

## **Local News 18th October 2010**

### **Citizens can compel Kibaki, PM suspend Ruto**

The Law Society of Kenya (LSK) says any citizen can go to court to compel President Mwai Kibaki and Prime Minister Raila Odinga to suspend Higher Education Minister William Ruto over the Sh96 million fraud case he is facing, should they fail to act voluntarily. LSK Chairman Ken Akide says the new Constitution empowers Kenyans to go to court to contest violation of the law. Akide said Chapter Six on leadership and integrity specifically sets high standards for all civil servants while the Anti Corruption and Economic Crimes Act is clear that Ruto should stand suspended until the conclusion of his trial.

Pressure has been mounting on the two principals to suspend a defiant Ruto, who on Friday lost a bid to stop the multi-million shilling fraud case. On Saturday he stood firm and said the case was initiated by his political enemies. It is alleged that Ruto received the money from Kenya Pipeline Company under the pretext that he was in a position to sell land to the company in Ngong forest. Transparency International and the International Commission of Jurists argued that the onus to act rested solely on the President and Prime Minister as they were the appointing authorities.

### **Regional Authorities to retrench workers**

Regional Development Authorities, (RDAs) will begin to retrench employees in the lower job groups in the next three months. Minister Fred Gumo on Monday instructed the Managing Directors of the six regional authorities to prepare a list of those employees who should go home. He said this was part of a restructuring process of the RDA's to maintain a high profile and effectiveness. Gumo said salaries would also be reviewed upwards for those who would be retained.

The restructuring was recommended by a consultancy firm hired by the Ministry to advise on the reforms that should be carried out at the RDA's. The six regional development authorities are the Lake Basin, Ewaso Ng'iro north, Tana and Athi River, Kerio Valley, Ewaso Ng'iro South and Coast Development which jointly employ 1,625 staff.

### **Regional Development Authorities minister Fred Gumo has supported his**

Industrialisation counterpart Henry Kosgey over the recent controversial appointment of the Kenya Bureau of Standards (KEBS) Managing Director. Gumo said that the Minister acted within his mandate to appoint Joseph Koskey as the new KEBS Managing Director. There has been uproar after the Industrialisation minister went ahead and appointed the KEBS boss who was ranked fourth in the recruitment process against the recommendation of the board. However, Kosgey has maintained that the appointment was based on merit.

### **Deputy PC calls on business people to pay tax**

The Kenya Revenue Authority today in Eldoret held celebrations to mark the launch of tax payers' week. Speaking during the ceremony, Rift Valley Deputy Provincial commissioner Wanyama Musyambo said that citizens must pay tax to promote the country's economy. Musyambo also appreciated government for improving infrastructure which has led to rapid growth of the town. At same time KRA regional manager, Helen Mbila disclosed that they will put in place policies which will educate people on the importance of paying taxes.

*End....John Chikamai*

### **Centre for Human Rights urges Ruto to step down,**

Centre for Human Rights and Democracy, Eldoret has called upon the President and the Prime Minister to ensure the new laws are fully implemented to avoid cases of impunity. Addressing journalists at his office, programmes officer Centre for Human Rights and Democracy Nick Omitto in response to the fraud case concerning higher Education Minister William Ruto said the two principals should suspend the minister in ensuring that laws in the new constitution are fully implemented and adhered to. Omitto added that the minister should take upon himself to resign in accordance to the provisions of leadership and integrity under the new constitution.

*End...James Gitaka*

### **Lawyer condemns shoddy work done by the local council,**

The chepkitway and company advocates headed by Koros Henry has criticized the current work being conducted by the Municipal council especially on the roads terming it shoddy and a cover up. Speaking to Fish FM today Koros said the council has neglected to carry out its duties of ensuring better service delivery to the citizens. The move saw the Eldoret residents led by the advocate and Fish Media director Ruben Kigame file a complain with the council last week on the poor state of kapsoya road and drainage system within and outside the town CBD . Koros says it is the mandate of the local authority to provide better services to the citizens as enshrined in the new constitution under section 46 and section 22 and any citizen has the power to move to court and order for better services.

