



REPUBLIC OF KENYA
TWELFTH PARLIAMENT – (SIXTH SESSION)
THE NATIONAL ASSEMBLY
ORDERS OF THE DAY
WEDNESDAY, APRIL 13, 2022 AT 9.30 A.M.

ORDER OF BUSINESS

PRAYERS

1. Administration of Oath
2. Communication from the Chair
3. Messages
4. Petitions
5. Papers
6. Notices of Motion
7. Questions and Statements

8*. **PROCEDURAL MOTION–** **EXEMPTION OF BUSINESS FROM THE PROVISIONS OF STANDING ORDER 40(3)**
(The Leader of the Majority Party)

THAT, this House **orders** that the business appearing as **Order No.s 10, 11, 13 and 14** in the Order Paper be exempted from the provisions of Standing Order 40(3) being a Wednesday Morning, a day allocated for Business not sponsored by the Majority or Minority Party or Business sponsored by a Committee.

9*. **MOTION –** **REPORT OF THE COMMITTEE OF THE WHOLE HOUSE ON ITS CONSIDERATION OF THE COMMUNITY HEALTH WORKERS BILL (NATIONAL ASSEMBLY BILL NO. 30 OF 2020)**
(The Hon. Martin Owino, M.P.)

THAT, this House do agree with the Report of the Committee of the whole House on its consideration of the Community Health Workers Bill (National Assembly Bill No. 30 of 2020).

(Question to be put and Third Reading)

10*. THE ELECTIONS (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 3 OF 2022)

(The Leader of the Majority Party)

(Report of Committee of the whole House and Third Reading)

11*. THE ELECTION CAMPAIGN FINANCING (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 37 OF 2021)

(The Chairperson, Constitutional Implementation Oversight Committee)

(Report of Committee of the whole House and Third Reading)

12*. THE NATIONAL CONSTRUCTION AUTHORITY (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 45 OF 2020)

(The Hon. David Gikaria, M.P.)

Second Reading

(Question to be put)

13*. THE HUDUMA BILL (NATIONAL ASSEMBLY BILL NO. 57 OF 2021)

(The Leader of the Majority Party)

Second Reading

(Resumption of debate interrupted on Wednesday, April 6, 2022 – Afternoon sitting)

14*. COMMITTEE OF THE WHOLE HOUSE

The Coffee Bill (Senate Bill No. 22 of 2020)

(The Chairperson, Departmental Committee on Agriculture and Livestock)

(To resume from Clause 46)

15*. THE HEALTH (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 14 OF 2021)

(The Hon. Mwambu Mabongah, M.P.)

Second Reading

(Resumption of debate interrupted on Wednesday, April 6, 2022 – Morning Sitting)

(Balance of time – 2 hours 17 minutes)

16. THE PUBLIC SERVICE INTERNSHIP BILL (NATIONAL ASSEMBLY BILL NO. 25 OF 2021)**

(The Hon. Naisula Lesuuda, M.P.)

Second Reading

17*. THE NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 34 OF 2021)

(The Hon. Tindi Mwale, M.P.)

Second Reading

18. THE PENAL CODE (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 40 OF 2021)**

(The Hon. Nimrod Mbai, M.P.)

Second Reading

19. THE PENAL CODE (AMENDMENT) (NO.2) BILL (NATIONAL ASSEMBLY BILL NO. 47 OF 2021)**

(The Hon. David Gikaria, M.P.)

Second Reading

20. THE WHISTLEBLOWER PROTECTION BILL (NATIONAL ASSEMBLY BILL NO. 50 OF 2021)**

(The Hon. Irene Kasalu, M.P.)

Second Reading

21. THE HIGHER EDUCATION LOANS BOARD (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 52 OF 2021)**

(The Hon. Gideon Koske, M.P.)

Second Reading

22*. THE POVERTY ERADICATION AUTHORITY BILL (NATIONAL ASSEMBLY BILL NO. 13 OF 2020)**

(The Hon. John Waluke, M.P.)

Second Reading

23*. THE PUBLIC PROCUREMENT AND ASSET DISPOSAL (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 20 OF 2020)**

(The Hon. Patrick Wainaina, M.P.)

Second Reading

24*. THE SEXUAL OFFENCES (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 24 OF 2020)**

(The Hon. Gathoni Wamuchomba, M.P.)

Second Reading

25*. THE HEALTH (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 28 OF 2020)**

(The Hon. Alice Wahome, M.P.)

Second Reading

26*. THE HIGHER EDUCATION LOANS BOARD (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 29 OF 2020)**

(The Hon. Gideon Keter, M.P.)

Second Reading

27*. THE INSTITUTE OF SOCIAL WORK PROFESSIONALS BILL (NATIONAL ASSEMBLY BILL NO. 31 OF 2020)**

(The Hon. Joshua Kimilu, M.P.)

Second Reading

28*. THE BIRTH AND DEATH REGISTRATION (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 32 OF 2020)**

(The Hon. Martha Wangari, M.P.)

Second Reading

29*. THE PUBLIC PROCUREMENT AND ASSET DISPOSAL (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 34 OF 2020)**

(The Hon. Richard Tongi, M.P.)

Second Reading

30*. THE ALCOHOLIC DRINKS CONTROL (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 35 OF 2020)**

(The Hon. Danson Mwakuwona, M.P.)

Second Reading

31*. THE CRIMINAL PROCEDURE CODE (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 41 OF 2020)**

(The Hon. Nelson Koech, M.P.)

Second Reading

32*. THE CHILDREN (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 46 OF 2020)**

(The Hon. Peter Kaluma, M.P.)

