

NATIONAL ASSEMBLY

OFFICIAL REPORT

Tuesday, 14th November, 2006

The House met at 2.30 p.m.

[Mr. Speaker in the Chair]

PRAYERS

PAPER LAID

The following Paper was laid on the Table:-

Report of the Departmental Committee on Administration, National Security and Local Authorities on the Refugees Bill, 2006.

(By the Chairman (Mr. Kajembe))

QUESTIONS BY PRIVATE NOTICE

CONSTRUCTION OF BYPASS THROUGH RUNYENJES TOWNSHIP

(Mr. Wambora) to ask the Minister for Roads and Public Works:-

In view of the on-going re-construction of the Embu-Thuci Road, which passes through Runyenjes Town, could the Minister instruct the contractor to put up a kilometre of by-pass through Runyenjes Township, to avoid unnecessary demolition of properties which would be affected by expanding the existing portion of the road within the township centre?

Mr. Speaker: The Member for Runyenjes!

Mr. Wambora not being here, the Question is dropped.

(Question dropped)

Next Question, Rev. Nyagudi!

SUSPENSION OF FLIGHTS TO KISUMU

Rev. Nyagudi: Mr. Speaker, Sir, I beg to ask the Minister for Transport the following Question by Private Notice.

(a) Is the Minister aware that airlines are suspending their flights to Kisumu due to poor safety conditions at Kisumu Airport?

(b) When will the proposed expansion of the airport commence?

The Assistant Minister for Transport (Ms. Mbarire): Mr. Speaker, Sir, I beg to reply.

(a) The airport has scheduled operators, namely, the East African Safari Air and the Kenya Airways. I am aware that the Kenya Airways suspended operations to the airport on 3rd November, 2006, citing unevenness of the surface and pavement failures. The East African Safari Air is operating normal services at the airport as arrangements are being made to undertake the required repairs.

On 8th November, 2006, the Kenya Airports Authority (KAA) awarded a Kshs17 million tender for immediate repair of the aircraft pavement. The contractor was scheduled to commence work on Monday, 13th November, 2006 and had given assurance that the repairs would be completed within a period of three weeks. The repairs will allow operations at the airport to continue until the planned re-construction of the airport is completed.

(b) The runway was constructed in 1976. Due to ageing and poor drainage of the berth, the pavement has deteriorated and require frequent repairs. As a long-term solution, the KAA commissioned the Netherlands Airport Consultants (NACO) in February, 2006, to study and make recommendations on the rehabilitation of the pavement. This was to be carried out as part of the feasibility study for the proposed upgrading of facilities for the airport to handle regional/international traffic as part of the World Bank-funded Northern Corridor Improvement Project.

Mr. Speaker, Sir, the consultants have completed the study and recommended that the pavements are due for complete re-construction. In addition, the runway will be widened and extended from 2,080 meters to 3,200 meters, and a larger terminal building built to accommodate international flights. This will be carried out at an estimated cost of Kshs2.6 billion. The study recommendations have been accepted and detailed designs and preparation of tender documents will commence in November, 2006. Construction work is scheduled to start in mid-2007, after the necessary procurement procedures are completed.

Thank you, Mr. Speaker, Sir.

Rev. Nyagudi: Mr. Speaker, Sir, the Assistant Minister has actually given us a very long speech. However, as you have heard, the contractor was supposed to be on site on Monday, 13th November, 2006. Apparently, there is no sign that the contractor will be there soon. Could the Assistant Minister assure this House that, within the next seven days, the contractor will be on site? The runway is very dangerous. It is actually a disaster waiting to happen. Could she confirm that, within the next seven days, the contractor will be on site?

Ms. Mbarire: Mr. Speaker, Sir, the Ministry takes the issue very seriously. Air safety is of paramount importance to the Ministry. Therefore, I would like to assure the hon. Member that the contractor will be on site in the next two days. Seven days is too long.

Mr. Bahari: Mr. Speaker, Sir, air safety is a very serious matter. When the Kenya Airways suspends an important flight as the one to Kisumu, it must be a serious matter. What is the position of the Department of Civil Aviation on the safety of that runway as we stand now?

Ms. Mbarire: Mr. Speaker, Sir, following a report by the Kenya Airways safety auditor in which it had been alleged that the pavements were being repaired using murrum only, a joint inspection was carried out on 2nd November, 2006, by the Kenya Airways Chief Pilot, Ministry of Transport Chief Accident Investigator and the Kenya Airports Authority Staff. This inspection noted that the repairs that had earlier been carried out had left the surface uneven. It was, therefore, agreed that the Kenya Airports Authority would carry out repair works such that the runway is safe for aircraft operations for the next 15 months when a section of the newly constructed runway is made available for operation. The tender for the repairs has been awarded and the Kenya Civil Aviation Authority has issued a notice informing users that the repairs will be completed within three weeks. This shows that the Ministry is very keen about the safety of the runways and will ensure that all airstrips and airports within Kenya are safe because we are a signatory to the

AIKAO Convention on air safety.

Rev. Nyagudi: Mr. Speaker, Sir, this is a very important Question but the Assistant Minister is not addressing it the way she should. The Assistant Minister has indicated that the runway requires repairs regularly. Could she also confirm that the repairs for the runway will be done according to what she has said?

Ms. Mbarire: Obviously, yes, Mr. Speaker, Sir.

INCREASED CASES OF OESOPHAGUS
CANCER IN MARSABIT DISTRICT

Mr. Yattani: Mr. Speaker, Sir, I beg to ask the Minister for Health the following Question by Private Notice.

(a) Is the Minister aware that cancer, especially of the Oesophagus, has become the major killer disease in Marsabit District?

(b) What is the cause of this disease which was previously unheard of in the region?

(c) What is the Minister doing to address this tragedy?

The Assistant Minister for Health (Dr. Kibunguchy): Mr Speaker, Sir, I beg to reply.

(a) I am not aware that cancer of the oesophagus is the leading cause of deaths in Marsabit District. However, some of the major causes of inpatient mortality in the district include pulmonary tuberculosis, malaria, gastro enteritis, immuno-deficiencies, anaemia, neonatal sepsis and brucellosis.

Based on the data from the district, suspected causes of cancer of the oral cavity and digestive system have been on the decrease and cancer of the oesophagus is classified under this category. Records show that in 2004, there were 12 suspected cases. In 2005, there were eight suspected cases. In 2006, so far there are 8 suspected cases.

Due to lack of capacity for diagnosis and appropriate management of cancer in most provincial and district hospitals, some of the patients are referred to tertiary hospitals for investigation and proper diagnosis.

(b) The definitive cause of cancer is unknown. It is a multifaceted disease with an array of external and internal risk factors attributed to its etiology either singly or in combination. These factors trigger or promote the development of cancer after varying periods of time for the different cancers. It can be through external factors, for example, inherited, genetic, mutation, hormonal imbalance, *et cetera*.

(c) My Ministry has put in place the following measures to curb the spread of cancer of the oesophagus in Marsabit District:-

(i) A resident surgeon has now been deployed to Marsabit District Hospital since early this year.

(ii) The Ministry continues to train, update and deploy staff to the district to promote early detection and appropriate management.

(iii) My Ministry established a National Cancer Prevention and Control Committee in 2005 and its mandate is to advise on the issue concerning cancer prevention and control.

Mr. Yattani: Mr. Speaker, Sir, it is a pity that we are getting this kind of an answer when I know that more than 12 patients from North Horr are now in various hospitals in Nairobi. The fact that the Assistant Minister is saying that cancer is on the decrease is not true. I would like to get confirmation from the Assistant Minister whether the upsurge of cancer is related to unconfirmed reports of nuclear waste that was buried in that region during the oil exploration of 1986 and 1987. There have been such allegations. Could the Assistant Minister confirm whether this has any relation to the same?

Dr. Kibunguchy: Mr. Speaker, Sir, in this House, we deal with facts and not anecdotal observations. As I have said in the answer and as a medical doctor, there is no known cause of cancer. There are suspected factors that might lead to the development of cancer. So far in the world, nobody can pinpoint to one cause of cancer of any kind.

Mr. Odoyo: Mr. Speaker, Sir, one of the causes of cancer of the oesophagus is radiation. Could the Assistant Minister investigate the allegation that radiation matter was dumped in North Eastern Province because radiation is one of the causes of this particular cancer?

Dr. Kibunguchy: Mr. Speaker, Sir, it baffles me that Mr. Odoyo is talking with a lot of authority and yet I do not see "Dr." in front of his name. As I have said, there is no known cause of cancer---

Mr. Odoyo: On a point of order, Mr. Speaker, Sir. I am sure when the hon. Member, who is a medical doctor, came to be a Member of Parliament, he was not an expert in parliamentary matters. I have done adequate research through e-Parliament and can confirm to him that this is one of the causes of cancer. Can he confirm whether he has done some research on cancer?

Dr. Kibunguchy: Mr. Speaker, Sir, that is a contentious point and I do not want us to enter into any arguments. If he has done enough research on cancer, I would like him to put the published papers on this Table before we start this ping pong of going back and forth. I have said very clearly that there is no known cause of cancer that somebody can put his finger on. There are suspected factors that might lead to the development of cancer. Radiation is one of those suspected factors but there is no known cause. So, I cannot confirm that we have increased cases of cancer of the oesophagus in Marsabit because of the dumped stuff that they are talking about. Cancer of the oesophagus occurs virtually everywhere in this country. I have lost a very close cousin to cancer of the oesophagus and I do not know whether radiation material has been dumped in Lugari.

Mr. Yattani: Mr. Speaker, Sir, could the Assistant Minister send a team of health specialists to that region because the district health facilities are scattered and have either few personnel or they are not manned at all? Could he consider sending a team of specialists specifically to North Horr Constituency because we are sure there has been an upsurge of cancer and yet there is either no medication or medical advise? Could he send a team of specialists to go and verify the situation on the ground?

Dr. Kibunguchy: Mr. Speaker, Sir, I have just said very clearly here that we have sent a surgeon to Marsabit District Hospital. A trained surgeon will be able to detect cancer of the oesophagus any time anywhere. So, I do not think there is any need for the Ministry to deploy a team to go to that area. We have a surgeon and we are confident he is doing a good job.

ORAL ANSWERS TO QUESTIONS

Question No.063

ERRATIC RISE IN COST OF WATER SUPPLIED BY NYAKACH WATER SCHEME

Mr. Odoyo asked the Minister for Water and Irrigation:-

- (a) whether he is aware that the cost of water under the Nyakach Water Supply Scheme is frequently increased by various percentages ranging from 10 to 40 percent contrary to the Water Act;
- (b) whether he is further aware that the scheme was constructed using cheap plastic pipes which burst regularly resulting into billing for water not supplied; and,

(c) what action he is taking to stop the erratic rise in the cost of water to the people of Nyakach and curb faulty invoicing for water not supplied.

The Assistant Minister for Water and Irrigation (Maj. Sugow): Mr. Speaker, Sir, I beg to reply.

(a) The cost of water in Nyakach has never changed. The tariff which is applying currently is the one gazetted in November, 1999, and is in use by Lake Victoria Water Services Board for purposes of billing.

(b) The materials used for Nyakach Water Supply Scheme were designed by the engineer and the contractor was supervised during the implementation of the works. In this case, the pipes bursts are due to old age and vandalism by the local people. My Ministry, through the Lake Victoria South Water Services Board, has confirmed that consumers are not being billed for water not supplied.

(c) My Ministry has ensured that strict supervision and correct billing on water consumed is being undertaken. In cases where there are erroneous bills, they are corrected immediately and accordingly.

Mr. Odoyo: Mr. Speaker, Sir, in the 1970s, the Government told Kenyans that by the year 2000, there will be water in all parts of Kenya. In the 1980s and 1990s, we were promised that industrialisation would be achieved by 2020. Now we have another one; 2030 Vision. I wish to express my disappointment on a very defensive answer given by the Assistant Minister. This habit and tradition by Ministers of sending Questions to the ground without sending a research officer has become rampant. We now have a clear example of this fact going by the answer given by the Assistant Minister---

Mr. Speaker: Ask your question!

Mr. Odoyo: Mr. Speaker, Sir, this scheme was commissioned in 1987, which is 20 years ago. It is, therefore, not correct to say that the tariffs have never been changed as stated by the Assistant Minister. Twenty years ago---

Mr. Speaker: Ask your Question, Mr. Odoyo!

Mr. Odoyo: Mr. Speaker, Sir, water meters were installed 20 years ago. Could the Assistant Minister confirm or deny that those old metres may very well be responsible for the overcharging that the *wananchi* are complaining about?

Maj. Sugow: Mr. Speaker, Sir, in cases where water meters are not functioning, it is the responsibility of the consumer to report and this is investigated. In cases where the meters are faulty, they are removed and replaced. Therefore, the question of meters not working does not arise because once consumers report, they are replaced. We do not bill consumers for water not consumed. When a meter is faulty, an average billing based on historical consumption in the past or previous months is normally determined pending the change of that particular meter.

Mr. Ochilo-Ayacko: On a point of order, Mr. Speaker, Sir. Currently, officers from the Ministry of Water and Irrigation or their agents are going round collecting money from borehole owners to the tune of about Kshs18,000. This is what is increasing the cost of water supply to the people. Is it in order for the Ministry, that purports to provide water to the people at affordable cost, to authorise its agents to go round collecting money from people who have dug boreholes at their own costs?

Maj. Sugow: Mr. Speaker, Sir, I am not aware of agents of the Ministry going round collecting money purportedly to provide that service. In cases where that is happening, it is better that the matter is reported to the nearest water office so that it can be investigated and established whether these are conmen going round in order to fleece money from poor consumers. I am not aware of this.

Mr. Odoyo: Mr. Speaker, Sir, Nyakach Constituency comprises of valleys, hills and plateaus. When will the Assistant Minister make this scheme a fully gravity led scheme so that we are not inconvenienced by the frequent breakdowns of the pump which lead to erroneous billing?

Maj. Sugow: Since the reforms in the water sector started, this Ministry has been endeavouring to ensure that all water projects in this country are rehabilitated. There is an ongoing rehabilitation of all major water projects such as this one and the replacement of faulty or old water meters and pipes. This is a continuous process and I want to assure the hon. Member that come next year, a considerable length of these pipes would have been replaced.

Question No.573

NON-REFUND OF CASH BAIL
BY KIAMBU COURT

Mr. Muiruri asked the Minister for Justice and Constitutional Affairs:-

(a) whether she is aware that a claimant under file case No.2826 of 2000 was, on 23rd June, 2000, charged with the offence of incitement before the Kiambu Resident Magistrate and that the case was disposed of in 2003,

(b) whether she is further aware that the cash bail of Kshs15,000 deposited in Kiambu Court vide Receipt No.B081853 has, to date, not been refunded despite many fruitless trips to both Kiambu and Nairobi Law Courts as well as Kiambu District Commissioner's Office; and,

(c) whether she could take appropriate action and refund the cash bail plus interest.

The Minister for Justice and Constitutional Affairs (Ms. Karua): Mr. Speaker, Sir, I beg to reply.

(a) Yes, I am aware that the Questioner, who is also the subject of the Question, was charged with two others at the Kiambu Law Courts with the offence of incitement before vide Kiambu Criminal Case No.2826 of 2000. Further, on 15th January, 2004, the State entered a *nolle prosequi* and the accused was, thereafter, discharged.

(b) I am also aware that the hon. Member had been granted a cash bail in the sum of Kshs15,000--

Mr. Speaker: Order, Madam Minister! Do I really understand that the subject matter of this Question is the hon. Member who has asked this Question. Is that the position?

The Minister for Justice and Constitutional Affairs (Ms. Karua): Yes, Mr. Speaker, Sir. But I started by saying: "I am aware". He, therefore, should have declared his interest.

Mr. Speaker: It is really about other issues. Please, sit down, Madam Minister. The basic issue here is whether or not hon. Members will use the Floor of this House to advance their individual interests.

(Applause)

I have absolutely no doubt in my mind that this is wrong! I, consequently, drop the Question.

The Minister for Justice and Constitutional Affairs (Ms. Karua): Mr. Speaker, Sir, I just wanted to clarify that we were aware that the subject of the Question was the hon. Member, but because of the implication of non-refund of cash bails from 1997 to 2002, I thought that the Question was of national importance to very many people who have been inquiring about cash bails. The Question, therefore, goes beyond the interest of the individual hon. Member.

