

NATIONAL ASSEMBLY

OFFICIAL REPORT

Thursday, 18th October 2018

The House met at 2.30 p.m.

[The Speaker (Hon. Justin Muturi) in the Chair]

PRAYERS

QUORUM

Hon. Speaker: I direct that the bell be rung.

(The Quorum Bell was rung)

Very well. We now have quorum. We can commence business.

PETITION

Hon. Speaker: Hon. Members, I had already approved a petition by the Member for Kathiani, Hon. Mbui, who is still in Kathiani or such like places. He will move the Petition next week. Hon. Melly, do you have a petition? We are not yet there. We are considering petitions in Order No.4.

(Petitions deferred)

Let us move to the next Order.

PAPERS LAID

(Hon. Aden Duale consulted Hon. Julius Melly)

Hon. Aden Duale (Garissa Township, JP): Hon. Speaker, I am sorry I was discussing exam issues with the Chair of the Departmental Committee on Education and Research.

Hon. Speaker, I beg to lay the following Papers on the Table of the House:

The Reports of the Auditor-General and Financial Statements in respect of the following institutions for the year ended 30th June 2017 and the certificates therein:

- (a) University of Kabianga.
- (b) Maasai Mara University.
- (c) Sunset Hotel Limited.
- (d) Maseno University.
- (e) Kenya Animal Genetic Resources Centre.

- (f) Multimedia University.
- (g) Revenue Statement for the Office of the Attorney General and Department of Justice, and,
- (h) Kenya Veterinary Vaccines Production Institute.

The Reports of the Auditor-General and Financial Statements in respect of the following constituencies for the year ended 30th June 2017 and the certificates therein:

- (a) Bahati.
- (b) Webuye East.
- (c) Nambale.
- (d) Turkana North.
- (e) Kajiado East.
- (f) Konoin.
- (g) Eldama Ravine.
- (h) Bureti.
- (i) Belgut.
- (j) Sigowet/Soin.
- (k) Narok West, and,
- (l) Mogotio.

Hon. Speaker: Let us have the Chairperson of the Departmental Committee on Education and Research.

Hon. Julius Melly (Tinderet, JP): Hon. Speaker, I beg to lay the following Paper on the Table of the House:

The Report of the Departmental Committee on Education and Research on the Petition on the Sweeping Reforms in Kenyan Public Universities.

Hon. Speaker: Let us move to the next Order.

QUESTIONS

Hon. Speaker: Let us have the Member for Rongai Constituency, Hon. Kipruto Moi.

Question No.072/2018

ELECTRICITY CONNECTION TO PRIMARY SCHOOLS IN RONGAI CONSTITUENCY

Hon. Kipruto Moi (Rongai, KANU): Hon. Speaker, I beg to ask the following:

Could the Cabinet Secretary for Energy and Petroleum consider connecting power to the following primary schools in Rongai Constituency as mandated by the Government policy to connect power to all schools in Kenya:

1. Ruiyobei Primary School;
2. Ngendaptich Primary School;
3. Koimugul Primary School; and,
4. Sigito Primary School;

Hon. Speaker: The Question is referred to the Departmental Committee on Energy to prioritise for the Cabinet Secretary.

Let us have the Member for Rongai again.

Question No.073/2018

CONSTRUCTION OF DAMS AND PANS IN RONGAI CONSTITUENCY

Hon. Kipruto Moi (Rongai, KANU): Thank you, Hon. Speaker for the second opportunity. This time round my Question is directed to the Cabinet Secretary for Water and Sanitation.

What projects has the Ministry put in place regarding construction of dams and pans in Rongai Constituency for provision of water for irrigation and households?

Hon. Speaker: The Question is referred to the Departmental Committee on Environment and Natural Resources for prioritisation when the Cabinet Secretary appears to respond to Questions.

Let us have the Member for Eldas.

Question No.074/2018

MEASURES TO RESTORE POWER IN WAJIR TOWN

Hon. Adan Keynan (Eldas, JP): Thank you, Hon. Speaker. I wish to ask the following Questions directed to the Cabinet Secretary for Energy and Petroleum:

(a) What is the Ministry doing to restore power in Wajir Town which has been without power from 24th September to date?

(b) What is the Ministry doing to solve the recurring power outage in Wajir Town?

(c) Is the Ministry compensating the Wajir business community for the losses incurred as a result of the power outages?

(d) What plans has the Ministry put in place to connect the whole of Wajir County to the National Grid like in other parts of the country?

Hon. Speaker, you can imagine that the headquarters of a county like Wajir has been without power from 24th September to date. It has been in total darkness. We did everything possible. The engineers were there but nothing has happened. Therefore, the only option we have is to use the Floor of this House to appeal to the Cabinet Secretary to urgently intervene with regard to this situation so that the people of Wajir can benefit from this very important service, just like His Excellency the President directed two days ago.

Currently, the town is suffering. Nobody is giving plausible explanations on what has happened, why the generators are not working and when power will be restored. I hope the Cabinet Secretary will provide answers to those questions at the earliest opportunity.

Hon. Speaker: You are lucky because the Vice-Chair of the Committee that will deal with that issue is just right behind you. He is nodding because he will give it absolute priority. Hon. Pukose is nodding because he can tell that it is urgent.

Hon. Pukose, do you want to say something on this Question?

Hon. (Dr.) Robert Pukose (Endebess, JP): Thank you, Hon. Speaker. I assure the Member for Eldas Constituency and Hon. Moi of Rongai Constituency that the Committee will prioritise the issues they have raised and have the Cabinet Secretary for Energy and Petroleum to address them. More importantly, we will engage the CEOs of the Rural Electrification Authority (REA) and the Kenya Power and Lighting Company (KPLC) to prioritise those matters, restore

power to Wajir and make sure that the schools that have been mentioned are connected to power. We will take the matter seriously.

Hon. Speaker: Very well. It is only that the Member for Rongai, Hon. Kipruto Moi, assumed that his role was just to rise and ask the Question. He has already taken off. He is one of those Members who have a problem sitting in the House for more than 10 minutes. He is certainly not in the House. He is not a very regular attendee. He may be regular but I do not think he has the capacity to sit in the Chamber for more than 10 minutes. He has already taken off.

Hon. Members, the next Question was to be asked by the Member for Bomet Central Constituency, Hon. Ronald Tonui. He has called to say that he is held up in the constituency and wishes that the Question is deferred, which request has been acceded to. He will ask the Question next week or at the next earliest opportunity.

Question No.079/2018

TENDER AWARDS FOR CONSTRUCTION OF PROJECTS
AT BOMET UNIVERSITY COLLEGE

(Question deferred)

Hon. Members, before we proceed, allow me to recognise the presence in the Speaker's Gallery of the following persons: Students from Maasai Secondary, Narok North Constituency in Narok County; and distinguished Members of the County Assembly of Bungoma - the Committee on Delegated Legislation from the County Assembly of Bungoma.

They are all welcome to observe the proceedings.

In the Public Gallery, I would like to recognise the presence of students from Moi Airbase Academy in Kamukunji Constituency, Nairobi County; Kilimani Primary School in Westlands Constituency, Nairobi County; and Goshen Academy in Kajiado East Constituency, Kajiado County.

All are welcome to observe proceedings in the National Assembly this afternoon.

Leader of the Majority, do you have a Statement?

STATEMENT

BUSINESS FOR THE WEEK COMMENCING 23RD TO 25TH OCTOBER 2018

Hon. Aden Duale (Garissa Township, JP): Hon. Speaker, pursuant to the provisions of Standing Order No.44(2)(a), I rise to give Statement, on behalf of the House Business Committee.

The Committee met on Tuesday this week at the rise of the House to give priority to business for consideration. On Tuesday next week, we will consider in the Committee of the whole House, the Health Laws (Amendment) Bill (National Assembly Bill No.14 of 2018) and the Statute Law (Miscellaneous Amendments) Bill (National Assembly Bill No.12 of 2018) and the Second Reading of the following Bills –

1. The Warehouse Receipt System Bill (Senate Bill No.10 of 2017);
2. The County Governments (Amendment) Bill (Senate Bill No.11 of 2017);

3. The Parliamentary Service Commission Bill (National Assembly Bill No.6 of 2018); and,
4. The Kenya Accreditation Service Bill (National Assembly Bill No.17 of 2018).

In accordance with the provisions of Standing Orders, I wish to convey that, having consulted with the Chairpersons of the Departmental Committees on Education and Research, Labour and Social Welfare, Energy; and Agriculture and Livestock, the following Questions are scheduled for reply:

- (1) The Cabinet Secretary for Education will appear before the Departmental Committee on Education and Research on Tuesday 23rd October 2018 to answer Question No.009/2018 from Hon. Peter Kaluma; Question No.022/2018 from Hon. Gideon Koske and Question No.030/2018 from Hon. Caleb Kositany.
- (2) The Cabinet Secretary for Transport, Infrastructure, Housing and Urban Development will appear before the Departmental Committee on Labour and Social Welfare on Tuesday 23rd October 2018 to answer Question No.034/2018 from Hon. Abdullswamad Sheriff before the Departmental Committee on Transport, Public Works and Housing, Question No.010/2018 from Hon. Florence Mutua and Question No.035/2018 from Hon. Abdullswamad Sheriff Nassir.
- (3) The Cabinet Secretary for Petroleum and Mining will appear before the Departmental Committee on Energy on Thursday 25th October 2018 to answer Question No.062/2018 from the Hon. Abdikhaim Osman Mohamed.
- (4) The Cabinet Secretary for Agriculture and Livestock is scheduled to appear before the Departmental Committee on Agriculture and Livestock on Tuesday 30th October 2018 to answer Question No.017/2018 from Hon. Sakwa Bunyasi, Question No. 004/2018 from Hon. (Dr.) Otiende Amollo and Question No. 005/2018 from Hon. Qalicha Gufu Wario and Question No. 006 from Hon. Silas Tiren.

Hon. Speaker, may I remind Members that, in accordance with the Calendar of the House, we are scheduled to go on a short recess on Friday 26th October 2018 for a week. It is for this reason we are consolidating business so as to conclude it within the timeframe given by the calendar.

Finally, the HBC will reconvene on Tuesday 23rd October 2018 at the rise of the House to consider business for the coming week. At the Liaison Committee sitting yesterday, which was chaired by the Deputy Speaker, we also agreed that Chairs must fast track various Reports concerning various Bills that have gone through First Reading and table their Reports by next week. It is also for Chairs of Committees to consider the various treaties and agreements that the House must ratify and are pending before various Committees.

It is now my wish to lay this Statement on the Table of the House.

Thank you.

Hon. Speaker: Very well. Of course, we must commend the various Departmental Committees and the Special Funds Account Committee all of who have been able to table Reports. It must worry the House that the two watchdog Committees, the oldest Committees, the Public Accounts Committee (PAC) and the Public Investments Committee (PIC) have not. It is more than one year now and they have not tabled a Report. They have not even indicated whether they are anywhere near bringing Reports or what it is that they are doing.

Indeed, the Leader of the Majority Party and the Leader of the Minority Party have agreed to have a meeting with the Chairs of those two watchdog Committees. We think that they may be getting fascinated by stories they read in social media and have stopped dealing with

Reports of the Auditor General which is their core responsibility. To Members of those two Committees who are here because I do not see the two Chairs, your primary duty is to consume the Reports that come from the Auditor General. Stop getting attracted by what you read on social media or see on television screens. It appears like you have completely forgotten that your key responsibility is to deal with the Reports of the Auditor General. Deal with the query where he has raised one. Forget about what you may have read in the social media or seen on television.

You know the previous Public Investments Committee under the then able leadership of Hon. Keynan was able to produce many Reports in the last Parliament. But, the Public Accounts Committee of the 11th Parliament spent most of its time chasing bank accounts, things that they were reading in newspapers. At the end of it all, the county governments who are supposed to get not less than 15 per cent of the latest audited accounts of the national revenue as approved by the National Assembly continue to rely on revenues of 2012/2013 or 2013/2014 because we still see the Committee chaired by Hon. Wandayi excited about small things.

(Laughter)

Reports of the Auditor General are every now and then being tabled here. What are these Committees doing? They are dealing with the 2014/2015 audited accounts. When they bring the Report that is what will be the basis of the revenue allocation to the counties, indeed, they are the ones who are stifling county governments. You need to have some work done. We are very soon going to propose a Motion to compel that Committee to consider the accounts of 2014/2015, 2015/2016 and 2016/2017 concurrently.

(Applause)

Hon. Ndindi Nyoro (Kiharu, JP): On a point of information.

Hon. Speaker: Informing who? You are a young man. You should just relax. You do not even seem to know what you are.... This is the problem. Read the Standing Orders so that you can understand when you can make interjections.

It is an unfair situation which must not be allowed to continue. This House has a responsibility to ensure that the county governments get the fair share of revenues based on the latest audited accounts as approved by the National Assembly. That is the constitutional dictate. When you are dealing with those ones of 2014/2015 and then you want to table a Report mid-2019, you are not serious. Everybody in this country is duty bound to defend and protect devolution. It is the primary responsibility of this House, through the Public Accounts Committee to ensure that that happens.

So, those two Committees are put on notice – the Public Accounts Committee and the Public Investments Committee. Members of those Committees do not just start saying you want to rise on a point of information. I would have seen the Reports if there was any information. I am approving Reports every day. They are from various Departmental Committees and I must commend them. I have not seen any Report from PAC and PIC. Indeed, even the Budget and Appropriations Committee produces Reports. It is on the Order Paper. There is that form the Special Funds Account Committee which is the latest of our Committees. They have already tabled a Report that is being debated. The PAC is the oldest Committee known in any democracy yet it has no Report, 12 months down the road. What is the justification?

Members of that Committee who may be here, including those who think that they have information, please, give the information to the Chair of your Committee so that you bring a Report to the House. The House will see what it is you have been doing.

Let us proceed to the next Order.

Hon. Owen Baya (Kilifi North, ODM): Hon. Speaker....

Hon. Speaker: Not on that. That is not business. It is never done like that, Member for Kilifi North. I think this Member is really disturbed. What is the problem? This Member should be given some one week tutorial on the Standing Orders.

(Laughter)

He wants to raise his hand every day and say he wants to comment. About what? I see you almost every day because you are a very regular Member. One thing I must commend you about, Member for Kilifi North, is that you are a very active Member of the House.

Let us proceed to the next business, next Order.

BILL

Second Reading

THE SUPPLEMENTARY APPROPRIATION BILL

(Hon. Kimani Ichung'wah on 17.10.2018)

(Resumption of Debate interrupted on 17.10.2018)

Hon. Speaker: Hon. Members, debate on this Bill was concluded yesterday and what remained was for the Question to be put, which I hereby do.

(Question put and agreed to)

(The Bill was read a Second Time and committed to a Committee of the whole House today by leave of the House)

Hon. Speaker: The Leader of the Majority Party.

Hon. Aden Duale (Garissa Township, JP): Hon. Speaker, I want to draw your attention to Order No. 10 on Committee of the whole House. Through your indulgence, I urge that I step down items (ii) and (iii) because the amendment on the Urban Areas and Cities (Amendment) Bill are amendments of the Chair and have serious fundamental ramifications. The Bill also has money issues and having consulted the Cabinet Secretary in charge of National Treasury and the Chair of the Committee, we have agreed to do more consultations. This is also the case with the Health Laws. I need time to consult with the Chair of the Departmental Committee on Health, Hon. Sabina who has just walked in, and other stakeholders. There are a number of items the Committee is deleting, and being the originator of the Bill, I need the Government, State Law Office and myself, to be convinced of the action the Committee is taking. I really request that the above items in the Committee of the whole House be deferred to next week.

The other thing is that the Supplementary Appropriation Bill touches on our NG-CDF. We are unable to get our allocation because of this Bill. I want to request you to rearrange the order of business so that we dispose of that item when we have the quorum to put the Question. After that, we can go back to the other items.

Hon. Speaker: Well, I can see the Hon. Member for Seme is certainly amused by that and he would have no objection to that request. Therefore, this is going to be the order.

(Hon. Ahmed Kolosh walked in the gangways)

That Hon. Member has assumed that he is in his constituency. You are in the Chamber of the National Assembly! Is he a Member for Wajir?

Hon. Members: Yes.

Hon. Speaker: Yes, and he is a Member of one of the Committees that is giving us problems by not producing Reports.

Hon. Members, this is going to be the order of business. I know the Chair of the Special Funds Committee, Hon. Kathuri Murungi Member for Imenti South, is keen to proceed moving his Report and I must commend him because this is the youngest committee of the House and they have been able to produce a Report within a very short time. It just speaks to the leadership. If you see these things happen, you will know that it has a reflection on the leadership. The Chair must be a person who is committed to the work of that Committee. Hon. Kathuri, this is commendable, you have done a good job but we also want to encourage you to proceed in that manner, take another set of constituencies including those of political parties, funds for women and youth funds. Please, help the House to know where they are headed so that it is not just the white ribbons, we also want to know managerial ability or capabilities in those funds.

I had been requested to defer items (ii) and (iii) of Order No. 10 to allow for further consultations. So, Urban Areas and Cities (Amendment) Bill and Health Laws (Amendment) Bill are taken out of the Order Paper for further consultations.

So, when we will move to Order No. 10 which is Committee of the whole House, I will request Hon. Members to remain present if what the Leader of the Majority Party has said is to take effect. You must not have less than 50 Members present, including the Member for Rongai - if somebody can fish him from wherever he may have hidden himself after asking his Question. He represents a constituency and what the Leader of the Majority Party has raised is about the Supplementary Appropriation Bill. If you are like minded, you should be able to conclude it today, so that possibly it can be assented to become law first thing tomorrow morning. This is just to encourage you and those that are coming in now because they may not know why they are remaining here. Encourage them to remain around because it is important. The funds for women and all the other funds are all affected by the Supplementary Appropriation Bill.

We will move to the next Order but when the House concludes consideration of business in the Committee of the whole House, it will revert to Order No. 9 so that the Member for Imenti South can continue moving his Report.

(Hon. Benjamin Washiali stood in his place)

Member for Mumias East, the Majority Whip, do you want to say something?

Hon. Benjamin Washiali (Mumias East, JP): Hon. Speaker I was rising for us to go to the Committee of the whole House.

Hon. Speaker: I can see the Majority Whip has been very attentive because of the mention of the NG-CDF.

Member for Mwingi, I have difficulties to know when you are standing and when you are sitting, especially when you sit next to Hon. Momanyi whom you share some features.

We are on Order No. 10.

COMMITTEE OF THE WHOLE HOUSE

(Order for Committee read)

[The Speaker (Hon. Justin Muturi) left the Chair]

IN THE COMMITTEE

[The Chairman (Hon. Moses Cheboi) took the Chair]

THE SUPPLEMENTARY APPROPRIATION (NO.2) BILL

Hon. Chairman: Order Members! We are now going to the Committee of the whole House, on Supplementary Appropriation (No. 2) Bill, (National Assembly Bill No. 23 of 2018). Members will have to be very attentive because we will be moving very fast.

Clause 2

Hon. Kimani Ichung'wah (Kikuyu, JP): Hon. Chairman, I beg to move:

THAT, Clause 2 be amended by deleting the words "one billion, five hundred million shillings" and substituting therefor the words "forty-seven billion two hundred and fifty-four million sixty-six thousand forty-eight shillings" and in the marginal note by deleting the figure "1,500,000,000" and substituting therefor the figures "47,254,066,048"

Hon. Chairman: Some justification so that Members can be up to speed.

Hon. Kimani Ichung'wah (Kikuyu, JP): Hon. Chairman, this relates to the increment that we did. This is the only increment we made when we were doing the Supplementary Bill, the increment of Kshs 1.5 billion to the Judiciary is what has occasioned that amendment. The net effect is just that Kshs1.5 billion for the Judiciary.

(Question of the amendment proposed)

Hon. Chairman: I see Members who want to speak to it. Hon. Maanzo.

Hon. Daniel Maanzo (Makueni, WDM- K): Thank you, Hon. Chairman. The allocation to the Judiciary is very important. You know there are many courts in various part of the country that had stalled, but now with this allocation, they are going to move.

Hon. Chairman: Okay, Hon. Mabongah Mwambu.

Hon. Mwambu Mabongah (Bumula, Independent): No.

