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Date: 07/06/23

REPUBLIC OF KENYA

APPROVED

08/06/23

THIRTEENTH PARLIAMENT - SECOND SESSION

THE SENATE

STANDING COMMITTEE ON AGRICULTURE, LIVESTOCK AND
FISHERIES

REPORT ON THE COTTON INDUSTRY DEVELOPMENT BILL
(SENATE BILLS NO. 5 OF 2023)

PAPERS LAID	
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June, 2023

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ABBREVIATIONS AND ACRONYMS

ADC	-	Agricultural Development Corporation
AFA	-	Agriculture and Food Authority
AFC	-	Agricultural Finance Corporation
AIF	-	Agricultural Industry Forum
CABI	-	Centre for Agriculture and Bioscience International
CRI	-	Cotton Research Institute
COG	-	Council of Governors
FAO	-	Food and Agriculture Organization
KALRO	-	Kenya Agricultural and Livestock Research Organization
KEFRI	-	Kenya Forestry and Research Institute
KEMFRI	-	Kenya Marine and Fisheries Research Institute
KENAFF	-	Kenya National Farmers' Federation
KEPHIS	-	Kenya Plant Health Inspectorate Services
KEPSA	-	Kenya Private Sector Alliance
KFMA	-	Kenya Fish Marketing Authority
KFS	-	Kenya Fisheries Service
KLDC	-	Kenya Leather Development Council
KMC	-	Kenya Meat Commission
KSC	-	Kenya Seed Company
KVB	-	Kenya Veterinary Board
KVVPB	-	Kenya Veterinary Vaccine Production Board
NIB	-	National Irrigation Board.

PRELIMINARIES

ESTABLISHMENT AND MANDATE OF THE COMMITTEE

The Standing Committee on Agriculture, Livestock and Fisheries is established under standing order 228(3) of the Senate Standing Orders and is mandated to consider all matters relating to agriculture, irrigation, livestock, fisheries development and veterinary services.

In undertaking its mandate, the Committee oversees the following State Departments:

- a. Ministry of Agriculture and Livestock Development;
 - i. The State Department for Crops Development and;
 - ii. The State Department for Livestock Development
- b. Ministry of Sanitation, Water and Irrigation.
- c. Ministry of Mining, Blue Economy and Fisheries.
 - a. State Department for Blue Economy and Fisheries.

The Committee also oversees the following State Agencies among others-

- a. Agriculture and Food Authority (AFA);
- b. Agricultural Finance Corporation (AFC);
- c. Agricultural Development Corporation (ADC);
- d. Kenya Seed Company (KSC);
- e. Kenya Plant Health Inspectorate Services (KEPHIS);
- f. Kenya Agricultural and Livestock Research Organization (KALRO);
- g. Kenya Veterinary Vaccine Production Board (KVVPB);
- h. Kenya Veterinary Board (KVB);
- i. Kenya Meat Commission (KMC);
- j. Kenya Dairy Board (KDB);
- k. Kenya Leather Development Council (KLDC);
- l. Kenya Fisheries Service (KFS);
- m. Kenya Fish Marketing Authority (KFMA);
- n. Kenya Marine and Fisheries Research Institute (KEMFRI);
- o. Kenya Fishing Industries Corporation; and
- p. National Irrigation Board (NIB).

The Committee also works closely with the Council of Governors (CoG), and the County Assemblies Forum (CAF) and non-state actors including among others-

- a. Kenya Private Sector Alliance (KEPSA);
- b. Agricultural Council of Kenya (AgCK)
- c. Food and Agriculture Organization (FAO);
- d. Kenya National Farmers' Federation (KENAFF);
- e. Centre for Agriculture and Bioscience International (CABI); and
- f. Agricultural Industry Forum (AIF).

MEMBERSHIP OF THE COMMITTEE

The Committee is comprised of the following Members-

- | | | |
|-------------------------------------|---|-------------------------|
| a. Sen. James Kamau Murango, MP | - | Chairperson |
| b. Sen. Alexander Munyi Mundigi, MP | - | Vice-Chairperson |
| c. Sen. Moses Otieno Kajwang', MP | - | Member |
| d. Sen. Enoch Kiiio Wambua, CBS, MP | - | Member |
| e. Sen. Daniel Kitonga Maanzo, MP | - | Member |
| f. Sen. Beth Kalunda Syengo, MP | - | Member |
| g. Sen. Wahome Wamatinga, MP | - | Member |
| h. Sen. Allan Kiprotich Chesang, MP | - | Member |
| i. Sen. David Wafula Wakoli, MP | - | Member |

CHAIRPERSON'S FORWARD

Mr. Speaker Sir,

The Cotton Industry Development Bill, (Senate Bills No. 5 of 2023) is a Bill for an Act of Parliament to provide for the production, processing, marketing and distribution of cotton in Kenya and its products; establish the Cotton Industry Development Board; provide a framework for cotton farming; ensure value addition to cotton and its related products; and for connected purposes.

Mr. Speaker Sir,

The cotton industry was once a major foreign exchange earner whose collapse led to massive loss of revenue to the government and farmers. Governmental issues, regulatory challenges, national and international economic realities, and scientific reliability are some of the pressing concerns that need to be addressed by the institution responsible for cotton industry development in order to attain success in the industry.

There is therefore a genuine need for a strong and robust policy and institutional foundation to support and guide the multitude of activities, operations, and interactions within the industry with the aim that the growth of the industry will result to a strengthened agricultural economy for the various cotton growing counties across the country.

The Bill seeks to provide for the policy and institutional framework within which cotton industry operates. The focus of this Bill is the revamping of cotton farming in order to make it a profitable, sustainable and a development-oriented activity.

Mr. Speaker Sir,

The Cotton Industry Development Bill, 2023 (Senate Bills No. 5 of 2023) was published *vide* Kenya Gazette Supplement No. 9 of 6th February, 2023 and was introduced in the Senate by way of First Reading on 2nd March, 2023 and thereafter stood committed to the Senate Standing Committee on Agriculture, Livestock and Fisheries for consideration.

In compliance with the provisions of Article 118 of the Constitution and Standing Order 145 (5) of the Senate Standing Orders, the Committee proceeded to undertake public participation on the Bill. In this regard, the Committee published an advertisement in the Daily Nation and Standard newspapers on Tuesday, 11th March, 2023 inviting members of the public to submit written memoranda to the Committee on the Bill. Additionally, the Committee sent invitations to key stakeholders inviting them to submit their comments on the Bill.

In total, the Committee received submissions from a total of fourteen (14) stakeholders, including written submission from the Agriculture and Food Authority (AFA), Kenya National Commission on Human Rights (KNCHR), Kenya Cotton Ginners Association, Ministry of Investment, Trade and industry-State Department for Industry and Nature Kenya. The Committee thereafter conducted public participation on the Bill in Kitui and Busia Counties and received oral and written submissions from Kisumu Cotton Growers Cooperative Union, Kisumu Cotton Growers Cooperative Union, Jairos Cotton Cooperative Society Limited, Luanda Cotton Farmers Cooperative Union Limited and Malaba – Malakisi Farmers’ Cooperative.

Summary of Observations by the Committee

From the submissions received, the Committee made the following Observations:

1. The need to define the word cotton sector in order to bring clarity on the scope of application of the Bill
2. The membership of the Board was farmer heavy; out of the ten members of the Board, eight are farmers representatives. Consequently, it is necessary to reduce the number of farmers representative and to add other stakeholders to the membership of the Board in order to strike a balance;
3. There is a need to facilitate farmers in terms of establishing aggregation centers and collection centers which are close to the farmers. It was noted that farmers incur a lot of costs and sometimes their produce are spoiled due to lack of proper accessible storage facilities;
4. The Board should in consultation with the National Biosafety Authority and research institutions undertake research in order to develop affordable climate resilient seeds. It was noted that the cost of seeds was too high, currently a kilo of cotton seed retailing at an average of four thousand shilling;

5. In order to cushion farmers from the high cost of production, the Board and the county governments should put in place measures to provide subsidised farm machinery and other inputs which include; seeds, fertilizers and pesticides;
6. Agriculture being a devolved function the county government should put in place and implement measures, including incentives in order to promote the development of the cotton industry;
7. The small-scale farmers felt that the registration process as outlined in Section 24 of the Bill was too inhibitive because it requires farmers to travel for long distances to county offices for registration. It is therefore imperative to come up with a simple registration process which is accessible to the farmers;
8. Clause 25 (1) which provides that a person shall not engage in manufacture of cotton products without a license needs to be clarified because the intent of the Bill is on cotton growing, ginning and value addition of cotton by-products and not on textiles & apparels;
9. The Bill prohibits imports and export *cotton products*. The cotton industry is diverse with many products ranging from textiles, apparels, fishing nets, filters among others and therefore there was a need to qualify these cotton products;
10. Since it is not possible to have all the proposed stakeholders' representatives in the Board, committees should be established at the county level to advise the county executive member on matters that affect the cotton industry; and
11. The Bill proposes to remove the management and regulation of Cotton from AFA to the Cotton Industry development Board. It is therefore necessary to transition, all staff, assets and liabilities with respect to the cotton sector, from AFA to the Cotton Industry Development Board.

Summary Recommendations by the Committee

Following the Committee interactions with the Cotton Industry Development Bill, 2023 (Senate Bills No. 5 of 2023), the Committee proposes the following amendments-

1. That, clause 7(1) on the composition of the Board be amended to:
 - a) include the principal secretary for trade;
 - b) include a representative of the ginners nominated by the ginners apex body;
 - c) reduce the nominees of Council of County governors from two to one;
2. That, clause 10(1) be amended to add the following functions of the Board-

- a) to undertake research;
 - b) provision of affordable farm inputs and machinery including seeds, fertilizers and pesticides;
 - c) to design affordable crop insurance models; and
3. That, clause 23(1) be amended to delete paragraph (d) which requires county governments to regulate the cutting or destruction of cotton in order to conserve and protect the resources devoted to the cotton industry.
 4. That, clause 23(2) be amended to add the following functions of the County governments-
 - a) monitor and provide technical support for the eradication of noxious and invasive weeds and report any incidences to the Board.;
 - b) establish cotton aggregation centres in collaboration with the national government and the Board;
 - c) establish cotton collection centres and storage facilities;
 - d) put in place programs for provision of farm machinery; and
 - e) provide affordable farm-inputs including quality seeds, fertilizer and other planting materials.
 5. That, Clause 23 be amended to insert a new subclause (3) to mandate the county executive committee member responsible for finance to implement measures, including incentives in order to promote the development of the cotton industry;
 6. That, clause 24 be amended to provide for collaboration between the county government and grower's cooperative societies, associations and groups on registration of cotton industry players;
 7. That, clause 25(1) and (2) be amended to delete the words "manufacturing or processing of cotton products" and substitute it with the words "in the business of cotton ginning, spinning or value addition";
 8. That, clause 32(1) and (2) be amended to delete the words "cotton products" and substitute it with the words "cotton by- products
 9. That, an amendment to insert a new part "**PART VII— TRANSITIONAL PROVISIONS**" immediately after clause 47 be added.
 10. That, a new clause 23A be inserted to mandate the county executive member to establish cotton development committees comprising of representatives of the county government, growers, ginner and other relevant stakeholders from the county.

11. That, an amendment to provide for, with respect to the cotton sector, transition of rights and obligations, assets, legal proceedings, reference to written law, previous authorization and staff, from the Agriculture and Food Authority to the Cotton Development Board be added.

Mr. Speaker Sir,

May I take this opportunity to commend the Members of the Committee for their devotion, thoughtful insights and commitment to duty, which made the consideration of the Cotton Industry Development Bill and production of this report successful. The Committee acknowledges and appreciates the sponsor of the Bill, Sen. Beth Kalunda Syengo, MP who participated and sat through all the sessions during the consideration of the Bill.

I also wish to thank the Offices of the Speaker and the Clerk of the Senate for the support extended to the Committee in undertaking this important assignment. Lastly, I wish to acknowledge the time and considerable effort made by the institutions, organizations and individuals that participated and submitted their memorandums to the Committee.

Mr. Speaker, Sir,

It is now my pleasant duty, pursuant to standing order 143 (1), to present the Report of the Standing Committee on Agriculture, Livestock and Fisheries on the Cotton Industry Development Bill (Senate Bills No. 5 of 2023).

Signed.....

Date...6/6/2023.....

for
CHAIRPERSON: SEN. JAMES KAMAU MURANGO, MP,

STANDING COMMITTEE ON AGRICULTURE, LIVESTOCK AND FISHERIES

ADOPTION OF THE REPORT OF THE STANDING COMMITTEE ON AGRICULTURE, LIVESTOCK AND FISHERIES ON THE COTTON INDUSTRY DEVELOPMENT BILL, 2023 (SENATE BILLS NO. 5 OF 2023)

We, the undersigned Members of the Senate Standing Committee on Agriculture, Livestock, and Fisheries, do hereby append our signatures to adopt this Report –

	Name	Designation	Signature
a)	Sen. James Kamau Murango, MP	Chairperson	
b)	Sen. Alexander Munyi Mundigi, MP	Vice-Chairperson	
c)	Sen. Moses Otieno Kajwang', MP	Member	
d)	Sen. Enoch Kiiio Wambua, CBS, MP	Member	
e)	Sen. Daniel Kitonga Maanzo, MP	Member	
f)	Sen. Beth Kalunda Syengo, MP	Member	
g)	Sen. Wahome Wamatinga, MP	Member	
h)	Sen. Allan Kiprotich Chesang', MP	Member	
i)	Sen. David Wafula Wakoli, MP	Member	

CHAPTER ONE

1.1. Background

The Cotton Industry Development Bill, 2023 (Senate Bills No. 5 of 2023) was published as published *vide* Kenya Gazette Supplement No. 9 of 6th February, 2023 and was read a First Time in the Senate on Thursday, 2nd March, 2023 and thereafter stood committed to the Senate Standing Committee on Agriculture, Livestock and Fisheries for consideration. The Bill is attached to this Report as *Appendix 2*.