(Applause)

Mr. Speaker: Order! It may very well be of national importance, but it does not deviate from the fact that the individual hon. Member has chosen to ask the Question himself. He could have asked another hon. Member to ask a general Question.

An hon. Member: Yes!

Mr. Speaker: Order! Order, hon. Members! I am laying it on the line - No hon. Member is allowed to bring an individual matter to the Floor of this House and I, therefore, disallow it!

(Applause)

It can be brought by any other hon. Member, but certainly not by the individual hon. Member concerned.

Mr. Omondi: On a point of order, Mr. Speaker, Sir. I believe that the Minister has got other avenues through which she can articulate Government policies other than waiting for Questions from hon. Members. Is she in order?

Mr. Speaker: Order! That may very well be so! What is your point of order?

Mr. Omondi: Is she in order to do that?

(Laughter)

Mr. Speaker: Order! I think the Minister has done well. In fact, from the very outset, she has revealed matters that were foreign to the Chair. Therefore, she has absolutely done no wrong.

Mr. Muiruri: On a point of order, Mr. Speaker, Sir. This Question is not about me---

Mr. Speaker: It is!

Mr. Muiruri: It is only that I gave myself as an example of those people whose cash bail has been hoarded for as many as six years.

Mr. Speaker: Order! Order! Order, Mr. Muiruri! You could have gone to your colleague or you could have made it a general Question, but you chose to make it--- You are advancing your own case on the Floor of the House. I will not allow that and, therefore, the Question is unacceptable and it is dropped!

(Question dropped)

Next Question, Mr. Bahari!

Question No.592

SUPPLY OF ELECTRICITY TO
GARBA-TULLA TOWNSHIP

Mr. Bahari asked the Minister for Energy:-

(a) whether he is aware that Garba-Tulla Township was prioritized for the purposes of rural electrification in Isiolo District; and,

(b) when the town will be supplied with electricity.

The Assistant Minister for Energy (Mr. Kiunjuri): Mr. Speaker, Sir, I beg to reply.

(a) Yes, I am aware that Garba-Tulla Township in Isiolo District was prioritized for the purposes of rural electrification; and,

(b) It is estimated that extension of electricity to Garba-Tulla Town will cost Kshs96

million. Given that this is a lot of money, the Ministry has decided to implement the project in phases. In this regard, the Ministry has already committed Kshs33 million from this year's Budget for the extension of electricity to Kinna Market, which is on the way to Garba-Tulla. The remaining portion will be considered for funding during the next financial year.

Mr. Bahari: Mr. Speaker, Sir, I want to thank the Assistant Minister for that answer. But roughly, when will the construction of this project start?

Mr. Kiunjuri: Mr. Speaker, Sir, as usual, we are carrying out survey and design, and we shall also acquire wayleaves. But we estimate that the first phase of this project will be completed by June, 2007.

Mr. Speaker: Very well. Are there no further questions on this issue?

Next Question, Mr. Koros!

Question No.638

REPAIR OF CHEPTIRET-MOI UNIVERSITY ROAD

Mr. Koros asked the Minister for Roads and Public Works:-

(a) whether he is aware that Road D305 (Cheptiret-Moi University) is in a terrible condition; and,

(b) when it will be repaired.

The Minister for Roads and Public Works (Mr. Nyachae): Mr. Speaker, Sir, I beg to reply.

(a) Yes, I am aware that Road D305 (Cheptiret-Moi University) is in a terrible condition.

(b) The road has been earmarked for routine maintenance this financial year. The District Roads Committee (DRC) has approved a total of Kshs718,282 which will be used for pot hole patching and culvert cleaning.

Mr. Koros: Mr. Speaker, Sir, I thank the Minister for the answer. But what will Kshs718,282 do in pothole patching of 11 kilometres? The money is too little! This road is part of the reason why Moi University lecturers went on strike.

Mr. Nyachae: Mr. Speaker, Sir, the allocation of money was done on the basis of the assessment by the District Roads Engineer in conjunction with the DRC. But, perhaps, in consolation of hon. Members, the next road, which is the Kesses-Lessos Road, has been allocated Kshs11,939,133 as part of the Road 2000 Programme. Whatever balance that may be realized from there will go to improve the other road.

Mr. Kipchumba: Mr. Speaker, Sir, the problem with that road is that its base has actually collapsed. It may be of interest to the Minister to know that spending money on a road whose base has collapsed, is a waste. It would be better if that money was allocated to other projects. Could he consider, probably, reassessing the road, so that during the Supplementary Estimates, he can allocate enough money for the proper repair of that road?

Mr. Nyachae: Mr. Speaker, Sir, I am willing to allocate more money if it is made available to me. But right now, I want this House to appreciate the fact that this is not the only road in the whole country, that is in a deplorable condition. About 31 per cent of our roads are in a terrible condition. If all the roads in this country are to be repaired to a reasonable condition, I need Kshs150 billion to do so.

Maj. Madoka: Mr. Speaker, Sir, I think the Minister should address the issue raised by the hon. Member. I think it is very genuine. If the base has collapsed, we do not have to spend that money because we will be wasting it. That is the issue which was raised.

Mr. Nyachae: Mr. Speaker, Sir, we have to trust our technical officers. If the Roads Engineer in the district and the Operations Engineer from the Headquarters have confirmed that we need to do some work on that road to make it passable for the time-being, I think we need to rely on their technical advice.

Mr. Speaker: Last question, Mr. Koros!

Mr. Koros: Mr. Speaker, Sir, I would like the Minister to tell us when the work on this road will start.

Mr. Nyachae: Mr. Speaker, Sir, the work will start immediately, because it is our own operation.

Mr. Speaker: Very well! Next Question by the Member of Parliament for Bura Constituency!

Question No.071

SHORTAGE OF PRIMARY SCHOOL
TEACHERS IN BURA CONSTITUENCY

Mr. Wario asked the Minister for Education:-

(a) whether he is aware that there is an acute shortage of teachers in primary schools in Bura Constituency; and,

(b) what is being done to address this serious problem which is affecting educational standards in the area.

The Assistant Minister for Education (Dr. Mwiria): Mr. Speaker, Sir, I beg to reply.

(a) I am aware that there is a shortage of 76 primary school teachers in Bura Constituency against a total shortage of 309 teachers in Tana River District.

(b) Recruitment to replace teachers who exit through natural attrition was conducted in August and September, 2006, in which a total of 43 primary school teachers were recruited in Tana River District. Out of these, 16 teachers were posted to Bura Constituency. That was 37 per cent of the total.

Balancing of teachers is on-going to ensure that some schools do not suffer greater shortage than others. The Ministry has also directed school heads to use multi-grade and multi-shift teaching techniques to manage the workload.

Mr. Wario: Mr. Speaker, Sir, the Assistant Minister says they have recruited 43 teachers when the shortage is 76 teachers in Bura Constituency. When will he send more teachers, because the shortage is a serious problem in the provision of free primary education?

Dr. Mwiria: Mr. Speaker, Sir, as I said before, I hope hon. Members will not continue to ask more Questions on the shortage of teachers because, unfortunately, we only replace those teachers who are lost through natural attrition. We are not able to replace all the teachers that we need until the situation improves. This applies to the whole country.

Mr. Waithaka: Mr. Speaker, Sir, I am sure the Assistant Minister is aware that there is a school in my constituency where pupils have been sent home because there are no teachers. The parents have also refused to contribute money to pay the teachers. This particular school is called Kaugi Primary School in Southlands Division of Kinangop Constituency. In areas where there is an acute shortage of teachers, for example, Kinangop Constituency, what is the Ministry doing to alleviate this problem? Pupils cannot stay in school when there are no teachers. In some schools pupils are not taught for a whole day.

Dr. Mwiria: Mr. Speaker, Sir, I might not be aware of that situation. But I would like it brought to us in the Ministry, and we will deal with it. A situation where a school has no teacher is

unique. We need to deal with it differently. But the issue of the shortage of teachers is a challenge. Maybe in the next two years, we will have dealt with the problem once and for all.

Mr. Bahari: Mr. Speaker, Sir, since free primary education minus teachers equals zero, could the Assistant Minister confirm that the Government is doing everything possible to provide enough teachers to all schools?

Dr. Mwiria: Mr. Speaker, Sir, I do not think it would be true to say that primary school education is zero, because we do not have enough teachers. I think it is quite clear that we are making a lot of progress. The free primary education is making a lot of difference to many children who would not otherwise have had a chance to access education. Nevertheless, we are trying our level best to provide more teachers. However, we do not have enough resources to employ more of them. As I have said, in the next two years or so, this will be a thing of the past. But we must have the resources to be able to recruit the required number of teachers.

Mr. Speaker: Last question, Mr. Wario!

Mr. Wario: Mr. Speaker, Sir, is the shortage of teachers not a contradiction of the free primary education policy? What is the Assistant Minister doing to address this problem, specifically, in Bura Constituency?

Dr. Mwiria: Mr. Speaker, Sir, a shortage does not lead to a contradiction. It is completely different. I think efforts are being made to alleviate the shortage. But we do not have enough resources to do so. The case of Bura Constituency will be addressed along with other cases in the country.

Mr. Speaker: Next Question by Prof. Olweny!

Question No.057

SETTLEMENT OF SQUATTERS IN
MUHORONI DIVISION

Prof. Olweny asked the Minister for Lands:-

(a) whether he could table a list of the people who were recently allocated land at Tonde in God Nyithindo Location in Muhoroni Division indicating how much each of them obtained;

(b) whether he could indicate the number of former Tonde squatters and others who benefited from the allocation; and,

(c) what efforts he is making to settle squatters who failed to get land in the said allocation.

The Assistant Minister for Lands (Mr. Kamama): Mr. Speaker, Sir, I beg to reply.

(a) Allow me to table the list of people who were allocated land at Tonde in God Nyithindo Location.

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

(b) The non-Tonde allottees of Tonde Squatter Scheme are 45 in number, that is, Nos.58, 59, 91-143, as per the list attached. (c) The squatter identification committee identified 119 squatters on the ground. All of them, without exclusion were allocated land.

Prof. Olweny: Mr. Speaker, Sir, the issue in Tonde Scheme is that the Government brought 45 people from outside the area and allocated them land. As a result, ten genuine squatters were not allocated land. What will the Ministry do to ensure that the ten people who were

originally in Tonde are allocated land?

Mr. Kamama: Mr. Speaker, Sir, when this exercise was being carried out, the ten people were not at the scene. They just came in after the identification exercise. Therefore, there was no way they could be considered by the Ministry.

Capt. Nakitare: Mr. Speaker, Sir, it mesmerises Kenyans when the Assistant Minister says that out of the 45 people, ten people who were left out were nowhere to be seen. It leaves a lot to be desired. How many civil servants are in that list? Could he name the chiefs, District Officers and District Commissioners in that list? They must have been beneficiaries.

Mr. Kamama: Mr. Speaker, Sir, I am not aware of District Officers or District Commissioners the hon. Member is talking about. They are not in that list. I want to confirm that.

Mr. Speaker: Very well. Last question, Prof. Olweny!

Prof. Olweny: Mr. Speaker, Sir, I do not have the list which has just been tabled. So, I do not know who is in it---

Mr. Speaker: Order, Prof. Olweny! I encourage hon. Members who ask Questions whose replies have annexures, or documents, to be tabled as part of the reply, to get hold of the documents before they ask further questions. This is because you are disadvantaged when you do not have them. If you cannot do that, do not

Anyhow, Prof. Olweny, last question!

Prof. Olweny: Mr. Speaker, Sir, I wish you could allow me to look at the tabled document then we could finish with this Question next week.

Mr. Speaker: Prof. Olweny, you know that was not your life!

Prof. Olweny: Anyway, Mr. Speaker, Sir, let me ask the last question.

Mr. Speaker: Okay, proceed!

Prof. Olweny: Mr. Speaker, Sir, 45 people were allocated land in Tonde. We believe some of them were civil servants. Then we have ten other people without land. Some of these people who were given land have not occupied it. Could the Assistant Minister give out the land that has not been occupied to the ten people who missed out in the allocation?

Mr. Kamama: Mr. Speaker, Sir, the issue of absentee landlords is rampant in this country. I want to advise the hon. Member to liaise with the District Land Adjudication Officer in Nyando District to establish the correct situation on the ground, that is whether these people are absentee landlords or residents of that area. If we find out that we have people who are not willing to settle on that land, then we will reposes it and assist those who need it.

Mr. Speaker: Next Question, Mr. Mukiri!

Mr. Mukiri, I received a call from the Minister of State for Administration and National Security requesting that this Question, along with the Ministerial Statement on Insecurity, be deferred to tomorrow. He and his Assistant Minister are engaged elsewhere. No doubt, every hon. Member knows what is happening in the Coast Province as far as floods are concerned. The Assistant Minister is there while the Minister has other commitments elsewhere. Therefore, he has requested that we defer this Question and the giving of the Ministerial Statement to tomorrow. What is your reaction?

Mr. Mukiri: Mr. Speaker, Sir, I have no problem. The Question can be answered either tomorrow in the afternoon or next week on Tuesday.

Mr. Speaker: Which one do you prefer?

Mr. Mukiri: Mr. Speaker, Sir, if it is convenient, tomorrow morning.

Mr. Speaker: Okay, I will ask for tomorrow. But if you do not mind Tuesday, I will put it for Tuesday.

Mr. Mukiri: Mr. Speaker, Sir, Tuesday next week is okay.

Mr. Speaker: Okay, it will come on Tuesday next week.

Clerks-at-the-Table, inform the Minister about that. However, the Ministerial Statement is coming tomorrow afternoon.

Question No. 139

PROVISION OF VEHICLES TO LARE/MAU
NAROK POLICE STATIONS

(Question deferred)

Next Question by the hon. Member for Wajir North, Dr. Ali.

Question No.498

FATE OF DUGO SETTLEMENT SCHEME

Dr. Ali asked the Minister for Agriculture:-

- (a) whether he is aware of the existence of Dugo Settlement Scheme of Wajir North Constituency;
- (b) the amount of money used on the project; and,
- (c) the fate of the project.

The Minister for Agriculture (Mr. Kirwa): Mr. Speaker, Sir, I beg to reply.

- (a) Yes, I am aware that Dugo Settlement Scheme existed in Wajir North Constituency.
- (b) A total of Kshs388,000 from the National Famine Relief Fund was spent on the scheme by 1993.

(c) The project was a District Development Committee (DDC) one and has since collapsed. My Ministry is planning to set up a team to explore ways of reviving it so as to make it sustainable.

Dr. Ali: Mr. Speaker, Sir, I wish to thank the Minister for that answer. However, I would like to say that there is nothing in place right now. There was just one single room which was built in that place. It does not even have a roof. How does the Minister intend to revive the project?

Mr. Kirwa: Mr. Speaker, Sir, as I said, we are exploring possibilities of reviving the same project once there is agreement from the DDC. If the hon. Member could assist by discussing the matter with the leadership on the ground, we shall offer any advice required.

Prof. Oniang'o: Mr. Speaker, Sir, we know that projects are unlikely to succeed when community members are not involved. Could we be told whether community members were involved in this project?

Mr. Kirwa: Mr. Speaker, Sir, as I said, this project was the initiative of the DDC. It was for the DDC to involve the entire leadership on the ground. I am telling my hon. colleague that if he was to do the same, I would be glad to take up the rest of the activity.

Mr. Speaker: Dr. Ali, last question!

Dr. Ali: Mr. Speaker, Sir, I am already doing something about the area. I want to put some money into developing water reserves so that we can do some irrigation. Could the Minister be of assistance if I bring him the drawings and whatever else we have done?

Mr. Kirwa: Mr. Speaker, Sir, as I said, I have already sent my team to the ground. We shall explore all possibilities, including what the hon. Member has just proposed.

Mr. Speaker: Hon. Members, that is the end of Question Time. We have two Ministerial

Statements to be made. I would like to first call upon the Vice-President and Minister for Home Affairs.

MINISTERIAL STATEMENT

ATTENDANCE AT FUNCTION IN
HONOUR OF MR. KOFFI ANNAN

The Vice-President and Minister for Home Affairs (Mr. Awori): Mr. Speaker, Sir, last week the Ministry of Foreign Affairs sent out an invitation to all hon. Members---

(Loud consultations)

Mr. Speaker: Order! Can I have the attention of hon. Members at that corner?

