



COUNTY GOVERNMENT OF BUNGOMA

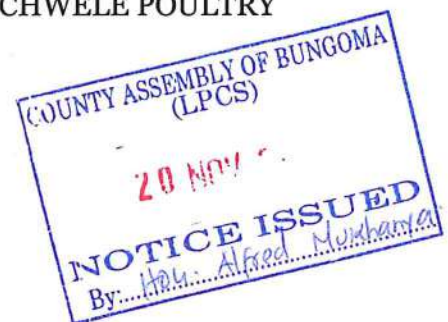


COUNTY ASSEMBLY OF BUNGOMA  
OFFICE OF THE CLERK

THIRD ASSEMBLY  
THIRD SESSION

COMMITTEE ON AGRICULTURE, LIVESTOCK, FISHERIES, IRRIGATION AND  
COOPERATIVE DEVELOPMENT

REPORT ON THE STATUS OF THE CHWELE FISH FARM, CHWELE POULTRY  
SLAUGHTERHOUSE, MABANGA ATC AND AMC.



Clerks Chambers  
County Assembly Buildings  
P.O BOX 1886 - 50200  
BUNGOMA, KENYA

October, 2024

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## **PREFACE**

### **MANDATE OF THE COMMITTEE**

**Hon. Speaker,**

The Committee on Agriculture, Livestock, Fisheries, Irrigation and Cooperative Development is constituted under Standing Order 217 (1) of the County Assembly of Bungoma and whose mandate pursuant to Standing Order 217(5) shall be to -

- a) Investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations, coordination, control and monitoring of budget;
- b) Consider quarterly reports of the assigned departments and report to the House within twenty-one (21) sitting days upon being laid;
- c) Study the programme and policy objectives of the effectiveness of the implementation;
- d) Study and review all county legislation referred to it;
- e) Study, access and analyze the relative success of the departments as measured by the results obtained as compared with their stated objectives;
- f) Investigate and inquire into all matters relating to the assigned departments as they may deem necessary, and as may be referred to them by the County Assembly;
- g) To vet and report on all appointments where the constitution or any law requires the House to approve, except those under Standing Order 208(Committee on Appointments); and
- h) Make reports and recommendations to the House as often as possible, including recommendation of the proposed legislation.

### **COMMITTEE MEMBERSHIP**

**Hon. Speaker,**

The Committee on Agriculture, Livestock, Fisheries, Irrigation and Cooperative Development as currently constituted comprises the following Members:

- |                           |                |
|---------------------------|----------------|
| 1. Hon. Wafula Waiti      | Chairperson    |
| 2. Hon. Idd Owongo        | V. Chairperson |
| 3. Hon. Busolo Sudi       | Member         |
| 4. Hon. Everlyne Mutiambu | Member         |

5. Hon. Simotwo Franklin	Member
6. Hon. Jerusa Aleu	Member
7. Hon. Alfred Mukhanya	Member
8. Hon. Caleb Wanjala	Member
9. Hon. Edwin Opwora	Member
10. Hon. George Tendet	Member
11. Hon. Benard Kikechi	Member
12. Hon. Martin Chemorion	Member
13. Hon. Metrine Wilson	Member
14. Hon. Allan Nyongesa	Member
15. Hon. Alice Kibaba	Member

## **ACKNOWLEDGEMENT**

### **Hon. Speaker,**

The committee thanks the offices of the Speaker and the Clerk to the County Assembly for the logistical support accorded to it during the exercise.

The Committee further appreciates members of the committee and the secretariat for their input and valuable contributions and dedication during the entire exercise.

The Committee also appreciates the CECM ALFIC, the Chief Officer Agriculture, Manager Chwele Fish Farm, Principal Mabanga ATC and AMC and the Director Shiffa Chicks Limited for providing essential information and documentation that facilitated the completion of this report.

It is therefore my pleasant duty and privilege, on behalf of the Sectoral Committee on Agriculture, Livestock, Fisheries, Irrigation and Cooperative Development to table in this House this report and its recommendations for consideration.

Sign..........Date.....6-10-2024.....

**HON. WAFULA WAITI –MCA NAITIRI KABUYEFWE WARD**

**CHAIRPERSON, COMMITTEE ON AGRICULTURE, LIVESTOCK, FISHERIES,  
IRRIGATION AND COOPERATIVE DEVELOPMENT**

## **CHAPTER ONE**

### **INTRODUCTION AND TERMS OF REFERENCE**

**Hon. Speaker,**

As envisaged in Article 185(3) of the Constitution of Kenya, 2010, the County Assembly while respecting the principle of separation of powers may exercise oversight over the County executive committee and any other executive organs.

Pursuant to the provisions of the County Assembly of Bungoma Standing Order 217(5)(a) and (f), the Committee on Agriculture, Livestock, Fisheries, Irrigation and Cooperative Development embarked on finding the current status and impact of the chwele fish farm, chwele poultry slaughterhouse, mabanga ATC and AMC . The County Assembly in its annual budgets approves budget for projects to be undertaken in Chwele Fish Farm and Mabanga ATC and AMC every financial year.

