(No.115)



REPUBLIC OF KENYA

TWELFTH PARLIAMENT - SECOND SESSION

THE NATIONAL ASSEMBLY

VOTES AND PROCEEDINGS

THURSDAY, NOVEMBER 22, 2018

- 1. The House assembled at thirty minutes past Two O'clock
- **2.** The Proceedings were opened with Prayer
- **3. Presiding –** the Speaker

4. PAPERS

The following Papers were laid on the Table -

- (i) Sessional Paper No. of 2018 on National Ethics and Anti-Corruption Policy from the Office of Attorney-General and Department of Justice
- (ii) The Judicial Code of Conduct and Ethics and the Explanatory Memorandum submitted pursuant to section 47(3) of the Judicial Service Act, 2011 and sections 5A and 11(1) of the Statutory Instruments Act, 2013.

(Leader of Majority Party)

- (iii) Reports of the Departmental Committee on Labour & Social Welfare on:
 - (a) The 44th ARLC Governing Council Meeting for Ministers responsible for Labour, employment and manpower Issues and High Level Symposium on Social Dialogue and Tripartism, held from 19th to 23rd February 2018 in Ezulweini, Swaziland; and
 - (b) The Conference on the Labour Migration Crisis, held at the Chatham House in London, United Kingdom, from 15th to 20th October 2018.

(Chairperson, Labour & Social Welfare Committee)

- (iv) Reports of the Departmental Committee on Agriculture and Livestock on:
 - (a) The Coffee Symposium Held In Grand Island, Nebraska, USA From 16th To 18th April, 2018;
 - (b) Exchange Programme Visit To Turkey From 23rd March To 1st April, 2018; and,
 - (c) China International Tea Expo Held In Hangzhou, China From 18th To 20th May 2018.

(Chairperson, Departmental Committee on Agriculture and Livestock)

5. NOTICES OF MOTION

The following notices of motion were given -

- (i) THAT, this House notes the Report of the Departmental Committee on Agriculture and Livestock on the Coffee Symposium held in Grand Island, Nebraska, USA from 16th to 18th April, 2018, laid on the Table of the House today, Thursday, November 22, 2018;
- (ii) THAT, this House notes the Report of the Departmental Committee on Agriculture and Livestock on the Exchange Programme Visit to Turkey from 23rd March to 1st April, 2018,laid on the Table of the House today, Thursday, November 22, 2018; and
- (iii) THAT, this House notes the Report of the Departmental Committee on Agriculture and Livestock on the China International Tea Expo held in Hangzhou, China from 18th to 20th May 2018, laid on the Table of the House today, Thursday, November 22, 2018.

(Chairperson, Departmental Committee on Agriculture and Livestock)

6. **QUESTIONS**

- (a) The following Questions were asked -
- (i) Question No.207/2018 by the Member for Samburu East (Hon. Jackson Lekumontare) regarding hand amputation of one Sumoo Lemuna as a result of burns suffered from low lying power cables in Wamba East Ward;

 Question referred to the Departmental Committee on Energy.
- (ii) Question No.224/2018 by the Member for Tharaka Nithi County (Hon. Beatrice Nyaga) regarding the state of roads and bridges in Tharaka Nithi County; Question referred to the Departmental Committee on Transport, Public Works and Housing.
- (iii) Question by Private Notice by the Member for Kipkelion East (Hon. Joseph Limo) regarding the process of formulation of annual school calendar for primary and secondary schools.

 Question referred to the Departmental Committee on Education and Research.
- (b) The following Questions were deferred –
- (iv) Question No.209/2018 by the Member for West Mugirango (Hon. Vincent Mogaka) regarding details of the roads tarmacked in Kisii and Nyamira Counties in Financial Years 2013 to 2018.
- (v) Question No.210/2018 by the Member for Magarini (Hon. Michael Kingi) regarding bodily injury to one Jumaa Bahati Shanga of ID No. 29504429 by a police officer from Adu Police Station.
- (vi) Question No.212/2018 by the Member for Homa Bay (Hon. Peter Kaluma) regarding measures by the Ministry of Education towards ensuring the integrity of national examinations.