The Bill seeks to provide for the production, processing, marketing and distribution of cotton in Kenya and its products; establish the Cotton Industry Development Board; provide a framework for cotton farming; ensure value addition to cotton and its related products.

The Bill seeks to amend the Crops Act, 2013 so as to unbundle the regulation and management of cotton that falls within the ambit of the Agriculture and Food Authority (AFA) and establish a stand-alone agency for its regulation. The Bill seeks to reorganize the cotton industry by establishing the Cotton Industry Development Board; providing framework for cotton farming; and ensuring value addition to cotton and its related products.

The current production of cotton lint in Kenya is approximately 7,000 tons versus a potential production of 200,000 tons. The production has been volatile for the last few years and has not been sufficient to meet the domestic mill requirement. As a result, Kenyan firms import cotton from neighboring cotton-producing countries such as Uganda and Tanzania.

The cotton, textiles, and apparel (CTA) industry is Kenya's second-largest manufacturing industry after food processing and has been classified as a core industry. Kenya's CTA manufacturing value chain comprises researchers, ginners, farmers, spinners, input suppliers, textile manufacturers, and extension service providers.

The textiles and apparels sector has been identified as a priority sector by the Kenyan Government. Its prominence in the manufacturing pillar under the Big 4 Agenda and the

Kenya Industrial Transformation Program is a manifestation of the importance of cotton in the industrial sector.

Under the Kenya Government's policy for addressing poverty 'Kenya Vision 2030, cotton has been identified as a key sub-sector with the potential to benefit 8 million people in the drier areas of the country.

Over the years, cotton has been raised as a cash crop, but the supply does not keep up with the demand. According to cotton crop trials conducted in Kwale County, 1 acre of land can yield 800-1000 kg of cotton balls. Cotton is harvested on cotton farms and then exported to Australia or Bangladesh for spinning before being returned to Kenya as fabric.

The fabric is subsequently delivered to EPZ zones, which are designated factories that support investments with an export focus. Then, clothing is created from these textiles and exported all over the world. Kenya's major export destinations for clothing are the United States and Canada. Companies like Polo and Tom Hilfiger produce their goods here before exporting them.

Filling up spaces in manufacturing and spinning the cotton locally will go a long way in covering the extra resources used in exporting and spinning outside the country. With the country's exports now at Ksh. 60 billion annually only at 8%, this means that Kenya is sitting on a Ksh. 7.5 trillion.

The textiles and apparels sector has the ability to create a large number of employment opportunities within a short duration of time. A fully developed value chain has the capacity to employ about 10% of the country's population. The value chain is also an important driver of inclusivity as it employs women in excess of 60%.

1.2 Overview of the Bill

The Bill proposes the following –

PART II – The Cotton Industry Development Board

Clause 4 of the Bill establishes the Cotton Industry Development Board with its headquarters in Nairobi City County and with powers to establish branches in other parts

of the country. The Board shall be the body corporate with perpetual succession and a common seal and shall in its corporate name shall be capable of suing and being sued; taking, purchasing or otherwise acquiring, holding, charging and disposing of movable or immovable property; entering into contracts, borrowing and lending money; and doing or performing all such other things or acts as may be necessary for the proper discharge of its functions under the Act which may be lawfully done or performed by a body corporate.

Clause 5 of the Bill provides for the headquarters of the Board which shall be in Nairobi. And that the Board may establish such other offices anywhere in Kenya as it may consider necessary for the effective performance of its functions under this Act.

Clause 6 of the Bill provides that the Board shall have all the powers necessary for the proper performance of its functions under this Act.

Clause 7 of the Bill provides for the composition of the Board with a Chairperson appointed by the President; the Principal Secretary responsible for agriculture or a designated representative; six persons representing cotton farmers, one from the six regions specified in the first schedule, nominated by the farmers' cooperative societies with the largest membership in the respective counties; two persons of opposite gender representing cotton farmers nominated by the Council of County Governors; and the Chief Executive Officer.

Clause 8 of the Bill sets out the qualifications for appointment as a member including that the person must be a citizen of Kenya, holding a degree from a university recognised in Kenya or in the case of the farmer representatives, hold post-secondary school qualification; have at least three years' experience in management and meet the requirements of Chapter 6 of the Constitution.

Clause 9 provides for the tenure of the board members as a term of three years' renewable for one further term.

Clause 10 provides for vacation of office of a board member if they are absent without reasonable cause, for three consecutive meetings of the Board; becomes an officer, agent

or member of staff of the Board; resigns in writing addressed, in the case of the chairperson, to the President, and in the case of any other member, to the Cabinet Secretary; is convicted of a criminal offence and sentenced to a term of imprisonment of at least six months; Vacation of office. The Cotton Industry Development Bill, 2023 113 is declared bankrupt; is unable to perform the functions of office by reason of mental or physical infirmity; or dies.

Clause 11 sets out the functions of the Board as regulate and promote the development of the cotton growing and cotton ginning; advise the Cabinet Secretary which counties qualify as cotton producing; make recommendations to the Cabinet Secretary on the implementation of strategies, plans and policies relating to the cotton sector; promote the diversification of cotton products; regulate the import and export of cotton lint and cotton seed; promote the marketing of cotton products and by-products in both local and foreign markets; formulate national standards acceptable in the international markets to ensure that the competitiveness and reliability of the country as a producer and suppliers of cotton products is preserved; carry out surveillance and inspections to ensure compliance with the standards and legislation on the cotton sector; establish linkages with local and international training and research institutions to conduct scientific research and investigations in all areas pertaining to the development of the cotton industry; among other.

This clause further provides that the Board shall consult and collaborate with the county executive committee members in the development, promotion and regulation of the cotton industry in the respective counties.

Clause 12 provides that the Board may establish such committees as it may deem necessary for the efficient performance of its functions, and it may co-opt any person to sit in the committees whose skills and knowledge are necessary for the performance of the Board's functions.

Clause 13 provides that the Board may, by resolution either generally or in any particular case, delegate to any committee, member, officer, employee or agent of the Board, the exercise of any of the powers or the performance of any of the functions of the Board under this Act or under any other written law.

Clause 14 provides for remuneration for the members of the Board whereby they shall be paid such remuneration, fees or allowances as the Cabinet Secretary shall, in consultation with the Salaries and Remuneration Commission, determine.

Clause 15 provides for the qualifications of the CEO who shall be competitively recruited. He must be a citizen of Kenya holding a degree from a university recognized in Kenya, have at least ten years' experience in senior management, and meets the requirements of Chapter 6 of the Constitution. The CEO shall hold office for a term of five (5) years and is eligible for re-appointment for one further term.

Clause 16 sets out the functions of the CEO as be responsible for the day-to-day management of the affairs of the Board; manage the funds, property and affairs of the Board; be responsible for the management of the staff of the Board; oversee and coordinate the implementation of the policies, programmes and objectives of the Board; cause to be prepared for the approval of the Board-the strategic plan and annual plan of the Board; the annual budget and audited accounts of the Board; and perform such other duties as may be assigned by the Board.

Clause 17 provides for the removal of the CEO if he resigns in writing, is convicted of an offence and sentenced to a term of imprisonment of not less than six months; is found liable for gross misconduct or abuse of office, is declared bankrupt or is unable to perform the functions of office by reason of mental or physical infirmity or if he dies.

Clause 18 provides that the Board may employ staff through competitive recruitment for the discharge of its functions.

Clause 19 on protection of personal liability, provides that the liability shall not attach to the Board or to any of its members, officers, agents or staff for loss or damage incurred by a person as a result of an act or omission done or made in good faith and without negligence in the performance or exercise or the intended performance or exercise of any duty or power imposed by or conferred under this Act.

Clause 20 on the common seal of the Board, provides that the common seal of the Board shall be kept in the custody of the chief executive officer or such other person as the Board may direct, and shall not be used except upon the order of the Board and that the seal of the Board shall be authenticated by the signature of the chief executive officer and the chairperson or a person designated by the Board for that purpose on behalf of the chairperson.

Clause 21 on the signing authority provides that all letters and instruments written or made by or on behalf of the Board, other than those required by law to be under seal, and all decisions of the Board, shall be signed under the hand of the chief executive officer or in Signing authority. The Cotton Industry Development Bill, 2023 117 the absence of the chief executive officer, a person authorized by the Board.

Clause 22 on the meetings of the Board provides that the business and affairs of the Board shall be conducted in accordance with the provisions set out in the First Schedule. (2) Except as otherwise provided in the First Schedule, the Board may regulate its own procedure; and (3) The Board may invite any person to attend any of its meetings and to participate in its deliberations, but such person shall not be entitled to vote on any of the Board's decisions.

Clause 23 of the Bill requires county governments to maintain an up-to-date register of cotton growers, cotton cooperative societies and other associations. It also requires

counties to implement the policies, standards and strategies by the National Government and guidelines on corporate governance in cotton growers' institutions.

Additionally, Counties are required to facilitate the production of cotton in the respective county by implementing and expanding the planting and replanting program of cotton in strategic areas identified as having the most potential and facilitate the rehabilitation and fertilization of existing cotton. Counties are also legally obliged to offer extension services on cotton production and primary processing and to promote the organisation of cotton farmers' cooperatives, associations, and organizations and provide them with credit and financing support; provide training, extension service programs.

Further, counties are required to collaborate with relevant institutions so as to promote access to credit and other financial services; formulate and adopt a general program of development geared towards increased farm productivity, through planting of suitable seeds varieties, rehabilitation and fertilization of cotton, integrated cotton farming systems and product processing; inspect cotton farms, ginneries and value addition industries located within their respective counties.

PART III – Role of County Governments

Clause 24 of the Bill provides for the registration of a person or entity carrying out the business of a cotton grower, cotton ginner, commercial cotton nursery, cotton cooperative society or cotton association by the respective county government in which the business is to be undertaken. No fees shall be paid in this respect.

Clause 25 provides for application for a license by a person seeking to engage in the manufacture or processing of cotton products. It also provides the grounds upon which the county executive committee member may accept or reject the application for the license.

Clause 26 states that the county executive committee member may refuse to grant a licence where the application does not comply with the requirements imposed under this

Act or prescribed under the specific county legislation. The CEC is however required to notify the applicant of the refusal within fourteen (14) days. Should an applicant be aggrieved by the decision of the county executive committee member not to issue a license under this Act, he or she may appeal to the High Court against the decision within thirty days of receipt of the decision.

Clause 31 provides that the county executive committee member shall in consultation with the cotton growers in the county, designate cotton collection centres.

Clause 32 provides for the process of licensing of persons intending to export or import cotton seeds or cotton products. These licenses shall be issued by the Cotton Industry Development Board.

Clause 36 provides for where a person who receives a notice under section 34 fails to comply with such notice, the Board shall - (a) revoke the licence of that person; (b) notify the person in writing of— (i) the revocation and the reasons thereof; and (ii) indicate the date of revocation. (2) For purposes of this Act, a cancellation of licence takes effect on the date on which the licence is cancelled by the Board.

PART VI – Financial Provisions

Clause 37 of the Bill provides for the establishment of the Cotton Development Fund which shall be administered by the Board. The Bill further provides that the Fund shall consist of monies appropriated by Parliament; such monies or assets as may accrue to or vest in the Board; and donations, grants, loans or gifts made to the Board.

Clause 38 of the Bill provides that the Cabinet Secretary may, in consultation with the Board, the county governments and the Cabinet Secretary responsible for the National Treasury, and by notice in the Gazette, impose a levy payable to the Board for the development of the cotton industry. Imposition of levy.

Clause 39. (1) provides that at least three months before the commencement of each financial year, the Board shall cause to be prepared estimates of the revenue and expenditure of the Board for that year. (2) The annual estimates shall make provision for all estimated expenditure of the Board for the financial year concerned. (3) The annual estimates prepared by the Board under subsection (2) shall be submitted to the Cabinet Secretary for tabling in the National Assembly and the Senate.

Clause 40. (1) provides that the Board shall cause to be kept such books of accounts and other books in relation thereto of all its undertakings, funds, activities and property as the Cabinet Secretary may from time to time approve and shall, within a period of three months after the end of the financial year, cause to be prepared, signed and forwarded to the Auditor General.

Clause 42 – provides that the financial year of the Board shall be the period of twelve months ending on the thirtieth of June in each year.

PART VI — MISCELLANEOUS PROVISIONS

Clause 43 provides that the Cabinet Secretary responsible for finance may from time to time implement such measures, including tax incentives in order to promote the development of the cotton industry.

47. (1) The Cabinet Secretary may on the advice of the Board review the list of counties that grow cotton under the Second Schedule of this Act. (2) The Cabinet Secretary shall publish annually the list under subsection (1) in the Gazette. Publication of cotton growing counties. 48. Part 1 of the First Schedule to the Crops Act is amended by deleting the following item — Cotton.....Gossypium app.

CHAPTER TWO

OVERVIEW ON PUBLIC PARTICIPATION ON THE BILL

The Committee pursuant to the provisions of Article 118 of the Constitution and Standing Order 145 (5) of the Senate Standing Order proceeded to undertake public participation on the Bill. In this regard, the Committee published an advertisement in the *Daily Nation* and *Standard* newspapers on Tuesday, 11th March, 2023 inviting members of the public to submit written memoranda on the Bill. The advertisement was also posted on the Parliament website and social media platforms. A copy of the advertisement is attached as *Appendix 3*.

Additionally, the Committee sent invitations to key stakeholders inviting them to submit their comments on the Bill.

