

# NATIONAL ASSEMBLY

## OFFICIAL REPORT

Wednesday, 9th July, 2003

The House met at 9.00 a.m.

*[Mr. Deputy Speaker in the Chair]*

## PRAYERS

## ORAL ANSWERS TO QUESTIONS

*Question No.460*

### OPERATIONS OF DEPOSIT PROTECTION FUND

**Mr. Syongoh** asked the Minister for Finance:-

(a) whether he could table the audited annual report and accounts of the Deposit Protection Fund Board for the past ten years;

(b) if he is aware that the Board has been under- compensating depositors who held more than Kshs100,000 in collapsed banks in contravention of the law; and,

(c) what steps he is taking to ensure that all those depositors who have been under compensated by the DPF Board are fully paid their dues in accordance with the law.

**Mr. Deputy Speaker:** Is the Minister for Finance not here? We will leave this Question until the end then.

Next Question by Mr. Kombe!

*Question No.461*

### RECONSTRUCTION OF CLASSROOMS IN MAGARINI SCHOOLS

**Mr. Deputy Speaker:** Is Mr. Kombe not here? We will leave his Question until the

end.

Let us move on to the next Question by Mr. Moroto!

*Question No.473*

### UNDERSTAFFING IN WEST POKOT SCHOOLS

**Mr. Moroto** asked the Minister for Education, Science and Technology:-

(a) how many primary schools in West Pokot are understaffed and what plans he has to resolve this problem; and,

(b) if he could consider employing all trained teachers from the district in order to meet

the shortfall.

**The Minister for Education, Science and Technology** (Prof. Saitoti): Mr. Deputy Speaker, Sir, I beg to reply.

(a) 236 primary schools in West Pokot District are understaffed and the Ministry is currently carrying out an exercise on balancing and rationalisation of primary schools teachers in the district to ensure proper teacher utilisation.

(b) The Ministry will advertise the approved vacant positions and trained teachers from the district will be employed subject to the number of these vacant positions.

**Mr. Moroto:** Mr. Deputy Speaker,

Sir, I am glad with the way the Minister has answered my Question. Apart from the 236 primary schools being understaffed, is he aware that some of these schools lack even a single teacher and instead parents are being forced to employ teachers through the Parents Teachers Association (PTA)?

**Prof. Saitoti:** Mr. Deputy Speaker, Sir, I am aware of the following situation in West Pokot District: The number of primary schools, as I said, are 251 and the classrooms in those schools are 2,192. Now, the teachers so far on duty are as follows: Trained teachers are 1,655 and untrained teachers are 58. The total enrolment in all the schools is 73,497. So, the understaffing that we have so far been able to capture in the district is in the order of 730.

**Mr. Khamisi:** Mr. Deputy Speaker, Sir, the shortage of teachers is a national problem and we can see it happening all over the country. Could the Minister tell us whether there is a national programme of recruiting teachers particularly now after the introduction of free primary education programme? When will this recruitment actually take place?

**Prof. Saitoti:** Mr. Deputy Speaker, Sir, there is no doubt at all that there is a shortage of teachers throughout the country. However, we are just about to finish an exercise which we have been undertaking to find out exactly where the shortages and surpluses are because the problem is that even within a district, there have been some areas where we have found that there are some surplus teachers and then in some other areas, there is a deficit. So, we have also decided to make sure that we do some kind of balancing act. However, I do wish to inform this House that now that the Budget has been read and we are going to go through the Vote, fairly soon we are going to embark on filling the vacant positions.

**Mr. Samoei:** Mr. Deputy Speaker, Sir, could the Minister confirm or deny that records from his Ministry confirm that there is a shortage of 35,000 teachers in the country? He does not need any report or exercise to confirm that there is, indeed, a shortage of teachers in the country. Secondly, what is he doing to make sure that there are teachers in the additional classes that have come up as a result of the free primary education programme in the country?

**Prof. Saitoti:** Mr. Deputy Speaker, Sir, my answer does not call for either denying or confirming the position. I said that as a matter of fact, we know for sure because we have carried out a very major survey in the country, that even in a district, there have been areas where there is a surplus of teachers, more than they need and within the same district, we have also found that there are areas which have very big deficits.

**Mr. Samoei:** On a point of order, Mr. Deputy Speaker, Sir.

**Prof. Saitoti:** Mr. Deputy Speaker, Sir, I am still answering the question.

**Mr. Deputy Speaker:** Mr. Samoei, be patient and listen to the Minister.

**Prof. Saitoti:** Mr. Deputy Speaker, Sir, this matter has got to be addressed in a very rational way and the only way is to be able to see whether all the teachers we have are fairly distributed or not. This is what we have almost done so that when we come out to recruit the teachers, we will do so for areas with deficits.

**Mr. Deputy Speaker:** Last Question Mr. Moroto!

**Mr. Moroto:** Mr. Deputy Speaker Sir, the Minister is talking about an exercise to be carried out. The exercise is taking long and yet the year is now ending. We are now coming towards the end of second term! In West Pokot people are now dying from hunger. In spite of that, parents are being

asked to consider employing teachers through Parents Teachers Associations (PTA) to teach their children.

Could the Minister kindly do us a favour and recruit more teachers in that area, so that by next week the children can get proper education?

**Prof. Saitoti:** Mr. Deputy Speaker Sir, I can only appeal to the hon. Member to take account of the fact that this afternoon and tomorrow the Vote of the Ministry of Education, Science and Technology will be discussed here. As soon as it is approved, we shall have the funds to enable us to recruit teachers.

**Mr. Deputy Speaker:** Next Question, Mr. Ngoyoni!

*Question No.480*

FUNDING OF LOGLOGO PRIMARY SCHOOL

**Mr. Ngoyoni** asked the Minister for Education, Science and Technology:-

(a) if he is aware that due to inability of parents to pay the requisite boarding fees, the boarding section of Loglogo Primary School was closed many years ago;

(b) if he is aware that the Ministry's books/records indicate that the school still receives Government grants to supplement parents' efforts in sustaining boarding facilities/activities; and,

(c) how much money the school has received for the last five years and who receives the money on behalf of the school.

**The Minister for Education, Science and Technology** (Prof. Saitoti): Mr. Deputy Speaker Sir, I beg to reply.

(a) No, I am not aware that the boarding section in Loglogo has been closed. On the contrary, there are two operational boarding schools in Loglogo.

(b) No, I am not aware that there were grants specially for Loglogo Boarding School, but I am aware that the school was to benefit from the grants sent to the District Education Officer (DEO) like any other school in the district.

(c) The funds for low cost boarding primary schools used to be disbursed to the District Education Officers (DEO's) for subordinate staff's salaries and for purchase of food items for the schools. During the last five years, Loglogo Primary School received Kshs361,260. Out of this amount, Kshs214,260, was in the form of salaries for subordinate staff and Kshs147,000 was in the form of food.

However, the Ministry has now decided to disburse the grants to the school accounts, and Loglogo Primary School was recently provided with Kshs161,454.

**Mr. Ngoyoni:** Mr. Deputy Speaker Sir, I really pity the great Minister because in his answer to part (a) of the Question, he has said that there are two boarding primary schools in Loglogo. Loglogo is a location and there is only one primary school in that location. Indeed, it is a day primary school. So, that answer is greatly misleading. The Minister has taken a write-up from the district headquarters at face value.

Mr. Deputy Speaker Sir, as I stand before you today, I can swear that I have been told that the Question will be answered the way they want it answered. The Minister is giving an answer framed in a way he wants me to hear. This Government has been singing every other day that it is fighting corruption and we are trying to assist them fight the same evil. That school, in the Ministry's records---

**Mr. Deputy Speaker:** Order, Mr. Ngoyoni! You started very well. You have a very valid argument that your Question has not been properly answered because the Minister said that there are two boarding schools whereas you are saying that there is only one day school. Then, instead, of following up the issue on that line so that it can be corrected, you are now making very serious allegations. I think you are moving into dangerous grounds. Could you, please, stick to your Question

and wait to get a proper answer from the Minister? That is what you are supposed to do.

**Mr. Ngoyoni:** Mr. Deputy Speaker Sir, with regard to part (a) of the Question, could the Minister confirm whether there is one primary school or two boarding primary schools in Loglogo?

**Prof. Saitoti:** Mr. Deputy Speaker Sir, the information I have here states that there are two boarding schools which are attached to Loglogo Primary School. One is Jubilee Integrated for the visually handicapped, and the second one is Loglogo Boarding Primary School for boys.

**Mr. Deputy Speaker:** Now, let me ask Mr. Ngoyoni to follow it up from there.

**Mr. Ngoyoni:** Mr. Deputy Speaker Sir, a boarding school and a day school are as separate as day and night. We should not be arguing here whether these schools are boarding or not. There is only one primary school, for the purpose of records.

Mr. Deputy Speaker Sir, I want you to refer to the HANSARD of March, where hon. Gumo was answering a Question. He confirmed that there are two boarding primary schools in Marsabit. One is in Saku constituency and the other is in my own constituency. Can the Minister confirm from his records whether the Government sends grants to this school annually or not?

**Prof. Saitoti:** Mr. Deputy Speaker Sir, first of all let me say that we are losing focus here because I thought the hon. Member's Question sought--- According to part (a) of the Question, he wanted to know whether Loglogo Primary School has actually been closed or not due to lack of fees. I made it clear in my answer that the school has not been closed at all. The other part of the Question was to do with the Government grants. I also made it very clear that grants, for example, for this financial year, had been disbursed. All the same---

**Mr. Ngoyoni:** Why are you hesitating?

**Prof. Saitoti:** Well, not at all. I do have the records here. In the previous disbursement of funds money was sent to the DEO under the old arrangement. In this case, the DEO received the same amount of grants on behalf of all the boarding schools as follows: In 1998/1999, Kshs 200,000 was disbursed for every quarter; 1999/2000, Kshs200,000 for every quarter; 2000/2001, Kshs200,000 for every quarter, 2001/2002, Kshs375,000 for every quarter; and 2002/2003, Kshs375,000 for first, second and third quarters. The fourth quarter was directly credited to Loglogo Primary School account, as I had said earlier on.

**Mr. Sasura:** Mr. Deputy Speaker, Sir, there are two boarding primary schools in Marsabit District. One is in Saku Constituency and the second one is the school in question, that is, Loglogo Primary School. The contention here is that the money that was being sent to these schools during the years the Minister has mentioned, was not going to the boarding schools. According to the records in the Ministry of Education, Science and Technology, the schools are operating as boarding schools, but truly they are not operating. The only money that was received in the boarding schools was the last quarter of Kshs161,000 which was given to the school by the Minister and we are grateful for that. Could the Minister, because he is being misled by his officers--- The same officers who stole the money have now been transferred to the headquarters and are giving the Minister wrong answers.

Mr. Deputy Speaker, Sir, could the Minister follow up the matter because money has been stolen over the last five years? He should take the necessary action against the DEOs.

**Prof. Saitoti:** Mr. Deputy Speaker, Sir, as a matter of fact, I very much welcome the information and I will be very happy to welcome the "two Ministers" in my office to give me the information.

*(Laughter)*

Mr. Deputy Speaker, Sir, let me inform the House of the following---

**Mr. Deputy Speaker:** Order! Did you say the two Ministers?

**Prof. Saitoti:** No, I meant the two Members of Parliament.

*(Laughter)*

However, I have given records for the last five years. I will be quite happy to receive information to the effect that my records are misleading and I will take action. As of today, the money for boarding schools and tuition has been disbursed directly to the accounts of the schools.

**Mr. Deputy Speaker:** In view of what the Minister has just said, I will be doing justice to this Question by allowing more information to be given to the Minister, so that the matter can be finalised. Mr. Ngoyoni, do you have something to say?

**Mr. Ngoyoni:** Mr. Deputy Speaker, Sir, I request you to defer this Question to next week, so that the Minister can gather more information. We are really asking him to fight corruption and we will appreciate that.

**Mr. Deputy Speaker:** The Chair did not talk about deferring the Question. The Minister requested for more information, especially like the one that has been given to him by Mr. Sasura, so that he can carry out further investigations and take action. That is what we have agreed. We did not agree to defer the Question.

*Question No.484*

HEALTH CARE FACILITIES FOR RANGWE

**Mr. Deputy Speaker:** Eng. Okundi has permission from the Speaker to be out of the country. His Question is, therefore, deferred to a future date.

*(Question deferred)*

*Question No.478*

MEASURES TO CURB SAND  
HARVESTING IN NDITHINI

**Mr. Mbai** asked the Minister for Environment, Natural Resources and Wildlife:-

- (a) what action he is taking to address the issue of sand harvesting in Ndithini, which has contributed to soil erosion, scarcity of water and poor roads; and,
- (b) what urgent measures he is taking to curb this environmental disaster.

**The Assistant Minister for Environment, Natural Resources and Wildlife** (Prof. Maathai): Mr. Deputy Speaker, Sir, I beg to reply.

(a) The problem of sand harvesting is widespread in Ukambani area, and has led to environmental degradation, particularly along river courses. Concerns on sand harvesting problems have been raised in the past and piecemeal solutions are not adequate. This is a complex issue because the local authorities and the local people earn revenue from sand harvesting. For some residents, that is the only source of income. Those stakeholders must, therefore, be involved in formulating guidelines that will ensure sustainable sand harvesting and equitable sharing of revenue from that activity.

(b) My Ministry is taking initiative to control that activity and ensure sustainable harvesting of sand using proper guidelines, as provided for in the Environmental Management and Co-ordination Act (EMCA). My Ministry, through the National Environmental Management Authority (NEMA), is already looking at that issue following similar complaints from other parts of Ukambani. A team from NEMA was sent to the ground towards the end of May---

*(Mr. Oloo-Aringo's mobile phone rang)*

**Mr. Deputy Speaker:** Order, Mr. Oloo-Aringo!

**Mr. Oloo-Aringo:** Mr. Deputy Speaker, Sir, it was inadvertent that it rang.

**Mr. Deputy Speaker:** Mr. Vice-Chairman, there is only one verdict. You are guilty and the punishment is that you should withdraw from the Chamber.

*(Mr. Oloo-Aringo withdrew  
from the Chamber)*

**Mr. Shitanda:** On a point of order, Mr. Deputy Speaker, Sir.

**Mr. Deputy Speaker:** Order, Mr. Shitanda! Wait for the hon. Member to withdraw from the Chamber and then raise your point of order.

**Mr. Shitanda:** On a point of order, Mr. Deputy Speaker, Sir. There are gadgets in this House which are supposed to control Safaricom mobile phones. Could we be told whether they are working or not?

**Mr. Deputy Speaker:** Mr. Shitanda, whenever a cellphone rings, the next thing we hear is that the gadgets are not working. That is what happened yesterday. The Chair has belaboured that issue for a long time. Whether the gadgets are working or not, cellphones should be switched off when hon. Members come to the Chamber. That is the position.

**The Assistant Minister for Environment, Natural Resources and Wildlife (Prof. Maathai):** Mr. Deputy Speaker, Sir, I beg to continue.

A team from NEMA was sent to the ground towards the end of May to assess the problem and come up with recommendations for a plan of action. The team is in the process of finalising its findings and recommendations to facilitate guidelines and a plan of action that will ensure sustainable sand harvesting, which should cut across all the districts facing that problem.

**Mr. Mbai:** Mr. Deputy Speaker, Sir, first of all, I want to thank the Assistant Minister for the answer she has given. I want to inform her that roads in Ndithini Division are impassable because of heavy trucks that transport sand. The water has dried up and river banks have collapsed. That has resulted into soil degradation. Could the Assistant Minister tell us what she is doing to ensure that sand harvesting is stopped immediately?

**Prof. Maathai:** Mr. Deputy Speaker, Sir, I have just informed the hon. Member that there is a team looking into that issue at NEMA. As we speak, the team is working on its findings, so that it can come up with final recommendations to guide sand harvesting.

**Mr. Kaindi:** Mr. Deputy Speaker, Sir, titanium is regarded as a mineral. Unless the Ministry issues guidelines to treat sand harvesting as a form of mining, it will never be sustainable. Could the Assistant Minister issue the appropriate guidelines, so that sand harvesting in Ukambani is treated as a form of mining, and not just as a social activity?