The advocate had threatened of a possible demonstration on the 11th of October and had given a seven-day ultimatum to the local council to address the issue.

*End...James Gitaka*

### **'Ten years' to solve nature crisis, UN meeting hears**

The UN biodiversity convention meeting has opened with warnings that the ongoing loss of nature is hurting human societies as well as the natural world. The two-week gathering aims to set new targets for conserving life on Earth. Japan's Environment Minister Ryo Matsumoto said biodiversity loss would become irreversible unless curbed soon. Much hope is being pinned on economic analyses showing the loss of species and ecosystems is costing the global economy trillions of dollars each year. Ahmed Djoghlaif, executive secretary of the UN Convention on Biological Diversity (CBD), described the meeting in Nagoya, Japan, as a "defining moment" in the history of mankind.

### **Kenyans mark the taxpayers' week**

About 95% of the national budget is financed by taxpayers; this is according to this year's estimates released by Kenya Revenue Authority. Speaking during the official launch of the taxpayers' week in Eldoret, Kenya Revenue Authority (KRA) senior deputy commissioner North Rift region, Helen Mbila said that revenue performance has risen to 7.4 billion shillings this year compared to 6 billion shillings last year. Mbila also said that some of the challenges they are facing are low attendance of the public during tax payer education, insecurity and high levels of computer illiteracy.

At the same time, Kitale Mayor, Charles Bonyo urged the Kenya Revenue Authority to reduce the tax fines levied to taxpayers who delay their payment. According to Bonyo the fines charged are too high for low income earners, forcing some of them to end up selling their lands. The taxpayers' week which is dedicated to the public aims at enhancing national development.

*End.....Mary Gombe*

### **Two students perish in dormitory fire**

Nine students are among ten people who have been arrested following an arson attack at a secondary school in Kieni where two Form One students were burnt to death on Sunday night, police said. A neighbour said to have helped the students purchase petrol from a nearby fuel station was also detained as investigations into the arson attack at Endarasha Secondary School got underway. Central Provincial Police chief John M'bijiwe said two of the students in custody had confessed that they torched the dormitory christened "Wambugu" at about 11 pm.

Endarasha Secondary School is located about 40 kilometers from Nyeri town. Today morning, the PPO and area PC Japhter Kiplimo Rugut visited the school and assured parents and students that those culpable would face justice. The students had been protesting over high-handedness by the school's management. Such incidents are not new in the country, in 2001, fire swept through a dormitory of the Kyanguli Secondary School in Machakos where 59 students were killed and more than 20 others wounded

### **Khalwale loses bid to stop poll petition**

Ikolomani MP Bonny Khalwale has lost his bid to have the High Court dismiss an election petition against him. Instead the High court in Kakamaga has directed that the full hearing of the petition case proceed from Monday. Attempts by the petitioner Bernard Shinali to have Khalwale's election nullified was also struck out by the court with Justice Isaac Lenaola saying that he has no jurisdiction to grant such an application. Khalwale is expected to institute a defense on Monday next week before the court sets a date to determine the fate of the petition on Wednesday.

Shinali through his lawyer Stephen Mwenesi claims that the inspection of the forms 16 A and 17 A had brought out strong grounds to prove illegality in Khalwale's election. He said results in the gazette showed that Khalwale got 8,286 while the tally of votes in 17 A for the MP was 8537. The figures differed with the results entered in words on form 17 A which indicated that the MP got 8886 votes. Shinali lost to Khalwale by 265 votes. Former Mps who have lost their seats following successful petitions include Joel Onyancha, George Thuo, Dick Wathika, Abdirahman Ali Hassan and Omingo Magara

### **Stiffer penalties for Kenya's exam cheats**

Education Permanent Secretary James Ole Kiyapi is calling on all officers involved in this year's National Examinations to ensure that examinations are administered according to laid down regulations. Kiyapi says the strict measures are aimed at reducing cases of exam cheating and salvage the credibility and quality of the country's education. Speaking during a meeting with the Kenya National Examination Council -KNEC members today, the PS said about 130,000 officers will be involved directly in the field administration of national examinations. He said candidates

should also be thoroughly frisked before entering the examination rooms. Candidates are from this year required to register for the examinations using their birth certificates and passport photographs to curb cases of imposters. This year the National examination begins on 21st October 2010. Last year 22 people were arrested and charged in court in connection with exam cheating.

