



**REPUBLIC OF KENYA  
KENYA NATIONAL ASSEMBLY  
NINTH PARLIAMENT – FOURTH SESSION**

***REPORT***  
**OF THE  
DEPARTMENTAL COMMITTEE  
ON  
FINANCE, TRADE, TOURISM & PLANNING**

**ON  
THE PRIVATIZATION BILL, 2005**

**AUGUST, 2005**

## **1.0 INTRODUCTION**

Mr. Speaker Sir, on behalf of the Members of the Departmental Committee No. F on Finance, Trade Tourism & Planning and pursuant to the provisions of Standing Order No. 162, I would like to take this opportunity to present to the House, the Committee's Report on the Privatization Bill, 2005.

The membership of the Committee comprise of the following:

The Hon. Mutahi Kagwe, MP (**Chairman**)

The Hon. (Dr.) Oburu Oginga, MP (**Vice Chairman**)

The Hon. Chrysanthus Okemo, MP

The Hon. (Dr.) Adhu Awiti, MP

The Hon. John Mutinda Mutiso, MP

The Hon. Abdi Tari Sasura, M.P.

The Hon. Jakoyo W. Midiwo, MP

The Hon. Nyaga Wambora, MP

The Hon. Wycliffe A. Oparanya, MP

The Hon. S. K. Kanyingi, MP

The Hon. Joel Onyancha, MP

Mrs Florence Abonyo - Secretary to the Committee

**The functions of this Departmental Committee as established under Standing Order No. 151 are inter alia:-**

- (i) to study and review all legislation after First Reading subject to the exemptions under Standing Order No. 101 A (4)*
- (ii) to make reports and recommendations to the House as often as possible including recommendations of proposed legislation.*

The Privatization Bill, 2005 was referred to the Departmental Committee on Finance, Planning and Trade upon a motion moved by the Minister for Finance pursuant to the provisions of Standing Order No. 101(1). The Committee held a one day workshop for all Members of Parliament in Mombasa to deliberate on both the Public Procurement & Disposal Bill, 2005 and the Privatization Bill, 2005.

## **2.0 DELIBERATION ON THE PRIVATIZATION BILL, 2005**

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### **CLAUSES**

Clauses 1- 4	-	Agreed to
Clauses 5 - 6	-	Amendment proposed
Clause 7	-	Agreed to
Clause 8	-	Amendment proposed
Clause 9 - 22	-	Agreed to
Clause 23	-	Amendment proposed
Clauses 24-28	-	Agreed to
Clause 29	-	Amendment proposed

- Clauses 30-43 - Agreed to  
Clause 44 - Amendment proposed  
Clauses 45 -52 - Agreed to

### **SCHEDULES**

- First Schedule - Amendment proposed  
Second Schedule - Agreed to  
Third Schedule - Agreed to  
Title - Agreed to

## **3.0 PROPOSED AMENDMENTS TO THE BILL**

### **CLAUSE 5 - Composition of Commission**

**THAT, Clause 5** be amended as follows:-

- (i) In subsection (d) by:-
- (a) Deleting the word "**four**" and substituting the word "**seven**" in place therefor.
- (b) Inserting the following words after the word "**Minister**"

***"approved by the relevant committee of Parliament"***

- (ii) By deleting **subsection (e)** and renumbering accordingly.

**CLAUSE 6 - Term of office**

THAT, Clause 6 be amended by adding the following words at the end.

***“for one more term”***

**CLAUSE 8 - Removal**

THAT, Clause 8(2)(c) be amended by inserting the word **“criminal”** before the word **“offence”** and by deleting the rest of the sentence to the end from the word **“and”**.

**CLAUSE 23 - Privatization proposal by Commission**

THAT, Clause 23 be amended by deleting **subsection (2)** and inserting the following new subsection.

**23(2)** – *The Minister in charge of Finance shall present a report on the privatization proposals approved by the Cabinet to the relevant committee of Parliament.*

**CLAUSE 29 - Eligible investors in privatization**

THAT, Clause 29 be amended by inserting the following **new subsection**

**29(2)** immediately after **subsection 29(1)** and renumbering accordingly.

**29(2)** - Notwithstanding the provisions of **subsection (1)**, the Minister may direct the Commission to: -

- (a) limit participation in the privatization to Kenyans.
- (b) ensure that there is a specified minimum level of participation in the privatization by Kenyans.

**CLAUSE 44 - Establishment and composition of Tribunal**

**THAT, Clause 44(7)(b)** be amended by inserting the word "**criminal**" before the word "**offence**" and by deleting the rest of the sentence to the end from the word "**and**".

**FIRST SCHEDULE**

**THAT,** the First Schedule be amended in **subsection 2(3)** by deleting the word "**two-thirds**" and inserting the word "**eight**" in place therefor.

#### **4.0 CONCLUSION**

The Committee recommends that the House adopts its Report on the Privatization, 2005. Mr. Speaker Sir, may I take this opportunity to thank all Members and the Committee for their input and valuable contributions during the deliberations on the Bill.

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**Hon. Mutahi Kagwe, MP**  
**Chairman- Departmental Committee on**  
**Finance, Trade, Tourism and Planning**

Date.....9-8-2005.....