

BARINGO COUNTY ASSEMBLY

THE HANSARD

Wednesday 27th May 2020

The House met on Wednesday 27th May 2020 at 10:02 AM

The Speaker (Hon. Kiplagat) in Chair

PRAYERS

MOTION

REPORT OF THE BARINGO COUNTY SECOND QUARTER BUDGET EXPENDITURE 2019/2020 FY

The Speaker (Hon. Kiplagat): Chairman, Finance and Economic planning.

Hon. Kebut: I would like to move the motion that this House adopts the report of the Finance and Economic planning on the Baringo County second quarter budget expenditure report for the 2019/2020 Financial Year.

Page five; introduction, Mr. Speaker Sir, allow me to present the report of the Baringo County Government second quarter budget implementation report for the 2019/2020 Financial Year (FY) to this Honourable House for consideration.

Mr. Speaker Sir, the report upon being tabled in the House was committed to the Finance and Economic planning Committee to interrogate it and present a report to the Assembly for adoption. In addition, it was also deemed to have been committed to all the sectoral committees to analyse and make their recommendations to the Finance and Economic Planning Committee.

Mr. Speaker Sir, As the Honourable members are aware, we are in a situation which we have never experienced before due to the outbreak of the novel Corona Virus (COVID-19) disease which was declared as a health pandemic by the World Health Organization on 11th March 2020. The first case of the COVID-19 in Kenya was confirmed on 13th March 2020 by the Ministry of Health, Consequently, on the 15th March 2020, the President of the republic of Kenya following advice from the Ministry of Health pronounced a raft of guidelines among them; that Government institutions and Companies should scale down their activities and allow their employees to work from home Except those gazzeted as essential services in order to mitigate and control the spread of the COVID-19 disease in Kenya.

Mr. Speaker Sir, aware that this prompted the House leadership with the approval of the County Assembly to adjourn the House on Sine die following Government directives. Due to the aforementioned challenges, the Committee was unable to analyse and present a report to the County Assembly for adoption on time. The sectoral Committees also had challenges in engaging their respective County Executive Committee members' (CECM) on the Second Quarter Budget implementation report.

Mr. Speaker Sir, On 27th April, 2020, the Ministry of Health announced some other less stringent guidelines towards re-opening the economy which prompted the Committee leadership to liaise with the Honourable Speaker and the Clerk of the County Assembly to allow the Committee to proceed for report writing on this report. After engaging the consideration, the Committee was granted leave to proceed with the analysis of this report.

Mr. Speaker Sir, the quarterly report provides the status of budget implementation specifically on the revenue and expenditure performance, key challenges faced and possible remedial measures to be used to address the challenges during the quarter.

Mr. Speaker Sir, The Quarterly reports also plays a very crucial tool for oversight on the County Executive Committee and any other County Executive organ as espoused in Article 185 of the Constitution of Kenya. Therefore, all the Honourable members through their respective Committees are urged to consider critically the quarterly reports so that they can be able to get information on the Budget implementation performance.

Mr. Speaker Sir, Aware that Members are cognizant of Section 166 of the Public Finance and Management (PFM) Act, 2012 which provides the legal framework for processing of quarterly reports. We have one to four sections and members can go through them and that is on page seven.

Mr. Speaker Sir, I am happy to note that the County Treasury observed all the above legal provisions in preparation and submission of this quarterly report.

Mr. Speaker Sir, Let me now take the Honourable Members through a summary of the highlights of the second quarter budget implementation report for the 2019/20 FY.

In general, the overall approved budget estimates was Kshs. 8.681 Billion, which is composed of Kshs 4.382 Billion for recurrent expenditures and Kshs 4.298 Billion for development expenditures.

Mr. Speaker Sir, Out of the total revenue estimates of Kshs. 8.681 Billion; Kshs 5.086 Billion that is 81 percent, will be received as equitable share from the National Government, Kshs. 778.022M that is 12 percent, as total conditional grants, Kshs.393.416 million that is 6 percent, as own-source of revenue, and Kshs. 2.423 Billion that is 28 percent, as cash balance or cash transfer from the 2018/19 financial Year.

Mr. Speaker Sir a detailed County revenue streams is attached as Annex 1 at the back.

Mr Speaker you realize this is what is called the cash transfer and it keeps on increasing each and every year.

