

PARLIAMENT OF KENYA

THE SENATE

THE HANSARD

Wednesday, 2nd April, 2025

Morning Sitting

*The House met at the Senate Chamber,
Parliament Buildings, at 9.30 a.m.*

[The Speaker (Hon. Kingi) in the Chair]

PRAYER

DETERMINATION OF QUORUM
AT COMMENCEMENT OF SITTING

The Speaker (Hon. Kingi): Kindly, ring the quorum bell for 10 minutes.

(The Quorum Bell was rung)

Hon. Senators, we now have quorum. We have three Questions. Question No. 002 by the hon. Chute directed to the Prime Cabinet Secretary and Cabinet Secretary of Foreign Diaspora Affairs. Question No.007 and 042 by Senator Eddie Oketch and Sen. Veronica Maina, respectively, directed to the Cabinet Secretary in charge of Cooperatives and Micro, Small and Medium Enterprises (MSMEs) Development.

Clerk, kindly usher in the Prime Cabinet Secretary and Cabinet Secretary of Foreign Diaspora Affairs. Let us proceed - as that is being done - by reading the Orders.

*[The Prime Cabinet Secretary and Cabinet Secretary of Foreign
Diaspora Affairs (Hon. Musalia Mudavadi) was ushered into the Chamber]*

QUESTIONS AND STATEMENTS

QUESTIONS

The Speaker (Hon. Kingi): Question No.007 is by Senator Eddy, but he is not present. I am informed by Sen. Ogola that she will be asking on his behalf having duly been instructed to do so. Once the Prime Cabinet Secretary takes his place, I will be asking Sen. Ogola to proceed.

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Sen. Wambua: Thank you, Mr. Speaker, Sir. Just for clarification, I do not know why I came in thinking that the Cabinet Secretary for Treasury and National Planning was supposed to be here to respond to a Question I had asked.

The Speaker (Hon. Kingi): Yes, we had anticipated and expected the Cabinet Secretary in charge of Treasury and National Planning to be present today for purposes of responding to Questions from Members. However, he wrote a letter and it was deliberated upon during the Senate Business Committee (SBC) in its sitting yesterday. He is not in the country hence he cannot appear before the Senate to respond to those questions.

He sought to attend some other time. His reasons were found to be sufficient. Therefore, the committee acceded to the request. He will appear next Wednesday to respond to your questions and the Questions by the other Senators. That is why those Questions are not in today's Order Paper.

Is any Senator holding brief for Sen. Veronica Maina?

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

Good.

I cannot see the hon. Senator from Marsabit County, Sen. Chute. Is there any Senator holding brief for him?

(Sen. Abass spoke off record)

The Speaker (Hon. Kingi): Yes, but we need to be persuaded that you have full instructions from the Hon. Senator by producing written---

Sen. Abass: Mr. Speaker, Sir, he has said that he is almost arriving. If he does not come, then we can help him.

The Speaker (Hon. Kingi): The prime Cabinet Secretary and Cabinet Secretary for Foreign Diaspora Affairs is already in the House. We cannot keep him. Hon. Members, you know this session starts at exactly 9.30 a.m. In my communication yesterday, I indicated that any hon. Senator who has business listed in the Order Paper must be present to prosecute it. I said that the business will be dropped if you are not present.

It is extremely embarrassing to have the Prime Cabinet Secretary seated, ready to respond to questions and---

(Sen. Githuku consulted loudly)

Hon. Senator for Lamu County, we are not in some *baraza* deep in Lamu. We are in the Senate Plenary.

It is extremely embarrassing that the Prime Cabinet Secretary made himself available in respect to the request to attend sent to him by the Senate. He came to the Plenary in good time and we are being told that the Senator is on his way coming. We do

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not know how long he will take. That cannot be tolerated. I am afraid I will have to drop his Question.

Prime Cabinet Secretary, we are extremely sorry to have you here yet the holder of that particular Question is not around to ask it. I will, therefore, release you. You may leave at your pleasure. That Question is dropped.

Can you usher in the Cabinet Secretary in charge of the Ministry of Co-operatives and Micro, Small and Medium Enterprises (MSME) Development?

(Sen. Chute walked into the Chamber)

The Speaker (Hon. Kingi): Hon. Sen. Chute, please approach the Chair.

(Sen. Chute consulted the Speaker)

Sen. Chute just walked in while we were in the process of dropping his Question.

Clerk, confirm whether the Prime Cabinet Secretary is still in the House or has he already left? All right.

Sen. Chute, you may proceed. First, explain your absence when this matter was called out. If the Chair is not satisfied with the reasons you are going to advance, we will drop your business. Proceed.

Sen. Chute: Thank you, Mr. Speaker, Sir. My apologies to the Senate, the Cabinet Secretary, and you, Mr. Speaker, Sir. I was held up in traffic. I came running all the way.

The Speaker (Hon. Kingi): Hon. Chute, does that mean that you do not have a car?

Sen. Chute: I have a car.

The Speaker (Hon. Kingi): So, why were you running?

Sen. Chute: I ran from my office. My apologies once again.

The Speaker (Hon. Kingi): You may now proceed to ask your question.

Sen. Chute: Thank you, Mr. Speaker, Sir. I have a Question for the Prime Cabinet Secretary. My apologies once again, Prime Cabinet Secretary. Thank you for coming. We do respect you a lot. I beg to ask Question No.002.

Question No.002

REPATRIATION OF KENYAN REFUGEES FROM ETHIOPIA

(a) Could the Cabinet Secretary state the number of Kenyan refugees in a place called Megado and Dillo towns in Ethiopia, and provide information on the timeline and circumstances of their displacement as well as current state of their well-being?

(b) What is the Government doing to facilitate the repatriation of the Kenyan refugees and could the Cabinet Secretary provide a timeline for the same?

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(c) Could the Cabinet Secretary outline measures put in place to ensure successful reintegration of repatriated refugees into the local community?

(d) Will the Government compensate the refugees and if so, could the Cabinet Secretary state whether the compensation will be paid?

Thank you.

The Speaker (Hon. Kingi): The Prime Cabinet Secretary, you may now proceed to respond.

The Prime Cabinet Secretary and Cabinet Secretary of Foreign Diaspora Affairs (Hon. Musalia Mudavadi): Thank you, Mr. Speaker, Sir. I wish to respond as follows, but I seek your indulgence because it is a fairly elaborate response so that I can, hopefully, satisfy the concerns of the Member.

Part (a) of the Question is on the information on the number of Kenyan refugees in Megado and Dillo towns. I will respond as follows. The Kenya Borena refugees arrived in Ethiopia in 2005/2006 and settled in the Borena zone of the Oromia region in Dillo and Megado settlements.

Their displacement was triggered by a series of inter-ethnic conflicts in Marsabit County, particularly the conflict between Borana and the Gabra ethnic groups, over natural resources, grazing lands, contested and disrupted territorial boundaries and local political dynamics.

Most of the refugees originate from Marsabit County in the following sub-counties - Saku in Marsabit area, North Horr, Maikona, Dukana and Moyale Sub-County.

Upon arrival in Ethiopia, support and protection was initially provided by the Borana clan of the Oromia region in 2007. They were registered by the Administration of Refugees and Refugee Affairs (ARRA) of Ethiopia, and United Nations High Commissioner for Refugees (UNHCR). They have continued to live alongside the host community and ARRA is currently known as the Refugee and Returnee Service (RRS) of Ethiopia.

On the number and population statistics, according to the Department of Refugee Services, over 500 families of Kenyan origin, living in the Dilo and Megado areas of Southern Ethiopia, ran away to seek asylum due to ethnic conflict in North Horr in the year 2000. The conflict culminated in what came to be known as the Turbi Massacre.

The breakdown today as of 3rd of December is a statistic, but I will hand over this also to Parliament - We have a total of 2,060 in Dillo area, and in Megado, 3,600. In terms of households, these now comprise 1,250 households, 5,671 individuals, male are 2,788, female are 2,883 and children are 3,385 out of the total figure of 5,671.

What are the solutions we are looking at?

From 27th of October to 3rd of December, the RRS and the UNHCR conducted a verification of the Borana refugees in Dillo and Megado refugee settlements. During this period, an intentional survey was carried out to access the refugees who were willing to return to their home country, Kenya. In terms of households, this amounted to 1,098. In terms of individuals, this was 4,993.

Notably, 88 per cent of the total refugee population expressed their intention immediately to return to Kenya. The refugees expressed interest to return to the following areas: Sololo - 1,836, Marsabit - 1,081, Moyale - 633, Oran - 491, Dukana - 325,

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Moyale Township – 272, North Horr – 206, Maikona – 59, Sangate-Jaldesa - 40, Turbi – 13, Other areas - 37.

Mr. Speaker, Sir, the majority of the refugees were not willing to return to their area of origin due to fear of ethnic conflict. They also preferred to move to areas that are inhabited largely by the Borana community. The Kenyan refugees in Ethiopia still retained their identity cards and are now willing to return home to Kenya voluntarily.

The second part of the Question is about facilitation on the repatriation of the Kenyan refugees. The following are possible options-

(1) There is an organized and facilitated return by the UNHCR. This requires a formal engagement between the governments of Kenya and Ethiopia and is formalized through a tripartite agreement that will include the UNHCR. It will require a rigorous process that entails internal survey to go and see visits, identification of settlement areas, signing of voluntary repatriation forms and other bureaucratic processes. This option may not be immediate as it requires time in order to fulfill all the requirements.

(2) There is also the self-organized or self-return, which is usually spontaneous. The role of the UNHCR in this option will be limited to provision for information and funding to facilitate the return of the refugees. This option requires the Government of Kenya to facilitate receiving and resettlement of repatriated individuals.

(3) Due to the proximity of the refugees to the Ethiopia-Kenya border, their families in Kenya, including the possibility that they cross over to Kenya to visit their families, UNHCR prefers the self-organized return.

For repatriation to take place, the refugees must desire to return. The Kenya-Ethiopia government should engage in consultations facilitated by the UNHCR Regional Bureau and local UNHCR offices. Currently, as I said, 4,993 individuals have expressed their desire to return back to Kenya, and the process of repatriation should begin.

The third aspect was the measures put in place to ensure successful reintegration of the repatriated refugees into the local community. This has quite a number of issues which I will try and run through. They may not be exhaustive, but it is important. There are a number of concerns which need to be addressed that have been expressed and should be addressed before repatriation can take place. These include the following-

(1) Where will the displaced persons return to? How will they be accommodated? That is land, housing, among others. The refugees have been relying on humanitarian assistance to access basic services and they will need similar support until they are fully integrated.

(2) We will have to deal with the issue about their safety and security in the settlement areas. There has to be a proper formal reception organized.

(3) We also have to cater for the material safety of the younger generation who are born in Ethiopia. The refugees will require assurance of legal safety, rehabilitation, creation of livelihood opportunities, and in some instances, repossession of property, including ancestral land.

