

**Tuesday, February 18<sup>th</sup>, 2014**

COUNTY GOVERNMENT OF NYANDARUA

**Official Report**

NYANDARUA COUNTY ASSEMBLY (First Assembly, Third Session)

Assembly debates

The House met at 2.30 PM

Hon. Speaker in the Chair

Prayers

**REPORT ON THE INDUSTRIALIZATION, TRADE, COOPERATIVES, TOURISM AND WILDLIFE  
COMMITTEE ON COOPERATIVE DEVELOPMENT IN COUNTY GOVERNMENT OF NYANDARUA.**

The report was triggered by a motion brought by the Industrialization committee chairman hon. Daniel Ruara Kebebo (MCA Gathara).

Terms of reference

1. To look into the ownership, operations and management of cooperatives.
2. The role of Cooperative Societies.
3. The challenges and constraints.
4. To make recommendations.

The committee was very passionate on looking into ways and means of ensuring they guided the Executive on policy formulation by making various recommendations.

Mr. Speaker Sir, the sessional paper No 10 of 2012 of Kenya Vision 2030 entrenches vision 2030 as the long-term development strategy for Kenya.

The vision is anchored on three pillars: Economic, Social and Political. The economic pillar aims to achieve an average gross domestic product growth rate at 10 per cent per annum and sustain the same until 2030 in order to generate more resources to reinvigorate the economy

to meet its envisaged goals and aspirations.

Though in its key sectors, Cooperatives is not one of them. However, goal number 1 of the MDGs is to eradicate poverty and hunger through an Agri-based productivity the cooperative societies have a vital role to play. The Nyandarua County Integrated Development Plan (2013-2017) recognizes that one of the county's response to its vision and mission is to revive collapsed dairy farmer's societies and strengthen the existing cooperatives with the aim of increasing the role they play in marketing of produce, provision of farm input, credit facilities and training to the farmers as well as saving and investment will be emphasized in the cooperative sub-sector.

### **Background**

Mr. Speaker, Nyandarua County has a relatively large cooperative sector whose share of economic income has increased very little over the last two decades. The sector, despite its potential, has not been dynamic enough to function as "an engine for growth" for the Nyandarua economy as has been the case of newly emerging economies. The sector has been inward looking with limited technological progress and reflects past inadequacies in the sector's performance.

Industrialization, Agriculture, and Cooperatives are the key pillars of wealth creation in any county. Whereas the cooperatives sector has had some growth registering 142 cooperative societies, and 132 being the most active. The cooperative sector's share of monetary income in the county in 2012 was Ksh. 12 Billion and with a share capital of mobilized funds by members at 2,257,154 million. The cooperative sector comprises of the SACCO's manufacturing, quarrying, housing, transport and dairy production activities out of which the dairy sector accounts for approximately two-thirds. The Cooperatives activities account for a great share of domestic income production and forms a core part of economic development in the county.

The sector is mainly agro-based and characterized by relatively low value addition, unskilled employment, capacity utilization and weak linkages to other sectors. The intermediate and capital goods industries are also relatively underdeveloped, implying that the county's marketing sector is highly wanting. The performance of the cooperative sector in production has been affected by low capital injection, use of obsolete technologies and high cost of doing business. The factors that have contributed to the high cost of doing business include; the poor state of physical infrastructure, limited access to finance, limited research and development, poor institutional frame work, and inadequate managerial, technical and entrepreneurial skills. The high cost of doing business has also contributed to the limited local and direct investment

in the county.

The sector has been instrumental in supporting economic growth in the county, However, it has been affected by inadequate resources, poor management skills, political good will and the new dispensation that has devolved power to the people, the cooperative sector is poised to contribute significantly to accelerated economic growth. In any case, Nyandarua County should take advantage of its strategic leadership position to exploit the opportunities availed within and without the County.