Mr. Speaker Sir, during the period under review, the County Government received an equitable share of Kshs. 917 Million for the month of October and November and the December allocation of Kshs 458 Million was received in January 2020. Apart from equitable share, Kshs 4.226 Million was received from Ministry of Health as conditional grants for Universal Health Care, Kshs. 54.084 Million from Ministry of Agriculture conditional grants for Climate Smart Agriculture Programme.

Mr. Speaker Sir, On the expenditure analysis, it's sad to note that the County overall expenditure during the period under review was paltry 27 percent comprising of 47 percent recurrent and 7

percent development expenditures respectively despite previous House recommendations to mitigate low absorption rates in the capital expenditure.

A detailed summary of the Overall Expenditure is attached as Annex 3. Members you can check and you can see how serious we are. For half financial year under review development was 7 percent so take note of that and especially the sectoral committees to push the department for more absorption in terms of development.

Mr. Speaker Sir, majority of the departments are not willing or capable of performing their mandates as provided for in Article 183 of the Constitution of Kenya and Section 36 of the County Governments Act. This Honourable House may need to put stringent measures against those departments which are not able to perform their functions as provided in relevant laws. This is clearly shown when you go to annex 1 you will see those departments which are performing poorly.

On page nine, we have the committee mandate members can go through that one, page 10 numbers 17 also gives us the mandate of the sectoral committee. In page 11 we have the committee composition and the secretariat that assisted in developing of this report.

Mr. Speaker Sir, I would like to acknowledge the facilitative role provided to the Committee by the Honourable Speaker and the Clerk of the County Assembly. Last but not the least, I would also like to recognize and commend all the Members of my Committee and the secretariat for their contribution in ensuring that the Committee delivers on its mandate more effectively and efficiently. To you all, I say thank you.

Mr. Speaker Sir, the Committee after analysing the report makes the following findings;

Revenue Performance Analysis that is Own Source Revenue (OSR);

Mr. Speaker Sir, during the quarter under review, the County Government collected Kshs. 66 Million as own source revenue compared to Kshs 107 Million collected during the first quarter. Comparatively, there was a decline in revenue collected during the same period last financial year where Kshs 189 Million was collected in the first quarter in the year 2018/2019 compared to Kshs 174 Million in second quarter. There is a serious decline and you can imagine now what will happen to the third quarterly report because of this Covid-19 pandemic.

Mr. Speaker Sir, some local revenue streams like the hospital fees collection increased by Kshs 12 Million but others streams like collection from environment and conservancy, administration and slaughter Houses administration declined by Kshs 18 Million and Kshs 6 Million respectively. We have the table members can go through it, it is on page 14.

Mr. Speaker Sir, a total of Kshs.66.97 Million was collected during the 2nd Quarter of the financial year 2019/2020 from local revenues. This represent an increase of Kshs. 4.94 Million compared with collections for same period during financial year 2018/2019 of Kshs. 62.03 Million.

Mr. Speaker Sir, notable and outstanding sources of local revenue remain to be health facilities through Facility Improvement Fund followed by Game park fees and Markets fee. That is where we majorly get our revenue and currently it is seriously affected especially the game park and market fees which are currently under closure because of the national Government directive

Mr. Speaker Sir, the decrease in revenue collection was attributed highly to low influx of local tourist during the quarter compared to last year in December holiday, the long moratorium on

logging in public, community forest by national Government and lack of departmental synergy in terms of revenue collection.

Mr. Speaker Sir, other local sources of revenue that still record very low revenue collections were Marigat AMS, Koibatek ATC and public health. It's incumbent upon the relevant entities to expand revenue sources to bridge the financial gaps and at the same time seal the leakages especially public health and the hospitals. There has been an abnormal increase in waivers in the hospitals in the second quarter which need to be checked and controlled especially in Kabarnet County Referral Hospital.

Mr. Speaker Sir, though health facilities through Facility Improvement Fund revenues indicates an improvement in revenue generation as at the end of the quarter under review compared to the collection for financial year 2018/2019, more need to be done to address possible loss of revenue. This fund covers Baringo County Referral Hospital, Eldama Ravine Sub County Hospital, Marigat Sub County Hospital, Kabartonjo Sub County Hospital, Chemolingot Sub County Hospital and Mogotio Sub County Hospital.