(4) We will also have to address intermarriage, births in Ethiopia and confirmation of documentation for spouses and children.

(5) There is also a need for mutual recognition of the documentation of issues to the refugees because we are dealing with the other country as well.

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Finally, on the question of whether the Government will compensate the refugees, I wish to respond as follows:

The Government only facilitates return and reintegration into the Kenyan society for any Kenyan refugee granted asylum by any country. No compensations are paid by the Government for any returning Kenyan.

What do we consider as the way forward?

Repatriation of refugees should be undertaken for those who are willing to return as it must be voluntary, based on an informed choice and consent to return given by the refugees to avoid coercion and prosecution. It should also be done with dignity. We hope this process can commence as soon as possible.

Kenya should also ensure refugees' returnees are safe, devoid of discrimination, provided with basic services and access to essential services to avoid being exposed to another cycle of displacement.

We must also coordinate with the UNHCR, the Kenya Government and the Ethiopia Government to facilitate the return of the refugees, including the required legal formalities, particularly documentation.

The send-off from Ethiopia and the reception in Kenya should be done simultaneously. We also have to do identification of settlement areas for the returning refugees in coordination with local authorities so as to guarantee safety and security in the resettlement areas.

The Government will also be looking at how to ensure access to basic food and services such as health, education, non-food items, shelter and livelihood opportunities.

Mr. Speaker, Sir, as I conclude, I wish to reiterate that the Ministry remains seized of the situation in the region. A lot has been done. However, much more remains to be done.

The Ministry appreciates the continued support of the Senate and further requests that the Senate advocates for more resources to be put at our disposal for comprehensive data acquisition and integration to ensure that we remain seized and fully prepared for the changing dynamics globally.

Mr. Speaker, Sir, I submit.

The Speaker (Hon. Kingi): Sen. Mohammed Chute, you may now proceed to ask your two supplementary questions.

Sen. Chute: Thank you, Mr. Speaker, Sir. I really wonder. The Prime Cabinet Secretary is giving us stories. This is a literature that the Prime Cabinet is giving us and it is very unfortunate.

My second question is very clear. The question is how are you going to ensure the refugees will be returned to Kenya? They have been there for many, many years.

The answers you have given from (a) to (i) are a story of what you are going to do. You have not given us a timeline. You should have told the people of Marsabit and the people of this country that on this day, we will visit Ethiopia. On this day, we will sit with the government. On this day, we will bring these people back to Kenya. On this day, we will facilitate them on this and that.

I really do not understand the stories. I have asked you a question and you are asking me again the same question. Please tell us the timeline. Will they stay for another ten years, or they will be back in the next year?

Secondly, these people have been in Ethiopia for quite a long time. I want the Prime Cabinet Secretary to tell us when was the last time that officers from his office visited them in Ethiopia; if they have even done so.

Thank you very much, Mr. Speaker, Sir.

The Speaker (Hon. Kingi): Prime Cabinet Secretary, you may now proceed to respond to those two supplementary questions.

The Prime Cabinet Secretary and Cabinet Secretary for Foreign and Diaspora Affairs (Hon. Musalia Mudavadi): Mr. Speaker, Sir, I just wish to explain myself that I will make a fairly broad statement because the issue of the refugees is a very complex matter.

I want to say that consultations and negotiations are going on. We should appreciate that when you are dealing with refugees, it has to be voluntary. There can be no forced repatriation. So, these discussions are going on between the Government of Kenya, the Government of Ethiopia and the UNHCR. This is the reality of the matter.

For what it is worth, I just want to point out that we would not want Kenyans to be refugees anywhere. If we had all the resources and all the planning, it would not necessarily take this long for the refugees to be repatriated. However, remember you have to do it voluntarily because any forced repatriation would be contrary to international law and matters of humanitarian rights. So, we cannot force. That is why there is an elaborate process, which I put in my statement, about preparing documentation and ensuring that the individuals and the households voluntarily accede to repatriation.

The second one is that our Department of Refugees is in touch and is seized of this matter. So, I can only say that we will continue working systematically to be able to do that.

The final thing is that in Kenya, as an example, we have a similar situation in a place like Dadaab and we have a similar situation in Kakuma; handling challenges also as a spillover from other countries. Therefore, it is a big challenge in matters of refugees.

I just want to request the hon. Senator and the House to appreciate that this is a process. We have to do it so that we are not in breach of any laws and to also make sure that the requisite resources are available to facilitate the smooth movement of the Kenyans who are out in Ethiopia.

The Speaker (Hon. Kingi): Prime Cabinet Secretary, if I got the hon. Senator for Marsabit, correct, you have indicated in your response that there are 4,993 refugees who are willing to return back.

These are not coerced. Already, they have expressed their willingness to return home. Is there any programme that has been put in place, including timelines, when the 4,993 will return home, so that we can deal with the others later? For the 4,993, is there a programme, including timelines, when they will be brought back home?

The Prime Cabinet Secretary and Cabinet Secretary of Foreign Diaspora Affairs (Hon. Musalia Mudavadi): Mr. Speaker, Sir, on the 4,900 that I have given and

disclosed, we have reached this after a very elaborate process that is ongoing of making sure that we are systematic in this process. That is how we have arrived at this figure.

In terms of timelines, that is something that I can seek the indulgence of the House to get further clarification from the Department of Refugees, if they can be more specific on the timelines. However, I can still maintain that they will be largely indicative timelines. They may not be those that are firmly cast in stone. They could be indicative.

The Speaker (Hon. Kingi): Thank you.

Senator Nyutu, you may proceed.

Sen. Joe Nyutu: Thank you, Mr. Speaker, Sir. I would like to ask---

The Speaker (Hon. Kingi): Before you ask your question, Sen. Nyutu, Prime Cabinet Secretary, I am going to allow about 10 or so Senators to ask supplementary questions. So, just note down the questions as they are being asked and then you respond to them at a go.

Proceed, Sen. Nyutu.

Sen. Joe Nyutu: Thank you, Mr. Speaker, Sir. I just want to raise an issue with the Cabinet Secretary about very recent media reports that we are integrating refugees from other countries into Kenya through the Shirika Plan. There have been a lot of problems with the host communities.

So, my question then to the Prime Cabinet Secretary is this: Exactly what is his Ministry doing to see to it that the resettlement and the integration of the refugees in Kenya has the blessings of the host community and that the Government does not just wait for UNHCR to do all the planning? Exactly what is the participation of the Government in this particular matter and what has been done in order to have the host community agree or be looped into this particular arrangement?

Thank you, Mr. Speaker, Sir.

The Speaker (Hon. Kingi): Sen. Maanzo.

Sen. Maanzo: Thank you, Mr. Speaker, Sir. Recently there was a riot by the refugees in Kakuma Camp and within a week, a chartered Kenya Airways flight flew quite a number of them to Germany. This happened about three weeks ago.

Could the Cabinet Secretary clarify whether this information is true and whether the international law was followed to release these refugees to Germany while they wanted to be taken to their own countries?

The Speaker (Hon. Kingi): Sen. Abass, you may proceed.

Sen. Abass: Thank you, Mr. Speaker, Sir. I also thank the Cabinet Secretary for his time. My question is this: There are refugees who have been there for the last 20 years and are willing to return back, but the Prime Cabinet Secretary has not talked about timelines. I do not know why the Government is not prepared for that.

Also, there is a plan to integrate the refugees with the local communities, which is already in process and we have seen the locals in Kakuma are demonstrating. That shows that there was no preparedness by the Government. Therefore, many of these people may not be able to integrate because they come from different regions, clans and religion.

Secondly, there are not enough facilities to accommodate all these refugees. In places like Dadaab, there are over 600,000 refugees, if these same people will be

integrated with the locals, the infrastructure, which is available will not be enough. So how prepared is the Government and what is the input from the UNHCR?

The Speaker (Hon. Kingi): Sen. Kavindu, you may proceed.

Sen. Kavindu Muthama: Thank you, Mr. Speaker, Sir, for giving me this opportunity. Mine is just to ask the Cabinet Secretary about the Government plans to settle the Kenyan refugees who are already here in Kenya. There are some refugees who are living in Kenya and are Kenyans and others who are squatters.

Squatters are in many places in Kenya and these people have nowhere to go. For example, there are people in Machakos County who are being called squatters in Katelembu and they are being told to move out. How are these people going to be settled and be kept in Kenya?

The Speaker (Hon. Kingi): Sen. Kavindu, the Prime Cabinet Secretary is in charge of foreign affairs. That is a domestic issue that falls under a different Ministry.

Anyway, if the Prime Cabinet Secretary would wish to give his thoughts on that matter, he is welcome, but it does not fall within his docket.

Sen. Cheruiyot, you may proceed.

The Senate Majority Leader (Sen. Cheruiyot): Thank you, Mr. Speaker, Sir. I want to appreciate the opportunity and the chance. I have a question for the Prime Cabinet Secretary. This is in regard to the State Department that is under him on the Bilateral Labour Agreements (BLA) that Kenya has signed in the last two years.

Is the Prime Cabinet Secretary in a position to tell this House how many Bilateral Labour Agreements Kenya has signed in the last two years, how many are in the process and why there is seemingly a delay in conclusion of some of them that have been under negotiation for quite a while?

I know these agreements will open up opportunities for many young Kenyans that are looking forward to apply their trade elsewhere where those opportunities exist.

The Speaker (Hon. Kingi): Now, Senate Majority Leader, you know better that a supplementary question must relate to the primary Question. The question that you have just asked does not meet the requirements of a supplementary question. However, Prime Cabinet Secretary, if you are in a position to respond, you may. If not, you do not have to because that is not a supplementary question.

Sen. Lomenen, you may proceed.

Sen. Lomenen: Thank you, Mr. Speaker, Sir, for this opportunity. I want to ask the Prime Cabinet Secretary regarding the refugees in the Kakuma and Daadab refugee camps.

There is report by the government that differentiates the assistance given to the refugees which is called differentiated assistance. I wonder what is the difference between the assistance given to refugees and the assistance given to the host community.

Secondly, is the Prime Cabinet Secretary aware that the host communities that have had difficulties in integrating with the refugees? Is he also aware that enough time has not been given to the host community to participate and be informed on how they can integrate with the refugees?

The manner in which the Government and the UNHRC have been dealing with the host communities was unfair. This injustice has forced the host community to refuse to integrate with the refugees because of the hostility of the refugees.

The Speaker (Hon. Kingi): Sen. (Dr.) Khalwale, you have the Floor.

Sen. Dr. Khalwale: Mr. Speaker, Sir, allow me to tell the Prime Cabinet Secretary, good morning.

Prime Cabinet Secretary, these refugees ended up in Ethiopia because of the fight that was taking place between the Borana, Rendile and the Gabra. Sadly, our colleagues, hon. Abdi Sasura, hon. (Dr.) Bonaya Godana, hon. (Dr.) Guracha Galgalo and the former Assistant Minister and MP for Nakuru, hon. Mirugi Kariuki lost their lives when they were going to address this issue. These people ran out of the country.

