

REPUBLIC OF KENYA
COUNTY ASSEMBLY OF KILIFI

THE HANSARD

Tuesday, 1st March, 2016

The House met at the Temporary Chambers at the defunct Malindi Municipal Council, Malindi Town, at 2.30 p.m.

[The Speaker (Hon. Kahindi) in the Chair]

PRAYERS

COMMITTEE OF THE WHOLE HOUSE

(Order for Committee read)

[The Speaker (Hon. Kahindi) left the Chair]

IN THE COMMITTEE

[The Chairperson (Hon. Mwambire) took the Chair]

THE KILIFI COUNTY ENTERPRISE DEVELOPMENT FUND (MBEGU FUND) BILL, 2015

(Consideration of Memorandum from his Excellency, the Governor)

The Chairperson (Hon. Mwambire): Good afternoon hon. Member. Welcome to the Committee of the Whole House on the Kilifi County Microfinance Fund (Mbegu Fund) Bill, 2015. Like you all know, in the Committee of the Whole House, the rules are relaxed and a Member can speak more than once. However, the other rules guiding this House are not to be altered. We are going to make considerations especially to the amendments that were made to this Bill so that we can move fast and proceed. Let me allow the Clerk to guide us through as we move along.

Clerk-at-the-Table: Thank you Mr. Chairperson. Hon. Members, the Committee is considering the areas that the Governor had highlighted in his memorandum and we will start with Clause 6.

Clause 6

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Hon. (Dr.) Chitibwi: Mr. Chairperson, I move that Clause 6 be amended, so that the composition of the board to be as follows:

3) The Board shall consist of;

- a) a non-executive chairperson, not being a public officer, recruited competitively by the County Public Service Board, vetted by the County Assembly and appointed by the Governor;
- b) the County Chief Officer in the County Department for the time being responsible for Trade and Industry or a representative duly nominated in writing;
- c) the County Chief Officer in the County Department for the time being responsible writing for Finance or a representative duly nominated in writing;
- d) Four people nominated by the Executive Committee Member and appointed by the Governor, one of whom shall be a youth representing the youth, a woman representing women, a person living with disability representing people living with disability, and one person from the Cooperative Movement.

(Question of the amendment proposed)

The Chairperson (Hon. Mwambire): Yes hon. Emmanuel Kazungu Chai.

Hon. Chai: Thank you Mr. Chairperson. I think my Order Paper is different, or it is a typing error because in (c) I can read; ‘the County Chief Officer in the County Department for the time being responsible *writing* for finance or a representative dully nominated in writing.’

The Chairperson (Hon. Mwambire): It is a typo and it should be removed so that the statement can maintain its intended amended meaning. Kindly, hon. Members, cancel the word *writing*.

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

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

(Clause 6 as amended agreed to)

Clause 10

Hon. (Dr.) Chitibwi: Mr. Chairperson, I move that Clause 10 be amended so that the composition of the Sub- Committee is as follows;

- a) The Sub-County Administrator.
- b) The Sub-County Officer in charge of Trade, or a representative duly nominated in writing.
- c) The Sub-County in charge of Cooperatives or a representative duly nominated in writing.
- d) Three other members elected in forums one whom shall be a youth representing the youth, a woman representing women, a person living with disability representing the people living with disability. This should attain regional balance.
- e) One person representing the business community from the Sub-County.

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(Question for 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 be inserted, put and agreed to)

(Clause 10 as amended agreed to)

Clause 12

Hon. (Dr.) Chitibwi: Mr. Chairperson, I move that Clause 12 be amended by expounding the powers of the Sub- County Committee as follows;

- A. Identify and profile duly registered or licenced SMEs within the Sub-County using guidelines as provided;
- I. Receive and appraise duly filled loan applications forms.
 - II. Vet applications based on the guidelines set in these regulations.
 - III. Recommend disbursement of funds to the Board.
 - IV. Undertake monitoring and evaluation of the activities including field visits to the beneficiaries.
 - V. Compile, update and forward progress reports to the Board on a quarterly basis.