The following Questions was dropped -

(vii) Question No.227/2018 by the Member for Kanduyi (Hon. Wafula Wamunyinyi) regarding high number of remandees in prisons.

7. STATEMENT PURSUANT TO STANDING ORDER 44(2)(a)

Pursuant to the provision of Standing Order 44(2)(a), the Leader of the Majority Party issued a Statement regarding the business of the House for the week commencing Tuesday, November 27, 2018.

8. PROCEDURAL MOTION - RESOLUTION TO HOLD A SITTING ON A SPECIFIED THURSDAY MORNING

Motion made and Question proposed -

THAT, pursuant to the provisions of Standing Order 30(3)(b), this House resolves to hold a Morning Sitting on Thursday, December 06, 2018 commencing at 9.30 am for purposes of considering priority business.

(The Leader of the Majority Party)

Debate arising;

Question put and agreed to.

9. COMMITTEE OF THE WHOLE HOUSE

Order for Committee of the Whole House read;

IN THE COMMITTEE

The Fourth Chairperson in the Chair

The Warehouse Receipt System Bill (Senate Bill No.10 of 2017)

<u>Clause 3 sub-clause 3-</u> <u>Amendment proposed</u>

THAT, clause 3 of the Bill be amended—

- (a) by deleting sub clause (3) and substituting therefor the following new sub-clause—
 (3) The Council shall consist of—
 - (a) a Chairperson, who shall be appointed by the President;
 - (b) the Principal Secretary for the time being responsible for matters related to agriculture or a representative;
 - (c) the Principal Secretary for the time being responsible for matters related to finance or a representative;
 - (d) one person nominated by the Council of Governors;
 - (e) the Director-General of Agriculture and Food Authority or a representative;
 - (f) the chief executive officer of the Council who shall be an *ex-officio* member;
 - (g) one person nominated by Financial Sectors Regulators Forum;
 - (h) one person nominated by the Kenya Farmers Association;
 - (i) one person nominated by Kenyan members of the Eastern Africa Grain Council;
 - (j) one person nominated by Consumer Federation of Kenya
 - (k) one person nominated by Kenya Bankers Association; and

(l) one person nominated by the Kenya Warehouse Operators Association." (Chairperson of Departmental Committee on Agriculture and Livestock)

Question of the amendment proposed;

Debate arising;

Question of amendment put and negatived.

<u>Clause 3 sub-clause 3-</u> <u>Amendment proposed</u>

THAT, clause 3 of the Bill be amended—

- (a) by deleting sub-clause (3) and substituting therefor the following new sub-clause—
 - (3) The Council shall consist of—
 - (a) a chairperson appointed by the President;
 - (b) the Principal Secretary for the time being responsible for matters related to agriculture or a representative;
 - (c) the Principal Secretary for the time being responsible for matters related to finance or a representative;
 - (d) the Principal Secretary for the time being responsible for matters related to trade or a representative;
 - (e) the Attorney-General or a representative;
 - (f) the Director-General of Agriculture, Food and Fisheries Authority or a representative;
 - (g) one person nominated by the Council of Governors;
 - (h) two other persons appointed by the Cabinet Secretary;
 - (i) the chief executive officer of the Council. (Leader of Majority Party)

Question of the amendment proposed;

Debate arising;

Question of amendment put and negatived.

Clause 3 sub-clause 4- Amendment proposed

THAT, clause 3 of the Bill be amended by deleting sub-clause (4) and substituting therefor the following new sub-clause—

(4) A person appointed as a member of the Council under paragraph (a) to (h) shall be persons who have the relevant expertise, qualification and experience in the agricultural sector, warehouse receipt system, commodity markets or any other relevant field.

