



PARLIAMENT
OF KENYA
LIBRARY

REPUBLIC OF KENYA

KENYA NATIONAL ASSEMBLY

TENTH PARLIAMENT – FOURTH SESSION

THE DEPARTMENTAL COMMITTEE
ON
AGRICULTURE, LIVESTOCK AND COOPERATIVES

REPORT ON
THE BUDGET POLICY STATEMENT, 2011

PARLIAMENT BUILDINGS
NAIROBI

APRIL, 2011

1.0 INTRODUCTION

The Departmental Committee on Agriculture, Livestock and Cooperatives is established under Standing Order No. 198. Its mandate pursuant to Standing Order 198(3) is-

- a) to investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned Ministries and departments;*
- b) to study the programme and policy objectives of the Ministries and departments and the effectiveness of the implementation;*
- c) to study and review all legislation referred to it;*
- d) to study, assess and analyse the relative success of the Ministries and departments as measured by the results obtained as compared with its stated objectives;*
- e) to investigate and inquire into all matters relating to the assigned Ministries and Departments as they may deem necessary, and as may be referred to them by the House or a Minister; and*
- f) to make reports and recommendations to the House as often as possible, including recommendation of proposed legislation.*

The Committee comprises:

1. The Hon. John M. Mututho, MP (Chairperson)
2. The Hon. Lucas Chepkitony, MP (Vice Chairperson)
3. The Hon. Benson Mbai, MP
4. The Hon. (Dr.) Victor Munyaka, MP
5. The Hon. John D. Pesa, MP
6. The Hon. (Dr.) Erastus Mureithi, HSC, MBS, MP
7. The Hon. (Dr.) Robert Monda, MP
8. The Hon. Frederick Outa, MP
9. The Hon. Evan Akula, MP
10. The Hon. (Dr.) Mohammud Sirat, MP
11. The Hon. Benjamin Washiali, MP

On Wednesday, 23th March, 2011, the Budget Policy Statement (BPS) was tabled in the House by the Minister for Finance pursuant to the provisions of the Standing Order No. 143 of the National Assembly and section 7 of the Fiscal Management Act (2009). Pursuant to the provisions of the Standing Order No 143 (3), the BPS *'.....shall stand committed to the Budget Committee without question put'*.

Thereafter, the Budget Committee is expected to consider the Budget Policy Statement and report back to the House before 15 April 2011, pursuant to the provisions of the Standing Order No. 143 (4), which states that:-

'In considering the Budget Policy Statement, the Budget Committee shall consult each Departmental Committee and shall, not later than 15th April, lay its report before the House'

This Report contains the deliberations of the Departmental Committee on Agriculture, Livestock and Cooperatives on the Budget Policy Statement to the Budget Committee.

In compiling this report, the Committee considered the contents of the BPS as presented by the Minister for Finance and relates to the proposed allocation of the resources among the programmes and projects of the Ministries which the Committee exercises its oversight.

These are the Ministries of-

- (i) Agriculture
- (ii) Co-operative Development and Marketing;
- (iii) Regional Development;
- (iv) Development of Northern Kenya and other Arid Lands;
- (v) Livestock Development; and

(vi) Fisheries Development.

The requirements of the BPS are that the Minister for Finance spells out strategic macroeconomic issues that inform the basis for budget of the succeeding financial year and medium term. These include, that the Minister:-

- (i) state broad strategic priorities for the forthcoming budget;
- (ii) state any changes to short term and medium term intentions; and
- (iii) explain the criteria for allocation of available resources among the set programmes and projects; and
- (iv) explain how the changes in objectives and short-term intentions accord with the principles of responsible fiscal management.

The 2011 BPS is the second to be presented in the House by the Minister for Finance since the passage of the Fiscal Management Act (2009). In the BPS, the Minister explains that it set to build on the implementation of policies and structural reforms set out in the 2010 BPS while also providing for the Budgets for the next three financial years (2011/2012, 2012/2013 and 2013/2014).

The Minister further explains that the BPS provides the basis upon which to make progress in the achievement of the Vision 2030 and towards implementation of the new Constitution.

The Minister also explains that the guiding principle behind the development of the 2011 BPS is the conscious effort to provide for expenditures among the targeted programmes *'in a manner consistent with the objective of reducing government debt in the medium term and also ensuring fiscal sustainability'*.