Second Reading

(Subject to decision of the House on NA Bill No. 38 of 2021)

33*. THE PUBLIC PROCUREMENT AND ASSET DISPOSAL (AMENDMENT) (NO.3) BILL (NATIONAL ASSEMBLY BILL NO. 49 OF 2020)**

(The Hon. Gathiru Mwangi, M.P.)

Second Reading

34*. THE PHARMACY AND POISONS (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 1 OF 2021)**

(The Hon. Alfred Keter, M.P.)

Second Reading

35*. THE COMPUTER MISUSE AND CYBERCRIMES (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 11 OF 2021)**

(The Hon. Aden Duale, M.P.)

Second Reading

Denotes Orders of the Day

****Denotes Orders of the Day for which Committee Report is yet to be tabled**

*****Denotes Bills whose Second Reading was deferred**

NOTICES**I. THE COFFEE BILL (SENATE BILL NO. 22 OF 2020)**

- 1) Notice is given that the Chairperson of the Departmental Committee on Agriculture and Livestock intends to move the following amendments to the Coffee Bill (Senate Bill No. 22 of 2020) at the Committee Stage—

(To resume from Clause 46)

CLAUSE 2

THAT, Clause 2 of the Bill be amended—

(a) by inserting the following definitions in their proper alphabetical sequence—

“auction levy” means such fee per sixty-kilogram bag of coffee sold at the Exchange as shall be determined by the Cabinet Secretary responsible for matters relating to finance payable by coffee growers to the Exchange;

“Authority” means the Capital Markets Authority established by the Capital Markets Authority Act;

No.
17 of
1989.

“buni” means coffee dried in the fruit or cherry but does not include hulled buni, also referred to as clean coffee, heavy buni or light buni;

“coffee plantation” means any large area of land or group of contiguous areas of land under the same management on which coffee is grown and produced for sale;

“co-operative society” means a co-operative society registered under the Co-operative Societies Act, Cap. 490;

“Fund” means the Coffee Stabilization Fund established under section 58A;

“grower miller” means a grower who mills own parchment or buni or its members’ coffee and includes an individual farmer, co-operative society, union, association, estate or any other legal entity;

“large scale coffee grower” means a person cultivating coffee in a parcel of land above fifty acres;

“medium scale coffee grower” means a person cultivating coffee in a parcel of land of between ten and fifty acres;

“small scale coffee grower” means a grower cultivating coffee in a parcel of land of less than ten acres;

“secondary market” means a post-auction transaction of clean coffee between a licensed buyer or roaster and any other party for the purpose of local sale or export;

“secondary processing” means parchment de-husking, polishing, grading and packaging of clean coffee beans;

“smallholder” means a grower cultivating coffee in a small parcel or in small parcels of land and who does not possess his or her own pulping station;

(b) by deleting the definition “direct settlement system”;

(c) by amending the definition “estate” by deleting the word “five” appearing immediately after the words “not being less than” and substituting therefor the word “ten”

CLAUSE 3

THAT, Clause 3 of the Bill be amended by deleting paragraph (b) and substituting therefor the following new paragraphs—

“(b) provide a regulatory framework for the registration, licensing, issuance of permits, issuance of certificates, production, processing, quality assurance, coffee trading, marketing and credit finance;

(ba) provide for enforcement of the regulatory framework and coffee standards in the subsector;

(bc) provide a framework for interlinkages amongst state agencies, regulators and players along the coffee value chain including the public private partnerships;

(bd) promote farmer-based associations or platforms for representation of farmers’ interests;

(be) provide a framework for the establishment of a Coffee Stabilization Fund;”

CLAUSE 6

THAT, Clause 6 of the Bill be amended by inserting the following new paragraphs immediately after paragraph (d)—

“(da) determine the provisions to be made for capital and recurrent expenditure and for the reserves of the Board;

(db) enter into association with other bodies or organizations within or outside Kenya as the Board may consider desirable or appropriate in furtherance of the purpose for which the Board is established;”

NEW CLAUSE

THAT, the Bill be amended by inserting the following new Clause immediately after Clause 6—

Authority to raise
or borrow
money.

6A. The Cabinet Secretary may, after consultation with the Cabinet Secretary responsible for finance, authorize the Board to raise or borrow such sums of money to finance its operations as it may think fit and the Board may secure the repayment of such sums.

CLAUSE 7

THAT, Clause 7 of the Bill be amended—

(a) in sub-clause (1)—

(i) by inserting the following new paragraph immediately after paragraph (c)—

“(ca) Principal Secretary for the time being responsible for cooperatives or the Commissioner for Cooperatives;”

(ii) by deleting paragraph (d) and substituting therefor the following new paragraph—

“(d) one person representing small scale coffee growers nominated by the Council of County Governors;”

(iii) by deleting paragraph (e) and substitute therefor the following new paragraph—

“(e) two persons of the opposite gender nominated by the umbrella body representing large scale coffee growers;”

(iv) by deleting paragraph (g) and substituting therefor the following new paragraph—

“(g) one person nominated by the umbrella body representing medium scale coffee growers;”

(v) by deleting paragraph (h) and substituting therefor the following new paragraph—

“(h) two persons of the opposite gender nominated by the cooperative society representing the largest number of small-scale coffee associations in Kenya; and”

(b) by inserting the following new sub-clause immediately after sub-clause (2)—

“(3) The Board may from time to time co-opt professional experts in financial management, international commodity trade or in any other area they need technical or professional support.”

(4) The appointment of the chairperson or members of the Board under subsection (1) (a), (d), (e), (f) and (g) and shall take into account the gender, regional and other diversities of the people of Kenya.”

CLAUSE 9

THAT, the Bill be amended by deleting clause 9 of the Bill and substituting therefor the following new clause—

^{Term of appointment.}

8. (1) The persons appointed under section 7(1) (a), (d), (e), (f) and (g) shall serve for a term of three years renewable for one further term.