In response to the advertisement and invitations, the Committee received written submissions from five (5) stakeholders namely the Agriculture and Food Authority (AFA), Kenya National Commission on Human Rights (KNCHR), Kenya Cotton Ginners Association, Ministry of Investment, Trade and industry-State Department for Industry and Nature Kenya while the detailed submissions by stakeholders, organized clause-by-clause, are set out in a matrix of the summary of submissions. Oral and written submissions were also received from three (3) areas in two (2) Counties: Kitui county-Mwingi Constituency in Kyuso and Kitui Central Constituency; and Busia County - Matayos during the physical public participation carried out. The submissions have been captured in the matrix. *Appendix 4*.

2.1.1. Submissions from the Ministry of Investment, Trade and Industry – State department for Industry

Definition of Cotton Sector

The Ministry proposed an amendment to Clause 2 on the interpretation to add the words ‘cotton sector’ so as to bring clarity. *The Committee accepted the proposal to include the word cotton sector to bring clarity.*

The Ministry proposed an amendment to Clause 3(b) which provides that one of the objects of the act is to facilitate the production, value addition and *processing* of safe and healthy cotton and its products, and replace the word '**processing**' with '**ginning**'. This is based on the functions which is to regulate and promote the development of the cotton growing and cotton ginning and value chains.

The Committee rejected this proposal since ginning is one of the steps in cotton processing.

The Ministry proposed an amendment to Clause 3(b) to insert the word sustainable immediately before the words "production, value addition" to enhance recognition and adherence to 'sustainability principles' in all the cotton production systems.

The Committee rejected the proposal to insert the word sustainable immediately before the words "production, value addition" and deemed it as not necessary.

The Ministry proposed an amendment to Clause 7 which provides for the Composition of the Board –

- i. to include Principal Secretary in charge of industrialization in the Board.

The Committee partially accepted the proposal to include the and Principal Secretary in charge of industrialization in the Board.

- ii. that the number of farmer representatives should be reduced to include a representative from the ginner's association and Textile millers.

The Committee partially accepted the proposal to include a representative of the ginner in the Board.

The Ministry proposed an amendment to Clause 23 which provides for the role of County Governments, to include a new sub-section to assist with cotton aggregation and marketing and work with relevant agencies for seed multiplication.

The Committee accepted this proposal to provide for the establishment of aggregation centers by County Governments. On the aspect of seed multiplication, this will be undertaken by the Board in conjunction with the Cotton Research Institute (CRI) and the National Biosafety Authority to ensure standardization. The Marketing aspect is covered under the functions of the board.

The Ministry proposed an amendment to Clause 25 (1) which provides that a person shall not engage in manufacture of cotton products unless they are licensed. The clause needs

to be clarified because the intent of the Bill is on cotton growing, ginning and value addition of cotton by-products not on textiles & apparels.

The Committee accepted the proposal to amend Clause 25(1) to read “by products” instead of “cotton products”

The Ministry proposed an amendment to Clause 32(1) which provides that a person shall not import cotton products unless they have obtained a license. There is need to clarify what the cotton products are.

The Committee accepted the proposal to amend Clause 32(1) to clarify what cotton by products are to read “by products” instead of “cotton products”

2.1.2. Submissions from Agriculture and Food Authority

Agriculture and Food Authority (AFA) acknowledges the efforts being made towards the enactment of the Cotton Bill. The Agriculture and Food Authority has not had a substantive Board since its establishment in 2014, which has affected its full operationalization and strategic decision-making for enhanced service delivery. This has led to discontentment among various crop value chain players, who have been advocating for the formation of commodity-specific boards.

The board of the AFA has now been constituted as per the Kenya Gazette Notice Vol. CXXV-No.69 of 24th March 2023. It is expected that the newly constituted board will take the necessary steps to fully operationalize the authority by establishing all required structures aimed at efficient and effective service delivery for all scheduled crops.

The position of the Agriculture and Food Authority, as observed, is that the AFA Act of 2013 and the Crops Act of 2013 already contain sufficient provisions to effectively regulate, develop, and promote cotton and other scheduled crops. Therefore, it is stated that there is no need for a new bill at this point in time. Once all operational structures are in place, the Authority believes it will be fully capable of effectively promoting and developing cotton and other scheduled crops in line with the provisions of the existing acts and any subsidiary legislation that may be developed.

The Committee rejected this proposal because during the public participation, the Committee received overwhelming views on the need to establish a standalone body which will be tasked with the management and regulation of the Cotton Industry.

2.1.3. Submissions from Nature Kenya

Nature Kenya proposed to amend Clause 3 (b) which provides that one of the objects of the act is to facilitate the production, value addition and processing of safe and healthy

cotton and its products, to insert the word *sustainable* immediately before the words “production, value addition.” to enhance recognition and adherence to ‘sustainability principles’ in all the cotton production systems. This is to enhance recognition and adherence to ‘sustainability principles’ in all the cotton production systems

The Committee rejected the proposal by Nature Kenya to insert the word sustainable immediately before the words “production, value addition.” And deemed it as not necessary.

Nature Kenya proposed an amendment to Clause 11(h) which provides that the Board shall Carry out surveillance and inspections to ensure compliance with the standards and legislation on the cotton Sector, to insert the words ‘and related’ immediately after the words “cotton sector”. This is because the cotton sector is linked to other sectors in the economy including manufacturing, environment and energy. The bill needs to recognize cross cutting issues within these sectors and enhance adherence to standards, legislations and international best practices. Agricultural projects, large scale agriculture, introduction of new pesticides, widespread introduction of new fertilizers, introduction and testing of Genetically Modified Organisms (GMOs) requires submissions of Environmental Impact Assessment as per Environmental Management and Coordination Act regulations.

The Committee rejected the proposal because it will be covered in the interpretation to introduce the words “Cotton Sector”

Nature Kenya proposed an amendment to Clause 23 to add the following functions to read: Promote climate smart production including agro-forestry practices.

- a) promote biodiversity conservation and management in the agricultural landscapes and ecosystems including protected areas, conservation areas, wetlands, heritage and cultural sites, key biodiversity areas and other ecologically sensitive areas;
- b) Promote climate smart production including agro-forestry practices

This is to ensure environmental safeguards are considered.

The Committee rejected this proposal since it is covered under the Ministry of Environment.

2.1.4. Submissions from Kenya National Commission on Human Rights (KNCHR)

The KNCHR proposed an amendment to Clause 7 which provides for Composition of the Board that the current membership of the Board should be reduced to between 7 and 9

members so as to align with the provisions of the Mwongozo which is the Code of Governance for State Corporations.

The Committee noted the views of the stakeholder but cotton being diverse, it was difficult for the committee to reduce the membership to between 7 and 9 members in accordance with the Mwongozo.

The KNCHR proposed an amendment to Clause 10(g) which provides for terminating of contract by reason of physical or mental infirmity should be deleted since terminating one's contract by reason of physical or mental infirmity amounts to discrimination contrary to Article 27 of the Constitution. Instead, the Board should provide reasonable accommodation to a member to enable them perform their duties. To uphold the inherent dignity of persons with disabilities. To abide the Convention on the Rights of Persons with Disabilities and other regional/international rights instruments; in compliance with previous recommendations of treaty body mechanisms to Kenya. To align with the recommendations of the Government Ministry of Health Taskforce on Mental Health report (2022): Mental Health and Wellbeing: Towards Happiness & National Prosperity.

The Committee rejected the proposal.

The KNCHR proposed an amendment to Clause 17 (e) which provides for the terminating of contract by reason of physical or mental infirmity should be deleted since terminating one's contract by reason of physical or mental infirmity amounts to discrimination contrary to Article 27 of the Constitution. Instead, the Board should provide reasonable accommodation to a member to enable them perform their duties. To uphold the inherent dignity of persons with disabilities. To abide the Convention on the Rights of Persons with Disabilities and other regional/international rights instruments; in compliance with previous recommendations of treaty body mechanisms to Kenya. To align with the recommendations of the Government Ministry of Health Taskforce on Mental Health report (2022): Mental Health and Wellbeing: Towards Happiness & National Prosperity.

The Committee rejected the proposal.

The KNCHR proposed an amendment to Clause 24 (6) which provides that anybody may inspect the register and obtain an extract from the register, that the phrase 'in accessible formats' be added after the words '...the register...' in order to align with Article 35 of the Constitution on access to information and enhance inclusivity.

The Committee rejected this proposal. Requests for specific formats can be made on need basis.

The KNCHR proposed an amendment to Clause 25 (3) on licensing of manufacturer or processor which provides that a county executive committee member shall consider an application within fourteen days, and may grant a licence unconditionally; grant a licence subject to satisfying such conditions as the county may specify; or with sufficient cause, refuse to issue or renew the licence, that the decision to register and issue a license should be made by the CEC member and another person; maybe a board member. This is to enhance transparency and accountability and to limit making decisions that are biased.

The Committee rejected this proposal because licensing is a devolved function and therefore its rightly placed under the purview of the Counties. The Bill provides for an avenue for appeal to the County Executive Committee.

2.1.5. Submissions from Kenya Cotton Ginners Association

The Kenya Cotton Ginners Association proposed an amendment to Clause 23 on the role of County Governments, that since cotton is grown in 24 counties, the licensing of manufacturing facilities should be done by the Board and not county government.

The Committee rejected this proposal because licensing is a devolved function and therefore its rightly placed under the purview of the Counties. The Bill provides for an avenue for appeal to the County Executive Committee.

2.1.6. Submissions from Kisumu Cotton Growers Cooperative Union (James Edwin Riaga)

They proposed that the membership of the Board should include: farmers from Each county, Textile industry, processors (Ginners) and the society for Bio farming in Kenya.

The Committee rejected this proposal as the Board already has 6 farmers from the 6 Cotton growing regions. The Committee partially accepted the proposal to include a representative of the ginners in the Board.

2.1.7. Submissions from Luanda cotton Farmers

The Luanda Cotton farmers proposed for an increase of cotton prices from Kshs. 52 to Kshs. 65: The corporative union is proposing an increase in the price of cotton from Kshs. 52 to Kshs. 65. This suggests that they believe the current price is not adequate to cover their costs and provide a reasonable profit. By raising the price, they hope to improve their economic viability and sustainability.

The Committee rejected the proposal since Clause 46(h) provides that the Cabinet Secretary may establish regulation on price stabilization mechanism.

Removal of the management of Cotton from AFA: The corporative union is proposing the removal of the management of cotton from the Agricultural and Food Authority (AFA). This indicates a lack of confidence in the current management structure and a desire for a different approach to overseeing the cotton industry. They may argue that a dedicated authority or agency focused solely on cotton would be more effective in addressing the specific needs and challenges of cotton farmers.

The Committee rejected this proposal as it has already been catered for under Clause 48.

Creating an autonomous Board to exclusively deal with cotton affairs: The corporative union is proposing the establishment of an autonomous board dedicated solely to handling cotton affairs. This suggests that they believe a specialized entity would be better equipped to address the unique issues and opportunities within the cotton industry. This autonomous board would likely focus on policy development, market coordination, and support for cotton farmers.

The Committee rejected this proposal as the Bill has established a cotton Board under part II of the Bill.

Empowering cotton farmers in terms of farm inputs: The corporative union is advocating for the empowerment of cotton farmers in terms of farm inputs. This could include access to high-quality seeds, fertilizers, pesticides, and other resources necessary for successful cotton cultivation. By providing adequate support in this regard, the union believes that cotton farmers will be better equipped to improve their yields and overall productivity.

The Committee accepted this proposal

Primary societies to be assisted to acquire land due to the collapse of cotton farming that was experienced for almost 20 years: The corporative union is suggesting assistance for primary societies in acquiring land. This indicates that they recognize the challenges faced by cotton farmers in accessing suitable land for cultivation due to the previous decline in cotton farming over the past two decades. By facilitating land acquisition, the union aims to support the revival and expansion of cotton farming in the region.

The Committee rejected this proposal. Clause 38 provides that the Cabinet Secretary may impose levy and further under Clause 46(j) may make regulation on apportionment of the levy. This levy will be used to develop the cotton industry and which may include infrastructure developments.

2.1.8. Submissions from Nambale Farmers Union

Lack of support for the value chain: The farmers union points out that despite the enactment of the Crops Act and AFA Act, the entire cotton value chain, from production to marketing, has not received adequate support. This lack of support compromises the overall process and hampers the industry's growth and development.

The Committee rejected this [proposal since the Bill establishes the Board whose functions some of the functions is to regulate and manage the cotton industry (clause 11).

High production costs compared to market price: The cost of producing cotton is stated to be too high when compared to the market price per kilo. This creates a financial burden for cotton farmers and reduces their profitability, discouraging further investment in the industry.

The Committee accepted this proposal. Farmers should be provided with affordable certified seeds and subsidized inputs.

Competition with neighboring countries: The farmers union highlights the issue of competing market prices with neighboring countries. If the market prices in these countries are lower than the domestic prices, it can negatively impact the competitiveness of locally produced cotton and undermine the industry's sustainability.

The Committee rejected this proposal since Clause 11 of the Bill provides that the Board shall regulate imports and exports. Further Clause 32 provides for licencing of exporters and importers.

Inadequate funding for demonstration plots: The union points out the lack of sufficient funding for demonstration plots. These plots are essential for showcasing best practices, new technologies, and improved cotton varieties to farmers. Insufficient funding hampers the effectiveness of these plots and impedes the dissemination of valuable knowledge and techniques.

The Committee rejected this proposal since Clause 38 provides that the Cabinet Secretary may impose levy and further under Clause 46(j) may make regulation on apportionment of the levy. This levy will be used to develop the cotton industry and may include infrastructure developments.