### **The Problem**

Mr. Speaker, currently in the county, the growth of other sectors such as cooperatives and agriculture, is not as expected due to the slow growth and low support from the production sector. From a historical perspective since independence, there has not been any effort to look at cooperatives as a political decision. Kenya took the political decision in 2010 and a new Constitution was promulgated. That decision gave birth to the counties, which are empowered through the Kenya Constitution Article 174, which enables the county to engage in economic activities that empower the people through their own structures of governance to improve the livelihood of its people in making their own decisions.

The problem has been compounded by the existence of numerous laws, a weak legal framework and overlapping ministerial mandates, which has culminated into uncoordinated and slow cooperative growth in Nyandarua County. This has led to a scenario where unemployment outstrips wealth creation.

This paper has therefore been developed as a recommendation to a policy framework to synchronize and coordinate the various policies, strategies and activities in Nyandarua County. The proposed Policy will recognize that Nyandarua County is primarily an agricultural based economy with a fairly skilled human resource base. The Nyandarua County is also endowed with natural resources that can be tapped through value addition for the benefit of the whole county. Thus, the proposed policy should endeavour to address issues affecting the cooperative sector by including broad-based strategies that would provide the sector with meaningful opportunities to realize its full potential. The policy should provide a broad framework within which all stakeholders, including the public sector, private sector, development partners will contribute to cooperative development. An implementation mechanism should be inbuilt in this policy.

### **Justification for the proposed cooperative Policy Guideline and the Proposed Policy.**

Mr. Speaker Sir, the current cooperative policies in Kenya are contained in disparate documents such as Acts of parliament, Sessional Papers, development plans and other sectoral policies and strategies, hence the need to synchronize and coordinate Cooperatives and Agriculture activities in Kenya.

In addition, the pace of technological change and increased globalization make it necessary to develop Cooperatives and Agriculture policy that responds to the rapidly changing global trend. This policy is therefore going to be formulated in the furtherance of the aspirations of Nyandarua County for an enhanced cooperative movement. The experience from successful economies indicate that having a coherent cooperative policy is a prerequisite to industrial development. From these experiences, the cooperative sector is a key driver for increasing growth rates, generation of sufficient employment opportunities and fostering the county's integration into the national economy. The Nyandarua County is lucky to have an active cooperative sector through which industrial activities can scale up value addition and thus make the county self sufficient in food supplies, industrial development and thriving cooperatives economy. The Cooperatives sector is therefore best-positioned as a potential growth driver as identified in the Kenya Vision 2030 because.

1. Enjoys strong forward and backward linkages with other important economic sectors with other important economic sectors such as agriculture and related services.
2. Offers high prospects for employment creation especially in labour-intensive industries.
3. Acts as a catalyst for technology transfer and attraction of direct investment
4. Offers high prospects for deepening Nyandarua County's drive to integrate further into the regional and national economy.
5. It should provide a significant foreign exchange earnings to the county's economy.

Mr. Speaker Sir, it is with this in mind that this committee dared to dream and come up with a proposed policy. To guide the Executive in fast tracking a policy that will hasten the cooperative development in Nyandarua County.

### **Vision for proposed policy**

Mr. Speaker Sir, to spur economic growth in Nyandarua County the proposed policy should enhance growth in the cooperative sector in order to create employment and lead in contribution to economic development and increase the peoples income so as to offer

sustainable better lives for Nyandarua County residents.

### **Mission of the proposed Nyandarua County Cooperative Development Policy.**

Mr. Speaker Sir, to enhance a sustained growth of the cooperative development sector, by creating an enabling environment for a robust, diversified, fair completion field, cost and time conscious, and innovative cooperative sector; that offers targeted incentive packages in priority sectors; and desires to have a county wide dispersal of cooperative activities leading to the County economic empowerment.

### **Guiding principles of the proposed Nyandarua County Cooperative Development Policy**

Mr. Speaker Sir, that in order to revolutionize the growth of the cooperative sector in Nyandarua County, the following guiding principles should apply.

