#### **Eleventh Parliament**

(No. 026)



Third Session Morning Sitting (163)

#### **REPUBLIC OF KENYA**

#### **ELEVENTH PARLIAMENT - (THIRD SESSION)**

#### THE NATIONAL ASSEMBLY

#### **ORDERS OF THE DAY**

**WEDNESDAY, MARCH 25, 2015 AT 9.30 A.M** 

#### **ORDER OF BUSINESS**

#### **PRAYERS**

- 1. Administration of Oath
- 2. Communication from the Chair
- 3. Messages
- **4.** Petitions
- 5. Papers
- 6. Notices of Motion
- **7.** Statements

#### 8\*. MOTION - DISPOSAL AND RECYCLING OF ALCOHOLIC CONTAINERS

(The Hon. Kigo Njenga, M.P.)

THAT, aware that there has been an increase of alcohol use and abuse in Kenya especially in urban areas; further aware that over 2.2 million Kenyans are addicted to alcohol; noting that improper disposal of alcoholic containers has been on the rise leading to unintended exposure and use of containers for vending illicit brew especially by school going children; deeply concerned that this is both an environmental and a health risk; this House urges the government in conjunction with all relevant authorities particularly NACADA, to launch targeted campaigns in all constituencies towards safe disposal of these containers as well as recycling measures and enforce all existing laws relating to safe disposal of the said containers.

(Motion as amended)

(Resumption of debate interrupted on Wednesday, March 18, 2015 – Morning Sitting)
(Balance of time 40 mins)

# 9\*. MOTION - TRANSLATION OF THE LAWS OF KENYA INTO KISWAHILI

(The Hon. Joyce Wanjalah Lay, M.P.)

**THAT**, aware that Kiswahili is the national as well as official language of the Republic as enshrined in the Constitution; further aware that equality and freedom from discrimination and access to information are fundamental rights; cognizant of the fact that democracy and public participation of the people is a national value and principle of governance as per Article 10 of the Constitution; deeply concerned that a section of Kenyans have a low level of knowledge of their legal rights and laws passed by this House as a result of the existing language barriers; convinced

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that unless we, as a nation, lay down mechanisms for translating laws passed by Parliament and county assemblies into Kiswahili, most Kenyans will continue being partially aware of the law, this House **urges** the National Council for Law Reporting to progressively translate the laws of Kenya into Kiswahili.

# 10\*. MOTION - REVIEW OF PROCEDURE & COST OF MARRIAGE REGISTRATION, & DECENTRALIZATION OF THE OFFICES OF THE REGISTRAR OF MARRIAGES

(The Hon. Malulu Injendi, M.P.)

THAT, aware that the Marriage Act, 2014 was assented to by H.E the President on 29th April, 2014 and commenced on the 20th of May, 2014; noting that the act was by and large an amalgamation of the previous Acts, thus amendments relating to the regulations were minimal in effect; deeply concerned that there are only twelve offices for the registrar of marriages in the whole country, making it difficult for the hopefuls to issue notice of marriages; mindful of the fact that the upward revision of the marriage certificate acquisition fee is not affordable to many Kenyans, thus inhibiting them from registering marriages as envisaged by the new Act; this House **urges** the Government to review the procedure and the cost of marriage registration, and to decentralize the offices of the registrar of marriages to a minimum of all sub-counties so as to reduce bureaucracy and enhance accessibility.

# 11\*. MOTION - ESTABLISHMENT OF INTENSIVE CARE & BLOOD TRANSFUSION UNITS IN EVERY CONSTITUENCY

(The Hon. Abdul Rahim Dawood, M.P.)

**THAT**, aware that the Country has been experiencing a series of fatal emergency situations that necessitate the need for urgent medical care and blood transfusions; deeply concerned that currently the country lacks sufficient blood reserves; noting that health services and blood donations in critical emergency situations are crucial to saving lives; this House **urges** the Government to consider setting up an Intensive Care Unit (ICU) and a blood transfusion unit in every constituency to provide medical care and blood in emergency situations.

..../12\*.

## 12\*. MOTION - DECLARATION OF CATTLE RUSTLING AS A NATIONAL DISASTER

(The Hon. William Cheptumo, M.P.)

THAT, aware that cattle rustling is a major menace and security threat in the South and North Rift regions and other regions in the country; noting that cattle rustling leaves behind destruction of property and loss of lives; deeply concerned that the menace has since left irreparable and negative socio-economic impact which include but are not limited to increased number of widows, widowers, orphaned children, poverty, displacement of people leading to the emergency of Internally displaced persons (IDPS), disruption of educational programmes and other economic activities owing to the destruction and/or closure of educational, health and other institutions; deeply concerned that the people living in the affected regions have been denied the enjoyment of their social, economic and political rights as guaranteed to them under the Bill of Rights as enshrined in Chapter Four of the Constitution; this House urges that the National Government declares cattle rustling as a national disaster and establishes a Special Fund to be used in mitigating the losses suffered by and in compensating all victims of cattle rustling and resettle all Internally displaced persons across the country created by the menace.

\* Denotes Orders of the Day

.....Notices

#### NOTICES

#### The House resolved on Wednesday, February 11, 2015 as follows:-

**THAT**, notwithstanding the provisions of Standing Order 97(4), each speech in a debate on any **Motion**, including a Special motion shall be limited in the following manner:- A maximum of three hours with not more than twenty (20) minutes for the Mover and ten (10) minutes for each other Member speaking, except the Leader of the Majority Party and the Leader of the Minority Party, who shall be limited to a maximum of fifteen (15) minutes each, and that ten (10) minutes before the expiry of the time, the Mover shall be called upon to reply; and that priority in speaking be accorded to the Leader of the Majority Party, the Leader of the Minority Party and the Chairperson of the relevant Departmental Committee, in that Order.

