

MINUTES OF THE 136TH SITTING OF THE STANDING COMMITTEE ON AGRICULTURE, LIVESTOCK & FISHERIES HELD ON THURSDAY, 24TH JUNE, 2021, AT 11.00 A.M. ON THE ZOOM ONLINE MEETING PLATFORM.

PRESENT

- | | | |
|--------------------------------------------|---|------------------|
| 1. Sen. Peter Njeru Ndwiga, EGH, MP | - | Chairperson |
| 2. Sen. Enoch Wambua, MP | - | Vice-Chairperson |
| 3. Sen. Kipchumba Murkomen, EGH, MP | | |
| 4. Sen. Justice (Rtd.) Stewart Madzayo, MP | | |
| 5. Sen. Issa Juma Boy, MP | - | Ag. Chairperson |

ABSENT WITH APOLOGY

1. Sen. (Canon) Naomi Jillo Waqo, MP
2. Sen. (Eng.) Ephraim Maina, MP
3. Sen. (Dr.) Michael Mbito, MP

SECRETARIAT

- | | | |
|----------------------|---|-------------------------------------------|
| 1. Ms. Carol Kirorei | - | Clerk Assistant (<i>Taking Minutes</i>) |
| 2. Ms. Regina Munyao | - | Legal Counsel |

MIN. NO. 119/2021

PRELIMINARIES

The Chairperson called the meeting to order at 10.17 a.m. followed by a word of prayer.

MIN. NO. 120/2021

ADOPTION OF THE AGENDA

The Committee adopted the agenda of the Sitting, as set out below, having been proposed by Sen. (Canon) Naomi Waqo, MP and seconded by Sen. Kipchumba Murkomen, EGH, MP-

1. Preliminaries
 - a) *Prayer*
 - b) *Adoption of the Agenda*
2. Confirmation of previous Minutes
3. Matters arising from previous Minutes
4. Consideration of submissions received on the Coffee Bill, 2020
5. Any other business.
6. Date of Next Meeting
7. Adjournment.

MIN. NO. 121/2021

CONFIRMATION OF PREVIOUS MINUTES

The Minutes of the 135th Sitting held on Friday, 18th June, 2021 were confirmed as a true record of the proceedings and signed by the Ag. Chairperson after being proposed by Sen. Kipchumba Murkomen, EGH, MP and seconded by Sen. Njeru Ndwiga, EGH, MP.

MIN. NO. 122/2021

MATTERS ARISING FROM PREVIOUS MINUTES

1. *Ex Min. 110/2021* - *Meeting with the Receiver Manager, Mumias Sugar Co. Ltd.*

Members were informed that the Committee was in receipt of correspondence from the Receiver Manager, Mumias Sugar Company Ltd. requesting for more time to publish an advertisement on the proposed leasing of the Company. This was to enable his office to prepare detailed bid documents to maintain uniformity of the bids for expeditious evaluation. There was also need to discuss the modalities with all stakeholders before the "Invitation to International Bidding" was advertised in local and international media. The Receiver Manager requested for extension of time to end of July.

The Committee resolved to invite the Receiver Manager to a meeting in a week's time to discuss the matter further.

MIN. NO. 123/2021

CONSIDERATION OF SUBMISSIONS RECEIVED ON THE COFFEE BILL, 2020

The Legal Counsel presented the submissions received from the various stakeholders as follows-

1. Long Title

Proposal: That the Long Title be amended to read as follows:

AN ACT of Parliament to provide for establishment of the Coffee Board of Kenya, and the Coffee Research Institute, and to provide for the role of the national and county governments for the regulation, development and promotion of the Coffee industry, and for connected purposes.

Resolution: Agreed to.

2. Clause 2

Proposal: Insertion of new definitions including: "auction", "auction levy", "Authority", "agent", "association", "bid", "broker", "buyer", "buyers levy", "clean coffee", "clearing house", "clearing and settlement", "coffee business", "coffee dealer", "coffee development", "coffee miller", "coffee milling", "coffee research", "coffee roaster", "coffee sales proceeds", "coffee standards", "coffee year", "Committee", "co-operative society", "county government", "cupping centre", "direct sale", "direct settlement system", "digitalization", "estate", "inspector", "licensing authority", "liquorer", "liquoring", "milling statement", "out-turn statement", "primary processing", "prompt date", "pulping station", "sale", "sales catalogue", "secondary processing", "small holder", "sweepings", "Tribunal", "warrant", "warehouse", "warehouse operator", and "warehouse receipt"

Resolution: Agreed to.

