PARLIAMENT OF KENYA

THE NATIONAL ASSEMBLY

THE HANSARD

Wednesday, 19th February 2020

The House met at 2.30 p.m.

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

PRAYERS

Hon. Speaker: We can commence.

PAPERS LAID

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

Quarterly Economic and Budgetary Review for the First Half, Financial Year 2019/2020 from the National Treasury and Planning.

The 3rd Quarterly report covering the period from 1st July 2019 to 30th September 2019 from the Ethics and Anti - Corruption Commission.

The Reports of the Auditor-General on the Financial Statements in respect of the following Institutions for the year ended 30^{th} June, 2018 and the certificates therein:

Brand Kenya Board and National Environment Management Authority.

The Reports of the Auditor-General on the Financial Statements in respect of the Imarisha Naivasha Trust for the year ended 30th June, 2017 and the certificates therein.

The Reports of the Auditor-General on the Financial Statements in respect of the Gem Constituency for the year ended 30th June, 2018 and the certificates therein

NOTICES OF MOTIONS

ADOPTION OF THE REPORT OF THE AUDITED FINANCIAL STATEMENTS FOR THE UWEZO FUND AND THE WOMEN ENTERPRISE FUND

Hon. Kathuri Murungi (South Imenti, Independent): Hon. Speaker, I beg to give notice of the following Motion:

THAT, this House adopts the Report of the Special Funds Account Committee on audited Financial Statements for the Uwezo Fund for the Financial Year 2016/17 and the Women Enterprise Fund for the Financial Year 2017/2018 laid on the Table of the House on Tuesday 5th November 2019. Thank you, Hon. Speaker.

Hon. Speaker: I hope other Chairs of Committees or Membership of Committees who were to renew notices they gave in the Third Session, last is the last Session are also ready to renew them. In the meantime as the Committees grapple with the Budget Policy Statement (BPS), we can dispose of those Reports. I know I have approved very many of them and there is one from the Departmental Committee on Justice and Legal Affairs. Hon. Gitonga Murugara, I think you are the one who signed it. Do you have it?

Hon. George Gitonga (Tharaka, DP): I will bring it tomorrow afternoon.

Hon. Speaker: It is not here? Let us hear from the Chair of Departmental Committee on Lands, Hon. Rachael Nyamai.

Hon. (Ms.) Rachael Nyamai (Kitui South, JP): Thank you, Hon. Speaker. I want to inform you that I am ready. Can I go ahead?

Hon. Speaker: Yes.

Hon. (Ms.) Rachael Nyamai (Kitui South, JP): Hon. Speaker, I would like to present the Departmental Committee on Lands Business Status for the Third Session 2019.

Hon. Speaker: Are you laying a Report? If it is a statement we are not yet there. There was another one from the Departmental Committee on Administration and National Security. Hon. Wamunyinyi do you have that notice? No! We are not yet at statements.

I indicated that sessional business ordinarily lapses with the end of each Session. There were Reports from various Committees that were tabled. They did not lapse because Reports do not lapse at the end of a Parliament. What tends to happen is that the notices of Motion are the ones that lapse. The Notices of Motions are the ones that lapse so that a new Session needs to be given notice of a Motion for adoption and/or rejection of a Report which has been laid. So, it is the notices which are supposed to open the way for the House to debate those various Reports. Did I see Hon. Murugara on his feet?

STATE OF THE JUDICIARY FOR 2016/2017 AND 2017/2018 FINANCIAL YEARS

Hon. George Gitonga (Tharaka, DP): Thank you, Hon. Speaker. I beg to give notice of the following Motion:

THAT, this House notes the annual Reports on the State of the Judiciary for the financial years 2016/2017 and 2017/2018, submitted to the House pursuant to the provisions of Article 254(1) of the Constitution, and adopts the recommendations of the Departmental Committee on Justice and Legal Affairs as contained in the Reports of the Committee, laid on the table of the House on Thursday 9th May 2019.

Thank you, Hon. Speaker.

Hon. Speaker: It is that kind of Report that I said we need to debate. Was there anything from the Public Accounts Committee? Hon. Kathuri Murungi, you will give one Notice of the next Motion.

ADOPTION OF REPORTS

Hon. Kathuri Murungi (South Imenti, Independent): Thank you, Hon. Speaker. I beg to give notice of the following Motion:

THAT, this House adopts the Report of the Special Funds Accounts Committee on its consideration of the audited Financial Statements for the Agricultural Settlement Trustee Fund for the Year ended 30th June 2016, the Universal Service Fund for the Year ended 30th June 2017, and the Water Sector Trust Fund for the Year ended 30th June 2017, laid on the Table of the House on Tuesday, 29th October 2019.

Thank you.

Hon. Speaker: Chair for the Departmental Committee on Agriculture and Livestock.

CHALLENGES FACING THE COFFEE RESEARCH INSTITUTE

Hon. Ali Adan (Mandera South, JP): Thank you, Hon. Speaker. I beg to give notice of the following Motion:

THAT, this House adopts the Report of the Departmental Committee on Agriculture and Livestock on its inquiry into the challenges facing the Coffee Research Institute, laid on the Table of the House on Tuesday, 26th November 2019.

Thank you.

Hon. Speaker: There was one for Defence and Foreign Relations and another one for Environment and Natural Resources.

Hon. Korei ole Lemein (Narok South, JP): Thank you, Hon. Speaker. I beg to give notice of following Motion:

THAT, this House adopts the Report of the Departmental Committee on Defence and Foreign Relations on its consideration of the agreement between the Government of the Republic of Kenya and the Government of the Italian Republic on the Luigi Broglio-Malindi Space Centre, laid on the Table of the House on Wednesday, 26th June 2019.

I thank you.

Hon. Speaker: Should I conclude on the Notices of Motions? The others are reports by the Committee on Implementation and the Departmental Committee on Environment and Natural Resources. The Leaderships have decided to go to the villages and remain there. They will be dealt with tomorrow.

Next Order!

ORDINARY QUESTIONS

QUESTION No. 008/2020

ALLOCATION OF FUNDS IN KINANGOP CONSTITUENCY

Hon. Speaker: Member for Kinango, the Floor is yours. If you are here you must make a request. You cannot just come to the Chamber and relax.

Hon. Benjamin Tayari (Kinango, ODM): Thank you, Hon. Speaker. I rise to ask the Cabinet Secretary for Education, Science and Technology the following Question.

(i) Could the Cabinet Secretary provide a list of all constituencies benefitting from the school feeding programme under the Ministry of Education, and indicate when Kinango Constituency will be considered?

(ii) Could the Cabinet Secretary also explain the criteria used to allocate and distribute infrastructure funds and explain the amount of funds allocated to schools in Kinango Constituency, noting that these schools have the poorest infrastructure in the region?

Hon. Speaker: The Question will be replied before the Departmental Committee on Education and Research.

Question No.009/2020

CONSTRUCTION OF ROADS IN MERU COUNTY

- **Hon.** (Ms) Kawira Mwangaza (Meru CWR, Independent): Hon. Speaker, I would like to ask the Cabinet Secretary for Transport, Infrastructure, Housing and Urban Development the following Question.
- (i) Could the Cabinet Secretary explain why the construction of the Kunene St. Anne-Kagaene-Miomponi road which commenced in 2017 has not been completed?
- (ii) What mechanisms has the Ministry put in place to ensure that the road is completed?
 - (iii) What steps is the Ministry taking to improve roads in Meru County?
- **Hon. Speaker:** That Question will be responded to before the Departmental Committee on Transport, Public Works and Housing. We have afinal Question from the Member for Suna West, Hon. Peter Masara.

Question No.010/2020

INCREASED CASES OF INSECURITY

- **Hon. Peter Masara** (Suna West, Independent): Hon. Speaker, I rise to ask the Cabinet Secretary for Interior and Coordination of National Government the following Question.
- (i) What actions is the Cabinet Secretary taking to curb increased cases of insecurity, particularly theft and harassment, of boda boda operators in Suba Ragana and Wiga Divisions in Suna West Constituency?
- (ii) Could the Cabinet Secretary consider gazetting the newly established Police Stations in Piny Oyie, Masara and Oruba areas in Suna West Constituency and facilitating them with the necessary equipment and personnel?
- **Hon. Speaker:** The Question will be replied to before the Departmental Committee on Administration and National Security. Is there a police station called Masara?
- **Hon. Peter Masara** (Suna West, Independent): Yes, like my name. It is not special. Masara was once a Councillor and that name is very important in our area. That is why I am even here as a representative of the people of Suna West.
 - Hon. Speaker: That is why you are here also. You have upgraded.
- **Hon. Peter Masara** (Suna West, Independent): No, there is a town gazetted by the Kenyan Government as Masara Town and it happens to be my name and that of my father.
- **Hon. Speaker:** So, did you derive the name from the town or the town derived the name from your father's name?

(Loud consultations)

Hon. Peter Masara (Suna West, Independent): I am a dynasty, Hon. Speaker.

(Laughter)

Hon. Speaker: That Question from that dynasty then would be responded to before the Committee on Administration and National Security. We go to the next segment of this Order of Statements. There is a Statement on the Committee on Administration and National Security. Is it the Hon. Wamunyinyi who is responding?

STATEMENTS

STATUS OF QUESTIONS REFERREDTO THE DEPARTMENTAL COMMITTEE
ON ADMINISTRATION AND NATIONAL SECURITY

Hon. Wafula Wamunyinyi (Kanduyi, FORD-K): Hon. Speaker, pursuant to the Standing Order regarding Reports on Questions and Communications of 13th February 2020, I wish to present a Statement on the Status of Questions referred to the Departmental Committee on Administration and National Security.

Hon. Speaker, the Committee received a total of 47 Questions asked by Members and were referred by the Chair. Out of the 47 Questions, 16 were answered and disposed successfully. Six Questions were answered but not satisfactorily. Members as well as the Committee were not satisfied thus the Questions were referred to the Ministry for satisfactory answers. Thirteen Questions were deferred and 12 dropped. The Questions were dropped because Members who had asked them failed to appear before the Committee to prosecute their Questions.

Hon. Speaker, the Questions which were deferred, it was at the request of either the Members who asked them or the Cabinet Secretary (CS) for being unavailable to respond to them. I have a schedule indicating the status of all the Questions that were asked before the Committee. The schedule provides the date the Question was asked, the Member who asked it, the Question itself, and the status. I, therefore, request that you allow me to table this document.

Hon. Speaker: Very well, table it.

(Hon. Wafula Wamunyinyi laid the document on the Table)

Let go to the next statement. Is it the Chair of the Committee on Budget and Appropriation (BAC)?

PRE-BUDGET CONFERENCE 2020

Hon. Kimani Ichung'wah (Kikuyu, JP): Hon. Speaker, as you are aware, the 2020 Budget Policy Statement (BPS) was laid on the Table last Thursday 13th February 2020. Upon being laid on the Table, it was committed to the Budget and Appropriation Committee (BAC) as

well as departmental committees. This key document gives an overview of broad strategic priorities and policy goals that will guide both the national and county governments in the upcoming budget preparation processes this year.

Hon. Speaker, the BAC has identified weak links between previous Budget Policy Statements and the Annual Estimates. Weak policies in the Budget Policy Statements have led to weak expenditure prioritisation, regular revisions of annual budgets through the Supplementary Budget — that we consider and approve — and delay in the implementation of key Government development projects. This has resulted in less credible budgets that effectively and efficiently tackle pertinent issues that affect our country.

In this regard, the Legislature, being one of the institutions that play a pivotal role in the national budget process from the time the BPS is submitted for approval, is expected to review the policy document and identify strengths and weaknesses of the proposed policies taking into account issues such as rising unemployment — especially amongst our youth — and the huge public debt that afflicts our country.

Hon. Speaker, it is increasingly apparent that there is need for both the Executive and Legislature to have adequate consultations on issues relevant to the budget, so as to prevent divergent views as witnessed in previous years. The BAC has, therefore, organised a pre-budget conference and is inviting chairpersons and vice chairpersons of departmental committees as well as key stakeholders such as the National Treasury, Central Bank of Kenya (CBK), Kenya Public Policy Research and Analysis Institute (KIPPRA) among others. The purpose of the conference is to engage them on pertinent issues and to have a common understanding of crucial economic policies and budgetary issues as contained in the BPS that was tabled in this House last week.

Hon. Speaker, as I conclude, I urge the departmental committees, through their chairs, to adhere to the short timelines provided for processing of the BPS. The BAC expects to receive the submissions from departmental committees by the 25th February 2020, which is next week on Tuesday. This will facilitate the tabling of the BAC report on the 2020 BPS by Tuesday 3rdMarch 2020. The Parliamentary Budget Office will be circulating the program to guide departmental committees. I urge the House to support that office in this endeavour.

In this statement, we have attached a programme of the BPS processing timelines. I can see a number of Chairs in the House, including that of the Committee on Communication, Information and Innovation, and the Vice Chairperson of the Committee on Agriculture and Livestock, Hon Wario. It is important that Members consider the very limited time we have. Our own procedure gives us 14 days only. There has been talk about that. It is a challenge we need to take up this year, as a House, and possibly review the Public Finance Management Act in order to create more time. If we can provide for mid-March, say, between 15th and 20th March every year, then we would have created adequate time to consider the BPS. Now that our statutes allow us 14 days only after the tabling of the Statement, that limited time only allows us this week. I have seen a number of committees meeting relevant Ministries, Departments and Agencies (MDAs). The committees will be appearing before the BAC starting Tuesday.

Hon. Speaker, we will be seeking permission from your office to continue on Wednesday and hopefully on Thursday morning, in order for us to meet with the Judiciary, Parliamentary Service Commission (PSC), and the Auditor-General. That will enable us to retreat on Friday, Saturday, and Sunday to finalise our report. We will then seek to table it the following week on 3rd March 2020. I, therefore, wish to plead with chairs and vice-chairs to be available this weekend.

We are looking for a venue that is convenient for our meeting this Friday. We had that engagement in the Liaison Committee, this morning. We are looking for a venue that is convenient for most chairs and vice-chairs. I also invite other Members who will be in town on Friday to come and participate in the Pre-Budget Conference. It is important that we conclude that before we table our report the week after next week.

Thank you, Hon. Speaker.

Hon. Speaker: Hon. Members, I hope you were listening because I can see some of you are all over here. Some others are shaking hands and gossiping. I doubt whether they followed anything. This is more important than those morning television appearances you make when nobody wants to be disturbed with a lot of noise about some of the things I see you engaging in. You can suspend television appearances for these days because we are dealing with very serious stuff. Nobody elected you to those television shows. Please, pay attention to this matter. Chairs of committees must, as much as possible, comply with the timelines, because unfortunately, it is the law. The law has constrained the time available for you to look through the various policy pronouncements coming from various ministries and departments.

Hon. John Mbadi, you have the Floor.

Hon. John Mbadi (Suba South, ODM): Hon. Speaker, I want to thank the Chair of the Budget and Appropriations Committee for the statement. I am happy the chair has again reemphasised and made it very clear that this is a very important exercise.

Hon. Speaker, my concerns are two: One, previously, we have had cases where the chairs of committees have complained that the BAC sometimes fails to take into consideration the proposals from the various departmental committees. My concern is that when we have important meetings, where the BAC would engage with departmental committees well in advance, before we start the actual process of dealing with the Estimates, such as the pre-budget conference and other important budget engagements, you find that the chairs of various committees do not give such meetings the due consideration. There are some chairs who are very good, who would come and attend most of the meetings. Some chairs do not even send their vice-chairs, but only their vice-chairs. That is not to mean that the vice-chairs are not efficient as such. We need to give this engagement prominence and importance. We should attach to it seriousness. We need engagements between the BAC and the departmental committees so that we can understand the policy framework, the executive, and what the Legislature wants to do.

One thing that I want the Chairs to understand is that the country has one budget. For you to even be effective in aligning your budgets to the policy framework of the country; there is need for all of us to engage. You do not just go and sit in a corner and start reducing, removing and reallocating resources here and there. It is important that this fits into the policy framework of the Government.

Hon. Speaker, although you went ahead of me, I plead and ask the Chairs that this prebudget meeting should be full house, if possible. We had a meeting in Mombasa and the Chair will confirm to you. It was a very important meeting where we discussed a lot of issues regarding budget implementation. Not even a third of the Chairs were present in that meeting. We wanted to agree with the Chairs that even before we start the next phase of the budget process, we should be sure about how the Government or the Executive is implementing the previous budget. It is not just important to allocate resources. It is equally important to ensure that the resources that are allocated are spent and the projects are implemented.

I plead with the Chairs, please give these meetings the due consideration, prominence and importance that they deserve.

Hon. Speaker: Chair of the Budget and Appropriations Committee, instruct or tell whoever it is that clerks your pre-budget conference that it is directed. There should be a record of attendance of which departmental committees were present so that thereafter they do not come here to say we presented this or that. To whom did they do so? This is important. They must, therefore, attend. Nobody forces you to be a Chair of a committee. Just go where you will feel more comfortable whether it is looking after children, goats or cattle. Please, let the work of Parliament be done by those who are interested in doing it. We need seriousness in the House. If you do not have the capacity to sit through a conference, depute somebody who has the capacity or interest.

We do not want a meeting as important as this to go unattended and then the next thing we hear is people coming here to complain that they appeared before the Budget and Appropriations Committee. You need to understand the framework within which those decisions will be made. Against what background will the decisions be made? We want the report of those who attend to be tabled here so that it will form the basis of the decision by whoever is in the Chair to deny them the opportunity to come and make unnecessary recriminations.

Let us have Hon. Wamalwa.

Hon. (Dr.) Chris Wamalwa (Kiminini, FORD-K): Thank you, Hon. Speaker. It is true that the Budget Policy Statement (BPS) is very critical. I listened carefully when Hon. Ichung'wah was making his presentation. I observed that the Chairs who have been invited are only those of departmental committees. There is a positive correlation between the watchdog committees and the departmental committees. Even if the three watchdog committees are "morticians", it will be important for them to be invited to the pre-budget conference for purposes of synergy and the logical flow. I listened and he only talked about the departmental committee Chairs. How I wish that the...

Hon. Speaker: Let me give further directions. The Chair and Vice-Chair of the Public Accounts Committee or their deputed representatives, the Chair and Vice-Chair of the Public Investments Committee or their deputed representatives, the Chair and Vice-Chair of the Special Funds Accounts Committee or such other Members as you will depute, the former Chair and Vice-Chair of the Members Service and Facilities Committees - I know the Committee has not been formed but it will... The former Vice-Chair might be undergoing some biological processes - or any such person as may accompany you... I am just going by what I was able to see before the end of the last Session. As the Chair of the Budget and Appropriations Committee indicated, any other interested Member is welcome. Even when you engage with those ministries and departments, every one of you is able to take them on board on the basis of some of the deliberations that would have happened at that pre-budget conference.