...../Notice Paper

## **NOTICE PAPER**

# Tentative business for Wednesday (Afternoon), March 25, 2015

(Published pursuant to Standing Order 38(1)

It is notified that the House Business Committee, at their last meeting, approved the following <u>tentative</u> business to appear in the Order Paper for Wednesday (Afternoon), March 25, 2015:

## A. MOTION -REPORT ON VETTING OF THE NOMINEE FOR APPOINTMENT AS AMBASSADOR TO THE FEDERAL REPUBLIC OF SOMALIA

(The Chairperson, Departmental Committee on Defence & Foreign Relations)

(Question to be put)

## B. THE DIVISION OF REVENUE BILL (NATIONAL ASSEMBLY BILL NO. 11 OF 2015)

(The Chairperson, Budget and Appropriations Committee)

Second Reading

#### C. COMMITTEE OF THE WHOLE HOUSE

- (i) The Division of Revenue Bill (National Assembly Bill No. 11 Of 2015) (The Chairperson, Budget and Appropriations Committee)
- (ii) The Public Audit Bill (National Assembly Bill No. 38 of 2014)
  (The Chairperson, Departmental Committee on Finance, Planning and Trade)
- D. MOTION THE SPECIAL REPORT OF THE PUBLIC INVESTMENTS
  COMMITTEE ON THE RECAPITALIZATION & BALANCE
  SHEET RESTRUCTURING OF TELKOM KENYA LTD

(The Chairperson, Public Investments Committee)

(Resumption of debate interrupted on Tuesday, March 24, 2015)

E. MOTION - REPORT ON THE PRIVATIZATION OF THE PUBLIC SECTOR OWNED/CONTROLLED SUGAR COMPANIES

(The Chairperson, Departmental Committee on Finance, Planning & Trade)

(Resumption of debate adjourned on Tuesday, March 3, 2015)

F. MOTION - REPORT OF THE FIFTH ORDINARY SESSION OF THE PAN-AFRICAN PARLIAMENT & THE ANNUAL SPEAKERS' CONFERENCE (2014)

(The Second Chairperson of Committees)

G. MOTION - REPORT OF THE PUBLIC ACCOUNTS COMMITTEE ON THE HIRE OF AN AIRCRAFT FOR THE DEPUTY PRESIDENT FOR A TOUR OF FOUR AFRICAN NATIONS

(The Chairperson, Public Accounts Committee)

(No. 027)



Third Session
Afternoon Sitting
(167)

#### **REPUBLIC OF KENYA**

#### **ELEVENTH PARLIAMENT - (THIRD SESSION)**

#### THE NATIONAL ASSEMBLY

ORDERS OF THE DAY

**WEDNESDAY, MARCH 25, 2015 AT 2.30 P.M** 

#### **ORDER OF BUSINESS**

#### **PRAYERS**

- Administration of Oath
- 2. Communication from the Chair
- **3.** Messages
- 4. Petitions
- **5.** Papers
- **6.** Notices of Motion
- **7.** Statements

# 8\*. MOTION - REPORT ON VETTING OF THE NOMINEE FOR APPOINTMENT AS AMBASSADOR TO THE FEDERAL REPUBLIC OF SOMALIA

(The Chairperson, Departmental Committee on Defence & Foreign Relations)

**THAT**, this House adopts the Report of the Departmental Committee on Defence and Foreign Relations on the vetting of the nominee for appointment as Ambassador, laid on the Table of the House on Tuesday, 17 March, 2015, and pursuant to Article 132(2)(e) of the Constitution, <u>approves</u> the appointment of **Major General (Rtd) Lucas K. Tumbo** as Ambassador to the Federal Republic of Somalia.

(Question to be put)

# 9\*. THE DIVISION OF REVENUE BILL (NATIONAL ASSEMBLY BILL NO. 11 OF 2015)

(The Chairperson, Budget and Appropriations Committee)

Second Reading

#### 10\*. COMMITTEE OF THE WHOLE HOUSE

- (iii) The Division of Revenue Bill (National Assembly Bill No. 11 of 2015) (The Chairperson, Budget and Appropriations Committee)
- (iv) The Public Audit Bill (National Assembly Bill No. 38 of 2014)
  (The Chairperson, Departmental Committee on Finance, Planning and Trade)

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# 11\*. MOTION - THE SPECIAL REPORT OF THE PUBLIC INVESTMENTS COMMITTEE

(The Chairperson, Public Investments Committee)

**THAT**, this House adopts the Special Report of the Public Investments Committee on the Recapitalization and Balance Sheet Restructuring of Telkom Kenya Limited, laid on the Table of the House on Tuesday, April 29, 2014.

(Resumption of debate interrupted on Tuesday, March 24, 2015)

# 12\*. MOTION - REPORT ON THE PRIVATIZATION OF THE PUBLIC SECTOR OWNED/CONTROLLED SUGAR COMPANIES

(The Chairperson, Departmental Committee on Finance, Planning & Trade)

**THAT**, this House adopts the Report of the Departmental Committee on Finance, Planning and Trade on the Privatization of the Public Sector Owned/Controlled Sugar Companies (Nzoia Sugar Company, South Nyanza Sugar Company, Chemilil Sugar Company, Muhoroni Sugar Company and Miwani Sugar Company), laid on the Table of the House on Tuesday, December 2, 2014.

(Resumption of debate adjourned on Tuesday, March 3, 2015)

#### 13\*. MOTION - REPORT OF THE FIFTH ORDINARY SESSION OF THE PAN-AFRICAN PARLIAMENT & THE ANNUAL SPEAKERS' CONFERENCE (2014)

(The Second Chairperson of Committees)

**THAT**, this House adopts the Report of the Fifth Ordinary Session of the Pan-African Parliament and the Annual Speakers' Conference (2014), together with the Revised Protocol to the Constitutive Act Relating to the Pan-African Parliament, laid on the Table of the House on Thursday, February 12, 2015.

#### 14\*. MOTION - REPORT OF THE PUBLIC ACCOUNTS COMMITTEE

(The Chairperson, Public Accounts Committee)

**THAT**, this House adopts the Report of the Public Accounts Committee on the Hire of an Aircraft for the Deputy President for a tour of four African Nations in May, 2013, laid on the Table of the House on Wednesday, April 23, 2014.

* Denotes	Orders of the Day

...../Notices

#### NOTICES

# THE PUBLIC AUDIT BILL (NATIONAL ASSEMBLY BILL NO. 38 OF 2014)

1. Notice is given that the Chairperson, Departmental Committee on Finance, Planning and Trade, intends to move the following amendments to the Public Audit Bill, (National Assembly Bill No. 38 of 2014) at the Committee Stage—

#### **CLAUSE 4**

**THAT**, clause 4 of the Bill be amended—

- (a) in subclause (1) (c) by deleting the word "things" and substituting therefor the word "duties;
- (b) in subclause (2) by deleting the expression "subject to Article 234(5) of the Constitution":
- (c) in subclause (3) by deleting the words " as far as it is appropriate to do so" appearing immediately after the words " the Republic".

