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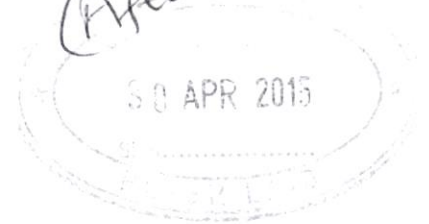
REPUBLIC OF KENYA



KENYA NATIONAL ASSEMBLY

ELEVENTH PARLIAMENT

Paper Laid
By Hon. Matira Musingiri
Chair, SAC, on
Thurs. 30.4.2015
(Afternoon) MM



THE BUDGET AND APPROPRIATIONS COMMITTEE REPORT ON
THE FIRST QUARTER BUDGET IMPLEMENTATION REVIEW
REPORT BY THE CONTROLLER OF BUDGET FOR
2014/2015 FINANCIAL YEAR

APRIL, 2015

PREFACE

Mr. Speaker Sir, As you are aware and as per Article 228 (6) of the constitution, the Controller of Budget is required to submit to each House of Parliament a quarterly report on the implementation of the national and county government's budget. Previous reports forwarded to parliament were tabled as follows;

- The first quarter, half year, third quarter and annual reports for 2013/14 were tabled on 4th March, 22nd April, 26th June and 19th November 2014 respectively.
- The first quarter Budget Implementation Review Report for the FY 2014/2015 was tabled on 2nd December 2014

The Budget and Appropriation Committee has considered the first quarter Budget and Implementation Review report for 2014/15 financial year and I therefore, on behalf of the Committee, present to the House, the Committee's Report on the first quarter budget implementation for the national government.

Mr. Speaker Sir, pursuant to section 7 (d) & (f) of the PFM Act and Standing Order 207 (3) the Budget and Appropriations Committee is mandated to:

- a) Monitor adherence by all arms of government and their entities to the principles of public finance and others set out in the constitution, and to the fiscal responsibility principles of the PFM Act.
- b) Examine the financial statements and other documents submitted to the national assembly and make recommendations to the national assembly for improving the management of Kenya's public finances.
- c) Investigate, inquire into and report on all matters related to coordination, control and monitoring of the national budget.

In this regard **Mr. Speaker Sir,** the Budget and Appropriations Committee held two (2) sittings during which they discussed and examined the 1st quarter budget implementation review report from the controller of budget (CoB) and made a number of observations and recommendations which have been highlighted in this report.

Mr. Speaker Sir, the Budget and Appropriations Committee as currently constituted comprises of the following Members:-

- | | |
|--------------------------------------|-------------------------|
| 1. Hon. MutavaMusyimi, M.P. | Chairperson |
| 2. Hon. Mary Emaase, M.P. | Vice Chairperson |
| 3. Hon. Alfred Sambu, M.P. | |
| 4. Hon. Benjamin Langat, M.P. | |
| 5. Hon. Charles Nyamai, M.P. | |
| 6. Hon. Clement Wambugu, M.P. | |
| 7. Hon. Jackson Kiptanui, M.P. | |
| 8. Hon. JamleckKamau, M.P. | |
| 9. Hon. John Mbadi, M.P. | |
| 10.Hon. Mohamed Shidiye, M.P. | |
| 11.Hon. Moses Lessonet, M.P. | |
| 12.Hon. Moses Ole Sakuda, M.P. | |
| 13.Hon. Nelson Gaichuhie, M.P. | |
| 14.Hon. Abass Ahmed Ibrahim, M.P. | |
| 15.Hon. Abdulaziz Farah, M.P. | |
| 16.Hon. Alfred Agoi, M.P. | |
| 17.Hon. Alice Ng'ang'a, M.P. | |
| 18.Hon. Banticha Jaldesa, M.P. | |
| 19.Hon. Benjamin Andola Andayi, M.P. | |
| 20.Hon. Bitok S. Kirwa, M.P. | |
| 21.Hon. Daniel Nanok, M.P. | |
| 22.Hon. Dennis Kariuki, M.P. | |
| 23.Hon. Dr. James. W. Nyikal, M.P. | |
| 24.Hon. Dr. ReginaldaWanyonyi, M.P. | |
| 25.Hon. Dorcas Kedogo, M.P. | |
| 26.Hon. Eng. Stephen Ngare, M.P. | |
| 27.Hon. Fatuma Ali Ibrahim, M.P. | |
| 28.Hon. Francis Njenga, M.P. | |