I can see the Member for Seme wants to comment on this one. The Member for Seme has not been here. He was not here yesterday.

Hon. (**Dr.**) **James Nyikal** (Seme, ODM): Thank you, Hon. Speaker for this. I rise to support the Statement by the Chair of the Budget and Appropriations Committee on the prebudget conference. I appreciate that he has said that any other Member who may wish to attend is welcome. The BPS is the core document for the whole budgeting process. I have been concerned that the time we are given which is 14 days and seven days for the committees may not be enough. Sometimes I have wondered whether we cannot suspend the plenaries during this process.

If you look at those documents, there is so much that is going on in policy. Policy is supposed to encompass both the national Government and county governments. If you do not

look carefully, what you tend to see is that the BPS is addressing to a large extent the national Government issues. You do not see a very clear link with county government issues. Therefore, it is so important. We have been accused sometimes that as Parliament, we do not want to give funds to the counties. At this moment, you get so many details which are coming from the national Government and a division which is already done on the Commission on Revenue Allocation (CRA) recommendations and the 15 per cent rule without knowing exactly what is happening. Whereas that might not be our mandate, proper reading would guide us in some areas where we may question the money that has been left with the national Government and find a way of using it.

This is an extremely important process. Maybe not this time but it may be important that during this process, we suspend the plenaries so that Members can sit in the committees and see what we are talking about. We have the power of the purse. You cannot have the power of the purse if you do not understand the process that goes into the purse. I support the suggestion that we suspend the plenaries so that we take time. First of all, the Committee understands. Then you now interact with the ministries, departments and agencies (MDAs). It is then that you make a report that goes to the Budget and Appropriations Committee. The Committee needs more time than we have. That is an important point we should raise and look at it in future.

Hon. Speaker: Very well, Hon. Members. As you appreciate, there are very many documents which are always tabled here - some of them much more complicated and complex than even the BPS itself. The reason for the tabling is so as to allow Members time to go and interact with those reports. Since the BPS was tabled here on Thursday last week, the assumption was that throughout last weekend, rather than engaging in those other things that you do, you were expected to go into the document such that by the time we begin interacting with the ministries this week, and you are at par. If you did not get the chance to do it because of one reason or another, somebody else most likely got time to read through it. They will carry you through.

(Loud consultations)

Order, Members! For the information of Members, including the Chair of the Public Accounts Committee (PAC), who is walking away with one of his Members, I have given instructions that at every Committee meeting, there should be an order just like we have on the Order Paper. One of them should be prayers. I assume that you still say prayers. However, I am sure that you do not administer oath. There should be communication from the Chairperson or any other Member. Let us adopt this Statement with minor amendments. We have given instructions to replace messages by a brief from the head of the secretariat of that Committee. It will show the business that you have been called to transact on that particular day and time.

For example, he can say that you are there to consider a petition and explain what it is about, so that all Members can know. Forget about the late comers. Those who are present who form quorum should at least know upfront the issues that they will be confronted with. The staff have been appropriately trained and instructed to make sure that this is always followed. I am saying this because I realised that many of you sometimes walk into committees from some debates in some other fora. I watch most of you in the morning. So, you might come there with a lot of those funny ideas. This will bring you up to speed with the business that you are going to transact. The brief should be brief. It should not take more than 15 minutes.

If any Members who are there have any issues that they would want to raise in-house, they raise them and you agree on how you will transact committee business. When you see the secretariat telling the Chairperson not to start before they take you through what you will transact, it is just because they want to inform you. We want to make the work of the committee clear. There is a point that was raised by Hon. Nyikal. I know that many of you have not read the Budget Policy Statement (BPS), notwithstanding that it was laid on the Table on Thursday. You can be taken through it quickly. Every Committee has a fiscal analyst. You can be taken away from the village where you might have been over the weekend and brought into the meeting. That way, I am sure you will interact from a position of knowledge. We are trying to do this as a way of bridging the gap that may be there because of the various activities Members engage in apart from doing the Committee work, Hon. Nyikal. That does not take away the necessity of every Member to really read through the documents that have been tabled, which may be relevant and necessary for you to participate in the discussion or debates in a Committee. That will be followed. We have given instructions to try to bridge that gap. I understand that we are bridging the gap that Hon. Nyikal has talked about. Then we may not need to suspend the plenary sittings because the House is still required to sit in the plenary.

Hon. Kimani Ichung'wah, Chair of the Budget and Appropriations Committee made reference to these very tight timelines. He informed Members that there is a proposal to amend the Public Finance Management (PFM) Act to give the House more time. However, for the time being, we must do with what we have. Those tight timelines are also there in the Public Appointments (Parliamentary Approval) Act, which require re-looking. I expect Hon. John Olago Aluoch, Hon. Otiende Amollo, Hon. T.J. Kajwang', and others to take a lead in looking at those timelines.

The practice in other jurisdictions is one where Parliament is never really tied. You cannot be told to approve a person to become a Cabinet Secretary within a particular time and if you do not, the person is deemed to have been appointed. What then are you supposed to do? Where is the time for you to get the public to even appear before you or dig deeper about the past and the records of the person who will appear before you? I am just saying this because the Chair of the Budget and Appropriations Committee indicated the need to look at the timelines which are given in the PFM Act. They cannot be open-ended. Likewise, that Public Appointments (Parliamentary Approval) Act needs to be looked at so that it enables the House to vet nominees. I have seen in some jurisdictions, without naming any particular one, where they can even stay with the names of nominees for up to four months because they want to know as much as possible about the nominees.

However, when you are hurried, you have very little time. You bear in mind that Members do not just keep digging history of nominees. They also do other things. We appreciate that Members do other things but not only about the history of a nominee. We can leave this Statement at that. However, we should encourage as many of us as possible to attend the Pre-Budget Conference which will be a useful thing. Can we do some other business? Hon. Otiende Amollo, do you want to say something?

Hon. (**Dr.**) **Otiende Amollo** (Rarieda, ODM): Hon. Speaker, I want to say something very briefly because I can see that my Chair and Vice Chair of PAC are not here. Your points on re-looking at the approval timelines and the conduct of committees are well taken. I want to assure you that PAC always observes that, including administering oaths.

The point I wanted to bring out very briefly in respect of the intervention by the Chair of the Budget and Appropriations Committee, Hon. Ichung'wah, which is quite opportune or timely

is that because some of us may not get the opportunity to attend the Pre-Budget Conference, and my Chair and Vice Chair are not here, I urge the Chair and other Chairs, together with the Committee, to try and create some correlation between the PAC Reports which are passed by this House – especially in so far as they find impropriety in some State Departments, including surcharge – and the budgetary allocation to those Departments. They should know that there are consequences for improper use of public resources. They believe that what the House says is unimportant. I urge that in specific cases, we should consider all those Reports that we have adopted in re-looking at the allocation of funds. If the State Departments begin to know that there are financial consequences, then they will start respecting the PFM Act.

Thank you, Hon. Speaker.

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

Hon. Speaker: Alongside the National Treasury memorandum such as the one that was tabled yesterday... Leader of the Majority Party, you have an intervention.

Hon. Aden Duale (Garissa Township, JP): Thank you, Hon. Speaker. Before I go to the substantive matter, you have raised some very good things that will improve how our Committees run. With your direction, I want us to go further to put name tags in Committee rooms. The story of introducing yourself in the committee is boring. Like in other jurisdictions, when somebody walks to a Committee room, the chairs should have name tags. We should also do it according to ranking. A Member does not need to introduce himself or herself. I am sure once our building is complete, we will have specific Committee rooms. However, we need to improve. We should also improve on how we ask Questions.

Hon. Speaker, I have stood on Standing Order 44 (a) (5) because when Hon. Wamunyinyi — he looks like he was in Kanduyi Constituency — was making a Statement on behalf of the Committee, he talked of 47 Questions that the Committee dealt with last year. Standing Order 44 (a) (5) gives me a role to play. This being a House of records, I have all the Questions that went to committees.

In our record, the Committee has 112 Questions. Tomorrow, I really want him to give a more substantive answer and tell the House what happened to other Questions apart from the 47. Maybe there was an error because the record shows that the Committee had 112 Questions and yet our ranking Members have talked of 47 Questions. He might not be ready now, but he can consult and make a more accurate statement tomorrow afternoon.

Hon. Speaker: Speaking of something I am seeing: what is this thing about Members embracing each other; the one in green and the other one? I saw some very interesting... Please, I thought we were through with that on 14th of February.

(Laughter)

Hon. Wamunyinyi, according to the records that Hon. Duale has, which I was also shown, there were 112 Questions directed at your Committee. You have indicated that you dealt with 47 of them.

Hon. Wafula Wamunyinyi (Kanduyi, FORD-K): Hon. Speaker, according to our records, those are the Questions that were presented before the Committee. However, I cannot confirm that this is inaccurate because that is the information I have. But I can undertake to conduct another check with the secretariat and the Clerk's office so that we confirm. They could have disappeared somewhere along the way.

(Laughter)

Hon. Speaker: Hon. Wamunyinyi has been quite frank. It is good to check with both the person who clerks his Committee and the Director of Committees. This is because the Director of Committees is the source of the record we have.

What is your Point of Order?

Hon. Kimani Ichung'wah, (Kikuyu, JP): Hon. Speaker, even as I appreciate what Hon. Wamunyinyi is saying, I want to support what the Leader of Majority said regarding the Questions. For those of us who spend time in this Chamber, you will agree with me that most of the Questions by Members of Parliament either pertain to issues to do with security or roads. Therefore, the two Committees are likely to receive the highest number of Questions.

Unfortunately, the Departmental Committee on Administration and National Security has become notorious of not following upon Questions asked by Members of Parliament. This is because among the Questions that seem to have disappeared somewhere – if I may use Hon. Wamunyinyi's words – is a Question I asked last year concerning the Department of Immigration. It was about foreigners working in this country without permits from the Ministry and other government agencies. As a consequence, you recently saw a Chinese national whipping a Kenyan who was working in a hotel.

If the Chairman of the Committee on Administration and National Security had taken the work of this House seriously and called the Cabinet Secretary (CS) for National Treasury, the Ministry concerned and the Department of Immigration; we would have probably arrested the kind of scenarios we are seeing today of Chinese nationals whipping Kenyans. Kenyans are being punished for being poor.

It is only right that the Chair, when he returns from his trip, comes before the House and submits a full list. However, I appreciate what Hon. Wamunyinyi has done on his behalf. This is a House of records and there cannot be Questions disappearing somehow! Those Questions disappear because people are afraid. People do not want to call the CS for Interior and Coordination of National Government to be held accountable by this House. That is the only work we have been elected to do, that is, to represent them here.

Hon. Speaker: Looking at Hon. Wamunyinyi, I am not sure that he can fear to call anybody to respond to Questions. But, since he has said that he is going to cross-check with the head of the secretariat and the Director of Committees, let us allow him to do so tomorrow. What is happening today is an update of the business transacted by each committee.

That was the report from the Committee on Administration and National Security. The next reports are from the Departmental Committee on Lands and the Departmental Committee on Communication, Information and Innovation.

Hon. Rachael Nyamai, very quickly, what is your Point of Order?

Hon. (Ms.) Rachael Nyamai (Kitui South, JP): Thank you, Hon. Speaker.

Hon. Aden Duale (Garissa Township, JP): Hon. Speaker, just a minute. The Hon. Deputy Speaker is raising an important matter here with me which he also needs to share with the House. Locusts have invaded the precincts of Parliament. He has told me that he has found a locust in his office. He has also shown me a picture of a locust in the dining area.

(Laughter)

He has taken a picture of a locust, but I have told him that the man who said we should do that is no longer the CS. The one, who is now in-charge, said that the locusts are very old. Hon. Speaker, can you give him an opportunity just to confirm whether the locusts are in his office?

Hon. Speaker: Let us not deal with *tete-a-tete* communication. We can allow members to communicate... Hon. Rachael Nyamai, you may proceed.

Hon. (Ms.) Rachael Nyamai (Kitui South, JP): Thank you, Hon. Speaker. Before I get to this report, I would like to confirm that just like Hon. Duale, the Deputy Speaker has shown me pictures of yellow locusts in our restaurant. It is true that the locusts have arrived in Parliament. This is a matter that needs to be followed up.

Hon. Speaker: Let us not deal with that issue because I am not too sure.

(An hon. Member spoke off record)

Of course, you are the people's representatives and therefore, maybe they may have come to present their grievances to you.

Hon. (Ms.) Rachael Nyamai (Kitui South, JP): Hon. Speaker, I would like to directly go to the matter on what the Departmental Committee on Lands was able to do. This is one of the serious committees of this House. I would like to thank Members because they are very supportive and serious when it comes to deliberation of issues. We were able to do quite a lot of work. As you are aware, we receive a number of petitions. In the last session, we handled 15 complicated petitions and offered solutions that we could at that time.

Regarding Questions, the Committee was able to respond to 19 and two were not responded to and they have since lapsed. However, one of the Questions has been re-introduced by Hon. Ruweida. I will briefly just go through the Questions: Question No.008 of 2019 had been raised by the Member for Mathare Constituency, Hon. Anthony Oluoch.

Hon. Speaker: We might not need to go to the details of each because it will take too long. We need to go to business.

Hon. (Ms.) Rachael Nyamai (Kitui South, JP): Hon. Speaker, we responded to 19 Questions. Two Questions lapsed and one has already been re-introduced by Hon. Ruweida. In terms of petitions, Members of the Committee can attest to this, we received complicated ones from the Department of Lands. I would like to thank the CS because she has been forthcoming in terms of responding to the Questions.

We were able to handle 15 Petitions. Hon. Speaker, as per your guidance, you have told me not to go through the Questions one by one.

I take this opportunity to thank the Members who asked Questions and thank them for appearing before the Committee. When a Member does not appear before a Committee, it becomes difficult to ask further Questions. We are forced either to send them a written response or at times to skip the Question. So, I thank Members for asking the Questions and appearing before the Departmental Committee on Lands. I give assurance to the House that we are going to continue doing our work diligently and the Departmental Committee on Lands can be relied on.

Regarding the Budget, we were able to handle the Budget Policy Statement this morning with the National Lands Commission. Tomorrow, we will be handling it with the Ministry of Lands and Physical Planning. We have handled the Business (Amendment) Bill this morning which is meant to improve doing business in the country.

So, the Departmental Committee on Lands is quite effective. I thank the Hon. Speaker and the Clerk's Office for giving us the support we need because without the Clerk's Office, we cannot deliver on our mandate.

With those remarks, I thank the Hon. Speaker very much for the support you give us. I also thank the departments we invite and the stakeholders we have been interacting with as we do our job. I would like to table the Report on the work that was done by the Departmental Committee on Lands in the previous Session.

Thank you, Hon. Speaker.

(Hon. (Ms.) Rachael Nyamai laid the document on the Table)

Hon. Speaker: Hon. Members, it is good to look at some of these progress Reports on the business that has been transacted by Committee that are being tabled.

Hon. Kisang', the Chair of Departmental Committee on Communication, Information and Innovation.

Hon. William Kisang' (Marakwet West, JP): Hon. Speaker, by the end of the Third Session, the Departmental Committee on Communication, Information and Innovation received five Questions from five Members. All the five Questions were answered. I thank the Members for appearing before the Committee.

Question No.381/2019 regarding regulation of Fuliza Service that came before the Committee on 10 September 2019 by Hon. Joyce Korir, MP was partially answered. The Ministry responded and advised the Committee to engage the Governor of Central Bank to respond to issues raised by the Hon. Member. This is basically with regard to regulations on the financial aspects of Fuliza. In the last Session, we wrote to the Governor of the Central Bank. He came to the Committee and we have been told that there is engagement between the Ministry of ICT and the Finance and Central Bank to do a law on the digital lending.

I thank my Members for working very hard on the five Questions and the many Bills we did including the Petitions. There was one on Kenya Broadcasting Corporation. As a Committee, we have issues with KBC. Soon, we are soon going to start an inquiry about KBC so that we know what is bedevilling it. We want it to be on its feet like private broadcasters.

Thank you, Hon. Speaker. I beg lay the Report on the Table of the House so that Members can go through it.

(Hon. William Kisang laid the document on the Table)

Hon. Speaker: Is there any other Committee that is giving a progress Report? Is the Departmental Committee on Energy ready with its Report? Present it very quickly, Hon. Gikaria.

Hon. David Gikaria (Nakuru Town East, JP): Hon. Speaker, I seek your indulgence. I have just been given a Report. I agree with what Hon. Duale said. I have gone through the list I have been given and there are critical Questions which were answered but are not here.

I want to raise a matter, after Hon. Otiende Amollo had spoken, regarding an instance where a Question is answered, commitments are made by Cabinet Secretaries (CSS) but they never actualise implementation of what they have answered. It is a concern when a CS appears before a Committee and makes a commitment that is never implemented. There are four Questions that as a Committee when the Supplementary Estimates came and because the CS had made a commitment that he would set aside some money for it but did not, as a Committee, we

allocated the money. I am happy that that Question will be effectively handled because the money has been disbursed to the respective departments.

Hon. Speaker, I indulge you that tomorrow afternoon I will give a comprehensive Report. We have 14 Questions but I know of four Questions that are not here that we dealt with last year.

Thank you, Hon. Speaker.

Hon. Speaker: It is also important that whenever there is an undertaking given by a CS, a Committee should endeavour as much as possible to bring some report of what the CS appearing before the Committee said and undertook to do so that then there can be a follow up. That is the best way and that is how other jurisdictions they are able to hold the Executive to account on their various undertakings.

I see the Chair of the Departmental Committee on Education and Research also wants to present his Report.

Hon. Julius Melly (Tinderet, JP): Thank you, Hon. Speaker. I want to thank the Departmental Committee on Education and Research especially on the Questions we had. This is one of the busiest Committees in the House. We had a total of 57 Questions and a number of them yielded a lot of responses from the Executive, more so from the Ministry. Of the 57 Questions, we got written submissions on four of them from the State Department and from Teachers Service Commission. Two were poorly answered and I come before the House to note that some Questions were not actually answered well. We asked the Ministry to go back and give comprehensive answers on them.

Hon. Speaker, if you allow me, I will mention the Questions that were not answered well. Question No.50 was dropped as a result of the Member of Parliament not appearing but we asked for a written response. Question No.18/2019 by Private Notice asked by Hon. Member for Kakamega County Hon. Elsie Muhanda was referred to the CS for Public Service and Youthbecause it was not within the Departmental Committee on Education and Research.