*(Question, that the words to be left out
be left out, put and agreed to)*

(Question, that the words to be inserted in place thereof be inserted, put and agreed to)

(Clause 2 as amended agreed to)

(Clause 3 agreed to)

Clause 4

Hon. Kimani Ichung'wah (Kikuyu, JP): Hon. Chairman, I beg to move:

THAT, the Bill be amended in clause 4 by inserting the expression "D1096" immediately after "D1091" and "D1211" immediately after "D1204"

Basically, all we are doing is introducing the new votes that I spoke to yesterday during debate because of the effects of the Executive Order that created new votes for new departments in Government like housing.

Hon. Chairman: What is it, Hon. Wakhungu Wamalwa of Kiminini?

Hon. (Dr.) Chris Wamalwa (Kiminini, FORD-K): Thank you, Hon. Chairman. When the chairman was trying to give a justification, it is actually per what he explained yesterday. We wanted him to give full disclosure as we move on. Some Members were not in yesterday.

Thank you.

Hon. Chairman: What is it, Leader of the Majority Party?

Hon. Aden Duale (Garissa Township, JP): Hon. Chairman, there is nothing to disclose. Everything is in the Order Paper. I have said it many times: this Chamber cannot be a tutorial centre. We cannot teach you. It is in the Order Paper. You have the Order Paper and the votes are there. If you do not want to read the Order Paper, we will not be here to teach other people. Hon. Wamalwa is one of the serious Members and he is my good friend. I am sure he came late.

Hon. Chairman: I do not think it is about his coming late. I think he was very busy with constitutional matters. You know he handles very serious issues. And he is recuperating from the effects of yesterday. But I think what he said is justifiable because sometimes Members do not have enough time to go through all these things. So it is good to give some details.

(Question of the amendment proposed)

I will give opportunity to two Members. I can see Hon. (Dr.) Makali Mulu. Hon. Mulu, it is not proper that you have placed your card here. I know you are a finance guru, so when you log in I assume that you want to speak to some of these things.

Hon. Makali Mulu (Kitui Central, WDM-K): Yes, Hon. Chairman. I was just trying to get the details so that we help my friend Wamalwa to appreciate what we are doing. What is happening is that through the Executive Order, which has re-organised some departments in the Government, as a budget committee we had to create new vote heads because now we are getting some new AIE holders. So, all these changes are to factor in that Executive Order. That is what is happening and so I support.

Hon. Chairman: Hon. Kisang.

Hon. William Kisang (Marakwet West, JP): Thank you, Hon. Chairman. During the first budget, the Ministry of ICT had just one vote and then in the Executive Order II there is a new

department that was created. I believe this amendment is to take care of the new vote heads that were created in the Executive Order II, so I support.

Hon. Chairman: What is your point of order, Hon. Yaa?

Hon. Owen Baya (Kilifi North, ODM): Hon. Chairman, I am looking at the “D1211” and “D1204” in the Order Paper where the chairman referred us to but I cannot find those vote heads.

Hon. Chairman: What do you want clarified?

Hon. Owen Baya (Kilifi North, ODM): I would like to see where his “D1204” and “D1211” are in the Order Paper he referred us to.

Hon. Kimani Ichung'wah (Kikuyu, JP): Hon. Chairman, the Whip of the Minority Party, Hon. Junet Mohamed, is shouting from across that I ask the Member to go to Room 8. It is what the Leader of the Majority Party said. It is important that we get time to be able to follow. If you go to the original Bill, *Mheshimiwa* Baya, you will find all those things you are asking.

Hon. Chairman: If I am not wrong, Vote D1204 deals with State Department for Wildlife and so does Vote D1211. Have you seen it? So, Members, it will be very difficult for the Chairman of the Budget and Appropriations Committee to be pinpointing everything that you would want clarified. You go through the details by yourself. In any case, they are in the Order Paper, so you can check.

*(Question, that the words to be inserted
be inserted, put and agreed to)*

(Clause 4 as amended agreed to)

New Clause 3A

Hon. Chairman: Hon. Ichung'wah, move for Second Reading.

Hon. Kimani Ichung'wah (Kikuyu, JP): Hon. Chairman, I beg to move:

THAT, the Bill be amended by inserting the following new clause immediately after clause 3-

Appropriations- in-Aid

3A In addition to the sum granted by section 2, the sum specified in the fourth column of the First and Second Schedules shall be applied for the several services and purposes specified in the second column of those Schedules, out of revenue directed to be applied outside the consolidated fund under Article 206(1) (b) of the Constitution.

The new clause relates to A-in-A that was not there in the original Bill. It did not have any figures on A-in-A. So, we are introducing the new clause to create them. And you have seen in the Schedule we now have figures for the A-in-A.

(Question of the new clause proposed)

(New clause read the First Time)

*(Question, that the new clause be
read a Second Time, proposed)*

Hon. Chairman: Hon. Oundo Ojiambo, do you want to speak to this?

Hon. (Dr.) Wilberforce Oundo (Funyula, ODM): Hon. Chairman, not on this one.

Hon. Chairman: Not on this, but you have gone on record anyway.

Hon. Mabongah Mwambu, Member for Bumula.

(Hon. Mwambu Mabongah spoke off record)

As long as your name is here, I assume that you want to speak. Do you want to speak to this? Okay. Hon. Makali Mulu.

Hon. Makali Mulu (Kitui Central, WDM-K): Thank you, Hon. Chairman. I want to support this amendment because A-in-A is very important as we budget. But even as I support, it is important that I say what I am going to say. This is one of the areas where we have been having challenges in terms of disclosure. There are a number of MDAs who hardly disclose what they collect. As a result of that, there is no full accountability on the resources. So, even as we increase these resources, I would urge MDAs to make sure that they provide full disclosure when it comes to A-in-A and then follow up on the collections so that we improve our revenue generation.

(Question, that the new clause be read a Second Time, put and agreed to)

(The new clause was read a Second Time)

(Question, that the new clause be added to the Bill, put and agreed to)

Hon. Chairman: Hon. Chairman, you have an amendment to the First Schedule?

First Schedule

Hon. Kimani Ichung'wah (Kikuyu, JP): Hon. Chairman, I beg to move:

THAT, the First Schedule be deleted and replaced with the following new Schedule:

	FIRST SCHEDULE		
(1)	(2)	(3)	(4)
Vote No.	Service or Purpose	Supply	Supplementary Appropriations in Aid
	Recurrent Expenditure		
R1094	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Housing and Urban Development in the following programmes	741,396,411	-
	0102000 Housing Development and Human Settlement	364,295,765	-

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	0105000 Urban and Metropolitan Development	172,464,286	-
	0106000 General Administration Planning and Support Services	204,636,360	-
R1095	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Public Works in the following programmes	1,610,039,251	4,000,000
	0102000 Housing Development and Human Settlement	7,317,410	-
	0103000 Government Buildings	347,532,830	-
	0104000 Coastline Infrastructure and Pedestrian Access	79,236,243	-
	0106000 General Administration Planning and Support Services	253,522,481	4,000,000
	0218000 Regulation and Development of the Construction Industry	922,430,287	-
R1202	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Tourism in the following programmes	1,629,730,321	1,130,000,000
	0307000 Trade Development and Promotion	137,337,200	2,000,000
	0306000 Tourism Development and Promotion	1,492,393,121	1,128,000,000
R1203	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Wildlife in the following programmes	2,216,607,316	3,347,867,000
	1019000 Wildlife Conservation and Management	2,216,607,316	3,347,867,000
R1213	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Public Service in the following programmes	5,282,839,312	90,850,000
	0710000 Public Service Transformation	1,280,253,878	90,850,000
	0709000 General Administration Planning and Support Services	4,002,585,434	-
R1214	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Youth in the following programmes	6,536,356,507	90,200,000
	0711000 Youth Empowerment	6,536,356,507	90,200,000
	SUBCLASS TOTAL	18,016,969,118	4,662,917,000
(1)	(2)	(3)	(4)

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Vote No.	Service or Purpose	Supply	Supplementary Appropriations in Aid
	Development Expenditure		
D1094	The amount required in the year ending 30th June, 2019 for development expenses of the State Department for Housing and Urban Development in the following programmes	20,643,042,217	4,552,000,000
	0102000 Housing Development and Human Settlement	6,086,892,279	487,000,000
	0105000 Urban and Metropolitan Development	14,556,149,938	4,065,000,000
D1095	The amount required in the year ending 30th June, 2019 for development expenses of the State Department for Public Works in the following programmes	1,903,291,805	-
	0103000 Government Buildings	1,423,971,693	-
	0104000 Coastline Infrastructure and Pedestrian Access	332,325,620	-
	0106000 General Administration Planning and Support Services	47,821,992	-
	0218000 Regulation and Development of the Construction Industry	99,172,500	-
D1202	The amount required in the year ending 30th June, 2019 for development expenses of the State Department for Tourism in the following programmes	2,050,000,000	-
	0306000 Tourism Development and Promotion	2,050,000,000	-
D1203	The amount required in the year ending 30th June, 2019 for Development expenses of the State Department for Wildlife in the following programmes	873,250,000	245,016,000
	1019000 Wildlife Conservation and Management	873,250,000	245,016,000
D1213	The amount required in the year ending 30th June, 2019 for development expenses of the State Department for Public Service in the following programmes	997,459,359	-
	0710000 Public Service Transformation	997,459,359	-
D1214	The amount required in the year ending 30th June, 2019 for development expenses of the State Department for Youth in the following programmes	1,270,053,549	-
	0711000 Youth Empowerment	1,270,053,549	-
D1261	The amount required in the year ending 30th June, 2019 for development expenses of the Judiciary in the following	1,500,000,000	-

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	programmes.....		
	0610000 Dispensation of Justice	1,500,000,000	-
	SUBCLASS TOTAL	29,237,096,930	4,797,016,000
	CLASS TOTAL	47,254,066,048	9,459,933,000

The First Schedule as indicated has all the new votes that have come into effect because of the Executive Order and also the one increment that we did to the Judiciary of Kshs1.5 billion. That is why the figure has moved to 47,254,066. That is as a result of the Kshs1.4 billion for the Judiciary.

Hon. Chairman: So, what you are proposing is a deletion and a replacement with the New Schedule.

(Question of the amendment proposed)

Hon. Wamalwa, you have a contribution on this one?

(Question, that the words to be left out be left out, put and agreed to)

(Question, that the words to be inserted in place thereof be inserted, put and agreed to)

(First Schedule as amended agreed to)

Second Schedule

Hon. Kimani Ichung'wah (Kikuyu, JP): Hon. Chairman, I beg to move:

THAT, the Second Schedule be deleted and be replaced with the following new Schedule:

SECOND SCHEDULE			
(1)	(2)	(3)	(4)
Vote No.	Service or Purpose	Supply	Supplementary Appropriations in Aid
	Recurrent Expenditure		
R1011	The amount required in the year ending 30th June, 2019 for current expenses of the Presidency in the following programmes.....	(323,000,976)	-
	0702000 Cabinet Affairs	(77,917,764)	-
	0703000 Government Advisory Services		

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		(13,028,641)	-
	0704000 State House Affairs	(116,544,145)	-
	0734000 Deputy President Services	(115,510,426)	-
R1021	The amount required in the year ending 30th June, 2019 for current expenses of the State Department of Interior in the following programmes	(376,922,019)	
	0601000 Policing Services	(257,146,319)	
	0602000 Planning, Policy Coordination and Support Service	(88,701,507)	-
	0603000 Government Printing Services	(1,809,560)	-
	0605000 Population Management Services	(23,289,695)	-
	0624000 Betting Control, Licensing and Regulation Services	(5,974,938)	-
R1023	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Correctional Services in the following programmes	(255,312,396)	-
	0602000 Planning, Policy Coordination and Support Service	(6,806,761)	-
	0604000 Correctional services	(220,094,443)	-
	0623000 General Administration, Planning and Support Services	(28,411,192)	-
R1024	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Immigration and Citizen Services in the following programmes.....	(91,689,182)	-
	0605000 Population Management Services	(91,689,182)	-
R1032	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Devolution in the following programmes	(96,072,285)	-
	0712000 Devolution Services	(38,887,880)	-
	0732000 General Administration, Planning and Support Services	(16,628,095)	-
	0713000 Special Initiatives	(40,556,310)	-
R1035	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Development of ASAL in the following programmes	(47,421,981)	-

		
	0733000 Accelerated ASAL Development	(47,421,981)	-
R1041	The amount required in the year ending 30th June, 2019 for current expenses of the Ministry of Defence in the following programmes	(42,980,205)	-
	0803000 General Administration, Planning and Support Services	(42,980,205)	-
R1052	The amount required in the year ending 30th June, 2019 for current expenses of the Ministry of Foreign Affairs in the following programmes.....	(179,548,051)	-
	0714000 General Administration Planning and Support Services	(34,505,843)	-
	0715000 Foreign Relation and Diplomacy	(139,507,019)	-
	0741000 Economic and Commercial Diplomacy	(3,879,167)	-
	0742000 Foreign Policy Research, Capacity Dev and Technical Cooperation		
		(1,656,022)	-
R1064	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Vocational and Technical Training in the following programmes.....	(1,328,458,809)	-
	0505000 Technical Vocational Education and Training	(1,314,145,096)	-
	0507000 Youth Training and Development	(2,951,207)	-
	0508000 General Administration, Planning and Support Services	(11,362,506)	-
R1065	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for University Education in the following programmes	(841,042,919)	-
	0504000 University Education	(755,693,856)	-
	0506000 Research, Science, Technology and Innovation	(50,298,916)	-
	0508000 General Administration, Planning and Support Services	(35,050,147)	-
R1066	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Early Learning & Basic Education in the following programmes	(487,319,184)	-
	0501000 Primary Education		

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		(320,493,397)	-
	0502000 Secondary Education	(27,473,187)	-
	0503000 Quality Assurance and Standards	(35,241,973)	-
	0508000 General Administration, Planning and Support Services	(104,110,627)	-
R1071	The amount required in the year ending 30th June, 2019 for current expenses of the National Treasury in the following programmes	(565,719,788)	-
	0717000 General Administration Planning and Support Services	(363,468,545)	-
	0718000 Public Financial Management	(148,676,779)	-
	0719000 Economic and Financial Policy Formulation and Management	(42,851,358)	-
	0720000 Market Competition	(6,780,000)	-
	0740000 Government Clearing Services	(3,943,106)	-
R1072	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Planning in the following programmes	(286,361,855)	-
	0703000 Government Advisory Services	(4,367,200)	-
	0706000 Economic Policy and National Planning	(65,701,473)	-
	0707000 National Statistical Information Services	(165,391,366)	-
	0708000 Monitoring and Evaluation Services	(9,529,335)	-
	0709000 General Administration Planning and Support Services	(41,372,481)	-
R1081	The amount required in the year ending 30th June, 2019 for current expenses of the Ministry of Health in the following programmes	(22,043,602)	-
	0401000 Preventive, Promotive & RMNCAH	(23,955,757)	-
	0402000 National Referral & Specialised Services	(2,295,675)	-
	0404000 General Administration, Planning & Support Services	21,449,564	-
	0405000 Health Policy, Standards and Regulations	(17,241,734)	-
R1091	The amount required in the year ending 30th June, 2019 for current expenses of the State Department of Infrastructure in the following programmes.....	(33,976,483)	-

	0202000 Road Transport	(33,976,483)	-
R1092	The amount required in the year ending 30th June, 2019 for current expenses of the State Department of Transport in the following programmes.....	(26,753,152)	-
	0201000 General Administration, Planning and Support Services	(7,776,332)	-
	0204000 Marine Transport	(7,725,558)	-
	0205000 Air Transport	(2,082,031)	-
	0216000 Road Safety	(9,169,231)	-
R1093	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Maritime Affairs in the following programmes.....	(18,082,641)	-
	0220000 Shipping and Maritime Affairs	(18,082,641)	-
R1096	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Housing, Urban Development and Public Works in the following programmes.....	(2,431,394,955)	(4,000,000)
	0102000 Housing Development and Human Settlement	(386,773,556)	-
	0103000 Government Buildings	(352,112,980)	-
	0104000 Coastline Infrastructure and Pedestrian Access	(79,983,147)	-
	0105000 Urban and Metropolitan Development	(180,363,972)	-
	0106000 General Administration Planning and Support Services	(481,142,117)	(4,000,000)
	0218000 Regulation and Development of the Construction Industry	(951,019,183)	-
R1107	The amount required in the year ending 30th June, 2019 for current expenses of the Ministry of Water and Sanitation in the following programmes.....	(73,763,466)	-
	1001000 General Administration, Planning and Support Services	(15,388,195)	-
	1004000 Water Resources Management	(17,283,125)	-
	1017000 Water and Sewerage Infrastructure Development	(36,971,096)	-
	1014000 Irrigation and Land Reclamation		

		(2,322,300)	-
	1015000 Water Storage and Flood Control	(1,798,750)	-
R1108	The amount required in the year ending 30th June, 2019 for current expenses of the Ministry of Environment and Forestry in the following programmes.....	(135,752,442)	-
	1002000 Environment Management and Protection	(32,784,920)	-
	1010000 General Administration, Planning and Support Services	(11,595,995)	-
	1012000 Meteorological Services	(10,172,120)	-
	1018000 Forests and Water Towers Conservation	(79,373,867)	-
	1008000 Resources Surveys and Remote Sensing	(1,825,540)	-
R1112	The amount required in the year ending 30th June, 2019 for current expenses of the Ministry of Lands and Physical Planning in the following programmes.....	(18,288,329)	-
	0101000 Land Policy and Planning	(18,288,329)	-
R1122	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Information Communications and Technology & Innovation in the following programmes.....	(68,532,157)	-
	0207000 General Administration Planning and Support Services	(11,315,616)	-
	0210000 ICT Infrastructure Development	(42,470,959)	-
	0217000 E-Government Services	(14,745,582)	-
R1123	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Broadcasting & Telecommunications in the following programmes	(52,081,250)	-
	0207000 General Administration Planning and Support Services	(12,715,200)	-
	0208000 Information And Communication Services	(35,457,050)	-
	0209000 Mass Media Skills Development	(3,909,000)	-
R1132	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Sports Development in the following programmes.....	(29,629,017)	-

	0901000 Sports	(29,629,017)	-
R1152	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Energy in the following programmes	(32,640,000)	-
	0212000 Power Generation	(17,240,000)	-
	0213000 Power Transmission and Distribution	(15,400,000)	-
R1162	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Livestock in the following programmes.....	(27,759,716)	-
	0112000 Livestock Resources Management and Development	(27,759,716)	-
R1165	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Crop Development in the following programmes	(63,720,089)	-
	0107000 General Administration Planning and Support Services	(54,124,195)	-
	0108000 Crop Development and Management	(7,783,183)	-
	0109000 Agribusiness and Information Management	(1,812,711)	-
R1166	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Fisheries, Aquaculture & the Blue Economy in the following programmes.....	(42,001,505)	-
	0111000 Fisheries Development and Management	(11,667,534)	-
	0117000 General Administration, Planning and Support Services	(13,541,346)	-
	0118000 Development and Coordination of the Blue Economy	(16,792,625)	-
R1167	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Irrigation in the following programmes	(12,607,722)	-
	1014000 Irrigation and Land Reclamation	(8,101,175)	-
	1016000 General Administration, Planning and Support Services	(4,506,547)	-
R1168	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for agricultural Research in the following programmes	(105,636,856)	-
	0120000 Agricultural Research & Development	(105,636,856)	-

R1173	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Cooperatives in the following programmes	(24,934,565)	-
	0304000 Cooperative Development and Management	(24,934,565)	-
R1174	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Trade in the following programmes.....	(88,079,793)	-
	0307000 Trade Development and Promotion	(88,079,793)	-
R1175	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Industrialisation in the following programmes	(56,965,435)	-
	0301000 General Administration Planning and Support Services	(20,597,218)	-
	0302000 Industrial Development and Investments	(15,946,641)	-
	0303000 Standards and Business Incubation	(20,421,576)	-
R1185	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Social Protection in the following programmes.....	(247,077,407)	-
	0908000 Social Development and Children Services	(83,406,900)	-
	0909000 National Social Safety Net	(127,371,185)	-
	0914000 General Administration, Planning and Support Services	(36,299,322)	-
R1192	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Mining in the following programmes	(85,791,717)	-
	1007000 General Administration Planning and Support Services	(79,460,638)	-
	1009000 Mineral Resources Management	(6,331,079)	-
R1193	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Petroleum in the following programmes	(15,069,956)	-
	0215000 Exploration and Distribution of Oil and Gas	(15,069,956)	-
R1204	The amount required in the year ending 30th June, 2019 for current expenses of the Ministry of Tourism and Wildlife in the following programmes.....	(4,161,959,178)	(4,477,867,000)
	0307000 Trade Development and Promotion	(140,140,000)	(2,000,000)