**Prof. Maathai:** Mr. Deputy Speaker, Sir, I will ensure that before those guidelines are issued, that issue will be addressed. That is an activity that has been going on in this country for many years, although it was not perceived as mining. I accept that it is a form of mining.

**Mr. Muriungi:** Mr. Deputy Speaker, Sir, sand harvesting has been associated with soil erosion. But there are other forms of mining which pose other problems like the excavation of quarries for building stones. Miners leave behind open craters which are very dangerous. The craters are hide-outs for thieves. They also collect a lot of stagnant water which provides good breeding grounds for mosquitoes which cause malaria. I would like to know from the Assistant Minister what plans she has to rehabilitate the quarries after mining.

**Prof. Maathai:** Mr. Deputy Speaker, Sir, those are some of the details that NEMA should enforce. As we know, miners leave behind open quarries and we have had many quarry-related accidents in the country. I can only promise that NEMA will ensure that the principle of polluter-pays is followed. The miners should also take the responsibility of rehabilitating the quarries after mining. I would also like to request the local people to inform our Ministry of any open quarry as soon as possible. Sometimes we are not aware that such quarries have been left behind. The local communities

could also request NEMA to initiate activities such as tree planting, in order to rehabilitate the quarries after mining.

**Mr. Mbai:** Mr. Deputy Speaker, Sir, water is life. The people of Ndithini would like to enjoy good roads like other Kenyans. I would like to ask the Assistant Minister to stop sand harvesting in Ndithini Division.

**Mr. Deputy Speaker:** Mr. Mbai, could you repeat that question?

**Mr. Mbai:** Mr. Deputy Speaker, Sir, water is life. The people of Ndithini would like to enjoy good roads like all other Kenyans. Could the Assistant Minister issue a directive to stop sand harvesting in Ndithini?

**Mr. Deputy Speaker:** Very well. Mr. Mbai is saying that the Assistant Minister should issue a directive so that sand stealing and collecting is stopped.

**Prof. Maathai:** Mr. Deputy Speaker, Sir, I can only draw the attention of the National Environment Management Authority (NEMA) to this matter. I cannot issue a directive right away. I will forward that request to NEMA.

**Mr. Deputy Speaker:** Very well. Let us move to the next Question.

*Question No.493*

MEASURES TO CONTAIN ROGUE  
ELEPHANTS IN KINANGO

**Mr. Rai** asked the Minister for Environment, Natural Resources and Wildlife:-

(a) whether he is aware that there is a lot of insecurity and tension in the towns of Dumbule, Moteni, Nyango Dzimanya, Mbija and Mackinon road of Kinango Constituency due to invasion of rogue elephants, and;

(b) what urgent steps he is taking to contain the animals in their habitat.

**The Assistant Minister for Environment, Natural Resources and Wildlife (Prof. Maathai):** Mr. Deputy Speaker, Sir, I beg to reply as follows:-

(a) No, I am not aware that there is a lot of insecurity and tension in the towns of Dumbule, Moteni, Nyango Dzimanya, Mbija and Mackinon road of Kinango Constituency due to invasion by rogue elephants. It is true that there have been invasions of elephants in these areas because of drought in the Tsavo and Mkomazi National Reserve in Tanzania.

The Kenya Wildlife Service (KWS) station in Shimba Hills National Reserve headed by a senior warden and assisted by two assistant wardens and 23 rangers handles conservation issues in the area. Additionally, KWS has an outpost at Mackinon road with 3 rangers to handle human-wildlife conflict reports in this particular area. Between 18th June and 25th June, 2003, a versatile team from the reserve assisted by rangers from Tsavo East National Park drove about 500 elephants into the Tsavo from Mackinon road, Samburu and Taru areas.

(b) The KWS problem animal control team patrols the area constantly and the team from Tsavo East National Park is still on the ground. An advisory has been given to the communities to report incidents to the nearest authorities; that is, Chiefs, DOs, police stations and KWS posts for immediate action.

A 24-hour operational co-ordination base is in place and liaises with the problem animal control team and police posts in the hinterland to deal with reported cases. The Shimba Hills National Reserve and Mwaluganje Community Wildlife Sanctuary have a 120 kilometre electric fence of which 22 kilometres is on the Kinango side between Mwaluganje and Msangathamu.

**Mr. Rai:** Mr. Deputy Speaker, Sir, you heard the Assistant Minister saying she is not aware of tension in the area. However, to a certain extent she confirms that a team of rangers drove about 500 elephants from Mackinon road and Taru areas. Tension is very high on the ground. Three weeks ago, someone by the name Aden was killed at Mackinon road. About a month ago, an elephant was hit by a

mash bar at Mackinon road area. Could she tell us the names of those who were on the ground at Mackinon road?

**Prof. Maathai:** Mr. Deputy Speaker, Sir, I do not have the specific names of the rangers, but I do have the number of rangers who are stationed in different places. I do not have the actual names of those rangers. However, given time, I can get their actual names.

**Mr. Rai:** On a point of order, Mr. Deputy Speaker, Sir.

**Mr. Deputy Speaker:** Mr. Rai, there is no point of order. I will come to you later for a question. Let Mr. Mganga ask his question.

**Mr. Mganga:** Bw. Naibu Spika, tatizo la ndovu kuwavamia wananchi ni halisi, hasa wale wanaopakana na mbuga za wanyama wa pori. Wakazi wa Wilaya ya Taita Taveta, hasa sehemu za Mwatate, Kishushe na sehemu zote za chini, huvamiwa na ndovu kila siku. Je, ni vipi Wizara inajishughulisha na tatizo hili la ndovu kuwaua wananchi na kuwazuia watoto kwenda shuleni? Ni hatua gani Serikali inachukua kuwahakikishia wananchi wetu usalama? Hili ni tatizo linaloendelea hata wakati huu ninapozungumza.

**Prof. Maathai:** Mr. Deputy Speaker, Sir, as I said, we have had a lot of destruction of our indigenous forests in this country. As a result, we have destroyed a lot of natural habitats for these animals, especially elephants. That is part of the reason why they are moving into human settlements. We also have had a lot of encroachment of human populations into the forests and grazing grounds for these animals. One way of dealing with these animals is to fence.

As I said here before, fencing is also a very expensive exercise. This also means that we would be putting our wildlife into zoos. So, it is a constant struggle and our people on the ground are doing whatever they can to try to reduce this human-wildlife conflict. Where we can, we will put up a fence. The other effort is to increase re-forestation, especially of the natural vegetation so that these animals can find food in their natural habitat rather than come out and cause a lot of havoc to our people.

**Mr. Waithaka:** Mr. Deputy Speaker, Sir, the scenes in Kinango and Kinangop constituencies are almost familiar. These incidents are also similar because of elephant wrecks. The people of Kinangop, especially at Nadras Settlement Scheme and Rwanyambo have not harvested their crops because of this elephant menace. What has suddenly brought about this increased human-wildlife conflict that the Government cannot control?

**Prof. Maathai:** Mr. Deputy Speaker, Sir, it is exactly what I have said. We have not, as a people, as a country and as individual farmers, really made the linkage between the fact that our population has increased and we have allowed people to go and cultivate in the forests. We also have a lot of exotic plantations in our forests. So, there is a lot of pressure being put on these wildlife because human beings are constantly encroaching on their natural habitats.

If you go to the Aberdare Forest, for example, where the hon. Member comes from, there are thousands of acres of land where trees have been cut and harvested for the last 10 to 15 years, but they have not been re-planted; and certainly not re-planted with the natural habitation. This is why these animals are coming to where we are. As a Ministry, we are doing our best to try to rehabilitate our forests and also try to encourage our people to stay out of the forests and accept that we have to rehabilitate our land. We should not believe that we can only go to cultivate in forests where it is more fertile and wet.

**Mr. Deputy Speaker:** Prof. Maathai, as you can see, the Members have a lot of concern over this issue. You remember the Kitengela lions? Yesterday I saw on the television that so many goats were killed by lions in Yatta constituency. This is apparently happening everyday. Surely, we are not going to wait until the forests are planted and they grow, while our animals are being killed. Prof. Maathai, you ought to find a solution very soon before we get into a very serious crime.

**Ms. Abdallah:** Mr. Speaker, Sir, the Assistant Minister for Environment, Natural Resources and Wildlife has been sharing with us the high ecological and economic costs of fencing these areas. She has also mentioned severally the threats of human encroachment into these areas, and how it has been a major factor for human-wildlife conflict. The issue here is, does the Ministry have a curling



policy because the area assigned to wildlife seems to be decreasing. Why can the Ministry not have a curling policy, so that the wildlife population can be reduced in order to have a sufficient amount to support the areas available.

**Prof. Maathai:** Mr. Deputy Speaker, Sir, we have a curling policy but the truth of the matter, is that we do not have excessive wildlife in this country. We have some areas with no wildlife at all, partly because of poaching. That is the other reason why elephants move into areas where they are less threatened. For example, in Tsavo East, we have very few elephants but we have many of them in Tsavo West, where they are causing the trouble that the hon. Member is talking about. To a certain extent, it is an issue of insecurity and poaching that makes the animals move to areas that are safer. It is not as if we desperately need to curl them just as the lions in Nairobi National Park. We do not have too many lions. It is true that the area where they feel safer is decreasing all the time.

**Mr. Deputy Speaker:** Last Question, by Mr. Rai.

**Mr. Rai:** Mr. Deputy Speaker, Sir, the Assistant Minister is contradicting herself. As far as I am concerned, the human-wildlife conflict has lowered the standard of education in my area and rendered many of my people poor because of destruction of crops. The Assistant Minister is giving temporary measures. Could she come up with a permanent solution? I asked her how many rangers are on the ground and she said there were three rangers but she could not name them. Could the Assistant Minister consider providing more personnel on the ground because a month ago, elephants invaded Jaffery Primary School?

**Mr. Deputy Speaker:** Mr. Rai, this is not debate time. It is Question time. Ask your Question.

**Mr. Rai:** Mr. Deputy Speaker, Sir, elephants invaded Jaffery Primary School and the students were held hostage for three hours. Could the Assistant Minister consider providing more KWS personnel on the ground so that the problem can be solved?

**Prof. Maathai:** That is not an unreasonable request and in fact, the Ministry is seriously looking into ways of increasing the number of people that we require, especially forest guards, in order to mitigate the problem. It is not as if we do not know that we do not have enough staff, we do. We are working on it. We have just taken over this Ministry and we are trying very hard to see that we get enough staff. Maybe, if we get enough resources, we can even train them.

**Mr. Deputy Speaker:** Order, Members! Next Question.

*Question No.287*

RE-INTRODUCTION OF GOVERNMENT  
SUPPORT FOR COMMUNAL DIPS

**Mr. J.M. Mutiso** asked the Minister for Livestock Development:-

- (a) when the last livestock census was done by the Government in this country;
- (b) the number of stock that has died of notifiable diseases in Kilome and Kasikeu divisions in the year 2002/2003; and,
- (c) if he could consider re-introducing Government support and management of community dips in the country as an anti-poverty strategy.

**The Minister for Livestock Development** (Mr. Munyao): Mr. Deputy Speaker, Sir, I beg to reply:-

As you saw a while ago, I was consulting with the Member. The answer I have is not satisfactory and I beg the indulgence of the House, so that the Question can be brought back on Tuesday.

**Mr. Deputy Speaker:** The Minister is requesting for the Question to be deferred. Is that okay, Mr. J. M Mutiso?

**Mr. J.M Mutiso:** That is okay.

**Mr. Deputy Speaker:** Very well. The Question is deferred until Tuesday afternoon.

*(Question deferred)*

*Question No.449*

REVIEW OF MAGISTRATES' SALARIES

**Mr. Deputy Speaker:** Is Mr. Billow not here? We will move on to the next Question.

*Question No. 460*

OPERATIONS OF DEPOSIT  
PROTECTION FUND

**Mr. Syongoh** asked the Minister for Finance:-

(a) if he could table the Audited annual report and accounts of the Deposit Protection Fund Board for the past ten years;

(b) if he is aware that the Board has been under-compensating depositors who held more than Kshs100,000 in collapsing banks in contravention of the law; and,

(c) what steps he is taking to ensure that all those depositors who have been under-compensated by the DPF Board are fully paid their dues in accordance with the law.

**The Assistant Minister for Finance** (Mr. Katuku): Mr. Deputy Speaker, Sir, I beg to apologise for not being here to answer this Question the first time it was asked.

However, I beg to reply:-

(a) I hereby lay on the Table, the Audited Annual Reports and Accounts of the Deposit Protection Fund Board (DPF) for the period 1992 to 2002 as requested.

(b) I am not aware that the Deposit Protection Fund (DPF) Board has been under-compensating depositors who held more than Ksh100,000 in their accounts in the collapsed banks, in contravention of the law.

(c) Depositors with more than Kshs100,000 are covered under sundry unsecured creditors and are paid as and when the payment of dividends are declared, which depends on the liquidator's ability to recover the amount owed by the institution's debtors.

Payment to legitimate depositors of over Kshs100,000 are made without any discrimination as provided for under the law. Indeed, prior to such payment, the liquidator makes an application to the High Court indicating the amount to be paid, the number of creditors and the formula for distribution. It is only upon the High Court's satisfaction that authority to pay is granted. No groups of creditors have come forward to complain of any unfair treatment by the DPF in respect of payments of dividends as and when they are declared.

The above notwithstanding, the quantum of the amount paid is based on the available funds for distribution. I am, therefore, unaware of any unfairness in respect of payment to depositors with amounts exceeding Kshs100,000.

**Mr. Syongoh:** Mr. Deputy Speaker, Sir, with your permission, I would like to quote Section 37 of the Banking Act which the Assistant Minister has deliberately avoided to address himself to. The section says that the Minister may from time to time, in consultation with the Central Bank and by Notice in the Gazette, set the sizes of the Fund; the Deposit Protection Fund. It says that, in trying to

protect the interests of the depositors, the DPF Board may indeed borrow from the Central Bank, or from any other person any amount as it may require, for the purposes of discharging its functions under the Act. That section does not discriminate against those depositors who hold more than Kshs 100,000 in the banks. Where does the Assistant Minister get the authority to ignore the interests of depositors with more than Kshs100,000 in the banks?

**Mr. Katuku:** Mr. Deputy Speaker, Sir, Section 39(i) of the Banking Act says that the extent of the protection may be determined by the Minister for Finance from time to time. The current limit is Kshs100,000 and that is the position of the Minister.

**Mr. Sungu:** Mr. Deputy Speaker, Sir, some of these banks have collapsed as a result of deliberate corruption, fraud and deceit by well known members of this society who are very senior and rich people. They have managed to impoverish very many people. Examples of such banks are Trade Bank, Trust Bank, and even lately Euro Bank. What active steps is the Minister going to take to ensure that these people are prosecuted? They have a lot of money and people have suffered and have gone into bankruptcy because of them. They have made very many people bankrupt in this country.

**Mr. Katuku:** Mr. Deputy Speaker, Sir, I agree with the Member that many people have suffered because of this. The Government is equally concerned and we are putting every machinery in place, to ensure that all those who have gone with the depositors' money are followed and prosecuted and whatever proceeds are available, the depositors will benefit.

**Mr. Munya:** Mr. Deputy Speaker, Sir, the operations of the Deposit Protection Fund need to be properly looked into. For instance, why has the Trade Bank, under the Deposit Protection Fund, sent a lawyer to the Goldenberg Inquiry? Even if they were mentioned adversely in the Inquiry, what interests do they need to protect there? They are paying these lawyers a lot of money to represent them at the Goldenberg Inquiry.

**Mr. Deputy Speaker:** Mr. Munya, as a lawyer, do you expect the Assistant Minister for Finance to answer that question?