(2) The persons appointed under section 7(1) (a), (d), (e), (f) and (g) shall be appointed at different times so that their respective expiry dates of terms of office shall fall at different times but not more than six months shall lapse between one appointment and another.

CLAUSE 11

THAT, Clause 11 of the Bill be amended in sub-clause (1) by deleting paragraph (c).

NEW CLAUSE

THAT, the Bill be amended by inserting the following new Clause immediately after Clause 17—

Corporation Secretary.

17A. (1) There shall be a Corporation Secretary who shall be the Secretary to the Board.

(2) The terms and conditions of service of the Corporation Secretary shall be determined by the Board.

CLAUSE 25

THAT, Clause 25 of the Bill be deleted.

CLAUSE 26

THAT, the Bill be amended by deleting Clause 26 and substituting therefor the following new clause—

Licenses issued by
the Board.

26. The following licences shall be issued by the Board—

- (a) a coffee buyer’s licence, authorizing the holder to—
 - (i) buy or deal in clean coffee produced in Kenya or to import clean coffee from outside Kenya, and to process, in Kenya for local sale or export, coffee of any country of origin; and
 - (ii) deal in roasting, blending and packaging coffee for the local market or for export.
- (b) a commercial coffee miller’s licence authorizing the holder to conduct the business of milling and marketing of coffee;
- (c) a grower miller’s licence, authorizing the grower to mill and market his or her own coffee;
- (d) a warehouseman’s licence, authorizing the holder to conduct the business of warehousing coffee;
- (e) independent cupping laboratory licence, authorizing the holder to offer coffee quality analysis services;
- (f) a coffee roaster’s licence authorizing the holder to buy at the auction or secondary market, roast or grind and package clean coffee for local sale or export and for importing clean coffee for value addition either for local sale or for export.
- (g) coffee liqueur’s licence;
- (h) processed coffee import permit;
- (i) clean coffee movement permit for exports;

NEW CLAUSES

THAT, the Bill be amended by inserting the following new Clauses immediately after Clause 26—

Licenses
issued by
county
governments

26A. (1) The following licences shall be issued by the respective county government—

- (a) pulping station licence authorizing the holder to operate a pulping station and may undertake hulling;
- (b) coffee nursery certificate;
- (c) warehouse licence;
- (d) parchment permit from the county of origin; and
- (e) clean coffee movement permit from the county of origin.

(2) A person intending to carry out any of the activities listed in section 26A shall apply for and obtain a licence or permit from the respective county government in which the operation is undertaken.

(3) An applicant for a licence or permit under subsection (1) shall submit an application in the prescribed form together with the prescribed fees to the respective county executive committee member for consideration.

(4) The county executive committee member shall consider the application and may issue to the applicant a licence in accordance with the respective county legislation.

Registration
by the Board.

26B. (1) The Board shall register warehousemen, coffee buyers, commercial coffee millers, grower millers, independent cupping laboratories, coffee roasters, coffee liqueurs, processed coffee importers, clean coffee importers, marketing agents, coffee bags suppliers, and certification companies.

(2) The Board shall issue a certificate of registration upon registration of the applicants.

(3) The Board shall not charge any fee for the registration of an applicant under subsection (1).

(4) Registration of the players under this section shall only be done once.

(5) The Board shall maintain a register of all registered players and share the register with the respective county government.

(6) All registered players shall complete and submit to the Board annual returns as shall be specified in regulations under this Act.

(7) A person who contravenes this section commits an offence and shall, on conviction, be liable to imprisonment for a term not exceeding three years or to a fine not exceeding five million shillings or to both.

Registration
by the county
government.

26C. (1) A person shall not carry out the business of a pulping station, coffee nursery operator, parchment movement from one county to another, warehouse or clean coffee movement from one county to another unless such person is registered by the respective county government in which the business is undertaken.

(2) A county government shall not charge any fees for the registration of an applicant under subsection (1).

(3) Each county government shall keep and maintain the register under subsection (1) for statistical purposes.

(4) A register under subsection (3) shall include—

- (a) the name of the pulping station operator, coffee nursery operator, warehouse, parchment mover or clean coffee mover;

(b) the location, size and parcel number of the land on which the business is located; and

(c) such other information as the Board may prescribe.

(5) Each county government shall submit to the Board a copy of the register under subsection (3).

Registration
by co-
operative
societies.

26D. (1) A smallholder coffee grower shall have the freedom to register with the co-operative society, association or company to which he or she delivers coffee.

(2) The directors of a coffee co-operative shall serve for a maximum period of two three-year terms.

(3) In electing directors under this section, a co-operative society shall ensure that not more than two thirds of the members are of one gender and that nominees for the Board meet the requirements of Chapter Six of the Constitution.

(4) Notwithstanding the provisions of any other law, every coffee factory may, by resolution of its members in the Annual General Meeting, apply for registration as a co-operative society under the Co-operatives Societies Act.

No. 12 of
1997.

(5) Every producer co-operative society, association or company, coffee plantation and nursery operator shall register with the county government by supplying such particulars as shall be prescribed in Regulations made under this Act.

(6) Where a person starts growing coffee at any time after the commencement of this Act, such person shall, within six months register with—

(a) a co-operative society, association or company in accordance with subsection (1) if such a person is a small scale grower; or

(b) his or her respective county government in accordance with provisions of this Act if such a person is a plantation grower or a co-operative society.

(7) The co-operative society, association, company and the county government shall each maintain a register for the purpose of this section and shall record the particulars supplied in accordance with this section.

(8) The county government shall share the data captured in this section with the Board on an annual basis.