#### **i. Productivity and competitiveness**

The proposed policy should emphasize increased productivity and competitiveness as one of the key guiding principles for expanding and maintaining the domestic , national and export markets in a liberalized economy.

#### **ii. Market development**

The proposed policy should take cognizance of the need to diversify and expand markets for cooperative value added products. It should address supply side constraints with regard to product equality, volume and standards.

#### **iii. High value addition and diversification**

The proposed policy should recognize high value addition to resource endowment in the cooperative sector as a key for optimizing creation of wealth, employment and county development. It therefore should emphasize on further processing of primary products.

#### **iv. Regional dispersion**

The policy should underscore the need for equitable dispersion of cooperative development throughout the county and will accelerate the pace of development especially in the marginalized areas.

#### **v. Technology and innovation**

The policy should recognize innovation as central to meeting the rapidly changing consumer

tastes and preferences; boost productivity and competitiveness of the cooperative sector.

**vi. Fair trade practices.**

The policy should create a level playing ground to ensure fair competition by guarding against infringement of the cooperative sector, exploitation and supply of counterfeits and substandard goods.

**vii. Employment Creation**

The policy should focus on equality and sustainable employment creation.

**vii. Environmental sustainability**

The policy should recognize the need to promote sustainable industrial development that upholds the cooperative sector, environmental protection, management and efficient resource utilization.

**ix. Compliance with the new Constitution.**

The policy should be aligned to the provisions of the new Constitution.

**x. Education and manpower development.**

The policy should recognize that cooperative development could only take place when there is a strong and well-trained workforce from all levels of training.

Goals of The Proposed Cooperative Development Policy.

The overall goal of the sector should be to increase and contribute to the economic development of the county. The specific goals to be achieved in the short term (5 years) should be

1. Strengthening local production and capacity to increase domestically manufactured goods by focusing on improving the sectors productivity and value addition.
2. Raising the share of the County's products in the national, regional and global market.
3. Developing products through which the County can achieve a global competitive advantage.
4. Increase the share of Foreign Direct Investment in the Cooperative sector.
5. Creation of a Cooperative Revolving Development Fund (CRDF)

6. Increase the local content of locally manufactured goods for export.
7. Formation of a County Cooperative council/board to regulate the operations of cooperatives in Nyandarua County.
8. Ensure the revival of the dormant cooperative societies and give support to the already existing cooperatives.

### **Objectives of the proposed Nyandarua County Development Policy**

The overall objective of this policy is to sustain the growth of the cooperative sector and make it the most preferred economic mainstay for the County's Cooperative investment by:-

1. Creating an enabling environment through improved infrastructure for industrial and cooperative development.
2. Attracting local and foreign investment.
3. Promoting the development of micro, small and medium industries (MSMIs)
4. Enhancing value addition to the county's natural and agricultural resources.
5. Intensifying research and development, innovation and technology adoption for cooperative and industrial growth and sustainability .
6. Facilitating the provision of the internally recognized standards, measurement and conformity assessment solutions.
7. Ensuring protection of Peoples Rights in consistency to the new Constitution.
8. Enhancing access to financial services and markets;
9. Upgrading capacity building in technical, production and managerial skills.
10. Protection of the environment.

### **The Committee General Observation and Findings**

During field visits to various cooperative societies across the County, committee members made these general observations and findings:-

1. Infrastructure is poor and road network incurs damages and losses to vehicles
2. Infiltration of market by middle men otherwise known as "brokers"

3. High transportation costs is charged in the marketing of goods for farmers
4. There is lack of a diverse market for farmers products which is very limited
5. That fluctuation of prices incurs losses to farmers.
6. That the drought spell causes loss of livestock and is a major setback.
7. The high cost of electricity and especially incessant power outages which causes continuous breakdown of machines.
8. Laws and regulations by SASRA, NEMA, WRMA and occupational health are very cumbersome to development of the sector.
9. The Dairy Board cess is very high and no services provided.
10. Inadequate farmer education which results to unhygienic low milk production.
11. Under quality feeds citing low production especially in milk production.
12. Low membership which results to a low turn over and cannot breaveven on the business platform.
13. Critical land disputes and related issues due to lack of land documents indicting ownership.
14. Poor management leading to misappropriation of funds ad assets. e.g Ol'Kalou farmers.
15. There exists competition between cooperative societies
16. There is lack of leadership succession plan and involvement of youth in a defined framework
17. Cases of political interference are evident.