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	0306000 Tourism Development and Promotion	(1,645,524,711)	(1,128,000,000)
	1019000 Wildlife Conservation and Management	(2,376,294,467)	(3,347,867,000)
R1211	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Public Service and Youth Affairs in the following programmes.....	(11,941,496,750)	(181,050,000)
	0710000 Public Service Transformation	(1,335,897,638)	(90,850,000)
	0709000 General Administration Planning and Support Services	(4,019,338,213)	-
	0711000 Youth Empowerment	(6,586,260,899)	(90,200,000)
R1212	The amount required in the year ending 30th June, 2019 for current expenses of the State Department for Gender in the following programmes	(49,396,855)	-
	0912000 Gender Empowerment	(28,202,298)	-
	0913000 General Administration, Planning and Support Services	(21,194,557)	-
R1252	The amount required in the year ending 30th June, 2019 for current expenses of the State Law Office and Department of Justice in the following programmes.....	(161,723,492)	-
	0606000 Legal Services	(85,114,152)	-
	0607000 Governance, Legal Training and Constitutional Affairs	(33,557,291)	-
	0609000 General Administration, Planning and Support Services	(43,052,049)	-
R1311	The amount required in the year ending 30th June, 2019 for current expenses of the Office of the Registrar of Political Parties in the following programmes.....	(25,238,157)	-
	0614000 Registration, Regulation and Funding of Political Parties	(25,238,157)	-
R1321	The amount required in the year ending 30th June, 2019 for current expenses of the Witness Protection Agency in the following programmes	(9,677,250)	-
	0615000 Witness Protection	(9,677,250)	-
R2011	The amount required in the year ending 30th June, 2019 for current expenses of the Office of the Kenya National Commission on Human Rights in the following programmes	(10,653,834)	-

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	0616000 Protection and Promotion of Human Rights	(10,653,834)	-
R2021	The amount required in the year ending 30th June, 2019 for current expenses of the National Land Commission in the following programmes	(50,355,386)	-
	0116000 Land Administration and Management	(50,355,386)	-
R2031	The amount required in the year ending 30th June, 2019 for current expenses of the Independent Electoral and Boundaries Commission in the following programmes.....	-	-
	0617000 Management of Electoral Processes	12,054,700	-
	0618000 Delimitation of Electoral Boundaries	(12,054,700)	-
R2041	The amount required in the year ending 30th June, 2019 for current expenses of the Office of the Parliamentary Service Commission in the following programmes.....	(646,867,912)	-
	0722000 Senate Affairs	(399,413,662)	-
	0723000 General Administration, Planning and Support Services	(247,454,250)	-
R2042	The amount required in the year ending 30th June, 2019 for current expenses of the National Assembly in the following programmes	(1,092,161,045)	-
	0721000 National Legislation, Representation and Oversight	(1,092,161,045)	-
R2061	The amount required in the year ending 30th June, 2019 for current expenses of the Commission on Revenue Allocation in the following programmes	(13,639,391)	-
	0737000 Inter-Governmental Transfers and Financial Matters	(13,639,391)	-
R2071	The amount required in the year ending 30th June, 2019 for current expenses of the Public Service Commission in the following programmes.....	(34,138,295)	-
	0725000 General Administration, Planning and Support Services	(13,911,190)	-
	0726000 Human Resource management and Development	(9,557,139)	-
	0727000 Governance and National Values	(10,669,966)	-
R2081	The amount required in the year ending 30th June, 2019 for current expenses of the Salaries and Remuneration Commission in the following programmes.....	(14,273,363)	-
	0728000 Salaries and Remuneration Management	(14,273,363)	-

R2091	The amount required in the year ending 30th June, 2019 for current expenses of the Teachers Service Commission in the following programmes.....	(67,728,145)	-
	0509000 Teacher Resource Management	(5,885,140)	-
	0510000 Governance and Standards	(3,455,105)	-
	0511000 General Administration, Planning and Support Services	(58,387,900)	-
R2101	The amount required in the year ending 30th June, 2019 for current expenses of the National Police Service Commission in the following programmes.....	(2,111,428)	-
	0620000 National Police Service Human Resource Management	(2,111,428)	-
R2111	The amount required in the year ending 30th June, 2019 for current expenses of the Auditor General in the following programmes.....	(110,008,375)	-
	0729000 Audit Services	(110,008,375)	-
R2121	The amount required in the year ending 30th June, 2019 for current expenses of the Controller of Budget in the following programmes.....	(15,534,086)	-
	0730000 Control and Management of Public finances	(15,534,086)	-
R2131	The amount required in the year ending 30th June, 2019 for current expenses of the Commission on Administrative Justice in the following programmes.....	(7,342,863)	-
	0731000 Promotion of Administrative Justice	(7,342,863)	-
R2141	The amount required in the year ending 30th June, 2019 for current expenses of the National Gender and Equality Commission in the following programmes.....	(11,050,356)	-
	0621000 Promotion of Gender Equality and Freedom from Discrimination	(11,050,356)	-
R2151	The amount required in the year ending 30th June, 2019 for current expenses of the Independent Policing Oversight Authority in the following programmes	(20,409,470)	-
	0622000 Policing Oversight Services	(20,409,470)	-
	SUBCLASS TOTAL	(27,080,197,536)	(4,662,917,000)

(1)	(2)	(3)	(4)
Vote No.	Service or Purpose	Supply	Supplementary Appropriations in Aid
	Development Expenditure		
D1032	The amount required in the year ending 30th June, 2019 for development expenses of the State Department for Devolution in the following programmes	(2,472,434,000)	-
	0712000 Devolution Services	(2,472,434,000)	-
D1065	The amount required in the year ending 30th June, 2019 for development expenses of the State Department for University Education in the following programmes	(229,000,000)	-
	0504000 University Education	(229,000,000)	-
D1066	The amount required in the year ending 30th June, 2019 for development expenses of the State Department for Early Learning and Basic Education in the following programmes.....	(600,000,000)	-
	0502000 Secondary Education	(600,000,000)	-
D1071	The amount required in the year ending 30th June, 2019 for development expenses of the National Treasury in the following programmes.....	(6,009,000,000)	-
	0718000 Public Financial Management	(6,009,000,000)	-
D1091	The amount required in the year ending 30th June, 2019 for development expenses of the State Department of Infrastructure in the following programmes.....	(8,700,000,000)	-
	0202000 Road Transport	(8,700,000,000)	-
D1096	The amount required in the year ending 30th June, 2019 for development expenses of the State Department for Public Works, Housing and Urban Development in the following programmes.....	(22,546,334,022)	(4,552,000,000)
	0102000 Housing Development and Human Settlement	(6,086,892,279)	(487,000,000)
	0103000 Government Buildings	(1,423,971,693)	-
	0104000 Coastline Infrastructure and Pedestrian Access	(332,325,620)	-
	0105000 Urban and Metropolitan Development	(14,556,149,938)	(4,065,000,000)

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	0106000 General Administration Planning and Support Services	(47,821,992)	-
	0218000 Regulation and Development of the Construction Industry	(99,172,500)	-
D1122	The amount required in the year ending 30th June, 2019 for development expenses of the State Department for Information Communications and Technology & Innovation in the following programmes.....	(5,900,000,000)	-
	0210000 ICT Infrastructure Development	(5,900,000,000)	-
D1152	The amount required in the year ending 30th June, 2019 for development expenses of the State Department for Energy in the following programmes.....	(2,600,000,000)	-
	0213000 Power Transmission and Distribution	(2,600,000,000)	-
D1165	The amount required in the year ending 30th June, 2019 for development expenses of the State Department for Crop Development in the following programmes.....	(130,000,000)	-
	0108000 Crop Development and Management	(130,000,000)	-
D1173	The amount required in the year ending 30th June, 2019 for development expenses of the State Department for Cooperatives in the following programmes.....	(500,000,000)	-
	0304000 Cooperative Development and Management	(500,000,000)	-
D1193	The amount required in the year ending 30th June, 2019 for development expenses of the State Department for Petroleum in the following programmes.....	(1,500,000,000)	-
	0215000 Exploration and Distribution of Oil and Gas	(1,500,000,000)	-
D1204	The amount required in the year ending 30th June, 2019 for development expenses of the State Department for Wildlife in the following programmes.....	(3,023,250,000)	(245,016,000)
	0306000 Tourism Development and Promotion	(2,150,000,000)	-
	1019000 Wildlife Conservation and Management	(873,250,000)	(245,016,000)
D1211	The amount required in the year ending 30th June, 2019 for development expenses of the State Department for Public Service and Youth Affairs in the following programmes.....	(2,267,512,908)	-

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	0710000 Public Service Transformation	(997,459,359)	-
	0711000 Youth Empowerment	(1,270,053,549)	-
D1212	The amount required in the year ending 30th June, 2019 for development expenses of the State Department for Gender in the following programmes	(600,000,000)	-
	0911000 Community Development	(600,000,000)	-
D1252	The amount required in the year ending 30th June, 2019 for development expenses of the State Law Office and Department of Justice in the following programmes.....	(100,000,000)	-
	0607000 Governance, Legal Training and Constitutional Affairs	(100,000,000)	-
D2041	The amount required in the year ending 30th June, 2019 for development expenses of the Parliamentary Service Commission in the following programmes	(600,000,000)	-
	0723000 General Administration, Planning and Support Services	(600,000,000)	-
	SUBCLASS TOTAL	(57,777,530,930)	(4,797,016,000)
	CLASS TOTAL	(84,857,728,466)	(9,459,933,000)
	GRAND TOTAL	(37,603,662,418)	0

Again, this relates to the reductions which have come from the reallocations reducing one department, since you have created a new one and moved money there. Also those votes whose monies that we reduced in the First Supplementary Estimates.

(Question of the amendment proposed)

Hon. Chairman: Hon. Kisang, you want to speak to this one?

Hon. William Kisang (Marakwet West, JP): Thank you, Hon. Chairman I support. During the Supplementary Budget Estimates II, we reduced close to Kshs5.5 billion on literacy programme and this was supposed to go and buy about 3,000 devices for those schools that have not received the devices and some money to go to the Kenya Institute of Curriculum Development (KICD) and the Teachers Service Commission (TSC) to undertake training and development for our students. So I request that if there will be additional resources, we return the Kshs5.5 billion.

Secondly, on Konza we had agreed that all the agencies under the Ministry of ICT move to Konza as early as next year but during the Supplementary Budget Estimates I, Kshs400 million was reduced. I would also request...

Hon. Chairman: Hon. Kisang, you are beginning to debate.

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Hon. William Kisang (Marakwet West, JP): Sorry, Hon. Chairman. In case revenue improves, we should get back the Kshs 400 million to complete Konza Complex

(Question, that the words to be left out be left out, put and agreed to)

(Question, that the words to be inserted in place thereof be inserted, put and agreed to)

(Second Schedule as amended agreed to)

Hon. Chairman: There is an unruly Member here. Who is this Member? Member for Isiolo, for me to take a vote on your decibels, we should not have a belated shout. Again when you are voting, the shout should be a parliamentary one, nothing else.

(Laughter)

So, let us proceed.

(Title agreed to)

Clause 1

Hon. Chairman: Hon. Chairman, I think you have an amendment on this one.

Hon. Kimani Ichung'wah (Kikuyu, JP): Hon. Chairman, I beg to move:

THAT, clause 1 be amended by deleting the expression “and shall come into force upon publication in the Gazette” and substituting therefor the expression “and shall be deemed to have come into force on 21st September, 2018”.

(Question of the amendment proposed)

(Question, that the words to be left out be left out, put and agreed to)

(Question, that the words to be inserted in place thereof be inserted, put and agreed to)

(Clause 1 as amended agreed to)

Hon. Chairman: Let us have the Mover of the Bill to move reporting.

Hon. Kimani Ichung'wah (Kikuyu, JP): Hon. Chairman, I beg to move that the Committee does report to the House its consideration of the Supplementary Appropriation (No. 2) Bill (National Assembly Bill No. 23 of 2018) and its approval thereof with the amendments.

(Question proposed)

(Question put and agreed to)

(The House resumed)

[The Temporary Deputy Speaker (Hon. Patrick Mariru) in the Chair]

The Temporary Deputy Speaker (Hon. Patrick Mariru): Very well, Chairperson

**REPORT, CONSIDERATION OF REPORT
AND THIRD READING**

SUPPLEMENTARY APPROPRIATION (No.2) BILL

Hon. Moses Cheboi (Kuresoi North, JP): Thank you, Hon. Temporary Deputy Speaker. I beg to report that the Committee of the whole House has considered the Supplementary Appropriation (No.2) Bill (National Assembly Bill No. 23 of 2018) and approved that same with the amendments.

Hon. Kimani Ichung'wah (Kikuyu, JP): Hon. Temporary Deputy Speaker, I beg to move that the House does agree with the Committee in the said Report. I also request Hon. Kioni to second the Report for agreement with the Report of the Committee of the whole House.

Hon. Jeremiah Kioni (Ndaragwa, JP) seconded.

(Question proposed)

(Question put and agreed to)

The Temporary Deputy Speaker (Hon. Patrick Mariru): Mover. What is it Leader of the Majority Party?

Hon. Aden Duale (Garissa Township, JP): Hon. Temporary Deputy Speaker, these seats are very comfortable. I do not know why Members do not want to sit. Please use your powers so that we get the quorum. Unless we finish this matter, nobody should leave the Chamber including the Member for Kigumo.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Certainly, there was even a soft communication from the Speaker earlier on. This is a critical matter just like any other matter that we deal with. I would suggest and appeal to Members to sit. It will take a few minutes.

Hon. Kimani Ichung'wah (Kikuyu, JP): Hon. Temporary Deputy Speaker, I beg to move that the Supplementary Appropriation (No.2) Bill, (National Assembly Bill No. 23 of 2018) be now read a Third time. I also request Hon. Sabina Chege to second.

Hon. (Ms.) Sabina Chege (Muranga CWR, JP) seconded.

(Question proposed)

(Question put and agreed to)

(The Bill was accordingly read the Third Time and passed)

MOTION**REPORT ON AUDITED FINANCIAL STATEMENTS FOR
CONSTITUENCIES IN NAIROBI COUNTY**

THAT, this House adopts the Second Report of the Special Funds Accounts Committee on Audited Financial Statements for the National Government Constituencies Development Fund for constituencies in Nairobi City County for the Financial Years 2013/14, 2014/15 and 2015/16, laid on the Table of the House on Wednesday, 3rd October 2018.

(Hon. Kathuri Murungi on 16.10.2018)

(Resumption of Debate interrupted on 17.10.2018)

The Temporary Deputy Speaker (Hon. Patrick Mariru): We are revisiting this item. Hon. Wanyonyi Kevin, you had a balance of five minutes on this particular one. You have the Floor.

Hon. Ferdinand Wanyonyi (Kwanza, FORD-K): Hon. Temporary Deputy Speaker, I take this opportunity to thank the Chair of the Special Funds Accounts Committee, Hon. Kathuri for having done a very good job and the substantive Speaker has alluded to this. In his Report, I want to appreciate the fact that the NG-CDF which was created for the benefit of all of us is poorly funded. Therefore, in my view, we should revisit this issue and amend the NG-CDF Act so that we can increase its allocation which is only one per cent as per the monitoring and evaluation budget to about two percent. The NG-CDF is very important in terms of development in our areas and therefore, it should be funded directly.

Secondly, and this was noted by most Members is that the Committee noted that the current NG-CDF Chief Executive Officer (CEO) whom we all know is doing a very good job, is still in acting capacity, seven years down the line. I am a Member of this Committee and I remember we had a discussion and confirmed that the CEO of the NG-CDF should be confirmed to that position. Therefore, we should fast track this because, in my opinion, he is doing a very good job.

Another limitation is having more than Kshs10 million in the NG-CDF bank account. Sometimes we give out cheques for various projects such as bursaries to schools and colleges and people do not deposit them on time. We may want to fund other projects but we find the NG-CDF bank account still has over Kshs.10 million. Therefore, the NG-CDF Board cannot give you money and you urgently require it. So, I wish this money was reduced to about Kshs.3 million because Kshs10 million is a lot of money and sometimes there are delays in disbursement of cheques by the NG-CDF Board because an account is having Kshs10 million or more. I am sure this Committee noted this and therefore it should be reduced to Kshs5 million or less.

Lastly, during the debate most Members mentioned that some of the projects which were initiated by the NG-CDF before devolution, like health centres and water projects are still at a

standstill. In my case, I have about two projects. One is a dispensary which I initiated and spent about Kshs2 million. Therefore, I feel that the NG-CDF should reflex its muscles and give money to complete some of those projects because county governments have ignored them and they have become white elephants in the respective constituencies.

I support the Report and commend the Chair for doing a very good job and he should continue that way.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Hon. Thuku Kwenya.

Hon. Zachary Thuku (Kinangop, JP): Thank you, Hon. Temporary Deputy Speaker, for giving me an opportunity to contribute to the Report by the Special Funds Accounts Committee. I want to congratulate them for bringing their first Report. Among the four oversight committees they are the first ones to present a Report to this House.

I belong to PIC and today we had our share of castigation from the Speaker because we have not yet produced a single Report. I wish to register my congratulations to the Chair and his Committee for a job well done. On the same note, I wish to comment on the achievements by the NG-CDF across the country. This is the only fund that is felt across the board. We have other funds which are devolved to the county governments. But, any citizen will tell you that the only projects they can identify are done by the NG-CDF.

This being the case, I have always been for the opinion that if we are going to achieve the dreams that the drafters of the Constitution had about devolution then we have to increase the money allocated to the NG-CDF. For us to achieve this, then we have to revisit the law and increase the current amount to one amount that will be accepted by this House. Secondly, there is an issue of stalled projects. After the revision and amendment of the NG-CDF Act many projects were left incomplete.

Therefore, we need a way forward on how those projects will be funded like dispensaries. Some of them were initiated by our predecessors, or some Members in this House, on these dispensaries. However, after the amendment of the Act those projects could not be completed. I have several projects in my constituency which the county government has not taken over. This is an issue because they have become white elephant projects. So, I wish the Special Funds Accounts Committee would make some recommendations on the way forward about them so that *wananchi* can benefit from these investments.

Finally, I want to castigate the Executive because it seems like every time they fall short of funds an easy target is the NG-CDF. This is because our money is always reduced to cater for some loopholes in the budgetary allocations of other State departments. This is something we need to safeguard and ring fence to ensure that the NG-CDF's money is not eaten into by the Executive in case of shortfalls.

Thank you, Hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Let us have Hon. Mutua Barasa, Member for Kimilili.

Hon. Didmus Barasa (Kimilili, JP): Thank you, Hon. Temporary Deputy Speaker, for giving me this opportunity to also commend the good work done by this Committee and also ask other committees that are involved in auditing money given to the public, to borrow a leaf from them, specifically the Senate, which has a bigger mandate of ensuring that money sent to the county governments is spent wisely. If I had powers, I would say all Senators should be attached to this Committee for a period of not less than six months. This is because we have seen a lot of money getting lost in the counties and we cannot just say that all is well. This country has lost a

lot of money which could be used to transform the lives of the Kenyan people by improving healthcare, a completely devolved function.

Even as we commend this Committee, we also want to suggest improvement in future. There is no point in money being given to a particular entity, which spends it and then you come up with a report after two or three years. Once a particular entity is given money, before it is allocated more money in next financial year, there should be efforts to establish how the previous allocation had been spent. During our interrogation of the Budget, such audit queries should inform this House on whether to approve more money for such individual activities or reduce it. There is no point in continuing to fund an activity in a State agency when previous allocations to that activity were misappropriated. It is very important that this House does not become a conveyor belt that just rubberstamps and approves budgetary allocation. Audit reports for preceding financial years must also inform our decision in terms of approving budgetary allocations, going forward.

This House has been vetting various Kenyans for public appointments and such reports are very important. The name of a person who has been heading an institution that has several audit queries should not be brought to this House for vetting, if at all we want to assist this country. I echo the sentiments of our colleagues who have said that other Committees should also move with speed and try to table reports in this House to show our commitment in executing our mandate as properly anchored in the Constitution.

I sum up by saying that we appreciate this Committee. I hope they are also going to move into other sectors of Government to be able to give us a report. As much as we appreciate the Chairman, he is a very close friend of the Member for Bumula, who is a bishop. This also confirms that when you walk with a bishop you become a straightforward person.

Thank you, Hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Hon. Mabongah.