(9) Where a co-operative society, association, company or the county government has reasonable cause to believe that a person whose particulars are recorded has ceased to be a grower, it may, after giving that person written notice by registered post of its intention to do so, remove the name of such person from the register.

(10) The register referred to in subsection (7) shall be proof that a person is a registered coffee grower and a co-operative society shall furnish the county government with particulars of all registered coffee growers in such manner as the county government may prescribe.

Prohibition
of certain acts
without a
licence.

26E. (1) No person shall buy, sell, mill, warehouse, export or otherwise deal in or transact any business in coffee unless he or she is a holder of a current licence issued by the licensing authority for that purpose.

(2) This section shall not apply to—

- (a) any person who purchases coffee for consumption or for planting on his or her land;
- (b) any grower who mills coffee produced by such grower.

(3) Any person who contravenes the provisions of subsection (1) or acts in contravention of the conditions of any licence granted commits an offence and is liable to a fine not exceeding five hundred thousand shillings or to imprisonment for a term not exceeding two years or to both.

(4) Where a person is convicted of an offence under this section, the court may order that any licence issued to such person be suspended for the subsequent coffee year or for such period as the Cabinet Secretary may, by Regulations, prescribe.

CLAUSE 34

THAT, Clause 34 of the Bill be amended in sub-clause (2) by deleting the word “sub-regulation” and substituting therefor the word “subsection”.

CLAUSE 35

THAT, the Bill be amended by deleting Clause 35 and substituting therefor the following new Clause—

Revocation or
alteration of a
licence or
permit.

35. A licensing authority may revoke, alter or suspend a licence or permit issued under this Act if in its opinion—

- (a) an offence under this Act, or in respect of the licensed activity under any other written law, has been committed by the licence or permit holder or any employee of the licence or permit holder; or
- (b) a condition of the licence or permit has been contravened or not complied with.

NEW CLAUSE

THAT, the Bill be amended by inserting the following new Clause immediately after Clause 35—

Surrender
of licence
or permit.

35A. (1) The holder of a licence or permit which is revoked shall immediately surrender it to the Board.

(2) A licence or permit holder may at any time surrender the licence or permit to the Board and the licence or permit shall cease to have effect immediately.

CLAUSE 37

THAT, the Bill be amended by deleting Clause 37 and substituting therefor the following new Clause—

Appeals
to the
High
Court.

37. (1) An applicant for or holder of a licence or permit who is aggrieved by a decision of the licensing authority may appeal to the High Court on or in respect of—

- (a) the grant, refusal, renewal, variation or revocation; or
- (b) the conditions imposed on the grant, renewal or variation, of a licence or permit.

(2) An appeal under this section shall be lodged within thirty days from the date on which the appellant first received notice of the decision.

CLAUSE 38

THAT, Clause 38 of the Bill be deleted.

NEW CLAUSES

THAT, the Bill be amended by inserting the following new Clauses immediately after Clause 42—

Branding
and
geographica
l indications.

42A. The Board shall promote and register all coffees produced in Kenya in accordance with geographical or regional markers styled as ‘Authentic Mark of Origin.’

Coffee
developmen
t.

42B. (1) The Cabinet Secretary may, on the advice of the Board, make policies and take steps to ensure that the coffee farmers receive appropriate technologies, credit, farm inputs and marketing support.

(2) The Board shall conduct training programs aimed at strengthening the capacities of county officers in terms of knowledge and skills in coffee production, processing technologies and marketing for different types of coffee.

(3) The Board shall, in consultation with the relevant standards bodies, coffee stakeholders, county governments and research institutions, develop the Kenya Coffee Production Standards and formulate a binding Code of Good Coffee Practice.

(4) Where a farmer has entered into an agreement with an organization representing the interest of such farmer, the Board and every dealer in coffee shall respect and enable the carrying out of the terms of such agreement, including the remission to such organization of any contributions that may, pursuant to such agreement, be deductible from the farmer.

Primary processing of coffee

42C. (1) The primary processing of coffee shall be carried out at a pulping station or by a grower’s co-operative society or other association of growers under a pulping station licence.

(2) The pulping station licence may include authority to undertake hulling of own parchment or buni.

(3) The huller shall be registered with the county government and such registration information shared with the Board.

Appointment of millers.

42D. (1) Coffee milling shall only be conducted at premises that are specified under the licence issued by the Board.

(2) Every coffee factory shall, by resolution of its members in Annual General Meeting, designate a registered miller for its parchment coffee.

(3) The manager of every coffee factory shall, within two months of the end of the crop year, call a meeting of outgrowers to choose the registered miller referred to in subsection (2) from amongst at least three millers invited to make representations to the outgrowers.

(4) The county executive committee member responsible for coffee shall attend or designate a representative to attend the meeting referred to subsection (3).

(5) Each registered miller participating in the meeting to choose a miller shall make all disclosures necessary to enable farmers make an informed decision.

(6) A miller shall be a bailee of all parchment received for milling and shall be responsible for any loss or damage to the coffee in his or her custody.

(7) The milling losses allowable under this section shall be capped at nineteen percent of coffee milled.

(8) The Cabinet Secretary may, by Regulations and upon submission of empirical evidence, vary the milling losses allowable under subsection (7).

(9) Every resolution made under this section shall, within fourteen days, be filed with the Board and copied to the relevant department of the county government and to the Commissioner of Co-operatives.

(10) Any person involved in the management of a coffee factory who contravenes the provisions of this section commits an offence.

(11) For the better carrying out of the provisions of this section, the Cabinet Secretary may by regulations, prescribe the manner for the appointment and remuneration of millers and for composition and attendance at the annual general meetings at which such millers are appointed.

