PARLIAMENT OF KENYA

THE SENATE

THE HANSARD

Tuesday, 4th March, 2025

Afternoon Sitting

The House met at the Senate Chamber, Parliament Buildings, at 2.30 p.m.

[The Deputy (Sen. Kathuri) in the Chair]

PRAYER

DETERMINATION OF QUORUM AT COMMENCEMENT OF SITTING

The Deputy Speaker (Sen. Kathuri): Clerk, kindly, confirm whether we have quorum.

(The Clerk-at-the-Table consulted with the Deputy Speaker)

Serjeant-at-Arms, kindly, ring the Quorum Bell for 10 minutes.

(The Quorum Bell was rung)

Clerk, we now have quorum. Kindly, read out the first Order.

COMMUNICATION FROM THE CHAIR

The Deputy Speaker (Sen. Kathuri): Hon. Senators, I have two communications to make.

VISITING DELEGATION FROM MT. KENYA UNIVERSITY

Hon. Senators, I would like to acknowledge the presence in the public gallery this afternoon of a visiting delegation from Mt. Kenya University School of Law, Center for International and Development Law (CID-LAW). The delegation comprises of 20 students from Mt. Kenya University, School of Law, 20 students from Mt. Kenya

University Kigali, School of Law and five members of staff who are undertaking a study tour in the Senate.

Hon. Senators, on behalf of the Senate and on own my behalf, I extend a warm welcome to the delegation and wish them all the best during their visit.

Thank you.

VISITING DELEGATION FROM SIAYA AND KAJIADO COUNTY ASSEMBLIES

The Deputy Speaker (Sen. Kathuri): Another quick one, also from the visiting staff from the County Assemblies of Siaya and Kajiado.

Hon. Senators, I would like to acknowledge the presence, in the Speaker's Gallery this afternoon, of two visiting members of staff from the county assemblies---

(Sen. Oketch Gicheru consulted loudly)

Sen. Eddie Oketch!

The officers are on a benchmarking visit with their respective counterparts in the Senate.

Hon. Senators, in our usual tradition of receiving and welcoming visitors to Parliament, I extend a warm welcome to them. On behalf of the Senate and on own my behalf, I wish them a fruitful visit.

Thank you.

So, I will give the Deputy Minority Leader less than one minute to welcome the visitors from the Mount Kenya University Kigari Campus. Sen. Tobiko will welcome the other delegation.

Sen. Wambua: Mr. Deputy Speaker, Sir, I join you on behalf of my colleagues from both sides of the House to welcome the visiting students from Mount Kenya University. I assure them that in choosing to visit the Senate of the Republic of Kenya, they have made the right choice. This is a House of debate.

It is a very mature House where debate on serious issues affecting this country, not just our counties, takes place. I desire that during their visit, then they will be able to witness that debate taking place. I also urge them to work very hard because the future of this country belongs to them and their generation. We are just holding brief for them.

I thank you.

The Deputy Speaker (Sen. Kathuri): Sen Tobiko?

Sen. Tobiko: Thank you, Mr. Deputy Speaker, Sir. Let me take this opportunity to welcome the visiting delegation from the County Assemblies of Siaya and Kajiado. I will also take this opportunity to tell them to take their time to learn.

Meanwhile, let them serve our country to their best in the positions they are holding right now. Also, as they do their rounds around here, they can make a little prayer. I did that one day and I found myself later on in this place. It is doable. They can make it to this level.

Thank you very much.

The Deputy Speaker (Sen. Kathuri): Thank you. Next Order.

MESSAGES FROM THE NATIONAL ASSEMBLY

PASSAGE OF THE STARTUP BILL (SENATE BILLS NO.14 OF 2022)

The Deputy Speaker (Sen. Kathuri): Hon. Senators, I have received a Message from the National Assembly, which is a passage by the National Assembly of the Startup Bill (Senate Bills No. 14 of 2022).

Hon. Senators, I wish to report to the Senate that pursuant to Standing Order No. 46(3), I have received the following Message from the Speaker of the National Assembly regarding the passage by the National Assembly of the Startup Bill (Senate Bills No.14 of 2022). The Message dated Thursday, 27th February, 2025 was received in the Office of the Clerk of the Senate on the same day.

Pursuant to Standing Order No. 46(4), I now report the Message.

Pursuant to the provisions of Standing Order No. 41(1) and 144 of the National Assembly Standing Orders, I hereby convey the following Message from the National Assembly.

WHEREAS the Startup Bill (Senate Bills No. 14 of 2022) was passed by the Senate on Wednesday, 21st February 2024, and thereafter referred to the National Assembly for consideration pursuant to the provisions of Article 110(4) of the Constitution and;

WHEREAS the National Assembly considered the same Bill and passed it with amendments on Thursday, 16th January 2025 as contained in the schedule of amendments attached herewith;

NOW, therefore, in accordance with the provisions of Article 112(1)(b) of the Constitution and the Standing Orders No. 41(1) and 144 of the National Assembly Standing Orders, I hereby convey the same decision of the National Assembly to the Senate.

Hon. Senators, Article 112) (1) of the Constitution provides that if one House passes an ordinary Bill concerning counties and the second House passes the Bill in an amended form, it shall be referred back to the originating House for consideration.

Hon. Senators, in this regard, I direct the Standing Committee on Trade, Industrialisation and Tourism to liaise with the sponsor of the Bill, Sen. Crystal Asige MP, and deliberate on the National Assembly amendments and report to the Senate.

Further, pursuant to Standing Order No.165 (1) of the Senate Standing Orders, I direct that the National Assembly amendments to the Startup Bill (Senate Bills No. 14 of 2022) be circulated to all Senators.

At an appointed time, the Senate Business Committee (SBC) will schedule the consideration of the amendments in a Committee of the Whole.

The House is accordingly guided.

PASSAGE OF THE PERSONS WITH DISABILITIES BILL (SENATE BILLS NO.7 OF 2023)

The Deputy Speaker (Sen. Kathuri): Another one is still a Message from the National Assembly, and it is passage by the National Assembly of the Persons with Disabilities Bill (Senate Bill No.7 of 2023).

(Sen. Tabitha Keroche, Sen. Kibwana, and Sen. (Dr.) Boni Khalwale stood in their place)

Deputy Majority Whip, you are a seasoned legislator in this House. What you are doing is contrary to our Standing Orders. Also, what Sen. Hamida and the Majority Whip are doing is contrary to our Standing Orders. When the Speaker is upstanding, you should freeze.

Hon. Senators, I wish to report to the Senate that I have, pursuant to Standing Order No. 46(3), received the following Message from the Speaker of the National Assembly regarding the passage by the National Assembly of the Persons with Disabilities Bill (Senate Bills No. 7 of 2023)

The Message dated Thursday, 27th February 2025, was received in the Office of the Clerk of the Senate on the same day. Pursuant to Standing Orders No. 46(4), I now report the Message.

Pursuant to the provisions of Standing Orders No. 41(1) and 144 of the National Assembly Standing Orders, I hereby convey the following Message from the National Assembly.

(Sen. Tabitha Mutinda stood at the Bar)

You can just use the seat next to you, Sen. Mutinda.

WHEREAS the Persons with Disabilities Bill (Senate Bills No.7 of 2023) which is a Bill concerning county government and provides for *inter alia*, the institutional framework for protecting and promoting the rights of persons with disabilities, was passed by the Senate on Thursday, 21st February 2024, and thereafter referred to the National Assembly for consideration, pursuant to the provisions of Article 110(4) of the Constitution, and;

WHEREAS the National Assembly considered the said Bill and passed it with amendments on Thursday, 16th January 2025, as contained in the schedule of amendments attached herewith;

NOW, therefore, in accordance with the provisions of Article 112) (1) (b) of the Constitution and Standing Orders 41(1) and 144 of the National Assembly Standing Orders, I hereby convey the said decision of the National Assembly to the Senate.

Hon. Senators, Article 112(1) (b) of the Constitution provides that if one House passes an ordinary Bill concerning counties and the second House passes the Bill in an amended form, it shall be referred back to the originating House for reconsideration.

Hon. Senators, in this regard, I direct the Standing Committee on Labour and Social Affairs to liaise with the sponsor of the Bill, Sen. Crystal Asige, MP, and deliberate on the National Assembly amendments and report to the Senate.

Further, pursuant to Standing Order No. 165(1) of the Senate Standing Orders, I direct that the National Assembly amendments to the Persons with Disabilities Bill (Senate Bills No. 7 of 2023) be circulated to all Senators.

At an appointed time, the SBC will schedule the consideration of the amendments in a Committee of the Whole.

The House is accordingly guided.

Thank you.

Next Order.

PAPERS LAID

The Deputy Speaker (Sen. Kathuri): Proceed, the Senate Majority Leader, as you have a number of Papers to lay this afternoon.

REPORTS OF THE AUDITOR-GENERAL ON FINANCIAL STATEMENTS OF VARIOUS ENTITIES FOR THE YEAR ENDED 30th June, 2024

Sen. (Dr.) Lelegwe: Mr. Deputy Speaker, Sir, I beg to lay the following Papers on the Table of the Senate, today, 4th March, 2025-

Report of the Auditor-General on Financial Statements of the County Executive of Marsabit for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of the County Assembly of Marsabit for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of the County Revenue Fund - County government of Marsabit for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of the Receiver of Revenue - Revenue Statements - County Government of Marsabit for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Marsabit County Emergency Fund for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of County Assembly of Marsabit Car Loan and Mortgage Scheme Fund for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Marsabit County State Officers and Other Public Officers Mortgage Scheme Fund for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Marsabit County Assembly Staff Car Loan and Mortgage Scheme Fund for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Marsabit County Education Fund for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Marsabit County Climate Change Fund/Financing Locally -Led Climate Action (FLLoCA) for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Marsabit Municipality for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Marsabit County Enterprise Fund for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Marsabit County Referral Hospital - County government of Marsabit for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Kalacha Level 4 Hospital - County government of Marsabit for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Moyale Level 4 Hospital - County Government of Marsabit for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Laisamis Sub-County Level 4 Hospital - County Government of Marsabit for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Marsabit Water and Sewerage Company Limited for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of the County Executive of Wajir for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of the County Assembly of Wajir for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of the County Revenue Fund - County Government of Wajir for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of the Receiver of Revenue - Revenue Statements - County Government of Wajir for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Wajir County Bursary Fund for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Wajir County Disability Fund for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Wajir County Revolving Fund for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Wajir County Disaster Management Fund for the year ended 30^{th} June, 2024.

Report of the Auditor-General on Financial Statements of Wajir County Climate Change Fund for the year ended $30^{\rm th}$ June, 2024.

Report of the Auditor-General on Financial Statements of Wajir Municipality for the year ended $30^{\rm th}$ June, 2020.

Report of the Auditor-General on Financial Statements of Wajir Municipality for the year ended 30th June, 2021.

Report of the Auditor-General on Financial Statements of Wajir Municipality for the year ended 30^{th} June, 2022.

Report of the Auditor-General on Financial Statements of Wajir Municipality for the year ended 30th June, 2023.

Report of the Auditor-General on Financial Statements of Wajir Municipality for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Wajir County Referral Hospital for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Wajir Water and Sewerage Company Limited for the year ended 30th June, 2024.

(Loud consultations)

The Deputy Speaker (Sen. Kathuri): Order, Senators. Senators seated on the right of the Chair, kindly, consult in low tones,

Sen. (**Dr.**) **Lelegwe**: Thank you, Mr. Deputy Speaker, Sir. Let me continue to lay the Papers on the Table of the Senate.

Report of the Auditor-General on Financial Statements of the County Executive of Nyamira for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of the County Assembly of Nyamira for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of the County Revenue Fund - County Government of Nyamira for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of the Receiver of Revenue - County government of Nyamira for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Nyamira County Mortgage and Car Loan (Executive) Fund for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Nyamira County Assembly Car and Mortgage Loan Scheme Fund for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Nyamira County Emergency Fund for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Nyamira County Education Support Fund for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Nyamira County Climate Change Fund for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Nyamira Municipality for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Ekerenyo Level 4 Hospital – County Government of Nyamira for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Nyangena Level 4 Hospital – County Government of Nyamira for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Kijauri Level 4 Hospital – County Government of Nyamira for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Nyamusi Sub-County Level 4 Hospital - County Government of Nyamira for the year ended 30th June, 2024.