The committee held consultative meetings on diverse dates (29<sup>th</sup> September 2023 and 27<sup>th</sup> June 2024) with the CECM, Principal Mabanga ATC and AMC, officers from the department and manager Shiffa Chicks Limited on the status and impact of the aforementioned facilities.

**Hon. Speaker,**

**The committee was guided by the following terms of reference.**

1. Conduct physical inspections of Chwele Fish Farm, Chwele Poultry Slaughterhouse, Mabanga ATC and AMC to assess their current status.
2. Investigate the issues related to the lease agreement between Shiffa Chicks Limited and the County Government of Bungoma concerning the Chwele Poultry Slaughterhouse.
3. Identify the potential and opportunities for the three entities, as well as the challenges they face in achieving their objectives.
4. Evaluate the viability of the tractor hire service and assess the status of agricultural machinery.
5. Assess the impact and efficiency of service delivery by Mabanga ATC and AMC to the Bungoma County residents.
6. Review the utilization of the Ksh. 5,000,000 allocation to AMC for the fiscal year 2023/24.
7. Compile observations and findings and provide recommendations based on the assessments.



## CHAPTER TWO

### 2.1 STATUS AND IMPACT OF CHWELE FISH FARM

#### Hon. Speaker,

Chwele Fish Farm was established in 1991 with the assistance of the Norwegian Agency for Development Cooperation (NORAD). The farm occupies seventeen (17) acres of land that was donated by the defunct Bungoma County Council. The farm has 28 earthen ponds covering a surface area of 12, 766M<sup>2</sup> and is supplied with water from two streams (Chwele and Muyundo). The committee conducted its fact finding visit to the farm on **30<sup>th</sup> November, 2023** to ascertain the status and impact of the farm to the residents of Bungoma County.

The farm is primarily responsible for multiplying and distributing certified seeds to fish farmers and investors in the region, while also building the capacity of value chain actors in fish farming. This includes technology transfer and the promotion of sustainable aquaculture practices. The main species bred at the farm is Nile Tilapia (*Oreochromis niloticus*), but there is a recent initiative to introduce catfish, with two ponds and tanks already allocated for their cultivation. This development opens new revenue opportunities, as there is a high demand for catfish juveniles as bait in the lake region and for local consumption.

In addition to breeding tilapia, the farm undertakes several key roles. It produces monosex tilapia fingerlings in various sizes tailored to client needs and offers mixed-sex fingerlings for those interested in growing brood stock or stocking dams. The farm also raises and harvests tilapia for market-ready table size fish. Further, it is committed to transferring technology to aquaculture farmers and ensuring the production of high-quality fingerlings. Finally, the farm engages in research, training, and outreach efforts to enhance community knowledge and practices in aquaculture.

#### 2.1.1 The Budgetary allocation

Financial Year	Allocation received	Programme	Remarks
2022/2023	2,700,900	Hatching unit and brooding unit Restoration of water supply from the borehole	Completed

	2,900,000	Fish Feeds	Feeds supplied
2023/2024	1,500,000	De-siltation of section C fish ponds	To begin in 3 <sup>rd</sup> quarter after the rains
	3,000,000	Fish Feeds	To be supplied in 3 <sup>rd</sup> Quarter

### 2.1.2 Production

#### Hon. Speaker,

The current production of the farm stands at 600,000 fingerlings annually, with a potential capacity of 2,050,000. Production of monosex tilapia fry began in early 2023 after acquiring necessary accessories like MET hormone and absolute alcohol. By the end of November 2023, a total of 65,830 fries had been produced, with 27,630 sold and approximately 28,000 awaiting clients. These figures are expected to increase significantly as production stabilizes with the introduction of equipment such as fishing apparatus, water testing kits, and fish handling tools, alongside funds for advertising and mobility for marketing. Meanwhile, until the end of June 2023, the farm produced an estimated 420,000 mixed-sex fingerlings, selling 8,900, leaving around 400,000 ready for market. Production of mixed-sex fry will be reduced as the focus shifts to monosex fry, with mixed-sex fry only being produced for clients interested in stocking dams.

If the Farm sold all the tilapia Frys produced in the last financial year; the farm would have realized **Kshs. 1,485,000**. There is need for robust efforts to be put in place to enhance marketing strategy to capture a wider network as this will in return increase revenue target for the County Government of Bungoma.

### 2.2 REVENUE RAISED IN 2022/2023

S/NO.	TYPE OF PRODUCT	NO. PRODUCED	NO. SOLD	UNIT PRICE	EXPECTED SALES	ACTUAL SALES
1	Monosex Tilapia Fingerlings	45,000	16,800	5	225,000/=	84,000/=
2	Mixed Sex Tilapia	420,000	8,900	3	1,260,000/=	26,700/=

	Fingerlings					
Total sales						<b><u>110,700</u></b>

### **2.3 CHWELE FISH FARM REVENUE FOR 1<sup>ST</sup> AND 2<sup>ND</sup> QUARTER FY 2023/2024**

<b>Months</b>	July	August	September	October	November	December	Total
<b>Sales</b>	12000	6600	6500	13000	16,050	16000	70,150
<b>Ksh</b>							

#### **Staffing**

Chwele Fish Farm has a staff strength of six; 3 technical officers, 2 cleaning supervisors and a driver.