Mr. Awori, please, proceed!

The Vice-President and Minister for Home Affairs (Mr. Awori): Mr. Speaker, Sir, an invitation was sent out to all hon. Members of the House to attend the very important function in honour of hon. Koffi Annan, the Secretary-General of the United Nations (UN). This is supposed to be today at 5.30 p.m. However, as we are all aware, we are very much behind with the business of the House. I wish to seek the indulgence of hon. Members, so that we release to that function only members of the Departmental Committee on Defence and Foreign Relations, and that the rest of us continue with business as usual.

(Applause)

COMMUNICATION FROM THE CHAIR

INVITATION TO COCKTAIL PARTY IN
HONOUR OF PARLIAMENTARIANS
ATTENDING THE UNFCCC

Mr. Speaker: Hon. Members, as you all know, there is an ongoing conference on climate change at Gigiri. This is now to inform you that I will be hosting a cocktail party in honour of distinguished hon. Members of Parliament from different countries who are attending the United Nations Framework Convention on Climate Change Conference (UNFCCC) at Gigiri. The party will be held this evening at the rise of the House at Parliament Buildings. All Kenyan hon. Members are cordially invited.

That was housekeeping business. Let us now go to business.

Mr. Arungah: On a point of order, Mr. Speaker, Sir. Thank you for the invitation that you have extended to us. However, how can we have hon. Members from all over the world coming to attend a conference in this country and yet, we, as hon. Members or even those from the relevant departmental committee, were never invited to attend that conference?

Mr. Speaker: Order, hon. Members! First of all, the invitation is not from me because I am not running that conference. Complaints have been lodged by hon. Bett on behalf of the Committee on Agriculture, Lands and Natural Resources, that the Committee was not invited. I have, in fact, taken up that issue with the Minister concerned, who was also surprised that no invitation was given.

In fact, I am sure if the invitation has not come, it must have been due to some default somewhere. It is not intended. I was assured last Thursday by the Minister for Environment and

Natural Resources that since the top-level conference is beginning this week, Kenyan hon. Members will be invited to participate. As a matter of fact, this is a very important conference. I would like to assure you that according to the Minister, there was no deliberate effort to snub Parliament.

MINISTERIAL STATEMENT

FORMULATION OF SESSIONAL PAPER ON VISION 2030

The Vice-President and Minister for Home Affairs (Mr. Awori): Mr. Speaker, Sir, a week ago, His Excellency the President launched a Concept Paper on Vision 2030. Hon. Members were interested that I should

bring the Paper here, so that they may discuss it. I wish to inform the hon. Members that, indeed, a Sessional Paper is being prepared and it will be brought here when it is ready, so that the hon. Members can discuss it. In the meantime, there is consultation that is going on with all the stakeholders.

COMMUNICATION FROM THE CHAIR

INVITATION TO DEPARTMENTAL COMMITTEE ON ENVIRONMENT TO CLIMATE CHANGE CONFERENCE

Mr. Speaker: Just to go back to the issue which was raised by hon. Arungah, the Clerk of the National Assembly has informed me---

(Loud consultations)

Order, hon. Members! Maybe we should disorganise that corner! The hon. Members at that corner are disorganising the House. Will you, please, organise yourselves? Please, put away matters that are extraneous to Parliament to other fora! Let us just transact parliamentary issues.

The Clerk of the National Assembly has just confirmed to me that last night he received a fax message from the Minister for Environment and Natural Resources inviting the relevant Committee, not only to the Conference, but also to participate tomorrow in the official opening and thereafter, to all the deliberations in the Conference. So, I think, everything now is put to order.

I have a few hon. Members who want to seek Ministerial Statements and one Assistant Minister who wants to issue a Ministerial Statement in response to what was sought last week. I will begin with him. This is the Assistant Minister for Education, Dr. Mwiria.

MINISTERIAL STATEMENT

NON-REMITTANCE OF EXAMINATION REGISTRATION FEES BY TEACHERS

The Assistant Minister for Education (Dr. Mwiria): Mr. Speaker, Sir, last week, Prof. Oniang'o sought a Ministerial Statement on the Kenya Certificate of Primary Education (KCPE) examination after it was reported in sections of the local Press that there were candidates who were not registered for the examination.

A section of the Press reported that 11 candidates in Nairobi and six candidates in Uasin Gishu were not registered for the year's examination. However, as a Ministry, we were not informed of any such cases. It is, therefore, unfortunate to read in media reports that there are candidates who were, indeed, not registered. I would like to take the hon. Members through some of the steps that we take with regard to the registration of candidates.

(i) Schools are responsible for the registration of candidates.

(ii) By the close of the normal registration period of 31st March, schools are expected to have brought lists of names of the candidates to the Kenya National Examinations Council (KNEC), along with the necessary fees.

However, even after that, schools are given a further period of up to 31st May, in order to give an opportunity to those who did not have candidates registered. After 31st May, the process is formally closed. Following the closure, my Ministry informs all schools and parents through paid advertisement in the media about the closing date and advises parents to check with schools to ensure that their children are duly registered for the examination.

Because of similar problems last year, this year we took an extra effort of posting all those who had registered in the Kenya National Examinations Council website in September, 2006, to allow parents to check. We again advised parents to take the necessary action, but we have not received any complaints officially from parents. We are going to launch a thorough investigations into this matter and take the appropriate action with regard to the 17 candidates.

In the meantime, we can only advise students who were not registered for this year's KCPE to register for next year's examination. Otherwise, we are taking every measure to ensure that if the students were punished out of no fault of their own, the necessary action will be taken against the culprits.

Prof. Oniang'o: Mr. Speaker, Sir, I sought this Ministerial Statement because I saw on television a teacher who admitted that he took the examination fees, but did not register the pupils.

How many parents can access the said website in this country to check whether their children are registered? Could the Assistant Minister tell us what measures he is going to put in place to make sure that this does not happen again?

Mr. Bifwoli: Mr. Speaker, Sir, the Assistant Minister has said that they put the list of the registered candidates in the Kenya National Examination Council website. However, ordinary parents have no access to the website. It is true that quite a number of school heads do not register some pupils because they are weak in class. What measures is the Ministry putting in place to ensure that all class eight pupils sit for the examination? They should sit for the examination without being denied by the head-teachers just because of their low mean-score. We have a very unfair rating system in this country.

Mr. Waithaka: Mr. Speaker, Sir, the Assistant Minister should tell us what action he will take because I recall a situation where last year, about 15 students of St. Henry Secondary School were not registered for national examinations. No action was taken against the teacher who had been paid the examination fees by parents, despite the fact that the students had to repeat. What action will the Assistant Minister take on such teachers who take parents' money and do not register students for examinations? Asking parents who live in the rural areas to check for the names in the internet is demanding too much from them.

Dr. Ojiambo: Thank you, Mr. Speaker, Sir. Could the Assistant Minister tell us why the District Education Officer cannot take the responsibility of going round the schools in his district to

ensure that every child who is qualified to sit examinations is properly registered and the fee is paid? It takes a whole year of waiting to sit for examinations after registering. So, it is important that every child is registered early.

The Assistant Minister for Education (Dr. Mwiria): Mr. Speaker, Sir, I appreciate that relying on the web site is being elitist because not many of our parents, including hon. Members, surf the internet to check for information. However, I said that this is one of the measures that we have taken. We place advertisements through the Press and explain that deadlines are gone and that parents should go to schools and check. The web site is just one of the ideas. It is not an ideal way of communicating with majority of Kenyan parents. With regard to action on teachers who collect money but do not register students, we take disciplinary action when we find them at fault. We take disciplinary action like suspending them from employment. I like the proposal by the hon. Member, hon. Ojiambo that we use our DEOs and other education officers to ensure they give us a feedback with regard to registration and ensure that no child is left out, which is a way of reaching the grassroots. Those are some of the measures we have taken but we will continue to ask parents to be responsible because it is their children who are sitting the examinations. So, they should inform us. If they informed us in good time, we would take the necessary action before the deadline and an appropriate period would be given through which something can be done.

POINT OF ORDER

BAN ON FLIGHTS TO AND FROM SOMALIA

Mr. Billow: Mr. Speaker, Sir, the Government has announced a ban on all flights, to and from Somalia with effect from 13th November, which was yesterday, including scheduled passenger flights in the two countries. We understand the reason given to be the possible terrorist threat from Somalia following the recent alert by the US Embassy in this country. The impact of the ban not only derails the efforts by the Government and the people of Kenya to reconcile the worrying parties in Somalia, but also has disastrous effects both socially and economically on the people of North Eastern Province, and in particular, on the people of Kenya. Therefore, could the Minister of State for Administration and National Security tell this House the rationale behind the decision, how it will benefit the people of Kenya, and whether the actions were merely intended to comply with the US demands which run contrary to what the Minister for Foreign Affairs tabled in this House last week?

The Minister for Justice and Constitutional Affairs (Ms. Karua): Mr. Speaker, Sir, the information will be transmitted to the Ministry of State for Administration and National Security. We are seeking that the Ministerial Statement be issued in 10 days' time, on Tuesday 29th, so that all the issues are looked into.

Mr. Billow: Mr. Speaker, Sir, today is on 14th. Two weeks to explain the rationale behind an action by the Government, honestly is something I find--- This has serious economic effects on people who are doing business with Somalia. I would wish that the Statement was issued next week and not in two weeks time because the Minister is in the country.

The Minister for Justice and Constitutional Affairs (Ms. Karua): Mr. Speaker, Sir, this issue involves weighty questions of national importance, some of them touching on security. We require that time to give an answer that is deserving.

Mr. Speaker: It should fall on either 23rd or 24th. Mr. Billow was right.

The Minister for Justice and Constitutional Affairs (Ms. Karua): Mr. Speaker, Sir, I am considering that the Minister has to respond to other Ministerial Statements. I was calculating that he presents this one on the Tuesday after the next. I think that is reasonable. Noting other things

which are taking place, it is not unreasonable to ask for Tuesday 29th.

Mr. Speaker: That is fine. Allright, Order, hon. Members! We now resume our days's business.

BILLS

Second Reading

THE INSURANCE (AMENDMENT) BILL

(The Minister for Finance on 8.11.2006)

*(Resumption of Debate interrupted
on 8.11.2006)*

The Minister for Finance (Mr. Kimunya): Mr. Speaker, Sir, I would like to continue from where I had reached in terms of this Bill. I had explained the background to this Bill and got to a point of discussing the department of insurance.

To perform its role effectively, the Department of Insurance needs to recruit and retain highly qualified and experienced technical staff. This has not been possible in view of the various salaries and other terms of employment offered by the private sector. In most African countries, including our neighbouring countries of Tanzania and Uganda, this has been dealt with through the creation of independent regulatory authorities. Here in Kenya, a similar approach has been taken in creation of autonomous regulatory bodies within the financial sector such as the Capital Markets Authority that oversees our capital markets, the Retirement Benefits Authority that is also doing well in terms of regulating the retirement benefits scheme, the Central Bank of Kenya in terms of financial sector and basically many other sectors of our economy.

Besides strengthening the human resources, the Department of Insurance requires capacity-building in equipment and technology and the office also receives enormous information from the market that is necessary for the regulation. We believe that this information can be adequately captured, analysed and appropriately utilised if modern information technology is used. With a constrained Government Budget, it is not possible to equip the department adequately like other supervisory bodies elsewhere. For instance, many other supervisory bodies in Africa are able to monitor their insurance sectors through a network computer system. For our Department of Insurance to be well updated on the current insurance developments, supervisory and staff training requirements, there is need to be affiliated to other insurance bodies world wide. This, however, has not been possible because of the budget constraints and red-tape. Hence, our department has been left behind in many ways. From inception to date, the department has been losing its top officers to the private sector once they are qualified. It has operated only, basically, as a training ground to the insurance industry because of the better pay offered in the private sector. For instance, a qualified chartered insurance practitioner, of which I must confirm that the department of insurance office has seven of them, is paid a couple of times less than his counterpart in the private sector. It is, therefore, not possible to retain such officers within the mainstream civil service. Much as we are happy that the civil service provides the required resources for the sector, the migration out of the civil service renders the effectiveness and efficiency of the department, as more and more officers leave the civil service and move to the industry, at the expense of lack of manpower within the Commissioner's Office. In view of the above, the challenge, therefore, is to transform the Department of Insurance into an

autonomous, self-funding and self-administered and independent financial regulator.

[Mr. Speaker left the Chair]

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

Mr. Temporary Deputy Speaker, Sir, the principal objective of this Bill is to create an autonomous insurance regulatory authority through the conversion of the Department of Insurance of the Ministry of Finance. This move aims at upgrading the regulatory functions of the office of the Commissioner of Insurance and strengthen the powers and capacity of the regulator to enable it perform its role effectively and efficiently.

Mr. Temporary Deputy Speaker, Sir, this Bill will provide for, among other things, the following: The first one is the establishment of the Authority. This is contained within Part Two of the Insurance Act, which is being amended to create the Insurance Regulatory Authority. The Authority will be a body corporate whose objects and functions shall be, among others, to ensure the effective administration, supervision, regulation and control of the business of insurance in Kenya. The second issue is that the management of the Authority shall rest in the Board of Directors of the Authority which shall comprise 11 members as indicated under Clause 3(b). The Chief Executive Officer of the Authority shall be the Commissioner of Insurance, and shall be competitively appointed by the Board in consultation with the Minister for Finance. The Board shall also appoint the Secretary to the Board and such officers or servants as necessary for the proper discharge of the functions of the Authority.

Mr. Temporary Deputy Speaker, Sir, the Authority shall be funded by the Insurance Regulatory Authority Fund which shall consist of the proceeds of the insurance premium levy, monies or assets as may accrue or vest in the Authority in the course of the exercise of its powers, and such monies as may be allocated to the Authority by Parliament and monies from other sources provided for or donated or borrowed by the Authority. The Authority will primarily draw its funding from a levy on the insurance industry.

Mr. Temporary Deputy Speaker, Sir, it is proposed that the insurance premium tax that is currently levied on the members of the industry will be converted into an insurance premium levy which will be used to fund the Authority. This would, as a matter of fact, revert the levy to its original purpose for financing the regulatory body. No new levy is being proposed as this would cause problems on the industry, bearing in mind that a monthly levy of 0.5 per cent of the premium for the policy holders compensation fund was introduced in 2004 and the industry is still paying another 0.2 per cent to the Insurance Training and Education Trust to run Insurance College. The licence fees and penalties from all the members of the insurance industry will however, continue to be remitted to the Exchequer.

In terms of accountability of the Authority, the Board shall cause to be prepared the estimates of revenue and expenditure for the financial year of the Authority which, in line with all the others in Government, shall be for 12 months ending 30th of June of each year. The annual estimates shall be prepared at least

three months prior to the commencement of the financial year to which they relate and shall be submitted to the Minister for approval. As in line with all the other Government departments, the accounts of the Authority shall be prepared in accordance with the Public Audit Act that was passed by this House.

Mr. Temporary Deputy Speaker, Sir, the passing of this Act will lead to the repeal of Part 16 of the Insurance Act, because the appointment of the Board of Directors of the new Authority shall render the Insurance Advisory Board, which is appointed under Part 16 of the Insurance Act, obsolete. This part is, therefore, being proposed for repeal.

Mr. Temporary Deputy Speaker, Sir, touching on the Ministerial Exemption Power under Section 181 of the Insurance Act, the Minister for Finance has absolute powers to exempt a person from any of the provisions of the Act. It is proposed that this section be amended such that these powers are, from now on, exercised by the Minister on the advice of the Board of the Authority. It is further proposed that certain administrative responsibilities of implementing the Insurance Act which are currently being performed by the Minister will be transferred to the Board of the Authority. However, the oversight powers of the Minister under the Act would still be left untouched.

Mr. Temporary Deputy Speaker, Sir, this is the basis on which we are proposing this Act for consideration by the House. It has been long over-due in terms of creating that oversight Authority to regulate our industry. Again, following the advice that we have received from the Departmental Committee on Finance, Planning and Trade, that we should also bring in the amendments that were coming through the Finance Bill to be considered alongside this Insurance (Amendment) Act, I am happy to report to the House that we will be introducing this at the Committee Stage and I hope I will have the opportunity of discussing this further with the relevant Committee of the House and Members so that we get the rationale and harmonise this and get the issues that we would have wanted for the stakeholders.

