

# NATIONAL ASSEMBLY

## OFFICIAL REPORT

Tuesday, 19<sup>th</sup> June 2018

The House met at 2.30 p.m.

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

PRAYERS

QUORUM

**Hon. Speaker:** Ring the bell for quorum.

*(The Quorum Bell was rung)*

We may now begin, hon. Members.

### COMMUNICATION FROM THE CHAIR

#### DELEGATION FROM PARLIAMENT OF ZAMBIA

**Hon. Speaker:** Hon. Members, I wish to introduce to you a delegation of Members of the Committee on Modernisation and Reforms from the Parliament of the Republic of Zambia. The delegation is seated at the Speaker's Row and comprises of the following:

- |                                 |   |                          |
|---------------------------------|---|--------------------------|
| 1. The Hon. Malama H. Mwimba    | - | Leader of the Delegation |
| 2. The Hon. Rosaria C. Fundanga | - | Member                   |
| 3. The Hon. Vincent Mwale       | - | Member                   |
| 4. The Hon. Remember C. Mutale  | - | Member                   |
| 5. The Hon. Jewis Chabi         | - | Member                   |
| 6. The Hon. Hastings H. Chansa  | - | Member                   |
| 7. The Hon. Kasauta S. Michelo  | - | Member                   |
| 9. The Hon. Clive D. Miyanda    | - | Member                   |

The delegation is accompanied by Mr. Thokozani Kamanga, Principal Clerk, Parliamentary Reforms Programme and Mr. Obrey Katungu, Assistant Programme Officer, Parliamentary Reforms Programme.

The delegation is in the country to learn about the operations of constituency offices in Kenya, and specifically to gain knowledge on how the offices are set up and managed.

On my own behalf and that of the House, I wish to welcome them to the National Assembly and wish them fruitful engagements during their stay in the country.

Thank you.

### PAPERS LAID

**Hon. Aden Duale** (Garissa Township, JP): Hon. Speaker, I beg to lay the following Papers on the Table of the House:

Reports, Bills and Resolutions adopted at the 4<sup>th</sup> Meeting of the 1<sup>st</sup> Session of the East African Legislative Assembly (EALA) as follows:

(a) Report of the On-Spot Assessment of the EAC Central Corridor, EAC Northern Corridor, EAC Institutions, Projects and Facilities by the East African Legislative Assembly held from 11<sup>th</sup> - 23<sup>rd</sup> February 2018;

(b) Resolution of the Assembly urging the EAC to participate as observer in the process by IGAD to resolve the conflict in the Republic of South Sudan;

(c) Bills passed as follows –

(i) the East African Community Oaths Bills, 2018; and,

(ii) the East African Community Monetary Institute Bill, 2018.

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

(i) State Department for Irrigation;

(ii) State Department for Water Services;

(iii) Kenya Investment Authority;

(iii) State Department for Investment and Industry (Vote 1172);

(iv) The Teachers Service Commission (Vote 1064);

(v) National Youth Service Mechanical and Transport Fund;

(vi) Sacco Societies Regulatory Authority;

(vii) South Eastern Kenya University; and,

(viii) Tourism Finance Corporation.

**Hon. Speaker:** Leader of Delegation to the 62<sup>nd</sup> Session of Commission on the Status of Women (CSW) held in New York, Hon. Purity Wangui Ngirici.

**Hon. (Ms.) Purity Ngirici** (Kirinyaga CWR, JP): Hon. Speaker, I beg to lay the following Paper on the Table of the House:

Report of the Kenya National Assembly Delegation to the 62<sup>nd</sup> Session of the Commission on Status of Women (CSW62) held in New York, United States of America (USA) from 12<sup>th</sup>-23<sup>rd</sup> March, 2018.

**Hon. Speaker:** Next Order.

## NOTICE OF MOTION

### REPORT OF DELEGATION TO COMMISSION ON STATUS OF WOMEN CONFERENCE

**Hon. (Ms.) Purity Ngirici** (Kirinyaga CWR, JP): Hon. Speaker, I beg to give notice of the following Motion:

THAT, this House notes the Report of the Kenya National Assembly Delegation to the 62<sup>nd</sup> Session of the Commission on Status of Women (CSW62) held in New York, United States of America (USA) from 12<sup>th</sup> to 23<sup>rd</sup> March 2018, laid on the Table of the House today Tuesday, 19<sup>th</sup> June 2018.

**Hon. Speaker:** Hon. Members, before we proceed allow me to recognise the presence of pupils and students from Santa Ana Academy, Ruiru Constituency, Kiambu County. Ancilla Academy, Kesses Constituency, Uasin Gishu County; Ibacho High School, Nyaribari Masaba

Constituency, Kisii County; Mosop Kimong Primary School, Mosop Constituency, Nandi County and Masaani Mixed Secondary School, Yatta Constituency, Machakos County. They are all welcome to observe proceedings of the National Assembly, this afternoon.

Next Order! Sorry, Hon. Osotsi Godfrey.

**NOTICE OF MOTION FOR ADJOURNMENT  
UNDER STANDING ORDER NO.33**

CRISIS FACING THE SUGAR INDUSTRY

**Hon. Godfrey Osotsi** (Nominated, ANC): Thank you, Hon. Speaker. I beg to give notice of Motion for Adjournment on definite matter of urgent national importance of the crisis in the sugar industry in Kenya.

Hon. Speaker, pursuant to Standing Order No.33(1), I seek leave of the House for the purpose of discussing the crisis of the sugar industry in Kenya. The sugar sector in the country continues to face numerous challenges some of which are high cost of production, importation of unregulated and contraband sugar, cane poaching, low productivity and heavy indebtedness of the publicly-owned sugar milling plants, non- payment of sugarcane farmers, imprudent business decisions and corruption among other issues. This has seen the collapse of many sugar companies and disillusionment of farmers.

Indeed, during the 11<sup>th</sup> Parliament the Departmental Committee on Agriculture, Livestock and Cooperatives, and Departmental Committee on Finance, Planning and Trade inquired into the matter and tabled their reports in the House. These two Reports were adopted by the House.

Hon. Speaker, it is therefore, highly regrettable that some of the firms which the House recommended to be banned from importing sugar into the country are still being licensed by the Government to do so. In addition, according to the Reports in the media, millions of unsuspecting consumers may have been exposed to poisonous sugar on sale in several parts of the country, repackaged and disguised as local brands. Experts have already confirmed that the commodity is unfit for human consumption as tests have found it to contain substance harmful to human health.

Hon. Speaker, the crisis facing the sugar industry needs to be addressed urgently with finality so as to save the sector from total collapse, promote local sugar milling, protect sugarcane farmers and sugar consumers as well as the country's economic interests. Hon. Speaker, it is for this reason and with your indulgence that I seek leave of the House in order to deliberate on this matter concerning crisis in the sugar industry in Kenya.

Thank you, Hon. Speaker.

**Hon. Speaker:** Hon. Angwenyi, you are out of order. You cannot start shouting when you are seated without the leave of the Chair.

**Hon. Godfrey Osotsi** (Nominated, ANC): Thank you, Hon. Speaker for protecting me.

**Hon. Speaker:** Do you have the numbers?

*(Hon. Members stood up in their places)*

**Hon. Members:** Yes.

**Hon. Speaker:** Very well. You may resume your seats. Hon. Members, going by the interest that has been shown, I order that the House shall adjourn at 5.30 p.m. this afternoon to discuss that Motion up to 7.00 p.m., for one-and-a-half hours. Remember, in accordance with your own rules, only the Mover will be at liberty to speak for a maximum of 10 minutes. Any other Member contributing thereto is limited to three minutes.

*(Loud consultations)*

I can see there is so much interest. You want five minutes for every other Member speaking? Five minutes, it is so order. Any other Member contributing will speak for a maximum of five minutes.

Next Order!

## STATEMENTS

### SEIZURE OF CONTRABAND SUGAR IN THE COUNTRY

**Hon. Speaker:** Hon. Lesuuda. Do you wish to proceed with your request?

**Hon. (Ms.) Naisula Lesuuda** (Samburu West, KANU): Hon. Speaker, pursuant to Standing Order No.44(2)(c), I wish to request for a Statement from the Chairperson of Departmental Committee on Trade, Industry and Cooperatives regarding the contraband sugar recently seized in most parts of the country.

Hon. Speaker, it is alleged that the sugar is unfit for human consumption as it contains mercury and copper that are believed to have adverse effects on the human health. It is no wonder that even the rising cases of cancer could be attributed to this. Hon. Speaker, the killer trade is not only dangerous to the health of many Kenyans who are already victims but also impacting negatively on the economy through lose of millions of shillings through evasion of the Kenya Revenue Authority (KRA) taxes by owners of the illicit trade.

Hon. Speaker, it is against this background that I seek a statement from the Chair of the said Committee on where the contraband sugar is coming from. How has it been cleared at the points of entry? Who is the importer and was the sugar inspected prior to consumption? I would like to know how the packager of the contraband sugar acquired the Kenya Bureau of Standards (KBS) stickers, given that most shopkeepers still have this contraband sugar in their possession. What are the disposal plans, if any, and measures in place to ensure the disposal mechanism is not hazardous to the environment and human health? What measures are there in place to ensure that the foodstuff in the market is safe for human consumption and is there any arrest that has been made to those behind this illicit trade?

Thank you, Hon. Speaker.

**Hon. Speaker:** The Member for Mvita, read Standing Order No.103(2). Is the Chair of the Departmental Committee on Trade, Industry and Cooperatives in the House, Hon. Kanini Kega? Have you heard the request? He did not hear!

**Hon. Kanini Kega** (Kieni, JP): Hon. Speaker, I heard the request. I want to report to the House that we will investigate and get back to the House in a week's time. Actually on a related issue on counterfeit goods in the country we had requested KEBs and related companies to come before us on Thursday. Therefore, this will also be included.

**Hon. Speaker:** This request will be included in the discussions?

**Hon. Kanini Kega** (Kieni, JP): Yes.

**Hon. Speaker:** Very well. Yes, Leader of the Majority Party.

**Hon. Aden Duale** (Garissa Township, JP): Hon. Speaker, we want the Chair of the Departmental Committee on Trade, Industry and Cooperatives to give this House a categorical answer and commitment that from tomorrow, he will summon all relevant government agencies not only KEBS, KRA, Kenya Ports Authority (KPA) but also Cabinet Secretary (CS) the National Treasury and CS for Industry, So that we know.

This story of raiding small wholesalers and retailers we do not want that business. We want this matter... This House is under obligation and we represent the people of Kenya who are eating mercury and copper. We want the Chair to start investigating tomorrow. We cannot expect... You evade the big importers and go to Maralal, Garissa and Nakuru to invade a person who has 200, 100 or 50 bags of sugar and arraign them in court.

Hon. Speaker, with your support, we want to be told how many people the Cabinet Secretary for the National Treasury, during the campaigns in the month of August, gazetted and who imported sugar, how many did industrial sugar, how many did normal sugar and how many did the sugar with mercury. We want to know that.

**Hon. Speaker:** Leader of the Minority Party.

**Hon. John Ng'ongo** (Suba South, ODM): Hon. Speaker, I believe all of us appreciate this matter is very weighty. My concern with the period that the Chair has given us is that I really do not know whether he understands the magnitude of what we are asking. I will even expect that the Committee comes out clearly to tell us, which will include not just interrogating the Ministry of Trade and Industry but even that which deals with security. This is because if these products are getting into this country, they must be getting into the country through some entry points which require involvement of security. So, I am concerned about the one week that the Chair is giving us. We do not want half-baked and interim reports. We want a comprehensive report because the lives of Kenyans are at risk. This is a serious matter that, I think, the chairman needs to think through. That is why I doubted whether he actually understood or even heard in the first place the request for the statement. I think the Chair needs to be realistic.

**Hon. Member:** On a point of order, Hon. Speaker!

**Hon. Speaker:** There is nothing out of order. The chair indicated that he will be able to come up with a report. This is not business really.

**Hon. (Ms.) Cecily Mbarire** (Nominated, JP): On a point of order, Hon. Speaker!

**Hon. Speaker:** Hon. Mbarire, what is your point of order? You appear unsettled.

**Hon. (Ms.) Cecily Mbarire** (Nominated, JP): Mr. Chairman, I think... Sorry, Hon. Speaker. I think it is the sugar I have been taking that makes me to call you chairman when I should call you Speaker.

Hon. Speaker, I apologise. Hon. Speaker, you can see the effect of mercury. Actually let me say that I have stopped taking sugar and we have stopped as a family and Kenyans should be told to just take honey from all over.

Hon. Speaker, I think there is an important point that the Chairman should take into consideration; that as they investigate in that one week, more of this poisonous sugar is going into unsuspecting Kenyans. So, if he can take four days the better. We cannot wait for a week for more mercury to get into people's bodies. As they come up with that report, let us know who was given the import licences to bring this sugar in August last year and how much they were allowed to bring in and whether it was sugar for human consumption or it was industrial sugar. They should also investigate why it was brought in and the roles of all these institutions that are

supposed to look at what is coming into the country. They should find out how they allowed that sugar to come in. We want everybody apprehended. The big importer and even that small retailer must be found because we are playing with human life. I beg that you request the Chair to consider reducing the amount of time that he is requesting for.

**Hon. Speaker:** Hon. Members, I think you need to appreciate your role as legislators.

**Hon. Member:** On a point of information.

**Hon. Speaker:** You cannot inform me. Hon. Members, there is no debate. The Chairperson and this House, indeed, will not be the one to go and arrest people. The Committee is not going to arrest people. If the Chairperson feels confident that within the period of one week he is able to produce a report to the House, so be it.

**Hon. Jimmy Angwenyi** (Kitutu Chache North, JP): On a point of advice.

**Hon. Speaker:** Honestly, when you also hold the title of “father of the House” and if you show so much lack of knowledge of your own rules... Hon. Members, let that matter rest at that point. You are going to pre-empt what is going to come from the report. We are not discussing cancer. We are not there. Let the report come. If it says that there is cancer then you can debate at that point. Now you want to start telling us about cancer. Others will start telling us about malaria in the process. So, where are we going to end?

We have considered the request and we have determined that the appropriate committee is the Departmental Committee on Trade, Industry and Cooperatives Next Order!

The next member is Hon. Anthony Oluoch.

#### FUNDING OF POLITICAL PARTIES

**Hon. Anthony Oluoch** (Mathare, ODM): Thank you, Hon. Speaker. Pursuant to Standing Order No. 44(2)(c), I wish to request for a Statement from the Chairperson of the Budget and Appropriations Committee (BAC) regarding the dropping of the proposed amendment that was seeking to amend Vote 1311 on registration, regulation and funding of political parties.

Hon. Speaker, I wish to thank you for your guidance issued yesterday in this regard. However, this was prepared last week. So, I am reading it as it is as per the Standing Orders. Even as we move forward, the House should appreciate that the import of this amendment was geared towards fulfilling the requirements of Article 92 (1) of the Constitution on the legislation of political parties as regulated by sections 23, 24 and 25 of the Political Parties Act 2011. These sections of the law provide that the funding for political parties from the national Government shall be no less than 0.3 per cent of the revenue collected by the national Government as may be provided by Parliament. I, therefore, wish to request a Statement from the Chairperson of BAC to explain when this issue will be addressed. I have with me also, in support, a judgement of the high court on this very same question which I wish to lay on the Table of the House.

*(Hon. Anthony Oluoch laid the document on the Table)*

**Hon. Speaker:** Let us have the Chair of BAC.

**Hon. Kimani Ichung’wah** (Kikuyu, JP): Thank you, Hon. Speaker. As much as the Leader of the Minority Party is shouting from here that he can take the judgement to court, I think the issue that Hon. Anthony Oluoch raises is an issue that we deliberated on last week before we came to the Committee of Supply. As I indicated to Hon. Anthony Oluoch, that matter

was dropped and he has actually captured that in his request for a statement. Therefore, I am lost on what other statement he seeks other than to know that the matter was dropped by the Committee.

Secondly, that matter has now been overtaken by time. The horse has already bolted and I would encourage him to keep pursuing that issue as we move towards the next financial year. Of course, in line with the spirit of the handshake, revenues are bound to perform much better than they did last year. It must not be lost on us honestly that it is political parties in this country that got this country to where we are as a country economically. Therefore, let us also bear with the situation as it is even as I encourage Hon Anthony Oluoch. I know he is a very active member of his political party just like I am an active member of my political party and we are all interested parties in this matter. We have allocated adequate resources to enable these parties to continue operating as vibrant political parties. I am sure these Members are also contributing immensely to their respective political parties to enable them to continue running.

However, I can assure Hon. Anthony Oluoch, even without having to go back to statements, that towards the next financial year, the National Treasury is working on ways and means to be able to raise adequate revenues that will ensure that political parties also get their share of the revenues as stipulated in the Constitution.

Lastly, as I said, the matter is spent. The House approved its Estimates last week. Unless he is seeking a recommittal of those things - which is not the work of the Chairman of the Budget and Appropriations Committee - he would have to follow the same procedures that are usually followed.

**Hon. Speaker:** Let us have Hon. Junet.

**Hon. Junet Nuh** (Suna East, ODM): Thank you, Hon. Speaker. This is a very serious matter. It is a constitutional requirement. Giving money to any political party is not doing them a favour. The only political parties that qualify to get money are the Jubilee Party and the Orange Democratic Movement. This matter should be given the seriousness it requires. Since 2010, that constitutional provision has not been implemented. It is the same as the Equalisation Fund. Our party is very strong and is the biggest party in the country. We will not get the advantage of having the Communist Party of China sending some money to JP. On our side, we have no money. The money we are using to run our party is the money that we collect from our Members of Parliament and the public through donations and membership fees.

The politics of this country can only be governed through political parties. We must have strong political parties to sanitise our politics. Those issues of small briefcase parties should end. I suggest that the Chair of the Budget and Appropriations Committee takes this matter much more seriously. Now he feels he is in a bigger party which has formed the Government. But a time will come when JP will not form the Government and I might be the Chairman of the Budget and Appropriations Committee. I will not behave the way he is doing. I will give JP more money so that they can remain relevant and become... Even now, I am told they are broke. They have sent a letter to the Communist Party of China to send them some money but it has refused.

*(Laughter)*

Parliament should take up the responsibilities of budget-making. This is a matter that has even gone to court. There is a ruling and judgement to enforce that provision of the Constitution. The best answer I expected to hear from the Chairman of the Budget and Appropriations Committee is that they are considering that matter in the Supplementary Budget. We will give

political parties money in January when we are coming up with the Supplementary Budget. That is the right answer that the Chairman should give the House. Otherwise, he is violating a court order, the Constitution and many other laws.

In conclusion, with your intervention, Hon. Speaker, give orders that that should be implemented in the Budget.

**Hon. Speaker:** Hon. Anthony Oluoch was magnanimous enough to table a copy of this judgement. For avoidance of doubt, let me just read to you the final order so that you can now lay blame squarely where it should be.