Poor quality seeds susceptible to diseases: The farmers union raises concerns about the quality of cotton seeds available to farmers. Poor-quality seeds can be susceptible to diseases, pests, and other issues, leading to reduced yields and financial losses for

farmers. They recommend addressing this issue by ensuring the availability of high-quality, disease-resistant seeds.

The Committee accepted this proposal that farmers should be provided with affordable certified seeds and subsidized inputs.

Delayed provision of seeds: The farmers union highlights the problem of untimely provision of seeds, which results in delayed planting. This delay can lead to lower crop yields and missed planting seasons, affecting farmers' incomes. They emphasize the importance of timely seed provision to enable farmers to plant their crops at the optimal time.

The Committee accepted this proposal that farmers should be provided with affordable certified seeds and subsidized inputs.

2.1.9. Submissions from Jairos Cooperative Society Limited

Provision of high yielding cotton varieties: Farmers emphasize the need for the bill to include provisions that support the development and distribution of high yielding cotton varieties. They argue that improved varieties would enhance productivity, increase yields, and ultimately boost their income. They recommend partnerships with agricultural research institutions and the private sector to ensure the availability and accessibility of such varieties.

The Committee accepted this proposal to provide affordable certified seeds and subsidized inputs.

Provision of affordable pesticides: Farmers express concerns about the high cost of pesticides, which significantly affects their profitability. They urge the inclusion of measures in the bill that would facilitate the availability of affordable and effective pesticides. Farmers believe that access to reasonably priced pesticides would help them control pests and diseases effectively, resulting in higher crop yields and reduced production costs.

The Committee accepted this proposal that farmers should be provided with affordable certified seeds and subsidized inputs.

Low market prices: Farmers highlight the issue of low market prices for cotton as a significant challenge they face. They suggest that the bill should address this by establishing mechanisms to ensure fair and remunerative prices for their produce. Farmers propose the involvement of government agencies, cooperatives, and other

stakeholders in setting minimum support prices or implementing price stabilization measures to protect their income and livelihoods.

The Committee rejected this proposal since Clause 46(h) provides that the Cabinet Secretary may establish regulation on price stabilization mechanism.

Delay in payment of produce delivered: Farmers express frustration over the frequent delays in payment for the cotton they deliver to the market. They urge the inclusion of provisions in the bill that would enforce timely payment to farmers for their produce. They propose the establishment of systems or mechanisms that ensure prompt payment and discourage any practices that exploit farmers or disrupt their cash flow.

Clause 46(h) provides that the Cabinet Secretary may establish regulation on price stabilization mechanism.

Non-functional ginning machine: Farmers raise concerns about the non-functional state of ginning machines, which affects the processing of their cotton. They emphasize the need for the bill to address this issue by allocating resources for the maintenance, repair, and upgrading of ginning machines. Farmers request the establishment of a monitoring mechanism to ensure that ginning facilities are functioning optimally, enabling them to process their cotton efficiently and timely; and

The Committee accepted this proposal to provide for the establishment of aggregation centers by County Governments. On the aspect of seed multiplication, this will be undertaken by the Board in conjunction with the Cotton Research Institute (CRI) and the Biodiversity Research Institute to ensure standardization. The Marketing aspect is covered under the functions of the board.

Cross Border trade influence: Farmers point out the impact of cross-border trade on the cotton industry and request the bill to address this issue. They recommend measures that protect local farmers from unfair competition and safeguard the domestic market. Farmers propose the implementation of regulations or trade policies that encourage the consumption of locally produced cotton and discourage the importation of cotton products that undermine the local market and industry.

The Committee rejected the proposal since Clause 11 provides that the Board shall regulate imports and exports. Further Clause 32 provides for licencing of exporters and importers.

2.1.10. Submissions from Malaba Malakisi Farmers' Cooperative Union Limited

The cost of production is very high due to low cotton-yielding seeds. The Government should provide high-quality seeds to farmers. This recommendation aims to improve the yield of cotton and reduce production costs for farmers.

The Committee accepted this proposal that farmers should be provided with affordable high yielding certified seeds, and subsidized inputs.

Low prices are a result of low-quality cotton. The union suggests that measures should be put in place to enhance the quality of cotton produced. This would help farmers fetch better prices for their cotton and improve their income.

The Committee accepted this proposal to for the provision of quality seeds and farm inputs.

High operation costs are incurred due to the lack of efficient farm machinery. The union proposes that support should be given to farmers to access modern and efficient farm machinery. This would lead to increased productivity and reduced operational expenses.

The committee accepted this proposal to provide for affordable credit and tax incentives on import of farm machineries.

Weather and climate change have adversely affected cotton production and yield. It is recommended that the government invest in research and development to identify and implement climate-resilient farming practices and techniques. This would help farmers mitigate the effects of weather and climate change on their cotton crops.

The committee rejected this proposal since Clause 23(2)(d) provides for provision of extension services. These services include provision of advice on appropriate farming methods.

There is a need to research the impact of cotton growing on the environment. The union suggests conducting comprehensive studies to understand the environmental implications of cotton farming. This research can then inform the development of sustainable farming practices that minimize negative environmental impacts.

The Committee accepted this proposal to provide for control of research.

Weed and disease control is a significant challenge in cotton farming. The union proposes the implementation of effective weed and disease control strategies. This would involve providing farmers with appropriate training, access to pesticides, and disease-resistant cotton varieties.

The Committee accepted this proposal to provide for control of weeds through pesticides and training

Pest control is another crucial aspect of cotton farming. The union recommends the establishment of pest control programs that focus on identifying and addressing pest issues specific to cotton crops. This could include integrated pest management practices and the promotion of natural pest control methods.

The Committee rejected this proposal to since Clause 23(2)(k) provides for pest control.

Marketing is an essential factor in the success of cotton farmers. The union suggests the establishment of strong marketing networks and platforms that connect cotton farmers to local and international markets. This would help farmers secure better prices and improve their overall market access.

The Committee rejected this proposal since Clause 11(f) provides for marketing.

Training plays a vital role in empowering cotton farmers. The union recommends the provision of training programs that enhance farmers' knowledge and skills in various aspects of cotton farming, including crop management, post-harvest handling, and business skills.

The Committee rejected this proposal since Clause 11(m) provides for training and capacity building.

Access to finance and insurance is critical for cotton farmers. The union proposes the creation of financial schemes and insurance programs specifically tailored to the needs of cotton farmers. This would provide them with the necessary financial support and protection against risks associated with cotton farming.

The Committee accepted this proposal to cushion the farmers against risks.

2.1.11 Submissions from Mwingi Farmers – Meeting at Kyuso Subcounty Offices

The cotton prices are too low: The farmers are concerned about the low prices they receive for their cotton produce. They suggest that measures should be taken to ensure fair and reasonable prices for their crops.

Officer assistance in pest control: The farmers are requesting assistance from agricultural officers in controlling pests that affect cotton crops. This indicates the need for support in pest management techniques and guidance on effective pest control measures;

There is a need to source for markets on behalf of farmers: The farmers propose that efforts should be made to find markets for their cotton produce. They suggest that a

centralized approach to market sourcing would benefit the farmers and help them secure better prices for their crops.

Provision of farm inputs and certified seedlings: The farmers highlight the importance of having access to quality farm inputs and certified seedlings for cotton cultivation. They emphasize the need for support in acquiring these essential resources to improve their cotton yields

Offer assistance in combating pests, especially the whitefly: The farmers specifically mention the whitefly as a pest that affects cotton crops. They request assistance in combating this pest and suggest that measures should be put in place to control its spread

Conduct research on emerging plant diseases: The farmers emphasize the importance of conducting research on emerging plant diseases that affect cotton crops. They suggest that this research would help in developing effective strategies to prevent and manage such diseases.

Put in some measures to restrict imports: The farmers suggest that measures should be implemented to restrict the importation of cotton products. They believe that restricting imports would protect the local cotton industry and create a more favorable market for their produce.

Provision of extension services to the farmers: The farmers request the provision of extension services, which would involve offering guidance, training, and technical support to improve their cotton farming practices. This would help them enhance their productivity and efficiency.

Provision of affordable credit: The farmers emphasize the need for access to affordable credit facilities to support their cotton farming activities. They suggest that favorable credit options would enable them to invest in their farms and improve their yields.

The proposals above are similar to what has already been captured in the previous observations.

Decentralize management of cotton up to the ward level: The farmers propose that the management of the cotton industry should be decentralized up to the ward level. This would allow for more localized decision-making and implementation of policies that better suit the specific needs of the farmers in different regions.

The Committee rejected the proposal to amend Clause 5(2) which provides that the Board may establish offices anywhere in Kenya. Further part II of the Bill outlines roles of the county governments, who have offices up to the lowest level.

Put in a framework to eliminate brokers: The farmers express the need for a framework that eliminates intermediaries or brokers in the cotton value chain. They believe that direct engagement with buyers would result in better prices for their cotton produce.

The Committee rejected the proposal to since clause 46(i) provides that the Cabinet Secretary may make regulations on contracts entered between growers and processors.

Establishment of buying centers up to the lowest levels and establishment of storage facilities in the counties: The farmers suggest the establishment of buying centers at various levels, including the lowest levels, to facilitate the sale of their cotton produce. Additionally, they propose the creation of storage facilities in the counties to ensure proper storage and preservation of their cotton crops.

The Committee accepted this proposal to stablish storage facilities.

Encourage farmers to form cooperative societies: The farmers believe that forming cooperative societies would be beneficial for their collective bargaining power and access to resources. They suggest that efforts should be made to encourage and support the formation of such societies among cotton farmers.

The Committee accepted this proposal since it is catered for under Clause 23(2) (e).

The Board and the county governments should create awareness on the benefits of cotton farming to attract more farmers: The farmers highlight the importance of creating awareness about the benefits of cotton farming. They suggest that the Cotton Industry Board and county governments should actively promote cotton farming to attract more farmers to invest in this sector.

This is a general comment which the committee observed.

Revival of the cotton industry will have a direct effect on security by engaging youths in cotton farming: The farmers note that reviving the cotton industry would have a positive impact on security by engaging the youth in cotton farming. They suggest that providing employment opportunities through cotton farming would help reduce idleness among the youth and contribute to overall community security.

This is a general comment which the committee observed

2.1.12. Submissions from Meeting with Farmers from Kitui Central at Kitui KEFRI

Offer training to the youth: The farmers proposed provision of training programs to the youth to encourage their participation and involvement in the cotton industry.

Increase buying prices: They suggest increasing the buying prices for cotton to ensure better returns for farmers and to incentivize increased production.

Provision of pesticides: The farmers request the provision of pesticides to protect their cotton crops from pests and diseases, thus improving yields and quality;

Deploy extension officers: The farmers propose the deployment of extension officers who can provide guidance, technical assistance, and knowledge transfer to cotton farmers;

Transition former staff and assets of the fiber-cotton directorate: They recommend transitioning former staff and assets of the fiber-cotton directorate to ensure continuity and efficient management of the cotton industry;

Provide for a minimum acreage for planting cotton: The farmers suggest setting a minimum acreage requirement for cotton planting to encourage large-scale production and streamline the industry;

Eliminate brokers from the value chain: They propose eliminating brokers from the cotton value chain to reduce intermediary costs and ensure that farmers receive fair prices for their produce;

Ensure that representatives on the board are cotton farmers: The farmers want to ensure that the board overseeing the cotton industry includes representatives who are actual cotton farmers, allowing their voices and interests to be adequately represented;

Create committees at the county level: They suggest establishing committees at the county level to facilitate coordination, collaboration, and decision-making regarding cotton industry development;

Prescribe the process of registration: They recommend creating a framework that outlines the process of registration for cotton farmers, ensuring transparency and accountability.

Devolve the provision of seeds: The farmers propose devolving the responsibility of providing seeds to the county level, making it more accessible to farmers and tailored to local conditions.

Provide for the provision of farm inputs: They suggest incorporating provisions for the provision of essential farm inputs such as fertilizers, irrigation equipment, and machinery to support cotton farming.

Establish aggregation centers: The farmers propose establishing aggregation centers where cotton farmers can bring their produce for collection, processing, and distribution, facilitating efficiency in the supply chain.

Define engagement between ginners, processors, and farmers: They recommend providing a structured format or guidelines on how ginners and processors will engage and collaborate with cotton farmers to ensure fair and mutually beneficial relationships.

Certify seeds in Kenya: They suggest implementing a system for the certification of cotton seeds in Kenya to ensure quality and promote the use of improved varieties.

The proposals above are similar to what has already been captured in the previous observations

Include relevant government officials in the industry: The farmers propose including the Cabinet Secretary for Trade and the National Treasury in the cotton industry discussions and decision-making processes, considering the trade and financial aspects involved.

The Committee accepted this proposal.

Cotton industry includes the trade aspects, the roles of licencing should vest on the trade Executive committee member.

The Committee rejected this proposal.

Ensure gender balance in board appointments: They recommend that the appointment of board members takes into consideration gender balance to ensure diversity and representation.

The Committee accepted this proposal.

Establish a cotton fund: The farmers propose establishing a dedicated cotton fund that can provide financial support, grants, and loans to farmers and other stakeholders in the cotton industry to promote development and sustainability.

The Committee rejected this proposal.

2.1.13. Submissions from Meeting with Farmers from Busia County at Matayos-Busia
Farmers from Busia submitted on the Bill as follows:

Poor quality seeds leading to low production: Farmers have noticed a decline in their cotton production due to the use of poor-quality seeds. This issue needs to be addressed to improve the overall yield;

Monopoly in seed supply and high purchase price: There is a monopoly in the supply of seeds, leading to high prices for farmers. This hampers their ability to afford seeds and affects their profitability. Measures should be taken to promote fair competition and ensure affordable seed prices.