Mr. Speaker Sir, the factors that mostly contributed to increased revenue was from Animal stock sale fees, produce & other cess, Market fees & other and Plot rent & rates collections. The drop in veterinary is mainly because of the slow operation in Mogotio Goldox slaughter slab.

Mr. Speaker Sir, It's clear that the County may not realize the target local revenue at the close of the financial year. Table 2 below shows the comparisons of the revenue realized in the last four financial years in each quarter. Members can check that one on page 16, that is table two, we still also have table three.

Mr. Speaker Sir, table 3 below show the revenue performance per sub-County and towns. None of the sub-counties realized its revenue target. Members can go through, there is also a serious decline which is going to affect the revenue at the end of the financial year. If you go to page 17 we have expenditure analysis.

Mr. Speaker Sir, the amount spent on use of goods and services during the period amounted to Kshs 255.017 Million. The total amount spent as at the end of the quarter was Kshs 287.912 Million an increase by Kshs 9.390 Million compared to same period last financial year.

Mr. Speaker Sir, grants and transfers to semi-autonomous entities in Kshs 78M from EU, Kshs 58 Million for User Fees and FIF, Kshs 29 Million for Smart Agriculture, Kshs 4.4 Million for Urban Development, Kshs 5 Million ASDSP and Kshs 2.9 Million being transfers to cooperatives as subsidies.

Mr. Speaker Sir, a total of Kshs 174.451 Million was spent on development expenditure for the period under review. This represents 5.3% absorption on development budget for the financial year. We have table four which shows the exchequer release per department, you can see .we also have page 18 expenditure summary per economic classification, we have the County Assembly and the all ten departments under the Executive. Members can go through that one also. Allow me also to take you through another fund that is emergency fund Account.

Mr. Speaker Sir, the following table shows the Emergency Fund Account report for the period from 1st July-31st Dec 2019. Mr Speaker, on this table; that is table 6 we raised a lot of questions and if you go through some areas need more to be explained by the Executive especially on the disaster, the departments which deal with these funds where the fund is domiciled like for example if you go to 12 September 2019 cheque number 216 of Kshs. 300, 000 was withdrawn from that account and it is indicated it is supposed to be reimbursed, but by who? It is not

indicated. This account is supposed to address an emergency. It has been repeated on several occasions and clearly we need to know where were this money being spend and the Hon House should be given a clear explanation why is this fund being run in a different way.

Mr. Speaker Sir, the Committee observed that, the County Executive spend the Emergency funds kitty on activities that are contrary to what is provided for in Sections 110 and 111 of the PFM Act. Some of the unlawful activities include; the payment of funds for Emergency response to West Pokot landslide victims that is Cheque No. 225 and illegal and unclear withdrawals of funds namely, “to be reimbursed” and as shown from the above table, a total of a sum total of Kshs. 2,300,000.00. You can see Mr. Speaker Sir, how serious it is illegal because it is not clearly indicated who is the beneficiary of this money and who is this person who is supposed to refund, is it going to personal pocket or is it being used for County purposes. It should be clearly indicated. So members should interrogate that clearly.

Mr. Speaker Sir, the Committee also observed that the County Executive Committee Member for Finance has never requested for approval after making payments from the Emergency Fund from the County Assembly as provided for in section 114 of the PFM Act. The Committee noted that, the CECM for Finance should adhere with provisions of section 114 of the PFM in terms of furnishing the County Assembly with regular reports of the expenditure on the Emergency fund Kitty to ensure transparency and Accountability. Before this account after they use the amount they are supposed to seek approval of what they have spend so that they can reimburse through approvals from the Assembly. For the last two years they have not done that they have just been reimbursing and operating the account. I don’t know why, the Executive member for finance should also come out clear on that and explain to the Assembly why he is not seeking that approval meaning he is operating the account illegally

(The Speaker Hon. Kiplagat lifts the Chair)

(The Deputy Speaker Hon. Selemoi took the Chair)

Mr. Speaker Sir, the following table shows the status of the various fund Account report during the period under review. Members can go through table 7. We have several departments. Let me just take members to page 22; that is departmental expenditure analysis.

Mr. Speaker Sir, the County Assembly budget allocation was Kshs. 657,337,657 to finance both Recurrent and Development expenditure. Of this allocation, Kshs. 644,633,641 and Kshs. 12,704,016 was for recurrent and Development respectively.