- 29.Hon. Irshad Sumra, M.P.
- 30.Hon. Isaack Mwaura, M.P.
- 31.Hon. James Gakuya, M.P.
- 32.Hon. James Lusweti, M.P
- 33.Hon. Jared O. Opiyo, M.P.
- 34.Hon. Jonathan Lati Lelelit, M.P.
- 35.Hon. Joseph Limo, M.P.
- 36.Hon. KK Stephen Kinyanjui, M.P.
- 37.Hon. Makali Mulu Benson, M.P.
- 38.Hon. Moses Kuria, M.P
- 39.Hon. Muriuki Njagagua, M.P.
- 40.Hon. Mwashetani Khatib Abdallah, M.P
- 41.Hon. Omar Mwinyi, M.P.
- 42.Hon. Omondi George Mallan, M.P.
- 43.Hon. Patrick Ole Ntutu, M.P.
- 44.Hon. Peter Weru Kinyua, M.P.
- 45.Hon. Priscilla Nyokabi, M.P.
- 46.Hon. Samuel Gichigi, M.P.
- 47.Hon. Shukran Hussein Gure, M.P.
- 48.Hon. Silverse Lisamula Anami, M.P.
- 49.Hon. Suleiman Murunga Kasuti, MP
- 50.Hon. Tiyah Galgalo, M.P.

Mr. Speaker Sir, The Committee is grateful to the Office of the Speaker, the Office of the Clerk of the National Assembly and the Parliamentary Budget Office for the support received as it discharged its mandate of reviewing the budget implementation report.

Mr. Speaker Sir,

It is therefore my pleasant duty and privilege, on behalf of the Budget and Appropriations Committee to table this Report and recommend it to the House for adoption.

Signed,



HON. MUTAVAMUSYIMI, MP
CHAIRMAN, BUDGET AND APPROPRIATIONS COMMITTEE

DATE 28TH APRIL, 2015

I. OVERVIEW OF EXPENDITURE PERFORMANCE 2014/15 FINANCIAL YEAR

- 1) **Mr. Speaker Sir**, The total gross estimate for the National Government in the financial year 2014/2015 budget was approximately **Kshs. 1.6** trillion composed of **Kshs 415.6** billion for Consolidated Fund Services, **Kshs 655.7** billion for Ministries, Departments and Agencies recurrent expenditure, **Kshs 486.1** billion for Ministries, Departments and Agencies development Expenditure, **Kshs 23.1** billion for Parliamentary service commission and **Kshs 17.49** billion for Judicial Service commission
- 2) **Mr. Speaker Sir**, the Committee noted from the Controller of Budget 1st quarter report that out of the estimate of **Kshs1, 598** billion allocated to the National Government only **Kshs 189** billion was spent. This indicates an overall absorption rate of 11.8 per cent of the Gross budgeted funds during the 1st Quarter of the FY

II. EXCHEQUER ISSUES

- 3) **Mr. Speaker Sir**, in the 1st Quarter of the Financial Year, Ministries, Agencies and Departments (MDAs) received total exchequer issue amounting to **Kshs. 177.1** billion (equivalent to 18.7 per cent of the total net estimates). This is lower than the 1st quarter target of 25 per cent.
- 4) **Mr. Speaker Sir**, The total exchequer released for recurrent expenditure in the first quarter of FY 2014/15 was **Kshs. 164.9** billion. This represented 26 per cent of the net estimates. A review of detailed analysis shows that some MDAs got substantially high releases compared to others. **Mr. Speaker Sir**, It is important to note that the I.E.B.C got the highest disbursements at 66 per cent of the allocated net estimates. The high releases may have been occasioned by the by-elections held during this period.
- 5) **Mr. Speaker Sir**, other MDAs that received exchequer issues higher than the estimated target of 25 per cent during the period under review are; State Department for East African Affairs 34 per cent, Commission for

implementation of the constitution at 33 per cent, Ministry of Industrialization & Enterprise Development at 32 per cent, The Presidency and the State department for water and regional Authorities at 30 per cent and the State department for planning at 29 per cent.