So, it is something that evokes bad feelings in the leadership of this country. I, therefore, fail to understand that over 4,000 Kenyans have requested that they go back home because the challenge you said yourself is that the refugees must be willing. They have even indicated to you the areas they want to go to and they have told you that they want to go to areas inhabited by the Borana community where they think there is peace.

My question is: Is the UNHCR is ready and willing to fund the return? The refugees have indicated where they want to go. Where is the problem? Why is the Government dragging it feet?

It is very suspicious because the Prime Cabinet Secretary knows that the Government made an announcement that they are opening up the all the borders to allow Somalis from Somalia to come into Mandera. So, if you are looking for people outside Kenya to come into Kenya, why not make it easy for Kenyans outside Kenya to come back home?

Finally, with your permission, I know you are about to shoot me. If you have the figures, please give us the kind of support you have given as compensation to the families of these hon. Member, the six of them who died. I forgot to mention hon. Titus Ngoyoni. They were our colleagues in this House and I was with them.

The Speaker (Hon. Kingi): Sen. Faki, you may proceed.

Sen. Faki: Asante, Bw. Spika. Langu ni kumpa pongezi the Prime Cabinet Secretary na Serikali kwa kuwezesha kuachiliwa uhuru kwa Steve kule Saudi Arabia. Wiki iliyopita kulikuwa na habari ya kwamba Steve alikuwa amehukumiwa kifo na Serikali ya Saudi Arabia. Alipata fadhili kupitia kwa shirika la kiislamu. Wakamlipia ridhaa ya shilingi milioni 124. Ningependa kuipongeza Serikali kwa kushukghulia mambo yake na vile vile kusimama na familia yake.

Hakika atakaporudi nchini Kenya, itakuwa ni fursa nzuri kupewa makaribisho kwa sababu alikuwa amedhulumiwa katika kesi yake. Vile vile, alikuwa amehukumiwa kifo kwa makosa yasiyokuwa yake. Hakuuwa kwa kusudia ilikuwa kwa kujitetea. Mtu alikuwa amempiga na yeye alipojitetea, huyo mtu akaumia na baadaye akafariki.

Jambo la kufurahisha ni kuwa, akiwa gerezani kule Saudi Arabia---

The Speaker (Hon. Kingi): Sen. Faki. What is your supplementary question?

Sen. Faki: Naja kwa swali langu.

The Speaker (Hon. Kingi): Go straight there.

Sen. Faki: Swali langu ni kuwa, kuna wengi kama Steve ambao wako Saudi Arabia, ambao wameshindwa kurudi nyumbani. Wengine wana watoto na kwa vile Saudi Arabia hairuhisi zinaa, wale watoto wamepatikana hawana uraia kwa sababu wako kule na Wakenya hawawajui. Pia hapa hawajapata vyeti vya kuzaliwa ama vyeti vya kusafiri. Ni jambo gani Bw. Waziri anafanya kuhakikisha wale watoto ambao wana watoto na familia kule, wanaweza kupewa vyeti vya kusafiri na kuwawezesha kurudi nchini salama.

Asante, Bw. Spika.

The Speaker (Hon. Kingi): Sen. Faki, that does not meet the threshold of a supplementary question. We are discussing refugee issues here in the context of the Marsabit-Ethiopia situation. However, Prime Cabinet Secretary, if you are in a position, you may proceed to shed light on that matter. If you are not, you are not obliged to do so today.

Sen. Veronica.

Sen. Veronicah Maina: Thank you, Mr. Speaker, Sir. You know, Prime Cabinet Secretary, the bedrock of protection of refugees is based on the principle of international responsibility.

We have seen the Shirika Policy Programme that has been undertaken by the Government, specifically your Ministry. I want you to confirm to this House whether that Shirika Plan is being funded nationally or internationally. Whether there has now been an exchange of humanitarian assistance that should ideally be going to the biggest camps in the world, Kakuma and Dadaab.

Whether we have exchanged that with grants for development because Kenya will be forced to pay for that Shirika Plan as opposed to the international community taking up humanitarian assistance for refugees, which Kenya has been kind enough to host for a very long time in the largest camps in Kakuma and Dadaab. Whether those Kenyans who came from Marsabit and who are now in Ethiopia will benefit from the Shirika Plan to come back to the country.

The Speaker (Hon. Kingi): Senator Beatrice Akinyi.

Sen. Ogola: Thank you, Mr. Speaker, Sir. My question to the Cabinet Secretary is: What is the state of basic services that the Kenyan refugees in Magatho and Dilo Towns in Ethiopia have access to? Now that we are planning for their coming back to Kenya, what are the re-integration plans that we have as per our national standards, particularly on education, health and other basic amenities?

The Speaker (Hon. Kingi): Sen. Cherarkey.

Sen. Cherarkey: Thank you, Mr. Speaker, Sir, and good morning to my neighbour.

Mine is straightforward. Under the Shirika Plan, how many Kenyans have refugee status across Ethiopia and across other nationalities? Under the Shirika Plan, how much resources does the Cabinet Secretary in charge of foreign affairs need to bring back Kenyans who are willing? He should give us the estimate so that we do not just use a sweeping statement that we need only to lobby for more resources. I thank you, Mr. Speaker.

The Speaker (Hon. Kingi): Sen. Mungatana.

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Sen. Mungatana, MGH: Mr. Speaker, Sir, thank you for the Floor. On 12th July, 2005, the Turbi Massacre took place and this is the basis upon which these refugees ran away to Ethiopia.

Mr. Speaker, Sir, it was a very sad moment for this country because 56 people are reported to have died. This country has a responsibility for the safety and the life of every Kenyan.

What I want to hear from the Cabinet Secretary is have you compensated the 56 people who were killed because of the clash between the Gabra and the Borana? What programmes have you put since then to at least put back the people to where they were?

Mr. Speaker, Sir, there has been a very serious - how do I call it - ignoring and disregarding the northern lands in this country and the lives of the people who live there. They do not count. If that had happened here in Nairobi or in the counties around, there would have been a different reaction.

Now we are talking almost 20 years later. No programme, no compensation. Can the Cabinet Secretary tell us exactly what programmes the Government is putting in to help our Kenyans and how much money has been set aside to compensate these families?

I submit, Mr. Speaker, Sir.

The Speaker (Hon. Kingi): Prime Cabinet Secretary, you may now proceed to respond to those questions.

The Prime Cabinet Secretary and Cabinet Secretary for Foreign and Diaspora Affairs (Hon. Musalia Mudavadi): Thank you, Mr. Speaker, Sir. First, I will just talk to the issue of Shirika Plan.

I want to state that there is still a lot of conversation that is taking place between the Government, the UNHCR and the host communities where the refugees are placed. Specifically, if I talk to Kakuma and Dadaab. Kenyans may need to be reminded in certain circles, not here, but out there, that we have had refugees who have stayed in these camps for as many as 35 to 36 years.

Some have been born there. Some have no idea where their parents migrated from and whether they know where they would be going if they went back. In both camps, this is a challenge that we still face.

The second aspect is that, I think it should be on record that even as we speak, the situation in South Sudan is getting worse. We are beginning to see, another inflow at the rate of about 20 refugees per day. So, we are beginning to see certain circumstances that are giving us challenges.

We still remain with challenges of the Al-Shabaab and the conflict around the Somali side. We also have sporadic conflicts along the Marsabit-Ethiopia border from time to time. So, there is a serious security issue that has to be looked at regionally, but also internally by the Kenyan security forces.

The Shirika plan was formally launched. We are actively engaging to ensure that as the policy development process progresses, we maximize the benefits for the people of Kenya. As someone mentioned in relation to differentiated assistance, it is true that means testing was conducted in some of these camps. This involved assessing the well-

being or economic status of refugees, which then determined the level of rations allocated to certain families compared to others.

These are issues that, if not managed well, can also create a lot of tension in the refugee camps. This may be part of the reason that there could have been some challenges recently in Kakuma Refugee Camp amongst others.

I would like to emphasize that, we, as a Government, do not want to participate in any programme that is fully funded by us. We can only handle our position in the context of international obligations. If the refugees are going to be here, then institutions like the UNHCR, World Food Programme (WFP) and other organisations supporting this programme will need to be engaged and urged to contribute more effectively. This will ensure that Kenya's resources are not fully deployed for that.

Secondly, we do not want to have a situation where communities feel that refugees are enjoying a better quality of life than Kenyan citizens. These are very delicate conversations that keep going on between us, UNHCR and the host communities where the refugees reside.

It would be wrong if I made all these statements without appreciating the generosity and the humanitarian nature of the communities that have hosted these refugee camps for 35 to 36 years. It is not an easy undertaking. It brings a lot of pressure on the resources in those areas.

Another important aspect is the integration of refugees, which must be approached carefully. Our goal is to transition away from a situation where refugees are drawing from Kenyan resources. They must be placed in a position where they can contribute to growing the wealth of this country, rather than taking from the people of Kenya. The whole Shirika plan is premised on these basic principles and a few others.

Another point I would like to touch on is that hon. Boni Khalwale highlighted the ongoing issue of protracted insecurity in these regions as well as recounting the loss of many honourable Kenyans due to this conflict. Additionally, hon. Mungatana raised the issue of compensation.

I want to be very candid about this issue and not to belittle the challenges we are facing, but the truth is that insecurity persists in certain regions. This insecurity often stems from disputes over pasture, ethnicity or scramble for resources in those areas. We have given an example of Marsabit. You will also recall the recent loss of General Ogola in Baringo, who was on a mission addressing internal conflicts.

Mr. Speaker, Sir, we still have significant work to do to address cultural practices and provide meaningful alternatives that enable people to earn a proper livelihood without causing loss of lives. I want to point out the efforts being made by the Government in Marsabit to open up the areas.

The development of the road network that we all know, which is making significant progress, will eventually extend further and connect to Garissa. This massive investment undertaken jointly by the Government of Kenya and the World Bank is designed to create more economic opportunities and facilitate growth in the region.

It is not the intention of the Government of Kenya to neglect or disregard anyone. The challenge lies in acquiring more resources and deploying them progressively to these areas.

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I would like to emphasize, hon. Muthama that I concur with the Speaker that is an entirely different matter. Internally displaced Kenyans, for other reasons, are tackled separately and not in the context of the refugee programme. That would have to be taken up as a completely separate question.

When discussing resources, I hope I have partly addressed the concerns raised by Sen. Beatrice regarding the state of basic resources in Ethiopia. In Ethiopia, I cannot claim that the resources are very elaborate. As we all know the refugee situation limits what the host government can achieve within the constraints of their budgetary resources.

Consequently, we cannot fully guarantee what the Ethiopian Government is able or unable to provide within the refugee camps. However, the priority remains accelerating the relocation of Kenyan refugees from Ethiopia. The message I am taking from here is that resources need to be set aside urgently to be able to undertake this challenge.