Proposal: That “association” be defined and the Act under which it is registered.
Resolution:

Resolution: Agreed to.

3. **Proposal:** That coffee exchange be licensed and regulated by the Coffee Board as opposed to CMA which has no experience in coffee trading.
Resolution: Not agreed to.

4. **Object and purpose of the Act**

Proposal: That the object and purpose of the Act be specific as follows-

- (a) *establish a framework for the regulation of the coffee subsector;*
- (b) *provide for a regulatory framework for the registration, licensing, issuance of permits, issuance of certificates, production, processing, quality assurance, coffee trading, marketing, payment system and credit finance;*
- (c) *provide for enforcement of the regulatory framework and coffee standards in the subsector;*
- (d) *delineate the roles of the National and County Governments in the coffee subsector and recognize agriculture as a devolved function under the Constitution;*
- (e) *provide a framework for interlinkages amongst state agencies, regulators and players along the coffee value chain including the public private partnerships;*
- (f) *promotion of vertical integration of the coffee value chain for purposes of achieving economies of scale and managing risk;*
- (g) *promote evidence based coffee research for the development of the subsector;*
- (h) *promote farmer-based associations or platforms for representation of farmers' interests;*
- (i) *provide a framework for the establishment of a coffee stabilization fund;*
- (j) *establishment a framework for the provision of sustainable funding for the subsector;*
- (k) *provide for the establishment of a dispute resolution mechanism in the coffee sub sector, and*
- (l) *provide a framework for the engagement of the Kenya Government and international fora.*

Resolution: Agreed to.

5. **Clause 6**

Proposal: That the composition of the Board be amended to consist of:

- (i) Principal Secretary in charge of cooperatives or the Commissioner for Cooperatives
- (ii) the Principal Secretary for the time being responsible for finance or a representative nominated by the Principal Secretary in writing;
- (iii) two persons of the opposite gender, representing smallholder coffee growers nominated by the Council of County Governors;
- (iv) one person representing coffee estate growers nominated by the Council of County Governors;

- (v) one person nominated by the Council of County Governors who should have relevant knowledge in the coffee sub sector;
(iv) one person representing the Attorney General;

Proposal: That the clause be amended to include representatives from the trade, from the millers, and from the counties on the board of directors.

Proposal: That the clause be amended to include-

- i. Principal Secretary responsible for environment.
- ii. Two persons representing civil society organization engaged in environmental conservation and climate change matters.

Resolution: That the PS, National Treasury be included in the Board's membership.

6. Qualifications of the Chairperson of the Board

Proposal: That a new clause be inserted to provide as follows-

- i. Holder of a degree from a university recognized in Kenya.
- ii. Five years' experience in the coffee industry
- iii. Active coffee farmer.
- iv. Meets the requirement of Chapter 6 of the Constitution

Resolution: Not agreed to.

7. Appointment of coffee growers' representatives

Proposal: That a new clause be included in the Bill to set out the criteria of selection of farmer representatives.

Resolution: Not agreed to. These may be handled in the Regulations.

8. **Proposal:** Clause 6(1) (d) and (e) be amended as follows-

(d) Two persons of the opposite gender representing and elected by smallholder coffee growers.

(e) Two persons of opposite gender representing and elected by plantation coffee growers.

Proposed New Clause-

(f) One person of either gender who shall have knowledge and experience in the coffee sector, representing and nominated by the council of Governors

Resolution: Not agreed to. These may be handled under the Regulations.

9. **Proposal:** Clause 6 be amended to read as follows-

Three members representing the co-operative societies where coffee is grown.

Two members representing the plantation coffee growers of registered coffee estates associations.

Resolution: Not agreed to.

10. **Proposal:** That clause 6 be amended to allow industry stakeholders independent participation.

Resolution: Not agreed to.

11. Clause 7

Proposal: That Clause 7 be amended to remove the requirement that members hold a degree.

Resolution: Not agreed to.