- 6) **Mr. Speaker Sir**, MDAs that received exchequer issues lower than the estimated target of 25 per cent during the period under review include Salaries and Remuneration Commission at 2 per cent, Registrar of political parties at 3 per cent, National Gender and Equality Commission at 3 per cent and the Commission for revenue Allocation at 4 per cent. **Mr. Speaker Sir**, This low release of funds is likely to result to high amount of unspent funds at the end of the financial year.
- 7) **Mr. Speaker Sir**, it has been observed that the amount issued to Salaries and Remuneration Committee, and Commission on Revenue Allocation was Kshs 10million each for the 1st Quarter, whilst their expenditure was higher than the amount released. **Mr. Speaker Sir**, this is a clear indication that these votes may be getting funds outside the National Treasury to finance their expenditure or the reports given on the same by the COB is not a true representation of the releases from National Treasury.

III. RECURRENT EXPENDITURE

- 8) **Mr. Speaker Sir**, the recurrent expenditure by MDAs was Kshs **133.68 billion** against cumulative exchequer release of Kshs**164.97 billion**. Expenditure higher than the exchequer can be attributed to the collection of A-I-A. **Mr. Speaker Sir**, the MDAs with expenditure below their exchequer issues include; Independent Electoral and Boundaries Commission which spent only 16 per cent of the monies released, Ministry of Foreign Affairs which spent 25 per cent, Ministry of Energy and Petroleum at 34 per cent, State department for coordination of National Government at 47 per cent and the State department for interior at 54 per cent.

- 9) **Mr. Speaker Sir**, the State department for East African Affairs utilized 33 per cent of the gross estimates in the 1st Quarter. Other MDAs that utilized most of the allocated recurrent funds during the 1st quarter of the FY were Witness Protection Agency with 31 per cent, Independent Police Oversight Authority with 30 per cent, Ministry of Industrialization and Enterprise development at 29 per cent and the Commission for Implementation of the Constitution at 27 per cent.
- 10) **Mr. Speaker Sir**, MDAs that utilized the least of their allocated recurrent funds during the same period were, Directorate of Public Prosecution at 2 per cent, State Department for transport, Ministry of Energy and Petroleum, Ministry of foreign affairs and Registrar of political parties at 5 per cent each, Ministry of Lands, Housing and Urban development at 9 per cent, state department for devolution at 12 per cent and the Ministry of Labour, Social Security and services at 13 per cent.
- 11) **Mr. Speaker Sir**, the breakdown of the 1st quarter expenditure shows that 51 per cent of all the recurrent expenditure was on personnel emoluments totalling **Kshs.58.8** billion. Current transfers to Semi-Autonomous Government Agencies (SAGAs) by Ministries were **Kshs. 34.8** billion and accounted for 30.4 per cent of the total recurrent expenditure.
- 12) **Mr. Speaker Sir**, according to the Controller of budget report, the ministry of Foreign Affairs had the highest expenditure on foreign travel at **Kshs. 280.7** million representing 58 per cent of the total foreign travel expenditure during the 1st quarter of the FY. **Mr. Speaker Sir**, the Parliamentary Service Commission had the highest expenditure on domestic travel at **Kshs. 557.6** million representing 63 per cent of the total domestic travel expenditure for the same period.
- 13) **Mr. Speaker Sir**, the Parliamentary Service Commission recorded the highest expenditure in three other categories which are; printing and advertising (**Kshs. 80.7** million), rentals and rates for non-residential buildings (**Kshs. 121.2** million) and maintenance of other assets (**Kshs. 17.3** million). This expenditure for the three categories represented 52 per cent, 25 per cent

and 32 per cent respectively of the MDAs total specific-category spending. **Mr. Speaker Sir**, The presidency reported the highest expenditure on hospitality services at **Kshs. 83.6** million and maintenance expenses of motor vehicles at **Kshs. 31.3** million.