(a) Judicial review order of mandamus be and is hereby issued compelling the National Assembly to comply with the provisions of Section 24 of the Political Parties Act, namely, to allocate and appropriate not less than 0.3 per cent of the national Government revenue collected to the Political Parties Fund for administration by the Office of the Registrar of Political Parties for disbursement to the qualified political parties in accordance with the legally established formula under the Political Parties Act, 2011;

(b) The Cabinet Secretary for the National Treasury is hereby ordered to ensure that in each financial year, the National Treasury - and this is important - shall make budgetary proposals and estimates that reflect the allocation of not less than 0.3 per cent of the national revenue collected to be due to the Political Parties Fund for appropriate administration and disbursement to the eligible political parties in accordance with the established formula under the Political Parties Act, 2011;

(c) This judgement and orders shall take effect from the 2018/2019 Financial Year; and

(d) the Deputy Registrar of this court to ensure that this judgement is served upon the National Assembly, the Hon. Attorney General and the Cabinet Secretary of the National Treasury within the next 10 days from the date of this judgement and an affidavit of service filed to that effect.

Therefore, the requirement on the Cabinet Secretary for the National Treasury is to make budgetary proposals. The business of allocating funds lies squarely within you.

*(Applause)*

The Departmental Committee on Justice and Legal Affairs will obviously be the one to lead in this and make their recommendation to the Budget and Appropriations Committee and then this House allocates funds. It is, therefore, the business of this House to appropriate such funds as are not in excess of 0.3 per cent of the national revenue. It means that it is you who have failed to do what you are required to do. You can only now begin another process of ensuring that you comply with this judgement. Obviously, as you know, Article 122 exonerates me because I have no vote. Hon. Oluoch, you have done well to bring this to the attention of the House. You must begin the conversation as to how and when it is that you propose to begin complying with this judgement.

Let us have Hon. John Mbadi.

**Hon. John Ng'ongo** (Suba South, ODM): Hon. Speaker, first of all let me declare interest - though not personal - but as the Chairman of one of the parties that is supposed to qualify for political party funding. I do not have direct pecuniary benefit from it.

It is good that you have read the court order, judgement and ruling. Now that the responsibility is placed squarely on the National Assembly - which is the body given the responsibility to appropriate funds - and given that if you read the Constitution and Standing

Orders, the document that will finally appropriate funds is the Appropriations Bill, would it be in order if I suggest that at the stage when we are approving the Appropriations Bill, we obey and respect the court order and allocate the correct and required amount to the Political Parties Fund? I say this because I sit on the Budget and Appropriations Committee and I know this matter was brought to us. I want to exonerate the Departmental Committee on Justice and Legal Affairs because I remember that the Committee recommended that we follow and obey not only the statutes, but also the judgement of the court. I sit on the Budget and Appropriations Committee which did not agree with the recommendation of the Departmental Committee on Justice and Legal Affairs. Even against wise counsel from some of us, the majority overruled us and our rules are very clear. If you are in the minority, you are in the minority. Now that none other than the Speaker has ably read this judgement to us as a House, I will only advise that when we will be working on the Appropriations Bill - because that is the final approval for withdrawal of funds from the Consolidated Fund - I urge that the Chair of the Committee looks into this matter so that we comply with the requirements of the law.

**Hon. Speaker:** Leader of the Majority Party.

**Hon. Aden Duale** (Garissa Township, JP): Thank you, Hon. Speaker, for that Communication. As one of the leaders of the largest political parties in the country, the Secretary-General of our party has written to me on this matter. Those of us who are in the leadership will not take the statement of the Chair lightly. Through your guidance, we will ask the Chair of the Departmental Committee on Justice and Legal Affairs to summon the Cabinet Secretary for the National Treasury and ask him why he is not complying with the court order. This House complies with a court order.

A CS must comply with a court order. Why do we campaign and become the largest party? We do not want parties to be funded by individuals or owned by a community. We want parties that can be funded by the Exchequer at the grassroots level, the county level and national level. That was the spirit of the Constitution. The political parties are funded because we do not want big boys to sit and run parties. We want the person who is in my constituency to be paid his salary by the party. I was in ODM in 2007. We used to go to the rich and mighty in the party, even when we want to have a retreat. However, these days, a party can have its retreat, pay its employees, rent buildings and call a parliamentary group meeting because the taxpayer will pay for it. As you directed Hon. Cheptumo, the Chair of ODM and I will look into it because we are the only ones who are victims. If we get money, we can give the other parties in this House something little.

*(Laughter)*

If ODM gets money, it can share with the other National Super Alliance (NASA) affiliates. If we get our money, we can share with Kenya African National Union (KANU), the Party of Development and Reforms (PDR) and give some little money to our affiliates. However, the big brother is broke on our side and the one in NASA is also broke. So, even the big brother is broke. He cannot help the small parties. Hon. Osotsi's one leg is in the Secretary-General's position and the other one is in court. That is why you see that there are only two parties that are conducting parliamentary group meeting. It is only ODM even though the numbers are reducing. They invited everybody but very few people went. Jubilee can talk to the Communist Party and Republican Party of President Trump because we are a big party. So, we talk to big parties. The numbers of ODM are reducing and they have no money. Out of the goodwill of the handshake,

we must give *Baba's* party the money that the Constitution has provided, so that they can pay air tickets for their Members. ODM told Members to go to Mombasa and to pay for their air tickets. How do you pay your air tickets? That is why the attendance was very low. Hon. Cheptumo will help us. We will call the CS. ODM and Jubilee must get their share. That is why we campaigned. That is why Jubilee has 170 Members today in this House. The next party that follows us is ODM with over 90 Members. At least, these two parties must get their share. Once we get our share, we can share those little resources with our brothers and sisters who are around us.

**Hon. Speaker:** What we need to appreciate is what is contained in Section 24 of the Political Parties Act and Articles 91 and 92 of the Constitution relating to political parties formation and funding. The reasons why they are funded from the Exchequer is because they are recognised as public institutions of public governance. Let us hear from the Chair of the Departmental Committee on Justice and Legal Affairs and then the Chair of the Budget and Appropriations Committee will wrap it up.

**Hon. William Cheptumo** (Baringo North, JP): Thank you, Hon. Speaker. I want to make some issues very clear. I want to say that I appreciate you because you have read the judgement. The reason why that judgement was served upon this House is because we are the institution that is supposed to appropriate funds for the political parties.

I appeared before the Budget and Appropriations Committee and made a presentation on the various agencies under my Committee. One of the presentation which I made before the Committee is the need for this House to avail Ksh2.7 billion because that is the money which ought to be allocated to the political parties. That is 0.3 per cent. I recall that very day that Hon. Mbadi and the other Members of the Budget and Appropriations Committee were very keen to listen to me. I want to say that this is the House that should set example. We cannot deny the political parties resources and then we blame the National Treasury. I want to put it very clearly that my Committee, as you ably said, is the one responsible for this. We made a very clear presentation to the Budget and Appropriations Committee. In the process, we were allocated Kshs370 million and we were left with a balance of Ksh2.4 billion. Therefore, I would like to support the proposal by the Members who have spoken before me that there is need... Our political structure is guided by political parties. How do we strengthen these parties if they do not have resources?

I want to agree with you that it is our business to appropriate enough resources to our political parties. The law is very clear. We have been directed by the courts to do so. We have to obey the courts. My Committee is ready to do what we are supposed to do to ensure that these particular funds are allocated to the political parties for purposes of running them effectively. Therefore, this is our business but not that of the National Treasury. I agree that it is the business of the National Treasury to propose the amount of money to be allocated but the decision to amend or confirm it is the business of this House.

I thank you, Hon. Speaker.

**Hon. Speaker:** Hon. Members, you appear like you want to debate. Hon. Oluoch sought a statement from the Chair of the Budget and Appropriations Committee. I expect everyone of you to know the process of actualising those proposals. Chair of the Budget and Appropriations Committee.

**Hon. Kimani Ichung'wah** (Kikuyu, JP): Thank you, Hon. Speaker. Hon. Anthony Oluoch is well guided as we all are on that matter. It is important to mention two things that have been mentioned by the Leader of the Majority Party. One is that it is a prerogative of these

political parties to do whatever they want, including sharing this money with their affiliate parties and those other parties they work with.

Hon. Speaker, many Auditor-General's reports have been tabled in this House. I am happy that Hon. Kathuri Murungi who chairs the Special Funds Account Committee is here. This House should encourage the Committee to look at the audit reports of Political Parties Fund and get to know them because there are very pertinent issues that have been raised by the Auditor-General in terms of what some of these political parties are utilising the funds for. Other than what the Leader of the Majority Party is shouting here about the use of funds to fund bloggers which is within the right of political parties, it is important that this House which is charged with the responsibility of overseeing public resources remembers these are public resources that have been given to these political parties for specific functions in order to advance the growth of our democracy.

Therefore, I encourage the Chair of the Special Funds Account Committee to table reports before this House. I agree with you, Hon. Speaker, that the Financial Year 2018/2019 is yet to begin. I have no indication whether there will be a Supplementary Budget but there is likelihood. Hopefully, before the end of the Financial Year 2018/2019 which begins in July 2018 to 30<sup>th</sup> June 2019, the National Treasury which is obligated by the provisions of the law will have made proposals which the Committee, as Hon. Cheptumo said, will consider. Once they are brought to the Budget and Appropriations Committee which the Leader of the Minority Party sits as an interested party and as the Chairman of the second largest party in the country, then we will ably consider those proposals and be able to allocate adequate resources.

Again, it is very important to make it clear that these are public funds. If we are supporting the President's call on accountability and transparency, it must begin from our own political parties. It cannot be that we allocate money, as Hon. Duale says, and it becomes the prerogative of John Mbadi as the Chairman of ODM to decide whether he will give part of it to Hon. Osotsi's Amani Party, FORD (K) or the Jubilee Party to decide whether they will give it to PDR, Economic Freedom Party (EFP) or KANU. Therefore, let us ask that our political parties also become accountable and transparent in how they utilise these party funds so that these Members are encouraged to support such proposals to allocate more resources to these political parties.

Thank you.

**Hon. Speaker:** Listening to a number of you, it is very clear that you need to look afresh at the Political Parties Act and the various regulations made thereunder to guide political parties on how to utilise public resources allocated to them. There is no prerogative of dishing out to others. It is not the money to go and dish out as *Harambee* money. It is not possible to do some of the things that you are saying you can do. You look at the regulations that have been formulated. Fortunately, I am aware of them because I took part in their development. You cannot utilise it in the manner that you are saying. Still, the ball is in your court. You know how to go about matters of this kind. There is nothing to debate; the ball is in your court. You know how to go about it. If you wish to propose amendments, you know how to go about it. We cannot just start discussing that as if it is the business.

Hon. Junet, you had a point.

DEMISE OF SENATOR BEN OLUOCH OKELLO

**Hon. Junet Nuh** (Suna East, ODM): Thank you, Hon. Speaker. I was requesting for your permission to condole with the family of my Senator who passed on this morning. We have lost our Senator for Migori County at MP Shah Hospital. I speak on the Floor of the House as Member of Suna East to condole with the family and give my sincere heartfelt condolences to the people of Migori who have lost a very serious leader. In the last elections, the Senator was one of the leaders from that county who were elected unanimously without much campaign. He was loved by everyone. He was very popular in the whole county. He felt ill after elections and was taken to India. Cancer is finishing our people.

**Hon. Members:** Sugar!

**Hon. Junet Nuh** (Suna East, ODM): I am now being told it is sugar. This cancer has claimed lives in this country. If something urgent is not done, many people will lose their lives more than from other diseases that were not treatable when they came to this world. The Senator was a staunch supporter of our party, ODM, and he was a strong leader that all of us relied on for advice. He has been a veteran journalist for more than 15 years.

I ask the House to condole with us as Migori people and to make sure that they accord us the necessary support so that we can take our Senator in a very decent way to his burial. That is the request I was making. In this world, many people have died. I have seen many counties that have lost leaders but in our county, this is the first one. This morning we were shocked when we got the news.

With those few remarks, I would like to tell the family that we are with them in this moment of grief. We will support them in any way we can. We will stand by them until the last day when we take him to his rightful place.

Thank you.

**Hon. Speaker:** Member for Rongo.

**Hon. Paul Abuor** (Rongo, ODM): Hon. Speaker, I also rise to give my condolences to the late Senator, Ben Oluoch Okello. He was not only my Senator in Migori County but he was also one of my constituents because he hailed from Rongo Constituency. So, on my own behalf and on behalf of my family and Rongo constituents, I offer my heartfelt condolences to the late Ben Oluoch Okello.

As Hon. Junet has just said, Ben Oluoch died as a result of cancer. We can recall that this House on 18<sup>th</sup> April passed a resolution that was brought through a Motion by Hon. Catherine Waruguru to declare cancer a national disaster and create a cancer fund for this. It is very unfortunate that 60 days after that resolution, cancer has not been made a national disaster. I hope the Government will abide by that and make it a national disaster.

With those few remarks, I give condolences to the family.

**Hon. Speaker:** Hon. Mbadi.

**Hon. John Ng'ongo** (Suba South, ODM): Thank you, Hon. Speaker. On my own behalf and on behalf of my family and the people of Suba South whom I represent in the National Assembly, the ODM Party which I chair and the entire NASA Coalition, I register my condolences to the family, friends, relatives, the people of Migori and indeed the supporters of the ODM for the loss of Ben Oluoch Okello, B.O.O. Before becoming Senator, Ben spent considerable length of time in the media.

I remember he started working for KBC in Kisumu and was running shows in Dholuo before he joined Ramogi Radio where he ran a number of shows. There were so many popular shows including the very early morning Christian show. One thing that probably people did not know about him is that he was also a very devoted Seventh Day Adventist (SDA) member. He

also ran late night programmes at times where he used to interview politicians. I am one of the people who had occasion to share lots of those shows with him where he interviewed me.

I just want to remember one incident one night when I had just finished the show with him at around midnight. He asked me whether we were going to conduct free and fair nomination process for the Senate seat of Migori County. I asked him why he was asking. He told me that we had a negotiated democracy for the Senate seat and other seats in that county the previous election and that he was not so sure whether that was still the case. I told him that I thought that the negotiated democracy did not work very well and, I was very certain that we were not going to repeat the same; we were going to open that seat. Then, he told me he was ready and willing to contest. I encouraged him. I told him to go ahead. At that time, I thought he was joking but it later gathered momentum. I want to put it very clear and confirm what Hon. Junet said that, if there is any person who has won his seat so easily and in a large electoral area, it was Ben Oluoch Okello. In fact, I am being told that one time when he was going for campaigns in one of the places called Sori in Nyatike Constituency, he had to ride a handcart being pulled by people. I think very few politicians would have such luxury of riding on a handcart with supporters in tow, encouraging you on. For most of us, people would be telling us “give us money we go.” In his case, he had love for the people. He had a very good vision.

I do not want to say more. I know this is the result of cancer. I am sure most of us are very concerned with the cancer menace in this country. It is something that we really need to seriously think through as a country; how do we address it? Probably, our researchers and universities need to find out. I do not want to just make a joke out of it that it is because of the sugar. It could be because of our eating habits, including these Kenyans who do not value people’s lives – those who are bringing toxic foodstuff in this country. But, beyond that and on a serious note, our researchers need to find out why cancer is spreading this much.

My last word, I know Hon. Waititu is on the other side and he is really interested in this, I got it from him that not less than one third of Members of this Parliament are being treated for cancer and cancer related diseases. Not a third, it is 10 per cent. I gave a very high number. Because many of us have not even been tested anyway, you may find that my estimation may not even be far off. We just need to pray that those of us who have not, probably, been diagnosed with cancer, do not have it. It is something that needs concern. By the way, those are Members of Parliament who can afford screening for cancer. Those Kenyans out there who do not even have the ability to finance their screening, many of them are suffering from this disease.

Thank you, Hon. Speaker. Again, I condole with the family and friends.

**Hon. Speaker:** Member for Uriiri.

**Hon. Mark Nyamita** (Uriiri, ODM): Thank you, Hon. Speaker.

I also join my colleagues in condoling with my Senator, Sen. Ben Oluoch Okello. Indeed, this is one gentleman who has not got the full opportunity to serve his people. Of the 11 months from the time he was elected, he has largely been in hospital. But, when you look at the HANSARD Report of the Senate, he is one of the people who have spoken. You are aware that there are Members in this House who will take many years or months before they even utter a word. The Senator was very active.

Indeed, the people of Migori voted overwhelmingly for the Senator, a staunch Adventist, a great supporter of K’ogalo, a great fan of sports. Now that we are watching the World Cup, I am sure he would have been one of the people who would really be enjoying.

As a MP from the very county, I join the family. We will stand with the family. To the people of Rongo, we condole with you for losing your constituent. I pray that the people of Rongo will give us a better Senator.

Thank you, Hon. Speaker.

**Hon. Speaker:** Member for Juja?

**Hon. Francis Waititu** (Juja, JP): Thank you Hon. Speaker for allowing me to air my comments on a Senator that I was with for seven weeks in India. When I got to India, he is the person who spoke to me on the side and told me how cancer is. When we compared, he told me to go easy because it was in Stage Two. He told me it was difficult to cure his which was at Stage Four. With my family which I was with in India, I send my condolences. I remember we used to go to church together when we were pushing him on a wheelchair, with his wife who is a magistrate. We prayed together. May his soul rest in peace.

As the Leader of the Minority Party has just spoken, this is something that we should take very seriously because of the foodstuffs that are in our country. It is good that MPs are agreeing to put this in action. We are happy for whoever supports us. When we talk about cancer in this Parliament, we are quietly sending pity feelings for us, especially me who is suffering from cancer and going back to India on 28<sup>th</sup>. Hon. Speaker, thank you for giving me permission to be away seeking medical attention.

Because much has been spoken about cancer, thank you and may God bless you.

**Hon. Speaker:** Finally, let us hear the Member for Migori County.

**Hon. (Ms.) Pamela Ochieng** (Migori CWR, ODM): Thank you, Hon. Speaker.

I would like to join Migori County on my own behalf, that of my family and the membership of Migori County that I represent in mourning my friend and colleague, Ben Oluoch Okello, commonly known to his fans when he was working at the local radio stations that have been mentioned as *jatugo namba ochiko*. That means player No. 9. As my colleagues say, that is the bit that earned him the vote. I know Ben Oluoch Okello as ordinarily rather a quiet man, very polite, friendly and humble. I am sure his family, the wife, children, brothers and sisters will miss him a great deal. People from Migori County are so sad because we got elected and Ben never had a chance to serve in the Senate for long. He has battled this disease bravely. I know he was a man of faith. So, I am hopeful that the Lord God will rest his soul in peace.

As has been said, this issue of cancer, even though we have talked about it, we cannot be tired of talking about it again. The truth of the matter is that cancer is claiming quite a number of lives. As we all note, our health facilities both at the ward, constituency and county levels are not well equipped. It is our humble appeal that even as we mourn our colleague and many other people who might have lost their lives to cancer today, we will move fast as a Government and a republic to ensure that we have these facilities to screen for cancer early enough to be able to save as many lives as we can.

I do not want to say much but, I would like to join the family and stand with them both in prayer and in kind. I invite all our colleagues to support this family at this time of need. I rest my case but pray that quick action be taken in this country to help people of Kenya fight cancer, especially at a stage when they can be helped.