There are issues regarding the compensation of victims that require further scrutiny. I do not wish to make generalized statements at this point. Instead, we will review these issues and provide more specific, detailed and accurate information in due course.

Mr. Speaker, Sir, some of the questions raised are interconnected. Regarding bilateral labour agreements, I would like to note that this is a work in progress. However, we are ready to submit a report to Parliament outlining the number of bilateral agreements that have been finalized and those still under negotiation. This will ensure that the Senate has access to this information.

Mr. Speaker, Sir, let me take away the issue of timelines. After further consultations, we will respond with more clarity because we need to get a little more accurate information from the State Department that deals with refugees.

On the issue of Munyakho and the plight of other Kenyans in Saudi Arabia, we are happy that there is light at the end of the tunnel for Stephen Munyakho. The legal processes in Saudi Arabia are still ongoing, so that the justice system there can do all the procedural steps before he is finally given an opportunity to come to Kenya. I just want to say that the Muslim World League (MWL) is the one that made the contribution. Our Embassy is closely in touch to try and assist, so that this process is concluded. Indeed, there are many other Kenyans facing challenges, not just in Saudi Arabia, but also in other parts of the world as well.

We are also in negotiations on the issue of children born in Saudi Arabia out of wedlock and it has become a challenge. As you said, it is taken seriously there. The Kenyan Embassy and also the Government are trying to engage to see if a formula can be found to allow those who are confirmed to be of Kenyan descent to be given the necessary accreditation for them to enjoy their citizenship as we go forward. However, it is a challenge that we face.

Sen. Maanzo raised something about Kenya Airways (KQ) picking people and taking them to Germany. There cannot be forced repatriation or movement of refugees. If somebody anywhere has been allowed to board a plane and fly to another place, it is because their papers are valid. Otherwise, they will not be able to leave and go to another country. So, there is no forceful ejection and migration of any Kenyans or even refugees

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that has been done by the Kenyan Government. I think there is some misinformation somewhere.

Thank you.

The Speaker (Hon. Kingi): Thank you, Hon. Prime Cabinet Secretary. That terminates our interaction with the Prime Cabinet Secretary. We will now move to Question Nos.007 and 042. Prime Cabinet Secretary, you may now leave if you so wish.

(The Prime Cabinet Secretary and Cabinet Secretary for Foreign and Diaspora Affairs (Hon. Musalia Mudavadi) was ushered out of the Chamber)

(The Cabinet Secretary for Co-operatives and MSMEs Development (Hon. Wycliffe Oparanya) was ushered into the Chamber)

The Speaker (Hon. Kingi): Order, hon. Senators. The Cabinet Secretary for Co-operatives and Micro, Small and Medium Enterprises (MSMEs) Development is in the House for purposes of responding to Question No.007 by the Senator for Migori County, Sen. Eddy Oketch, and thereafter, Question No.042 by Sen. Veronica Maina. Let me take this opportunity to welcome the Cabinet Secretary to the Senate.

Hon. Cabinet Secretary, you only have two questions directed to you this morning. I will call upon the Nominated Senator, Beatrice Akinyi, on behalf of Sen. Eddy Oketch, to proceed and ask Question No.007.

You may proceed, hon. Senator.

Question No.007

NEW KCC FAILURE TO PAY TERMINAL DUES TO ITS FORMER EMPLOYEES

Sen. Ogola: Mr. Speaker, Sir, thank you once more for granting me an opportunity to read out the Question by the Senator for Migori as instructed by himself. Before I do so, I would like to welcome the Cabinet Secretary, hon. Wycliffe Ambetsa Oparanya, who was also my Deputy Party Leader and a committed man.

This is the Question by the Senator for Migori County, Sen Eddy Oketch, to the Cabinet Secretary for Co-operatives and MSMEs Development-

(1) Could the Cabinet Secretary explain the failure by the former Kenya Cooperative Creameries (KCC) and, now, by the New Kenya Cooperative Creameries (New KCC), to pay terminal dues to former employees of KCC whose contracts were terminated in the year 1999?

(2) When can the affected former employees expect to receive their terminal dues?

(3) Could the Cabinet Secretary also indicate whether the former employees have received payment for the cooperative society shares they held as at the time of their exit from KCC, and if not, provide reasons for the same?

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The Speaker (Hon. Kingi): Hon. Cabinet Secretary, you may now proceed to respond.

The Cabinet Secretary for Co-operatives and MSMEs Development (Hon. Wycliffe Oparanya): Mr. Speaker, Sir, I beg to answer the questions. I will have to take you through the journey of the New KCC for the House to have a grasp of where we are. Our response as a Ministry is as follows-

The origin of the KCC Limited dates back to 22nd August, 1925 when it was incorporated as a limited liability company. Later, on 8th February, 1932, it was registered as a co-operative society whereby it ran its operations until 1999 when it was then placed under receivership by the Kenya Commercial Bank (KCB), which was its debenture holder.

In 2000, private individuals incorporated KCC (2000) Limited and acquired KCC business through bids invited by the receiver manager then, PricewaterhouseCoopers (PwC). KCC was liquidated and, therefore, ceased to exist as a co-operative society nor a body corporate since it was sold off to KCC (2000) Limited, which was a private company.

On 6th June 2003, following a Cabinet directive, the Government of the Republic of Kenya bought back all the assets that had been sold to KCC (2000) Ltd.

On 19th November 2004, New KCC Limited was incorporated as a limited liability company with a 100 per cent Government shareholding thus converting its status to a State Corporation under Certificate of incorporation no. C.113538.

In the year 1988, during the subsistence of KCC Ltd, the claimants above filed an Industrial Case No.24 of 1988 wherein they had sued KCC Ltd following termination of their employment after a strike had been called by their union. The matter was heard and the court made a finding that KCC Ltd was liable to pay them. However, KCC Ltd had collapsed, went into liquidation and subsequently wound up and ceased to exist vide a Kenya Gazette Notice of 4th March, 2003.

At the time the claimants were filing the suit in the year 1988, New KCC Ltd was not in existence and, therefore, was not a party to the suit. Similarly, New KCC Ltd having not been in existence when the claimants were in employment, it was clearly not their employer. The said claimants were employees of KCC Ltd and not New KCC. Ltd., thus cannot be compensated by an organization they did not work for. New KCC Ltd and KCC Ltd cannot be said to be one and the same in law.

Mr. Speaker, Sir, arresting orders that was subsequently issued on 15th November, 2005 was vested free from all encumbrances. In accordance with the Transfer of Business Act (TBA) Section 3 a public notice was done and was printed in the *Daily Nation* on 28/6/2005 in regard to the Government's purchasing the business and assets of KCC (2000) Ltd.

The employees did not object the notice to claim their dues as is required by the law and thus Section 8 of the same Act came into effect that a claimant cannot institute a claim in respect of any liability upon expiry of six (6) month.

In the year 2013, the claimants filed a suit Nairobi No.1299/2013 John Kahiato Bari & 108 Others Versus New KCC Ltd & The Attorney General seeking to be paid a sum of Kshs.204,417,555.50 at the High Court.

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The matter was heard and concluded and the High court made a finding that New KCC Ltd was liable to pay KCC Ltd former employees dues. Subsequently, New KCC Ltd filed an appeal against the High Court decision at the court of appeal under Civil Appeal No.191 of 2018.

A three (3)-Judge bench on 10/7/2020 held that New KCC Ltd was not liable for the liabilities of KCC Ltd which included the terminal benefits and unpaid Sacco shares of the said claimants. However, notwithstanding the above and the absolving of New KCC Ltd from the said liabilities in accordance with the law, the Appellate Judges implored upon the Attorney General's office verbatim-

"Having said so, however and legalities aside, we hold onto the hope that the Attorney General will find it in her to advise Government to honour its word and pay the 1st respondents who have suffered long."

In view of the above comment by the Appellant Judges, my Ministry wrote to the Attorney General seeking an advisory on the same.

In a letter dated 3rd October 2024, Ref., no AG/CONF/6/B/18/2, the Attorney General provided an advisory which made several recommendations including-

(1) The formation of an inter-ministerial committee consisting of the ministry of Agriculture and Livestock, The Ministry of Cooperatives and MSMEs Development and National Treasury to look into the matter and resolve the issue with finality.

(2) The Committee should be tasked to collate, audit, verify, authenticate and validate the claims and recommend whether the same should be settled and to what extent with reasonable timelines.

(3) That upon conclusion of its work, the petitioners should be engaged in out of court settlement with a view of finding an amicable solution to the impasse and notification of the outcome be done to the Senate.

My Ministry has already written to the National Treasury, the Ministry of Agriculture and Livestock Development to nominate suitable officers to implement the Attorney General's advisory.

When the committee is constituted and completes its work, the recommendation thereof will be communicated to the Senate

Part (b) of the Question was when can the affected former employees be expected to receive their terminal dues? My response is as follows:

The former employees may be paid once the inter-ministerial committee completes its work and recommends payment and National Assembly appropriates the required funds in the National Budget.

Part (c) of the Question was could the Cabinet Secretary also indicate whether the former employees have received payment for their cooperative society shares they held at the time of their exit from KCC and if not provide reasons for the same?

My response is as follows-

I am not aware of any complaints on payment of cooperative shares held by the time KCC Limited was liquidated. However, I am aware of claims of funds deducted from the then employees' salaries that had not been remitted to their cooperative society

in respect of their shares. This amount is being considered together with other employment dues as explained in the above response.

Thank you, Mr. Speaker, Sir.

The Speaker (Hon. Kingi): Hon. Ogola, you may now ask your two supplementary questions.

Sen. Ogola: Thank you, Mr. Speaker, Sir. My first supplementary questions is: Hon. CS, do you have an inventory of these former employees? If so, how many are they? You have said that they have suffered for so long. Do you know how many they are? What are the timelines of the finalities you have talked about in terms of the inter-ministerial committee work? Do you also have timelines for the letters that you have written to the National Treasury?

The second question is: what is the state of the assets of the KCC Limited?

The Cabinet Secretary for Co-operatives and MSMEs Development (Hon. Wycliffe Oparanya): Thank you, Mr. Speaker. I have the full list of the number of employees affected. As I have stated, this has been an issue of a court case for a long time. The Ministry is aware of what was going on. I have clearly stated that this matter is now at the inter-ministerial level and we are doing all we can.

These Kenyans have suffered for a long time. In fact, some of them have even passed on and these issues are now being followed by their siblings. We are committed to making sure that they get their dues as soon as we finalize our inter-ministerial consultation and as soon as proper appropriation is done by the National Assembly. Once that is done, these people will be paid.

In terms of assets of the KCC, as I mentioned, KCC was bought by the New KCC and they took over all the assets. The Government then paid about Kshs500 million for that constellation of the assets and those assets are now under the ownership of the New KCC.

Sen. (Prof.) Kamar: Thank you, Mr. Speaker, Sir, for giving me the opportunity. May I start, Mr. Speaker---

The Speaker (Hon. Kingi): Sen. (Prof.) Kamar, allow me to say this before you ask your question. Hon. CS, I will allow 10 Senators to ask their supplementary questions. Just note them down, then you respond to them at a go.