IV. DEVELOPMENT EXCHEQUER ISSUES

- 14) **Mr. Speaker Sir**, In the 2014/15 financial year budget, the national government allocated **Kshs.494.9** billion for development expenditure representing 30.9 per cent of the total National gross budget estimates of **Kshs. 1.6** trillion.
- 15) **Mr. Speaker Sir**, in the period July to September 2014, the exchequer releases to Ministries, Departments and Agencies (MDAs) for development expenditure was **Kshs. 12.1** billion representing 4 per cent of the net estimates of **Kshs. 319.5** billion compared to **Kshs. 35.6** billion representing 13.8 per cent of net estimates released in the same period last financial year. **Mr. Speaker Sir**, the low per cent is a clear indication that absorption rate for development expenditure at the end of the financial year will be low.
- 16) **Mr. Speaker Sir**, Ministry of Sports, Culture and Arts received exchequer issue of 36% an indication of high uptake capacity. Other MDAs with high exchequer issues during the 1st quarter were the Office of the Attorney General and Department of Justice which had 25 per cent and the Public service Commission with 20 per cent of their net estimates.
- 17) **Mr. Speaker Sir**, MDAs with high allocations for development expenditure but with low exchequer releases in the same period are the state department for infrastructure, and the state department for planning with only 2 per cent of the net estimates, the National Treasury with 4 per cent and the Ministry of Energy and Petroleum at 7 per cent.

V. Development expenditure

- 18) **Mr. Speaker Sir**, in the 1st quarter of FY 2014/2015 total development expenditure amounted to **Kshs. 55.3** billion representing an absorption rate of 17.3 per cent of the total development net estimates. **Mr. Speaker Sir**, the reported development expenditure of **Kshs. 55.3** billion is more than the development exchequer issues of **Kshs. 12.1** billion due to A-I-A resources generated by the MDAs and other direct donor support.
- 19) **Mr Speaker Sir**, the highest development expenditure was towards capital transfers to national government entities at **Kshs. 33.6** billion, accounting for 60.7 per cent of the total MDAs development spending followed by expenditure on refurbishment of buildings, infrastructure works, and civil works at **Kshs. 19** billion or 34 per cent. **Mr. Speaker sir**, the categories with the least expenditure were maintenance of other assets and maintenance of motor vehicles at **Kshs. 157.1** million and **Kshs. 7** million respectively.
- 20) **Mr. Speaker Sir**, in the 1st quarter of the FY, the state department for infrastructure had the highest expenditure on development projects. The department had an expenditure of **Kshs. 13.02** billion which represented 24 per cent of the total development expenditure in the 1st quarter of the FY. Other Key Ministries that utilized a substantial amount of the development funds were State department for transport which had an expenditure of **Kshs. 10.38**billion representing 19 per cent, and the state department for planning with an expenditure of **Kshs.9.98** billion representing 18 per cent of the total development expenditure.
- 21) On the contrary **Mr. Speaker Sir**, despite being one of the ministries that was allocated a large proportion of development funds, the ministry of energy and petroleum spent only 1 per cent of the gross estimates in the 1st quarter of the FY. Other key MDAs with the least expenditure on development include the State department for education at 2 per cent, state department of health with 6 per cent.

- 22) **Mr. Speaker Sir**, Transfers to government entities (SAGAs) formed the highest expenditure category at 55 per cent of the total development expenditure followed by refurbishment of buildings/ infrastructure and civil works at 31 per cent. Out of the Kshs.33.63 billion towards capital transfers to SAGAs, the State department for infrastructure recorded the highest at Kshs15.43 billion followed by state department for planning with Kshs. 8.57 billion and state department for agriculture with Kshs 2.13 billion.
- 23) **Mr. Speaker Sir**, the MDA's were to collect A-I-A meant for Development expenditure from loans, grants, and local A-I-A from the Ministry of Devolution and Planning, Ministry of Environment, Water and Natural Resources and Ministry of Energy and Petroleum. However, the Committee in its review of the COB report observed either an under-performance or low reporting on the collection and utilization of funds from Appropriations in Aid.