**Mr. Munya:** The Trade Bank is under the Deposit Protection Fund.

**Mr. Deputy Speaker:** My question is this: Do you expect the Minister for Finance to know the answer to your question?

**Mr. Munya:** Yes, absolutely.

**Mr. Deputy Speaker:** Mr. Assistant Minister, have a go at it.

**Mr. Katuku:** Mr. Deputy Speaker, Sir, in fact, I do not understand his question. Could he repeat it?

**Mr. Deputy Speaker:** Order! We will leave it at that.

**Mr. Syongoh:** Mr. Deputy Speaker, Sir, the amount of Kshs100,000 which the Assistant Minister is referring to as the protected amount is provided for under a gazette notice. It is a fundamental principle of law that a gazette notice is subsidiary legislation. It is therefore subordinate to the principal law which is the Act of Parliament. The Act of Parliament provides very clearly that the amount must be sufficient to protect the interests of depositors. That Article 37 does not put limits to the amounts to be protected under the Deposit Protection Fund. We cannot pretend that we want to encourage savings and create a sound base for investment capital if we allow banks to plunder money deposited in banks with impunity and yet we have the Central Bank protection---

**Mr. Deputy Speaker:** I agree with what you are saying, but ask the question now.

**Mr. Syongoh:** Thank you, Mr. Deputy Speaker, Sir. When can the Assistant Minister commence a programme of compensating all those that had deposits amounting to more than Kshs100,000 in collapsed banks in conformity with Section 37 of the Banking Act?

**Mr. Katuku:** Mr. Deputy Speaker, Sir, our investigations indicate that those who have

deposits above Kshs100,000 are less than 27 per cent. The average is about 83 per cent of all the depositors in this case. In view of what the hon. Member is talking about, we will review the position and do what is necessary.

**Mr. Deputy Speaker:** Very well. Mr. Billow's Question for the second time?

*Question No.449*

REVIEW OF MAGISTRATES' SALARIES

Mr. Billow still not here? The Question is dropped.

*(Question dropped)*

Next Question!

*Question No.461*

RECONSTRUCTION OF CLASSROOMS  
IN MAGARINI SCHOOLS

**Mr. Kombe** asked the Minister for Education, Science and Technology, in view of the fact that primary education is free in the country, what plans he has to reconstruct collapsing classrooms and ensure the safety of pupils at Madodoni and Bura Primary Schools in Magarini Constituency.

**Mr. Deputy Speaker:** Mr. Kombe, you should even have the courtesy of apologising to the House for coming late.

**Mr. Kombe:** I do apologise.

**The Assistant Minister for Education, Science and Technology** (Mrs. Mugo): Mr. Deputy Speaker, Sir, I beg to reply.

Bura and Madodoni primary schools will receive Kshs4,191,200 each from a donation made by the San Marco Company in Malindi to the Government over and above the funds already disbursed under the free primary education programme for repairs, maintenance and improvement.

**Mr. Kombe:** Mr. Deputy Speaker, Sir, this amount of money the Assistant Minister is talking about was shared out in my presence and I had put this Question earlier. The pupils at Midodoni are learning under very difficult conditions.

Could the Assistant Minister consider taking urgent measures to reconstruct classrooms in Madodoni and also Bura which has only four classrooms and yet it has pupils from Standard One to Eight?

**Mrs. Mugo:** Mr. Deputy Speaker, Sir, that will be considered. I would like to add here that this money is expected any time. It is shared between the Ministry of Education, Science and Technology and the Ministry of Health. I can give the assurance that this money will be there. On top of that, we also have funds from OPEC, which is a programme that will support three of the poorest districts from each province. This programme is also in operation at the moment. That fund will support one secondary school and three primary schools. Our Vote is being discussed from today and once funds are available, that request will be considered.

**Mr. Sambu:** Mr. Deputy Speaker, Sir, for purposes of informing the public, we are grateful for the free primary education. What is the official Government policy on the construction of new classrooms and the repair of damaged primary schools? Parents need to know this so that they can

stop harassing MPs or other officials concerned.

**Mrs. Mugo:** Mr. Deputy Speaker, Sir, the Government's position is to provide quality free education to all children of this country. We are working all the time and even looking for more funds for construction of classrooms and negotiations are going on with several donor partners. In the meantime, education is a partnership. Whereas the Government is committed to providing free primary education, we as a community still have a responsibility to be partners. However, no child should be sent home for failure to contribute money to build classrooms.

**Mr. Kimeto:** On a point of order, Mr. Deputy Speaker, Sir. Is it in order for this Ministry to allocate the whole Republic with educational funds and leave out some of the schools in my constituency such as Kaptelei, Sasur and Kamekunyet?

*(Laughter)*

**Mr. Deputy Speaker:** Order, Mr. Kimeto! That is not a point of order. You just want to ask a question and I am sorry you will ask next time.

**Mr. Kombe:** Mr. Deputy Speaker, Sir, is the Assistant Minister aware that currently, there are some people who are moving to court to block the usage of this money she is talking about? If that will not work out, when will this money be released to the schools so that construction work can start right away?

**Mrs. Mugo:** Mr. Deputy Speaker, Sir, the information we have at the Ministry is that we do not know of anyone that will block the usage of the funds. If you have that information, you can give it to us so that we can follow it up and see who is this enemy of the people.

Mr. Deputy Speaker, Sir, as I said earlier, plans are under way. We are looking for extra funds for reconstruction. Right now, we are giving out maintenance funds. Out of the Kshs633 per child which is available now, part of it which is Kshs498 goes to teaching materials; the other Kshs135 is for maintenance.

Mr. Deputy Speaker, Sir, as I said earlier, we will start discussing the Vote today and we will see what funds will be available for construction. That money is there; if it is not there you can give me the information.

**Mr. Deputy Speaker:** Questions by Private Notice!

### QUESTIONS BY PRIVATE NOTICE

#### HARMONIZATION OF REGISTRATION OF PERSONS/VOTERS

**(Mr. Obwocha)** to ask the Minister of State, Office of the President:-

(a) How many Kenyans were registered and issued with National Identity Cards as at December, 2002?

(b) What measures is the Minister putting in place to harmonise the registration of persons with that of voters?

**Mr. Deputy Speaker:** Mr. Obwocha has sent a message that he is attending court. So, I will defer the Question.

*(Question deferred)*

#### CLOSURE OF MUMIAS SUGAR COMPANY

**Mr. Oparanya:** Mr. Deputy Speaker, Sir, I beg to ask the Minister of Agriculture the following Question by Private Notice.

(a) Is the Minister aware that Mumias Sugar Company has been closed as a result of a strike by the tractor drivers and the reduction of sugar price from Kshs2,015 to Kshs1,750?

(b) What action is he taking to ensure that the factory is opened?

(c) Who will compensate the farmers for the sugar cane, which had already been harvested and was not collected?

**The Minister for Agriculture** (Mr. Kirwa): Mr. Deputy Speaker, Sir, this Question was addressed before and what we had agreed to do was to give a Ministerial Statement.

I do not know whether it is appropriate as of now for me to give that Statement.

**Mr. Deputy Speaker:** No, I will accord you an opportunity to give a Ministerial Statement after Question Time.

Mr. Oparanya, did you hear what the Minister said?

**Mr. Oparanya:** Mr. Deputy Speaker, Sir, I have no problem with that so long as the Ministerial Statement covers my Question.

**Mr. Deputy Speaker:** Is that the position? I do not quite understand how a Question can be answered through a Ministerial Statement. I think Mr. Minister you could answer the Question and then if there is need for a Ministerial Statement you can give it. Do you have an answer or you wish to give a Ministerial Statement?

**The Minister for Agriculture** (Mr. Kirwa): Mr. Deputy Speaker, Sir, I have gone through the HANSARD and this Question was fully answered. There were only three issues that were raised by the hon. Member. Those are the issues I wanted to address in a Ministerial Statement.

**Mr. Deputy Speaker:** This Question was deferred.

**The Minister for Agriculture** (Mr. Kirwa): No, Mr. Deputy Speaker, Sir. I have a copy of the HANSARD. I do not think there are two different copies of the HANSARD.

**Mr. Deputy Speaker:** In that case, I will seek further clarification from the Clerk because this Question was deferred. In view of this, what I will do, for the purpose of records, is to defer this Question and if the Ministerial Statement is sufficient, then we will see what to do. But, I cannot take the Question as answered because I do not know what is contained in the Ministerial Statement.

I will defer the Question and wait until the Ministerial Statement is given.

*(Question deferred)*

That is the end of Question Time. It is time for Ministerial Statements. However, before we do that I have a Communication from the Chair.

### COMMUNICATION FROM THE CHAIR

#### NOTICE OF MOTION FOR ADJOURNMENT: UNSATISFACTORY ANSWER TO QUESTION ON AIDS COUNCIL

**Mr. Deputy Speaker:** I have received a written notice from the hon. Member for Kisumu Town East, Mr. Gor Sungu, of his intention to raise a Motion for the Adjournment under Standing Order No.18, to discuss an unsatisfactory answer given to Question No.089 on Tuesday, 1st July, 2003, concerning the issue of the National AIDS Control Council (NACC).

I have considered the matter and acceded to the request. I, therefore, call upon the hon. Member to move a Motion for the Adjournment at the interruption of Business on Thursday, the 17th

of July, 2003.

### POINT OF ORDER

#### ARREST OF MR. KHALIF ABDI HUSSEIN IN MALAWI

**Mr. Y. Haji:** Jambo la nidhamu, Bw. Naibu Spika. Wiki tatu zilizopita nilimuuliza Waziri wa Nchi za Kigeni kueleza hali ya Bw. Khalif Abdi Hussein, ambaye ameshikwa nchini Malawi. Hatujui kama yuko hai au amekufa. Ningemuomba Waziri aeleze nchi hii kuhusu Bw. Hussein.

**Mr. Deputy Speaker:** Yes, there is a Ministerial Statement from the Ministry of Foreign Affairs on that matter.

### MINISTERIAL STATEMENTS

#### ARREST OF MR. KHALIF ABDI HUSSEIN IN MALAWI

**The Assistant Minister for Foreign Affairs** (Mr. Wetangula): Mr. Deputy Speaker, Sir, I wish to inform the House that on the evening of Saturday, the 21st of June, 2003, the Malawi security personnel, jointly with Federal Bureau of Intelligence (FBI) agents, arrested five alleged *Al Qaeda* terrorist suspects in Blantyre, Malawi. The five are further alleged to be of nationalities of the following countries:-

- (i) Saudi Arabia
- (ii) Turkey
- (iii) Sudan
- (iv) Kenya

The Kenyan is the one whose name is given as Mr. Khalif Abdi Hussein. According to preliminary information available, Mr. Khalif holds a Kenyan Passport No.A757979 issued to him on 6th March, 2003. This is a replacement of a Passport No.A512026 which he allegedly lost to robbers in Blantyre, Malawi, sometime in the year 2002. It was issued to him after the normal expiry of the first Passport issued to him, No.A208879.

Mr. Hussein and the four other suspects are alleged to have been involved in activities that posed high security risk. The five then filed a court injunction on Sunday, 22nd June, 2003, in Malawi against the allegations as well as any intention to extradite them to the United States of America (USA). I have no information on the status or outcome of this case. We have tried to use the available diplomatic channels to get more facts about the whereabouts of this gentleman. We are also in contact with the authorities in Malawi to find out where he is. I cannot say now whether Mr. Hussein is still in Malawi or not. We are still getting information and when we get it, we will avail it to this House.

Mr. Deputy Speaker, Sir, considering the fact that Mr. Hussein lost his passport to unknown people, there is a possibility that crooks may have used that lost passport and Mr. Hussein may be an unfortunate victim. There is also further necessity to physically compare the details of Mr. Hussein against the bio-data held in Kenya and this will only help us to get to the truth of the matter.

Finally, I want to assure the hon. Member that this Government takes great responsibility and care of its citizens and Mr. Hussein is no exception. We will do everything possible to make sure that we establish his whereabouts, and try and see if he can be brought back to Kenya. However, as I said, I will get more details on the whereabouts of Mr. Hussein and furnish them to this House.

**Mr. Y. Haji:** Bw. Naibu Spika, siamini hata kidogo kwamba Serikali hii inajali maslahi ya Bw. Khalif Hussein ambaye amezuiliwa katika nchi ya Malawi kwa muda wa wiki tatu. Haitakuwa vigumu

kujua. Pia tumesikia kwamba kati ya washukiwa hao watano, mmoja wao amekufa na hatujui kama ni Bw. Khalif Hussein. Alikuwa anaishi na familia yake huko Malawi ambayo inaweza kumtambua. Pasipoti yake ya Kenya ambayo inaonyesha dhahiri ni yeye pia iko.

Bw. Naibu Spika, kwa hivyo, kusema kwamba ni vigumu kumtambua Bw. Khalif Hussein hadi uchunguzi utakapofanywa kuthibitisha kama ni yeye si haki. Ningetaka Serikali hii ihakikishe kwamba kama Bw. Khalif Hussein amekufa, maiti yake imeletwa, na kama yuko hai, tuelezwe yeye yuko wapi. Tungetaka Serikali ieleze ni kwa nini mtu huyo ameshikwa.

*(Mr. Haji displayed Mr. Khalif Hussein's Passport)*

**The Assistant Minister for Foreign Affairs** (Mr. Wetangula): Mr. Deputy Speaker, Sir, the Government has absolutely no interest in giving any information that is incorrect regarding its own nationals. I have already said that Mr. Hussein was arrested together with other people by Malawi security forces together with American FBI agents.

Mr. Deputy Speaker, Sir, I have further said that, as I stand here now, we are still gathering information as to his whereabouts. As to whether he is still alive or not, I do not want to speculate because we have no information in that direction.

Mr. Deputy Speaker, Sir, I have promised that my Ministry is doing everything humanly possible to get all the information necessary to allay the anxiety that the hon. Member and the family of the gentleman may be gripped with.

**Mr. Abdirahman:** Mr. Deputy Speaker, Sir, it is now 18 days from the date of arrest of Mr. Khalif Hussein. Is it really fair for the Assistant Minister to tell us that 18 days after the arrest of Mr. Khalif Hussein, he does not know the whereabouts and status of this Kenyan? Is it also right for him to tell us that they will compare the biodata which is held in Kenya with Mr. Khalif Hussein when they do not even have him physically here? What is the Kenyan Embassy in Malawi doing?

Mr. Deputy Speaker, Sir, could we have this issue resolved immediately? I am sorry to have stated it like that.

**Mr. Deputy Speaker:** You have nothing to apologise about that.

**The Assistant Minister for Foreign Affairs** (Mr. Wetangula): Mr. Deputy Speaker, Sir, first and foremost, this gentleman was arrested in a different jurisdiction over which our forces have no authority. Secondly, Kenya does not have a mission in Malawi. We have to use our mission in neighbouring Zambia to access Malawi. I have said that we are doing exactly that. I still promise that, as soon as we get information and I know that this information belongs to this House, I will bring it to this House for everybody to know.

**Mr. Deputy Speaker:** Very well!

TABLING OF NJONJO LAND  
COMMISSION INQUIRY REPORT

**The Assistant Minister for Lands and Settlement** (Mr. Ojode): Mr. Deputy Speaker, Sir, yesterday, I did promise that I will lay on the Table the Report of the Commission of Inquiry into the Land Law System of Kenya on principles of a national land policy framework, constitutional position of land and the new institutional framework for land administration.

I do now lay on the Table the Report.

Thank you.

*(Mr. Ojode laid the document on the Table)*

**Mr. Deputy Speaker:** Very well! By the way, when are we going to come out of this culture



of Government keeping public documents secret? If this Commission did its work and the Report was presented, do you not think these hon. Members ought to get a copy each? This Chair now orders that further to that, the Minister makes copies of the Report available to all hon. Members.

*(Applause)*

**The Assistant Minister for Lands and Settlement** (Mr. Ojode): Mr. Deputy Speaker, Sir, because you have ordered the Ministry to bring other copies, it is important to note, that the same copies are available also at the Government Printer. But now that you have ordered---

**Hon. Members:** No! No!

**Mr. Deputy Speaker:** Order! Order! Order, Mr. Ojode!

**The Assistant Minister for Lands and Settlement** (Mr. Ojode): Mr. Deputy Speaker, Sir, now that you have ordered the Ministry to bring enough copies, I will do exactly that.

**Mr. Deputy Speaker:** No debate on the Chair's order. The copies will be brought here. Otherwise, you will meet the wrath of the Chair.