Question No.15 was also not adequately answered and we asked the CS to go back and bring an answer. He promised that he would bring it immediately but it lapsed because that was in the last Session. We asked the Hon. Member to re-ask the Question so that we table it.

Hon. Speaker and Hon. Members, I want to report that a number of Questions, one by Hon. Lentoimaga, Member for Samburu North, yielded a lot when the TSC agreed to advertise and promote teachers in ASALs with different promotional grades than those in other areas.

As a result of the number of Questions that were asked, a number of them yielded very responses for the general public and even for the citizens.

Thank you, Hon. Speaker. I table the Report.

(Hon. Julius Melly laid the document on the Table)

Hon. Speaker: Please, table it. It forms part of the record of the House. It is important that when the Chairs table their Reports, the Reports will form part of the record of the House and they can be followed up.

Next Order!

BILL

Second Reading

THE TEA BILL (SENATE BILL No.36 OF 2018)

Hon. Emmanuel Wangwe (Navakholo, JP): Hon. Speaker, I beg to move that the Tea Bill (Senate Bill No.36 of 2018) be now read a Second Time.

Hon. Speaker, this is a Bill sponsored by Senator Aaron Cheruiyot. It was transmitted to the National Assembly for consideration. The Bill provides for the regulation, development and promotion of the tea industry. It establishes the Tea Board of Kenya (TBK). It provides for its functions, powers, membership and its administration. It also has regulatory provisions on the role of national and county governments, registration, licensing and dissemination of market information.

The Crops Act (No.16 of 2013) repealed the Tea Act (Cap.343) in its Second Schedule whereas the First Schedule of the Agriculture and Food Authority Act (No.13 of 2013) abolished the defunct Tea Board of Kenya. In its place and in place of other crops is the Agriculture and Food Authority Act (No.13 of 2013), it establishes the Agriculture and Food Authority. Although the establishment of the Agriculture and Food Authority had been hoped to centrally address the challenges of farmers of various crops, this has not been the case and farmers have pointed out the challenges they were experiencing in the growth and development of various crops that had previously been separately regulated.

After the Committee received the Bill, pursuant to Article 110 of the Constitution and Standing Order 127(3), it invited interested members of the public, through the print media, to submit Memoranda to Parliament on the same on or before 3rd September 2019. Also, there were public hearings where the Committee received comments on the Bill from stakeholders on 14th October 2019 in Konoin Constituency, Kericho County.

The Committee received memoranda from the East African Tea Trade Association, the Kenya Tea Trade Agency (KTDA), the Kenya Tea Growers Association (KTGA), and one lady, Rosemary Owino. The Committee also gathered views from the tea farmers in Konoin Constituency, Kericho County, at a public hearing that the Committee conducted. The written submissions from various stakeholders could be classified into two: one, on substantive clauses of the Bill proposing substantive amendments; and two, on non-substantive issues such as typographical errors, use of terminologies and such matters.

Various stakeholders addressed concerns on a number of definitions. For instance, the definition of the terms "managing factory" and "processor". The stakeholders felt that the two definitions were ambiguous and the Committee took note of this and has proposed an amendment to delete the definition of the term "managing factory". The functions of the Board elicited views from stakeholders in relation to the delineation of functions of the national Government and the county governments.

Clause 5 of the Bill provides for the functions of the proposed TBK. Clause 5(2) (b) of the Bill proposes functions of the Board to be executed in consultation with the county governments. These are to license tea dealers and processors, license managing factories and their agents and license tea brokers.

The Committee holds the view that all the functions that I have already mentioned fall within the ambit of the Board without the consultation of the county government. In light of this, the Committee will be proposing amendments to provide for the licensing functions to be reposed in the Board. The Committee will also be proposing additional functions for the Board such as promote Kenyan tea and facilitate access to new markets, to advise the national Government on levies, fees and import or export duties on tea, and also to advise the county

governments on agricultural cess and fees. These functions are missing in the Bill hence there is need to have them introduced in the Bill.

The composition of the Board is another clause that the stakeholders felt and they gave their views on. This is found in Clause 7 of the Bill. Stakeholders had proposed that the Principal Secretary responsible for trade or a representative be replaced by the Principal Secretary responsible of the National Treasury or a representative. The Committee agreed on this and will be proposing an amendment for the reason that the National Treasury is a key Ministry in funding and management of state corporations.

Stakeholders had proposed that the two persons nominated by the Council of Governors (CoG) and appointed by the Cabinet Secretary should have knowledge and experience in the tea sector in order to ensure that the Board has necessary mix of skills and enhance their effectiveness in the discharge of the mandate of the Board.

The appointment and qualification requirement of a CEO is provided in Clause 13 of the Bill. Clause 13(3) of the Bill provides that a person is not qualified for appointment as a CEO unless the person (a) holds a relevant degree from a university recognised in Kenya and (b) has at least five years' experience in a position of management. To this end, the Committee will be proposing amendment to Clause 13 to specify the degrees the CEO should have. The Committee will be proposing that the qualification of the CEO should be enhanced from a relevant degree to a degree in agriculture and a master's degree in agriculture, business management or finance. The justification for this is to enable the Board to have a CEO who can effectively manage the day-to-day operations of the Board.

One of the sources of the funds for the Board should be monies appropriated by the National Assembly. This had been omitted in the Bill and the Committee will be proposing an amendment to include it.

Clause 32 of the Bill provides for a less punitive fine of not less than Kshs20,000 or a fine not exceeding twice the value of the tea or tea products or a term of imprisonment not exceeding six months. The Committee will, therefore, be enhancing the penalty so as to help deter would-be offenders. The aspect of which regulations maybe made under the Act are not expansive. Therefore, the Committee proposes to introduce the following:

- (i) tea safety to include transportation, processing and market standards of tea
- (ii) submission of returns and reports by the holders of licences and registration under the Act
- (iii) regulation and controlling the method of blending, packaging and labelling of tea for purposes of usability
 - (iv) regulation for licensing and registration of tea brokers, and
 - (v) standards and the manner of grading and classification of tea products under this Act.

The Bill has not made provisions for a number of important offences which would have the effect of enabling the Board to run effectively. Therefore, the Committee will be proposing amendments to the Bill to provide for such offences as ignoring or failing to obey Board instructions, wilfully obstructing a Member of the Board, of an employee or agent of the Board, misrepresenting or knowingly submitting false or misleading information to a Board member or an employee or agent of the Board.

Hon. Speaker, allow me to mention the public hearing that the Committee conducted at Konoin Constituency, Kericho County, on 14th October 2019. The Committee met the tea farmers in Konoin and gathered a number of issues affecting them. Some of these issues were:

(i) tea auction done in Mombasa instead of where the farmers are

- (ii) the farmers complained of KTDA
- (iii) the farmers complained and made allegations of corruptions at Mogogosiek Tea Factory
- (iv) the Farmers proposed that the election of factory director should be based on oneman one-vote as opposed to the number of shares that a farmer has so as to avoid large scale farmers electing themselves and give an opportunity to a small-scale farmer to be elected a representative of the farmers in the factory
 - (v) the price of fertilisers should be subsidised, especially for the tea farmers, and
- (vi) the farmers proposed that tea research be reinstated as it was before being taken to Kenya Agriculture and Livestock Research Organisation (KALRO).

Some of the issues raised may not be addressed in the Bill but it paints a grim picture of tea farmers and the urgent need to address them through legislation and other means. Some of these issues are in court and it would be *sub judice* for the Committee to comment on them further except to say that they need to be addressed.

Hon. Speaker, the Tea Bill (Senate Bill No.36 of 2018) revises the repealed Tea Act Cap 343. The former Act made provisions for regulating and controlling the production, manufacturing and trade in tea. It had been enforced since 9th May 1961.

Hon. Speaker, it had been envisaged that with the enactment of the Crops Act No. 16 of 2013 and the Agriculture and Food Authority (AFA) Act No. 13 of 2013, the challenges that face the agricultural sector, particularly, crops, would be effectively and adequately addressed. However, this has not been the case and the farmer has borne the brunt. This has not only affected the tea subsector, but also the sugar, coffee subsectors.

The Tea Bill (Senate Bill No. 36 of 2018) seeks to take the tea farmer back to the days of glory. The farmers' woes are addressed in this Bill. They may not be perfectly addressed, but the Bill seeks to give the tea sector its much deserved attention as a big foreign earner to the country.

Hon. Speaker, I beg to move. Thank you.

Hon. Speaker: Who is seconding the Bill?

Hon. Emmanuel Wangwe (Navakholo, JP): Hon. Speaker, the Member for Tigania, Hon. John Mutunga, will second the Bill.

Hon. Speaker: It is Tigania West Constituency.

Hon. John Mutunga (Tigania West, JP): Hon. Speaker, thank you very much for the opportunity to second this Bill.

Hon. Speaker, the Tea Bill, as brought by Sen. Cheruiyot, provides for development of tea in terms of promotion of tea as a crop and the value chain as a whole. It also seeks to regulate the tea subsector in terms of providing for factors and actors.

The Bill, Hon. Speaker, also seeks to re-establish the Tea Board of Kenya. We used to have the Tea Board of Kenya, Coffee Board of Kenya and Pyrethrum Board of Kenya, but under the Agriculture and Food Authority (AFA) Act, 2013, all these boards were repealed. All the Acts that established the boards were all put under the Agriculture and Food Authority (AFA) Act, 2013. The Bill re-establishes the Tea Board of Kenya with powers, privileges, functions, membership and even administration of the Board itself.

Hon. Speaker, it provides for separate roles of both governments in view of the devolution and in the spirit of unbundling functions. In the Bill, functions of the county and national governments are carefully and explicitly spelt out.

It also aims at dealing with the tea subsector problems which are unique and persistent. As we know, tea subsector has been suffering for a long time with farmers not benefiting as they

should. Therefore, this particular Bill brings back the hope and the spirit that farmers will continue producing more tea and increasing the benefits in the value chain.

As a member of the Departmental Committee on Agriculture and Livestock, Hon. Speaker, I would like to confirm that consultations took place. We visited Konoin Constituency as he has said. As we moved around the country, we familiarised ourselves with the processes and functions of the tea subsector in those particular areas.

The Bill deals with advanced issues and contributions to the entire economy. Some of the missing provisions which cannot be avoided must lead to the amendment being made. The effectiveness of the Board itself has been looked into very carefully to make sure that even the provisions and penalties that have been proposed are punitive enough to prevent wrong doers from participating in the tea subsector.

It has spelled out the minimum qualifications for some of the positions. This is important because, besides being advised by the executive, the leaders also need to ably interpret or process the advice.

Hon. Speaker, stakeholders raised many issues and I would like to touch on a few issues in view of their importance. One of them is the management of the tea value chain, the management of the actors, the roles of the actors and the factors that play within the tea subsector itself. Also, the leadership placement in the tea formations such as the Kenya Tea Development Agency (KTDA) and other associations is an issue that was raised.

Hon. Speaker, the stakeholders talked about taxes, levies and fees that the farmers pay, especially the 2.5 per cent management fee that is levied by the institution.

They also talked about implementation of the taskforce reports. Many taskforces have been put in place and reports finalised, but they have not been effectively implemented.

There is also the issue of diversification at the production level, value addition and the marketing. We only sell brown tea, which is not the only product that we can sell. We can also produce purple tea.

Hon. Speaker, our prayer is that, as we debate this particular Bill, the issues that have been raised by the stakeholders need to be addressed so that we have a comprehensive Bill that will support the subsector.

Finally, we should prepare to receive more of this kind of Bills that look at the different commodities that were initially on their own but were lumped up together under the Agriculture and Food Authority (AFA) Act, 2013. We will need to progressively address the issue of bringing forth the commodity Bills so that we deal with each commodity as it were.

Hon. Speaker, we also need to review the Agriculture Act, 2013 which somehow supports the amalgamation of the different commodities.

With those few remarks, I beg to second.

Hon. Speaker: Very well. Hon. Members, I have been told that some of you are not able to access the Bill from the iPads. I have since learnt that it is out of ignorance and not because...

(Laughter)

The Bill has already been uploaded.

(Hon. George Gitonga spoke off record)

Hon. George Gitonga, you can ask Hon. David ole Sankok. It looks like there is need for a refresher course on how to operate them.

Anyhow, be that as it may, Hon. Members, let me, first of all, propose the question then I can take the point of order.

(Question proposed)

I see there is a point of order by Hon. (Dr.) Otiende Amollo.

Hon. (Dr.) Otiende Amollo (Rarieda, ODM): Thank you, Hon. Speaker. I listened very carefully to my friend, Hon. Emmanuel Wangwe, as he was moving this Tea Bill (Senate Bill No.36 of 2018) and as seconded. Hon. Speaker, the record demonstrates that the level of public participation on this Bill was restricted to one constituency, that is, Konoin Constituency, out of 290 constituencies. It does not appear to have involved any of the other regions, what you would call, urban or peri-urban areas, including Mombasa where the tea auction takes place.

Hon. Speaker, given that tea is grown in very many parts of this country, but it is particularly consumed nationally and internationally, I wanted your guidance on whether, in your interpretation, conducting public participation in one out of the 290 constituencies constitutes sufficient public participation as contemplated by Articles 10 and 118 of the Constitution.

Secondly, and this may have been done, and if it was, then I beg your indulgence. To the extent that this concerns tea and to the extent that in the schedules, by and large, it could be interpreted to fall within the agriculture docket which would be a county function, I need your interpretation in terms of whether this is a Bill concerning counties and, therefore, the implications that go with that.

Thank you, Hon. Speaker.

Hon. Speaker: With regard to the last bit of your Question, the Bill originated from the Senate. I think that should sort out the aspect of whether it is a Bill that concerns counties... The Bill also concerns agriculture, which is largely devolved. The Bill originates from the Senate. So, that should address your last concern.

On the issue of public participation...

(Hon. Emmanuel Wangwe spoke off record)

Do you want to respond to that Hon. Emmanuel Wangwe? Yes, please.

Hon. Emmanuel Wangwe (Navakholo, JP): Thank you very much, Hon. Speaker.

Maybe to enrich or inform Hon. Otiende or the House, the various memoranda that I received were from organised groups of farmers. For example, East African Tea Trade Association is a countrywide organisation that deals in tea. It has a very sufficient memorandum which is attached to the Report. We know the Kenya Tea Development Agency is a marketing agency which is a countrywide organisation. It has an elaborate memorandum which is attached to the Report of the Bill. The Kenya Tea Growers Association (KTGA) brings on board farmers even from as far as Mudete Tea Factory. They were all covered in this. The memoranda are also attached to the Report.

So, as a Committee, we believe the entire country was covered by that representation. Thank you.

Hon. Speaker: Well, if the Member for Taveta was not on her feet and the Member for Kipkelion East, I would have... However, I will address the issue. Let me just say that the issue

of public participation is one that we, as a House of Parliament, have to deal with, with a lot of caution. I am saying this because I have seen several proposals, including the one from Hon. Chris Wamalwa, wanting to legislate on public participation. I would want to encourage Members to find out, and you can Google, the practice in other developed democracies on how they conduct public participation. You will find that, almost invariably, the practice is, first of all, when a Bill is published, it is deemed to be out there for everybody, every Tom, Dick and Harry, to read and make presentations. In fact, even apply to be allowed to come and make presentations to Parliament or a Committee of Parliament. I am saying this because we will fail if we tie ourselves to how much is enough public participation. I have seen this from some other quarters, I do not want to say where it is. Those of you in the legal profession are aware it is a subject of litigation. How much public participation is enough? Is it two days, three days, 50 days or one year? These are matters that ought to be left to, as you say, each case to be determined on its own peculiar merits and circumstances. Earlier on, we were just talking about the limitations that have been imposed on Parliament when it comes to the Public Appointments (Parliamentary Approval) Act. Look at the limitations that have been placed even on the House on consideration of the budget processes. It becomes so difficult.

If you recall earlier on, feeling frustrated, the Member for Seme, the indomitable Dr. Nyikal was even proposing that we could suspend plenary sessions. I think we should be very careful how we deal with this issue of public participation. How much public participation is enough? I think, listening to you - and I am happy Hon. Wangwe has informed the House, not Hon. Otiende but actually the House – there were representations from various groups. I think that is the route any progressive society should encourage, including inviting leading professors in agricultural matters to make presentations before committees. I have encouraged chairs of committees that whenever you are considering any Bills on any subject matter, you locate expertise in a particular institution or persons. I think it is important that we begin encouraging that way of doing things. Obviously, a Bill that touches on the practice of law, I am sure you will find it almost imperative that you have to invite the Law Society of Kenya (LSK), members of the Judiciary from the bench, teachers of law in leading universities, et cetera. On matters to do with medicine, I am sure you will get something similar. The committees of the House should go out of their way to really think of those as very serious ways of public participation so that we can even avoid this thing of saying you want to go to some constituency. What are we saying if you go to one constituency and you do not go to the others?

As the national Parliament, we should leave those things of going to constituencies to county assemblies and those others who deal with county matters — those who are elected to represent counties and serve to protect interests of the county governments. That is Article 96, of course. So, for us, as the national Parliament, I think we should encourage a situation in which what we do, Bills published here which are referred toc, we publicise them as much as possible and try to invite even targeted interest groups, professions and whatever other such-like bodies. We should be thinking about those things more particularly, but not so much in terms of enacting statutes. These are matters we should provide for within our own regulations which we are at liberty, from time to time, depending on the exigencies that may be there, alter by way of a resolution. We should allow ourselves that kind of flexibility so that we do not always have to keep calling for amendment of this or the other and such-like things. These are matters which, as a House, we should look into.

Hon. Members, you know that can only be a suggestion. It has no weight and no vote even if it was to be put to vote. It is just *gratis*. Hon. Otiende Amollo, I think the Hon. Wangwe has given us something that may appear to satisfy you. Hon. Otiende.

Hon. (**Dr.**) **Otiende Amollo** (Rarieda, ODM): Hon. Speaker, if the Speaker is satisfied, I am satisfied.

(Laughter)

Hon. Speaker: No! No! No! The Speaker does not have to be satisfied. Hon. Otiende Amollo, I was just giving some reflections. You raised a pertinent issue that the House should look through even as they are considering - I think there are three legislative proposals. It is actually three Bills attempting to legislate about public participation. My view is that we leave it to the rules where we can always consider. I am not saying Hon. Chris Wamalwa is wrong. I am sure he must have felt frustrated about this thing of public participation. Let us allow the counties to do whatever they want. As national Parliament, it behoves us to look at the issue in a manner that allows some form of flexibility within our procedures.