I know quite a number of women are dying of cervical, breast and all sorts of cancers. I believe if we moved in to do the right thing at the right time, we could not stop deaths, but we can prolong people's lives and make them better.

May God rest Ben Oluoch Okello's soul in peace.

**Hon. Speaker:** Member for Kitutu Chache North.

**Hon. Jimmy Angwenyi** (Kitutu Chache North, JP): Thank you, Hon. Speaker. I rise to give a message of condolences on my own behalf and on behalf of the people of Kisii County who neighbour Migori County for the loss of our Senator. Cancer is becoming a national disaster and *Mheshimiwa* Waititu can confirm that. He told me that when he went to India he found a lot of Kenyans suffering from cancer. This House should bring a Bill or Motion that will establish a very competent cancer center in this country so that our people do not have to suffer going to India or America to seek medical treatment which they could receive in this country.

Hon. Speaker, I can now give the advice I wanted to give earlier. Please, do not buy any sugar which is not labeled “Sony” or “Mumias”. Last night when I went home, I found out that my wife had bought about ten packets of Kabras Sugar. I had read the newspapers that Kabras Sugar is full of mercury and copper. So, this morning I sought for a place where I could buy pure honey and I was directed to Ngong Forest where there is a center which produces pure honey. I have them in my vehicle and I will take them to my wife this evening and ask her to resist taking sugar. I am therefore advising my colleagues since we have been warned that Kabras Sugar and others are poisonous and can cause cancer. Why can you not buy honey from Ngong or Baringo. Baringo is another place where I understand has pure honey.

This Parliament should take the issue of setting up a cancer center in this country seriously. We should also help the President in fighting corruption. Bringing in fake and poisonous foods that we know are going to kill our people is corruption. We must begin fighting it from this House.

With those few remarks, may God rest Okello’s soul in eternal peace.

**Hon. Speaker:** Member for Kiminini

**Hon. Chrisantus Wakhungu** (Kiminini, FORD-K): Thank you, Hon. Speaker. On behalf of the great people of Kiminini Constituency and Trans-Nzoia County at large, we want to send our message of condolences to the family of the late Sen. Ben Okello Oluoch. It is a trying moment for the family and we pray that the Almighty God will give the family strength and comfort at this particular time.

As my colleagues have said, when it comes to issues of cancer, it is high time it is declared a national disaster. I have just seen the 411 on the Cuban doctors. The court has dismissed the petition and the Government can now go ahead and hire these medics. We are told that a majority of them are oncologists who are the experts on matters cancer. I think this should be taken with speed to the respective counties. We are told the machines are there but we have not had the experts to operate them. I am sure that these oncologists will play a critical role in terms of screening of cancer so that we can have early diagnosis. We know that there is a positive correlation when it comes to cancer diagnosis. If we do it at an early stage, then the probability of survival will be high. Unfortunately, in Kenya, a lot of screening diagnosis is being done at the late stages, so the probability of survival becomes minimal. I want to request our legislators, when you go to India... last time we had an opportunity to go for a parliamentary visit as Members of Parliament. In one of the hospitals we went to, we realised that diagnostics is very cheap and they have top of the range equipment. In case of an issue you can mitigate it at an early stage. I know that there is something that was provided for in the Budget but we must move with speed and declare this a national disaster. We do not want to continue losing our legislators and Kenyans.

May his soul rest in eternal peace.

**Hon. Speaker:** Member for Seme.

**Hon. (Dr.) James Nyikal** (Seme, ODM): Thank you, Hon. Speaker for giving me this opportunity to pass my condolences on behalf of myself and the people of Seme to the family of the late Sen. Ben Oluoch Okello. He, indeed, was a well-known man and many of us from Luo Nyanza who attended his sessions at Ramogi Radio really know how much he contributed. Most of us here perhaps got elected because of the contributions of Ben Oluoch Okello. If he hosted you on the morning sessions, your ratings obviously went up the following day. For that reason, we have really lost a man. We were expecting him to do a lot more in this House, but it is God's will that he has gone.

We must take this opportunity to talk about cancer. The way we are approaching cancer as a country is extremely expensive. We are going for big machines, expensive treatment and we are travelling out of the country. Whereas that is important in the final stages, it is possible and we can do it if early screening is done. A lot of cancers are treatable if picked early and the treatment services are not complex. Some can be done in health centers. Cervical cancer and cancer of the breast in women can be picked extremely early and even at healthcare centers. When I was in the Ministry of Health we had started some of these programmes. I think they should be taken up. I must say and I am saying this to my colleagues who are here, we have the facility and when I talk to some of us during tea time, we take the issue of screening for cancer rather lightly but I think it is something those of us who are able or at least while we are here need to get screened once every year. It will save us the loss; it will save this country money and will stop many of us from going to India. As leaders, we should start talking very loudly about screening of cancer. People should know. Everybody thinks that if you get cancer you are dead and this is a fatalistic attitude. We must start with early screening as the main push for cancer management.

With that, may the Lord keep his soul in eternal peace.

**Hon. Speaker:** Member for Ugunja

**Hon. James Wandayi** (Ugunja, ODM): Thank you, Hon. Speaker. May I also join my colleagues in sending my condolences and those of my constituents of Ugunja to the family, friends and relatives of Sen. Ben. Oluoch Okello and the people of Migori County as a whole. I happen to have been with Ben on Thursday last week, when I visited him at MP Shah Hospital. You could see a fighting spirit in him. Ben was obviously very ill but you could see he was fighting for survival. The medics at the MP Shah Hospital did their best under the circumstances to try and prolong Ben's life for some days.

I knew Ben Oluoch Okello much earlier, even before he became a senator, during his time at Royal Media Services. Just as my colleague Hon. Nyikal has said, Ben was instrumental in making my constituents know me; otherwise I would not have had the chance to be known and be elected as the first Member of Parliament of my constituency. Ben was a very lovable character, a very peaceful character. He was exceedingly non-controversial. That is why, I believe, most Members here do not know him. He was exceedingly non-controversial but very passionate about his work, initially at the radio station and later in the Senate. So, I wish to join the people of Migori in mourning the passing on of this very great son of the soil.

A lot has been said about cancer. As a House, I remember, we had a chance to pass a Motion in the last Parliament, which was moved by Hon. Gladys Wanga. I am not sure what the status of that Motion is as we speak. Something needs to be done to proactively deal with the matter of cancer. It is very unfortunate that that part of Nyanza, the southern part of Nyanza, has lost two senators successively. Remember we lost Sen. Kajwang' in the neighbouring Homa Bay County in the last Parliament and now we have lost Sen. Ben Oluoch Okello in Migori. We do

hope and pray that God continues to provide his protection as we give Ben a befitting send off. May the Lord rest his soul in eternal peace.

Thank you.

**Hon. Speaker:** Hon. Nyasuna, Member for Homa Bay.

**Hon. (Ms.) Gladys Nyasuna** (Homa Bay CWR, ODM): Thank you very much, Hon. Speaker. I rise to join the rest of the Members of this House in passing our messages of condolence to the family and friends of Sen. Ben Oluoch Okello, and the people of Migori County who have lost a very passionate senator, who, unfortunately, did not get to show his passion in his work.

I met Ben during his days at Ramogi FM at Royal Media Services. He ran a very popular breakfast show. Actually, for us who were joining politics in those days, Ben's show was a place to go and debate and showcase yourself. He gave us the opportunity to market ourselves to our people. It is very unfortunate to lose him.

Cancer has been talked about a lot. We have come to a place where action must be taken. As somebody who has survived cancer, I can say that this country, at present, has no mechanism to effectively diagnose and treat cancer. As Members of Parliament, perhaps, we are privileged in the sense that we can afford treatment outside the country, but for our people, the Wanjikus out there, a diagnosis of cancer probably means death immediately. First of all, when I was diagnosed with cancer, Sen. Beth Mugo told me that what will kill me maybe is not even the cancer; it is the stress of just imagining the disease. But imagine the stress of having the disease plus the fact that you are not in an economic position to afford treatment.

As Hon. Wandayi has mentioned, in the last Parliament, I did introduce successfully a Motion that spoke about training of oncologists. The cost was worked out by the Parliamentary Budget Office at just about Ksh146 million a year. We would be able to train 47 oncologists on scholarship by government from all the 47 counties and then ensure that we place them back in the county hospitals. The Committee on Implementation should follow up on this matter of training oncologists because people wait for one oncologist. Everybody is waiting. The country has not more than 30 oncologists. Then there are oncology nurses, radiologists and these others. If you compare the quality of care outside this country and the quality of care here, if you have gone through that process like I have, it is worlds apart. What a nurse can do out there, nurses here cannot do. Even a simple procedure of finding a vein, they will prick you like 10 times before they can find it. It is a very serious matter. I do not see Hon. ole Kenta here but I see my brother Hon. Abuor who is in the Committee on Implementation. They should follow up the status of that Motion so that we can put some money in the Budget and train oncologists, in addition to all other suggestions that have been made by Members.

With those many remarks, Hon. Speaker, may Ben's soul rest in eternal peace.

**Hon. Speaker:** Hon. Members, we all cannot eulogise the late senator. Please just be content with those few that have gotten the chance. As we say, may his soul rest in eternal peace.

Next Order.

## BILL

### *Second Reading*

#### THE COUNTY ALLOCATION OF REVENUE BILL

**Hon. Speaker:** Chairman, Budget and Appropriations Committee.

**Hon. Kimani Ichung'wah** (Kikuyu, JP): Thank you, Hon. Speaker. The County Allocation of Revenue Bill (Senate Bill No. 11 of 2018) was referred to the National Assembly through a message from the Senate that was read in the House on 6<sup>th</sup> June 2018 that sought the concurrence of the National Assembly on the Bill in accordance with the provisions of Article 111 of the Constitution. The Bill was subsequently committed to the Budget and Appropriations Committee, pursuant to Standing Order 41(6)(c) of the National Assembly.

**Hon. Speaker:** Maybe you need to move first for its reading.

**Hon. Kimani Ichung'wah** (Kikuyu, JP): Sorry, Hon. Speaker, I beg to move that this House adopts the County Allocation of Revenue Bill (Senate Bill No. 11 of 2018) which was brought to this House on 6<sup>th</sup> June 2018.

**Hon. Speaker:** You move for its second reading, is it not?

**Hon. Kimani Ichung'wah** (Kikuyu, JP): Yes. We have since considered it and therefore wish to move it for Second Reading. As I was saying, we have since considered this Bill and we can confirm that this Bill, as approved by the Senate, conforms with the Division of Revenue Act, 2018, which we enacted in this House on 10<sup>th</sup> April 2018.

To this end, the timely enactment of the County Allocation of Revenue Bill, 2018 is very critical in guaranteeing our county governments their respective share of the equitable share of revenue that is raised nationally as well as conditional allocations meant for better service delivery and a seamless operation of our county governments.

The Bill provides for the allocation, amongst county governments, of the equitable share of revenue raised nationally, six conditional allocations from the national government's revenue and nine conditional allocations being loans and grants from development partners for the Financial Year 2018/2019. The Committee has observed, during its deliberations, that the criteria used to allocate the equitable share is based on six key parameters, one being population which accounts for about 45 per cent; land, 8 per cent; poverty, 18 per cent; equal share, 26 per cent; fiscal responsibility, 2 per cent; and development factor which contributes 1 per cent. However the Committee has noted with concern that there are 29 county governments that will not receive the allocation of the fiscal responsibility share of Kshs6.28 billion for the Financial Year 2018/2019. This is because 26 of these county governments have a zero score on the fiscal effort index which measures the county's increments in all sourced revenue per capita.

Hon. Speaker, indeed the Committee is concerned that the criterion used only focuses on revenue collection and not the financial propriety that includes the prudent use of revenue. In future, this allocation should encompass all sourced revenue collection and also the county government's expenditure while focusing on issues raised by the Auditor-General for each county.

It is worth noting that out of this 26 county governments that are missing out on this 2 per cent fiscal responsibility and a number that have lost the shares that they got in the last financial year *vis a vis* what they are getting in 2017/ 2018 and 2018/2019, the criteria that has been used is basically on own revenue collection. We are encouraging county governments or rather the criteria used even at the Senate level to also include financial propriety at a time when we are talking about the fight against corruption. This fight against corruption must be extended to our county governments because they are one of the areas that have become very lucrative. Not just for governors, but the finance and procurement officers that His Excellency the President has ordered to go for a lifestyle audit and they step aside despite them going to court. The most lucrative thing today is to be hired by your governor as a procurement officer or as a

finance officer in a respective county. It is therefore important that we encourage the Senate to ensure that this 2 per cent fiscal responsibility also encompasses the element of financial responsibility in terms of ensuring that our expenditures at the county government level are also done in a transparent and accountable manner.

Hon. Speaker, the criteria for allocation on conditional grants is not transparent enough and there is need for the development of a framework for dissemination criteria to be used. The reporting mechanism and monitoring and evaluation of this conditional allocation, especially from the national Government revenues which are all sources of GoK money such as the leasing of the medical equipment that was allocated about Kshs4.5 billion in the Division of Revenue and County Allocation of Revenue Act /2017... During the financial year, the allocation increased to Kshs6.1 billion without an amendment to both the Division of Revenue and the County Allocation Act 2017.

Hon. Speaker, the Committee therefore makes the following recommendations: That, the Intergovernmental Budget and Economic Council (IBEC), and the Intergovernmental Technical Relations Committee develop a framework for a clear linkage of the County Integrated Development Plans (CIDPs), County Fiscal Strategy Papers (CFSPs) and the County Budgets to the Vision 2030 Medium Term Plan III that will actualise the Big Four Agenda. Further, that the period for consideration for approval of the BPS and CSP be increased from two weeks to one month through amendments of the PFM Act to provide adequate time for scrutiny of both documents in line with the Big Four plan.

Hon. Speaker, the Commission on Revenue Allocation should recommend to Parliament a framework on conditional allocations to county governments that focuses on the allocation criteria, reporting mechanism, monitoring and evaluation of these conditional allocations. It is worth noting again that these conditional grants and allocations that we are giving to the county governments, the criteria used is not very transparent. We are encouraging the CRA to ensure that they develop a framework on this conditional allocation to ensure that every county and Member of Parliament and Member of the County Assembly is aware and knows how much has been allocated to a particular county as conditional allocation. This is so that the county assemblies are better able to oversee and even for those of us, MPs and Senators back in our respective counties can oversee and actualise the real intention of allocating this money to the county government.

I do not want to speak much. We are constrained of time because of the pending business. Therefore, I beg to move and seek support through secondment of the Majority Whip, Hon. Washiali.

**Hon. Benjamin Washiali** (Mumias East, JP): Thank you, Hon. Speaker. I rise to second the County Allocation of Revenue Bill, Senate Bill No.11 of 2018, as ably moved by the Chairman of Budget and Appropriations Committee. Allow me to appreciate the expeditious manner in which the BAC has executed its mandate in processing the County Allocation of Revenue Bill in line with Standing Order No.234.

I am also cognisant of the importance of this Bill in ensuring that each county government has its respective share of revenue raised nationally as well as conditional allocation. I am aware that this is the last County Allocation of Revenue Bill to be formulated on the basis of the second formula for the annual allocation of national revenue among the counties. I recommend that these governance matters in counties be considered when coming up with the third formula. I am concerned on the support to counties by development partners. Members are aware that the Senate has published the Division of Revenue (Amendment) Bill, 2018. This

occasioned delays in submission of development partners' commitments. This means out there, our budget process and timelines are not being adhered to. The legislative budget calendar should be respected and development partners should ensure their support to counties is submitted early enough to be included in the Budget Policy Statement and consequently in the division of revenue that shall inform the county allocations of revenue.

Hon. Speaker, lastly, as the Mover has said, I do not want to talk much in secondment because this is a Bill that has largely been dependent on our partner House, the Senate. So, we just need to ensure that whatever they agreed upon is adhered to as per the Budget requirement. I support the adoption by this House of the Report by the Budget and Appropriations Committee on the County Allocation of Revenue Bill, 2018.

Thank you, Hon. Speaker.

I second.

*(Question proposed)*

**Hon. (Ms.) Catherine Waruguru** (Laikipia CWR, JP): On a point of order.

**Hon. Speaker:** Hon. Waruguru, what is your point of order?

**Hon. (Ms.) Catherine Waruguru** (Laikipia CWR, JP): Thank you, Hon. Speaker, I beg to move:

THAT, pursuant to the provisions of Standing Order No.97 and notwithstanding the resolution of the House on Wednesday, 14<sup>th</sup> February 2018, this House further orders that each speech in the debate on the business appearing under the Order No.8, County Allocation of Revenue Bill, 2018, be limited to a maximum of three minutes.

My intention is very clear. Members agreed that we need to adjourn this House and discuss matters related to sugar. We will be doing that at 5.30 p.m., it is already 4.00 p.m. This is of big importance because we have passed the Budget for the Financial Year 2018/2019. We need to move forward discussing this matter and resolve it because we were in agreement. We need to discuss matters of national importance like the sugar business deals and scandals.

**Hon. Speaker:** Who is seconding you?

**Hon. (Ms.) Catherine Waruguru** (Laikipia CWR, JP): Thank you, Hon. Speaker. I want to request Hon. Ichung'wah the Chair of Budget and Appropriations Committee who understands this Budget better than majority of us to second this proposal.

**Hon. Speaker:** Since, Hon. Kimani Ichung'wah has already spoken on this Motion it will be most unfair for him to second you.

**Hon. (Ms.) Catherine Waruguru** (Laikipia CWR, JP): Thank you, Hon. Speaker. I want to call upon Hon. Chris Wamalwa to second.

**Hon. Speaker:** Hon. Wamalwa.

**Hon. Chrisantus Wakhungu** (Kiminini, Ford-K): Thank you, Hon. Speaker. The Member for Laikipia is still learning and is a first timer. Obviously, there is no way Hon. Ichung'wah can second this Motion. You are not going to dictate what I say.

As much as we want to discuss matters of national importance, this Bill is of much importance because it provides horizontal sharing of money among the counties. We have serious issues to discuss. I want to oppose the three minutes and propose five minutes for every other member contributing because of the corruption matters in this country.

*(Laughter)*

We know very well that His Excellency the President is supposed to lead from the front in the fight against corruption. He gave a direction that all the procurement and finance officers should step aside. However, in the counties the people in-charge of procurement and finance have not stepped aside, violating what His Excellency the President said. I oppose and propose five minutes.

**Hon. Speaker:** Well, the Motion by Hon. Catherine Waruguru falls flat on its face, dead in the water. Let us proceed, Hon. Junet.

**Hon. Members:** Five minutes.

**Hon. Junet Nuh** (Suna East, ODM): Thank you, Hon. Speaker. From the outset, I want to take this opportunity to thank Hon. Chris Wamalwa for opposing. The County Allocation of Revenue Bill, 2018 is very important and I stand to support it. Secondly, we must get good time to speak on it. The Senate where this Bill has originated is taking this matter like a ritual. Something they just do for the sake of it because the Constitution requires of them. However, we must agree that there is a problem in this country.