Hon. Mwambu Mabongah (Bumula, Independent): Thank you, Hon. Temporary Deputy Speaker. I want to thank Hon. Didmus from Kimilili for appreciating the work that has been done by this Committee. Basically, it is about leadership. We have a very able chairman who has done a very good job. Today, just as a point of information, I wish to bring to your attention that in the Report before you there are actually 51 reports. It is not one report. It is 51 because we have done 17 constituencies and we have been looking at the audited reports of 2013/2014, 2014/2015 and 2015/2016. Having said that, I wish to point out a few things that we came across during our deliberations as we looked into these reports.

One, you realise that at times even the bursary that is supposed to be given to our children as early as the beginning of the year we do it even towards the end of the year. It is something very basic. We are in the 21st Century and I do not see why money cannot be transferred electronically whereby at least the fund manager will just be receiving the receipt for the same. If it is done that way, I can assure you the following day the money will be in the account. One of the things that we have just established is that the board itself is not properly constituted. Why should somebody act for almost seven years? If somebody is incompetent, that person should be removed from office. If you know he has been doing a good job this House should stamp its authority and ensure that the CEO is confirmed with immediate effect.

Something else that has been pointed out is about projects that were transferred to the county governments. It is true that in most dispensaries right now there is nothing we can do. Probably, there should have been a grace period during which the projects that were started by the NG-CDF should be completed first. If the county governments have not taken them over, it is

the responsibility of this House to ensure that the National Treasury and the Ministry of Planning and National Development complete those projects. The common *mwananchi* does not understand why those projects have stalled. All those questions are coming to us because the projects were started by the predecessor of the NG-CDF. So, something has to be done.

During our engagement, we observed that sometimes it is deliberate. Maybe, because somebody is acting, he does not have powers to summon some fund managers. The auditors go to the ground after notifying them but the audited reports are not submitted to them. So, the auditors go to the ground and there are no reports. Some of the unaudited accounts date back to 2013/2014 Financial Year. They were actually being submitted as late as at the time we were sitting in a meeting. This has to be looked into. It is about the leadership of the board.

Something else we need to consider is, probably, about the board itself. The people who sit on this board are actually the public servants. Even raising a quorum is a problem. How will you raise a quorum to deliberate on issues that affect the constituency if you have no powers to summon the members? This is a matter that should be seriously addressed to ensure that, at least, we serve the common *mwananchi*, who is looking upon us to provide leadership in the areas that we are serving.

Once again, I congratulate the membership of the Committee, under the able leadership of the Member for South Imenti, Hon. Kathuri Murungi.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Let us have Hon. Oundo Ojiambo.

Hon. (Dr.) Wilberforce Oundo (Funyula, ODM): Thank you, Hon. Temporary Deputy Speaker, for this opportunity to contribute to this Report. First of all, I must commend the Chair, my erstwhile friend. We were with him in another Committee until he took a French leave or excused himself to concentrate on this important aspect. Congratulations for the wonderful job.

Without exaggerating the matter, the NG-CDF has touched many lives in this country. If there is any form of devolved fund that has had tremendous impact on the ground, it is none other than the NG-CDF. Ideally, we feel that even the devolved governments should borrow a leaf from the NG-CDF. With that, we will rapidly develop our rural areas and constituencies.

There are obvious challenges that we have experienced in the implementation of the NG-CDF projects. The first challenge is the carryover of projects from the predecessor of the NG-CDF to the current regime – the transition from the old Constitution to the new Constitution. We have so many incomplete and stalled projects that we are unable to allocate funds to and implement because they no longer fall within the mandate of the NG-CDF.

For example, in Funyula Constituency, we have the Busijo Water Project that was purportedly completed on paper but on the ground, it was never completed. The funds spent in that project are literally wasted funds. We have very many buildings in the Sio Port Sub-County Hospital which were never completed and which the county government has refused to complete on account that it was not their project. They have no powers and authority to complete other Government agencies projects. It is a matter I want the Committee to seriously have a look at, discuss with the national board and the National Treasury and bring a Motion to this House which will allow us to complete these projects so that they serve the purpose for which they were intended and it applies to many other projects.

In my constituency, we have the industrial or Jua Kali Park that has stalled for over eight years because it was implemented under the Economic Stimulus Programme, though it was never completed on time. We could have had funds to complete such projects so that they benefit the end recipients. Due to the restrictions of law; it is a problem to proceed.

The second issue I want to talk about is on late disbursement of funds. Truly, people's expectations are very high. I remember in the beginning of this year, Members of Parliament from Busia County were under a lot of pressure concerning bursaries. It has become the order of the day that a large number of students depend on bursaries from the NG-CDF to pay school fees. Considering that the county bursary disappeared along the line they are, therefore, solely dependent on the NG-CDF. It is unfortunate that the funds were not disbursed until late April. That meant that first term was disrupted. We hope that going forward the disbursement will be timely and in sufficient amounts to enable us implement projects without having to wait until the National Treasury releases funds at their convenient time.

There is also the issue of the oversight committee. While it is provided for in the Act, the modalities of appointment of members to the committee are not very clear. They are not gazetted like the NG-CDF committee members. Essentially their role seems to be limited or curtailed. I ask the Committee to seriously look at it and make it mandatory that the members of the oversight committee are duly gazetted so that they have the same powers like those of the NG-CDF to oversee the work of the various organs of the NG-CDF Committee.

I have seen quite a number of recommendations. I hope and believe that the board will expeditiously implement them so that we have an efficient fund. Of particular concern has been the relationship between the Fund Account Manager and the project management committee. While it is a good idea to have project management committees for each and every project implemented as required by the Act, time might come when we will be required to reconsider the same because sharing of documents becomes a challenge and a number of these project management committees, truth be told, are appointed on political grounds. Obviously, they have their political interests and at times they can compromise the working of the fund.

I urge the Committee to look at the procurement procedure. The purpose of the NG-CDF is to take development to the ground. Its purpose is also to assist local contractors gain sufficient experience and skills to enable them operate to the next level. Unfortunately, they insist that we must adhere to the Public Procurement and Disposal Act in the procurement of services and goods and it makes it a challenge to bring forth or develop the small contractors. We request that as much as it is prudent and it is good financial management to comply with the Public Procurement and Disposal Act, it is important that an element of relaxation or a proviso be provided to enable us bring up these people.

As I conclude, I would like to assure the people of Funyula Constituency that the NG-CDF money is in good hands. We will deliver on much more than what our predecessors did.

With those few remarks, I once again congratulate the Committee for a job well done. Thank you.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Before I give a chance to the Leader of the Minority Party, let us have Hon. Ndindi Nyoro.

Hon. Ndindi Nyoro (Kiharu, JP): Thank you, Hon. Temporary Deputy Speaker. I am one of the Members of the oversight committee, PAC, who were seeking the intervention of the Speaker today. Because I know the dynamics of the oversight committees, I congratulate my brother Kathuri and his Special Funds Account Committee.

We are under a lot of pressure to deliver. We even need to update the Government on finance. Because it is related and given the nature of our work, we have had a backlog in so far as auditing Government books is concerned. In fact, PAC and I believe PIC also are working on two years concurrently. That is 2014/2015 and 2015/2016 concurrently. I am sure we will be

breaking to go and write reports this month so that we deliver them to this House and to Kenyans.

Oversight is not just an issue of policy because we deal with people and queries about misappropriation of Government funds. Nowadays, there is proliferation of stealing and misappropriation of Government funds. That makes our work more. The kind of audit queries we get in a department we may term as not so consequential like sports is humongous in nature. Therefore, I believe that Members of the House will be a little bit patient and I believe we will deliver to them soon.

The NG-CDF has been a very important fund in this country. I believe that the real devolution in this country is not the one we know. The real devolution is the NG-CDF. I am saying that because there are some laws that govern the NG-CDF. One of them that is very efficient is that the NG-CDF Committee can only spend not more than 5 per cent on administration. I believe that is a leaf the national Government can borrow on how the NG-CDF is managed. We are given Kshs100 million and only Kshs5 million goes to paying salaries, rents and other administrative costs. If we were to adopt such a formula in the national landscape, Kenyans would see the billions of shillings we read in the Budget every year going to the services that matter to them.

Hon. Temporary Deputy Speaker because you are also a Member of Parliament, you know the importance of the NG-CDF in helping the social structure.

We are also doing much in building infrastructure in our schools. On the same, I would want the House to demand from the other stakeholders like the Ministry of Education, Science and Technology, just the same way we appropriate the NG-CDF, clarity on how the money for infrastructure is appropriated. We can only work together by complementing each other. We cannot afford to duplicate each other. I urge the Ministry of Education, Science and Technology to always work closely with Members of Parliament so that we do not duplicate our roles.

Another issue is on security. We are doing a lot in building offices for our chiefs and Administration Police camps and even helping our police force. On the same, I would urge for a lot of collaboration between the Office of the President, NG-CDF Board and Members of Parliament. Ultimately, no one has done more public participation than us. We are always with the people. We know what their needs are. Therefore, we can do much more in collaborating with them.

Matters of security and electricity are on our side. We continue to do the same with NG-CDF. I urge the other Government departments to work closely with us just the same way we work so closely with Rural Electrification Authority (REA) to a level where we have a matching kind of programme. For example, Kiharu Constituency can give Kshs4 million and REA Kshs4 million, and then we propose to the villagers where we should install transformers, or to build electricity power lines. I believe the same can also work with Kenya Power because, currently, it is not there. Kenya Power, through their investment fund, can work with NG-CDF. They can top up on what we give because the needs we are trying to solve are the same.

One of the predicaments that we continue to face in so far as NG-CDF is concerned is systems. That is the truth of the matter. A lot of NG-CDF work is currently done manually. I challenge the NG-CDF Board and the CEO who has done an exemplary job to consider having an IT system that is the same across all constituencies. That way, for example, when we are giving bursaries, even the internal auditors right here at the board can tell how many people we have given bursaries, say, in Kiharu. Again, any other person who is interested to know can key

into that system which is uniform across the constituencies. I believe that would solve a lot of issues in so far as audit queries are concerned.

The same would happen to projects. Instead of a sub-committee on oversight from NG-CDF coming blindly to any constituency, they ought to have a uniform system where if, for example, I am building 20 schools, the fund manager in Kiharu has a system that manages efficiently how the money is disbursed and spent.

Lastly, one thing that I will keep saying in this House over and over again is about inequality when it comes to disbursement of NG-CDF. It is not fair and it cannot be termed as justice that a Member of Parliament with a constituency with 200 schools, or with a land mass that is equal to that, and with a population that is so high, to be given the same amount of money as a person with a quarter of the same population, number of schools, land mass and so on. It is high time we revised how NG-CDF is disbursed. This blanket equity is not just about equality; this equity is discriminative. There is no way, for example, standing here as a Member for Kiharu, with 120,000 registered voters and 200 schools, I can be given the same amount of money with someone who has 20,000 registered voters, four schools and a few people to give bursaries to. This is an issue that we have to address because it is discriminatory and is making *wananchi* ask us so many questions in so far as how we spend that Government fund.

There have been delays from National Treasury in so far as releasing NG-CDF to the NG-CDF Board is concerned. Currently, there are so many constituencies that are in the last financial year with their money stuck at the National Treasury. We ask the National Treasury to always consider fast-tracking NG-CDF because the expectation in so far as NG-CDF is concerned is very different from the other Government services.

Lastly, I also want to urge other Government agencies like the Kenya Urban Roads Authority (KURA) to work closely with Members of Parliament. Let them learn that you cannot just wake up and build a road, for example, in Laikipia, without asking the Member of Parliament the priority road. Let them work closely with us so that we do not duplicate duties and, at the same time, we become efficient in expending public funds.

Thank you. I support.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Hon. Minority Leader.

Hon. John Mbadi (Suba South, ODM): Thank you, Hon. Temporary Deputy Speaker, for giving me this opportunity to contribute to this Report of the Special Funds Accounts Committee. Let me start by congratulating and thanking this Committee for bringing this Report. This is probably the first time that we are seriously independently discussing the Report away from the accounts of Government or other departments.

I am happy that this Report is coming at this time. I am aware that the Speaker made a communication regarding the performance of Public Accounts Committee and Public Investments Committee. It is a concern to us as the leadership of the House. We have discussed it now twice at the House Business Committee, given the fact that the report of PAC is very crucial. I am saying this well aware that I am the Leader of the Minority Party that chairs both committees. I am in no doubt that the leadership of those committees is competent enough to realise the urgency with which this country wants the reports, especially of the PAC, so that in the next period of division of revenue, we will have up to date or, at least the recently audited and approved accounts.

We put it in our Constitution that we would share revenue based on the last audited and approved accounts. As it is today, the last audited and approved accounts are up to 2013/2104, but the audited accounts are up to date. I know we are meeting the leadership of those

committees on Tuesday in the HBC to try and see how, as a House, we would not let the people of Kenya down by not having updated accounts.

Coming back to Hon. Kathuri's Committee Report, the Chairman of this Committee is someone we have kind words for. I know he is working collectively with Members in that Committee. We are happy that this Report has been brought. It is also sending a very strong message out there to the people of Kenya that Members of Parliament are not only interested in overseeing funds that they have no direct interaction with but that, even NG-CDF which is considered to be having close interaction with MPs can also be debated. This is going to happen for all the 290 constituencies so that we demonstrate that the money that is allocated or appropriated for any public service is prudently and efficiently spent for the welfare of the people of Kenya.

When you look at the Reports – the audited reports on NG-CDF and the audit queries – there is no doubt that the audit queries are minimal when it comes to this fund compared to other Government funds. It may be that it is the money that is spent by the national Government or that which is spent by the county governments. There are a number of reasons. I am not saying that all the constituencies are clean. There are constituencies with serious audit queries. There are also constituencies which have audit queries that can be addressed. That is something that we need to tell the public. Most Kenyans are not financial experts, accountants or economists. They probably do not understand what an audit query is. We need to start educating our people that an audit query is not equal to embezzlement of funds. Sometimes, the accountants are unable to reconcile the accounts and that becomes an audit query. An audit query arises where, for instance, the auditor cannot ascertain how money was spent. When it is flashed out there, the first impression is that there is money that was allocated to such and such a department, but the auditors cannot find it. We need to start educating people to understand audit queries in the correct perspective.

Having said that, it should come out clearly that the queries on the NG-CDF are not as serious as other Government departments. If they were - and you know how people imagine that MPs control the NG-CDF although you and I know that MPs have a very minimal role to play in terms of management of the NG-CDF if at all there is - it would be the discussion in this country. Why is it? That is what I want to concentrate on. If the Senators were listening to me, I would challenge them. The reason the spending of this fund has a level of efficiency is because of involvement of the community. It is high time we moved towards community involvement in implementation of projects. We are all aware that for you or any constituency to spend this fund, the project being funded must form a project management committee where the local community is in charge of implementation. Members of the community are the ones who receive the funds, do the procurement and supervise the constructions. The role of an MP in that committee is just to go and see, check and oversee what has been done. How I wish the monies we allocate to counties which go to ghost projects were used thus! I say so because when you look at the budgets of the counties, take one budget line of roads, you will see huge allocations. By the end of the year, there is no road done. The money is spent and contractors are paid. What you hear is that some people have already taken the funds out of the country and constructed buildings in Tanzania. Some go to Dubai. These stories are real. Some money is taken overseas. It is because no one is answerable to the implementation of the project. So, a lot of projects that are implemented are basically ghost.

A lot of money is allocated by counties to provide water. There is no water when you go to our counties. In fact, the communities ask MPs for water yet this is a devolved function with

money allocated to it. Health services are in a terrible mess and yet, a lot of money is allocated for them. I am thinking that the Senate should come up with some legislation that will force counties to use community systems of implementing projects. That is so that this centralisation does not emerge again. We devolved money because centralisation was not working for us. Once the money is devolved to a county like Homa Bay, it should not get stuck at Homa Bay. It is centralised by a few individuals like the Governor, the Deputy Governor and the County Executive Committee Members who now decide how to spend it at will. This same money needs to be devolved to the projects. We need to emphasise the formation of project implementation committees so that they are given the funds and are overseen by the county government. If we do that, I am sure a community that desires to have water will have it. If they are given money to do a borehole and distribute water within their community, no one will alter that. If they are nine members of the community for example, I do not think those people will be mad enough to embezzle that money without any water being drilled. That is, to me, one of the main reasons I wanted to contribute to this Motion.

The system we have under the NG-CDF in a small way does great. It is a small way because, how much is it? A constituency has only Kshs100 million. The biggest project you can implement is, say, costing Kshs2 million. If we can give schools money to put up laboratories and that school has a project committee and they implement the construction of a laboratory and have it done, why can a county government which wants to put up Early Childhood Development and Education (ECDE) Curriculum centres not also have the money go to the project committee of the ECDE to be constructed? The reason counties do not want this is that they do not want to let go the money they want to embezzle. That can also affect other national Government ministries and departments.

As I wind up, I have heard that my colleagues have talked about a monitoring committee. I want to ask the Chairman of NG-CDF... I do not see him here. He should have been here when we are discussing the accounts of NG-CDF Committee. That is Hon. Maoka Maore. We need this Committee to start functioning. We created it in law and yet, it is not functioning. You cannot have a committee in place where the NG-CDF is getting allowances and yet, this committee just works without allowances. We need to have a portion of the NG-CDF. If anything - and my colleagues will agree with me - the only Government funding which has the least administrative cost is this. If you calculate how much goes to the administration, it is below 20 per cent. There is no any other expense. The reverse is the case. It is actually five per cent because the others are statutory like the emergency charge which is still going to development. It is very low. But, go to national Government funds, probably only 20 per cent, if you are lucky, goes to development. So, that Committee is supposed to help in monitoring projects for all the 290 constituencies and it should start working.

I think this Motion came last week or on Tuesday when some colleagues talked about the CEO of this board, Mr. Mbuno, who has been acting so long as I have been an MP. I only found the late former Clerk of the National Assembly who served a little. Then came Agnes Odhiambo, who is now the Controller of Budget. Then Mbuno took over on acting capacity for heaven's sake. We are even spoiling the CV of this young man. You see, if you go looking for a job and put on your CV that you were acting between this period and that, for 10 years, someone will ask you what it means to act for 10 years. It means you are not qualified to be confirmed. This gentleman, for whatever it is worth, I would say in terms of relationship with MPs and serving us in this fund, he has excelled. If he failed, I am sure MPs would by now have gotten rid of him. To serve MPs and satisfy them when you are managing funds that have some direct impact on

their political future is not easy. That is why I was saying Hon. Maoka Maore should have been here. He must take up this matter and have this position filled permanently. If possible, it should be filled by the person who is sitting there. Under the labour laws and having served for seven years on acting capacity - and we have not complained - that is enough reason to confirm someone. Let that action be taken.

I want to conclude by asking the Chairman to move with speed. You have finished with Nairobi. I heard you are going to Kisumu. Nairobi is the biggest county. At this rate, I am wondering when you will be done with all the 47 counties. However, some like Lamu are tiny. You can combine some three counties which are not so big and bring their Reports together. If you do that, you will set the pace that your predecessor oversight committees have not achieved. Hon. Khalwale did very well as the Chairman of PAC in bringing accounts up to speed. His efforts are appreciated. I ask Hon. Wandayi, wherever he is, that we want to see the reports of our audited accounts by February. They should come from 2013/2014 to 2016/2017. We can accommodate 2017/2018 as outstanding but, up to 2016/2017, should come for approval in this House.

Thank you, Hon. Speaker. I support.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Hon. Chepkut Chirchir, do you have an intervention?

Hon. William Chepkut (Ainabkoi, JP): I wanted to tell the Leader of the Majority Party...

The Temporary Deputy Speaker (Hon. Patrick Mariru): The Leader of the Majority Party is not in the House at this time

Hon. William Chepkut (Ainabkoi, JP): I wanted to tell the Leader of the Minority Party - that is Hon. John Mbadi - that Hon. Maoka Maore is out of the country.

Thank you.

The Temporary Deputy Speaker (Hon. Patrick Mariru): That was significant piece of information. It seems that you have diligently held his brief.

Hon. Jeremiah Kioni.

Hon. Jeremiah Kioni (Ndaragwa, JP): Thank you, Hon. Temporary Deputy Speaker, for giving me this opportunity to contribute to this Motion. I want to start by thanking the Committee for the good job they have done. I want to echo the words of the Leader of the Minority Party, that it will be good if they can move faster and bring reports from other counties. A couple of things have been mentioned and one of the thing is that I remember when we were doing the Constitution back in 2010 and before, we were faced with the issue of CDF because many then, who are seated here but were in the NGO world, were very keen to get CDF done away with. But it was clear in our minds that even though there is separation of powers, the success story of CDF could not be wished away. It was only fair that we made sure that it was retained in one way or the other.