Government allocation of funds to revive the cotton industry: The farmers are requesting the government to allocate financial resources to revive the struggling cotton industry. This investment would help improve infrastructure, research, and development, and provide necessary support to farmers.

Improvement of local seeds and considerations for economical replanting: Farmers are advocating for the improvement of local seeds as they can be replanted, making them more cost-effective compared to BT cotton, which can only be used once. The focus should be on developing varieties that are well-suited for the local conditions and have desirable traits.

Provision of farm machinery by the county government: Farmers are requesting the county government to provide them with farm machinery. Access to modern and efficient equipment would significantly enhance their productivity and reduce labor-intensive processes.

Inclusion of representatives from all counties in the board: The composition of the board should have representatives from all the counties involved in cotton farming. This would ensure that the interests of farmers from different regions are adequately represented and considered in decision-making processes.

Representation of farmers on the board: It is suggested that the board should include representatives of the farmers themselves. Having farmers' voices and perspectives at the decision-making level would ensure their concerns are directly addressed and considered.

Mechanism to ensure farmers benefit from cotton by-products: Farmers are concerned about deriving benefits from the by-products of cotton production. The bill should incorporate provisions that promote value addition and facilitate the creation of markets for cotton by-products.

Inclusion of a representative from the textile industry on the board: It is proposed that a representative from the textile industry should be included on the board. This

would enable **closer** collaboration between cotton producers and the textile sector, leading to better alignment of their interests and fostering a more sustainable cotton value chain.

Value addition provisions: The bill should include provisions for value addition to enhance the competitiveness of cotton products. Encouraging processing, manufacturing, and the production of finished goods locally would lead to higher value realization and increased economic opportunities for farmers.

Provision of a planting calendar: The bill should incorporate a planting calendar to guide farmers on the appropriate times to plant cotton. This would help in pest control and overall crop management, as planting at different times can pose challenges in pest control and disease prevention.

Insurance to protect farmers from harsh weather conditions: Farmers are requesting the provision of insurance to protect them from the risks associated with harsh weather conditions. This would provide them with a safety net in case of crop failure or damage caused by adverse weather events.

Provision of certified seeds: Farmers are advocating for the provision of certified seeds to ensure quality and authenticity. Certified seeds have been tested and proven to meet certain standards, which would contribute to higher yields and better overall crop performance.

Timely supply of seeds: It is important to ensure the timely supply of seeds to farmers. Delays in seed distribution can adversely affect planting schedules and subsequently impact crop yields. Prompt and efficient seed supply systems should be put in place.

Prompt payment of farmers upon delivery: Farmers are requesting that the bill includes provisions to ensure prompt payment upon the delivery of their cotton produce. Timely payments are crucial for farmers' cash flow and livelihoods.

Provision of farm inputs: The bill should include provisions for the provision of necessary farm inputs to farmers through subsidy programs or government grants. This would include fertilizers, pesticides, and other agricultural inputs required for cotton cultivation, which would help enhance productivity.

The proposals above are similar to what has already been captured in the previous observations.

Deletion of Section 24 on registration of farmers: Small-scale farmers find the registration process outlined in Section 24 of the bill too inhibitive. They propose its deletion to make it easy for small-scale farmers to participate in the cotton industry,

The Committee rejected the proposal since it is imperative to register farmers for statistical purposes. No fee will be charged for registration clause 24(2).

Establishment and funding of research institutions: To reduce the overreliance on imports and promote self-sufficiency, the farmers recommend the establishment and funding of research institutions. These institutions would focus on developing improved cotton varieties, agricultural practices, and technological advancements specific to the local context.

The Committee rejected this proposal.

Value addition: The farmers emphasize the importance of value addition in the cotton industry. The bill should include provisions and incentives to encourage value addition activities such as processing, manufacturing, and the production of finished goods from cotton.

The Committee rejected this proposal as it is already catered for under 3(b).

Registration at the society level: Farmers propose that the registration process should be done at the society level. This would streamline the process and make it more accessible for farmers, allowing them to collectively register through their respective agricultural cooperatives or societies. This approach would simplify the administrative requirements and facilitate farmers' participation in the cotton industry.

The committee accepted this proposal to provide for registration to be undertaken in collaboration with Cooperative societies.

2.1.14. Submissions from Farmers:

Sam Mausso

It is crucial for Parliament to establish a framework, funds, and enabling laws to govern and facilitate the production, value addition, processing, and marketing of cotton and its by-products. This comprehensive approach will provide clarity and guidance to all stakeholders involved in the cotton industry. It will also create a conducive environment for investment, innovation, and growth, ensuring the industry's long-term sustainability.

The Committee rejected this proposal since the Bill establishes the Board whose functions some of the functions is to regulate and manage the cotton industry (clause 11).

Research plays a vital role in the development of any industry, including the cotton sector. Therefore, the Cotton Industry Development Bill should include provisions to support research in all stages of the value chain. This research will help identify and address challenges, improve productivity, enhance quality, and promote sustainable practices within the cotton industry.

The Committee accepted this proposal to provide for research as a function of the Cotton Board.

To ensure effective regulation and oversight of the cotton industry, it is necessary to establish a dedicated cotton authority or agency. This regulatory body should be responsible for enforcing industry standards, ensuring fair trade practices, monitoring quality control, and resolving disputes. By establishing such an authority, the cotton industry can operate in a transparent, accountable, and sustainable manner.

The Committee rejected this proposal since the Bill Establishes a cotton Board under part II of the Bill.

A well-defined National strategic plan for the cotton industry is essential for its growth and development. This plan should outline clear objectives, strategies, and targets to be achieved in a specified timeframe. It should address key areas such as increasing production, promoting value addition, improving market access, and enhancing the competitiveness of the cotton industry. The strategic plan will provide a roadmap for all stakeholders and guide their efforts towards a common vision.

The Committee rejected this proposal since Clause(11c) provides that the Board may make recommendations to the Cabinet Secretary. Formulation of policy and strategy is a national government function.

To support cotton farmers, the taxation policy should offer initiatives that incentivize their activities. This can include tax breaks or exemptions for agricultural inputs, machinery, and equipment specifically related to cotton production. By reducing the tax burden, farmers will have more resources to invest in their farms, improve productivity, and ultimately contribute to the growth of the cotton industry.

The Committee rejected this proposal since Clause 43 provides for tax incentives.

Exportation of cotton should be either curtailed or subjected to heavy taxation to encourage domestic value addition and processing. This measure will create more

opportunities for local industries, generate employment, and increase the overall value derived from cotton production within the country. By promoting value addition, the cotton industry can diversify its revenue streams and reduce reliance on raw cotton exports.

The Committee rejected this proposal since Clause 11- provides that the Board shall regulate imports and exports. Further Clause 32 provides for licencing of exporters and importers.

Removing taxes on imports of inputs that support the cotton value chain is crucial to enhance the industry's competitiveness. By reducing the cost of production, this measure will enable cotton farmers and industry players to access affordable and high-quality inputs. This, in turn, will increase efficiency, productivity, and the overall profitability of the cotton industry.

The Committee rejected this proposal since Clause 43 provides for tax incentives.

The Cotton Industry Development Bill should incorporate provisions that promote fair trade practices. This includes guaranteeing good prices for cotton and its by-products. The implementation of mechanisms such as price stabilization programs, minimum price guarantees, or fair-trade certifications will protect the interests of cotton producers and ensure their economic well-being. Fair trade practices will also contribute to the industry's sustainability and the social welfare of cotton farmers.

The Committee rejected this proposal since one of the objects of the Bill under clause 3(c) is to promote the generation of high income for cotton farmers and traders.

To support the development of the cotton industry at the grassroots level, the establishment of District Cotton Development Centers is recommended. These centers can serve as focal points for disseminating information, providing training and capacity building programs, distributing quality seeds, and facilitating technology transfer and mechanization services. By empowering farmers through knowledge, resources, and access to modern farming techniques, these centers will contribute to the overall growth, productivity, and sustainability of the cotton industry.

The Committee accepted this proposal to be included under the role of county governments (Clause 23).

Gerald Osere

Activate dormant societies: The bill should include provisions to activate dormant cotton societies. These societies play a crucial role in the development and organization

of the cotton industry. By reviving these societies, we can harness their expertise and resources to boost the growth and productivity of the cotton sector.

The Committee rejected this proposal since it is Catered under clause 23(2) e and g.

Cotton management and regulation should be brought back to CODA (Cotton Development Authority) from AFA: The bill should propose transferring the responsibility of cotton management and regulation back to the Cotton Development Authority (CODA) from the Agriculture and Food Authority (AFA). CODA has specialized knowledge and experience in the cotton industry, making it better suited to oversee the development and regulation of this sector.

The Committee rejected this proposal since the Bill establishes the Cotton Development Board with functions which include to regulate and manage the cotton industry (clause 11).

The Board membership should include representatives of ginneries, farmers, and textiles: To ensure a comprehensive and inclusive approach to decision-making, the bill should mandate the inclusion of representatives from ginneries, farmers, and textiles on the Cotton Board. This will allow for diverse perspectives and ensure that the interests of all stakeholders in the cotton industry are considered.

The Committee accepted this proposal to include the, some of its representatives of the ginneries.

Resources - AFA has a directorate like sugar and coffee, which are allocated a lot of money for the development of farmers in those sectors. However, fiber crops like cotton have been given less priority in terms of budget allocation. This has resulted in a lack of seeds and pesticides for cotton farmers. The bill should address this issue by advocating for a fair allocation of resources to the cotton sector to support the development and sustainability of cotton farming.

The Committee rejected this proposal since the Bill establishes the Cotton Development Board whose functions includes to regulate and manage the cotton industry (clause 11). The Bill under clause 38. also proposes a levy which will be used for the development of the cotton industry.

Cotton should have its own budget: To address the resource allocation issue mentioned above, the bill should propose the creation of a separate budget specifically for the cotton industry. This will ensure that the cotton sector receives adequate funding for its development programs, research, infrastructure, and support services.

The Committee rejected this proposal since the Bill proposes to remove management of cotton from AFA to the Cotton Development Board which will manage its funds separately.

Transition staff from the Cotton directorate in AFA to the Cotton Board: To facilitate a smooth transition and ensure the transfer of knowledge and expertise, the bill should include provisions for transitioning staff from the Cotton directorate in AFA to the Cotton Board. This will ensure continuity and enable the Cotton Board to effectively carry out its responsibilities.

The Committee accepted this proposal.

Farmers should be cushioned through insurance against hostile weather: Given the vulnerability of cotton farmers to adverse weather conditions, the bill should advocate for the provision of insurance schemes specifically designed to protect cotton farmers from the financial losses caused by hostile weather. This will provide them with much-needed support and stability during difficult times.

The Committee accepted this proposal.

Check on uncertified seeds from neighboring countries: To maintain the quality and integrity of cotton production, the bill should emphasize the need for stringent checks on uncertified seeds imported from neighboring countries. This will help prevent the introduction of low-quality or genetically modified seeds that could harm the cotton industry and compromise the livelihoods of cotton farmers.

The Committee rejected this proposal since Clause 11 provides that the Board shall regulate imports and exports. Further Clause 32 provides for licencing of exporters and importers.

Dr. Moses Omin (PhD, OGW)

The shortage of BT cotton seeds in the country indeed poses a challenge, and developing BT cotton seeds in Kenya by collaborating with organizations like Kibos, KALRO (Kenya Agricultural and Livestock Research Organization), and KEPHIS (Kenya Plant Health Inspectorate Service) can be a potential solution. These organizations can work together to enhance local capacity for research, development, and production of BT cotton seeds. This collaboration would involve conducting research trials, ensuring regulatory compliance, and scaling up production to meet the demand for BT cotton seeds in the country.

The Committee accepted the proposal to provide for research as a function of the Board in collaboration with other institutions.

Properly marketing cotton by-products such as cotton oil, cottonseed cake, and touring's (cotton waste) is essential to maximize the economic value of the cotton industry. Developing a comprehensive marketing strategy would involve identifying potential markets, establishing partnerships with buyers, and promoting the benefits and uses of cotton by-products. Additionally, value addition initiatives, such as processing cottonseed cake into animal feed or cotton oil into edible oil, can help increase the profitability and marketability of these by-products.

The Committee accepted this proposal since it is catered for under (clause 11f).

The old cotton varieties, particularly those from the Ukiriguru Research Institute in Tanzania (UK varieties), were known for their physical resistance to insects due to their hairy nature. To improve cotton varieties in terms of both insect resistance and other desirable traits, it would be advisable to implement measures for the development of improved hairy-BT cotton. This would involve employing modern breeding techniques, such as genetic engineering or marker-assisted selection, to introduce BT traits while retaining the beneficial characteristics of hairy cotton varieties. Collaborative efforts between research institutions, such as KALRO and Ukiriga Research Institute, can facilitate the development of improved cotton varieties with enhanced insect resistance and desirable agronomic traits.

The Committee accepted this proposal to provide for research as a function of the Board in collaboration with other institutions.

Comprehensive list of all the submissions and proposed amendments to the Bill made orally and vide written, memoranda were thereafter captured, compiled and presented in a matrix and annexed to this report for the Committee's consideration. (*Annex 4*).

