PARLIAMENT OF KENYA

THE NATIONAL ASSEMBLY

THE HANSARD

Wednesday, 9th June 2021

The House met at 2.30 p.m.

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

PRAYERS

PETITION

AMENDMENT OF THE ADVOCATES ACT

Hon. Speaker: Hon. Members, pursuant to Standing Order No.225(2)(b) requiring the Speaker to report to the House any Petition other than those presented by a Member, I wish to report to the House that I have received a Petition from Mr. George Njenga Mwaniki and 12 others on behalf of law students, practising advocates and members of the East Africa Law Society in the republics of Rwanda and Burundi.

The petitioners state that in 2012, the National Assembly through the enactment of the Statute Law (Miscellaneous Amendments) Act, 2012 amended Sections 12 and 13 of the Advocates Act, Chapter 16 of the laws of Kenya and included Rwanda and Burundi in the list of countries from which one is eligible for admission to the role of advocates in Kenya. However, in Civil Appeal No.96 of 2014 reported in the Law Society of Kenya (LSK) versus the Attorney-General and two others, the Court of Appeal declared the Statute Law (Miscellaneous Amendments) Act unconstitutional citing lack of public participation, thereby, rendering lawyers who studied or are practising advocates in Rwanda and Burundi ineligible for admission to the role of advocates in Kenya.

The petitioners are content that while Hon. Chief Justice has continued to enroll practising advocates from other member States of the East African Community (EAC) to the role of advocates of the High Court of Kenya, those from Rwanda and Burundi are excluded and discriminated against which is contrary to the spirit of the EAC integration which is espoused in the EAC Treaty which is duly ratified and domesticated in Kenya. The petitioners are concerned that all efforts to have the matter resolved through the LSK, the office of the Attorney-General and the Cabinet Secretary (CS) in charge of the EAC have not been fruitful.

Hon. Members, the petitioners, therefore, pray that the National Assembly urgently amends the Advocates Act (Cap.16) with the view to reinstate the provisions of Sections 12 and 13, so as to provide for enrolment of legal practitioners from the republics of Rwanda and Burundi to the role of advocates of the High Court of Kenya.

Having determined that the matters raised by the petitioners are well within the authority of this House, I order that pursuant to the provisions of Standing order No.227, this Petition be

committed to the Departmental Committee on Justice and Legal Affairs. The Committee is required to consider the Petition and report its findings to the House and the petitioners in accordance with Standing Order No.227(2).

I thank you.

Are there Members who want to make comments on this Petition? Hon. Sankok, I can see that you have an intervention. Is it on this Petition?

Hon. David ole Sankok (Nominated, JP): No.

Hon. Speaker: Okay. Let us hear Hon. Omulele.

Hon. Christopher Omulele (Luanda, ODM): Thank you, Hon. Speaker for that Petition. I rise to add my voice to it. I support the petitioners because advocates in this country came together under the LSK. We said that we would like to be on the forefront of bringing together our countries, so that we can eventually become a referendum of East Africa to widen our field.

You know that the training of advocates in this country is only second to the one in Dar es Salaam in Tanzania. Our neighbouring countries, for lack of a better word, are slow in the uptake of opening up the services industry. We, in Kenya, said that we wanted to be the first ones to allow our brothers from across East Africa to come here, practise and see what we do here. This would hasten the widening of the East Africa brotherhood. Excluding our brothers from Burundi and Tanzania is excluding the Kenyan advocates from accessing work from those regions. It is inimical to the spirit of the coming together of East Africa.

(Applause)

I support the Petition. I hope the Committee will hasten and make sure that we amend the relevant law, so that we can incorporate and allow our advocates to practise across the borders. Even if Burundi and Rwanda do not allow advocates from Kenya to practise, let us allow the brothers from those countries to come here and see what we do and they will open up for us tomorrow.

Thank you, Hon. Speaker.

Hon. Speaker: Member for Dagoretti South, do you want to comment on this Petition? **Hon. John Kiarie** (Dagoretti South, JP): Yes.

Hon. Speaker: Very well.

Hon. John Kiarie (Dagoretti South, JP): Thank you very much, Hon. Speaker for giving me the opportunity to contribute. I had the opportunity to serve in the Committee on Regional Integration and Departmental Committee on Justice and Legal Affairs.

Regional integration banks on only one thing, which is the goodwill of the sister States. Kenya being a big brother in the region ought to be the one leading the way in terms of goodwill. When we block out opportunities for our brothers who are in this region, we will also be victims of the principle of compensation. The other States will block out people from Kenya to practise not only in legal affairs, but also in businesses and any other issues that can lead to disintegration of the region.

Historically, this country had people who served in the Judiciary who do not even belong to the region. Traditionally, we saw even chief justices of this republic being sourced from as far out as the Caribbean Region and West Africa. If people who are not Kenyans can serve in offices as high up as the Chief Justice, then there should not be any reason why we should not admit lawyers from the neighbouring countries to the Kenyan bar. As I always say, politics will catch up to the cultural issues in this region.

Culturally, Hon. Speaker, we are integrating. Over and above serving in committees, I also have a history of being an artist. When you look out, you will see that culturally, the region is integrating. Our musicians, artists and performers are recognised everywhere in the region. We also recognise artists from other parts of the region into this country. However, politics is lagging behind and we would not want the Judiciary to join the politics in lagging behind in the integration. So, Hon. Speaker, I believe that this is a very important Petition and I am sure the Departmental Committee on Justice and Legal Affairs is up to the task of taking up this matter.

Thank you very much for this opportunity.

Hon. Speaker: Hon. Akoth Odhiambo, you have the Floor.

Hon. Ms. Odhiambo-Mabona (Suba North, ODM): Thank you, Hon. Speaker. I wish to support the Petition. In doing so, I regret that the Law Society of Kenya that should have spearheaded this is currently in disarray and I call on my brother, Nelson Havi, to stay more focused, seek reconciliation with the secretariat because what is going on in the LSK has gone on for too long and is actually an embarrassment to us as lawyers. So, I call upon both factions to put aside their pride and seek reconciliation for the purposes of lawyers and the country as a whole.

Regional integration is the way to go. When we enhance regional integration in our East African bloc, it makes us more competitive vis-a-vis other blocs. One of the issues that was raised in the Building Bridges Initiative (BBI) is regional integration. However, I want to caution that some of the things we need to look at very clearly, because this is a very serious issue, and because the court has even pronounced itself to it, we must speak to the issue of public participation, so that those who are practising across the border will tell us their experiences. That is a good way to go. That is the experience of lawyers practising that had initiated the process. The issue of reciprocity. I heard Hon. Chris saying that we may allow them though they may not allow us. That is not the way to go. We need to start even if it is an unbalanced reciprocity. Even if it is an imbalanced one, but, at least, if we start, maybe, on a ratio of 1:3, because some of them are not as big economies as us, it is good. Our legal profession has been more established than them. I worked a lot in Burundi and Rwanda before I came to Parliament, and so, I know what they are struggling with, but there should be some level.

Finally, going in the direction we are going and borrowing from the fact of the work I have done in the past, in the region, one of the things as a country we must deal with in terms of breaking those barriers is the language barrier. You find a lot of people from Rwanda who speak English, but very few of us speak French. So even when we open our practice, there will be naturally an imbalance because they are able, even if we talk about translation. However, it makes it much easier and I know that because I always break barriers. Sometimes I would get work in Anglophone countries and because one is not a French speaker, it would be given to somebody else. So that is something, as Parliament, we must see how to deal with so that as Kenyans, when we are talking about employment, to make us more competitive in the region, we need to introduce French in our schools from primary level.

I support.

Hon. David ole Sankok Nominated, JP): On a point of order, Hon. Speaker.

Hon. Speaker: What is your point of order, Hon. Sankok?

Hon. David ole Sankok (Nominated, JP): Thank you very much, Hon. Speaker, now that you are the one who read the Petition on behalf of the Petitioners, yesterday, I came very early to this House and waited. Today, I came at 8.00 a.m. and waited. I have perused the Order Paper and I have not seen, though I have heard rumours that there is a Motion of "No Confidence" that will be moved against you. Hon. Speaker, I want to dare them to try and bring such a Motion into this

House. I want to dare them because I do not know if it is the system or the deep State or whoever wants to bring it or a number of these... But they will know that they do not know.

Hon. Speaker, you have led us with fairness and firmness. You are a constitutional mobile encyclopedia in this House. We always refer to you, Hon. Speaker. Your grasp of legal matters will disarm your enemies and friends alike. In your leadership, you have translated the Standing Orders to Kiswahili. I used to understand Standing Orders as *Amri ya kusimama* only for you to guide us that *ni Kanuni za Kudumu*. Digitisation of this House has been done through you and training of Members who have no legal background in this House. You have also presided over opening of Parliament to the media and the public and opening the digital platform.

Hon. Speaker, you are non-partisan. You do not practice politics in and outside this Parliament. That is why I am saying that I dare them to bring that Motion. It was covered all over the media. Let them try. They cannot blackmail you the way they have been blackmailing other people by mentioning the 100,000 stainless wheelbarrows. You are a mobile living corruption free zone. They know that. You have 96 per cent support of this House. The remaining 4 per cent are undecided and rejected votes. Some of them are the two Members who are just one-day old in the House and cannot, of course, vote. There is also the Member of Parliament for Kabuchai, who is just two months old in the House. Those are the rejected votes. You enjoy 96 per cent support of this House. Whether it is deep State, shallow State or the system, let them dare and bring it. Do not fear, Hon. Speaker. This is a theoretical ghost that we used to threaten children with, but nobody has ever seen it. Let them try. Let them try. I dare them.

Thank you, Hon. Speaker.

(Loud consultations)

An. Hon. Member: Put the Question! **Hon. Speaker:** There is no Question to put. Are we through with the Petition?

(Loud consultations)

Let us hear the Member for Emuhaya.

Hon. Omboko Milemba (Emuhaya, ANC): Thank you, Hon. Speaker. My brother has brought up a very serious issue that I am not aware of and not everybody was aware of. He has indicated that he has been waiting to see it, but he has not seen the Motion.

Hon. Speaker, we have a lot of confidence in you. I wish, then, he could proceed to name the people, so that we also deal with it. Otherwise, if he speaks the way he has spoken and he does not name the people, then we shall be disenfranchised to deal with the matter seriously.

Thank you, Hon. Speaker.

(Laughter)

Hon. Speaker: Let us not name the nameless. Hon. Sankok has interrupted contributions on the Petition. If you listened to the content of that Petition, among other things they are raising in that Petition is that the law which was passed in 2012 was only faulted by the court and declared unconstitutional on the grounds that there was no public participation.

I believe Hon. Millie Odhiambo, Hon. Aden Duale, Hon. Olago Aluoch and Hon. Kimunya, among others were in the 10th Parliament. It is a matter that perhaps you can look into

even though you may not all be in the Departmental Committee on Justice and Legal Affairs. The grounds for declaration that it was unconstitutional was barely because, at that time, the 2010 Constitution was very new and you were on a grand coalition. So, you may not quite have familiarised yourselves with public participation. Therefore, nobody paid attention to Article 118 of the Constitution.

This is a matter, as Hon. Omulele raised here, that the Committee could look into quickly and make some progress taking into account the points that you have made. However, that is not to say that I will be blocking out those others who wanted to comment on the Petition like the Member for Gichugu.

Hon. Gichimu Githinji (Gichugu, JP): Thank you, Hon. Speaker. I also support the Petition, and as you have rightly put it, the issue of substance is not an issue. The issue is just public participation. This is a matter that once it appears before the Committee, which I am a Member of, we can expeditiously bring it before the House and the House Business Committee to prioritise the matter so that we can deal with it.

Public participation can be done within a very short time and the matter is then put to rest because the issues of the East African cooperation, interaction and any other matter should not be a problem. When this law was being passed, all those matters had already been considered and taken care of.

I rise to support and ask that the matter be expedited.

Thank you.

Hon. Speaker: Prof. Oduol, you have the Floor.

Hon. (**Prof.**) **Jacqueline Oduol** (Nominated, ODM): Thank you, Hon. Speaker. I also rise to support the Petition. I am guided by the learned friends and Hon. Members, namely, Hon. Omulele and Hon. Millie. I also do it because, as a Member of the National Cohesion and Equality Committee, courtesy of your office, I had occasion to have a joint session with the Centre for Parliamentary Studies, the Committee on Implementation of the Constitution, Regional Integration and National Cohesion and the key concern that we jointly addressed is that, as parliamentarians, we need to look out to avoid any issues of marginalisation or anything that would look like it was discriminatory.

In particular, we need to seek to fight for equality and cohesion, and not just in our country, but in the region. It is for this that I support this Petition as I thank your office and, indeed, Parliament by extension in helping us in committees to work jointly and to continue to push that we all stand together to name injustice and address it.

Thank you, Hon. Speaker.

Hon. Speaker: Let us have the Member for Tharaka.

Hon. George Gitonga (Tharaka, DP): Thank you, Hon. Speaker. I support the Petition on the grounds that as we continue to expand our practice out of Kenya into Rwanda, Burundi, Tanzania and elsewhere, it is important that we also reciprocate by having enabling environment and law that is going to help those who are being admitted to come and practise here as we do in their countries.

We need to also observe public participation in every legislation. As we continue to amend the law and reinstate what was shut out, we should ensure that there is public participation.

Allow me to comment on what Hon. Sankok has just raised because I also read about it on social media and heard about it over the radio that there were jitters, unrests and a feeling that what was going on was actually going to affect what you do in this House. That is absolutely far from the truth. In as much as what is going on in the eastern part of Mount Kenya region is cultural and

political, as far as this House is concerned, we are united and the Speaker has led us very well and impartially.

(Applause)

Whatever else is done out there, for instance, what is said in *barazas*, and you have always ruled on it, all that is political.

We are behind the Speaker, and if anybody wishes to bring anything like an impeachment Motion, then we will defend the Speaker. They can rest assured.

Thank you, Hon. Speaker.

(Applause)

Hon. Speaker: Member for Mvita.

Hon. Abdullswamad Nassir (Mvita, ODM): Thank you, Hon. Speaker. Accept my apologies. Mine was actually about a Statement that I meant to present.

Thank you.

Hon. Speaker: Very well. Hon. Duale, do you want to contribute on the Petition?

Hon. Aden Duale (Garissa Township, JP): Yes, Hon. Speaker. As I support this Petition, it is very important that not only within the East Africa, Kenyan lawyers, advocates and other professionals must find a way of going to other parts of the world. I remember when a group of Kenyans faced the International Criminal Court (ICC), it was the first time the Kenyan lawyers woke up, and today, I am sure many of them can represent clients who in one way or the other, will be accused of serious crimes as some Kenyans had to go through.

We also need to look at the Council for Legal Education Act. There are a number of private universities which have issues with the lawyers that they train. Coming to this gentleman who represents 3.5 million...

Hon. David ole Sankok (Nominated, JP): 6.5 million.

Hon. Aden Duale (Garissa Township, JP): He has not verified, but he claims he represents 6.5 million Kenyans. We should not discuss the people out there. There are some people within this mountain. This mountain is becoming very complex. Some of us have hills. We also have the Arid and Semi-Arid Lands (ASAL). There are some of us who live near the lake and some near the rift. However, of late, this mountain has a problem. Hon. Speaker, you becoming the spokesman of the mountain, you are qualified to become the Kenyans' spokesman.

(Applause)

However, there are "characters" who have waited for four years and they did not want to become spokesman or spokeswoman, and all of a sudden, when the elders in their wisdom felt that you can occupy that office, they came from some of the hills around the mountain.

Hon. Speaker, you should not bother because some of them have a history. I do not even watch these people who are raising this matter like Governor Ann Waiguru, Governor Wa Iria and others there on television. It shows how selfish they are. In fact, they are depicting the community within the mountain in a very selfish way. If they can do that to the Speaker who comes from the eastern part of the mountain, which is not very far from the mountain, then you can imagine what people like Hon. William Ruto are going through from those people.

So, it has taught us that these people are very selfish that they do not want a Kenyan from other communities, if they can do this to one of their own. I was taught about the leeward and windward side of the mountain in Geography. I do not know whether east is windward? Impeachment of a Speaker is not in the Standing Orders nor the Constitution. What is in the Standing Orders is lack of confidence on the Office of the Speaker. So, when they say impeachment, it tells you how their intelligence and schemes are so shallow. We treat it with contempt that it deserves. Hon. Sankok, you do not even need to read for us the qualities of Speaker Muturi because I have served with him both in the 10th and 11th Parliament with very close consultations. If you dissect all those characters politically, economically, their integrity...

An. Hon. Member: Academically!

Hon. A.B. Duale (Garissa Township, JP): I do not know much of them academically, but they are not worth our comments. Hon. Speaker, let us go to the business of the day. As you said yesterday, we either treat this House like the Senate because they can discuss statements for five hours and petitions for three hours. We have a very important agenda; the budget. As you said yesterday, let us finish with the preliminary Questions and Statements then we go to the substantive budget. We are making the budget for the people of Kenya and the country, and we need to dispense of the matter.

Thank you.

Hon. Speaker: Member for Kisumu West, kindly, have the Floor.

Hon. Olago Aluoch (Kisumu West, FORD-K): Thank you, Hon. Speaker. I wanted to alert the House about the Petition by the two brilliant lawyers that I want to support. Before I do that, allow me to comment on the issue raised by Hon. Sankok. If there is anybody in this House or outside that is encompassing the issue of that impeachment that Hon. Sankok was talking about, I would quote Miguna's words "bring it on baby, bring it on."

I would like the House to understand where you have come from in so far as this legal society is concerned. I am proud to be a founder Member of the society in the early 90's. I am proud to be the first rapporteur of the society. The purpose of setting up this society by the LSK Council then was to expand the practice market to across the borders and also to restart the community.

We went through a very difficult time doing that. The Hon. Chief Justice, Martha Koome was with us. We went to Dar es Salaam Headquarters, the luncheon for the lawyers in Tanzania. The Chairman of Tanganyika Law Society, after our lunch, stood up and spoke impeccable Kiswahili saying that: "Sisi Watanzania tumekuwa watumwa wa Ujerumani, Waaarabu na wengine, tena tuwe watumwa wa Kenya?" It will be very difficult to get the lawyers in East Africa to form that society. Finally, we did it. As we said here, a lot depend on the goodwill of the people and lawyers in all these countries. When you come to JLAC, which I am privileged to serve, we will articulate these issues more robustly in a way that it would bring justice not only to the two brilliant lawyers, but also to all the lawyers in East Africa. This is important because it is only last week when the President of Burundi was our visitor in Kisumu. We took a long time discussing several issues which can be within Kenya, Burundi and East Africa as a whole. So, this Petition could not have come at a better time.