VI. CONSOLIDATED FUND SERVICES

- 24) **Mr. Speaker Sir**, The total budget allocated to the Consolidated Fund Services (CFS) was **Kshs. 415.6** billion representing 26 per cent of the total Gross National Government budget estimates for the financial year 2014/2015. The payments made out of the Consolidated Fund Services include: public debt, salaries for constitutional office holders, pensions and gratuities to government pensioners, subscriptions to international organizations and other miscellaneous payments by the government
- 25) **Mr. Speaker Sir**, overall actual expenditure on CFS was **Kshs. 142.69** billion in which **Kshs.135.93** billion was used to service public debt; **Kshs. 6.01** billion for pensions and gratuities, **Kshs. 181.2** million for Guaranteed Loans and **Kshs 570.2** million used for salaries and allowances. **Mr. Speaker Sir**, the total actual expenditure against the total gross estimates of **Kshs. 415.6** billion reflects an absorption rate of 34 per cent

VII. REVENUE TARGETS AND PERFORMANCE

- 26) **Mr. Speaker Sir**, during the 1st quarter of the financial year 2014/2015, the National Treasury collected 26.7 per cent or **Kshs. 366.3** billion against the annual target of Kshs. 1.37 trillion. **Mr. Speaker Sir**, among the various revenue categories, the tax income category contributed the highest share of revenue amounting to Kshs. 227.1 billion or 62 per cent of the total revenue for the quarter. The National treasury did not receive funds from the AMISOM, Domestic lending and the Loan-budget support categories during this period.
- 27) **Mr. Speaker Sir**, actual receipts from the commercial loans category amounted to Kshs. 103.2 billion against an annual target of Kshs. 36.4 billion representing 283 per cent. **Mr. Speaker Sir**, actual receipts from the non-tax income category amounted to Kshs. 3.9 billion against an annual target of Kshs. 36.2 billion representing a performance rate of 10.7 per cent.

VIII. RECOMMENDATION

28) **Mr. Speaker Sir**, having considered the above matters, and to support the realization of prudent use of public funds, the Committee recommends the following;

- i. **The Controller of Budget report should include the status of the performance targets which were the basis of the allocation of resources to ensure that the reports are used to inform policy on budget execution. The report should therefore, capture the outputs realized against the targets set in budget implementation by both the MDAs and the SAGAs.**
- ii. **The committee recommends for the introduction of revenue collection strategies which will enable timely collection and reporting of revenue by MDAs to support expenditures.**
- iii. **The Controller of budget report on expenditure and revenue figures indicate a difference from the figures released by National treasury in the Quarterly Economic and Budgetary review report. The Committee therefore recommends that the two offices reconcile their reports before submission.**
- iv. **The National Monitoring and Evaluation Policy is still in draft form, processing of the same should be hastened to have a policy document guiding monitoring and evaluation of development projects by all government agencies.**

I beg to move.

MINUTES OF THE 16TH SITTING OF THE BUDGET AND APPROPRIATIONS COMMITTEE HELD ON TUESDAY, 28TH APRIL 2015, IN THE SMALL DINING ROOM, MAIN PARLIAMENT AT 11.00 AM

PRESENT

- 1. Hon. Mutava Musyimi, M.P.** - Chairman
- 2. Hon. Mary Emaase, M.P** - Vice Chairperson
3. Hon. Clement Wambugu, M.P.
4. Hon. Jackson Kiptanui, M.P.
5. Hon. Moses Lessonet, M.P.
6. Hon. Moses Ole Sakuda, M.P.
7. Hon. Ahmed I Abass M.P
8. Hon. Hon. Alfred Agoi, M.P.
9. Hon. Ali Fatuma Ibrahim, M.P
10. Hon. Banticha Jaldesa, M.P.
11. Hon. Benjamin Andola Andayi, M.P.
12. Hon. Makali Mulu, M.P.
13. Hon. Bitok S. Kirwa, M.P.
14. Hon. Daniel Nanok, M.P.
15. Hon. Dr. James Nyikal, M.P.
- 16. Hon. Eng. Stephen Ngare, M.P.**
17. Hon. Francis Njenga, M.P.
18. Hon. Irshad Sumra, M.P.
19. Hon. James Gakuya, M.P.
- 20. Hon. James Lusweti, M.P.**
21. Hon. Jonathan Lelelit, M.P.
22. Hon. Joseph Limo, M.P.
23. Hon. Khatib Mwashetani, M.P.
24. Hon. Muriuki Njagagua, M.P.
25. Hon. Nelson Gaichuhie, M.P.
26. Hon. Omar Mwinyi, M.P.
27. Hon. Omondi George, M.P.
28. Hon. Patrick Ole Ntutu, M.P.
29. Hon. Peter Weru, M.P.
30. Hon. Samuel Gichigi, M.P.
31. Hon. Silverse Anami, M.P.
32. Hon. Suleiman Kasuti, M.P
33. Hon. Tiyah Galgalo, M.P.
- 34. Hon. Florence Mutua, M.P.**
- 35. Hon. Abdual Dawoodrahim, M.P.**