CHAPTER THREE

3.1. COMMITTEE OBSERVATIONS AND RECOMMENDATIONS

3.1.1. COMMITTEE OBSERVATIONS

The Committee observed the following:

1. The old cotton varieties, particularly those from the Ukiriguru Research Institute in Tanzania (UK varieties), were known for their physical resistance to insects due to their hairy nature. To improve cotton varieties in terms of both insect resistance and other desirable traits, it would be advisable to implement measures for the development of improved hairy-BT cotton. This would involve employing modern breeding techniques, such as genetic engineering or marker-assisted selection, to introduce BT traits while retaining the beneficial characteristics of hairy cotton varieties. Collaborative efforts between research institutions, such as KALRO and Ukiriguru Research Institute, can facilitate the development of improved cotton varieties with enhanced insect resistance and desirable agronomic traits;
2. The need to define the word cotton sector in order to bring clarity on the scope of application of the Bill;
3. The membership of the Board was farmer heavy; out of the ten members of the Board, eight are farmers representatives. Consequently, it is necessary to reduce the number of farmers representative and to add other stakeholders to the membership of the Board in order to strike a balance;
4. There is a need to facilitate farmers in terms of establishing aggregation centers and collection centers which are close to the farmers. It was noted that farmers incur a lot of costs and sometimes their produce are spoiled due to lack of proper accessible storage facilities;

5. The Board should in consultation with the National Biosafety Authority and research institutions undertake research in order to develop affordable climate resilient seeds. It was noted that the cost of seeds was too high, currently a kilo of cotton seed retailing at an average of four thousand shilling;
6. In order to cushion farmers from the high cost of production, the Board and the county governments should put in place measures to provide subsidised farm machinery and other inputs which include; seeds, fertilizers and pesticides;
7. Agriculture being a devolved function the county government should put in place and implement measures, including incentives in order to promote the development of the cotton industry;
8. The small-scale farmers felt that the registration process as outlined in Section 24 of the Bill was too inhibitive because it requires farmers to travel for long distances to county offices for registration. It is therefore imperative to come up with a simple registration process which is accessible to the farmers;
9. Clause 25 (1) which provides that a person shall not engage in manufacture of cotton products without a licensed needs to be clarified because the intent of the Bill is on cotton growing, ginning and value addition of cotton by-products and not on textiles & apparels;
10. The Bill prohibits imports and export *cotton products*. The cotton industry is diverse with many products ranging from textiles, apparels, fishing nets, filters among others and therefore there was a need to qualify these cotton products;
11. Since it not possible to have all the proposed stakeholders' representatives in the Board, committees should be established at the county level to advise the county executive member on matters that affect the cotton industry;
12. The Bill proposes to remove the management and regulation of Cotton from AFA to the Cotton Industry development Board. It is therefore necessary to transition,

all staff, assets and liabilities with respect to the cotton sector, from AFA to the
Cotton Industry Development Board.

3.1.2. COMMITTEE RECOMMENDATIONS

The Committee recommends that the Bill be approved with the following amendments-

1. That, clause 7(1) on the composition of the Board be amended to:
 - a) include the principal secretary for trade;
 - b) include a representative of the ginners nominated by the ginners apex body; and
 - c) reduce the nominees of Council of County governors from two to one.
2. That, clause 10(1) be amended to add the following functions of the Board-
 - a) to undertake research;
 - b) provision of affordable farm inputs and machinery including seeds, fertilizers and pesticides; and
 - c) to design affordable crop insurance models.
3. That, Clause 23(1) be amended to delete paragraph (d) which requires county governments to regulate the cutting or destruction of cotton in order to conserve and protect the resources devoted to the cotton industry;
4. That, clause 23(2) be amended to add the following functions of the County governments-
 - a) monitor and provide technical support for the eradication of noxious and invasive weeds and report any incidences to the Board;
 - b) establish cotton aggregation centres in collaboration with the national government and the Board;
 - c) establish cotton collection centres and storage facilities;
 - d) put in place programs for provision of farm machinery; and
 - e) provide affordable farm-inputs including quality seeds, fertilizer and other planting materials.
5. That, Clause 23 be amended to insert a new subclause (3) to mandate the county executive committee member responsible for finance to implement measures, including incentives in order to promote the development of the cotton industry;

6. That, clause 24 be amended to provide for collaboration between the county government and grower's cooperative societies, associations and groups on registration of cotton industry players;
7. That, clause 25(1) and (2) be amended to delete the words "manufacturing or processing of cotton products" and substitute it with the words "in the business of cotton ginning, spinning or value addition";
8. That, clause 32(1) and (2) be amended to delete the words "cotton products" and substitute it with the words "cotton by- products";
9. That, an amendment to insert a new part "**PART VII— TRANSITIONAL PROVISIONS**" immediately after clause 47 be added;
10. That, a new clause 23A be inserted to mandate the county executive member to establish cotton development committees comprising of representatives of the county government, growers, ginner and other relevant stakeholders from the county;
11. That, an amendment to provide for, with respect to the cotton sector, transition of rights and obligations, assets, legal proceedings, reference to written law, previous authorization and staff, from the Agriculture and Food Authority to the Cotton Development Board be added; and
12. That, Clause 2 of the bill be amended to insert the definition of Cotton industry and the Council of County Governors.

LIST OF APPENDICES

Appendix 1	Minutes of the Standing Committee on Agriculture, Livestock and Fisheries
Appendix 2	The Cotton Industry Development Bill, 2023 (Senate Bills No. 5 of 2023)
Appendix 3	Advertisement published in the <i>Daily Nation</i> and <i>Standard</i> newspapers on Tuesday, 21 st February, 2023
Appendix 4	Matrix on the stakeholder submissions
Appendix 5	Copies of stakeholder submissions on the Bill
Appendix 6	Committee stage Amendments to the Bill



MINUTES OF THE THIRTY-FIFTH SITTING OF THE SENATE STANDING COMMITTEE ON AGRICULTURE, LIVESTOCK AND FISHERIES, HELD ON TUESDAY, 6TH JUNE, 2023 IN COMMITTEE ROOM 5, FIRST FLOOR, PARLIAMENT BUILDINGS AT 10.00 A.M.

PRESENT

- | | | |
|--------------------------------------|---|------------------|
| 1. Sen. Alexander Munyi Mundigi, MP | - | Vice-Chairperson |
| 2. Sen. Enoch Kiiio Wambua, CBS, MP, | - | Member |
| 3. Sen. Daniel Kitonga Maanzo, MP | - | Member |
| 4. Sen. Wahome Wamatinga, MP | - | Member |
| 5. Sen. Allan Kiprotich Chesang, MP | - | Member |
| 6. Sen. David Wafula Wakoli, MP | - | Member |

ABSENT WITH APOLOGIES

- | | | |
|-----------------------------------|---|-------------|
| 1. Sen. James Kamau Murango, MP | - | Chairperson |
| 2. Sen. Moses Otieno Kajwang', MP | - | Member |
| 3. Sen. Beth Kalunda Syengo, MP | - | Member |

SECRETARIAT

- | | | |
|--------------------------|---|-------------------------|
| 1. Ms. Caroline Njue | - | Clerk Assistant |
| 2. Mr. Reinhardt Choge | - | Clerk Assistant |
| 3. Ms. Regina Munyao | - | Legal Counsel |
| 4. Ms. Belinda Ogolla | - | Research Officer |
| 5. Mr. Hillary Cheruiyot | - | Research Officer |
| 6. Ms. Violet Nalianya | - | Media Relations Officer |
| 7. Ms. Rose Ometere | - | Audio Officer |
| 8. Ms. Vielina Mbote | - | Attachee |

MIN.SEN/SCA/252/2023-

PRAYER

The Chairperson called the meeting to order at 10.19 a.m. followed by a word of prayer and introductions.

MIN/SEN/SCA/253/2023-

ADOPTION OF THE AGENDA

The agenda of the meeting was adopted after it was proposed by Sen. Wahome Wamatinga, MP and seconded by Sen. Daniel Kitonga Maanzo, MP as follows-

1. Prayer;
2. Adoption of the Agenda;
3. Confirmation of Minutes of the following sittings
 - a. Thirty-Third Sitting held on 29th May, 2023; and
 - b. Thirty-Fourth Sitting held on 30th May, 2023;
4. Matters arising from the previous sittings;
5. **Consideration and Adoption of the Amendments on the Cotton Industry Development Bill (Senate Bills No. 5 of 2023) (Committee Paper No. 36);**
6. **Consideration and Adoption of the draft report on the Cotton Industry Development Bill (Senate Bills No. 5 of 2023);**
7. Any Other Business; and
8. Date of the Next Meeting and Adjournment.

MIN/SEN/SCA/254/2023-

CONFIRMATION OF MINUTES OF THE PREVIOUS SITTINGS

The minutes of the Thirty-Third Sitting held on 29th May, 2023 were confirmed as a true reflection of the proceedings having been proposed by Sen. Daniel Kitonga Maanzo, MP and seconded by Sen. David Wafula Wakoli, MP.

The minutes of the Thirty-Fourth Sitting held on 30th May, 2023 were confirmed as a true reflection of the proceedings having been proposed by Sen. Daniel Kitonga Maanzo, MP and seconded by Sen. Wahome Wamatinga, MP.

MIN/SEN/SCA/255/2023-

MATTERS ARISING FROM THE PREVIOUS SITTINGS

Under Min/Sen/SCA/247/2023- The Committee resolved that instead of conducting public participation on the Agriculture and Food Authority (Amendment) Bill, 2023 (Senate Bills No. 13 of 2023) which amends only section 43 of the AFA Act, the committee should carry out Public Participation on the Nuts and Oil Crops Development Bill, 2023 once published.

Under Min/Sen/SCA/248/2023 - The Committee resolved to proceed with the Livestock and Produce Theft Prevention Bill, 2023 (Senate Bills No. 12 of 2023) and the other Committees would raise their views during the committee of the whole.

MIN/SEN/SCA/256/2023-

CONSIDERATION AND ADOPTION OF
THE AMENDMENTS ON THE COTTON
INDUSTRY DEVELOPMENT BILL
(SENATE BILLS NO. 5 OF 2023)
(COMMITTEE PAPER NO. 36)

The Legal Counsel took the Committee through the Amendments which were adopted having been proposed by Sen. David Wafula Wakoli, MP and seconded by Sen. Wahome Wamatinga, MP.

MIN/SEN/SCA/257/2023-

CONSIDERATION AND ADOPTION
OF THE DRAFT REPORT ON THE
COTTON INDUSTRY DEVELOPMENT
BILL (SENATE BILLS NO. 5 OF 2023)

The Committee Clerk took the Committee through the draft report which was adopted having been proposed by Sen. David Wafula Wakoli, MP and seconded by Sen. Allan Kiprotich Chesang, MP.

MIN/SEN/SCA/258/2023-

ANY OTHER BUSINESS

The Committee resolved to hold a report writing retreat from 22nd to 26th June, 2023.

MIN/SEN/SCA/259/2023-

DATE OF NEXT MEETING AND
ADJOURNMENT

The meeting adjourned at 10.53 am, the next meeting will be by notice.

SIGNED: DATE:

SEN. JAMES KAMAU MURANGO, MP

(CHAIRPERSON)



**MINUTES OF THE THIRTY-FOURTH SITTING OF THE SENATE
STANDING COMMITTEE ON AGRICULTURE, LIVESTOCK AND
FISHERIES, HELD ON TUESDAY, 30TH MAY, 2023 IN COMMITTEE ROOM
NO.5, FIRST FLOOR, MAIN PARLIAMENT BUILDINGS AT 8.00 A.M.**

PRESENT

- | | | |
|-----------------------------------|---|-------------|
| 1. Sen. James Kamau Murango, MP | - | Chairperson |
| 2. Sen. Daniel Kitonga Maanzo, MP | - | Member |
| 3. Sen. Wahome Wamatinga, MP | - | Member |
| 4. Sen. Beth Kalunda Syengo, MP | - | Member |
| 5. Sen. David Wafula Wakoli, MP | - | Member |

ABSENT WITH APOLOGIES

- | | | |
|-------------------------------------|---|------------------|
| 1. Sen. Alexander Munyi Mundigi, MP | - | Vice-Chairperson |
| 2. Sen. Enoch Kii Wambua, CBS, MP, | - | Member |
| 3. Sen. Moses Otieno Kajwang', MP | - | Member |
| 4. Sen. Allan Kiprotich Chesang, MP | - | Member |

SECRETARIAT

- | | | |
|--------------------------|---|-------------------------|
| 1. Ms. Caroline Njue | - | Clerk Assistant |
| 2. Mr. Reinhardt Choge | - | Clerk Assistant |
| 3. Ms. Regina Munyao | - | Legal Counsel |
| 4. Ms. Belinda Ogolla | - | Research Officer |
| 5. Mr. Hillary Cheruiyot | - | Research Officer |
| 6. Ms. Violet Nalianya | - | Media Relations Officer |
| 7. Ms. Rose Ometere | - | Audio Officer |
| 8. Mr. Abdihabib Dekow | - | Sergeant-At-Arms |

IN-ATTENDANCE

- | | | |
|--|---|--------------------------|
| 1. Prof. Joseph Kieyah, MA, JD, PhD, EBS | - | Chairperson, Coffee Sub- |
|--|---|--------------------------|

MIN.SEN/SCA/241/2023- **PRAYER**

The Chairperson called the meeting to order at 8.17 a.m. followed by a word of prayer.

MIN/SEN/SCA/242/2023- **ADOPTION OF THE AGENDA**

The agenda of the meeting was adopted after it was proposed by Sen. Wahome Wamatinga, MP and seconded by Sen. David Wafula Wakoli, MP as follows-

1. Prayer;
2. Adoption of the Agenda;
3. Confirmation of Minutes of the Thirty-Third Sitting;
4. Matters arising;
5. **Consideration and Adoption of the Matrix on the Tea (Amendment) Bill (Senate Bills No. 1 of 2023) (Committee Paper No. 31);**
6. **Consideration and Adoption of the Matrix on the Cotton Industry Development Bill (Senate Bills No. 5 of 2023) (Committee Paper No. 32);**
7. **Consideration and Adoption of the Matrix on the Agriculture and Food Authority (Amendment) Bill, 2023 (Senate Bills No. 13 of 2023) (Committee Paper No. 33);**
8. **Consideration and Adoption of the Matrix on the Prevention of Livestock and Produce Theft Bill, 2023 (Senate Bills No. 12 of 2023) (Committee Paper No. 34);**
9. **Meeting with the Chairman, Coffee Sub-Sector Reforms Implementation Standing Committee (Committee Paper 35);**
10. Any Other Business; and
11. Date of the Next Meeting and Adjournment.