I support and I assure the House that when the matter comes before JLAC, we will deal with it adequately.

Thank you.

Hon. Speaker: One of the over ranking things about the community is about the widening and deepening of the integration. The point as you rightly said, is that it has come at an appropriate

time. We have stayed for long without appreciating the declaration by the court of what was passed nine years ago. This is the right time.

I see the Member for Laikipia. Is it on this one?

Hon. (Ms.) Catherine Waruguru (Laikipia CWR, JP): Yes, I raised an intervention in regards to the Petition which is before us. I support.

There is need for us to integrate Kenya with the rest of the world. There is also need for us as the East African Community to see that all countries are integrated not only in business, but even legal practitioners should be in a position to do business across the world.

The comments by Hon. Sankok, Hon. Murugara and Hon. Aden Duale are casting aspersions towards the Mt. Kenya region. I am a daughter who is very proud to be a Kikuyu from the Mt. Kenya region. I want to inform the Members that they should allow us to settle our issues as a family. The likes of Hon. Kabogo, Hon. Ann Waiguru and others who were mentioned on the Floor of the House are not here with us to defend themselves. They are mentioned in a way that would make them feel they are being embarrassed on the Floor of this House. As a Speaker, you do not have eyes nor ears. It is only that matters are raised before you. The matter being propagated here by Hon. Sankok is not part of what entails us as a National Assembly, and is not a matter which was to be debated on the Floor of the House. It was knit so that he can ridicule the Mt. Kenya region and the majority of us seated behind you. We elected you as a Speaker. We voted for you, you have the blessings of the Jubilee Party and until such a time when the President of the Republic of Kenya or through the Majority of the Membership of the House, would bring to our attention that there is anything like an impeachment, I would like to ask you to kindly ignore some characters like Hon. Sankok. Whatever happens in social media and outside the precincts of Parliament should not find its way to the Floor of the House because there are people who intend to ridicule the people of the Mt. Kenya region. We are on record as hardworking people. We gave this country the founding father, Hon. Mzee Jomo Kenyatta, we had emeritus President Mwai Kibaki and now, President Uhuru Muigai Kenyatta. We do not want any community to take advantage of our issues so that they can come and ridicule us here. We deserve our respect because we respect the rest of the communities and we do not want them to take advantage of our minor politics to use the Speaker's name and what went on at the Mukuru wa Nyagathanga. Those are our own issues. If you are not one of us a Kikuyu, I do not know where you get the authority to come and lecture us on matters to do with our culture. I rest my case.

Hon. Speaker, kindly, can we get over this matter and discuss issues that are on the Standing Order and ignore issues being propagated here by Hon. Sankok that do not pertain to the Standing Orders and what was approved by the House Business Committee?

(Loud consultations)

Hon. Speaker: Hon. Members, yesterday, I gave the Member for Nyali the opportunity to respond to what some of you shouted on to on 11th May 202 claiming that he had uttered certain words against all of you. None of you had the courage to rise in their place and claim that he or she is the one who said so. Hon. Mohamed Ali said he did not know any of the allegations levelled against him. He said he has never uttered any word to that effect. He also said that he wants to know who his accuser is. If you go to the HANSARD, you will find that it is recorded and transcribed as several Members having shouted at the Member for Nyali. However, we had to clear it. That is the way Parliaments work. You raised the matter, you could not keep it alive and,

therefore, we had to bring a closure to it procedurally, for the Member to get a chance to respond. Some of these things that you see, it is not because I do not have eyes.

Many of you obviously get attracted to the famous remark by Speaker Lenthall, who defied the King on 4th January 1642 in UK. Therefore, it is used euphemistically. Otherwise then you will not also use the phrase "to catch the Speaker's eye." Which eye if he has no eyes? Therefore, distinguish some of these things. Do not get at all excited about these things. Let us just proceed with business.

(Loud consultations)

What is this now? You know I do not want to be...

(Loud consultations)

Please, behave as Hon. Members. As I advised recently Hon. Sankok, when you make a telephone call do not say that I am Hon. David Ole Sankok. Just say you are David Sankok and whoever is on the other side will ask, "Is that Mheshimiwa?" Yes. So, with that now there will be honour. Is it not? And respect. Just behave in the same way. Let us proceed. Hon. Waruguru and Hon. Sankok, please, maintain peace and good neighbourhood. I can see you are good neighbours. Moreover, Hon. Mwathi is there to assist.

(Loud consultations)

Hon. Amos Kimunya (Kipipiri, JP): Moreover, he is the Chair of the Departmental Committee on Administration and National Security.

Hon. Speaker: Moreover, he is the Chair of Administration and National Security.

(Laughter)

PAPERS LAID

Hon. Amos Kimunya (Kipipiri, JP): Hon. Speaker, I beg to lay the following Papers on the Table of the House: -

The Financial Year 2020/2021 Supplementary Estimates 11 of the National Government Let me repeat that. I wish I could be protected from interruptions.

(Consultations)

Hon. Speaker: You can stay far away from each other.

(Hon. Sankok and Hon. Waruguru spoke off-record)

Hon. Speaker: Hon. Sankok and Hon. Waruguru, we are not in kindergarten. I cannot expect to be now in.... Unless you want me to invoke....

(Hon. Waruguru spoke off-record)

Hon. Speaker: Please, do not engage me in that. That is not right. Hon. Kimunya, please proceed.

Hon. Amos Kimunya (Kipipri, JP): Hon. Speaker, I beg to lay the following Papers on the Table of the House: -

The Financial Year 2020/2021 Supplementary Estimates 11 of the National Government as follows:

(i) Volumes 1 & 11 of Development Expenditure;

(ii) Recurrent Expenditure; and,

(iii) Programme Based Budget.

Reports of the Auditor-General and financial statements in respect of the following institutions for the year ended 30^{th} June, 2019 and the certificates therein -

(i) Kenya Law Reform Commission.

(ii) Ministry of Education – TVET Curriculum Development Assessment and Certification Council;

(iii) National Commission for Science, Technology and Innovation Training;

Reports of the Auditor-General and financial statements in respect of the following institutions for the year ended 30th June, 2020 and the certificates therein: -

(i) Consolidated Fund Services- Salaries, Allowances and Miscellaneous Services;

(ii) Consolidated Fund Services – Public Debt;

(iii) State Department for Devolution;

(iv) The Judiciary;

(v) State Department for Mining;

(vi) Prison Industries Revolving Fund;

(vii) Pensions Department;

(viii) Office of the Registrar of Political Parties;

(ix) State Department for Correctional Services;

(x) Business Registration Services;

(xi) Public Trustee of Kenya;

(xii) State Department for Public Service;

(xiii) Ministry of Education- State Department for Early Learning and Basic Education;

(xiv) Ministry of Health;

(xv) Independent Policing Oversight Authority;

(xvi) Prison Farms Revolving Fund;

(xvii) Ministry of Foreign Affairs;

(xviii) National Police Service Commission;

(xix) Office of the Registrar of Political Parties- Staff Mortgage Loan Fund;

(xx) Business Registration Services- Revenue Statement;

(xxi) Sports, Arts and Social Development Fund;

(xxii) State Department for Social Protection;

(xxiii) Office of the Registrar of Political Parties- Car Loan Fund;

(xxiv) Ministry of Environment and Forestry;

(xxv) Judiciary – Financial Statement

(xxvi) Ministry of Education – State Department for University Education;

Report of the Auditor-General on the financial statement of Cooperative Societies Liquidation Fund for the years ended 30° June 2013, 2014, 2015, 2016, 2017, 2018, 2019 and 2020 and the certificates therein: -

Report of the Auditor-General on the financial statements of Kenya Veterinary Vaccines Production Institute for the year ended 30th June 2016.

National Government Budget Implementation Review Report for the First Nine Months of FY 2020/21

Thank you, Hon. Speaker.

Hon. Speaker: Does your list include a report on the State Department of Mining?

Hon. Amos Kimunya (Kipipiri, JP): I beg your pardon, Hon. Speaker.

Hon. Speaker: Does your list include a report on the State Department of Mining? Here it is shown as number six.

Hon. Amos Kimunya (Kipipiri, JP): Number six is the National Government Implementation Review Report.

Hon. Speaker: I am referring to paragraph three, which is part (c). The one that starts with Consolidated Funds Services, salaries, allowances, *et cetera*. Number six of it is the State Department for Mining. You got it?

Hon. Amos Kimunya (Kipipiri, JP): Yes, at No. 5.

Hon. Speaker: Number five here is Revenue Statements of the Judiciary.

Hon. Amos Kimunya (Kipipiri, JP): On paragraph 3, Number 5, number I is Consolidated Fund Services. Number II is Public Debt for State Department for Devolution, the Judiciary and State Department for Mining.

Hon. Speaker: No! For me, No. I is Revenue Statements of the Judiciary.

Hon. Amos Kimunya (Kipipiri, JP): Then we will take this one for now as the one I have read.

Hon. Speaker: Okay. Next Order!

QUESTIONS BY PRIVATE NOTICE

Hon. Speaker: The first Question by Private Notice is by the Member for Ikolomani, Hon. Shinali.

Question 02/2021

Hon. Shinali Bernard (Ikolomani, JP): Hon. Speaker, I rise to ask the Cabinet Secretary for the National Treasury and Planning the following Question by Private Notice.

- (i) Could the Cabinet Secretary explain the circumstances of the planned leasing of Mumias Sugar Company by the Kenya Commercial Bank Group and its appointed receiver manager?
- (ii) Could the Cabinet Secretary confirm whether the intended leasing process is participatory and whether stakeholders, including the National Government, the County Government of Kakamega, the Nairobi Stock Exchange and farmers have been engaged?

Hon. Speaker: Now, mine reads "shareholders" and the next one "Nairobi Stock Exchange" while you read "stakeholders." Which one do you want us to take?

Hon. Shinali Bernard (Ikolomani, JP): Nairobi Stock Exchange.

Hon. Speaker: Shareholders?

Hon. Shinali Bernard (Ikolomani, JP): Shareholders, Hon. Speaker.

Hon. Speaker: Shareholders as opposed to stakeholders?

Hon. Shinali Bernard (Ikolomani, JP): Yes.

Hon. Speaker: Proceed to number three.

Hon. Benard Shinali (Ikolomani, JP): (iii) Could the Cabinet Secretary disclose the financial aspects of the intended leasing arrangement, provide the criteria used to identify the firms participating in the tender process and confirm whether the process complies with the Public Procurement and Asset Disposal law?

(iv) Could the Cabinet Secretary state whether there are other measures being taken by the National Government to ensure revival of the company?

Hon. Speaker: This Question will be replied to before the Departmental Committee on Finance and National Planning and the Committee is directed to observe that it is a Question by Private Notice. Therefore, the answer should be available next week. Is the Chairperson, Hon. Wanga, or the Vice-Chairman, Hon. Ndirangu, here?

Anyhow, let them take note that the Question is by Private Notice. So, it requires an answer as soon as possible. Members of the Departmental Committee on Finance and National Planning.

Next Question is by the Member for Laikipia County. Hon. Waruguru.

ORDINARY QUESTIONS

Question No.106/2021

EFFECTIVE TESTING FOR COVID-19

Hon. (Ms.) Catherine Waruguru (Laikipia, CWR, JP): Thank you, Hon. Speaker. I wish to ask the following Question to the Cabinet Secretary for Health:

- (i) What measures has the Ministry put in place to ensure there is enhanced access to affordable, effective and timely testing for COVID-19 in the country noting that testing is one of the most effective ways of reducing the rate of infection?
- (ii) Could the Cabinet Secretary confirm whether the Ministry has considered cheaper and more effective alternative modes of testing for the virus given that the testing mode currently in use requires laboratories, reagents and experts and is also costly?
- (iii) What plans has the Ministry put in place to ensure the immediate adoption of rapid testing for COVID -19 in the country appreciating the fact that the World Health Organisation (WHO) recommends that countries use the Rapid Antigen Test to increase efficiency in testing and reduce infections?

Hon. Speaker, I am asking this Question with regard to Kisumu. The issue of COVID-19 is very high.

Hon. Speaker: This is not part of your Question?

Hon. (Ms.) Catherine Waruguru (Laikipia, CWR, JP): No. I seek it to be considered as very urgent.

Hon. Speaker: It is not part of your Question and so what we are going to forward to the Ministry is the Question. It will be replied to before the Departmental Committee on Health. Third Question by the Member for Magarini, Hon. Kingi Michael.

Question No.171/2021

FUNDS DISBURSED TO GALANA TEACHERS TRAINING COLLEGE

Hon. Michael Kingi (Magarini, ODM): Thank you, Hon. Speaker. I wish to ask the following Question to the Cabinet Secretary for Education:

- (i) Could the Cabinet Secretary provide details on the amount of infrastructure funds disbursed to Galana Teachers Training College in Magarini Sub-County since its registration in July 2018 and indicate how the said funds have been utilised?
- (ii) Could the Cabinet Secretary also state the measures the Ministry has put in place to ensure that the College has requisite infrastructure in place and has adequate personnel at all levels for its efficient and effective running?

I thank you Hon. Speaker.

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

Last Question by the Member for Turkana East. Hon. Lokiru.

Question No.182/2021

$\ensuremath{\mathsf{S}}$ tatus of investigations into assault of francis aiton ekidor

Hon. Lokiru Ali (Turkana East, ODM): Thank you Hon. Speaker. I wish to ask the following Question to the Cabinet Secretary for Interior and Coordination of National Government:

- (i) Could the Cabinet Secretary provide the status of investigations into the assault of Mr. Francis Aiton Ekidor, formerly Assistant Chief of Ekipor Sub-Location and Mr. Peter Nangole Namojong, the former Assistant Chief of Kaatir Sub-Location, Turkana East Sub County, who were attacked on 14th April, 2018 by bandits while riding motorbikes registration Nos.GKB605Q and GKB602Q respectively, which resulted in the loss of eyesight to Mr. Nangole and theft of the motorbikes?
- (ii) Could the Cabinet Secretary explain what informed the decision to arrest the two former assistant chiefs after their retirement under unclear circumstances?
- (iii) Could the Cabinet Secretary indicate the efforts, if any, that have been made to arrest the attackers involved in the incident and recover the motorbikes?I thank you, Hon. Speaker.

Hon. Speaker: Question to be replied before the Departmental Committee on Administration and National Security.

We will move on to the next segment of that Order, being request for Statements. Next Order.

REQUEST FOR STATEMENTS

STATUS OF DISBURSEMENT OF KSHS1 MILLION STIMULUS PACKAGE

Hon. John Kiarie (Dagoretti South, JP): Thank you, Hon. Speaker. Pursuant to Standing Order No.44(2)(C), I wish to request for a Statement from the Chairperson of the Departmental

Committee on Sports Tourism and Culture regarding the status of disbursement of Kshs1 million, stimulus package, which was allocated to cushion artists, actors, musicians and other performers during the COVID-19 Pandemic period.

Hon. Speaker, on 6th April 2020, His Excellency the President of the Republic of Kenya issued an Executive Order directing the Cabinet Secretary for Sports, Arts and Heritage to avail Kshs1 million to cushion those in the creative industry during the period of the COVID-19 Pandemic. The funds were to be paid to local artists, actors and musicians through a campaign dubbed; "together at home".

The artists were required to produce works that would entertain and edify Kenyans during this period. The campaign also aimed to sensitise audiences on the safety and health precautions to curb the spread of COVID-19. The produced items were to feature on Kulture TV and other collaborating media outlets and platforms.

Hon. Speaker, concerned that many artists in the country felt left out by the arrangement and that some who offered their services have not been paid to date and others contend that the due process was not followed in the procurement of the services, I seek a Statement from the Chairperson of the Departmental Committee on Sports Tourism and Culture on the following:

- (i) Could the Chairperson table a list of all the artists, actors and musicians who benefitted from the Kshs1 million stimulus package?
- (ii) The criteria that was used to shortlist the participating artists.
- (iii) Provide a detailed breakdown on how the stimulus package was utilised and disbursed indicating the amount paid to each artist and other contracting agencies or individuals.
- (iv) Establish whether the fund achieved the intended purpose of supporting the artists whose trade was adversely affected by the pandemic.

I have signed this as the Member of Parliament for Dagoretti South on behalf of Kenyan performing and visual artists. I thank you, Hon. Speaker.

Hon. Speaker: The Chairperson of the Committee, the Member for Mavoko, have you heard the request? Very well. Two weeks.

The next request is by the Member for Mvita, Hon. Abdullswamad.

KARO KWA WANAFUNZI WA SHULE ZA UPILI

Hon. Abdullswamad Nassir (Mvita, ODM): Asante sana Mhe. Spika. Kupitia Kanuni za Kudumu 44(2)(c), naomba kupata jawabu kutoka kwa kamati husika ya Elimu kuhusu mambo ya Serikali kulipia wanafunzi wa shule za upili karo. Serikali iliweka mikakati kulipia wanafunzi wa shule za upili mwaka wa 2008 ili kuhakikisha kila mtoto anaweza kupata elimu licha ya kipato cha jamii yake. Hali hii ilisababisha wanafunzi kuwa wengi na kuongezeka katika shule zetu. La kusikitisha, Waziri wa Elimu, juzi ametoa amri kwa walimu wakuu wa shule hizi kufukuza wanafunzi ambao wana deni la karo. Hakuachia hapo. Alidai kuwa wazazi hawalipi karo kusudi licha ya kuwa wana uwezo. Matamshi haya ambayo ni ya kusikitisha, ya kushangaza na ya kukemewa yamezua utata kuhusu mpangilio wa kuhakikisha asilimia 100 ya wanafunzi wanaweza kuingia shule za upili. Wazazi wana shida haswa sasa ambapo uchumi umezoroteshwa na mambo ya Corona. Pesa za NG-CDF ambazo zafaa kusaidia kulipa karo hazijatoka ipasavyo. Wazazi na wanafunzi hawa watasaidika vipi? Kwa haya, twahitaji jawabu au majawabu kwa masuali yafuatayo:

- (i) Serikali yafanya nini kuhakikisha kila mtoto amesoma licha ya anapotoka wala uwezo wake?
- (ii) Hizi kauli za Waziri ni msimamo wa serikali au ni kauli yake mwenyewe ya kibinafsi?
- (iii) Lini Waziri atarekebisha kauli yake na kuwaomba Wakenya msamaha?

