, Development and Production) Bill Clause 85, the amendment that the Committee of the whole House made before we went on recess was on division of revenue, where five per cent was to be given to the community, 20 per cent to the county and then we deleted the capping that was there and instead we introduced an amendment where Parliament shall review within 10 years the formula for sharing of the revenue from the petroleum. That is what we had done and it was on record. This is in line with the negotiations between the Governor, the team from Turkana and the President.

The Temporary Deputy Speaker (Hon. (Ms.) Mbalu): Thank you, Hon. Chairperson. I rise to give direction. Hon. Lomenen, are you okay with that?

Hon. Ekomwa: Hon. Temporary Deputy Speaker that was a hot issue. I remember we did a lot of consultations. We met the leadership of the House and the President and his entire team, consulted and agreed. The concerns of the community are whether what we agreed as the leadership has been put in the law. I wanted that assurance so that Kenyans and the whole nation can hear and the people of Turkana County will also affirm that whatever we agree on has actually been put in law. I wanted that to go on record so that we are not shortchanging each other and we are not eating our own words.

The Temporary Deputy Speaker (Hon. (Ms.) Mbalu): Member for Turkana South, I agree with you. I am happy to hear that you consulted and you are satisfied. There is no harm in the Chair clarifying.

Hon. (Dr.) Pukose: Hon. Temporary Deputy Speaker, I can confirm that, that is what is in the law. In the sharing of revenue in Clause 85, five per cent shall go to the community, 20 per cent to the county and the other 75 per cent to the whole country. We also deleted the clause on capping, and we also put in a clause that Parliament shall review the formula for sharing of revenue within 10 years. I can confirm that.

The Temporary Deputy Speaker (Hon. (Ms.) Mbalu): Thank you. Hon. Members, with that clarification of the Chairperson and the satisfaction Hon. Lomenen has, I will not be able to put the Question for obvious reasons.

Next Order.

BILLS

THE KENYA COAST GUARD SERVICE BILL

(Hon. Koinange on 25.4.2018 – Afternoon Sitting)

(Resumption of Debate interrupted on 25.4.2018)

The Temporary Deputy Speaker (Hon. (Ms.) Mbalu): Member for Turkana, you were the one on the Floor.

Hon. Nakara: Thank you, Hon. Temporary Deputy Speaker. I wanted to comment on the Petroleum (Exploration, Development and Production) Bill. I wanted to confirm if what was said has been published as voted in the Committee of the whole House. But now it has been overtaken by events.

The Temporary Deputy Speaker (Hon. (Ms.) Mbalu): Member for Seme.

Hon. (Dr.) Nyikal: Maybe after the recess, I am missing certain points. I thought in the Order Paper the Committee of the whole House was dealing with two Bills, namely, the Petroleum Bill and the Energy Bill. We have done the Petroleum Bill. The Energy Bill was also subject to recommittal of Clause 84.

The Temporary Deputy Speaker (Hon. (Ms.) Mbalu): Thank you, Member for Seme, for your being keen even on the Order Paper. From my seat, the process of the Committee of the whole House on the Petroleum Bill together with the Energy Bill was done procedurally. I confirm that the Energy Bill, as stated in the Order Paper, was subject to resolution for recommittal of Clause 84. The resolution had already been done and you could hear the Member went on record together with the Chairperson. They had already resolved, so we are not going for recommittal.

Hon. (Dr.) Nyikal: Hon. Temporary Deputy Speaker, for my guidance, Clause 84 of the Energy Bill was talking about... It may be the same. That was the Geothermal Bill and this was the Petroleum Bill. So, how could they be done at the same time?

The Temporary Deputy Speaker (Hon. (Ms.) Mbalu): Member for Seme, just to indulge you, of course, we are through with that. But again, the Member was here. It was withdrawn. It is very important for us to get these processes right. And you are quite in order even to just confirm. My reply is that the recommittal was withdrawn.

Next is Order 11. Hon. Kathuri, Member for South Imenti.

An hon. Member: He is not in the House.

The Temporary Deputy Speaker (Hon. (Ms.) Mbalu): He is not in the House. Any other Member who wants to contribute to this? The Member for Seme is always keen to the letter. That is the kind of Members we want in this House. Any other Member? There being no other Member who wants to speak to the Kenya Coast Guard Service Bill, debate on the Second Reading has been concluded. I am not in a position to put the Question. I order that the Question to the same will be put in the next sitting at the most appropriate time.

(Putting of Question deferred)

Second Reading

THE TAX LAWS (AMENDMENT) BILL

The Temporary Deputy Speaker (Hon. (Ms.) Mbalu): Hon. Cecil Mbarire to move.

Hon. (Ms.) Mbarire: Hon. Temporary Deputy Speaker, I am not rising to move. I am actually calling that we withdraw this Bill until another date.

The Temporary Deputy Speaker (Hon. (Ms.) Mbalu): You are calling to defer it?

Hon. (Ms.) Mbarire: Yes, we would want to defer this item until another allotted day.

The Temporary Deputy Speaker (Hon. (Ms.) Mbalu): Thank you. It is good to go on record. The Mover, Hon. Cecily Mbarire, is calling upon us to defer the Tax Laws (Amendment) Bill (National Assembly Bill No.11 of 2018) for more preparations. The Speaker allows this. So, Order No.12 stands deferred.

(The Bill deferred)

ADJOURNMENT

The Temporary Deputy Speaker (Hon. (Ms.) Mbalu): Before we adjourn, allow me to thank you for your participation.

Hon. Members, looking at the Order Paper today, this House stands adjourned. We are through with the business of the day. We did a lot in the report of the Budget and Estimates for the FY 2018/2019 and report of the Committee of the whole House on the Energy Bill. We also did Committee of the whole House on the two very important Bills, namely, the Petroleum Bill and the Energy Bill. We also did the Kenya Coast Guard Service Bill and the Tax Laws (Amendment) Bill. Thanks to Members who were present. Now the people who elected you can know what you have been elected to do.

Hon. Members, the time being 5.50 p.m., this House stands adjourned until Tuesday, 12th June 2018, at 2.30 p.m. I thank you all.

The House rose at 5.50 p.m.