MIN/SEN/SCA/243/2023- **CONFIRMATION OF MINUTES OF THE PREVIOUS SITTING**

The agenda item was deferred to the next sitting.

MIN/SEN/SCA/244/2023- **MATTERS ARISING**

The agenda item was deferred to the next sitting.

MIN/SEN/SCA/245/2023-

CONSIDERATION AND ADOPTION OF
THE MATRIX ON THE TEA
(AMENDMENT) BILL (SENATE BILLS
NO. 1 OF 2023) (COMMITTEE PAPER NO.
31)

The agenda item was deferred to the next meeting.

MIN/SEN/SCA/246/2023-

CONSIDERATION AND ADOPTION
OF THE MATRIX ON THE COTTON
INDUSTRY DEVELOPMENT BILL
(SENATE BILLS NO. 5 OF 2023)
(COMMITTEE PAPER NO. 32)

The Committee was taken through the matrix by the legal counsel and considered the submissions collected from farmers and those received via the Committee email.

Committee Observations

1. The need to define the word cotton sector in order to bring clarity on the scope of application of the Bill;
2. The membership of the Board was farmer heavy; out of the ten members of the Board, eight are farmers representatives. It would be important to reduce the number of farmers representative and to add other stakeholders to the membership of the Board in order to strike a balance;
3. There is a need to facilitate farmers in terms of establishing aggregation centers and collection centers which are close to the farmers. It was noted that farmers incur a lot of costs and sometimes their produce are spoiled due to lack of proper accessible storage facilities;
4. The Board should in consultation with the National Biosafety Authority and research institutions undertake research in order to develop affordable climate resilient seeds. It was noted that the cost of seeds was too high, currently a kilo of cotton seeds is retailing at an average of four thousand shillings;

5. In order to cushion farmers from the high cost of production, the Board and the county governments should put in place measures to provide subsidised farm machinery and other inputs which include; seeds, fertilizer and pesticides;
6. Agriculture being a devolved function the county government should put in place and implement measures, including incentives in order to promote the development of the cotton industry;
7. The small-scale farmers felt that the registration process as outlined in Section 24 of the Bill was too inhibitive because it requires farmers to travel for long distances to county offices for registration. It is therefore imperative to come up with a simple registration process, accessible to the farmers;
8. Clause 25 (1) which provides that a person shall not engage in manufacturing of cotton products without a license needs to be clarified because the intent of the Bill is on cotton growing, ginning and value addition of cotton by-products and not on textiles & apparels;
9. The Bill prohibits imports and export *cotton products*. The cotton industry is diverse with many products ranging from textiles, apparels, fishing nets, filters among others and therefore there was a need to qualify these cotton products;
10. Since it not possible to have all the proposed stakeholders' representatives in the Board, committees should be established at the county level to advise the county executive member on matters that affect the cotton industry; and
11. The Bill proposes to remove the management and regulation of Cotton from AFA to the Cotton Industry development Board. It is therefore necessary to transition, all staff, assets and liabilities with respect to the cotton sector, from AFA to the Cotton Industry Development Board.

MIN/SEN/SCA/247/2023-

CONSIDERATION AND ADOPTION OF THE
MATRIX ON THE AGRICULTURE AND
FOOD AUTHORITY (AMENDMENT) BILL,
2023 (SENATE BILLS NO. 13 OF 2023)
(COMMITTEE PAPER NO. 33).

The Committee noted that only one submission was received from the Nut Processors Association of Kenya who were against the amendment to allow export of raw unshelled nuts. The Committee rejected the Submission from Nutpack and resolved to carry out Public Participation in Macadamia Growing Counties to get submissions from Farmers.

MIN/SEN/SCA/248/2023-

CONSIDERATION AND ADOPTION
OF THE MATRIX ON THE
PREVENTION OF LIVESTOCK AND
PRODUCE THEFT BILL, 2023
(SENATE BILLS NO. 12 OF 2023)
(COMMITTEE PAPER NO. 34)

The Committee noted that the object of the Prevention of Livestock and Produce Theft bill, 2023 was very broad and not specific to the mandate of the Committee, therefore the Committee resolved to hold joint sittings with the Standing Committees on National Security, Defence and Foreign Relations and the Committee on Trade, Industrialization and Tourism.

MIN/SEN/SCA/249/2023-

MEETING WITH THE CHAIRMAN,
COFFEE SUB-SECTOR REFORMS
IMPLEMENTATION STANDING
COMMITTEE (COMMITTEE PAPER
35)

The Chairperson gave Prof. Joseph Kieyah, MA, JD, PhD, EBS an opportunity to introduce himself. Thereafter, the Professor briefed the Committee on some of the matters ailing the Coffee Sector, which had been included in their submissions chief among them being:

1. The role of the marketing license that has stifled the ability of Unions to market their own coffee thereby resulting in about 80% of the Coffee being bought by a clique of people.
2. That due to the afore-mentioned there was a lot of insider trading at the Nairobi Coffee Exchange.

3. Non-Enforcement of the 2020 Coffee Regulations was a big contributing factor to the issues currently affecting the sector.

MIN/SEN/SCA/250/2023-

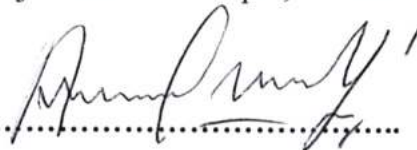
ANY OTHER BUSINESS

The Committee resolved to invite the Cabinet Secretary of Water and Irrigation and the Governor Kisumu County one last time and if they do not honor the invites then Summons should be issued to the two individuals as they had honoured earlier invites.

MIN/SEN/SCA/251/2023-

DATE OF NEXT MEETING AND
ADJOURNMENT

The meeting adjourned at 12.30 pm, the next meeting will be by notice.

SIGNED:..... DATE: 6/6/2023.....

SEN. JAMES KAMAU MURANGO, MP

(CHAIRPERSON)



**MINUTES OF THE THIRTY-SECOND SITTING OF THE SENATE
STANDING COMMITTEE ON AGRICULTURE, LIVESTOCK AND
FISHERIES, HELD ON FRIDAY, 19TH MAY, 2023 AT BUSIA COUNTY
SENATE OFFICE, BUSIA COUNTY AT 11.00 A.M.**

PRESENT

- | | | |
|-------------------------------------|---|------------------|
| 1. Sen. James Kamau Murango, MP | - | Chairperson |
| 2. Sen. Alexander Munyi Mundigi, MP | - | Vice-Chairperson |
| 3. Sen. Daniel Kitonga Maanzo, MP | - | Member |
| 4. Sen. Beth Kalunda Syengo, MP | - | Member |
| 5. Sen. David Wafula Wakoli, MP | - | Member |

ABSENT WITH APOLOGIES

- | | | |
|--------------------------------------|---|--------|
| 1. Sen. Enoch Kiiio Wambua, CBS, MP, | - | Member |
| 2. Sen. Moses Otieno Kajwang', MP | - | Member |
| 3. Sen. Allan Kiprotich Chesang, MP | - | Member |
| 4. Sen. Wahome Wamatinga, MP | - | Member |

SECRETARIAT

- | | | |
|--------------------------|---|-------------------------|
| 1. Ms. Caroline Njue | - | Clerk Assistant |
| 2. Mr. Reinhardt Choge | - | Clerk Assistant |
| 3. Ms. Regina Munyao | - | Legal Counsel |
| 4. Mr. Hillary Cheruiyot | - | Research Officer |
| 5. Ms. Violet Nalianya | - | Media Relations Officer |
| 6. Ms. Rose Ometere | - | Audio Officer |
| 7. Mr. Abdihabib Dekow | - | Sergeant-at-Arms |

IN ATTENDANCE

**KENYA FOREST RESEARCH
INSTITUTE, MELIA HALL**

- | | | |
|------------------------------|---|---|
| 1. Sen. Andrew Okiya Omtatah | - | Senator, Busia County |
| 2. Dr. G.S. Mukok | - | County Executive Committee Member,
Agriculture, Busia County |
| 3. Hon. Richard Okelo Mudibo | - | Member of County assembly, Mayende
Ward, Busia County |
| 4. Hon. Peter K. Talam | - | Member of County Assembly, Bukhayo |

- | | |
|-----------------------------------|--|
| 5. Mr. Ongoma Kuchio | West Ward, Busia County |
| 6. Mr. Mauda Chrispinus | - Legal Advisor, Office of the Governor |
| 7. Ms. Eunice A. Ochieng | -Principal Chief, Busia County |
| 8. Mr. Zedekia Adul Ajwang | - Assistant County Commissioner |
| | -Uyoma Farmers Cooperative Society LTD,
Siaya County |
| 9. Mr. Andrew O. Ogundo | -Uyoma Farmers' Cooperative Society LTD,
Siaya County |
| 10. Mr. James Edwin Riaga | -Kisumu Cotton Union, Kisumu County |
| 11. Mr. Edward Oteba | -Jairos Cotton Growers Cooperative Society |
| 12. Mr. Gerald Osere Ekisa
LTD | -Auguroi Farmers' Cooperative Society |
| 13. Ms. Mary Nancy Odemba | -Chairperson, Nambale Farmers'
Cooperative Union LTD, Busia County |
| 14. Mr. Christiano Small | -Chairperson, Luanda Farmers Cooperative
Union LTD, Busia County |
| 15. Mr. Willie Wycliffe Opili | -Manager, Malaba Malakisi Farmers
Cooperative Union LTD, Busia County |
| 16. Mr. Micheal Okodoi | -Lukolis Farmers' Cooperative Union LTD,
Busia County |
| 17. Dr. Moses Onim | -Secretary General, Kisumu Cotton Union
LTD, Kisumu County |

MIN.SEN/SCA/228/2023-

PRELIMINARIES

The Chairperson called the meeting to order at 11.15 a.m. followed by a word of prayer and introductions.

MIN/SEN/SCA/229/2023-

ADOPTION OF THE AGENDA

The agenda of the meeting was adopted after it was proposed by Sen. Beth Kalunda Syengo, MP and seconded by Sen. David Wafula Wakoli, MP as follows-

1. Prayer;
2. Introductions;
3. Introductory Remarks on the Cotton Industry Development Bill, 2023 (Senate Bills No.5 of 2023) by the Committee Chairperson;
4. *Overview of the Cotton Industry Development Bill, 2023 (Senate Bills No.5 of 2023);*
5. *Submissions by the Public on the Cotton Industry Development Bill, 2023 (Senate Bills No.5 of 2023);*
6. Closing Remarks and Adjournment.

MIN/SEN/SCA/230/2023-

**INTRODUCTORY REMARKS BY THE
COMMITTEE CHAIRPERSON**

The Chairperson introduced the Bill to the Public and further invited the Bill sponsor Senator Beth Kalunda Syengo, MP to give an overview of the Bill whilst citing Cottons' contribution to the economy years back and its outstanding potential to contribute to the economy.

MIN/SEN/SCA/231/2023-

OVERVIEW OF THE COTTON INDUSTRY
DEVELOPMENT BILL, 2023

The public was taken through the overview of the Bill by the Chairperson Sen. James Kamau Murango, MP. The Bill proposes to provide for production, processing, marketing and distribution of cotton in Kenya and its products; establish the Cotton Industry Development Board; provide a framework for cotton farming; ensure value addition to cotton and its related products; and for connected purposes.

The Chairperson briefed the public that the Cotton Industry had a potential of contributing greatly towards alleviating farmers financial woes and also contributing to the economy as the local supply of cotton bales to the textile industry is currently 28,000 bales or less against a demand of 140,000 bales and projected total Country output of 280,000 bales should all the Cotton growing areas plant Cotton. Further to this, Cotton can be multi-cropped and produce good yields whilst allowing the growers to plant food crops alongside the cash crop.

He informed the public that the important clauses in the bill are-

1. **Clauses under Part II** which provides for the formation of the Cotton Board of Kenya to protect farmers interests instead of it being vested in the Agriculture and Food Authority;
2. **Clauses under Part III** which provides for the role of the County Governments; and
3. **Clauses under Part IV** which provide regulatory provisions to cater to how business in the Cotton Industry may be carried out.

MIN/SEN/SCA/232/2023-

SUBMISSIONS BY MEMBERS OF THE
PUBLIC ON THE COTTON INDUSTRY
DEVELOPMENT BILL, 2023 (SENATE
BILLS NO. 5 OF 2023)

The members of the public were invited to submit their views on the Bill and were informed that their submissions would be included in the Bill for consideration by the Committee in the bill after being formulated in the legal format.

The public submitted as follows:

1. That, farmers called for the reduction or subsidizing of prices of seed, especially for BT Cotton which is resistant to Cotton Ball worm which currently retails at Kshs. 4000 per kg. Further to this as a Country there should be concerted efforts to develop our own cotton seed with traits similar to BT Cotton thereby reducing costs for farmers as the Kenya Agricultural and Livestock Organization has the capacity to carry out the creation of the seeds;
2. That, the bill came at the right time since cotton farming has drastically dwindled compared to the yester years where it was a cash crop that enabled farmers to fund their children's education;
3. That, a Cotton Research Foundation be established to cater on all matters research and how to enable the growth and development of better yielding cotton varieties;
4. That, there should be provision of agricultural extensions services for Cotton farming to allow the farmers to have synced planting and harvesting seasons to curb and control spread of pests and diseases which occurs when planting does not follow a routine;
5. That, the County Government should provide tractors to farmers to plough their land when planting;
6. That, in terms of benefits from Cotton by-products the farmers should be able to get a percentage of the proceeds from the sale of the by-products that is seed oil, dairy livestock feed in terms of the (*cotton seed cake*) and the cotton itself.
7. That, Societies should be represented in the board to control the buying price of the seeds;
8. That, moving cotton from the Agriculture and Food Authority (AFA) will enable the cotton industry have its own budget;
9. That, the season for planting and harvesting Cotton should be determined and uniform across all the Counties that farm Cotton to increase production; and
10. That, farmers should be paid on delivery when selling cotton.