ABSENT

1. Hon. Alfred Sambu, M.P.
2. Hon. Benjamin Langat, M.P.
3. Hon. Charles Nyamai, M.P..
4. Hon. Jamleck Kamau, M.P.
5. Hon. John Mbadi , M.P.
6. Hon. Mohamed Shidiye, M.P.
7. Hon. Alice Ng'ang'a, M.P.
8. Hon. Abdulaziz Farah, M.P.
9. Hon. Dennis Kariuki, M.P.
10. Hon. Dr. Reginalda Wanyonyi, M.P.
11. Hon. Isaack Mwaura, M.P.
12. Hon. Jared O. Opiyo, M.P.
13. Hon. KK Stephen Kinyanjui, M.P.
14. Hon. Moses Kuria. M.P
15. Hon. Priscilla Nyokabi, M.P.
16. Hon. Shukran Gure, M.P.

In attendance

KENYA NATIONAL ASSEMBLY STAFF

- | | |
|--------------------------|-------------------------------|
| 1) Ms. Lucy Makara | - Parliamentary Budget Office |
| 2) Mr. Fredrick Muthengi | - Parliamentary Budget Office |
| 3) Mr. Benjamin Ngimor | - Parliamentary Budget Office |
| 4) Mr. Joseph Ndirangu | - Parliamentary Budget Office |
| 5) Ms. Yunis Amran | - Parliamentary Budget Office |
| 6) Mr. Chacha Machege | - Parliamentary Budget Office |
| 7) Mr. Erick Kanyi | - Parliamentary Budget Office |
| 8) Mr. Abdinassir Moge | - Parliamentary Budget Office |
| 9) Mr. Aden Abdi | - Parliamentary Budget Office |

AGENDA

1. Preliminaries / Confirmation of Agenda
2. Confirmation of the Minutes of the Previous Meetings.
3. Matters arising
4. Agenda:

(a) *Adoption of the draft committee reports on the 1st quarter and half year Budget performance reports*

(b) *Consideration of Bills and Motions referred to the Committee*

- (i) The Child Justice Bill, 2014 - Hon. Millie Odhiambo ,MP
- (ii) The Kenya Youth and Women Empowerment (Uwezo Fund) Bill, 2014 - Hon. Kangogo Bowen, M.P
- (iii) The Parliamentary Pensions Amendment Bill,2014 - Hon. Wafula Wamunyinyi, M.P
- (iv) Motion - Paying former Civic Leaders gratuity – Hon. John Waluke, M.P
- (v) Motion - Setting up ICU and blood transfusion unit in all constituencies - Hon. Rahim Dawood,M.P
- (vi) Sexual offences (Amendment) Bill, 2015– Hon. Florence Mutua, M.P

(c) **Committee's Resolutions On Other Legislative Proposals And Draft Motions Earlier Considered**

- i. Vetting of Judges and Magistrates (Amendment) Bill by Hon. Chepkonga, MP
- ii. The Health Records and Information Mangers Bill by Hon. Agostino Neto, MP:
- iii. The Biomedical Engineering Bill by Hon. Stephen Mule, MP:
- iv. The Kenya National Examination Council (Amendment) Bill by Hon. Mohamed Shidiye, MP:
- v. The Constitution of Kenya (Amendment) Bill by Agostino Neto, MP:
- vi. Motion for Provision of Clean tapped water in all public facilities and especially public primary schools by Hon. Andrew Mwadime, MP:

5. Any Other Business

MIN. NO. 16/1 /2015: PRELIMINARIES

The meeting started with a word of prayer at 11.20 am. The Chairman welcomed all present to the meeting and thanked them for finding time to attend. The Chairman extended a warm welcome to a new member of the Committee Hon. Ahmed Abass. The Committee then confirmed the agenda of the meeting.