#### **CLAUSE 5**

**THAT**, clause 5 of the Bill be amended in subclause (1) by deleting paragraph (e) and substituting therefor the following new paragraph—

"(e) is a practising member of good standing of a professional body of accountants recognized by law."

#### **CLAUSE 7**

**THAT**, clause 7 of the Bill be amended in subclause (1) (a) by deleting the words "financial systems of state organs" appearing immediately after the words "and overall" and substituting therefor the words "governance at national and county governments".

#### **CLAUSE 8**

**THAT**, clause 8 of the Bill be amended—

- (a) in paragraph (a) by deleting the words "subject to section 11 of this Act";
- (b) in paragraph (c) by deleting the expression "subject to Article 234(5) of the constitution";
- (c) in paragraph (d) by deleting the expression "subject to Article 234(5) of the Constitution";
- (d) in paragraph (j) by deleting the words " and in consultation with the public Service Commission and the National Treasury," appearing immediately after the words "relevant laws,";
- (e) by inserting a new paragraph immediately after paragraph (k)—
  - "(ka) provide information that may be needed in investigation accordance with the provisions of this Act."

**THAT**, clause 11 of the Bill be amended—

- (a) by deleting subclause (5) and substituting therefor the following new subclause—
  - "(5) The President shall, within fourteen days of the expiry of the period prescribed under subsection (2), constitute a selection panel comprising one representative from—
    - (a) the Office of the President;
    - (b) the Ministry for the time being responsible for matters relating to finance:
    - (c) the office of the Attorney-General;
    - (d) the Ministry for the time being responsible for matters relating to the public service;
    - (e) the Institute of Certified Public Accountants of Kenya; and
    - (f) the Association of Professional Societies of East Africa,

for the purpose of considering the applicants and selecting at least three persons qualified for appointment as Auditor- General:

Provided that for the purposes of selection and shortlisting of the said three persons, the selection panel shall hold its proceedings in public and submit to Parliament a report of the interview proceedings, which should include inter alia, scores of each candidate interviewed by individual members of the interviewing panel together with the criteria used in selecting the names forwarded":

- (b) in subclause (6) by deleting the words "public Service Commission" and substituting therefor the words "selection panel";
- (c) in subclause (9) (b) by deleting the words "Public Service Commission" and substituting therefor the words "selection panel";
- (d) in subclause (12) by deleting the words " selection committee convened under subsection (4)." and substituting therefor the words " selection panel convened under subsection (5)."

#### **CLAUSE 14**

THAT, clause 14 of the Bill be deleted and replaced with the following new clause—

Development and approval of organizational structure.

**14.** The office of the Auditor-General shall develop an organizational structure for consideration and approval by the Audit Advisory Board.

**THAT**, clause 15 of the Bill be amended—

- (a) in subclause (1), by deleting the words "Public Service Commission" and substituting therefor the "Advisory Board";
- (b) In subclause (2), by deleting paragraph (b) and substituting therefor the following new paragraph—
  - "(b) holds the same minimum qualifications as required for the appointment of Auditor General as specified in section 5 of this Act".

#### **CLAUSE 16**

**THAT**, clause 16 (1) of the Bill be amended by inserting the words "deputize the Auditor General and" immediately after the words "Auditor-General shall".

#### **CLAUSE 17**

**THAT**, clause 17 of the Bill be amended—

- (a) in subclause (1) by deleting the words "and the Auditor-General may appoint such staff subject to Article 234 (5) of the Constitution" appearing immediately after the words "Salaries and Remuneration Commission" and substituting therefor " and subject to Article 230 of the Constitution";
- (b) in subclause (2) by deleting the words " under this Act and approved by the Public Service Commission." appearing immediately after the words "the Auditor-General".

#### **CLAUSE 21**

**THAT**, clause 21 of the Bill be amended in subclause (1) by deleting the word "may" appearing immediately after the words "the Auditor-General" and substituting therefor "shall".

#### **CLAUSE 22**

**THAT**, clause 22 of the Bill be amended in subclause (3) by deleting the words "What will happen if this is abused?" appearing immediately after the words "information so obtained".

#### **CLAUSE 25**

**THAT**, clause 25 of the Bill be amended—

- (a) in subclause (1) by
  - (i) inserting a new paragraph immediately after paragraph (g)—
    - "(ga) the Senior Deputy Auditor General who shall be the secretary to the Board and an ex-officio member";
  - (ii) deleting paragraphs (e) and (g);
- (b) in subclause (2) by deleting the expression "subsection (2)(c) to (g)" and substituting therefor the expression "subsection (1)(c) to (g)";
- (c) by deleting subclause (3) and substituting therefor the following new subclause—
  - "(3) The members under subsection (1) shall appoint a chairperson from amongst themselves."

**THAT**, clause 27 of the Bill be amended in subclause (1) by deleting the word "generally" appearing immediately before the words "to advice".

#### **CLAUSE 30**

**THAT**, clause 30 of the Bill be amended by inserting the words "or information" immediately after the word "documents".

#### **CLAUSE 31**

**THAT**, clause 31 of the Bill be amended by inserting the following new subclause immediately after subclause (6)—

"(6A) Where an audit report has been tabled, the Speaker of the National Assembly shall invite the Auditor General to present the report before the committee of the whole House.

#### **NEW CLAUSE**

**THAT**, the following new clause be inserted immediately after clause 31—

Audit reports to be submitted to Parliament and the relevant county assembly.

**31A.** (1) All reports of an audit shall be submitted to Parliament or the relevant county assembly and made available to any person who applies for information or part thereof, except in cases where access to such information is restricted by law.

#### **CLAUSE 35**

**THAT**, clause 35 of the Bill be amended by—

- (a) renumbering the existing provision as subclause (1);
- (b) inserting a new subclause immediately the renumbered subclause (1)—
  - " (2) The Auditor-General may undertake a comprehensive performance audit within six months after the completion of any national or county project to evaluate whether the citizen has got value for money in the project and submit that report to Parliament or county assembly for tabling and debate."