Asante sana, Mhe. Spika.

Hon. Speaker: Let us have the Chairperson of the Departmental Committee on Education and Research, Hon. Florence Mutua. How soon can you come up with a response?

Hon. (Ms.) Florence Mutua (Busia CWR, ODM): Asante, Mhe. Spika. Kamati itajaribu impatie mheshimiwa jawabu baada ya wiki mbili.

Hon. Speaker: Mhe. Nassir.

Hon. Abdullswamad Nassir (Mvita, ODM): Asante sana, Mhe. Spika. Tatizo si wiki mbili. Tatizo ni ombi letu. Nina imani kuwa wale wenye kufikisha habari hizi kwa Serikali wanajua kwamba watoto wetu kila wakikaa nje ya shule inawawia rahisi kuingia katika uhalifu. Watoto hawa hawa ndio wataingia katika mambo yasiyofaa kijamii. Kwa hivyo, tukumbuke kuwa wiki mbili hizi ni mamilioni ya watoto ambao watapoteza maisha yao na ni lazima mtu aweze kuchukua jukumu. Kwa hivyo itakuwa ni bora apunguze ili tujue msimamo ni wa Serikali au mtu binafsi.

Hon. Speaker: Mheshimiwa Mwenyekiti.

Hon. (Ms.) Florence Mutua (Busia CWR, ODM): Hon. Speaker, that question is rather urgent. We got a bit worried as a Committee when the CS talked about it in the media. So, we will try and ask the CS to quickly answer the question, maybe, under one week. It is a big concern to all of us.

Hon. Speaker: The next segment is Statement by the Chairman of the Departmental Committee on Administration and National Security, Hon. Mwathi. It is in response to a Statement requested by Hon. Tom Mboya, the Member for Nyatike. Is the Member for Nyatike in the Chamber? Okay.

STATEMENTS

BORDER CONFLICTS IN OTATI AND THIMLICH IN NYATIKE CONSTITUENCY

Hon. Peter Mwathi (Limuru, JP): Thank you, Hon. Speaker. On 30th March 2021, the Member for Nyatike Constituency, Hon. Tom Mboya Odege, sought a Statement on the border conflicts in Otati and Thimlich areas of Nyatike Constituency. The Hon. Member particularly sought to be informed on the following:

- (i) The causes of increased inter-county border conflicts in Otati area along Migori and Homa Bay counties.
- (ii) The measures that the Ministry has undertaken to clearly demarcate the Migori County boundaries at Otati Sub-Location.
- (iii)Whether the Ministry could consider having a police post at Thimlich area and what plans the Ministry has put in place for long-term and sustainable peace in the area.

Hon. Speaker, I beg to reply as follows. The inter-county border conflict at Otati is mainly caused by tax/cess collection disputes. Following the inception of devolution in 2013, both counties, namely, Homa Bay and Migori, started collecting cess and taxes from shop operators at the market. Some shop owners initially devised a method of avoiding paying market levies by

purporting to belong to either Migori or Homa Bay counties whenever either of the county revenue collectors went calling. A survey of the market was consequently conducted by representatives from the two counties in 2015 and it was established that slightly over three-quarters of Otati market is in Homa Bay County and that the rest is in Migori County. Thereafter, the Migori County revenue officers rarely visited the market while Homa Bay County revenue officers continued to collect revenue at the market though some of the shop owners still claim allegiance to opposing county governments.

The land boundary dispute between Nyatike and Uriri sub-counties at Thimlich area has been in existence for many years. The most recent conflict occurred on 21st March 2020 and it was reported at Uriri Police Station vide OB No.15/21/3/2020. The conflict involved razing down of five semi-permanent houses belonging to Naftali Ocharo and the injuring of Robert Omondi both of Nyatike sub-county. A retaliatory attack occurred causing the injury of Olouch Oyuna, a 16-year old and a resident of Uriri Sub-County. The DCI officers in Uriri are still investigating and tracking the suspects so as to ensure they are brought to book.

The recent attempt to resolve the dispute was made on 4th June 2020 by two sub-county security teams accompanied by officers from the Ministry of Lands. We visited the disputed boundary to ascertain and fix the boundary as per the map and records and established the following.

- 1. The Land Parcel No.Nyatike/Kanyuor/4241 is registered in the name of Otieno Nyangoro. This land measures 13.57 hectares approximately and it is mapped on diagram 26 and 32 of Kanyour adjudication section.
- 2. Land Parcel No.Kanyamkago/Kanjuk/88 is registered in the names of Ennos Kanyuor Owino, Otieno Owino and Awour Owino, all deceased.
- 3. The land measures 78 hectares approximately and it is mapped on diagram 21 of Kajulu adjudication section. The two parcels share a common boundary down from River Kuja upwards.
- 4. Records held in the lands offices indicate that there is no overlap as depicted in the index map sheet No.81 and 26 respectively and the registry, thus the matter at hand is purely a boundary dispute.

The team attempted to ascertain and demarcate the boundary, but the exercise was called off due to hostility from the two clans. It was, therefore, proposed that there is need for building consensus between the two disputants and the leadership from the two sides, to tame hostility and anxiety so that this matter will be treated as a normal boundary dispute as opposed to the way it is perceived as inter-clan rivalry. In the meantime, the status quo is maintained by the disputants. In order to ensure security in the area, the following measures have been put in place.

- i. Monitoring the security situation in the market.
- ii. Peace building among the traders in the market towards co-existence.
- iii. Patrolling the market during market days to ensure security.
- iv. Encouraging cross border peace meetings.
- v. The local leaders and all the land stakeholders are encouraged to enhance peace building.
- vi. Holding *barazas* in the disputed areas.

Hon. Speaker, the Ministry has plans to establish a police post in Thimlich and Otati areas. However, lack of land for the same has been a challenge in the efforts to establish the same.

As a way forward, Parliament may recommend the establishment of an independent commission for the purpose of ascertaining the boundary between the two counties as provided for under Article 188 of the Constitution of Kenya 2010.

I thank you, Hon. Speaker.

Hon. Speaker: Hon. Tom Mboya.

Hon. Tom Odege (Nyatike, ODM): Thank you, Hon. Speaker. I want to appreciate the Report given by the Chair of the Departmental Committee on Administration and National Security. The Report is very detailed and well done. I only want to thank you for what you have brought back to the House. However, I want to request your Committee to do a follow-up so that the said police stations should not just remain in the Statement, but are effected and made effective on the ground. When you look at the way they have been put, there are no timeframes and we may wait for the police stations to be established until we lose more lives which I think is not what is intended here.

On the issue of the border between Homa Bay and Migori counties, I think the finding on the issue related to tax might be true, but we need to go further. The Report has recommended that the House should commission an inquiry or a commission of inquiry to bring a permanent solution to this problem. I think that will go a long way to help us solve these problems once and for all. For now, the challenge which has been thrown to us as the leaders is to try and bring peace in the two localities. I think we are going to take it up with my bordering Members of Parliament, namely, Hon. Mbadi and Hon. Nyamite, to ensure that our people do not fight again. We are asking the Government to do the needful, so that we get a permanent solution to this problem, so that we do not come back to the House with the same problem which has been reoccurring in the area.

My last appeal to the Committee is that when you look at the areas they are talking of doing patrol in the market, all police stations in Nyatike and I am sure even in Suba, have no police patrol vehicles. I do not know if they will patrol on *boda bodas*. I do not know what they will do to ensure that peace is maintained in the market.

Let them make police officers in the bordering constituencies mobile so that security is made a reality and not just a mere Statement.

Otherwise, let me appreciate and thank you for that.

Hon. Speaker: Hon. Mbadi, you have the Floor.

Hon. John Mbadi (Suba South, ODM): Thank you, Hon. Speaker. I also want to thank the Chair of the Departmental Committee on Administration and National Security, although I had to really run when he was issuing that Statement. I was in my office and I watched him talking about this matter. I had to run here and listen because this is a matter that was brought by the Member for Nyatike. I want to thank the Chair for that detailed response and I just want to assure him that there is no way Gwassi and Karungu people would fight. That cannot happen. I am very certain about it. Even if there are disagreements between the two communities along the border and around that market, it cannot cause hostilities to the extent where people fight. There is a lot of intermarriage between us, we are so many relatives, and so, who do you fight? Do you fight with the son to your sister? The Member for Nyatike is actually son to my sister. I will call him *Okewa*. So, there is no way we can really fight.

The only thing that I want to ask is not to waste too much time on this matter or on commission of inquiry. These two communities have no problem. That is where we disagree with my colleague, the Member for Nyatike. There is no problem between Karungu and Gwassi people. They know exactly where the boundary is. No one will evict those who have shops on the sides of Gwassi, whether they are Karungu people or not. They will remain there. They are Kenyans. They

have a right to own shops where they are, whether it is in Homa Bay or in Migori. Let these two communities stay in peace. I do not expect, and I do not want any other meeting in that place because these meetings are what causes problems. When you hold meetings, you sensitise people and they start imagining that there are problems. As leaders, I am not just the Member for Suba South, but I am also the Chairman of ODM, and the entire Nyatike is over 99 per cent ODM. So I am their chairperson. There is no way I cannot take care of their interest. So, Hon. Chair, please, relax. Do not bother with commission of inquiry. It is a waste of time and a waste of taxpayers' money. Our people are peaceful.

Thank you, Hon. Speaker.

Hon. Speaker: Let us have the Member for Uriri.

Hon. Mark Nyamita (Uriri, ODM): Thank you, Hon. Speaker. Let me also take this opportunity to thank the Chair of the Departmental Committee on Administration and National Security, Hon. Mwathi for a good Report. Indeed, the border between Uriri and Nyatike at the Gogo area have had wars. This is because the owners of land in dispute are deceased. So I think it is just an issue of who is claiming what. I think the recommendation by the Committee or probably as leadership from that area will need to come together. This is uniquely between me and the people of Nyatike. We need to sit with the community and do sensitisation *barazas* so that there is really no issue.

Hon. Speaker, the accessibility to this particular spot is the biggest issue. Even if today a war broke out in the unfortunate situation that we have a war there, even the security will have a problem accessing the area. I just wanted to ask the Chair of the Departmental Committee on Administration and National Security that within the security docket, there is a budget for security roads. There is a stalled bridge at the Gogo which had begun and this will make the place accessible both from the Nyatike and the Uriri sides. In terms of the issue of border disputes, I also want to confirm that the people from Uriri and Nyatike are related and, indeed, the Member for Nyatike is my uncle. Despite the fact that culturally, he should have given me a goat, he has never. I still regard him as my uncle nevertheless in the hope that he can begin by coming with a delegation from Nyatike to bring a goat to Uriri. That will be the beginning of peace between the two communities. I want to urge the Committee to help us get police vehicles both in Nyatike and Uriri constituencies. Once the bridge is complete, it will be possible to access the two areas.

Finally, I want to challenge my colleague from Nyatike that we can jointly visit that site, identify a place where we can do a police station and within his and my provisions in the NG-CDF, we can put aside some little money to begin to put up an administrative unit there even as we seek more support from the Ministry. I thank you for the opportunity.

Hon. Speaker: Did you say only one goat? I thought that now that you are both in Parliament, one goat is too small. I thought, Hon. Mark Nyamita, you should have asked that Hon. Tom Odege comes with several goats.

Hon. Mark Nyamita (Uriri, ODM): Hon. Speaker, in the community, one goat is symbolic. Actually, they call it *diel achiel mar kwayo ng'uono* to mean one goat to come and ask for forgiveness. So, it is a symbolic thing. If you bring many, then it loses the meaning.

(Hon. Tom Odege spoke off-record)

Hon. Speaker: Very well. Hon. Tom Odege has promised to bring the goat tomorrow. I thought tomorrow is budget highlights. Are you bringing the goat here in Nairobi?

Hon. Tom Odege (Nyatike, ODM): Here in Parliament!

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Hon. Speaker: In Parliament? Hon. Peter Mwathi, is there anything you wish to say?

Hon. Peter Mwathi (Limuru, JP): Hon. Speaker, I just want to appreciate the level of satisfaction that the Members have had; those who were concerned. Secondly, I note what they have said that they are going to maintain peace and they are going to broker peace. So, we do not need the commissioners as suggested and recommended by the Leader of Minority. Also, to the Member for Nyatike who says that there are no patrol vehicles, I want to assure him that there are plans, and I am aware of them, of the Government getting patrol vehicles. I will bring it to the attention of the Cabinet Secretary. I will ask that if you really do not have them, then he will prioritise the patrol vehicles for your area.

Finally, I will check into the issue of the security breach which I am told is stalled. If, indeed, it is, we shall take care of it probably in our next planning in the budget to come.

Hon. Speaker: You were to give yet another response.

Hon. Peter Mwathi (Limuru, JP): Yes, Hon. Speaker. I think it is the nature of this Committee that there are so many issues arising.

In this Statement which was sought by the Member for Mbeere South, Hon. Geoffrey Muturi, on 6^{th} May 2021, he had sought a Statement...

(An. Hon. Member spoke off-record)

I have something to say, please, listen.

He had requested a Statement regarding the brutal evictions of the residents of Mungoni in Makena Ward of Mbeere South Constituency and which I am ready to table. He has asked, and with your indulgence, I think it is okay if you indulge me and it is alright with the House, that he is in a meeting right now with the security agents and he tells me that there is a likelihood they are going to sort out the issues he raised. He asked that we raise it later on, maybe tomorrow or the day thereafter, and he will come and respond after the meeting that they are having now. So, he asked that we indulge him so that it can be taken another day.

Hon. Speaker: Thank you. You can agree whether it is next week or thereabout or whichever other day that he is available himself.

Next Order!

PROCEDURAL MOTION

RESOLUTION TO SIT UNTIL CONCLUSION OF SPECIFIED BUSINESS

Hon. Speaker: Leader of the Majority Party, you have the Floor.

Hon. Amos Kimunya (Kipipiri, JP): Hon. Speaker, after further consultation and realising that there is a lot of interest in Members wanting to contribute to this debate, Members who also want to read the Report, and there is still some further consultation that is required with the National Treasury, I would like to withdraw this Procedural Motion to allow Members to discuss today, we have the weekend, and conclude the debate on the third day, which is Tuesday.

Hon. Speaker: Very well. So, for those who may not have understood, not those who may not have heard, business appearing as Order No.8, being a Procedural Motion, this being the Second Allotted Day, has been withdrawn which means the House sits the whole of today, as the Second Allotted Day, and give the Third Allotted Day for Tuesday next week.

(Procedural Motion withdrawn)

Next Order!

MOTION

Consideration of the Budget Estimates for 2021/2022 Financial Year

Hon. Speaker: Who was on the Floor?

(Hon. Speaker consulted with the Clerk-at-the-Table)

According to the records, 16 Members have contributed and the last one does not have a balance of time. That is Hon. David Mboni, the Member for Kitui Rural. So, anybody may contribute. Member for Kisauni, Hon. Mbogo Ali, you have the Floor.

Hon. Mbogo Ali (Kisauni, WDM-K): Thank you, Hon. Speaker, for giving me this opportunity to add my voice to the Consideration of the Budget Estimates for the 2021/2022 Financial Year.

First and foremost, I wish to appreciate the good and timely work that was done by the Departmental Committee on Budget and Appropriations. However, yesterday, the Parliamentary Service Commission (PSC) presented a Report here, the Report on the Financial Performance of the Government for the 2017/2018 Financial Year. There were a couple of issues that stood out. One of them was about pending bills.

Pending bills have been skyrocketing. This has affected the Small Medium Enterprises (SMEs). Most SMEs have borrowed a big chunk of money from lending institutions. They have used their assets as collateral, but because of the delays from the Government in paying or meeting their financial obligations, most of them have been declared bankrupt, most of them have lost their assets, most of their assets have been auctioned by the lending institutions. We know the role SMEs play in this country. We know the economy is suffering because of the COVID-19 pandemic and there is need to relook into how we can assist SMEs to come out and continue with their normal businesses.

Hon. Speaker, the second issue that stood out from the Public Accounts Committee (PAC) Report was about stalled projects in this country. I was shocked to hear that there are billions of shillings that were channeled through the Mitihani House for the last 33 years and to date, that structure has not been completed. Thirty three years is a very long time. This is a project that ought to have been completed many years ago and up to today, we are still allocating more money to such a project.

The third issue, and this was well articulated by Hon. Aden Duale, was about the audit report that was done by the Auditor-General. We were told here, on the Floor of the House, that there were 14 State departments whose reports were declared as non-disclaimer, which means that they could not make hold of how they had spent their allocations. This is a matter that the Departmental Committee on Budget and Appropriations needs to consider. From what we were told yesterday, the Departmental Committee on Budget and Appropriations have powers to ensure that these State departments that could not account for whatever they had been allocated do not get any more funding because they could not explain how they had spent their money. So, these are issues that we expect the Departmental Committee on Budget and Appropriations to take into

consideration. These are public funds, which if utilised well, we can see fruits, benefits, and have value for the money.

Hon. Speaker, when we went through the Budget Estimates for the Ministry of Lands and Physical Planning, we noted that a big chunk of money was allocated to land titling. There was none that was kept aside for the settlement of the poor or landless. The Cabinet Secretary allocated Kshs49 million only to purchase land for the poor and over Kshs1.4 billion for titling. If you have not purchased land, what will you title? Through our able Chair, we negotiated and reallocated Kshs250 million from titling to the settlement of the poor. I wish to appreciate this House because we presented a Petition here. Thereafter, we went to the ground and collected the views of the poor. This Petition was about JundaWard in my constituency where we have land measuring about 122 acres that is owned by Taita Taveta Teachers Savings and Credit Co-operative Society (SACCO). This House passed that Report which stated that the Government of Kenya should allocate funds to purchase this land and settle the poor.

I really appreciate this House because that Report assisted us in allocating Kshs250 million from titling to the settlement of the poor. As we speak, the same was passed by the Budget and Appropriations Committee. It appears in their Report. We hope that this matter will be brought to a logical conclusion, so that the elders can visit members of Taita Taveta Teachers SACCO who are very old people. Most of them died because of age without benefiting from their investment.

Apart from that, we created a new State Department of Physical Planning in the Ministry of Lands and Physical Planning. However, we were also shocked; being a new State Department with a Principal Secretary (PS), it was allocated Kshs60 million only to run its affairs. We know that the State Department of Physical Planning is very critical in this country. They are not only involved in land matters, but also in everything. For proper planning of this country, the State Department of Physical Planning will play a very critical role. Through our able Chair, we reduced some monies from titling and allocated it to the new State Department. As a way forward, this is a new vote. We appeal to the Budget and Appropriations Committee and the CS of the National Treasury to consider this new vote, so that they can be allocated their full request. They requested to be allocated Kshs1.5 billion. However, they ended up being allocated Kshs60 million only. Through the wisdom of the Budget and Appropriations Committee and the Chair of the Departmental Committee on Lands, we raised this figure from Kshs60 million to Kshs200 million, so that they can kick-start their critical work.