#### **Temporary staff**

The farm has a total of 7 employees, 2 night watchmen and 5 casuals who are paid wages at the end of every month.

### **2.4 CHALLENGES FACED BY THE FARM**

Chwele Fish Farm, dedicated to raising fingerlings and table-size fish for the local market, encounters several challenges that hinder its operations.

1. Absence of fuel allocation for the standby generator that is crucial for the aquaculture re-circulating system during hatching hampers efficient management.
2. The farm also lacks sufficient resources to facilitate staff outreach for marketing and educating farmers about aquaculture.
3. Inadequate fish harvesting and handling equipment which leads to reliance on repaired old seine nets.
4. Flooding during torrential rains that can wash away fingerlings and brood stock.
5. Training infrastructure and accommodations for farmers are insufficient.
6. Malfunctioning water testing equipment compromises fingerling production.
7. Delays in paying temporary staff wages.



8. A shortage of breeding stock, particularly females, and poor road conditions restrict access to the farm, making it difficult for potential clients to visit.

## **COMMITTEE OBSERVATIONS**

**Hon. Speaker,**

The committee made the following observations;

1. **THAT**, revenue raised from the farm is significantly lower compared to the budget allocation. In the Financial Year 2022/2023 the budget allocation received by the farm was Kshs. 5,600,900 but the farm managed to raise revenue of Kshs. 110,700 only.
2. **THAT**, the farm cannot be easily accessed due to the poor condition of the road.
3. **THAT**, there is inadequate fish harvesting and handling equipment forcing the farm to rely on repaired old seine nets which hampers fish harvesting efficiency.
4. **THAT**, temporary staff are not paid their wages on time which affects the overall performance of the farm
5. **THAT**, the department does not carry out sensitization to market the farm and educate residents of Bungoma County on modern fish farming practices.
6. **THAT**, during frequent torrential rains, the ponds flood thereby washing the fingerlings and brood stock away.

## **COMMITTEE RECOMMENDATIONS**

**Hon. Speaker,**

The committee made the following recommendations;

1. **THAT**, the department should utilise the budget allocated to the fish farm to improve the farm revenue and further develop legal frameworks to guide its operations.
2. **THAT**, the Department should liaise with the Department of Roads, Infrastructure and Public works to prioritize the construction of the road leading to the farm to ensure easy accessibility for clients and staff.
3. **THAT**, the Department to budget and purchase new fish harvesting and handling equipment to enhance operational efficiency.

4. **THAT**, the Department should develop strategies to pay casual staff wages on time.
5. **THAT**, the Department should establish robust marketing strategies by sensitizing Bungoma residents on the services and products the farm offers.
6. **THAT**, the Department should conduct an assessment to identify effective solutions for flooding of ponds that wash away fingerlings and brood stock.

## **CHAPTER THREE**

### **3.1 STATUS AND IMPACT OF CHWELE POULTRY SLAUGHTERHOUSE**

#### **Hon. Speaker,**

The committee visited the slaughterhouse on 30<sup>th</sup> November 2023 with a view of establishing its status and impact to the residents of Bungoma County.

During the committee's visit to the Chwele Poultry Slaughterhouse, they conducted a thorough assessment of critical facilities, including the laboratory and storage areas. They also examined the management structure of the slaughterhouse, the county government's involvement as outlined in the lease agreement, and the accessibility of the road leading to the facility.

Additionally, the committee evaluated the number of birds processed, the benefits accrued to the county government from leasing the facility, and the duration of the lease. These observations highlighted several areas that required further clarification, prompting the committee to invite various stakeholders, including Department officials and facility management to provide insights and address the identified concerns.

On Thursday, 27<sup>th</sup> June 2024, the committee held a consultative meeting with the department and Shiffa Chicks Limited at the County Assembly to discuss the operations of the poultry slaughterhouse and the issues surrounding the lease agreement. The committee sought clarity on several key points: the status of the slaughterhouse at the handover stage, including the condition of critical facilities such as the laboratory, storage area, and packing area, along with a handover report; the total rent paid to the County Government so far; the rationale behind the county's decision to purchase two acres of land for expansion, despite the slaughterhouse being located on government land (LR No. Bokoli/Chwele/1082, measuring 56 hectares); efforts made by the department to improve road access to the premises as outlined in clause 5.4 of the lease agreement; the reason the slaughterhouse is not operational despite the requirement in clause 7.2 for it to be functional within one year; the lack of information sharing from Shiffa Chicks Limited with the County Government; and whether the slaughterhouse is benefiting the residents of Bungoma County.

### **3.2 THE LEASE AGREEMENT**

The County Government being **the Lessor** entered into a lease agreement with Shiffa Enterprises Limited being **the Lessee** on **8<sup>th</sup> day of February, 2021**.