The Minister also outlines priority areas for the coming budgets to include-

- (i) Infrastructure – particularly roads, investments in clean energy to mitigate against climate change, increasing electric power generation capacity, development of Port of Lamu, modernization of the Port of Mombasa, development of affordable and modern urban commuter and freight railway systems.
- (ii) Implementation of the new Constitution.
- (iii) Security.
- (iv) Adequate allocation to socio-economic sectors, such as, agriculture and rural development, health and education, and support interventions aimed at employment creation.

The Minister justifies that these priority programmes have been identified to have high impact on the national objectives in view of the scarce resources available.

2.0 SCRUTINY OF THE BUDGET POLICY STATEMENT

The Departmental Committee deliberated on the anticipated spending estimates in the Agriculture and Rural Development sector which fall under its purview. The sector comprises of the Agriculture, Fisheries Development, Cooperative Development and Marketing, and Livestock Development.

Although lands fall in this sector, this was not considered since it is a portfolio sector outside the mandate of the Agriculture Committee.

In the scrutiny of the BPS, the Committee noted that the results of the analysis of the data at annex tables 6, 7 and 8 reflects continued low budgetary provisions in the agricultural sector in the coming budgets and in the medium term.

The total share of budget allocation to the agricultural sector is given as 4.4 percent in 2011/2012 compared to 4.0 percent and 3.9 percent in the previous

years, 2010/2011 and 2009/2010, respectively. It is also projected that the sector will attract a share of 4.0 percent and 4.1 percent in 2012/2013 and 2013/2014, respectively.

The figures depict inconsistency for a sector that contributes significantly to an estimated 26 percent of the national GDP in the country. The sector is also very critical in the efforts to achieve sustained economic growth, employment creation (contributes to about 80 percent of employment), exports and poverty alleviation. The progress in the vision to be an industrialized country by 2020 will also rest in the development of agro-based industries.

In July 2003, the Maputo Declaration by African Heads of State and Government has underscored the critical role played by the agriculture in the economies and food security in Africa.

Subsequently, the African leaders at the summit endorsed a *'commitment to the allocation of at least 10 percent of national budgetary resources to agriculture and rural development policy implementation within five years'*.

Therefore, the data on the share of budget allocations to the sector in the BPS indicate that there is no real commitment towards making efforts to attain the goal of 10 percent budgetary allocation to the agricultural sector. This is despite the fact that majority of the population live in the rural areas and relies on agriculture for their livelihoods.

In paragraph 85 of the BPS, the Minister makes reference to regional and international protocols with have bearings on agriculture with no mention of the Maputo Protocol on Agriculture and Food Security.

This works to explain that the country continues to suffer food insecurity and application of haphazard interventions in the response to drought and famine situations which have become frequent occurrences in the country due to climatic change.

In contrast, the countries which have worked towards achieving the target of at least data 10 percent in their national budgets to agriculture have reduced their food insecurity problems. Such countries include Niger (20 percent), Burkina Faso (13.7 percent), Chad (12 percent) and Malawi (11 percent).

Therefore, agricultural expenditure should be given priority and adequately provided for in the budgetary provisions since agriculture remains the mainstay of our economy, growth and development, and alleviating rural poverty.

This can only be possible if we are to make meaningful progress towards what the Minister has described in paragraph 84 of the BPS relating to the goal and aims of the sector. The Minister clearly states the goal of the sector is to achieve:-

'an innovative, commercially oriented and modern agriculture by raising agricultural productivity, exploiting irrigation potential, increasing commercialization of agriculture, undertaking comprehensive review of the legal and policy framework for agriculture, improving governance of agricultural institutions, and land development'.

The sector working report indicates that for the 2011/2012, the sector requested resources amounting to Kshs 41,715 million against the printed estimates in 2010/11 of Kshs 32.057million and ceilings for 2011/12 of Kshs 33,208 million. This indicates a financial gap of Kshs 8,507million.

(iv) Lack of Strategic Agricultural Programmes

The BPS has not spelt out new critical programmes to stimulate growth in the agriculture sector. The irrigation sector which promises prospects in making progress towards achieving food security still continue to remain a function of the Water Ministry.

This is despite the Committee's recommendation during the debate on the financial estimates for the year (2010/2011) that the irrigation component reverted to the Ministry of Agriculture since it is well endowed with the technical capacity to exploit the irrigation potential for food security.

Subsequently, the Committee proposes that a new outfit to replace the National Irrigation Board (NIB) be formed by the Agriculture Ministry to execute the mandate of irrigation function.