CLAUSE 45

THAT, Clause 45 of the Bill be amended by—

- (a) in sub-clause (2) by deleting the words “and the direct settlement system provider”;
- (b) by deleting sub-clause (8).

CLAUSE 46

THAT, Clause 46 of the Bill be deleted and substituted therefor with the following new clause—

Coffee
trading.

46. (1) Kenyan coffee shall be offered for sale through—

- (a) auction in the Exchange; or
- (b) direct sales.

(2) All direct coffee sales shall be subject to price competition at the Exchange whereby the direct sale price shall serve as the reserve price.

(3) Where the coffee referred to in subsection (2) fetches a higher price at the Exchange than the direct sale price offered, the prospective direct sale buyer shall have the right of first refusal to buy the coffee at the Exchange price.

(4) Despite subsection (3), if the prospective direct sales buyer refuses to buy the coffee at the Exchange price, the coffee shall be sold to the person who makes the best offer above the reserve price at the Exchange.

(5) A buyer, a roaster, or a grower miller licensed by the relevant licensing authority, or a broker appointed by the grower, may trade at an exchange in accordance with this Act and any other laws governing trade in an exchange.

(6) A holder of a miller's marketing licence commits an offence if he or she participates by himself or herself or by his or her agent in the buying of coffee.

CLAUSE 48

THAT, the Bill be amended by deleting Clause 48 of the Bill and substituting therefor the following new Clause—

Application
as coffee
exchange.

48. (1) A person shall not carry on the business of a coffee exchange unless the person has applied for approval and has been licensed as a Coffee Exchange by the Authority in accordance with the Capital Markets Act.

Cap. 485A.

No. 17 of
2015.

(2) The Exchange shall be a body corporate, registered under the Companies Act.

(3) The functions of the Exchange shall be to—

- (a) manage the auction floor, the central sample room and the information registry;
- (b) maintain records relating to coffee sales, coffee samples and sweepings;
- (c) avail sales catalogues to interested parties in accordance with the Capital Markets Act; and

- (d) carry out such other function as the Cabinet Secretary for the time being responsible for matters relating to finance may prescribe.
- (4) The funds of the Exchange shall consist of—
 - (a) auction levy;
 - (b) registration fees payable by a coffee buyer, a roaster, a grower miller or broker;
 - (c) government grants and donations made to the Exchange;
 - (d) any interest from fixed deposits;
 - (e) monies from a source approved by the Exchange; and
 - (f) sample fee.

CLAUSE 54

THAT, Clause 54 of the Bill be amended by—

- (a) numbering the existing provision as sub-clause (1);
- (b) inserting the following sub-clauses immediately after sub-clause (1)—

“(2) In this section, “anti-competitive conduct” means any act, conduct, practice or behaviour by the Exchange organizer or any other licensee operating at the Exchange, individually or in concert with others that directly or indirectly impedes, frustrates, undermines or reduces competition at the Exchange.

(3) For the purpose of subsection (2), “anti-competitive conduct” includes but is not limited to margin squeeze, market sharing, transfer pricing, abuse of dominance, preferential contracts that give advantageous terms to affiliates and partners relative to competitors, imposition of unfair purchase or selling conditions or other, predatory practices, application of dissimilar conditions to equivalent transactions with other trading parties and other conduct that undermine competitive operations of the Exchange.

(4) The Cabinet Secretary for the time being responsible for matters relating to finance may make regulations for the implementation of this section.”

NEW CLAUSES

THAT, the Bill be amended by inserting the following new clauses immediately after clause 54—

Classification of
coffee.

54A. (1) Where a miller draws a sample of coffee for the purpose of grading the coffee, the miller shall within seven days of such grading notify the grower to whom the coffee belongs of the classification of the coffee.

(2) Any grower who is aggrieved by classification of his or her coffee under subsection (1) may, within fourteen days of the notification, appeal against such classification to the Board.

Promotion of
coffee.

54B. (1) The Cabinet Secretary shall in accordance with regulations made under this Act and in consultation with the Board, put in place programmes for the establishment of special economic zones in the coffee sub-sector.

(2) The Board may co-ordinate coffee stakeholders, including county governments, growers and buyers at the national and international events for the purpose of promoting Kenya coffee.

(3) A county government in the coffee growing areas may, separately or in unison with the Board, support coffee growers' participation in local and international coffee promotion and marketing events.

No lending by
millers and
marketing
agents.

54C. (1) A coffee miller and a marketing agent shall not lend to farmers on interest.

(2) A miller or marketing agent who contravenes the provision of subsection (1) commits an offence

(3) Any miller or marketing agent convicted of an offence under subsection (2) shall have his or her licence revoked or suspended for such duration as the Cabinet Secretary may, by regulations, determine.

Loans against
growers' assets.

54D. (1) The interest rate on borrowing by factory management against growers' assets held in trust by the coffee factories and coffee co-operative societies shall be capped at five per cent per annum.

(2) A factory or society shall not contract any loans or advances under subsection (1) except with the support of a resolution in an Annual General Meeting passed by a majority of the growers to that effect.

(3) Any factory or society that contravenes the provisions of subsection (1) commits an offence and any loans borrowed in contravention of this provision shall be statutorily converted into personal loans of the officials of the offending factory or society.

(4) Nothing in this section shall be interpreted as prohibiting coffee farmers from directly borrowing money from banks or any government established funds against their deliveries of cherry, parchment and clean coffee.

CLAUSE 58

THAT, Clause 58 of the Bill be amended by—

- (a) inserting the following paragraph immediately after the introductory statement—
 - “(a) such monies as may be appropriated by the National Assembly;”
- (b) renumbering the existing paragraphs (a), (b), (c), (d), (e) as (b), (c), (d), (e), (f), respectively.