Mr. Temporary Deputy Speaker, Sir, I also want to mention here that we are aware that the wider Insurance Act is over-due for review and over-haul. However, we propose to, first of all, create this Insurance Regulatory Authority which will then look through the Act and consult with all the stakeholders and hopefully, it will fast-track the bringing of the more comprehensive review of the Insurance Act which we can do perhaps, early next year, depending on how fast we can move in terms of getting this Authority up and running.

Mr. Temporary Deputy Speaker, Sir, I believe the Bill is very straightforward. It is something we have been looking forward to, and I would be happy if we could pull together as Members and support the Bill and pass it so that we can have the required regulatory oversight for our insurance industry so it is not left behind by all the other sectors.

With those remarks, I beg to move and ask hon. Karua to second, and urge hon. Members of this House to support the Bill.

The Minister for Justice and Constitutional Affairs (Ms. Karua): Thank you, Mr. Temporary Deputy Speaker, Sir. I rise to second this Bill. I want to commend the Ministry for bringing forward this Bill which seeks to amend the Insurance Act.

The measures proposed in this Bill are long over-due. We all know the chaos that have attended the insurance industry in this country, causing suffering to many insured people and innocent parties when their claims are not met. It is, therefore, of utmost importance that in order to protect the public and motorists, we debate and pass this Bill whose object is to strengthen and regulate the insurance industry.

As has been ably demonstrated by the Minister, this Bill seeks to create an independent Insurance Regulatory Authority. This is the way forward. The IRA will take over some of the powers exercised by the Ministry and the Minister. The IRA will not only consist of people in Government, but also those in the insurance sector and members of the public, so that together they may exercise regulatory and supervisory powers over the industry. This is a step in the right direction. It not only offers closer supervision, so as to stop matters before they degenerate, but it also offers the public a window of opportunity to participate in the governance of the insurance industry.

Mr. Temporary Deputy Speaker, Sir, it is also known that in the past we have had many cases of agencies collecting insurance premiums and not handing them over to the insurers. This has created a problem when the insured seeks to benefit under the policy. Later on, they discover

that the policy is not in force because certain things have not been done. This Bill seeks to ensure that, through the close supervision of the regulator, all these problems affecting the industry are eliminated.

Mr. Temporary Deputy Speaker, Sir, I have looked at the objects and functions of the IRA. I am glad that it is stated clearly that they will ensure the effective administration, supervision, regulation and control of insurance and re-insurance businesses in this country. They will also formulate and enforce standards for the conduct of insurance and re-insurance businesses. Currently, the problems besetting the insurance industry are as a result of lack of standards and enforcement. It is, therefore, imperative and in our interest as the consumers of the insurance services and in the interest of our constituents that we support this Bill.

Mr. Temporary Deputy Speaker, Sir, all matters, including those of licensing, ensuring that the interests of policy holders and beneficiaries are protected, promoting development of the sector and ensuring that the sector does not suffer near collapse like it has done many times in the past, have been addressed in this Bill. We have had many insurance companies going under. Perhaps if we had a regulatory authority, that eventuality and the suffering of many people, would have been prevented. It is, therefore, imperative that we address these issues and this time ensure that we have a strong insurance industry where the interests of the investor and the beneficiaries are fully looked into.

Mr. Temporary Deputy Speaker, Sir, I have looked at this Bill and I am happy with the proposals that are contained in it. I want to fully support it, but leave room that in the course of contributions, hon. Members will be at liberty to strengthen this proposed law that will guide our insurance industry.

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

(Question proposed)

The Temporary Deputy Speaker (Mr. Khamasi): Who is the Official Responder?

Mr. Ojode: Mr. Raila!

The Temporary Deputy Speaker (Mr. Khamasi): Order, Mr. Ojode! There is none. So, I will give Mr. Kipchumba a chance to contribute to the Bill.

Mr. Kipchumba: Thank you, Mr. Temporary Deputy Speaker, Sir. I want to support this important Bill. It is important that we create institutions that are independent. I am happy that the insurance premium tax will be replaced by the insurance premium levy. However, when the Minister was contributing, he talked of using the insurance premium levy to run the affairs of the board. I hope that is corrected so that the levy is used solely for the development of the insurance industry as stipulated in the Bill and not as he said.

Mr. Temporary Deputy Speaker, Sir, I would like to comment on the issue of accounts and audit of the IRA. Clause 4B(2) of the Bill says:-

"Within a period of four months after the end of each financial year, the Board shall submit to the Controller and Auditor-General or an auditor appointed by the Board under the authority of the Controller and Auditor-General, the accounts of the Authority---"

I would like to get an explanation from the Minister on this issue. How can the office of the Controller and Auditor-General give authority to a Board to appoint an auditor? My current understanding is that the Controller and Auditor-General appoints an audit firm that will carry out the audit of various institutions. It cannot be the other way round. It cannot be the Board being given authority by the Controller and Auditor-General to go ahead to appoint their own auditors. My understanding on this issue is very clear, that the Controller and Auditor-General will at all

times audit the accounts. However, in the event that his office cannot do so, they will appoint an auditor. The Controller and Auditor-General must first own an audit. I want the Minister to re-look at the phrasing of that clause because it does not seem right. However, I stand to be corrected.

Mr. Temporary Deputy Speaker, Sir, on the issue of the Board of Directors of the IRA, I appreciate that all the people who have been listed in Clause 3B are there by right. However, who will take care of the interests of the insurance operators? All the other people proposed as members of the board of directors are Government officials. However, Clause 3B(g) says:-

"five other members not being public officers, appointed by the Minister."

That should be made very explicit. Who are these five members? Supposing among these five members none of them has an interest in the insurance industry? There must be one person, in my view, to represent or articulate issues for the insurance sector, especially the operators. I want to propose to the Minister that among the five members, there must be one representative from the insurance operators.

Mr. Temporary Deputy Speaker, Sir, on the issue of the appeals board, Clause 195 of this Bill says:-

"Where the Board refuses an application for registration, renewal or alteration of registration, the Board shall record the reasons for its decision and shall furnish copies thereof to the applicant and the Minister."

Is it really sufficient that a Board will merely submit whatever reasons they have for rejecting an application to the Minister and the person involved? What happens if someone feels strongly that they should have been registered? In this case, the Board may have declined to register someone after giving reasons which someone is not satisfied with. I want the Minister to re-look at what happens if, indeed, according to the reasons that have been advanced by the Minister, an individual feels strongly that they must be registered or the reasons given, in someone's view, are flimsy. I want an avenue for appeal to be created so that if the Board refuses to register an individual who feels strongly that he or she should have been registered, one can, therefore, go to an appeals body to articulate the case.

Finally, I want to look at the issue of training. The only training institution that we have in this country and which receives funding from the insurance sector is the Insurance College of Kenya. What happens if, for example, there are other institutions that also need to be funded? From the Bill, every policy holder will now be required to pay a training levy. I want that to be elaborated more. Other than one institution being given money for training, other institutions could be considered so that they can give similar or better training. That way, so many other institutions will benefit from the Fund.

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

The Assistant Minister for Energy (Mr. Kiunjuri): Thank you, Mr. Temporary Deputy Speaker, Sir. I stand to support this Bill. I am happy to note that this Bill seeks to establish the Insurance Regulatory Authority. The functions of the Authority, which are laid down in this Bill, can be considered a step forward in the development of our insurance industry. The functions will ensure that insurance firms are run well and effectively. They will also ensure proper regulation and control of insurance business in this country. This has not been happening and as a result, the conduct of insurance firms in this country is questionable. The standard of most of our insurance firms is equally questionable. The policy holder's interest, as a result, is always at stake.

If you look at this Bill, it also seeks to protect the interest of insurance policy holders. Given what is happening today, policy holders are punished even though they remit money to their respective insurance firms to take care of them. You will notice that most insurance firms have become irresponsible and do not consider the plight of their customers. All they do is to collect money, but they do not fulfil their obligations.

Mr. Temporary Deputy Speaker, Sir, we are hoping that the Authority will have the powers to approve licences only for those companies that are credible and willing to comply with the law without shifting goal posts. The Authority should also make sure that companies that have been blacklisted before because of their questionable reputation are not registered. The first thing the Authority should do is to recall all the licences and issue them afresh. This is because, all a long, we have been getting service from a cartel of people who are not willing to put the interests of this country first, but are after exploiting Kenyans.

The insurance companies that have abdicated their responsibilities should also be put on the spotlight. For example, there are so many people who pay their premiums, but the insurance firms do not take up their responsibility thereby passing liability to the policy holder. Many people have suffered today because of this. So many policy holders have been sued, but insurance companies refrain from undertaking the risks for which they have been paid. As a result, property belonging to policy holders has been auctioned and others are still suffering. They come to see hon. Members of Parliament for help and I believe, now that we are debating the Insurance Bill, these problems should be a thing of the past. Insurance companies have really caused pain to policy holders.

Mr. Temporary Deputy Speaker, Sir, we should ensure that this Authority reconsiders the issue of settling claims. First and foremost, no insurance company will give you a cover before you pay up for it. You must be in a position to pay the percentage they will ask from you. However, when it comes to settlement of claims, they take forever to do so. This is not of any benefit to the policy holders because it does not make sense to be paid your claim after three or four years. In any case, such compensation will not be commensurate to the amount of money you deposit with the insurance firm. These companies make a lot of money out of holding deposits from customers, but they will never pay you any interest when it comes to settling claims.

I hope that this Authority will also be able to do away with fake and masquerading insurance brokers and agents. Most Kenyans have suffered because in the market today, you will find fake insurance covers being sold. The sellers of these policies do so in offices that are well recognised. We know where those offices are, but nobody has cared to take action. We hope that this also will be a thing of the past.

We also have company agents who craftily issue people with a third party insurance cover even upon being requested to issue a comprehensive one. It then becomes difficult to lodge a complaint especially when you are involved in an accident. In fact, the insurance company involved will ignore your complaints and yet it is their responsibility to hear you out. When you tell them that it is their agents who sold you the policy, they will hear none of it. What they do is to make you visit their offices constantly and yet they know that their agents did something wrong. We hope that the Authority will be able to correct some of these anomalies.

Lastly, now that this Authority shall be granted powers to carry out banking functions, I hope that they will undertake not to do that as their core function. If they do that, it is possible that they might forget everything else that they have been mandated to do. The Authority should know that its main purpose is to arrest the already deteriorating situation in the insurance industry. The Authority is supposed to protect policy holders. I hope that all other functions that they have been mandated to undertake will come second after the main one, which is protecting the *mwananchi* who is a policy holder and ensuring that he benefits. Policy holders are not supposed to suffer when making claims.

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

Mr. Raila: Thank you, Mr. Temporary Deputy Speaker, Sir. I also stand to support this Bill. As the Minister said while Moving this Bill, it is a very important Bill. Indeed, the insurance industry is a very critical sector of our economy because it affects businesses and lives of people. That is exactly why we should have proper regulatory machinery that will ensure that the industry

functions smoothly. This is something that ought to have been introduced earlier. The Minister rightly said that we are moving to be in tandem with development not just in this region, but also universally.

Mr. Temporary Deputy Speaker, Sir, the public has been suffering a lot in the hands of insurance companies. As Mr. Kiunjuri said, people go to insurance companies to make claims, but they are not paid. There are two reasons for this: One, it is because there are unscrupulous companies which do not follow the proper code of ethics. Secondly, is the undercapitalisation of some of these companies. A number of insurance companies get permission to operate without a proper capital base. That is why I would have liked the Minister to make use of this opportunity to increase the starting capital to Kshs150 million.

Mr. Temporary Deputy Speaker, Sir, I want to go next to the issue of the management of the Authority; that is the Board of Directors. I want this Authority to be independent and we must provide for its independence in this Bill. There is a Chairman who is to be appointed by the President. There is a Commissioner of Insurance who will be appointed under Section 3E(1) and I will come back to that. There is a Permanent Secretary and then there is a Chief Executive Officer. Then there is a Permanent Secretary who is a civil servant. The Chief Executive Officer will again be appointed by the President. The Chief Executive Officer of the Capital Markets Authority is an appointee of the President. The Governor of the Central Bank of Kenya is also an appointee of the President with five other members not being public officers, appointed by the Minister.

Mr. Temporary Deputy Speaker, Sir, first, where is the independence going to come from? It is he who pays the piper who calls the tune. In the other Acts which we have passed in this House in the recent past, we have provided for various stakeholders to nominate various board members. For example, the Kenya Roads Board (KRB) Act ties the hands of a Minister because there are several other stakeholders who are mandated by the Act to nominate people who are qualified to sit on that Board. I would like to see this happen to this particular Act so that the Authority is fully independent.

Secondly, this Authority is going to regulate the insurance industry in general. There is, therefore, the need to have a representative of the Insurance Association of Kenya in the Authority. How is this Authority going to know the trends within the industry if these people are not represented? They may have, for example, come from the industry but they would have terminated the link. It is important that there be somebody in this Authority who will be representing the Association of Insurers within the principle of "no taxation without representation".

(Applause)

Mr. Temporary Deputy Speaker, Sir, I want to come to the appointment of the Commissioner of Insurance and that is to be found in Section 3E(I) which is on page 1179. It reads as follows:-

"There shall be a Commissioner of Insurance who shall be the chief executive officer of the Authority and who shall be appointed by the Board, in consultation with the Minister, on such terms and conditions of service as may be determined by the Board in the instrument of appointment, or otherwise in writing from time to time".

Mr. Temporary Deputy Speaker, Sir, there is no provision here for transparency in the appointment of this chief executive officer of the Authority. We need to specify clearly in this Bill that his appointment shall be on competitive basis. In other words, that there is going to be an advertisement, people will apply, they will be interviewed maybe by some agency and then the names selected and submitted to the Board. However, if we leave it the way it is here, the Board is

just going to handpick people and most of the times it is the Minister who just picks people and takes them to the Board. First, I would like to see the name of the Minister removed from here so that the Board is independent. How is the Board independent if its hands are tied? It has to go and consult with the Minister first before it appoints the Commissioner of Insurance. So, I would like to see an amendment to this amendment here to remove the Minister so that the Board is truly independent. We have seen cases where Ministers interfere with the work of the Board and that will reduce the independence that we are seeking.

Secondly, I want it stated here that "the Board shall advertise these positions and people will apply and will be selected competitively". That is the only way that will ensure that what keeps on happening all the time with regard to boards does not happen in this Authority.

Mr. Temporary Deputy Speaker, Sir, I want to conclude my remarks by just asking the Minister to think of the very critical issue of what we call ambulance chasers. Ambulance chasers in the insurance industry are a menace. They fleece money from people who have been involved in accidents; some of them who are completely maimed and there does not appear to be a provision to deal with this menace in this country. I would like the Minister to seek proper advice from the Attorney-General if he cannot use this amendment here to introduce a provision that will enable him to deal properly with this menace of ambulance chasers because it is really a serious problem that requires serious attention.

With those few remarks, I beg to support.

Mr. Mwiraria: Thank you, Mr. Temporary Deputy Speaker, Sir. Sorry, I have lost my voice but I will try to be heard.

Mr. Temporary Deputy Speaker, Sir, I rise to support this very important Bill. It is a Bill establishing a very important Authority; an authority which the insurance industry in Kenya has required for many years. In fact, it is coming a little late but it is better late than never.

Mr. Temporary Deputy Speaker, Sir, in the objects and functions of this Authority, one of them is Section 3A(d) which is "to protect the interests of insurance policy holders and insurance beneficiaries in any insurance contract". We have already had a few speakers say to what extent insurance policy holders in Kenya have been exposed to exploitation by the insurance brokers as well as the insurance companies. Under the present law, a broker is allowed to keep insurance proceeds he has been given by the persons to be insured for 60 days. In many cases, they keep the money for much longer than that. What happens eventually is that when, say, an insured person who has a policy of motor vehicle insurance is involved in an accident, he takes a claim to the insurance company, he finds that the money he paid has not reached the insurance company. Then there begins a long battle to find out whether he is covered or not. There is therefore, in my view, need for this Authority to ensure that some of these outdated sections of our law are reviewed in the interests of all the insurance stakeholders.