The Committee notes that the massive investments in the construction of dams and boreholes by the Ministry of Water and Irrigation appear to be directed at providing the communities with access to water supplies without regard to the irrigation function.

It is also the view of the Committee that the BPS could have provided for priority in development of maize handling facilities at the Port of Mombasa to address issues of trade in maize, such as, cheap importation of maize for the Strategic Grain Reserves (SGR). While on a visit to the Port of Mombasa in 2010, the Committee noted that one of the maize handling facilities had been converted to a fertilizer handling facility (at Mbaraki terminal) by the Grain Bulk Handlers Ltd.

The Committee also proposes that the marketing function of commodities be undertaken through cooperatives. Subsequently, marketing bodies misplaced in the Ministries of Agriculture, Livestock Development and Regional Development be brought under the docket of the Ministry of Cooperatives.

(v) Late Supply of Farm Inputs

The Committee was concerned that the BPS was prepared and tabled in the House at a time when the farmers were raising complaints over delayed supply of seeds and fertilizers.

Consequently, the BPS could have contained strategies in addressing future occurrences of such delays. This is because late planting has adverse impacts on the crop yields.

In the efforts to provide for timely supply of farm inputs, the budgetary provisions should include expenditures for the rehabilitation of the Kenya Farmers Associations' stores to stock the inputs and act as distribution points before the planting season.

To reduce the high cost of fertilizers, the BPS should have spelt out the urgent need to provide for resources to cater for the feasibility studies for a fertilizer factory which has been the talk by the government for sometime now.

(vi) Gender Empowerment

Women provide a source of an estimated 62 percent of farm labour force and the BPS has not spelt out programmes under the agricultural sector to empower women. Schemes including access to farm credit and land to women are missed out yet we are at such times we are fast tracking the implementation process of the new Constitution.

Women are our farm managers and constitute the majority in the rural areas. Subsequently, they are the back bone of our rural agriculture economy and we must provide for their empowerment in agricultural budgets. Therefore the Committee proposes that the women self help groups or '*chamas*' be strengthened by providing with credit incentives to address farm related-issues.

(vii) Recovery of grabbed KARI and ADC land

The Committee is aware that ADC and KARI plots of land in various parts of the country have been grabbed by individuals and thereby disrupting research activities by the two bodies.

The Committee therefore strongly recommends that the Ministry of Lands move expeditiously to recover grabbed pieces of land owned by the state corporations to facilitate for their agricultural research services necessary to improve crop and livestock varieties.

2.2 Ministry of Cooperative Development and Marketing

The BPS failed to give recognition to the critical role of cooperative movement in the economy given the fact that many economies around the world have been built on cooperatives. Cooperatives contribute significantly in terms of creation of employment, settlement of the people, and generation of income and acquisition of property.

There are an estimated 63 percent of Kenyans who draw their livelihood from cooperative-based enterprises in the country. The cooperatives have increasingly become vibrant and have recorded growth in every sector, including agriculture,

finance, housing, construction, labour and industry. It is estimated that the cooperatives contributes a turnover in excess of 200 billion.

The recent entry into the sector by the matatu industry is expected to enhance the mushrooming of cooperatives. This calls for major restructuring and organization of the sector to keep pace with the rapid growth in the sector and make the sector a blessing to the cooperators.

The Committee noted that the BPS has provided budgetary provisions for cooperative tribunal services, compliance, training of management committees of SACCOs, and capacity for commodity value addition and market access.

However, budgetary provision for regulatory mechanisms through building capacity for the newly established SACCO Regulatory authority is lacking. The Committee is aware of strained capacity in the Ministry of Cooperative Development to respond to the dramatic increase in SACCOs arising from registration of matatu SACCOs. There is therefore need for budgets to strengthen the oversight authority to respond to the rapidly expanding cooperative sector.

Although a cabinet memo has been developed which seek to provide for resources in the budget to rescue the giant Kenya Planters Cooperative Union (KPCU) under receivership from collapse, there is no real indication this has been captured in the BPS. It is therefore unclear how the government intends to cushion out the KPCU debts without factoring into the proposed expenditures for the coming budgets against the background of non-provision of Economic Stimulus Package (ESP) in the forth coming budget.

The BPS has also not made reference and made provisions for the envisaged privatization of sugar companies. In view of the Committee, the government should encourage farmers to buy shares through their cooperatives if they have to

reap potential benefits from the privatization. The Cooperatives are well structured and organized to mobilize resources on behalf of the farmers.