(Leader of Majority Party)

Question of the amendment proposed;

Debate arising;

Question of amendment put and agreed to.

Clause 3 sub-clause 5- Amendment proposed

THAT, clause 3 of the Bill be amended by deleting sub-clause (5) and substituting thereof with the following subclause—

- (5) A person shall be qualified for appointment as chairperson of the Council if such a person—
 - (a) is a citizen of Kenya;
 - (b) meets the requirements of leadership and integrity set out in Chapter 6 of the Constitution;
 - (c) holds relevant academic and professional qualifications including a university degree in a relevant field; and
 - (d) has at least eight years' experience in—
 - (i) agriculture;
 - (ii) finance;
 - (iii) business;
 - (iv) law;
 - (v) procurement; or
 - (vi) administration.

(Chairperson of Departmental Committee on Agriculture and Livestock)

Question of the amendment proposed;

Debate arising;

Question of amendment put and negatived

Clause 3 sub-clause 6-

Amendment proposed

THAT, Clause 3 be amended by deleting sub-clause (6). Question of the amendment proposed;

(Leader of majority Party)

Debate arising;

Ouestion of amendment put and agreed to.

Clause 3 sub-clause 9-

Amendment proposed

THAT, clause 3 be amended in sub-clause (9), by—

(i) inserting the words, "in contravention of the Public Officer Ethics Act and any other relevant law" immediately after the word "office" in paragraph (c);

deleting the words "in the opinion of the Council" in paragraph (e);

(ii) deleting paragraph (g) and substituting therefor with the following paragraph—

"(g) conviction of an offence and sentenced to six months imprisonment without an option of a fine."

(Chairperson of Departmental Committee on Agriculture and Livestock)

Question of the amendment proposed;

Debate arising;

Question of amendment put and agreed to.

<u>Clause 3</u>- as amended <u>agreed to</u>

<u>Clause 4</u> - <u>amendment proposed</u>

THAT, clause 4 of the Bill be amended—

- (a) in paragraph (a) by inserting the word "produced" immediately after the word "commodities":
- (b) by inserting the following new paragraph immediately after paragraph (j)—
 (ja) in accordance with the provision of this Act, suspend operations of
 warehouse operators, inspectors, weighers, graders or other service
 providers operating under the Act for contravention of the Act;
 - (jb) issue, suspend or revoke registration or licenses issued under the Act;

(Chairperson of Departmental Committee on Agriculture and Livestock)

Question of the amendment proposed;

Debate arising;

Question of amendment put and agreed to

Clause 4- as amended agreed to

Clause 5- amendment proposed

THAT, clause 5 of the Bill be deleted.

(Chairperson of Departmental Committee on Agriculture and Livestock)

Question of the amendment proposed;

Debate arising;

Question of amendment put and <u>negatived</u>.

Clause 5- agreed to

Clauses 6, 7& 8- agreed to

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(1198)

Clause 9 - amendment proposed

THAT, clause 9 of the Bill be amended in sub-clause (3) by deleting paragraph (a) and substituting therefor the following new paragraph—

"(a) holds a relevant university degree from a recognized university in Kenya." (Chairperson of Departmental Committee on Agriculture and Livestock)

Question of the amendment proposed;

Debate arising;

Question of amendment put and agreed to.

<u>Clause 9</u>- as amended <u>agreed to</u>

Clause 10- amendment proposed

THAT, clause 10 of the Bill be amended by inserting the words "a company secretary and" immediately after the word "employ".

(Leader of Majority Party)

Question of the amendment proposed;

Debate arising;

Question of amendment put and agreed to.

Clause 10- as amended agreed to

Clause 11- amendment proposed

THAT, clause 11 of the Bill be amended—

- (a) by renumbering the existing clause as sub-clause (1);
- (b) by inserting the following new sub-clause immediately after sub-clause (1)—
- (2) The Council shall publish the names of persons engaged as experts under subsection (1), in the *gazette*.