I am assuming that it is clear. It is now contributions because I have already proposed the Question.

Hon. Jared Okelo (Nyando, ODM): On a point of order, Hon. Speaker.

Hon. Speaker: Is there an intervention, Member for Nyando? What is your intervention? Hon. Jared Okelo (Nyando, ODM): Thank you, Hon. Speaker. We are alive to the fact that this House does not legislate in futility. I am reminded that a while back, some of those bodies under agriculture were collapsed. The Tea Board of Kenya, the Kenya Sugar Board and many others were collapsed and made into one body called the Agriculture and Food Authority (AFA). I am slow to contribute. I may not want to betray this amendment that is meant to recreate a moribund body such as the Tea Board of Kenya. I am slow to act. I do not know whether this is meant to recreate a new body called the Tea Board of Kenya hence have a standalone legislative agenda or are we tinkering with the AFA Act, so that this will form part of the entire structure within the Agriculture and Food Authority.

Hon. Speaker, I want to indulge your direction on this subject. Otherwise, we may fall into a trap of recreating bodies which, according to our law, died long time ago. I, therefore, put into question whether there is a nexus between this Bill and Article 114 of the Constitution. What is the budgetary implication? Is this a money Bill or is it falling under a non-money Bill? So, let us widen our scope of understanding this Bill first, before we delve further into the subject. Perhaps, we may want to know its origin and the purpose upon which the tea agenda is being recreated in this House.

Thank you.

Hon. Speaker: Well, since I said that your gadget is right in front of you, I was expecting that Hon. Jared Okelo was going to say: "Looking at clause this or the other, this appears to be recreating this or this appears to be doing this", so that then, the Hon. Jared Okelo would say he is going to oppose because of reasons 'A', 'B' and 'C'. Now, because Hon. Jared Okelo wants me to make a determination whether the Bill is recreating, it will be wrong for me to make any determination on that. The issue of whether it is a money Bill or not was dealt with before the Bill was read for the Second Time in the House.

Do you want to contribute? Why can we not contribute to the Bill? We are contributing by way of points of order.

Hon. (Dr.) Chris Wamalwa (Kiminini, FORD-K): Thank you, Hon. Speaker. This is something critical. I listened to Hon. Wangwe when the issue of public participation was brought up. I noticed that there was no input from the relevant Ministries. I am saying this because in the last Parliament, I brought a Bill on fertiliser which was assented to by his Excellency the President. Initially, there was a lot of resistance from the Ministry because they thought the AFA Act will handle all issues. When I listened to Hon. Wangwe, I expected something from the Ministry. But he said the Ministry was invited and it refused to come. This is something that is serious. The objective of the AFA Act was to repeal all those bodies and consolidate them for purposes of economies of scale. Some assets were lost. Now it seems there is a conspiracy to bring the Coffee Board of Kenya, Pyrethrum Board of Kenya, Sugar Board Authority and the other bodies back. We have seen an effort to bring them back and we do not know the logic behind that. The Ministry of Agriculture is a critical player in this. I do not know why they refused to attend.

Hon. Speaker: No! Hon. Wamalwa, let us not spend time on that. If you invite somebody to come and make a presentation and they refuse, neglect or ignore, that is not to say that you cannot proceed. You are raising the same issue that has always been raised by Members that, they invited a certain CS to come and respond to a question and they did not turn up. They do not make any findings about that or make any recommendations on how they want the House to help them to deal with that particular person. So, if the Committee invited the Ministry and the Ministry decided to ignore the invitation from the Committee, is that to say that the Committee sits idle? This is a 2018 Bill. Let us proceed and allow debate to continue. Remember that, at the end of the day, you will have to make a determination by way of a vote.

I will go by the way the gadget shows. The first one is the Member for Baringo.

(An Hon. Member spoke off record)

Hon. Speaker: I proposed the Question before I gave the microphone to Hon. Otiende Amollo to make his intervention.

Hon. (Ms.) Gladwell Cheruiyot (Baringo CWR, KANU): Thank you, Hon. Speaker for giving me this chance. From where I am sitting, I sympathise with the farmers of this country. As much as I want to contribute or give relief to the tea farmers, I have reservations on this Bill. This country cannot afford to have a Bill for every crop that we plant. If today we have the Tea Board Bill, we will need the Maize Board Bill, the Millet Board Bill and the Onions Board Bill. That is not affordable in terms of economy. If we want to improve on the economic part of our farmers, their financial issues, and to benefit them, we should think of generally producing a Bill that is going to cater for all farmers of this country. The challenges the tea growers are facing are almost the same challenges that the coffee farmers, maize farmers and all the other farmers of this country are facing. It is important that we make a Bill for posterity so that, in future, we do not come back and think of merging all the Bills.

I want to compare this crop issue with what is happening in the Ministry of Health. They cannot have Bills for every disease. They are thinking of having one authority in the Ministry of Health for all regulatory bodies which will make the running of it in the country easier. So, I respect the sponsor of the Bill and the idea of Tea Board of Kenya, but I refuse the single-handed way of dealing with one crop and creating a Bill for it. I beg to oppose the Bill.

(An Hon. Member spoke off record)

Hon. Speaker: Yes, I proposed the Question. It is the first thing I did. I was looking at the Hon. John Mbadi and then noticed that what he wanted was an intervention. The first thing I did after proposing the Question was to give Hon. Otiende Amollo his intervention, which he prosecuted. Also, Hon. Members, remember it is within the power of this House to make and unmake any law. The only law you may not be able to unmake without involving the rest is the Constitution in its entirety. For all the other laws, no matter where they may have originated, Parliament has the power to make and repeal them as long as it is inconsistent with the Constitution. So, there is nothing that is in contradiction to anything that has happened. Do not feel that it is going to unmake. If it unmakes, so what? Again, it is within your power.

I still hear there is a body called the Kenya Dairy Board. Is it in the agriculture sector? Oh, I see. Did I see Hon. John Mbadi desirous of speaking? He has priority in speaking.

Hon. John Mbadi (Suba South, ODM): Hon. Speaker, if you look at this Bill properly, you will see its intention is to majorly take the functions that are currently bestowed on the Agriculture and Food Authority regarding issues of tea to a specific board called the Tea Board of Kenya. It is creating a specific Act of Parliament to regulate matters of tea and tea marketing in the country. In fact, if you look at Clauses 15 and 21 of the Bill, they largely describe the functions of the Tea Board. If the House cares to give me a minute, I can read some of the functions of the Board that are suggested. You will find this Board is the one that is going to regulate the production of tea and the quality of tea, and it will do all the other functions including the ones that are spelt out under Clause 21, It states:

"Every processor shall keep or cause to be kept, for statistical purposes, a register of all tea growers registered under the sub-section (1), specifying-

- (a) the name of the grower
- (b) the location, size and parcel number of the land on which the tea is grown
- (c) the variety of tea grown and such other information as the Board may require."

It even goes a step further to say that for anybody to grow tea in this country, that person must be registered with a processor. What I am saying in a nutshell is that the Senate has proposed legislation called the Tea Bill which specifically is going to take the responsibilities bestowed on AFA currently, regarding tea matters, to this specific law. The question we need to ask ourselves as a House is whether this is the route we want to go. Do we want to start recreating pieces of legislation for specific crops? Today, we have the Tea Bill. It may make sense, because this Tea Bill came about because of the current problems that the tea sector is facing. And it is real. We must accept that there is a problem in this country regarding tea growing and marketing. The tea farmers are complaining and that must be addressed and addressed properly, through policy decisions and other ways. So, tea is facing challenges. But, equally, other crops are facing challenges. The coffee sector is facing challenges. The sugar industry is currently on its knees. So, if we decide to start recreating boards to specifically deal with those individual crops, then we should go the full hog and create for each and every crop which is facing challenges.

My thinking is that we could operate within the current legal framework and body. If there are weaknesses that we have identified on that body, then we need to address them. If we feel that this particular Authority has so much on its plate, that we need to create several boards, then we need to decide on how many we would want to create. Are we going to amalgamate? We could even decide to amalgamate tea and coffee or something, then sugar with others. Even

we who come from the lake region want a specific Act of Parliament to regulate matters fish. So, we need to be clear on how many boards we want. Again, we have been complaining as a country that we have so many parastatals that we are spending so much in running the Government. I have not opposed the creating of the Tea Board or to having legislation to specifically deal with tea, but let us then allow it for every other crop.

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

[The Temporary Deputy Speaker (Hon. Patrick Mariru) took the Chair]

Finally, I have read this Bill and I do not see any earth-shaking proposals in it. In fact, the problems we have with the tea sector today, I would be happy...I can hear Hon. Mbarire saying they have amendments. That would give me comfort. If we just pass this Bill as it is, I am not sure it is going to address the problems of the tea sector. I am not experienced in tea matters. I look at tea like any other tree or bush in the country. The only thing that makes me have some interest in tea is because I drink it and I know it brings a lot of foreign exchange earnings to this country. I know it is a major crop. Beyond that, if you ask me anything about growing tea, I do not even know what we plant; whether we plant the leaves or the stem or the root. I have no idea. Those Members who come from the tea-growing areas, who have a lot of knowledge about tea matters, who are interacting with tea farmers, I would want to challenge you to help this House by improving this law so that we can pass legislation that makes sense. Otherwise, if you ask me, in its current form, I do not see why we cannot continue with the current state of affairs.

As a House, as I sit down, let us agree that we are going to pass legislation for tea and tomorrow, Mbadi should bring a Sugar Bill to regulate matters of sugar, and any other person can bring for maize and any other crop.

Thank you, Hon. Speaker. With the assurance from Hon. Cecily Mbarire, although it was not formal, I will support this Bill knowing very well that my sister will bring amendments that will make this legislation meaningful.

Thank you. I support.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Hon. Cecily Mbarire. But before you speak, what is out of order, Hon. Maoka Maore?

Hon. Maoka Maore (Igembe North, JP): I think, Hon. Temporary Deputy Speaker, there is a misunderstanding about the power of legislation. It is possible for parliamentarians to bring in even 200 or 300 separate Bills on anything they wish to capture. From the description of Hon. Mbadi...

The Temporary Deputy Speaker (Hon. Patrick Mariru): What is out of order, Hon. Maoka Maore?

Hon. Maoka Maore (Igembe North, JP): What is out of order is that people are misunderstanding the purpose of a Bill. You will get your chance, Hon. Sankok. The debate we are having is negating the purpose of Parliament. That is what I mean. There is no problem even if we were to bring 300 or 400 pieces of legislation for different crops. There is no problem. This is Parliament.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Hon. Maoka Maore, what you have said is correct. In fact, the Speaker has said the House can pass any law and can also change any law. But what Hon. Mbadi did was to use a certain manner of prosecuting his case. I am sure

you will also get a chance and prosecute yours around this Bill. So, let us have Hon. Cecily Mbarire, please.

Hon. (Ms.) Cecily Mbarire (Nominated, JP): Hon. Temporary Deputy Speaker, I do rise to contribute to this very important Bill. And let me say I do so as a child who grew up in a teagrowing zone. What I am and where I have reached, education has everything to do with what my parents got out of the tea sector. Therefore, this is very dear to me as a child of the soil and I want to say that it is unfortunate that we are looking at it as an unnecessary Bill because apparently, we have AFA and, therefore, we have no reason to come and bring any Bill for any crop. I want to say here that it is our business to legislate- as *Mheshimiwa* Maoka Maore has said. It is our business to bring laws that will make things better for the people we represent and nothing should stop us just because some government officer or technocrat decided that we need to lump all those boards into one. In fact, AFA has done a great disservice to the tea and coffee sectors in this country. And even the sugar sector.

(Applause)

It is for that reason that we are going back to the old structure where we have a clear regulatory authority for the tea sector, a clear board that will ensure that the marketing of tea is done well and that farmers get value for their hard work. That way, we can ensure that farmers get what they deserve. AFA has failed us. As legislators, we must call a spade a spade.

Hon. Temporary Deputy Speaker, let me go further and say this: There is something Hon. Mbadi has said that is very important. This Bill as is, in my view, is not radical enough to turn around the tea sector. We must go to where the problem is. The problem we have with the current tea sector as structured is Kenya Tea Development Agency (KTDA). Period! If we cannot make serious amendments to the KTDA Act, and to the current Tea Act, we are doing nothing.

Hon. Temporary Deputy Speaker, let me read for you something that the former Cabinet Secretary (CS) for Agriculture, Hon. Kiunjuri, said that was very strong and true. He said this in a conference on agri-business and finance:

"Reforms in tea and coffee sectors are facing strong opposition leading to escalation of woes facing hundreds of small-holder farmers. Cartels and directors of key export commodities are frustrating the reforms that the government has been fast-tracking in the tea and coffee sectors."

He goes further to say:

"KTDA is part of this problem."

Therefore, I want to say this and I want everybody to hear: Today, the tea sector, that has over 62 small holder factories with over 600,000 farmers, is on its knees. The highest paid farmer was paid from a factory back home called Rukuriri Tea Factory at Kshs39 a kilogramme, down from Kshs57 the previous year. If we keep quiet, we are going to go down to even Kshs10 or Kshs5 a kilogramme because of cartels.

What is happening at KTDA is that they are the people who are marketing the tea on behalf of the farmers. What we are asking is that instead of us taking all that tea to a central auction base in Mombasa, we want the tea to be auctioned right from the factories so that there is transparency on the pricing and the quantity of tea that has actually been auctioned.

First, we want the directors of those tea factories to be elected on a one-man one-vote and not shares anymore. What has happened with the shareholding issue is that, at the end of the day,

those directors are influenced by KTDA, the farmer with the highest shareholding in terms of kilogrammess and some influencing determines who ends up being the director. The tea farmers are disenfranchised and they end up not having any say on how their factories are run. So, we want one-man, one-vote in terms of those who end up being a director.

Secondly, you cannot be a director at KTDA level- at the national level- and still be a broker of tea. Today, almost all the directors of KTDA - and I stand to be corrected - have an auction company. They are the brokers between the farmers and the market. Why do we need brokers to sell our tea? Why are we not selling our tea like we sell flowers, for example? Why is it that there must be a broker who does the brokerage on behalf of the farmer? Why can we not negotiate those prices directly with the farmers? And, therefore, for that reason, I am going to be bringing far-reaching amendments on this Bill and will make sure we restructure KTDA. I want to beg members from outside the tea-growing regions, let us start with the tea sector. If you want to bring another one on sugar tomorrow, we will support you because our business is to empower the people who voted for us; the people we represent.

We must not be intimidated by anybody because those cartels are powerful. They have money and they are making more money through the sweat of our farmers. We must not allow them to intimidate us. We must fight for those farmers. I hope we are going to see a lot more seriousness with Hon. Members from the tea-growing zones. We want to see serious amendments coming on this Floor so that we can send a strong message to the cartels that their time is up and the farmer come first as far as this House is concerned.

With those many remarks, I beg to support.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Let us have Hon. Odhiambo Akoth.

Hon. (Ms.) Odhiambo-Mabona (Suba North, ODM): Thank you, Hon. Temporary Deputy Speaker, for giving me this opportunity. At the outset, I wish to say that I support this Bill. In supporting it, I want to say that Members have spoken to some of the issues that were of concern to me. I would like to say that I am informed the House business decided to prioritise some of the Senate Bills- which is a good thing. However, even as we are prioritising Senate Bills, we would like you to remember that there are also Members of this House who have Bills. And at the rate that we are churning out our Bills on Wednesday mornings and sometimes we do not at all, some of our Bills will be coming up in 2082. Therefore, because Members are putting in a lot of energy, let us also put as much effort on the Members of the National Assembly as you are putting on Senate.

One of the issues that the Members are speaking to- which I think, maybe, from experience is coming out is that, originally when the ALFA Bill... Originally, it was actually ALFA Bill which had livestock. When it came as the AFA Bill, those from the livestock area insisted that they wanted the livestock away from the bigger ALFA. Their concern was that the livestock issues were not going to be addressed when you lump them together. It appears then that their concerns were valid because we can see every crop is moving out. I remember in the last Parliament, there was even a Coconut Bill because everybody from every region was concerned about their own areas and the livelihoods from their own areas. The concern at that point was that the focus by the Government then was not enough on specific crops or food issues in those areas. I personally insisted that the original "Fisheries" be removed and we came up with the Fisheries Management and Development Act.

I want to agree with what Hon. Mbadi has said. If you look at this Bill, it is skeletal. The intention is good and if you listen to our colleagues from the tea and coffee sectors, they have

been complaining that there are many issues that have not been dealt with that are actually compromising tea, which has been one of the best products of the country. For us to deal with that, what is provided in this Bill does not address those issues.

Hon. (Ms.) Cecily Mbarire has spoken very eloquently to those issues. I can speak more eloquently about fish.

Hon. Temporary Deputy Speaker, I can speak more eloquently about the pollution in the lake and threats by Ugandan authorities. I would not speak as eloquently about tea. We did put a lot of energy in the Fisheries Act. We brought a lot of issues that concern fisheries. So, I would urge those from the tea sector that if they are serious about dealing with those issues in the tea sector, then we need to re-look at this Bill. My only concern is perhaps based on what Hon. (Ms.) Mbarire has spoken about. The amendments might be too many for this Bill and that may call for another Bill. This is because from the rules of this House, if the amendments are too many, they no longer suffice as amendments. The Mover spoke to the issue of diversification. However, what we are doing as a country, which is not very good, is that we want to diversify into different areas when we are not putting a lot of focus on what we already have. In the USA, they may serve you with tea branded as English tea and yet, it is from Kenya. Some of the things I was hoping to see in this Bill are issues that talk about protection of tea from Kenya or marketing of tea from Kenya when people import it from here.

Having said that, I want to talk to some of the specific provisions. Clause 7 (1) (d) and (e) talks about gender equity in the representation in the management Board. However, clause 7 (1) (e) is very strange from a legislative perspective. It talks about four persons – two of either gender representing smallholder tea growers from the east and west of the tea growing areas. What are those tea growing areas? When you are legislating, you cannot just say tea growing areas. If we are talking of specific tea growing areas, we must define what those areas are. This is because, if you are talking about the east and the west, it means you can also nominate my grandmother, who is a fisher person, because she will be in the east or east of an undefined area. So, can we specifically define that area, not as east and west?