2.3 Ministry of Regional Development

The Ministry has the development objective:-

'To achieve an equitable national socio-economic development through sustainable utilization and management of basin-based resources in an integrated manner'

It functions through six Regional Development Authorities (RDAs), namely-

- i) Ewaso Ngiro North Development Authority (EWNDA),
- ii) Ewaso Ngiro South Development Authority (EWNDA),
- iii) Tana and Athi Rivers Development Authority (TARDA),
- iv) Lake Basin Development Authority (LBDA),
- v) Coast Development Authority (CDA) and
- vi) Kerio Valley Development Authority (KVDA).

The BPS has made provisions for implementation of projects whose feasibility studies were envisaged in the 2010/2011 estimates. Therefore, the Committee agrees with the BPS in the proposals.

The BPS has also stated the infrastructural developments which include construction of boreholes and schools in the ASAL areas, and development of irrigation schemes. These infrastructural facilities are necessary to spur development of the ASALs and other areas which suffer water scarcity.

The provision for budgets to cover the sector programme involving rehabilitation of Mau catchment with tree planting is laudable given its importance as the catchment for the rivers that drain into Lake Victoria which is the source of River

Nile. The River Nile provide water resources for its ten (10) basin riparian countries, namely Egypt, Sudan, Ethiopia, Uganda, Rwanda, Kenya, Burundi, Tanzania, Democratic Republic of Congo and Eritrea. These riparian nations have come together under the Nile Basin Initiative to exploit the Nile waters to achieve socio-economic development in the region.

However, the Committee is concerned that most of the dams which have been constructed have not been fully utilized according to original design and works. Consequently, the people have not reaped desired benefits from the huge investments in the dam construction even after they surrender their land for such developments.

The Committee observes that some of the dams which were multipurpose in design have been exploited for only one use, that is, hydroelectricity at the expense of other uses, such as, irrigation, fisheries, water sport and domestic needs.

For example, in a recent visit to Masinga area, the Committee noted that the community continues to experience water scarcity despite its proximity of Masinga and Kiamburu dams. Turkwell dam should also be made an asset to the local people as it currently used for hydropower generation.

The Committee therefore strongly recommends that future budgets provide for implementation of other components of the multipurpose dams in order for the riparian communities to enjoy maximum benefits from constructed dams as new dams are designed and constructed.

The programmes proposed for consideration include de-silting and maintenance, stocking with fish to improve food requirements, water sporting and eco-tourism

in order to maximize accruing incomes and improve livelihoods of the local people of the areas covered by the dams.

2.4 Ministry of Development of Northern Kenya and Other Arid Lands

The Ministry is a cross cutting body that facilitate and coordinate development in the northern Kenya and other ASAL areas which cover an estimated 80 percent of the total area of the country.

The Ministry brings together all stakeholder ministries to work to promote development of the ASAL regions through investments in areas of:-

- Infrastructural Development;
- Township Planning;
- Livestock Development;
- Water Supply and Irrigation;
- Natural Resource Management including tapping of solar and wind energy;
- Mineral Resource Exploration and Development;
- Tourism Development; and
- Human Resource Development.

Given the fact that programmes and projects to be implemented by this Ministry have been provided under the agricultural and regional development sectors and coupled with lack of clear coordination mechanism between the Ministry and its stakeholder line Ministries, it makes it impossible to understand how budgetary provisions in the BPS would be used efficiently and effectively to promote development by the Ministry.

It is also not clear how the development agenda of northern parts of Kenya would be addressed against the background of increased insecurity posed by the

instability in Somalia and subsequent incursions of Al-shabab militants into the region if the BPS has not spelt out appropriate measures and interventions.

The Committee is of the view that road and railway infrastructure, education and provision of water supplies rank high in efforts to open up and facilitating rapid development in the ASALs, especially Northern Kenya.

Subsequently, the BPS ought therefore to have given special mention and explained how the development challenges in the development of Northern Kenya and other ASALs would be addressed in order to effectively bring such areas into mainstream development in Kenya.

The Committee also propopses that:-

- (i) The highway linking Isiolo-Moyale-Liboi-Mandera under construction be fast tracked.
- (ii) A water pipeline along the highway be constructed to supply water from the Mt. Kenya areas and to be charged with borehole waters along its course.
- (iii) Underground electric cables are proposed for construction to provide reliable energy neddts of the areas traversed by the highway.

It is construed that the establishment of the Ministry was informed by efforts to promote development of Northern Kenya and other ASAL areas which for a long time have lack behind due to marginalization and adverse weather conditions.