If you go through the HANSARD, we mentioned then that we needed to do Acts of Parliament to ensure that it continues in one way or the other. We had many people visiting this country from other parts of the world then, who had come to learn from the model of NG-CDF because of its effectiveness. Even as we debate this, it is important - and I echo the words of many that Mr. Mbuno cannot act for that long. I remember he took over from Agnes, when we gave Agnes the opportunity to serve as the Controller of Budget. I was talking to him a couple of days ago and I was wondering why he is still in acting capacity. One of the things that he mentioned to me - and I do not know whether that has been remedied today - is that there is no

board. I think the board is made up of a group of Principal Secretaries who were supposed to be acting when a substantive board is not in place. I hope that the Committee under Hon. Maoka Maore can also move and make sure that we have a board so that it can deal with those issues that have been raised by Members, among others.

I was giving that background. While we agree that there is this thing about separation of powers, and we have men and women known as Fund Account Managers who are supposed to help in the administration of NG-CDF at the constituency level, my experience in the last one year has nothing to do with what I saw during the 10th Parliament.

The *mwananchi* from Ndaragwa and every other corner has a clear understanding about CDF. If it does well, it is because there was some direction given by the Member of Parliament. If it does not perform, they will send the Member of Parliament home. Now we have a bunch of Fund Account Managers... I call them a bunch because I have not had a good experience with them in the last one year. They think that you, as a Member of Parliament, has literally nothing to do with it and you are a stranger. They need to be told that they are the strangers in our constituencies. They are the employees of the Government. My employees are the members who voted for me and my term is five years. The Fund Accounts Managers will move on to another constituency and I will be sent home if they mismanage those funds. We know that we can only give some ideas and it is supposed to be outside the control of Members of Parliament. However, I do not know where that misinformation came from that a Member of Parliament cannot say anything because he or she is the Funds Account Manager. They need to get it clearly. This is a creation of Members of Parliament and it is meant to serve those who elected us because we are the ones who promised them that we were going to do some things for them. If Members are not careful with this, the fund managers will send us home. They may send us home before our term expires. I can tell you but I am sure that is not going to happen in Ndaragwa. I would rather close those offices if they cannot listen to what we are saying.

In the past, we had a poor way of distributing those funds. I would get Kshs40 million in Ndaragwa while another constituency would get Kshs120 million. We now have about Kshs110 million distributed equally. It is still not the best. I am seated next to Hon. Kwenya from Kinangop. He has 120,000 registered voters and he is getting Kshs100 million. I have about 50,000 registered voters and we are getting the same amount of money. It is not fair because when it comes to him dealing with bursaries and the rest, he will certainly struggle more than me and it is not fair. When we eventually look at it, we will understand the fact that we are all paying taxes and we need to treat Kenyans equally.

It is also important to mention that we have the devolved units, we are happy and we support them. But I think it is always important to say that devolution does not exist and it will not exist because we have the Senate. It is there because, for you to do anything on devolution, there must be a referendum. So, the persons who protect devolution are not Senators. That is a complete misinformation and a misplaced statement. Senate is a flower team that will remain for a while. Even when I join it, I will also be part of that flower team. What I want to say is this: Devolution is protected by the fact that if you want to bring any changes, you must get a referendum. What we have seen in the last six or seven years is that the effectiveness and the impact that NG-CDF has done cannot be measured against the county government performance. If that is the case that you are able to achieve more through NG-CDF than you can achieve through county, then it is only fair that we look for ways of increasing the allocation to NG-CDF so that we can fast track the development that need to be there. We also need to come up with ways of cutting duplication.

I was attending a burial on Tuesday in my place and the Governor...I do not want to say much about my governor because we have quarrels in my county. He had given coffins, and one of the coffins gave in. You can imagine the mess that we were in when a coffin was giving in as we were seated there. Even the quality of the coffin has nothing to do with the kind of money that was mentioned. That is the same thing that is happening with the projects. The kinds of projects that are being implemented are scary. Even procuring a coffin is a problem. These are issues that we have to live with because they are part of us and we are going to be together for another four years. We will get used to going with a spare coffin just in case what they bring around gives in again.

The duplication rate is so scary. You will find a whole team of county government coming to piggyback on the projects that are being done by NG-CDF. We need to come up with ways to avoid that level of duplication because it does not help at all.

I also want to mention something about the fact that projects at the constituency level are supposed to be conceived by the people themselves, and acted upon by the committees. What worries me is this: How is it that we have this thing they are calling Information Technology (IT) hubs? In my constituency, we have written back to say that there may be a need, but not for the four hubs. But they are being lumped on us. I wish Hon. Maoka Maore was here. However, I think his committee needs to be awake to hear what we are saying. You cannot be forced to do projects that have been conceived at the national office. Maybe, I do not need a hub. For example, where they wanted to put up the hubs in Ndaragwa is somewhere in the bush where the youth would not even access them. So, I think it is important that they listen to us. If it is a question of allocating funds for these hubs, the committee at the local level should do it, not at the national level.

I know my time is up. I wish I had more time like the Leader of the Minority Party. I wish to thank the Committee for the work they have done. The NG-CDF is the most important thing. It is a success story in this country. We need to grow it and grow it well.

Thank you, Hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Before I get to my left, Hon. Wanyonyi and Hon. Dennitah have been very patient. I will start with Hon. Dennitah. Hon. Wanyonyi, I will give you an opportunity slightly later.

Hon. (Ms.) Dennitah Ghati (Nominated, ODM): Thank you very much, Hon. Temporary Deputy Speaker, for giving this opportunity to support and thank our Chair because I belong to the Special Funds Accounts Committee. We went through a lot of discussion around this Report. I want to congratulate the Chair, the Member for South Imenti. This is a true reflection of the findings we had in the Committee.

I am a product of NG-CDF. The bursary component of NG-CDF enabled me to go through my education as a young girl growing up in Kuria. I can, therefore, vouch for the continuity of NG-CDF. That was the time when Hon. Wilfred Machage was my Member of Parliament. I was still in high school. So, I know what value NG-CDF has to the very many children of this country. Therefore, there is value in NG-CDF. I want to thank the brains that came together in 2003 at the inception of this fund. I know that so many communities have benefitted. The bursary component of NG-CDF is what I would vouch for. Fees are a major challenge to parents and children in accessing education. As I sat in that committee when we were looking at the audited reports, I was asking myself how we can increase the bursary allocation of NG-CDF so that parents are cushioned for more children to access education. In

one of my recommendations, I would vouch for an increase in the percentage of bursary fund in NG-CDF to enable so many children in rural areas to access education.

Many people have seen NG-CDF. It is working. This is the best fund that we have seen. We have grown seeing NG-CDF funds working. In all the 17 constituencies of Nairobi County that we evaluated, we realised the importance of NG-CDF in terms of schools, renovating infrastructure and education. Everyone who has grown up in this country has a history with NG-CDF, especially children in rural areas who would never have gone to school because of lack of fees.

As we interacted with these audit reports, we realised that Fund Account Managers at the constituency levels had been posted to constituency offices. I would suggest that as we move forward, Fund Account Managers should be given a number of years to stay in a certain constituency. I want the board to take that as my suggestion and ensure that there is a law that says the number of years a Fund Account Manager can stay in a constituency. There are some Fund Account Managers who stay in a constituency and get so acclimatised to the constituency that, sometimes, the Member of Parliament has no much say. We need to enact laws to say that a Fund Account Manager can stay in a certain constituency for three, four or five years and shift to another constituency. That way, we will be creating an environment where so many other Fund Account Managers can come in and bring their expertise within that constituency.

We also need Fund Account Managers to go through a regular training programme by the board. There are some Fund Account Managers who do not have one or two ideas. So, we need to ensure that we put minimum standards of a Fund Account Manager in terms of managing funds in constituencies. It should be a requirement. For me, NG-CDF is the best thing that ever happened to this country.

Hon. Temporary Deputy Speaker, with those few remarks, I support the whole Report. I look forward to getting into other counties where we are going to analyse the audited reports of various NG-CDF accounts. I am a Member of Parliament representing people living with disabilities (PWDs) and, for once, we see the NG-CDF committee at the constituency level has representation of the youth and PWDs, so that it is very clear that PWDs' needs can be addressed. As we move forward, we are including everybody, even in the designing of programmes that affect the people.

With those few remarks, I congratulate the Chair and support this Report.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Hon. Maanzo.

Hon. Daniel Maanzo (Makueni, WDM-K): Thank you, Hon. Temporary Deputy Speaker, for giving me an opportunity to comment on this very important Report. The NG-CDF has been very successful in the country. It is a fund which is felt at the grassroots. It is managed with least expense and by the people of Kenya. The work of the Member of Parliament is merely oversight. Many times, the team on the ground works very well with *wananchi*. There is public participation and one is able to see the effects almost immediately. Despite there being a lot of funding in the counties, a lot of monies is spent on organisation and administration and by the time you are doing development, in many occasions - though in Makueni County they have done well - you are not able to see the products of other funds. But NG-CDF is conspicuous. You can see it in every primary school, every chief's camp, in projects that deal with the environment and in sports.

If you look at the reporting and audit system of NG-CDF, you will realise that many Kenyans are happy with it although it is a small amount of the total Budget of the country. We

need to look at the law in future so that it can be increased substantially. That is because there is hardly a big part of infrastructure of schools that is being handled by the Ministry of Education.

The NG-CDF also, as seen in this Report, has serious challenges. For many Members who may not know, there was a time when NG-CDF was taken to court. In fact, there are several matters pending in court challenging the constitutionality of NG-CDF. One matter is in the Supreme Court. There are others in the Court of Appeal and the High Court. Hon. Kaluma and I have been assisting, on voluntary basis, the NG-CDF Board Counsel to go through those matters to make sure that we protect this very important fund. In fact, at one point, we lost in court and we had to make a new statute, the NG-CDF Act, and we had to comply as much as possible with the doctrine of separation of powers and to make sure that the fund is protected within the law. Some organisations and Non-Governmental Organisations (NGO) have not been satisfied with how they have filed suits to ensure that the NG-CDF is killed. Therefore, there are still very serious challenges facing this fund but the truth of the matter is that, it is very successful and has least corruption issues. That is because the people at the grassroots control it and they also help the MP to oversee it.

There is the oversight committee where the Member is supposed to have four other members but, unfortunately, it has a very small budget. I think that oversight committee is very important and should be relooked at again by the committee dealing with the NG-CDF. We also have the challenge of the board of the management. Right now, the board is composed of four Principal Secretaries of the related ministries such as Education, Planning and National Treasury. If those PSs are not joined by the CEO or if one of them does not show up, there is no quorum.

So, it is even a wonder how this fund has survived. I must thank the four PSs who sit in this committee because they are so punctual and they cancel so many other Government activities to participate. This is because the moment one of them misses or has travelled out of the country, there is no quorum and without quorum, there are so many important decisions on projects which cannot be made by that particular board.

Therefore, it is very important - and I pronounced myself on this one - on the 10th and 11th Parliament that the CEO who has faithfully served for many years... I can assure you it is very difficult for any Government officer to satisfy MPs. They are very thorough and they scrutinise activities very well. Every MP who has been to that office has seen how the acting CEO, Mr. Yusuf Mbuno, has served them. This House has even pronounced itself that Mr. Yusuf Mbuno be confirmed with immediate effect, in the 11th Parliament.

It is surprising that this order of this Honourable House has not been complied with. Therefore, the other seven Members of that board should also be confirmed with immediate effect. We have many MPs who lost their seats and who understood NG-CDF very well and are very competent. Some of them sat in the NG-CDF Committee. All those Members are eligible to come and assist us manage that very important fund. We have many other Kenyans of good standing who can be board members and so the ministry in charge should move with speed.

This confirmation happens with the proposal from the Cabinet Secretary and a confirmation of this House. I am sure this House, on its part, is more than willing to appoint this very important board under the law. The CEO's matter should be dealt with immediate effect. So, there has been that challenge and I believe it is within our realm to participate as a House and ensure that one of the boards which serve us is in place and can serve Kenyans as soon as possible and in the most effective way.

That way, development projects which need the approval of the board will be handled with a lot of care, speed and accountability. Once the process is completed at the constituency

level, it comes to the NG-CDF. If that board does not exist, then the members of staff in that body have been working very well. It will be very encouraging when they have a full board. So, this matter must be handled with immediate effect. It should become a concern of each and every single Member here. The employees of the board, most of them having felt that because they have been working with the NG-CDF and the people could make it, resigned to go and run against us in many constituencies and they lost terribly. Other than the Chairmen of NG-CDF, I think only two made it as MPs. So, almost 40 of them had resigned. So, this is forcing the constituency managers to handle two or three constituencies because there is a shortage of managers at the constituency level. We need to relook at that so that we can hire or some be brought on board who were good.

I also would like to say that there were many bad apples among those managers and some kept being shifted from one constituency to another. I remember one time one of them misused funds and he faced the wrath of the people. He was killed by a mob in one of the constituencies in the country. An inquiry followed in the courts and it was never known who killed that manager. Other managers also took advantage of the absence of the MPs when they were debating here and did tricky things in a few constituencies. Members of Parliament in those constituencies found themselves charged in court for misappropriation of the NG-CDF funds even when they were not directly involved. So, we want this fund to succeed. It should be copied by other countries. They should copy how we do public participation and deliver to citizens.

I support.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Very well. Hon. Wetangula Wanyonyi.

Hon. Tim Wanyonyi (Westlands, ODM): Thank you, Hon. Temporary Deputy Speaker for giving me a chance also. I have been waiting patiently. I congratulate the Committee for this Report.

I appeared before this Committee. There are some elements which they were looking into. I do not know how far back they can look at the performance of NG-CDF. This is because at one time, the auditors raise queries of things that happened a long time ago and you as the current MP become fixed and look like you are the one who has committed those errors and yet, they were done a long time ago before you even became an MP. There is a case in point in my constituency. There is something that happened between 2007 and 2009 before I became the MP. Even that area that the auditor raised a query on no longer falls under Westlands Constituency.

So, members of the public read some of those things and look at the current leadership as taking responsibility. We know that the NG-CDF has done very well. It has improved lives and brought development close to the people. I can speak with a lot of pride because I know that we have shown that money allocated to projects within the constituencies has done good work and visible projects.

I believe that if the county governments can look at what the NG-CDF can do with the little money and yet we are allocating billions of shillings to county governments.. Recently, I was in my home county and the only thing I could see was some sheds constructed even in areas where there are no vehicles. You just see sheds at a bus stage. Those are misplaced priorities and then when you look at the money spent, you wonder. We can utilise this money well and we are urging NG-CDF Board to release the funds. We are still running on the 2017/2018 Budget. We have not used the 2018/19 Budget and yet, the financial year is half-way. I believe this can be improved so that we can get the funds to implement the projects quickly.

Another issue is stalled projects due to lack of transition when some functions were devolved to the counties. A case in point is this: I constructed a youth polytechnic in my constituency which was devolved and so, it was not allocated money to complete it. The county government did not take over from where we left. When you look at that project, it looks like NG-CDF did not complete it.

I believe we should have had transition of projects started by NG-CDF so that they could be completed and then handed over to the counties. I think that would have been better and could create a better image, rather than leaving a project half-way done. It stalls and nobody cares about it. I think this is an area we need to relook into. There were many things which NG-CDF used to do. They no longer fall under it and so we do not understand which areas it covers. I think the NG-CDF Board should hold civic education to show the functions of NG-CDF. This has been done at our level but, sometimes, it is not good enough. I believe members of public should be made aware of what NG-CDF does.

Also, the dynamics of Nairobi City County and other counties are totally different. We experience many disasters in Nairobi. The auditors have strictly put it that funds cannot be allocated directly to affected individuals, but they should find a way of doing so. This is what the law says and it is becoming a real issue because we experience fire disasters almost every other day. The only way to salvage a school or people affected in an informal settlement is to allocate funds. When one does this, auditors query it. Therefore, we should relook on how to deal with this issue in an urban setting.

On bursaries, I think the funds will never be enough. We should increase those funds so that they can reach as many people as possible. There are areas with so many parents who expectantly look at NG-CDF for bursaries to take their children to school. Sometimes, the money allocated is not enough. If you give a cheque of Kshs5,000 and school fees is Kshs20,000, then you have done very little and the child will still remain at home. I think we need to look at how we can increase funding to pay school fees for more children. This will help parents to keep their children in school.

With those few remarks, I support this Report. I want to encourage the Committee to keep up with the good work that they have started. This shows there is nothing sinister about NG-CDF. It is very transparent; it is seen and has been felt by the people. Those who are fighting NG-CDF should just look around and see how much it has done. If you look at its original composition, it had an elected MP, two councillors and a District Officer.

You know the MP is no longer a member of the NG-CDF Committee. We only oversee and do not sit in the committee yet, when a mistake is committed, it is the MP who takes responsibility. He or she is blamed. Our role is oversight and making sure that projects are properly implemented.

Hon. Temporary Deputy Speaker, thank you for giving me a chance to contribute to this Report.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Let us have Hon. Gichimu Githinji.

Hon. Gichimu Githinji (Gichugu, JP): Thank you, Hon. Temporary Deputy Speaker, for giving me an opportunity to contribute to this important Motion. First, I am personally impressed by the work that has been done by the Special Funds Accounts Committee. It is very new in Parliament and is operating without precedent. They have covered the entire Nairobi City County and brought a Report to this House. This is good work towards the right direction. They are under the leadership of Hon. Kathuri Murungi, and I congratulate them. Keep up and move to the

other parts of the country. Going forward, we hope to receive audited reports from our constituencies to see how they are performing and where they have failed so that we can tell our NG-CDF Committees led by fund managers to improve where necessary.

I must say that NG-CDF is very well structured. I believe if all the other Government monies going to the counties were structured in the same way, we would not have corruption cases in some areas at both the county and national levels. If Government money was structured in terms of how much should be used for administration, development and other costs, then we can take this country to the next level.

An area like the emergency fund has been very helpful and is provided at 5 per cent. This money comes in handy especially when there are disasters. We are just from very heavy rains in most areas. In Gichugu Constituency, we had many landslides, toilets sunk and kids did not have a place to relieve themselves. Therefore, the emergency fund came in handy and we built many toilets which helped our pupils at the secondary level.

Going forward, the Committee should be keen on incomplete projects. Most projects were started more than 10 years ago. The amounts they were allocated cannot match the amount required to complete them due to inflation and other factors. I suggest that when this Committee is going round, it should team up with the NG-CDF committees. They should then see whether they can give permission to the current committees being overseen by MPs to have Bills of Quantities (BQs) for projects which are at a completion level. What is happening is that some of the committees fear completing some of the old projects because of the audit queries. This is because you do not know how much was pumped into those projects. There are new committees that are coming in place and they are not aware of where to start. Those are some of the areas that the Special Funds Accounts Committee and the NG-CDF Committee should try and sieve and come up with a list of all the incomplete projects so that they can give a way forward.

The other area that the Special Funds Accounts Committee and the NG-CDF Committee should look at – one committee is overseeing the other but they should also be working together – is distribution of the NG-CDF money to the constituencies. They should come up with a proposal which Parliament... I know it is in law that all NG-CDF money should be shared equally, but I tend to support one of the honourable Members who indicated that although it is equally distributed amongst the constituencies, it is also unfairly distributed. This is because you find a constituency with over 200,000 inhabitants getting the same money with a constituency with about 40,000 inhabitants. The number of students who go to school and who require those bursaries is also commensurate with the number of the inhabitants or the residents who live in that area. The number of schools which also require structural development in terms of building the classes and other things is also dependent on the population.

It is common knowledge that in the entire country, there has been a great influx in terms of enrolment of students both at the primary and secondary levels because of free education, thanks to the Jubilee Government. It has already put a lot of pressure on us MPs through the NG-CDF committees because every other school is demanding a laboratory, a classroom or dormitories for those who board. Those are the kind of things that require spending even beyond the amount of money that has been allocated for NG-CDF at the constituency level. Many people have been arguing that NG-CDF is getting a lot of money but, if you look at the structure of how that money is being shared, you will see that it is actually peanuts!