MIN/SEN/SCA/233/2023-

CLOSING REMARKS AND
ADJOURNMENT

The Chairperson thanked Members of the Public for showing up to make Submissions on the Bills, and the meeting was adjourned at 3.00 pm.



SIGNED: DATE:29/5/2023.....

SEN. JAMES KAMAU MURANGO, MP

(CHAIRPERSON)



MINUTES OF THE THIRTY-FIRST SITTING OF THE SENATE STANDING COMMITTEE ON AGRICULTURE, LIVESTOCK AND FISHERIES, HELD ON THURSDAY, 18TH MAY, 2023 AT KENYA FOREST RESEARCH INSTITUTE, MELIA HALL, KITUI TOWN, KITUI COUNTY AT 10.00 A.M.

PRESENT

- | | | |
|-------------------------------------|---|------------------|
| 1. Sen. James Kamau Murango, MP | - | Chairperson |
| 2. Sen. Alexander Munyi Mundigi, MP | - | Vice-Chairperson |
| 3. Sen. Beth Kalunda Syengo, MP | - | Member |
| 4. Sen. David Wafula Wakoli, MP | - | Member |

ABSENT WITH APOLOGIES

- | | | |
|-------------------------------------|---|--------|
| 1. Sen. Enoch Kii Wambua, CBS, MP, | - | Member |
| 2. Sen. Moses Otieno Kajwang', MP | - | Member |
| 3. Sen. Daniel Kitonga Maanzo, MP | - | Member |
| 4. Sen. Allan Kiprotich Chesang, MP | - | Member |
| 5. Sen. Wahome Wamatinga, MP | - | Member |

SECRETARIAT

- | | | |
|--------------------------|---|-------------------------|
| 1. Ms. Caroline Njue | - | Clerk Assistant |
| 2. Mr. Reinhardt Choge | - | Clerk Assistant |
| 3. Ms. Regina Munyao | - | Legal Counsel |
| 4. Mr. Hillary Cheruiyot | - | Research Officer |
| 5. Ms. Violet Nalinya | - | Media Relations Officer |
| 6. Ms. Rose Ometere | - | Audio Officer |
| 7. Mr. Abdihabib Dekow | - | Sergeant-at-Arms |

IN ATTENDANCE

KENYA FOREST RESEARCH INSTITUTE, MELIA HALL

- | | | |
|---------------------------------|---|---|
| 1. Mr. Khalid A. Mahmud | - | CS, County Government of Kitui |
| 2. Mr. Taher Zavery | - | Kitui Ginnery |
| 3. Mr. Mercy Ndungu | - | Assistant County Commissioner, Kitui County |
| 4. Mr. Abdi Ali Adan Commanding | - | Kenya Police Service, Officer |

Petty Crime, Kitui Town

MIN.SEN/SCA/222/2023-

PRELIMINARIES

The Chairperson called the meeting to order at 10.15 a.m. followed by a word of prayer and introductions.

MIN/SEN/SCA/223/2023-

ADOPTION OF THE AGENDA

The agenda of the meeting was adopted after it was proposed by Sen. Beth Kalunda Syengo, MP and seconded by Sen. Alexander Munyi Mundigi, MP as follows-

1. Prayer;
2. Introductory Remarks on the Cotton Industry Development Bill, 2023 (Senate Bills No.5 of 2023);
3. *Overview of the Cotton Industry Development Bill, 2023 (Senate Bills No.5 of 2023);*
4. *Submissions by the Public on the Cotton Industry Development Bill, 2023 (Senate Bills No.5 of 2023);*
5. Closing Remarks and Adjournment

MIN/SEN/SCA/224/2023-

INTRODUCTORY REMARKS BY THE COMMITTEE CHAIRPERSON

The Chairperson introduced the Bill to the Public and further invited the Bill sponsor Senator Beth Kalunda Syengo, MP to give an overview of the Bill whilst citing Cottons' contribution to the economy years back and its outstanding potential to contribute to the economy.

MIN/SEN/SCA/225/2023-

OVERVIEW OF THE COTTON INDUSTRY DEVELOPMENT BILL, 2023 (SENATE BILLS NO. 5 OF 2023)

The public was taken through the overview of the Bill by the Chairperson Sen. James Kamau Murango, MP. The Bill proposes to provide for production, processing, marketing and distribution of cotton in Kenya and its products; establish the Cotton Industry Development Board; provide a framework for cotton farming; ensure value addition to cotton and its related products; and for connected purposes.

The Chairperson briefed the public that the Cotton Industry had a potential of contributing greatly towards alleviating farmers financial woes and also contributing to the economy as the local supply of cotton bales to the textile industry is currently 28,000 bales or less against a demand of 140,000 bales and projected total Country output of 280,000 bales should all the Cotton growing areas plant Cotton. Further to

this, Cotton can be multi-cropped and produce good yields whilst allowing the growers to plant food crops alongside the cash crop.

He informed the public that the important clauses in the bill are-

1. **Clauses under Part II** which provides for the formation of the Cotton Board of Kenya to protect farmers interests instead of it being vested in the Agriculture and Food Authority;
2. **Clauses under Part III** which provides for the role of the County Governments; and
3. **Clauses under Part IV** which provide regulatory provisions to cater to how business in the Cotton Industry may be carried out.

MIN/SEN/SCA/226/2023-

SUBMISSIONS BY MEMBERS OF THE
PUBLIC ON THE COTTON INDUSTRY
DEVELOPMENT BILL, 2023 (SENATE BILLS
NO. 5 OF 2023)

The members of the public were invited to submit their views on the Bill and were informed that their submissions would be included in the Bill for consideration by the Committee in the bill after being formulated in the legal format.

1. That, farmers called for the reduction or subsidizing of prices of seed, especially for BT Cotton which is resistant to Cotton Ball worm which currently retails at Kshs. 3500 per kg;
2. That, farmers called for price stabilization of Cotton prices to assure farmers of guaranteed earnings based on yield per acre instead of depending on international pricing standards;
3. That, there was need for the farmers to be trained on Cotton farming and sensitization of the youth to enable them to participate in Cotton Farming;
4. That, the farmers should be facilitated with subsidized and certified Cotton seeds by the County Governments;
5. That, there should be provision of agricultural extensions services for Cotton and they should be holding monthly meetings to talk about cotton farming; and
6. That, farmers called for the establishment of a central aggregation center and buying center to reduce the distance travelled by farmers.

Committee Observations

The Committee observed that cotton farmers in Kitui should form Cooperatives/Societies to enable them to lobby for better prices and any other challenges they are facing in cotton farming, and also to access loans.

MIN/SEN/SCA/227/2023-

CLOSING REMARKS AND
ADJOURNMENT

The Chairperson thanked Members of the Public for showing up to make Submissions on the Bills, and the meeting was adjourned at 1.00 pm.



SIGNED: DATE:29/5/2023.....

SEN. JAMES KAMAU MURANGO, MP

(CHAIRPERSON)



MINUTES OF THE THIRTIETH SITTING OF THE SENATE STANDING COMMITTEE ON AGRICULTURE, LIVESTOCK AND FISHERIES, HELD ON WEDNESDAY, 17TH MAY, 2023 AT DEPUTY COUNTY COMMISSIONERS' OFFICE HALL, MWINGI NORTH, KYUSO WARD, KITUI COUNTY AT 9:30 A.M.

PRESENT

- | | | |
|-------------------------------------|---|------------------|
| 1. Sen. James Kamau Murango, MP | - | Chairperson |
| 2. Sen. Alexander Munyi Mundigi, MP | - | Vice-Chairperson |
| 3. Sen. Beth Kalunda Syengo, MP | - | Member |
| 4. Sen. David Wafula Wakoli, MP | - | Member |

ABSENT WITH APOLOGIES

- | | | |
|-------------------------------------|---|--------|
| 1. Sen. Enoch Kii Wambua, CBS, MP, | - | Member |
| 2. Sen. Moses Otieno Kajwang', MP | - | Member |
| 3. Sen. Daniel Kitonga Maanzo, MP | - | Member |
| 4. Sen. Allan Kiprotich Chesang, MP | - | Member |
| 5. Sen. Wahome Wamatinga, MP | - | Member |

SECRETARIAT

- | | | |
|--------------------------|---|-------------------------|
| 1. Ms. Caroline Njue | - | Clerk Assistant |
| 2. Mr. Reinhardt Choge | - | Clerk Assistant |
| 3. Ms. Regina Munyao- | | Legal Counsel |
| 4. Mr. Hillary Cheruiyot | - | Research Officer |
| 5. Ms. Violet Nalianya- | | Media Relations Officer |
| 6. Ms. Rose Ometere | - | Audio Officer |
| 7. Mr. Abdihabib Dekow | - | Sergeant-at-Arms |

IN ATTENDANCE

1. Mr. Peter M. Njiraini
2. Mr. Eliud M. Silla
3. Mr. Munyoki Mwinzi
County

**DEPUTY COUNTY COMMISSIONERS'
OFFICE HALL, MWINGI NORTH**

- Ministry of Interior
- Ministry of Interior
- Member of County Assembly, Kitui

- | | |
|----------------------|---|
| 4. Mr. Sam Mausio | - Kava Mama Educational Center |
| 5. Mr. Stephen Matei | - Subcounty Administrator, County Government of Kitui |
| 6. Mr. Luka Musyoka | - Regional Manager, County Office |

MIN/SEN/SCA/216/2023-

PRELIMINARIES

The Chairperson called the meeting to order at 9.55 a.m. followed by a word of prayer and introductions.

MIN/SEN/SCA/217/2023-

ADOPTION OF THE AGENDA

The agenda of the meeting was adopted after it was proposed by Sen. Beth Kalunda Syengo MP and seconded by Sen. David Wafula Wakoli, MP as follows-

1. Prayer;
2. Introductions;
3. Introductory Remarks on the Cotton Industry Development Bill, 2023 (Senate Bills No.5 of 2023) by the Committee Chairperson;
4. *Overview of the Cotton Industry Development Bill, 2023 (Senate Bills No.5 of 2023);*
5. *Submissions by the Public on the Cotton Industry Development Bill, 2023 (Senate Bills No.5 of 2023);*
6. Closing Remarks and Adjournment.

MIN/SEN/SCA/218/2023-

INTRODUCTORY REMARKS BY THE COMMITTEE CHAIRPERSON

The Chairperson introduced the Bill to the Public and further invited the Bill sponsor Senator Beth Kalunda Syengo, MP to give an overview of the Bill whilst citing Cottons' contribution to the economy years back and its outstanding potential to contribute to the economy.

MIN/SEN/SCA/219/2023-

OVERVIEW OF THE COTTON INDUSTRY DEVELOPMENT BILL, 2023 (SENATE BILLS NO. 5 OF 2023)

The public was taken through the overview of the Bill by the Chairperson Sen. James Kamau Murango, MP. The Bill proposes to provide for production, processing, marketing and distribution of cotton in Kenya and its products; establish the Cotton Industry Development Board; provide a framework for cotton farming; ensure value addition to cotton and its related products; and for connected purposes.

The Chairperson briefed the public that the Cotton Industry had a potential of contributing greatly towards alleviating farmers financial woes and also contributing

to the economy as the local supply of cotton bales to the textile industry is currently 28,000 bales or less against a demand of 140,000 bales and projected total Country output of 280,000 bales should all the Cotton growing areas plant Cotton. Further to this, Cotton can be multi-cropped and produce good yields whilst allowing the growers to plant food crops alongside the cash crop.

He informed the public that the important clauses in the bill are-

1. **Clauses under Part II** which provides for the formation of the Cotton Board of Kenya to protect farmers interests instead of it being vested in the Agriculture and Food Authority;
2. **Clauses under Part III** which provides for the role of the County Governments; and
3. **Clauses under Part IV** which provide regulatory provisions to cater to how business in the Cotton Industry may be carried out.

MIN/SEN/SCA/220/2023-

**SUBMISSIONS BY MEMBERS OF THE
PUBLIC ON THE COTTON INDUSTRY
DEVELOPMENT BILL, 2023 (SENATE
BILLS NO. 5 OF 2023)**

The members of the public were invited to submit their views on the Bill and were informed that their submissions would be included in the Bill for consideration by the Committee in the bill after being formulated in the legal format.

The public submitted as follows:

1. That, farmers called for the reduction or subsidizing of prices of seed, especially for BT Cotton which is resistant to Cotton Ball worm which currently retails at Kshs. 3500 per kg;
2. That, the bill came at the right time since cotton farming has drastically dwindled compared to the yester years where it was a cash crop that enabled farmers to fund their children's education;
3. That, farmers called for price stabilization of Cotton prices to assure farmers of guaranteed earnings based on yield per acre instead of depending on international pricing standards; and
4. That, farmers called for more buying centers and aggregation centers to reduce the distance travelled to make a sale.

MIN/SEN/SCA/221/2023-

CLOSING REMARKS AND
ADJOURNMENT

The Chairperson thanked Members of the Public for showing up to make Submissions on the Bill, and the meeting was adjourned at 1.35 p.m.



SIGNED: DATE:29/5/2023.....

SEN. JAMES KAMAU MURANGO, MP
(CHAIRPERSON)