The biggest gift this country gave itself in the new Constitution, 2010 is devolution. The amount of corruption, wastage and public theft that is happening down there is unacceptable. As a country we are focused so much on what is happening at the national level. However, when we go down to the villages unless this matter is arrested and addressed in a serious manner then devolution will become useless in this country. I think this is the sixth year we are passing this kind of a Bill. The Speaker and I were in the last Parliament and we passed the County Allocation of Revenue Bill again and again. We do not know where this money goes to. It should not be sent to the ground to pay salaries and the balance is taken by some people to be eaten as their own money.

This country will not develop and the Big Four Agenda will not succeed. We will not go far unless this problem is fixed. We must come up with a mechanism that, next financial year, when passing this kind of Bill, any county that cannot account for the money they were given in the previous years should not benefit from more money. It is very unfortunate that we are discussing this when people are dying in the counties of small diseases like diarrhoea. The other day I heard in Naivasha there were cases of dysentery, typhoid and cholera. What is the disease called, *hii ya kuharisha*? I cannot remember its name in English. We have these kinds of diseases when we are devolving Kshs.10 billion or Kshs.15 billion in one county.

You have been in this country for many years. Look at this scenario, these counties have not been receiving this kind of money since Independence and life was going on. Hospitals and schools were being built, children were going to school and the Government was on the ground. We have now gone further and taken more money to the counties and our problems are increasing instead of decreasing. What does that tell you?

The other day, the President came out and said he wants all finance and procurement officers to step aside. I thought counties would follow suit the same day and say all their finance and procurement officers should step aside. Are they not finance and procurement officers? The people of this country have also been failed by the Members of County Assemblies. In the National Assembly, departmental committees hold every ministry accountable at their level. The same was supposed to happen at the county assemblies.

I do not know whether Kenyans elected illiterate people to those positions. In the actual sense that is what is supposed to happen. If they do not have experts, we have enough experts here in Parliament. We can send Njoroge to go and train them on how to hold the governor and

his executive accountable. It is painful that our mothers are still carrying jerricans of water on their backs when we have sent Kshs.10 billion today to different counties.

Yet, they call for a conference every year just to talk about the good things devolution has done. They say they have put murrum on several kilometers of roads and devolution is working. Where is devolution working? We have not given ourselves devolution so that we can create 47 billionaires. We brought devolution so the ordinary citizens can benefit from it. Why can the Senate not hold them accountable? After all, they are in place for the interest of counties. They do not have any other business. Which other business does the Senate have in this country other than taking care of the interest of counties?

We saw them inviting the Cabinet Secretary for Internal Security and Coordination of National Government the other day. I saw them talking about some transnational road to Cameron, Uganda and Tanzania. What business does a Senator have to do with this? He does not allocate that Ministry any money yet, he is discussing Kenya Airways (KQ) and cattle rustling. These are matters of the national Government. They were put in place to make sure the interests of the counties are taken care of. One of the things they can take care of is to hold county governments accountable so that they can deliver to the people of this country.

Today, if you do a survey, 60 or 70 per cent of Kenyans are not happy with the services being provided by different county governments. Somebody should not mistake me for not wanting a certain governor. I am speaking here as a Member of Parliament who takes care of the interest of all Kenyans.

To conclude my submission, I think the Senate is not being truthful to us. If they want the National Assembly to support this kind of Bill in the next financial year, the Senate must tell Parliament how many governors and county governments they have held accountable. The county governments have now stopped collecting revenues. They have completely stopped. They just want money to be sent from Nairobi. Some county governments were collecting billions of shillings when they were local authorities. I am told that those monies are now going to private accounts. Just because you are going to receive Kshs10 billion from the National Treasury, you do not need to account for the money you collect at the county level. Today I am speaking like this because of the love I have for devolution. Our country needs to develop. In developed democracies the world over, it is the devolved units that have brought that kind of development. Examples are Japan and Germany and many other developed countries. Development was achieved after devolution. We sat down as a country and realised that we need to devolve ourselves. We devolved both power and resources. One of the most powerful people in this country today is the county governor. Some county governors have between 20 and 30 bodyguards and different kinds of houses. Their first ladies have vehicles with sirens. If we continue that way, we will be wasting Kshs400 billion every year. Since devolution began, the amount of money that has been devolved is over a trillion shillings. A trillion shillings is a lot of money. My contribution is that we should hold the county governments accountable.

This is a warning to the Senate. If they are not going to tell us how they have held governors accountable, in the next financial year, we will pass the County Allocation of Revenue Bill just like it is now. There will be a problem.

**Hon. Speaker:** Member for Buuri.

**Hon. Mugambi Rindikiri** (Buuri, JP): Thank you, Hon. Speaker. It is very important that we are all concerned about how the money that is released by the national Government and donors is being utilised by the county governments. I join the other Members, particularly Hon. Junet. It is high time that accountability is taken to the grassroots. What we see in this Bill is that

the money is going. How the money is being used is not being shown. The Senate has the responsibility of setting parameters on how to do oversight and what is expected of each and every county.

If you look around all the counties, there are certain essential services that are missing. In some counties you find little things like Early Childhood Development (ECD) classes have no furniture yet you can see there is capacity building funding by donors. There is the first tranche and the second tranche for capacity building funds. The counties are building capacities without even looking at basic facilities. The Senate has the responsibility of not just pushing things to us for support and approval but they also have the responsibility of telling us how those resources are being utilised. The Director of Public Prosecutions (DPP) said there are five governors who need to be investigated for corruption. They are not telling us very clear why they are not fighting corruption through the Senate. All they are telling us is that we approve the allocation of money. It is high time this House refuses this marriage of supporting a Senate which is not doing its role of oversight.

It is very ironical. In my county, there was a stadium which was tendered for and money paid out. Not until this Government came to power was the construction of the stadium completed. Were it not for the initiative of our current governor, the money that was paid would have disappeared with the contractors. It is our responsibility, as a House, to ensure that public funds are put into proper use. The dwindling revenue collection in the counties is where the Senate has failed. It is a big question. We do not know where that revenue is going. We do not know who is collecting it. They are now relying on the money that is collected by the national Government and the grants given by donors. It is upon this House to demand that we be given the amount of revenue the counties are collecting so that we can know. Otherwise, given the situation as it is right now, the counties have more unaccounted money than the national Government.

In as much as we are supporting this Bill, come the next financial year, we will not blindly support the Senate in terms of revenue allocation unless we are told how the county governments have collected their revenue and how that money is being used. We should also be told about the performance parameters that are going to be used for us to approve this kind of Bill in the next financial year.

**Hon. Speaker:** Member for Alego-Usonga.

**Hon. Samuel Atandi** (Alego-Usonga, ODM): Thank you, Hon. Speaker, for giving me the opportunity to support this Motion. There is consensus across the board that the resources that this House allocates to county governments are not being utilised properly and, therefore, those resources are not benefiting the common man. I agree because, as most of my colleagues have already highlighted, if you walk across the counties, you will probably notice projects that are funded by the national Government and those which are funded by resources allocated to our constituencies through the National Government Constituencies Development Fund (NG-CDF). You will hardly see serious projects being undertaken by the county governments. We want to be blunt and say that our counties must pull up their socks in terms of the way they are utilising public resources.

The county governments are also supposed to generate their own resources. From the records, it is very clear that a few counties are making efforts in this direction. The county governments will not be sustainable in the long run if they will not be able to continuously grow their own revenues. I would like to urge the Senate to be vicious in terms of how they are going to supervise the counties. I am disappointed that we have not been able to allocate resources to

the Senate for purposes of supervising and ensuring accountability in the counties. This House must take this matter with the seriousness it deserves. Most Senators have gone into handling matters that should be handled by the National Assembly. I think they are doing this because we have not given them capacity. I urge this House to consider putting aside the resources that the Senators need to supervise counties.

The other issue is that our counties are being given resources for fuel as part of the fuel levy fund. In the current Budget, they have been allocated about KShs8.2 billion to be able to take care of roads in the counties. If you go to some counties today, you will not find good roads. The governors want to take credit for roads that are being done by the national Government. We want the Senate to be very serious. We want to see a serious audit on the resources that have been allocated to the counties as part of fuel levy because I personally have not seen those resources being taken care of well. I do not even know whether the counties have engineers who should check whether the county roads are being properly constructed. In my county, my governor fired all the engineers and the accounting officers because we complained that we are not seeing value for the resources that are allocated to those departments. I urge counties to follow in the footsteps of the President who fired all the accounting officers in the departments of finance and procurement. In the end, we will see as a House that all the resources that we have put in the counties are well-utilised.

It is not a lie that most governors are rich. They have become rich because of the resources that we have given to them. I am not surprised that most of the Members in this House are planning to become governors after the end of the term of this Parliament. The attraction is that there will be resources which some of them will benefit from. I urge my colleagues who are here and are interested in running for the position of governor that they should not be interested in running for that position because of the resources or the riches that governors have right now. My colleague, Hon. Chris Wamalwa, is complaining because he is already campaigning to become the governor for Trans-Nzoia County. When they get those positions, I urge them not be a disgrace to this House in the manner in which they dispense resources.

Kenyan's fought and died for devolution. We want to see resources going to the ground and being utilised to benefit the people who fought for devolution. We did not fight for devolution for the sake of it. We fought for it because we wanted to transfer benefits to the people. If those benefits are not being realised, then maybe we will urge the President to wind up some counties which are suffering from leadership malaise. Their governors are unable to even address fundamental issues, constitute serious cabinets and appoint their deputies. We need to look at devolution in a better way. We do not want to be a House that takes two seconds or minutes to approve budgets allocated to counties and we do not even have a serious conversation on how those counties are using resources.

I support the Bill but in future, we need to change the approach in which we look at the budgets to counties so that we have better accountability and a better way of looking at how resources are spent in order for us to say that we are a House budgeting for the good of Kenyans.

I support the Bill.

**Hon. Speaker:** Let us have the Member for Kipipiri.

**Hon. Amos Kimunya** (Kipipiri, JP): Thank you, Hon. Speaker. I rise to support this Bill that has been brought to us from the Senate. No doubt the Senate has done what they were supposed to do. I would just like to alert Members that this is one of the most important things that we can debate as a House. I know there was a time when we used to curtail debate on it because of matters that we have already requested for a statement from a Committee. This is

very important. We are talking of Kshs314 billion going to the counties, in addition to the other conditional grants.

Of utmost importance - because I do not have enough time to go through all the various issues - when you look at the distribution schedule for this Kshs314 billion across the entire population of 45 million Kenyans in the country, you see major disparities. You look at one county receiving Kshs10 billion while another receives Kshs4 billion. The populations of those two counties are basically the same. Those are the discussions we should be having in this House so that we can interrogate the work that the Senate is doing when they agree on a formula that allows one county to receive an allocation of Kshs3 or Kshs4 billion. Laikipia is receiving Kshs4.1 billion and Nyandarua, Kshs4.9 billion. Mandera is receiving Kshs10.14 billion in addition to other grants under the Equalisation Fund. Turkana County is receiving Kshs10.8 billion plus 25 per cent of the oil revenues. Where is the equity in the distribution of money in this country? This is the conversation we should be having in this country as the National Assembly. By trying to curtail the debate on this without interrogating these figures, we are basically letting the Senate go scot-free with a poor formula that discriminates between the various counties.

The people of Kenya are equal. The Constitution envisaged a situation where people would get equitable distribution of those resources. That is why you find some counties are growing and others are stagnating because they are presumed to have had money in the past. Tharaka Nithi County is known for being a rich county. It is only receiving Kshs3.64 billion. Tharaka Nithi does not even have county headquarters just like Nyandarua yet counties that were developed and have been developed over the years have now been granted billions in double digit figures.

Even as we look at those things, I do not want us to say we will not pass the Bill. I support it. But let this be an eye opener that we need to interrogate the formula. It is now 2018. We started this experiment in 2010. It is time we started interrogating that formula and got the Commission on Revenue Allocation to convince us how, if all those monies have been taken to all the counties, we have not seen the development that we expect in Turkana. After eight years, about Kshs80 billion has gone there yet we have not seen it. The per capita distribution of Kshs314 billion across the 45 million Kenyans works out to about Ksh7,000 per Kenyan. In Nyandarua, the population is receiving Kshs6,000 per capita. Where is the equity in this country? It is time we started interrogating that.

I would like to urge the Budget and Appropriations Committee, the Committee that oversees the CRA and this House to pay special attention to this formula that is creating the discrimination in the allocation of resources across the various counties in this country. We got it right on NG-CDF and the roads money by stipulating that all counties are equal and should be given equal amounts of money. We should move as quickly as possible to achieve the same parity in the distribution of money to the counties then we will see the whole country achieve growth and development as one.

I am aware that the Senate has obviously been doing work based on the limited mandate.

**Hon. Speaker:** There is a point of order from the Member for North Horr.

**Hon. Chachu Ganya** (North Horr, FAP): On a point of order, Hon. Speaker. I have a lot of respect for my senior, the former Minister of Finance and now the Member for Kipipiri, Mr. Amos Kimunya. Is it fair for somebody who has been a technocrat in this Government, a Minister for Finance and who knows this country very well to say that all our counties and

constituencies are equal? He is confusing equity for equality. Some constituencies in this country...

**Hon. Speaker:** What is your point of order?

**Hon. Chachu Ganya** (North Horr, FAP): My point of order is that is it fair for him to mislead this House that we have equity in this country when we do not? Some of our counties lack even a single hospital.

**Hon. Speaker:** That is his view. You will have your opportunity to contribute.

**Hon. Chachu Ganya** (North Horr, FAP): But he is misleading the House.

**Hon. Speaker:** Hon. Chachu Ganya.

**Hon. Chachu Ganya** (North Horr, FAP): Let him get his facts right then.

**Hon. Speaker:** You will have your opportunity to contribute. This issue of wanting to contribute to a debate by way of points of order is not fair.

**Hon. Amos Kimunya** (Kipipiri, JP): Thank you, Hon. Speaker. I want to repeat myself and say very clearly that all Kenyans are equal. That is envisaged and grounded within the Constitution. All Kenyans should have equal access to the resources of this country. That is in the Constitution. If you read your Bill of Rights you will see that every Kenyan is entitled to water in sufficient quantities. The issue I am talking about is if you look at those disparities - even taking into account that the different regions of this country may be dispersed - this is not the only amount of money that is being allocated to those counties.

There is money which is allocated through the Equalisation Fund which goes to the counties which always say that they are marginalised. There are development grants that go in there. There are a lot of Non-Governmental Organisations (NGO) which put money in there. At some point, we are not using the right formula. We are only closed to look at historical issues but not the current issues. For example, look at Turkana County. How much money has been poured in that county for the last eight years? It is over 80 billion. Can you see that development when you go to Turkana? If you go to Mandera County, can you see the development that has been done with Kshs80 billion for the last eight years?

We are putting a lot of money out there but we are not seeing the development. We continue fuelling the same. We are putting arms into mageddon. It is time we relooked at this formula. This money must be applied where it will achieve maximum development to ensure equitable development of each and every Kenyan. It is time we started to look at other formulae. I would like to ask the Chair of the Budget and Appropriations Committee and the various teams that oversee counties and the Senate to rework on this formula and present it to us. Otherwise, we will bring a Bill to change the Constitution to ensure that the Senate either goes home or gets them to do their work properly to ensure equitable distribution of resources among the counties.

With those few remarks, I beg to support the Bill.

**Hon. Speaker:** Member for Ndhiwa.

**Hon. Martin Owino** (Ndhiwa, ODM): Thank you, Hon. Speaker. I am very grateful for giving me this opportunity to contribute. I want to echo what Hon. Kimunya said. We need to do some analysis. I wish the Senate did this, so that they can come up with a different allocation of revenue system.

Let me also talk of the issue of the pending bills which are made on the budgets. It has become a trend that pending bills are sort to be paid somewhere else. I do not think that is right. That should be looked into. At the same time, we have to look at the disbursement of the resources that we give to our counties. As much as we caution them, we also have to realise that they get their monies very late and then get these bills. That also needs to be looked into. What is

worrying me most as a Member of the Departmental Committee on Health is that we are still doing very poorly when it comes to the percentage as per the Gross Domestic Product (GDP). The World Health Organisation (WHO) recommends that at least 10 per cent of GDP should be allocated to health. Many countries are doing very well on this. As we struggle nationally as the National Assembly, each and every county allocates its monies in different ways. We do not know what percentage it is. Some allocate 20 per cent, 5 per cent and some are very low. This can be standardised in a way that the funds for health in the counties are ring-fenced at one percentage. That is something that the Senate should have a strong look at.

Human resource for health is very key. I mentioned last time that this is capped when it comes to recurrent and capital development. However, look at it in this way: you cannot build a health centre and expect it to run without a nurse, clinical officer, or any other health personnel. At the same time, human resource is budgeted under Recurrent Expenditure. We should not go beyond 35 per cent of the Budget. The counties hands are also stuck in this. As a House, we should look into the ways and means of dealing with the human resource for health. We should look at whether we move them to capital expenditure, so that they do not go beyond the capped recurrent expenditure, so that we can have WHO standards.

The other point which I want to make is the issue of roads. If you ask me as a Member of Parliament, the beatings I get are for poor roads. I cannot say how much my county government puts into my roads in Ndhiwa Constituency and to what standards. At one point, the construction of roads should be taken back to NG-CDF, so that we can take care of our constituency roads. Roads are as important as the health of the people. We should take them very seriously.

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

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

Lastly, I want to recommend that in the next allocation for the Senate, let us do this by regression or scaling up of funding. For example, why should we retain the current formula that is used by the CRA in a county that does so poorly in revenue collection or performance? We should look into those criteria and have a formula. There are some factors that should be factored in. For example, Homa Bay County is a disease burden. Human Immunodeficiency Virus (HIV) and maternal death are the highest in the country. How come those issues are not factored in when funds are being given to counties? In many other counties, you can also have some disparities in that kind of area. Allocating revenues should be a ritual as one Member said. We should sit down and have proper analysis, so that when we give money, we know why it is being given.

Thank you, Hon. Speaker. I beg to support this Bill with those reservations.

**The Temporary Deputy Speaker** (Hon. (Ms.) Soipan Tuya): Member for Molo.

**Hon. Francis Kimani** (Molo, JP): Thank you very much, Hon. Temporary Deputy Speaker, for giving me a chance to contribute to the County Allocation of Revenue Bill. Since the dispensation of the Constitution 2010, the several other mandates that were previously held by the national Government were taken to the county governments.

We cannot overemphasise the importance of our roads which is one of the factors of production. Mobility of our factors of production remains a key issue. It becomes very embarrassing every time we look at the states of the roads, especially those which are supposed

to be maintained by our counties. I want to say without fear of contradiction that the Kenya Rural Roads Authority (KeRRA) which is patronised by the Members of Parliament is doing its best to maintain the roads. However, the roads that lead to villages and farms which farmers need to take their produce to the market remain a key problem despite the big allocation of revenue by the county governments.

We hold elections every five years. Every leader who comes in wants to leave a legacy. In as much as we want to leave this legacy, there has been a worrying trend that we have discussed on this Floor before. I would like to talk about it again. That is the issue of projects that delay for too long. If you go to Nakuru County, we have dispensaries that were allocated money in the former regime but they remain unopened and unoperational. Our people are not able to access these facilities because those projects have never been completed. In my submission, I want to say that before the county governments embark on starting their own projects in this last financial year 2017/2018 and 2018/2019, they should first prioritise those projects that have been allocated money.