### **General Recommendations**

The members made the following recommendations, That

1. Formation of a County Cooperative union, umbrella body of Nyandarua County.
2. Establishment of a county revolving development Fund.
3. maintenance of a stable political and economic climate.
4. Provision of institutional support in the development of competitive products.

5. Provision and maintenance of basic infrastructure and road networks.
7. Promotion of local and foreign investments.
8. Enhancement of the stakeholders participation and private sector organizations in the decision making process.
9. Promotion and support for Research and Development activities.
10. development of the Dairy Board to the County.
11. That in every financial year incentives to empower the various active cooperative societies should be provided.
12. In every year the cooperative societies should come together and hold a show, to show case their products, with those emerging as winners being feted to motivate others.

The members strongly recommended that the matter for Ol'Kalou farmers SACCO be dealt by the PIC/PAC committee. This is because there was a lot of misappropriation of public funds involved and several pending cases in court. The members concurred that the matter requires urgent investigation and action as the public is waiting earnestly to get a direction from the House.

Mr. Speaker on the part of political interference this matter has already been brought to your attention by this committee, and I want to believe you are handling it as appropriate.

#### **PROPOSED COOPERATIVE DEVELOPMENT POLICY FRAMEWORK**

It is in this respect that the proposed policy framework should contain measures to be undertaken to promote cooperative development. It should address issues affecting cooperative development and streamline the existing policies and statutes that impede growth and development of the cooperative sector. Cooperative and industrial competitiveness will be achieved by building and developing an infrastructure network that is adequate to meet the the cooperative needs of the growing Nyandarua County economy. The thrust of this proposed policy therefore, is to ensure that the cost of doing business is drastically reduced, productivity and efficiency of operations enhanced and to make Nyandarua County the preferred destination for cooperative and industrial development and investment.

Mr. Speaker Sir, as part of our very specific recommendation, so as not to leave any stone unturned , we have proposed a cooperative development policy framework, which we request

the Executive to consider.

### **PROPOSED PHYSICAL INFRASTRUCTURE FOR COOPERATIVE DEVELOPMENT AND INDUSTRIALIZATION.**

An effective and reliable infrastructure is an important key enabler for growth and sustainability of cooperatives. It is also critical in lowering the cost of doing business and enhancing competitiveness in the county. This infrastructure entails transport, road networks and ICT services (fixed, mobile, wireless and satellite telecommunications networks)

Road transport is an essential component for the transportation of raw materials, industrial inputs, finished products and movement of human capital. The existing road network in the county is very poor with limited feeder roads and regions with resource endowments especially those with Agri-based raw materials. The poor state of the road network causes delays, breakages and high maintenance cost for transport for transport machinery leading to high costs of doing business. This has resulted in the slow development of cooperatives and related industries with a poor road network thus creating disparities in the sectors' development.

An efficient logistical system therefore will reduce clearance, time and costs. Currently, levies are charged at different collection points and therefore roadblocks, clearance points have affected the timely flow of industrial inputs and products. In addition, these procedures are not well coordinated which has led to corruption.

### **PROPOSED POLICY STATEMENTS ON TRANSPORTATION AND LOGISTICS.**

It would therefore be prudent:-

1. To fast track expansion, modernization and maintenance of road networks to existing high potential areas for cooperative and industrial development prioritized in this proposed policy document.
2. To harmonize, streamline and in future automate clearing and forwarding procedures at roadblocks and clearance points.