Report of the Auditor-General on Financial Statements of Esani Sub-County Level 4 Hospital - County Government of Nyamira for the year ended 30th June, 2024. I beg to lay.

to:

(Sen. (Dr.) Lelegwe laid the documents on the Table)

The Deputy Speaker (Sen. Kathuri): Thank you, Deputy Majority Whip. Next Order, Clerk.

There is a Notice of Motion to be given by Sen. Thang'wa.

NOTICE OF MOTION

CONSOLIDATION OF BURSARY FUNDS FOR EQUITABLE ACCESS TO EDUCATION

Sen. Thang'wa: Thank you very much, Mr. Deputy Speaker, Sir. I rise to give Notice of the following Motion-

THAT AWARE THAT, Pursuant to Article 53 of the Constitution, every child in Kenya is entitled to free and compulsory basic education, and the Basic Education Act provides that, basic education should be guided by principles such as equitable access to all youth and equal access to education or institutions;

FURTHER AWARE THAT, many students in secondary schools and higher education institutions come from financially disadvantaged backgrounds, making it difficult for them to afford school fees and access education opportunities;

NOTING THAT, over the years, various interventions have been made, including the issuance of bursaries through the National Government Constituency Development Fund (NCDF), National Government Affirmative Action Fund (NGAAF), the Ministry of Education and county governments through various county bursary funds;

CONCERNED THAT, despite these efforts, schools fees remain unaffordable for many parents and the allocation of bursaries has been plagued by nepotism, favouritism and political manipulation, lack of transparency and accountability;

FURTHER CONCERNED THAT public learning institutions are primarily funded by the Government through the Ministry of Education, and in the Financial Year 2024/2025, approximately Kshs656 billion was allocated to the education sector, making it difficult to ascertain the specific funds granted to each student and that the lack of transparency in the disbursement of bursaries from various agencies makes it difficult to determine the total amount allocated in a financial year, thus hindering efforts to ensure equitable access to education for financially disadvantaged students;

NOW THEREFORE, the Senate urges the Ministry of Education,

- (1) audit the funds allocated to bursaries by both the national Government and county governments;
- (2) consolidate the funds distributed by various Government entities and agencies, with the aim of directing these funds directly to schools as supplementary capitation to facilitate the achievement of free secondary education; and
- (3) calculate the cost of education per learner and make this information public for primary, secondary and tertiary institutions, including a detailed breakdown of the annual financial requirements for each student across the country.

Thank you, Mr. Deputy Speaker, Sir.

The Deputy Speaker (Sen. Kathuri): Thank you.

Next Order.

QUESTIONS AND STATEMENTS

The Deputy Speaker (Sen. Kathuri): Hon. Senators, we have several Statements under Standing Order No.53(1). There are four Statements from Sen. Catherine Mumma, MP.

Sen. Veronica Maina: Mr. Deputy Speaker, Sir, I will be representing her.

The Deputy Speaker (Sen. Kathuri): I understand Sen. Veronica Maina that you have the power of attorney to do that.

Sen. Veronica Maina: Yes, I do.

The Deputy Speaker (Sen. Kathuri): Proceed. You have four Statements.

Sen. Veronica Maina: Thank you. In any order, Mr. Deputy Speaker?

The Deputy Speaker (Sen. Kathuri): The Order appearing here is, first of all Health, National Security, Agriculture and the last one, Education. Nonetheless, you can just read them if they are not in that order.

STATEMENTS

DELAYED APPROVAL AND PAYMENT OF PROCEDURES IN PUBLIC AND PRIVATE FACILITIES BY SHIF

- **Sen. Veronica Maina**: Thank you, Mr. Deputy Speaker, Sir. This is a request for Statement on delays by the Social Health Insurance Fund (SHIF) in approving and paying for procedures in public facilities.
- Mr. Deputy Speaker, Sir, I rise pursuant to Standing Order No.53(1), to seek a Statement from the Standing Committee on Health regarding the levels of functionality of the new health service delivery systems under the Social Health Authority (SHA) in public and private health facilities across the country.

In the Statement, the Committee should-

(1) Provide the numbers and percentage of persons registered under the Social Health Insurance Fund (SHIF) against the total registrable persons per county;

- (2) Provide a detailed breakdown of the total funds disbursed by the SHIF as compensation to public and private health facilities per county since inception of the programme while interrogating the functionality of the different systems of registration provided for the registration of different categories of persons, as well as why the registration system for persons employed in the public service requires a payment when payments are already being deducted from the pay slip;
- (3) Interrogate the delays experienced in the approval of medical procedures in the public hospitals compared to private health facilities, outlining the factors contributing to these delays and steps being taken to streamline approval processes for timely patient care;
- (4) Explain the rationale behind the requirement for referrals from lower level health facilities for procedures that can only be performed in Level 4, 5 and 6 hospitals and clarify why private health facilities are permitted to act as both the referring and attending facility, effectively bypassing the referral system applied to public hospitals; and,
- (5) Make recommendations on the roles that can be played by different stakeholders and possible strategic interventions that the country needs to urgently take to improve the operations of the new system for better service delivery in public health facilities, including possible steps that will rapidly enhance efficiency, reduce patient backlog and ensure that vulnerable and needy citizens receive timely quality health care services.

DRUGS AND ALCOHOL ABUSE CRISIS AMONG YOUTH IN LEARNING INSTITUTIONS

- Mr. Deputy Speaker, Sir, I rise pursuant to Standing Order No.53 (1) to seek a Statement from the Standing Committee on National Security, Defence and Foreign Relations regarding the alarming crisis of drug and alcohol abuse, particularly among the youth in learning institutions. In the Statement, the Committee should-
- (1) Outline the measures the Government is taking to combat the growing prevalence of drug peddling and consumption, particularly the easy availability of ethanol and other illicit substances within universities and other learning institutions;
- (2) Provide a clear action plan, including timelines for removing bars and drug dens located near learning institutions, identifying, arresting and prosecuting drug barons who exploit vulnerable impoverished youths, including students, to distribute drugs in schools and tertiary institutions and imposing stricter penalties for non-compliance with regulations aimed at curbing drug abuse near learning institutions---

(Loud consultations)

Hon. Deputy Speaker, there is so much noise on this side. It is now sounding like a market.

The Deputy Speaker (Sen. Kathuri): Sen. Cherarkey, familiarise yourself with Standing Order No.118. For the benefit of Sen. Cherarkey, let me read it because he is notorious.

(Sen. Methu stood up in his place)

Order, Sen. Methu. He cannot even hear what the Chair is saying. I want Senators to familiarise themselves with Standing Order No.118, which states that-

"Except when passing to and from his or her seat or when speaking, every Senator when in the Chamber shall be seated, and shall not at any time stand in any of the passages and gangways."

Sen. Cherarkey and Sen. Methu, stand guided.

Proceed, Sen. Veronica Maina.

Sen. Veronica Maina: (3) Explain the role of the National Authority for the Campaigns Against Alcohol and Drug Abuse (NACADA) in ensuring that all stakeholders, including students, school administrators, parents and guardians are aware of these concerns and actively work together to address them.

GAZETTEMENT OF DOMESTICATED WATER BUFFALO AS A FOOD ANIMAL

- Mr. Speaker, Sir, I rise pursuant to Standing Order No.53 (1) to seek a Statement from the Standing Committee on Agriculture, Livestock and Fisheries regarding the gazettement of domesticated water buffalo as a food animal. In the Statement, the Committee should-
- (1) Provide justification for the declaration of domesticated water buffalo as a food animal by the Cabinet Secretary for Agriculture and Livestock Development through Gazette Notice No.977 of 31st January, 2025;
- (2) State whether due process was followed in declaring the animal as a food animal, whether the declaration was based on statistical data supporting the classification of the water buffalo as a food source animal and whether the Ministry of Agriculture and Livestock Development facilitated public participation in the matter;
- (3) Provide details on the involvement of Kenya Wildlife Services (KWS) in research leading to the declaration disclosing the period and the findings of the research as well as the participating farms;
- (4) Report on the availability of sustainable supply of domesticated water buffalo in Kenya, stating their current population and the projected annual population growth; and,
- (5) Explain the economic viability of the animal as a local food source and its potential contribution to Kenya food security and the broader national economy.

Sen. Kinyua: On a point of order, Mr. Deputy Speaker, Sir.

The Deputy Speaker (Sen. Kathuri): Before you read the last Statement, let me hear the point of order from Sen. John Kinyua.

Sen. Kinyua: Mr. Deputy Speaker, Sir, there is a lot of noise outside. I am getting worried whether people are visiting us. There was a time people were coming to *kutusalimia*. I do not know. Please, help us.

The Deputy Speaker (Sen. Kathuri): The Serjeant-at-Arms should find out what is happening. Otherwise, I also feel not safe from where I sit. He will bring back the report right away.

Proceed, Sen. Veronica.

Sen. Veronica Maina: Mr. Deputy Speaker, Sir, this is the fourth Statement.

MAINSTREAMING OF SPORTS AND TALENT DEVELOPMENT INTO CBC

- Mr. Deputy Speaker, Sir, I rise pursuant to Standing Order No.53 (1) to seek a Statement from the Standing Committee on Education regarding the mainstreaming of sports and talent development into the Competency Based Curriculum (CBC) in schools. In the Statement, the Committee should-
- (1) Outline the policies and framework established to integrate sports and talent development within the holistic approach of the CBC;
- (2) Provide details on the measures in place to ensure schools have adequate infrastructure, including training facilities and qualified tutors and coaches to nurture, mentor and guide students in sport and other creative talents; and,
- (3) State the grading scheme developed by the Kenya Institute of Curriculum Development (KICD) for sports and talent development to support the implementation of structured schemes of work across all levels of schooling.

Thank you, Mr. Deputy Speaker, Sir.

The Deputy Speaker (Sen. Kathuri): Thank you. The next Statement is by Sen. Tabitha Mutinda.

CLAIMS OF SEXUAL HARASSMENT, INTIMIDATION AND DISCRIMINATION AT KUDHEHIA

- **Sen. Tabitha Mutinda:** Thank you, Mr. Deputy Speaker, Sir. I rise pursuant to Standing Order No.53 (1) to seek a Statement from the Standing Committee of Labour and Social Welfare regarding claims of sexual harassment, intimidation and discrimination at the Kenya Union of Domestic Hotels and Educational Institutions and Hospital Workers (KUDHEHIA). In the Statement, the Committee should-
- (1) Provide an overview of sexual harassment policies in place under the KUDHEHIA;
- (2) Explain any measures in place to protect complainants and whistleblowers from victimisation:
- (3) Appraise the Senate on the status of complaints received by KUDHEHIA, highlighting how cases relating to sexual harassment, intimidation and discrimination have been handled over the last three years; and,

(4) State whether KUDHEHIA can suspend all the employment contract negotiations and Collective Bargaining Agreement (CBA) for its members until they demonstrate genuine commitment and internal capacity to effectively address issues of sexual harassment, intimidation and discrimination.

I thank you.

The Deputy Speaker (Sen. Kathuri): The next Statement is by Sen. Cherarkey, who has two Statements.

INCREASED PROTECTED HOOLIGANISM IN VARIOUS COUNTY OFFICES

Sen. Cherarkey: Thank you, Mr. Deputy Speaker, Sir. I rise pursuant to Standing Order No.53(1) to seek a Statement from the Standing Committee on National Security, Defence and Foreign Relations regarding the increase in protected hooligans operating within offices in several counties across the country.