I also wish to commend the good work that was done by the Departmental Committee on Education and Research. They have allocated funds to recruit 5000 new teachers. The recommendation is that their recruitment will be done at the constituency level. Seventy per cent of those teachers should come from that constituency. We expect this recommendation to be implemented fully, so that our people from the constituency who have graduated and have Teachers Service Commission (TSC) numbers can be employed by the Ministry of Education, so that they can play a critical role.

The other issue is about the Value Added Tax (VAT) on Liquefied Petroleum Gas (LPG) which is a very critical matter. I know that LPG was initially zero-rated to allow much and fast penetration of LPG because of global warming and to protect our forests. However, during the Budget Estimates in the last financial year, VAT was reintroduced. Nevertheless, our people still use charcoal and firewood for their day-to-day energy consumption. There is need for this matter to be reconsidered. We need to zero-rate LPG, so that we can allow its penetration to be fast, so that we can continue protecting our forests and deal with global warming.

Finally, there is the issue of Kenya Revenue Authority (KRA). There is need for KRA to be funded. We know that they play a critical role in the collection of revenue in this country. However, it can do much more than that. They can bail companies that are suffering because of COVID-19 Pandemic. We know that this is happening in the United States of America (USA). The revenue collector bails out companies, so that they can collect more revenue from these companies and safeguard employment of our people. If KRA is fully funded, we believe that they can play this role. They will stop being the police whereby they only come in....

Hon. Speaker: Leader of the Minority Party.

Hon. John Mbadi (Suba South, ODM): Thank you, Hon. Speaker. You called out the Leader of the Minority Party and then I saw the Leader of the Majority Party having the microphone. Thank you for giving me this opportunity to contribute to this Motion on Consideration of the Budget Estimates for the Financial Year 2021/2022.

First, I want to start by thanking my Committee, the Budget and Appropriations Committee, for working diligently and hard from Wednesday last week to yesterday. Sometimes they sat up to midnight to ensure that this House has a Report to deal with. You realise that the Executive has seven months to prepare Budget Estimates. The Budget and Appropriations Committee hardly has more than 21 days to deal with it or consider it and make a detailed report. The competent staff whom we have in the Parliamentary Budget Office helped us to deal with these numbers and submit the Report to this House.

I have looked at the Budget Estimates, both revenue and expenditure, for the Financial Year 2021/2022. I want to highlight the following:

We are aware that we come from the backdrop of a world economy that is shrinking. It has challenges basically because of the COVID-19 Pandemic.

In the Financial Year 2020/2021, the world economy contracted at the rate of 3.3 per cent. That was almost going to recession. It is now projected to grow at 6 per cent. Fortunately, Kenya's economy did not contract. It grew at a very low rate of 0.6 per cent. There are Government projects that we will grow at an average of 6.3 per cent in this Financial Year 2021/2022. If you look at it in terms of numerical terms, you may think that it is a very good growth. It is good because it comes from a very low percentage. So, it will not have a big impact on the economy.

One thing that I want to point out as positive from this Budget is the fact that for the first time, there is nexus between the Budget Policy Statement (BPS) and the Budget Estimates. Previously, we had cases where the difference between the Budget Estimates and BPS is as clear as day and night. For the first time, the ceilings from BPS to the Budget Estimates have been respected which is commendable.

However, it is also because the International Monetary Fund (IMF) is in town. If IMF was not in town, I would wonder whether this discipline we have seen in the National Treasury would be there in the first place.

Hon. Speaker, something else I would also want to point out in the Budget Estimates of the Financial Year 2021/2022, which is different from what we have been having previously, is that the projected revenue growth is modest. Previously, the National Treasury used to come up with overambitious Budget Estimates. For the first time, the Budget Estimates look realistic. The revenue estimate of Kshs2,039,000,000,000 is modest. The ordinary revenue is expected to move from the current Kshs1,594,000,000,000 to Kshs1,776,000,000,000. That is not overambitious. I say that because in the 2018/2019 Financial Year, we managed to collect Kshs1,704,000,000,000 and in 2019/2020 Financial Year we managed to collect Kshs1,734,000,000,000. Therefore,

projecting a collection of Kshs1,776,000,000,000 in the next financial year is not being overambitious.

However, I still want to repeat that we are in what I have been terming as *hakuna pesa* economy. There is still a challenge as to whether we are able to finance our Budget. We are not able because the amount of money that we pay debtors is Kshs1.2 trillion against a possible revenue collection of Kshs2 trillion. If we spend Ksh1.2 trillion on debt repayment alone and interests, that is a sad state. Besides that, the Recurrent Expenditure is of an equal amount: Ksh1.2 trillion. The total comes to Ksh2.4 trillion. Already, we have consumed the entire Budget or the entire projected revenue which therefore means, as I have always said, that as a country we need to say the truth that we are borrowing money to meet Recurrent Expenditure. That is against the Constitution and the Public Finance Management Act. It is immoral. It is unjust and unfair to the future generation. What we are doing to the future generation of this country is that we are not creating assets for them to generate revenue, yet we are putting a debt burden on them.

What are some of the reasons as to why we have ended up where we are, and why are we now saying that we are in *hakuna pesa* economy? One of them is what we have talked about here severally and I want to repeat it. I know Members have talked about it. When we ask Kenyans to provide goods and services to the Government, we must be prepared to pay them. We should not order for goods and services and sign contracts when we do not have the financial power and capability to pay hence ending up with pending bills which suffocate the economy because Kenyans who have offered goods and services to the Government have no money to continue doing business. We cripple them and discourage investment.

Secondly, of course, it has been talked about: the debt levels. This must be managed. Between 2013 and 2019, we went into a borrowing spree as a country and borrowed expensive loans. Right now, we are borrowing loans, some of which are at zero interest and with very generous repayment periods. From 2013 to 2019, we were careless as a country. We did not care where we were borrowing from. We went out there to borrow the Euro Bond at 8 per cent. We came back with that money and some of it was stolen while some of it was used to clean streets and on things that do not add value to the economy. Therefore, we were borrowing money but we were not putting it in productive sectors of the economy. How else do we expect to be able to pay the loan when the time comes?

The other reason is the issue of stalled projects. Across the country, we have stalled projects. They have been totaled up. The amount of money that has been invested in all the stalled projects in the country amounts to Kshs9 trillion. That is close to the GDP of this country. The GDP of this country is now at Ksh11 trillion. About Kshs9 trillion of our money has been put in projects that do not add value to the economy. The projects have been started. Some are 40, 60 or 70 per cent complete. We still start initiating new projects, yet we have projects that have been started and no one is ready to complete them so that they can create value and wealth in the economy. How else then would we pay the loans that we have taken to start the projects, if they are not completed to add value to the economy? It is an irresponsibility that we must address.

Another issue that needs to be addressed is the ongoing projects. I am sure my other colleagues have spoken about it. When you move around this country, you see many ongoing projects, but from the way the Budget Estimates are presented to us, it is almost impossible to know the state of the ongoing projects. We do not know whether they are 20 per cent complete, 70 per cent or 90 per cent complete. How then can we properly budget for projects, if we do not know the degree, level and percentage of completion? The National Treasury must change their budget format to include ongoing projects and present them in a way that we are able to determine how

much investment we need to put in ongoing projects to have them completed so that they can add value to the economy. This is something we need to address quickly.

Those of us who have a financial background will say that if we want to spur economic growth we need to take money to the grassroots. That is why we come up with economic stimulus packages. That is why the National Government Constituencies Development Fund (NG-CDF) employs many people at the grassroots level. That is why, in the first place, we fought so hard to bring devolution in this country. However...

Hon. David ole Sankok (Nominated, JP): Bottom-up.

Hon. John Mbadi (Suba South, ODM): That bottom up is yours. First of all, you do not even understand the meaning of the bottom-up economy. I am very sure, if I challenge you to explain clearly what bottom-up economy means, you will start talking about wheelbarrows. That is not bottom-up economy. Hon. Sankok, we are not in a hospital. We are debating the Budget Estimates. When we will be discussing the Cancer Bill, I will give you time to speak.

Hon. Speaker, we have been fighting to devolve even more resources to the grassroots to spur economic growth. That is the only way this country will realise meaningful development and meaningful economic growth. However, the managers who have been tasked with the responsibility of managing our funds at the grassroots level are disappointing us. They are stealing the way the national Government officials steal. Therefore, we devolved resources to spur economic growth but the resources do not end up doing that.

Yesterday, I was in some programme and one of the leading economists said that Kenyans will slap us the same way one of the presidents of a friendly country was slapped; or Kenyans will end up caning us. It is easier said than done. When you are not in the field playing, you may think that if you are put there, you will do much better work, but when you get to the field it becomes a totally different ballgame. We are the people's representatives, as Members of Parliament. Particularly, as Members of the National Assembly, the people of Kenya, through the Constitution of Kenya, 2010 saw it fit to give us the power of the purse. They gave us more power to control and approve the Budget. I am aware that it is the Executive's responsibility and duty to come up with programmes and implement them. The Budget also belongs to the Executive and we do not know which programmes that do not make sense, we should not shy away from insisting and standing our ground against the Executive.

We need to insist like so many committees have made some good proposals to reallocate funds from one programme to another. Where we are not increasing the budget deficit, I do not see why the Executive should just insist, but we are not going to accept such good proposals in reallocating funds within the Ministry from one programme to the other. On that one, we need to just insist and push through because we have the power of the purse and we are a budget-making institution.

I support the Motion on the Budget Estimates.

Thank you, Hon. Speaker.

Hon. Speaker: Hon. Ichung'wah.

Hon. Kimani Ichung'wah (Kikuyu, JP): Thank you, Hon. Speaker. I also rise to contribute to this Motion on the approval of the Budget Estimates and the Committee's Report. Let me begin by thanking the Budget and Appropriations Committee. As the Chairperson emeritus, I appreciate the enormous work that Members sat through during this period. It is a very stressing time for them and they, indeed, dedicate a lot of their time from their busy schedules in the constituencies to commit to this work of budget-making process.

Just to begin with where the Leader of the Minority Party has stopped on the role that this House plays in the budget-making process, the National Treasury and the Executive must understand that the Constitution clearly gives the power of the purse and the work of approving the Budget to this House.

Indeed, it is quite clear from the actions of the National Treasury that they expect that this House will simply rubberstamp Budget Estimates as they come. Even Members who are not Members of the Budget and Appropriations Committee, but sit in the Departmental Committees spend a lot of time to engage with their Ministries, Departments and Agencies (MDAs) to be able to come up with decisions on what to reallocate from one sector to another within the ceiling that was set during the Budget Policy Statement engagement.

Therefore, nobody in the Executive should imagine that this budget process will just come and be passed in this House without a single amendment to the allocations as they have proposed. Therefore, they must allow both the Departmental Committees and the Budget and Appropriations Committee to make any necessary reallocations within the sectors so long as those reallocations, as I said, are within the Budget Policy Statement.

Let me also appreciate what has also been mentioned earlier that, at least, for the first time this year and for three years, we have belaboured the point that the National Treasury must endeavour to adhere to the Budget Policy Statement as approved by the House. I am happy to note that looking at Kshs14 billion against Kshs3.2 trillion, they have tried largely to adhere to the Budget Policy Statement as approved by the House.

The difference of that Kshs14 billion largely emanates from the changes in the Consolidated Funds Services (CFS). On the CFS, many of you know that it relates to statutory things that must be paid ahead of everything else including that repayment. You must appreciate that with the exchange rate fluctuations in this last one year because of the COVID-19 Pandemic, it may not have been possible to be very accurate, therefore, you can allow the National Treasury to pass on this issue of the Kshs14 billion on CFS.

Allow me to speak on the CFS briefly. We are here approving Budget Estimates for the next financial year, based on revenues that are estimated at about Kshs2.03 trillion. Out of that, roughly Kshs1.8 trillion is from ordinary revenue. I have listened to a number of contributions both from the Chairperson, Budget and Appropriations Committee and what the Leader of the Minority Party was trying to defend or rather put his word on.

However, I beg to disagree that, if you look at the revenue estimates as they were revised last year, with the first supplementary budget at Kshs1.594 trillion, we are yet to get to that level of Kshs1.594 trillion, with only about three weeks of revenue collection remaining this financial year. In fact, it is two weeks without counting the last week of the financial year.

That tells you that in the midst of this pandemic, and if you read through the Report of the Committee, they have been very articulate to say that the revenue growth and the growth in Gross Domestic Product that they project to about 6.3 per cent is anchored on certain fundamentals. Those fundamentals are also confronted by certain risks. Among those fundamentals and basic assumptions that they make to base the growth of revenue projection and the growth in GDP of 6.3 per cent are; one, that we have a very stable macro-economic environment. Two, is that we have a very stable political environment that we have certainty in the political environment. Three, is that both the external demand of our goods and services will increase in the next one year. Lastly, is that the primary consumption within the country will also grow.

If you just weigh those four factors alone, for instance, a stable and certainty in political environment in a year preceding a general election in this country and in a year when there is still

uncertainty as to whether or not, there will be a referendum in this country, you will be forgiven to ask whether we can say with certainty that there shall be a stable political environment and that, certainly, this country will not have any political interferences in terms of economic recovery.

Secondly, assuming that there will be growth in external demand of our goods and services, it is still uncertain to tell even in the most developed economies in the world who are doing inoculation on their populations, whether there will be demand for our goods and services.

Remember that we are a country that is still exporting a lot of raw products. We never manufacture products to be able to export them in finished state that will fetch us more returns. Therefore, even the reopening of industries in those countries that demand our raw materials is still questionable. I am only trying to say that it is not certain that our external demand of our goods and services will be as envisaged, therefore, the growth projections even of our revenues is highly questionable.

When you talk about growth in domestic consumption, who are our consumers? The people to consume our products are our people who, today, we project that between two to four million of them have lost their formal employment. This means that they do not have disposable income to be able to consume goods and services. With some people having lost their businesses, some operating bars, restaurants and other businesses that cannot operate beyond 10.00 p.m. because of the curfew and even with the risk of a fourth wave of the COVID-19 Pandemic, how realistic are we in projecting that we will be able to raise close to Kshs1.8 trillion in an economy that is literally on its knees?

It is on this basis that, last year, when the estimates were tabled before this House in my last presiding over of the Budget and Appropriations Committee, I chaired a meeting that we decided as a Committee that we would send those estimates back to the sender because they were not reflective of the realities then. I am sorry to say that even this year, the estimates as tabled before this House which we are going to approve are not reflective at all, of the realities that we are confronted with as a country. It is not just the revenue projections, but even our expenditure.

If you look at the expenditure side of the estimates we are approving, on the basis of ordinary revenue of Kshs1.8 trillion from our taxes and the total revenue of Kshs2.03 trillion, we are projecting that CFS alone, the money that will go to repaying debts, pensions and other statutory payments is Kshs1.33 trillion. Almost Ksh660 billion is what is going into Development Expenditure, meaning that a further Ksh1.25 trillion of Recurrent Expenditure must come from money that is borrowed. If we are borrowing to finance our Recurrent Expenditure, we are digging a very deep hole for this country.

If I were asked, these Estimates would have been returned back to sender to, at least, reflect reality on the ground. We must appreciate that there are things that we may not be able to do. We must ask ourselves, as we debate, whether the courts will allow a referendum. Will we have another Ksh14 billion that is not even provided for in these estimates to cater for that referendum? What would be the risk that would come with such a referendum in the run up to the next election only in about nine to 12 months? Therefore, I express my reservations.

Hon. Speaker: Member for Mavoko.

Hon. Patrick Makau (Mavoko, WDM-K): Thank you, Hon. Speaker. I stand to support the Budget and Appropriations Committee on the Budget Estimates. I also want to thank the Committee members for standing firm in this exercise. I must echo those Members who are saying these estimates do not reflect the reality on the ground. We are charged to oversee the Ministry in charge of sports, culture and tourism. Generally, when you look at the allocations, they leave a lot to be desired.

For example, the Ministry of Sports has been allocated Ksh16.4 billion. Out of this figure, Treasury has only given Ksh1.8 billion for Recurrent Expenditure and Ksh2.6 billion for Development Expenditure. Treasury expects the Ministry to collect Ksh15 billion in Appropriation-in-Aid. When you look at how COVID-19 has affected the sector to the extent that there are no sporting activities, there is no way the Fund can raise this money. So, in actual fact, what Treasury is telling the Ministry of Sports is to go out there, get Ksh15 billion, do development and pay salaries—with money in the air. I agree with Members who say that the Treasury is not being serious with its estimates.

In our findings, we realised that there are so many pending bills. I also agree with Members who say these pending bills are a harbour of corruption. For example, when we had the CHAN competitions we were told the Government of Kenya used Ksh130 million. There is a company going by the name of Soft Services. As at today, the Ministry has their pending bill of Ksh1.1 billion, from an initial sum of Ksh130 million. I know there was communication from the Office of the Attorney-General that Ministries and State Departments should sit down with vendors and agree on a certain sum. I think this encourages impunity. We have recommended as a matter of policy that those bills must be re-examined, because there is so much money the taxpayer loses through pending bills. This also emanates from lack of representation. When some of these cases are taken to court, you find there is no legal representation. The vendors are taking advantage. When the vendors present a bill which includes penalties and interests, it becomes impossible to pay. I do not see how in two years Ksh130 million can multiply to Ksh1.1 billion.

If we want to be realistic, sporting activities in this country mean a lot. If we want to be serious with our youth, we have to develop the stadiums as was promised. The seven regional stadia that were promised are 70 per cent, 40 per cent or 20 per cent complete. That is why as a Committee we have recommended that the National Youth Service (NYS) should be engaged. We have also advised that the Ministry calls the contractors so that we can have meeting points instead of chasing them away. Again, it has become a trend that once you discontinue a contract or there is breach of contract, contractors run to court and get awarded while the State Departments are not represented. It has become a vicious cycle. From a principal sum of Ksh100 million, you are given an invoice of Ksh1.1 billion. So, we recommend to the Ministry and the Treasury to have some finality on this matter, if we want to realise value for money.