### **ENERGY.**

Energy is an essential component for the cooperative industrialization process. For a county to industrialize, adequate and affordable energy supply is a prerequisite. The energy sector mainly comprises of electricity. The situation is worsened by high cost of generation, transmission and distribution. There is need therefore, to intervene and create an enabling environment to

accommodate a thriving cooperatives industrial expansion.

### **PROPOSED POLICY STATEMENTS ON PROVISION OF ENERGY FOR COOPERATIVE DEVELOPMENT.**

In order for this to be realized, it would be only right to:-

1. Fast track the expansion and diversion of power supply in a cost effective manner.
2. Seperate power feed for industrial consumers from power feed for residential use to increase reliability especially during times of rationing.

Promote the Public-Private -partnership in generation and distribution of energy.

### **Water**

Clean water is one of the most important ingredients in the cooperative industrial production process. The available water is inadequate for industrial and other domestic uses. Competition for water has often denied the cooperative industry, adequate clean water in the required quantities in order that the industries thrive.

### **PROPOSED POLICY STAMENTS ON WATER FOR COOPERATIVE DEVELOPMENT**

The said statements should consider to:-

1. Fast track the provision of clean water to existing areas that have a high potential for cooperative and industrial development, prioritized in this proposed policy document.
2. Promote the Public –Private partnership in provision of water and waste management systems, including water harvesting, storage and recycling.

### **PROPOSED INFORMATION AND COMMUNICATION TECHNOLOGIES FOR COOPERATIVE DEVELOPMENT.**

ICT is at the core of cooperative industrial development and human progress to create immense impact on the way services are delivered. ICT is a key enabler in lowering the cost of doing business.

### **PROPOSED POLICY STATEMENTS ON ICT FOR COOPERATIVE DEVELOPMENT.**

It is of great essence that the policy addresses how to:-

1. Fast track the provision of ICT infrastructure of existing high potential areas for cooperative

and industrial development be prioritized in this policy statement.

2. Promote use of ICT in manufacturing process and all cooperative industrial related activities to enhance cost effectiveness and efficiency.

### **PROPOSED INDUSTRIAL FRAMEWORK FOR COOPERATIVE DEVELOPMENT.**

The success of this cooperative development proposed policy largely depends on a strong political will and commitment by the top policy making organs of the County Government to take firm decisions on the sectors' development issues. It is therefore necessary to create an institution that will provide leadership, allocate resources, set targets, oversee and synchronize the activities of all the different institutions that play a role in the cooperative development path.

### **PROPOSED POLICY STATEMENTS ON INSTITUTIONAL FRAMEWORK FOR COOPERATIVES DEVELOPMENT.**

All the above cannot be realized without a proper institutional framework, therefore the creation of a County Cooperative Development bill is necessary.

### **COOPERATIVE GROWTH AND GRADUATION**

The Cooperative sector is a foundation of industrial development in most developing and developed countries. The sector is suffering from many challenges including lack of access to affordable finance, limited access to markets, lack of infrastructure, hostile business environment, weak management structures, and lack of access to skilled labour. Many of the past policies were devised from the perspective of large firms and those targeting the sector were fragmented and not effective to the development.

### **PROPOSED POLICY STATEMENTS ON GROWTH AND GRADUATION FOR COOPERATIVES DEVELOPMENT**

In order to address this, the Executive must:-

1. Fast track the enactment of the cooperative development bill
2. Establish a cooperative development Fund (CDF)

### **THE PROPOSED NYANDARUA COOPERATIVES GOVERNANCE AND LEGAL FRAMEWORK**

The Justice system and dispute resolution mechanisms are important components to support

cooperatives activities in the County. In Nyandarua, these mechanisms have not been effective leading to perpetuation of corruption, criminal activities, delay in determination of disputes leading to increased cost of doing business and discouraging foreign direct investments.