The issue of revenue collection by our counties remain a key issue. Every time a project in the counties is not in progress, the members of staff tell us it is because of delays in the release of money from the National Treasury. I wonder whether the counties forget their roles of revenue collection or they just rely on the revenue that is collected by the national Government. The *Mama mboga* from that small market at Salama in Kasarani and Elburgon pays some money every day to the county government for their licences.

Even that *boda boda* operator who is riding the *boda boda* on a very bad road being rained on trying to earn a living is still taxed to give money to the county government but this money does not go to maintenance of those roads. Some counties have levies on licence applications. That money is supposed to go for tourism promotion but when you look at the programmes that these counties have in tourism promotion, they are almost non-existent. Many of the counties remain without a fire extinguisher but business people in these counties still contribute money to cater for emergencies like fire. So, we are paying for services that are not availed to the constituents. As much as I support this Bill, let us look at how the counties are spending this money. The counties that generate the most revenues from their citizens should get the most. The counties that prove best how to use their revenues should be allocated more. But this blanket way of saying county “x” has a particular population so we are allocating them money “y”, county “y” has this number of projects so we are allocating them this money without looking at how this money is spent, should end. We should look at the way to run this country as the way we would run a business. There is no need of making investment in a project that has no return. There is no need of investing money in a county that does not care for the quality and the value of money on projects done.

Lastly, let me talk about corruption. We gave birth to this baby called devolution. We must by all means support it. We are not going to support it if we are devolving the eating of these public funds. Every time you go to these counties, you hear serious anomalies of misallocation of funds. We are giving this money to the counties but we want accountability and value for money. We are requesting these county governments to prioritise the projects that have already been allocated money so that we ensure continuity because those projects do not belong to the former governors, they belong to *wananchi* that we are all elected to serve.

With that, I beg to support this Bill.

**The Temporary Deputy Speaker** (Hon. (Ms.) Tuya): Hon. Wakhungu, I take it that you did not make a contribution to this Bill. You simply turned a hostile seconder.

**Hon. Chrisantus Wakhungu** (Kimini, FORD-K): Absolutely: It was very wrong. I want to justify why this Bill is very important.

**The Temporary Deputy Speaker** (Hon. (Ms.) Soipan Tuya): Okay. Go ahead.

**Hon. Chrisantus Wakhungu** (Kimini, FORD-K): Thank you, Hon. Temporary Deputy Speaker. This is a very important Bill. We normally have the Division of Revenue Bill that shares the revenue between the national Government and the county governments. After the Division of Revenue, we come to the County Allocation of Revenue Bill which provides the horizontal sharing of revenue among counties. The Division of Revenue Bill gave Kshs372.74 billion that is supposed to be shared horizontally among the county governments.

This Bill is very critical because the amount of money that is being given and in line with Article 111 of the Constitution, this House is supposed to have concurrence with the Senate. This House cannot rubberstamp what the Senate has passed. We are coming up with this money based on Article 217 of the Constitution which gives a provision for the sharing formula.

I agree with Hon. Amos Kimunya who mentioned something. We need to review this formula continually so that there is equity. The circumstances that were there historically have changed with the passage of time. When you go to Turkana right now, there is oil. So, it is not the same things. When you look at the sharing of that oil, there is specific percentage that goes to Turkana. That is just an example I am giving. We cannot continue having a formula without reviewing.

Back to the Budget and Appropriations Committee, the Commission for Revenue Allocation had requested for money to review this. Unfortunately, the Budget and Appropriations Committee did not allocate this money. I am humbly requesting that when we will be debating the Appropriations Bill, we must give a provision so that this formula can be reviewed.

Another board is the IBEC chaired by the Deputy President. It plays a very critical role when it comes to revenue sharing, I am saying this because you find that some counties are not being allocated enough money. That is why it is important to have continuous review of that formula. We only realise devolution based on this County Allocation Revenue Bill. We are calling upon our governors to deliver services to the people.

His Excellency the President is on the front line in the fight against corruption. He gave an executive direction that all the procurement and accounting officers should step aside for vetting purposes. The Judiciary have implemented that directive. Even here in Parliament, the directive has been implemented, but when you go to the county governments, the procurement and the accounting officers have not stepped aside for vetting. The question is: Does it mean the county government is an exception to the executive order? That is the question we are asking. As this money goes to the ground, we want service delivery. We are not getting services equivalent to the money going to the counties. We are calling upon the governors wherever they are to ensure that there is service delivery.

His Excellency the President has gone ahead to call for the lifestyle audit. These governors must do the lifestyle audit. It must be extended to the kin because we have seen clever ones using the accounts of their wives, their sons or their relatives. We are calling upon the relevant bodies that are going to do the lifestyle audit to expand that net. Anyone who has misappropriated public funds must be surcharged as per Article 226.

Coming to the county revenue, the municipalities were raising money but all of a sudden, counties are not raising revenue. There is a drastic reduction of the revenue that is supposed to be raised by counties.

Counties also try as much as possible to contribute in terms of sustainability. Governors complain that the release of money was delayed by the national Government. You can only pass the Division of Revenue Bill before you come to County Allocation of Revenue Bill. We are calling upon the counties to improve their strategies of raising that revenue. We are told that the money is going into people's pockets. I know so many counties were raising money when they were under municipalities and county councils. Even now, when you go to those counties, they are raising money but when it comes to documentation, that money is going into people's pockets. This is an area that we must follow up. They must put measures in place to increase ways of raising the revenue.

Another critical issue which I thought I should mention about is healthcare. Under the Fourth Schedule of the Constitution, there are specific functions which were devolved as far as the counties are concerned. It is important that when counties are allocating funds, focus must be given to those particular functions under the Fourth Schedule under the counties. Now, we are also talking about Agenda Four. We support the issues of universal healthcare, food security, manufacturing and housing.

I can see the Chairman of Budget and Appropriations Committee wants me to speed up but I am just trying to conclude as we move on. I know he wants us to move to the next part but there are some issues that I might say.

There is also another issue of pending bills. Many county governments have high pending bills. But looking at this allocation, the national Government, in the long run, is giving them the entire amount. Why are pending bills so high yet the shared revenue has been given to them? What we are calling upon these people to do is to increase their measures of fighting corruption.

I want to briefly mention the Ward Development Fund (WDF). I am one of the people who want to be Governors in 2022. I support the WDF. In fact, we have been waiting for that Bill from the Senate to come here so that we pass it. That is so that every Ward Representative (WR) is assured of the WDF, the same way the NG-CDF is anchored. This is the only way we are going to be assured that this money will go to every ward and spur development. Some of us are really waiting. We want it to come over here so that we can support it. I have looked at it. I have analysed it in a prescriptive and descriptive manner. I am trying to use the words of Sen. Kajwang' when he was in the County Assemblies Forum. I support that, after doing that analysis I am convinced that we must support the WDF so that WRs can be able to provide services to the people.

With those few remarks, I beg to support.

**The Temporary Deputy Speaker** (Hon. (Ms.) Soipan Tuya): Member for North Horr, Hon. Ganya Chachu.

**Hon. Chachu Ganya** (North Horr, FAP): Thank you, Hon. Temporary Deputy Speaker for giving me the opportunity to speak on this very important Motion.

This is a Bill which will enable us to share revenue amongst all our 47 counties. As per the provisions of the Constitution, it originates from the Senate. Whilst it is really important for us to appropriate these funds, we should demand full accountability, transparency and prudence in the management of these resources.

It is true that some of our counties have been getting so much resources. Some counties receive as much as Kshs11 billion. For sure, we do not have a lot to show for it. There is a lot to be done to ensure that there is prudent management of resources within our counties, especially in the marginal counties. This is where the Senate has failed us. They have focused on roles and

mandates that are not theirs. I wish they could refer to the Constitution and focus on their mandate of ensuring that county governors are held accountable, of course, working in close collaboration and coordination with members of county assemblies.

In many counties where governors have not been re-elected – mine being one of them – most critical projects such as abattoirs, big stadiums and major hospitals that have been initiated in the interest of the people of those counties have been neglected. It is just because the new Governor happens to have his own priorities. It is really a shame. Those projects are for the people of the county. It will make a major and fundamental difference in provision of services to the people of those counties. We should even legislate to demand completion of projects that have been started using taxpayers' money before new projects are initiated by a new administration.

People have, on the Floor of this House, queried the parameters being used by the Commission on Revenue Allocation and approved by the Senate. People are wondering how funds are being allocated. They have been looking at population, equity share, land size, fiscal responsibility, among other aspects. There is a tendency, especially in this House, which really irritates some of us. There is so much push to only use population as the only parameter for sharing resources in this country. There is no way you can compare a county like Kiambu to Marsabit County or Turkana County. With land the size of 15 per cent of this nation, Marsabit County in particular, if nothing else, the land size should make the difference. That is where people have to travel thousands of kilometres just to visit a health centre or go to the next secondary school. It makes a difference on how Kenyans access services in those counties. That is why the parameter for land size is very critical.

We have counties where every inch of road is tarmacked; every inch of that county has a hospital, a secondary school and some 10 to 20 universities. Some of us are yet to know what a tarmac road is. We are thankful for the stretch of the road that goes to Marsabit through Moyale and passes through our counties. However, more than three quarters of our counties are yet to see or even hear of something called 'tarmac road'. I have only one hospital in my entire constituency, which is as big as the whole of Western, Nyanza, Central and Nairobi regions put together. It has a diameter of 800 kilometres. People have to travel for over 600 kilometres to reach the next hospital – even for caesarean section. Many women end up dying on the way due to travelling on very bad roads yet we say the counties are equal. From the time we attained Independence until the time of promulgation of the new Constitution – which is not that new anymore – we have had a very skewed way of allocating resources in this nation. That is why our counties can never be equal. They will never be equal until we have some major undertakings – something like the marshal plan that was done in the US – to ensure that we are all equal. There is no way we can do what some members are advocating here; that we use population as the only parameter for sharing out resources, like we have done in sharing out the NG-CDF and other funds. If that were to be the case, we will never build this nation together because there is no way you can say that is fair. We are not equal. This was a deliberate government policy. In 1965, through a policy paper prepared by the late Tom Mboya, the Government decided to invest all our resources in the high potential areas of the country, hoping that the benefits of that policy would eventually trickle down to the marginal areas, which are less endowed. However, that did not happen. It is that skewed policy that has marginalised most parts of this nation. That is why, in terms of development, we are worlds apart. That is a fact.

The Equalisation Fund and other resources are there to mitigate and reverse those trends. People have forgotten the history of this country in terms of how policies have been made. They

are now arguing in this House, as it has just been done by my senior here, that all the counties are the same. Yes, Kenyans are the same, I agree with that. That is a fact provided for in the Bill of Rights. We are all equal before God and before our Constitution but policies have separated us. Policies have made us to be where we are today. Policies have made others to be where they are today. Some counties have illiteracy rates of almost 90 per cent while others have rates of less than 30 per cent. Whilst others have tarmac, as I said before, in every inch of their counties, others are yet to see what a tarmac road is. While our women are still walking for many hours to get water, others have piped water in their houses and in every inch of their villages. There is no way we are the same. That is why we must use different parameters in ensuring that resources are allocated so that the rest of us who have been left behind, especially the marginal counties in northern Kenya and other parts of the country, including Turkana County, are also able to appreciate the fruits of this great nation of ours.

Having said that, it is good for us to have dialogue on this matter. When we do this, let us have a well-thought-out dialogue. Let us have a base line for development for the entire nation. Let us have development as a factor when we make the hard decisions that we are going to make very soon. We are not naive. We know the fact that, when it comes to a vote in this House, we may not have the numbers. However, that will not stop us from representing our people on the Floor of this House. We cannot fail to go on record, telling Kenyans the facts. It will always remain the truth.

With those remarks, I beg to support the Bill hoping that we will allocate more resources to the county governments in future. The truth of the matter is that, if well managed, these funds can make a significant difference in our counties and those marginalised counties in particular. I totally disagree with an Hon. Member who said that with Kshs.11 billion, Turkana has nothing to show for it. We have a tarmac road, a university and our children are more food-secure today in Turkana. Even the poverty index was different even before devolution came into existence. I have not had a hospital, today I have a fully-fledged hospital in my constituency and it has made a difference. It is not like Kiambu or other areas that have always enjoyed all the resources of this nation at our expense.

I support.

**The Temporary Deputy Speaker** (Hon. (Ms.) Soipan Tuya): I did not want to cut you short, Hon. Chachu. Your time is up. I am just commenting on your continuous reference to Mr. Speaker Sir. Earlier on, we had a Member who kept on referring to Chairman. I really hope it is not the mercury that Hon. Mbarire was talking about that it is taking its toll. Member for Kisii County, Hon. Janet Ong'era

**Hon. Janet Ong'era** (Kisii CWR, ODM): Thank you, Hon. Temporary Deputy Speaker for giving me this opportunity so that I may also contribute to this Bill. I rise to support this Bill having been a former Senator and having been among the few Members in this House who have had the privilege of sitting in both Houses - the Senate and the National Assembly. This is a very important Bill. The County Allocation of Revenue Bill as we all know is a Bill that allows the counties to spend the revenues that we are allocating them. There are many good things that the counties have done. There are many good stories that are not being said because we are only looking at the negatives. There are good stories that have been told. For example, I want to commend Makueni County for the work that they have been doing. They have opened up the health sector, affirmative action interest groups in terms of opening cooperative societies for women, industries for making of fruit juices and they even have a dairy where they are selling their own milk. These are some of the good stories. We know that in Kisii County street lighting

has opened up a 24-hour economy for the women in the rural areas who would never have been able to have the *mulika mwizi* lighting system. Some of these stories are good. There are good stories of road network which we never had. Most of the time we had cattle tracks where cattle and goats used to pass. Today, these are roads. These are good stories and some of these monies are going to do some of these activities.

However, there are stories that are very sad. They include of devolving corruption to the counties. These are stories that as leaders of this country, we must abhor. We must condemn this. We know of incidences where county officials have eaten up all the revenues and resources that have been collected have been gobbled up. It is a sad story when you hear that a finance officer who is earning maybe less than Kshs100,000 is found with Kshs66 million in his house. This is a shameful incident. We need to condemn corruption which has been devolved in the counties. We want to ask our governors to be stringent and vigilant. They should not be the very same officers who are condoning it.

There are stories of raising of revenues in the counties. We want to see an accountable system. How is the revenue raised in the counties? If these revenues were properly raised, the national Government would not have to give a lot of money to the counties. Counties can be self-sufficient if they use the revenues that they are raising right. That is not to say that it should be a burden to the taxpayers. The ordinary *mwananchi* should not be burdened by tax. I have seen counties putting a tax for chicken. These are sad stories. While I support what Hon. Kimunya talked about on the review of a formula for allocating these revenues, I want to put a caution that we must be sensitive to the marginalised counties. We need to give them an opportunity to reach to the level that other counties have reached. We must be sensitive to these counties so that they also get a chance to live like other Kenyans.

There are counties like Turkana which now has oil. Turkana can actually supply water to the whole of Kenya for the next 100 years if this is properly done. These are counties that we should review and give that money to another county so that we have equitable distribution of resources.

With those few points, I beg to support.

**The Temporary Deputy Speaker** (Hon. (Ms.) Soipan Tuya): Hon. Jackson Lekumontare.

**Hon. Jackson Lekumontare** (Samburu East, KANU): Thank you, Hon. Temporary Deputy Speaker. I also want to support this Bill. There are so many underlying issues in our counties. Since we devolve all these functions, there are many issues that we need to look at. There are issues of preschools. In some of the counties, there are places where children learn under trees, yet preschools are devolved. It is important and necessary to review what we have done before. If the counties are not able to implement some functions that they are given, it is high time this House considers recalling some functions. Although we are giving counties a lot of money, they are not using the money properly unless the priorities are not right. It is very bad that even as Members of Parliament, you have the money in NG-CDF but due to the functions devolved to the county, you are not able and you are not allowed to put up a classroom for children who learn under a tree. It is very embarrassing that you are a Member of Parliament and people are suffering, especially when there is no hospital and you cannot help them. If the county governments are not able to do some things, then we have to look at those issues.

I just want to say some few things. This allocation of Revenue Bill, whoever has done it has looked at some issues and one of the parameters they have used is the poverty index. We are talking of Turkana County. Recently, we tried to say that they should use a bigger amount of the

oil they have, but we did not manage. Some counties are in a pathetic situation. We bring our children to Nairobi to see a tarmac road. In other places there is nothing like electricity, yet we say that Kenya is connected to the national grid. We have that problem and let us look at how money is being used in the counties. It is very important for governors to have their priorities right. We also need to empower the Senate. Senate is always complaining that they are not able to monitor how the money is being used because they do not have resources. In the next Budget, let us think of the ways we can help the Senate so that they can monitor and facilitate.

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

**The Temporary Deputy Speaker** (Hon. (Ms.) Soipan Tuya): Hon. Nyasuna.

**Hon. (Ms.) Gladys Nyasuna** (Homa Bay CWR, ODM): Thank you very much, Hon. Temporary Deputy Speaker. I rise to support this very important Bill. I can see that time is much gone and we have a Motion of Adjournment at 5.30 p.m., so I will not take much time. Let me speak to the issue of the formula for sharing of revenue.

I am glad that now we have a second generation formula that considers population at 45 per cent, land mass at 8 per cent, poverty has been reduced from 20 per cent to 18 per cent, there is an equal share for all counties at 26 per cent, fiscal responsibility at 2 per cent, and development factor at 1 per cent. This sort of settles the issue of equity. If we apply this formula right then we are taking care of historically marginalised communities and at the same time recognising that counties that have high population must receive sufficient revenue to cover their expenses, especially because some counties have combined so many other county councils that the wage bill is so high that sometimes they are unable to meet... Let us look at how the second generation formula works. We should not relegate the issue of historical marginalisation. We must always as a House think about the weak among us and lift them up.

It is of concern and should be of concern to Kenyans that 29 counties, almost three-quarters of our counties, did not have a score on fiscal effort, which means that they did not show any increase in their own revenue. Our counties cannot continue to rely wholly on money coming from the national Government and not on increasing their own revenues.

The other very key point that I wanted to highlight is one of the recommendations of the budget committee that IBEC, which I have been a member of in the past, and the Intergovernmental Technical Relations Committee should develop a framework for clear linkage of the CIDPs, CFSPs and our Vision 2030 and Medium Term Plan. I would like to say that sometimes we do CIDPs and fiscal plans at county level but nobody follows up their implementation. In fact, these days when counties go round for public participation, the masses just say: "No, we do not want to say anymore because what we have said from the beginning has not been done."

The other important issue is that of county assemblies receiving their monies directly from the Treasury instead of having to rely on money coming from county executives which they are supposed to oversee. How do you oversee someone and you are begging them to give you resources which you are entitled to? It is a very difficult situation that they find themselves in.

Finally, I would also like to add my voice in support of Ward Development Fund. Let us devolve this thing to the very lowest levels so that Members of County Assembly are also responsible for something. Right now, if the county executive fails, it fails with everybody because MCAs do not have any other way of bringing development to the people.