#### CLAUSE 36

**THAT**, clause 36 of the Bill be amended by inserting the words "by Parliament" immediately after the words "upon request.

#### **CLAUSE 37**

**THAT**, clause 37 of the Bill be deleted.

#### **CLAUSE 38**

**THAT**, Clause 38 of the Bill be amended by deleting the word "may" appearing immediately after the words "The Auditor-General" and substituting therefor "shall".

#### **CLAUSE 39**

**THAT**, clause 39 of the Bill be deleted.

**THAT**, clause 40 of the Bill be amended—

- (a) by renumbering subclause (1) as subclause (1A);
- (b) by inserting the following new subclause immediately before the renumbered subclause (1A)—
  - "(1) The Auditor General shall audit national security organs and confidential expenditure in the process of carrying out his or her mandate under the Constitution, this Act and any other written law";
- (c) in the renumbered subclause (1A)(b), by—
  - (i) inserting the words " in consultation with the National Security Council," immediately before the words "has issued a certificate";
  - (ii) deleting the words "Attorney General" appearing immediately after the words "opinion of the" and substituting therefore the words " National Security Council";
- (d) in subclause (2) by—
  - (i) deleting the words "or relations between the two levels of government" appearing in paragraph (c);
  - (ii) deleting paragraph (d);
  - (iii) inserting the word "foreign" immediately before the word "persons" appearing in paragraph (e);
- (e) in subclause (3), by deleting the words "special or joint committee of Parliament and the President" appearing immediately after the words "disclose to a" and substituting therefor the words " a relevant committee of Parliament and the National Security Council";
- (f) in subclause (5) by—
  - (i) deleting the words "carrying out" appearing immediately after the word "Auditor-General" and substituting therefor the words " and staff of the relevant security organ involved in";
  - (ii) deleting the words "and such officers shall be at a grade equivalent to deputy Director of Audit or above." appearing immediately after the words "oath of confidentiality";
- (g) in subclause (6), by deleting the word "Cabinet" appearing immediately after the words "purposes of this section" and substituting therefor the words "National Security Council";
- (h) in subclause (7) by-

Secretary".

- (i) deleting the word "Cabinet" appearing immediately after the words "decision of the" and substituting therefor the words "National Security Council";
- (ii) inserting the words "in charge" immediately after the words "the Cabinet

**THAT**, clause 48 be amended in subclause (4) by deleting subclause the phrase "thirty (30)" and substituting therefor the word "sixty".

#### **CLAUSE 54**

**THAT**, clause 54 of the bill be deleted and replaced with the following new clause—

Observing code of conduct.

**54.** The Auditor-General in discharging his or her functions and responsibilities shall determine the code of conduct and ethics for all the Public Officers of the Office of the Auditor General which shall be in line with those prescribed by the Constitution, this Act, the Public Officer Ethics Act, 2003 and the relevant professional bodies.

#### **CLAUSE 57**

**THAT**, clause 57 of the Bill be amended in subclause (1) by inserting the words "without prejudice" immediately after the words "bound to disclose".

#### **CLAUSE 60**

**THAT**, clause 60 of the Bill be amended—

- (a) in subclause (1) by—
  - (i) inserting the words "contrary to the Official Secrets Act or any other relevant law" immediately after the words "national security organs" appearing in paragraph (e);
  - (ii) deleting paragraph (f) and substituting therefor the following new paragraph—
    - "(f) knowingly and willfully discloses, publishes or publicizes the Auditor-General's report or its contents to third parties including the media before the report is finalized and formally submitted to Parliament or county assembly and copied to the audited entity and other authorized offices; or":
  - (iii) deleting paragraph (g);
- (b) in subclause (2) by—
  - (i) deleting the words "ten million shillings" and substituting therefor the words "five million shillings";
  - (ii) deleting the words "five years" and substituting therefor the words "three years".

#### **CLAUSE 61**

**THAT**, clause 61 of the Bill be amended —

- (a) in subclause (1) by inserting a new paragraph immediately after paragraph (b)—
  - "(ba) without justification, fail to provide information within reasonable time that is required under this Act";
- (b) in subclause (2) by-
  - (i) deleting the words "two million shillings" and substituting therefor the words "five million shillings";
  - (ii) deleting the words "one year" and substituting therefor the words "three years".

**THAT**, clause 65 of the Bill be amended by deleting the word "ten" appearing immediately after the words "a period of" and substituting therefor "five".

#### **CLAUSE 68**

**THAT**, clause 68 of the Bill be amended by—

- (a) deleting the words "The Cabinet Secretary responsible for finance, in consultation with the Auditor-General" and substituting therefor the words "The Auditor-General, in consultation with the Cabinet Secretary responsible for finance";
- (b) by renumbering the existing provision as subclause (1);
- (c) by inserting a new subclause immediately after the renumbered subclause (1)—
  - "(2) The power to make regulations shall be exercised only after a draft of the proposed regulations has been approved by the National Assembly."

#### **CLAUSE 72**

**THAT**, clause 72 of the Bill be amended by—

- (a) inserting the words "the national or county" immediately after the words "policy objective of";
- (b) deleting the words "or any other state organ or public entity" appearing immediately after the word "government".

#### **CLAUSE 74**

**THAT**, clause 74 of the Bill be amended in subclause (2) by deleting paragraph (f) and substituting therefor the following new paragraph—

- "(f) a contract subsisting between the Kenya National Audit Office and any other person before the commencement of this Act shall continue to exist as a contract entered into between the office of the Auditor-General and that other person".
- 2. Notice is given that the Member for Rarieda (Hon. Eng. Gumbo), intends to move the following amendments to the Public Audit Bill, (National Assembly Bill No. 38 of 2014) at the Committee Stage—

#### **CLAUSE 2**

**THAT**, clause 2 of the Bill be amended in the definition of "effectiveness" by inserting the word "cost effective" immediately after the word "means".

#### **CLAUSE 4**

**THAT**, clause 4 of the Bill be amended —

- (a) in subclause (2) by deleting the phrase "subject to Article 234(5) of the Constitution" and substituting therefor the words "to be recruited through an open, transparent and competitive process which promotes fair competition and merit and observes all the values and principles of public service as contemplated in Article 232 of the Constitution."
- (b) in subclause (3) by inserting the words "and shall have a presence in all counties" immediately after the words "appropriate to do so"

**THAT**, clause 5(1) of the Bill be amended—

- (a) in paragraph (a), by inserting the words " and of sound mind" immediately after the word "Kenya";
- (b) in paragraph (c), by inserting the words " and demonstrates a verifiable and logical progression in the attainment of his or her educational qualifications" immediately after the word "Kenya".