Hon. Temporary Deputy Speaker, the other issue, which is governance-related, is under Clause 9 (a). This is something I have spoken to in this House in the past. One of the reasons for vacating office should not be absence without permission of the chairperson. When you are dealing with adults, it should be by notification and not permission. The other issue is that of cooption. I know I have raised it in this House before. When you co-opt members of committees, you are appointing people through the back door. I hope the Committee can look into this aspect.

Another issue of concern is that even though we have done a good thing by providing only five years for the CEO, which then takes into account the interest of the youth, on the other hand, for the Corporation Secretary, we are giving seven years. Other than the issue that we are making it difficult for younger people to join, it is going to create a conflict between the Corporation Secretary and the CEO. So, it will be good to harmonise five years for both the CEO and the Corporation Secretary.

Hon. Temporary Deputy Speaker, I would also want to talk about the transitional provisions in Clause 37, which states:

"In reference to the Agriculture and Food Authority in any written law or any contract document or instrument of whatever nature in relation to tea, shall on the commencement of this Act, be read and construed as a reference to the Board."

This is a very lazy way of legislating. I know that the Hon. Member brought it with good intention. Sometimes, as Hon. Members, we do not have time. So, you can bring it as a skeleton

piece but the legal experts within Parliament ought to help you by looking at those legislative provisions that need amendments. One of them is the AFA Act. Certain sections need to be repealed. You cannot just say wherever they are found. That is not legislation. It may be dancing or something else. You do not legislate that way. I think our legal counsels need to be more serious. We are not in church where we do things by faith and hope that somehow it will just materialise. Here we are doing serious business. So, I challenge my sister, Hon. (Ms.) Cecil Mbarire, because of the concern she has for the tea sector. It is not just for your area. When the economy does well, when the tea sector does well, people will be employed. The hawking that we are seeing all over town will cease because the youth will be busy. So, it is not just your sector. This affects the entire country. Take it seriously and bring comprehensive amendments.

With those few remarks, I support.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Very well. Shall we have Hon. Nelson Koech.

Hon. Nelson Koech (Belgut, JP): Thank you, Hon. Temporary Deputy Speaker for giving me this opportunity.

First of all, I hear many of my colleagues saying that we are simply creating a Bill to handle the tea sector. I want to say that we are doing that unapologetically. Today, if you asked anyone from my constituency, which is predominantly a tea growing area that prides itself in hosting many multi-national corporations, which largely depend on tea farming, no one has an idea of what AFA is. I want to laud the sponsor of this Bill, who is also the Senator of my county, for having taken this great initiative. The Bill comes to this House at no better time than now when earnings by our farmers have hit a record low. In fact, the highest bonus earnings in the South Rift were from my constituency, and it was just Kshs25 from Momul Tea Factory, while the lowest again was from my constituency at Tegat Tea Factory, where farmers received only Kshs14 after waiting for a whole year.

Hon. Temporary Deputy Speaker, the name of my constituency, 'Belgut', is a corrupted English word because of our Kalenjin accent. There used to be a place called Kabianga, which used to produce the best quality tea during the white settlement period. Belgut produced the best tea and it used to be called "Best Quality Tea" - which was corrupted and became 'Belgut' because of mother tongue accent. So, generally, I know what it means when we talk about this Bill. I have gone through all the 40 sections of the Bill word by word. I am confident that it is just the right dose for the ailing tea sector.

I know most sections of the original Bill were removed. Those included the section that sought to establish the Tea Board Headquarters in Kericho. This was a well thought out idea, but we will accept the change to Nairobi with branches countrywide. I only request the human resource departments of the bodies to be formed under this law, once approved, to give priority to residents from tea growing areas when it comes to employment.

The main feature of this Bill is the establishment of the Tea Board of Kenya in Clause 3. The main functions of the Tea Board are spelt out in Clause 5, and they include looking for the resources for the tea sector, regulating and licensing factories, tea dealers, tea brokers, keeping statistics about tea and generally advising the Cabinet Secretary on matters and functions that are currently being handled by AFA. So that you know that there is lack of seriousness when dealing with matters tea, at the beginning of the year, the President gave the Ministry of Agriculture 14 days to bring regulations on the tea sector. But until now, there is nothing from the Ministry of Agriculture.

Hon. Temporary Deputy Speaker, that is why it forms the basis of why we should have a body that directly deals with matters tea.

The current AFA is really doing a disservice to the tea famers of this country. That is because it is only concentrating on coffee, cotton and rice farmers and yet, they get the bulk of the money they are using to run their operations from the tea sector. In fact, even the assets they are using were inherited from the former Tea Board of Kenya which was disbanded. We see them recommending to the President to inject more money to coffee, sugar-cane and cotton. Tea farmers have never got a single injection or booster to the sector. That is why I sincerely congratulate the sponsor of this Bill for creating a tea board to deal with tea issues. Let the AFA continue dealing with other issues. In fact, they have been ignoring tea farmers and yet, tea forms 26 per cent of the country's export earnings.

When I was young, I used to admire every year when farmers received tea bonuses, especially where I come from. Kericho used to have an outlet for Peugeot vehicles and many farmers from my region at that time, after the tea bonuses, used to drive very expensive cars. In fact, to date, the few Peugeots that I see belong to the farmers then. However, the problems that we have at the moment from my region are massive, and I think that cuts across the areas that grow tea. A whopping 75,000 cups of tea are drunk every second. You hear someone talking about why we have to create a body that entirely deals with tea. Tea is not like any other crop. It is not like honey or tomatoes. This is the largest crop that is grown in this country and sold and exported.

As we are speaking, farmers are living in misery. For the reason that we have continued to receive low bonuses, last year in my constituency, I received the highest number of requests for consideration for bursaries. That is a great pointer to what is happening. Last year again, because of the rising cases of cancer, I went out of my way to pay National Hospital Insurance Fund (NHIF) fees from my own pocket for 2,500 people who were well off and were paying for themselves. That tells you that if we do not rein in on the cartels in the tea sector, we have a problem going forward. Like Hon. Cecily Mbarire has pointed out, those are matters that are happening. The biggest cartel in the tea sector is KTDA itself. If you are talking about electoral injustices in this country, the biggest fraud in electoral injustice is KTDA. Imagine a shareholder is a factory. We want a situation where we have one-man, one-vote so that every farmer can make a decision on matters pertaining tea. Those are the things that I hope, going forward, with a few amendments, we will be able to address in this Bill.

The Bill should give a place to KTDA. It is a bit hollow. It did not capture as much as I had expected. It has left KTDA hanging. All those amendments that we are going to make should now come in very clear and give the position of KTDA in this matter. The Bill will, therefore, need more input from the stakeholders particularly, like I did point out, in the electoral structures of KTDA. We are talking about a country that we want to industrialise. We have the Big Four Agenda. Coffee has gone. If we let tea go, we will have a problem. This Bill has come at the right time and I beseech all my colleagues in this House to look at it in a very positive way. We earn a lot of FOREX from tea. We export a lot of tea. Just come to Kericho and look at the beauty. Multinationals are reaping huge from my county but the farmer from the same county in my constituency has nothing. Why is the imbalance and yet, it is the same crop?

With those many remarks, I support. Thank you very much.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Before I give the Floor to Hon. Wamalwa, let us have Hon. Munene.

Hon. Munene Wambugu (Kirinyaga Central, JP): Thank you, Hon. Temporary Deputy Speaker, for giving me this chance to contribute to this Bill. I must say from the word go that this is a very important Bill and the sponsor must be thanked. It is true that as it is now, it is not a Bill with a lot of proposals to change the tea sector. However, it is a good beginning. I believe that in the Committee Stage, we are going to do proper amendments so that it can address the real issues facing the farmers.

As Hon. Mbarire has clearly said, we have many problems in the tea industry. I must confess I come from a constituency where we grow tea in large numbers. The elephant in the room has been the KTDA. We must ask ourselves much as KTDA is now a private company... Initially, it was an authority. It was a parastatal. We must ask ourselves if we should go back there. That is because as it is now, KTDA has monopolised the tea industry such that the farmer has no say. In fact, the farmer has no say in electing the directors. We may have a factory of about 50,000 farmers but only 10 of them elect directors through what they call proxies. Time has come when we must say one farmer one vote for us to take KTDA back to the old lost glory.

I have heard Hon. Mbadi talk about whether we are trying to clawback from what was passed in the Crops Act of 2013, where the tea board and all other boards were collapsed together to form AFA. I think AFA has failed this country, and especially the tea farmers. Maybe, it is not AFA as a board. Maybe, it is the set-up of AFA. That is because when we come to tea, coffee and sugar-cane, those are crops which were collapsed under the Crops Act. They had their own stand-alone Bill and they had their own regulations. Their way of production and marketing is very different. I say this with a lot of respect to the other farmers in this country. Just like some animals are more equal than others, when we come to tea, coffee and sugar-cane, we must agree that some crops because of their value, the people they employ and the exchange they bring to the country, are more important than others. I heard Hon. Mbadi asking if we are going to create a board for every crop. I think that is not what we are trying to say but for tea, we must have its own unique and stand-alone board and Bill. The same applies to crops like sugar and coffee. I think AFA should only deal with crops like millet, sorghum and other crops which are not contentious and which need to be brought together because of economies of scale so that they can be marketed together in the world. However, tea requires special treatment and people who are knowledgeable, educated and exposed on that field so that the board and their CEO can take tea to the next level.

For instance, the world over, we are getting crush, tear and curl (CTC) tea to orthodox and special tea. But when you lump together and AFA is supposed to come up with how to develop those emerging new markets, they may not have the capacity because they could also be overwhelmed since they are dealing with all the crops. I think this is a very good Bill. It should be supported and we must amend where we should so that it can capture and address all the things that are bedevilling the tea sector. I have looked at the proposed Bill and there are some concerns with regard to Clause 7 of the Bill. I was happy to hear the Chairman of the Departmental Committee on Agriculture, Livestock and Co-operatives saying they will be proposing amendments because when you look at (d), you cannot have the Council of Governors just nominating a person. That person must have some expertise so that he or she can add value to the Board.

In clause 7(e), it states that the Cabinet Secretary will nominate four persons from tea growing areas. But the four persons should be elected by the farmers to represent their interests in the Board. They should also come from tea growing areas and have the relevant skills. It should not be just any farmer. It must be a farmer who has demonstrated an understanding of tea.

By comparing Clauses 13 to 15, you are left wondering whether when bringing the Bill, they had a person in mind as the CEO of the Tea Board. Clause 13 states that the CEO of the Board should have five years' experience. But Clause 15 talks about the Company Secretary having seven years' experience. I was left wondering who should be more experienced. Is it the CEO or the Company Secretary? I think we need to enhance the qualifications and experience of the CEO of the Tea Board going forward.

Clause 39 talks about the staff of the Board once it is established, and states that it is the people who are currently working in that directorate. What we need to ask ourselves is this: When the Tea Board was collapsed under AFA, there were some staff who were initially there and were taken to other sectors. So, should they come back to their former employer? These are issues we need to address during the Committee Stage. I believe we will push for serious amendments so that this Bill can serve the good intentions of the sponsor to the whole country.

With those many remarks, I support. Thank you.

Hon. Junet Nuh (Suna East, ODM): On a point of order, Hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Hon. Junet, what is out of order? Nothing! That is not the way to let the Speaker know you are here. Hon. Wamalwa, you have the Floor.

Hon. (**Dr.**) **Chris Wamalwa** (Kiminini, FORD-K): Thank you, Hon. Temporary Deputy Speaker. Tea plays a critical role in the economy of this country. In fact, from research, tea is the number one foreign exchange earner as far as crops are concerned. Yes, it was and, even now, it is still the number one foreign exchange earner among the crops. It has not been overtaken.

I want to repeat what Hon. Mbadi has said; that, in the last Parliament, there was an outcry of having so many parastatals that could not sustain themselves. There was an objective of collapsing them together to form AFA. It has now been demonstrated that AFA has failed because under it, we have different directorates. We have the Director-General and below him we have Directors. We have somebody in-charge of coffee, tea and sugar. But, from the look of things, it seems AFA has failed and has not stood the test of time.

As we come up with this Bill, the primary objective is to come up with a Tea Board. It should be a parastatal in-charge of the management of the entire value and supply chain of tea, starting from growing, processing, exporting and marketing. In other words, we must amend the AFA Act so that we do not have duplication. We have heard the outcry not only from tea. I am also aware there is a Sugar Bill which is within Parliament to establish a Sugar Board and that there is something to do with coffee. These are the critical products. So, it goes without saying that AFA has failed and it should remain, but deal with crops with have insignificant value like millet or sorghum. But the crops that are so significant particularly when it comes to foreign exchange earnings, they should be allowed to have established parastatals.

Hon. Junet Nuh (Suna East, ODM): On a point of order, Hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. Patrick Mariru): What is out of order, Hon. Sheikh?

Hon. Junet Nuh (Suna East, ODM): Hon. Temporary Deputy Speaker, is the Member in order to say that crops like millet and cassava are insignificant? People feed their families on those crops. Even before he came to Parliament to eat food here, he was eating millet and cassava and sometimes rats. So, is he in order to say those others are insignificant crops? He should withdraw.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Hon. Wamalwa, why are you giving value to crops?

Hon. (**Dr.**) **Chris Wamalwa** (Kiminini, FORD-K): You know when you talk about insignificant, you must understand the context in terms of contribution to the Gross Domestic Product (GDP). Of course, you cannot compare the contribution of millet to the GDP to that of tea in this country.

The Temporary Deputy Speaker (Hon. Patrick Mariru): The millet you used to take.

Hon. Dr. Chris Wamalwa (Kiminini, FORD-K): Millet is insignificant as far as contribution to the Gross Domestic Product (GDP) of this country is concerned in statistical terms. That is why I talked about the issue of context.

In this case, a product like tea, because of its significant value in terms of contribution to the GDP, needs focus. It needs a specific parastatal that will focus on critical issues for it to succeed. That is because in terms of employment, you will agree with me that tea has provided a lot of employment compared to sorghum or millet. Actually, the Member is aware that millet in terms of employment is insignificant. When you go to the KTDA offices in Mombasa, you will see that auctioneers have employed an amazing number of employees. That is why I say it needs focus. So AFA should have given key priority to key products or crops. Tea and millet cannot have the same value. It must be proportionate.

In the last Parliament, I had an opportunity to accompany His Excellency the President for a trip to Turkey. When we got there, we had a meeting with the President of Turkey. I remember His Excellency President Uhuru Muigai Kenyatta requesting the President of Turkey to reduce the taxation levied on Kenyan tea when it lands there. When you do a comparative analysis in terms of quality, our tea is very powerful. It is of very good quality internationally. The Turkey tea quality is substandard for it to succeed in the market. But it is about the welfare of the people of Turkey. When our tea lands there, the taxation is almost 30 per cent. So, it cannot compete.

I vividly remember the answers His Excellency was given. The President of Turkey said tea is the welfare of my people. If at all we are going to reduce the taxation on Kenyan tea, it means our tea will not sell. So, our Kenyan tea is of good quality. We have heard this being said by the Members of Parliament who represent tea growing areas. In my constituency of Kiminini, I do not have tea. But because I am aspiring to be the Governor of Trans Nzoia, there is tea in Cherangany. So, I am also speaking on behalf of the farmers of Cherangany who grow tea. They are watching and can see their representative is talking.

So, tea must be given a lot of attention. Many have complained that KTDA is a cartel. Where I have married, they grow tea. When I visit them after they have been paid bonus, I see good things at my father-in-law's home and everybody else's. It is true that it is a source of livelihood and not just in Central Kenya. Even when you go to Western in Kakamega, Trans Nzoia, Kericho and Elgeyo Marakwet, there is a lot of tea. This is a product that cuts across the entire country. So, it is not just an issue of a specific county. It is a product that needs a lot of focus. If KTDA has failed, we must know how to engage the stakeholders so as to improve its value. That is because as it was said initially, it was a parastatal. But now it is a private firm. We are told that many cartels are based there. So, what should we do to eliminate those cartels?

Recently, the President gave an Executive Order pertaining to those crops. There was some money which was injected. Hon. Nelson Koech mentioned that he has not seen any capital being injected. As a matter of fact, the President has been very magnanimous to the tea and coffee growing areas. Maize farmers, like us, are the ones who have suffered the most together

with other regions like sugar-cane farmers. So, as we move forward, we want to improve the welfare of the entire country. It is true tea must be given focus. As we pass this Act, it is important that we repeal the section that entails tea in the AFA Act to avoid the issue of duplication.

Hon. Temporary Deputy Speaker, we have heard so much about tea auction that is taking place in Mombasa and my friend, the Member of Parliament for Kilifi tells me that we should just retain the auction in Mombasa. We need to know the reasons why the auction should not be done where the factories are located, but in Mombasa. We should be told. If it is for purposes of shipping, convenience and all that, we agree. But we should not allow the cartels in Mombasa to frustrate the farmers. In Kisii, there is a lot of tea, and *Mheshimiwa* is looking at me. This is a crop that cuts across the entire country and so it needs a lot of attention.

Hon. Deputy Speaker, it was a mistake to come up with the AFA Act. The question we are asking is: When we did the repealing of all those Acts, where did the assets of the Tea Board of Kenya go? I sit in the Public Investments Committee (PIC) and we have had a lot of accountability issues. Those assets disappeared and now that we want to revive this, will those assets be available so that the Exchequer cannot continue getting frustrated?

Hon. Deputy Speaker, my humble request is that it is a good idea, but as we pass this Bill, we have the State Corporations Act. If we are coming up with a parastatal, we just agree that the Tea Board of Kenya is a parastatal. There must be some consistency with the State Corporations Act because any inconsistencies that are going to be there in the Bill will require cleaning. We are calling upon the Chair of the Departmental Committee on Agriculture, Livestock and Cooperatives - and he has already left - to be taking these points and what we said yesterday so that when he comes to reply...Since this is a skeletal Bill, it needs a lot of meat – and I hope the Senate is listening - so that it can stand the test of time. The way it is, as Hon. Cecily Mbarire and Hon. John Mbadi have said, we need to bring in serious amendments to it at the Committee of the whole House.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Very well. I am sure Members follow international news and it is of interest. I am sure they noted. Last month when we had the Africa — United Kingdom (UK) meeting, the UK Prime Minister said that 50 per cent of tea taken in the United Kingdom comes from Kenya. I am sure Members followed that discussion.

Let us have Hon. Murungi Kathuri.

Hon. Kathuri Murungi (South Imenti, Independent): Thank you, Hon. Temporary Deputy Speaker, for giving me this opportunity to contribute to this important Bill. As you may have realised, this is a very sensitive Bill and the tea sector is key to the economy of this country.