Similarly, the process of incorporation, registration and taxation of business is expensive, long and cumbersome as it is centralized. In addition, there is no legislation to handle related litigations. The labour laws with respect to wages are not necessarily conducive to the cooperative sector's development since the wages and annual increments are not friendly to labour productivity.

### **PROPOSED POLICY STATEMENTS ON GOVERNANCE AND LEGAL FRAMEWORK FOR COOPERATIVES IN NYANDARUA COUNTY.**

To address the above concerns the Executive must:-

1. Fast track reforms in the legal systems in line with the Constitution.
2. Fast track the business regulatory reforms to support cooperative development in the county.
3. Revise the labour laws to incorporate labour productivity in industries.
4. Inculcate a culture of compliance with the law.

### **PROPOSED POLICY STATEMENTS ON TECHNICAL, PRODUCTION, MANAGERIAL AND ENTREPRENUARIAL SKILLS FOR COOPERATIVE DEVELOPMENT.**

There can never be any meaningful development without any training, therefore the Executive should:-

1. Develop curriculum in tertiary training institutions aligned to the cooperative industry skills requirements.

Develop a framework for continuous linkages between tertiary and vocational training institutions and cooperative development.

3. Expand and modernize technical, vocational and entrepreneurial training institutions offering craftsmanship and technician training for the cooperative industry.

### **PROPOSED COOPERATIVE RESEARCH, DEVELOPMENT AND INNOVATION**

Cooperative development research, development and innovation play an important role, in a modern economy, where new knowledge is central in boosting wealth creation, social welfare

and competitiveness. These activities are essential in building innovative capacity of cooperatives for increased efficiency and productivity. Limited linkages between research institutions and training institutions; low funding ; and weak institutional mechanisms for promoting collaborative research have constrained cooperative development research findings.

Similarly, there is no structured system of nurturing and promoting technology entrepreneurship with the county.

### **PROPOSED POLICY STAMENTS ON INDUSTRIAL ESEARC< DEVELOPMENT AND INNOVATION FOR COOPERATVE DEVELOPMENT.**

The Executive should strife to:-

1. Develop a framework for cooperative development research findings.
2. Formulate mechanisms to facilitate collaboration with the private sector in research, technology and development.
3. Strengthen capacity for technology certification and adoption.
4. Establish a funding mechanism for research and development to facilitate innovation, acquisition of strategic and relevant technology for cooperative industrial development.
5. Establish a cooperatives society's information database.

### **MARKET ACCESS**

Markets and market access are essential for the development of any cooperative sector. Nyandarua County depends on a few traditional markets and earnings from these markets. However, earnings have been declining due to increased and sustained completion by similar products. Similarly, supply side constraints which include inability to meet standards, bulk orders on timely basis; and demand side constraints which include tariff escalations; stringent standards and technical regulations which often amount to Technical Barriers of Trade (TBT) and Non-Tariff Barriers (NTB) such as production quotas e.g. milk, have also contributed to this decline.

### **PROPOSED POLICY STATEMENTS ON MARKET ACCESS FOR COOPERATIVE DEVELOPMENT.**

Market access for cooperatives is integral part in promoting cooperative development, and therefore the Executive should consider to include:=-

1. The promotion of consumption of locally manufactured products.
2. The strengthening of negotiation capacity and review of the county's, National, Regional and bilateral trade arrangement to enhance market access for manufactured products.

### **PROPOSED NYANDARUA COUNTY TRADE POLICY.**

The trade policy should be an instrument of cooperative development and therefore should be developed in conjunction with the proposed Nyandarua County Integrated Development Plan (CIDP). The development of the sector strategies in trade policy offers a framework for drawing considerations into the development of sectoral cooperative strategies in a more systematic manner.