12. Clause 10

Proposal: That the clause be amended by inserting a new clause (b) and inserting words in the other clauses as highlighted-

NEW (b) issue registration certificates for agents, licences for independent coffee cupping laboratories, liquorers, warehouse operators and buyers, movement permits for purchased clean coffee, and regulate imports and exports of coffee;

(c) **undertake the** registration of coffee dealers;

(d) make recommendations to the Cabinet Secretary for, and oversee the implementation of policies strategies, plans and **funding models** for the coffee sector;

(f) conduct **national** and international coffee market intelligence **and surveys to inform** promotional **and branding strategies** including the application of the Kenya Coffee Mark of Origin;

(h) **develop and implement** a framework for the capacity building of **relevant** players in the coffee industry;

(l) **undertake** capacity building activities **and provide advisory services** for players **along** the coffee value chain;

(m) **undertake technology transfer and technical assistance to the counties on matters relating to coffee; conduct surveillance, inspections and enforce compliance to relevant policies, standards and related legislation; and**

(o) **co-ordinate inter-agency representation to international coffee fora to promote Kenya coffee for increased market share.**

(p) **arbitrate disputes arising between parties registered or licensed by the**

Board under this Act.

Resolution: Agreed to save for the new clause (b) as this is catered for in the Second Schedule.

13. **Proposal:** That Clause 10 (2) be amended to read as follows-

The Board of Directors shall in performance of its functions under this Act, consult and collaborate with the Council of County Governors and other stakeholders.

Resolution: Agreed to but with further amendment to include other stakeholders.

14. Proposal: That Clause 10 be amended to include the establishment and management of the Nairobi Coffee Exchange.

Resolution: Agreed to.

15. Proposal: That clause 10 be amended to include-

The Board shall collaborate with other industry stakeholders, both private and public.

Resolution: Agreed to.

16. Proposal: That Clause 10(f) be amended to remove the Kenya Coffee Mark of Origin as this increases cost of production.

Resolution: Not agreed to.

17. Clause 14

Proposal: That clause 14(2) be amended to provide as follows-

2) A person is qualified for appointment under subsection (1) if the person—

- (a) holds a degree in agriculture, business, law, administration or other relevant degree from a university recognized in Kenya;
- (b) has at least ten years' knowledge and experience in the coffee subsector;
- (c) has served in a position of senior management for a period of at least five years; and
- (d) meets the requirements of Chapter Six of the Constitution

Resolution: Not agreed to.

18. Clause 15

Proposal: That the positions of Chief Executive officer and Company Secretary should be harmonised.

Resolution: Agreed to.

19. Clause 23

Proposal: That clause 23(e) be amended to read as follows-

(c) Offer extension services on sustainable coffee production, climate smart agriculture and clean production in primary processing.

Resolution: Agreed to.

Proposal: That there is need for a policy on coffee to enable 23(1)(a) which provides that each county government shall implement the national government policy relating to coffee.

Resolution: Not agreed to as this is provided in clause 10(c).

Proposal: That Clause 23(d) be amended to avoid multiplicity of laws.

Resolution: Not agreed to. Clause 26 obligates County Government to register coffee farmers, Clause 23 therefore empowers counties to enact legislation setting out the criteria for registration.

Proposal: That Clause 23 (1) (f) be amended to have inspection carried out by the Board and the Coffee Research Institute.

Resolution: Not agreed to as Agriculture is a devolved function and therefore this functions fall within the county.

Proposal: That clause 23(2) be amended to delete imposition of taxes by the county executive committee.

Resolution: Not agreed to as this is a county government function.

20. Clause 24

Proposal: Section 24 provides that each county government may enact county specific legislation setting out the criteria for the issuance of permits and licences by applicant within the respective county. This may create restrictions on the inter-county movement of the coffee.

Resolution: Not agreed to.

Proposal: That the clause provides for a national structure for fees and levies.

Resolution: Not agreed to.

21. Clause 25

Proposal: To align with coffee regulation on Licencing the clause be amended to read as follows-

- (1) A person shall not operate a—
 - (a) pulping station or carry out hulling activities;
 - (b) coffee growers' mill;
 - (c) commercial mill;
 - (d) warehouse; or
 - (e) coffee roaster,

Resolution: Agreed to.

Proposal: There is need to clarify the purpose of the License issuance of licenses being pulping station, warehouse and coffee roaster's licences.