(Question for 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 be inserted, put and agreed to)

(Clause 12 as amended agreed to)

Clause 17 and Clause 2

Hon. (Dr.) Chitibwi: Mr. Chairman, I move That Clause 17(1) be amended by deleting the phrase “vetted by the County Assembly” to read as;

- 1) “Pursuant to Article 116 (2) of the Public Finance Management Act, 2012, the Executive Committee Member in charge of Finance shall appoint a person responsible for administering the Fund whom shall be recruited competitively by the County Public Service Board.”

That Clause 2(Interpretation) be amended by;

1. Deleting the phrase “Beneficiary means a licenced individual, traders, registered groups and associations, registered cooperatives, companies and other forms of Agri-businesses” and replace by inserting “Beneficiary means a person who is a member of micro and small enterprise”.
2. Adding the following definitions;

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“Enterprise” means an undertaking or a business concern whether formal or informal engaged in production of goods or provision of services;

“Micro enterprise” means a firm, trade, service, industry or a business activity—

- (a) Whose annual turnover does not exceed five hundred thousand shillings;
- (b) Which employs less than ten people;

“Small enterprise” means a firm, trade, service, industry or a business activity—

- (a) Whose annual turnover ranges between five hundred and five million shillings; and
- (b) which employs between ten and fifty people.

(Question of the amendments proposed)

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

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

(Clause 17 and Clause 2 as amended agreed to)

The Long Title

Hon. (Dr.) Chitibwi: Mr. Chairman, I move that the Long Title be amended by deleting the phrase “Enterprise Development” and inserting the phrase “Microfinance” to read as “THE KILIFI COUNTY MICROFINANCE (MBEGU FUND) BILL, 2015” and by deleting the phrase “Enterprise Development” and inserting the phrase “microfinance” in every Clause where it appears in this Bill.

(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 be inserted, put and agreed to)

(The Long title as amended agreed to)

Hon. (Dr.) Chitibwi: Mr. Chairperson Sir, I beg to move that the Committee doth report to the House its considerations of the Kilifi County Microfinance (Mbegu Fund) Bill, 2015 and its approval thereof with amendments.

(Question proposed)

(Question put and agreed to)

(The House resumed)

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(The Speaker (Hon. Kahindi) in the Chair)

The Chairperson (Hon. Mwambire): Hon. Speaker, Sir, I beg to report that the Committee of the whole House has considered the Kilifi County Micro-Finance Fund (Mbegu Fund) Bill 2015 and approved the same with amendments.

Hon. (Dr.) Chitibwi: Hon. Speaker, I beg to move that the House doth agree with the Committee in the said Report.

(Question proposed)

(Question put and agreed to)

REPORT, CONSIDERATION OF REPORT AND THIRD READING THE KILIFI COUNTY
MICROFINANCE FUND (MBEGU FUND) BILL, 2015

Hon. (Dr.) Chitibwi: Hon. Speaker, I beg to move that the Kilifi County Microfinance Fund (Mbegu Fund) Bill, 2015 be now read for the Third Time.

The Speaker (Hon. Kahindi): Hon. Members, a Motion to have the Bill read for the Third Time has been moved by hon. (Dr.) Chitibwi and I now propose that the same is ready for debate.

(Question proposed)

Yes hon. Emmanuel Chai.

The Speaker (Hon. Kahindi): Yes hon. Emmanuel Chai.

Hon. Chai: Thank you Mr. Speaker for giving me this chance to contribute to this Mbegu Fund debate. I think as we have discussed during the time which we were waiting for the Mbegu Fund to go through, and I am sure a lot of our electorates have been asking for such a Bill. From the Executive, we have heard the Governor saying it is only the Assembly that is going to pass it so that it can become a Bill. I think it will be great now that we have amended it as we wanted, we can pass it so that at least it can become a Bill and we can have the microfinance provided to the people who are in need of it and are waiting for it. I think it would be very wise for us to have it so that we can make it a reality to the people. Thank you Mr. Speaker, Sir.