The County Government went into a Public Private Partnership (PPP) with Shiffa Chicks Limited, a private investor, to operate the slaughterhouse for 20 years through a lease agreement **(Annexed)**.

#### **Highlights of the Lease Agreement**

**Clause 3.1** states that the non-refundable Advance Rent for the said premises was agreed at Kshs. 600,000 and an equivalent amount being the rent per annum subject to review after every 5 years of the lease period.

**Clause 5.3 and 5.4** requires the County Government to purchase two (2) acres of land for expansion of the factory and to ensure accessibility to the premises by improving on the road network leading to the premises.

Moreover, **Clause 6.4** obligates the lessee to pay such Lands rates, Trade licensing fees, slaughter and/or meat inspection fees and any other statutory fees as may be imposed from time to time by the Government and/or any other authorized agent under the law.

**Clause 9.1 and 9.2** states that the lease agreement may be terminated after a minimum period of five (5) years by each party giving one (1) year notice in writing or one year rent in lieu of notice and any dispute arising from the agreement shall be settled amicably failure to which such dispute shall be referred to Arbitration under the Arbitration Laws in force at the time of dispute.

### **3.3 WRITTEN AND ORAL SUBMISSIONS BY THE DEPARTMENT**

#### **Hon. Speaker,**

The department appeared before the committee on **29<sup>th</sup> September 2023 and 27<sup>th</sup> June, 2024** to provide information on the status of the Chwele Poultry Slaughterhouse and issues related to the lease agreement with Shiffa Enterprises Limited.

The department submitted that the Chwele Poultry Slaughterhouse is a county government project located in Kabuchai Sub County, Chwele-Kabuchai Ward, on County government land (LR No. Bokoli/Chwele/1082) measuring 56 hectares. This project aims to enhance food security by reducing poverty and creating employment through the promotion of the chicken value chain. The county government entered into a Public Private Partnership (PPP) with Shiffa Chicks Limited on 8th February 2021, granting the private investor a 20-year lease to operate the slaughterhouse. According to the lease agreement.

The investor is required to pay monthly rent of Kshs. 50,000; however, no rent has been paid since the lease began, and the investor has not shared any performance reports with the county government. Efforts to obtain information from the investor have been unsuccessful, as the proprietor has been uncooperative.

The slaughterhouse was leased despite lacking critical facilities such as a laboratory, storage area, and packing area, with the expectation that the investor would improvise while the county government secured funds for land acquisition to expand the facility.

The committee inquired on the handing and taking over report, the Department submitted that the report was available for submission to the committee. Despite the committee granting the department a week period to submit the report it failed to adhere to the committee's resolutions. The department maintained that the slaughterhouse had not been operational since March 2023.

The committee probed the department on the socio-economic impact of the slaughterhouse on the residents of Bungoma County, the department submitted that, due to Shiffa Chicks Limited's lack of communication with the county government, it is evident that the poultry slaughterhouse is not benefiting the local community.

### **3.4 WRITTEN AND ORAL SUBMISSIONS BY THE DIRECTOR SHIFFA CHICKS LIMITED**

**Hon. Speaker,**

The Director Shiffa Chicks Limited made the following oral submissions on the status of the Factory at Handover stage during the committee's visit to the Chwele Poultry Slaughterhouse on **30th November 2023.**

That the factory infrastructure included the main factory plant, sentry house, incomplete abattoir block, and lagoons. However, several issues were identified:

1. Landscaping was not completed.
2. Both vertical and horizontal boilers had been installed but were not operational.
3. The burners for the two boilers were non-functional.
4. The water pump at the boiler was working, but there were leakages along the pipelines.
5. The pane control was not functioning.
6. The cold room was operational.
7. The ice maker was faulty, and the transformer had been vandalized.



8. KPLC power supply had been disconnected, and there was no inventory book for the factory.
9. There was no test report for the borehole water, and the compressor lacked gas.
10. The standby generator for lighting was not functioning, and the IDO tank was leaking.
11. The conveyor line required maintenance.

During his appearance on **27<sup>th</sup> June, 2024**, Director Shiffa Chicks Limited committed to making repairs, fixing faulty equipment and replacing those in dilapidated condition as long as the County Government adheres to its obligations. However, he claimed to have been handed a dysfunctional facility without an official handover report.

He also alluded that the plant lacked essential utilities, such as electricity and water, and confirmed that equipment had been stolen. Additionally, the Director stated that the County Department did not provide operation manuals for the machinery, as required in Clause 5.1 of the lease agreement.

The Director clarified that he had paid Kshs. 600,000 non-refundable advance rent as provided for in clause 3.1 of the lease agreement and had not settled rent arrears accruing from 8<sup>th</sup> February 2022 to date, citing the county government's failure to fulfill its obligations, including purchasing 2 acres of land for expansion and maintaining the access road. The investor claimed He was given a factory occupying only 1(one) acre and needed 2(two) more acres of Land for expansion as agreed in clause 5.3 of the Lease agreement. However, he also expressed readiness to pay all rent arrears, provided the County Government adheres to its obligations and refunds the funds spent on construction, replacements, maintenance, and machinery purchases.