The Cabinet Secretary for Co-operatives and MSMEs Development (Hon. Wycliffe Oparanya): Okay, thank you.

The Speaker (Hon. Kingi): Proceed.

Sen. (Prof.) Kamar: Thank you, Mr. Speaker, Sir. Allow me to start by congratulating the CS. He is new in the Cabinet and I have seen him here for the first time. I worked very well with him when we were both Ministers and he did a very good job. I do not doubt that he will do the same in this Ministry.

I want to thank him for giving us the historical events that took place in KCC. I am a beneficiary because my father was a dairy farmer and that is how I went through my education. He has addressed the issue of the staff as part of the question.

Mr. Speaker, Sir, how about the issue of the farmers and the shares of the farmers? He has talked of the assets which were bought in the year 2000 by New KCC. I would want to know what was paid to the farmers because my late father died with the

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hope that his shares in KCC shall be paid to us, his children, one day. However, we have not had anything of that sort.

Did the Government consider the shares that were owned by the farmers because the assets belonged to the farmers? They did not belong to nobody. They belonged to farmers. Among them, is a huge population both in Elgeyo-Marakwet, where I was born and Uasin Gishu, where I reside. What consideration was given to the farmers?

Sen. Mbugua: Thank you, Mr. Speaker, Sir, and thank you, Cabinet Secretary, for your response. The recommendation to form this committee was done six months ago. From your response, you are only talking about two letters being taken. What assurance can you give this House on your commitment to ensure that this matter is resolved within the shortest time possible?

Thank you.

Sen. Maanzo: Thank you, Mr. Speaker, Sir. When I was Secretary of the Ministry of Co-operatives, the issue was that farmers used to deposit their milk there daily. Therefore, they built their shares on a daily basis and the assets belonged to them.

The ownership of cooperatives is usually on equal basis. One farmer will not have a bigger share than the other. So, what effort has been made to make sure that there is record for the litres of milk and that it forms part of the ownership of the farmers which now informs the current value of the assets? Could that be accounted for so that we also deal with the original members of the cooperative society as you deal with the employees?

Sen. Okenyuri: Thank you, Mr. Speaker, Sir. We have talked about KCC then, but the New KCC is currently frustrating farmers by delaying payment. What happens to milk that has already been supplied and sold? Remember, we also have powdered milk being sneaked in from neighbouring countries and it has flooded our markets thus compressing what we have here. As a result, many of those processors have dead stock.

What is the Ministry doing to mitigate that? What is the Ministry also doing to ensure that the farmers who supplied milk to the New KCC are paid because their milk has been sold, but New KCC is not paying them. .

Sen. (Dr.) Murango: Asante, Bw. Spika. Swali langu linahusu muda. Bw. Waziri, waswahili husema, mnyonge mnyongeni na haki yake mpe. Umesema ya kwamba kuna mazungumzo ambayo yanaendelea ili kuhakikisha kwamba wale ambao hawakulipwa pesa zao waweze kuzipata. Ukipiga hesabu, utapata ya kwamba takriban miaka 27 zimeisha. Wengi wao walikufa wakingoja pesa zao. Bw. Waziri, ingekuwa wewe, ungeweza kungoja pesa kwa miaka karibu 30 ilhali uko na matumizi ya hizo pesa?

Je, inawezekana utupe muda ambao unaona kama unakadiria? Hili jambo linaweza kumaliziwa ili hawa watu waweze kufaidika na pia waweze kupata nafuu kwa sababu pesa zao zimekaa kwa muda mrefu sana.

Nchi hii inashikiliwa sana na wakulima. Vyama nyingi vya ushirika ambavyo vimeanguka huwa zinaenda na pesa za wakulima. Hii hutendeka kwa sababu ya uongozi mbaya katika vyama vya ushirika. Unafanya nini kuhakikisha ya kwamba jambo ambalo lilifanyika katika KCC halitarudiwa tena?

Sen. Mandago: Thank you, Mr. Speaker, Sir. My supplementary question is in relation to what the Cabinet Secretary has said in terms of the assets. I asked for a

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statement in September, 2024 on the issue of assets of the New KCC and the Cabinet Secretary committed to provide a list of them with their valuation, but we have not received it to date. We also know that the Kshs500 million that was paid was actually not commensurate to the value of the assets of KCC then.

What is he doing as a Cabinet Secretary to secure the assets of the New KCC as they are? This is because we have a very rogue board. He knows what they were trying to do and what they wanted to do with the New KCC headquarters. He also knows about the Tetra Pak house and he also knows that the one in Ngong Road has already been leased out.

What are you doing to secure the assets of the New KCC and when will you provide a comprehensive list of the assets of the New KCC?

The Speaker (Hon. Kingi): Sen. Mungatana, please, proceed.

Sen. Mungatana, MGH: Thank you, Mr. Speaker, Sir. I was listening carefully to the answer that the hon. Cabinet Secretary was giving, and would like to draw his attention to the decision of the Court of Appeal when they negated the decision of the High Court that the workers do not have a right. You said something fundamental to that effect. You said that the Court of Appeal said, “Despite or aside from the legalities, please Attorney-General, find a way for these workers to be paid.”

By the way, I am glad that you took it up and wrote a letter to the Attorney-General. However, the Court of Appeal is simply saying that there is no legal basis for the payment of these workers, but rather there is a moral basis. That is the *ex-gratia* payment is due and owing.

So, why could you not call the litigants or their committee and agree? You could tell them this is what the court has said. This is the end of it. Why can we not agree on Kshs500,000 or Kshs200,000 per person, negotiate and seek the budget through a Cabinet Paper? Why start forming inter-ministerial committees? Why follow this long-sighted and winded process?

Do you not think that is a way of trying to escape responsibility? Why not shorten this process, write a Cabinet Paper, get funding for it and pay these people? Why not do a shortcut for this matter to be resolved? The Senate is simply asking you to shorten the timelines to finish this matter? Why are you not able to?

I submit.

The Speaker (Hon. Kingi): Sen. Veronica, please proceed.

Sen. Veronica Maina: Thank you, hon. Speaker, Sir, for this opportunity, I would like to welcome to the Senate, the Cabinet Secretary (CS) of Cooperatives and in MSMED.

You have a big assignment in your hands, hon. CS. When I look at the answer that you have given us regarding claims and terminal dues by employees who were in KCC in 1999, I get concerned because when our citizens invest in assets, they believe to be co-owned by the Government, it is like a bond of guarantee. That they cannot lose their investment and their dividend.

Mr. Speaker, Sir, when a dispute is this prolonged and it is affecting people who are not well able financially, it is not a good statement. In fact, the reason Kenyans invest in Treasury bills is because there is a guarantee to that Treasury bill returning dividends.

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So, CS, when do you think you can pay these former employees of KCC? Why has the new KCC refused to oblige to the directive of a minimum price guarantee of Kshs50 per litre, a complaint which has come from a county like Nyandarua? I spoke to a few residents from Nyandarua County whose milk is being sold below Kshs40?

Why are we having that confusion when the policy guideline on the minimum guaranteed price for their milk should not be below Kshs50 to the farmer and Kshs3 for administrative cost? Why do we have those disparities?

The Speaker (Hon. Kingi): Sen. Kisang', please, proceed.

Sen. Kisang': Thank you, Mr. Speaker, Sir. I have a supplementary question. I listened to the answers by the CS which are diplomatic. The CS said we may pay after the Cabinet sub-committee finishes its job and Parliament allocates the resources. However, I expected him to say, as the CS in charge of Cooperatives and MSMED, he will budget for this in financial year 2025/2026. The National Assembly appropriates a proposal that you have already given. They do not initiate the proposal. That is why the answers are basically diplomatic.

As Sen. Mungatana said, basically this is a long way of delaying because many of those former employees of KCC have already passed on. Their children and spouses are the ones who have been waiting for the last 30 years. Alternatively, as a country, we can say instead of using the law to frustrate our people, can we auction the property for the New KCC? They are forming new companies to evade responsibility.

I thank you.

The Speaker (Hon. Kingi): Sen. Orwoba, please proceed.

Sen. Orwoba: Thank you, Mr. Speaker, Sir. This matter on KCC was executed at the Senate Standing Committee on Labour and Social Welfare, where I sit.

I would like to ask a supplementary Question to *Waziri* because I have seen that in his response, he has put a chronological order of what transpired. From his response, you can see that there are three issues that are being highlighted. Number one, no one really knows how a company was sold on the basis of assets and profits, but liabilities were put aside. This is because we have engaged with the workers in the Senate Standing Committee on Labour and Social Welfare. They were repeatedly informed that they were not part of the agreement and nothing to do with them was going to be absorbed in the New KCC. Much later when they went to court, which you have also listed here, you can see that there is a suit where the employees were told that they owed their dues.

Are you aware that there has been conflicting communication to these employees? First, that they are not part of any kind of sale agreement. The second one, they were told that some of them will be absorbed. Some of them had even alluded and presented some things in the Senate Standing Committee on Labour and Social Welfare that they had been extended some offer letters on work and then suddenly they were dropped. Are you aware of that?

Is it possible for Kenyans to see the documentation of the sale from KCC Limited to New KCC? This way, some of these questions would be answered, including the list of inventory of the assets and what was going to happen to the employees of KCC.

Finally, as the Senate Standing Committee on Labour and Social Welfare, we were against the interministerial working group or committee because there is nothing

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that they will discuss that has not been discussed and proposed by us. In fact, the mandate of the interministerial committee has not been outlined and is not to the public. So, why do we have an interministerial committee just to buy time and continue to frustrate these Kenyans?

I thank you.

The Speaker (Hon. Kingi): Hon. CS, you may now proceed to respond to those questions.

The Cabinet Secretary of Co-operatives and MSMEs Development (Hon. Wycliffe Oparanya): Thank you, Mr. Speaker, Sir. I thank the Members for raising these pertinent issues. Hon. (Prof.) Kamar talked of staff and shares of the farmers. I would like to say that most of the staff of KCC that were suitable for employment were taken over by New KCC. Obviously, this has taken time. Many of them have actually retired.

On the shares of the farmers of KCC, when the New KCC, through the Government put the shares of KCC, the Government paid off approximately Kshs500 million. This money was meant to compensate the 2,000 shareholders of KCC, which was a private company. I have clearly stated how the companies moved from one stage to the other.

Mr. Speaker, Sir, I have heard complaints from previous shareholders of the KCC even before it was bought by New KCC 2000, complaining about their shares.

However, there is little that I can do at the moment because this particular company has already moved. I intentionally gave you the history of the company so that you can actually understand when I come up with other comments.

Sen. Mbugua talked about six months having passed. It is clear and Sen. Mungatana has already said that these particular employees were not supposed to be compensated by the New KCC because the New KCC is a complete answer. However, because of the issue of moral responsibility, we thought these are Kenyans who have worked for all those years. Therefore, they need compensation even from the Government's point of view.