(Leader of Majority Party)

Question of the amendment proposed;

Debate arising;

Question of amendment put and agreed to.

Clause 11- as amended agreed to

Clauses 12, 13, 14 & 15- agreed to

Clause 16 sub-clause 5- amendment proposed

THAT, clause 16 of the Bill be amended in sub-clause (5) by inserting the word "annual" immediately before the word "report".

(Chairperson Departmental Committee on Agriculture and Livestock)

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(1199)

(115)

Debate arising;

Question of amendment put and agreed to.

Clause 16- as amended agreed to

<u>Clause 17-</u> <u>amendment proposed</u>

THAT, the Bill be amended by deleting clause 17 and substituting therefor the following new clause—

Licensing of warehouse

17. (1) A warehouse operator shall apply to the Council for a licence to operate within the Warehouse Receipt System.

operators.

- (2) An application under subsection (1) shall be in the prescribed form and shall be accompanied by the prescribed fee.
- (3) The Council may grant or refuse to grant a licence to an applicant and may issue a licence subject to such conditions, as it may consider necessary.
- (4) A license issued under this Part shall be valid for a period of twelve months from the date of issue and may be renewed subject to compliance of any set conditions.
- (5) The Council shall annually publish the names of licensed warehouses in the Gazette and in at least one daily newspaper of nationwide circulation.

(Chairperson departmental Committee on Agriculture and Livestock)

Proposed amendment withdrawn

(115)

<u>Clause 17 sub-clause3</u>- <u>amendment proposed</u>

THAT, the Clause 17 of the Bill be amended by deleting sub clause (3) and substituting therefor the following new clause —

"(3) The County Executive Committee member may — issue a license where the applicant meets all the requirements set out in the prescribed regulations;

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(1200)

(a) decline to issue a license for the conduct of a warehouse where the County Executive Committee member establishes that—

- (i) the warehouse is not suitable for the proper storage of agricultural commodities;
- (ii) the operator is incompetent to conduct such warehouse in accordance with this Act and the regulations made hereunder;
- (iii) there is any other sufficient reason within the purposes of the Act for not issuing such licenses.

(Hon. Jennifer Shamalla, MP)

Question of the amendment proposed;

Debate arising;

Question of amendment put and agreed to.

Clause 17 sub-clause4- amendment proposed

THAT, clause 17 of the Bill be amended by inserting the following new sub-clause immediately after sub-clause (4)—

(4A) A person who operates a warehouse under the Warehouse Receipts System without a license issued by the county executive committee commits an offence.

(Leader of Majority Party)

Question of the amendment proposed;

Debate arising;

Question of amendment put and agreed to.

<u>Clause 17</u>- as amended <u>agreed to.</u>

Clause 18- agreed to

Clause 19- proposed amendment

THAT, the Clause 19 of the Bill be amended by deleting the words "fire, flood, theft, burglary, earthquake, explosion" appearing after the word "against" and substituting therefor the words "force majeure".

(Hon. Jennifer Shamalla, MP)

Question of the amendment proposed;

Debate arising;

Question of amendment put and <u>negatived</u>.

Clause 19- agreed to

Clause 20- proposed amendment

THAT, clause 20 of the Bill be deleted.

Proposed amendment withdrawn

Clause 20- agreed to

Clause 21- amendment proposed

THAT, the Bill be amended by deleting clause 21 and substituting therefor the following new clause—

Revocation of licence and suspension of licence or operations.