I would want to read out some of the recommendations that we feel if implemented by Treasury, then the State Departments can meet their obligations. We are charged with the responsibility of doing oversight on the State Department for Culture and Heritage. That is one of the most underfunded State Departments. For example, it has been allocated Ksh2.8 billion. This comprises Ksh2.7 billion for Recurrent Expenditure and Ksh54 million for development.

However, the State Department requires Ksh7.2 billion, which translates to Recurrent Expenditure of Ksh4.62 billion and Development Expenditure of Ksh2.8 billion. So, when Treasury purports to allocate Ksh2.7 billion and only Ksh4.8 million, it does not make sense. As a Committee, we feel that this State Department has been underfunded. You know we prided in our heritage and culture. Our museums are in poor state. The last time the National Archives was painted is about 20 years ago.

The National Archives in Kisumu has only two staff members; the manager and a messenger. According to statistics, it is supposed to have a workforce of about 35 staff members. So, we request Treasury to fund this State Department so that it can hire more staff. Going by these figures, it means this State Department that carries the heritage of this country is collapsing. The

State Department of Tourism has the same story. It has Kshs.6.9 billion that translates to Kshs3.3 billion for recurrent and Kshs1.3 billion for development.

Hon. Speaker, the National Treasury has only allocated Kshs1.8 billion against a requirement of Kshs6.4 billion and expects the Ministry of Tourism to raise Kshs4 billion in Appropriations-in-Aid. That is not possible given the COVID-19 situation and even globally tourism is not doing well so we are saying these estimates be realistic. Otherwise, as a country we are going to lose and when you look at the failure to fund these state departments you see colleges like Ronald Ngala in Mombasa which initially was supposed to be a training institute for the hospitality industry about four years ago is only 60 per cent complete. I am told the original bill was Kshs330 million. Now, the contractors expect to be paid Kshs1.5 billion. Why? This is because of penalties and interests that accrue due to failure of payment.

Hon. Speaker, I think it is high time National Treasury became serious in its estimates and I hope this House will take their rightful position in the budget-making process because from where we sit I think it is wrong for the National Treasury to hide deficits. If I am speaking for the two ministries that we oversee, we do not expect them to collect money in this difficult times.

With these few remarks, I support.

Hon. Speaker: Member for Garissa Township.

Hon. Aden Duale (Garissa Township, JP): Hon. Speaker, thank you for giving me this opportunity to have my say on the Budget Estimates Report from the Committee on Budget and Appropriations. I want to be very honest and truthful. One of the former presidents of the USA - President Thomas Jefferson - said that honesty is the first chapter in the book of wisdom. If you want to change the course of this country from an expenditure, revenue and debt perspective that power lies with Parliament. It does not lie with the National Treasury. It does not lie with the President and this House must stop lamenting. The new Public Finance Management Act in its architecture, gives the National Assembly that power. Article 221(4) says:

"Before the National Assembly considers the estimates of revenue and expenditure, a committee of the Assembly shall discuss and review the estimates and make recommendations to the Assembly."

That is where we are today. Let us face the facts because as leaders we will be counted. We will be remembered for putting this country into the worst debt crisis. There is no way we are going to implement Financial Year 2021/2022 Budget without raising the debt ceiling to Kshs9 trillion or more. I want this House to listen to me. As we speak here, this House has raised the ceiling to Kshs9 trillion. As we sit here, outstanding public debt as of June 2021 is Kshs8.6 trillion. Then you add the many undisbursed loans since August last year to the tune of Kshs1.3 that the Government has committed and paid commitment fees and is waiting for disbursement. That is also part of our debt which is Kshs1.3 trillion. When you do that you will realise that we will be at Kshs10.03 trillion by the end of June this year. This surpasses the Kshs9 trillion debt ceiling of this House. If you add the Kshs952 billion that this Report is asking to finance the deficit then we are talking about Kshs11 trillion debt. That is the reality of the day.

Hon. Speaker, let me go on record so that the people who appear on television do not lie. By adopting this Report we have indirectly altered the debt ceiling. It is as plain as that. Tomorrow when the Cabinet Secretary brings a motion for increment of the debt ceiling nobody in this House should raise issues. Moreover, those who go to television must have their facts right. Additionally, I just want to ask you, what happened to Hon. Bunyasi, that management Bill? There was a debt management Bill by Hon. Bunyasi which was very critical to address all these issues.

Hon. Speaker, you know they say if people are dying of malaria do not blame the mortician. If people are dying of malaria do not blame the mortician, blame yourself; blame the doctor or blame the pharmacist. I have seen people blaming the President. I have seen people blaming the National Treasury on all this audit. The 2010 constitutional architecture gave this august House all the powers in as far as the budget-making process is concerned. In as far as the management of debt and finances of our country are concerned... I looked at this Report last night and I can confirm that the Budget is Kshs3.6 trillion. The National Executive is getting Kshs1.89 trillion, Parliament is getting Kshs46 billion, Judiciary is getting Kshs17 billion and county governments are getting Kshs370 billion. Look at what we call the Consolidated Fund Services and that is where the devils is. The Consolidated Fund Services has a budget of Kshs1.3 trillion, with Kshs1 trillion going to service debt. I want to inform Members, when you have free time read how countries like Greece have suffered under serious debt crisis. We must stand up. Look at the quality of investment in this Budget. Before we pump money into any project or investment, we must assess the quality of that investment to the people of Kenya and to the economy.

I have seen the Report. Stalled projects are to the tune of Kshs8 trillion. Clearly in this country it is like every shilling we collect, every Kshs100 that the Kenya Revenue Authority collects, Kshs66 go to service debt. Let me bring the matter home. If I earn Kshs200,000 I cannot budget for an expenditure of my family of Kshs1 million. I say I earn Kshs200,000 and I want my family to have an expenditure of Kshs1 million. That is exactly what is happening here. Our problem of debt is not in fact the borrowing, our problem of debt is the deficit year in, year out. Furthermore, I think Hon. Kanini Kega if you look at the previous budget committee reports you will see the problem is that, the moment we have a huge debt deficit from Kshs500 billion, Kshs600 billion, today we are close to Kshs1 trillion... The moment you have a deficit then you will be forced to borrow. Where are we borrowing? According to this Report, the domestic market or the domestic debt is at Kshs661 billion. From the foreign debt they will borrow Kshs291 billion. When you borrow locally, what do you do to the economy? What do you do to Kenyan businessmen and Kenyan companies? Government then will compete with the private sector. When banks have a choice between a Kenyan business that wants to provide collateral against a Government Treasury Bill then banks will either raise the conditions and the rates of interest for Kenyans to borrow against the government borrowing.

This affects the growth of the private sector. I have talked about the issue of debt. Our problem in the budget-making process from the National Treasury is the discrepancy between revenue raised and the spending. The two components must tally, be consistent and agree with each other. You cannot tell the KRA under this COVID-19 situation that...

The Budget and Appropriations Committee and the Departmental Committee on Finance and National Planning must take deliberate actions to increase the budgetary allocation to the KRA. You cannot deny KRA extra resources to employ more staff and put in place systems to collect more revenue and then you want them to collect outside what has been projected. So, when there is a discrepancy between the revenue that we raise and our expenditure or spending plans what happens? It not only leads to a serious fiscal deficit, but at the same time, it leads to increase an in the stockpile of our public debt.

Hon. Speaker, from this Budget, the daily borrowing of Government will be Kshs2.6 billion. Sixty-six shillings out of every Kshs100 collected is revenue in service. Let me finish with this: Whether people like it or not, Kenya is technically in a fixed debt and the Government plays this down. They do not want to expose the actual debt that the country is owed. It is good if the Government tells us that we have a serious debt. People want to cheat their ego. So, the

Government is playing it down, but Kenya is technically in a fixed debt. Let us pass it, but when the Cabinet Secretary comes, we shall agree on matters of debt ceiling.

Hon. Speaker: Let us have the Member for Teso North as the Chairperson of the Departmental Committee on Administration and National Security.

Hon. Oku Kaunya (Teso North, ANC): I thank you, Hon. Speaker. On behalf of the Chairman of the Departmental Committee on Administration and National Security, I would like to contribute to the debate on the Budget and Appropriations Committee Report on the Estimates of Expenditure for the year ending 30th June 2022.

The estimates come against the background of not only COVID-19, but also an increase in the crime rate in the country. I thank the Chairman of the Budget and Appropriations Committee for the good Report. I thank the Members of the Departmental Committee on Administration and National Security for the many hours they have put in to consider the estimates. I am happy to note that significant resources have been allocated to the State Department of Interior and Coordination of National Government and other departments we oversee as a Committee. The resources may not be adequate, but we focused on certain key thematic areas, which I would like to highlight to the House.

We focused on the expansion of the National Surveillance and Control System and provided Kshs1billion for the National Communication and Surveillance System. This is a system that has been under implementation since 2014. The purpose was to ensure that we improve communication and nab criminals in Nairobi and Mombasa initially and expand the system to other areas in the future. So, a sum of Ksh1 billion has been set aside to pay the debt owed to Safaricom, which was working in partnership with the Police Department.

There is the thematic area of transportation to particularly improve mobility of police officers through the Motor Vehicle Leasing Programme to which Ksh10 billion has been allocated. I would like Members to note that the Committee has established that the amount has been removed from the State Department of Interior and Coordination of National Government to the National Treasury. The Committee supports this policy as a measure to improve service delivery. Any such policy is supported.

Hon. Speaker, with regard to modernization of police services, Kshs1 billion has been set aside for purposes of enhancing efficiency and effectiveness of service delivery by police officers. In order to have a policeman who is effective and efficient, there are three key things that have to be considered: He must be trained well to acquire the skills that are required to undertake his functions, he must be well equipped, and his welfare must be taken care of.

One of the areas we are looking at is dealing with crime like terrorism, which had been on the rise. Terrorists have become more sophisticated. Therefore, we need to have equipment such as drones in operation areas where terrorists operate. These are risky areas for officers. That element was highlighted by the Committee as key.

We have the issue of equipping the forensic laboratory which was proposed at Kshs335 million. This is meant to enhance the capability of the Directorate of Criminal Investigations to enable it unearth some serious crimes by being able to unravel complexities using the forensic laboratory. You will note that we lately had a case, which is trending, where a criminal was shot some three weeks ago in Teso North. The criminal reappeared after three weeks. This is something which has been trending in social media. This kind of situation requires proper identification through forensic laboratory technology. This particular item is meant to ensure that the lab that has already been built at the Directorate of Criminal Investigations is properly equipped to identify real criminal to ascertain whether he is the one who was killed or the one that reappeared.

I am happy to note that the Budget has catered for group medical insurance for police officers and prison officers at Kshs3.4 billion and Kshs2.3 billion, respectively.

As we all know, national security is an enabler. It is meant to support all other sectors. Without a stable security situation, we will have problems because other sectors cannot operate. The Committee also looked at other areas which needed to be enhanced because of the importance of those areas and functions. Police officers face challenges in performing their duties. The issue of their welfare is key. You note that there have been increasing reports of police officers shooting themselves and some of them in institutions where they work and they end up not having psychosocial support which is required to enable them to be counseled and be able to get back to normal life. It was proposed that Kshs40 million be provided to the National Police Service Commission to enable it start the process of establishing counselling centres at regional centres, particularly in Mombasa and other regional areas. This will go a long way in giving psychosocial support to officers who are affected in the line of duty.

The other area that I wish to note the Committee considered is the drug menace. The drug menace particularly in the Coastal Region has been very high. Sometime back, His Excellency the President directed the Miritini National Youth Service Centre to be opened and rehabilitated so that the youth that are affected by the drug menace can actually be rehabilitated and brought to normal life. The Committee recommended that Kshs50 million be provided to have this centre operational. To enhance the fight against corruption, about Kshs150 million was provided so that the departments concerned, especially the DCI, can really focus.

There is the Public Service Commission programme on internship and recruitment of interns. As you would note, in 2019/2020, this programme started and this House provided funds that have been able to take over 6,000 Kenyans for internship programmes. Through this programme, these youths were able to go through and get skills and experience necessary so that when opportunities in the public service arise, they are able to be placed. Therefore, this is a very important programme. During the last Budget, no funds were provided for the administration of this programme and the Committee considered Kshs100 million to be able to manage and carry out monitoring and evaluation and the general administration.

The Departmental Committee on Administration and National Security was concerned about the Kenya School of Government project in Mombasa where there is an ultramodern 139bed capacity facility that was completed over two years ago, but not equipped. This facility for the Kenya School of Government is one of the best and could be the best in Africa. As Members will recall, the Kenya School of Government was the former Kenya Institute of Administration and this was the heartbeat of the public service. Most senior officers, especially in administration and other departments, went through there.

Today, we have low capacity of training of these officers because of the resources or the infrastructure. The Committee considered that the equipping of this facility required Kshs300 million and because of the scarce resources, the Committee considered at least to kick-start the utilisation of that facility by providing Kshs200 million. This facility in Mombasa is going to be Africa's John F. Kennedy School of Government if utilised properly.

Those are the key highlights I wish to bring up on behalf of the Committee and my Chairperson, Hon. Peter Mwathi. We support the Budget. Of course, there are limitations of funding. There are challenges but overall, the most important thing is to be able to enhance our security so that our economy can grow. I support.

Hon. Speaker: Hon. Pkosing.

Hon. David Pkosing (Pokot South, JP): Thank you, Hon. Speaker, for giving me this chance to add my voice to the deliberations on this very important Motion which is the Budget 2021/2022. On behalf of my Departmental Committee on Transport, Public Works and Housing, we also extend our appreciation and thanks to the Budget and Appropriations Committee. The reason being we had very good negotiations together as a Committee and we agreed on most of the things.

We join other colleagues and Members of this House who reiterated that this is the House of budget-making. We are not a conveyor belt. We scrutinise for the purposes and in relation to representing our people. Therefore, I agree with them. As the Departmental Committee on Transport, Public Works and Housing, we were able to process a number of departments. We proposed to the Budget and Appropriations Committee to approve and agree with us on an allocation of Kshs193 billion to the Department of Infrastructure. Further, we also proposed to the Committee and this House to agree with us and approve Kshs10.7 billion to the Department of Transport. The Shipping Department will get Kshs2.7 billion, Housing, Kshs15.2 billion and Public Works Kshs4.23 billion. Finally, there are some departments which concern transport that were taken to the National Treasury but in accordance with Standing Order No. 216, they remain under the purview of my Committee in terms of day to day activities and particularly the budget.

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

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

Therefore, together with them and the ministry, we processed the Department of Rail Programme which is Kenya Railways and we are proposing to the Budget and Appropriations Committee and to this House to approve for them Kshs34 billion. Further, for marine transport which is KPA, we are proposing that this House agrees with us to approve Kshs23 billion to them. Finally, NTSA which was taken to the Department of Security but in terms of functions in accordance with Standing Order No. 216 they are with us, we are proposing that this House agrees with us that we approve Kshs2.725 billion for the state department for the functions which are detailed in the Budget and Appropriations Committee Report and also in our report.

I want to raise the critical issues that emanated from the debates in the entire budget-making process from the time we were deliberating on the Budget Policy Statement. I want this House to understand this. By experience, where the rubber touches the road or the wearer of the shoes knows where it pinches, it is this House. Every parliamentarian in this House wants a road for his people and even for himself. It is roads that touch every Kenyan in this country. There is an argument that it is this department and ministry that gets a lot of the budget but if you look at it, everybody wants a road. Even when I walk around and as I go for tea in this House, I always hear an Hon. Member say, 'Hon. Chairman, there is no road here, the contractor is moving or there is a stalled road somewhere'. I actually think roads account for the biggest share of stalled projects, yet it is the most needed.

When you look at the budget, which I have just read, about Kshs190 billion goes to infrastructure, that is, roads. We need to reason together. Out of the Kshs 190 billion, about 57 billion goes to recurrent budget. We are then left with about a budget of Kshs 120 billion. Out of the Kshs120 billion, which we are seeking to approve, there is a pending bill of Kshs91 billion. Simple mathematics will tell you that we are seeking to approve barely 30 billion to roads in the

entire Financial Year, from July this year to June next year. We are only approving a meagre Kshs 30 billion. As if that is not enough, by the time we will be approving that budget, perhaps, next week on Tuesday, we would have accumulated and concluded what we are going to approve. It means, therefore, that the entire department will lack resources from the time they are supposed to begin spending these resources - there is a crisis in roads.

I want to say this in confidence even as I represent Members of this Parliament, that there will be a serious crisis in roads. Our prediction as Committee is, maybe by August. You know in August this year there will be a lot of rains in this country and roads will be destroyed. I also sit and talk to the people in charge of environment. I have presented these issues to the Budget and Appropriations Committee and I am glad that our able Chief Whip of the majority side, who sits in Parliament almost entirely, sits in Budget and Appropriations Committee. I have cried in the Budget and Appropriations Committee on behalf of the whole country that there is no money in roads. We have a problem. It is better said on record, so that if there will be a crisis in August, I will raise my hands. I will have said this on behalf of this honourable Members sitting here. If you put this together, this is the most deserving programme. We must do something as a House.

When I started contributing, I said this House is a House of making budget, not a conveyor belt. We must be able to move resources from elsewhere to roads as everybody wants. We will have a problem in August. We have about 3000 roads under KeNHA, KURA and KeRRA. About 2000 roads are being done differently. We have a problem. When we raise these problems, other people and thinkers ask: "Why do you want to begin a road, why do you not complete the roads already in place that have a huge pending bill? Why do we not complete these ones, then later we can now begin to do other roads?" That is a very simple explanation, but very difficult to implement because some parts of this country have not seen a tarmac road. Somebody who presented to our Committee very seriously comes from Taita Taveta. Some critical constituencies in Taita Taveta have not even seen a tarmac road. People go for tours to see tarmac roads. It is the same as my county, West Pokot. Before Jubilee took over, many people used to go for tours to go and see tarmac roads. I am certain that is the case even in your own county.

Hon. Temporary Deputy Speaker, all I am trying to say is that if we complete these roads which are there now then we start new ones next time, it will mean that we are developing half of the country and half of the country will be left out. Is that the idea? Are we building one country? We might be dealing with two countries. That is why I am saying this. If we do that, we will be developing half of this country. Then we are going to bring conflicts among communities.

This House is not necessarily a House of conveyor belts, we are a budget-making House. I am pleading with Hon. Members, I did the same with the Budget and Appropriations Committee, that coming to the Committee on Supply, let us move monies to roads. We have made suggestions. We are looking at about Kshs 50 billion to Kshs 75 billion additional monies to roads, so that we can have our country moving.