I want to assure you that I will take up this issue seriously so that these people are compensated as soon as possible. In case I encounter problems, I will come back before this House to say that this is where I reached. These are the problems that I have encountered.

Sen. Maanzo talked of ownership. I can clearly state here and this will also cover the questions raised by Sen. Mandago about assets. Assets were taken over. I am ready to come with a full inventory of the assets that were taken over.

When I assumed office, I ordered a forensic audit on all the assets of the New KCC. I wrote a letter to the Auditor General. She was supposed to send staff to carry out that exercise, but unfortunately, up to this time she has not done so because of shortage of staff and other pressing engagements.

I will make a follow-up so that a proper forensic audit is done. I will avail the detailed inventory list of all the assets that were taken over by the New KCC.

The issue of governance in the cooperative movement is very rampant. I can say before this House that that is why we came up with the Cooperatives Bill, 2024. The

Cooperatives Bill, 2024 has gone through the National Assembly and it is before this House.

I want to plead with you that please let the Senate consider this legislation, the Cooperatives Bill, 2024 because if it is passed, it will deal with many of these governance issues. Governance issues of the cooperative movement have been adequately addressed in that particular Bill.

On the issue of assets and valuation, I have promised that I will avail a comprehensive list on this and that I will also remind the office of the Auditor General to do a forensic audit so that both documents of the list which I have and the forensic audit, I will present it to the Senate.

The issue of Sen. Mungatana about the moral responsibility of the Government to make sure that these people are paid, I will take the responsibility of making sure that these people are paid as soon as possible and within the timeframe.

The issue of inter-ministerial relations was not the creation of the Ministry. This was a recommendation from the Attorney General. He recommended that we discuss as you might be aware, at that time, cooperatives, as the State Department was within the Ministry of Agriculture and Livestock. So, there might be some documents which are there and that is why they were being brought into the fold. Also, at the National Treasury, to make sure that this allocation is expedited for these staff to be paid.

On the issue of the minimum price for the milk, I want to state here categorically that it is Kshs50. I want to assure you that as I stand here, no farmer is owed any money for the milk that has been delivered, except for March.

In normal circumstances, farmers are paid between the 5th and the 10th of the following month. So for the month of March, they will be paid between the 5th and 10th of April.

I would want to get the list of those farmers who have complained to Sen. Veronica that they have not been paid at the moment. I am ready to stand by what I am saying, that no farmer is owed money. However, many of these farmers work through the cooperatives. The maximum we pay at the moment is Kshs50.

This money goes to the cooperatives. Cooperatives will then deduct their expenses as agreed with the farmers. So, the farmers will end up with a net. So, depending on the commitments of those cooperatives, some farmers will end up with Kshs43 and others will end up with Kshs48. This is because some of those cooperatives have committed some liabilities on behalf of the farmers, which have to be deducted. However, I can assure you that from KCC, no farmer is paid, through the cooperative, less than Kshs50 per litre.

Sen. Mandago: Mr. Speaker, Sir, on a point of clarification.

The Speaker (Hon. Kingi): Proceed, hon. Cabinet Secretary.

Sen. Mandago, you may approach the Chair.

The Cabinet Secretary for Co-operatives and MSMEs Development (Hon. Wycliffe Oparanya): As I have stated, these particular employees of KCC 2000 have suffered for too long. I will take it as my personal responsibility to just answer the last question. We will do what is possible to make sure that they are paid as soon as possible.

Thank you very much, Mr. Speaker, Sir.

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The Speaker (Hon. Kingi): Hon. Senators, we will now move to Question No. 042 by Sen. Veronica Maina.

Hon. Senator, you may now proceed to ask your Question.

Question No.042

REVIVAL OF KIMURI COFFEE FACTORY IN KARI
VILLAGE, KIGUMO CONSTITUENCY

Sen. Veronica Maina: Mr. Speaker, Sir, I beg to ask the following Question to the Cabinet Secretary for Co-operatives and Micro, Small and Medium Enterprises (MSMEs) Development-

(a) What immediate plans does the Ministry have to revive Kimuri Coffee Factory in Kairi Village, Kahumbu Ward in Kigumo Constituency, which is critical for the economy of the residents of that area?

(b) Could the Cabinet Secretary state the specific timelines for the revival of this coffee factory and indicate the resources allocated by the Ministry for that purpose?

(c) What measures does the Ministry have for long-term sustainability and economic viability of the factory?

The Speaker (Hon. Kingi): Hon. Cabinet Secretary, you may now proceed to respond.

The Cabinet Secretary for Co-operatives and Micro, Small and Medium Enterprises (MSMEs) Development (Hon. Wycliffe Oparanya): Thank you, Mr. Speaker, Sir. Kimuri Coffee Factory is the only factory belonging to Kimuri Farmers Cooperative Society. Kimuri Farmers Cooperative Society split from the larger Njora Farmers Cooperative Society to run separately with only one processing factory.

Despite being registered to operate independently, Kimuri Farmers Cooperative Society is now dormant due to unsustainable operations arising from low active membership, low coffee production and poor governance.

Kimuri Factory requires the following facilities to revive operations: Drying tables and electricity reconnection. Other coffee pulping machinery and facilities are available.

In order to revive the operations of the coffee factory and the cooperative in general, the Ministry in collaboration with the County Government of Murang'a intends to conduct fresh elections to re-constitute the management committee, build capacity of the newly elected management committee, sensitize coffee farmers within the catchment area of the factory on the need to patronise the services of the cooperative, facilitate the reconnection of electricity to the coffee factory and the coffee farmers within the catchment area. Finally; facilitate the reconstruction of drying tables and servicing of other equipment and facilities.

On Question (b) on the interventions listed in response (a) above will be implemented during the financial year 2025/2026, whereby we have factored in the budget provision of Kshs18.5 million for coffee revitalization. Part of these funds will be used to support the revitalization of the operations of the coffee cooperative society.

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On Question (c), the Ministry is working with other Government Ministries, departments and agencies. It is in the process of implementing the coffee revitalization strategy that covers several areas which include policy, both coffee and cooperative policies; legal, both the Coffee Act and the Cooperative Act and accompanying regulations; streamlining coffee marketing and payment systems; increasing area under coffee, among others.

These measures are expected to improve the sustainability of the factory together with the coffee sectors in general.

Mr. Speaker, Sir, I submit.

The Speaker (Hon. Kingi): Sen. Veronica, you may now proceed to ask your two supplementary questions.

Sen. Veronica Maina: Thank you, Mr. Speaker, Sir. Hon. Cabinet Secretary, are you aware that in spite of this answer, which you have given and which to a good extent, is general that at the point when this coffee factory was being shut, its annual production was over 1 million kilogrammes of coffee production? Right now, farmers have to walk over 10 kilometres to access the next coffee factory as a result of which they have abandoned their coffee farms, because of the closure of this factory.

Secondly, why have you shied away from giving a specific timeline when you can tell me, Sen. Veronica, let us go to the Kimuri Coffee Factory tomorrow, we are starting the operations and reviving this coffee factory? You have shied away from giving a proper schedule and you are the Ministry entrusted with ensuring that such factories are revived so that farmers can take their produce to the market.

The Speaker (Hon. Kingi): Hon. Cabinet Secretary, you may now proceed to respond.

The Cabinet Secretary for Co-operatives and Micro, Small and Medium Enterprises (MSMEs) Development (Hon. Wycliffe Oparanya): Thank you very much. Sen. Veronica, I am aware of what is happening in the coffee sector in general. That is why we have come up with a coffee revitalization strategy for financial year 2025/2026, a project that is starting now and we will go on for the next three years to ensure that we increase crop productivity and proper governance within the cooperatives sector.

I am committed to go with you any time you are available so that I can make my personal commitment to make sure that we revive this particular cooperative.

The Speaker (Hon. Kingi): Sen. Maanzo, you may proceed. Yes, Sen. Veronica, I thought your question had been addressed.

Sen. Veronica Maina: Yes, Mr. Speaker, Sir, but I need a clarification. There is no schedule served here. He is committed and that I can do the visit, but I want a schedule that goes to divide the factory itself. The visit is the easier part. On reviving the factory, why he has not committed a timeline or a schedule in your response? Can you give a supplementary response to give the timeline for which you will commit?

I do not want to believe that you will take three years to revive something that is already existing, which only went down, hon. Cabinet Secretary.

The Cabinet Secretary for Co-operatives and Micro, Small and Medium Enterprises (MEMEs) Development (Hon. Wycliffe Oparanya): That is why I am telling you, let us go to the ground. Arising from the judgment which I will make while I am on the

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ground, I will be able to tell you definitely, that on this, I can take such and such a period to do it.

I am depending on answers that have been given to me by the County Government of Murang'a. That is why I have asked you to let me visit it, so that I can make a personal commitment.

Secondly, you know that cooperatives is a shared responsibility or a shared function between the county governments and the national Government. So, both governments have to be there to see who does what, so that we can coordinate our issues properly.

The Speaker (Hon. Kingi): Sen. (Dr.) Khalwale, you may proceed.

We will have Sen. (Dr.) Khalwale and then, Sen. Maanzo.

Sen. (Dr.) Khalwale: Thank you, Mr. Speaker, Sir. Allow me to congratulate the new Cabinet Secretary for his presence in this Ministry. The country remembers that His Excellency, the President because of the waiting he put on this issue, he actually assigned special responsibilities to the former Deputy President to do what you are doing now and we did not see his footprints. In a short time, you have blown a strong breath of hope in the coffee sector.

Mr. Speaker, Sir, before I ask, I want to acknowledge your answer in part (c) where you have spoken to the coffee revitalisation strategy that covers special areas that include policy and so on and so forth. This is very good. However, there is something you have left out, which concerns me.

The issue of governance. You and I have been around for a while. You know that the Nordic countries were so interested in this particular cooperative movement that they actually put up a cooperative college in Karen.

I do not know what happened to that college that it was converted into a university. This is the college that would give capacity building in the area of governance in our cooperatives. So, given that the university has taken over the college, what are you planning to do to ensure that these skills of governance are then given to these people from a centralised place, recognised like the former cooperative college?

[The Speaker (Hon. Kingi) left the Chair]

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

Finally, Madam Temporary Speaker, with your permission, the blueprint which you have attempted to give in (c) gives a lot of hope to all farmers across the country, including our own home for you and I, Kakamega. The people of Shitoli Factory in Idakho Central of Ikolomani, like Kimuri are waiting to hear how much money you have put in the budget to ensure that Shitoli Factory in Ikolomani, like many others, can actually be revitalised.

The Temporary Speaker (Sen. Veronica Maina): Sen. Maanzo.

Sen. Maanzo: Madam Temporary Speaker, you know the Cabinet Secretary is on his feet, but I will be as brief as possible. First, I want to congratulate the Cabinet

Secretary for coming up with the new cooperatives law because this will deal with the governance in individual cooperatives like Kimuri.