Furthermore, Director Shiffa Chicks Limited acknowledged that he sources for raw materials from other counties due to lack of enough birds in the County to meet the factory's demand.

The Director of Shiffa Chicks Limited asserted that the facility was in working condition, despite challenges such as a lack of critical facilities and raw materials (chicken) which is contrary to the submission of the department that the facility was not operational since March, 2023.

## COMMITTEE OBSERVATIONS

**Hon. Speaker,**

The committee having considered submissions from the department and Shiffa Chicks Limited made the following observations;

1. **THAT**, at the time of visit there were minimal activities at the factory, an indication that the factory is not fully operational.
2. **THAT**, there are disputes existing between the County Government (lessor) and the lessee (Shiffa Chicks Limited) regarding the implementation of the lease agreement.
3. **THAT**, the department failed to submit the handover report together with the inventory of all assets handed over to Shiffa Chicks Limited, which made it difficult for the committee to ascertain the machinery and critical facilities handed over to Shiffa Chicks Limited as well as their status. Further, the County Government is likely to lose critical machinery and equipment at the factory in the absence of a handover report.
4. **THAT**, the lease agreement is not clear on the acreage of land handed over to Shiffa Chicks Limited. Whereas the lease agreement states that the slaughterhouse was hived on parcel of the land known as L.R NO Bokoli/Chwele/ 1082 **measuring 56 Hectares**. In that circumstance, the requirement for the county Government to purchase two (2) acres of land for the expansion of the factory is contradictory.
5. **THAT**, Chwele Poultry Slaughterhouse has not effectively served its intended purpose of enhancing the livelihoods of Bungoma County residents because the Lessee sources for birds from other counties/countries resulting in lack of socio-economic impact.

## COMMITTEE RECOMMENDATIONS

**Hon. Speaker,**

The committee made the following recommendations;

1. **THAT**, the department is hereby given 60 days from the adoption of this report to explore ways of resolving disputes with the Lessee (Shiffa Chicks Limited) on the implementation of the lease agreement to make the factory fully operational for the County to realize value for money. If an agreement cannot be reached, the Department should consult the County Attorney/solicitor to initiate legal action to terminate the lease. A progress report on these efforts must be submitted to the County Assembly within the 60-day period.

2. **THAT**, the Committee notes that failure to provide handing over report to the Committee violates section 197(k) & (i) of the Public Finance Management Act, 2012 and concludes that the County Government is likely to lose assets of Chwele Poultry slaughterhouse. Therefore the Committee invites the County Assembly of Bungoma Public Accounts and Investments Committee to investigate the matter further.
3. **THAT**, the Department of Agriculture, Livestock, Fisheries, Irrigation and Cooperative Development in Liaison with the department of Lands, Urban and Physical planning should survey the parcel of land known as L.R NO.Bokoli/Chwele/1082 measuring 56 Hectares to ascertain whether the expansion of the factory by 2 acres can be acquired from the existing 56Hectares and report back to the county assembly within **60 days** from the adoption of this report.
4. **THAT**, the department should take necessary measures to ensure that farmers are sensitized on modern poultry farming practices and support farmers by giving them improved chicks and subsidized poultry feeds.

## **CHAPTER FOUR**

### **4.0 MABANGA AGRICULTURAL TRAINING CENTRE (ATC)**

**Hon. Speaker,**

On 12<sup>th</sup> April 2024, the Committee visited Mabanga Agricultural Training Centre (ATC) in Kabuchai Sub-County, a Bungoma County Government training institution focused on agriculture and irrigation. Established on 94.6 acres of land, the center features 34.6 acres for buildings and farm structures, while the remaining 60 acres are used for crop cultivation. Mabanga ATC serves a variety of stakeholders by providing training, conference facilities, and maintaining a demonstration farm with crops and livestock for educational purposes. Its core functions include offering agricultural training, maintaining a model farm, conducting adaptive research, and promoting agri-business enterprises.

Mabanga ATC comprises three sections: the school, the farm, and the agro-processing unit. The school focuses on experiential training and vocational education, equipping youth, women, and retirees with skills for agri-enterprises. In the 2023-2024 financial year, the center trained 163 youths in various agricultural courses.

The farm section demonstrates a wide range of agricultural practices, growing crops like maize, avocados, and bananas, while also housing animal enterprises. Additionally, the agro-processing unit enhances value addition through various technologies. However, the center faces challenges, including insufficient machinery, limited infrastructure, and the need for policy development, with ongoing efforts to draft management and training policies. The staff comprises a mix of permanent and casual employees, but issues with casual staff engagement remain a challenge.

### **4.1 REVENUE GENERATION**

**Hon. Speaker,**

Apart from training the other mandate of the ATC is revenue generation for the County. The annual revenue is Kshs. 18m (**Training and Accommodation (TRAC)** 15M and farm 3M). The ATC is allocated a revolving fund account by the County government where 70% of revenue ploughed back to meet the running cost of revenue generation activities and 30% is paid as revenue to the County government of Bungoma.