- **21.** (1) The Council may suspend or revoke a licence—
 - (a) if a warehouse operator transfers all or part of his or her control over the licence;
 - (b) immediately a licensed warehouse commences the process of dissolution or is dissolved; or
 - (c) if the warehouse operator violates or fails to comply with this Act.
- (2) The Council shall before revoking or suspending a licence, inform the licensee of the intended revocation or suspension, in writing, and give the licensee and opportunity to make representations before it.
- (3) Upon the revocation of a licence, the Council shall, within fourteen days of the revocation, notify the licensee of the revocation and require the licensee to, within fourteen days of receipt of the notification, surrender the licence to the Council.
- (4) A licensee who, without reasonable cause, fails to surrender a licence within the period specified in subsection (3) commits an offence.
- (5) The Council may suspend the operations of warehouse operators, inspectors, weighers or graders operating under the Act, for failure to comply with any provision of this Act.
- (6) Where a license has been suspended or revoked, the Council shall appoint an independent warehouse manager to operate the warehouse in the interim until the matter is resolved.
- (7) The Council shall publish the names of a warehouse whose licence has been revoked in the Gazette and in at least one daily newspaper of nationwide circulation.
- (8) The Cabinet Secretary shall in consultation with the Council make regulations to provide for management of a warehouse whose license has been suspended or revoked and commodities stored therein.

(1202)

Proposed amendment Withdrawn

Clause 21 sub-clauses 4- & 8 amendment proposed

THAT, Clause 21 of the Bill be amended —

- (a) in sub clause (4) by inserting the sub clause words "and shall be liable on conviction to a fine not exceeding a hundred thousand shillings or imprisonment for a term not exceeding three years, or both" immediately after the word "offence";
- (b) by inserting the following new sub clause immediately after sub clause (8)
- "(8A) The Council shall maintain a data base which shall be availed for inspection by any person upon application pursuant to Article 35 of the Constitution".

(Hon. Jennifer Shamalla, MP)

Question of the amendment proposed;

Debate arising;

Question of amendment put and agreed to.

<u>Clause 21sub-clause 5-</u> <u>amendment proposed</u>

THAT, clause 21 of the Bill be amended in sub-clause (5)—

- (a) by deleting the word "or" appearing immediately before the word "graders"; and
- (b) by inserting the words "or other service providers" immediately after the word "graders".

(Leader of Majority Party)

Question of the amendment proposed;

Debate arising;

Question of amendment put and agreed to.

<u>Clause 21</u>- as amended <u>agreed to.</u>

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Clause 22- amendment proposed

THAT, the Bill be amended by deleting clause 22 and substituting therefor the following new clause- Fees. 22. The Council may charge fees for initial warehouse inspection and issue of warehouse operator's licence.

Proposed amendment withdrawn

Clause 22agreed to

Clause 23 sub-clause 1,1d & 4amendment proposed

THAT, clause 23 of the Bill be amended—

- (a) by deleting the words "Warehouse Receipts Appeals Committee" wherever they appear and substituting therefor the words "Warehouse Receipts System Dispute Resolution Committee";
- (b) in sub-clause (1) by inserting the following new paragraph immediately after paragraph
 - (da) complaints by registered, licensed or other persons operating under this Act;
- (c) in sub-clause (4) by deleting the words "Appeals Committee" and substituting therefor the words "Dispute Resolution Committee".

(Leader of Majority Party)

Question of the amendment proposed;

Debate arising;

Question of amendment put and agreed to.

Further Amendment

THAT, clause 23 the Bill be amended in sub-clause (2) by—

- (a) deleting paragraph (a) and substituting thereof with the following paragraph—
 - (a) a chairperson appointed by the Cabinet Secretary who shall be an advocate of not less than seven years standing and with experience in dispute resolution; and
- (b) deleting the word "adjudication" in paragraph (b) and substituting thereof with the word "resolution".

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(Chairperson Departmental Committee on Agriculture and Livestock)

(1204)

Question of the amendment proposed;

Debate arising;

(115)

Question of amendment put and agreed to.