There was a question about where the resources will come from. We have a small basket. This is true. We made a suggestion as a Committee and said we cannot only fund roads using normal budget. We proposed that there be floating of a bond to this House two years ago. We said, we cannot continue as if it is normal. It is not normal. We should think outside the box or without the box. We suggested floating of a bond. A bond looks like a loan, which is true, we suggested in this House that the House approves and amends the law so that Kenya Roads Board (KRB) floats a bond in or on top of the normal budget. What will be the security, how are we going to leverage?

We suggested to this House, two options: One, is to securitise using fuel levy. Fuel levy which we mostly use for maintenance of our roads. We can leverage that resource and get money

to build our roads then we can maintain them using the normal budget. Why do we have roads being built for 20 years? Why do we not get a bond, build roads and enjoy today, then we can pay slowly for those 20 years using our fuel levy and maintain using the budget? We suggested that and Hon. Members agreed that KRB floats that bond. Security is the fuel levy.

Two, we also proposed as Committee that we can also securitize using Annuity Fund which this House created. Annuity Fund is the investment portfolio that supplies the return on your premium. It has been done for roads, the PPP roads. We calculated as a Committee on behalf of the House and we found out that, that programme was the most expensive programme almost in the world in terms of delivery of roads. We found out that using annuity to fund PPP will cost a road about Kshs 240 million per kilometer. The low volume roads cost us about Kshs 50 million per kilometer. The standard roads like KURA roads is about Kshs 80 million per kilometer. The KeNHA roads which are the big roads; the trunk roads are about Kshs 120 million to Kshs130 million per kilometer. The annuity fund is about Kshs 240million because private sector invests money and comes later to ask Government to pay. So where does the investor get the money? He goes for a loan. When he is given the loan, there is interest and then the people of Kenya through PPP and annuity are asked to pay for loan and interest of the private sector. That programme is unsustainable.

We have made it very clear as a Committee to this House and the Budget and Appropriation Committee that we must think outside the box because there is a problem there. These are the suggestions that we made to the Budget and Appropriation Committee. The Cabinet Secretary is coming here as it was communicated by the Speaker. We are hoping he will address the issue of roads. We have a problem in roads. In fact, if there is one thing that we require to be done is road development. If we do roads, it will spur the economy, everybody will go to his house, children will go to school and we will have a good country. At least, as a Committee, we have given a way on how we can get more money.

Therefore, the Budget and Appropriations Committee and the National Treasury must get us a minimum of Kshs 75billion this Financial Year, so that we can manage to build our roads so that Kenyans access their homes and social institutions.

As I conclude, if we do not think outside the box, we will have a crisis ahead and impassable road between August and September.

Hon. Members you know we are almost going for elections, if we have impassable roads, then all of us shall go home. Please, get us the money, so that we do not go home. You can go home but definitely not because of bad roads. Maybe, you can go to do other things but not roads. I plead with Hon. Members.

With those few remarks, I support the Motion.

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): Very well. Hon. Members, let me have the Chairperson of the Departmental Committee on Environment and Natural Resources, Hon. Kareke Mbiuki.

Hon. Kareke Mbiuki (Maara, JP): Thank you, Hon. Temporary Deputy Speaker. At the outset, I want to take this opportunity to thank you for giving me this opportunity. I thank the Departmental Committee on Environment and Natural Resources for creating time to interrogate this 2021/2022 Budget Estimates. At the same time, allow me to thank the Departmental Committee on Budget and Appropriations, headed by Hon. Kanini Kega and the entire team, for giving us an audience so that we can prosecute the various sector budgets through the Committee.

Before I proceed, allow me to note the following: This House does not legislate in vain. The reason is that a while back this House was seized with the Supplementary Budget I, which the

Departmental Committee on Environment and Natural Resources, through consultation with the Ministry of Water, Sanitation, and Irrigation and the other sector ministries interrogated. We presented the same to the Departmental Committee on Budget and Appropriations which adopted it. The same Report was adopted by this House.

However, it is very unfortunate because despite this House adopting the Report of the Departmental Committee on Budget and Appropriations in Supplementary Budget I, the same were not effected by the National Treasury. That is why the National Treasury effected the original ceilings which they presented in this House, not what was adopted by this House. So, I brought up this issue with the Departmental Committee on Budget and Appropriations. They had an engagement with the National Treasury and they agreed that, in the Supplementary Budget II, which has just been tabled today, the same will be rectified because they were saying there were some technical issues in the Appropriations Act enacted by this House. I am optimistic that through Supplementary Budget II, the same has been considered.

Hon. Temporary Deputy Speaker, coming to the 2021/2022 Budget Estimates for the Ministry of Environment and Forestry, the Committee recommended the approval without amendments and the same for the State Department of Wildlife and the State Department of Mining. However, for the Ministry of Water, Sanitation and Irrigation, the Committee recommended approval with quite a number of amendments. Allow me to highlight some of the challenges which the sector has actually been facing.

One of the challenges which the sector has been facing, especially the Ministry of Water, Sanitation and Irrigation, is to do with the pending bills. The Committee observed that the Ministry currently has total pending bills of more than Ksh7.1 billion, most of which are historical pending bills mainly due to unlimited statutory deductions as a result of the Exchequer issues in the previous year. During the 2019/2020 Financial Year, the Ministry did not receive the final quarter which was rolled over as a pending bill in the current Financial Year.

When it comes to the National Government Constituencies Development Fund, it has received less than a half of the appropriated Exchequer and yet we are coming towards the tailend. So, this means that as we close the year, more than half of the appropriated budget will not be released by the National Treasury, which will spill over as pending bills. So, mine is to really plead with the National Treasury that, for the remaining days, because some of this money has already been expended, ensure that there is release of the Exchequer.

Hon. Temporary Deputy Speaker, the other issue is abrupt changes in the approved allocation for various projects in the middle of the financial year through the supplementary budgets. That is always a catalyst for the accumulation of pending bills. The Committee proposed that the Government should provide funding to settle these pending bills and also curb accumulation of pending bills in future by limiting medium changes in the Budget and other addendums. As we are seated here, we have less than 20 days to go. We have just received Supplementary II which is now coming to make changes in the approved Budget Estimates. Of course, there may be deductions or additions.

When it comes to the Ministry of Water, Sanitation, and Irrigation, the Committee proposed to do some reallocation. The Committee observed that there are quite a number of irrigation and water harvesting facilities in almost all counties that have been silted up and damaged by floodwaters, thus leaving the neighbouring communities vulnerable and without access to water for farming and domestic use. These facilities were supposed to control flood levels and have left communities exposed to raging waters. This is a risk to their lives and livelihood.

Hon. Temporary Deputy Speaker, the Committee observed that there are quite a number of projects under the Ministry whose progress in implementation has been slow and has low absorption rate for the funds they were allocated in the previous year. What we did as a Committee was to look at the low absorption programmes and to reallocate some of those funds to some of the programmes which have high absorption and which will benefit the common *mwananchi*.

We also noted that quite a number of programnes in the water sector are basically funded by donors. The donors target urban areas, especially Nairobi and Kiambu, leaving the rural areas vulnerable. So, the Committee noted that most of the development projects under the Ministry are donor-funded. This high dependency on donor funds poses a big challenge to project implementation due to donor preference and conditionalities. The Committee noted that donors have a preference for supporting water projects in high populated regions like urban areas due to their large economic and social impact. Therefore, there were limited funding available for projects in rural areas where many of our Members here are representatives. This greatly affects the livelihood of the residents as such areas have scarcity of water. There is, therefore, need to change a policy to mitigate the inadequate project implementation by allocating more Government of Kenya (GoK) Exchequer resources to projects in rural areas. In addition to this, there is need to consider bilateral agreements between the national Government and the county governments to provide funding for water projects.

Hon. Temporary Deputy Speaker, listening to my colleagues in the Departmental Committee on Transport, Public Works, and Housing, indeed, water is life. Water is extremely an emotive issue. You know, roads are normally constructed to serve across regions, but water is targeted to each and every household. I call for more funding in this sector, so that we can ensure that there is adequate distribution of water in the rural areas.

I will go to the State Department of Wildlife. This House knows that issues of human-wildlife conflict are extremely emotive. You and other Members have brought a number of petitions on human-wildlife conflict. The major challenge which we face is funding. At the end of May 2021, Kenya Wildlife Service (KWS) had pending bills of more than Kshs3 billion for the approved human-wildlife conflict compensation and associated legal fees due to the delayed compensation. Since the number of human-wildlife cases increase daily, the current pending bills are likely to increase exponentially. The Committee noted that Ksh604 million has been allocated during the Financial Year 2021/2022 to cater for the human-wildlife compensation. This means that the situation is not likely to improve.

The Government should enhance its funding for the human-wildlife compensation. It should also consider funding the human-wildlife insurance scheme as a long-term solution. When I appeared before the Budget and Appropriations Committee, they recommended further funding of more than Kshs1 billion to cater for the compensation. I really pleaded with the Budget and Appropriations Committee. I am happy because many Members of the Committee are here. The Chair is here. They are all cognizant of the way human-wildlife conflict issues are emotive. We all sit here and lament that the victims of human-wildlife conflict need to be compensated. However, what has been allocated for compensation is Kshs604 million only. The Committee recommended an enhancement of Kshs1 billion. It is unfortunate that the Budget and Appropriations Committee of Supply to enhance the compensation by another Kshs1 billion. I want to call upon Hon. Members of this House to support the Committee's initiative. At the end of the day, we are the ones who normally get backlash in our backyard due to issues of compensation.
We have challenges of access to forest roads. The Committee noted that most of the forest roads are in a very bad state. This makes the forests inaccessible. This increases insecurity and the risk of illegal logging. Unlike in national parks and game reserves, maintenance of roads in the forest is not funded by the Road Maintenance Levy Fund. In some regions in the country, forest roads are critical links between villages, for example, Embobut Forest roads in Elgeyo-Marakwet County. The Committee noted that there is need for Kenya Roads Board Act, 1999, to be amended to include Kenya Forest Service (KFS) as a designated road agency, so that the Kenya Roads Board can provide it with funds to maintain forest roads. This is an issue which the Committee has also taken up. We will introduce an amendment in this Act to ensure that KFS or the roads inside our forests are also taken care of. We should bear in mind that logging has been banned. So, KFS has no access to funds.

The Committee also oversees the Department of Mining which has the potential to change the status of the economy. Kenya has serious potential in the mining sector. When the Jubilee Government took over the leadership of this country in 2013, it created a stand-alone Ministry of Mining which was headed by Hon. Najib Balala then. Unfortunately, it was collapsed to a State Department after a year. The State Department of Mining is no longer there now. It is only a desk in the Ministry of Petroleum and Mining. It does not have a stand-alone State department. It is only a vote-head within the sector. Unless this House funds this State Department seriously, then we cannot tap the potential in this sector.

With those many remarks, I support the Motion and request Hon. Members to consider enhancing funding for compensation as a result of human-wildlife conflict.

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): Is Hon. Adan Haji, Chair of the Departmental Committee on Trade, Industry and Co-operatives, in the House? He had requested to contribute. I have seen him but he is consulting.

Let me have the Member for Nambale, Hon. Bunyasi John.

Hon. Sakwa Bunyasi (Nambale, ANC): Thank you, Hon. Temporary Deputy Speaker for giving me a chance to contribute to the discussion on the Budget Estimates. I support the Report of the Committee. I am also a member of the Committee.

The Budget is very important. It is a cutting-edge instrument for development. It is the means by which we make the changes we aspire to make in our economy. It is the basis upon which policy can shift or be introduced, and expenditure can be approved and spent correctly or incorrectly. It is a very important instrument both for the State and our development. Look at our latest Budget. I have a number of concerns on it. I have some comments on where we are headed. We are headed in the right way, but not in the right scope.

First and foremost, we have the issue of Budget realism which has been alluded to by other speakers. How realistic are the critical variables in the Budget and parameters? The most critical one is revenue. We have glossed over it in terms of the fact that we said we had achieved Kshs1.594 trillion on all the revenue. However, that is an estimate. We should correct that figure and say that is what we expect to achieve. We do not know that we shall achieve that. Be that as it may, the projected figure now that we expect in ordinary revenue collection next year is Kshs1.776 trillion. That means tax revenue. It is still in doubt on whether we can meet that. We have never done that well except for one year many years ago. We met the projected figure and exceeded it slightly. That realism on revenue is very crucial. It is the basis upon which we estimate how much we can fund our Budget plus Appropriations-in-Aid (A-in-A), if you want to put the icing on the cake. We will borrow what we cannot fund. We may get some grants which are normally very little.

Two, revenue drives the size of the Budget. The confidence that we will collect

Kshs1.8 trillion and when we include A-in-A, it will be over Kshs2 trillion, has made us go with big strides to Kshs3.66 trillion Budget. This huge Budget that we have is attractive at the time of presentation. What we, as Parliament, must look at is whether it is achievable and at what cost will it be achievable? Two, who will fund it? That should be the first question. It will go through taxation. Even if you borrow, you are delaying the time when you will tax Kenyans. My first concern is the degree of realism. Despite the confidence which was expressed by prior speakers, I still have serious concerns. We cannot afford the estimates of the revenue and size of the Budget this year. In fact, the National Treasury has not followed the Medium Term Expenditure Framework, a three year rolling plan. You project three years ahead. The first year is your Budget, when the Budget is over, you move another year out. So you are always three years ahead. That gives a perspective. You see where you are going and can direct yourself where you are going. When that is thrown into chaos or is not followed, you do not put radar that will guide you to where you are going. It becomes year to year and that accompanied by frequent changes we get in Budget Estimates, makes it difficult, even for the Committee, to stand back and say the size, the likely

impact and what is going to be the requirement to fund it in terms of tax obligations. We muddy it through. That is something we must confront directly. Ignoring the Medium Term Expenditure Framework is a very serious issue. We should not do this simply for the analysis of external reviewers like the IMF and others, but we should do intrinsically to help us as a nation to move within the limits that we can reasonably afford.

The third aspect I feel quite strongly is that we need to have an irreducible minimum as a nation. It is important for our sovereignty and it is important for protecting areas we care most about. My irreducible minimum, which can vary among various people, is that in a period of COVID-19, which is going to be with us, as we can all see, for some time to come, we should secure what it takes to be able to ride out the COIVD-19 impact. One of them is vaccines. I get quite desponded when they talk about vaccines, the first thing you hear by the managers in charge of the task force on COVID-19, for example, is that they have got a donation from a particular country or they have a donation from a UN Agency, fairly small donations that are not going to make the impact we expect to get immunity that everybody talks about when we get sufficiently many people who have been vaccinated or have been sick and have survived so that the impact of additional infections is reduced somewhat, as they say. This irreducible minimum is that we ought to fund our vaccine requirement, for example, in this period of COVID-19, and we only un-fund it from our resources when we get those donations. But first and foremost, the first shilling in it should come from our revenue. How do we do that? We do that by putting off some of our large projects even just for a year. We will find that there is enough money there that can guarantee the purchase of vaccines subject to their availability on the world market. But we are not going to depend on countries doing us a favour in an area that is so critical.

Thirdly, I am concerned about our ability to fund our development Budget overall. We have been given these figures and I guess people are getting tired of hearing the figures over and over again. But even if we achieve Kshs1.8 in ordinary revenue, revenue we generate from our taxation, and the commitments on debt payment are a trillion, that leaves only Kshs800 billion. But the requirements of the Consolidated Fund Services, including other things above the debt, are Ksh1.33 trillion. On the basis of this year's achievement, it will only give Kshs300 billion and on the basis of the projected one, which we rarely achieve, it will leave around Kshs500 billion to fund everything else including the recurrent expenditure with development expenditure in there. So, we sing about these things but we do not have money to fund them. We depend on crucially on the loans we are going to borrow. That is because loans are so important and every country and

most individuals are now in loans. But you should take what you can in terms of what your debt service capacity is going to be and not in terms of who is willing to offer that. There are very many people willing to offer some good loans and some bad loans. So, debt has a major implication in how we walk through the process of developing our economy. If we do not get that right, it would torpedo our micro-economic framework, the framework we are projecting we shall have in terms of employment, job growth, additional savings and investments that we can then grow and prepare for the next generation. It has put a huge squeeze on our Budget, already about 65 per cent is going to debt service.

Let me move quickly because I can see my time is running out. With regard to pending bills, in addition to what we have officially as debt, if we can get an accurate figure... When I will present my Bill later, you will see that those figures are not clear. Pending bills are a forced form of lending by the business sector. You force them to lend and tell them you will pay, but you do not pay. What can they do? When you would have gone to court, they say let us first get a forensic review of this and be sure that something is really there. That is the way the Government deals with the private sector! But there are many arguments about how you starve the private sector the opportunities to grow.

As I conclude, the current Budget allocations on critical areas like higher education, roads and infrastructure in many parts of the country have been starved. When we talk of pending projects, we have a road in my constituency

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): Your time is up. Let me have the Member for Tharaka, Hon. Murugara Gitonga.

Hon. George Gitonga (Tharaka, DP): Thank you very much, Hon. Temporary Deputy Speaker, for allowing me to rise and make a contribution...

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): You are not speaking for the Departmental Committee on Justice and Legal Affairs but for yourself.

Hon. George Gitonga (Tharaka, DP): I am speaking for myself. I would like to make a very important contribution to the budget-making process that we are engaged in now as we prepare for the Financial Year 2021/2022.

Out there, Kenyans are watching us. They are anxious to know exactly what we are doing and especially what the Cabinet Secretary is coming to tell Parliament tomorrow as regards to expenditure in their country. From time immemorial, it has always been that the budget-making process is a process where Kenyans are burdened by the Government through heavy taxation, heavy borrowing and increase of prices of consumables that support the daily livelihood of Kenyans. It is vitally important for us to note that from the 2010 Constitution, Parliament was granted the sole role of budget-making in the country. Therefore, in as much as we can blame the Executive for all manner of wrong-doing and whatever else, we also have a role to play when it comes to making budgets that are supposed to be friendly to the citizens of the country. So, tomorrow, we will be given the Budget Estimates to a tune of Ksh3.6 trillion, out of which we are informed that through our own internal revenue collection processes, we may be able to raise about Kshs1.8 trillion, while the rest definitely is going to be funded through borrowing. There is hue and cry in this country when it comes to borrowing because every Kenyan feels we have overborrowed and it is high time we stopped the borrowing menace or spree that we get into every day. At the same time, Kenyans are saying that they are over-taxed. Therefore, there must be a remedy from Parliament as regards taxation. When we put these points across to the Executive, we are met with various responses including that, if you want any road done or if you want your very famous and popular National Government Constituencies Development Fund to be disbursed, if you want

any water in your constituency, then you must swallow the bitter pill. The bitter pill is to approve higher taxation, increase the debt ceiling and ensure that even commodities that we consume have higher prices through increasing Value Added Tax (VAT) and other taxes.