Mr. Temporary Deputy Speaker, Sir, the second point is that, of late, we have had very many insurance companies which have collapsed. When they collapse, as the Kenya National Assurance Company (KNAC) did, the policy holders are left totally exposed. Since they are not protected, they do not get anything for whatever they have put in those firms as premiums, *et cetera*. So, this is another aspect which I hope the proposed Authority will address.

During our debate on the Finance Bill, we deleted from the Bill some key clauses which relate to the insurance industry. Some of the clauses sought to deal squarely with the issue of protection of insured people. Looking at the Finance Bill that we passed the other day, there was, for instance, Clause---

Mr. Sungu: On a point of order, Mr. Temporary Deputy Speaker, Sir. Would it not be in order to restrict ourselves to this Bill since we have already passed the Finance Bill?

The Temporary Deputy Speaker (Mr. Khamasi): Order! Order, Mr. Sungu! Honestly, we

do not know what Mr. Mwiraria wanted to say. Could you give him time to say what he wanted to say?

Proceed, Mr. Mwiraria!

Mr. Mwiraria: Thank you, Mr. Temporary Deputy Speaker, Sir. What I, really, wanted to say was that there were clauses, in the Finance Bill that we passed, which were dealing with the protection of the poor people of this country who pay premiums to insurers but who lose up. For instance, there was a proposal that money paid to brokers by persons seeking insurance policies should be passed on to insurance companies within 24 hours. We may not agree with that proposal, but this is intended to protect the broker.

What I wanted to suggest is that since we are passing this Bill to protect the Kenyan public, it may be very useful if we could prompt the Minister to bring amendments which would take care of those very critical items. After all, we are in the business of looking after the interests of the Kenyan public. So, if the Finance Bill left out any clauses that we consider critical, they should be included in this Bill. This issue could easily come out of the recommendations of the Departmental Committee on Finance, Planning and Trade because I believe that the Committee addressed it.

Mr. Temporary Deputy Speaker, Sir, my last point is that of late, we have a monster we call medical insurance. We have no law in Kenya governing medical insurance and yet many insurance firms come up as others collapse. That means, our people are totally exposed to an insurance system which is not regulated. So, I would like to take this opportunity to urge the Government, and particularly the Treasury and the Ministry of Health, to come up with a medical insurance Bill as soon as possible.

With those few remarks, I beg to support.

Mr. Okemo: Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity. I would like to support this Bill. I am happy to learn that the Minister for Finance has indicated that he will widen the scope of the memorandum and objects of the Bill to enable him deal with amendments that are outside the printed Bill. There are areas that need immediate attention and it would only be appropriate that he takes advantage of the printed Bill to bring about those amendments.

Mr. Temporary Deputy Speaker, Sir, I want to agree with the previous speaker who said that if you want a truly independent and autonomous regulatory body such as is suggested here, then you have to start with the composition of the Board of the proposed institution. The composition of the Board will be reflective of whether the proposed regulatory authority will be independent and autonomous or it will be subject to the Executive control.

I wish to, therefore, agree with the suggestion that in putting together the Board, the appointees should come through the various professional associations that are relevant to insurance. For instance, there should be nominees coming from the Association of Kenya Insurers, the Association of Insurance Brokers, the Association of Loss Adjusters and Assessors, the Association of Insurance Valuers, *et cetera*.

All these professional bodies should recommend a number of names to the Minister and then we can give him some discretion to choose, but from the list that will come to him. That way, we will ensure that the Board comprises of professionals and, at the same time, the Minister has an element of discretion. That way, we will not deprive the Minister of all the discretion to appoint people to the Board. However, allowing the Minister to appoint all these people from his own wish-list, would be giving him far too much leeway.

Mr. Temporary Deputy Speaker, Sir, another important issue, as Mr. Raila mentioned, is that the Chief Executive Officer should be subjected to a proper appointment procedure. The job should be advertised so that it is open to all Kenyans, so that interested persons can apply and go

through an evaluation process, so that the appointing authority can come up with the best qualified candidate. That way, we will come up with a body that will be truly professional, and which will regulate the insurance industry.

I also wish to point out the fact that the insurance industry, as it is today, has a lot of problems. That is mostly because, the insured persons, who comprise, mostly, of ordinary *wananchi*, do not know much about insurance. As a result, they have been unfairly treated. When they fill in the so called "proposal forms", really, they do not know what they sign. The conditions of the policies are set out in small print. So, the proposers do not, really, know what they enter into. The time you will have a claim is when you will know where the problem lies.

Therefore, we should make certain amendments to the Insurance Act to protect innocent *wananchi* who enter into contracts with insurance companies, which, later on, become difficult and take advantage of those people. I will pick up one example, out of many, to illustrate this point: You have an accident and you put up a claim, wanting to get paid by the insurer. What happens thereafter is a very mysterious process. You do not know what happens until the insurance company communicates with you.

Ideally, since the insured person is the one who has suffered the loss, he should be involved in the appointment of the assessor. He should also have access to the assessor's report on the accident, because it affects him directly. However, the practice today is that an assessor's report on a claim is never made available to the claimant because it is supposed to be confidential to the insurance company. Insurance companies use this report to play around and negotiate. If you are ignorant, then you know that you are not going to get your full claim. But if you are tough, then you will get your full claim. For example, I was tough recently and it took me three years to get a simple claim, and I am an hon. Member and a former Minister for Finance! What about a *matatu* owner who has absolutely no idea how to go about it, what would happen to him? These are the people we must protect in the amendments that are coming. All this information that has been privy to the insurance company should be made available to other stakeholders. The insured should have a copy of the assessor's report so that he can actually see whether he has been treated fairly. This report can also form a basis of negotiation to arrive at the final claim.

The law, today, provides that the insurance company has 60 days within which to accept or deny a claim. These are 60 days within which to make up his mind. If he makes up his mind that he is not going to pay you, then he has another 30 or 60 days within which he should pay, if he has accepted to pay the claim. Why should that be so? You have paid your premium, you have incurred a loss and an assessment has been made, you should be given a specific time within which the claim must be paid. There is no need to play around with legalities which give him so much room that at the end of the day, the insured suffers. So, I would like to encourage the Minister to look at some of these offensive clauses so that, in these minimum reforms that we are going to undertake, we should pick out may be three or four clauses which are really of concern to the ordinary citizen. We do not also want to appear as if we are being protective of the insurance companies against the citizens, because all the stakeholders must be fairly treated.

Mr. Temporary Deputy Speaker, Sir we can even cure the amendment which had been brought by the Minister regarding the 60 days repayment period very easily by just saying that, once you have received the premium as a broker, then you are deemed to have entered into a contract with your insured. As soon as the sticker comes from the insurance company to the broker, it is deemed that you actually have a contractual obligation between the insurance company and the broker to make sure that if there is a claim, it is settled. So, there is no need to prescribe time for the broker to remit money to the insurance company. That is not necessary. That should be left as a negotiation between the insurance company and the various brokers. That way, the rogue brokers will actually get out of business, because they will be told: "You must pay cash because you are

dishonest" or "We are not even doing business with you at all". So, why do we have to prescribe the time for the broker to remit money to the insurance company? These are commercial transactions. So, it is between the broker and the insurance company to agree. The good reputable brokers will continue to enjoy the same terms because they have build good relationships with the insurance companies. So, why do we need to legalise that? Why do we need to legislate payments? These are commercial terms which should be between the insurance company and the broker. So, there is no need to prescribe whether it is one day, 30 or 60 days.

So, Mr. Temporary Deputy Speaker, Sir, we have looked at some of these clauses and a few others as the Finance, Planning and Trade Committee and, of course, we have invited the Minister, who is a friend of the Committee now. He can come to us, we can enter into friendly negotiations and come up with amendments that this House will pass without too much ado.

With those few remarks, I beg to support.

Thank you, Mr. Temporary Deputy Speaker, Sir.

The Minister for Water and Irrigation (Mr. Katuku): Thank you, Mr. Temporary Deputy Speaker, Sir. I rise to support this Bill. This is a very critical Bill because it is going to give the insurance industry the independence it deserves from the Treasury and any other person who may want to influence its decisions. This Bill will also give the insurance companies the authority and powers to regulate the industry.

Mr. Temporary Deputy Speaker, Sir, as we debate this important Bill, I have realised that a lot of hon. Members have developed interest in this Bill, maybe because some of them are in this business. I appeal to all hon. Members who have interest in this industry to declare their interest as they make their contributions so that we do not jeopardise a good Bill the way they did previously when we had a similar amendment which was brought by the Minister. It appears as if so many hon. Members are brokers and they have developed keen interest to protect the brokers rather than the industry, in general. So, we should be able to balance between the brokers and the insurance companies themselves.

Mr. Temporary Deputy Speaker, Sir, I was very disappointed when the House rejected the amendment which had been brought by the Minister for Finance to give insurance companies or brokers limited time within which to remit money to the insurance companies. I want to urge the Minister to re-introduce this amendment again so that we can give brokers reasonable time, if not immediately, because most Kenyans and some insurance companies have suffered in the hands of corrupt brokers who get money and do not submit it. It then becomes a legal tussle. At the end of the day, the person who suffers most is the one who has given out his money to the broker. The broker goes on to enjoy somebody else's sweat. I would want to see a situation where every stakeholder in this sector is protected.

Mr. Temporary Deputy Speaker, Sir, for many years, the insurance industry has been operating at the mercy of the Treasury. Once the Advisory Board and Committee is established, it will give the Commissioner of Insurance some independence from manipulation from the Minister and any other authority. This gives the board, which will be appointed--- I am surprised by some of the contributions by some hon. Members, who seem not to have looked at Section III(b) of the Bill in terms of who is supposed to serve in the Board. It appears as if some of the hon. Members who are contributing from the Opposition side will never want to be on the Government side. When you go out there to campaign and you are elected to represent your people here, they give you the mandate to run the Government and such institutions. But it is as if you want to have the authority, and then you start sharing it with people who have not been given the mandate by Kenyans.

Mr. Temporary Deputy Speaker, Sir, Section III(b), and especially part "g", gives the Minister the authority to appoint members to the Board outside the one shown here, for example, the Permanent Secretary and others. This provision gives the Minister the discretion to

use the powers given to him to appoint people from outside other categories, especially the professionals. I hope the Minister will use his discretion to appoint people who will have no conflict of interest. But if he appoints people who have interest in the industry, you will find conflict of interest when decisions are being made. For example, if he appoints members of the Association of Kenya Insurers (AKI) to the Board, who are also interested in this business, there will always be a conflict of interest when making decisions. Therefore, I think it is fair that we give the Minister the autonomy to appoint people to the Board who may not bring conflict of interest in decision making.

Mr. Temporary Deputy Speaker, Sir, it is also important to note that Kenyans have been suffering in between the lawyers, insurance companies and the brokers. It is high time the Minister looks at how best we can bring this suffering to an end. If somebody gets injured, he will contract the services of a lawyer to get his claims paid. However, many lawyers are paid and they do not submit the money to the claimants. Many people have suffered in the hands of these crooks, in the name of lawyers, when it comes to claims. I think it is high time we improved on this. Many people have died in the process of chasing their claims. I want to appeal to the Law Society of Kenya (LSK), the Kenya National Commission for Human Rights and the Attorney General's Office to look at such errant lawyers who keep money for people who suffer. I urge the Minister to look for ways to ensure that money in form of compensation is paid directly to the claimants. I would like to see a situation where cheques are issued directly to the claimants. If there is any agreement between such claimants and the lawyers, then the lawyers can be given the cheques directly. We would not want to see any further suffering of the claimants. We need to get rid of these malpractices.

Once this Bill is enacted, I hope the Commissioner and the board will have the authority to regulate this sector better than the way it has been operated for many years. I would want to see, when we come to the Committee Stage, amendments to strengthen areas which we, as a House, think are necessary, especially those which were proposed by the Minister in the Finance Bill. We want to get more amendments on board. It will be surprising if there will be hon. Members who will propose amendments aimed at weakening this Bill rather than strengthening it in the interest of our people.

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

Mr. Sungu: Mr. Temporary Deputy Speaker, Sir, I want to take this opportunity to congratulate the Minister and, of course, the officers from the Commissioner of Insurance's Office. I am an old member of this industry. You and I come a long way in it. I left it as an Insurance Loss Adjuster---

The Minister for Water and Irrigation (Mr. Katuku): On a point of order, Mr. Temporary Deputy Speaker, Sir. I thank the hon. Member for declaring his interest in this Bill. However, is it in order for him to drag the Chair into this business, when it is supposed to be non-commercial? He says that the Chair has an interest in this industry.

Mr. Sungu: I apologise, Mr. Temporary Deputy Speaker, Sir.

The Temporary Deputy Speaker (Mr. Khamasi): Order, Mr. Sungu! The Chair does not have any interest in this matter. It is independent. It is here to arbitrate.

Secondly, do not refer to strangers when you are contributing to this Bill.

Mr. Sungu: Thank you, Mr. Temporary Deputy Speaker, Sir. I said that I used to practise as an Insurance Loss Adjuster in this profession. I have a wide knowledge from my practice. I am only glad that this Bill has been brought to the House now. In fact, it is an idea which should have come a long time back. It is a pity that the Ministry dragged its feet.

Mr. Temporary Deputy Speaker, Sir, we are now creating an autonomous Insurance Regulatory Authority (IRA), with the Board of Directors and Commissioner of Insurance funding

the arrangement. The IRA will be vested with power to enforce the law. They have even been allowed insurance premium tax, insurance premium levy and insurance trading levy. This is no minced meat because, as we know, insurance is a very important industry in this country. In fact, the insurance industry is formulated on the basis of utmost good faith. Insurance is an invisible product. It is not like a piece of cloth, car, or something that we can see and sell. We pay premium in the hope that if we have a claim, then we will get compensation. That is the basis of it. In the United Kingdom (UK), for example, the Lloyds has earned a lot of money from this invisible business. Therefore, the first thing that must be utmost in our minds, when making this law, is that we must operate on the principle of utmost good faith, or as we used to refer to it, *oberima fides*.

We must then be able to ensure when we create the office of the Commissioner of Insurance, that he is given teeth to actually work and make sure that his decisions are respected. The Commissioner is vested with powers of supervision, regulation and control. He is supposed to formulate standards for the conduct of insurance and reinsurance business.

Mr. Temporary Deputy Speaker, Sir, my colleagues have talked about the various strata of the insurance industry; beginning with agents, brokers, insurers and claim settling agencies like loss adjusters and surveyors. We ought to define these very clearly. This is because when we enact a law here, it must protect the common man. We must protect the common good and the public. It has been said here, and it is true, that, in fact, people are being fleeced by agents. In this Bill, an agent is defined as a person, not being an employee of an insurer, who in consideration of a commission, solicits or procures insurance business for an insurer or broker. I handled a case recently, where an agent received premiums and failed to remit them, maybe by some arrangement with the insurer. As a result, the insured lost a vehicle costing millions of shillings. He was in tatters until I intervened. That sort of thing should not be allowed.

The issue of the agents and brokers is also important. As we all know, the broker is a bigger element in terms of the insurance industry. They are more professional. In fact, their requirements of entry to that market are also higher. They do business for and on behalf of an insurer or insured. That is confusing. The broker is the only person who should be allowed to represent the insured because he has got proper knowledge of insurance. We will bring amendments at the Committee Stage to this effect. I hope that the Minister will agree with them.

Mr. Temporary Deputy Speaker, Sir, when it comes to delay of payment, many people do not realise that businessmen in various sectors of the economy acquire loans to start their businesses. Even when they make losses, the banks will still demand for the monthly repayment of the loan. They can actually go into penalties and lose their business. So, it is imperative that the Office of the Commissioner of Insurance, which we will now give more powers, ensures that there are no delays in settlement of claims.

Mr. Temporary Deputy Speaker, Sir, the lawyers or the so-called "ambulance chasers," should no longer exist in this industry in Kenya, more than 40 years after Independence. Most of them have been taken to court severally, and they know how to squeeze their way out. We know of cases where some of these people even put in fictitious claims of accidents. They lodge big claims with the help of some people in the industry, and this has caused some insurance companies to collapse. Access Insurance Company was one of them. Why do the insurance companies not implement the two-cheque system? When this system was proposed, there was a lot of hue and cry from our brothers, the advocates. I want to suggest that this is one of the things we must put into law. After the amendment of the Act, Cap.487, we can amend any section of the law. I do not believe that these amendments are needed only for the creation of the Authority.