However, in view of the duplication of sectoral programmes undertaken by the Ministry and other line Ministries, the Committee considers that there is need to review the existence of the Ministry although it may well be consistent with affirmative action in the quest for equitable development in all regions of Kenya.

The Committee further considers that its programmes and projects may well be adequately covered under the Ministry of Regional Development if the Ministry of Development of Northern Kenya is scrapped after all.

2.5 Ministry of Livestock Development

The livestock sector make a major contribution to the country's GDP (12%) and employs an estimated 50 percent of the agricultural labour force.

Statistics also indicate that an estimated 10 million people living in the ASALs depends on livestock for their livelihood.

However, the sector is faced by several challenges in its effort to achieve sustainable livestock production. These include:-

- recurrent droughts which lead to loss of livestock
- insecurity in livestock producing areas due to cattle rustling and conflict over pasture
- fodder and water availability
- disease outbreaks
- export restriction due to livestock diseases
- low budgetary allocation
- understaffing
- inadequate transport for livestock extension officers

The Committee notes that programmes spelt out at annex 9 of the BPS are critical to addressing some of the challenges posed to the sector. In particular, the budgetary provisions for disease control and disease surveillance, disease free zones, branding to control theft of livestock, construction of slaughter houses,

establishment of cooling plants and value addition of milk products, improved livestock breeds, access to artificial insemination services and veterinary research are praiseworthy.

The Committee further notes that the sector has attracted increased provisions of Kshs. 6.77 billion in the 2011/2012 year compared to 6.51 billion in the 2010/2011 year. It is also projected that the provisions would rise to 8.77 billion and 9.90 billion in the 2012/2013 and 2013/2014 years, respectively.

The increasing trend in the proposed budgets in successive years point to the growing significance attached to the livestock sector in the BPS, and especially in raising the livelihoods of pastoralists in ASALs areas who rely mainly on the livestock.

The Committee also notes that the passage of the Veterinary Surgeons and Veterinary Paraprofessional Bill (2010) would be a boon to building and strengthening the capacity and professionalism of the personnel in the livestock sector.

While deliberating on the move by the Minister to provide for budgets in the BPS for slaughter houses, the Committee recommends that these abattoirs be constructed at livestock producing areas to prevent deterioration in quality of the livestock (and meat) due to long distances covered during transportation to the Kenya Meat Commission (KMC) at Athi River, in the Nairobi metropolis.

It was also noted the Ministry of Livestock has been undertaking livestock off-take programme to rid farmers of livestock deaths during droughts very late when mass deaths have occurred. The off-take initiatives must be in real time to rescue farmers.

In the same breadth, the Ministry of Agriculture must remain proactive to cater for the expected increases in crop production occasioned by conducive weather conditions. Recently, farmers in some areas and North Rift in particular were in dilemma where to market successful harvests of maize after they found that the National Cereals and Produce Board (NCPB) was ill-prepared to receive and purchase the maize deliveries.

The Committee proposes that the Ministry establishes livestock holding grounds in the livestock areas to rescue individual farmers from related issues of livestock marketing and allow the Ministry to buy the disposed livestock in bulk.

The Committee further proposes that ADC Mutara and ADC Galana ranches which keep livestock, and the KCC Ltd be brought under the Ministry of Livestock Development as they are misplaced in their current parent Ministries.

The Committee also proposes that disease free zones be extended to cover areas of coast province which is not currently considered in the survey.

2.6 Ministry of Fisheries Development

The potential of fisheries sector to contribute to the national economy in terms of employment creation, foreign exchange earnings, poverty reduction and food security is great. However, the sector had been neglected in the past and emphasis placed on major cash crops such as tea, coffee, pyrethrum, horticulture, and cereal production.

The establishment of the specific Ministry to deal with the development of fisheries meant that the sector is on the path of development of its full potential if the needed resources are adequately provided in the budgets.

During the presentation of last year's budgetary estimates (2010/2011), the Minister for Fisheries Development narrated the pressing challenges which

threaten the fish sector from gaining its momentum of expected growth following the investments being directed to the sector.