### **Kilimanjaro climbers 'take health risks'**

Climbers scaling Mount Kilimanjaro are taking unnecessary risks with their health, experts have warned. Travel firms have seen an increase in bookings following the successful summit by nine celebrities for last year's Comic Relief campaign. But Edinburgh University scientists warned many climbing Africa's tallest peak "know little or nothing" about high altitude, which can be fatal. Scientists camped out to test altitude sickness in more than 200 climbers. The researchers camped for three weeks on the mountain at a height of 4,730m - not far below the 5,895m summit.

The academics found almost half, or 47%, of those who had climbed Kilimanjaro, were suffering from altitude sickness before they reached the summit and most were ascending too high, too quickly. Signs of sickness include vomiting, headaches, difficulty sleeping and sometimes problems with co-ordination.

### **Somali government seizes Bulo Hawo town from al-Shabab**

Pro-Somali government forces have seized the town of Bulo Hawo on the Kenyan border from the hardline Islamist group al-Shabab. This is seen as a significant victory for the weak, UN-backed government against the al-Qaeda-linked militants. Al-Shabab and their allies control most of southern and central Somalia but pro-government forces have been gaining ground in recent weeks. Kenya has responded by boosting security along the border. Reports from northern Kenya say several thousand people have fled the fighting into Kenya. The reports further say they have not come as refugees but are staying with relatives until the situation is calm.

### **US happy with Kenya, says envoy**

The United States government has hailed Kenya for having a new constitution that has boosted the relationship between the two countries. US Ambassador Michael Ranneberger says there is a need to continue the spirit that has made the international community see a better example in Kenya for the continent. Speaking at the Embassy residence in Nairobi, Ranneberger said after the promulgation of the constitution Kenyans should not relent but continue to see the realization of the implementation of the document for the betterment of all the people. Minister for Culture and National Heritage William Ole Ntimama who attended the ceremony said his ministry will continue working with the US Embassy in Kenya in promoting the positive aspects of the cultures of the two countries.

## **Regional News**

### **Somali pirates 'lead rise in ship hijackings'**

Ship hijackings hit a five-year high in the first nine months of 2010, with Somali pirates responsible for the majority, says a maritime watchdog. From January to September this year 39 hijackings were reported – up from 34 in the same period of 2009 and 11 in 2006, it said. Somali

pirates - who were striking as far away as the Red Sea – were responsible for 35 of the hijackings. It also reported a three-fold increase in attacks in the South China Sea. It said a strong foreign naval presence in the Gulf of Aden off the Somali coast had actually led to a drop in the number of piracy incidents there, from 100 in the same period last year to 44 this year.

### **DR Congo women march against sexual violence**

The Democratic Republic of Congo's first lady has led thousands of women on a march against sexual violence. Olive Lembe Kabila headed the rally in the town of Bukavu in the east of the country, where Congolese and foreign armed groups have operated for years. Last week, the UN said government troops were raping and killing women in the same villages where hundreds were raped by rebels in July and August.

The country's defence minister has denied any soldiers were involved. On Friday, the head of the UN mission in DR Congo, Monusco, said an estimated 15,000 people had been raped there last year.

### **Al-Shabab ban mobile phone money transfers in Somalia**

Somali Islamist group al-Shabab has ordered mobile phone companies to stop their popular money transfer service, saying it is "unIslamic". Mobile phone banking was introduced in the northern Somaliland region in 2009 and has now spread across the country. Al-Shabab and its allies control much of southern Somalia and one mobile phone company said it had "no option but to obey" the order. Despite years of conflict, Somalia's telecommunications sector is thriving. Mobile phones are a common sight in the capital, Mogadishu, and three companies currently offer mobile phone banking. But the al-Qaeda linked group has given them three months to stop.