The other area that the Special Funds Accounts Committee in conjunction with the NG-CDF Committee needs to look into is that of procurement. I echo the sentiments by Hon. (Dr.) Oundo that there should be some relaxation so that the organised groups within the constituency

level like the youth, women and people with disabilities can also benefit from the proceeds of the projects that are being done by NG-CDF. This is a local fund at the constituency level and yet, you find because of the many stringent requirements courtesy of the procurement process, those groups are not able to meet the requirements. We also need to have a way of making them grow and build their capacity so that in future, they can also meet those requirements. Some of the requirements also demand a lot of money like getting a letter from the National Construction Authority (NCA). Right now, they are demanding NCA 7 and there is a lot of money that is required before you get that NCA 7. It is what will enable you to construct. Once some rules are relaxed at the constituency level, then our youth, women and people with disabilities - and also not forgetting men who are also willing to do these jobs - will also empower our people.

The other area that we also need to look into while those funds are being managed is the ministries. They are also getting money for development and yet, they are looking at the NG-CDF to do everything at the constituency level. We should look at the audit. Actually, this is an area that also needs to be looked into in conjunction with PSC, to see how much money has been allocated for development and how much has trickled to the constituency level. The Ministry of Education, Science and Technology should also have a certain project that...

The Temporary Deputy Speaker (Hon. Patrick Mariru): Your point is made. Next is Hon. Nzioka Kivasu, Member for Mbooni.

Hon. Erastus Nzioka (Mbooni, Independent): Thank you, Hon. Temporary Deputy Speaker. First, I thank the Committee Chairman for the good work done. As they say, behind every successful chair, there is a very strong team behind. Well done to the team. One issue that has come out very clear, which is worrying, is the late issuance of AIEs. We are in technological times and we wonder why the Treasury disbursements to the constituencies and the NG-CDF take almost two weeks or one month in terms of release of the hard copy of the AIE. We request and recommend that we have these AIEs issued electronically within three days. I fully support that. If they cannot release the hard copies, then they should be able to release the soft copies within that stipulated time.

There is also the under-funding of the projects. In 2011/2012, we came across about Kshs542 million that was not released. In 2013/2014, about Kshs2.1 billion was not released. In 2014/2015, about Kshs2.3 billion was not released. That is a total of about Kshs4.9 billion that is still pending within Treasury, which is supposed to be implementing projects within the constituencies. This money is long overdue for the constituencies. That is why the Members of Parliament are talking about stalled projects because when we get in after elections and we find projects that are not completed, then we do our proposals for projects and money comes, many a times we go with the new projects. With this, I support fully the recommendation that this gets factored by the Treasury in the Supplementary Budget of 2018/2019 because we need to implement those projects in time.

On the issue of bursaries, having been part of the Committee, I have realised that when they get released to the beneficiaries, many a times, many of the cheques become stale. They do not reach the institutions where they are supposed to reach. Now that we are living in technology times, we wonder why some of those transfers cannot be done electronically. We are requesting the NG-CDF to make sure that they review their guidelines and try to adopt an electronic transfer that is going to assist the constituents or the fund managers do their transfers within time electronically. At the same time, when doing our bursaries, we have also realised from the Nairobi constituencies that, many a times, bursaries are treated as emergencies and this raises

audit queries. Through our deliberations, there is also this definition of the word “emergency” that it is a sudden, serious, unexpected event or situation requiring immediate action.

Some of these issues like transferring bursary as emergency are raising a lot of audit queries. It is a concern that some of the fund managers need some training to know exactly what is approved for emergency and what is not approved.

Hon. Temporary Deputy Speaker, when I look at the fund managers and what they have been doing, I realise that, many times, they are not able to release the required financial statements on time. That is even after being given adequate time by the audit department to prepare. We realise they do not release the documents when the auditors are within their premises. That raises issues based on the International Public Sector Accounting Standards (IPSAS), a framework that was introduced in 2013/2014. Many times, the Fund Account Managers release incomplete reports. This raises a lot of queries even when they are given one month period according to the Public Finance Management Regulation, Section 97(2) and 101(4). Those documents are supposed to be released as required, but we found out that it is not being done.

The recommendation that the Fund Account Managers be trained or the NG-CDF, in collaboration with the Public Sector Accounting Standards Board need to conduct some continuous capacity building of their staff is welcome. That is the Fund Account Managers and the staff at the constituency so that some of those frameworks are adhered to. That way, the NG-CDF finances will be utilised properly.

With those few remarks, I support the Report and congratulate the Chair together with his team. Thank you.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Hon. Odhiambo Akoth.

Hon. (Ms.) Odhiambo-Mabona (Suba North, ODM): Thank you Hon. Temporary Deputy Speaker. I rise to support the Report. I wish to indicate that whenever you travel out of the country, there are two best practices that Kenya is cited for: NG-CDF and M-pesa. When I sat as a Member of the Pan-African Parliament, there were several Members from other countries who wanted to come to Kenya to learn how we manage NG-CDF. Several other countries have picked the practice because of the difference that the NG-CDF has made. It is also a further good practice that, as a Parliament, we audit the way it is run to ensure it is beneficial to the country.

The only challenge we face is that we do not sufficiently market the work that NG-CDF does. Sometimes, when I listen especially to the elite who have no clue about what NG-CDF does, it is very disheartening. In the past, people used to raise issues about inequality and lack of equity in the distribution of funds. But with the NG-CDF, you can see a changing face of Kenya. Areas that had never known proper and decent classrooms, you can now see them adorning very good classrooms. One of the things that people do not understand is that NG-CDF has a very clear legal structure that makes it difficult even for a Member of Parliament to manipulate. You have a Fund Account Manager who is appointed competitively from an office in Nairobi. They are people who, most times, are not from your constituency. Whoever thought about that structure, thought of an excellent structure because Fund Account Managers, because of the mutual suspicion between them and even the MPs when they are doing the oversight role, ensure that the funds are properly utilised.

Sometimes, when you walk around, you hear people telling you that they want the NG-CDF to build health facilities and all manner of things that it cannot do. Our colleagues 47 County Women Representatives are even much more placed because they are able to do social

welfare programmes that we are not able to do. They can buy umbrellas and do markets which we cannot do. We are limited to education and security. It is very strict such that it is very difficult to move money from one thing to another based on what is agreed in the law.

The only thing I find challenging in NG-CDF is Recently, we visited a colleague in a constituency in Nairobi. One of the speakers before me alluded to that fact. I know this is something that has been canvassed before. People were talking about considering percentages for different constituencies. I will give you an example of my constituency that has a population of about 117,000 with 146 public schools. Compare that to a constituency in Nairobi with less than 10 public schools yet we get the same amount of money. This is a challenge I want to give to the national office. When you compare, compare similar things. Do not compare apples with donkeys, for instance. It will be fair to compare the constituency of my brother T.J. Kajwang' with Ken Okoth's of Kibra. How many public schools do you have?

(Hon. T. J. Kajwang' spoke off record)

He has four public schools.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Hon. T.J. Kajwang' will have an opportunity to speak. Prosecute your case directly.

Hon. (Ms.) Odhiambo-Mabona (Suba North, ODM): Hon. Temporary Deputy Speaker, I am glad my brother T.J has shared that he has four public schools, when we have 146 in Suba North. Hon. Mutunga is telling me he has 84 schools both primary and secondary. I have 146 both primary and secondary schools. I was sitting next to another Member who has 250 both primary and secondary schools. Hon. Mutunga has told me to clarify that he has 84 primary schools. That tells us that with the Kshs103 million that we receive, the most I can do per school is one class. Even by doing one class, I cannot finish all schools in one financial year. What can my brother T.J. do? He can use the money to build a brand new school, buy them a bus, give everybody in that school bursary and still have some money left over for emergency. So, there is a level of inequity in the way bursaries are given.

Let me give another example in that regard. You may look at it in terms of population. For instance, Kibra has a much higher population than my own constituency, but it is more compact. If I were to move around Kibra, I will go through the whole constituency in one day. If I want to move in Suba North, like I have been trying to move from one village to another meeting people, it will take me one year because my constituency has seven habitable islands. The furthest when you go by speed boat is about two hours and when you are there, you see Uganda. Then there is another island on the far end that from the days of Adam has never got a school. It is called Sukuru Island. The topography is diverse. In my constituency, we have valleys, hills, islands and all manner of things. Moving from one end of the constituency to another is completely outrageous. I will give another example. When we are giving Members who do not have water bodies, they will for instance raise money for a vehicle. Every time I want to go to Mfangano Island, I have to use two boats because water is like the lake. Hiring one boat is Kshs30,000 and because you can have an accident in the water, you are not going to wait for people who are waiting for you inside the water to rescue you. You must have, at least, two boats. Every time I have to go to Mfangano Island, I must have Kshs60,000. What about my brother here in Dagoretti? In the worst-case scenario, he can just take a *boda boda* and in about five minutes, he is in his constituency. There is some element of inequality and inequity in the distribution of NG-CDF. I am hoping that going forward; we can relook at that so that there is

some element of justice in the distribution of NG-CDF. Sometimes, people challenge you by saying that they see how Nairobi MPs are constructing wonderful colleges. If I construct one college, that is a NG-CDF allocation for the whole year for Suba North. Meanwhile, what happens to the other facilities that are all in pathetic situation? I have given you an example of Sukuru Island. We did the first ever classroom about two years ago, and that encouraged the Governor. They have been promising to put up another class for ECDE. At least, it will have one ECDE class and one primary classroom.

Finally, because I know I have run out of time, I want to agree with an Hon. Member who said that we need to open up space so that women, youth and persons with disability can also find this as a means of working and contributing to the development of the community.

With those few remarks, I support.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Members, this is about reports from Nairobi County constituencies. So, I have to keep balancing between those Members that represent constituencies in Nairobi and those that are outside. So, in this case, I should give Hon. T.J. Kajwang’.

Hon. T.J. Kajwang’ (Ruaraka, ODM): Thank you, Hon. Temporary Deputy Speaker. Allow me to congratulate the Committee for the good work they have done. This is a special committee that we just formed this term. You can see that we are debating a Report of 2013, 2014 and 2015. Those are three reports together. This is the second report. They are current. They are doing very well. They are probably doing much better than PAC and PIC. I am proud of them because this is what the Republic expects us to do – that we can oversee these funds on a timely basis. We do not want to put them on postmortem and then find out when they die. So, what happens? I want to encourage you, Chair of the Committee; that, you are on the right path plus the team that is behind you. You are able to give good leadership.

I do not want my sister from Suba North to leave because I want to let her know a few things about inequality of distribution of resources. Before I say so, just allow me, as Member for Ruaraka, to be pleased with this Committee. I have seen that in the constituency that I oversee, they have given us a clean bill of good health. They have looked at several aspects of how we handle NG-CDF and they have said that we are good to go. This is what the public needs to know – that we are the eye of the public; that, we are the first overseers of the funds. Were it not for our presence under Articles 94 and 95, they probably would have lost everything. Right now, there is a lot of hemorrhage in the national Government. It is, perhaps, because with NG-CDF, we have this iron-fist control over it. Yes, there are variances and deviations, but it is not as big as what the national Government is experiencing in several departments.

Members of the public should understand. If there is anything, I thought the newspapers should write about these kinds of things instead of saying *sijui* who has not spoken in Parliament and who has said what. These are the reports which concern the issues that they should write about, but you will see that they are bored and they are all yawning. They are unlikely to pick some of these issues and report on them.

I am encouraged. I have looked at the Report from Page 216 onwards. I see a few issues which I could take up. I see something recurring about the fund managers being unable to comply with accounting procedures and so on. This requires re-training. On the recommendations, we were not able to make amendments to your Report but you should have made a recommendation to the NG-CDF Board to retrain the fund managers in accounting so that they can be able to address the issues as asked of them by the Auditor-General from time to time.

I also see several remarks about the National Treasury, especially issues pertaining to disbursement of funds. The Chair of the Committee was a little lenient on the National Treasury. This is a big problem. They do not give us money. They give us money after one year and then they expect us to use that money somehow and take it back to the projects we had programmed. I do not know how they want us to account for those monies. Something needs to be done between the Budget and Appropriations Committee and the NG-CDF Committee. We give them money and they do not give us those monies to be able to run the committees. Something needs to be done. I have seen a lot of recommendations around it but it needs to be stronger because we are the people who budget. We should direct the National Treasury by what time they should be able to supply that money.

I am one of those who are affected by asset division. I am in a district called Kasarani, which used to be one constituency that mutated into about four or five constituencies. But when there was asset division and so on, all those things were never passed. We did not know what to do. With the funds that we had, we needed to complete the projects as they were. For example, I allowed my funds to go to everything that was being done before me so that they were all completed. They did not tell us that when we were giving them the money, they were also giving us the debts. Now, we have debts which we did not work for. There are contractors who are on our necks looking for money, but those projects did not occur in the physical place, which turned out to be my constituency. So, I cannot pay because I did not know how those things were arrived at. There should be a recommendation to the board that they isolate some of the issues which were affected by the boundaries so that we understand very well how the assets and liabilities should apply. Some of the contractors are also our constituents. So, when you tell them you cannot pay them, they do not understand you because you are in the physical space in which they worked. So, there is a contradiction.

On bursaries and scholarships, it is a very good idea to transfer funds electronically, instead of having cheques to be written physically. In Nairobi, we have one provincial accountant who signs all the cheques for the 17 constituencies. If he is sick, no student will go to school in Nairobi. You can imagine him signing cheques for 1,500 students. Multiply that by 17 constituencies. By the time he has done one day, even his signature has changed. Signatures change when you sign many cheques at the same time. This is a recipe for corruption. He is the main guy there. Everybody must “talk” to him. If you do not “talk” to him, he will be out of office every day. Those are some of the differences we have with rural constituencies. In most rural area districts, you find district accountants signing. In Nairobi, we have one big “god” at Nyayo House who must sign all the cheques. Those are the issues we need to change but the Committee must be involved in the transfers. Otherwise what will happen is once you have the list of students, because the Committee will not go to Nyayo House, is that one can as the Fund Account Manager just put some names just before it goes for electronic transfer. Before you know it, so many other fellows other than your constituents would have received those things. So, it must be done together with the Committee.

Let me talk about the Nairobi dynamics. This is where I think I should have spent just two minutes on. Nairobi is different from the local and many other urban constituencies. It is a little different. Here, if you tried using PMCs, they will steal from you. There are people whose jobs are just to steal. They know and have crafted it; that is their job. If you make them PMCs, you will never see them. They will move to other cities. There are things which work in the rural areas where you have the headmaster and the village elder. They are people who are known around. There is nowhere they will go. Here, there are guys who came to do this to make some

money in their pockets. This is why we sometimes we do things or encourage committees to do things from the main account instead of going to the PMCs. It is because we do not know these PMCs. We at least know who these main committee members are. Nairobi is the kind of thing that I talk about every day as being fierce. It is fire this and fire that.

(Lights at the Table turned yellow)

Hon. Temporary Deputy Speaker, I do not know if you could give me a few minutes. My head goes yellow when I see the yellow light.

(Lights at the Table turned yellow)

It is now red.

(Laughter)

The Temporary Deputy Speaker (Hon. Patrick Mariru): You have 20 seconds.

Hon. T.J. Kajwang' (Ruaraka, ODM): We are like ambulances. There is fire every day. We are just firefighting every single day. This is the problem. This is what *wananchi* are doing. Unless you give us a way to respond to these people, we will be irrelevant. My sister from Suba North is talking about schools.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Hon. T.J. Kajwang', I am afraid your time on this is gone.

Hon. T.J. Kajwang' (Ruaraka, ODM): Has it gone before I went to the meat?

The Temporary Deputy Speaker (Hon. Patrick Mariru): Yes, before you went to the meat. Remember you had 10 minutes. If I add you a minute, I would be unable to add the next person. Hon. Mutemi, Member for Mwingi Central.

Hon. Gideon Mulyungi (Mwingi Central, WDM-K): Thank you, Hon. Temporary Deputy Speaker. I rise to support this Report by the NG-CDF Committee.

First, I want to congratulate this Committee for doing a good job and producing a very voluminous Report with good content. This Committee has beaten all others hands down including PIC from which I was removed. I was removed as if I am the one who prepares reports. I want to challenge them to bring a report. I will be the first one to shoot it down. I was taken to a very good committee which oversees all legislation from all Government departments. So, I will be a very good legislator. This has done me very good. I will no longer be an investigator; I will be a legislator.

As all our colleagues have said, the NG-CDF is the only fund in Kenya which has impact in the villages and grassroots. We pass huge budgets here in Parliament but they are never felt at the grassroots. This is a fund we must protect until Jesus comes back.

I agree with the Report of this Committee and its recommendations. You cannot have somebody acting forever for seven years. You should naturally be confirmed if you act for three months. You are on the job. I agree with them that the CEO should be confirmed. A board should be put in place so that things can be rolling.

I also want to agree with the Committee that the allocation for the NG-CDF should be increased so that it can be felt more in the constituencies and the grassroots levels. But, I also want to suggest that allocation of that money per constituency should be based on the poverty

index. It is because there are constituencies which are very rich and well-endowed with wealth while in my Mwingi Constituency everybody wants food when I reach there and children cannot go to school. So, when you allocate money equally, it becomes a big problem. I suggest that we consider poverty when allocating this money so that we are all equal or we become equal in Parliament and also improve our chances of coming back to Parliament.

I suggest that the functions or projects which the NG-CDF is supposed to do be increased. We receive a lot of requests, especially of water. I cannot do water because it is devolved. I cannot do health facilities because they are devolved. The only things I can do are schools, bursaries and security. If I go out there and commit a crime, I am sure I will land in the police station I have built. So, this spectrum should be expanded to include health facilities so that we can share with the county governments. Water and access roads to schools should be included. One cannot even take building materials to some of the schools we build. It is because roads are not there and the county government has gone to sleep. Some governors are fighting with some MPs. If a governor is fighting you, he or she will not do roads in your constituency. These functions should be expanded so that all these are included in our mandate under the NG-CDF.

I also support that disbursement of the money be timely so that there are no delays in executing projects because we are on a five-year contract. Almost one-and-a-half years are gone. If this money does not come quickly, it means you will do nothing. I now even understand why His Excellency the President was complaining the other day that his CSs are delaying implementation of his projects. Even in my constituency, the fund manager is also delaying me in implementation of my projects because of untimely delivery of this money.

I agree with these recommendations and also what Hon. Kioni mentioned about fund managers. These fund managers think they are gods. They become like your boss when they land in that office. We are no longer the bosses. It becomes so difficult. We are elected. We have a performance contract of five years while these are civil servants. They do not care at all whether projects are done or not. Therefore, I want to support Hon. Kioni's recommendation that there must be discipline among these fund managers. Discipline must be instilled in them so that they know that they are serving Kenyans and that Kenyans deserve these projects being implemented with public money. Some of them are even too notorious. You do not even know who their boss is in the constituency is. They come to the office when they feel like. A fund manager can decide not to come to the office for a whole week.

As a Member of Parliament, I do not know what to do, unless I come to the CEO and report. That is not my business though. The fund managers must be disciplined. There must be rules. Who is their boss in the village to ensure that they report to duty and they deserve the money they earn?

Therefore, largely, I agree with the Report. As I conclude, I commend the Committee for doing a good job. I assure the Committee that the Member of Parliament for Mwingi Central will always support them.

Thank you very much, Hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Hon. Karani.

Hon. Christopher Karani (Ugenya, ODM): Thank you very much, Hon. Temporary Deputy Speaker for giving me an opportunity to give my input to this particular Motion. Before I proceed, I thank the Chair of the Special Funds Accounts Committee for the work well done.

We all agree that the NG-CDF is the best managed fund in this country because of the good structures that we put in place. The NG-CDF is the only fund where, before it goes out of

the account, it has to pass through almost five stages. We have the NG-CDF Committee which has to check what you are supposed to do. We have the project management committee and as Members, we oversee as the patrons. As a result, it has gone deep into the community. We are doing a lot of projects with the funds and it has taken the rural areas far. It has a lot of impact both in rural and urban areas.

As much as we are doing our best with these funds, we also face a lot of challenges. One of the challenges is late disbursement of the funds. As a Member of Parliament for Ugenya Constituency, the first disbursement of the funds I got was in April this year. Remember this House came into place last year in August. The community does not know what is happening. It becomes very difficult for us to plan our projects when the funds are delayed. By the time the funds are being distributed, you will find that we are not able to give bursaries in time. Ugenya Constituency got the funds in April. We need to sit down and confirm which people are supposed to get the funds and by that time, students have been sent home. As a result, it impacts negatively on the performance of our students. We kindly request the National Treasury to ensure that the funds are distributed on time.