Resolution: Not agreed to. Clause 25(1) provides that a person **shall not operate**.....the licence therefore is for operating the listed activities.

Proposal: Clause 25(1) be amended to provide that unless the person has applied for a licence from the respective county government in which the operation is to be **undertaken and complied with all environmental protection laws, including environment impact assessment as set out in the Environmental Management and Coordination Act.**

Resolution: Not agreed to.

22. Clause 26

Proposal: Clause 26(1) opens up for the farmer to form and join associations and companies at will, thus killing the spirit of cooperative movement. The split of the cooperatives and the formation of cooperatives by the factory members of the existing cooperatives is a recipe for disputes especially with respect to the assets and liabilities of the cooperative

Resolution: Not agreed to.

23. Clause 27

Proposal: That the clause be amended to incorporate the conditions of establishing a cupping laboratory.

Resolution: Not agreed to.

24. Clause 8

Proposal: Central issuance of the license by the Coffee Board and the Counties to support the Board functions. Conflict of interest may deride issuance of permits. The area County Government may decide not to issue a licence to a commercial coffee miller in the event where it has a preferred miller.

Resolution: Not agreed to. It is not clear which clause is being referred to. The bill does not have section 8. Clause 8 provides for terms of appointment for the Board members.

25. Clause 31

Proposal: the Bill should clearly define the role in which the County Government should play as stakeholders in the market.

- i) Involve the county government in the development of legal and regulatory frameworks. This will enhance proper and ease in implementation of the legal and regulatory frameworks.
- ii) On licensing, County government should license all activities undertaken by the farmers e.g. Coffee Milling.
- iii) The county and national government should have a budgetary provision to enhance the boosting of coffee production as a way of reducing the cost of production and reducing of the individual farmer's contribution towards the cost of running the cooperative societies.
- iv) Neutral Body to handle Cherry Advance like Financial institutions (Banks and Saccos).
- v) The Cherry advance is a post-harvest remedy which cannot assist production. How will the coffee be revived without considering those who haven't delivered and they want to revive their coffee farming? It is our proposal that the recommendations of the 2016 presidential coffee taskforce regarding the subsidized farm inputs and rehabilitations of factories be given utmost priority

vi) Productivity: - There is need for standardization in terms of production and quality. There should be a sustainable and good quality farm input supply.

vii) Societies should be allowed to borrow from financial institutions with an approval from the general meeting and also from the Ministry of Cooperatives from the County government using their Collaterals.

viii) Setting up of a minimum guarantee on returns based on quality

Resolution: Not agreed to.

26. Clause 32

Proposal: That the clause be amended as follows-

(2) The Cabinet Secretary may, in consultation with the Board and the Institute and by Notice in the Gazette, impose a 2% levy based on export import value to be remitted by coffee buyers to the Board to support the coffee industry.

(3) The levy imposed under subsection (2) shall be apportioned as follows—

(a) 1% to the Institute;

(b) 0.5% to the Board for regulatory and coffee promotion purposes; and

(c) 0.5% to the coffee growing County Governments for coffee development as conditional grants

Resolution: Agreed to.

MIN. NO. 124/2021 ANY OTHER BUSINESS

1. Invitation to attend the Launch of the Kenya Marine Services Socio-economic Development Project

The meeting was informed of an invitation from the PS, Fisheries, Aquaculture and the Blue Economy to attend the launch of the Kenya Marine Fisheries Socio-economic Development Project scheduled to take place on Saturday, 26th June, 2021 in Mombasa. The Committee resolved to attend the launch of the Project.

MIN. NO. 125/2021 DATE OF NEXT MEETING

The next meeting would be held on Tuesday, 29th June, 2021 at 11.00 a.m.

MIN. NO. 126/2021 ADJOURNMENT

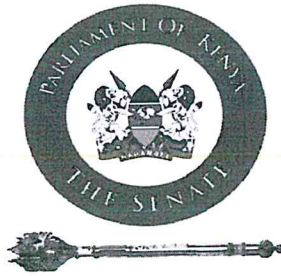
There being no other business, the meeting was adjourned at 1.10 p.m.



SIGNED:.....

(CHAIRPERSON)

DATE:.....29/6/2021.....