### **PROPOSED POLICY STATEMENTS ON THE TRADE POLICY**

The Executive should align the proposed Trade Policy with the CIDP to address issues of taxes, bilateral and multi-lateral trade policies, for enhancing competitiveness and market access for cooperative industrial products.

Members contributions

**Hon. David Ndirangu (Milangine)** seconded the adoption of the report by the House.

Members hailed the report as best ever moved in the floor of the House and urged the Executive to implement it to the letter. They underscored the role played by the cooperative movement in the economic development of the Nyandarua County and reduction of poverty in the area.

In his Contribution, **Hon. Kieru (Gatimu)** compared the report to a bill noting that the Executive will not need to search for materials when preparing a Cooperative development bill because the report had thoroughly expounded on them. He added that the Committee had done a lot research before tabling the report for debate in the House. He requested that committees be given adequate time to prepare their reports.

**Hon. Gachomba (Njabinini/ Kiburu)** demanded the revocation of all grabbed cooperative lands and returned to its rightful owners. He accused the Kenya Dairy Board (KDB) of milking farmers and doing nothing despite charging farmers 20 cents per litre of milk. He accused them of harassing intermediaries who buy milk from farmers and urged Public Accounts Committee to follow up the matter. He noted that for the cooperative industry to thrive, roads infrastructure should be improved.

**Hon. Kirumba (Kipipiri)** He equally supported the report and commended the committee for

doing a thorough job. He especially commended the committee for involving the Executive member in-charge of the Cooperative docket and the director to come up with a comprehensive and conclusive report. He Urged the Executive to come up with a cooperative bill to help regulate and bolster the sector for prosperity.

**Chief Whip Hon. Gachari (Shamata):** He lamented that the cooperative sector in the county collapsed due to greediness of government officers who watched as the sector's property was sold. He urged the Nyandarua County Government to take legal measures against those implicated. He called for the enactment of a legal framework to protect the sector terming it key to economic development and generation of employment to the youth. He urged the County Government to revive the sector to restore hope to farmer's i.e pyrethrum farming.

**Hon. Kairu: (Githabai):** He supported the report and regretted that Kenyans are good in writing reports but implementers of the resolutions passed fail them. He urged the Cooperative docket to purchase coolers for dairy farmers in every ward to enable them preserve their milk. Kairu urged the Executive to investigate people who run down Mwihangi'ri Cooperative society with a few to prosecute them and recover lost properties of the society. He demanded that milk brokers should be registered and taxed to protect farmers from exploitation by the brokers.

**Hon. Njiraini: (Kaimbaga).** In his contributions, Njiraini demanded that the KDB be devolved to the counties to check milk quality to protect the County image. He added that the Board should not concentrate more on levies but instead should give quality service to the farmers. Njiraini urged the PIC/PAC committee to investigate the Ol'Kalou Farmers Sacco claiming that those running it made it collapse. He called for the revival of all collapsed societies and appealed to the committee on cooperative to visit all wards and explore areas where resources can be tapped saying Kaimbaga had substantial construction materials that can be exploited to generate revenue. He called for partnership between the Agriculture and cooperative dockets and initiate a revolving fund to help farmers uplift their economic base.

**Hon. Kebebo (Gathara):** He called for the initiation of a local dairy board noting that KBD was doing nothing beneficial to farmers. He added that the 20 cents per litre of milk is a lot of money, yet farmers did not benefit. He appealed to the Budget Committee to allocate more funds to the sector in the coming financial year.

**Speaker:** Put the question that the report be adopted as a report of the House and members answered in the affirmative.

He thanked the industrialization, Trade, Cooperatives, Tourism and Wildlife Committee for doing a good report. He directed that the resolution of the House be communicated to the

Executive member in-charge of Cooperatives. He added that Standing Order 182 demands that the Executive member should provided the House with a report within sixty days (60) after the adoption of the report by the House.

***Disclaimer: The Electronic Version of the Hansard report is for information purposes only. A certified copy of the Hansard Report can be obtained from the Hansard Editor.***