*(Laughter)*

#### ALLOCATION OF ADC FARMS

**The Assistant Minister for Agriculture** (Mr. Khaniri): Mr. Deputy Speaker, Sir, on Wednesday last week, while answering a Question by the Member for Molo, Mr. Mukiri, regarding the potato cooling plant in Molo, I undertook to table the list of the allottees, of the ADC Farm; Sirikwa ADC Farm, Tall Trees ADC Farm and Nyota Complex, this week. I hereby table the list for the records of the House.

*(Mr. Khaniri laid the documents  
on the Table)*

**Mr. Deputy Speaker:** Very well!

#### IMPORTATION OF SUGAR

**The Minister for Agriculture** (Mr. Kirwa): Mr. Deputy Speaker, Sir, I beg to give a Ministerial Statement. On Wednesday, 9th July, 2003, arising from a Question by Private Notice asked by the Member for Butere, Mr. Oparanya, the hon. Members of this august House, rising on points of order, demanded to know the following:-

- (a) The measures the Ministry has taken to stop dumping of sugar in the country;
- (b) The companies which have imported sugar into the country in the last six months; and,
- (c) The steps the Ministry has taken to provide relief food to Butere/Mumias residents.

Mr. Deputy Speaker, Sir, as for "a", I wish to give the following position.

*(Loud consultations)*

**Mr. Deputy Speaker:** Order! Hon. Members, may we listen to the Minister.

**The Minister for Agriculture** (Mr. Kirwa): Mr. Deputy Speaker, Sir, it is a known fact that Kenya is a net importer of sugar. It is, therefore, not a secret that the country imports sugar since we produce less than our domestic requirements. It is also a fact that we are a high-cost country in terms

of sugar production. Naturally, the traders will respond to this by importing the commodity from other countries.

The list of importers, for the last six months, is hereby tabled for the perusal of hon. Members.

**Hon. Members:** Read it!

**Mr. Deputy Speaker:** Order! Order! How long is the list?

**The Minister for Agriculture** (Mr. Kirwa): Mr. Deputy Speaker, Sir, I will not be able to read the list because it is more than six pages.

**Mr. Deputy Speaker:** Just lay it on the Table!

**The Minister for Agriculture** (Mr. Kirwa): I will lay it on the Table and if hon. Members have any issue to raise later, I will be able to respond.

*(Mr. Kirwa laid the document on the Table)*

The other issue is what steps the Ministry has taken to provide relief food to Butere/Mumias. That is an issue that is handled by the Office of the President and information available to my Ministry is that food and other rations have been provided for the people of Butere/Mumias. But I wish to make specific comments as to what we have done as a Ministry since taking over.

Since I took over, I have prepared a list of all outstanding arrears to the farmers which amounts to Kshs1.9 billion. I set up a task force to study the industry and advise the Ministry on the same, a report of which I received on 7th July, 2003, and discussions were held by all the stakeholders in the industry yesterday. After the consultations, we agreed to implement the recommendations provided for in the task force report.

Mr. Deputy Speaker, Sir, to stop dumping of sugar, the Ministry of Agriculture, the Ministry of Trade and Industry and the Ministry of Finance have prepared a position about the various Common Market for Eastern and Southern Africa (COMESA) protocols, to ensure that any sugar that comes into this country is effectively monitored, so that the same people can pay duty under the COMESA arrangement. If any sugar gets in through any other means, the Minister in charge of Provincial Administration has been instructed to make sure that there is no sugar that comes in through the various borders throughout the country. We have also ensured that KEPHIS, a department under my Ministry, takes cognisance of the fact that anything that comes into this country must be carefully inspected. We told them to be on a high alert as far as the sugar imports are concerned. Those are measures that we have taken, as we look at the overall picture of the sugar industry, to ensure that the cost of production is lower, so that our country does not become attractive to unscrupulous importers or any other businessmen. The wish of the Ministry is to do slightly more than it is doing, to export sugar to COMESA countries and other countries of the world.

In the meantime, I urge Members of Parliament who have any information about the illegal importation of sugar to avail it to the Ministry of Agriculture, so that appropriate action can be taken.

Thank you, Mr. Deputy Speaker.

**Mr. Shitanda:** Mr. Deputy Speaker, Sir, I would like to get clarification from the Minister on the list of importers. How many are they and how many tonnes of sugar did they import during that period?

**The Minister for Agriculture** (Mr. Kirwa): Mr. Deputy Speaker, Sir, I have already tabled the list and I would not be able to assess. But what I know is that up to 26 June, 2003, the total amount of sugar imported was 106,000 metric tonnes.

**Mr. Shitanda:** We want to know how many they are!

**Mr. Deputy Speaker:** How many what?

**Mr. Shitanda:** The importers?

**The Minister for Agriculture** (Mr. Kirwa): Mr. Deputy Speaker, Sir, this is simple

arithmetic. The list is here and the hon. Members can count once they get the list. The number is 24 and hon. Members can count from one to 24.

**Mr. Deputy Speaker:** I think the list is here and you can scrutinize it.

**Mr. Sambu:** Mr. Deputy Speaker, Sir, we are a sugar-deficit country. We also agree that sugar has to be imported. What is important is transparency in the importation. The Sugar Act specifically provides that before sugar is imported, the Sugar Board, which is composed of officials from the Government and the stakeholders, must decide on how much should be imported and at what import duties. Why the secrecy? Could we know when the Sugar Board met, and whom they authorised to import sugar and at what rate of import duty?

**The Minister for Agriculture** (Mr. Kirwa): Mr. Deputy Speaker, Sir, that is very good clarification. I wish to give the following position: When that was supposed to be done, the first step I was supposed to take as the Minister, was to gazette the rules under the Sugar Act, 2001. Immediately I did that, I was taken to court by the Association of Sugar Importers. The case is still in court, although they have given an undertaking that they will withdraw the case. In the meantime, we cannot operationalise that section of the Act because the matter is in court.

**Mr. Osundwa:** Mr. Deputy Speaker, Sir, could the Minister inform the House why he has not appointed a Sugar Arbitration Tribunal as provided for in the Sugar Act?

**The Minister for Agriculture** (Mr. Kirwa): Mr. Deputy Speaker, Sir, that is another issue that the former Assistant Minister, I am happy to hear, has asked. We discussed the issue in the Ministry and realised that we did not want to use the funds of the Kenya Sugar Board to appoint a tribunal. We made recommendations in the current financial year to the Ministry of Finance and they have accepted to give us some money in the Budget. I am in the process of appointing a three man-tribunal to effectively handle the issue of sugar disputes.

### POINT OF ORDER

#### ARREST OF KENYAN FISHERMEN BY SECURITY PERSONNEL

**Dr. Oburu:** On a point of order, Mr. Deputy Speaker, Sir. Two weeks ago, the Minister for Foreign Affairs made a Statement in this House, while answering my Question on the 105 fishermen who have been jailed in Uganda. The Minister informed the House that His Excellency the President of Kenya and the President of Uganda discussed the matter of releasing those fishermen, and that they would be released forthwith. Up to now, they are still languishing in the Ugandan jail. They have not been released. The Ugandan security forces continue to harass our fishermen in the lake. The day before yesterday, another 18 boats were confiscated, although the fishermen were released. I would like to seek a Ministerial Statement from the Minister for Foreign Affairs to inform this House whether his Ministerial Statement to this House was meant to please and pacify us. The situation still remains the same and no action has been taken to ensure that the fishermen are released and further harassment stopped.

**Mr. Deputy Speaker:** I believe that is a matter the Ministry should handle now, because they gave the undertaking and the hon. Member asked a Question.

### MINISTERIAL STATEMENT

#### ARREST OF KENYAN FISHERMEN BY UGANDAN SECURITY PERSONNEL

**The Assistant Minister for Foreign Affairs** (Mr. Wetangula): Mr. Deputy Speaker, Sir, I was not going to ask for time. I can handle it now. Indeed, I informed the House that the President of Uganda had extended clemency to the fishermen who were jailed in Uganda. I believe that the delay in releasing and handing them over to Kenya is purely administrative and procedural. I talked to the hon. Member yesterday. This morning, I instructed my Permanent Secretary (PS) to liaise with his counterpart in Uganda and make sure that what the two Heads of States agreed is forthwith executed. I have no doubt that the fishermen will be released and sent back to Kenya.

On the second issue of continued harassment of fishermen, that is a matter of grave concern to our Government and we are contacting the governments of Uganda and Tanzania at various levels to ensure that, that comes to an end. I did mention to the House that my Ministry has requested the Office of the President, which is responsible for security and patrol, to acquire and provide high-speed boats to our police, so that they can be able to patrol the lake and protect our fishermen. That is a matter that will be done in due course. You all know that we are discussing the Vote of the Office of the President. I hope they will utilise some of the funds to that end.

**Dr. Oburu:** Mr. Deputy Speaker, Sir, two weeks is a very long time. The promise was made and Uganda is just a neighbour. It appears that the Ministry is not taking this matter seriously. The Assistant Minister was only trying to follow up the matter yesterday, when I asked him. This matter should have been followed up by the Ministry and I would like the Assistant Minister to take it seriously. Those people are suffering! Some of them are camping at my home. The question of boats is also not an answer. The boats are there. Some new boats were bought just last year! But they are just lying there and no patrol is taking place. So, why spent money to buy more boats, when the boats that are there are not being used? The police are not patrolling the lake at all.

**Mr. Deputy Speaker:** Before the Assistant Minister replies, he should also take into account the fact that we have just dealt with the matter of a Kenyan national who was arrested in Malawi 18 days ago. The Ministry has not yet concluded this matter and now we are dealing with another matter whereby two weeks ago this House was told that two Heads of States had agreed that the Kenyan fishermen jailed in Ugandan prisons would be freed.

**Mr. Syongoh:** On a point of information, Mr. Deputy Speaker, Sir.

**Mr. Deputy Speaker:** Who are you informing, Mr. Syongoh?

**Mr. Syongoh:** Mr. Deputy Speaker, Sir, I would like to inform the Assistant Minister.

**Mr. Deputy Speaker:** Mr. Assistant Minister, do you want to be informed?

**The Assistant Minister for Foreign Affairs** (Mr. Wetangula): I do not want to be informed by the hon. Member, Mr. Deputy Speaker, Sir.

**Mr. Deputy Speaker:** Mr. Syongoh, the Assistant Minister does not want to be informed.

Mr. Syongoh, what do you want to say?

**Mr. Syongoh:** Mr. Deputy Speaker, Sir, our fishermen are being harassed by security personnel from our neighbouring countries. Four months ago, 85 fishermen from Muhuru were arrested by Tanzanian security personnel. The fishermen were taken to a *Kangaroo* court and jailed. As I speak here now, we have fishermen from Uganda who have camped on Kenyan islands. These fishermen collude with the Kenya Police to harass Kenyan fishermen because they are bribed. These are the facts. If the Assistant Minister wants specific facts, I can provide them. The Government has not taken this issue seriously and it is very dangerous for this country.

**The Assistant Minister for Foreign Affairs** (Mr. Wetangula): Mr. Deputy Speaker, Sir, the fishermen we are now talking about were jailed in Ugandan prisons for periods ranging from six months to two years. I talked about this issue in this House last week but one. It is only yesterday that I spoke to the Permanent Secretary. Indeed, Dr. Oburu, who is my very good friend, has been talking to me about this matter on a daily basis. He has raised this matter with me everywhere we have met and I have told him on several occasions that I have been following it up. I have no doubt

that the fishermen who are now in Ugandan prisons will be freed soon. It is important to know that we are dealing with jurisdictions which are not ours. We cannot expedite things in different jurisdictions. We can only urge the expediting of the release of these Kenyan fishermen in Ugandan prisons. That is exactly what we are doing.

**Mr. Ndambuki:** On a point of order, Mr. Deputy Speaker, Sir.

**Mr. Deputy Speaker:** Not on that matter, Mr. Ndambuki!

### POINTS OF ORDER

#### ACTION AGAINST KANU MEMBERS FOR MAKING INFLAMMATORY STATEMENTS

**Mr. M. Kariuki:** On a point of order, Mr. Deputy Speaker, Sir. I rise to seek a Ministerial Statement from the Minister of State, Office of the President, in charge of internal security and Provincial Administration regarding certain subversive, inciting and inflammatory statements. These statements are likely to threaten law and order and national tranquillity. The statements were widely covered by both the print and electronic media. The statements were attributed to some KANU Members of Parliament, who had reportedly converged at the home of Mr. Samoei in Eldoret North Constituency on Saturday, 5th July, 2003. The hon. Members reportedly threatened to unleash civil war, and or ethnic cleansing in Rift Valley Province unless the NARC Government stops summoning one Daniel Toroitich arap Moi to record a statement with the police pursuant to the provisions of the Police Act regarding allegations of corruption, plunder and abuse of office.

*(Applause)*

I would like the Minister of State, Office of the President to clarify the following.

(i) Why have the suspected warmongers not been arrested, interrogated and arraigned before court and charged with appropriate criminal offences?

(ii) Why has the former President not been arrested, charged with disobeying lawful summons issued pursuant to Section 22 of the Police Act, which makes it a criminal offence to defy police summons to make a statement?

*(Applause)*

Does the rule of law apply in respect of the retired President? We would like to be told that.

(iii) Could the Minister of State, Office of the President, assure the residents of Rift Valley Province that they will not be revisited with ethnic cleansing and genocide, which engulfed the province from 1991 up to January, 2003?

**The Assistant Minister, Office of the President** (Mr. Tarus): Mr. Deputy Speaker, Sir, I have heard what the hon. Member has raised and I will bring a Ministerial Statement to this House.

#### CLOSURE OF MASENO UNIVERSITY

**Prof. Oniang'o:** On a point of order, Mr. Deputy Speaker, Sir. I rise to seek a Ministerial Statement from the Minister for Education, Science and Technology regarding the closure of Maseno University. As you recall, Maseno University is closed following disturbances at the university which involved both students and members of staff. This is something which rarely happens. Obviously, the situation at the university is very serious. We would like to be told why, for example, unarmed

students were actually shot. We would also like to be told why the NARC Government has not issued a statement regarding what is going on at Maseno University. Universities are the nerve-centre of academic activities in this country. Universities accommodate our young people; the leaders of tomorrow. We would like the Minister for Education, Science and Technology to issue a Ministerial Statement on this matter.

**The Assistant Minister for Education, Science and Technology** (Mrs. Mugo): Mr. Deputy Speaker, Sir, I undertake to bring a Ministerial Statement to this House on the matter raised by the hon. Member.

#### OPERATIONS OF MEDICAL HEALTH PROVIDERS

**Mr. Omingo:** On a point of order, Mr. Deputy Speaker, Sir. Last week, I rose on a point of order seeking a Ministerial Statement from the Minister for Health regarding the operations of medical health operators. Some of these medical health practitioners do not fall under any Ministry and I think that they are supposed to be under the Ministry of Health. Currently, MediPlus Services Ltd, which covers the Parliamentary Service Commission staff, is not giving services to Kenyans. We know that some of these medical health providers are folding up and yet they are swindling Kenyans of money everyday. I think there is a Goldenberg in the making in the MHOs. The Minister for Health has not given a Ministerial Statement to save Kenyans from the anguish they are going through.

Secondly---

**Mr. Deputy Speaker:** Order, Mr. Omingo! You should ask for one Ministerial Statement at a time. Let us deal with one Ministerial Statement at a time. First of all, the Minister for Health is not here. Even the Assistant Minister for Health, Mr. Konchella, is not here. I think the matter raised by the hon. Member is important. Therefore, one Minister should inform the Minister for Health that a Ministerial Statement regarding the operations of medical health providers in this country has been sought in this House.

**Mr. Omingo:** Mr. Deputy Speaker, Sir, let the Assistant Minister for Co-operative Development, Mr. Kenneth, inform the Minister for Health that I have sought that Ministerial Statement.

**The Assistant Minister for Co-operative Development** (Mr. Kenneth): Mr. Deputy Speaker, Sir, I will undertake to communicate to the Minister for Health. But the Ministerial Statement is not on MHOs, but on HMOs. I will communicate that matter to the Minister for Health.