Mr. Speaker Sir, the recurrent expenditure during the second quarter was Kshs.192,808,391 while development expenditure was Kshs. 6,000,425, hence, making a total expenditure of Kshs. 198,808,816 in the period under review. The absorption rate for recurrent expenditure was 41% and development was 47% resulting to an overall absorption of 41% during the period. I think this is the highest. From all the departments the County Assembly is showing a good example which should be that way in each and every quarter

Mr. Speaker Sir, the following table shows Comparative analysis on the Expenditure status during the period under review and the same period during the last Financial Year. You can check through that is if you compare last year on development we were on zero percent absorption but this year we had a good absorption of 47 percent which clearly demonstrates good leadership which we have in the County Assembly. On page 23 we have County Assembly funds.

Mr. Speaker Sir, the County Assembly has two funds that have specific functions as stipulated in their respective regulations. We have Members of County Assembly Car Loan & Mortgage scheme Fund, we have the catering and health services scheme fund let me go through that one. The Catering and Health Services Scheme fund was established in 2017 with an initial capital of Kshs. 300,000. In the second Quarter ended 31st December 2019, the fund had received Kshs.671, 705 as revenue and made expenditure of Kshs.509, 555 giving a net cash of Kshs. 162,150.

Mr. Speaker Sir, the following achievements were made by the different County Assembly Departments and Sections; Committee meetings attended, plenary meetings attended, Field Visits made, Statements considered, Petitions received, Trainings attended, Reports generated by committees and payroll matters and updates made.

Mr. Speaker Sir, the key challenge experienced by the entity was the transitioning to 100% IFMIS Compliance that is the e-platform on page 27 you can see the performance of Finance and Economic Planning department. This is a department which should be leading as good example to other departments that it is recording zero percent on development. If you go through on page 25 status report on projects submitted to the supply chain management we have projects in all the 9 departments except the finance. If you check clearly department of road transport energy and public transport has a total of 119 projects but currently only 9 projects have been awarded during that period, projects under evaluation are 31, at sourcing stage is 79 so that is one of the department which is performing poorly. If you to education department that is table 11 it had 11 projects and all the projects have been awarded. If you go to youth affairs sports culture gender and social services, projects under evaluation are currently four, I think they are on final stage, Health Services, 29 but all of them are at evaluation stage. Agriculture, Livestock and Fisheries Management 19 projects, two projects have been awarded 17 are under evaluation. Water and Irrigation they had 84 projects 56 have been awarded at sourcing are 28. That is also another department which has a higher number of projects and needs serious oversight so that they can pick up all the project and they can be implemented on time. Tourism Wildlife Management Natural Resources and mining they have six projects under evaluation. Devolution and ICT it had five projects but all are under evaluation. Finance and Economic planning, 24 projects but the projects are neither in evaluation or in the award stage. This is the department which is supposed to show the good example to other departments. Page 26 activities undertaken by internal audit and advisory service unit, members can go through that one. For summary of all this you can still refer annexure 1 it shows performance per department and we have given observation as per what we saw in their report. Let me take members to page 49 on recommendations.

Mr. Speaker Sir, based on the observations and findings made by the Committee on the second quarter budget expenditure report for the 2019/2020 FY, the committee hereby makes the following recommendations:

- a). That, the County Treasury should ensure that all the departments should adhere strictly to the procurement plan on implementation of the budget expenditure as provided for in Section 112 of the PFM(County)Regulations, 2015. The relevant County Assembly Committee(s) are urged to follow up on this recommendation
- b). That, the County Treasury's Procurement section should fast track the implementation of the procurement of goods, services and works for all the departments as per the approved procurement plan. There is a procurement plan that was presented by the Executive and they are not adhering to it