NEW CLAUSE

THAT, the Bill be amended by inserting the following new clause immediately after Clause 58—

Coffee
Stabilization
Fund.

58A. (1) There is established a Fund to be known as the Coffee Stabilization Fund which shall be managed by the Board.

(2) The Fund shall consist of—

- (a) monies appropriated by the National Assembly;
- (b) monies from any source approved by the Board;
- (c) grants and donations made to the Board.

(3) The Board shall apply the monies received into the Fund to—

- (a) income and price stabilization; and
- (b) any investments that further the objective of stabilizing the prices paid to farmers.

CLAUSE 63

THAT, the Bill be amended by deleting Clause 63 and substituting therefor the following new Clause—

Financial Year of the Board.

63. The financial year of the Board shall be the period of twelve months ending on the 30th June of every year.

CLAUSE 67

THAT, Clause 67 of the Bill be amended—

- (a) in sub-clause (1)
 - by deleting paragraph (f) and substituting therefor the following new paragraph—
 - “(f) one person nominated by the umbrella body of estate coffee growers;”
- (b) by deleting sub-clause (3) and substituting therefor the following new sub-clause—

“(3) A person is qualified for appointment as chairperson of the Board of the Institute if that person holds a master’s degree in agriculture, crops science, or other relevant degree from a university recognized in Kenya.”

CLAUSE 70

THAT, Clause 70 of the Bill be amended in sub-clause (2) by inserting the following new paragraph immediately after paragraph (e)—

“(ea) issue certified coffee seeds or seedlings for multiplication in coffee nurseries to coffee growers or for export;”

CLAUSE 74

THAT, Clause 74 of the Bill be amended in sub-clause (3) by deleting paragraph (b) and substituting therefor the following new paragraph—

“(b) holds a master’s degree in agriculture or crops science from a university recognized in Kenya;”

CLAUSE 80

THAT, Clause 80 of the Bill be amended by—

(a) inserting the following paragraph immediately after the introductory statement—

“(a) such monies as may be appropriated by the National Assembly;”

(b) renumbering the existing paragraphs (a), (b), (c), (d), (e) as (b), (c), (d), (e), (f), respectively.

CLAUSE 84

THAT, Clause 84 of the Bill be amended in sub-clause (1) by deleting paragraph (a) and substituting therefor the following new paragraph—

“(a) a statement showing in detail the assets and liabilities of the Institute;”

CLAUSE 85

THAT, Clause 85 of the Bill be amended—

(a) in sub-clause (1) by deleting the words “balance sheet and such other statements of accounts” and substituting therefor the words “statements of account”;

(b) in sub-clause (2) by deleting the words “balance sheet and statements” and substituting therefor the words “statements of account”;

(c) in sub-clause (3) by deleting the words “balance sheet and statements” and substituting therefor the words “statements of account”;

NEW CLAUSE

THAT, the Bill be amended by inserting the following new Clause immediately after Clause 87—

Conflict of laws.

87A. If any conflict arises between the provisions of this Act and any other Act with respect to the regulation of coffee, the provisions of this Act shall prevail.

NEW CLAUSE

THAT, the Bill be amended by inserting the following new Clause immediately after Clause 91—

Offences and penalties.

91A. (1) A person commits an offence if the person—

- (a) without lawful excuse ignores or fails to obey any instruction issued by a member of the Board or an employee or agent of the Board in exercise of the powers or the performance of the functions of the Board under this Act;
- (b) willfully obstructs a member of the Board or an employee or agent of the Board in the discharge of their lawful duties; or
- (c) misrepresents, knowingly submits false or misleading information to a member of the Board or an employee or agent of the Board in exercise of the powers or the performance of the functions of the Board under this Act.

(2) A person who contravenes subsection (1) is liable, on conviction, to a fine not exceeding five hundred thousand shillings or to imprisonment for a period not exceeding five years, or to both.

(3) A person who is convicted of an offence under this Act shall in addition to any other penalty have his or her licence or registration suspended or cancelled for such a period as the Board may decide.

CLAUSE 92

THAT, the Bill be amended by deleting Clause 92 and substituting the following new Clause—

General
penalty.

92. (1) A person who commits an offence under this Act for which no penalty is provided shall be liable, on conviction, to a fine not exceeding five hundred thousand shillings or a fine not exceeding twice the value of the coffee or coffee products or, to imprisonment for a term not exceeding six months, or to both.

(2) Where the person convicted under this section is also a licence or permit holder under this Act, the licensing authority may, in addition, cancel such person's licence.

NEW CLAUSE

THAT, the Bill be amended by inserting the following new Clause immediately after Clause 92—

Offences relating to
body corporate.

92A. If an offence under this Act is committed by a body corporate, any other association of individuals or a co-operative society, a director, partner or any other person involved in, or acting or purporting to act in the management of its affairs commits an offence unless that person proves that—

- (a) the act or omission constituting the offence took place without the person's knowledge; or
- (b) the person took reasonable steps to prevent the commission of the offence.

CLAUSE 94

THAT, the Bill be amended by deleting Clause 94 and substituting therefor the following new Part—

PART XIA- PROVISIONS ON DELEGATED LEGISLATION

Regulations.

94. (1) The Cabinet Secretary may, in consultation with the Board and county governments, make Regulations—

- (a) prescribing anything that may be prescribed under this Act; and
- (b) generally for the better carrying out of the provisions of this Act.