**Mr. Omingo:** On a point of order, Mr. Deputy Speaker, Sir. Kenyans are suffering in the hands of thugs and the police. On 19th June, 2003, I sought a Ministerial Statement from the Minister of State, Office of the President on the circumstances under which the late Francis Moreka Nyankieya was shot dead in the hands of the police.

Could the Minister of State, Office of the President issue the Ministerial Statement?

**Mr. Deputy Speaker:** The Ministerial Statement is ready. Mr. Assistant Minister, go ahead and make the Ministerial Statement.

#### MINISTERIAL STATEMENTS

##### ARMED RAID IN KAPKELEL LOCATION

**The Assistant Minister, Office of the President** (Mr. Tarus): Mr. Deputy Speaker, Sir, I have several Ministerial Statements to make. I have several other Ministerial Statements, which I have not brought with me, but I undertake to bring them to this House. One of the Ministerial Statements I have is the one regarding the issue of an American military base in

Kenya, and the other one concerns terrorists and was requested by Mr. Sasura. I will make three Ministerial Statements. I will start with the Ministerial Statement on armed raid at Kapkelel Location in Aldai Constituency.

On 18th June, 2003 Mr. Choge rose on a point of order and requested a Ministerial Statement on an armed raid at Kapkelel Location in Aldai Constituency, South Nandi District.

I wish, therefore, to state the following;

On the night of 23rd June, 2003, at about 1.00 a.m., a group of heavily-armed thugs, numbering about 30, raided Banja trading centre in Kapkelel Location, Aldai Division of Nandi South District. At the trading centre, they raided the shop of one Shem Asange and robbed him of personal effects such as clothes and Kshs17,647 in cash. At the same trading centre they attacked one Fredric Kisangani, the principal of Banja Secondary School. On their way from the shopping centre, they met one Edward Kiplimo alias Osiago, a grave digger who was returning from a funeral, and slashed him to death. Other victims of the thugs sustained minor injuries and were treated and discharged from hospital. They include: Nafasi Dan, Festo Simango and one Kipchumba.

Following the incident, a contingent of both regular police and Administration Police officers was dispatched to the area to track down the thugs. The Officer Commanding Police Division (OCPD) Nandi South, area District Officer and the District Criminal Investigation Officer, Nandi North and Nandi South, immediately visited the scene and a manhunt operation was launched. This is still going on.

The police are following concrete leads which may lead to the arrest of the thugs. A number of suspects have since fled their homes and the police are on the ground tracking them down. The motive of the raid at the centre and attack on various people is yet to be established. However, the incident is being treated as ordinary thuggery and members of the public have been informed in various public meetings to regard it as such. In the meantime, plans are under way to upgrade Kobujoi Police Post to a police station to reinforce security in the area. The post of a chief which is vacant in Kapkerer Location, has been advertised and will soon be filled. These measures, among others, are expected to boost the security and the confidence of the area residents.

Thank you Mr. Deputy Speaker, Sir.

**Mr. Choge:** Thank you very much for the Statement. However, in view of the laxity exhibited by the Kapkelel Police Post, could the Minister consider having the entire police force reshuffled? I believe that whenever officers stay longer than is necessary in one place, they breed avenues for corruption. In this particular case, there is one Mr. Wafula, who has a habit of releasing suspects on payment of some money. Could the Minister consider bringing in new personnel through a reshuffle?

**The Assistant Minister, Office of the President (Mr. Tarus):** Mr. Deputy Speaker, Sir, as I have said before, reshuffling or transferring of police officers may not necessarily be the answer. Issues of corrupt officers, inefficiency and lack of commitment to duty, would have to be addressed through the normal disciplinary measures that exist within the police force. For the officer who has been mentioned, I undertake to carry out investigations and take appropriate action on him.

**The Deputy Speaker:** Very well. Next Statement!

KILLING OF MR. FRANCIS  
MOREKA NYANKIEYA

**The Assistant Minister, Office of the President (Mr. Tarus):** Mr. Deputy Speaker, Sir, on 19th June, 2003, hon. Omingo requested for a Ministerial Statement on the circumstances which led to the shooting of the late Francis Moreka Nyankieya, by the police in Gucha. In this regard, I wish to state as follows;

On 28th April, 2003, four police officers from Ogembo Police Station, were sent to Nyachenge area to execute a civil warrant No. 297/1999, issued by the Kisii High Court. They were accompanied by the complainant, the late Francis Moreka Nyankieya. On reaching Ikoba Market, the

complainant identified one of the defendants, who was then arrested and taken to the police vehicle. It is at this point that an Administration Police Constable, Mr. Nathan Omenge Oeri, attached to Nyamira District Commissioner's office but who was on leave then, allegedly emerged from a local bar and demanded the release of the man who had just been arrested. The police then tried to arrest the Administration Police Officer for obstructing them from carrying out their duty. However, the officer resisted and a struggle with the police ensued. In the process of the struggle over a pistol between the accused and Police Constable Kennedy Owuor Obar, a bullet was discharged. It hit the Administration Police Officer in the hand, then went through and hit the complainant on the chest, killing him instantly.

Mr. Deputy Speaker, Sir, the Administration Police Constable together with the Police Constable, who was in possession of the pistol from which the bullet was discharged, have both been arrested and taken to court. The case file No.691/1/18/03, of Ogembo Police Station, has been forwarded to the Principal State Counsel in Kisumu for direction.

Thank you Mr. Deputy Speaker, Sir.

**Mr. Omingo:** Thank you Mr. Deputy Speaker, Sir. It is true that, that is what happened. But, Ikoba and Nyachenge are about ten kilometres apart. These police officers, instead of doing their duties, deviated and went to arrest *chang'aa* brewers. The culprits have not been arrested and the man arrested is not the one being sought. The police went to arrest *chang'aa* brewers, in order to get some funds from them. Secondly, the officer, Kennedy Owuor, appeared in court and was later moved to Ogembo to facilitate investigations. But, a month later, the officer was at large and was actually rearrested when he went to arrest a teacher. He was soliciting for bribes from the teacher. A month after his crime, he was out of jail. Could the Minister tell us why there is such complacency within the police force? Why is there so much cover-up in the police force when a case affects one of their own? Kenyans should get justice and not protection as is the case with Mr. Owuor. Secondly, what mandate did the police have in arresting a person at Ikoba and not Nyachenge.

*[Mr. Deputy Speaker left the Chair]*

*[The Temporary Deputy Speaker  
(Mr. Poghisio) took the Chair]*

**The Assistant Minister, Office of the President** (Mr. Tarus): Mr. Temporary Deputy Speaker, Sir, we are working hard to address the problem emanating from of the lack of commitment by the police force. It is not only in this case but, there are several others which appear to give the impression that some of our officers are not taking their duties seriously. We are working hard to ensure that we create a force that will respond rapidly, efficiently and humanely to the problems affecting Kenyans.

**Mr. Omingo:** On a point of order, Mr. Temporary Deputy Speaker, Sir.

**The Temporary Deputy Speaker** (Mr. Poghisio): Well, Mr. Omingo, I think we should move on to the other Statements. Just one more question and then we move to the other Statements.

**Mr. Omingo:** Mr. Temporary Deputy Speaker, Sir, the Assistant Minister has not addressed the issue of laxity. Here is a situation where a police officer has been arrested and investigations are being conducted, yet he is out, committing similar offences. What are you doing to Ogembo and Gucha so as to overhaul or perhaps give us new officers? Most of the people there are corrupt.

**The Assistant Minister, Office of the President** (Mr. Tarus): Mr. Temporary Deputy Speaker, Sir, I will take specific action on the particular officers. I will liaise with the hon. Member to make sure that the problem is sorted out.

**The Temporary Deputy Speaker** (Mr. Poghisio): Next Statement! The Minister has many



Statements, let him make one more.

CRIMINAL ATTACKS ON MANDERA  
TOWN RESIDENTS

**The Assistant Minister, Office of the President** (Mr. Tarus): Yes, Sir. I have another Ministerial Statement on criminal attacks on residents of Mandera Township.

Mr. Temporary Deputy Speaker, Sir, on 26th June, 2003 Mr. Shaaban requested a Ministerial Statement on criminal attacks on residents of Mandera Township. The hon. Member sought to know whether Kenyans living along the international borders of this country are safe, and whether the territorial boundaries are being compromised. I wish to respond as follows.

On 26th June, 2003 at about 9.30 a.m, a gunman, wielding a pistol, confronted Dr. Jan Van William, a Dutch national working with *Medicines Sans Frontiers*, as he was walking to his office in Mandera Township. When he noticed the gunman going after him, Dr. Williams rushed into a nearby telephone bureau for safety. When the gunman fired his weapon and missed the doctor, he hurled a hand grenade into the bureau and one adult male, namely, Shiye Gona Dahir, a Somali national aged 60 years, died and four other people were injured as follows. Dr. Jan Van William was injured on the leg, Mr. Abdi Muumin Abdile was injured on both legs and hands, Mr. Farah Omar Mata was injured on the upper hip, and Mr. Muusar Mohamed Almi was hit by grenade pellets on the lower abdomen.

Security personnel combed the Kenya/Somalia border. A Somali national was arrested in possession of a Russian-made pistol, Tokalev, with 14 rounds of .38 ammunition. He will appear before court. The injured persons were airlifted to Nairobi Hospital by African Air Rescue and AMREF through the assistance of *Medicines Sans Frontiers* Spanish office. Their conditions are fair.

Mr. Temporary Deputy Speaker, Sir, Kenyan security personnel are stationed at strategic points along our international boundaries to provide maximum security. However, hon. Members will appreciate that Kenya borders some states that are politically-unstable and without proper machinery for the maintenance of law and order. The incursions by individual criminals from these states should, therefore, not be construed to constitute a compromise on the security of our territorial boundaries. I wish to assure the House that Kenyan territorial boundaries are secure.

Thank you, Mr. Temporary Deputy Speaker.

**Mr. Sasura:** Mr. Temporary Deputy Speaker, Sir, it is only three weeks ago when I raised an issue similar to the one the Assistant Minister has just addressed in relation to Mandera. The Mandera incident was an isolated case involving an employee of *Medicines Sans Frontiers* and a Somali national. But could the Assistant Minister explain what business Federal Bureau of Investigations (FBI) agents from the United States of America (USA) have in a criminal act that was committed by a Somali national on the Kenyan side of the Kenya/Somali border? The Somali national who was arrested is now being interrogated and intimidated by FBI agents, who suggest that the *Medicines Sans Frontiers* should withdraw from Kenya on the grounds that it is not safe. Have the Kenyan police in Mandera surrendered their role to the FBI as has happened in Lamu, where there is a build-up of US marines in our territorial waters? Could he also explain what business USA marines have in our waters?

**The Assistant Minister, Office of the President** (Mr. Tarus): Mr. Temporary Deputy Speaker, Sir, I am not aware that the FBI personnel have taken over the role of our security personnel at this country's border with Somalia. I wish to assure the House that we have our own security machinery in place. We have our security intelligence, and we shall use our own machinery in handling security problems within our country.

**Mr. Kombe:** On a point of order, Mr. Temporary Deputy Speaker, Sir.

**The Temporary Deputy Speaker** (Mr. Poghisio): What is your point of order about, Mr.

Kombe?

**Mr. Kombe:** It is about a Ministerial Statement.

**The Temporary Deputy Speaker** (Mr. Poghiso): But I want us to move on to the next Order. Had you been given the go-ahead to raise the matter?

**Mr. Kombe:** Yes, Sir.

**The Temporary Deputy Speaker** (Mr. Poghiso): Very well; proceed.

### POINT OF ORDER

#### WITHDRAWAL OF *MNAZI* DEALERS' LICENCES

**Mr. Kombe:** Mr. Temporary Deputy Speaker, Sir, on 11th June, 2003 I sought a Ministerial Statement from the Minister for Trade and Industry on the circumstances under which *mnazi* dealers' licences were withdrawn. Dealers in this wine are now being subjected to constant harassment by the police. On the Sunday before last, I had to fly back to my constituency because the police had arrested more than 30 *mnazi* dealers and locked them up in a 9 feet by 9 feet police cell. To my disappointment, 24 of the dealers were freed after paying Kshs1,000 each, while the remaining six were moved to Malindi Police Station.

**The Temporary Deputy Speaker** (Mr. Poghiso): Mr. Kombe, are you issuing the Ministerial Statement yourself?

**Mr. Kombe:** Mr. Temporary Deputy Speaker, Sir, I am not issuing a Ministerial Statement. I am only explaining the circumstances that led me to seek the Ministerial Statement on 11th June, 2003. I want the response now.

**The Temporary Deputy Speaker** (Mr. Poghiso): So, you had requested the Ministerial Statement?

**Mr. Kombe:** Yes, and I want the response now!

**The Temporary Deputy Speaker** (Mr. Poghiso): From whom do you want the response?

**Mr. Kombe:** From the Minister for Trade and Industry.

**The Temporary Deputy Speaker** (Mr. Poghiso): Could the Minister for Trade and Industry respond?

**The Assistant Minister for Trade and Industry** (Mr. Miriti): Mr. Temporary Deputy Speaker, Sir, I request that I be allowed to issue the Ministerial Statement on Tuesday.

**The Temporary Deputy Speaker** (Mr. Poghiso): Very well. You will issue the Ministerial Statement on Tuesday next week.

Let us now proceed to the next Order.

### MOTIONS

#### INTRODUCTION OF MOBILE AND BOARDING SCHOOLS IN PASTORAL AREAS

THAT, in view of the high illiteracy level in pastoral areas occasioned by lack of appropriate pastoral education policy; taking cognisance of the Government's commitment to the provision of free basic education for all Kenyans; this House urges the Government to establish extra classes and enhance existing boarding facilities within the pastoral areas in order to enable these children to enjoy free basic education like other children in other parts of the country.

(Mr. Wario on 11.6.2003)

*(Resumption of Debate interrupted  
on 11.6.2003)*

**The Temporary Deputy Speaker** (Mr. Poghisio): Mr. Wario, were you on the Floor when debate on this Motion was interrupted?

**Mr. Wario:** Mr. Temporary Deputy Speaker, Sir, before I reply to debate on this Motion, I wish to donate five minutes of my time to Mr. M. Kariuki.

**The Temporary Deputy Speaker** (Mr. Poghisio): Order! Order! Mr. Wario, had you not started speaking when debate on this Motion was interrupted?

**Mr. Wario:** Mr. Temporary Deputy Speaker, Sir, I am responding to debate on the Motion.

**The Temporary Deputy Speaker** (Mr. Poghisio): You are just responding?

**Mr. Wario:** Yes, Sir.

**The Temporary Deputy Speaker** (Mr. Poghisio): How much time are you donating?

**Mr. Wario:** I am entitled to ten minutes and I want to donate five minutes to Mr. M. Kariuki.

**The Temporary Deputy Speaker** (Mr. Poghisio): Very well.

**Mr. M. Kariuki:** Mr. Temporary Deputy Speaker, Sir, I wish to support this Motion.

The National Rainbow Coalition (NARC) Government came to power on undertaking to provide free education to our primary school children and that particular promise has now become a reality. I say so with tremendous respect to some hon. Members who criticised the free primary education policy, forgetting that, in fact, the reason as to why KANU failed to recapture power in the last general election was precisely because the party's mandarins said that it would not be possible to have free education in our primary schools.

Mr. Temporary Deputy Speaker, Sir, may I also say that I am particularly concerned about the apparent change of policy by the NARC Government. On 18th February, 2003 during the official opening of this House, the President made it very clear that education would be free. Provision of free education means, among other things, construction of classrooms by the Government. Now we have seen some kind of vacillation of policy even this particular morning as the Minister was trying to answer some Questions.

It seemed as if there has been a shift in policy. It is important that we uphold consistently the position that was put forward by the President on 18th February, 2003, that the Government would undertake to construct primary schools; that was the official Government policy statement on education.