- c). That, the County Executive should ensure that the absorption rate especially for the development expenditure at the end of the financial year is improved.
- d). That, the County Treasury should ensure that the Emergency Fund Kitty is managed prudently and effectively for the intended purposes as per the principles of public finance management and as clearly espoused in section 111, 112 and 114 of the PFM Act, 2012 to achieve transparency and accountability.
- e). That, all the respective County Executive departments should map out all the projects whose allocation was reduced/underfunded in the first Supplementary Estimates for the 2019/20 FY and prioritize for funding as a first charge in the 2020/2021 FY Estimates in order to ensure that the projects are fully funded, this was due to the fact that there was a supplementary which was done and the main issue was to meet the shortage which was actually emanated from under funding some projects
- f). That, the County Assembly Service Board should present a more detailed non- financial performance report indicating the specific activities that the County Assembly has undertaken during the period under review. They should show all the activities, if you look at that document clearly it doesn't show activities. We are doing a lot but it is not indicated in the report
- g). That, the County Treasury in the subsequent financial year's Budget estimates should not allocate funds for roads and boda boda sheds projects due to the fact that they don't have the capacity to implement such projects. To explain this point is the County treasury has several projects, that department should be a service department, they should not be having projects, these projects should be transferred to the relevant departments like roads and infrastructure because they have the manpower and they have the expertise and engineers who can draw all those things very fast.
- h). That, during this extra ordinary times as a result of the COVID-19 disease pandemic, all the departments are urged to continue implementing their developmental projects and take into cognizance directives and the protocols from the Ministry of Health on the Control and mitigation of the Corona Virus pandemic
- i). That, the County Treasury and the County Assembly Budget and Appropriations Committee should ensure that the department of Environment, Natural Resources, Tourism, Wildlife and Mining is fully resourced as per their mandate during the making of the next Budget estimates to ensure that they work more effectively and efficiently.

In Conclusion, Mr Speaker Sir, as the members are aware, the Country continues to grapple with the challenges of the COVID-19 pandemic which has led the Government of Kenya to take various measures to curb the spread of the Corona Virus pandemic.

Mr. Speaker Sir, I am happy to note that, there is no reported case of Corona Virus in our County. It is the believe of the Committee that the County Government should continue ensuring that the populace adhere strictly on the Government's directives on the control and prevention of the Corona Virus.

Hon. Speaker Sir, it's worth noting that the this quarterly expenditure report was processed during a very unique time when the County is grappling with a global health pandemic that has brought the global economy to a near standstill. While we appreciate that the implementation agencies are faced with the challenges of COVID-19 pandemic, they should continue implementing the budget estimates taking into considerations the Government directives and guidelines.

Mr Speaker Sir, the budget implementation especially on the development expenditure should not be stopped.

Mr. Speaker Sir, to this end, I hereby urge the County Assembly to approve the report of Finance and Economic Planning Committee on the Second Quarter Budget Expenditure report for the 2019/2020 Financial Year. Mr Speaker sir I beg to move and call upon Mhe Joel Kipchew to second

The Deputy Speaker (Hon. Selemoi): Thank you very much. Yes, Hon. Joel Kipchew.

Hon. Kipchew: I stand to support the motion that has been moved by the Chair of Finance and I have one or two things to add. We realized that the absorption rate in development is very low while the recurrent expenditure is too high, there are some specific departments that are almost doing nothing, there is need for this House to pull up their socks and ensure that some of these departments that are not serious about their work are made to do their job because there are some departments that have never done any work in the wards; we need each and every elected leader to ensure that those departments should take charge. We realize that in the emergency funds, there are a lot reimbursements and from the look of things that account needs to adhere to the PFM Act. Otherwise they are doing their own things and they are not following the law.

I want also to concur with my Chairman that department Finance and Economic Planning should do away with any development projects and only deal with service work; they have 24 projects and they have never initiated. Otherwise I second but I also want to call upon these members that during the third quarterly report we need more time to interrogate on that particular document because it will show us what we have done for the last one year. Thank you.

The Deputy Speaker (Hon. Selemoi): Hon Kipchew I think should be advised that when you are crossing.... Thank you. The motion have being moved and seconded by the Chair and the Vice Chair.

(Question Proposed)

Debate is open members, those who want to contribute. Hon Francisca.

Hon. Francisca Cheburet: Thank you Mr. Speaker sir, I rise to support this motion and prior to supporting this motion I would wish as an Assembly we should have more microphones because I don't think operating with one is comfortable for everyone given that we are not in the main Assembly and we had complained as ladies one time that waking up on these seats on the lounge is hell. Otherwise I want to go to the report and applause the Committee of Finance and Economic Planning for the work that they have done. I can see though we are on sine die they did a lot work even compared to the time that we had so many meetings in the Assembly by giving a detailed report.