In the Statement, the Committee should –

- (1) State the circumstances that led to the gangs and goons accessing the office of the Eldoret City Manager, Mr. Koyet, and forcefully evicting him from the office and thereafter harassing other staff in the presence of county security officers in Uasin Gishu County;
- (2) Update the Senate on the status of investigations into the Uasin Gishu County Headquarters incidents, giving reasons why the perpetrators have not been arrested to date yet, the incident happened in the full glare of cameras and highlighted the state of security for staff working in the county and other counties across the country, including Uasin Gishu County Government, and the actions they have taken;
- (3) Outline any actions taken by the police against those alleged to be the sponsors of this hooliganism, stating the number of culprits apprehended and arraigned before courts in similar incidents that took place in Nairobi, Isiolo, Nandi and Uasin Gishu County, where there have been claims of goons used in demolition, eviction, harassment and chaos within the counties, including even your county, including Meru County; and,
- (4) Explain any actions taken against officers from Nairobi City County, including the Governor of Nairobi, hon. Sakaja, who is responsible for dumping garbage at the entrance of Stima Plaza in Nairobi due to unsettled bills owed to each other; that is the County Government of Nairobi and Kenya Power and Lighting Company (KPLC), thus posing a health hazard to staff and the public after that incident.

STATE OF KAPSABET COUNTY REFERRAL HOSPITAL AND OTHER HEALTH FACILITIES IN NANDI COUNTY

Sen. Cherarkey: Mr. Deputy Speaker, Sir, I rise pursuant to Standing Order No. 53(1), to seek a Statement from the Standing Committee on Health on the state of Kapsabet County Referral Hospital and the other health facilities in Nandi County.

In the Statement, the Committee should –

- (1) Provide the current state of drug supply at Kapsabet County Referral Hospital and other health facilities in Nandi County, including details of available stock, debt owed to suppliers by the county, and existing arrangements with the suppliers for the supply of drugs and related consumables and any other supplies;
- (2) Explain the reasons behind the persistent shortage of drugs in Nandi County and more so in these facilities, which has forced patients to purchase medication from pharmacies outside the hospital;
- (3) Indicate when the County Government of Nandi last procured hospital equipment, including beds and wheelchairs, and provide details on general maintenance work, works inwards and another service area, and include the cost of ongoing repair and refurbishment of the hospital and other facilities;
- (4) Explain the status of the implementation of the Collective Bargaining Agreement (CBA) and return to work formula between the health care workers and the County Government of Nandi, and explain why the county government has failed to harmonise promotion for doctors, nurses, clinical officers, and other health workers; and,
- (5) Update the Senate on the agreements in place to address ongoing strikes by clinical officers, including those who are making noise outside there, and the shortage of health workers across the country and county, which has resulted from the recent mass dismissals, leading to the closure of key facilities, including Kabiyet Sub-County Hospital, Masaba Sub-County Hospital, Kabuchai Hospital, and Mosoriot sub-county Hospitals, which are major health facilities across the county.

I thank you, Mr. Deputy Speaker, Sir.

The Deputy Speaker (Sen. Kathuri): Sen. (Dr.) Murango, proceed. Sen. Kinyua, do you have any instructions?

CHALLENGES FACING THE TEACHERS' MEDICAL COVER

Sen. Kinyua: Mr. Deputy Speaker, Sir, on behalf of Sen. (Dr.) Murango, I rise pursuant to Standing Order No. 53(1) to seek a Statement from the Standing Committee on Education regarding the challenges facing teachers' medical cover.

The Teachers Service Commission (TSC) and the National Treasury have not remitted medical cover to the teachers' medical insurance provider, causing the provider to withdraw services. This has caused thousands of teachers and their dependants to face uncertainty as hospitals have denied them medical services.

In the Statement, the Committee should-

- (1) Explain why TSC and National Treasury have not remitted funds to teachers' medical insurance providers;
- (2) State the amount of medical insurance capitation owed to teachers' medical insurance providers and provide a timeline for settling the arrears;
- (3) Outline the reasons for the delay in providing medical bills for services rendered to teachers, which have caused unnecessary suffering and inconveniences; and,
- (4) State the measures in place by the TSC to ensure that all teachers across the country have access to medical services in accordance with their terms of engagement.

The Deputy Speaker (Sen. Kathuri): Sen. Onyonka, you have two Statements. Read them simultaneously.

EVICTION OF MRS. AGNESS KEMUMA BICHANGA FROM HER LATE HUSBAND'S LAND IN KISII COUNTY

Sen. Onyonka: Thank you, Mr. Deputy Speaker, Sir. I rise pursuant to Standing Order No. 53(1) to seek a Statement from the Committee on Lands, Environment, and Natural Resources regarding the ongoing land dispute involving Mrs. Agnes Kemuma Bichanga, a resident of <u>Chirichiro</u> Sublocation, Ibeno Location, Keumbu Sub-county, Kisii County, who has been subjected to an unjust eviction order from her late husband's parcel number Nyaribari Chache Nyanturago 894.

Mrs. Bichanga is 80 years old and a widow. She has resided on the said parcel of land for over 55 years since her marriage to the late Mr. Bichanga Nyaosi. However, following her husband's demise on 28th September, 2002 and a subsequent burial on 3rd October, 2002, a claim on this land on which Mr. Nyaosi was buried was made by a Mr. Johnson Aranga Angwenyi barely three weeks after the old man had been buried.

Mr. Johnson Aranga allegedly claimed ownership of this property without any proof. Since then, this matter has been the subject of a protracted legal battle marred by irregularities, including missing court files, suspicious land transfers, threats to the old lady, Mama Bichanga, and fraudulent dealings within the land registries of Kisi County.

In light of the foregoing, I ask, therefore, the Committee to –

- (1) investigate the records from the Ministry of Lands and the green cards on this property, which indicate multiple questionable transactions, if any, including transfers of ownership to unknown individuals and the suspicious issuance of a title deed to Mr. Angwenyi on 14th November, 2002, just two weeks after Mr. Nyaosi had died;
- (2) shed light on the circumstances that led to the referral of the case to the Keumbu Land Disputes Tribunal, explaining why the case was to proceed in the absence of Mrs. Bichanga who was beaten well, thus denying her the right to a fair hearing and clarify the subsequent enforcement of the Tribunal's decision by the Keroka Law Courts in the State of the Kisi Law Courts. Keumbu Law Courts are in Kisii County, while Keroka Law Courts are in Nyamira County.
- (3) investigate the cause and nullification of the alleged fraudulent land transactions that have led to the irregular issuance of a title deed to Mr. Angwenyi, recommending the suspension of any eviction orders against Mrs. Bichanga, pending a thorough review of the case by the relevant Government agencies, including the Ministry of Lands, Housing and Urban Development and the National Land Commission (NLC); and,
- (4) ensure that justice prevails for Mrs. Agnes Kemuma Bichanga by compelling Mr. Angwenyi to compensate her for the pain caused and any monetary costs she may have incurred in pursuit of justice while ensuring the protection of widows' land rights by enforcing existing laws that safeguard the vulnerable individuals from land possession and recommend action against any public official found complicit in facilitating such fraudulent transfers and transactions.

TRANSFER OF KISII NATIONAL POLYTECHNIC PRINCIPAL

Sen. Onyonka: Mr. Deputy Speaker, Sir, I rise, pursuant to Standing Order No.53(1) to seek a Statement from the Standing Committee on Education regarding the transfer of the principal of Kisii National Polytechnic amid allegations of financial mismanagement.

The Kisii National Polytechnic is one of the country's leading technical institutions, playing a vital role in equipping young Kenyans with technical and vocational skills. The institution has about 18,000 students. However, recent reports have raised concerns about financial mismanagement within the institution, where coincidentally the principal whom these allegations have been levelled against has just been transferred to another institution. I am sure somebody knew that this Statement was coming to this House –.

The Auditor-General's reports and other investigative findings from these institutions have highlighted significant financial discrepancies, including misappropriation of student fees, unauthorised expenditures and delays in infrastructure project completions. As a result, much needs to be explained. The abrupt transfer of the principal raises serious questions about accountability and whether this move aims to shield individuals from scrutiny who have been involved in malpractices leading to our institutions' failures.

In the Statement, the Committee should-

- (1) Establish the reasons for the principal's transfer and whether it was linked to the ongoing financial investigations within the institution;
- (2) Investigate the financial operations of the Kisii National Polytechnic over the past three financial years and, if need be, conduct a forensic audit to determine the extent of any misappropriation of funds;
- (3) Outline the measures being implemented by the Ministry of Education to enhance accountability, transparency and good governance in the institution; and,
- (4) Specify the actions in place to hold the officials of this institution accountable, including the former principal, should any of these allegations of financial mismanagement be confirmed.

Thank you, Mr. Deputy Speaker, Sir, for giving me an opportunity to seek these two Statements.

The Deputy Speaker (Sen. Kathuri): Next is Sen. Mandago.

VAT REIMBURSEMENTS TO BAKERIES AND CONFECTIONERIES

Sen. Mandago: Mr. Deputy Speaker, Sir, I rise pursuant to Standing Order No.53(1) to seek a Statement from the Standing Committee on Finance and Budget regarding Value Added Tax (VAT) reimbursements to bakeries and confectionaries. In the Statement, the Committee should-

- (1) Provide a list of all bakery and confectionary businesses registered with the Kenya Revenue Authority (KRA);
- (2) Table a report on all VAT reimbursement claims already paid for Financial Year 2023/2024 for the registered companies in the bakery and confectionary business; and.
- (3) Provide data on the total amount of VAT collected from these companies in the Financial Year 2023/2024.

The Deputy Speaker (Sen. Kathuri): I understand you have two more Statements.

Sen. Mandago: It is only one.

The Deputy Speaker (Sen. Kathuri): Fine. I can see on my screen that several Senators have lined up. Do you want to make comments on the Statements?

(An hon. Senator spoke off record)

We can spend another 25 minutes to do that. You will have two minutes each. Let us start with Sen. Oketch.

Sen. Oketch Gicheru: Mr. Deputy Speaker, Sir, I would like to support the Statement raised by Sen. Cherarkey on the state of Kapsabet County Referral Hospital and other health facilities in Nandi County.

Close to my heart is the issue of medicine. This should call for a serious inquiry into what is happening in Nandi. There are many conduit businesses happening in the hospital. It should not be that every single time we rise in this House, in every single referral hospital in this country, people are being sent to go and buy medicine from outside.

It is an issue that has been raised in this House several times. We will be losing the script if we cannot do a proper investigation. A good investigation should start with Nandi County. People are losing lives. You are diagnosed with simple illnesses but you cannot get medicine. There is no medicine because people are trading in the counties.

In Migori County Referral Hospital, people get to the hospital and they are diagnosed with simple illnesses but they are told to go and buy medicine from outside the hospital. What is happening? If the Senate does not take the action of doing a proper inquiry into this conduit that is going on where drugs are being sold by people in the counties and doctors in those hospitals, we are never going to save this country.

We also have medical interns who are outside. Sen. Cherarkey has touched on that. It also goes without saying that these medical interns constantly do operations in our hospitals---

(Sen. Oketch Gicheru's microphone was switched off)

The Deputy Speaker (Sen. Kathuri): Next is Sen. Joe Nyutu.

Sen. Joe Nyutu: Mr. Deputy Speaker, Sir, I would like to make a comment on the Statement by Sen. Catherine Mumma regarding delays in approval of payments by the

Social Health Authority (SHA). This is a matter of national concern. It is an issue we have canvassed. We have problems with SHA, but, unfortunately, everybody is denying.

On Sunday, the President himself accepted that we have problems with SHA. That means that SHA has not been processing payments. The Committee should invite everybody that has a say in this particular matter because Kenyans are dying in hospitals. Kenyans are not able to access healthcare because of problems of payment by SHA.

Mr. Deputy Speaker, Sir, allow me also to comment very fast on the Statement by Sen. (Dr.) Murango about incorporation of art and sports in the CBC. This is something important because by the end of this year, we will be transitioning leaners to Grade 10, where they will pick their pathways and specialise.

We need to know exactly the arrangements by the Ministry, so that as we place learners in their pathways, we will have guided them.

Sen. Ogola: Mr. Deputy Speaker, Sir, as I rise to support the statement by Sen. Cherarkey, I keep on asking myself for how long medics will be on the streets in this country for their issues to be addressed.