Bearing in mind that the budget to Cabinet Secretary of Cooperatives has remained tiny over the years and also bearing in mind that the counties where they are dealing with cooperatives as a devolution strategy is also underfunded, what will do about situations like those in Kimuri.

Do you have some other sources of funding, you know like international funding, interested people in the cooperative movement worldwide who really want to support the Kenyan cooperative movement, so that you have funds to revive cooperatives like Kimuri?

Thank you, Madam Temporary Speaker.

The Temporary Speaker (Sen. Veronica Maina): Sen. Murango. Hon. Cabinet Secretary, you could take your seat because we will take the questions, then you will respond to them together.

Sen. Murango: Asante sana, Mstahiki Spika. Kwanza nikushukuru kwa swali ambalo umeuliza kuhusu vyama vya ushirika kufilisika. Jambo la kwanza, sababu kubwa huwa uongozi mbaya kwa vyama vya ushirika na wale wanaoongoza vyama vile kule mashinani.

Bw. Waziri, unajua tukianza kutatua tatizo, lazima tuweke msingi. Kulikuwa na sababu kubwa ambayo ilifanya Kimuri kufilisika. Inafaa kuangaliwa kwa kina ilifisika kwa nini. Tunapojaribu kuongeza kuzalisha kahawa, na wakulima bado wanaenda kilomita 10 kupeleka kahawa kwa mitambo ya kusagia, wengi wataenda kulima vitu mimmea nyingine ambayo haina maana kushinda kahawa.

Kitu ambacho ningeambia Bw. Waziri ni kwamba chanzo kubwa ya kufilisika kwa vyama vya ushirika ni maafisa ambao wako katika Wizara yake. Nasema hivyo kwa sababu juzi, mwaka uliyopita, kule Kirinyaga, Kibirigwi na Mutira farmers cooperatives, karibu zifilisike kwa sababu ya mikopo iliyochukuliwa na maafisa kutoka Wizara yako. Walikopa pesa watu binafsi halafu wakakata wakulima. Ni jambo linalofaa kushughulikiwa.

Nikimalizia, kama tunataka wakulima wa kahawa wawe na pesa mfukoni, lazima tuwaangalie. Katika gazeti ya Serikali juzi, kulikuwa na tolea ambalo Waziri Mbadi alisema sasa wakulima watakuwa wanatozwa asilimia 0.3 ya pesa ambazo zitaenda kwa taasisi ya CMA ambayo iko kwa Wizara ya hazina. Asilimia 0.3 itaenda kulipa malipo ya moja kwa moja inayoitwa DSS na asilimia 0.2 ambazo zinafaa kwenda katika soko la Nairobi Coffee Exchange.

Hata tukiamsha Kimuri na tuendeleo kutoza wakulima, itakuwa ni ubaguzi wa wakulima kwa sababu CMA inatoa pesa zake katika hazina kuu. Kwa nini mmea mmoja tu ndio utatozwa pesa na CMA? Hilo ndio swali langu.

Najua hii si sehemu yako lakini ningependa ufuatilie kidogo ndio uone wakulima wako wanakatwa pesa ngapi. Kama Kirinyaga tumejipanga. Najua unakubaliana na mimi kuwa kama kuna mahali vyama vya ushirika vimekita mizizi ni Kaunti ya Kirinyaga. Tuko na viwanda 72, vyama vya ushirika 14 na chama kimoja kikubwa kinachoangalia mambo ya kahawa. Pia tumenunua mashini ya kusaga na tunajisagia wenyewe na

kujiuzia wenyewe. Mahali tumepitia, Bw. Waziri Mbadi anataka kukula kutoka kwa kikapu chetu. Aangalia hilo, Bw. Waziri.

The Temporary Speaker (Sen. Veronica Maina): Sen. Cherarkey.

Sen. Cherarkey: Thank you, Madam Temporary Speaker. From the onset before I support your statement, I want to congratulate my friend, Governor Oparanya, the new Cabinet Secretary for the good job he is doing in the coffee and other subsectors.

Madam Temporary Speaker, sorry for saying this, but there is a perception in this country that coffee is only grown in Kenya or Murima. However, coffee is grown across the country, including Nandi, Bungoma, Kakamega, Machakos, Makueni and many other areas.

Madam Temporary Speaker, in line with the Coffee Cherry Fund under the Coffee Bill, what are the strategies alongside Kimuri Factory that you have raised to support coffee cooperative societies? For example, in Nandi County, especially Tinderet Sub-county, we have, just to name a few, cooperative societies like Kipsiele, Kapunyeria, Kapulumben, Kaprel, Sarwat and Kapsawas in Aldai Sub-county and across the entire of Nandi County.

What are the strategies along Kimuri Coffee Factory in Kairi Village, has the Cabinet Secretary put in place to spur and ensure these coffee cooperative societies across the country are no longer going under or are being declared insolvent? Are they able to support the growth of coffee growth and coffee business across the country, including Kericho, where we have many cooperative societies, like Fort Ternan? I do not know why my teacher, Prof. Tom ojienda is excited today and he just walked in.

You know, Kericho is my neighbouring county. In areas like Fort Ternan and Kipkeleon, farmers also grow a lot of coffee. Same to Bungoma and Kakamega counties. What are the strategies? What is the silver bullet?

I am happy that the Cabinet Secretary is a former governor. So he understands, it is easy for him to manage what the counties are doing in terms of what is happening in Kimuri and across the nation, so that we can continue.

That is my supplementary question. I thank him for supporting Senator Boni Khalwale for governor of Kakamega County.

Thank you, Madam Temporary Speaker.

The Temporary Speaker (Sen. Veronica Maina): Thank you, Sen. Cherarkey. Sen. Mandago Jackson, are you doing campaigns from the Floor of the House? It is not allowed.

Sen. Mandago: Thank you very much, Madam Temporary Speaker. Let me congratulate Cherarkey for recognising that former governors can help current Senators to become governors.

I just want to ask the Cabinet Secretary, alongside that supplementary of Kimuri Coffee Factory. One of the challenges cited is that farmers often have to travel long distances to deliver their produce to the nearest factory. I would like to inquire what the Cabinet Secretary is doing to ensure that the services of the Coffee Research Institute, a very important organization for enhancing coffee productivity and quality, are made accessible in other parts of the country.

Specifically, I am referring to the western region of Kenya, which includes the former Western, Rift Valley and Nyanza provinces. Coffee is now being cultivated as a serious commercial crop in these regions. It is crucial that these services are available to boost productivity and facilitate the establishment of new factories in the region.

Thank you.

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

Sen. (Prof.) Tom Odhiambo Ojienda, SC, proceed.

Sen. (Prof.) Tom Odhiambo Ojienda, SC: Thank you, Madam Temporary Speaker. My supplementary question to the Cabinet Secretary for Co-operatives and MSMED pertains to the measures the Ministry is undertaking. Specifically, I would like to know what steps are being taken not only to enhance the functions of cooperatives in the Nyanza region, but also to encourage coffee growing in areas such as Nyakach and Muhoroni.

There areas form part of the zone extending from Fort Ternan to other regions known for coffee farming. Additionally, I would like to inquire whether any funds have been allocated to support these efforts.

Thank you.

The Temporary Speaker (Sen. Veronica Maina): Hon. Cabinet Secretary, you can now take up those questions.

The Cabinet Secretary for Co-operatives and Micro, Small and Medium Enterprises Development (Hon. Wycliffe Oparanya): Madam Temporary Speaker, I thank Members for raising those questions. They are very important for the growth and development of the sector. The first question is by Sen. Boni Khalwale on governance.

Madam Temporary Speaker and Hon. Members, I believe I have already elaborated on the issue of governance. One key point is the Cooperative Bill currently before the Senate, which has already been passed by the National Assembly. As soon as you deal with it, you will have resolved approximately 70 per cent of the governance challenges we face. I urge you to give it the serious consideration it deserves. Doing so, it will greatly help us move forward as a country.

The Cooperative University of Kenya remains firmly committed to its mandate of supporting the cooperative sector. As an institution born from the cooperative movement, one of its primary objectives is to build capacity within the cooperative sector.

Additionally, it serves as a central hub for maintaining and managing all data related to cooperative movements. If you need information about cooperatives, the Cooperative University of Kenya is the go-to institution. It provides access to all documents related to the cooperative movement in Kenya. Although its role in this service is not very prominent, it continues to fulfill this important function.

When I assumed office, I engaged with the management of the Cooperative University of Kenya and emphasized the need for them to step up in addressing governance issues. While Mwongozo serves as the governance framework for parastatals, I have directed them to develop a similar framework, Mwongozo, tailored specifically for cooperatives. This is crucial given the expansive growth of the cooperative movement, which now includes over 30,000 cooperative societies across the country.

As mentioned, we have developed a revitalization strategy aimed at reviving cooperatives and revitalizing coffee farming. You may recall that during the President's last address to Parliament, he committed to ensuring that by financial year 2028/2029, coffee production will increase significantly from the current 51,000 metric tons to 150,000 metric tons.

As a Ministry, we have taken the responsibility of making sure that this presidential promise is fulfilled. That is why we came up with the revitalization strategy. The President has pledged Kshs500 million between now and June of this year to kickstart that initiative. Through this initiative, cooperatives such as Shitoli, which Hon. Khalwale mentioned, will benefit from the allocated funds.

I have already engaged with several Members of Parliament (MPs), including hon. Khalwale, to emphasize the importance of embracing coffee farming in this country. Currently, coffee is achieving its highest prices in the last 10 years. Farmers who previously earned Kshs50 per kilogramme of cherry, are now receiving an average of Kshs114 per kilogramme. It has never happened. This remarkable increase is driven by a significant global shortage of coffee.

Countries like China have embraced coffee consumption, presenting a valuable opportunity for Kenyans to focus on expanding coffee cultivation. However, as noted by Sen. Maanzo, the Ministry has faced challenges in securing an adequate budget. We have submitted a proposal for a budget of approximately Kshs4 billion to ensure that production---

Sen. (Dr.) Murango: On a point of clarification, Madam Temporary Speaker.

The Temporary Speaker (Sen. Veronica Maina): Sen. Murango, what is your point of clarification?

Sen. (Dr.) Murango: Asante, Bi. Spika wa Muda. Bw. Waziri, sijui unafhamu kwamba kina Cheskaki na Cheptai's wa Bungoma mwaka huu wamepata shilling 51 tu kwa kilo ya kahawa. Nimekusikia ukisema ya kwamba wakulima sasa hivi wanalipwa shilingi 100 na zaidi. Kahawa ya watu wa Bungoma imeuzwa kwa shilingi 100 tu kwa kilo moja, Bw. Waziri. Kwa hiyo, siyo ukweli. Kuna wakulima hawajanufaika na jitihada mnazofanya kama Serikali ama Wizara kupata bei nzuri ya kahawa.

The Temporary Speaker (Sen. Veronica Maina): Hon. Cabinet Secretary, proceed.