#### 4.1.1 TRAC (Training and Accommodation) REVENUE FROM 2021 TO MARCH 2024

	No. of Trainings			Revenue		
	2022	2023	2024	2022	2023	2024
Jan	8	6	4	628,000	1,313,100	292,836
Feb	2	2	6	73,890	164,000	1,225,537
March	8	8	6	5,717,500	3,128,180	3,338,250
April	4	10	0	187,900	1,018,800	0
May	13	6	0	1,440,845	2,387,787	0
June	8	8	0	6,207,658	2,268,400	0
July	5	6	0	4,047,682	2,123,100	0
Aug	6	5	0	4,127,217	813,000	0
Sep	3	4	0	261,600	320,922	0
Oct	4	2	0	361,300	1,915,600	0
Nov	10	2	0	915,307	437,600	0
Dec	2	0	0	87,000	0	0
<b>Total</b>	<b>73</b>	<b>59</b>	<b>16</b>	<b>24,055,899</b>	<b>15,890,489</b>	<b>4,856,623</b>

#### 4.1.2 Farm revenue from 2021 to 2023

Revenue	Unit	Quantity Sold			Revenue(Kshs)		
		2021	2022	2023	2021	2022	2023
Maize	Bags	200	116.5	300	400,000	461,140	1,200,000
Coffee seedlings	No	125	7,275	51,960	3,125	72,750	1,606,300
Mature coffee	Kgs	0	0	160	0	0	8,000
Trees seedlings	No	2,238	2,870	10,400	22,380	28,700	89,000
Fruit tree seedlings	No	170	254	492	22,500	18,900	26,000
Banana fruits	Kgs	665	1,119	1,460	6,650	11,190	14,000
Banana suckers	No	23	13	94	1,150	650	4,700



Vegetables	Kgs	522	274	289	26,100	13,700	14,450
Tomatoes	Kgs	74.3	272	156	3,715	13,600	7,800
Milk	Ltrs	493.7	361.5	189	24,685	18,075	11,340
Bull calves	No	0	0	1	0	0	25,000
Pigs	Kgs	4.5	2	60.7	1,350	3,000	21,856
Chicken	No	4	0	2	1,900	0	2,000
Eggs	Trays	87	0	60	2,449	0	1,500
Hey	Bales	0	0	50	0	0	15,000
Avocadoes	Kgs	6	0	0	300	0	0
<b>Total</b>					<b>516,304</b>	<b>625,652</b>	<b>3,049,565</b>

### **Stakeholder/Partners engagement**

The institution collaborates and partners with various stakeholders which include government agencies(KALRO, KEPHIS,AFA) International organization and donor agencies fao,giz,kcic)colleges and universities, private sector stakeholders include(agrochemical/seed companies and fertilizer companies e.g Kenya seeds, Advanta, Western seed, Pannar Kenya.

### **4.2 MABANGA ATC BUNGOMA COUNTY DEBTS AS AT 3<sup>RD</sup> JANUARY 2024**

#### **Hon. Speaker,**

The institution debts date from 2017 to 2023 with County departments owing a total of 11,579,650 which affects the operations of the Institution. The principal Mabanga submitted that he had written several letters to the departments but all in vain. He also wrote to the County Assembly Ad Hoc committee on pending Bills to be considered but it wasn't.

The principal also wrote to the Chief Officer department of finance and economic planning appealing to assist the Principal in reminding the debtors to pay the arrears to enable the institution to carry out its operations. The CECM submitted that she was aware of the situation and has also made efforts to Budget for pending Bills but in the FY 2023/2024 the amount allocated for pending Bills was scraped off the budget but promised to budget for it in the next FY 2024/2025. The CECM also urged the Principal to put necessary measures so that the same mistake is not repeated and the Institution does not accumulate pending Bills.

<b>S/NO</b>	<b>Organization</b>	<b>Amount</b>	<b>Remarks</b>
<b>1</b>	ALFIC department	2,898,150	Not paid
<b>2</b>	Finance and Economic Planning	1,024,500	Not paid
<b>3</b>	Office of the county secretary	1,490,500	Not paid
<b>4</b>	County public service Board	2,460,600	Not paid
<b>5</b>	Governor's office	110,800	
<b>6</b>	Youth, Gender and Sports	287,000	Not paid
<b>7</b>	Environment, water and tourism	772,200	Not paid
<b>8</b>	Education& Vocational Training	30,100	Not Paid
<b>9</b>	Public service& Administration	250,000	Not Paid
<b>10</b>	Others	2,255,800	Not Paid
<b>Grand Total</b>		<b>11,579,650</b>	

**To note: Detailed report (annex 4)**

#### **4.3 APPOINTMENT OF BOM MEMBERS**

##### **Hon. Speaker,**

The Agricultural Training Centre (ATC) was established under the Exchequer and Audit Act, Cap 412, through Legal Notice No. 456 on October 11, 1990, with operations guided by the DFF manual (revised 2013). The County Executive Committee Member responsible for Agriculture, Livestock, Fisheries, Irrigation, and Cooperative Development is tasked with nominating suitable members to the ATC's Board of Management (BOM), which consists of representatives from the ATC's catchment area in Bungoma County. The BOM includes ten practicing farmers (one from each sub-county), three relevant departmental heads, the County Director of Agriculture, two co-

opted members (the area MCA and Chief), and the principal of the ATC, serving a three-year term.