Having said this, we are possibly going to swallow that bitter pill because we do not have otherwise. The Government needs revenue so that it can run, and the country needs money so that it can develop. However, there is a trend that is emerging especially through our budget-making process whereby 60 to 70 per cent of the estimates consist of Recurrent Expenditure; that is money which is consumed with no returns. What we are left with is 30 per cent, which we try to distribute to development as a result of which there is very little we can do. What do we have to show for those budgets?

Allow me to briefly explain and use my constituency as an example of what previous budgets have actually done and why the citizens constantly say that Parliament is not playing its role properly in budget-making and where it plays the role, it is a question of moving musical chairs. The Executive is giving with one hand and taking with the other hand. Today, we are going to approve these Estimates but soon after we pass the Finance Bill and do the supplies, we will have numerous Supplementary Budgets removing funds from one Vote to another. As a result of this, the purpose of passing the Estimates is defeated.

Citizens in this country expect returns for their public monies, whether the money is raised through taxation by the Kenya Revenue Authority or it is borrowed because taxes are their sweat while borrowed money is a burden that is going to be borne by them for many years. We cannot be oblivious of this fact. We must always speak for it.

Let us begin with the Judiciary. On this one, allow me to speak as a mere member of the Justice and Legal Affairs Committee. Year in, year out, we allocate very little monies to the Judiciary. Last year, it was Kshs17 billion. This year, it is Kshs17 billion. That money is meant for Recurrent Expenditure only while we know for sure, through the Committee, that we have almost 80 per cent of court buildings works in various counties and constituencies which have stalled. How then do we expect those court buildings to be completed and after completion, we may be able to receive justice services from such places if we are not allocating money?

I would plead that, at the Committee of Supply, we find a way of allocating development money to the Judiciary so that courts, including my own stalled court at Marimanti, a prefabricated courtroom which is now fodder for termites in the dry areas of Tharaka, is renovated, completed and put into use. Otherwise, a court that is 80 per cent complete which has only 20 per cent remaining and is not being used is a total waste of Government money. That applies even to roads in my constituency and many other amenities into which the Government has put lots of money across the country, only to end up with stalled projects.

That also goes to administration because administration is where we have citizen services. We have allocated a whooping Kshs140 billion to Citizen Services. Sincerely, is the Government taking services closer to the people as it has always said? When was the last time that even a small sub-location was sub-divided because it was too large for the population? It has not happened in the recent past. Recently, we had the Cabinet Secretary (CS) gazetting some sub-counties, but we also have many others including in my own constituency that have been outstanding for a long time. If those are not gazetted purely because there is no money, how then are we taking services closer to the people?

As I conclude, it is important to point out that, as Members of Parliament, we are constantly in Government offices seeking services only to be told that there is no money. Where does the

money that we allocate through the Budget Estimates go to? Are Kenyans receiving returns for their taxes and for the borrowings?

Those are my comments regarding these Estimates.

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): Very well. We will now have the Chairperson, who was consulting. Hon. Members, as per your own Resolution, priority in speaking is given to the Chairpersons of the Committees.

Let me have the Chairperson of the Departmental Committee on Trade, Industry and Cooperatives. We had called you but you indicated that you were consulting.

Hon. Ali Adan (Mandera South, JP): Thank you, Hon. Temporary Deputy Speaker. At the outset, I wish to support this Motion on the Budget Estimates for Financial Year 2021/2022. At the same time, I also commend the Chairperson and the entire membership of the Budget and Appropriations Committee for a well-done Report which has, in many parts, incorporated and taken into account most of the recommendations that we had made as a Committee.

During the review of the Estimates for the Ministry of Industrialization, Trade and Enterprise Development and the State Department for Co-operatives that we oversee, the Committee noted that various trade and related functions or activities whose key performance targets are within the purview of the State Department for Trade are scattered all over other Ministries.

It is our considered view that those functions, which are spread in other Ministries, for example, the Ministry of Defence in terms of the International Trade function which is currently domiciled in the Ministry of Foreign Affairs as well as Elimination of Restrictive Trade Practices and the Micro-finance Sector which is under the Treasury, be moved to the Ministry of Industrialization, Trade and Enterprise Development. That was the prayer of the Committee. We feel that when we consolidate those services under the Ministry of Industrialization, Trade and Enterprise Development, we will be able to do justice to those functions.

From the Report, we noted that the Committee approved our proposal for reallocation to realign some Recurrent Expenditures with the Development Expenditures. A number of key requests for additional funding were also heeded to by the Committee and we thank them very much for heeding to our advice and helping us to support, for example, establish value addition centres and the country's participation in the Dubai Expo of 2021, which is coming in October. The Committee heeded our advice and reallocated funds to resource these State Departments adequately to be able to meet their expectations.

I would like to extend a request to the Chairperson, even after we pass this Motion, to continue supporting areas we feel will impact this nation. There are State Departments which have the potential to impact the EPA that was signed recently. In order to have safeguard measures, we need to resource the Anti-Counterfeit Authority adequately. So, we ask the Committee to be more considerate as we move forward. We also have the Kenya Trade Remedies Authority, which is supposed to arbitrate in the event we have issues with our trading partners, like what was just signed and assented to.

For a long time, the trade industry sector, which is critical in facilitating the generation of revenue, has always been under-funded. It has been allocated a meager 0.4 per cent of the total national budget and yet, this sector is expected to drive the economy and spur other economic opportunities like job creation and poverty alleviation. We urge the Treasury, going forward, to increase resource allocation to the Ministry of Industrialization and Enterprise Development so that it is able to perform its functions to unlock the opportunities that Kenya has.

Every dollar that is spent in export promotion has a potential to generate \$87 dollars of additional exports. So, this is a viable investment that the country must engage in to gain comparative advantage. The country has in the recent past negotiated and ratified various trade agreements, from the Economic Partnership Agreement (EPA) and African Continental Free Trade Area (ACFTA). As a country, we need to take advantage of those milestones that offer huge opportunities to farmers and pastoralist communities like those living in Mandera County.

We should invest in the productive sector and strengthen our Trade Promotion Organizations (TPOs) as well as representation in the export market. It is quite worrying that Kenya is unacceptably under-represented in terms of trade representatives. We have only four trade attaches in the existing 61 missions. Trade attaches are largely meant to promote the country's products abroad. How is it that about 80 per cent of livestock products, like milk and meat imports, in the Gulf Corporation countries comes from New Zealand, which is 14-hour flight from the Gulf countries while Kenya is only five hours? We need to rethink our priorities as a country and support vibrant sectors of the economy, especially agriculture, livestock and fisheries. It is my hope that going forward, the budget of this important sector will be adequate so as to enable relevant departments to achieve their mandate.

With those few remarks, Hon. Temporary Deputy Speaker, I support. Thank you.

The Temporary Deputy Speaker (Hon. Jessica Mbalu): The Member for Gichugu.

Hon. Gichimu Githinji (Gichugu, JP): Thank you, Hon. Temporary Deputy Speaker, for giving me the opportunity to contribute to this Motion on the Estimates for 2021/2022 Financial Year. This is a very important exercise for this country. Looking at the Report before this House, we see that there is a shortfall of about Ksh8.4601 billion in the Budget. It is worrying that most of the projects that were intended to be funded under the Big Four Agenda have not achieved the intended purpose.

One of the areas that is very critical for this country is industrialization. In my understanding, industrialization is the sector that broadens the tax base. Once industries flourish, we have many people paying taxes and building this country. I sit in the Departmental Committee on Industry, Trade and Co-operatives and, truth be told, there is very little allocation towards industrialization of this country. In that case, this country would most rely on existing industries because no enabling environment has been provided for the industries to flourish or for new industries to be established. Most taxes, therefore, will still come from the money that is being paid to employees by the same Government. As we move forward, it is high time that the Government engaged another Dream Team. Most of the projects being implemented are under the Vision 2030 were crafted by a Dream Team involving serious economists in this country. This is the time the Government thought of assembling another Dream Team so that we can have a clear path on where we want to take this country going forward.

The infrastructure budget has a shortfall of about Kshs99 billion. This raises a lot of concerns because infrastructure is the main enabler of the other Big Four Agenda programmes that have been proposed by the Government. In particular, at the Committee of Supply, I would expect Members to see if we can allocate enough money to infrastructure. This is because like in my constituency Gichugu, we have been following for a project for a road that would actually enable food production and delivery to the markets and create more jobs at the local levels for the last 5 years. That road has never started because of lack of funds. I believe this is the opportune time that we should give priority to infrastructure especially on roads so that we can facilitate our people to achieve development in other areas.

Hon. Temporary Deputy Speaker, looking at the education sector, I can see there is a proposal that there is money for infrastructure. I beg this House and propose that we look very keenly if every other constituency has been considered in matters infrastructure. We are living in difficult times of COVID-19 whereby infrastructure is very key in our schools. Our schools need more classrooms, dormitories, and wider space to facilitate learning and enable keeping of the social distance by the students. It would be an important aspect to ensure that every constituency is considered in infrastructure development money in this budget. I believe this is something we should interrogate during the committee of supply to ensure that every constituency has some money allocated for infrastructure. Another area we need to look at, the biggest forex earner in this country is agriculture. Tea and Coffee are key in terms of forex earning in this country. There is coffee Cherry Advance Fund; a Kshs3 billion amount that was allocated in the previous budget. The uptake of this money has been very low because there is no facilitation for how this money should be take by the farmers and benefit them to produce more coffee for export and to earn this country more money.

Hon. Temporary Deputy Speaker, Gichugu in Kirinyaga county. Actually Kirinyaga County produces most and the best coffee in this country and probably even in the entire world. If we do not allocate even Kshs50 million for the purposes of facilitation of the uptake of this money and facilitation of the farmers to produce more coffee, then it means that this budget might not mean much for the coffee farmers. I will be agitating for this allocation to be provided in the committee of supply so that farmers in Gichugu Constituency and the entire country at large can benefit and see the benefit of the money already allocated through this House through the Cherry Advanced Fund.

The other issue that we also need to look at is the tea. Going forward the Ministry should be tasked by the relevant committee to put money for value addition. This is because if you look at countries like Rwanda are doing better in terms of export on tea. This is not because they produce better or even more coffee in terms of quantity than Kenya. It is because they value add. That aspect has been neglected by the Ministry. I think the committee on Agriculture and Livestock should take up that matter so that we can see as many factories in this country that usually process tea being facilitated for value addition. With those many remarks, I beg to support the report.

Thank you

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): You support the report. Let me have the member for Suba North, Hon. Odhiambo Akoth Millie.

Hon. (Ms.) Odhiambo-Mabona (Suba North, ODM): Thank you Hon. Temporary Deputy Speaker for finally giving me the opportunity. I have actually been waiting for a while from morning and I am very patient because the issues that I want to say are important to me and I came here to do legislative work. Having said so, I do support the report by the Budget Committee which I am a member. Moreover, I just want to say that I am very happy with the sentiments that were made by Hon. Duale- former Majority Leader especially raising the alarm over the rising debt ceiling in the country. The only challenge - and I actually told him this - I would have wished that he consistently raised it in the past. Not just now, a few months to the general elections. This is because then we sound like we are people who have been told that there is a wolf coming to take the baby then we watch until the baby is in the wolf's mouth and has been partially eaten then we are screaming 'check the wolf has the baby in the mouth!'

However, be that as it may, we are here now and with the situation. What do we do? As Parliament, the Constitution gives us a big mandate on what we can do and the more we lament like the rest of the public the more it shows that we do not know and understand our mandate. I think what we

need to do is understand and appreciate the circumstances under which we are operating as a country especially now. We are doing this budget at a very difficult time with COVID-19 ravaging the country and not just the country but the world. It has affected the economy both internally and externally. Therefore, I would hate to be the head of the Executive in this country at this time because we are dealing with very unpredictable and unprecedented scenario in modern history of human kind. Moreover, in making the budget at this time there are certain balances that have to be looked into and they are challenging whichever way you look at it. Moreover, we are also moving into an election year that always comes with its own challenges. Therefore, I just want to say that whether it is through intervention of IMF or whatever I am actually happy that there are certain interventions that National Treasury has for once taken into account. We are seeing for the first time that - I do not want to speak to what the other members have said - the revenue projections are a bit more conservative than in the past. This is because we are not realistic about the situation that we are facing as a country.

Moreover, that is why we are finding two to three weeks to the end of the financial year we are still bringing a supplementary budget. However, if we were realistic about what the country is facing then we would be making a budget unusual, but not budget as usual. If you look at this budget, it is budget as usual and not budget unusual. You can see that what we should be investing in right now is the challenges that the common Kenyans are dealing with. However, I also understand that the government had done that economic stimulus package and we cannot do this endlessly. This is because then we also have to generate revenue so that the country can move on. That is why I am saying it is a very difficult time to be a leader in this country. However, having said that I also note that one of the things we are not doing is we have not put in money into the sectors that will stimulate economic growth post-COVID-19 and for me that is one of the reasons why I am saying that this is a budget that is not budget unusual. This is because we should be doing budget unusual.

I will be moving an amendment to the Public Finance Management Act that we need to mainstream certain issues related to the Sustainable Development Goals (SDGs) especially gender equity, poor people concerns and issues relating to children. This is so that whenever a budget is brought, the Cabinet Secretary for National Treasury must tell us how much of that budget has to do with the reproductive health issues and children's issues, especially now that cases of sexual abuse and gender based violence have gone high. If we do not commit it in law, then it is never taken seriously or even issues to do with marginalized areas.

One of the things that I have always said consistently, and I have said it even in my Committee and will continue saying it is that, when we are doing the Budget, it must also be realistic about Government policy. You can see at times there is a divergence between Government policy and our budget-making process. An example is a situation where we are putting in a lot of money to build institutions that would take care of children when Government policy is against institutionalization of children. I think the Government also needs to be cohesive in its own agenda so that we know what the Government policy is. The Budget must follow policy.

Other than that, the Budget must also follow presidential edicts. When the President visited Suba North just before elections, he made a promise to the people of Suba North that the Government would tarmac Rusinga Ring Road and Mfangano Ring Road. We did raise some of those issues with the President when we met him recently. However, beyond that engagement, the presidential commitment is evident in the budgeting process and we still hope those discussions are ongoing. However, I think it should not be subject to our discussions outside Parliament. There are things that should come here whenever the President gives those directives.

As a Committee, we were concerned about the issue of teachers and we had suggested hiring of more teachers because that is a challenge that we are facing as a country. I tried to pitch for an increase in tsetsefly management because a little money was put in. The issue of tsetseflies is a big challenge especially in my constituency. When the Chairman of the Departmental Committee on Environment and Natural Resources was speaking, he raised the issue of humanwildlife conflict. He said he is going to bring amendments. I know the challenges that we are facing because every Committee that came before us had a request for more allocation. If we are looking at the ceilings that were agreed on the Budget Policy Statement, then it becomes a bit of a challenge.

I am happy that one of the things that has been put in even though I wish a lot more had been put in is issues to do with climate change and especially the increasing levels in Lake Victoria and other areas that are disrupting lives and causing floods.

So, I am happy, if it was not that we are dealing with very difficult times, I would have wished that we would have increased that Budget. One of the issues I would like to raise as a concern is the issue of the Blue Economy that the Government has put in a lot of money. I would be raising a Statement or a Question here that on the issue of the Blue Economy, we need to look at areas such as Lake Victoria. This is because - and I can see it is almost time - we need to be very careful about populist and buzz words such as bottom up projects that I have heard Members speak about. If you are not careful, people will start thinking that you are talking about a club in Kisumu called the Bottoms-Up Approach. All these buzz words we are talking about are things that we have thought about for 20 years and are already in the Constitution.

Other than hoodwinking Kenyans when you are talking about expanded space for specific engagement, public participation and decentralization through devolution, that is all about bottom up approach. However, if you insist on it, we will probably think that you are talking about the Kisumu Club where people buy drinks and meet. This Hon. Member was telling me the place is closed and does not work.

Otherwise, our greatest challenge is corruption and we must deal with that so that all the things that we are seeking to do are realized. I thank you.

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): Very well, let us have the Member for Kiharu. Hon. Ndindi Nyoro.

Hon. Ndindi Nyoro (Kiharu, JP): Thank you very much, Hon. Temporary Deputy Speaker for giving me this chance. It is good to be back after I was chased away. Fortunately, the same reason that made me...

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): You cannot have been chased away. You were out of order.

Hon. Ndindi Nyoro (Kiharu, JP): Thank you, I am so happy that Reggae actually stopped.

I rise to give my contribution to the agenda before this House. On the issue of budgetmaking both in terms of macro and even micro in terms of our own budget-making processes as individuals, there is resource, that is the income and also the expenditure part.

There is the "in" and the "out" part. Looking at the Budget Estimates currently that we are discussing, I have to say that I am grossly disappointed by the lethargy that has been exhibited by the National Treasury, of course, hiding under the behest of this House. Constitutionally and ideally, this House is a budget-making House but in practice, as is happening in other arenas in so far as this Executive is concerned, I think it is fair for Kenyans to know that the role of this House in terms of budget-making process if that of rubber-stamping.

Therefore, in theory yes, we are a budget-making House but, in practice, Kenyans need to know that the Budget of this country is made by the Executive and the buck stops with the President who has appointed the National Treasury CS.

I must say I am very disappointed because looking at the size of the Budget that we ought to read and the mismatch between the revenues and the expenditure, it is very disheartening. We have continuously been collecting about Kshs1.6 trillion and I do not know which magic we are going to undertake for us to have revenues in excess of Kshs2 trillion. Historically, it is good for Kenyans to know that when the former President Mwai Kibaki took over in 2003, the revenues in this country were a partly Kshs200 billion. When he left, those revenues were approaching Kshs1trillion. That is close to 500 per cent increment in the revenues that we collected under the 10 year Kibaki regime. When this regime took over in 2013, the revenues were around Kshs1 trillion. As we talk nine years later, we are talking about Kshs1.6 trillion. That is partly 60 per cent increment for the entire period.

Therefore, what the former President Kibaki achieved in just half a year has taken this administration 10 years to achieve. Those are facts and figures. The issue of revenue goes along many facets because you cannot collect revenue from nowhere. You collect from enterprise and other productive sites of the economy. Before I go to that point, allow me to voice the issue of debts that has been voiced by several other colleagues before me.