As we are seated here, those medics on the streets would have been in hospitals attending to Kenyans. I know there are patients lining up waiting for their services. The Statement must be interrogated and necessary actions be taken.

Secondly, I support the Statement by Sen. (Dr.) Murango on the challenges facing teachers' medical cover in the country. Every other day, we are debating on issues of teachers. If it is not their medical cover, it is about discrimination in their hardship allowance or some hardships that teachers go through in this country.

Not only teachers, but also even the police officers have had challenges with their medical cover. These are key public servants that provide noble services to the people of Kenya. Let the issues of teachers including their medical cover be sorted.

I have often come in handy to help certain teachers - I know all of us have done the same - when teachers are in hospital because they have difficulties accessing their medical covers.

Mr. Deputy Speaker, Sir, let us treat teachers in this country with the dignity they deserve because it is from the knowledge that they give that a number of us are even in the House of Parliament.

Sen. Okenyuri: Thank you, Mr. Deputy Speaker, Sir, for this opportunity. I support Sen. Onyonka's Statement on Mrs. Bichanga who is being evicted from her matrimonial home. This is not an isolated case in Kisii County. We have so many of similar cases, for example, in Bomachoge Chache.

I fault the Ministry on Lands, Housing and Urban Development on this because it is failing on sensitization for succession issues. So many other families in Kisii are not willing to undertake succession for lack of information.

I also support the statement by Sen. (Dr.) Murango on medical cover for teachers. Last weekend, I attended a funeral ceremony in Omosocho in Bomachoge Chache Constituency. Teachers in that funeral ceremony were crying and asking why people were dying at this time.

We do not want to be a country that only understands the language of civil strife. Let us listen to the pleas of people and act accordingly. The decisions we make in this House are life and death.

Sen. Kibwana: Thank you, Mr. Deputy Speaker, Sir. I support Sen. Tabitha Mutinda's Statement on the sexual harassment, intimidation and discrimination of the domestic workers.

It is unfortunate that issue exists in this era. It is unfortunate that our girls who go out there to work to earn their living are harassed and intimidated. We need to speak up.

Mr. Deputy Speaker, Sir, there are many trainings that have been done for such workers yet it has not helped. These issues of agents who insist on facilitating or transporting our girls out there in different countries, especially Middle East has really become an eyesore. This needs to be called to a stop.

I also support Sen. Cherarkey's statement on the shortage of health facilities at Kapsabet County Referral Hospital. When we went around during our tour with the Committee on Health, we realized hospitals do not have drugs, oxygen plant and even the gas cylinders were empty.

The Deputy Speaker (Sen. Kathuri): The time available to you is only two minutes. So, you choose what to say. Proceed Sen. Seku.

Sen. Seki: Thank you, Mr. Deputy Speaker, Sir. I also rise to support the Statement by Sen. Mutinda on the same issue of sexual harassment on staff of the institution that has been mentioned in the statement. This issue has occurred in different forms within a period of one week or so.

I remember we had a similar problem in Magadi last week. There was a very serious case where members of Kajiado area of Magadi Soda have been terrorized by Mr. Lorgali.

We really need to pray that God will intervene to our young women. Why are some men terrorizing women in this country? It is very important that people understand the need to follow the right procedure.

I also want to support the Sen. (Dr.) Murango's Statement on the teachers' medical cover. It is not just teachers, but almost the entire public service. We have a very big problem now in Kenya where police are not covered. Even where they are covered, there is no remittance of premiums to the insurance companies by Government itself.

When we had the Cabinet Secretary for Health here last week. She could not explain herself for us to understand why Government is not paying National Social Health Insurance Funds (SHIF).

Sen. Kavindu Muthama: Thank you, Mr. Deputy Speaker, Sir, for this opportunity. I want to comment on Sen. Cherarkey's Statement about the state of affairs in Kapsabet County Referral Hospital. I also want to comment on the Statement by Sen. Muma on SHA. When our people go to hospitals, they end up buying medicine. We wonder where the money we sent to counties go.

These two statements must be followed-up properly.

Others are suffering because of SHA because it is not working. It takes a long process for patients to access SHA and be treated.

Mr. Deputy Speaker, Sir, I also want to comment about the Statement of Sen. (Dr.) Murango about the teachers' insurance cover. If there are no teachers in this country, you cannot be seated there on that Speaker's Chair. Teachers do a lot of work and that is why we are here. Every institution has workers. Therefore, this issue of medical covers for teachers must be addressed.

Mr. Deputy Speaker, Sir, I also want to comment on Sen. Onyonka's Statement about the widow who was kicked out of her matrimonial home. Widows are suffering in this country. Once their husbands die, they are kicked out of their homes. This Statement must be properly interrogated if we were to protect widows in this country.

Mr. Deputy Speaker, Sir, I thank you for the opportunity

The Deputy Speaker (Sen. Kathuri): Sen. Cherarkey.

Sen. Cherarkey: Mr. Deputy Speaker, Sir, I support the Statement on the teacher's medical cover by Sen. (Dr.) Murango. I agree that teachers suffer. If they are not fighting for hardship allowance, they are fighting for medical cover. If they are not fighting for medical cover, they are fighting for the implementation of the CBC. I am happy the brand new Chairperson of the Committee on Education is in the House.

The sad thing is that when teachers retire, they use their retirement years looking for their benefits from the Teachers Service Commission (TSC). It is very unfortunate that we, as a country, are never grateful to teachers. This issue of teachers' medical cover must be addressed because there is a crisis. I know of a number of teachers who are suffering because no one is taking care of them. The TSC is supposed to be protecting teachers, but they are the oppressors. They should be facilitation them.

As the police officers protect us, their medical cover is also in chaos and it must be addressed.

I support this Statement on medical cover. Let teachers be given what rightfully belongs to them. It is not a privilege; it is a right under the Constitution.

I thank you.

The Deputy Speaker (Sen. Kathuri): Sen. Karen Nyamu.

Sen. Nyamu: Mr. Deputy Speaker, Sir, I support the Statement by Sen. Tabitha Mutinda on sexual harassment in the Kenya Union of Domestic Hotels Educational Institutions Hospitals and Allied Workers (KUDHEIHA). The Sexual Offences Act describes any sexual advances that are from a co-worker or a person who is senior to you in employment. They are supposed to know that they are unwanted or have every reason to know that the sexual advances are unwanted.

It is very unfortunate that in this day and age we are talking about this old age practice that was addressed many years ago. It has been a while since I heard such allegations.

I urge the Committee on Labour and Social Welfare to investigate this issue thoroughly and recommend charges and prosecution of the culprits. I also recommend that the Sexual Offences Act include in it, its definition of sexual harassment and sexual comments in the social media.

Today, as women, we agree that there is a lot of sexual insults on social media when you make a post on anything that has nothing to do with sex or is not even---

The Deputy Speaker (Sen. Kathuri): Sen. Mungatana Danson.

Sen. Mungatana, MGH: Bw. Naibu Spika, ningependa kutoa maoni kuhusu kauli ya Sen. Catherine Mumma kuhusu janga la madawa ya kulevya, hasa kwa vijana wetu. Wakati husika inaangalia suala hili, wajaribu pia kuangalia vile hali ilivyo, hasa wakati wa likizo. Hii ni kwa sababu wananchi wengi wanajua ya kwamba – na hasa katika kaunti yangu – watoto wanajifunza kula miraa, kuvuta sigara wakati wa likizo. Tunataka kujua wakati huu Kamati inafanya investigation yake, wajaribu pia kuangalia ni pesa ngapi zinazotumika na NACADA kwa upande wa mashule. Ni vipi ambavyo bajeti hii inaweza kutumika kwa upande wa mashule ili watoto waweze kufunzwa heshima na namna ya kuishi bila matumizi wa madawa ya kulevya.

Kuna wakati ambao, aliyekuwa makamu wa Rais, alikuwa anahusika sana na suala hili. Tungependa kujua hicho kitengo ama zile pesa ambazo alikuwa anafanya mikutano nayo, zilikuwa ni pesa ngapi, zilitumika sehemu gani – kwa sababu inaonekana kama baada ya yeye kuondoka, hiyo programme imenyamaza. Tunataka kujua nani anashughulikia suala hili la watoto wetu wakipotea kwa mambo ya madawa ya kulevya, hasa wakati shule zimefunga na watoto wako kwa likizo.

Sen. Olekina: Thank you, Mr. Deputy, Speaker, Sir. I would like to comment on two statements. Let me begin with the Statement by the distinguished Senator from Kirinyaga County regarding the status of medical cover for teachers.

Right outside, we are seeing demonstrations. Those are medical interns, doctors, who are also raising concerns about their welfare. The issue of welfare on teachers is very important. I hope that the new Chairperson of the Committee on Education will seriously take these matters of insurance. We know that insurance is where many people get money for free. So, we as the entire House, must sit down and finalise this issue of benefits.

When Sen. Cherarkey was making his submissions on the issue of teachers, he raised a very important issue. My own sister retired from the teaching service about three years--- I request for just one more minute.

Until today, she is still chasing the TSC and the National Treasury to get her pension. When she goes to the National Treasury, she is told her voucher is being prepared and she will get her money once they are through. This has never happened. We really need to think about our society. We need to be serious about how we can support our society on this matter.

I support that statement.

Secondly, let me comment on this issue of drugs not reaching hospitals. I would like to let the House know that, this afternoon, I will be meeting with the Cabinet Secretary in charge of Education, the Director of Medical Services and other stakeholders to discuss this issue of KEMSA. The issue of drugs not reaching the patients and hospitals was raised by Sen. Cherarkey.

The Deputy Speaker (Sen. Kathuri): You have 30 seconds.

Sen. Olekina: The Statement brought by Sen. Cherarkey to my Committee on Health reemphasize the issue that I raised. Many Kenyans raised the same issue as Sen. Mumma. This is the issue of KEMSA on their ability to take drugs all the way to Level 2 Hospitals. Today, we have been told there is a problem of drugs in Nandi County. Tomorrow, it will be Laikipia, Nyandarua or Kirinyaga counties. We need to come up with a solution because SHA is not working---

The Deputy Speaker (Sen. Kathuri): Sen. Nderitu John.

Sen. Kinyua: Bw. Naibu Spika, ninaunga mkono taarifa ya Sen. (Dkt.) Murango kuhusu bima ya afya ya walimu. Ni jambo la kuvunja moyo sana ikiwa walimu wetu ambao wanafanya kazi kwa bidii sana, halafu unapata hatimaye akienda hospitalini, hawezi kupata matibabu kwa sababu bima yake haijalipwa.

Sio hayo tu, taarifa iliyoletwa na Sen. Cherarkey inasema ya kwamba ukitembelea hospitali zetu hakuna dawa ilhali sisi kama Seneti tumegawa pesa na kuzipeleka katika kaunti zetu. Tunaonekana kama kwamba Seneti hatufanyi kazi yoyote kwa sababu nakumbuka juzi tu Seneta wa Narok, alileta Mswada hapa kuhusu madeni na tukapitisha lazima madeni hayo yalipwe.

Ukienda hospitalini unaambiwa, dawa haziwezi zikapelekwa na KEMSA kwa sababu madeni hayajalipwa ilhali tunaendelea kupeleka pesa katika gatuzi zetu. Inaonekana ni kama zile pesa hazifanyi kazi ambayo zinapaswa kufanya.

Kuna taarifa iliyoletwa na Sen. Mumma kuhusu mambo ya madawa ya kulevya na mihadarati. Seneta mmoja ameuliza kama aliyekuwa naibu wa Rais, Rigathi Gachagua, alienda na ile kikapu cha pesa aliyokuwa anatumia kupigana na mihadarati. Kwa hivyo---

Sen. Faki: Asante, Bw. Naibu Spika, kwa kunipa fursa hii kuchangia taarifa iliyoletwa Bungeni na Sen. Mumma. Madawa ya kulevya ni janga ambalo limekumba nchi yetu kwa muda mrefu, hasa kaunti za pwani. Ukienda Mombasa, utapata madawa yameathiri vijana wengi. Hao huanza na madawa madogo kama *muguka* na zinginezo.