May I say that children in arid areas are particularly disadvantaged. We have the Children Act, in which we have undertaken to give free education to our children. But there are obvious impediments to the progress of children in these particular areas. We are aware that there are serious problems of cattle rustling. We have the problem of moranism in some other areas. It is, therefore, important that boarding schools are put up in such areas to protect our children from some of these traditional hazards that they have to go through. In order to promote education in these particular areas, the Government should put its foot down and ensure that cattle rustlers, who engage themselves in this particular exercise for very lucrative reasons, do not have a market for their product; such markets should be stamped out. As long as we have people who buy stolen livestock, cattle rustling will never come to an end. As long as we have practices like moranism, we shall not be able to put our children in

boarding schools, in these particular areas. It will not be possible to eradicate such practices. If we have to educate our people against some of the cultures that are pulling down our children, we have to ensure that these children are protected and properly put in boarding schools.

We have the problem of Female Genital Mutilation (FGM) in other areas. For this, again, the greatest protection we can give to young girls is to ensure that they are properly placed in boarding schools. Here, they will feel secure to pursue education without being harassed by certain customs that are retrogressive.

I know that there is a particular problem that these pastoralist communities have to face basically because of the climatic conditions. The vagaries of weather are such that people cannot have fixed homes and have to keep moving in search of greener pastures so that they can earn a livelihood. I would propose that, if we are going to ensure that there is education for our children, it has to go hand in hand with the development in those areas. In particular, we have to promote irrigation schemes so that these people can have a steady means of livelihood. We need to develop northern Kenya. We have huge lakes there, like Lake Turkana, which we can make use of and create a means of livelihood for the people in North Eastern Province and other parts of that area.

Mr. Temporary Deputy Speaker, Sir, I support this Motion and I would urge that teachers who are posted to these areas, should get special allowances. We understand the hazards they have to go through. Sometimes good teachers are unwilling to go and work in North Eastern Province because of the harsh climatic conditions. I would propose that they get special allowances to cover the hazards that they have to undertake in pursuance of their duties.

*(Applause)*

I know that the posting of civil servants and teachers to these areas has been used as a form of punishment. The teacher who is not doing very well here is transferred to North Eastern Province and this makes the situation worse. I would propose that this situation be taken care of by ensuring that our teachers get proper allowances.

Mr. Temporary Deputy Speaker, Sir, I beg to support.

**Mr. Wario:** Mr. Temporary Deputy Speaker, Sir, may I donate two more minutes to the Assistant Minister for Education, Science and Technology.

**The Assistant Minister for Education, Science and Technology** (Mrs. Mugo): Mr. Temporary Deputy Speaker, Sir, the Government supports this Motion and it is ready to provide quality education to the children from the North Eastern region and from all the other regions in the Republic. It is well known that there are certain hardships which have made it very difficult for education to be realised and developed fully in that region. In line with His Excellency the President's Speech during the State opening of Parliament, he made it quite clear that the Government will put extra emphasis on developing that region.

As a Ministry, we have been discussing how to improve the quality of education in that region. In particular, we have been concerned that there are very few children, if at all, who make it to university. We decided that we would be looking for the best teachers to be employed in that region so as to enhance the quality of teaching staff. Posting of teachers to that region will no longer be used as a punishment. I did not know that it was used as a punishment area because I do not think any region in this country should be used as a punishment area.

My Ministry is also committed to establishing boarding schools. In the Opec Programme which I talked about earlier on, we are going to make sure that, that area gets more funds.

Therefore, the Government supports the Motion.

**The Temporary Deputy Speaker** (Mr. Poghiso): Mr. Wario, take the remaining time.

**Mr. Wario:** Mr. Temporary Deputy Speaker, Sir, may I take this opportunity to thank hon. Members, across the House. They all understood the plight of pastoralist children and supported this Motion. May I again request that they support us to the end, to pass it.

Secondly, my appeal goes back to the Ministry of Education, Science and Technology. We have read much about the Ominde Report of 1969 and the Koech Report of 1997. Mr. Ominde put the enrolment rate of the pastoral children at 20 per cent while in the Koech Report, there is a decline from 20 per cent to 17 per cent. Pastoralism is the most effective way of life, the only livelihood in the ASAL areas. Due to the prevailing climatic conditions, our children have to move from one place to

another. It is unfortunate that the current education policy is against our way of life. It is in this regard that I request hon. Members to support this Motion.

Mr. Temporary Deputy Speaker, Sir, I beg to move.

*(Question of the Motion as amended  
put and agreed to)*

*Resolved accordingly:*

THAT, in view of the high illiteracy level in pastoral areas occasioned by lack of appropriate pastoral education policy; taking cognisance of the Government's commitment to the provisions of free basic education for all Kenyans; this House urges the Government to establish extra classes and enhance existing boarding facilities within the pastoral areas in order to enable these children to enjoy free basic education like other children in other parts of the country.

#### REHABILITATION OF MIWANI SUGAR FACTORY

**Mr. Sungu:** Mr. Temporary Deputy Speaker, Sir, I beg to move the following Motion:- THAT, in view of the importance of the sugar industry to the economy; noting that Miwani Sugar Factory is one of the first factories to operate in this country and cognisant of the fact that the factory assets have been misappropriated by investors; this House calls upon the Government to rehabilitate Miwani Sugar Factory in order for it to resume operation.

Let me first begin by saying that sugar is a very strategic product. It is both a food product as well as an industrial product that can be used for many purposes. It is used both in the pharmaceutical industry; in chemicals, production of beverages and alcohol amongst other things. Sugar is a special product that, in many countries, is treated differently and is protected. It is used as a by-product for producing many other things. You can never increase the consumption of sugar whatever the price. World prices substantially differ from those in Kenya.

Having said that as a background, let me give the background of Miwani Sugar Factory. It was started in 1922 by the Kalidas family. It was later taken over by the Indacha family. At that time, it was producing about 800 tonnes of crushed cane per day. This was later expanded to 2,400 tonnes of crushed cane per day. However, this factory became insolvent in 1988 and subsequently put under receivership. The debenture holders then, Bank of Baroda, Chase Manhattan and Finn Sugar appointed Coopers and Lybrand as a receiver. The receivers failed to run this factory properly. What they did was to use all the proceeds that they received from production of cane, for running the factory. As a result, the Government, in 1990, came up and purchased the land and assets of Miwani Sugar Factory. The Government spent a whopping Kshs354 million.

Mr. Temporary Deputy Speaker, Sir, the Government then established a company called Miwani Sugar Company 1989 Ltd. For inexplicable reasons, the Government, again, having acquired this factory, gave 51 per cent shareholding to Venessa International, a company equivalent to one named Ketan Somaia. This shareholding was acquired in very dubious circumstances. As of now, it is not known how they managed to get ownership of this factory. Venessa International only sent Kshs21 million as a share contribution and a share capital of the company, yet the Government spent over Kshs354 million, as I had said earlier. The balance of Venessa International shareholding in the company was financed through a loan from the National Bank of Kenya. This loan has never been paid to date, and it is one of the loans that is now bringing the bank down to its knees.

Mr. Temporary Deputy Speaker, Sir, this factory, despite having been given to Venessa International to run as a management contract, has failed to work. Due to mismanagement and corruption, this factory has never operated efficiently. Let me just give you a background of some of the Government finances that have gone into this factory. I talked about the Kshs354 million that was given out as Government shareholding, and then there is Kshs100 million which was an overdraft facility guaranteed by the Government of Kenya.

Mr. Temporary Deputy Speaker, Sir, the question of Miwani is crucial. One, there is the Miwani Factory which was built in 1982, which now has obsolete machinery; then there is the 10,000 hectares of land which comprise the Nucleus Estate. This land was registered in the name of a different set of people. Despite the technical management giving it to Venessa International, they managed somehow to acquire this land, which was registered separately. We in the sugar industry have sat down in various fora and identified numerous problems that afflict the sugar industry. There is the management aspect which is embraced by corruption and there is the technical aspect which is brought about by the fact that some of these factories have got obsolete equipment. You would appreciate that a factory that was built in 1982 can never be now considered viable in terms of technical operations. The other aspect is financial mismanagement, particularly by third parties brought in when we have qualified personnel who can run these factories.

Having said that, let me tell you that Miwani Sugar Factory is the only factory in this Republic with the capacity to produce refined sugar, which we import for industrial purposes. And this importation has been used as an excuse to flood the local market with ordinary sugar in the guise of refined sugar. This is the only factory equipped with a distillery for producing alcohol, which can also be used for the production of beverages among other products.

Mr. Temporary Deputy Speaker, Sir, the typical factors that the Government must consider are; one, factory rehabilitation and two, cane development and maintenance. As you can see, over the years, the people who supply cane to the factory have never been paid their dues because the factory has never operated the way it should have. So, payment of dues owed to farmers over the years and payments to cane transporters are issues which this Government should consider. Service of debts owed to creditors is also crucial. As we talk, the "good" Minister for Agriculture, only the other day, managed to stop in the nick of time the sale of the 10,000 hectares of land belonging to Miwani Sugar Factory. This was happening because a creditor had taken the matter to court and was going to take this land for a paltry Kshs150 million, land which is currently valued at over Kshs1 billion.

Mr. Temporary Deputy Speaker, Sir, I want to recommend to this House that it is now necessary to consider whether the Government is going to pay lip service to the sugar industry, or whether it is going to take meaningful steps to ensure the survival of this industry, which serves over six million Kenyans. Rehabilitating the factory might not be possible, given the fact that the factory is now obsolete, but the cost of establishing a new factory of similar capacity will only be Kshs1 billion. We know that the Government is in the process of writing off loans totalling to approximately Kshs4 billion owed to the National Bank of Kenya by fat cats; people who are rich, who have ruined the economy of this country, who have engaged in corrupt deals and who you will see driving Mercedes Benz vehicles day in, day out. These people even live luxuriously in expensive houses. These are the people we want to pay for Kshs4 billion from the taxpayers' money, yet we can use Kshs1 billion to ensure that the out-growers of Miwani have access to a factory that can be used to make them earn a livelihood. Even if the Government was not willing to give this money, there is the issue of private sector participation in industrial development and in the agricultural sector, which is a Government policy now. It is high time the Government considered the possibility of allowing in some investors, because we have access to them now, so that at least we can work towards creating those 500,000 jobs that this Government promised during the election campaigns.

Mr. Temporary Deputy Speaker, Sir, it is necessary to carry out a special audit, because huge

sums of Government and taxpayers' money have been used in these sugar factories. Let me give an example. About 7.5 per cent is deducted from every sugar farmer's earnings in this Republic. This percentage is supposed to be used for the Sugar Development Fund (SDF). But the SDF is supposed to be used for factory rehabilitation, cane development and any other thing that would support the industry's growth and efficiency. But every year I have a list of those who have been paid in the name of Miwani Sugar Factory, and these monies have never, ever been paid to Miwani as a company. The money was paid directly to individuals and companies in the name of Miwani Sugar Factory from the SDF. On 31st January, 2000, advocate R.K. Somaia was paid Kshs11.3 million; on 26th January, 2000, Chanan Agricultural Contractors were paid Kshs13 million, while on 1st October, 2000, somebody called KIN, and I do not know who that is; was paid Kshs10 million, while in 1999, Lonrho Motors was paid Kshs6 million, while a company called Hyder Parts was paid a stream of monies: Kshs9.4 million, Kshs10 million and Kshs5 million in 1999. Chanan Agricultural Contractors was again paid Kshs11.7 million in 1999. There is a company called Rotam Enterprises which was paid Kshs10 million from the SDF funds in the name of Miwani Sugar Factory. Rotam Enterprises, I hear, is an insurance company owned by some former director of the Kenya Sugar Board.

Mr. Temporary Deputy Speaker, Sir, this matter is very serious and this is why I have brought it to Parliament because we need to put matters into their proper perspective. We need to do things right at this time. We made promises to our electorate and there are six million people in Western Kenya, especially in the sugar-belt, who voted for and support this Government, and they need equal Government recognition and support.

Mr. Temporary Deputy Speaker, Sir, the people of Miwani risk losing the 10,000 hectares of land which is now lying idle despite the fact that our people are landless. I hope the Minister is taking positive action on this so that if this factory is not going to operate, this land must be given back to the original people. I am standing here as a person who has some interest on that land because my father was born in that area. His placenta was buried in that soil and, therefore, I own that land, and yet I am landless. We need a coherent Government policy so that we can reorganise this industry through putting our heads together and then lead the way forward.

Mr. Temporary Deputy Speaker, Sir, I want to congratulate the Minister because he was able to attend our workshop in Mombasa where we put our heads together as Members of Parliament from the sugar-growing areas and also stakeholders in the sugar industry because we need structural reforms in the industry. We need to probe corruption and take to court those involved in these mega-deals that have led to the collapse or the near-collapse of the sugar industry. We need to implement measures in which we can manage the debt portfolio that has accrued both to farmers and suppliers in the sugar industry. We need also to look at the question of our international trade agreements.

Mr. Temporary Deputy Speaker, Sir, Kenya produces sugar at approximately US\$456 per tonne yet in the world market it is worth about US\$125 per tonne. Therefore, we are open to unscrupulous people who would want to make millions out of these deals, despite the fact that their actions are destroying the industry. The Common Market for Eastern and Southern Africa (COMESA) and World Trade Organisation (WTO) rules no longer apply if we want to save our industry. There is no industry in this country, particularly agriculture, that survives without Government support and subsidies. There is no industry even in America and Europe where the Government does not protect its own.

In Kenya, we have laid our markets open to everybody. Anybody who has the money can import sugar into this country. There are ships floating in the high seas with sugar and selling it at US\$125 per tonne, whereas we are producing and consuming it at about US\$456 per tonne. That price is higher. These people will make super profits if we allow them in. We need to put our house in order. We need to ensure that sugar imported into this country is taxed so that whenever it reaches the

shelves, the price is the same as that of sugar that is produced locally, so that we can protect our industry.

Mr. Temporary Deputy Speaker, Sir, I will never accept such a situation, whereby we rely on excuses because six million people rely on this industry. If we were to go up to Ramisi, we would find that, in fact, almost 10 million people, who are peasants, rely on this industry. I will never accept a situation whereby we rely on excuses like those of COMESA and WTO, which have been rejected internationally. Everywhere the WTO holds its meetings, there are riots and people protest about massive globalisation and so on because those organisations are not doing anything to help the ordinary wananchi. They are only helping the big companies that want to live on the sweat of the poor people.

Mr. Temporary Deputy Speaker, Sir, I want to remind you that sugar farmers wait for over two years for their cane to mature; in the meantime, they continue spending their money, time and labour. It is a shame that farmers are not paid even after they deliver their sugar-cane to the factory. This matter must be addressed by the Minister for Agriculture because it is grossly unfair for farmers to be made to wait for that long. We have proud people in our regions who are ready to work. All they need is Government support. My appeal to this House is that it passes this Motion so that we can have a situation where people can produce and participate in the agricultural processes with Government support.

Mr. Temporary Deputy Speaker Sir, with those few remarks, I beg to move and ask hon. Shitanda to second.

**Mr. Shitanda:** Mr. Temporary Deputy Speaker, Sir, I would like to second this very important Motion. As you all know, the sugar industry is undergoing a crisis today. For a very long time, this industry, which happens to be the mainstay of the Nyanza-Western region, has been going through a lot of problems. Most of these problems have been imposed on this industry by unscrupulous people. These are problems which the Government neglected to address in good time and now they have reached at a stage where the entire industry is threatened with imminent closure.

Mr. Temporary Deputy Speaker Sir, when we talk of the problems in the sugar industry--- When we want to address ourselves to the problems our farmers are facing, we must go back to the days when the Government, in its wisdom, at that time, tried to expand the sugar industry in Nyanza and Western Provinces. We must thank the Government of the late Mzee Kenyatta. It had very good intentions when it was setting up Nzoia, Mumias, Chemelil and Muhoroni Sugar companies. What followed thereafter is that the next regime went out on a mission to destroy the sugar industry! When you look at the scandals in the sugar industry, especially the list of people involved in bringing down the industry, there is a very strange presence of Asian-owned firms involved in the collapse of the sugar industry. All the scandals in the sugar industry have an Asian connection. When you look at Miwani Sugar Company, you will see that in the list of people who were being paid money for services that were never rendered, out of the 25 firms, 23 firms belong to Asians.