Further Amendment proposed

THAT, Clause 23 of the Bill be amended — (a) in sub clause (1) by deleting the word —committeel appearing immediately after the word —Appeals and substituting therefor the word —Tribunal ; (b) in sub clause (2) by deleting the word —committeel appearing immediately after the word —Appeals and substituting therefor the word —Tribunal ; (c) in sub clause (3) by deleting the word —committeel appearing immediately after the word —Appeals and substituting therefor the word —Tribunal ; (d) in sub clause (4) by deleting the word —committeel appearing immediately after the word —Appeals and substituting therefor the word —Tribunal ; (e) in sub clause (6) by deleting the word —committeel appearing immediately after the word —Appeals and substituting therefor the word —Tribunal

Clause 23- as amended agreed to

<u>Clause 24-</u> <u>proposed amendments</u>

THAT, the Bill be amended by deleting clause 24 and substituting thereof with the following new clause—

Grading and weighing of agricultural products.

- **24.** (1) A licensed warehouse operator shall ensure commodities stored in a licensed agricultural warehouse meet the standards published by the Kenya Bureau of Standards and are weighed using equipment certified in accordance with laws related to weights and measures.
- (2) The grading of agricultural commodities shall be undertaken by agricultural commodity graders certified by a mandated institution.
- (3) The Council shall provide guidelines on the minimum qualifications and competencies required of graders and weighers.

(Chairperson Departmental Committee on Agriculture and Livestock) Question of the amendment proposed;

Debate arising;

Question of amendment put and agreed to.

Clause 24- as amended agreed to

Clause 25- proposed amendments

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(1205)

THAT, the Bill be amended by deleting clause 25 and substituting thereof with the following new clause—

Inspection of **25.**(1) The Chief Executive Officer, appointed Council Inspectors or authorized officers of the Council may inspect any agricultural commodity stored in a licensed warehouse and records relating to warehouse receipts where its considered necessary.

(2) The Council shall appoint and gazette inspectors who shall exercise such powers in accordance with regulations made under this Act.

(Chairperson Departmental Committee on Agriculture and Livestock)

Debate arising;

Question of amendment put and agreed to.

Clause 25- as amended agreed to

Clause 26- agreed to

<u>Clause 27</u>- amendment proposed

THAT, clause 27 of the Bill be amended by inserting the words, "insurance contracts, professional indemnities, warehouse receipts registry" immediately after the words "examine all".

(Chairperson Departmental Committee on Agriculture and Livestock)

Debate arising;

Question of amendment put and agreed to.

<u>Clause 27-</u> as amended <u>agreed to</u>

Clause 28- agreed to

Clause 29-

THAT, Clause 29 of the Bill be amended in sub clause (3) by— (a) deleting the words —be a document of title to goods and need not be in any particular form, but must contain the following information and substitute therefor the word —contain the following information!;

(c) deleting paragraph (f)

Proposed amendment withdrawn

Clause 29- agreed to

<u>Clause 30</u>- proposed amendments

THAT, clause 30 of the Bill be amended by inserting the following new sub-clause immediately after sub-clause (1)—

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(1206)

"(1A) The Central Registry shall have the necessary infrastructure to link it with a central depository of a commodities exchange licensed by the Capital Markets Authority."

(Chairperson Departmental Committee on Agriculture and Livestock)

Debate arising;

Question of amendment put and agreed to.

Clause 30- as amended agreed to

Clause 31 sub-clauses 2,3 &4- proposed amendments

THAT, Clause 31 of the Bill be amended in—

- (a) sub-clause (2), by deleting the words "issue a warehouse receipt" and substitute thereof with the words, "issue a warehouse replacement receipt";
- (b) sub-clause (3) by deleting the word "duplicate" and substituting thereof with the word "replacement"; and
- (c) sub-clause (4), by deleting the word "deals" immediately after the word "person" and substituting therefor the word "who".

(Chairperson Departmental Committee on Agriculture and Livestock)

Debate arising;

Question of amendment put and agreed to.

Clause 31- as amended agreed to

Clause 32- proposed amendments

THAT, Clause 32 of the Bill be amended by deleting the word "duplicate" and substituting with the word, "replacement".