#### **CLAUSE 7**

**THAT**, clause 7(1) (a) of the Bill be amended by—

- (a) inserting the words " and governance" immediately after the word " financial";
- (b) deleting the words "and public entities" and substituting therefor the words "national and county governments, and all public entities, in order to achieve the objects set out in Article 249(1) of the Constitution."

#### **CLAUSE 11**

**THAT**, clause 11 of the Bill be amended—

- (a) by deleting subclause (2) and substituting therefor the following new subclause—
  - "(2) Where a vacancy occurs under subsection (1), the President shall within fourteen days, by notice in the Gazette, nominate a person to be appointed as Auditor-General and forward the name for approval by the National Assembly in accordance with Article 229(1) of the Constitution";
- (b) by deleting subclause (3);
- (c) by deleting subclause (4);
- (d) by deleting subclause (5);
- (e) by deleting subclause (6);
- (f) by deleting subclause (7);
- (g) by deleting subclause (8) and substituting therefor the following new subclause—
  - "(8) The National Assembly shall, within seven days of receiving the nominations, consider and approve or reject the nominations";
- (h) in subclause (9) (b) by deleting the words " from amongst the candidates forwarded by the Public Service Commission under subsection (6)" and substitute therefor " within fourteen days of receipt of the same";
- (i) in subclause (10) by
  - (i) deleting the words "all or" appearing immediately after the words "Assembly rejects";
  - deleting the expression "subsections (1) to (7) shall, with necessary modifications, apply " and substituting therefor the expression " subsections (2) to (3) shall apply";
- (j) by deleting subclause (12);

**THAT**, clause 12 of the Bill be amended —

- (a) in subclause (1)—
  - (i) by inserting the words " for a period of six months" immediately after the words " his or her office" in paragraph (d);
  - (ii) by deleting the words "twelve months" and substituting therefor the words " eight months";
- (b) in subclause (2), by deleting the words "three months" and substituting therefor the words "two months".

#### **CLAUSE 13**

**THAT**, clause 13 be amended by deleting the words "Chief Justice" and substituting therefor the word "President".

#### **CLAUSE 14**

**THAT**, clause 14 of the Bill be deleted and replaced with the following new clause—

Development and approval of organizational structure.

**14.** The office of the Auditor-General shall develop the organizational structure for consideration and approval by the Audit Advisory Board'

#### **CLAUSE 15**

**THAT**, clause 15 of the Bill be deleted and replaced with the following new clause—

Recruitment of the Senior Deputy Auditor General

- **15.** (1) There shall be a Senior Deputy Auditor-General who shall be competitively recruited by the office of the Auditor-General and appointed by the Audit Advisory Board.
- (2) A person shall be qualified for appointment as the Senior Deputy Auditor-General if that person meets all the qualifications for appointment as outlined in section 5 of this Act.

#### **CLAUSE 17**

**THAT**, clause 17 of the Bill be amended in—

- (c) in subclause (1) by deleting the expression "Article 234(5)" and substituting therefor the expression "Article 230";
- (d) in subclause (2) by deleting the words "and approved by the Public Service Commission";
- (e) in subclause (3) by inserting the words " and shall comply with the values and principles of public service as contemplated in Article 232 of the Constitution" immediately after the words "marginalized groups".

#### **CLAUSE 18**

**THAT**, clause 18 of the Bill be amended in—

- (a) subclause (2) by inserting the word "be" immediately after the words " an officer of the office and":
- (b) subclause (3) by deleting the words "thirty-six" and substituting therefor "twenty-four".

THAT, clause 20 of the Bill be amended by—

- (a) deleting subclause (2) and substituting therefor the following new subclause—
  - "(2) The Auditor-General shall submit and discuss the budget estimates before the relevant committee of the National Assembly together with the Cabinet Secretary responsible for finance and agree on the budgetary allocations for the coming year, not later than 30th November each year";
- (b) inserting the following new subclauses immediately after subclause (2)—
  - "(2A) The budget estimates agreed to under subsection (2) shall be included in the Budget Policy Statement without alterations.
  - (2B) If changes are made to the agreed budget estimates, the Auditor-General shall inform the chairperson of the relevant committee of the National Assembly in writing not later than the 15<sup>th</sup> January in every year";
- (c) inserting a new clause immediately after clause (3)—
  - "(3A) Funds meant for the recurrent expenditure of the Auditor General under this section shall be disbursed to the office in equal quarterly installments."

#### **CLAUSE 21**

**THAT**, clause 21 be amended in subclause (3) by deleting the word "may" and substituting therefor the word "shall".

#### **CLAUSE 22**

**THAT**, clause 22 of the Bill be amended in subclause (3) by deleting the phrase "What will happen if this is abused?" appearing immediately after the words "information so obtained."

#### **CLAUSE 23**

**THAT**, clause 23 of the Bill be amended—

- (a) in subclause (1) by inserting the words "and the public service" immediately after the words "of the office of the Auditor-General";
- (b) in subclause (7) by—
  - (i) deleting the expression "thirty-six (36)" and substituting therefor the expression "twenty-four";
  - (ii) inserting a new subclause immediately after subclause (7)—
    - "(8) Outsourcing of any audit services under this section shall not absolve the Auditor-General of any responsibility concerning the exercise of his or her powers under this Act."

#### **CLAUSE 24**

**THAT**, clause 24 of the Bill be amended in subclause (1) by inserting a new subclause immediately after subclause (1)—

"(2) The engagement of service under subsection (1) shall be for purposes of ensuring effectiveness in the application of public funds."

**THAT**, clause 25 of the Bill be amended—

- (i) in subclause (1) by
  - (i) inserting a new paragraph immediately after paragraph (a)—

"(aa) the Auditor-General";

- (ii) inserting the following proviso immediately after paragraph (g)—
  - "Provided that the nominee under paragraph (c) shall not be a member of a professional body provided for under subsection (1) (b), (d) or (e)";
- (j) in subclause (3) by deleting the words "appoint a chairperson from among the persons" and substituting therefor " chair the Board established".