Mr. Temporary Deputy Speaker Sir, it is high time this Government addressed the issue of Asian crooks in this country. There is no scandal in any sector in this country which is perpetrated without the input of an Asian. We are not stopping them from doing business, but we want them to do clean business. The sugar industry has lost over Kshs8 billion in the last ten years, and all this money has gone to crooks. All these crooks are of Asian origin. Why must our farmers suffer in their own country at the hands of foreigners? Take the case of Nzoia Sugar Company. There was a time when Nzoia Sugar Company was to be expanded. Some crooks---

**The Temporary Deputy Speaker** (Mr. Poghiso): Mr. Shitanda, I would like you to use more parliamentary language than that. Have you no other words?

**Mr. Shitanda:** Mr. Temporary Deputy Speaker Sir, there is no other definition of a crook.



**The Temporary Deputy Speaker** (Mr. Poghisio): Order, Mr. Shitanda!

**Mr. Shitanda:** Mr. Temporary Deputy Speaker Sir, I will do better than that.

**The Temporary Deputy Speaker** (Mr. Poghisio): Mr. Shitanda, what are you doing to replace that word?

**Mr. Shitanda:** I am seconding the Motion!

**The Temporary Deputy Speaker** (Mr. Poghisio): What are you doing to replace the word "crooks"? It is unparliamentary!

**Mr. Shitanda:** The word "crooks"? I will replace it with thieves!

**The Temporary Deputy Speaker** (Mr. Poghisio): Mr. Shitanda, you may have to be discontinued if you want to continue in that line. You need to use parliamentary language!

**Mr. Shitanda:** Okay! I will try to. I was talking about the problems at the Nzoia Sugar Factory. A firm called Arkel International was contracted to expand the factory, and very interestingly, some machines were ordered from America, France and other unknown places and dumped at the site. It turned out later that some machines were not even meant for sugar factories.

**The Temporary Deputy Speaker** (Mr. Poghisio): Order, Mr. Shitanda! For the record, the Chair has noted that you used unparliamentary words which you were supposed to withdraw, or replace them with parliamentary words. You cannot just continue on the basis that you have already made your point. We are saying that the debate in this House can go on without using unparliamentary words against people who are not here to defend themselves.

Words like "crooks" and "thieves" are not used here. They are unparliamentary. You have already used them. So, why can you not find better words to replace the words that you seem to like?

**Mr. Angwenyi:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Could you give the hon. Member a better word for "crooks"? Could it be a "thief"? I also do not know which word can replace "crooks". I have lived in an English-speaking country for 10 years, and I do not know the other word for "crooks".

**The Temporary Deputy Speaker** (Mr. Poghisio): Mr. Angwenyi, that is a very frivolous point of order.

**Mr. Angwenyi:** On a point of order, Mr. Temporary Deputy Speaker, Sir.

**The Temporary Deputy Speaker** (Mr. Poghisio): Order, Mr. Angwenyi! Maybe, you will get a chance to contribute later. You are an old Member of Parliament and you know exactly what you cannot say about other people. The Chair does not help you to do that. **Mr. Shitanda:** Mr. Temporary Deputy Speaker, Sir, I am finding it very difficult to withdraw the word "crook" because the sugar industry has been killed by crooks.

**The Temporary Deputy Speaker** (Mr. Poghisio): Mr. Shitanda, you may have to stop your debate right there.

**Mr. Shitanda:** Mr. Temporary Deputy Speaker, Sir, I would rather stop my debate.

**The Temporary Deputy Speaker** (Mr. Poghisio): All right! Mr. Shitanda, because that is gross misconduct, you will have to leave the Chamber for the rest of this morning.

*(Mr. Shitanda withdrew from the Chamber)*

The Motion has not been seconded.

**Mr. Sungu:** Mr. Temporary Deputy Speaker, Sir, I wish to ask Dr. Oburu to second the Motion.

**Dr. Oburu:** Mr. Temporary Deputy Speaker, Sir, this is a very important Motion because it goes right to the grassroots. The revival of the Miwani Sugar Mill is of paramount importance, not only to Kenya, but particularly to the people from Western Kenya. Sugar-cane is a special crop. It is

the only crop which does not succumb to the normal laws of supply and demand.

In the whole world, sugar-cane is treated as a special crop. It is a special crop because it is not only used in Kenya for tea, but sugar is used in pharmaceutical, confectionary and many other industries. Therefore, many countries treat sugar-cane as a special crop. In many countries of the world, sugar markets are protected and closed.

Mr. Temporary Deputy Speaker, Sir, it is surprising that it is only Kenya which has left its doors open for the dumping of sugar, with no willingness at all to protect her local producers. This is also the only industry in this country where the farmers are financing the entrepreneurs or the owners of the factories. In the sugar industry, the farmers supply sugar-cane to the factories. Once they have supplied sugar-cane to those factories, it takes one, two, three or even five months before they are paid. This is a very hot commodity. Once sugar-cane is supplied, it is crushed into sugar and sold on cash basis. This is a crop which is not sold on credit. One really wonders where the farmers' money goes after they have supplied their sugar-cane to the factories. It means that the factories are trading with the farmers' money. That also, in effect, means that the farmers are the ones financing those factories by giving them credit. It is also very absurd that some farmers take loans from banks and once they have supplied the sugar-cane they are not paid on time, but the interest rates on their loans keep on accumulating. When these factories eventually pay them, they do not pay interest on the monies paid. The Bill which was passed here to protect the sugar-cane farmer is being haphazardly implemented.

Mr. Temporary Deputy Speaker, Sir, as the Mover of the Motion has said, Miwani Sugar Company was established in 1922. When it was established, it was a very profitable venture. I would like to tell you that I am one of the farmers in Miwani Sugar Company. When its proprietors were running it as a business venture and not as a venture to "milk" money from the farmers, it was paying farmers every 15th day of the month. The absurd thing is that the owners, who were not citizens, of Kenya decided to move to Canada, and they started to siphon money out of this factory and they cleaned it dry. They left huge debts for Miwani Sugar Company. The Government of Kenya since then has invested or pumped in a lot of money into this factory. If the Government's money which was pumped into Miwani Sugar Company was properly utilised, it would be a very vibrant factory today. This is because the Government invested more than Kshs500 million to revamp that factory. However, if you go there, there is nothing to show that there was any money pumped into it. The factory is completely dead! All the crushing machinery there is completely obsolete and cannot be used. The earliest boiler in that factory was installed in 1929. I hope the Chair can imagine those who were born in 1992, how old they are now.

*(Laughter)*

Mr. Temporary Deputy Speaker, Sir, the longevity of life of a factory is about 40 years. This means that Miwani Sugar Company is completely useless. What the Government is doing about the factory is not a serious way of tackling the problem. This is because the Minister for Agriculture has told us that there is an arrangement he is making with some financial institutions to assist Miwani Sugar Company as well as other factories to pay the farmers. Why should we keep burdening this factory which has already been run down, and which is already over-burdened with debts, and yet the Government wants to privatise this particular factory? There is no reason why the Government cannot do what was done to Kenya Airways. Kenya Airways is an entity organisation which is shared between the Kenya Government, and some foreign firm. The Government took Kshs5.5 billion from taxpayers money in order to make it viable for purchase by the foreign firm.

The Miwani Sugar Company and other sugar companies are serving a third of this country's population. They employ workers and also help farmers earn a living. If the Government wants to

solve the problem of Miwani and the other sugar factories, it should take deliberate measures to first of all pay the farmers who are owed money by the factories. The Government should also take steps to write off the debts which are owed to the Government by these factories because most of these big debts are owed to the Government. Once this is done, the factories will remain with less debts and will be viable and attractive to any private investor. For as long as the Government says that it wants to restructure financially and identify some creditors to give money to these factories and pay off the farmers, this is not going to solve the problem. That is still adding debt onto debt, and making these factories more vulnerable to debt burden, which is not going to offset in the foreseeable future.

If a factory like Miwani is not given a new lease of life by rehabilitating it completely and removing all the obsolete machinery, there is no way that this factory will come up. If that is not done, there is no way that the factory will be useful to the people of Kenya and Nyanza, and particularly Kisumu residents. This is a factory which has been fleeced by the previous management, who did not invest any money. Those managers made an investment of about Kshs21 million. That amount of money cannot buy a factory and a farm of 10,000 acres because it is supposed to cost more than Kshs1 billion.

Mr. Temporary Deputy Speaker, Sir, those people who were pretending to be the managers were inflating the prices of the equipment. They were the managers, the purchasers, and also the suppliers of the machinery. If you are the supplier of the spare parts and also the manager of the factory, where is the fairness? All these debts which the former managers are claiming were owed by Miwani Sugar Company were fleeced by them. More than three-quarters of these debts are just made up of money that was fleeced out. They fleeced the company to the extent that it is now very over-burdened. If the Government is taking steps to pay, these people should not be paid because they were the owners, managers and also the suppliers. They are supposed to have paid themselves. They should not claim anything because if you are managing and you are the supplier, you are supposed to pay yourself. You cannot claim that someone else who comes in should pay you what he is not even sure of. Mr. Temporary Deputy Speaker, Sir, the Government's recommendation is that some auditors be commissioned, but they will not help in anything. They have been there before and the factory has been under receivership many times before. In fact, it has gone into receivership at least three times. The managers in charge of such receivership come up with audit reports which do not solve the problem.

Recently, the Government constituted some kind of--

*(Question proposed)*

**Mr. Angwenyi:** Thank you, Mr. Temporary Deputy Speaker, Sir. I rise to support this important Motion which is dealing with a matter that affects very many citizens of this country. The Kenyatta Government thought it wise to establish many of these sugar factories to assist farmers raise their standards of living by making income through sugar-cane farming. In the last 10 to 15 years, unscrupulous people got into the business of looting the sugar industry.

*[The Temporary Deputy Speaker  
(Mr. Poghio) left the Chair]*

*[The Temporary Deputy Speaker  
(Mr. Ethuro) took the Chair]*

Some of the management contracted from overseas consisted of unscrupulous people. Their intention was not to assist farmers earn a living, but to loot whatever had been invested by farmers and the

Kenya Government in the sugar industry. The local management also became corrupt. They did not care about the interests of farmers. They went on a looting spree, vandalising and cannibalising these factories, including Miwani Sugar Factory.

It is no wonder that Miwani Sugar Factory was seen as a cow where they could milk a lot of milk. A good example is Mr. Somaia who has testified that he normally goes to places where there is a big kill. He saw a big kill in Miwani and went there to destroy cane. We had a sugar authority which was supposed to assist farmers and these factories to survive. It was supposed to assist these factories to operate efficiently, but it became a conduit for looters in this sugar factory.

The NARC Government has said that they want to come down heavily on corruption, but to date, we have not seen that happening in the sugar industry. It seems like the current Government wants to take over from where the last Government left and continue with the plunder and looting of the sugar industry. We do know that we have got a problem in the corrupt importation of sugar on the pretext that there is a shortfall of 200,000 metric tonnes when, in fact, we have got sugar piling up in our factories to the tune of close to 500,000 bags. This is a contradiction. Where is this shortfall when we cannot sell what we produce locally? Is this shortfall meant to make the people rich? Is it meant to assist Kenyan consumers of sugar get sugar at a lower price?

The Government should demonstrate that they have made a break in the four ways of handling the sugar industry. They must come down on these illegal and corrupt importers of sugar. They must tell the country who these people are. The other day I heard the Minister for Agriculture exonerating some of his colleagues, which I thought was the right thing to do because he does not know that they are doing what was said of them. However, he did not tell us who are these corrupt importers who have destroyed our sugar industry. They have destroyed Miwani Sugar Factory. So, we are urging the Government to crack down on those illegal importers and the corrupt management of these sugar factories, so that we revive the sugar industry in this country. Some of the reasons given for the importation of cheap sugar into the country is that it comes from the Common Market for East and Central African (COMESA) countries. I do not think this country joined COMESA to destroy itself. We joined COMESA to gain for our people. You cannot join a group which will destroy you. We do have cheap sugar imports from Sudan. In fact, I am surprised that we are dealing with Sudan which has enslaved her people; a country which has enslaved more than half her population and yet we are dealing with it. The sugar we are importing into this country from Sudan is grown through the labour of a slave. How can that sugar be expensive when it is produced labour-free? This Government should not deal with that country which has enslaved her people. They use the sweat of her Africans to produce labour cost-free sugar. We should not import sugar from Sudan.

Mr. Temporary Deputy Speaker, Sir, we are told we are importing sugar from Malawi. How can Malawi, of all countries, compete with Kenya? I am sure that sugar does not come from Malawi. It might be coming from Brazil where sugar is a by-product. It is like saw dust in our timber business. It is like being paid to remove the by-product. So, the corrupt sugar importers go there and they are paid to remove it and dump it in Kenya to destroy our sugar industry.

Mr. Temporary Deputy Speaker, Sir, this Government and Parliament, in particular, have not addressed the issue of World Trade Organisation (WTO) rules. A few years back, corrupt Ministers in the previous Government signed an agreement to levy protective tariffs on sugar. They were duped to accept a maximum of 100 per cent tariffs on sugar to protect our sugar industry, yet other countries, including Malawi, were given a series of 1,000 per cent. This is 10 times what we accepted to take. The Ministers must have been corruptly influenced to accept 100 per cent instead of 1,000 per cent, so that we could protect our sugar industry. This Parliament should set up a committee that would deal with WTO rules. The committee should deal with those rules and educate our people on how WTO rules affect them. This is because the WTO rules are negatively impacting on our agricultural production.

Mr. Temporary Deputy Speaker, Sir, we do also have the European Economic Union (EEU) quota which we have never satisfied for the last five years. The Government should subsidise the production of sugar in this country so that its price becomes more competitive in the European market. This will satisfy our quota and assist our people to earn a living.

Mr. Temporary Deputy Speaker, Sir, to conclude my contribution, I would urge the Government in the next one or two weeks to ensure that those corrupt people who have destroyed our sugar industry are charged in courts of law. A person who destroys the sugar industry is doing the same thing as the person who destroyed the banking industry, like the Euro Bank. So, if we are taking the people involved in the Euro Bank scandal to court, why are we not taking those who have destroyed Miwani Sugar Factory, Sony Sugar Company and Nzoia Sugar Company? I read a report this morning that the sugar factories in this country owe Kshs20 billion. Where did this money go to? It went into people's pockets. Let us ask those people to return the money the same way we are asking those people who were involved in the Goldenberg scandal, and we will forgive them. If the corrupt officers in the sugar industry bring the Kshs20 billion back and those involved in the Goldenberg scandal to bring back the Kshs130 billion, we will forgive them all. As a result, our people will get jobs, our industries will flourish and we will improve our standards of living.

Mr. Temporary Deputy Speaker, Sir, with those few remarks, I beg to support.

**Eng. Nyamunga:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to contribute to this important Motion.

Mr. Temporary Deputy Speaker, Sir, we are talking about the sugar industry which currently employs over 6,000 Kenyans with a potential to employ even as many as 10,000 people. I would like to take this opportunity to thank the Minister for Agriculture who has taken it upon himself to pay attention to the agricultural sector and, more particularly, to the sugar industry. The sugar industry has been ignored and left to die. But if we are a serious Government, we cannot leave and ignore an industry which has created employment for over 6,000 people.

The current Minister for Agriculture yesterday had a workshop for all the stakeholders in the sugar industry. We were given a report from the task force that he had appointed a few months ago. The report highlighted the problems that the people in the sugar sector face. The problems were brought out very clearly and it is time now for the Minister or the Government to act, to save the sugar industry. I would like the Minister to start with Miwani Sugar Company.

Mr. Temporary Deputy Speaker, Sir, we were taken through the problems and what can be done to save the sector. One of the key problems is the cost of production in the industry because our sugar must be competitive. We must compete with the same product made in the same region. We were told that the cost of production of sugar in Malawi is about US\$130 per tonne, while in Kenya, it is US\$430. That is an alarming difference. I would like to ask the Minister to verify this information. If it is true that a country in Africa like Malawi can produce sugar at about one-third of our cost, then something is wrong. I would like the Minister to find out. If it is, indeed, true that Malawi can produce sugar; sucrose, that we use for making tea at a cost of about US\$130 per tonne, when ours is US\$430, then something is wrong. But, definitely, when we were taken through, we have had many problems; a lot of them through corruption, ranging from the inputs to fertilisers, to the cost of ploughing, land preparation and everything across the board. We are faced with a lot of corrupt practices that increase the cost of producing sugar. But, surely, if we produce at US\$430 and Malawi produces at US\$130, then we cannot compete. Yet, we have embraced a free market economy and our products must be able to compete.