## **Global News**

### **China Vice-President Xi Jinping given key military job**

China's Vice-President Xi Jinping has been named vice-chair of the powerful Central Military Commission, in a move widely seen as a boost to his likely succession of President Hu Jintao. It comes on the last day of the ruling Communist Party's annual meeting. Hu Jintao must retire as head of the party in 2012 and as president in 2013. Xi is following in the footsteps of Hu, who was also promoted to the commission - which controls China's army - before becoming president. Xi was promoted by the Communist Party's Central Committee, a council of about 200 senior officials. The 57-year-old will serve under Hu, who is the current head of the commission, which oversees the 2.3m soldiers of the People's Liberation Army.

### **Truck drivers join French pension protests**

French truck drivers are the latest group of workers to join the strike movement against government plans to reform the state pension system. They have staged several overnight protests, including a go-slow on motorways near Lille, Paris and Lyon. More than 1,000 supermarket petrol stations have run out of fuel, their industry association has said. The government wants to raise the retirement age from 60 to 62 and the full state pension age from 65 to 67. A further day of strikes is scheduled for Tuesday and the Senate is due to vote on the pensions bill on Wednesday.

### **Super Typhoon Megi hits northern Philippines**

An intense "super typhoon" has made landfall in the northern Philippines, lashing the area with heavy rain and winds of up to 225km/h (140mph). At least one person has been reported killed, and thousands have fled their homes. Emergency services are on alert, and many schools are closed. Typhoon Megi is the strongest storm the Philippines has faced for four years. In 2006, a storm with winds of 155km/h triggered mudslides, burying villages and killing about 1,000 people.

Tropical cyclones formed in the Pacific Ocean are called typhoons, but are classified on a scale of one to five in the same way as Atlantic Ocean hurricanes. Strong typhoons with sustained winds of at least 130 knots (150mph; 240km/h), are referred to as super typhoons, according to the US Navy's Joint Typhoon Warning Center.

### **Chile's Pinera 'to protect mine safety whistleblowers'**

Chile's President Sebastian Pinera has vowed to protect workers who draw attention to unsafe work practices. Pinera said Chile would do "whatever is necessary to have a more secure mining industry". Pinera, whose international profile has been boosted by the dramatic rescue of 33 miners, is currently in London. He will later meet the Queen and Prime Minister David Cameron and present them with rocks taken from inside the mine. Pinera, who arrived in London on Saturday, was speaking less than a week after all 33 miners were safely rescued from the San Jose mine.

### **Sports News**

#### **Gardens FC bounces back.**

GFC 105 bounced to the top of the North Rift Super League on Sunday after registering a win match against Fish United with 1 nil on the score card. The league saw Fish United have it easy a week ago after Kitale Gardens FC failed to show up for the return match. GFC claimed the lone goal victory in the 88th minute. The match according to the team management was considered a tough one for Fish United which is number two in the league. Fish United is now set to travel to Iten on the 31 st October to play Iten United.

#### **Rooney 'will not sign new deal'**

Manchester United have been informed that Wayne Rooney will not sign a new contract with the club, according to reports from the Press Association. The 24-year-old striker's current deal runs out in the summer of 2012 and it is understood negotiations over a new contract have broken down. There has been speculation that Rooney will be sold in the January transfer window, with Real Madrid interested. However, United's response was to label that claim as "nonsense".

#### **Mazembe, Esperance reach final**

Esperance will play holders TP Mazembe of DR Congo in the final of this year's Champions League after beating Al Ahly of Egypt 1-0 in Tunis on Sunday. The Tunisians won the second-leg, semi final game thanks to a controversial goal scored by their Nigerian striker Michael Eneramo. With the aggregate scores level at 2-2, Esperance squeezed through on away goals rule to face TP Mazembe.