Hon. Temporary Deputy Speaker, one of the challenges that we have in the tea sector is marketing. That is how our tea is handled after leaving the farmer. Once the factories process our tea, how does KTDA handle it? How do they market it? So, any Bill or legislation coming to this House that touches on the improvement on tea should be supported. I am happy that most Members are well versed on the importance of tea in this country.

Hon. Temporary Deputy Speaker, one of the amendments that will be coming to the Floor of this House is to ensure that the role of marketing is fully handled by the Board. Initially, when there was the defunct Tea Board of Kenya before the AFA Act, marketing and research was purely on the Board. They also had the responsibility of improving the road networks in the tea growing areas. One of the challenges that we have now with AFA, that Members may not be aware, is that we have a Tea Directorate within AFA which specifically handles tea issues.

Hon. Temporary Deputy Speaker, I have been consulting with the Tea Directorate on the reasons why they are not able to move. One of their concerns is that they are not well funded. Initially, there was 1 per cent which was being deducted from any tea that was being exported, which used to go to the Tea Board of Kenya. I was looking at the clause in this Bill touching on the funding of the Board, and it is still not clear what will be the source of funding for it. If we really rely on the Exchequer, the National Treasury, that Board will do nothing to the tea sector. So, there must be a method of how that Board can be self-reliant. I was talking to the Vice-Chair of the Committee as he was walking out and I asked him about the source of funding for the Board and he told me, maybe, it is the money they will get from the National Treasury and Appropriations-in-Aid (A-in-A). The A-in-A will only be the few coins that will be paid by the brokers and people who will be registered by the Board. As we move forward, we must exactly know the source of funding for the Board because, maybe, at one point or the other, they avoided levying the tea sector. They should not levy the farmer since he should not suffer. The people who are taking the tea should have that responsibility.

Hon. Temporary Deputy Speaker, as Hon. Cecily Mbarire has put it very clearly, we have a lot of conflict of interest in the tea sector. The directors of the factories are still directors of other affiliate companies owned by KTDA. KTDA has almost 10 subsidiaries which are companies that should benefit the farmer because he or she is a shareholder through the factory. After we elect directors on the ground, those who come to National Board of the KTDA, become directors of the subsidiaries. That is why I want to thank the President for what he announced in January. He said that tea regulations should be brought before this House with immediate effect, so that those subsidiaries can be streamlined by the Competition Authority of Kenya and the National Treasury. So, we are expecting those regulations to come here as soon as possible.

Hon. Temporary Deputy Speaker, I was talking to the Tea Directorate of AFA, and they confirmed that they are in the process of finalising the regulations. So, most of the issues being raised by Members will still come through the Tea Regulations 2019. I urge Members to be very vigilant when those regulations are brought before this House to the Committee on Delegated Legislation. We should be very keen to give our input. I do not know whether the Committee on Delegated Legislation will be able to undertake public participation on those regulations. That is because they have far-reaching implications and most of the issues we are raising here cannot be handled by the Board.

Hon Temporary Deputy Speaker, the tea which we produce in Kenya is CTC tea and is sold to countries whose GDP is equal to ours or a bit better than ours, for example Egypt. Our tea is consumed in Asia and Africa. Therefore, the big economies do not consume our tea because this is not the tea that they like. They have now turned to orthodox tea. Because the role of research will go to the Board, they should be able to ensure that all the factories put up lines to produce orthodox tea, which has a lucrative market in Europe and America. The orthodox tea being produced by factories is not enough in the world market.

Therefore, this is the route that we should take. With all those amendments and issues brought before this House, I am very certain that we will be able to streamline and improve the tea sector. Currently, as Members have said, almost all the farmers are desperate. They have no school fees because the bonus came at Kshs30. There are others who got Kshs11 per kilogramme. This is the right time for us to handle the tea sector and streamline the coffee, sugar and fish sectors.

I do not know whether the fish sector should be streamlined. I was in Kisumu over the weekend and the residents there are complaining that there is no fish in the Lake. What I

realised, Hon. Junet, is that there are some cages which have been put in Lake Victoria by farmers so that they can grow their fish from the Lake. I was asking myself why the county government or the national Government cannot bring a lot of fingerlings to that Lake, but manage the numbers so that farmers or residents of that area can get fish. There is a lot that needs to be done in all the sectors of production in this country.

With those remarks, because of time and I can see there is a lot of interest by my colleagues, thank you for the opportunity.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Before I go to my left, let us have Hon. Machogu.

Hon. Ezekiel Ombaki (Nyaribari Masaba, NAPK): Thank you very much, Hon. Temporary Deputy Speaker for giving me this opportunity to also contribute.

At the outset, I would like to declare my interest that from a very young age of 10 years, I became a tea picker because my parents had a small-scale tea farm. Ever since then, I have been in this business. I know it from the beginning until the end.

As we all know and as it has been said, tea is the top most foreign exchange earner for this country. Tea is the source of income for quite a number of our farmers. Almost 600,000 households in this country are in the tea-growing areas. Tea is the major source of employment in the country. When you look at the history of this crop, you will see that in certain years in the 1970s, 1980s and 1990s, there was quite a remarkable improvement which enticed farmers to grow more. Currently, we are on a downward trend. If it were not for the pronouncement of the President on 6th January which gave farmers a little bit of consolation, farmers like those in my constituency were uprooting tea. It is not only my constituency. It is almost all over the country. As a Parliament, we need to come in and make sure that we intervene at the right time because unless we do so, we will lose a major crop which plays a very critical role in the economy of this country. No other crop can give us the kind of foreign exchange and employment that we generate each and every year out of tea.

The reason for the downward trend with regard to this crop is its management and partly what we did in this House in 2013. During that particular time, we thought we were amalgamating all those bodies and bringing them under one body which is the AFA for purposes of efficiency, effectiveness and for the benefit of the farmer. We repealed Cap.343 which was the then Tea Act and came up with this amorphous body. We are now informed that we have a directorate which is supposed to look into the issues of tea but, ever since the establishment of that amorphous body, I am afraid to say that the functions that were being undertaken by the Tea Board of Kenya have been neglected. TBK was in a way counter-checking what KTDA does. It was offering checks and balances. There was a little bit of accountability which is missing now. We have now come in with a body which has captured the interests of the farmers.

The farmer is producing, sweating and working day and night. You see the old *mamas* waking up even when it is raining at 6.00 a.m. and picking tea until 6.00 p.m. but they get peanuts from their sweat. The farmer gets Kshs15 for a kilogramme, but KTDA gets Kshs300 at the end of the day. You ask where this other money is going. The money is going into the pockets of crooks. It is incumbent upon Parliament to come in because the law is not static. Even if we came up with that law in 2013 and we realised that it is not serving the purposes for which it was intended, it is incumbent upon us to change it because the law is dynamic. If we do not do so as a Parliament, our role will be functionally redundant. We will be doing Kenyans a great disservice.

As Members of Parliament from tea-growing areas, we will come up with amendments to KTDA. Even the process of getting their directors is flawed because the returning officer and the supervisor is KTDA itself. KTDA has been imposing people in the form of directors upon the farmers over the years. Those so-called directors do not serve the interests of the farmers. In my constituency, there are tea factories. From previous years' dividends - which is commonly known as bonus - of about Kshs40, this particular year, Kiamokama and Rianyamwamu tea factories got Kshs11.50. That amount was the lowest ever in a period of over 20 years. How do we go back to the same farmer and encourage him to continue with the same crop which will not give him anything?

The intention of the author of the Bill is very good - only that it falls short of addressing the real issues that we are faced with as farmers. We need to deal with that animal known as KTDA because ever since it was changed from an authority to an agency, it became like a private enterprise such that even the Government is not able to come in and do anything. They come up with issues and policies on their own, which are quite detrimental to the farmers.

I would like to commend what the President came up with. That should be implemented, not only with tea, but with other crops, namely, the establishment of a self-sustaining stabilisation fund which will cushion farmers when there are fluctuations in prices. Even in international markets, when we have this problem of variations in prices, the Government comes in to cushion farmers such that the farmer can be enthusiastic in continuing with producing the crop. If we do not do so, a number of our farmers will go into short-term crops like vegetables, onions and tomatoes, which are even better paying than tea.

Clause 5 talks about the functions of the Tea Board of Kenya, which are supposed to be a little bit elaborate. Again, we subject the farmer to a lot of fees, levies and taxation. Some of these things are supposed to be handled by a body, so that we can know the kind of negative effect it will have on the farmer by the end of the day.

Clause 7 is on the membership of the committee. I saw that four of the members out of the 11 will be from the small-scale tea growing farmers. If the process will be the way it has been with KTDA, then we will get the same kind of characters whom we have now. In the process of electing these people, we must ensure that they will add value and by the end of the day, the farmer will benefit. A lot of improvement requires to be done in the Bill.

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

The Temporary Deputy Speaker (Hon. Patrick Mariru): Hon. Junet.

Hon. Junet Nuh (Suna East, ODM): Hon. Temporary Deputy Speaker, thank you for giving me an opportunity to contribute. I stand to support this Bill. The importance of tea cannot be overstated in this country. Having said that, I want to add that this Bill is very important and timely.

Most of the time, you hear some of your colleagues talking about tea, coffee and sugarcane issues in rallies and burials instead of addressing those matters inside this House through a Bill like this one. Some of them are not here. However, you hear them speaking loudly in burials saying that they must have money for their tea, coffee and sugar-cane. However, when we want to discuss serious matters like tea which affect their constituents and the country, they are absent. I want to tell Kenyans to take note of that. They should not listen to any shenanigan outside there. Matters of national importance are discussed in the National Assembly where powers are delegated to us by the people of this republic. If you want your people to benefit from tea, coffee, fish and sugar-cane, like where I come from, please, be in Parliament when those matters are being discussed and when money is being shared.

Hon. Julius Melly (Tinderet, JP): On a point of order, Hon. Temporary Deputy Speaker. **The Temporary Deputy Speaker** (Hon. Patrick Mariru): Order, Hon. Junet. What is out of order, Hon. Melly?

Hon. Julius Melly (Tinderet, JP): Is it in order for the Member to lecture us and tell us that we should be in Parliament? We are not in funerals. We are here. We are the people who talk about sugar and tea. When he talks as if we are not around, it is very unfair. We are here.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Hon. Melly, I can see that you are here. Are you speaking for yourself?

Hon. Junet Nuh (Suna East, ODM): He is speaking for himself.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Hon. Junet, I can see that quite a number of Members here are keen to contribute.

Hon. Junet Nuh (Suna East, ODM): Hon. Temporary Deputy Speaker, I have talked about Members who are not here, but not those who are here. They should not speak for the ones who are not here. They are speaking for themselves. The ones who are here are here to discuss the importance of tea in our country. I must thank them because they are here. However, the ones who talk loudly are not here and they know themselves. I do not want to mention names.

An Hon. Member: Name them!

Hon. Junet Nuh (Suna East, ODM): Those are the ones whom I want to be here, so that we can discuss this matter holistically as Members of Parliament. This is a very important matter for this country. We are discussing the price of tea, which is the biggest cash crop that this country has. Some Members are not here and then the following day on Saturday, you will hear them saying that they want tea money in their pockets.

I have my right of contribution. I have not gone off any parliamentary requirement. I have a right to contribute in the form, shape and manner that I wish, so long as I follow the rules of the House. I am saying that to bring to the attention of the Members the importance of this Bill. I have been waiting for it for quite some time.

(Laughter)

I am waiting for the one on sugar-cane now. That is the one I will bring. I am waiting for the coffee Bill, so that we can get a rest from these stories all over the country of Members saying that they want their money in their pockets. The money is in Parliament. Kindly come here when we are discussing it.

Having said that, the problem that tea is facing in this country is not creation of another board, but it is the KTDA. The cartels that have captured KTDA are the ones which are killing the tea industry in our country. As a House, it is high time we asserted our authority to deal with that matter once and for all. I am happy because Members have come to realise that we need to address the issue of the KTDA in a more forceful manner than we have been doing before. It has transformed itself from an authority to an agency and now to a cartel. The bonuses that were being paid to farmers when we were in school and the cost of living compared to the cost of living today are incomparable. Hon. Machogu has said that the last bonus was Kshs11 compared to Kshs40 that was paid two years ago. Unless we address the issue of KTDA, even if we create the Tea Board of Kenya as it is proposed by the Bill, the solution might not be as good as we intend to have.

I was here in the last Parliament when the Bill on AFA was passed. Many Members opposed it. They said that we should have those parastatals that deal directly with different crops

in this country, for example, sugar-cane, tea or coffee. However, the Government of that time decided that we must have one organisation that deals with all the crops, but they will have directorates. It looks like we are going back to the old route of having a board for coffee, tea and sugar-cane like the Kenya Sugar Board. It looks like AFA has failed. A Bill has been introduced in the Senate to establish the Tea Board of Kenya. I believe the problem is the KTDA, but not creating a board. The Government must focus more on dealing with cash crops. You cannot have a cow that you keep on milking, but you do not feed it. It will die. That is what has happened to these cash crops like coffee, tea and sugar- cane. Where I come from, majority of our people are sugar-cane farmers. Sugar died long time ago. Nobody speaks about it. It has been dead for some time. I am very happy because the other day I was watching television and the receiver manager who has taken over the Mumias Sugar Company Limited said that he will revive it and run it for two years. That was a good statement that really made me very happy. The amount of money that people are paid when they take their sugar- cane to those factories cannot pay school fees for their children, leave alone feeding them. People are suffering in this country because the economy is majorly agriculture.

Hon. Japheth Mutai (Bureti, JP): On a point of order, Hon. Temporary Deputy Speaker.

Hon. Junet Nuh (Suna East, ODM): In conclusion, because I do not come from a tea growing area, I am excited about this Bill. The debate on this Bill might go on until tomorrow. I want the Members who are not here who are concerned about their people's tea and sugar-cane to be here tomorrow led by Hon. Moses Kuria. Let him not start shouting and telling us in Gatundu how people who do not have money in their pockets are suffering. Come here and legislate for your people, so that they can become richer than they are. That is why we are telling them to, please, come to Parliament. Even in terms of budgetary allocation...

The Temporary Deputy Speaker (Hon. Patrick Mariru): Hon. Kiplangat Mutai, what is it?

(Hon. Japheth Mutai spoke off record)

Hon. Raphael Wanjala (Budalangi, ODM): Can you sit down?

The Temporary Deputy Speaker (Hon. Patrick Mariru): Who is that Member who is shouting like that? He cannot sit because he has the permission from Hon. Temporary Deputy Speaker to speak.

Hon. Japheth Mutai (Bureti, JP): It looks like it is the Member for Budalangi. Is it in order for Hon. Junet to mention Hon. Kuria adversely in his absence? He is not here to defend himself. It is only proper that he is mentioned when he is here to defend himself.

Hon. Junet Nuh (Suna East, ODM): Hon. Temporary Deputy Speaker, I have not said anything adverse. I said the Member who I know represents a constituency was the Speaker of Kericho County Assembly, who is different from this one. Here you can tell people...

The Temporary Deputy Speaker (Hon. Patrick Mariru): Order, Hon. Junet. I must protect Hon. Mutai. He has a right to raise what he has raised.

Hon. Junet Nuh, (Suna East, ODM): Hon. Speaker, I did not mention anything adverse about Hon. Moses Kuria. In the interest of time, to conclude my presentation, even in terms of budgetary allocation for developing different crops like tea and coffee, that money is allocated in the National Assembly in the budget- making process. If you want to increase funding for tea, sugar-cane or coffee, this is the House that does that work and the Chairman is Hon. Kimani Ichung'wah.

Thank you so much, Hon. Speaker.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Hon. Mutai, just hold your horses. Hon. Junet was gravitating towards mentioning a Member. There is no problem in mentioning a Member in good light, but it is not appropriate to mention a Member in a nearly adverse way because he or she is your colleague in the House.

Nevertheless, let us move on. Proceed, Hon. Murugara.

Hon. George Gitonga, (Tharaka, DP): Thank you, Temporary Deputy Speaker. I rise to support this Bill from the Senate which recognises that agriculture is the backbone of the economy of Kenya and most importantly that attention must be paid to the tea sector in the country. I do not come from a tea growing area, but all my neighbours grow tea. Therefore, I feel that I am obliged to speak for them because tea is the number one foreign exchange earner for this country.

Hon. Temporary Deputy Speaker, it is also good to begin by saying that we have not treated agriculture in any manner that is worth talking about in this country in spite of the pivotal role it plays in our economy. If there is any example I can give regarding our attitude towards agriculture, it is the locust menace in the country now and what we are receiving from the Ministry. It is the Ministry of Agriculture that pushed for the Crops Act. It repealed all the other crops-related Acts which were there and amalgamated them into one Act that then housed all the crops.

[The Temporary Deputy Speaker (Hon. Patrick Mariru) left the Chair]

[The Temporary Deputy Speaker (Hon. Christopher Omulele) took the Chair]

Subsequently, the Ministry enacted another Act creating an authority that amalgamated and collapsed other crops-related authorities into one. That authority was the AFA. The Act was enacted in 2013 and the death knell was pinned on sugar-cane and tea. We had a problem with coconut, pyrethrum, cotton, horticulture, sisal and coffee. Unfortunately, I do not see any cereals here. My constituency is well known for being the food basket of the country, not only producing maize and beans, but also millet, sorghum, cow peas, pigeon peas, green grams and other crops.

While we look at the Tea Bill today, it divorces tea from the Crops Act, which in my view, is a noble act. This is a move that should lead the way for all the other crops that I have named. Therefore, the establishment of the Tea Board of Kenya should lead the way in divorcing these other authorities from AFA to independent institutions with their own boards to cater for the crops.

I also wish to point out that while we are looking at these crops, especially tea, by extension, let us look at cereals through the National Cereals and Produce Board (NCPB). We can also bring Acts relating to these crops. This is the appropriate time for me to call upon the Ministry of Agriculture to do this. Let us have these Bills coming over and a particular board taking care of these crops, especially green grams; *ndengu*, which is grown in the marginalised areas of the country like Tharaka in Tharaka-Nithi, Kitui, Embu, Mbeere and other places. Let us have these crops looked at, so that they can be brought to the same purview of the crop we are discussing today.

The Tea Board of Kenya which is established under Clause 3 is good enough although I would urge that it acts more independently than we are trying to provide here. Let us have some of the qualified members of this board elected instead of being appointed. The qualifications must be defined in the Act, so that those who are qualified can sit in the board and dispense business relating to tea.