Other than the late distribution, the funds have impacted positively on the lives of our people both in urban and rural areas. Most of the projects we are doing in our constituencies cannot be done by the county government. We give bursaries and ensure security institutions are in place. As a result, we need to talk to the Government or as a House pass some laws to ensure that we have, at least, doubled the allocation that we get. If we have 120 schools both primary and secondary schools, I have to ensure that each school gets some money. With the establishment of the free primary education, we have over-enrolment. So, you will find most students learning under trees. Some are overcrowded in classes. There is no way these students can increase their performance unless we develop the schools. It is becoming very difficult to act accordingly depending on the amount we get.

I request that, as Parliament, we need to revisit the Act to ensure that some of the projects that are being done by county governments are transferred to the respective constituencies. Most rural communities do not have piped water. However, water is a devolved function and we cannot do it with the NG-CDF funds. We can only do it through public institutions and that is not enough. With time, we need to revisit the Act and ensure that we are given powers to do some projects like water and even roads with NG-CDF money.

With those few remarks, I beg to support. Before I sit down, there is the issue of the CEO, which has been coming up. I do not think, as Parliament, we should allow the CEO to serve his seventh year without being confirmed. We should do something because at the end of it, we are tarnishing his CV. Tomorrow, if he leaves this place and goes to another department, and tables his CV showing that he has been an acting CEO for seven years, it will be questioned. We should sit down as the National Assembly and do something. If he is confirmed, it will help him stamp his authority in whatever he is going to do.

I beg to support.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Hon. Obara Akinyi.

Hon. (Ms.) Eve Obara (Kabondo Kasipul, ODM): Thank you very much Hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Let me check whether you are on record. Is there a contention on who I called?

Hon. (Ms.) Eve Obara (Kabondo Kasipul, ODM): That is me. She is Ombaka and I am Obara. Those are two different names.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Absolutely. It now sounds okay.

Hon. (Ms.) Eve Obara (Kabondo Kasipul, ODM): Yes, thank you. I stand to support the Report. This is a Report of 2013-2016. I congratulate the Committee for doing a good job. The Report is for Nairobi County. I am not sure when we will get reports for our counties. As I speak, the audit that started a week ago is for 2013/2014. That is the first audit for the constituency that has been started. As to when it will be completed and submitted to this office, I am not very sure. What I will call for as an interested stakeholder is that we get a schedule of the most likely time to expect to get some of the audited reports for our constituencies.

This Report has sent out a good signal to the country that even in Parliament, audited accounts are publicly submitted for the public to see what is being done in the constituencies.

I do not think I am the only one who will say this today, but in the constituencies, the only fund that the people know is the NG-CDF. They expect that it should do everything. If you talk about health, they will come and talk about their dispensaries. They will also talk about water and ask why the NG-CDF cannot do that for them. Why is this still happening yet we have been in devolution for the last six years? People still, somehow, do not seem to know what those offices do. Those are devolved functions.

There is need to sensitise our communities in constituencies so that they clearly know the role of each person and can hold them to account. How do we expect them to hold governors to account if they do not know that the water and the roads they are talking about were supposed to have been provided by the governor? They still come to the Member of Parliament.

If you go round the constituencies, you can see projects that have been funded by the CDF as has been said by all my colleagues. The projects that you can see and pinpoint are those that have been supported by the NG-CDF and not by the devolved funds. Bursary funds should either be increased or completely consolidated to be within the NG-CDF. Its impact is so great in the constituencies that you can pinpoint it. The constituents know which child in which village got bursary funds. For those other funds, you do not know who has received what money. I urge the Committee that these are some of the areas that we need to look at to see if we can increase the percentage of the bursary funds that go to the children.

On disbursement, as my colleagues have said, I want to urge the Treasury to release these funds on time. As I speak, we have not received money for the last quarter of the last financial year or for the first quarter of this financial year and yet we have programmes lined up to be done. Nothing is happening. It is frustrating because when we go home, they expect to see that this-and-this is happening as we promised. So, disbursement of funds must be timely so that we can run the programmes that we have planned.

I do not want to take so much time. I can see my colleagues are here and they are few and they probably want to talk and go. I will again say congratulations to the Committee.

I beg to support. Thank you.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Shall we have Hon. Ngugi Nduati.

Hon. Joseph Nduati (Gatanga, JP): Thank you very much, Hon. Temporary Deputy Speaker, for giving me this opportunity to also make my contribution. I would like to start by congratulating the Committee for a job well done. I wish all committees were working like this. We would be really proud of this Parliament. I hope in future we will see more committees learning from this Committee to deliver good reports on time.

On the NG-CDF, it is one of the best models we have in this country. When it comes to execution of projects, before you do it, the money is there. I wish the national Government was also doing the same. In this country, many projects that have been executed by the national Government have stalled because of lack of planning. A Government body can give a contractor a job knowing very well that there are no funds. With the NG-CDF, we are very lucky. When you are executing a project, you must make provision for money.

The other good thing about the NG-CDF is that those jobs are executed by the local people and we use local materials. When it comes to the national Government, we have seen huge contracts being given to the Chinese, where there is no local labour and the local materials are not used. That is why many Kenyans are complaining. I urge the national Government to borrow from this.

These projects are executed by local contractors and supervised by local people, providing a good platform where we can promote the local people. We are complaining that our youth do not have jobs. I want to encourage the Government to increase the NG-CDF money. This will go a long way in helping the Members of Parliament and the local people to create jobs. We have also seen that the Government is facing a very huge challenge. They have opened up new Technical and Vocational Educational Training (TVET) colleges and polytechnics, which the youth are refusing to join because they have realised that most of the money the Government is using is not going to the local people. That money goes towards benefitting the Chinese. In the new colleges that the Government has opened, they say that they have 500,000 vacancies, but the intake is only 25,000. This is because our youth can see the Government is not ready to assist them. So, I want to urge the National Treasury to see what they can do. With the 290 constituencies, that money can be spread across the country.

On Fund Account Managers, most of the ones we have are not well trained. I would urge the NG-CDF Board to do something. Their accounting skills are very poor. When it comes to execution of works, I urge the NG-CDF to use the facilities at the Ministry of Transport, Infrastructure and Urban Development, where we have standard drawings for schools and police stations. That way, when it comes to execution of jobs on the ground, there will be no problems. I know the NG-CDF Act allows for the employment of a clerk-of-works, but the amount provided is very little. If you were to use about Kshs50 million, a clerk-of-works is a very important person. It is high time the NG-CDF Board assisted us to employ qualified clerks-of-works. Qualified clerks-of-works can be trained to provide accounting services. You do not need to be an accountant. I think what we need is somebody who is trained in technical skills to help us in executing the projects.

When it comes to disbursement of money, it really delays. In my constituency, we received the funds for the last quarter very late. We have already advertised for the jobs. I would urge the board and the Treasury to work together so that the funds can be released in good time to assist us in the timely delivery of projects. When you delay the release of funds, costs of materials and labour go up, so that where you would do a class at Kshs1 million, you end up spending Kshs1.2 million. That is why you find Kenyans complaining sometimes that we do shoddy work. Sometimes it is not the Fund Account Manager to blame. It is normally because of the money being released late. So, I urge the board to work very closely with the Treasury to see that funds are released on time.

When it comes to visibility of NG-CDF projects in constituencies, there is no doubt they are the most visible. I have not seen in my constituency what the national Government is doing.

As for the county government, I am yet to see what they are doing. So, it is high time the NG-CDF amount was increased.

I want to urge whoever is responsible for the appointment of members of the board to do it very fast. We cannot have such an important organisation without a board to manage its affairs. Let us confirm that great person as the CEO. He is a great man who knows his work. There is no need of having such a person acting for seven years. Let us confirm his appointment and maybe we will see more coming from him.

Lastly, because I can see Members want to contribute, I thank the Committee for coming up with such a great Report. Congratulations. Thank you very much, Hon. Temporary Deputy Speaker, for giving me this opportunity.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Hon. Oduor Ombaka.

Hon. (Dr.) Christine Ombaka (Siaya, ODM): Thank you, Hon. Temporary Deputy Speaker, for giving me this opportunity to contribute to this Report before us. It is an indication that the work that Members of Parliament do on the ground is audited just like any other and that those who feel that Members of Parliament are corrupt are misguided. The Members of Parliament are doing a good job and we see the good job that has been done by the NG-CDF money.

The NG-CDF is a household name. Everybody knows about the NG-CDF and the work it does particularly in the education sector. It cannot be forgotten. I am a passionate person over the education of the girl-child and the boy-child and I find the NG-CDF a very useful fund to support needy girls and boys.

In the last Parliament, I worked closely with my Member. I am the County Woman Representative for Siaya and we worked very closely when it came to education. Many schools that were grass thatched and mud walled are not there anymore just because the NG-CDF have played a very important part in improving these schools. A number of girls and boys who are orphans and could not go to school were supported. You are aware that Siaya is one of those counties that are affected by the virus and as a result, we have a lot of orphans and many of them could not go to school, but NG-CDF has played a very significant role in ensuring that children are taken to school.

The only challenge that I see with the NG-CDF when it comes to bursaries is that the money is far too little. When a secondary school is charging Kshs50,000 per year and the NG-CDF can only give Kshs5,000 in that year, then the Kshs45,000 left is supposed to be raised by the parents. It is ridiculous because that child will not go to school. While you are spending Kshs5,000 on every child that deserves bursary, the money is like getting lost. The children are not going to school. They are dropping out. They are not being sustained and are not completing their education. So, it is crucial, as I have heard here, that we need more money in the NG-CDF. That is true, but I also take the same opportunity that you can work with the County Woman Representatives.

I worked with my Member of Parliament very closely on that. Whenever he had a list of students who needed support in terms of bursaries, I would come up with my list so that one child would not benefit from two funds. We were then sure that the bursary he disbursed and the one I disbursed were not supporting one child. There was no confusion. This is why I would urge the Members to work closely with CWRs because they too have bursary funds and if we worked together as a team, many children in that constituency would complete their education.

The other thing still within the education sector is the fact that money is too little and we require more money to be put in the kitty. The hopes and expectations are very high. It is just not bursary that children need. They need text books, uniforms and they come to us for all that.

As a CWR, I do not know what is going on out there, but the impression is that girls' school belong to CWRs and boys' schools to the Member of Parliament. So, anything that is disturbing a girl, they are told go to the CWR for assistance. Our money is so little. The Affirmative Action Fund is far too little to manage the many students. That is why working together as a team with the Members of Parliament who manage the NG-CDF is critical. We need to work together as a team.

There was a Member of Parliament who raised the issue of civic education that people need to know the role of the NG-CDF. When it comes to that, that is where working with a CWR is going to be more useful. The CWR have funds for civic education and when we work together, we will talk to the public about the NG-CDF and its role, so that we can help in sensitising the citizens about the role of the NG-CDF and the expectations therein.

That is the closest we can work together as parliamentarians to support one another financially. We too with our little funds, far much little compared to what Members have of about Kshs120 million, can assist. For us, one constituency has only Kshs6 million. It is so little. You beat us by Kshs114 million and we cannot match you. However, the little we have, we can share and have a big impact in the community.

The last point is on stalled projects. These sometimes exist not because funds are not there, but because politically, we do not want to push a project that a former colleague was putting up. That becomes a big challenge. When it comes to projects that have stalled, let us move on together and support each other. There are many areas we can work together as a team. My contribution here was basically to highlight CWRs and Members of constituencies can work together. We have little funds that do almost the same thing as constituency Members do.

Finally, when you take a student to Form one, I would urge us to support that child up to Fourth Form or where he or she can reach. It will be very sad if you can pay school fees in Form one and two and then the student is not supported in Form three and four. It means that the money that you used on that student is lost. So, let us try and sustain the students in school. That is what I do with the little money that I have under the Affirmative Action. Once a student has been enrolled for bursary, we should ensure that we support that student up to Form Four so that the student completes school successfully. That is my contribution. Otherwise, the NG-CDF is good money. If you are giving more funds to the NG-CDF, do not forget to give more funds to Affirmative Action Fund as well.

Thank you and I support.

The Temporary Deputy Speaker (Hon. Patrick Mariru): Very well. As I said, these are constituencies within Nairobi. Before I give a chance to any other person, let me give a chance to Hon. Passaris Rossana, from Nairobi City.

Hon. (Ms.) Esther Passaris (Nairobi CWR, ODM): Thank you, Hon. Temporary Deputy Speaker. I state that I am a Member of the Special Funds Committee and I am very honoured thus.

This Committee has worked very hard under the chairmanship of Hon. Kathuri Murungi. I am very glad that we have quite a number of Members even the ones who are not from Nairobi complementing us on the hard work that we have put towards ensuring that we get ahead in terms of the audit of the Special Funds Committee, which happens to be a new one.

I believe this Committee was long overdue. We have carried out audits for Nairobi's 17 constituencies for the financial years from 2013 to 2016. That was no mean task. It was very exhausting. The Chairman pushed us tremendously. We were very tough on the auditors, the fund managers and EACC. The anti-corruption body, Board of the NG-CDF and the fund managers ought to take this Report and act on it.

We found that some of the fund managers that were implicated in audit queries in 2013/2014 are either still in office or have been moved to other constituencies. It is going to defeat the purpose of oversight and protection of Government funds if the same fund managers continue to be in office when there are audit queries on them about misuse of funds or abuse of office.

So, my appeal is that when the board looks at this Report, they should act expeditiously to remove or suspend some of the fund managers. If they fail to do that, the business continues as usual and by the time we get to the point where we are acting on the fund managers that have abused office, the State will have lost a lot more money than what they lost over the three audit years. We also found that the EACC is very slow in prosecuting some of the cases. We found that a number of cases were already with the anti-corruption, but they had not taken action.

So, we have to move with one voice and one direction as Parliament. We cannot be giving reports like this one after working hard only to find that there is no budget to empower and equip the EACC. They should have the manpower to do the job that is required of them of protecting State funds, bring accountability and arrest the people who misuse the funds.

*[The Temporary Deputy Speaker
(Hon. Patrick Mariru) left the Chair]*

*[The Temporary Deputy Speaker
(Hon. (Ms.) Jessica Mbalu) took the Chair]*

When we looked at the Nairobi National Government Affirmative Action Fund (NGAAF), we found documentation regarding bursaries was missing. I am appealing to the Members to look at this Report and learn from it. They should ensure that fund managers keep good records. Records should be kept because we spend about Kshs25 million per constituency on bursaries and we cannot show which student or school benefited. This is a problem.

The County Woman Representatives have the NGAAF. When I disbursed my first bursaries, I found it to be a conduit for corruption. Some parents presented applications for schools that do not exist. Therefore, the Auditor-General needs to verify whether some schools and students exist and do random checks. We should get records and audits as much as we can to see how funds are utilised so that we can give a report. However, bursaries are meant to help our students to acquire education and this is a limited resource. We cannot afford bursaries to be wasted on fictitious schools and students. Therefore, documentation is key.

There is also an issue of stalled projects. We found a lot of State resources under the NG-CDF being used to build dispensaries and hospitals. Unfortunately, some of them stalled due to devolution when functions were moved to the counties. I believe it is necessary for us to make a report on all the stalled projects. The stalled dispensaries and hospitals are required to deliver universal healthcare. Once we have that report, we can create a fund to ensure that Government resources used to build them are not wasted.

I believe many Members are struggling because of delayed funds and the fact that the money is not sufficient to achieve what they want to like funding schools. Here in Nairobi, we have constituencies like Dagoretti North, which do not have a single primary school. Also, Embakasi South is struggling with a shortage of secondary schools. For us to build schools, we need more money. Therefore, we should be our own enemies for having this fund yet in certain constituencies, we do not have enough schools.

We also saw some classes built with sub-standard materials thus were a danger to the students. The Public Works Department is mandated to inspect structures that are being built in schools and police stations. At the end of the day, we have to make an about-turn when it comes to corruption. I felt the President when he said, “my hands are tied”.

When we spend money to build classrooms, when cutting the ribbon and sending a picture of it, we should ensure that the school is safe and can withstand tremors, heavy rainfall and the wear and tear over the years. When we build a shoddy school, swimming pool or police station, then, we are denying our children the vision this country has.

The Special Funds Accounts Committee has done a tremendous job. Even though I am Member, I am not complimenting myself. Through the wisdom of our Chair, we scrutinised the accounts of three years. If we only scrutinised one year, by the time we get to the current year, we will have lost a lot of time. There is also the statute of limitation. The EACC is still scrutinising the 2013/2014 audit reports and five years have already lapsed. We took to them many questionable deals and expenditure. If they do not move quickly, then, the five-year lapse will become seven years. It will be very difficult for them to prosecute some of the cases because the statute of limitation will be applied to them.

For us to safeguard our resources through oversight, we have fulfilled our function. My appeal is that we should get rid of the fund managers with questionable audit queries. We should ensure that the EACC is well funded so that we can arrest the corruption that is going on in the various funds. As a Member of this Committee, I pledge to ensure that we will continue auditing not just the NG-CDF, but all the other funds, to the best of our capability. We need to uphold this country in terms of integrity and the fight against corruption.

Thank you, Hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): Well spoken, Member for Nairobi County. Sometimes Members raise a request and then leave the House like the Member for Kilifi. We are abusing our privileges in terms of catching the Speaker’s eye. I have eyes and can see the Member for Matungulu in the House.

Hon. Stephen Mule (Matungulu, WDM-K): Thank you, Hon. Temporary Deputy Speaker. First and foremost, I want to congratulate the Special Funds Accounts Committee, which is new, for doing a fantastic job. This is the first time we have seen complied audited reports of one county presented in Parliament.

From the outset, the recommendations are very clear and they need to be implemented. The agencies supposed to implement the projects should be put to task. Also, as Parliament, we should concur with this Committee Report and ensure that it is implemented. There is a backlog of about Kshs4.9 billion, which is supposed to be sent to our constituencies. However, it is being held by the National Treasury. It should be released with immediate effect and sent to the constituencies because they had budgeted to use it in several projects.

I can see Hon. Kathuri is listening to me. Therefore, I want to challenge him and his team. In as much as the Members are praising what we have done through the NG-CDF, we are facing challenges in this country like corruption and improper utilisation of funds. Therefore,

once the Chair and his Committee are through with the audit, they should sit down and come up with a law similar to the NG-CDF, which will translate to the finance law of this country.

I am saying this with great honour for Matungulu because in the last Parliament, I built 15 day secondary schools using the NG-CDF money. I can assure you that we have transformed the lives of many young people who never used to go to school. They are now graduating in colleges and other institutions. For a developing nation like Kenya, we do not need to look outside the box anymore. We should think about our best solutions and an example of a best solution, which has happened in this country is the NG-CDF.

When you look at the projects at the constituency level, which touch the *Wanjiku*, they have been done through the NG-CDF. I know quite a number of people are trying to protect devolution, but I know very well many Members and the public are not happy about what is happening at the county level.

Hon. Temporary Deputy Speaker, maybe your Makueni County is doing well.

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): Allow me to appreciate Makueni County because you have mentioned it. Yes, we are doing well.

Hon. Stephen Mule (Matungulu, WDM-K): That is because the Governor of Makueni County was a Member of Parliament. He understands public financing and protection of public money.

Hon. Temporary Deputy Speaker, I urge the Committee to make sure that in constituencies where there are grey areas, they should come up with far-reaching recommendations to make sure that the culprits are brought to book. As much as people try to imagine that Members of Parliament do not have a role to play in the management, disbursement and oversight of the NG-CDF, if there is credit the Members need to be given, it should be that we made the NG-CDF work for our people. Sometimes I wonder why the national Government has a ministry responsible for roads tendering in Nairobi for a road which will be built in Machakos, Wajir or Kisumu.

We have 290 constituencies forming the country called Kenya. If there is equitable distribution of resources and the national Government decides to oversee roads, water and other programmes of our economy, I doubt whether we require county governments. We needed to go down to the common *mwananchi* at the constituency level. This might be an emotive issue. Some people are trying to protect their ideology. It is high time we accepted the fact that ideologies of the past will not help us anymore. We must think of a new ideology whereby we urge the Government and the people who are making policies in this country to ensure that resources go to the common *mwananchi* at the grassroots level.

I thank the Committee for looking at several items like bursary funds. I welcome the ideology of sending bursaries to schools through electronic money transfer, but at the same time, we need to ensure accountability of the electronic money transfers system. We urge the NG-CDF Committee of the National Assembly to look at the guidelines and give us proper direction on the way forward.