Kwa hivyo, ipo haja ya kupambana na janga hili kikamilifu. Naibu Rais wa zamani alikuja Mombasa *akalaunch* vita dhidi ya madawa ilhali ilikuwa ni kama upepo wa kupita. Hii ni kwa sababu hatujaona jambo lolote kubwa ambalo limefanyika ili kupambana na madawa hayo baada ya uzinduzi huo.

Serikali imeanzisha vituo vya kutibu wagonjwa kama ile ilioko kule Miritini. Pia, Serikali ya Kaunti ya Mombasa iko na kituo pale Frere Town lakini vituo hivyo havitoshi. Inapaswa swala hili liangaliwe zaidi kwa sababu hayo madawa bado yanauzwa katika hivyo vituo.

Mambo ya usalama ni kazi ya Serikali kuu. Kwa hivyo, serikali za kaunti haziwezi kufanya lolote kupambana na mihadarati kikamilifu ikiwa polisi hawafanyi kazi yao. Kenya haina kiwanda cha madawa. Madawa haya yanaingia kupitia mipaka yetu ilhali kuna polisi na *immigration and DCI officers*.

Kwa hivyo, bali na kamati---

The Deputy Speaker (Sen. Kathuri): That is the end of Statement Hour. We will go to the next Order.

BILLS

First Reading

THE COUNTY GOVERNMENTS ADDITIONAL ALLOCATION BILL (SENATE BILLS NO.1 of 2025)

(Order for the First Reading read – Read the First Time and ordered to be referred to the relevant Senate Committee)

Hon. Senators, I want to reorganize the business appearing in the Order Paper by using Standing Order No. 45(2).

Order No. 9, 10, 11 and 12 have been deferred.

Second Reading

THE PUBLIC FUNDRAISING APPEALS BILL (SENATE BILLS NO.36 OF 2024)

(Bill deferred)

Second Reading

THE ENVIRONMENT LAWS (AMENDMENT) BILL (SENATE BILLS NO.23 OF 2024)

(Bill deferred)

Second Reading

THE COUNTY CIVIC EDUCATION BILL (SENATE BILLS No.4 of 2024)

(Bill deferred)

MOTIONS

ADOPTION OF REPORT ON THE CONFLICT OF INTEREST BILL (NATIONAL ASSEMBLY BILLS NO.12 OF 2023)

THAT, the Senate adopts the Report of the Mediation Committee on the Conflict of Interest Bill (National Assembly Bills No. 12 of 2023), laid on the table of the Senate on Thursday, 5th December, 2024 and further that pursuant to Article

113 (2) of the Constitution and Standing Order 167(3) of the Senate, approves the mediated version of the Bill.

(Motion deferred)

The Deputy Speaker (Sen. Kathuri): We now move to Order No.13. Clerk, do we have quorum for us to put the question?

ADOPTION OF REPORT ON PETITION ON DISCRIMINATION IN PAYMENT OF HARDSHIP AND ENHANCED HOUSE ALLOWANCES TO TEACHERS IN KILIFI AND TAITA TAVETA COUNTIES

THAT, the Senate adopts the Report of the Standing Committee on Education on a Petition to the Senate regarding the discrimination by Teachers Service Commission (TSC) on payment of hardship and enhanced house allowances to some teachers in Kilifi and Taita Taveta counties, laid on the Table of the Senate on Tuesday, 8th October, 2024.

(Sen. Betty Montet on 27.2.2025)

(Resumption of debate interrupted on 27.2.2025)

(Question put and agreed to)

MOTION

The Deputy Speaker (Sen. Kathuri): Hon. Senators, we will now look at Order No. 16. We will later go back to Order Nos. 14 and 15.

ADOPTION OF REPORT ON ALLEGED FRAUDULENT DEALINGS AT DIAGEO, EABL, KENYA BREWERIES AND UDV (KENYA) LTD

The Deputy Speaker (Sen. Kathuri): Can we hear from the Chairperson of the Committee on Trade, Industrialization and Tourism? Let us hear from Sen. Okenyuri. I was almost calling out Sen. Seki.

Sen. Okenyuri: Mr. Deputy Speaker, Sir, his work still speaks for itself.

I am standing in for the Chairperson of the Committee on Trade, Industrialisation and Tourism. We are looking at the Petition concerning fraudulent dealings at Diageo PLC, East African Breweries Limited, Kenya Breweries and UDV (Kenya) Limited submitted by Sen. Wakili on behalf of Mr. Rono Nicholas from Bomet County.

The mandate and establishment of the Committee under Article 124 of the Constitution of Kenya provides for the establishment of Committees where each House of Parliament---

The Deputy Speaker (Sen. Kathuri): Sen. Okenyuri, you are to first move the Motion.

Sen. Okenyuri: Mr. Deputy Speaker, Sir, I want to move this Motion by actually a background.

The Deputy Speaker (Sen. Kathuri): Get assistance from the clerks-at-the-Table. **Sen. Okenyuri**: Okay.

(Sen. Okenyuri consulted the Clerks-at-the-Table)

Sen. Okenyuri: Thank you, Mr. Deputy Speaker, Sir. I beg to move the following Motion-

THAT the Senate adopts the Report of the Standing Committee on Trade, Industrialization and Tourism on a Petition to the Senate regarding alleged fraudulent dealings at Diageo PLC, East African Breweries Limited, Kenya Breweries and UDV (Kenya) Limited, laid on the Table of the Senate on Thursday, 5th December, 2024.

Now that I have moved the Motion, I want to give a background of this Petition. At a sitting held on 30th May, 2023, a Petition was reported by Sen. Wakili on behalf of the Petitioner, Mr. Rono Nicholas, from Bomet County, pursuant to Standing Order No. 236(2).

Specifically, the petitioner was highlighting the following:

- (1) That there has been controversial majority acquisition of shares of East Africa Breweries Limited (EABL) by Guinness Public Limited Company (PLC) in 2000, which was strongly resisted by the people of the Republic of Kenya through Parliament.
- (2) The other concern was having knowledge of the dealings at Capital Markets Authority (CMA), the Kenya Revenue Authority (KRA), the National Treasury and EABL have not acted to correct or stop fraudulent activities of shareholding and acquisitions.
- (3) To deflect some of the backlash, Guinness PLC made a pledge to cede back most of the acquired shares to Kenyans in due course.
- (4) Recent acquisition of the extra 15 per cent in EABL is a fraud upon the people of Kenya as the shares are being acquired for an onward transfer to a new buyer at a much higher value for the benefit of shareholders and to the detriment of Kenyan shareholders who will be denied the benefit of the higher price that Diageo will get from onward sale shortly.
- (5) Employees of EABL have been bullied, coerced, threatened and otherwise intimidated to sell their share options to Diageo PLC, which is against the laws of Kenya.
- (6) There was an onward sale of Diageo interest in EABL as agreed with Heineken /Castle Group. Purchase of an additional 15 per cent shares is meant to ensure that Heineken /Castle Group has a controlling stake in EABL after the onward sale.
- (7) The Kenya Breweries Limited (KBL), which was locally owned, possessed massive real estate in Kenya that comprised staff houses and complexes, go-downs, warehouses, factories and other assets that had employed over 6,000 Kenyans.

- (8) EABL has corruptly disposed most of its properties and repatriated the sale proceeds to Diageo PLC. EABL is now a mere shell of itself, employing a paltry 600 employees.
- (9) Finally, the petitioner had made efforts to have this matter addressed by relevant authorities, but all of which have been unsuccessful. This matter was not pending before any court of law or any constitutional body.
- (10) The petitioner, therefore, prayed that the Senate investigate with view to recommending amendments to the Capital Markets Authority Act to cushion the shareholders from future manipulation.

The Committee acknowledged the contribution by the petitioner, CMA, EABL, Competition Authority of Kenya (CAK) and the KRA for their detailed submission to the committee, which made consideration of the Petition a success.

Further, the Committee thanks the offices of the Speaker and the Clerk of the Senate for the support extended to the Committee in execution of its mandate. I also appreciate Members of the committee for their patience, sacrifice and commitment to public service, which enabled the Committee to complete the assigned task.

To enable a judicious disposal of the Petition, the Committee conducted an investigation and engaged with all relevant institutions and persons of interest in addressing issues raised in the Petition as follows. We had the petitioner, the Capital Markets Authority, Competition Authority of Kenya, KRA and the KBL. The following are the submissions we drew as Members of the Committee.

- (a) With respect to the 1997 EABL acquisition by Guinness PLC; EABL sought to raise Kshs1.5 billion from existing shareholders through a rights issue. At that time, the Guinness PLC held 25.06 per cent of the ordinary shares of EABL and was the underwriter for the rights issue. Subsequently, the shareholding of Guinness PLC increased to 46 per cent thereby making it the largest single shareholder in EABL.
- (b) Following an internal reorganization in 2000, Diageo Kenya, a subsidiary of the Diageo PLC, increased its shareholding in EABL to 50.03 per cent through the consolidation of shares from Guinness Overseas Holdings Limited and Diageo Holdings Netherlands BV with no change in beneficial ownership.
- (c) In October 2022, Diageo PLC announced plans to raise its stake in EABL from 50.03 per cent to 65 per cent. The CMA approved this acquisition on 23rd January, 2023, which reduced local shareholding in EABL to 35 per cent.
- (d) The tender offer was oversubscribed, receiving requests for 143.52 million shares against the 118.39 million that were sought. The attractive offer included eligibility for an interim dividend of Kshs3.50 per share.
- (e) Diageo's acquisition of additional 14.97 per cent stake did not classify as a merger under the Competition Act, since this did not change beneficial ownership. Diageo was already a majority shareholder.
- (f) In Kenya's alcoholic beverage sector, where there are no statutory limits on foreign ownership, Diageo's increased to a 16 per cent stake control without restrictions and there being no evidence that Diageo Kenya intended to acquire shares of resale to Heineken /Castle Group or any other buyer.

- (g) EABL has sold several assets as part of its realignment strategy. However, allegations that these sales were to finance operations remain unproven.
- (h) The CAK received complaints regarding anti-competitive practices by KBL and EABL, holding 90 per cent and necessitating stricter enforcement of penalties under Competition Act.
- (i) EABL has unresolved task disputes with the KRA and at various stages, but there are no pending disputes involving Diageo PLC.

The Committee then recommends that-

- (1) The CMA to monitor compliance with the capital markets that public offers, listings and disclosures under Regulations 2023 and within six months of tabling of this Report, submit a report to the Committee on the status of implementation and compliance with the said regulations.
- (2) The CMA engages and sensitizes the public on the provisions of the regulations in (i) above and demonstrates the initiatives taken in this regard in the report to be submitted to the Committee.
- (3) The CAK should enforce the pecuniary penalty outlined under Section 24(3) of the Competition Act of 2010 for abuse of dominant position to deter breach of competition rules and promote fair marketing practices for all players.
- (4) Enforcement of the pecuniary penalty is likely to be more expedient and deterring repeated abuse of dominance.
- (5) The CAK, within six months of tabling of this report, submits a report to the Senate on reported cases of abuse of dominant position in the period between 2023 to 2024 and the respective measures and decisions taken by the Authority to resolve the cases.
- Mr. Deputy Speaker, Sir, it is now my pleasant duty and privilege on behalf of the Committee to present this Report of the Standing Committee on Trade, Industrialisation and Tourism on its consideration of the Petition by Mr. Rono Nicholas concerning fraudulent shareholding activities and illegal acquisition of EABL by Diageo PLC.

The Report is signed by the Senate Standing Committee on Trade, Tourism, and Industrialisation. I thank you.

The Deputy Speaker (Sen. Kathuri): Who is seconding your Motion?

Sen. Okenyuri: Mr. Deputy Speaker, Sir, allow me to request Sen. Cherarkey to second this Motion.

The Deputy Speaker (Sen. Kathuri): Sen. Cherarkey, kindly proceed.