There are amendments which we have been told about and I believe we need to amend many of these clauses. These include the clause dealing with disputes which says that the board has the responsibility of settling all disputes arising between parties. Where any party is aggrieved, with a resolution of that dispute by the Tea Board of Kenya, it has a right of appeal to a court of competent jurisdiction. Unfortunately, the court of competent jurisdiction is not defined. Not all courts can hear such matters. Therefore, there is need to amend this clause and provide a clear definition of "a court of competent jurisdiction".

It is also important to make a point on the State Corporations Act. Previously, we had a problem of too many parastatals. Parastatals are governed by the State Corporations Act. What we did, in an attempt to solve the problem, was to amalgamate the parastatals into one. This is the problem we have today that we must address.

Finally, it is also important to speak on behalf of all the crops because the Government is advocating stabilisation of prices of agricultural crops. In essence, let farmers get the worth of the value of their crops. I can assure you that growing these crops, whether tea, coffee, green grams in Tharaka, sorghum or millet, is extremely expensive. The inputs and labour are expensive. As a result, when we go to the market, we run at an absolute loss. Therefore, it is right for the Government to try and stabilise this through guaranteed minimum returns. These are the basic minimums in respect of each of these crops including cereals. This is so that when farmers go to the market, they are sure the prices will be slightly better than the input incurred.

Therefore, when the Government tries to stabilise prices for tea, coffee, sugar-cane, rice and others, I make a humble prayer, through this House, to the Ministry of Agriculture, to look at all the other crops like cereals and other crops grown in arid and semi-arid areas, so that their prices are also stabilised. This will encourage farmers to grow these crops. Otherwise, the net effect of this will be killing some of our crops in the country. It looks very strange to talk about cotton. We used to have the Cotton Development Authority (CDA) taking care of a crop that was grown in semi-arid areas.

However, with lack of policy, incentives and any support from the Ministry and the Government, cotton production is dead in the country. We have now resorted to wearing *mitumba* clothes instead of wearing good clothes made from cotton.

Sisal is another dead crop. If this trend continues, coffee will soon follow suit and eventually tea may end up there. At the end of the day, cereals may also find themselves in that dictionary and the country would be faced with acute food shortage.

With those remarks, this is a Bill that we must work to make it as good as we can. It is a Bill that should be followed by other crops, so that we can have precedents to work on.

I support the Bill as it is with the proposed amendments.

The Temporary Deputy Speaker (Hon. Christopher Omulele): Very well spoken, Hon. Murugara. I recall in the last Session when we were here, an issue was raised in regard to coffee and the death of the Coffee Research Foundation and the Tea Research Foundation. I remember giving directions that we should have an inquiry into it, so that we could take care of our coffee and tea. It seems like the AFA Act, 2013 did not solve the problem with all these lamentations about what is happening to crops in this country. Hon. Murugara, it may be prudent for you to

look at the AFA Act, 2013. As a country that relies on agriculture, if we lump our crops together the way we have done, we might end up with no economy at all. That was a good contribution.

The Hon. Baya Yaa.

Hon. Owen Baya (Kilifi North, ODM): Thank you, Hon. Temporary Deputy Speaker. One of the things I want to say is that I am one of the people who would celebrate the death of the AFA Act. This is the first nail on the coffin of the Act because it has been responsible for destroying the agriculture sector in this country. The moment this Parliament passed the AFA Act in 2013 and lumped all the crops, namely, tea, coffee and sugar-cane, including crops from the Coast region like coconut, cashew nuts and bixa, we took a journey towards destruction of agriculture in the country. This country remains very agrarian. Therefore, the economy cannot move forward if we kill the agriculture sector. The Big Four Agenda of the President is anchored on manufacturing. What are we manufacturing? We can only manufacture what we can produce. What we produce in this country still remains agricultural crops. From the coffee farms, we can open factories. From tea farms and coconut trees, we can open factories. At the Coast, we used to have the Coconut Development Authority. It was a new thing, but the impact it had in the Coast in reviving the coconut industry was tremendous. The Authority was cut short because of the AFA Act. It was folded and we were told we were going to administer the production of coconut and all other attendant products from coconut from Nairobi. So, all the people moved from the Coast and came to Nairobi. Therefore, the coconut as an industry started collapsing. As I speak, coconut industry is dead. The over 40 products that can be derived from a coconut tree are no more. The only thing that we know is the coconut wine and makuti. This was as a result of the AFA Act.

I am very happy the tea sector has started the journey and when the tea sector starts moving in the direction the Bill intends it to move, other crops will follow suit. Following suit means that we shall have the Coconut Development Authority and the Cashew Nut Authority back. It may be costly for this country to have the many parastatals, but the good thing is that there will be more efficiency in trying to revive the other crops.

The GDP of this country can only grow if agriculture works effectively. The only way to ensure that it works effectively is to focus, like what Hon. Chris Wamalwa said, on certain crops like tea, coffee or sugar-cane, so that there is a deliberate attempt. But when we have a directorate here, a huge behemoth called the AFA in Nairobi, that thinks that it controls everything, it will not work. I think the person who tried to really work hard was Cabinet Secretary Kiunjuri, but every time he tried - and I had a discussion with him about our coconut and cashew nuts - he said that his hands were tied and that he could not put money in coconuts and cashew nuts because AFA says that they are insignificant crops. That is what my friend here says. These are insignificant crops and we cannot spend money to revive them. It gives me hope that I will come to this Parliament and sponsor a Bill that will establish a Coconut Development Authority. That will give hope to the people.

As I stand here, I reiterate one thing that has been said that this country will not survive without agriculture. The GDP of this country cannot grow if agriculture is not given attention. So, having many agriculture authorities dealing with crops is good for the economy. We will be assured that every sector will be handled well. We hear what is happening in the Mt. Kenya region right now. I used to think it is only in my place where children come for bursary because there is enough money in other places. But I heard today that they give bursaries to children because there is no money in circulation. The economy is not growing. If we kill the agriculture sector, it is sad because education has been one of the greatest beneficiaries of the sector. That is

a fact. When I was growing up, families could take their children to very good schools because there was money from the cashew nut. Cashew nut failed because nobody took care of it. There was no authority to look after it, research on it or board to market it. It was left on its own and it died. Today, there are people at the Coast who if you were to show them a cashew nut tree, they will ask what it produces because there was no investment at all in the cashew nut tree. Today, there is a fresh breath of air if we pass this Bill. Many amendments are required to take care of the Kenya Tea Development Agency and ensure that the Board can be sustained without relying only on the Exchequer for the development of these crops. When all these things are done, they are a precursor to the good things that will come for other crops.

I urge the House to pass this Bill. Initially when I saw the Bill, my first reaction was why just tea and why are tea farmers looking at themselves selfishly? But when I look at it deeply, I see it as the liberation of the agriculture sector in this country. Therefore, as Members, we need to support it. As fast as it leaves here and the President puts a signature to it and it becomes an Act of Parliament, we should push for its immediate implementation. I know cartels would want to block its implementation. Cartels are not just at the KTDA, but they are also in AFA at Wakulima House here in Nairobi. They are there. They would want to block the implementation of the Act, but as long as it leaves Parliament and is signed into an Act of Parliament, we want to see other Bills coming in. We want to see the Coffee Bill, the Sugar Bill and the Maize Bill coming in, so that we can liberate the agriculture sector.

The more the agriculture sector goes down, the more poor people we would have in this country. The more the tea and coffee go down, the lesser growth we will have in our economy. So, I urge that we start with this. I am happy and I know people at the Coast are celebrating because they know that even their coconut and cashew nuts will get the attention they deserve.

I heard what Hon. Cecily Mbarire said that they want to remove the coffee auction from Mombasa. Tea is a very bulky product. It can only be transported through the port and the port is in Mombasa. We have suffered enough since the Standard Gauge Railway (SGR) came. Many things happened at the port. The only thing that is sustaining the economy at the Coast is tea because the transport sector still transports tea in bulk to Mombasa. At least there is tea auction. After that, there is a coffee auction. The coffee auction still provides very many jobs for the people there. Many people come in and occupy hotels in Mombasa. Hotels in Mombasa are subsisting because the tea auction still happens in Mombasa. If this Bill sails through, you need to start auctioning tea from the farms and look for other ways of transporting it. By doing this, you will contribute to the killing of the economy of Mombasa.

I beg this House to help Mombasa to continue having something it can subsist on and allow the auction to continue taking place in Mombasa. This will allow transporters to still make a shilling after the SGR took away all the business to Nairobi. At least, there will be something that will sustain it. So, tea is not just important to the people from the Mt. Kenya region or other tea growing areas, but Mombasa, the second largest city in this country, depends on what happens with tea. If the tea industry collapses, Mombasa will collapse. As we celebrate this new breath of fresh air into the agriculture sector, I support this and hope that as fast as possible, we shall see the death of the AFA Act, which has continued to kill the agriculture sector.

I support.

The Temporary Deputy Speaker (Hon. Christopher Omulele): Hon. Baya, I hear you say that the AFA Act is presiding over the death of the agriculture sector in this country. I want to ask you to be very afraid. If this industry dies, then even the money that you get to give as

bursary in those constituencies will not be available. It is the backbone of the country that we are talking about.

We shall have contribution from Hon. Maritim, Member for Ainamoi.

Hon. Sylvanus Maritim (Ainamoi, JP): Thank you, Hon. Temporary Deputy Speaker, for giving me this opportunity to contribute to this very important Bill. Even before I do that, I wish to sincerely thank Senator Aaron of Kericho County for timely intervention. This Bill is coming in at such a time when there is public outcry from all the tea farmers across the country. Tea is a special product. It is not like any other farm produce for the following six reasons:

One, Kenya is the third largest tea producer after China and India. Last year, Kenya produced about 490,000 tonnes. India and China, of course, led with over 1,000,000 tonnes. Two, tea is the first foreign exchange earner in this country. It contributes 4 per cent of the GDP and 26 per cent export earnings. Three, tea is the only farm produce which you get paid long after you sell it without even knowing the selling price. You give out your farm produce to a broker somewhere, he sells it, recovers his costs, puts his margin and determines the price way later.

Four, tea records significant variance in the selling price. For example, last year, a factory called Mununga in Kirinyaga received Kshs52 per kilogramme while a farmer in a factory called Kapsara in Trans Nzoia received Kshs11, a difference of Kshs41. You may be wondering if it is informed by the environment and the transport cost. What about a case in Kericho with two factories close to one another, one called Momul paying farmers Kshs25 and another one called Tegat paying farmers Kshs14? These are factories in the same constituency, directors, environment and they incur almost the same transport cost to Mombasa.

Six, the tea industry supports 700,000 small-scale farmers and employs over 5 million Kenyans. Right now, we risk losing those jobs because the industry is no longer doing well. I see this Bill coming in to rescue farmers. I appreciate the formation of the Kenya Tea Board especially if it is going to regulate tea dealers and producers, so that we do not have a situation where somebody wakes up in the morning and decides that he will be auctioning tea right, left and centre. I appreciate the fact that this Bill is going to ensure that we register tea farmers in this country. People may not understand the logic behind the registration of tea farmers, but where I come from, we have people auctioning tea right, left and centre, who do not even plant tea. Multinational tea sectors are suffering the most because we have employed fellows who sneak into the tea bushes at night, pluck tea, and the next day, they auction tea and nobody asks them if they are registered farmers in the first place.

The introduction of the Tea Board of Kenya is going to solve most of the problems. Tea farming is suffering from cartels. The biggest cartels in this country are found at the KTDA. It is the only body where we have top management and directors being brokers, selling tea on behalf of the farmer. It is the only body that we have the Company Secretary doubling as the auditor checking the books of accounts for the farmers. Clearly, he cannot be protecting the interests of the farmers and the company at the same time. We hope the Tea Board of Kenya is going to streamline some of these issues.

We have a lot of hope in the Tea Board of Kenya. It is going to regulate, promote and ensure that the tea industry will always be vibrant. A few years ago before AFA came into being, we used to have the Tea Research Foundation with the core mandate to assist farmers on the right tea to plant and right seedlings that would survive within a specific environment considering droughts. We would have extension officers visiting farmers to advise them on what exactly they needed to do to realise maximum production. Right now, the Tea Research

Foundation is dead because it is underfunded. If we can ensure that we reignite the Tea Research Foundation, then it is going to be beneficial to the farmers.

I listened to Hon. Owen defend tea auctioning in Mombasa, but he is being insincere. The cost of planting tea in Kericho and transporting it all the way to Mombasa will be met by the same farmer. Why can we not have tea auctioning in Kericho and somewhere in Mt. Kenya, so that eventually whoever buys the tea meets the transport cost? Why would I have to sell tea and transport it for them and meet the cost yet they can recover it? They will still have the same facility in Mombasa, but the auction needs to be done at the production point, so that the farmer can benefit.

With those few remarks, I support. Thank you.

The Temporary Deputy Speaker (Hon. Christopher Omulele): Very well spoken, Member for Ainamoi. We shall have contribution from Hon. ole Sankok.

Hon. David ole Sankok (Nominated, JP): Thank you, Hon. Temporary Deputy Speaker, for giving me this opportunity to add my voice to this very important Bill. As you rightly put it, I remember the day you spoke about AFA and you were very passionate about it. You gave us very good advice on reviving our agriculture in general.

Hon. Temporary Deputy Speaker, I really wanted to support this Bill. I will support it 100 per cent although I need many amendments to be done to it for us to protect the real and true farmer.

Let us be sincere in our contributions. If transporting tea from Kericho costs a certain amount of money, whether it is auctioned in Kericho or transported to Mombasa to be transported all over the world, it will still be the same. So, let it be auctioned from where the farmers are and then transported to Mombasa to be ferried to different locations of this world.

Hon. Temporary Deputy Speaker, I want to tell the House that Sessional Paper No.10 of 1965 marginalised a big chunk of this country, namely, 80 per cent which constitutes pastoralist regions. That is why we have the Kenya Sugar Board and many other boards that deal with crop products leaving out other forms of farming, for instance, livestock farming in the pastoralist regions. We have the National Irrigation Board, the National Cereals and Produce Board, the Kenya Sisal Board, the Coffee Board of Kenya, the Pyrethrum Board of Kenya, the Cotton Board of Kenya, the Kenya Sugar Authority and the Horticultural Crops Development Authority, which deal with crop products.

We do not have anything to do with livestock by-products such as hide and skins. We need Animal By-products Development Authority because Sessional Paper No.10 of 1965 indicated that resources of this country should be placed in high potential areas. We have been left behind because of Sessional Paper No.10 of 1965.

We will not blow other people's candles away thinking that ours will burn brighter. That is why we support this Bill and I urge all the Members to support us because, very soon, we will bring Bills to support other forms of farming other than crop farming.

Hon. Temporary Deputy Speaker, I am talking about pastoralist regions because when locusts invaded these regions, this House did not discuss the issue. However, when crops were touched, we even requested for the issue to be declared a national disaster because it touched on Sessional Paper No.10 of 1965 which stated that these are high potential areas. It is high time this House legislates to protect all farmers. Even wheat, barley and livestock farmers need protection from this House. Some of us who come from wildlife regions do not practise crop farming because of the danger posed by wild animals. We also need protection from this House.

We will protect tea farmers, but they should reciprocate by making sure that they support us when we bring Bills, which I will soon do, to protect our livestock farming. We also need to protect those who cannot survive on crop farming because they have wildlife in their regions. All of these contribute to the economy of this country.

Agriculture is the backbone of our country's economy. Tea farming alone is employing five million Kenyans. If five million Kenyans lose jobs the way jobs were lost in the sisal and cotton industries, then we will be facing a disaster as a country. One of the Big Four Agenda of the President is manufacturing. What will we be manufacturing when we do not produce? Another one is food security. How will we have food security when our farmers do not have purchasing power of food or anything else because we have killed our agricultural sector?

Hon. Temporary Deputy Speaker, we support this Bill 100 per cent and it should be enacted. I urge this House not only to pass this Bill, but also to follow up to its implementation. I know my President will assent to the Bill as quickly as possible because from January, he started protecting tea farmers. So, I am sure he will assent to this Bill. However, the bigger part will remain in terms of implementation.

Let us protect our farmers from the so-called cartels. Cartels involved in corruption will kill this country. We are pointing many fingers at the Government because of corruption. The private sector is the one doing business with the Government. They are the cartels who bribe Government procurement officers. Cartels are not only in the tea industry, for instance, at the KTDA, but all over. If we start sending a warning to the cartels at the KTDA, I am sure there will be shivers among all cartels in this country.

I urge all the Members of this House to support, pass this Bill and follow up on its implementation. We should also be ready for as many Bills as possible to protect all our crop and livestock farmers. They need our protection and they can only be protected by this House.

Lastly, as I go to sit down, Hon. Temporary Deputy Speaker, let us not only think of agriculture alone as a House. At the moment, pastoralist regions are facing a disaster from a disease called the Blue Tongue Mouth Rot which affects sheep. In *Kimaasai* it is called *Shamsham*. Our sheep are dying in masses and we do not have any particular authority or board to protect us. We do not know the cure for that disease. We do not know where to run to. We do not have a research organisation that we can run to, to save our livestock. As much as we will save the tea farmers from the cartels at the KTDA, livestock farmers also need to be saved.

I urge the Members from the pastoralist regions to start preparing as many Bills as possible to protect our pastoralist regions which make up 80 per cent of the land mass of Kenya. With those very many remarks, I support the Bill *mia kwa mia*.

Thank you, Hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. Christopher Omulele): Hon. Godfrey Osotsi.

Hon. Godfrey Osotsi (Nominated, ANC): Thank you, Hon. Temporary Deputy Speaker, for this opportunity to also say something about this Bill. As you are aware, I come from a county that grows tea, the County of Vihiga, where we have a tea factory called Mudete Tea Factory. I have experienced first-hand challenges that tea farmers in that county go through. In fact, right now, most of the tea farmers have uprooted the tea plants because of low production and due to the fact that they are not benefiting from it. So, this is a very serious problem.

I want to agree with the many Members who have spoken that, indeed, the tea sector is on its deathbed. As a House, it is important to do something about it. I want to commend Sen. Cheruiyot for bringing this very important Bill although I agree that there is a lot of meat that needs to be put in so that it can address many of the issues that Members have raised.

Hon. Temporary Deputy Speaker, I am also concerned about the AFA arrangement. This House came up with the AFA Act and subsequently came up with the Crops Act. However, the AFA Act has not helped this country. Centralised management of crops was geared towards promoting efficiency, but it has led to more inefficiency, confusion and corruption.