#### **CLAUSE 27**

**THAT**, clause 27 of the Bill be amended in subclause (1)—

- (a) by deleting the word "advice" and substituting therefor the word "advise";
- (b) by inserting a new paragraph immediately after paragraph (a)—
  - "(aa) develop, review and advise on organizational development issues";
- (c) in paragraph (c) by deleting the words "review and make recommendations on" and substitute therefor "consider and approve the";
- (d) by inserting a new paragraph immediately after paragraph (c)—
  - "(ca) determine the remuneration and other terms of appointment of the staff of the Office of the Auditor General in consultation with the Salaries and Remuneration Commission":
- (e) by deleting paragraph (d);
- (f) by deleting paragraph (f).

#### **CLAUSE 30**

**THAT**, clause 30 of the Bill be amended by inserting the words "and information "immediately after the word "documents".

#### **CLAUSE 31**

**THAT**, clause 31 of the Bill be amended by inserting a new subclause immediately after subclause (6)—

"(6A) The Speaker of the National Assembly shall convene a special sitting of the committee of the whole House where the Auditor-General shall present his or her final report without debate or questions being put."

**THAT**, clause 37 of the Bill be amended by—

- (a) renumbering the existing provision as subclause (1);
- (b) inserting a new sub clause immediately after the renumbered subclause (1)—
  - "(2) The Auditor-General may seek professional assistance in conducting an environmental audit as provided for under subsection (1)."

#### **CLAUSE 38**

**THAT**, clause 38 of the Bill be amended by—

- (a) renumbering the existing provision as subclause (1);
- (b) inserting a new sub clause immediately after the renumbered subclause (1)—
  - "(2) The Auditor-General may seek professional assistance in examining a public procurement and asset disposal process under subsection (1)."

#### **CLAUSE 40**

**THAT**, clause 40 of the Bill be amended —

- (a) in subclause (1) by deleting paragraph (b) and substituting therefor the following new paragraph—
  - "(b) such information has been agreed upon between the Auditor-General and the respective national security organ or their representatives, not to be covered in the scope of audit";
- (b) in subclause (2) by deleting paragraph (d);
- (c) in subclause (4) by deleting the words "because the Attorney-General has issued a certificate under paragraph (1) (b) in relation to the information" and substitute therefor "for reasons cited under subsection (1)";
- (d) by deleting subclause (6);
- (e) by deleting subclause (7).

#### **CLAUSE 41**

**THAT** clause 41 of the Bill be amended in subclause (1) (c) by deleting the words "and approved by Parliament".

#### **CLAUSE 42**

**THAT**, clause 42 of the Bill be amended by inserting a new subclause immediately after subclause (1)—

"(1A) Procedures prescribing the appointment of external auditors under this section shall be as provided for in the regulations".

#### **CLAUSE 48**

**THAT**, clause 48 of the Bill be amended —

- (a) in subclause (2) by deleting the word "it" appearing immediately after the words "county assembly";
- (b) by deleting subclause (5).

**THAT**, clause 50 of the Bill be amended by deleting the word "publicization" and substituting therefor "publication".

#### CLAUSE 54

**THAT** clause 54 of the bill be deleted and replaced with the following new clause—

Observing the code of conduct

**54.** The Auditor General, in discharging his or her functions and responsibilities shall strictly observe the code of conduct for all public officers as relates to the Office of the Auditor General, which shall be in line with those prescribed by the Constitution, this Act, Public Officers Ethics Act, 2003 and the relevant professional bodies.

#### **CLAUSE 56**

**THAT** clause 56 of the Bill be amended by inserting the words "any way in" immediately after the words "or corrupted in".

#### **CLAUSE 57**

**THAT**, clause 57(2) of the Bill be amended by inserting the word "as" immediately after the words "for official purposes".

#### **CLAUSE 58**

**THAT**, clause 58(1) of the Bill be amended by deleting the words "for consideration in" and substituting therefor "under consideration by"

#### **CLAUSE 60**

**THAT**, clause 60 of the Bill be amended—

- (a) in subclause (1)—
  - (i) by deleting paragraph (e);
  - (ii) in paragraph (f) by inserting the words "knowingly" immediately before the word "Discloses";
  - (iii) in paragraph (g) by deleting the words " or decision";
- (b) in subclause (2) by deleting the words " liable on conviction to a fine not exceeding ten million shillings or to imprisonment for a term not exceeding five years, or to both" and substituting therefor " disciplined in line with the established code of ethics and liable on conviction to a fine not exceeding five million shillings or to imprisonment for a term not exceeding three years, or to both"

#### **CLAUSE 61**

**THAT**, clause 61 of the Bill be amended in subclause (1) in—

- (a) paragraph (a) by inserting the words " or a professional" immediately after the words "Auditor-General";
- (b) paragraph (d) by inserting the words " or a professional" immediately after the words "Auditor-General".

**THAT**, clause 62 of the Bill be amended by deleting the words "for committing" appearing immediately after the words "found quilty" and substituting therefor the word "of".

#### **CLAUSE 67**

**THAT**, clause 67 of the Bill be deleted.

#### **CLAUSE 68**

**THAT**, clause 68 of the Bill be amended by—

- (a) renumbering the existing provision as subclause (1);
- (b) inserting a new subclause immediately after the renumbered subclause (1)—
  - "(2) The regulations made under this section shall be tabled before the National Assembly pursuant to the provisions of the Statutory instruments Act".

#### **CLAUSE 72**

**THAT**, clause 72 of the Bill be deleted.

#### **SCHEDULE**

**THAT**, the Schedule be amended by deleting the words "Chief Justice" and substituting therefor the words "President of the Republic of Kenya".

3. Notice is given that the Member for Tongaren (Hon. (Dr.) Eseli Simiyu) intends to move the following amendments to the Public Audit Bill, (National Assembly Bill No. 38 of 2014) at the Committee Stage-

#### **CLAUSE 4**

**THAT** clause 4 of the Bill be amended in sub-clause 3 by deleting the words "as far as it is appropriate to do so" appearing immediately after the word "Republic".