One of my colleagues talked about quantity surveyors who are supposed to do proper BQs for projects. I think it is high time we ensured that procurement at the constituency level and the project management committee level is solid enough to avoid corruption and make sure that there is no duplication of work. Why am I saying this? You find that at the ward level, you have a project management committee, which comes up with a project for the ward. They make sure that the project is implemented, accounting for every cent that goes into that project. In the same ward, there is a ward administrator and a member of the county assembly (MCA). However,

what is coming from the county government cannot be seen. This is wastage of public resources. I think the Committee, led by Hon. Kathuri, a lawyer that we respect, needs to come up with a legal framework to affirm that development at the constituency level must be a mandatory undertaking by all levels of the Government.

I know many Members of Parliament want to speak on this Motion. We are going to support the Committee to make sure that we have proper development and financing laws of Government projects. We do not want the situation where it is the national Government or county governments that are doing development. The NG-CDF is doing development. We are all working for Kenyans. Let us have one single body at the constituency level to manage all the resources, such that when the Cabinet Secretary for the National Treasury releases money for water, that money is shared out among the 290 constituencies and the intended projects are implemented at the constituency level. When the Cabinet Secretary in charge of roads comes up with a budget for tarmacking roads, that money should equally be distributed to the 290 constituencies in the country, so that the projects can be managed at the constituency level. That is how we are going to create wealth for our people at the constituency level. May God bless this Committee. This is one of the best reports I have ever seen.

I support.

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): Thank you, Member for Matungulu, Hon. Mule Mutinda. I am happy you support the Report. In your own words, you have said that this is one of the best reports you have ever seen. I am sure Parliament has brought so many reports. We thank the Chairman.

Next on my request list is the Member for Wajir South, Hon. Mohamed Sheikh. Is he in the House?

Hon. Mohamed Mohamud (Wajir South, JP): Thank you, Hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): Hon. Members, this is the third sitting since we started debate on this Motion. Hon. Members sometimes have repeated themselves because of the passion they have for this Motion. I know the NG-CDF is in every constituency, but we can avoid repetition. If you find that you are repeating yourself, it is not a must that you speak for 10 minutes. Of course, the Speaker cannot deny you your 10 minutes, but this is just a special request, that you allow other Members who want to contribute to also do so.

Hon. Mohamed Mohamud (Wajir South, JP): I hope I will not need the 10 minutes although you have taken a bit of my time.

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): You can still use your 10 minutes, Hon. Member.

Hon. Mohamed Mohamud (Wajir South, JP): Hon. Temporary Deputy Speaker, I support the NG-CDF Report for Nairobi County. I am sure that the Committee has done a thorough examination of the audit reports. We commend the work that all the committees of the House do in reporting on the various Government departments they oversee.

It is important for us to note that the NG-CDF is a very important venture. I thank those who designed, developed and established it through the laws of Kenya. The impact the NG-CDF has had in our villages is there for everybody to see. The NG-CDF has touched the hearts and minds of people in rural Kenya, and that is commendable. I reiterate what my colleagues have said. Within a short time, the NG-CDF has touched the hearts and minds of Halima in the village. Halima means Wanjiku. So, Halima in the far-flung village in Wajir South has been

touched by the good work of the NG-CDF. Without the NG-CDF, many classrooms would not have been established. Without the NG-CDF, many emergencies would not have been tackled in my constituency. Without the NG-CDF, many children would not have completed their education. Therefore, noting the importance the NG-CDF, we must maintain and cherish it. We must establish it and continue to ensure that it has given that longevity of comfort and establishment for the community.

It is also important to note that the NG-CDF should be utilised in a way that is fair to all. I come from a constituency that is 22,000 square kilometres. That is almost the size of Rwanda. I come from the second-largest constituency in the country. There are constituencies that are about 4,000 or 3,000 square kilometres. That is almost five or six times some constituencies. It is unfair in terms of distribution. The NG-CDF has been established quite well, and for a purpose, but the issue of fairness in the distribution of resources has not been forthcoming. It has not been considered quite well. That is one of the things that we want to urge the Committee to be mindful of; constituencies like Wajir South are quite large.

One thing that we need to understand is that the NG-CDF has not only been supporting the education sector, but also other sectors. When it comes to drought-related emergencies that we always face in my constituency, we use the NG-CDF emergency fund to mitigate the situation. We also support the security sector, which is a very vital organ in our country, to ensure that the safety and wellbeing of our society is safeguarded. The NG-CDF has also touched our hearts and minds.

About two weeks ago, I commissioned houses that we constructed for our security personnel. Our security personnel did not have houses. I have built some houses for our security personnel. While our security personnel go out there to support, defend and stand up for our society, they require decent housing. I started that venture through the support of the NG-CDF. That is the kind of work the NG-CDF does. We also support emergencies, maternal and child health and other matters that the counties do not. They say there are no sufficient funds for this. The NG-CDF covers whatever is critical.

Without taking too long and repeating what my colleagues have said, the NG-CDF deserves to remain so that it can reach the villages and far-flung rural areas in Wajir South.

Therefore, I support this Report and the continuity of the NG-CDF.

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): Well-spoken. The next one is the Member for Kitui West, Hon. Edith Nyenze.

Hon. (Ms.) Edith Nyenze (Kitui West, WDM-K): Thank you, Hon. Temporary Deputy Speaker. Let me also air my views concerning this Report and congratulate the Committee for the good work done. The people on the ground, as we have all agreed, truly appreciate the NG-CDF because it has made a very big impact on the ground. This fund benefits the people directly, especially the bursary funds. Children and students who would not have gone to school have now done so and the people on the ground are very happy.

We have already talked about late disbursement of funds due to delays. Some students are sent home due to lack of school fees. This is due to the late disbursement of funds. What was meant to result in good can be a negative if the funds are not disbursed at the right time. In Kitui West Constituency, there are 176 schools, both primary and secondary public schools. There are other constituencies where there might only be four public schools. I suggest that the allocation should be based on the number of schools and other considerations depending on where the constituency is located. I congratulate the board and the Committee. The NG-CDF infrastructure

in public schools has really improved and the schools look very good. The chiefs' offices look very good. This is due to the disbursement of the NG-CDF funds.

There were some projects which had been started before the NG-CDF was restricted to only security and education, and have stalled. In my case, there is a water project in Masinga Dam, which was initiated but it stalled because the water function was devolved to the county government. That project is still pending. There are also other projects like dispensaries. I request the NG-CDF Board to look into those matters and check whether funds could be allocated to the projects which had already been started. The board should also consider other issues like school fields and roads leading to the schools which have also been devolved to the county. Those are some of the things which the NG-CDF could do. Some of the school fields are in very pathetic conditions.

There are no regulations on the National Hospital Insurance Fund (NHIF) funds which are in the NG-CDF kitty. This is something which should also be looked into so that we can get good regulations on how to deal with the NHIF funds, especially for the very needy and old people.

I will not say much, but overseers of other funds and organisations should borrow a leaf from the management of the NG-CDF kitty. I congratulate the Committee for the good work.

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): Very well, the baby in the House. We call you that, Hon. Nyenze. The next Member on my request list is the Member for Kathiani.

Hon. Robert Mbui (Kathiani, WDM-K): Thank you, Hon. Temporary Deputy Speaker for this opportunity. I also rise to support this Report by the Special Funds Accounts Committee chaired by my good friend, Hon. Kathuri. This is a very important Committee. It is new and is chaired by an independent Member meaning that there is no political influence in the decisions that he makes. They have done a thoroughly good job.

This Report on the audit of the NG-CDF within Nairobi County is important because it assists us to make decisions in the future. Coming up with a Report, presenting it here and clearly interrogating what has been happening in our constituencies, helps us to do a better job in managing the funds within our constituencies. As Members have said, the NG-CDF is a very successful model and has worked for our people. Some of my colleagues have also said that it is important to understand the role of the Members of Parliament within the NG-CDF Act. A lot of times people think the money is given to Members and they manage it. We only oversee and give direction because we represent the people.

I want to talk about the issues I observed in the past with regard to previous audits of the NG-CDF. I remember that about three or four years ago, an audit report by the Kenya National Audit Office (KENAO) was released in the newspapers. It castigated the Members and painted them in very bad light. Almost 280 constituencies were named as having lost funds. At the end of the day, that newspaper report had photographs of Members and not the NG-CDF fund manager or the chair of the committee. It was the Member. That contributed to the high attrition rate of 70 per cent of Members who ended up losing their seats. The perception given to the public was that they were corrupt citizens. That was almost over 90 per cent of Kenyan Members of Parliament. It is important that as we conduct this audit, we be careful with what we send out there.

I would like to point out some queries I saw in my constituency. There were questions to do with a police post that was constructed. The query was why was it not functional? Members of Parliament do not provide police officers. That is the responsibility of the National Police

Service (NPS). The Members can put up facilities at the request of the public, but the staffing of the facilities is not the responsibility of the Member. When a query like that is posted out there, Members look like they have done something wrong, but they have done their work and built the facilities.

I saw a query about why we built a dormitory for two years. The dormitory is worth Kshs5 million and the money is not enough. We hardly have enough money. It makes sense to build half of it in one year and then the other half in the next year. That becomes an audit query. It is posted out there and makes Members look bad. It is important that we address those queries in a manner which gives people an opportunity to discuss the issues, raise them and talk about them on the Floor of the House.

The recommendations by the Committee are excellent. It is important that the CEO is confirmed. If he has been doing a good job for seven years, clearly, that is more than enough experience for us to know that he can do it. He should be confirmed. There is also the issue of withholding funds for accounts that have more than Kshs10 million. I was a victim of that problem. I noticed our money would be held back because we had money in the account which had not been removed. Part of this money is already committed for example, to bursaries. I have noticed that when we give a lot of money through bursaries to universities and colleges, many times they do not present the cheques immediately because they are not from the same universities. They may be from different parts of the constituency and by the time they get together and take the cheques to the colleges, it has taken time. Sometimes colleges are on recess and so, the money remains there. Unfortunately, this money remains in accounts and make it look like there is still a lot of NG-CDF money. That is really unfortunate. This is one of the things we need to address.

I support the recommendations that money should be released even if it is over Kshs10 million. I also recommend that we make sure that the AIEs are received within three days and release money from the National Treasury very quickly so that the NG-CDF can work.

I propose that we create a guideline of the NG-CDF on staffing and salaries for our staff. That is important. We need to determine the minimum bursary that is allocated to our children and ensure that the NG-CDF stops guiding constituencies on projects. In 2015, there was a guided project of dispensaries which failed because that money never took off, but each constituency had committed money for three or four projects. Again, we have the ICT problem. We are told to commit to four ICT centres yet we do not have the places to put them up. Going forward, the NG-CDF needs to be allowed to make decisions at the constituency level

With those remarks, I support the Report.

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): Thank you, Hon. Member for Kathiani, Hon. Robert Mbui.

Hon. Kuria Kimani (Molo, JP): On a point of order, Hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): I can see an intervention by the Member for Molo.

Hon. Kuria Kimani (Molo, JP): Hon. Temporary Deputy Speaker, I rise on Standing Order No.95 to request that the Mover of the Motion be called upon to reply.

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): The Member for Molo, guided by the Standing Order, has risen on Standing Order No.95 on closure of debate. I am of the opinion that the Standing Order raised by the Member is not abuse of the proceedings of the House. We have debated the Motion for three consecutive sittings.

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

Let us have the Mover.

Hon. Kathuri Murungi (South Imenti, Independent): Thank you, Hon. Temporary Deputy Speaker. I want to be magnanimous. Since the Members in the House have been with us since 2.30 p.m., I donate a minute each to the following Members; Hon. Member for Wundanyi, Hon. Member for Molo constituency, Hon. Member for Laisamis, Hon. Member for Isiolo North and my neighbour here, the Member for Nyeri County, half a minute.

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): Hon. Chairman, the half minute you have donated to the Member for Nyeri County may only be sufficient for her to introduce herself. It is your right to donate time. She may stand and bow we will appreciate that.

You have donated your time to reply to five Members. But of course, you have no authority according to the Standing Order when there was no request for such. If business had closed officially, I would have allowed you to donate time to the Members. If I give you time to reply, you never know, at the discretion of the Speaker, I would appreciate to do something. I do not want to pre-empt, but if you take the least time and consider the Members, I may be touched. But that is at my discretion. I will work within the procedures. I can still donate because I have seen the Members who have stayed here for long. Congratulations, Members. We appreciate what you do in the House up to 7.00 p.m. Kenyans should know what Members of Parliament do. Of course, I have taken note of your interests. But as pertains to the procedure of the House, it would have happened only if the debate was closed officially. But since I have requests, Hon. Chairman, take a few minutes to reply because the matter has been talked about. I will use my discretion and maybe I will help you.

Hon. Kathuri Murungi (South Imenti, Independent): Thank you, Hon. Temporary Deputy Speaker. This has been a very good Report for this House. I thank the more than 30 Members who have contributed so far. I thank the Office of the Speaker and the Office of the Clerk for their wisdom of coming up with the Special Funds Accounts Committee, which is in its first term this year.

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): Hon. Chairman, I was expecting you to pronounce something.

Hon. Kathuri Murungi (South Imenti, Independent): Sorry, maybe I did not get you right.

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): Since you went straight to your reply, allow me to use my discretion under Standing Order No.1. You had expressed some interest. That has not guided me. I am guided by Standing Order No.1. I see the time and I appreciate. Allow me, before you reply, to give a chance to two or three Members one minute each just to record their appreciation.

Let us have the Member for Wundanyi.

Hon. Danson Mwashako (Wundanyi, WDM-K): Thank you, Hon. Temporary Deputy Speaker. I have a minute, but I had really prepared to speak much on this matter but my colleagues have spoken strongly on a number of matters. I will speak about two things.

Indeed, the NG-CDF is transforming lives in the villages and even in this city. We have families whose members had never been to secondary school in this country. Through the NG-CDF, we have seen students from these families get to secondary schools and finish Form Four.

On the issue of oversight committees, we are given mandate as patrons of the NG-CDF to appoint four people as oversight committee members. However, they only get 2 per cent of the monitoring and evaluation amount. For instance, in the last Financial Year, they only had Kshs60,000 for the whole year. This is something the board and the NG-CDF Committee need to look at and review it. Oversight should be given its space.

Lastly, let me speak on the confirmation of the CEO. Honestly, seven years is a lot of time to act in that position. Let him be confirmed so that the board can have a substantive head.

Thank you, Hon. Temporary Deputy Speaker.

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): Member for Molo, you have a minute, please, before I call upon the Mover to reply.

Hon. Kuria Kimani (Molo, JP): Thank you very much, Hon. Temporary Deputy Speaker. I would like to congratulate the Committee for the job well done. I would specially like to congratulate the Chair. I sit in the Public Accounts Committee and on several occasions, we have had a chance to interact with the Chair. I can tell the Special Funds Accounts Committee that they have a very able Chair.

I have one contribution to make and I will use the Adam Smith's Principle on taxation. One of the principles of taxation is the benefits principle. In his book, *The Wealth of Nations*, Chapter two, Adam Smith says that the allocation of resources in the public sector must respond directly to the consumer wishes. When you are allocating funds to the NG-CDF, the first thing we do is conduct a public participation exercise. What does the community and the society need? That is why I was saying, if there is any fund in this country that should be protected, that is properly utilised, that comes from the National Treasury with an AIE of what it should be spent on, it is the NG-CDF.

I support that we continue to support this move towards having this special fund of the NG-CDF working for the people of this country especially the Wanjikus, the Halimas and the Aumas, who pay taxes.

Thank you.

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): Member for Laisamis. You have been here for long.

Hon. Marselino Arbelle (Laisamis, JP): Thank you, Hon. Temporary Deputy Speaker, for the opportunity. I support the recommendations made by the Committee which is headed by Hon. Kathuri. Kenyans at large have seen the input of the NG-CDF. For instance, the constituency I come from, we are referred to as marginalised communities. Since the introduction of the NG-CDF and more so devolution, that narrative is no longer there because we have seen the role the NG-CDF is playing within our constituencies. My constituency could be the largest in the country. It measures 65,000 square kilometres and the NG-CDF is the only resource that is seen to be doing something on the ground. You will agree with me that currently, we have only disbursed around Kshs80 million to Kshs100 million. That money is not enough. It is better if this House or the NG-CDF Committee sat down and increased this figure because this is the only money that touches the lives of the common *mwananchi*.

With those few remarks, due to interest of time, I thank you and I support.

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): Still at Speaker's discretion, the Member for Isiolo North. A minute, please.

Hon. Hassan Hulufu (Isiolo North, KPP): Thank you, Hon. Temporary Deputy Speaker. I also support the Report. Whatever findings that have been established for Nairobi County applies to all the other counties from the one year that we have been in office overseeing these

funds. Whatever recommendation they have come up with is very appropriate especially touching on the governance and the acting CEO and the board. None of the independent board members are in place. That is a very serious governance issue. The NG-CDF as has been said, is the only fund that is taking care of education and security, two key sectors. Therefore, it is important that the Committee considers coming up with change in the existing Act so that we can increase the percentage of the NG-CDF, so that we can have more money for education and security.

Thank you.

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): The last one from my discretion is the Member for Nyeri County. One minute.

Hon. (Ms.) Rahab Mukami (Nyeri CWR, JP): Thank you, Hon. Temporary Deputy Speaker. I just want to commend my friend, Hon. Kathuri, the Chair and the Committee. They have done a good job. In Nyeri County, we appreciate what the NG-CDF is doing for our people. I am proud of the good work they are doing. I urge the Government to confirm the CEO because seven years is a long time.

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): Chairman use your five minutes to reply.

Hon. Kathuri Murungi (South Imenti, Independent): Thank you, Hon. Temporary Deputy Speaker. I thank the Members of this House who have contributed to this Report and more so to the Members of my Committee who worked tirelessly day and night. They burnt the midnight oil to make sure that we produce this important Report. This Report, as many colleagues have said, is composed of 51 reports because we have done three financial years since 2013 to 2016. These are 51 audited reports. Madam Chair, you served in the Public Accounts Committee and you know what a financial year means.

Members have expressed several concerns that I have picked. Number one is about how the NG-CDF is shared among constituencies. Therefore, I will pick with Hon. Maoka Maore who chairs the NG-CDF Committee to see some amendments to the NG-CDF Act 2015 so that we can have a discussion on the sharing of the money. We should still bring amendments or some regulations on how to make effective the oversight committees which are in the law but are not on the ground to provide oversight in order to help the Member of Parliament. After this Report, it is now very open, indeed, to all the Kenyans that Members of Parliament only provide oversight to the NG-CDF, which goes to the constituency. During the sessions we held in 17 constituencies, our concern was with the Fund Account Managers who are the AIE holders. These are the people who appeared before the Committee to answer audit queries.

Another important thing is that Kenyans know that money going to constituencies is for Members of Parliament. Kenyans are now clear in their minds that even Members of Parliament do not fear to be audited. Everything is open. I want to assure Members that in the next one year, we want to make sure that we bring reports for all the 47 counties. Already, we are done with Nairobi, we are finishing on Kisumu County next week. I want to promise the other Members of other counties that those reports will be in this House in due course.

I have heard us clearly this afternoon about the board. The NG-CDF Board is not operational. If the board is not operational, there is nobody there to constitute forums, to vet, employ or to commission. The Government should listen to this House and confirm the acting CEO so that the board can be very effective.

A lot has been discussed. This is not the end of the reports, there will be more reports coming to this House. Therefore, because we have interacted with this Report for three sessions,

I beg to move that this House adopts the Second Report of the Special Funds Accounts Committee on Audited Financial Statements for the National Government Constituencies Development Fund for Constituencies in Nairobi City County for the Financial Years 2013/14, 2014/15 and 2015/16, laid on the Table of the House on Wednesday, 3rd October 2018.

Thank you.

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): Hon. Chairman, you must go on record that you are not moving and say you beg to reply.

Hon. Kathuri Murungi (South Imenti, Independent): Sorry, I beg to reply.

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): That is rightly and procedurally put. Thank you, Hon. Member for replying. Hon. Members, being guided by our Standing Orders and the guidelines for conducting business in the House, the Report on Audited Financial Statements for the National Government Constituencies Development Fund for Constituencies in the Nairobi City County Motion No.9 in today's Order Paper, I defer the putting of the Question to the next appropriate time as it will be slotted on our Order Paper.

(Putting of the Question deferred)

ADJOURNMENT

The Temporary Deputy Speaker (Hon. (Ms.) Jessica Mbalu): Order Members, again guided by the procedures and the rules of the House, the time being 7.00 p.m., this House stands adjourned until Tuesday, 23rd October 2018, at 2.30 p.m.

I thank you all.

The House rose at 7.00 p.m.