Sen. Cherarkey: Thank you, Mr. Deputy Speaker, Sir. As I rise to second, I want to commend the new Vice-Chairperson of the Standing Committee on Trade, Industrialization and Tourism, Sen. Esther Okenyuri. She is doing a good job. She just landed the other day as the Vice-Chairperson. I was told that she was elected unopposed.

The issue of East Africa Breweries Limited (EABL) is very critical. EABL is one of our trademarks. I remember when I was growing up, one of the products that EABL produces had a slogan "baada ya kazi." There was decency in the consumption of alcohol. At that time, the market had not been infiltrated by interesting organisations. EABL is one of the renowned companies in this country. It is synonymous with Kenya.

There is a funny story, as I second and make a few comments, on this issue of shareholding and management of EABL and Guinness.

[The Deputy Speaker (Sen. Kathuri) left the Chair]

[The Temporary Speaker (Sen. Veronica Maina) in the Chair]

Madam Temporary Speaker, so that you know, EABL is synonymous with Kenya. A preacher came from America and had dinner with a colleague who is also a pastor. After eating, he said he would want to wind it down with a Tusker. Everybody in the room was shocked because where they come from, issues of taking something light like a Tusker are not an issue.

Compliance by CMA on these regulations within six months is the role of the Committee on Delegated Legislation. Therefore, it should come up through the CMA. On the regulations, we should be careful.

As we implement all these issues in the establishment, including majority acquisition, we must have decency under the Companies Act. There is a process through the CMA and the Companies Act. Therefore, the acquisition must be done within the law because this is a public trading company. Therefore, the shareholders and Kenyans have a role to play. This is one of the companies that the Kenyan Government has shares through the National Treasury and Economic Planning.

Madam Temporary Speaker, the issue of fraudulent acquisition of shares by Guinness should be looked into so that the acquisition can be done properly. We do want a situation where people are getting more than 50 per cent acquisition contrary to the Companies Act. This means they have the majority shareholding of that company. Shares should not be optional.

Remember we had the Initial Public Offer (IPO). We should not intimidate employees or people who own EABL shares or any other company. Do you remember when Safaricom made public sales of the shares through the IPO? It should have been within the freedom and the will of the people.

We want EABL to be functional by the law, so that they produce more decent and safe drinks. What has happened now is that the alcoholic drinks market has been infiltrated. In Nandi County and across the country, there is proliferation of illicit brews, which are destroying the lives of many young people. It is affecting their health and making them sterile. They can neither give birth nor procreate. The role of the man is to protect, promote and procreate. The future of this country is bleak, when you have young men who are shooting blanks. They cannot procreate because the illicit brew that is being sold does not meet acceptable standards. This is why we are questioning this matter.

I thank the Committee and the CMA for their recommendations. Shareholding and sale of shares should be done above board. We want EABL to produce more affordable drinks, even for the people who do not have money. There are reasons why people consume *chang'aa* and other illicit brews. For example, in Nandi County, people are drinking illicit brews, which are destroying their health. If you meet these people,

they have grown fat. It is not because they have eaten food, but because of the alcohol poison that is being sold in this country.

Murang'a County, where you, Madam Temporary Speaker and Sen. Joe Nyutu come from, has also become a victim of this vice. I want to advise him. As he talks about the ills and criticizes the Government on how the country should be run, he should also be pushing for safe and clean alcoholic drinks within Murang'a and across the country. We do not need to have double standards.

I am happy that he is talking about how the SHA and the country should run. However, he should not forget that many young people in Murang'a and across the country are suffering because of consuming illicit brews that do not meet acceptable safety standards.

We want EABL to be run within the law and regulations. I do not want to say cheap products, but they should produce affordable drinks that do not affect people's health.

On matters of acquisition, I think the CMA should be in place. I am disappointed because all these organisations, including CMA, the Competition Authority of Kenya (CAK) and the Confederation of Protection of Consumers (COFEC) have been given powers. However, we have left the Competition Authority, protection of shares and running of our companies to the big fish to take advantage of the situation.

Locally, EABL has employed over 6,000 Kenyans, including employees and distributors. I have seen the proprietor who is also the Deputy Majority Leader and the Senator of Nakuru, here. She understands better the business of selling alcohol and matters of distribution.

We want EABL to be run above board, but not also to kill upcoming industries. There is still a market that can be filled. These 6,000 employees also include distributors. I remember the yesteryear billionaires of this country were interestingly EABL distributors. Therefore, this 6,000 workforce must be protected at all costs through the law. We should ensure that we do not sell it to international companies. When you go to Tanzania, for example, when you want to set up a business, the Tanzanian Government will never allow you to have the majority shareholding.

You understand because you are a senior counsel in this country. What is the Attorney General (AG) of the Republic of Kenya doing? Where are the company laws? We are very clear that no foreigner should own more than 50 per cent of a locally owned company. It is the law. How do you allow multinational companies to come and buy out companies similar to what is happening in Kericho? Can you believe that some of these tea estates and other estates such as Del Monte, the majority of shareholders are people who live in London, America or other countries? That is why we have problems in compensation and running of these companies. It is very sad. We might say Tanzania is weak economically, but they have a protectionist mechanism.

Madam Temporary Speaker, with your indulgence under Standing Order No.1, this free liberal market, *yaani Soko huru*, is not very good. We should not allow this. I recommend that these two companies; Diageo Kenya and Guinness, which acquired publicly traded shares to be followed.

I warn companies on this issue of insider trading, they must meet the regulations. The Capital Markets Authority (CMA) is the regulatory body. What are they doing? This is their job. Our business in the Senate is to pass the law. The implementers must do their job. I have told you the reason some of us are pushing to ensure that East Africa Breweries Limited (EABL) is run above board. Most of our young people are dying because the alcohol that is being sold in market does not meet the health standards, be it of consumption or even the functionality of the human body.

I want to challenge the Committee on Trade, Industrialisation and Tourism, through the Vice Chair, let us also invite EABL. You should form an inquiry. I am told they are selling assets. They are also doing contractual farming. This is where they come to your farm and do contracting farming for you to produce barley, which is majorly used for processing alcohol. Consequently, on contract farming, we must be told what EABL is doing. I have met farmers who feel that they were contracted by EABL to do barley, but after some time, their contract has never been honoured.

On the issue of distribution and asset sale, we are aware that EABL has sold a lot of assets, but this is a public-traded company. They should be accountable for how many assets there is, for instance, the Kenya Railways. I was here the other day on the issue of Kenya Railways. Kenya Railways is a public company, but the Managing Director (MD) and management of Kenya Railways are running it like a personal property. They are leasing the property of Kenya Railways in major towns. The only advantage of Kenya Railways is that they have a lot of land. Thus, these public-traded companies must be held accountable. Under the principle of company law, it can lead to a position where we are lifting the veil.

As I wish the Party Leader of United Democratic Movement (UDM) Sen. (Cap.) Ali Roba and other Muslims all the best during this Holy month of Ramadan, we must lift the veil. This is a principle in law that you and I understand very well. Of course, our lecturer, the Senior Deputy Clerk (SDC) Gichangi, understands this; that we must lift the veil to know what this is. This is why we have destroyed the economy. The moment you do no lift the veil, you will never know the insider trading, corruption and bad governance within the companies. Sen. Mungatana will tell you corporate governance of running companies is a bigger challenge going into the future.

Madam Temporary Speaker, on the issue of tax, the Kenya Revenue Authority (KRA) should be on high alert as we trade and as shares are being sold. The Members of the Committee on Finance and Budget are here and we are told from the Budget Policy Statement that the budget of Kenya is Kshs4.2 trillion. I am told KRA is projecting to collect almost Kshs3trillion in terms of taxes. The public debt is more than Kshs10.5 trillion and we are paying Kshs1 trillion or more. It means Kenya in the Financial Year 2025/2026 will have a budget deficit. Therefore, we cannot allow such companies to get away in terms of share trading without taxes being paid to KRA, so that we can have revenue. You can see the Government has a lot of pressure to develop the country.

I want to thank His Excellency the President because on Thursday, we were launching Koitalel Samoei University in Nandi Hills Town. The reason it was delayed is because of lack of funding. We were looking towards constructing a University Called Koitalel Samoei University, who is one of our legends in Nandi and across the Kalenjin

Community. He was also a freedom fighter and we are building a new university in Nandi Hills Town, that will be used for many things. For example, in Nandi, we need many tarmac roads and in many other areas. Nonetheless, KRA must be on high alert to allow the companies to pay taxes in terms of transactions that we are talking about.

I want to challenge the Committee on Trade, Industrialisation and Tourism to come up with these regulations and ensure that there is compliance through the capital markets, public offers, listing and disclosures. The companies must disclose. Therefore, EABL cannot run away from this trading. They must be held accountable. They must pay taxes and tell Kenyans what EABL is doing because it is a public company. The Government has shares and the public must be aware of its runnings.

Madam Temporary Speaker, within these six months, they should ensure that there are measures to be taken. Therefore, I challenge the Capital Markets Authority to take charge and the Competition Authority of Kenya should ensure that there is fair competition and fair market practises within this sector and any other companies which might want to do trading in the country.

It is a pleasure to second this Motion that came through the Petition by Mr. Nicholas Rono.

I want to thank the membership of the Committee; the old and the new membership. I saw the former Chair and I would want to hear his thoughts because, largely, most of this work was done by the previous Committee on Trade and Industrialisation.

With all those many remarks - I do not want to say in the tradition of Kenya, few remarks - I beg to second.

The Temporary Speaker (Sen. Veronica Maina): Thank you.

(Question proposed)

I will now call upon Sen. Danson Mungatana to contribute to this Motion.

Sen. Mungatana, MGH: I want to thank you, Madam Temporary Speaker, for giving me the opportunity to make comments on this Petition and Motion that is before the House.

What this Petitioner, Mr. Rono Nicholas, is petitioning this Senate is a complaint of the failure by the Capital Markets Authority and Competition Authority of Kenya, on what their decisions or lack of it, are costing the people on the ground. I know what Mr. Rono is talking about. He has said there were 6,000 employees in the EABL. Now, it is a shell with only 600 employees or thereabouts.

When I was very young, I grew up in Mombasa. One of the big companies in Mombasa and big employers was the Kenya Breweries Limited (KBL). When we were growing up, my father even left the Government to come and work in the medical department of the KBL. Consequently, I know when I say that KBL was a big employer and a beacon of light in the economy of Mombasa.

It is true, like what this Petition says, that it owned real estates and a lot property. In fact, senior employees were carried by vehicles to work and people used to live in big estates. It was a happy time. Thereafter, restructuring started to happen. By then, our

parents had already retired. Nevertheless, when you look at it, pain has been caused to many people there. People who were earning good money and in very stable economic environment, all of a sudden, have nothing. There is no prospect of going to get even half the salaries from any other opportunities that may exist in Mombasa.

Madam Temporary Speaker, there were buses and bottling companies that used to come and go to the East African Plant. There were repair people and those who used to sell fuel and diesel to keep the company. The Kenya Power and Lighting Company (KPLC) used to earn a living plus all the fees we got from that company. When I became a little older and visited that place, which was bustling with life, I was shocked to find out that it is completely dead with old dilapidated buildings. Many of us who grew up knowing Kenya Breweries Limited (KBL), it had a very strong football team in the entire Mombasa Town. Therefore, this is a failure on the Capital Markets Authority (CMA).

I hope that the Cabinet Secretary for Investments, Trade and Industry is listening where he is, that the people there make approval of transfer of shares and that the Chief Executive Officer (CEO) does not go down to where these companies are. They just approve purchase of shares and then people lose jobs. Those who are trading with KBL lost their jobs. The business people who were sustaining life and limb lost all those business opportunities. The CMA sitting in Nairobi just to approve the transfer of shares without moving to where these companies were producing or the principle of public participation. I entirely agree that we need to look at this law again.

My colleague has mentioned that the economies within East Africa have regulations on how people from outside can buy shares into companies in this country. Even if the owners of those companies are making money, how can it be that because of your greed, you sell a company and then 6,000 people become unemployed? The CMA sitting in Nairobi does not bother to go to Mombasa or Nairobi to see what is happening. They look at papers and approve to let Diageo buy the company, and then people become jobless. It is heartless.