Mr. Temporary Deputy Speaker, Sir, the issue of false claims is also important. There must be a mechanism of making sure those entrusted with investigations are held accountable. There are many ways of doing this. We can put it into law that some of these people entrusted with the

responsibility of signing claims totalling to millions of shillings should sign personal guarantees. They should undertake that if a claim is found to be incorrect or false, they will pay its value from their own coffers.

Mr. Temporary Deputy Speaker, Sir, we have looked at the objects and functions of the proposed Authority. I agree with them entirely. On the question of the Board of Directors of the Authority, I want to agree with the sentiments of my colleagues. We need to give this proposed Authority some independence. We need to draw from those with knowledge and background in the industry. Therefore, we ought to specify that insurance brokers and other practitioners in the insurance industry will not be included in this Board. We must also address the issue of the qualifications of the five members of the Board.

Mr. Temporary Deputy Speaker, Sir, the appointment of the chairman by the President on the recommendation of the Minister leaves a question mark. The provision says:

"The chairman of the Authority will be a person having knowledge or experience in matters relating to insurance, finance, banking or actuarial science"

I beg to submit that this be limited to those with a background in insurance, including related studies and actuarial science, rather than finance and banking. People in these two areas have their own boards that they can fall back to.

Mr. Temporary Deputy Speaker, Sir, on the creation of the office of the Commissioner of Insurance--- I happen to know that the current Commissioner of Insurance, with whom I worked a long time back, has done a tremendous job. However, we do not know who is going to come next. It is, therefore, necessary to implement what my colleagues have said.

Mr. Temporary Deputy Speaker, Sir, the appointing authority is amorphous. The relevant provision talks of "the Board, in consultation with the Minister". We need to be very precise on this. We must not make a law that is ambiguous and that leaves room for question marks.

Insurance is a very technical subject, as the Chair is aware. The Commissioner of Insurance must have an insurance background. Forget about accounting, finance or banking. Those are entirely different areas. We need a person with insurance background, because issues of insurance are technical. This is a different field of study, and if you bring into it somebody from the banking sector, he or she may be lost. The Commissioner of Insurance will be required to give direction to people with experience in the industry. If you bring in somebody without the relevant qualifications, they will be twisted around.

Mr. Temporary Deputy Speaker, Sir, Clause 4(c) says:

"Where there is conflict between the provisions of this Act and the provisions of any written law with regard to the powers and functions of the Board or the Authority under this Act, the provisions of this Act shall prevail".

I think that is right because the only law it cannot go against is the Constitution.

Mr. Temporary Deputy Speaker, Sir, we have looked at the duties of the Commissioner of Insurance. Let me just say in general that Section 5(1)(a) has been deleted. However, this section specified some very important aspects of the duties of the Commissioner of Insurance. By deleting this section, there will be a vacuum in this respect. I would like to suggest that the section be re-introduced. It defines the duties of the Commissioner of Insurance as including the formulation of standards in the conduct of the business of insurance. The other duties are okay.

Mr. Temporary Deputy Speaker, Sir, when you look at the entire Act which we are amending, you will notice that there has been no change in the penalty. Under Section 7, if there is failure by a member of an insurance company to supply information, books, documents, *et cetera*, the fine is only Kshs10,000 or 12 months' imprisonment or both. You will agree with me that when this Act was enacted in 1972 and became operational in 1989, Kshs10,000 was a lot of money. Right now, Kshs10,000 is too little to be a penalty. I am of the view that if we are going to have a

penalty, it must be sufficient to discourage people from committing offences. The same thing applies to all the fines in this Act.

Mr. Temporary Deputy Speaker, Sir, when we talk about giving the Commissioner of Insurance teeth to ensure that this industry runs properly, this is very important. We know for certain that many companies have collapsed due to mismanagement. We know that many companies have practised imprudent management. The detailed provisions are okay, but the punishment prescribed is too low. As I said before, let us have the kind of punishment that will encourage compliance and discourage non-compliance.

Mr. Temporary Deputy Speaker, Sir, the companies that have collapsed due to mismanagement to include the Kenya National Assurance Company. Many *wananchi* suffered. In fact, those who suffered most were those who had insured their lives. Some people are still suffering. They have not been paid their dues. I hope that their plight will be taken into consideration.

The insurance industry is of major importance because it is an element of the financial sector that provides security to the rest of the other businesses to operate without fear.

With those few remarks, I beg to support.

Mr. Mukiri: On a point of order, Mr. Temporary Deputy Speaker, Sir. Since a lot of issues have been articulated, I beg to move that the Mover be now called upon to reply.

(Question, that the Mover be now called upon to reply, put and agreed to)

The Assistant Minister for Finance (Mr. Kenneth): Thank you very much, Mr. Temporary Deputy Speaker, Sir. Before I reply, I would like to donate two minutes to---

The Temporary Deputy Speaker (Mr. Khamasi): I am considering very seriously about discouraging that. You are basically responding to what has been raised on the Floor of the House. The hon. Members who you are donating your time to are not coming to respond, but to debate. So, I think you had better go ahead and respond.

The Assistant Minister for Finance (Mr. Kenneth): Much obliged, Mr. Temporary Deputy Speaker, Sir. I had a request from Prof. Maathai and that is why I was requesting to donate some two minutes to her. Despite your ruling, I would still appeal to you that due to her status, when she makes a request to some of us, she should be considered.

Mr. Ahenda: On a point of order, Mr. Temporary Deputy Speaker, Sir. Is it in order that we are denied an opportunity to debate and other hon. Members are allowed to debate?

The Temporary Deputy Speaker (Mr. Khamasi): Order! I have already made a ruling on this! I, therefore, ask hon. Kenneth to proceed and respond.

The Assistant Minister for Finance (Mr. Kenneth): Mr. Temporary Deputy Speaker, Sir, first of all, I would like to thank the hon. Members who have contributed to this debate for the honest and sincere manner in which they have articulated their views. In particular, I would like to thank hon. Sungu for the manner in which he went through the entire Bill. He has appealed to this House to look at issues in an objective manner that will help the insurance industry.

The insurance sector is a very important sector to the extent that it was a general feeling that it had been neglected. I am glad that with the establishment of an Authority, the industry will finally belong where it should have belonged. You have stockbrokers who have their own capital markets, and that is an authority in itself. Pension schemes, which are branches of insurance, have their own authority and have been operating for the last five years. The sector is a major contributor to the Gross Domestic Product (GDP) of this country, and it is paramount that the sector is looked into.

Of importance is the fact that unlike banks where you deposit your money and expect to get it back, when you take an insurance cover, it is really an indemnity, and you expect that if there is a problem in the future, you will be paid. But the matter of regulation for that indemnity has been lacking. It is, therefore, very important that with the establishment of the Authority, we should be able to protect the common man who indemnifies himself in an insurance company.

Mr. Temporary Deputy Speaker, Sir, a few issues have been raised by hon. Members and I am glad that the House is in uniformity in saying that we should bring certain amendments to the Bill at the Committee Stage in order to improve the way the insurance industry is run. Certain issues were raised about the auditors for the new Authority and approval being required by the Controller and Auditor-General. I think it is fair for any Government transaction to be audited by the Controller and Auditor-General. The official responder stated that according to this Bill, we do not have an appeal tribunal. However, an Appeal Tribunal already exists and it is established under Section 169 of the Insurance Act.

Clause 3(b) of the Bill states that the Chairman and the five members to be appointed by the Minister ought to have some insurance background. Hon. Members said that these people should be confined to the insurance sector rather than finance or any other sector. I have taken note of that.

There is also the issue of bringing in the Association of Kenya Insurers (AKI), brokers and agents. In view of the fact that we are establishing an independent Board, I would like to appeal to the hon. Members that when we move to the Committee Stage, they should accept that there could be a conflict of interest. The Chairman of AKI is a chief executive of an insurance company. This means that if he was to serve in this Board, he would have advantage over the other chief executives in the market. Therefore, I would like to appeal to the hon. Members to consider the fact that anybody who comes from the three bodies is a chief executive of a brokerage firm, an agency or an insurance company and, therefore, an interested party. We should look into this issue seriously to make sure that there is no conflict of interest.

Mr. Temporary Deputy Speaker, Sir, hon. Raila raised the issue of insurance ambulance chasing. This is a very important issue. Many Kenyans have been fleeced through the so-called ambulance chasing. However, you will recall that in the Budget, the Minister amended Cap.405 to limit the amount of damage that can be paid to a third party to an amount of Kshs3 million. This was to curtail what the ambulance chasers have been doing. They have been claiming more money and paying peanuts to the injured person, who was actually the insured. We hope that, that will address that issue.

The issue of the Commissioner of Insurance and his appointment thereof has been raised in this House. I would like to assure the House that under guidelines which have been issued by the Office of the President on the recruitment of chief executives, this is going to be transparent. It is expected that the Board will be transparent in the manner in which it will recruit the Commissioner of Insurance, who will be the chief executive. The post will be advertised and the right criteria will be followed. This procedure has been followed to recruit chief executives of the parastatals that are already there.

Mr. Temporary Deputy Speaker, Sir, an issue was raised on medical insurance and the reputation of some of the medical insurance providers. We have taken the necessary steps to ensure that these are now registered and they do not just give medical covers without being registered by the Commissioner. I would like to appeal to the hon. Members to bring in a law that will cover medical insurance.

I agree with hon. Okemo that we need to do an overhaul of the Insurance Act. As I said last week, this Bill, in principle, seeks to establish an Authority and to convert the Premium Tax into the premium levy, so that we can be able to run the Authority. I am sure that some of the

amendments that were proposed in regard to the Finance Bill, and which the Treasury has agreed to discuss further at the Committee stage, can be looked into. We should probably leave it to the Authority to bring in further amendments as and when it is established.

Mr. Temporary Deputy Speaker, Sir, today is a very important day to the insurance sector in this country. If we pass this Bill, it will be a milestone to the insurance industry in this country. The industry has felt neglected all these years. Now it will have its capacity to regulate itself and take disciplinary action against any of its members. In doing so, the industry will finally have capacity and the right expertise to encourage the players to come up with innovative products that can be of importance to this country.

Mr. Temporary Deputy Speaker, Sir, the issue regarding the Kenya National Assurance Company has been raised. I would like to assure all hon. Members that all life policies are well catered and covered for. However, I want to say that with the establishment of an Authority, the sector will now be able to move into the direction of life, which has completely been under-provided for in this country. I want to thank hon. Members who have contributed and have been here to give the sector a home of its own.

With those few words, I beg to move.

(Question put and agreed to)

*(The Bill was read a Second Time
and committed to a Committee
of the whole House tomorrow)*

Second Reading

REFUGEES BILL

The Minister of State for Immigration and Registration of Persons (Mr. Konchella):
Mr. Temporary Deputy Speaker, Sir, I beg to move that the Refugees Bill be now read a Second Time.

The issue is an old problem in the world. In Kenya, the history of refugees dates back to pre-Independence period. However, the country started hosting fairly large numbers of refugees in the 1980s from neighbouring countries like Ethiopia, Uganda and Somalia. The situation got worse when the Said Barre regime in Somalia collapsed. The overthrow of Mengistu's Government in Ethiopia and the war in Sudan created a large outflow of refugees in the early 1990s. Since then, Somalia has had no functional government, and the region has remained generally tense.

In order to handle the early refugee crisis of the 1990s, the Government of Kenya set up several refugee camps in the North Eastern and Coast Provinces to take care of the situation. However, with time, most of the camps were closed down due to national security concerns and other demands. Today, we have only two camps in the country; Daadab in Garissa District, and Kakuma in Turkana District. The Kakuma Refugee Camp hosts refugees mainly from Southern Sudan, Ethiopia and the Great Lakes Region. Daadab Refugee Camp mainly accommodates Refugees from Somalia. It is important to note that there are official Government policies on refugees, but we have a number of refugees residing in our urban centres or towns.

The recent alien registration exercise undertaken by the Ministry in Nairobi identified over 50,000 aliens, some of whom are refugees. The refugee population in Kenya, therefore, can be estimated at over 270,000 or thereabout.

The Government of Kenya is a signatory to the Geneva Convention of 1951, relating to the

statutes of refugees, and the 1969 Convention governing specific aspects of refugees in Africa. We are also party to several treaties and several protocols on refugee matters. We have been able to observe our international obligations on refugee matters over the years, which has been appreciated all over the world. Several other countries, like our neighbours Tanzania, Uganda and Zambia, have developed and adopted domestic legislation to provide a framework in handling matters pertaining to refugees.

In the year 2003, the Refugees Bill, 2003, was debated in the House, and hon. Members raised a number of issues which included the following: One was that refugee camps are located in hostile environments with fragile ecosystems, causing environmental degradation. Secondly, perennial conflict between refugees and the hosting communities brought about disparities between the two. Thirdly, insecurity due to proliferation of small arms being associated with the refugees. Fourthly, neglecting internally displaced persons (IDPs) and concentrating on refugees on refugee affairs. At that time, the Government had not set up a commission to resettle victims of tribal clashes, and yet the Government wanted the Refugees Bill passed. Those were the concerns of hon. Members during the debate of the Refugees Bill, 2003.

There were also proposals to amend the Refugees Bill in 2003, as follows: First, that the Minister should have express authority to determine the location of refugee camps, in consultation with seconders, especially locals of the areas identified. Secondly, Section 4 of the Refugees Bill, 2003 which talks of disqualifying asylum seekers on grounds of having committed an act of terrorism be defined. Hon. Members argued that freedom fighters like the late Jomo Kenyatta and Nelson Mandela were viewed as terrorists while they were not. Hon. Members at that time also observed that some aliens were in the country as economic refugees and that the Government had not addressed the issue of IDPs adequately. The hon. Members' concern was that the House passed a Motion calling on the Government to set up a commission to settle clash victims, but it dragged its feet. The Government has considered all issues that were raised by hon. Members before reintroducing the Refugees Bill, 2006.

Section 16(3) and Section 17 provide for the management of refugee camps in a sustainable, environmentally sound manner. There are also proposed amendments to Section 7 to make it the responsibility of the Commissioner for Refugees to ensure sustainable use of resources in refugee hosting areas.

On the concerns of the perennial conflict between the refugees and the hosting communities, the proposed amendment to Section 7 requires the Commissioner for Refugees to initiate, in collaboration with the development partners, projects that promote peaceful co-existence between the host communities and the refugees.

Regarding the issue of proliferation of small arms being associated with refugees, there is an administrative arrangement already in place that requires rigorous screening of all incoming refugees at the borders, in order to ensure that refugees admitted to camps do not bring arms along with them.

On the concern of Section 4 of the Refugees Bill, 2003, which sought to disqualify an asylum seeker on the ground of having committed an act of terrorism, we agree with the concern of hon. Members and proposed an amendment to delete the words "an act of terrorism" from Section 4(a) since it had been covered under crime against humanity. On the proposal that the Minister should not have express authority to determine the location of refugee camps, there is a proposed amendment to Section 16(2), which states that, "the Minister may, by notice of a gazette notice, in consultation with the host communities, designate places and other areas in Kenya to be transit centres and refugee camps. On the issue of economic refugees, the concern is being addressed under the provision of the Immigration Act, under the Aliens Registration Act, which categorises the immigrants in Kenya. That is the Act that addresses that concern.

The Refugees Bill, 2006, deals with refugees and the refugee hosting communities only. The Government recognises that internally displaced persons and refugees are under different protection regimes. A refugee is a person who, for fear for his or her life, crosses the border of the country of origin to seek safety or security in another country. Unlike Refugees, IDPs remain in their own county and enjoy protection of the Government as citizens of that country. Recognising these facts, the Government established a task force to address the issue of IDPs, their security and settlement concerns.

Mr. Temporary Deputy Speaker, Sir, Kenya recently received over 30,000 refugees from Somalia due to the current conflict between the Islamic Courts Union and the Transitional Federal Government of Somalia. Between January and July this year, we were receiving about 300 refugees daily due to the present tension between Somalia and its neighbouring states. Since August 2006, this number has increased to an average of 700 refugees per day. This makes the Refugees Bill, 2006, very urgent and a priority in our legislative role in order to make management of refugees more orderly and effective.