The BOM plays an oversight role, linking the ATC with the local community and offering advisory services to management. Its responsibilities include facilitating the acquisition and protection of ATC properties, encouraging stakeholder participation in programs, marketing ATC products and services, mobilizing resources from stakeholders and development partners, and reviewing the asset and security status of the ATC and make recommendations.

## **COMMITTEE OBSERVATIONS**

**Hon. Speaker,**

The committee made the following observations;

1. **THAT**, most of the staff at the center are on contractual terms which has resulted in pending wages. Moreover the staff are insufficient to handle the field awareness and demonstrations to farmers across the county.
2. **THAT**, the Institution is operating without a Board of management (BOM) and currently there is no legal framework to guide the appointment of the board.
3. **THAT**, the institution has Weak governance structure and lacks legal frameworks to guide the institutions operations.
4. **THAT**, at the time of Visit the green houses at the Mabanga ATC were in a poor condition and not operational.
5. **THAT**, some Houses at the facility are occupied by administrative police officers who do not pay rent to the County Government.
6. **THAT**, various departments of the County Government owe Mabanga ATC a total ksh11,579,650 and the none payment of the same is affecting the operations of the institution.
7. **THAT**, the institution has great potential as an agricultural center for training, agro-processing and value addition for agricultural products in the County but the County Government has not efficiently exploited its full potential.

## COMMITTEE RECOMMENDATIONS

### **Hon. Speaker,**

The committee made the following recommendations;

- 1) **THAT**, the department should recruit enough permanent staff to improve service delivery to residents of the County and achieve the objective of the institution and Liaise with the County public service board on the terms, standards and procedures of engaging short term contractual employees as stipulated in the Bungoma County short term contractual employment policy, 2024 passed by the County Assembly.
- 2) **THAT**, the County Government should fast-track the enactment of a legal framework that will enable the CECM put in place the Board of management to uphold good governance and enable accountability in the running of the institution.
- 3) **THAT**, the department of Agriculture, Livestock, Fisheries Irrigation and cooperative development should fast track the enactment of the Agriculture Institutions Bill and submit to the County Assembly to enable seamless operation of the institution.
- 4) **THAT**, the department should renovate all the greenhouses and install the entire requirements to revitalize crop production and demonstration fields.
- 5) **THAT**, the department of Lands, Urban,Physical planning and Housing in liaison with Finance and Economic Planning should enforce the payment of rent by all tenants including the police officers staying at the institution.
- 6) **THAT**, all County Government departments owing the facility should pay all the outstanding debts. Further the committee recommends that the Principal in liaison with CECM, Agriculture, Livestock Fisheries and cooperative development should institute necessary measures to recover all debts from other organizations and ensure payment is made before services are rendered.
- 7) **THAT**, the County Government should fund and revamp the institution so as to realize its potential as an agricultural center for training, agro-processing and value addition for agricultural products in the County.

## CHAPTER FIVE

### 5.0 MABANGA AGRICULTURAL MECHANIZATION CENTRE (AMC)

**Hon. Speaker,**

Mabanga Agricultural Mechanization Centre (AMC) is a Bungoma County Government initiative under the Department of Agriculture, Livestock, Fisheries, Irrigation, and Cooperative Development, located in Kabuchai Sub County along the Great North Road. Established in February 2015, the centre aims to enhance agricultural productivity and food security through mechanization. It is managed by a director who reports to the Chief Officer and Director of Agriculture. Although the machinery shed is completed, it has not yet been officially handed over. Mabanga AMC offers various tractor hire services at 80% of the market rate for tasks such as tillage, transport, and planting, while also engaging in mechanization extension activities like field days and agricultural shows. The centre currently employs a small staff of six, along with eight casual tractor operators whose contracts expired on February 29, 2024.

### 5.1 MACHINERY

**Mr. Speaker Sir,** the Centre has a total of 9 farm tractors whose current condition is summarized in the table below. The tractors were purchased in the FY 2015/16.

Reg no	Model	Condition
KCA 410F	Sonalika 2WD	Fair(Tongaren)
KCA 411F	Sonalika 2WD	Faulty
KCA 412F	Sonalika 2WD	Faulty hydraulic system
KCA413F	Sonalika 2WD	Fair
KCA414F	Sonalika 2WD	Cracked Engine Block
KCA460F	MF 440Xtra 4WD	Fair
39CG048A	New Holland 2WD	Fair
39CG049A	New Holland 2WD	Fair
39CG050A	New Holland 2WD	Fair

### 5.2 TRACTOR IMPLEMENTS

**Mr. Speaker Sir,** the center has several implements for use across the county and below is a summary of the implement, its quantity, remarks.