With those many remarks and considering the constraints of time, I beg to support.

**The Temporary Deputy Speaker** (Hon. Ms. Soipan Tuya): Hon. Kega, what is your point of intervention?

**Hon. Kanini Kega** (Kieni, JP): Thank you, Hon. Temporary Deputy Speaker. Rising on Standing Order 95 and looking at the mood of the House and also considering the Adjournment Motion, can the Mover be called to reply?

*(Loud consultations)*

**The Temporary Deputy Speaker** (Hon. Ms. Soipan Tuya): Order Members. I will go on to put the Question on the Motion. Once a Motion is put before me I have to bring closure to it and the way to bring closure is to take your voices.

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

Mover.

**Hon. Kimani Ichung'wah** (Kikuyu, JP): Thank you, Hon. Temporary Deputy Speaker. I beg to reply. Let me begin by thanking Members for the very good contributions that they have made to this Bill. A few things: I did hear Hon. Atandi mention that there was no money allocated to the Senate to carry out their monitoring and evaluation duties. Indeed, as the Speaker had said, it is good to be attentive when we are considering these Estimates. We did allocate, and I spoke to it at some point when the Leader of the Majority Party was objecting to the allocation of that resource, a figure of Kshs500 million towards the monitoring and evaluation fund for our Senators to enable them to carry out not just monitoring and evaluation of the implementation of these budgets in the counties but also to help them in issues to do with public participation and getting to inform the public on what issues have been budgeted for in each of their respective counties.

The other issue that has been raised is the question of the formula. I did hear Hon. Kimunya articulate the issue of the formula. That is a matter, as I did point out during the consideration of the BPS, that this House needs to take very keen interest in. The formula on revenue sharing, be it equitable share or the other issues to do with fiscal responsibility, land area.... For instance, when you give 8 per cent to land area and 45 per cent to population, you find instances where, based on the 2009 census which was very controversial and there are areas to this day that we have never known their actual population as at 2009... There could be instances where counties have benefited with more money than they truly deserved because they tinkered with their figures in the 2009 population census. It is important this year, because we are moving towards another census in 2019, for Members and the country to take note to ensure that the numbers that are reflected are correct, not numbers that are being tinkered with for people to benefit because they know 45 per cent of these revenues will be shared on the basis of population.

This Friday, the Commission on Revenue Allocation is launching the second marginalisation policy. I do not know how many Members have taken interest in getting to know what it is that CRA has done in that second marginalisation policy. I did mention during the BPS that it is important for Members of this House to take keen interest in what will be in that second marginalisation policy. We keep talking about issues to do with the Equalisation Fund and even this allocation, which to a large extent will be informed by what will come in that marginalisation policy. I must insist that we must make it our business as Members of Parliament

to make sure that that marginalisation policy done by CRA is tabled before this House, debated and approved by Members of this House.

The other issue that has been mentioned in passing is the issue of public participation. Indeed, I can confirm that the Senate did carry out public participation on this Bill. We did not find it to be prudent to use public resources to go out there and purport to be duplicating public participation.

The Senate is used to duplicating work that has already been done by the National Assembly. However, we are the more responsible House being the one that appropriates funds and we found it prudent not to carry out public participation so that we do not duplicate what has been done by the Senate. I can confirm to the nation that there has been public participation on this Bill. I did see the advertisements in the newspapers and I know that the Senate carried out public participation.

With those few remarks, I beg to reply. It was only my hope that we would have done the Third Reading today but we can do it tomorrow because I am informed the Senate is going on recess on Thursday and it would be important to ask the House Business Committee (HBC) to allow us do the Third Reading tomorrow on this Bill so that it is communicated back to the Senate for them to engage members of the public in their respective counties as they go on recess, on issues that have been covered in this Bill.

I beg to move.

**The Temporary Deputy Speaker** (Hon. (Ms.) SoipanTuya): Order Members. We have the numbers and I will proceed to put the Question and immediately move to the next business which is the Adjournment Motion.

*(Question put and agreed to)*

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

Hon. Osotsi, it is your turn to move your Motion. Just to remind Members, Hon. Osotsi has his 10 minutes to move the Motion and every other Member will have five minutes to speak to it.

## MOTION FOR ADJOURNMENT

### CRISIS FACING THE SUGAR INDUSTRY

**Hon. Godfrey Osotsi** (Nominated, ANC): Thank you, Hon. Temporary Deputy Speaker for this opportunity to move the Adjournment Motion on a definite matter of urgent national importance to the crisis in the sugar industry in Kenya.

Hon. Temporary Deputy Speaker, matters concerning the sugar industry have been discussed in this House many times. We cannot even count how many times that has been done. We know the problems in the sugar industry and the solutions to the problems in the sugar industry. However, why do we still have problems in the sugar industry? The problem in the sugar industry is cartels and the solution is to deal with those cartels.

The cartels have ensured that the cost of production of sugar is the highest in the region. So that the sugar in this country cannot be competitive against the sugar from Common Market for Eastern and Southern Africa (COMESA) and anywhere else in the world. The cartels have been behind the importation of illicit sugar into this country. They have led to poverty in sugar belt areas, especially western Kenya and Nyanza regions. They have been behind cane poaching. They are sitting at Kenya Sugar Directorate. They are in the Ministry of Agriculture. They are at the Kenya Bureau of Standards (KBS). They are at Harambee Avenue and all over. They have led to the collapse of Mumias Sugar Company, Nzoia, Muhoroni, SONY, Chemelil and other sugar companies. The cartels have ensured that the high debts that our sugar companies have cannot be written off. They have ensured that there is no payment to our farmers. Farmers have gone for long periods without payment of their cane deliveries to the factories.

The cartels have ensured that corruption thrives in this industry. They have maimed and killed our people who come out to talk about sugar issues. Hon. Washiali can bear me witness. The cartels have been involved in the importation of poisonous sugar. Hon. Temporary Deputy Speaker, last week, one of the Government officials was before cameras with sacks of sugar threatening that he was going to take action about the illicit sugar. This public officer knows who the sugar barons are. Can he arrest them today?

Hon. Matiang'i, the Cabinet Secretary for Interior and Coordination of National Government came on media and said he had impounded many sacks of sugar. We want action. These people are known and should be arrested. Supply of poisonous sugar is a very serious crime of international nature. It is a crime against humanity. These individuals should be taken to the International Criminal Court (ICC).

Western region, where most of the Members here and I come from, has continued to experience high levels of poverty. Where we used to have sugarcane, we are uprooting it and planting maize. There is a very serious vicious cycle of poverty in our region and we cannot continue this way. This Parliament has the power to take action and decide so that our farmers do not continue suffering. When the Government revived Pan Paper Mills, the residents of Bungoma and Webuye were happy thinking that they were to get back their jobs. Little did we know that Pan Paper Mills was being converted into a godown for sugar. We want to know who are behind this godown at Pan Paper Mills and many more across the country which are storing illicit sugar imported from abroad. We want action to be taken today. This House has dealt with this matter severally.

We have a report from the Departmental Committee on Agriculture and Livestock with very serious recommendations about what needs to be done so as to resolve the sugar industry challenges. This problem has not been sorted out. This Parliament, in the last Session, recommended that some companies that import sugar must have their licences cancelled. As I speak to you, these companies are still operating under the watch of the sugar directorate. We cannot be sitting here making decisions and they are not implemented.

Hon. Speaker, we have the Kenya Revenue Authority (KRA), the Anti-Counterfeit Agency (ACA), the Kenya Bureau of Standards (KBS) and the Kenya Ports Authority (KPA). What are all these organs doing to save a Kenyan farmer? Action must be taken. The only institution that needs to take action is the one which represents the people and this is Parliament.

So, let us take action to save our farmers from poverty and disillusionment. This is a very serious matter. I want the House and Members to discuss freely without fear, because tomorrow you will take that poisonous sugar and die in fear. We must take action to bring things in order because it will be sugar today and tomorrow, it might be coffee or tea. We will not have agricultural products in this country. In fact, where I come from, people are asking whether they really need factories in that region. They are only lying to farmers that they can crush sugar for them when people are easily importing sugar, packaging it and selling it to the very same farmers. This is very serious.

With those few remarks, I call upon the Member for Navakholo, who is the Vice-Chair...

**The Temporary Deputy Speaker** (Hon. (Ms.) Soipan Tuya): Hon. Osotsi, you do not need a seconder for this one. All you need is to move and then I call upon Members.

**Hon. Godfrey Osotsi** (Nominated, ANC): Thank you, Hon. Temporary Deputy Speaker, for that correction.

I beg to move.

**The Temporary Deputy Speaker** (Hon. (Ms.) Soipan Tuya): The Majority Chief Whip, Hon. Washiali.

**Hon. Benjamin Washiali** (Mumias East, JP): Thank you, Hon. Temporary Deputy Speaker. From the outset, I want to thank Hon. Osotsi for moving this Adjournment Motion. I want to quickly confirm to this House that for the last three months, Mumias Sugar Company has not been operational. Therefore, any sugar packed in Mumias Sugar bags is contraband, fake, counterfeit and has been illegally imported to this country. Just like Hon. Osotsi has said, this House cannot be debating, approving and making reports in vain.

**Hon. Kimani Ichung'wah** (Kikuyu, JP): On a point of order, Hon. Temporary Deputy Speaker.

**The Temporary Deputy Speaker** (Hon. (Ms.) Soipan Tuya): What is out of order, Chair of the Budget and Appropriations Committee? Hon. Washiali, please, take your seat.

**Hon. Kimani Ichung'wah** (Kikuyu, JP): On a point of order, Hon. Temporary Deputy Speaker. Although, I am constrained from interrupting my very good friend and Whip, is it in order for him to assert that any package... Maybe I am asking this out of ignorance because I do not know the shelf life of a packet of sugar. However, there could be a retailer or a supermarket that had Mumias Sugar, which did not move over the last three months.

*(Loud consultations)*

Hon. Temporary Deputy Speaker, it is only in order for Hon. Washiali to explain so that those of us who are not from the sugar belt or are not taking sugar now, can understand because we will be sending a very bad message. For instance, if I walk into Nakumatt or Uchumi today and find a packet of Mumias Sugar, I will fear to buy it on the basis that it could be fake sugar.

*(Loud consultations)*

**The Temporary Deputy Speaker** (Hon. (Ms.) Soipan Tuya): You have made your point. Hon. Washiali. Order! Order Members!

**Hon. Benjamin Washiali** (Mumias East, JP): Thank you, Hon. Temporary Deputy Speaker.

**The Temporary Deputy Speaker** (Hon. (Ms.) Soipan Tuya): Hon. Washiali, I am speaking to you. I think the point raised by the Chair of the Budget and Appropriations Committee is very weighty. You need to clarify and go on record because Kenyans are listening to a very sensitive issue. So, take your time to explain the issue of Mumias Sugar packaging.

**Hon. Benjamin Washiali** (Mumias East, JP): Hon. Temporary Deputy Speaker, I am constrained to say what I wish. However, I just want to clarify that Mumias Sugar was on high demand. I do not think there is any sober trader who is still keeping it in his store just waiting for contraband sugar to come because it was held behind.

However, I do not wish to repeat what I said earlier because the issue of sugar has come to the Floor of this House before. It was Hon. Ichung'wah who stood on a point of order to countercheck what I was doing to help the Mumias farmers then. I hope I will recover the time Hon. Ichung'wah has taken. Other than drugs, it is only sugar that has barons who want to control people, finances and everything happening around them. Before, we used to have sugar barons, but right now, they have gone...

*(Loud consultations)*

Hon. Temporary Deputy Speaker, I hope you will add me more time.

**The Temporary Deputy Speaker** (Hon. (Ms.) Soipan Tuya): I will add you two minutes.

**Hon. Benjamin Washiali** (Mumias East, JP): Thank you. You can switch off that light my brother.

*(Laughter)*

These people have now infiltrated the Civil Service. That is why Kenyans are asking: Where is KRA, port police and port health officers in this game? When you import sugar, it must pass through the port. As a Departmental Committee on Agriculture and Livestock, we requested that sugar farming be regulated from the days of Minister Kirwa. We have been asking where those regulations are up to date when Kiunjiri is seated in that office.

As I summarise, I want to request this House to approve that all traders involved in contraband sugar be arrested and all the sugar destroyed, whether they are small or big. It is the small traders who are encouraging the big traders to import sugar. I heard what my boss, the Leader of the Majority Party, said that we should not be chasing the small traders. Therefore, we want all the traders involved in this contraband sugar to be arrested and their sugar destroyed. The civil servants involved in this should be sacked because we cannot employ people who want to bring down our economy.

I hope the Government of Kenya is listening to me because it has relaxed. We want it to fund all public factories and revive them, so that they can start operating and the farmers can benefit from this. We want the Ministry of Agriculture to bring regulations to this House so that we can approve them for this sector to be regulated.

Thank you, Hon. Temporary Deputy Speaker.

**The Temporary Deputy Speaker** (Hon. (Ms.) Soipan Tuya): Hon. Busihile Muhanda, Member for Kakamega County. You have the microphone.

**Hon. (Ms.) Elsie Muhanda** (Kakamega CWR, ODM): Thank you, Hon. Temporary Deputy Speaker, for giving me a chance to throw my weight on this Motion.

I come from Kakamega County and I will tell you that poverty levels in the whole of western region are very high. When you go to the villages, people are unemployed. There is a lot of crime and gender-based violence because our people have no money. In the past, sugar was the pride of the western region and it is all gone. Our people are there helpless. I think we should take this matter very seriously. We should revive the sugar factories and give our farmers the subsidies that other farmers are given in other regions. Our farmers have never got a subsidy. If we want to revive the sugar industry, we need to plant good breeds of cane. In the process of reconstructing, we need our farmers to be subsidised so that this industry can be revived. The way the western region is going, we cannot achieve the Big Four Agenda because we are poor and we have nothing.

**The Temporary Deputy Speaker** (Hon. (Ms.) Soipan Tuya): Hon. Shamalla Jennifer.

**Hon. (Ms.) Shamalla Jennifer** (Nominated, JP): Thank you, Hon. Temporary Deputy Speaker. I rise today to ask some very serious questions. We must be very clear about what contraband is. It is simply smuggling sugar into this country which is not supposed to be here. There is no difference between industrialised sugar and domestic sugar. None of them should have mercury in them because industrial sugar is used in the pharmaceutical industry. The question we should be asking ourselves is: What is the effect of mercury in sugar? It hinders the body to produce red blood cells and it causes infertility.

There is a serious link between organised crime and terrorism. Indeed, it is not lost on us that in the year 2014, it was reported that the terror group, *Al Shabaab*, had become engaged in the illicit sugar trade. Indeed, I think we have to ask these very pertinent questions because actually, mercury is a type of primer that is used for bullets and motion activated detonators. Is it possible that when this sugar was being smuggled in the high seas, it had something else underneath it and that is how mercury got into the sugar? The war on Kenya is economic sabotage. It is also a war on the people of western Kenya because not only is it economic sabotage, because if, indeed, there is this mercury that is going to cause infertility, then you are fighting even the population demographics of our people.

With those few remarks, I urge that this House investigates this matter very seriously.

**The Temporary Deputy Speaker** (Hon. (Ms.) Soipan Tuya): Member for Ugunja.

**Hon. James Wandayi** (Ugunja, ODM): Thank you, Hon. Temporary Deputy Speaker. I wish to support this Motion. From the outset, I want to say that the reason why we have been unable to deal with this matter of sugar is lack of political will. In the past, it has been very difficult to deal with these barons. I hear some of our colleagues calling them smugglers. There is no way sugar can be easily smuggled into this country. It is something that can only come in through the connivance of a whole chain of officials. This is the right moment to deal with this matter once and for all because it has been demonstrated in the last couple of weeks that we seem to have some goodwill to deal with corruption. The President has demonstrated in the last couple of weeks or so that he is prepared to deal with corruption. We need to support him because he has got nothing to fear. In the past, he would have feared that, perhaps, he would lose re-election but now that he is not seeking any re-election, he needs to help us to deal with this matter once and for all.

The people who are involved in the illegal importation of sugar are not small people. These cannot be small people. Since they are not small people, they are people who are known. I request the President to, please, use this window that he has before the syndrome of lame duck presidency sets in, to deal with these fellows once and for all. In fact, I support the position taken by that magistrate who said that corruption is worse than murder. If, Mr. President, can help us to single out one or two of these fellows, have them taken to court and denied bail forever, it would be good. In fact, if there is a possibility of even setting aside the Constitution, we should have these people paraded in Uhuru Park and subjected to a firing squad, as happens elsewhere. These are people who are essentially getting involved in mass murder.

Sugar is not just a western Kenya affair. The sugar industry in this country has the potential to contribute immensely to the GDP if well nurtured. Many civilised nations take it upon themselves to protect their farmers. This country has failed lamentably in the matter of protecting its farmers. If sugarcane farmers will be protected and supported to engage in meaningful sugar production, this country, as a whole, will gain.

I hear people talking about cartels. Interestingly, these cartels are made up of people some of whom are even in this House. We must learn to call a spade a spade. There are Members of this House who are part of these cartels. I wish I knew, I would have named them today. Interestingly, as I speak, some of them are looking at me.

*(Laughter)*

Some of them are not here. We know that money generated through illegal importation of sugar is invariably used for campaigns. This is very important. What fuels the illegal sugar importation is the matter of politics because illegal sugar dealings actually drive the matter of politics. The easiest way to generate money for campaigns is through illegal importation of sugar. Therefore, as we address this matter, we must also appeal to our colleagues who are involved in premature succession politics that even as you drive your political agenda, spare the country from the agony of losing a very essential sector.

Finally, I challenge the Departmental Committee on Agriculture and Livestock. I, alongside my friend and senior, Hon. Washiali and Hon. Millie Odhiambo and others, were in that committee in the last Parliament. Hon. Ichung'wah was also in the Committee.

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

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

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Chairman, your time is over because those who want to contribute are many. Hon. Members, I have 42 requests.

Next is the Member for Turkana Central.

**Hon. John Nakara** (Turkana Central, ODM): Thank you, Hon. Temporary Deputy Speaker. First of all, let us not politicise this issue of sugar. This is a problem that affects all of us.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Order, Hon. Members! Before you proceed, Hon. Member, please, Hon. Members, refrain from coming to the Speaker's

desk so that the Speaker can be in control. I can catch your eye. Otherwise, I may be confused. If there is anything to consult, consult the clerks-at-the-Table.

**Hon. John Nakara** (Turkana Central, ODM): Thank you, Hon. Temporary Deputy Speaker. Let us fight this menace with all our effort, without discrimination, intimidation and without mentioning names of people. Let us fight this menace as one body and unit. The crisis in this industry is alarming. Some people have stopped taking tea with sugar. The Cabinet Secretary for Interior and Coordination of National Government should come out with clarification if it is true that some of the sugar has mercury. It has actually spoilt the market of this product called sugar. Some of this sugar has mercury and has spoilt the sugar market. Let us arrest the people engaging in the business of importing this sugar into the country. If we will not arrest these people, we will mention their names and yet they are there. Let us not make a lot of noise and chest-thump and do something to save this country from the problem we have now.