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

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

The Refugees Bill, 2006, establishes structures within the Government necessary for handling of refugees matters. These include establishment of the Office of the Commissioner for Refugees, which is an office in the Public Service; Refugees Affairs Committee and a Refugees Appeals Board. The Bill also stipulates for a process of recognising refugees and issuing them with identity cards in order to ensure that the Government knows who is within the country. This will enable us to better address issues of national security. It further stipulates where refugees will reside after recognition. This Bill also provides for the rights and duties of refugees in accordance with the laws of Kenya, as well as International Conventions. It provides conditions under which people can be denied refugee status, and circumstances under which they will cease to be refugees. It takes into consideration the special needs of children, women and other vulnerable persons.

The Refugees Bill, 2006, also provides for management of refugee camps, with due regard to hygiene and environment. My Ministry recognises that the Refugees Bill, 2006, in its present form, does not comprehensively address the concerns of hosting communities on the environment and security issues. For this reason, my Ministry, together with the Departmental Committee on Administration, National Security and Local Authorities, convened a two-day workshop which was attended by hon. Members from refugee-hosting areas and other stakeholders to deliberate on the Bill. The key proposed recommendations to protect our national interests provide for protection for host communities, protect the environment, improve the structure of management, and ensure that Kenya upholds its obligations in international protection. Some of the proposed amendments to the Bill have already been alluded to in the preceding paragraphs.

Mr. Temporary Deputy Speaker, Sir, allow me to make some key proposals, in a more elaborate manner, that are contained in the proposed amendments as follows. First is to include a new provision under the duties of Commissioner for Refugees Affairs, which requires the Commissioner to ensure that the economic productive activities of refugees do not have a negative impact on host communities, natural resources and the local environment. In the same spirit, the Commissioner is required to ensure sustainable use of resources in the designated refugee-hosting areas. It has also been recommended that the Commissioner should advise the Minister on

soliciting of funds to help Kenya to host refugees and ensure that the funds also benefit the host communities. We have also recommended that the Minister should consult host communities before designating areas to host refugees. We have also come up with recommendations for the Bill to be made gender-sensitize and provide special protection for vulnerable groups such as women and children.

In the Bill, we have also proposed amendments to improve the structure of refugees management by creating a Refugees Affairs Committee, which will be an inter-ministerial committee with responsibilities to input into policy decisions on refugee matters. The Refugees Bill, 2006, with the proposed amendments, is the only instrument that will provide Kenya with a legal framework needed to manage the refugees situation effectively. In terms of security, an alien registration exercise commenced in February, 2006, in Nairobi. The on going registration exercise in Dadaab is contributing to Kenya's security situation by collecting critical information on who are present in Kenya as refugees. The Government has already sourced and begun receiving funding to support this exercise. Funds were received from donors such the Danish Government for the purposes of capacity building for effective management of refugees affairs.

The Ministry has considered all these issues which were raised, before reintroducing the Refugees Bill, 2006, together with proposals from hon. Members who attended our workshop. This Bill promises a high level of protection of Kenyan interests as it fulfils our obligations to refugees.

With those few remarks, I beg to move and request the Assistant Minister for Foreign Affairs, Mr. Wetangula, to second the Bill.

The Assistant Minister for Foreign Affairs (Mr. Wetangula): Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me this chance. I wish to second this Bill.

If you recall, we debated this Bill quite extensively sometime back and did not pass it. The management, accommodation and protection of refugees is nothing new to Kenya. Indeed, we have hosted, perhaps, some of the largest numbers of refugees that one can talk of in this region. This has been due to the fact that our country has remained a reasonably stable island of peace with disturbed neighbourhoods. You recall that in the 1970s, we hosted many of our brothers and sisters from Uganda. They have since gone back to their country, but some chose to settle here. We also hosted refugees from Rwanda, Ethiopia, Eriteria and Sudan. We also hosted many refugees from Southern Africa such as Zimbabwe, Mozambique and South Africa.

I recently met a colleague who is a Member of Parliament in Mozambique, who has very fond memories of Kenya. He lived in Kenya and married a Digo girl from the Coast. He considers Kenya his second home. To host refugees, we must be in conformity with the Geneva Convention and all the protocols signed under it. Being a refugee is a status nobody would wish to have. But being a refugee is also a status that everybody must understand. That is why this Bill seeks to lay out the rights, obligations, duties and limitations of refugees who may come to or are in this country. It takes cognisance of the fact that despite your description as a refugee notwithstanding, you are, first and foremost, a human being entitled to, among other things, treatment with dignity, observance of your human rights and due process in the event that an action is taken that may adversely affect you. All these are factors that are taken into account in this Bill.

Mr. Temporary Deputy Speaker, Sir, if you recall the difficulties we ran into when we first dealt with the Refugees Bill, there was the anxiety among our colleagues here who either come from areas or represent areas where we have had disturbances and a creation of Internally Displaced Persons (IDPs). Kenyans were many times angry, and rightly so, that they could see funds being expended from the UNHCR, sometimes from our Government, to cater for our brothers and sisters from foreign countries and yet we have Kenyans who have been internally displaced and made constructive refugees and yet nobody went out of their way to give them support. An IDP or an external refugee are refugees nonetheless. This Bill recognises the fact that

even IDPs must be catered for as of right. They also have rights, obligations and expectations that are legitimate and must be catered for. To do so, we need a legal framework which is being addressed by this Bill today.

Mr. Temporary Deputy Speaker, Sir, in dispensing this duty by the State, the Bill recognises the need to have a Refugee Status Determination Committee so that we do not need to have war criminals walk into this country. As a Government and as a people, we are bogged down by demands to hand over a man called Kabuga whom we do not even know or where he is, yet he is perhaps, supposed to be here under cover of a refugee.

The Bill, under Clause 4, excludes criminals from coming into this country and claiming refugee status. This is very important because it is critical to control transnational crimes and prevent transnational criminals from committing atrocities in one jurisdiction and hopping across to another for safe haven. Persons who have committed crimes against peace, acts of terrorism, war crimes, crimes against humanity as defined in any international instrument to which Kenya is party, are not given the privilege of being refugees in this country.

Mr. Temporary Deputy Speaker, Sir, if you may recall, even before bringing this Bill, this Government flushed out Somali Warlords from this country. We even influenced IGAD member States to also deny them entry and freeze their assets, because they fell in the category anticipated by Clause 4 of this Bill: That is, waging war against their own state, committing crimes against peace and engaging in war criminal activities. Such people should not be given the privilege of being refugees. Indeed, such people must be taken back to where they came from to face the due process.

Of course, the situation in Europe is normally different in that when you arrest such people, and in their jurisdiction there is a death penalty in their statutes, they do not take you back because the European Union does not recognise the death penalty. But here in Kenya, we still have the death penalty in our statute books. So, if we get them, we send them back irrespective of the consequences that they will face. I think this is good law because our large hearts as a people; our benevolent behaviour towards refugees and persons in distress should never compromise our attitude to people who have committed atrocities against others. That is why, as a Government, we have been committed all through to help Rwanda and other countries to track down the war criminals who perpetrated genocide.

Mr. Temporary Deputy Speaker, Sir, the Bill also establishes a Department of Refugee Affairs, which was never there. Refugees have been handled on an *ad hoc* basis, and have been swung on a Ping-Pong between the Ministry of Home Affairs and Ministry of State Immigration and Registration of Persons. Now, we are going to have a full-fledged department under this Ministry that has brought this Bill, whose duty would be to deal with refugee issues.

I just want to tell the Minister that in Clause 7, in describing the Commissioner of Refugees Affairs, he has failed to give his qualifications. We have now set a trend in this House that when we establish a statutory office, it is important that we define the qualifications of the office holder so that tomorrow we do not come back and say the Government has appointed an unqualified person because of the loophole in the law. I want to urge the Minister that when we come to the Committee Stage, he should assist the House by describing the qualifications of the person who should be appointed the Commissioner of Refugees. But the office is important because it has a duty to co-ordinate these issues.

Mr. Temporary Deputy Speaker, Sir, many times, the UNHCR has found its way to our Ministry, seeking to be assisted. But now, once we have the Commissioner of Refugees, they know where to first start from and only go to other jurisdictions at an appellate level.

Mr. Temporary Deputy Speaker, Sir, Clause 8 sets up a committee that determines the status of refugees. I also want to urge the Minister that on the number of persons listed to sit on this

Committee, because of the critical importance of environment and environmental effects that our housing of refugees in certain places attracts, a representative of the Ministry of Environment and Natural Resources should sit on this committee. I am saying this because we have heard of the cases in Dadaab and Kakuma refugee camps where we never took environmental assessment studies before we settled refugees there. I think such a representative of the Ministry of Environment and Natural Resources would add value to the work of this committee.

Mr. Temporary Deputy Speaker, Sir, the Bill also recognises, as I said earlier, that refugees have rights and obligations. An appeals board is set up under the Act so that those who are affected by administrative decisions of the committee can find their way to appeal. There are committees, sometimes, that flout due process. They can reject your application simply because you do not look good, or you come from a country that the chairman does not like, or something like that. Clause 9 creates an appeals board where all those aggrieved can seek redress.

Mr. Temporary Deputy Speaker, Sir, Clause 9(2)(a) says:-

"The Appeals Board shall consist of-

(a) a chairperson who is an advocate of not less than ten years standing appointed by the Minister."

In Kenya, any lawyer who has seven years standing qualifies to become a judge of the High Court. I want the Minister to peg on the qualification to become a judge of the High Court. He should reduce the requirement of service as an advocate of ten years to seven years. This is because that is the period that is determined in the appointment of a judge of the High Court. I believe we may appoint judges who have left the High Court or advocates who are fit to become judges of the High Court.

This Bill also provides that in the event that such a board makes a decision whereby the refugee or the applicant is aggrieved, then he or she has access to the High Court. This is very important because the quasi-judicial bodies sometimes make decisions that are not legally informed. When they are not legally informed, it is important that those who are aggrieved go to the High Court.

Mr. Temporary Deputy Speaker, Sir, the Bill also very elaborately defines who is supposed to be recognised as a refugee. The Bill is very detailed on this. This is very important. But more importantly, the Bill also provides for transitory grounds where persons who are applying for refugee status can be accommodated. I want us, as a country which has been blessed with an environment that attracts our brothers and sisters from other countries to come in as refugees, not to take them to unpalatable camps. We need to take a cue from, for example, the United Kingdom (UK). When an individual lands there, as a refugee and he has a family, the first thing they do is to accommodate them. If he has young children and they have been going to school in their country, they make sure that opportunities are immediately availed to them to continue with their education. To be a refugee is not to curtail or put to a stop your life's progression. If your children are going to school, they have to continue doing so. When we have these transitory grounds they must take into account all the needs of the refugees. These needs include water, sanitation, health centres, schools and, above all, facilities that will cater for the delicate members of the society like women. We may have expectant women refugees or young girls who are just approaching adulthood. Facilities must be availed to make sure that these people benefit from the inventions of modernity that help people in those kinds of situations.

Mr. Temporary Deputy Speaker, Sir, the Bill also recognises that if you are an alien, you come into the country and your matter goes through due process, you are still recognised as a refugee. But if eventually it is rejected, then you can be sent away. We should do not just lock the door before we hear somebody. The moment somebody knocks and comes in, we should give them status that will guarantee them peace, security and protection. More importantly, the Bill also recognises the dependants of refugees. If, for example, my good friend, Mr. Weya, fled

the country to a neighbouring country, his family can follow him. They all will be accorded a similar status. This Bill recognises that as well. We have had our brothers who have come here because they are running away from danger and they leave behind their loved ones, their children and aging parents. The Bill recognises that those people can come in and enjoy their lives with the families that have come here.

Mr. Temporary Deputy Speaker, Sir, on the broader picture on refugee law, this is something for which one lauds the late President Nyerere of Tanzania. That is lacking in this Bill and we need to find a way of putting it. In Tanzania, the law provides that someone is given the status of a refugee with the right after a certain time to apply to become a citizen of the country. Refugees have their own production line to countries. There are countries that have benefitted from immigrants. The United States of America (USA) is booming because of immigrants. Some went there as refugees, but they settled down and they have contributed immensely to the country. Sometimes, disadvantages can turn into enormous advantages. We need a clause where, under certain circumstances, persons who have lived here long enough and are not able to go back to their countries, they have studied and are professors, doctors, engineers and mechanics, we can find a way of absorbing them into Kenyan citizenry. This happens in other countries.

We all know that African boundaries were crudely and arbitrarily drawn in 1886 by whites sitting in Berlin without caring whether my cousin was across the border in Uganda or not, and whether Mr. Dahir's family was in Kenya and other Somalis were in Somalia. All they wanted was to carve out spheres of influence. We are all one. If you are a refugee and you love the country that has given you sanctuary, it is desirable that we have a clause to look into this issue. Some of my colleagues may not like it, but it has happened in other countries. In Tanzania, for example, there are many people from Rwanda, Burundi, South Africa, Zambia, Zimbabwe and Mozambique who settled there and have now become citizens of that country. One of them is a former colleague of ours, an hon. Member of Parliament called Gen. Ulimwengu. He is one of the major publishers of newspapers and news print in Tanzania. He came from Burundi and settled with his family in Tanzania. He is now a Tanzanian. He is very productive. We have other great people like Prof. Lule and others whom we all know. If we were to give them citizenship, we would benefit more from them than they would benefit from us. This is something that we need to legalise and put in this Bill.

Mr. Temporary Deputy Speaker, Sir, as we debate this Bill, I want to repeat what I said recently here the other day. We are having a terrible influx of refugees from Somalia. I want to reiterate and urge our colleagues, especially from the frontier with Somalia, to get involved and help us, as a Government, to bring together the Transitional Federal Government of Somalia (TFGS) and the Islamic Courts Union (ICU) to talk and realise that their country and their people are more important than their thirst for power. That is the only way that Somalia will come to normalcy. If we do that, the more than 2,500 refugees per day flocking into Kenya will be a thing of the past.

I also want to salute the contribution of Somali refugees in Kenya. I was told by some statistician that, last year alone, remittances from Somalis in the diaspora to Somalis living in Kenya recorded over Kshs60 billion in foreign exchange. This is a very positive indicator to our economy. As we benefit, it should be both ways. We must provide facilities as this Bill requires.

I want to urge my colleagues that this is a wonderful Bill. It is a dawn in the management of refugee issues in this country. We need to support this Bill.

Mr. Temporary Deputy Speaker, Sir, lastly, when we host refugees in this country, there are many organisations such as the World Food Programme (WFP) and other United Nations agencies that bring in a lot of money to this country. However, you will find that the WFP or the United Nations High Commission for Refugees (UNHCR), when they want to procure supplies for

refugees, will buy maize from Brazil or Argentina, yet we have maize in Kitale. They will bring in soap from India and we have soap in Industrial Area. They will bring in all manner of things. We need, as a Government, to make it a policy that those who want to come and support us here in whatever manner should do their procurement locally. That is the only way we can boost our economy. We grow maize and we manufacture soap. We have everything. We should have a requirement. The Minister should tell the UNHCR and the WFP that we, as a Government, will not allow maize to come in from Brazil to be taken to Kakuma Refugee Camp to feed refugees when maize is rotting in the stores in Kitale. We will not allow soap to come from India when there is soap piling up in godowns in Industrial Area. Those are some of the benefits that our economy must have. The procurement must not only be local, but it must also be geared towards improving the economic lives of the locals, so that when a local businessman is competing with a non-local, depending on the variables set in place, the local must be given priority. Those are some of the benefits that we need to get from being generous to our brothers and sisters from other countries.

Mr. Temporary Deputy Speaker, Sir, with those few remarks, I beg to second this Bill.

(Question proposed)

Mr. Dahir: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to contribute to this important Bill.

Right from the outset, I would like to say that I support this Bill. Indeed, it is long overdue. We ought to have brought it before this House a long time ago for debate. By now we should have enacted this Bill into law. As a Member of Parliament for Lagdera where Dadaab Refugee Camp is situated, we host over 160,000 refugees. Today I stand here not really a happy man, but with a heavy heart.