#### **CLAUSE 5**

**THAT** clause 5 of the Bill be amended in sub-clause (1) by deleting paragraph (c).

#### **CLAUSE 11**

**THAT** clause 11 of the Bill be amended –

- (a) by deleting sub clause (2) and substituting therefor the following new sub clause -
  - "(2) Where a vacancy occurs under subsection (1), the President shall within fourteen days nominate a suitable candidate and forward the name to the National Assembly".
- (b) by deleting sub clauses (3), (4), (5), (6), (7), (11), (12) and (13);
- (c) by deleting the words "from amongst the candidates forwarded by the Public Service Commission under subsection (6)" appearing immediately after the word "nominee" in paragraph (b) of sub clause (9);
- (d) in sub clause (10) by -
  - (i) deleting the words "all or" appearing immediately after the word "rejects";
  - (ii) deleting the word "subsequent" appearing immediately after the word "any";
  - (iii) deleting the expression "subsections (1) to (7)" appearing immediately after the word "of" and substituting therefore the expression "subsections (1) and (2)".

**THAT** clause 12 of the Bill be deleted.

#### **CLAUSE 17**

**THAT** clause 17 of the Bill be amended by inserting the following new sub clause immediately after sub clause (1) –

"(1A) The remuneration of such staff should reflect the prevailing remuneration of such staff performing similar duties in the audit profession in other public and private institutions in Kenya".

#### **CLAUSE 22**

**THAT** clause 22 of the Bill be amended in sub clause (3) by deleting the words "What will happen if this is abused?" appearing immediately after the words "information so obtained".

#### **CLAUSE 27**

**THAT** clause 27 of the Bill is amended in sub clause (1) by -

- (a) deleting the words "and shall, in particular but without prejudice comprise of the foregoing" appearing immediately after the word "Act";
- (b) deleting paragraphs (a), (b), (c), (d), (e), (f) and (g).

#### **CLAUSE 35**

**THAT** clause 35 of the Bill be amended by deleting the word "may" appearing immediately after the word "Auditor-General" and substituting therefore the word "shall".

#### **CLAUSE 36**

**THAT** clause 36 of the Bill be amended by deleting the word "may" appearing immediately after the word "Auditor-General" and substituting therefore the word "shall".

#### **CLAUSE 37**

**THAT** clause 37 of the Bill be deleted.

#### **CLAUSE** 40

**THAT** clause 40 of the Bill be amended –

- (a) in sub clause (1) by -
  - (i) deleting the words "for any of the reasons set out in subsection (2); and appearing immediately after the word "interest" in paragraph (a);
  - (ii) deleting paragraph (b);
- (b) by deleting sub clause (2);
- (c) by deleting sub clause (3) and substituting therefor the following new sub clause -
  - "(3) The Auditor-General shall be required, at a closed door session, to disclose to a committee of Parliament and to the President information that has been withheld under subsection (1)(a)";
- (d) in sub clause (4) by -
  - (i) deleting the words "because the Attorney-General has issued a certificate under paragraph (1)(b) in relation to the information" appearing immediately after the words "public report";
  - (ii) deleting paragraph (b) and substituting therefor the following new paragraph "(b) the reason for that omission."
- (e) in sub clause (5) by deleting the words "and such officers shall be at a grade equivalent to Deputy Director of Audit or above" appearing immediately after the word "confidentiality";
- (f) by deleting sub clauses (6), (7) and (8).

**THAT** clause 72 of the Bill be deleted.

4. Notice is given that the Member for Ugenya (Hon. David Ochieng'), intends to move the following amendments to the Public Audit Bill, (National Assembly Bill No. 38 of 2014) at the Committee Stage—

#### **CLAUSE 4**

**THAT** clause 4 be amended in sub clause (2) by deleting the expression "subject to Article 234(5) of the Constitution".

#### **CLAUSE 7**

**THAT** clause 7 be amended in sub clause (1) by—

- (a) deleting the words "financial systems of the state organs and public entities" appearing in paragraph (a) and substituting therefor the words "governance at National County Government and public entities";
- (b) by deleting paragraph (f)

#### **CLAUSE 8**

**THAT**, clause 8 be amended—

- (f) in paragraph (a) by deleting the words "subject to section 11 of this Act";
- (g) in paragraph (c) by deleting the words "subject to Article 234(5) of the constitution";
- (h) in paragraph (d) by deleting the words "subject to Article 234(5) of the Constitution";
- (i) by deleting paragraph (f);
- (j) in paragraph (j) by deleting the words " and in consultation with the public Service Commission and the National Treasury".

#### **CLAUSE 11**

**THAT**, clause 11 be amended—

- (a) in subclause (5) by—
  - (i) inserting a new paragraph immediately after paragraph (e)—
    - "(f) Association of Professional Societies of East Africa."
  - (ii) deleting the words "Public Service Commission shall hold it proceedingss in public and submit to Parliament" appearing in the proviso and substituting therefor the words " selection committee shall hold it proceedings in public and submit to the President and the National Assembly"
- (b) in subclause (6) by deleting the expression "subsection (4)" and substituting therefor the expression" subsection (5)";

**THAT**, clause 14 be deleted and replaced with the following new clause—

Development of organizational structure.

**14.** The office of the Auditor-General shall develop the organizational structure for consideration and approval by the Audit Advisory Board."

#### **CLAUSE 15**

**THAT**, clause 15 be amended by—

- (c) deleting sub clause (1) and substituting therefor the following new sub clause (1)—

  "(1) There shall be a Senior Deputy Auditor-General who shall be competitively recruited by the office of the Auditor-General and appointed by the Advisory Board";
- (d) deleting subclause (2) (b) and substituting the following new paragraph(b)—
  "(b) has the qualifications of an Auditor-General as outlined in the Independent Offices Appointment Act;".

#### **CLAUSE 17**

**THAT**, clause 17 be amended—

- (i) in sub clause (1) by deleting the words "and the Auditor-General may appoint such staff subject to Article 234 (5) of the Constitution" and substituting therefor the words "subject to Article 230 of the Constitution";
- (f) in subclause (2) by deleting the words " under this Act and approved by the Public Service Commission.".