Let us give farmers leadership in this industry. Some of the people who are involved in the leadership of this industry are not farmers. The wearer of the shoe is the one who knows where it pinches. Let us see how we can bring in the farmers themselves. If you have engaged in sugar farming, then you must be involved in the leadership. When we allow somebody to lead the farmers who does not even have a single farm and is not engaged in the business of sugar, he will use it to import sugar into the country. Let us table the list of these people in this House so that we can directly shame those who are killing our people rather than talking about this or that region. This problem is all over. It was discovered in Kisii, Murang'a and Ukambani. It is not only in the Rift Valley. If you say it is in the Rift Valley and then you have a picture of somebody who is influential in that area, we should not do that. We should take this issue all over the country.

Finally, we have immigration officers along our borders. What are they doing? Those are the people who make sure that importers of illegal sugar are arrested before they come into the country. We must change that group including the Cabinet Secretary and the Principal Secretary (PS) so that we can have new people there.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Let us have Hon. Sheikh Junet, Member for Suna East.

*(Loud consultations)*

We give an opportunity to the leadership before the other Members. Actually, the Leader of the Majority Party is next.

**Hon. Junet Nuh** (Suna East, ODM): Thank you, Hon. Temporary Deputy Speaker. Being the Chief Whip of the Minority Party has an advantage. You get to speak earlier.

Without wasting my time, I represent farmers who engage in sugarcane farming, fish farming and gold mining. The people who have brought this sugar are not small people. They are not farmers, wholesalers or artisans. They are serious and well-connected businessmen in this country. We are living in a country where institutions work. I do not know why we are beating around the bush. This sugar did not come from the skies. It did not come out of the earth. It passed through entry points. It came through the port or through other borders. There are institutions that are mandated to man and guard those places. The Government has records. It is very easy to tell us who this sugar belongs to, who brought it into the country, what quantity it was, the amount of tax that was paid and whether it was tested by the KEBS. I am told no tax was paid. It is also possible to know the way it was brought into the country and the kind of

certificate that was issued by KEBS. This is unless we are living in a country like Somalia which has no Government and anybody can bring in anything that he wants.

We have been talking about corruption and other things. This is about the health and safety of humanity in this country. We are discussing human life. People are now afraid of taking sugar. They are saying they will die. We have sugar factories that have been collapsed by design and have been intentionally closed down so that people can bring sugar into this country. I have heard of many names. I have been told this sugar belongs to so-and-so. I want to tell the Government that it is the custodian of the records of everybody who is doing business in this country.

The Departmental Committee on Trade, Industry and Cooperatives is now seized of this matter. Those people will appear before the Committee. I expect that proper records will be tabled before that Committee so that this House can have an opportunity to interrogate this matter. Small-scale traders who are kiosk owners and have been found with 100 or 200 bags of sugar are being arrested. The stores where the people are buying the sugar are the places where the law enforcement agencies should target and not small-scale traders in Eastleigh who look like me. They are like me because they have a nose like mine. They are now saying that those are people from this community. This long nose is now being associated with sugar.

*(Laughter)*

This matter is not about certain communities. This is a matter about the life of Kenyans. If we cannot apprehend and put into custody people who have gone through the Port of Mombasa, then, we have no law enforcement agency.

This sugar scandal is not a small matter. I am told that this sugar contains mercury and copper. One of the Members alluded to the fact that mercury is used for making bombs. The *Al Shabaab* uses that to make bombs. If you can consume mercury and you have working institutions in this country, I do not think we have any institution that is worth to be said to be functioning. I am speaking like a leader. In the days when I was a vibrant Opposition Member, I would have mentioned names here. But now I am giving the Committee the benefit of doubt. If they do not mention those names in the Committee report...

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Your time is over. Hon. Members, pursuant to your own House resolutions, priority goes to the leadership. I will give an opportunity to Hon. Duale before I give an opportunity to the Chairperson.

**Hon. Aden Duale** (Garissa Township, JP): Thank you, Hon. Temporary Deputy Speaker. Following the handshake, Hon. Junet does not want to speak. Some of us will speak. Some of us have been prosecuted on social media and given property we do not own. We will mention names today. I want to challenge the two committees. Tomorrow morning, I will give them the names of all the companies that imported duty free sugar into the country. I am compiling the list.

The Government is following people who have 200, 500 or 1000 bags. One company imported 185,000 metric tonnes. That company used four different companies. I have entries. The West Kenya Sugar Company imported 34,600 metric tonnes. The same importer used Sukari Industries and imported 34,000 metric tonnes of sugar duty free. The same company used Menengai Oil Refineries to import 40,000 metric tonnes. The same company used a company called Amnei to import 74,000 metric tonnes. As we speak, Sugar West Company...

*(Loud consultations)*

If you allow me, relax. Hon. Temporary Deputy Speaker, you need to protect me.

*(Loud consultations)*

Hon. Temporary Deputy Speaker, you need to protect me.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): There is nothing out of order. Hon. Members, let the Leader of the Majority Party speak. Order, Hon. Members. Leader of the Majority Party, I am giving directions. Do not continue speaking.

**Hon. Member:** Add him one minute.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): I will add him a minute. Hon. Members, you do not need to shout in this House. You are Hon. Members. You do not have to be on your feet to raise a point of order. I recall when the Speaker said that we should not use chances when we want to contribute. You will have your time to make your contributions. You are free to contribute in this House.

**Hon. Aden Duale** (Garissa Township, JP): Hon. Temporary Deputy Speaker, I served in the 10<sup>th</sup> Parliament and I know the Standing Orders. This information will be given to the Committee. I want to challenge the KRA, the Cabinet Secretary for the National Treasury, Mr. Rotich, and the KPA. Let them discount the figures which I have given. I challenge anybody outside and inside the House. As we speak today, the illegal sugar, the one which is written “not fit for human consumption”, the Vice-Chair of the Departmental Committee on Agriculture and Livestock, Hon. Wangwe, went to Pan Paper Company and found this illegal sugar. He has it on his phone. What I am saying is there. Let me conclude. I want to ask the CS for Interior and Coordination of the National Government to go to Nakuru Blankets Godown where there are one million bags of sugar. I want him to go to Raiply and Timsales companies in Industrial Area where there is sugar. I want him to go to Menengai Oil Refineries Limited and find thousands of bags of sugar. I want him to go to a godown in Mombasa called J.B Maina Warehouse. Why is the CS going round in Eastleigh, Kisii and Meru? We want to know who is protecting this importer. When you hear Pan Paper, you know who the owner is. You need to Google “Pan Paper Sugar Factory”. When you hear Raiply and Timsales companies, you know who the owners are.

*(Loud consultations)*

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Order Members. There is this Member who is too noisy. This is not a market. Hon. Members, I will rule you out of order and you will not catch my eye. You cannot make noise. Leader of the Majority Party, out of public interest, which is the Members’ interest, I add you two more minutes.

**Hon. Aden Duale** (Garissa Township, JP): Hon. Temporary Deputy Speaker, for those who are in the social media, I want to confess here that my family works in the hotel business. My family does business in the pharmaceutical sector. We run a hospital in Garissa County. My family used to do textile business at one time. We have never done a single sugar business. People are telling us that we run sugar business, but we will tell you the people who are feeding Kenyans with poisonous sugar.

*(Applause)*

You are arresting a wholesaler in Nakuru today, but you do not want to go to Nakuru Blanket Godowns where there are one million bags of sugar. There are nine locations which I have given. I have given Nakuru Blankets Godown, Raiply and Timsales companies in Nairobi and West Kenya Sugar Company. As we sit here, there are over 59,000 bags of that particular sugar. We really want the Committee to summon Mr. Henry Rotich. We want every importer who was given duty free status, even if it is Hon. Junet's friend, to come before the Committee and account for the sugar he brought into the country. We want this Committee to invite Societe Generale de Surveillance (SGS) Kenya Limited, which is the only inspection company that allowed bad sugar to be brought to our country. The SGS, the Kenya Bureau of Standards (KEBS) and whoever is in charge in KRA must be held responsible. If you allow me, I will table in this House over 100 companies that were given duty free status tomorrow. I will table them because they are in my office. We must speak. I saw somebody talking about Diamond Wholesalers Limited. They do not import sugar. Even the guy in Matuu and Kitui who runs Mt. Kenya Wholesalers does not import sugar. He buys it. If we have agreed to clean Kenya, let us do it completely. Let us not do it halfway. Let us not clean Kenya as it suits you.

I want to conclude with one statement: I represent a constituency where 85 per cent of the voters are of the Somali origin. I have no apologies to make to represent these people. The people from the Somali origin who are involved in tax evasion and criminal activities must be apprehended. Those who are doing genuine business cannot be profiled. As the Leader of the Majority Party, I will not allow them to be profiled. We will not allow any other Kenyan to be profiled. Let us look for the criminals, name and shame them, even if they come from our community. You get 411 every two minutes of a wholesaler and a retailer. The culprit is in town walking free. We want to be told who is protecting this guy. He is the biggest logger in our country. He is the guy who finished our forests. He is a member of the Kenya Forest Service Board. It is ridiculous. The biggest logger, who finished our forests, is the one who is importing this sugar. Can you imagine how ridiculous it is? That guy sits in the Kenya Forest Service Board. I want to ask colleagues to rise above partisan interests and support the President. Let us clean Kenya. Let us do a proper life audit and deal with the guys who want to kill our people.

Let us not talk about cancer. I hope the CS for Interior and Coordination of National Government is watching me. The problem in this country is that people look for chicken thieves and watchmen. It is very shameful. We are being taken round.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Your two minutes are over. Hon. Members, allow me to give this chance to the Chair of the Departmental Committee on Trade, Industry and Cooperatives. Hon. Emmanuel Wangwe.

Hon. Kanini Kega.

**Hon. Kanini Kega** (Kieni, JP): Thank you, Hon. Temporary Deputy Speaker, for giving me this opportunity to contribute. I want to thank Hon. Osotsi for bringing this Motion.

Secondly, I also want to thank Hon. Lesuuda who brought a request for a Statement, which was committed to our Committee. The Leader of the Majority Party said that the Departmental Committee on Trade, Industry and Cooperatives and the Departmental Committee on Agriculture and Livestock need to deal with this matter.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): That is why I gave you the chance to contribute. Please, carry on.

**Hon. Kanini Kega** (Kieni, JP): Thank you, Hon. Temporary Deputy Speaker. About 40 per cent of all the goods that we have in this country are suspected to be illicit. It is even worse because they are even talking about malaria drugs. About 90 per cent of them are illicit, which is a serious issue. The CS said that the sugar that we have in this country is contaminated with mercury and copper, which is a serious issue.

Where does this sugar come from? Why do we import? We import because industries that used to give us sugar were killed. Basically, it was a well-calculated move. Who are importing this sugar? They are people who are licensed by the Kenya Sugar Board (KSB). They are even given exemptions by the National Treasury. I confirm to this House and to the nation that our Committee, within a week or so, will be tabling the list of all the people who have been licensed to import sugar in this country, the amounts they have imported and the ration they have been getting. Those are the kind of assurances that we want to give to this House. This is a very serious issue that touches on our health and the very lives of the people of western Kenya, who have been suffering because of illegal cartels. They are not just cartels, they are smugglers. It could be the reason we are having diseases that we cannot even understand in this country. We are talking with this kind of passion because we know that this is something that has been orchestrated over a period of time and it has to come to an end.

If any person has evidence or any information like what the Leader of the Majority Party has, they should give it to the joint committee. We have agreed that we will handle it as a Joint Committee of the Departmental Committee on Agriculture and Livestock and the Departmental Committee on Trade, Industry and Cooperatives. However, sugar is a trading commodity. We do not understand why it should be licensed under agriculture. When a product leaves the farm, it is no longer about agriculture, it is a trading commodity. The same case with coffee. Where I come from, coffee went through the same way. It was killed by the same cartels. I am happy we are all now united to slay this dragon. I want to assure this House and the nation that as a Committee, we will give a very comprehensive report the earliest possible time that we will get by next week.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Member for Muhoroni.

**Hon. James Oyoo** (Muhoroni, ODM): Thank you, Hon. Temporary Deputy Speaker, for considering me. First, I want to make a small correction that when I stood on a point of order, I had wanted to acquaint my good friend, Hon. Duale, with information that on top of the names that he put to us, there is also an important name called Holbud Limited. Holbud Limited brought in sugar on behalf of South Nyanza Company to the tune of 100,000 metric tonnes and did not pay duty. The sugar was even brought in after the duty exemption window had been closed. So, on top of the list he gave, I want him to check Holbud Limited. It is the same maize company that brought differences between the former Prime Minister and Hon. Ruto. It also brought in fertiliser and sugar the other time. So, keep it among the companies to be investigated.

This Motion came at a good time because today we had an engagement between the Nandi and the Luo elders in Nakuru. What came out in summary is that our people are not really fighting, it is economic hopelessness that has pitied them against each other. The economic hopelessness in our borderline has been created by this fraud on very hardworking sugarcane farmers who until the other day were able to pay all their bills in good time. The sugar fraud is being done at a very high level.

I was called to *Citizen Television* in 2015 during the anti-corruption day and they asked me my views. I told them that sugar is not a shirt that I can go abroad and bring Hon. Duale one because he is my good friend. Sugar must be imported and there are documents. It comes in

consignments. It is cleared at the port, transported and distributed. The Government, which is represented in this House by Hon. Bare Duale, knows very well when the sugar comes in, when it is cleared, when it is transported and who is storing it. Hon. Duale knows this. He is telling us very late. We want him to help the hardworking no-nonsense CS with the information he is giving us and you will see arrests tomorrow. We support Mr. Matiang'i because he is the only CS who is coming out to support the small people. All that is lacking is the good information that Hon. Duale has, which he has withheld from the CS. I would appeal to him to take that information to the CS's office only if he is not one of those people. He should do this job at the altar of losing his life. When Matiang'i says he is fighting cartels at the risk of his life, then we must know that cartels are higher than him.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Hon. Oyoo!

**Hon. James Oyoo** (Muhoroni, ODM): With those remarks, I want to sound a warning that my people are not going to...

**Hon. Aden Duale** (Garissa Township, JP): On a point of order, Hon. Temporary Deputy Speaker.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Hon. Oyoo, you do not have speed limits. You should have a speed limit.

**Hon. Aden Duale** (Garissa Township, JP): Hon. Temporary Deputy Speaker, I just want to inform my good friend, Hon. Oyoo...

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Does he want to be informed?

**Hon. Aden Duale** (Garissa Township, JP): This is a point of order. I do not need to take this information to any Government ministry. As the people's representative, on the HANSARD with the two committees listening to me, it is the committees to invite me. Why should I look for a CS? It is him to look for me so that I can give him the information. Let us not belittle the House. Let us not belittle Members of Parliament.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Point taken. Hon. Oyoo, you have one-and-a-half minutes to complete.

**Hon. James Oyoo** (Muhoroni, ODM): Hon. Temporary Deputy Speaker, as I stand here, the problems bedevilling the sugar industry have been occasioned by the Government. The Government is not a good businessman. The Government is the one that appointed ineffective CEOs to the companies that went down. The Government is the one that licensed all the sugar importers that now impede the business of locally produced sugar. The Government is the one sleeping on the job. They have not arrested these people. They are arresting small people. I agree with my good friend, Hon. Bare Duale, that behind all the people being arrested today, there are very big people. Before Hon. Duale came here, Members were shouting here that the main perpetrators are in Harambee Avenue. I was wondering which part of Harambee Avenue because I know His Excellency the President cannot delve into petty businesses. I leave it to you that our conscience should be clear.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Hon. Members, I have 42 requests on this. You may not want to speak for the five minutes. You can just speak for three minutes because we have 42 requests and every Member wants to contribute. Member for Kathiani.

**Hon. Robert Mbui** (Kathiani, WDM-K): Thank you, Hon. Temporary Deputy Speaker. Listening to this debate about the lacing of sugar in this country, I am beginning to wonder. Kenya is a very insecure country and we have to pass through metal detectors. I do not know

whether serious sugar consumers will manage. Kenya is an agricultural country yet our farmers remain some of the poorest in the world. One of the reasons our farmers are suffering is because of corruption. Money is stolen for things that are supposed to be their input and dealers replace farmers in doing the work the farmers are supposed to be doing. Recently, you saw that maize farmers have been replaced by dealers in the National Cereals and Produce Board (NCPB). Now, instead of the Kenyan farmers producing sugar, the little import that is supposed to be a substitute has become a situation where people from outside there are bringing in so much sugar and hoarding it in anticipation for future business.

This sugar crisis makes me ask a certain question: What are our institutions doing? The KRA is supposed to collect taxes. The Kenya Ports Authority and the Ethics and Anti-Corruption Commission are there. Finally, and very important, we have the Kenya Bureau of Standards.

What is KEBS doing when Kenyans things are imported when they are laced with mercury and are unfit for human consumption? The KEBS needs to answer a lot of questions. Unfortunately, we note that it is not just in sugar. There are so many fake products in this country. Many things that are coming into this country are not supposed to be here. So many things that are being manufactured are below the standards and are being sold in this country. This House needs to deal with KEBS, so that we can ensure that the problem of contraband is finished. I understand that they sell stickers with the KEBS logo through the back door. We must deal with this. For this case, we also need to know how many Kenyans have been affected by this disgrace. If it has mercury, we know it is unfit for human consumption. We know it has been around for some time. How much has it penetrated? How many people are affected? What is the Government doing about it?

As I finish, I ask that this country takes lead in ensuring that issues of corruption are dealt with once and for all. Thank you, Hon. Temporary Deputy Speaker for the opportunity.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Hon. Ngirici Wangui of Kirinyaga.

**Hon. (Ms.) Purity Ngirici** (Kirinyaga CWR, JP): Thank you, Hon. Temporary Deputy Speaker. I also want to contribute to this matter of national importance about sugar. I have realised that all of us as Members are saying one thing. We are talking about sugar and we are really pushing it. But what I have noticed and everyone will attest to this is that we are politicising this issue too much. The end result is that we are going to lose the war on corruption and contrabands. Instead of focusing on exactly what we have started, we have started diversionary tactics to move away from the National Youth Service scandal, the National Cereals and Produce Board scandal, the Ministry of Health scandal and the Ruaraka land scandal. We are now diverting the issue. It has become diversionary that even when we were told that matters concerning the Kshs9 billion were made to bring this country to its knees, we have been made to give the NYS more money so that they can steal it. This money has already gone to the NYS. They are now getting ready to steal and we are being moved towards the sugar scandal, so that we can forget. Members of Parliament, I wish we can all concentrate and focus on this atrocity that is being committed against the people of the Republic of Kenya.

*(Applause)*

Let us not go towards talking about people who are supporting a certain person. Some of those who are being named are people who, simply because they support a certain person, are

pushed into this sugar story. One is mentioned as being involved in the sugar menace. Somebody like me has never, in my whole life, sold even a grain of sugar. But even when national television stations and fake media speak, they say a brother of Hon. Wangui Ngirici or Ngirici is importing sugar. I have never sold even one single kilogramme of sugar in my life. What has happened? There are people who are really pushing it towards other people and trying to make sure so-and-so is implicated because he supports so-and-so.