The Speaker (Hon. Kahindi): Thank you. Yes hon. Teddy Mwambire.

Hon. Mwambire: Thank you very Mr. Speaker, Sir. I do concur with the prayers of the Committee that this Bill goes for a Third Reading. This is the right time whereby we will get at least an avenue immediately after passage that the executive can get an opportunity to sensitize the public on the views and how to utilize the funds that we are going to allocate in this docket. As we are talking Mr. Speaker, there are already some funds that were allocated, that I believe can be used to form the board and even to sensitize the public especially groups, women, youth, disadvantaged people and vulnerable groups so that they can be in a position, immediately after we allocate more funds, to start utilizing that fund.

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Mr. Speaker, if we want our economy to grow, we must stimulate it by allocating funds for those aspiring business people and small enterprises to spur so that we can be in a position to get more revenue. If we want this County to develop, we must have means of stimulating the revenue base and this is one of it. I believe even those who did not get proper education will be in a better position to offer their services in this County. It has been very difficult for most of us when campaigning because we used to talk about facilitating students to go to higher levels of education.

This Assembly indeed came up with an Act whereby we are giving funds to those who want to go for higher studies but parents are still finding it hard to get sufficient funds to educate their children. They need other alternatives to get funds so that if we give scholarships, they can also have other money to educate those who are in primary school, and even to add the deficit.

The people of Kilifi also need to eat, and now what we can do is have something which can generate income. A good example is agribusiness which is being embraced at the moment. Having money to start such businesses requires an active involvement by groups, having a willing Government and political good will; which is this. So, I believe by passing it then this County will join other Counties which have already started such initiatives, and members of the public will be in a better position to get funds to start or to increase or diversify their businesses hence raise the revenue base of this County, Mr. Speaker. With those few remarks, I stand to support the passage of this Bill.

The Speaker (Hon. Kahindi): Hon. Nzaka.

Hon. Nzaka: Thank you Mr. Speaker, Sir. I rise to support and congratulate the Chairperson for the Bill as brought before the House. The Third Reading of this Motion will allow the Governor to assent to the Bill as soon as possible so that citizens can access this fund. Mr. Speaker, Sir, this fund has minimal interest whereby it is like a revolving fund where once certain groups have accessed this fund and after finishing re-paying, then the other groups can access this fund at very minimal interest.

I managed to visit some parts of Kilifi County and I realized that there are some areas where the economy is very hard; even the poverty index in the interior is very high, and this fund will promote our people. We know that we get funds from the national Government like Uwezo Fund, Women Enterprise Fund and even Youth Fund but our people cannot access funds from the national Government because of the rules and regulations. For example, one needs a title deed to access the funds and our people as we know, don't have them.

This fund Mr. Speaker, Sir, is going to promote the standards of living of our people and it will encourage or promote education in Kilifi County. There are microfinance's like Imarika and banks like Equity and Cooperative but their interest rates are very high that even the local *mwananchi* cannot access, and once they delay in re-paying the fund, they can be reported to CRB (Credit Reference Bureau) where they won't have access to anything from the National Government. This is our fund and we can access and use even the little resources that we have so that we can change our County. Thank you Mr. Speaker, Sir, I beg to support.

The Speaker (Hon. Kahindi): Hon. Members, a Motion to adopt the Third Reading has been moved and deliberated.

(Question put and agreed to)

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(The Bill was accordingly read the Third Time with leave of the House and passed)

The Speaker (Hon. Kahindi): The Bill having been read for the Third Time, I think now it is ready to be assented, and will be delivered to the Governor for his assent.

ADJOURNMENT

There being no other Business in the Order Paper, I move to adjourn this House until tomorrow at 2:30 p.m.

The House rose at 2:55 p.m.

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