I was looking at the reimbursement of 2.3 million, the cheques raised and written for reimbursement. I want to applause the committee for noting that there was a problem on the same because I think the department of treasury should give a detailed report even as we pass this report today. The committee should go back to treasury for them to give detailed information for them on what really transpired since they are the power bank of this County when it comes to financing projects and activities. I want to note that this report is surely detailed; I thought that may be the committee should have given a recommendation that the County treasury and the County Assembly Budget and Appropriations Committee should have given information towards

ensuring that the department of Environment Natural Resources Tourism Wildlife and Mining is fully resourced as per their mandate.

Mr Speaker, as the committee on tourism we noted that money allocated is less and it has become a problem especially now that the two departments are being run by one CEC that is the tourism, the environment and natural resources. So that when they allocate the amount they treat it as a committee so you cannot tell for real what is being expected from environment and what is being spent on tourism. As this part goes down we know tourism is the backbone of this County and if money is not allocated fully to the same department then it means we are also contributing in reducing our own income. The other point that I had is to applaud the committee on point number six that they noted that the treasury are putting in a lot of energies on work that is not supposed to be theirs. They are not doing the work that they ought to be doing. The other department should be role model of treasury and if the treasury is backward then where will be the other departments. I support this motion, thank you.

The Deputy Speaker (Hon. Selemoi): Thank you very much, any contributions from any other Hon Members on the same. Hon. Deputy Leader of Majority, before we go to the mover.

Hon. Parsalaach: Thank you very much for giving me this opportunity, first and foremost I support the motion and I will start by applauding the Committee that despite this difficult time of Corona pandemic they were able to go out and come up with this comprehensive report. One area that we want to emphasize on so much is the performance of each sectoral department and especially the department of roads. If you go through the table indicated there you find that the rollover funds is so enormous in that department and that is one area that is going to affect the performance of Hon Members in our Wards. The Health department has done a commendable job and we thank them so much that during this pandemic they are able to implement their projects and they are also able to monitor the spread of the disease. We really want to urge the members that let us keep the sectoral department on their toes to make sure that all the projects that were budgeted for and money appropriated by the citizens of Baringo County are implemented in time. I am sure the rollovers indicated in 2018/2020 is over 2 billion and I am sure come July that amount is going to be double which is too bad. With those few remarks I support the motion. Thank you.

The Deputy Speaker (Hon Selemoi): Hon Cheboiwo were you raising your hand? Okay. Mover you are called to reply.

Hon. Kebut: Thank you Mr Speaker I want to thank the members who have contributed and also they have noted areas where we have problems. This is an indicator that in future we need to deny funds to some of the departments who have huge allocations on development and they are not absorbing those allocations. You realize at the end each year they use all the recurrent expenditure which I think is supposed to be used to aid or to supervise development. As a County it is as if you are doing nothing and I call upon all the sectoral committee to pull up their socks and reprimand all. If we have lazy officers who are not doing their work then they should be named so that we can know the next cause of action. Again there was this thing of over-commitment, can we have a list of all these projects that was underfunded which informed the decision of the supplementary budget, a lot of money. This will help us in future so that we don't repeat the same and we can also know, or we can be informed and be given the reason why we had that underfunding which cumulatively made huge sum of money which at times it is difficult to pay back all of them and it is eating into our projects.

Otherwise as an Assembly we have a duty to undertake seriously and perform our oversight role because the future of the County Government of Baringo relies on the work done by the Executive and the County Assembly. Thank you Mr Speaker.

The Deputy Speaker (Hon. Selemoi): Thank you Hon Peter Kebut the mover and the Chair of that committee. I must applaud the splendid work done by the committee given the fact that there are several challenges that they faced during the report writing and they were able go through those challenges and bring very thorough in reporting to the House regardless of the challenges and I want to urge other committees to also emulate their spirit and work diligently for the service delivery to the Baringo people. Keep it up, we expect more from you in future. Nonetheless, I want to makes some few communications before I put the question that today in the afternoon the Baringo County Assembly has invited the CEC for Health to come and address the House on matters of health services, COVID- 19 situation in the County and other issues pertaining the same. So Hon Members are advised to be present in large numbers.

(Question is put and agreed to)

Thank you very much.

ADJOURNMENT

Order Hon members, this House stands adjourned until today in the afternoon at 2:30 PM

The House rose at 11:02 AM