#### **CLAUSE 20**

**THAT**, clause 20 be amended by —

- (d) deleting sub clause (2) and substituting therefor the following new sub clause(2)—
  - "(2) The Auditor General shall discuss, in a tripartite meeting, the budget estimates with the chairman of the Budget and Appropriations Committee together—with the Cabinet Secretary responsible for finance and agree on the budgetary allocation to the office of the Auditor -General not later than 30<sup>th</sup> November each year."
- (e) inserting the following new sub clauses immediately after sub clause (2)—
  - "(2A) Pursuant to the tripartite meeting referred to in sub section (1), the budget estimates shall be included in the Budget Policy Statement, without alterations by the Cabinet Secretary responsible for Finance.
  - (2B) In the event of any alteration on the agreed budget estimates, the Auditor-General shall inform the Chairman of the Budget and Appropriations Committee in writing not later than 15th January every year.
  - (2C) Funds for the recurrent expenditure of the Auditor General under this section shall be disbursed to the office in equal quarterly installments."

#### **CLAUSE 25**

**THAT**, clause 25 be amended—

- (k) in sub clause (1) by inserting the following new paragraph immediately after paragraph (a)—
  - "(aa) the Auditor-General."
  - (I) by deleting sub clause (3) and replacing therefor the following new paragraph—
    - "(3) The Auditor-General shall be the chairperson of the Board."

**THAT**, clause 27 be amended by deleting sub clause (1) and substituting therefor the following new sub clause (1)—

- "(1) The principal function of the Audit Advisory Board shall be generally to advice the Auditor-General on the following—
- (a) review and advise the organizational development issues;
- (b) recruitment of top management into the office of the Auditor-General;
- (c) consider and approve the estimates for the Office of the Auditor General;
- (d) determine the remuneration and other terms of appointment of the staff of the Office of the Auditor General; and
- (e) give any advice that may be sought by the Auditor General from time to time."

#### **CLAUSE 30**

**THAT**, clause 30 be amended by deleting the word "documents" and substituting therefor the word "information".

#### **CLAUSE 31**

**THAT**, clause 31 of the Bill be amended by inserting the following new sub clause immediately after sub clause (6)—

"(7) The Speaker of the National Assembly shall determine and invite the Auditor General to table the report before the committee of the whole House."

#### **NEW CLAUSE**

**THAT** the following new clause be inserted immediately after clause 31—

Audit reports to be submitted to Parliament and the relevant county assembly.

- **31A.** (1) All reports of an audit shall be submitted to Parliament or the relevant county assembly.
- (2) Within seven days of receiving the report, Parliament or the relevant county assembly shall publicise it on their official website and other public spaces.
- (3) Within fourteen days after the expiry of days upon submitting the report to Parliament or the relevant county assembly, the Auditor-General shall publicise the report on their official website and other public spaces.

#### **CLAUSE 39**

**THAT**, clause 39 be deleted.

#### CLAUSE 40

THAT, clause 40 be deleted and replaced with the following new clause—

Auditing of national security organs.

- **40.** (1) In auditing national security organs, the Auditor-General and his or her representatives shall hold an inception meeting, at the highest level, to agree on the areas which may touch on national security and consequently determine the scope of the audit coverage.
- (2) The audit reports on national security organs may be redacted to shield the identities of persons as well as assets and liabilities as the case may be.
- (3) All staff of the Office of the Auditor-General carrying out audit under this section shall undergo a vetting process carried out by the appropriate security agency.

**THAT**, clause 41 subclause (1) of the Bill be amended in paragraph (c) by deleting the words "and approved by Parliament"

#### **CLAUSE 48**

**THAT**, clause 48 be amended by deleting sub clause (5).

#### **CLAUSE 54**

**THAT**, clause 54 be deleted and replaced with the following new clause —

Determination of code of conduct and ethics.

**54.** The Auditor General in discharging his or her functions and responsibilities, shall determine the code of conduct and ethics for all the Public Officers of the Office of the Auditor General which shall be in line with those prescribed by the Constitution, this Act, the Public Officers Ethics Act, 2003 and the relevant professional bodies.

#### **CLAUSE 60**

THAT, clause 60 be amended—

- (a) in subclause (1) by deleting paragraphs (e), (f) and (g); and
- (b) by deleting sub clause (2) and substituting therefor the following new sub clause—
  - "(2) An officer of the office of the Auditor-General who commits an offence under subsection (1) shall be disciplined in line with the code of ethics of the profession and where necessary criminal proceedings shall be preferred."

#### **CLAUSE 67**

**THAT**, clause 67 be deleted.

#### **CLAUSE 68**

**THAT**, clause 68 be amended by deleting the words "the Cabinet Secretary responsible for finance in consultation with".

#### **CLAUSE 72**

**THAT**, clause 72 be deleted.

#### **CLAUSE 74**

**THAT**, clause 74 be amended in sub clause (2) by deleting paragraph (f).

#### The House resolved on Wednesday, February 11, 2015 as follows:-

- Report of a Committee, including a Report of a Joint Committee of the Houses of Parliament, a Sessional Paper or any other Report submited to the House, shall be limited as follows: A maximum of sixty (60) minutes for the Mover in moving and thirty (30) minutes in replying, and a maximum of ten (10) minutes for any other Member speaking, except the Leader of the Majority Party and the Leader of the Minority Party, who shall be limited to a maximum of fifteen (15) minutes each; and that priority shall be accorded to the Leader of the Majority Party and the Leader of the Minority Party, in that Order.
- THAT, notwithstanding the provisions of Standing Order 97(4), each speech in a debate on Bills sponsored by a Committee, the Leader of the Majority Party or the Leader of the Minority Party shall be limited as follows:- A maximum of fourty five (45) minutes for the Mover, in moving and fifteen minutes (15) in replying, a maximum of thirty (30) minutes for the Chairperson of the relevant Committee (if the Bill is not sponsored by the relevant Committee), and a maximum of ten (10) minutes for any other Member speaking, except the Leader of the Majority Party and the Leader of the Minority Party, who shall be limited to a maximum of fifteen Minutes (15) each (if the Bill is not sponsored by either of them); and that priority in speaking shall be accorded to the Leader of the Majority Party, the Leader of the Minority Party and the Chairperson of the relevant Departmental Committee, in that Order.

..... Notice Paper

### **NOTICE PAPER**

#### **Tentative business for**

#### Thursday, March 26, 2015

(Published pursuant to Standing Order 38(1)

It is notified that the House Business Committee, at their last meeting, approved the following *tentative* business to appear in the Order Paper for Thursday, March 26, 2015:-

# SPECIAL JOINT SITTING OF PARLIAMENT - PRESIDENTIAL ADDRESS