This Petition by Mr. Nicholas Rono should trigger something within the soul of Kenya; that it is not just about making money even for the people who start companies. The employees must be protected and people trading with those companies must be protected, especially when these companies become very big. I agree that we need to look afresh at the CMA. The CEO and the people who approved the killing of industry within Kenya by looking at papers and approving shares in Nairobi, shame on you for creating poverty amongst families as people become millionaires and take golden parachutes and go home.

Madam Temporary Speaker, I firmly agree that we need to look at the Capital Markets Authority Act and act on it. We need to protect the small people who are making a living out of these companies that are traded, shares are changed and then effectively companies are killed.

Another major recommendation is about the Competition Authority of Kenya (CAK). I have had the fortune of serving at the Regional Authority on competition matters. I have served as a Commissioner for six years in the Common Market for Eastern and Southern Africa (COMESA) Competition Commission. This is the equivalent of the CAK at the regional level. I am shocked that the CAK has received

complaints on abuse of dominant position in the market and they have done nothing. According to this Report, the CAK has received reports of abuse of dominant position by the EABL and yet they have done nothing about it.

Madam Temporary Speaker, how can it be that a market player in Kenya today can abuse its dominant authority and position within the market against the Competition Authority of Kenya Act and then nothing happens? The Petitioner, Mr. Rono, is saying that something is seriously very wrong even in the CAK. Abuse of dominant position in simple terms means that you have a controlling or substantive share of the market within a country or region, and then you use your position to exercise your power and promote anti-competitive behaviour within the market.

What does that mean? Since you have the dominant position, you go and force people to buy only your products and not another product, so that distributors are tied up. This is called tying up agreements. Sometimes, you abuse your dominant position by knowing that you have the money, the market share and the dominant position within the market share of the country or region. Then, what do you do? You kill competition by doing something called predatory pricing. You underprice not because of anything good or you want to help the market grow, but so that you can kill any competition.

Madam Temporary Speaker, in this Petition, the East African Breweries Limited (EABL) has been accused of abusing their dominant position. They have underpriced, done tying agreements to make distributors only sell what they want and done criminal activities in the market in Kenya today, yet the CAK is seated there. In this recommendation in part (d), they are saying-

"The Competition Authority of Kenya within six months of the tabling of this report, submit a report to the Senate on the reported cases of abuse of dominance from 2023 to 2024 and the respective measures and decisions taken by the Authority to resolve those cases."

What is the petitioner, Mr. Rono, saying? He is saying that the CAK is not doing its job. It is sleeping on its job that a petitioner has to come to the Standing Committee on Trade, Industrialization and Tourism of the Senate to make the CAK do its job.

I hope that the CEO is listening to me. If you are not listening to me, wake up. I hope the Principal Secretary will come and talk to you. You need to wake up. A Kenyan does not need to come to the Senate to make you do your work. What does it mean? It means these people have complained to the Authority, but they have done nothing.

Madam Temporary Speaker, this Petition and the recommendation of the Senate is an indictment on the CMA and its operations. How can you kill the local industry and feel nothing about it? It is an indictment on the CAK and you are given six months to report. Abuse of dominant position is happening in Kenya and you are doing nothing; that a petitioner has to move the Senate for you to do anything.

I would have gone further in my recommendation that the CEO of the CMA and CAK plus their boards must be investigated. The Cabinet Secretary listening to me today, can you do something about the board? I know that the CAK and CMA have boards. If the Government of Kenya has shares and directors there, the boards must be reconstituted. A petitioner cannot come to the Senate to make you do your work. It means

you do not want to do the work or are in compromised positions. It is a shame. In real terms, we are talking about 6,000 people that have been sent home, when they should not.

If someone had sat down to say, "Wait a minute, what does the transfer of these shares mean?" The worst thing is that they are transferring these shares to a company that is not Kenyan - an expatriate company.

The brewery company that is taking over all these shares is a South African company. We are not saying we cannot trade, but you cannot acquire majority shares, then you start making decisions that are killing the economy of Kenya; decisions that are having such a negative impact on our people and the economy of this country.

The Capital Markets Authority (CMA) is just there, seated, proceeding to approve. The Competition Authority of Kenya is just there, seated, not taking action against the abuse of the dominant position. I pray that this Report will be implemented in the letter and that action will be taken.

I pray that in furtherance of this Report, the Cabinet Secretary, the Principal Secretary, and those in the Ministry of Trade, Investment and Industrialisation will be required to take action to protect our people. You know, someone is just sitting, looking at their company. They have seen they are making money, their sales are doing well, and then they see they are being told to go home. This is just terrible. The accountant and the small-time management of these companies cannot explain why they are making so much money, and then they are told to go home because the company is being closed.

We need to take these authorities, who have been given the mandate to help create jobs and manage the economy, to task. These people must be punished. This Report goes on to say that the Competition Authority of Kenya should enforce the pecuniary penalty outlined under Section 24(3) of the Competition Act 2010 of Kenya.

How can it be that the Senate must sit to tell you what punishment you must execute against those who are creating trouble within the market in Kenya? This is terrible. I was putting this thing in perspective so that people could see that these guys were sleeping on their jobs, and the Cabinet Secretary should wake up and bring disciplinary action against the board of the Competition Authority and the Capital Markets Authority of Kenya.

These people are not protecting Kenyans; they are just called the Capital Markets Authority of Kenya, and they are not protecting Kenya. Competition Authority of Kenya and you are not protecting Kenyans! People are suffering here. Those small people cannot understand that it is the approvals of the transfer of shares and things they cannot even fathom. They only know that they are being paid Kshs50,000, Kshs30,000 or Kshs100,000 and taking care of their families.

Madam Temporary Speaker, let us be patriotic about our country, grow this economy, and not put people in charge of the Capital Markets Authority who are killing economies.

Why should you approve the selling of shares just to kill people's jobs? Why can you not be conscientious enough to visit and see what it means? Why can you not engage in public participation so that people can see that you are listening to them and that you hear them from the ground and not just the owners of the company? After all, the

company is not just the owners. It is not just the directors. There are workers and management involved.

Why did the Capital Markets Authority not make it its business to go down before approving these transfers of shares? Why did it not just go down to see who would be affected? Why did it not do public participation?

The recommendations here are strong. I hope that the Committee will take time to bring the necessary amendments to the Capital Markets Authority Act and the regulations so that at least one requirement will be met. The board must visit to see what the impact of their action is when they approve this. How many Kenyans are going to lose their jobs? What guarantees are being given to those who are working in case there is a change of ownership? Why should we make people suffer so much?

I pray that this Committee will take serious follow-up action on this matter. I pray that this Committee will even write to the Cabinet Secretary and the Principal Secretary to take follow-up action on these two institutions; the Capital Markets Authority and the Competition Authority of Kenya, so that they can start being sensitive to what Kenyans are suffering.

With those many remarks, I thank the Committee on Trade, Industrialisation and Tourism for taking the time to listen to Mr. Rono's petition. I congratulate Mr. Nicholas Rono, who has taken his time to bring to the minds of Kenya what is happening inside the markets in this country, the dirt that is going on, and the oppression of the common people who are doing these jobs in these companies around Kenya.

I support this Report of the Committee.

The Temporary Speaker (Sen. Veronica Maina): Thank you. Sen. Mungatana. I see there are no other Senators who intend to contribute to this Motion. So, I will call upon the Mover of this Motion, Sen. Okenyuri, to reply.

Sen. Okenyuri: Thank you, Madam Temporary Speaker. First of all, I want to thank Sen. Cherargei, who seconded this Motion.

He insightfully discussed the major recommendations proposed by Members of this Committee. He surely has grasped the issues that the petitioner, Mr. Nicholas Rono, was raising.

I also want to thank Sen. Mungatana, the Tana River Senator, who has passionately spoken about the situation as it is. You can see the man-eat-man society we are in. In Swahili, if I say it, *Shamba La Wanyama is* well displayed by the contributions of the Tana River Senator. I want to thank the Members of the Committee led by the outgoing Chairperson, Sen. Seki, who led this Committee in investigating and listening to submissions by the different stakeholders who were captured in this Petition.

I want to thank them especially for taking their time and considering how lengthy and weighty this matter was. I just wanted to add a few comments.

From the recommendations, you see that it is six months long, and I am still a Member of that Committee and Vice Chairperson.

I want to commit that as a Vice Chairperson of this Committee led by the Chair, we are surely going to ensure that we follow up for six months. Even before the six months, we want to follow up so that we know if whatever proposals we made are being

looked at. We do not want majority companies to suppress small shareholders and big companies to suppress small shareholders in those companies.

Allow me at this point; I just want to beg you to reply.

Pursuant to Standing Order No. 66(3). I request that putting of the question be deferred to another day.

Thank you.

The Temporary Speaker (Sen. Veronica Maina): Thank you, Sen. Okenyuri. The putting of question is deferred to the next sitting of this House. That will be tomorrow if the Order Paper allows.

(Putting of the question on the Motion deferred)

ADOPTION OF REPORT ON THE INTRODUCTION OF THE HOSPITALITY PROFESSIONALS BILL

The Temporary Speaker (Sen. Veronica Maina): Sen. Okenyuri, are you still the one presenting the Report on behalf of the Chairperson?

You may proceed.

Sen. Okenyuri: Thank you, Madam Temporary Speaker. I beg to move—THAT the Senate adopts the report of the Standing Committee on Trade. Industrialisation and Tourism on a petition to the Senate on the

Trade, Industrialisation and Tourism on a petition to the Senate on the need for the introduction of the Hospitality Professionals Bill, laid on the Table of the Senate on Thursday, 5th December, 2024.

Madam Temporary Speaker, I request Sen. Mungatana to second.

Sen. Mungatana, MGH: Madam Temporary Speaker, if you can remember, there was a time--- First of all, I beg to second.

There is a time that Human Resource (HR) practitioners never used to have a professional body. I remember many years ago when we were serving in the National Assembly, HR practitioners approached us and said that there are lawyers, quantity surveyors, doctors and so on and so forth. All these are old and well established professions.

The HR profession has come of age in this country and in other jurisdictions. The HR practitioners have their own boards. They ensure ethical standards and such kind of things. They requested us to help them have this law in place. I cannot recall exactly which Member of Parliament (MP) was working on that, but I actively participated in bringing up the law that created a professional body for HR practitioners.

In this case, we are speaking about professionals in the hospitality industry and Kenya is well known. If you go to many East African countries, you will find that professionals who are running those big hotels are from Kenya.

Madam Temporary Speaker, you will remember that a few years ago when we went to South Sudan for the games, in most of those hotels, managers, assistant managers and caterers were people who were trained at the Kenya Utalii College here. During its heydays, the Kenya Utalii College used to produce many professionals who have gone to serve with distinction across East Africa and the rest of Africa.

The hospitality profession needs to have its own board, so that they have professional and ethical standards. This is a good step towards giving these people professional independence. I am saying so because as it stands now, the hospitality profession is regulated by the Kenya Tourism Board (KTB) which oversees the tourism and hospitality sector. It is also affected by the Tourism Regulatory Authority (TRA), which is responsible for licensing and regulating tourism and hospitality businesses.

The KTB comprises people who may not necessarily be professionals in the hospitality industry. That includes the management. People who sit on the board may not necessarily be professionals in that field. Can you imagine being a professional chef, hotel manager in charge of cleaning and supervising, or a matron? Can you imagine having been a chef for the past 30 years, yet the person regulating your profession is never associated with it, but since they are a member of the KTB, they are the ones controlling you? That state of affairs should not be encouraged.

Madam Temporary Speaker, I fully support this idea. As I second this Motion, I pray that the Senate will support it, so that Kenyans in this profession feel that they belong because they will be in charge of their own profession. When there are misconducts within the hotel industry, they will punish people involved.