MIN. NO. 16/2/2015: ADOPTION OF THE BUDGET AND APPROPRIATIONS COMMITTEE REPORTS OF THE FIRST QUARTER

**AND FIRST HALF BUDGET IMPLEMENTATION REVIEW REPORT BY
THE CONTROLLER OF BUDGET FOR 2014/2015**

The Committee noted with concern the persistent low absorption especially of development funds by most ministries and departments. The Committee agreed that there is need for procurement plans to be prepared in the onset of budget implementation by ministries and that this has been factored in the revised Public Procurement and Disposal Bill. Further, there was need for effective monitoring units in all Ministries and Departments to address the absorption issues.

The Committee also noted that there was scanty information on the Appropriations-in-Aid (AiA) collected by ministries. There is need for the Controller of Budget to provide more information in the report on the performance of AiA by ministries.

The Committee proposed that the report be table to the House.

**MIN.NO. 16/3 a /2015: CONSIDERATION OF THE MOTION TO ENSURE
THAT THE GOVERNMENT SETS UP AN INTESIVE CARE UNIT AND
BLOOD TRANSFUSION UNIT IN EVERY CONSTITUENCY BY HON.
ABDUL RAHIM DAWOOD, MP**

The Chairman welcome the proposer of the motion and allowed the proposer and the Parliamentary Budget Office to make their presentations before the Committee. The proposer thanked the Committee for the invitation and reiterated the importance of setting up an ICU and a blood transfusion unit in every county.

The Committee noted that implementation of the motion will occasion high expenditures and the demand for the ICUs may not warrant construction of one in each and every constituency. It was also noted that the hospitals at constituency levels also lack other crucial amenities like operating theaters which are more demanded. Further, the national government is already taking into consideration provision of ICU equipment to two medical facilities in each county.

The Committee agreed that there was need for the blood transfusion units in each constituency since this will also be important for other operations. The operating theaters are also crucial for constituency level hospitals. However, the ICU units should only be provided at County level. The Committee recommended that the motion be published with the above amendments.

MIN.NO. 16/3b /2015: CONSIDERATION OF THE SEXUAL OFFENSES (AMENDMENT) BILL BY HON. FLORENCE MUTUA, MP

The Chairman welcome the proposer of the motion and allowed the proposer and the Parliamentary Budget Office to make their presentations before the Committee. The proposer thanked the Committee for the invitation and highlighted the plight currently faced by sexual victims. The proposer further indicated that despite the Sexual Offenses Act being in operation, it has not been fully implemented due to a number of gaps. The amendment sought to address these gaps.

The Committee noted that the amendment sought to set up special units in all police stations that deal with sexual offenses. It also proposes to include sex education in school syllabus to promote comprehensive public awareness on sexual offenses. The Committee acknowledged the importance of the amendment in the light of recent sexual offenses in the country and the gaps created by the current law.

However, it raised concerns with the practicability of having special sexual offenses units in police stations indicating that the current gender desks are not operational. Further, the police are not professionals in handling medical issues raised from sexual offenses. There is need to reconsider the setting up of these units in hospitals and not police stations.

The Committee also noted the high cost of incorporating the sex education syllabus in the school curriculum. Concerns were raise on the effect that it may create in future years.

The Committee agreed that the proposer should relook at the law to ensure all matters are well harmonized and gaps cleared for proper implementation of the law. It agreed that the amendment bill be published with the above amendments.

MIN.NO. 16/03c /2015 : CONSIDERATION OF THE AMENDMENTS TO THE RETIREMENTS BENEFITS (DEPUTY PRESIDENT AND DESIGNATED STATE OFFICERS) BILL, 2013

The Chairman indicated that the Committee had made deliberation on the above amendments with both proposers, the Hon. John Mbadi, MP and the Hon. Aden Duale, MP. The Chairman indicated that the Committee had also received comments on the proposed amendments from the National Treasury. These comments were then reviewed and presented to the Committee.