Esperance's goal came after just 50 seconds but was clearly punched into the net by their Nigerian striker Michael Eneramo, using his forearm to steer the ball goalward as he dived in at the back post. The Cairo club were unable to conjure up a fightback and having held a 2-1 lead from an equally tempestuous first leg. This year's Champions League final will take place on the weekend of 12-14 November. The winners will pocket prize money of US\$1.5m and will also qualify to represent Africa at the 2010 Club World Cup in the United Arab Emirates in December

### **Fifa row 'will not hurt England'**

A senior Fifa member says an English newspaper's claims of vote selling for the contest to host the 2018 and 2022 World Cups will not hurt England's bid. Fifa is investigating allegations that two officials offered to sell votes. President Sepp Blatter said the affair has had a "very negative impact" on world football's governing body. But Chuck Blazer, the American member of Fifa's executive committee, said it should not damage England - and the 2 December vote need not be postponed. Supporters of England's bid are concerned that the claims may rebound on them if Fifa members are unhappy the expose emanated from the English press. But Blazer, a member of the 24-strong executive committee which will decide on the World Cup hosts, said it should not sway opinion against England.

### **Real, AC Milan hit top form**

Real Madrid and AC Milan, the two most successful teams in Champions League history, meet to contest supremacy in Group G on Tuesday, having both hit form in recent weeks. Real, nine times European champions, went top of La Liga with a convincing 4-1 win at Malaga on Saturday, while seven-time winners Milan briefly topped the Serie A table following a 3-1 victory at home to Chievo before Lazio regained the summit late on Sunday. Real top Group G after winning their opening two matches with Milan two points behind after a 1-1 draw at Ajax.

Defeat at the Santiago Bernabeu would leave Milan at risk of being drawn into a scrap for second place with Ajax and Auxerre, who meet in Amsterdam, and the Italians are sweating on the fitness of centre-back Thiago Silva. The Brazilian picked up an ankle injury against Chievo and coach Massimiliano Allegri conceded that he was a major doubt for the trip to Madrid.

### **Hodgson seeks positives**

Beleaguered Liverpool manager Roy Hodgson claimed his team had performed well in their 2-0 defeat at Everton in Sunday's Merseyside derby and looked to the future with muted optimism. The league table made less happy viewing for Liverpool, of course, as the loss left them rooted in the bottom three of the Premier League with just six points from their first eight games. However, with new American owners under the leadership of John W. Henry, now in command at Anfield, Hodgson has some cause to look forward to the remainder of what has so far been an instantly forgettable season, although the manager did concede he had been unable to deliver a dream start to his new employers.

Spanish striker Fernando Torres, the club's talisman in good times, appears to lack confidence and sharpness at present although Hodgson was unwilling to accept that any more of his players were in such a state. Hodgson is expected to meet with his new owner early this week to discuss short-term plans and, more pressingly, the January transfer window.

## **Business News**

### **Money market report**

The US Dollar was today buying at 76 shillings and 40 cents and selling at 84 shillings and 60 cents. The sterling pound was buying at 123 shillings and 65 cents and selling at 133 shillings. The Euro was buying at 107 shillings and 16 cents and selling at 116 shillings and 46 cents. The South African Rand was buying at 8 shillings and 14 cents and selling at 15 shillings and 34 cents. The Ugandan shilling traded at 30 shillings and 59 cents buying and 26 shillings and 9 cents selling. The Tanzanian shilling was buying at 75 shillings and 2 cents and selling at 83 shillings and 25 cents

*ENDS....Mariah*

### **Kenya capital market authority to amend laws**

The Capital Markets Authority is set to amend the laws governing trade in publicly issued securities so that they can change hands outside approved exchanges. This is expected to boost liquidity and ease debt issuance the authority has said. The amendments of CMA Act that prohibits commercial banks from trading directly over the counter has for along time been contested by Commercial banks seeking to trade without going through stockbrokers.

Latest data from the NSE shows that since automation of secondary trading in the bond market in November 2009, turnover in the bond market has increased from Kshs. 95.3 Billion in 2008 and Kshs. 110.64 Billion in 2009 to Kshs. 392 Billion as of September 2010. The setting up of an Over-the-Counter (OTC) market for bonds is expected to boost liquidity and ease debt issuance in the market. Under the new model, stockbrokers and bond dealers would have a choice of either trading bonds at the NSE, or away from the exchange through the OTC platform. CMA says the amendments will increase liquidity of both Government and corporate bonds.