The challenges include:-

- piracy (especially off-shore fishing)
- poor storage facilities
- insecurity and poor surveillance
- illegal fishing
- inadequate funds for research
- inadequate and poorly remunerated staff
- poor fish sales and marketing
- lack of fish policy development and implementation
- low stakeholder involvement
- low priority in resource allocation

The BPS has made provisions for priority programmes that appear to address some of the challenges and to promote growth in the sector. These include programme areas of:-

- development of policy and legal framework
- fish production
- aquaculture development
- stocking of farmers ponds with fingerlings
- conservation of fisheries habitats
- Ecosystem management
- fish inspection to ensure quality
- mariculture production

The Committee considers that the proposed allocations to these areas are justified and consistent with the policy priorities of the Ministry. The Committee is aware

that the Ministry has already developed Fisheries Bill which is awaiting introduction in the House. The provision in the budget is therefore opportune to ensure implementation of the activities envisaged in the Bill once passed by the House.

Conservation of habitats and ecosystem management are critical to controlling pollution and degradation of aquatic environments which host fish resources and fish production, and to ensure that fish harvested from these aquatic habitats remains of high quality.

Investment in fish safety and quality is also worthwhile in fish sales and marketing. It is noted that foreign markets, especially the European Union countries, have often placed quarantine on Kenyan fish as not meeting the standards of quality.

However, the BPS has not addressed the fish technologies necessary to control fish harvesting, and the urgent need to deal with sea piracy which the Ministry notes pose a threat to off-shore marine fisheries.

There is urgent need for budgetary provisions to build capacity of our naval officers and marine guards to counteract the menace posed by Somali pirates who continue roam the Indian Ocean off the Kenyan Coast.

The Committee considers the need to develop fish ports at the coast and also at Lake Victoria to ensure rational exploitation of marine fish resources and guard against inappropriate technologies such as trawlers.

There is also urgent need to build capacity in the extension services by the Ministry to cope with the needs of growing fish sector. Many farmers and schools are investing in fish ponds in addition to the number of ponds constructed in constituencies with the assistance of Economic Stimulus Package.

The Committee proposes that in order to sustain water holding capacities in fish ponds in areas faced by water scarcity, the Ministry provides for liners to small scale farmers although this may lead to environmental disposal problems.

In the meanwhile, the Committee concurs with the Minister's proposal during the presentation of the 2010/2011 that the Ministry be renamed the 'Ministry of Fisheries Development and Marine Affairs' to be consistent with its Mandate.

Developments in fisheries surely have the potential to spur rural development, and improve incomes in rural areas while working to ensure food security and diet requirements.

3.0 CONCLUSION

The BPS has outlined the basis for the proposed expenditures in the forth coming budgets in line with the development objectives of the ministries which were under consideration by the Committee.

However, the Committee was not satisfied that the Minister for Finance has provided sufficient budgets to the agricultural sector to drive the agenda and progress towards improved agriculture and to achieve food security, and to move away from over-reliance on food importats in an effort to reduce current poverty levels.

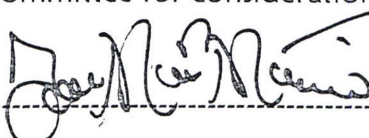
The Committee notes that the progress towards Vision 2030 will also rest in our concerted efforts to make investments in the agro-based industries as the driver of the industrialization process.

Finally, the Committee recommends that:-

- (i) The Ministry of Finance progressively moves towards providing for the 10 percent share of budgetary provisions to the agricultural sector in accordance with the Maputo Protocol which Kenya is a signatory.
- (ii) The government fast tracks the decision to construct a fertilizer factory in order to reduce the cost of fertilizers.
- (iii) The irrigation component currently in the docket of the Ministry of Water be reverted to the Ministry of Agriculture which has the capacity to address issues relating to the sector as explained earlier in the report of the Committee to the House on financial estimates of the 2010/2011.
- (iv) The Ministry of Agriculture be compelled to make a report to the House addressing the status of farm inputs early every year, in preparation of the next planting season. This will ensure that the country is prepared on time for the planting season so as to reap good harvest.
- (v) The Cooperative Societies (SACCOs) be given priority in the purchase of shares in the privatization of companies and that the government recovers fixed assets during the privatization process.
- (vi) The Ministry of Regional Development be merged with the Ministry of Development of Northern Kenya and Other Arid Lands.

With these few remarks and on behalf of the Committee, I now have the duty, privilege and pleasure to present this Report on the Budget Policy Statement (BPS) for the 2011/2012 by the Committee on Agriculture, Livestock and Cooperatives relating to the analysis of the proposed budgetary provisions for the Ministries under the Agricultural and Rural Development sector and Regional Development to the Budget Committee for consideration.

SIGNED



CHAIRMAN
(HON. JOHN M. MUTUTHO, MP)

DATE

12th. April 2011