The Committee noted that the National Treasury did not concur with any of the amendments by the two proposers. In its memorandum to the Committee, the National Treasury noted that the Clause 3 that was proposed for variation by the two proposers was put in order to control expenditures. The National Treasury also indicated the need to delete the definition 'Designated State Officers' since it may give room for other such state officers to claim benefits under this law. Further, the National Treasury indicated that the offices of the Prime Minister and Vice President do not exist in the current Constitution and thus would be preferable for them to be included in a transition clause of the bill and not on the Clause 3.

The Committee concurred with the advice from the National Treasury and recommended further amendment to the bill as proposed by the National Treasury.

MIN.NO. 16/04/2015: Committee's Resolutions On Other Legislative Proposals And Draft Motions Earlier Considered

The Chairman indicated that the following five (5) legislative proposals and one (1) draft motion had already been deliberated by the Committee and were awaiting their recommendations. The Committee deliberated and noted as follows:

- i. **Vetting of Judges and Magistrates (Amendment) Bill by Hon. Chepkonga, MP:** The Committee noted that the amended sought to extend the timeframe of the board to enable it to vet all chief magistrates and principal magistrates. The Committee recommended that the amendment be published as presented.
- ii. **The Health Records and Information Managers Bill by Hon. Agostino Neto, MP:** The Committee noted that the legislative proposal sought to create a board that will oversee the operations of health records managers. The Committee noted that over the last two years, several legislative proposals relating to the operations of the various professional fields in the health sector have been referred to it. The Committee recommended that the proposal be published with amendments to ensure the board to be created should not source funds from the exchequer. It further recommended that a comprehensive health bill that will take care of all professional fields in the health sector be fast tracked.
- iii. **The Biomedical Engineering Bill by Hon. Stephen Mule, MP:** The Committee noted that the legislative proposal sought to create a board to oversee the operations of practitioners in the biomedical engineer's field. The

Committee recommended that the proposal be published with amendments to ensure the board to be created should not source funds from the exchequer. It further recommended that a comprehensive health bill that will take care of all professional fields in the health sector be fast tracked.


- iv. **The Kenya National Examination Council (Amendment) Bill by Hon. Mohamed Shidiye, MP:** The Committee noted that the proposed amendment seeks to prohibit the Kenya National Examination Council (KNEC) from setting and conduction Kenya Certificate of Primary Education (KCPE) examinations. The Committee noted the high cost that would result from the bill and recommended that it should not be published.
- v. **The Constitution of Kenya (Amendment) Bill by Agostino Neto, MP:** The Committee noted that the legislative proposal seeks to amend the Constitution to provide for the realization of gender balance in public appointments and elective positions.
- vi. **Motion for Provision of Clean tapped water in all public facilities and especially public primary schools by Hon. Andrew Mwadime, MP:** The Committee noted that the motion would occasion high expenditure but its benefits to the Nation in the long run will outweigh the costs. The Committee indicated the need for a clear framework on how these public facilities will be provided with tapped water to be included in the motion. The Committee recommended that the motion be published with the above amendment.

MIN.NO. 16/05/ : Any Other Business (AOB)

- a. Invitation to members by the Institute of Certified Public Accountants of Kenya (ICPAK) to a stakeholders workshop to review implementation of the Capital Gains Tax on 7th – 9th May 2015 at the Sarova Whitesands Hotel, Mombasa.
- b. Letter by the **International Centre for Policy and Conflict** on the **Unconstitutionality** of allocating Kshs 38 Billion to the Constituency Development Fund (CDF) for Financial Year 2015/16 with reference to the High Court of Kenya Judgement delivered on 20th February 2015.

- c. Letter by the Kenya Red Cross request for 2015/16 Budgetary support and are willing to appear before the committee at its convenience either in Parliament buildings or host the Committee at the Boma Hotel
- d. Invitation to members by the **Salaries and Remuneration Commission** to a stakeholder's workshop on the draft public sector remuneration and benefits policy.
- e. Letter by the National Council For Persons with Disabilities for consideration of Supplementary Budget on their 2014/15 Budget seeking funding of Kshs. 297,499,000

There being no any other business, the meeting ended at 2.00 pm.


Signed.....
(Hon. Mutava Musyimi, M.P)

Date..... 29.4.15