The Cabinet Secretary for Co-operatives and Micro, Small and Medium Enterprises Development (Hon. Wycliffe Oparanya): Madam Temporary Speaker, I have yet to see evidence supporting the Senator's claims as the statistics we rely on are sourced from the NCE. It is important to note that in coffee farming, farmers have the freedom to sell their produce to anyone. They are not compelled to sell to the NCE. There exists a parallel marketing system where farmers can sell directly.

Madam Temporary Speaker, this has also led to the presence of middlemen who often take advantage of farmers in need of quick money by purchasing coffee at lower prices and transporting it to the NCE where they resell it for significant profit. I would advise the Senator to encourage farmers to avoid selling their coffee to middlemen. There are proper structures in place. There is a mill that---

Sen. (Dr.) Khalwale: On a point of order, Madam Temporary Speaker.

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The Temporary Speaker (Sen. Veronica Maina): Sen. Boni Khalwale, are you sure you want to raise a point of order? He is not a Senator submitting from the Floor of the House.

(Sen. Khalwale spoke off record)

What is your clarification?

Sen. (Dr.) Khalwale: Madam Temporary Speaker, this is very important. In Kirinyaga, farmers were paid as high as Kshs151 per kilogramme while in Mount Elgon and most parts of Western Kenya, the payment ranged between Kshs20 and 30. Could the Cabinet Secretary clarify the differential such that farmers doing the same good job are paid Kshs21 in Western, but in Kirinyaga they are paid Kshs151?

The Temporary Speaker (Sen. Veronica Maina): Sen. Boni---

Sen. (Dr.) Khalwale: Madam Temporary Speaker, I was pursuing Standing Order No.105. That is why I was struggling on accuracy of what is being stated, but you have shown and the Cabinet Secretary has heard me. We are concerned. Cabinet Secretary, we have gone full throttle. We are telling farmers to plant, but Kshs21 against Kshs151?

The Temporary Speaker (Sen. Veronica Maina): Sen. Boni, he was in the middle of answering the same question by Sen. (Dr.) Murango. Perhaps you should allow him to finish.

The Cabinet Secretary for Co-operatives and Micro, Small and Medium Enterprises Development (Hon. Wycliffe Oparanya): Madam Temporary Speaker, I am yet to get those statistics given by Sen. (Dr.) Khalwale. I can prove my own statistics. There is no differential.

I have said clearly that in other regions, there are people who take advantage of farmers. They go straight to the farmers, buy coffee cherries from them, process the same and bring it to NCE and sell at a high price. That is why I advise the two Members of Parliament (MPs) that they should educate those farmers.

Tell the farmers that there is a Cherry Fund. So, there is no need for them to be in a hurry. As soon as you have your cherries, there is a fund where you can make an application from any Co-operative Bank. You just fill the form. After it is proved that the cherries are with you, you will be paid a minimum of Kshs50 per a kilogramme of cherries before they are taken for milling and eventually auction. When it is auctioned, you are paid within five days.

Those are part of the reforms that the Ruto Government has undertaken. Within five days, they pay you minus the Kshs50 per kilogramme that you received in advance. I do not see how a farmer can accept to sell coffee cherries at Kshs30 when already there is a Cherry Fund that can give them Kshs50. I do not believe that.

Should I continue, Madam Temporary Speaker?

The Temporary Speaker (Sen. Veronica Maina): Yes, proceed. You are doing well.

The Cabinet Secretary for Co-operatives and Micro, Small and Medium Enterprises Development (Hon. Wycliffe Oparanya): Thank you very much. There is

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the issue of charges that Sen. (Dr.) Murango talked about. You know that 75 per cent of coffee farmers are smallholders. It is only 25 per cent who are the big boys or estates. A smallholder with a half or one acre cannot manage to have his or her cherries processed and taken to Nairobi for auction at the NCE. That is why there is a co-operative movement.

You will find smallholder farmers joining co-operative movements so that they get services. Co-operative movements are not providing services for free. They are establishments with staff and machinery. Those services should be paid for.

Through the reforms, the Government said that the minimum that a coffee farmer can be paid is 85 per cent of the selling price. The 15 per cent goes to other service providers. It is because a small-scale coffee farmer cannot transport coffee from, say Bungoma, mill it and then take it to the NCE.

We are now limiting those providing other services which has not happened before. It is now being limited through that legislation although some people have gone to court to stop that. However, that is the best way for coffee farmers to benefit to the maximum.

Those services being paid for are not even 1 per cent. We have even reduced payments to brokers and the CMA. We have slightly increased payment to the NCE because of the services they provide.

The Senator for Nandi also asked a question. I want to congratulate Nandi and Kericho counties that have come up. They are among top 10 producers of coffee in this country. Most of the farmers are moving from tea because there is more money in coffee.

Let me state here categorically. Coffee is grown in 33 counties. Coffee can grow anywhere. Leave alone the belief that coffee can only grow in a particular area. We want to promote coffee to be grown in the entire country. Our mission is that coffee should be grown everywhere in this country. That is the only crop at the moment that I feel can change the economy of this country. That is why we have reforms.

Madam Temporary Speaker, give me a chance next time to come and tell hon. Members here about the reforms that the Government has undertaken within the coffee sector that will make more people to grow coffee.

Thank you very much.

The Temporary Speaker (Sen. Veronica Maina): We have one more question from Sen. Crystal Asige.

Sen. Crystal Asige: Thank you so much, Madam Temporary Speaker. I might have pressed the button erroneously, but I also wish to extend my welcome to the hon. Cabinet Secretary. I think this is the first time we are meeting here in Parliament. I congratulate him as well on the work that he and his Ministry are doing.

The Temporary Speaker (Sen. Veronica Maina): Thank you, Sen. Asige. Hon. Cabinet Secretary, thank you for the answers that you have offered for the questions that have been posed by the Senators.

Sen. Mandago, is there a clarification?

Sen. Mandago: Yes, Madam Temporary Speaker. I did not hear the Cabinet Secretary respond on the issue of Coffee Research Institute (CRI).

The Temporary Speaker (Sen. Veronica Maina): Proceed, Cabinet Secretary.

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The Cabinet Secretary for Co-operatives and Micro, Small and Medium Enterprises Development (Hon. Wycliffe Oparanya): I can remember it very well. Having been a colleague of mine, I thought we would meet out there then I expound on that particular issue. Since he needs an answer, the CRI is under the Ministry of Agriculture and Livestock Development. In terms of collective responsibility, I will attempt to answer that particular question.

We are getting coffee seedlings from the CRI. In fact, through the Coffee Revitalization Strategy, we have engaged the CRI. You will remember that when the Agriculture and Food Authority (AFA) was introduced in 2012, farming became an issue. That is why you can see every agricultural sector, including sugarcane and coffee, coming up with their own legislation. That will stimulate the CRI.

Since 2012, the CRI has been underfunded. Using part of the money that we are being given, which is Kshs500 million, most of the money will go to the CRI to activate it to produce more seedlings for our farmers. In fact, they are now mobbing up all the seedlings in the country for this particular strategy.

That particular organisation is being revived. It is one of the strategies that I am grateful to the management of the CRI, under Dr. Gichuru, that they are doing a good job to make sure that we revive the coffee sector.

The Temporary Speaker (Sen. Veronica Maina): Thank you, hon. Cabinet Secretary and for the insights you have offered on the coffee sector and the other question that was brought forth.

I believe you will come back to the House to talk about the coffee reforms as you have proposed. I am sure one of the Senators will pick up that proposition by the Cabinet Secretary so that we push it to the next level.

You and your team can now leave at your own pleasure.

*The Cabinet Secretary for Co-operatives and MSMEs Development
(Hon. Wycliffe Oparanya) was ushered out of the Chamber*

We will defer to the next sitting of the Senate, Orders No. 9 -12 since the Movers are not in the House.

MOTIONS

NOTING OF REPORT OF PARLIAMENTARY DELEGATION TO THE 2024 JOINT UN-IPU HEARING HELD NEW YORK

THAT, the Senate notes the Report of the Parliamentary Delegation to the 2024 Joint United Nations – Inter-Parliamentary Union Parliamentary Hearing held at the United Nations headquarters in New York, United States of America from 8th to 9th February, 2024 laid on the Table of the Senate on Tuesday, 17th September, 2024.

(Motion deferred)

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NOTING OF REPORT OF PROCEEDINGS OF PARLIAMENTARIANS'
DIALOGUE AT AFRICA CLIMATE SUMMIT

THAT, the Senate notes the Report of the Proceedings of the Parliamentarians' Dialogue at the Africa Climate Summit, 2023 held in the National Assembly Chamber, Parliament Buildings, Nairobi, on 3rd – 6th September, 2023, laid on the Table of the Senate on Wednesday, 2nd October, 2024.

(Motion deferred)

NOTING OF REPORT OF THE SENATE DELEGATION
TO THE HLPF 2024 ON SUSTAINABLE DEVELOPMENT

THAT the Senate notes the Report of the Senate delegation to the High-Level Political Forum (HLPF) 2024 on sustainable development, held in New York, United States of America (USA) from 8th – 17th July, 2024, laid on the Table of the Senate on Thursday, 20th February, 2025.

(Motion deferred)

ESTABLISHMENT OF NATIONAL TEACHING AND
REFERRAL HOSPITALS IN KENYA

THAT, AWARE THAT Article 43 (1) (a) of the Constitution of Kenya provides that every person has the right to the highest attainable standard of health, including reproductive health care;

NOTING THAT in Kenya, we have five National Teaching and Referral hospitals with Kenyatta University Research and Teaching Hospital in Kiambu County and Moi Teaching and Referral Hospital in Eldoret, Uasin Gishu County being the only ones outside Nairobi County;

CONCERNED THAT the bed capacity, medical equipment and human capital in these National Teaching and Referral hospitals are not sufficient to absorb all the patients seeking specialized treatment;

FURTHER CONCERNED THAT many Kenyans with critical health conditions travel long distances in order to access specialized services in Moi Teaching and Referral Hospital in Eldoret or Nairobi where the other four National Teaching and Referral hospitals are located, leading to high cost of travel, augmented disease and in some cases deaths along the way;

NOW THEREFORE the Senate urges the Ministry of Health to -

(i) Establish National Teaching and Referral hospitals in the Coast, Eastern, North Eastern, Nyanza and Western regions; and

(ii) Fully equip the National Teaching and Referral Hospitals with modern medical equipment, medical supplies and personnel; and

(iii) The County Governments to allocate more funds to their respective health dockets to adequately facilitate their County Level 5 and Level 6 hospitals in order to enhance provision of critical health services to reduce the demand for such services from the National Teaching and Referral Hospitals.

(Motion deferred)

ADJOURNMENT

The Temporary Speaker (Sen. Veronica Maina): Hon. Senators, there being no other business on the Order Paper, the Senate stands adjourned until today, Wednesday 2nd April, 2025 at 2.30 p.m.

The Senate rose at 12.11 p.m.