(Chairperson Departmental Committee on Agriculture and Livestock)

Debate arising;

Question of amendment put and agreed to.

Clause 32- as amended agreed to

<u>Clauses 33, 34, 35, 36, 37 & 38</u>- <u>agreed to</u>

Clause 39- amendment proposed

THAT, Clause 39 of the Bill be amended by deleting the phrase "section 35 and substituting therefor with the phrase "section 38".

Debate arising;

Question of amendment put and agreed to.

<u>Clause 39</u>- as amended <u>agreed to</u>

Clause 40- agreed to

Clause 41 - amendment proposed

THAT, Clause 41 of the Bill be amended—

- (a) by deleting the words, " in a case where endorsement is essential for negotiation" appearing in sub-clause (1);
- (b) in sub-clause (2) by deleting the words "In a case where it is essential that a warehouse receipt should be endorsed before it is transferred, that" and substituting therefor the word "A".

(Chairperson Departmental Committee on Agriculture and Livestock)

Debate arising;

Question of amendment put and agreed to.

Clause 41- as amended agreed to

Clause 42- agreed to

Clause 43- amendment proposed

THAT the Bill be amended by deleting Clause 43 and substituting thereof with the following new clause—

Issuing of fraudulent warehouse receipts.

43. A warehouse operator, or any officer, agent, or employee of a warehouse operator, who issues or aids in issuing a receipt knowing the goods for which such receipt is issued have not been actually received by such warehouse operator, or are not under his actual control at the time of issuing such receipt, commits an offence and is liable on conviction to a term of imprisonment not exceeding ten years or a fine not exceeding ten million Kenya shillings, or to both.

(Chairperson Departmental Committee on Agriculture and Livestock)

Debate arising;

Question of amendment put and agreed to.

<u>Clause 43</u>- as amended <u>agreed to</u>

Clause 44- amendment proposed

THAT the Bill be amended by deleting Clause 44 and substituting thereof with the following new clause-

Issuing of receipts with

44. A warehouse operator, or any officer, agent, or employee of a warehouse operator, who fraudulently issues or knowingly facilitates the false fraudulent issuing of a receipt for goods based on a false statement or a information. false statement to the effect that the warehouse is licensed under this Act or the goods are insured if they are not so insured or fails to disclose such fact, commits an offence and is liable on conviction a fine not exceeding ten million Kenya shillings or to a term of imprisonment not exceeding ten years, or both.

(Chairperson Departmental Committee on Agriculture and Livestock)

Debate arising;

Question of amendment put and agreed to.

Clause 44- as amended agreed to

Clause 45- amendment proposed

THAT, the Bill be amended by deleting Clause 45 and substituting thereof with the following new clause-

Unlawful issuing duplicate receipts.

45. A warehouse operator or any officer, agent, or employee of a of warehouse operator, who issues or facilitates the issuing of a duplicate or additional negotiable receipt for goods knowing that a former negotiable receipt for the same goods or any part of them is outstanding and not cancelled, without plainly placing upon the face thereof the word "Replacement", commits an offence and is liable on conviction to a fine not exceeding ten million Kenya shillings or a term of imprisonment not exceeding ten years, or both.

(Chairperson Departmental Committee on Agriculture and Livestock)

Debate arising;

Question of amendment put and agreed to.

<u>Clause 45-</u> as amended <u>agreed to</u>

agreed to Clauses 46 & 47-

Clause 48- amendment proposed

THAT, clause 48 of the Bill be amended by deleting the word "one" and substituting therefor the word, "three".

(Chairperson Departmental Committee on Agriculture and Livestock) Debate arising;

Question of amendment put and agreed to.

Clause 48- as amended agreed to

Clause 49- agreed to

Clause 50- amendment proposed

THAT, Clause 50 of the Bill be amended by deleting the word "shall" and substituting therefor the word "may".

(Chairperson Departmental Committee on Agriculture and Livestock)

Debate arising;

Question of amendment put and agreed to.