Mr. Temporary Deputy Speaker, Sir, the Mover of the Motion gave us very startling figures. There is no way we can allow somebody to acquire a public property by paying Kshs21 million, or an investment in this country for that matter which we know is worth over Kshs1 billion. I am not being a racist, but we seem to see the hands of corruption. In various sectors of this economy, you would see

a *Mhindi* son. They should not push us to a point where we shall say we pay particular attention for whatever business activities that they are participating in.

Let us have what it takes to get Miwani Sugar Company back so that we can have serious investors put money there to revive it. Miwani is one of the few factories for sugar refining that had embraced integrated approach. Sugar-cane is a very valuable product. From it, you can have sucrose, industrial sugar, alcohol, methylated spirit, surgical spirit, fertilizer and many other products. Miwani Sugar Company is probably the only one which used to produce ethanol, drinkable wines and spirits, and industrial sugar, which we currently import. The industry should attract further investments, so that it does not remain in the state in which it is now, because it has collapsed. We need to invite investors, and if it requires the Government to pay Mr. Ketan Somaia his Kshs21 million so that he can leave the factory, let us do so.

Mr. Temporary Deputy Speaker, Sir, I would like to take this opportunity to talk about Muhoroni Sugar Company. We know that in this country, very few companies have been revived through receivers. We have a major company which has been taking a number of other companies through receivership; that is, PricewaterhouseCoopers. It is a common name. All they do is to close the company and sell it. They never manage, revive and hand them over to the previous owners. Muhoroni Sugar Company is one of those few companies which were put under a receiver-manager, and right now, it is paying its farmers promptly. It has been revived with very little investment. I would like to appeal to the Minister to encourage receiver-managers to keep on doing a good job, until Miwani Sugar Company is eventually handed over back to the Government or the investor.

My final contribution is that, through the Ministry of Agriculture, let us do what it takes to revive Miwani Sugar Company and the sugar industry, so that many jobs are created. Let us also have further investments in the industry. Most of the sugar refining factories suffer from under-investment. They rely on one commodity from the valuable sugar-cane or raw material. So they underpay the farmers. Obviously, as businesses which are to make profit, when they are based on one commodity, they see the need to pay the farmers less for the sugar-cane that they deliver. But it is not the mistake of the sugar-cane farmers. They produce the commodity from which several products can be produced. But because they only produce sucrose, they underpay the farmers. We need further investment in the factories, so that they can produce other products from the sugar-cane, which they can sell and pay farmers well.

Mr. Temporary Deputy Speaker, Sir, there has been a battle between the farmers and the sugar factories. They wanted to reduce the price of sugar-cane per tonne. They were trying to do that because they only produce one commodity. Let us urge further investment in the same factories, so that they can produce more products from the sugar-cane and, therefore, have enough money to pay the sugar-cane farmers more money per tonne for the sugar-cane that they deliver.

With those few remarks, I beg to support.

**Mr. Ngozi:** Mr. Temporary Deputy Speaker, Sir, I beg to move the following amendment to the Motion, which is being debated:-

THAT, we delete the words appearing after " factory" in the fifth line, and add "all other sugar factories in the country to make them operational".

Mr. Temporary Deputy Speaker, Sir, I have moved the amendment because some parts of this country have been left out. When we talk about the sugar industry, and bearing in mind that Miwani Sugar Factory started in 1922, the second sugar factory in this country was Ramisi, which was started in 1927. That factory had a capacity of crushing 1,000 metric tonnes of sugar-cane per day. Ramisi Sugar Factory was operational until 1988, when the investor decided to use the title deed of the land to borrow Kshs145 million from a bank. That is actually what made Ramisi Sugar Factory collapse. There were many reasons put forward, that the coastal area cannot grow sugar-cane. But I wonder, how come the factory was operational from 1927 to 1988?

Mr. Temporary Deputy Speaker, Sir, in 1999 and 2000, it was said that the soil was not good enough to grow sugar-cane. Some of those plans were made by well-connected people to make sure that the factory did not operate.

The collapse of Ramisi Sugar Factory has actually made about half of the population in Msambweni Constituency very poor. This is because most of the people in that constituency depended on sugar-cane farming. I would like to give you an example. Msambweni Constituency, which I represent, had 43,000 hectares which were used by Madhivan Group to grow sugar-cane. Apart from the 43,000 hectares, the outgrowers had over 50,000 hectares under sugar-cane. That was the only way in which the people of that constituency earned their livelihood. Since the collapse of Ramisi Sugar Factory, the people of Kwale District, and particularly those of Msambweni Constituency, are very poor. These constituents do not know where they will derive their livelihood from. I am made to understand that after making a lot of noise and insisting that we want Ramisi Sugar Factory revived, there are plans to give its land to a certain Arab who wants to do something other than producing sugar. This country is supposed to import 200,000 metric tonnes of sugar per year to meet our production deficit. This is the case, and yet we have an area on which we can grow sugar-cane but which is not utilised. Agricultural scientists say that Coast Province is the only place where sugar-cane can grow to maturity in only 12 months, instead of the normal 18 months.

Mr. Temporary Deputy Speaker, Sir, how come that the Government is not serious on reviving Ramisi Sugar Factory in Kwale District, where sugar-cane matures in 12 months instead of the 18 months it takes to mature in other parts of this country? Secondly, why should this factory's land be given to somebody who wants to do his own things, instead of giving it to the people in that area who grow sugar-cane? If we are going to use 43,000 hectares to do other things, what will happen to the 50,000 hectares on which wananchi have grown sugar-cane before?

I happened to have worked at the Port of Mombasa and know the amount of sugar which is imported into this country. It is very sad to see sugar-cane farmers suffering because of some few individuals who want to make more money by importing cheap sugar from Brazil. The sugar from Brazil is going at a cost of US\$125 per tonne, dumped in Kenya at a cost of about US\$230 per tonne, and yet it is claimed that the sugar comes from COMESA countries. We are not sure whether it is coming from these countries or not. It is now upon the Government to take action and proper measures to make sure that the collapsed industries are revived to enable Kenyans get the 500,000 jobs it promised. These are the areas in which we can create 20,000 to 50,000 jobs. If these industries are not going to be revived, what are we going to tell our constituents about the creation of the 500,000 jobs?

During our campaigns, in the sugar-cane growing areas, the Government promised the people that we were going to revive collapsed industries. One year is almost gone; we have four more years, and yet we do not see any signs of these factories being revived. How do we explain this to our people? Are we serious and do we need to come back here as the NARC Government? Most of those people voted for us as a result of our promises that we would create jobs and revive factories.

We are also supposed to export our quota to the sugar market in the world. But how are we going to export if we cannot produce enough sugar for our own consumption? We can only export our quota by reviving collapsed industries, so that we produce more sugar for consumption, and export the surplus to the world market. If we are going to keep on importing sugar, we will never be able export that quota which is mandatory to the world market.

Mr. Temporary Deputy Speaker, Sir, the Ramisi Sugar Factory's title deed was mortgaged to the Bank of India at Kshs145 million. As we are talking today, the amount has risen to Kshs1 billion. Who is going to pay that money, and yet the investor went away with his money? Knowing he was leaving this country, he imported boilers, which were brought to the factory in 1988. The boilers are rotting there and, surprisingly, he did not pay taxes and duties for the boilers. I am sure they were

second-hand, because somebody cannot import new boilers, dump them at Ramisi, run away with Ksh145 million and not think of them. He was protected and if people can protect a foreigner, why can they not protect Africans who will never leave this country and want to grow sugar-cane for the interest of this country?

To sum up, I would like to say that sugar is imported because some people have imposed too many taxes on our farmers. These taxes make our sugar industry collapse as our people are not able to grow sugar-cane. Could the Government waive some of these taxes, so that our people are encouraged to grow more sugar-cane to enable us to export? Sugar is bought in the world market at a cost of over US\$500 per tonne. Why are we losing that money and why do we import sugar at US\$125 per tonne? Can we not grow more sugar-cane, export to the world market and get foreign exchange?

With those few remarks, I beg to ask Mr. Arungah to second my amendment.

**Mr. Temporary Deputy Speaker** (Mr. Ethuro): What is your amendment?

**Mr. Ngozi:** Mr. Temporary Deputy Speaker, Sir, my amendment seeks to include in this Motion, other factories such as Ramisi Sugar Factory, which collapsed.

**The Temporary Deputy Speaker** (Mr. Ethuro): So, which line are you referring to? Is it the last line?

**Mr. Ngozi:** Yes; after the word "factory"---

**The Temporary Deputy Speaker** (Mr. Ethuro): Do you want all the words after the word "factory" on the last line of the Motion deleted?

**Mr. Ngozi:** Yes. I want all the words after the word "factory" on the last line deleted, and the words "all other sugar factories in the country to make them operational" added.

**The Temporary Deputy Speaker** (Mr. Ethuro): Very well.

**Mr. Arungah:** Mr. Temporary Deputy Speaker, Sir, I rise to second the amendment. As you know, the sugar industry is very important in this country; I do not need to overstate that fact. Way back in 1971, I was privileged to be in a group of students who visited one of the factories, namely, Mumias Sugar Factory, when the nucleus estate was being started. At that time, we were told that the sugar industry was being encouraged or supported because, amongst other things, this country was supposed to be self-sufficient in sugar production. We were supposed to produce enough sugar, so that there would be no need for us to import any sugar. It was explained to us that in the process, we would save the meagre foreign exchange we had at that time. We were also told that sugar production would promote social development as many people would be employed in the sugar industry.

We were further told that as a result of the encouragement of sugar-growing, infrastructure such as roads would be developed and that eventually we would have dispensaries and schools for sugar factory workers and their children. We were told that sugar was a strategic product; I do not think I need to repeat that fact. Sugar is a strategic product because it supports other industries such as the confectionary and pharmaceutical industries. Also, we use sugar in our morning tea. So, there is very little that we can do which does not require sugar.

Mr. Temporary Deputy Speaker, Sir, ideally, sugar production should be the business of the private sector. However, in order for the private sector players to do good business, they need a certain amount of support from the Government. For example, the sugar-cane variety that is grown in this country is different from that grown in other countries. Our Sudanese neighbours have a sugar-cane variety that matures in only 12 months, while the sugar-cane variety that is grown in this country matures within a period of between 18 and 20 months. Therefore, shortening the sugar-cane maturity period is one way of reducing the costs of sugar production locally.

We have been told that on average, most farmers harvest about 90 tones of sugar-cane per hectare. But if the Government supports farmers by way of introducing irrigation, it will be possible to double the production of sugar-cane per unit, which, in effect, will halve the cost of sugar-cane



production. I have done some arithmetic and established that a farmer who currently harvests 100 tones of sugar-cane per hectare and sells it at Kshs1,800 per tone can actually double his production to Kshs200 tones per hectare, sell the produce at Kshs900 per tone, and make the same amount of money. The net effect will be that instead of paying the farmer Kshs1,800 per tone of sugar-cane, the factory will pay Kshs900 per tone of sugar-cane. So, the cost of sugar-cane growing will come down.

Another reason why we should look into the cane variety that we grow is because some factories, particularly those in Miwani area, must crush 32 tones of sugar-cane to produce a one tone of sugar. We know that Mumias Sugar Factory needs only nine tones of sugar-cane to produce a tone of sugar. Therefore, the issue of the varieties of cane that we grow is extremely important. The Government can assist by way of doing research, developing the right cane seed variety and making it available to farmers.

Mr. Temporary Deputy Speaker, Sir, the other area where I think we could help the farmers and factories, with the assistance of the Government, is to try and plan the production of these crops. The production process is not synchronised. There have been moments when a lot of cane has been produced and the factories do not have the capacity to crush the available cane. It is possible that with proper planning, the factories, in liaison with the farmers, can be asked to plant only the required amount of crop at any one time. If you harvest cane and leave it lying on the ground for two or three days, the sucrose content is diminished. Therefore, instead of using nine tonnes to get one tonne of sugar, you would need to use 20 or 32 tonnes as is the case with Miwani Sugar Factory.

Mr. Temporary Deputy Speaker, Sir, moreover, the Government should set up a mechanism where it should ideally move away, as I said earlier, from the actual processing of sugar. It should empower the private sector. The private sector should then build capacity, so that we have managers who would be able to understand that they have to make a profit and if so, have to be efficient. We have heard stories from some factories like Miwani Sugar Factory where additional expenses have been loaded on the cost of sugar because of imprudent methods of procurement. I know that in the case of Mumias Sugar Company, before they acquired the de-juicer, they were using rollers. At that time, it was well known that Kenya Railways Corporation were the only ones who had the capacity to make rollers. However, the managers in Mumias Sugar Company, for some strange reason, decided to use Asians as my colleague here said. This happens to be true because it was an Asian who was given the orders to supply rollers. He would, in turn give the order to the Kenya Railways Corporation here in Nairobi. He would, therefore, supply the same at the inflated price and thus Mumias was paying three times what they needed to pay for the rollers. The same can be said of various other products.

What is needed are prudent measures to be effected so that the sugar industry, important as it is, does not collapse. With collapse, so many jobs will go with obvious consequences. It is a very strategic product. It is easy to say that we can forego the production of sugar and import all the sugar that we need, but we have seen that more than six million Kenyan families are dependant on the industry.

With those few remarks, I beg to second.

**The Temporary Deputy Speaker** (Mr. Ethuro): Order, Members!

*(Question of the first part of the amendment, that the words to be left out be left out, proposed)*

*(Question of the first part of the amendment, that the words to be left out be left out, put and agreed to)*

*(Question of the second part of the amendment, that the words to be inserted in place thereof be inserted, proposed)*

*(Question of the second part of the amendment, that the words to be inserted in place thereof be inserted, put and agreed to)*

*(Question of the Motion as amended proposed)*

**Prof. Olweny:** Thank you, Mr. Temporary Deputy Speaker, Sir. In support of the Motion, I wish to make a few comments and also to tell you a little about Miwani.

Mr. Temporary Deputy Speaker, Sir, as you sit there, you are a beneficiary of Miwani, because I am a product of Miwani and I taught you.

*(Applause)*

Miwani is the oldest sugar factory in this country, established in 1922. I am a product of Miwani Sugar Factory and I have a lot of attachment to it. This is because my father started working there as a young man, retired as an old man, married my mother while there, and he took me to school while there. So, all the money which was used to educate me came from Miwani. It is the factory with the largest nucleus estate in this country. So, it deserves to be revived. It is one factory which could be compared to other factories in Asiatic countries which are over 100 years old, and are still functioning. Why should we say that Miwani Sugar Factory cannot work because it is too old? All we need is a little rehabilitation and proper and continuous maintenance. It is a factory that is three in one; the only one in this country. It diversified before we knew that the sugar industry could be diversified. We have the mills in this country. The mills in Miwani can still work and do a very good work. They only need some rehabilitation. It is a factory that has a refinery. It is the only factory that used to produce refined sugar in this country and, of course, it has a distillery which can produce alcohol. No other sugar factory in this country produces those three products.

This is one company which used to support a very big population in Western Kenya. When I was young, my father used to tell me that employees of Miwani used to come from all over the country. We used to have people from the Coast, Rift Valley, Central and Western Provinces, and also from Uganda working there. So, it was an international employer. We even had pygmies there! Today, it is one of the places that you find abject poverty. The people who were employed by Miwani have no jobs today. The farmers who used to supply sugar-cane have nowhere to supply their cane. Those who used to do business in Miwani have nothing to do today. So, what Miwani Sugar Factory has given us today is abject poverty. It has to be revived so that we can see these people earning their livelihoods. Miwani collapsed---

#### ADJOURNMENT

**The Temporary Deputy Speaker** (Mr. Ethuro): Order, Prof. Olweny! You will continue next week. You have 50 more minutes.

Hon. Members, it is now time to interrupt the business of the House. The House is, therefore, adjourned until this afternoon, at 2.30 p.m.

The House rose at 12.30 p.m.