It is high time this House took the initiative of repealing the entire Act, so that we can go back to where we were initially. For example, the sugar industry is completely dead. We used to have the Sugar Bill and the Kenya Sugar Board, but now we have AFA. It is not possible. The Sugar Development Levy was abolished. It is not able to finance operations in the sugar industry. Now, it is tea and coffee. So, something needs so to be done urgently. I wish the leadership of the Departmental Committee on Agriculture and Livestock was in this House, so that they can take the views of the Members seriously. It is high time we amended our Standing Orders, so that the leadership of a committee is in the House whenever we are discussing a Bill affecting a committee. Issues are being raised by Members and I cannot see the Chairman of the Committee here or the Vice-Chairperson. Most of the Members of that Committee are not here. We should not be discussing these things in vain. We want action to be taken.

The second issue is on the KTDA. I agree with the Members that KTDA, as currently constituted, is a problem in this sector. Something has to be done. The office of the CEO of KTDA should not be of permanent occupancy. It should be contractual, with very clear performance targets to be met. As it is, it is a permanent position. Secondly, the Company Secretary for the KTDA is also the Company Secretary of all the tea factories that KTDA is managing. That is wrong. This is a clear conflict of interest that needs to be looked at. The directors of the KTDA are also directors of subsidiaries. That is wrong. We must do something, as a House. Whoever converted KTDA to be a private company did a disservice to this country. We want KTDA to return to the hands of Kenyans and not be run as a private company.

We also have to look at other issues in the sector. The cost of production is very high. The cost of electricity, labour and wood fuel is too high. We remember some time back, this Government promised that they were going to give all tea factories the Export Processing Zones (EPZ) status, so that they could enjoy lower tariffs of electricity. That has not happened for some tea factories. So, something has to be done.

I am also concerned about the 2.5 per cent management fee that KTDA charges factories. It is too much. What does it do? A small factory like Mudete, with very low returns and income, has to pay 2.5 per cent as management fee to the KTDA, so that the directors can enjoy higher salaries and allowances as the farmer is suffering.

The other thing is that there are a lot of reports that have been produced by taskforces on tea. Most of them have not been implemented. What is the problem? This is one area that the Committee should look into. Most importantly, I think the Government of Kenya has to be creative in terms of marketing tea. We all know that international prices of tea are going down because we have a surplus of tea in the global market. So, the prices will go down. We are the third largest producer of tea and it is said that the four largest producers of tea constitute 60 per cent of the world tea. Why can they not set up an equivalent of Organisation of the Petroleum Exporting Countries (OPEC), so that they can regulate the amount of tea in the international market and, therefore, have better prices for the farmers? So, something has to be done strategically at the global level, so that our farmers can benefit.

Our techniques of processing tea are a bit outdated. They say if we used modern techniques to produce tea, our farmers would fetch five times what they are fetching and they would enjoy better rates.

The other thing I have noticed in my county is corruption at the tea buying centres. Farmers take their tea there, something happens on the weighing scale and some of the weight is given to other farmers after corrupting the clerks. You find a farmer who is doing so well getting less bonus. These are issues that we need to look at.

As I wind up, I want to urge the Departmental Committee on Agriculture and Livestock to look at these issues. If possible, they should come up with a Bill that is going to repeal the AFA Act and the Crops Act, so that we can deal with these issues that we all know. This is our work. We know these issues. Why are we not dealing with them? An example is the issue of low bonus in my county. We get the lowest bonus for tea. Something has to be done. This is where I support Moses Kuria when he talks about minimum guaranteed returns. We need minimum guaranteed returns for tea and other critical crops like sugar. We need minimum guaranteed returns. We need a reserve fund, so that when farmers get low bonuses, they are able to equalise that and take their children to school.

With this submission, I support the Bill. I ask for amendments to bring up the issues that Members have raised. I also encourage the Departmental Committee on Agriculture and Livestock to take their work seriously and address the issues we are having with our farmers in the coffee, sugar, tea and in any other crop that is grown in this country.

With those few remarks, I support.

The Temporary Deputy Speaker (Hon. Christopher Omulele): The Hon. Leonard Brighton, Member for Konoin.

Hon. Leonard Yegon (Konoin, JP): Thank you very much, Hon. Temporary Deputy Speaker. I want to support the Tea Bill (Senate Bill No.36 of 2018). It is for the prime purpose that agriculture is the mainstay of Kenya's economy. Two, tea is the first foreign income earner among the crops that we have in Kenya. Three, in my constituency, 80 per cent of the economy and livelihood is pegged on tea. We grow tea almost in every part of my constituency.

The lives of more than 600,000 small holder tea farmers in my constituency are touched, especially those under the KTDA. Talk of Chepchabas, Embomos, Mogogosiek, Boito and many others are characterised by poverty, low income and shortchange. The KTDA, as an agency, has mastered the art of bleeding a leech to fatten a heifer. That is why this Tea Bill is coming in handy to rescue the farmer. When you look at the functions of this Bill, because I have read it to the last page, the provision of regulation, development and promotion of the tea industry is a very fundamental aspect it is trying to address. When you talk about promotion of the Kenyan tea internationally, at the moment we are using traditional markets. When we focus on promotion, it means we have to think of diversification of the market and the leaves that we produce. Kenyan tea is CTC roller processed black tea. We should diversify and look at green tea. China is the first producer of tea in the entire world and it consumes almost 90 per cent of it. It is basically green tea. So, we should look at the aspect of the market for green tea and orthodox tea.

This Bill will also establish standards and the manner of grading and classification of tea and its products. We realised that the testing that is done in Mombasa is not scientific. It is upon the officer who tastes to classify and say this is the best tea and the other is not the best tea. That is why we have variations in prices. If you look at the bonus of other regions and the bonus of Bomet and Kericho regions, there is a big variance and most of it is arrived at using biasness.

We need this Board to control the blending, packaging and labelling of our tea for the purpose of traceability. For example, you can find Kericho Gold Tea packaged in the United

Kingdom (UK) and other overseas countries. This is important for the Kenya Tea Board, so that it can market, brand and blend our tea to international standards.

Establishment of AFA was a bad idea. It was a big mistake. The AFA lumped up all the scheduled crops. If you talk of crops like pyrethrum, tea, coffee, rice and sugar, you will find that their value is different. That is why some scheduled crops are performing poorly in the market. For example, if you talk of sugar, you will find that the sugar industry has collapsed. I believe AFA is the one that has occasioned the collapse of these industries. When you look at the trend of tea, it is heading towards that direction. That is why we need a single body to look at tea issues from its processing all the way to its marketing.

On the inefficiencies and ineffectiveness of service delivery in terms of AFA, to be precise, AFA has given us a raw deal. Right now, the tea Directorate in AFA is incapacitated and unable to regulate tea. On issues of conflict of interest, the regulations that AFA has given out say that if you are dealing with financial, audit matters, marketing and processing, you are not supposed to offer company secretarial services, but when you look at what is happening, KTDA is handling all those four aspects in our factories. That is conflict of interest. As we move forward, we require a strong regulator in the tea industry in the name of the Kenya Tea Board, so that it can focus on that.

Moving forward - and this is something that I have not seen in the Bill - we should seek to amend the Public Audit Act No.34 of 2015, so that we can allow the Auditor-General to look into the books of accounts of the KTDA. Right now, nobody is looking at them. The KTDA is operating on public money. Farmers who have invested in tea are members of the public and the KTDA is managing their funds. We are supposed to make sure that the Auditor-General looks into their books. A forensic audit should be done on the books of accounts of the KTDA, so that we can know how many funds have been lost. Up to 2018, KTDA had been investing in banks that had gone under receivership five years before, namely, Chase Bank and Imperial Bank. That is on record. We should make sure that we look at that. I will be bringing an amendment to make sure the Auditor-General looks into the books of accounts of the KTDA.

If you look at the subsidiary companies like Majani Insurance Brokers, Chai Trading Company and Green Feather, there is no way of telling whether the dividends go back to the farmers. We need to make sure that there is no conflict of interest surrounding them. If you look at the directors of all the subsidiary companies, from the Chai Trading Company, Majani Insurance Brokers to the Green Feather, they are directors of the KTDA. We need to remove this conflict of interest. Even when we talk about elections, we need to go back and look at the Companies Act to bring in one man one vote policy, so that representation in these factories does not become a one man show. Just because I have many shares, I should not be the one to determine everything in a factory including running it.

The 2.5 per cent management fee is high. This fee was fixed 10 or 15 years ago when the volumes were not big. Right now, we have big volumes of tea being produced. So, it needs to be lowered to 1 percent and the other 1 per cent to be taken to the Stabilisation Fund, so that it can support farmers when prices fall. The Tea Research Institute is another body that is dead. We need to fund it.

The Temporary Deputy Speaker (Hon. Christopher Omulele): Hon. Brighton, I know you are passionate about this, but time has caught up with you. We shall have Hon. Jayne Kihara, the Member for Naivasha.

Hon. (Ms.) Jayne Kihara (Naivasha, JP): Thank you, Temporary Deputy Speaker for allowing me to contribute to this important Bill on tea. I hope Hon. Moses Kuria will get time to

speak to it because Hon. Junet indicated that he only talks about tea in funerals and rallies. He is here now. I come from an area where we do not grow tea, but I am a partaker of tea. The little I know is because of the complaints that I have heard. I have seen women picking tea in cold weather and during hot seasons. Eventually, we hear that they do not get anything. The bonus they are supposed to receive has been reduced to almost nothing. Much as we pride in agriculture as being the backbone of our economy, if we do not make it profitable, we can be sure we will not generate employment for our youth who we talking about not having jobs. I am sure if tea was paying, we would get all the youth from Nairobi going to the farms to work. In the past, we saw small centres' economies thrive and accommodate guests because people had received bonus from tea, but that is no more.

I have listened to somebody who is conversant with tea matters, the former Principal Secretary, Irungu Nyakera. I have heard him on Inooro FM talking very passionately and I kind of see the frustration because of the cartels that have been mentioned here by many Members. Kenya has become a country of cartels. They are the ones who govern our economy. Even in farming, you will see a director at the KTDA, as you say, who does not have a single tea plant. This is where this country has to depart from. We have seen importers import sugar and then it is repackaged in Mumias Sugar Company packets. What does that tell you? We are killing our agriculture so that crooked importers can manage us by importing what we should be producing as a country.

I have never related Mombasa with tea, but now I think I know. I happen to have a nephew who packages tea in Mombasa, but I was not able to know why in Mombasa where they do not grow, tea is auctioned and packaged. So, this devil called the KTDA... This Bill is bringing protection to the poor farmer. I have heard this many times including in the rallies Hon. Junet is talking about. I have heard about the guaranteed minimum returns. We need to protect those who put us in office. We are here courtesy of people who are being misused or deflated by cartels. So, we should deal with the cartels.

When I was young, I visited the Kericho Tea Hotel, and like somebody said about Peugeot, I think that is where I saw very many new Peugeot cars and they all belonged to tea farmers. When you go out of the country, you cannot compare the taste of our tea with that of foreign tea. The fact that when they want good tea, they blend it with our tea leaves a lot to be desired. What is it that we are not doing as a country? We need this Bill to have passed like yesterday. I also thank the author of this Bill. It is long overdue. It is time for us to decide what we want to do with agriculture from here. How much agriculture was devolved? Some of these cash crops should have been left at the national level so that they can be managed and protected from close to where the heart of the Government is, if at all it cares about its people.

Pyrethrum, which was our cash crop in Naivasha, is no more. The little that is grown is being exported by Chinese like bhang. It is hidden in the underworld. That is how it is exported. Our cash crops must be revived if we want to create jobs for our youth. As long as agriculture is not rewarding our youth, they are not going to engage in it. We will keep saying that there are no jobs and there is a lot of poverty in this country. Women come crying to our offices because of school fees yet some of them are farmers who do a good job and maintain their families. Let us start with tea as we think of how we are going to improve our agricultural sector, so that our people are economically empowered to run their families and this country wakes up from the doldrums of where we are now economically.

With those few remarks, as I said, I do not come from a tea growing area. I was born in a coffee growing area, which is suffering the same fate. Therefore, let us deal with tea and then we can look at coffee, so that our people can be up running economically.

Thank you, Hon. Temporary Deputy Speaker.

The Temporary Speaker (Christopher Omulele): Well spoken. Hon. Florence Bore, the Member for Kericho, you have the Floor.

Hon. (Ms.) Florence C.K. Bore (Kericho CWR, JP): Thank you, for giving me this opportunity. I come from a tea growing area and I want to thank the Senator for Kericho for bringing this Bill. I support it plus the amendments that will come towards it. I want to say that this is a Bill that people from the tea-growing areas are looking forward to. They want answers and better prices for tea like before. Farmers are suffering and cannot pay school fees for their children. They cannot pay for their medical bills. Like what my colleagues have said, we need answers like yesterday. We need improved prices for tea. The KTDA needs to be restructured. We need to review its contracts with farmers. Farmers have been exploited through levies levied on tea. The levies should be reduced.

There are also projects that have been started by the KTDA across the tea growing areas which take up a lot of money from tea farmers. The projects need to be reviewed, so that we do not burden farmers by taking away their earnings from tea. We also need to protect farmers from the unpredictable market by ensuring that they get prices that cover the high costs of production. We can do this through a fund that can support the farmers and even create a minimum price guarantee when the world market prices go down. This will assure farmers of good prices or a minimum price guarantee.

These small-scale farmers own tea factories which should be giving them some dividends. Farmers do not get dividends from the factories. The KTDA has properties even in the City of Nairobi, but farmers earn nothing from these properties. The KTDA has buildings in Nairobi and I am sure they get earnings from the buildings and nothing is given to a farmer.

I also want to touch on corruption that could be going on at the KTDA and within the agencies, the factories and even within the collection centres. We have heard of weighing scales being doctored to reduce the kilogrammes of tea the farmer has produced. If a farmer gives out 10 kilogrammes of green tea, he is weighed for at seven kilogrammes. Where does the three kilogrammes go to? That is corruption. The farmer is not being given his rightful kilogrammes because the weighing scales have been doctored.

I also want to touch on the subsidy of fertiliser. Farmers should be given a fertiliser subsidy just like in other crops. Coffee farmers were given the Cherry Fund. That was okay, but why were tea farmers not given a fund and yet they fetched low prices? Why were they not supported by the Government with a similar fund? Employment at the KTDA is skewed. No staff is employed from tea growing areas to look at the interests of the farmers from that region.

Farmers expect the Government to look into the KTDA, streamline it and ensure that they are given better prices. We have talked about cartels within the KTDA and within Mombasa for the ones who auction tea. How comes the Ethics and Anti-Corruption Commission (EACC) has not raided these auction centres or the KTDA? If it means bringing back the Tea Board of Kenya to streamline the KTDA, I will support the establishment of a tea board, so that we can see better prices for our farmers.

With these few remarks, I support this Bill and the amendments that will come towards improving the prices of tea and any other crop that affect our farmers.

Thank you, Hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. Christopher Omulele): Let us have Hon. Gichimu Githinji, the Member for Gichugu.

Hon. Gichimu Githinji (Gichugu, JP): Thank you, Hon. Temporary Deputy Speaker. I support this Bill.

From the outset, I am a beneficiary of the proceeds of tea farming. My parents brought me up and educated me largely from the proceeds of tea. My constituency has two major factories which have been producing some of the best tea in the country, namely, Kimunye Tea Factory and Thumaita Tea Factory. So, when tea matters are debated, I have great interest.

Hon. Temporary Deputy Speaker, the abolishment of the Tea Board of Kenya through the formation of AFA and subsequently the Crops Act was a mistake. The Crops Act left very important crops such as tea and coffee under the whims of the Ministry through regulations. These are the top earners in terms of foreign exchange in the country. The Crops Act leaves tea out, which is a very important crop, with only one paragraph referring to regulations that usually govern the tea sector.

Hon. Temporary Deputy Speaker, the management and regulation of the tea sector has been left to private players who have a lot of interest in the business as well. Issues that affect the tea sector start right from the buying centres, to the factory, processing and marketing. The way elections are done at the local level is an area that needs a lot of reforms. After passing this Bill, we need to look at the relevant instruments that have created the factories. You will note that a director will be voted for with a certain threshold of shareholding which is okay, but it is not right and proper for disparity in the voting power of the people who are voting that person in. What has been happening is that the people with majority of shareholding through having many bushes and kilos are the ones who determine who runs the factory as a director. That denies that local person who has fewer stems and fewer kilos the equal right of voting. That is an area that we need to insist on that one man one vote should be key in choosing the leaders that are supposed to run or lead the factories.

The board, which I am very optimistic will be formed through the enactment of this Bill, should focus on the regulations on how factories should manage their investments including the cost of production, so that there would not be much disparity of operations from the same area. A case in point is my constituency where the bonuses of the two factories vary by about Ksh10, one with Ksh37 and the other one with about Kshs47. That is a difference of Ksh10 per kilogramme yet the production area is the same, but because of some factories creating higher cost of production, there is that difference in pricing.

I echo my colleagues' sentiments that corruption also needs to be wiped out at the factory level. We have seen weighing machines being doctored to deny farmers their hard earned kilogrammes. An example is my constituency of Gichugu where we had to go to the factory with the people from the Weights and Measures Department who discovered that actually there was a problem.

The Temporary Deputy Speaker (Hon. Christopher Omulele): Hon. Gichimu, I will have to stop you there. I know you are in your element on this. This has been a discussion that has had a lot of interest from Members and the contributions have all been superb. As we sit here, I recognise there is still interest from Hon. Kiai Githiaka, the Member for Mukurweini, who is still in the House and had shown a lot of interest in this. We also have interest from the Member for Nyeri Town, Hon. Wambugu. There is Hon. Kipyegon Ngeno, who was next on my list, Hon. Nduati, Hon. Moses Kuria, Hon. Oundo, who is still in the House and he had a lot of interest in it, Hon. Mwangi Mburu, the Member for Lari, who had even come here and said that

his people will not understand if he does not speak to this today, but our time has caught up with us. Of course, Hon. Tong'i from Kisii, another tea-growing area, has been patient in the House.

However, time has caught up with us. I am confident that this is a matter that will be set down again for consideration soon enough, so that all of us can share our contributions to coming up with a Bill that is going to help our agricultural sector and especially the tea sector. I hope when it comes up again for consideration, all these Members who have been here sitting with me this afternoon will be availed an opportunity to have their say. The Member for Gichugu will have a balance of three minutes when this matter is set down again and, of course, he will have precedence.

ADJOURNMENT

The Temporary Deputy Speaker (Hon. Christopher Omulele): Hon. Members, the time being 7.00 p.m., the House stands adjourned until Thursday, 20th February 2020, at 2.30 p.m.

The House rose at 7.00 p.m.