The other thing that I want to ask the Members is not to try to settle scores. If somebody won or is ahead of you politically, let us leave that to politics and concentrate on real issues. The real issues are corruption, contraband goods. Our Government agencies have their work. They must do it. If they have not, it is the work of our Government and this Parliament to call them here and even remove some from the seats they occupy if they are not performing as per their accreditation or whatever task we gave them to perform.

Otherwise, thank you, Hon. Temporary Deputy Speaker. That is enough. I do not want to take so much time.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Member for Yatta.

**Hon. Charles Kilonzo** (Yatta, Independent): Thank you, Hon. Temporary Deputy Speaker. We were getting worried that the Chair might be in too much sugar that she is not able to see the screen.

*(Loud consultations)*

Members are consulting loudly.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Just make your contribution. Order, Members. We must listen in silence. Carry on, Hon. Member.

**Hon. Charles Kilonzo** (Yatta, Independent): Thank you for the protection.

I watched the Leader of the Government business today and I saw a frustrated man. That is Hon. Duale. I remember in the funeral of the late mother of our Speaker, Hon. Duale made the following plea to the Head of State: “Your Excellency the President, allow the House to do its business.” One of the challenges we have is that every time this House wants to assert itself and do its business, there is a lot of interference, specifically from the highest offices. They are two. Those are the frustrations over which the Leader of the Majority Party was pleading to the President to allow us do our business as a House.

When Hon. Duale confesses, and under the new Constitution, it is a confession by the Government. The Government knows all the evils within itself. The biggest question is: Who are these in the Government allowing these evils to continue to the extent that the Leader of Government business comes to confess as a frustrated man? Those of my age, if you remember, our neighbour Tanzania used to refer to us as a “man eat man society” and we used to refer to them as a “man eat nothing society”. Now, look, who is laughing the loudest? We have decided to steal everything. The President is busy trying to push the Big Four Agenda and the cartels are trying to push who will be the biggest and remembered most for stealing most.

Let us look at simple things; very simple things. Everybody is saying, true to the letter, that when you go to the smallest businessman, there is no sugar in the market. He has to buy it from people who seem to have all the documents. How can you accuse that person? They came to my market and arrested somebody who has been doing that business for many years, selling different things and he has all the papers. *Anaambiwa* sugar has all kinds of things. Does he have a lab? He has bought it from another huge distributor somewhere in Nairobi yet he is the one

being arrested. What about the guys who have been named by the Leader of the Majority Party? Are they behind bars, anyway? Are those major companies anywhere?

I saw a governor say somewhere on television that he has amassed Kshs18 billion for presidential campaigns. Are people using sugar to raise money for the seat of president? If a governor can raise Kshs18 billion, what about others? They want to go for the governor's seat and even your seat. The effects of the handshake have got into Hon. Junet. He now says that these are serious businessmen. If it was the Junet we used to know, who was on the Opposition, he would have said that these are criminals, gangsters and murders. Let us call them what they are. *Hakuna* pretense. These are criminals. So, the challenge and the word we are going to tell the Leader of Government business is that, if this Government does not act now, you would rather resign from that position. Kenyans will remember you. Things got so worse in Liberia. Unfortunately, there was a coup in Liberia. Samuel Doe invited people to a beach party to execute the Government. We pray that that does not happen here because a revolution can happen. We have seen parliaments being burned down by citizens. If this House does not fight for its people, it will be bad. I want to repeat that, Hon. Duale, I want to believe the President listens to your words. Let him keep away from the House and we will do our business. We have seen that the 11<sup>th</sup> Parliament never censured a single minister. Previous parliaments, including the 10<sup>th</sup> Parliament in which Hon. Duale was in, two ministers went home. One was taken to court. What happened in the last Parliament? Somebody became a governor. So, what is going to happen to this?

I rest my case.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Member for Uriri, Nyamita Ogolla.

**Hon. Mark Nyamita** (Uriri, ODM): Thank you, Hon. Temporary Deputy Speaker. The Member for Rongo was saying that he has put his request on the list. May you remember him. I want to speak as a representative. I come from the sugar belt. The SONY Sugar is the company which is next to my constituency. I want to lay the blame that we are seeing on the sugar industry on the Treasury. There is no single Gazette Notice that waves duty.

*(Loud Consultations)*

The consultations are too high.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Carry on, we can hear you.

**Hon. Mark Nyamiti** (Uriri, ODM): I just wanted to say that we should start with the Treasury. There is no single Gazette Notice that can see the light of day in the approval of the Treasury. I sit in the Budget and Appropriations Committee and I am on record as having asked the Cabinet Secretary in charge what he is doing about the sugar industry. He was very blatant, and the records of Parliament are there, to confirm what I am saying. The Cabinet Secretary said that State-owned sugar companies are going to be sold and the Treasury is not going to do any particular thing. What we are seeing seems like it is a decision that has been made in the Government that they want to allow excess importation. I remember having asked him how he could allow free importation of sugar without a cap. How do you give a Gazette Notice without a cap? The last Gazette Notice that allowed for free importation of sugar did not specify the quantities. It was deliberately intended to allow unscrupulous dealers who already had sugar at

the port. I have listened to the Leader of the Majority Party who says that small traders cannot be able to deal with this sugar.

We also know that there are people who are given licences, but the small traders in this country are the owners of the licences. Because of connections to power, they are able to secure the licences and give them to small traders to bring in sugar. We also know that it is illegal to be in position of something that has been stolen or is contraband. Being in possession of contraband goods is a criminal offence. When they arrest the small traders, they should tell us exactly where they are. Listening to the list of companies that have been listed here like Sukari Industries, I want to say and it is on record, that the SONY Sugar Factory has suffered a loss of close to Kshs1.2 billion out of sugarcane poaching because of Sukari Industries. We have gone for meetings with the Privatisation Commission, not once, not twice. In fact, in the last one, we got invitations as Members of Parliament from the sugar belt and we were told to go on a Tuesday the following week. When we arrived in Kisumu on that Tuesday, we found that the meeting had happened on Monday. They had even issued a Press conference insinuating that we were part of that meeting. They came to SONY Sugar and we gave our views in public participation. To date, they are quiet. We are asking the Government to do what it needs to do because people are suffering. As of now, Sukari Industries, having been listed as someone who neighbours them. In fact, this weekend I am going home and we are going to erect a barrier and they will not come close to our constituency to collect sugarcane.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): The Leader of the Minority Party

**Hon. John Ng'ongo** (Suba South, ODM): Thank you, Hon. Temporary Deputy Speaker. The first question I ask myself is what we are talking about. We are talking about poisonous sugar having found itself in Kenya. When you talk about contraband and you use flashy language, it looks like it is something interesting. But we are talking about toxic sugar. We are talking about poison in this country in the name of food given to Kenyans to feed on because some greedy individuals have decided that they must be wealthy by killing Kenyans. Murderous are in this country walking free and we are talking as if these people cannot be found. How can that be when we are paying and allocating resources to the NIS to protect the lives of Kenyans? The worst part of this is that this is poison that you are consuming without knowing. We are committing suicide in our numbers without knowing that we are committing suicide. This is a matter that we should be very serious about, more particularly, where the names are already known, action must be taken. This is something that we cannot try to cover or clothe in any way. I said earlier that sugar or anything looking like sugar cannot find itself in this country. These imports come through our borders. We have security organs like the NIS and the Director of Criminal Investigation. These organs are paid. We allocate money for them to protect us. We do not want to see the security organs raiding and invading business premises. We want people to be taken to court immediately, charged and prosecuted. These are people who should actually go through sentencing like murderers. They should either be given death sentences or life sentences. They are murderers.

If you sell poison to someone knowingly, are you not a murderer? You are. You are worse than a murderer who is approaching me with a weapon because I can avoid it. I can try to run away. But on this one, you cannot because you do not even know that what you are being given is laced with toxic substances. This is a matter that we need to be serious about.

I listened to the Woman Representative for Kirinyaga County and much as I agree with her that there are issues of corruption that we need to address, this is even a worse case of

corruption that we cannot ignore. Much as we will continue pursuing the cases of the NYS, and I agree with her that sometimes we go for small people, but we leave the big people. The big fish, the *mbutas*, are walking scot-free in the streets and we are going for *omenas*. I am in agreement with her to the extent that we need to net everybody who is involved. Corruption must be fought whether it is at the NYS, Ministry of Health or whatever other area where there is corruption like the NCPB. This is another case of corruption. It appears that we have lost our morals as a country completely. But now we have even moved from taking money from us, we are now feeding Kenyans on poison. This is something we cannot entertain as a country. It is high time we spoke to the Government.

The Government has a cardinal responsibility. The other day, His Excellency the President gave a State of the Nation Address, among which issues he had to address are issues of securing Kenyans and our lives. So, any person who is involved in corruption in whatever area, must be dealt with. That is why we are telling the President that we support him and support his war on corruption. Bring everybody including the Cabinet Secretary in charge. There is no reason why we arrest the Principal Secretary and leave the Cabinet Secretary to go scot-free. We know that the current Constitution gives the Cabinet Secretary Executive powers. I think we should be serious as a country. Let us not just be cheerleaders pressing the fight on corruption...

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Using my discretion, I order that we take only two minutes. Your time is up, Leader of the Minority Party. Members are many. Hon. Chair in charge of agriculture, whatever we are saying will go to your committee.

**Hon. Emmanuel Wangwe** (Navakholo, JP): Thank you, Hon. Temporary Deputy Speaker. I am the Vice-Chair. My Chair has given me the opportunity to proceed. I want to say that these cartels have engaged in very severe onslaught on the people. The Leader of the Majority Party mentioned me and stated that I have a photo which I took in Pan Paper. Let us call a spade a spade. Pan Paper Mills was sold purely to mill paper, not to store sugar. To convert paper into sugar requires a process. I want to give you statistics. The person who imported this sugar knows very well that the consumption of industrial sugar in the whole country per year cannot exceed 70,000 metric tonnes. He has brought into the country 184,000 metric tonnes of industrial sugar. This is a war he has launched with us. He is prepared for us. This is not something that someone wants to create for the purpose of selling. In this regard, as we will be prosecuting this issue, we will put this person to task to explain why. But I will not leave without mentioning that while in Webuye I was informed that the General Service Unit (GSU) officers that left Nairobi to guard the godown in Webuye were recalled. I want to ask: Who is this official who recalled the police officers so that they do not guard the sugar which is still poisonous? We are not sure how much of the sugar is in the market.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Your time is over. Dr. Nyikal, two minutes.

**Hon. (Dr.) James Nyikal** (Seme, ODM): Thank you, Hon. Temporary Deputy Speaker. Colleagues, we have two things happening. People are being killed. Before, they were being killed through the economic processes. Farmers dying, even in the factories they were killing those who were honest. My own brother died in Mumias in 2000 because he was against figures being given of sugarcane crushed which are not crushed. They are now killing people directly by bringing poison. Eventually, we ask this question: If it is true that there is sugar with mercury, we are not seeing any action on the part of public health officers withdrawing sugar from every market and testing it. We have public health laboratories. That is not happening. Why is that not

happening if there is poison? Why are we running against cholera if people have mercury and we are keeping quiet?

Two, we are saying that we are going to put this through the Committee. Whatever the Committee recommends will be implemented by the Executive. Hon. Duale knows it. In my mind, the President knows. It cannot be that he knows and the President does not know. The National Security Council is chaired by His Excellency the President. He can summon all the people that can take action and instruct them and say: I want this tomorrow. Why has that not happened? At this point, I appeal to the President.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Your time is over. Hon. Millie Odhiambo, you are next. Hon. Rozah Buyu, you are next on the list, but I think you have removed your card.

**Hon. (Ms.) Odhiambo-Mabona** (Suba North, ODM): Thank you, Hon. Temporary Deputy Speaker. Even in thanking you, I have not disturbed you today because my sugar levels are low because I have not been taking sugar. Otherwise, I would have disturbed you because my card has been on the whole afternoon and it does not show on your screen. I hope the sugar barons have not reached Parliament, so that we are corrupting even our Information and Communication Technology (ICT) system.

I just want to speak to two issues. One, when Hon. Osotsi was speaking, he mentioned that these people are known and they are on Harambee Avenue. That means they are either parliamentarians, the President, the Deputy President or the police. He needs to tell us who they are.

Secondly, in this House, even in the last Parliament where I was in the Agriculture Committee, we have done a lot of research on issues of sugar and we are wasting energy. It is about corruption and impunity. Let us deal with it. We are now moving from lifestyle audit to 'sugarstyle' audit. Let us know how sugary your house is, how sugary your car is, how sugary your person is. Unless we are serious about confronting how sugary we are, we are not going to slay corruption which is bedevilling this country. It is no longer about sugar. It is corruption and impunity, full stop. Hon. Duale has already told us here that he knows who those people are. When the other Members are speaking, they speak looking at other Members across the Floor. What are we looking for? All we need now are names and we deal with them, even if it is the firing squad.

Hon. Temporary Deputy Speaker, thank you.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Hon. Lydia Haika. Yes, Hon. Rozah, if your card is there, you can speak.

**Hon. Rozah Buyu** (Kisumu CWR, ODM): Thank you, Hon. Temporary Deputy Speaker, for giving me this opportunity. Like Hon. Millie Odhiambo, I have waited the whole afternoon to get this chance. It is a very emotional topic for me because I am a product of the sugar industry. I was born, bred and schooled through sugar production, when it was still successful in western Kenya.

What annoys me this afternoon is the fact that we seem to be deviating from what we are supposed to be discussing. We are not discussing licensing of sugar importers. Instead, we are discussing contraband sugar which is laced with mercury that puts the lives of Kenyans at a risk. As we sit here, it is okay for us to smile and think we are safe, but none of us is safe because your child, sister, brother, wife could be visiting somebody in another house where they are taking a cup of tea with sugar that has mercury. So, everybody is at a risk.

It is the responsibility of the Government to protect its citizens. Once there is that suspicion that some sugar is laced with mercury, the Government must seem to act. The only action we need from the Government is to withdraw the sugar from the market and have it destroyed, regardless of how much money somebody must have put in importing that sugar because those are cartels.

I would also like to say that the Government is in denial. You cannot selectively deal with corruption. You cannot tell us that the Government does not know the importers of this contraband sugar. You cannot. The Government has the machinery to find out who has imported this sugar. If the Government stands to protect a few individuals for whatever gains they get from those individuals, the Government is lying to Kenyans. It is not protecting its citizens.

Thank you, Hon. Temporary Deputy Speaker.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Hon. Kimani Ichung'wah, two minutes.

**Hon. Kimani Ichung'wah** (Kikuyu, JP): Thank you, Hon. Temporary Deputy Speaker. I want to join my colleagues in condemning these sugar barons. But more importantly, we should ask ourselves as a House what role we are playing especially in dealing with these cartels.

*(Loud consultations)*

Hon. Temporary Deputy Speaker, can you protect me.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Hon. Ichung'wah, you are on record. Can you go on? You have one minute.

**Hon. Kimani Ichung'wah** (Kikuyu, JP): Hon. Temporary Deputy Speaker, if you protect me...

**An Hon. Member**: He spoke!

*(Loud consultations)*

**Hon. Kimani Ichung'wah** (Kikuyu, JP): I spoke on the County Allocation of Revenue Bill, not on this Motion.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): I have the record. He has not spoken to this. Members, you cannot do that just from your other cartels there. He has not spoken to this, seriously. Hon. Ichung'wah, you have one minute.

**Hon. Kimani Ichung'wah** (Kikuyu JP): Thank you, Hon. Temporary Deputy Speaker for your protection. I was saying that we need to ask ourselves, as a House, what is our role and more so, to what the Hon. Leader of the Majority Party has alluded to.

Hon. Temporary Deputy Speaker, I served in the Departmental Committee on Agriculture, Livestock and Cooperatives in the last Parliament. It is, indeed, a fact, as Hon. Nyamita has alluded, that this Sukari Limited that has also been named by Hon. Duale here, is the company that was stealing sugarcane from Mumias Sugar Company. That is why Mumias Sugar today is down on its knees. More importantly, names have been dropped here such as Raiply and Pan Paper.

I carefully listened to the Cabinet Secretary for National Treasury, here in his revenue raising measures when he alluded to the fact they want to drop duty on timber that is being imported from outside at a time when we are asking Kenyans to stop logging. Who are we protecting? We must be told who is influencing Government policy to reduce duty on imported

boards to protect the local industry being the same Raiply and Pan Paper Mills. As Members of this House, because these issues will come to us in the Finance Bill, we must also be careful. We must protect local industries owned by locals.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Let us have Hon. Muhanda Busihile, Member for Kakamega.

Let us have Hon. Chepkut Chirchir. Hon. Members, I will use my discretion to add three more minutes to the House.

**Hon. William Chepkut** (Ainabkoi, JP): Hon. Temporary Deputy Speaker, I condemn in the strongest terms possible without reservation. When I was moving the Motion on compulsory tree planting in all learning institutions and individual households, I condemned Raiply. It is the same Raiply which is importing sugar. So, we are in agreement with the Leader of the Majority Party. Let us protect our industries especially those producing sugar. Raiply should be highly taxed. We are the Members of Parliament charged with the responsibility of approving the appointment of State officers in this nation. I want the NIS to move with speed and freeze all their accounts.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): One minute for Hon. Mwikali Mutua.

**Hon. (Ms.) Florence Mutua** (Busia CWR, ODM): Thank you, Hon. Temporary Deputy Speaker for catching my eye. My card has been on since 3.00 p.m. Much has been spoken. I am a Member of the Departmental Committee on Agriculture and Livestock and last time, we wrote a report with serious recommendations. I am happy the Hon. Leader of the Majority Party has named the same companies that were in our Report.

I will speak on one issue about Busia County. The same person that is being spoken about here in this House has brought Busia Sugar to a stall. It cannot perform and the industry cannot kick off. It cannot be given a certificate because he wants it to operate in isolation. We want this person to be investigated. He will come before our Committee, we will write a report and hope that this House will for once take it seriously and have the person investigated.

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Hon. Simba Arati, one minute.

**Hon. Simba Arati** (Dagoretti North, ODM): Thank you, Hon. Temporary Deputy Speaker. I want to point out that it is important for us to understand that the handshake has unmasked the big thieves in this country and we should not be misled. I heard Hon. Duale telling us that those who are licensed...

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): You have 20 seconds because of the rise of the House.

**Hon. Simba Arati** (Dagoretti North, ODM): Hon. Temporary Deputy Speaker, that is alright because you are biased on giving time.

**The Temporary Deputy Speaker** (Hon. (Ms.) Mbalu): Order, Hon. Arati, you are completely out of order! Order! Hon. Simba Arati, Member for Dagoretti North, you are completely out of order. You just have two more seconds.

**Hon. Simba Arati** (Dagoretti North, ODM): Thank you, Hon. Temporary Deputy Speaker, the purported wholesalers...

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Order! Time is over! This is a House of rules and procedures. You cannot keep speaking and eating into your time.

**ADJOURNMENT**

**The Temporary Deputy Speaker** (Hon. (Ms.) Jessica Mbalu): Hon. Members, the time being 7.05 p.m., this House stands adjourned until tomorrow Wednesday, 20<sup>th</sup> June 2018 at 9.30 a.m.

The House rose at 7.05 p.m.