Mr. Temporary Deputy Speaker, Sir, I would like to start by thanking His Excellency the President because, a few years ago, when he toured the northern part of Kenya, we were able to articulate and discuss our problems with him as far as refugees are concerned. Within few months, the President constituted the Ministry of State for Immigration and Registration which is completely independent from the Office of the President. He has made this Ministry autonomous and we are happy about that. We want that Ministry to remain as it is; that is, autonomous.

We have had a lot of problems including environmental degradation, culture clash and so on. Our Government is a signatory to the Geneva Conventions. As members of the host communities, we were not consulted, but it is our Government which was signatory to the Geneva Conventions and we have no alternative. However, in hosting refugee families, I am unhappy to say that the United Nations High Commission for Refugees (UNHCR) and other United Nations (UN) agencies were not able to reciprocate our hospitality. We hosted over 500,000 refugees at one time. Right now, we have about 160,000 refugees and we are faced with the problem of environmental degradation to the extent that for one to fetch firewood, one needs to go as far as the interiors of Wajir District. You cannot find firewood within Garissa District. We want the UNHCR to start a massive tree planting exercise in this area so as to compensate for the trees that they have been using to burn charcoal.

With regard to education, there are so many things that have gone wrong in Dadaab. When refugees come, they get better education than the locals. They are being hospitalised. We, the indigenous people, lack the facilities that they have in hospitals. It is like the refugees are our bosses and the locals are poor. Everyone there would want to be a refugee in his own country because of this preferential treatment. Most of my people have even moved to the camps and registered there as refugees.

Mr. Temporary Deputy Speaker, Sir, initially, as Kenyans, we had the right to be issued

with identity cards, going to school and college but that is no longer the case. That particular area has been made a refugee centre. As a Member of Parliament, if I stand there and say that I am from Dadaab, the first thing somebody will think is that I am a refugee. You will find a lady who was born there, schooled and married there with five children but does not have an identity card simply because she is from Dadaab Town or from a refugee area.

The refugees are living better lives to the extent that instead of them being repatriated back to their countries, they are instead being given a better option of going to another country. I spoke to the Education Officer in Dadaab recently and he told me that the education level has deteriorated because the students do not concentrate in their studies in order to pass their exams but they just want to go to the United States (US) as refugees because that is a better option. It is a serious problem which needs to be addressed. First of all, the United Nations High Commission for Refugees (UNHCR) and other United Nations (UN) agencies there are not employing the indigenous people leave alone giving them contracts as hon. Wetangula said.

Mr. Temporary Deputy Speaker, Sir, we are disturbed by this issue and we want the Minister to take it seriously and ensure that the locals in that area who have hosted these people for years and years are offered jobs. Even for unskilled jobs like drivers, clerks and storekeepers, they go very far and recruit foreigners when they can easily get the locals in Dadaab.

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

*[The Temporary Deputy Speaker
(Mr. Khamasi) resumed the Chair]*

Mr. Temporary Deputy Speaker, Sir, I do not want to take a lot of time since there are very many hon. Members who want to contribute to this important Bill. I would like to thank the Minister for bringing it and we want him to ensure that we do not lose our rights in the process of hosting these refugees.

With those few words, I support.

The Minister of State for Administration and National Security (Mr. Michuki): Thank you, Mr. Temporary Deputy Speaker, Sir. I stand to support this Bill. I support this Bill because it establishes a systematic way of dealing with refugees in this country who continue to increase by the day. Right now, and I am sure the Minister will have given those statistics, we have about 160,000 refugees in Dadaab and the satellite villages where they reside. It seems like every one who appears at Liboi, which incidentally is 17 kilometres away from the border with Somalia, is accepted on his or her word to be a refugee and there has been controversy as to what this implies and means to Kenya and the UN.

Mr. Temporary Deputy Speaker, Sir, I am in a dilemma as to whether the camps that are situated in hon. Dahir's constituency are genuine camps. They are not camps because there is no control over refugees. They come in and go out. Buses ply between refugee camps and villages and cities of this Republic. They will go to Mombasa and come to Nairobi at will without even blinking of an eye and there is no systematic way of administering the movement. The Minister has already told the House about the 4,400 Kenyans he discovered within those camps claiming to be refugees from Somalia and yet they held identity cards of this Republic.

Mr. Temporary Deputy Speaker, Sir, I was at Dadaab about two weeks ago and the things that I witnessed, particularly the system of registration of refugees, left quite a lot to be desired. Whereas the refugees should be registered at Liboi and then distributed to these other villages, they seem to be all over the place. Due to this, we have initiated discussions with the UNHCR

representative in Kenya in order to bring some semblance of order in those areas.

Mr. Temporary Deputy Speaker, Sir, I hope the Minister, during the Committee Stage, will introduce an amendment to the effect that the host country of refugees may withdraw that status six months after it has been accepted, if it is discovered that the circumstances under which the individual moved from his or her country of origin are not true as stated by him or her. We do not intend that people should be given permanent status of refugees.

At the same time, I do feel and support the proposal made here that the law should provide that after the host country has assessed the situation in the country of origin, it may require the refugees to move back to their countries even if they do not want to move out. We have such a problem in Kakuma. Kenya was involved in creating peace in Southern Sudan. The Southern Sudanese are now busy building their country but there are still refugees in Kakuma who do not want to go back. I hope, therefore, that the law being enacted through this Bill will provide that, in such circumstances, the host country can demand and, in fact, enforce, the movement of such persons back to their country of origin. Of course, the United Nations High Commission for Refugees (UNHCR) should bear the cost of such movement.

Mr. Temporary Deputy Speaker, Sir, I believe that the House will pass this Bill because doing so will not only be in the interest of Kenya but also in the interest of the international community, and more so those of the United Nations (UN), with which we have ratified a convention to deal with refugees in an orderly manner, and in accordance with the law.

With those few remarks, I beg to support.

Mr. Omamba: Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to contribute briefly to this Bill.

Kenya hosts refugees to whom she provides protection. Kenya, as well as the UNHCR, is key in keeping refugees. Refugees come into this country in big numbers. They comprise people of all ages, including animals. They come from neighbouring countries such as Somalia and Sudan, among others. As they stay, they multiply like ants. They come in large numbers because of the comfort they are accorded. The UNHCR gives them more privileges than their hosts. Consequently, the hosts are looked down upon. The refugees become cocky. They start demanding equal rights with their hosts.

Mr. Temporary Deputy Speaker, Sir, some refugees have even given Kenya a bad name. Since Kenya shares a common border with Somalia on the East and North-Eastern sides, where some terrorists are believed to originate from some Western countries associate Kenya with terrorism. While on a tour of the United States of America in May, 2005, we were asked about terrorism in Kenya. We said: "We do not know about it. You are surprising us." The Americans seem to know much about Kenya, in terms of terrorism, which we do not know. We told them that we were hearing about it from them.

Therefore, it is high time we enacted a law to provide for guidelines on how refugees should conduct themselves while in this country. Nobody can accept somebody in his house perpetually. There should be a limit as to how long one should stay in another person's home before returning to one's home. Probably, only those refugees who provide wonderful contribution to the development of this country should be allowed to stay longer, if not for good.

Mr. Temporary Deputy Speaker, Sir, in the USA, negroes now compete with the whites. They demand equal rights. Soon, the issue of equal rights for refugees will arise in this country. I am, therefore, very grateful for learning of this development. That is why I fully support this Bill. I hope that once it sails through, it will give guidance to this country's future generations on how to handle the refugee problem.

With those remarks, I beg to support.

The Assistant Minister for Planning and National Development (Mr. Ethuro): Thank

you, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to support this Bill.

I want to start by thanking the Minister for bringing the Bill to this House. This Bill has been pending for a very long time. Kenya registered the first cases of refugees in the early 1980s but we are talking about the refugee law about 25 years later. Our neighbours, Tanzania and Uganda included, already have the refugee law in their statute books. That is why I commend the Minister. Kenya is supposed to be a leader in this region, and leadership demands that we lead from the front on all issues and at all times. As a country, we need to remain on the competitive edge. We should be expanding the frontiers of leadership, and not playing catch-up. So, Mr. Minister, thank you very much!

Mr. Temporary Deputy Speaker, Sir, I also want to thank the Members of the relevant Departmental Committee because, when this Bill came to the House, they thought it wise to call all of us who have borne the brunt of hosting refugees in our regions, to give fast-hand knowledge on what it means to co-exist with refugees. So, as I rose to support this Bill, I did so knowing that it has taken into consideration the interests of the local communities. The UN, through the UNHCR, is rightly committed to the protection of refugees. Our own administration tends to assume that refugees should be protected at the expense of the protection of Kenyans. That is where the conflict arises.

We have undertaken the refugee identification exercise, which is an extremely important step forward. We need to know who is a refugee and who is not a refugee. The police have made it a habit to abuse the travel documents given to refugees by extorting money from them. As a nation, if we really want to support refugees, we should do so properly. There is no doubt about that in my mind. Let us give them proper hospitality. Let us accommodate them and let them travel when we have allowed them to do so. The police should not extend their corrupt practices to refugees. Doing so will portray them as being in a state of desperation.

Mr. Temporary Deputy Speaker, Sir, as a country, we need to ask ourselves where we have the so-called designated refugee camps. Designated refugee camps in this country happen to be in Dadaab, in the North Eastern Province, and Kakuma in Turkana District. Those are areas with a fragile ecosystem. They are areas which are inhabited by pastoralists and which are usually afflicted by drought and famine. A good Government will not keep refugees in Central Province. There were attempts to keep refugees in Coast Province and elsewhere but they could not stay there for long.

The impact of refugees on the host communities is enormous. I am happy that this Bill recognises the fact that our support for refugees should not be at the expense of the host communities, in terms of the economic impact and environmental sustainability of those areas. You can imagine the long-term environmental impact of a dry land, or an ASAL area, like Dadaab in North Eastern Province and Kakuma in Turkana District, producing sufficient firewood to enable all the refugees in those areas to make their meals. To make matters worse, there is no complimentary programme of planting trees to replace those being harvested. The Bill has made it obligatory to the implementing organizations and Non-Governmental Organizations (NGOs), like the Lutheran World Federation, World Vision and others that they have to make sure that they plant enough trees in these areas.

Mr. Temporary Deputy Speaker, Sir, conflicts are always around resources, and particularly natural resources. Delegates from all over the world are in Nairobi debating about climate change. Yesterday, in Lodwar, we were fortunate to have the visiting Minister for Environment from the UK. He asked our people whether they have experienced the impacts of global warming. We are on the receiving end of environmental destruction. It is important that the legal framework acknowledges that when you have extracted a natural resource from a particular place, you must be under obligation to fill up that place.

Mr. Temporary Deputy Speaker, Sir, we are also lucky that our own hon. Member, Prof. Maathai, the Nobel Laureate, launched the one billion Tree Planting Programme just the other day in this country. I want to appreciate the work done by Prof. Maathai and to acknowledge her for the umpteenth time for the recognition of her efforts by the world by getting the Nobel prize. But I would also want her to go ahead and actually plant part of the one billion trees in places like Turkana and Dadaab where, courtesy of the refugee population, our trees have disappeared.

Mr. Temporary Deputy Speaker, Sir, the refugees are competing with us in our best schools, and rightly so. This Government also thought it wise that the quota to our national schools is allocated per district. We are not crying because we are daft; no. The world experience is that the Lebanese in West Africa are more prosperous than the ones in Lebanon. The Indians in Kenya are more prosperous than the ones in India.

The Assistant Minister for Foreign Affairs (Mr. Wetangula): Some of them!

The Assistant Minister for Planning and National Development (Mr. Ethuro): Yes, the Indians in Kenya are more prosperous than some Indians in India. But that is a global phenomenon.

This is my point: Unless we separate the refugees from the host communities, by ensuring that they are in their own institutions of learning, then they are going to cause serious rifts between themselves and the host communities. The host communities also require protection from the refugees. My own experience as an hon. Member from those areas is that children run to me and say: "*Mheshimiwa*, how do I become a refugee?" This is a question which should be hurting this House. We need to give solutions to such a question through this Bill.

Mr. Temporary Deputy Speaker, Sir, I have heard from my colleague, Mr. Dahir, and I have seen it in Turkana, why would a Kenyan child wish to become a refugee? It is because he sees that the refugee child in the refugee camp is being fed by the United Nations High Commission for Refugees (UNHCR) and the World Food Programme (WFP) on full compliment rations; which are higher than the ones the Kenyan Government gives to the victims of famine. The Kenyan children see their refugee counterparts being built good schools and being sponsored fully after they do well in primary schools. We have always wanted and demanded that the Government gives us a teachers training college, but we have never got it. But right inside Kakuma Refugee Camp, there is a teachers training college.

Mr. Temporary Deputy Speaker, Sir, even if it were you, you would wish to become a refugee under those circumstances!

(Laughter)

The Temporary Deputy Speaker (Mr. Khamasi): Order! Order, Mr. Ethuro! Could you keep the Chair out of that debate?

The Assistant Minister for Planning and National Development (Mr. Ethuro): Mr. Temporary Deputy Speaker, Sir, the Chair is completely out of this. I was just painting the picture; that, under those circumstances, anyone and not the Chair---

The Minister for Roads and Public Works (Mr. Nyachae): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Member implying that he would prefer to be a refugee in Kakuma Refugee Camp?

The Temporary Deputy Speaker (Mr. Khamasi): I have already said that you should keep the Chair out of that. If you want to be a refugee, you be one!

The Assistant Minister for Planning and National Development (Mr. Ethuro): Mr. Temporary Deputy Speaker, Sir, in fact, I was wondering if Mr. Nyachae would wish to be a refugee under those circumstances. It depends on the circumstances. However, I know that he cannot be one, because he lives in better circumstances than those I am describing.

Mr. Temporary Deputy Speaker, Sir, it is not our problem that we are in those circumstances. I think the Government is doing everything within its powers to try and mitigate those circumstances. But my appeal would be to the United Nations High Commission for Refugees (UNHCR) and the other United Nations (UN) bodies. If you look at the budget for the Operation Lifeline Sudan for the UNHCR in Kakuma and Dadaab, 1 per cent of it, which is usually in billions of Dollars, would make a big difference in these areas. We need a proper interpretation of the concept of social corporate responsibility. We are now dealing with the Millennium Development Goals (MDGs). One of them states that we foster proper partnership between the developed and the developing world. Where else would a developed world demonstrate that partnership if not in those kinds of refugee camps under their care? These are the kind of questions we would wish to pose to the UNHCR. These are the questions that this Bill has attempted to answer, by ensuring that a committee that is formed to deal with the refugee affairs has a representative of the host community. This is what we want to see in this Bill. We demand local participation, because there are conflicts between the refugee population and the host community. The Government security forces seem to be under obligation to protect the refugees and not the host community.

Mr. Temporary Deputy Speaker, Sir, I will cite one other example. At one time, our local people were trying to protect their forests from being depleted and in the process, a woman was shot dead and the people in Kakuma demonstrated. As a result, the police came to attack Kenyans. I was an Assistant Minister in that Government, but I became a warlord given the circumstances. I was a warlord of peace. I went there, just to demonstrate in support of my people. These are very serious matters that I have first-hand experience in. I have faced the challenges of representing a host community. I am happy that the Minister has, at least, brought this Bill before this House.

Mr. Temporary Deputy Speaker, Sir, the fact that refugees enjoy a better life than the host communities can be owned up by the Government. When we ask them to leave because now there is peace in Sudan, for example, they still come back to Kakuma Refugee Camp. This is because there is better life there. It is good that Kenya offers a better life to everybody. But let us make sure that the living conditions of both communities are well taken care of.

Mr. Temporary Deputy Speaker, Sir, I also hope that this country will rise to the occasion and be able to learn from our neighbours. We, as a country, should learn lessons from the war-torn Somalia, conflicts in Sudan, Uganda and the genocide in Rwanda.

ADJOURNMENT

The Temporary Deputy Speaker (Mr. Khamasi): Order! Mr. Ethuro, you will have 15 minutes on the resumption of debate on this Bill.

Hon. Members, it is now time for the interruption of business. The House is, therefore, adjourned until tomorrow, Wednesday, 15th November, 2006, at 9.00 a.m.

The House rose at 6.30 p.m.