(2) Without prejudice to the generality of subsection (1), the Cabinet Secretary may make Regulations to provide for—

- (a) the regulation of the processing, importation and exportation of coffee and coffee products;
- (b) the forms to be used in the application for registration, licensing, permits, contracts and related activities;
- (c) the process of application for registration, licensing and related activities;
- (d) any fee or levy which may be charged for anything done under this Act;
- (e) the regulation and enforcement of contracts between growers, processors and other players in the coffee industry;
- (f) the process of nomination of members to the Board
- (g) the conditions for the issuance of certificates, licenses and permits under this Act;
- (h) the trade, storage, bulking, packing and roasting of coffee;
- (i) the regulation of nursery operations, pulping, milling, warehousing and transportation of coffee;

- (j) value addition of coffee exports and imports;
 - (k) the grading and classification of coffee;
 - (l) the imposition of costs charged by service providers along the value chain and payment of coffee sales proceeds to growers and their service providers; and
 - (m) anything required to be prescribed under this Act;
- (3) For the purposes of Article 94(6) of the Constitution—

Cap. 2

No. 23 of 2013

- (a) the authority of the Cabinet Secretary to make regulations under this Act shall be limited to bringing into effect the provisions of this Act and for the fulfillment of the objectives of this Act;
- (b) the principles and standards applicable to the regulations made under this section are those set out in the Interpretation and General Provisions Act and the Statutory Instruments Act, 2013.

CLAUSE 96

THAT, the Bill be amended by deleting Clause 96 and substituting therefor the following new Clause—

Transfer of assets and liabilities.

96. All property, except such property as the Cabinet Secretary may specify in writing, which, immediately before the commencement of this Act, was vested in the Government for the use of the Coffee Directorate of the Agriculture and Food Authority and the Coffee Research Institute of the Kenya Agricultural and Livestock Research Organization, shall, on the date of commencement of this Act, vest in the Board and the Institute, respectively, subject to any existing interests, liabilities, charges, obligations and trusts affecting that property.

CLAUSE 102

THAT, the Bill be amended by deleting Clause 102 and substituting therefor the following new Clause—

Consequential amendments.
No. 16 of 2013.

102. The Crops Act is amended —

- (a) in section 14(1) by deleting paragraph (a); and
- (b) in Part 1 of the First Schedule by deleting the expression “Coffee.....*Coffea* spp.”

THAT, the Bill be amended by inserting the following new Clause immediately after Clause 102—

Consequential
amendments.

No. 12 of 1997.

102A. The Co-operative Societies Act is amended —

- (a) in section 43—
 - (i) by numbering the existing provision as subsection (1);
 - (ii) by inserting the following new subsection—

“(2) Despite subsection (1), a coffee cooperative society shall not lend to farmers on interest.”
- (b) In section 44—
 - (i) by numbering the existing provision as subsection (1);
 - (ii) by inserting the following new subsections—

“(2) The interest rate on borrowing by factory management against growers’ assets held in trust by coffee co-operative societies shall be capped at five per cent per annum.

(3) A factory or society shall not contract any loans or advances under subsection (1) except with the support of a resolution in an Annual General Meeting passed by a majority of the growers to that effect.”

SECOND SCHEDULE

THAT, the Bill be amended by deleting the Second Schedule and substituting therefor the following new Schedule—

SECOND SCHEDULE (s. 11, s. 23, s. 26, s. 26A, s.27, s. 28, s. 32, s.67)**LICENCE, PERMIT OR CERTIFICATE**

No.	Type of Licence/Permit or Certificate	Issuing Authority
1.	Coffee buyer's licence	Board
2.	Independent cupping laboratory licence	Board
3.	Warehouseman's licence	Board
4.	Coffee liqueur's licence	Board
5.	Processed coffee import permit	Board
6.	Clean coffee movement permit for exports	Board
7.	Commercial coffee miller's licence	Board
8.	Coffee roaster's licence	Board
9.	Grower miller's licence	Board
10.	Marketing agent licence	Board
11.	Coffee nursery certificate	County government
12.	Warehouse licence	County government
13.	Pulping station licence	County government
14.	Parchment permit from the county of origin	County government
15.	Clean coffee movement permit from the county of origin	County government
16.	Coffee exchange licence	Capital Markets Authority
17.	Broker's licence	Capital Markets Authority

- 2) **Notice is given that the Member for Gichugu (Hon. Robert Gichimu) intends to move the following amendments to the Coffee Bill (Senate Bills No. 22 of 2020) at the Committee Stage—**

CLAUSE 7

THAT, clause 7 of the Bill be amended –

(a) in sub clause (1) –

(i) by inserting the following new paragraphs immediately after paragraph

(c) –

“(ca) the Principal Secretary responsible for co-operatives or a representative nominated by the Principal Secretary in writing;

(cb) the Principal Secretary responsible for the National Treasury or a representative nominated by the Principal Secretary in writing;”

(ii) by deleting paragraph (e) and substituting therefor the following new paragraph-

“(e) one person nominated by the umbrella body representing large scale coffee growers;”

(iii) by deleting paragraph (h) and substituting therefor the following new paragraph-

“(h) two persons of the opposite gender elected by small-scale coffee growers through their unions;”

(b) in sub clause (2) by deleting the words “subsection (1) (d), (e), (f) and (g)” and substituting therefor the words “subsection (1) (d), (e), (f), (g) and (h)”.

CLAUSE 8

THAT, the Bill be amended by deleting clause 8 and substituting therefor the following new clause-

Qualification
for
appointment.

8. A person shall be qualified for appointment as a member of the Board if that person-

- (a) in the case of a person appointed under section 7 (1) (a) (e) and (f), holds a degree from a university recognized in Kenya;
- (b) in the case of a person appointed under section 7 (1) (d), (g) and (h), holds a Kenya Certificate of Secondary Education or its equivalent;
- (c) has three years experience in the coffee sector; and
- (d) meets the requirements of Chapter Six of the Constitution.