As we talk about the debt of this country, Kenyans need to know that this regime has overborrowed beyond the limits that we have put in this House. I say so because even checking the data from the Central Bank of Kenya (CBK), the mainstream debt in this country both domestic and foreign is almost approaching Kshs9 trillion that we actually instituted in this House. It is just about Kshs8.6 trillion.

There is another side of debt that has not been recognized by this regime and by the National Treasury, but this is debt owed to other people by the Government of Kenya. I am talking about the debt owed by State Owned Enterprises (SOEs) such as Kenya Power and Lighting Company and the debt owed to other institutions like the water companies that are domiciled within our county governments.

That debt alone is in excess of Kshs3.4 trillion. If you add the main debt from the CBK and the county government debts, it approaches Kshs12 trillion. With the GDP of Kenya being around Kshs10 trillion, we are talking about 120 per cent debt to GDP ratio of this country. Therefore, the figures that we peddle around from the Treasury are actually incorrect. We have borrowed beyond the limit of Kshs9 trillion and the debt in Kenya is actually 100 per cent in terms of debt to GDP ratio.

We have to know and actually talk about it because many times you hear the so-called experts from the Executive, who are promoters of their ideologies in this House, talk about other countries' borrowings and, of course, give the examples of Japan and the USA, which are in excess of what we have borrowed in terms of debt to GDP ratio. However, there are some issues that we do not dig to find out. For example, when you talk about Japan, almost her entire debts are actually borrowed domestically – they are not domestic in terms of crowding out the private sector from the banking sector – from Japanese funds that are equivalent to our National Social Security Fund (NSSF) and the National Health Insurance Fund (NHIF). Any interest that accrues from that debt goes into helping those funds, which belong to the Japanese people.

Also there is something called netting-off. Using the same example of Japan and contrasting it with Kenya, the only debt that is reported is the gross debt or the debt that has been borrowed by Japan domestically. We do not net-off the money that is lent by Japan to other

economies. For example, the biggest lender to the US Government is actually the Japanese Government – in excess of 1 trillion US Dollars. Therefore, the Kenyan economy can never be compared with economies like Japan, the USA and many other economies that have been cited by the Treasury to confuse this House and Kenyans.

There is also the analogy that historically, political and economically, it is only dictatorial regimes that actually over-borrow. It is said that they over-borrow because they want to enjoy the privilege of having development now for other people to pay in the future. They want to enjoy the privilege of borrowing and enjoying now but they want the responsibility of paying back to go to future generations. I am, therefore, challenging the regime that we have to drop this dictatorial manner of borrowing for us to be applauded now and at the same time, over-burden Kenya's future generations. I say so because, currently, any new born baby has a debt of more than Kshs250,000 around his or her neck.

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): You have one minute.

Hon. Ndindi Nyoro (Kiharu, JP): Too bad. Hon. Temporary Deputy Speaker, as I try to condense within that one minute, I think we have to be very serious as a country. Macro-economy and fiscal discipline is lacking. We cannot purport to present such a huge Budget while we militarize our economy and the enterprises that are supposed to generate revenue for KRA to collect. I also have to say that we have to regenerate our economy and refocus on the productive side of our economy. If you look at our economy, the sectors that are actually thriving are facilitative. The productive side of the economy has been left out in the cold. As I wind up...

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): Is the Member for Kisumu West, Hon. Olago Aluoch, in the House? If he is not, let me have the Member for Kwanza, Hon. Wanyonyi Kevin.

Hon. Ferdinard Wanyonyi (Kwanza, FORD-K): Hon. Temporary Deputy Speaker, thank you very much for giving me the opportunity. I have been sitting here. As a student of economics, I want to tell my colleagues that tomorrow, Kenyans will be watching. They will be glued to their seats to watch televisions and listen to radio as the Cabinet Secretary reads out this particular Budget.

Hon. Temporary Deputy Speaker, let me say at the outset that I am not happy with this Budget. You have heard the Chairmen of Committees lament. We expect some of them to give us facts. It is like they have not had the opportunity to put their inputs to solve some of those issues. I am sorry but this particular Budget does not meet the threshold. I am not sure whether I should support it or just stay neutral because even the Chairman of the Budget and Appropriations Committee, in which I sit, has had problems explaining some of the things contained in this Budget. I agree with him on some of the issues. It is because of what is happening in this country. To start with, I am an agriculturalist. I actually come from an agricultural area. We expected some incentives to be given to farmers. We all know the Maputo Declaration. We are supposed to have 10 per cent of the Budget going to agriculture. I have looked at some of these figures. Disappointingly, some of them have been reduced. Therefore, again, we cannot meet the threshold of the Maputo Declaration.

Many other challenges have been raised. It is a fact that, as a country, we have been borrowing a lot. Look out there. Be realistic. In my own background, I see us having problems. First of all, businesses are all collapsing. Of course, you can give the excuse of COVID-19 but then the Government should have given incentives to businesspeople and raised Kenyans' hopes that, at least, as we struggle, we have a way of reviving our economy. We must have somewhere to generate the revenue to pay some of our debts. We have talked about figures. I may be lost on

how much debt we owe externally and how much debt we owed domestically. They are huge debts. Therefore, we have all manner of challenges, and you know it. We do not have to be told that banks and other financial institutions are now going for recovery. Of course, we know that even as they go for recovery, there is nothing to recover. We expected this Budget to give some incentives with the Government proposing ways of regenerating economic growth and raise revenue. There is nothing here. I have not seen anything. I have read through this and I have not seen anything here.

The other thing I want to point out is on the ongoing projects. For example, on communication, I heard the Chairman of the Departmental Committee on Transport, Housing and Public Works lament that in my own county, we have roads that are supposed to be used to transport goods and services to areas where we can get revenue. Some of those road projects have stalled. How are we going to raise money to finish the infrastructure projects? Again, it is a question for which people are waiting an answer tomorrow to see what there is. I do not think there is any fundamental change that is going to happen overnight to change some of the concepts that we have been exposed to today. I have heard of cases where we have borrowed money – let us not forget this is our country and people are waiting – externally supposedly for putting in place productive economic installations, but the money has been stolen and misappropriated. What do we do about it? You and I are now forced to pay.

I have not seen anything over the years like the case of Ferdinand Wanyonyi, a Member of Parliament, who was found guilty for having misappropriated money, this is what we have done. We have cases like that. This is our country. Let us talk facts. We have money that has been borrowed, misappropriated and the people in charge have not been exposed and some of them are still in office. Again, what have we done to safeguard this? We have stalled projects. As I speak like this, we export coffee and tea out there. We have been exporting products of dairy farming. We have a huge market in the Middle East. I was in the Middle East as I had an interest there. We were exporting powdered milk to Middle East from this country in the past, during Kibaki's time. Today, I can tell you that our market for powdered milk in the Middle East has been taken over by Uganda. Of all places, Uganda has taken over our export of powdered milk to the Middle East because of laxity. There is no incentive. I had a project of raising the production of milk, in my sub-county. There is no incentive. I went to a parastatal called AFC. Sorry to mention them here. I know people are looking at us to see what we have done. The AFC was supposed to spur the economy by encouraging farmers. I have been there for the last eight months to get just Kshs6 million to buy dairy animals from the South Rift and see if they can increase the production of milk so that I can export to the Middle East and get some income. Nothing! We cannot even export anything finished. We are sending raw materials for other people to deal in manufacturing, for other people to enjoy the services of our people. We have a problem.

As I sit, this Budget has not impressed me as an economist and as an ordinary person. I read economics. So, tomorrow, watch out. This is not a conveyor belt. This is a budget-making House. We are supposed to have our own inputs. We are supposed to say: "Here is what we are supposed to do." Now we are being told straight from the Executive what is going to happen. We have the committees of various ministries and departments coming before us, telling us we are amending. They are saying this is supposed to be done and it has already been done. So what?

As I conclude, we have not done very well as a House. We are representing a community out there. I am also representing my people. They will be disappointed at the end of the day tomorrow. Therefore, I do not know whether I should support or I stay neutral but, as it is, I am disappointed because I expected a lot of incentives. Necessity is the mother of invention. We are

not seeing anything outside the box. We are just being told what is going to happen. As a Member of Parliament, I will be asked what I have done. I will have no answer because I may lament here but, what input have I given? So, I have my reservations on this particular budget. I am most disappointed because there is no incentive or nothing that can be able to make me go home a happy person tomorrow.

I do not support. I do not say anything.

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): Very well. Maybe, you support with reservations. The Member for Molo.

Hon. Kuria Kimani (Molo, JP): Thank you very much, Hon. Temporary Deputy Speaker, for giving me a chance to contribute to this debate. This is the second last Budget of the 12th Parliament. As we debate about the Kshs3.03 trillion Budget, out of which Kshs1.29 trillion is on recurrent, there are several fundamental questions that we must ask ourselves as a Parliament and as a country. The President gave a directive on this elephant called pending bills. One of the reasons why we are opposed to Government doing domestic borrowing is because that domestic borrowing crowds out other borrowers that may want to borrow from the commercial banks to grow SMEs and personal businesses. The same Government that is trusted and someone knows if they give it money in terms of a treasury bonds or bills, they are sure they will get a return on it, is the same government that people are doing business for and getting years without being paid and are being auctioned. As a Member for the Budget and Appropriations Committee, we made it clear that the state departments and ministries must prioritize as per the PFM Act, making sure that all pending bills have been paid.

Therefore, I would say, having done our part as a Committee of budget, we hope that the accounting offices will respect the law, our report, the PFM Act, the Constitution of Kenya 2010 and nobody should be auctioned because they did business for the Government.

We have very many stalled projects in this country. The question begs: Why then do we have a planning department? Why then do we get to that point where money has been invested, someone has been on site and then the people who get bashed are MPs? If money is not sent on time in a project in my constituency like the Njoro - Molo Road, it is us that get to suffer the wrath of *wananchi*. My hope is that the existing projects, those projects that the Government has undertaken to do and has procured, that the accounting officers are going to be accountable enough, they are going to respect the rule of law and that projects will be completed and on time because, this will save the country money, it saves the country time and it is true use of value for money for the taxpayer.

I have often said that Kenyans are not afraid and do not refuse to pay taxes. Kenyans are not even afraid of taking loans, but we are afraid of what this money gets to do. So, as long as the rubber meets the road and that money is put in the right choice and these great plans that we have put up are done and done properly and on time, you will not hear any uproar when taxes are increased or when that borrowing is increased. We tried to address several issues in our report, especially on the issue of duplication of functions. We found programmes that are very wonderful for young people, like the Youth Fund and the *Kazi Mtaani*. You, however, find that all these initiatives that are supposed to deal with the issue of unemployment and putting money into the pocket of *Wanjiku*, especially of the young suffering Kenyans out there, is staggered in different State departments. Although all these programmes are meant to shield our young people against unemployment, to make sure they have food on the table, they are scattered all over state departments that it becomes difficult to sometimes implement or even track their effectiveness. Therefore, in our Report, we have said, all these initiatives, whether it is an initiative to support

women, young people or our old people programme, let them be under one state department. Let them have one funding, so that we can even benefit from the economies of scale.

In our Report, we have emphasized and reallocated money to the need of funding capitation to private universities. As we speak, the students that did their Kenya Certificate of Secondary Education a few months ago will get admission letters to the universities. They do not choose whether they want to go to a public university or a private one. So, for those students who are admitted at Strathmore University, Daystar University, or at whichever university in this country, the money for their capitation must be released and released on time.

Hon. Temporary Deputy Speaker, we have even been able to see that the Ministry of Higher Education should sit down and see why it is cheaper to educate our students in private universities more than in public universities. It means that on the core structure of our universities, we need to sit down and rethink their funding method, how we are going to save money and ensure that, at least, there is value for money. I insist that money that is supposed to be for capitation for our students in private universities must be released on time as it is for public universities. In any case, those students do not necessarily choose to be there.

There are several initiatives that have been made to deal with the issue of unemployment. Many of them through a Bill that came in the last Parliament through the Young Parliamentarians Association and the National Employment Bill that was signed into an Act by the President. This is the first time that we have seen a budgetary allocation to National Employment Authority. We are hoping that the National Employment Authority will rise to the occasion, that they are going to empower our youth with capacity building, and that a young person who completes a particular course and training will have a place, a shoulder to cry on, and a Government institution that they can go and be sure that they are going to be placed in some employment. Our young people are crying. You find graduates out in the village are doing very many jobs without employment and yet, through the wisdom of this House, we passed the National Employment Bill into an Act and we have now put that money to that Authority. We are hoping that they are going to help address this issue.

The issue about commercial attachés in foreign ministries has been said. There is a lot of potential for employment overseas. We recommend that there must be a budgetary allocation for commercial attachés in these institutions so that we do not leave the employment of our young people in those overseas countries to bureaus that go exploiting them. If we employ enough commercial attachés, then we do not need to go through a private bureau to go and work in Saudi Arabia, we do not need to go through a private bureau, pay a lot of money and be exploited to go and work in Qatar and all those other countries. We are hoping that the recommendations made by this Committee and House will be taken into consideration that these commercial attachés are going to be recruited, and our young people are going to be assisted to get employment in those foreign countries.

Hon. Temporary Deputy Speaker, at the Committee stage, we had a challenge of allocating money whether for infrastructure projects or for employment of teachers. As a Committee, we were clear that when you employ teachers in this country, you save three problems. You save the great problem of unemployment. You solve the second problem of quality of education because no matter how many classes we build, as long as there are no teachers in those classrooms to teach those students, we will not have an educated generation. So, employing more teachers by the Teachers Service Commission (TSC) will ensure that we have solved the problem of unemployment. We will ensure that we have quality education, and most importantly, those teachers pay taxes and, therefore, it is going to lead to an increase in our revenues.

Lastly, we cannot have a budget that does not allocate money for emergencies. We cannot have people doing *harambees* when people drown because of floods. We must allocate money for emergencies so that we are able to take care of them when they happen in this country.

With that, I support.

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): Very well. Hon. Members, I have 12 requests. The Majority Chief Whip.

Hon. Emmanuel Wangwe (Navakholo, JP): Thank you, Hon. Speaker. Whereas my colleagues could not say whether they want to support or not, I want to be on the frontline to say I rise to support this Report by the Departmental Committee on Budget and Appropriations, especially tackling the issue of the 2021/2022 Budget.

This Budget is coming at a time when there is COVID-19. COVID-19 is a pandemic that we do not know its origin. We hear of its origin but cannot ascertain it. It came to us, it is here with us, and we do not know for how long. Therefore, it is something that we need to work with. It is something that we must accept and move forward. This Budget is a Ksh3.6 trillion one. It is a heavy Budget to the Kenyan people. It is a budget which we all must appreciate and say we either work with it or force it to know how we propel our Kenyan people through this turbulence.

Hon. Temporary Deputy Speaker, this Budget is addressing very many good issues. On issues to do with agriculture, whereas many of my colleagues are talking of agriculture not having been considered, and various treaties that Kenya has entered into without really defining the 10 per cent that has been mentioned on the Floor, but 10 per cent of it covers agriculture, farming and forestry. Therefore, when you combine it and look at what has gone into the forestry budget together with agriculture, the 10 per cent aforesaid is even more than we covered in the Budget. However, the issue of incentives to our farmers is very key. It is something which is lacking in this Budget which we need to look into. It is us, the lawmakers, who define this Budget and who interrogate it. We cannot now tell Kenyan people that we are unable yet after voting for this Report, we will be going for the Committee of Supply. All Members of this House shall contribute to the Committee of Supply and whatever issues that they have can now finalize this Budget through the Committee of Supply.

Hon. Temporary Deputy Speaker, Article 221 of the Constitution simply gives the national Government the power and authority to originate the framework. To align the framework of the Budget to the needs of the people, it is us the representatives of the people who undertake that. Therefore, as Members of this House, we will not give away our power. Instead, I want to urge my colleagues to come out very strongly and express their opinions and ideas that they have during the Committee of Supply. I just did not want to take too much time on the issue of expenditure. I just want to look at the issue that whereas we are making the Budget, there is the left hand to spend and the right hand to generate.

We expect, tomorrow, in the Budget highlights, the Cabinet Secretary for Finance and National Treasury to tell us how he intends to fund this Budget. The times are bad and the situation is bad. I urge the Cabinet Secretary for Finance and National Treasury not to increase the taxes as he goes into the funding of this Budget. Instead, let him expand the tax base so that the leakage that is going on... Let the money that is not being collected be collected. Let us not increase the taxes to burden the Kenyan people. If he does that, then we will all say that it is a good thing so that we are able to fund the Budget that we have in this House today.

Hon. Temporary Deputy Speaker, my good friend talks of the National Government Constituencies Development Fund. When you look at this Budget, there is something that we need

to look at. Look at the lines below and find that there is a provision of both the Kshs3 billion as part of the Kshs4.9 billion and the current Budget.

With that in mind, I support.

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): It is still within time. The Member for Ikolomani.

Hon. Benard Shinali (Ikolomani, JP): Thank you, Hon. Temporary Deputy Speaker. At the outset, I support this Report. As a Member and the Vice-Chair of the Departmental Committee on Budget and Appropriations and on the Report presented to this House by my Chair, I will have a few comments that I wish to make.

First, I want to comment on human-wildlife conflict. In several parts of this country, we have had animals coming from the parks and destroying people's property which causes a lot of conflicts between human and wildlife, even killing humans.

We lodged our complaints but at the end...

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): Member for Ikolomoni, please, resume your seat because I want to cut short the debate.

Hon. Members, today is the Second Allotted Day for discussion of the Motion on Consideration of the Budget Estimates for the Financial Year 2021/2022. We have a total of 31 Members who have spoken to the Motion. Debate on the same Motion will resume on Tuesday, 15th June 2021, during the Third Allotted Day.

Hon. Bernard Shinali has a balance of eight minutes. He will be given priority to speak. I am sure that the rest of the Members who had expressed interest to speak will be available to contribute. We have the Member for Bonchari who is in the House. He was ready to speak. We have the Member for Igembe South, Member for Mwingi North, Hon. Nzengu; Member for Kericho, Member for Kisumu East, Hon. Ahmed Shabbir; Member for Mogotio, Member for Kajiado East and many other Members who were ready to speak to this Motion.

ADJOURNMENT

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): Hon. Members, the time being 7.00 p.m., this House stands adjourned until Thursday, 10th June 2021, at 2.30 p.m.

The House rose at 7 p.m.