<b>Implement</b>	<b>Quantity</b>	<b>Remarks</b>
Disc ploughs	11	3 Baldan with 3 disc bottoms 5 Tatu models with 3 disc bottoms Nardi 3 Disc bottoms
Disc harrows	3	Tatu-18 discs(hydraulic) Ndume-18 discs(hydraulic) MF- 18 discs(hydraulic)
Trailers	2	6 ton and 8 ton(hydraulic)
Boom sprayer	1	600 liters capacity
Chisel plough	1	5 tines
Ridger	1	3 tines
Chopper	1	1,500- 2,500 kg per hour
Maize shelter	1	60 bags per hour
Planter	1	4 Row

### **5.3 TRACTOR HIRE SERVICE**

#### **Hon. Speaker,**

The Centre undertakes tractor hire services to promote Agriculture Mechanization to boost Agriculture productivity and output for food Security and improved income for farmers in Bungoma County. The tractor hire services are at 80% of the market rate pegged on the policy.

The Bungoma County policy framework for Tractor Hire Services provides a subsidy system to enhance agricultural mechanization for farmers. This includes a range of services such as primary and secondary tillage, crop spraying, transportation, and value addition. The guidelines stipulate that services are available only to farmers within Bungoma County, and require full payment before service delivery. Clients must apply through designated management, and services will not be provided in hazardous conditions. Payment for services is set at 80% of market rates, with a portion of the collected fees allocated to the county government and the remaining used for operational costs, maintenance, and purchasing fuel and lubricants.

Despite the framework's intent, the Agricultural Mechanization Centre (AMC) faces significant challenges, including insufficient machinery, lack of essential equipment, inadequate

infrastructure, and delays in procurement processes. For the FY 2023/2024, the AMC was allocated Kshs 5 million, but only Kshs 3,920,000 was received. This funding is designated for repairs, insurance, and fuel, with a portion already committed. The total revenue collected for the same period was Kshs 630,540, indicating limited operational capacity and revenue generation, which underscores the need for improved resource allocation and management to meet the demand for tractor hire services effectively.

## **COMMITTEE OBSERVATIONS**

### **Hon. Speaker,**

The Committee made the following observations:

1. **THAT**, the center lacks proper shade for its machinery and equipment, leaving them vulnerable to sun and rain, which can lead to rust.
2. **THAT**, the department while budgeting allocates funds to Mabanga ATC and AMC collectively, despite their different functions.
3. **THAT**, in the FY 2023/2024 budget, the AMC was allocated Kshs 5 million, but only received Kshs 3,920,000.
4. **THAT**, Many tractors are broken down with no initiatives for repair, and there are too few working tractors to meet high demand, especially during peak periods.
5. **THAT**, the tractor stationed at Tongaren sub-county is poorly managed, leading to confusion about maintenance responsibilities in case of breakdowns.
6. **THAT**, there is a need to revise the Bungoma County Policy Framework regarding Tractor Hire Services, specifically concerning the revolving fund, which should be established in a legislation rather than as a policy.
7. **THAT**, Revenue generated by the center is low compared to its potential

## COMMITTEE RECOMMENDATIONS

**Hon. Speaker,**

The committee having visited and scrutinized documents submitted to it makes the following recommendations;

1. **THAT**, the institution should budget for and construct a shade to protect all machinery and farm implements.
2. **THAT**, funds should be allocated separately to Mabanga ATC and AMC, in line with their distinct roles.
3. **THAT**, the department should implement the budget as approved by the County Assembly in all sectors.
4. **THAT**, the department should budget for Regular maintenance of tractors and farm machinery to improve service delivery for Bungoma County farmers.
5. **THAT**, Clear management and maintenance responsibilities should be established for the tractor stationed at Tongaren Sub-county and other tractors at sub-county offices.
6. **THAT**, the department should urgently review the Bungoma County Policy Framework for Tractor Hire Services and submit to the County Assembly within **60 days** after the adoption of this report.
7. **THAT**, the department should maintain existing machinery to meet the demand during peak seasons and increase revenue.

## ADOPTION SCHEDULE

We the undersigned Members affix our signatures adopting this report with the contents herein

	MEMBERS NAME	DESIGNATION	SIGN
1	Hon. Wafula Waiti	Chairperson	
2	Hon. Idd Chamawi	V.Chair	
3	Hon. Busolo Sudi	Member	
4	Hon. Everlyne Mutiembu	Member	
5	Hon. Simotwo Franklin	Member	
6	Hon. Jerusa Aleu	Member	
7	Hon. Edwin Opwora	Member	
8	Hon. Alfred Mukhanya	Member	
9	Hon. Caleb Wanjala	Member	
10	Hon. George Tendet	Member	
11	Hon. Bernard Kikechi	Member	
12	Hon. Martin Chemorion	Member	
13	Hon. Metrine Wilson	Member	
14	Hon. Alice Kibaba	Member	
15	Hon. Allan Nyongesa	Member	