CLAUSE 9

THAT, clause 9 of the Bill be amended –

- (a) by renumbering the existing provision as subsection (1);
- (b) by deleting the words “section 6 (1) (d), (e), (f) and (g)” and substituting therefor the words “section 7 (1) (d), (e), (f), (g) and (h)”;
- (c) by inserting the following new subsection immediately after subsection (1) –
“(2) The persons appointed under section 7 (1) (a), (d), (e), (f), (g) and (h) shall be appointed at different times but not more than six months shall lapse between one appointment and the other in the case of a vacancy in the Board”.



LIMITATION OF DEBATE

The House resolved on Wednesday, February 2, 2022 as follows-

Limitation of Debate on Motions

- II.** **THAT**, each speech in a debate on any **Motion, including a Special motion** shall be limited in the following manner:- A maximum of three hours with not more than twenty (20) minutes for the Mover and ten (10) minutes for each other Member speaking, except the Leader of the Majority Party and the Leader of the Minority Party, who shall be limited to a maximum of fifteen (15) minutes each, and **THAT** ten (10) minutes before the expiry of the time, the Mover shall be called upon to reply; and **THAT** priority in speaking be accorded to the Leader of the Majority Party, the Leader of the Minority Party and the Chairperson of the relevant Departmental Committee, in **THAT** order.

Limitation of Debate on Bills sponsored by Parties or Committees

- III.** **THAT**, each speech in a debate on **Bills sponsored by a Committee, the Leader of the Majority Party or the Leader of the Minority Party** shall be limited as follows:- A maximum of forty five (45) minutes for the Mover, in moving and fifteen minutes (15) in replying, a maximum of thirty (30) minutes for the Chairperson of the relevant Committee (if the Bill is not sponsored by the relevant Committee), and a maximum of ten (10) minutes for any other Member speaking, except the Leader of the Majority Party and the Leader of the Minority Party, who shall be limited to a maximum of fifteen Minutes (15) each (if the Bill is not sponsored by either of them); and **THAT** priority in speaking shall be accorded to the Leader of the Majority Party, the Leader of the Minority Party and the Chairperson of the relevant Departmental Committee, in **THAT** order.

Limitation of Debate on Individual Members' Bills

- IV.** **THAT**, each speech in a debate on **Bills NOT sponsored by a Committee, the Leader of the Majority Party or the Leader of the Minority Party** shall be limited as follows:- A maximum of three hours and thirty minutes, with not more than thirty (30) minutes for the Mover, in moving and ten (10) minutes in replying, a maximum of thirty (30) minutes for the Chairperson of the relevant Committee and a maximum of ten (10) minutes for any other Member speaking, except the Leader of the Majority Party and the Leader of the Minority Party, who shall be limited to a maximum of fifteen Minutes (15) each; and **THAT** priority in speaking be accorded to the Leader of the Majority Party, the Leader of the Minority Party and the Chairperson of the relevant Departmental Committee, in **THAT** order.

NOTICE PAPER

Tentative business for

Wednesday (Afternoon), April 13, 2022

(Published pursuant to Standing Order 38(1))

It is notified that the House Business Committee has approved the following *tentative* business to appear in the Order Paper for Wednesday (Afternoon), April 13, 2022-

A. COMMITTEE OF THE WHOLE HOUSE

- (i) The National Electronic Single Window System Bill (National Assembly Bill No. 15 of 2021)
(The Leader of the Majority Party)
- (ii) The Huduma Bill (National Assembly Bill No. 57 of 2021)
(The Leader of the Majority Party)
- (iii) The Children Bill (National Assembly Bill No. 38 of 2021)
(The Leader of the Majority Party)

B. THE NATIONAL DISASTER RISK MANAGEMENT BILL (NATIONAL ASSEMBLY BILL NO. 28 OF 2021)

(The Leader of the Majority Party)

Second Reading

C. MOTION- IMPLEMENTATION STATUS OF THE REPORT ON A PETITION ON IRREGULAR RENEWAL OF LEASES OF LAND BY DEL MONTE KENYA LIMITED

(The Chairperson, Committee on Implementation)

D. THE PROMPT PAYMENT BILL (SENATE BILL NO. 16 OF 2021)

(The Chairperson, Departmental Committee on Finance and National Planning)

Second Reading

E. THE STARTUP BILL (SENATE BILL NO. 1 OF 2021)

(The Chairperson, Departmental Committee on Communication, Information and Innovation)

Second Reading

F. THE MUNG BEANS BILL (SENATE BILL NO. 9 OF 2020)

(The Chairperson, Departmental Committee on Agriculture and Livestock)

Second Reading

APPENDIX

NOTICE OF PETITIONS, QUESTIONS & STATEMENTS

ORDER NO.7 - QUESTIONS

It is notified that, pursuant to the provisions of Standing Order 42A (5), the following Member will ask a **question** for reply before the specified Committee-

QUE. NO.

ORDINARY QUESTIONS

107/2022

The Member for Nairobi County (Hon. Esther Passaris, MP) to ask the Cabinet Secretary for Lands and Physical Planning:

-

- (i) Could the Cabinet Secretary state the current ownership of parcels, *Land Reference Nos. 209/9945, 209/9946, 209/9947, 209/9948, 209/9949 and 209/11975* located at *Deep Sea Area located in Westlands Sub-County in Nairobi County*, where there is a ownership dispute and the current occupants are facing evictions?
- (ii) Could the Cabinet Secretary state the manner in which the land was acquired and disclose names of any persons laying claim to it including private developers who may have indicated an interest in developing the said land within the last 5 years?
- (iii) Could the Cabinet Secretary detail the history of the said parcels of land including original ownership, any changes in ownership and clarify whether land and rent rates have been remitted to the Government in accordance with the law?

(To be replied before the Departmental Committee on Lands)