Clause 50- as amended agreed to

Schedule paragraph 1 sub-paragraph 4- proposed amendment

THAT, the Schedule to the Bill be amended in paragraph 1 by deleting subparagraph (4) and substituting therefor the following new subparagraph—

(4) A meeting shall be presided over by the chairperson or in the absence of the chairperson, the members present shall appoint one of their members to preside at the meeting.

(Leader of Majority Party)

Debate arising;

Question of amendment put and agreed to.

Schedule paragraph 2 sub-paragraph 2- proposed amendment

THAT, paragraph (2) of the Schedule be amended in sub-paragraph (2) by deleting the word "three" and substituting thereof with the word "five".

(Chairperson Departmental Committee on Agriculture and Livestock)

Debate arising;

Question of amendment put and agreed to.

Schedule- as amended agreed to

Clause2 - Amendment proposed

THAT, clause 2 of the Bill be amended by deleting the definition of the word "warehouse operator" and substituting thereof the following new definition-

"warehouse operator' means a person engaging in the business of hiring out space for storing goods and issuance of warehouse receipts regardless of whether such goods undergo packaging, processing, substitution or other transformation while in the warehouse;

(Chairperson of Departmental Committee on Agriculture and Livestock)

Question of the amendment proposed;

Debate arising;

Question of amendment put and agreed to

Further Amendment proposed

THAT, clause 2 of the Bill be amended—

- (a) by inserting the following new definition in its proper alphabetical sequence— "inspector" means an officer of the Council or an authorized officer appointed by the Council in the *gazette*, to carry out inspections under this Act.
- (b) in the definition of the term "warehouse receipt system" by deleting the word "receipts" appearing immediately after the words "the management of the transfer of the" and substituting therefor the term "receipt".

(Leader of Majority Party)

Question of the amendment proposed;

Debate arising;

Question of amendment put and agreed to

Further Amendment proposed

THAT, the Clause 2 of the Bill be amended —

- (a) in the definition of "holder" by deleting the words "who is in possession of the receipt" appearing immediately after the words "warehouse receipt";
- (b) by deleting the definition of "owner"
- (c) in the definition of "warehouse operator" by deleting the words "regardless of whether such goods undergo packaging, processing, substitution or other transformation while in the warehouse."

(Hon. Jenifer Shamalla, MP)

Question of the amendment proposed;

Debate arising;

Question of amendment put and agreed to

<u>Clause 2</u>- as amended <u>agreed to</u>

<u>Title-</u> agreed to

<u>Clause1</u>- agreed to

Bill to be reported with amendments

10. HOUSE RESUMED - the Second Chairperson in the Chair

Considered Warehouse Receipts System Bill (Senate Bill No. 10 of 2017): Approval of considered clauses of the Bill

Bill reported with amendments:

THAT the Committee of the Whole House has considered the Warehouse Receipts System Bill (Senate Bill No. 10 of 2017) and approved the same with amendments;

(Fourth Chairperson)

Motion made and Question proposed -

That the House do agree with the Committee in the said Report

Motion made and question proposed -

That the Motion for agreement with the Report of the Committee of the Whole House be amended by inserting the words subject to re-committal of Clause 3

(Hon. Amos Kimunya, MP)

Question deferred

Rising in his place on a point of order pursuant to Standing Order 35, the member for Kimilili, the Hon. Didmus Baraza, MP claimed that there was no quorum in the House.

And the Second Chairperson having ascertained the claim, he ordered that the Quorum Bell be rung for ten minutes;

And there being no Quorum at the expiration of ten minutes, business was interrupted.

And the time being ten minutes past six o'clock, the Chairperson interrupted the proceedings and adjourned the House without Question put pursuant to the Standing Orders.

11. HOUSE ROSE - at ten minutes past six O'clock

MEMORANDUM

The Speaker will take the Chair on Tuesday, November 27, 2018 at 2.30 p.m.