Not so long ago, we were speaking in this Senate about some people. I do not want to mention their names, but they are of foreign extraction. They mistreated Kenyans just because of the skin colour and therefore they were not given access to their hotel or restaurant. The Governor of Nairobi City County had to revoke a licence because of that misconduct.

Such people should be punished by ethical standards within the hospitality industry. They should be indicted by professionals within that practice. It is not the place of a governor to bring discipline to the hospitality industry. The industry can self-regulate, just like the legal, media and medical professions and so on and so forth.

This is a good step towards professionalising the hospitality industry. With those many remarks, I want to congratulate the Mover and the Committee for the good work done.

Madam Temporary Speaker, I beg to second.

The Temporary Speaker (Sen. Veronica Maina): Hon. Senators, I will now propose the question.

(Question proposed)

I can see there are Senators who intend to contribute to this Motion. Let us start with Sen. Nyamu.

Sen. Nyamu: Madam Temporary Speaker, I rise to support the Motion. There exists a lacuna in the law, where hospitality professionals do not have any legal framework to operate under. I support that they should have a professional association to operate under, where their interests can be taken care of.

It is interesting that all this time, they have been operating without an association, given the fact that they contribute significantly to our economy and the Gross Domestic

Product (GDP) of the country. In my view, this legislative proposal is an excellent one and I support it.

With those few remarks, Madam Temporary Speaker, I beg to support.

The Temporary Speaker (Sen. Veronica Maina): Thank you, Sen. Nyamu. Sen. Maanzo, do you want to contribute to this Motion on the hospitality professionals?

You may proceed Sen. Dan Maanzo.

Sen. Maanzo: Thank you, Madam Temporary Speaker. This is resulting out of a petition. Hospitality is a very key earner of foreign exchange into our country. It has to be organized in such a way that at all material times, visitors from other country feel free to come to our country.

There was a time we had a little bit of political turmoil and many people had booked hotels, cancelled and flew to Seychelles instead of coming to our country. Therefore, owing to the petition, then that will end up into a Bill and we will be able to put a framework whereby at all material times, we vitiate factors which make sure that people do not visit our country.

We have to maximize on how hospitality is run in the country, so that there is fair competition and that at all times, visitors feel welcome to our country. That we can continue our new foreign exchange and our country as a destination becomes more and more popular.

I support.

The Temporary Speaker (Sen. Veronica Maina): I now call upon the Mover of this Motion to reply.

Sen. Okenyuri: Thank you Madam Temporary, Speaker. I thank Sen. Mungatana for seconding this Motion and for also taking the moment to just support this work that is aimed at helping Kenyans.

Madam Temporary Speaker, I also thank in a special way Sen. Karen Nyamu, who has also stood with me in supporting this Report. Finally, I also thank Senator Maanzo for also supporting this Report.

Madam Temporary Speaker, I wish to actually also comment briefly by saying that when the petitioners came to the Committee with this proposal, we actually saw a good opportunity to help them have a legislative proposal that is going to assist because we very well know that the hospitality industry is very critical in this country.

Just early in the afternoon, we had allegations being raised through a statement on discrimination, injustices in the hotel industry generally. Maybe had we had such a legislative proposal, most of these issues would have been tackled and highlighted under it.

Professionals in this area would also be safe to operate because different professionals in this country have their associations under which they also belong. So let the hospitality professionals not be the only ones who are not actually falling in place so that they miss out on issues to do with licensing, training, education, and just having frameworks that will ensure they are operating in a manner that suits them and the public.

I beg to reply and pursuant to Standing Order 66(3), request that putting of the question be deferred to another day.

The Temporary Speaker (Sen. Veronica Maina): The putting of question is deferred to the next sitting of the Senate.

(Putting of the question on the Motion deferred)

I will now reorganize the Order Paper and request the clerk to call out Order No.14.

ADOPTION OF REPORT ON CATASTROPHIC MAIZE DISEASES IN BOMET COUNTY

THAT, the Senate adopts the Report of the Standing Committee on Agriculture, Livestock and Fisheries on a Petition to the Senate regarding the catastrophic maize diseases that farmers in Bomet County have endured for the last twelve years, laid on the Table of the Senate on Thursday, 5th December, 2024.

(Motion deferred)

ADOPTION OF REPORT ON PETITION ON GRAFT INVESTIGATION BY EACC ON WEST KANO IRRIGATION SCHEME

THAT, the Senate adopts the Report of the Standing Committee on Agriculture, Livestock and Fisheries on a Petition to the Senate regarding graft investigation by the Ethics and Anti-Corruption Commission (EACC) on the West Kano irrigation scheme, laid on the Table of the Senate on Thursday, 5th December, 2024.

The Chairman of Committee on Agriculture, Livestock and Fisheries is not in the House. That Motion is deferred to the next session.

(Motion deferred)

Next, we will reorganize the Order Paper and call out Order Nos.18 to 23. Order Nos.18 to 23 are deferred to the next sitting of the House.

ADOPTION OF REPORT ON CONSIDERATION OF AUDIT REPORTS FOR VARIOUS WATER SERVICE COMPANIES

THAT, the Senate adopts the Reports of the Select Committee on County Public Investments and Special Funds on its consideration of the Audit Reports for the Financial Years 2018/2019 (Volume IV), 2019/2020 (Volume V) and 2020/2021(Volume VI), for the following

Water Service Companies laid on the table of the Senate on Wednesday, 29th May, 2024;

- (1) Busia Water and Sewerage Services Company Limited;
- (2) Iten- Tambach Water and Sewerage Company Limited;
 - (3) Kirinyaga Water and Sanitation Company Limited;
 - (4) Malindi Water and Sewerage Company Limited;
 - (5) Mandera Water and Sewerage Company Limited;
 - (6) Migori Water and Sanitation Company Limited;
 - (7) Mombasa Water and Sanitation Company Limited;
- (8) Nanyuki Water and Sanitation Company Limited; and,
 - (9) Nithi Water and Sanitation Company Limited.

(Motion deferred)

ADOPTION OF REPORT ON CONSIDERATION OF AUDIT REPORTS FOR VARIOUS WATER, SANITATION AND SEWERAGE SERVICE COMPANIES

THAT, the Senate adopts the Reports of the Select Committee on County Public Investments and Special Funds on its consideration of the Audit Reports for the Financial Years (Volume VI), 2019/2020 (Volume 2020/2021(Volume IX), for Eldama Ravine, Eldoret, Embu, Githunguri, Homabay, Kahuti, Kakamega Kapenguria, Kapsabet, Nandi, Karuri, Kericho, Kiambu, Kibwezi-Makindu, Kikuyu, Kitui, Lamu, Limuru, Mathira, Matungulu – Kangundo, Mbooni, Meru, Municipal Council of Machakos, Murangá, Murang'a South, Naivasha, Nakuru Rural, Nakuru, Narok, Olkalou, Olkejuado, Othaya Mukurweini, Ruiru-Juja, Sibo, Tavevo, Tetu Aberdare and Wote Water, Sanitation and Sewerage Service Companies laid on the table of the Senate on Wednesday, 2nd October, 2024.

(Motion deferred)

ADOPTION OF REPORT ON CONSIDERATION OF AUDIT REPORTS FOR VARIOUS COUNTY BURSARY FUNDS

THAT, the Senate adopts the Reports of the Select Committee on County Public Investments and Special Funds on The Consideration of the Audit Reports of the following County Bursary Funds for the Financial Year 2019/2020, 2020/2021 and 2021/2022:

- (i) Baringo County Education Bursary and Scholarship Fund;
- (ii) Bomet County Bursary Fund;
- (iii)Bomet County Education Revolving Fund;
- (iv)Bungoma County Education Support Scheme;
- (v) Elgeyo Marakwet County Education Fund;
- (vi) Garissa County Scholarship Fund;
- (vii) Homa Bay County Bursary Fund;
- (viii) Kajiado County Bursary Grants and Scholarship Fund;
- (ix)Kericho County Bursary Fund;
- (x) Kiambu County Education Bursary Fund;
- (xi)Kilifi Ward Scholarship Fund;
- (xii) Kirinyaga County Education Bursary Fund;
- (xiii) Kisii County Bursary Fund;
- (xiv) Kwale County Bursary Fund;
- (xv) Laikipia County Bursary Fund;
- (xvi) Lamu County Bursary and Scholarship Fund;
- (xvii) Machakos County Bursary Fund;
- (xviii) Makueni County Bursary Fund;
- (xix) Mandera County Education Bursary Fund;
- (xx) Marsabit County Education Fund;
- (xxi) Migori County Ward Development Fund;
- (xxii) Mombasa County Elimu Fund;
- (xxiii) Nakuru County Bursary Fund;
- (xxiv) Nandi County Education Fund;
- (xxv) Narok County Bursary Fund;
- (xxvi) Nyamira County Education Bursary Fund;
- (xxvii) Nyandarua County Bursary Fund;
- (xxviii)Nyeri County Elimu Fund;
- (xxix) Samburu County Bursary Fund;
- (xxx) Siaya County Education Bursary Fund;
- (xxxi) Taita Taveta County Education Fund;
- (xxxii) Tana River County Ward Bursary Fund;
- (xxxiii)Tharaka Nithi County Bursary Development Fund;
- (xxxiv)Trans Nzoia County Elimu Bursary Fund;
- (xxxv) Turkana County Education and Skills Development Fund;
- (xxxvi) Uasin Gishu County Bursary and Skills Development Support Fund;
- (xxxvii) Uasin Gishu County Education Revolving Fund;

(xxxviii) Vihiga County Education Fund;(xxxix)Wajir County Bursary Fund and,(xl)West Pokot County Bursary Fund.laid on the table of Senate on Thursday 5th December, 2024.

(Motion deferred)

ADOPTION OF REPORT ON CONSIDERATION OF FINANCIAL STATEMENTS OF VARIOUS COUNTY EXECUTIVES

THAT, the Senate adopts the Report of the Select Committee on County Public Accounts on its consideration of the Reports of the Auditor General on the Financial Statements of Tharaka-Nithi, Homa Bay, Kakamega, Kirinyaga, Makueni, Meru, Bomet, Murang'a, Nandi, Nyamira, Nyeri, Siaya, Vihiga, Wajir and Samburu County Executives for the Financial Year 2019/2020 laid on the table of the Senate on Tuesday, 5th March, 2024.

(Motion deferred)

ADOPTION OF REPORT ON CONSIDERATION OF AUDIT REPORTS OF VARIOUS COUNTY ASSEMBLIES

THAT, the Senate adopts the Report of the Select County Public Accounts Committee on the Reports of the Auditor General on the Financial Statements of the following County Assemblies: Siaya, Nandi, Baringo, Bomet, Bungoma, Elgeyo Marakwet, Embu, Homa Bay, Kajiado, Kakamega, Kericho, Laikipia, Meru, Nakuru, Tana River, and Nyeri for the Financial Years 2019/2020, Tharaka Nithi for the Financial Years 2019/2020 & 2020/2021, and Kericho for the Financial Years 2020/2021 & 2021/2022 laid on the table of Senate today, Wednesday, 4th December, 2024.

(Motion deferred)

ADOPTION OF REPORT ON CONSIDERATION OF THE NADCO AND MULTI-SECTORAL WORKING GROUP REPORT ON THE REALIZATION OF THE TWO-THIRDS GENDER PRINCIPLE

THAT, the Senate adopts the Joint Report of the National Assembly Departmental Committee on Justice and Legal Affairs and the Senate Standing Committee on Justice, Legal Affairs and Human Rights on its consideration of the Report of the National

Dialogue Committee (NADCO) and the Report of the Multi-Sectoral Working Group on the realization of the Two-thirds Gender Principle, laid on the Table on Thursday, 13th February, 2025.

(Motion deferred)

The Temporary Speaker (Sen. Veronica Maina): Sen. Karen Nyamu, you should be on your feet. The Chair is on her feet.

ADJOURNMENT

The Temporary Speaker (Sen. Veronica Maina): Hon. Senators, there being no other business on the Order Paper, the Senate stands adjourned until tomorrow, Wednesday, March 5, 2025, at 9.30 a.m.

The Senate rose at 5.06 p.m.