MINUTES OF THE 137TH SITTING OF THE STANDING COMMITTEE ON AGRICULTURE, LIVESTOCK & FISHERIES HELD ON TUESDAY, 29TH JUNE, 2021, AT 11.00 A.M. ON THE ZOOM ONLINE MEETING PLATFORM.

PRESENT

- | | | |
|--------------------------------------------|---|------------------|
| 1. Sen. Peter Njeru Ndwiga, EGH, MP | - | Chairperson |
| 2. Sen. Enoch Wambua, MP | - | Vice-Chairperson |
| 3. Sen. Kipchumba Murkomen, EGH, MP | | |
| 4. Sen. Justice (Rtd.) Stewart Madzayo, MP | | |
| 5. Sen. Issa Juma Boy, MP | | |
| 6. Sen. (Canon) Naomi Jillo Waqo, MP | - | Ag. Chairperson |

ABSENT WITH APOLOGY

1. Sen. (Eng.) Ephraim Maina, MP
2. Sen. (Dr.) Michael Mbito, MP

SECRETARIAT

- | | | |
|----------------------|---|-------------------------------------------|
| 1. Ms. Carol Kirorei | - | Clerk Assistant (<i>Taking Minutes</i>) |
| 2. Ms. Regina Munyao | - | Legal Counsel |
| 3. Ms. Njeri Manga | - | Media Relations Officer |

MIN. NO. 127/2021

PRELIMINARIES

The Acting Chairperson called the meeting to order at 11.10 a.m. followed by a word of prayer.

MIN. NO. 128/2021

ADOPTION OF THE AGENDA

The Committee adopted the agenda of the Sitting, as set out below, having been proposed by Sen. Issa Boy Juma, MP and seconded by Sen. Kipchumba Murkomen, EGH, MP-

1. Preliminaries
 - a) *Prayer*
 - b) *Adoption of the Agenda*
2. Confirmation of previous Minutes
3. Matters arising from previous Minutes
4. Consideration of submissions received on the Coffee Bill, 2020
5. Any other business.
6. Date of Next Meeting

7. Adjournment.

MIN. NO. 129/2021 **CONFIRMATION OF PREVIOUS MINUTES**

The Minutes of the 136th Sitting held on Thursday, 24th June, 2021 were confirmed as a true record of the proceedings and signed by the Chairperson after being proposed by Sen. Kipchumba Murkomen, EGH, MP and seconded by Sen. Issa Boy Juma, MP.

MIN. NO. 130/2021 **MATTERS ARISING FROM PREVIOUS MINUTES**

1. *Ex Min. 110/2021* - *Meeting with the Receiver Manager, Mumias Sugar Co. Ltd.*

Members were informed that the meeting with the Receiver Manager, Mumias Sugar Company Ltd. to discuss his request for extension of time to end of July to publish an advertisement on the proposed leasing of the Company was scheduled to be held on Friday, 2nd July, 2021 at 11.00 a.m.

MIN. NO. 131/2021 **CONSIDERATION OF SUBMISSIONS RECEIVED ON THE COFFEE BILL, 2020**

The Legal Counsel presented the submissions received from the various stakeholders as follows-

1. **Proposal:** That levies at the county level be deleted as this amounts to double taxation.
Resolution: Not agreed to.

2. **Clause 37**
Proposal: That the Coffee Research Institute be defined and its establishment be harmonized with the KALRO Act, 2013, as well as clarity on its functions especially in terms of lending.
Resolution: Not agreed to. The Coffee Research institute is defined under clause 2 of the Bill and its functions set out in clause 43.

3. **Clause 40**
Proposal: That the clause be amended to upgrade the qualification for the Board Chairman and add representation of growers.
(e) the Principal Secretary for matters relating to trade or a representative nominated by the Principal Secretary in writing;
(g) one person representing the Chief Executive Officer of the Kenya Phytosanitary Plant Health Services;
(h) one person representing smallholder coffee growers nominated by the Council of County Governors;
(i) one person representing coffee estate growers nominated by the Council of County Governors
On qualifications:
(3) A person is qualified for appointment as a chairperson of the board of the Institute if that person—

- (a) holds a doctorate degree in economics, agriculture, business, law, administration or other relevant degree from a university recognized in Kenya; and
 (b) has at least five years' experience in the coffee sector.

Proposal: That the clause be amended to set criteria for appointment of chairman- appointing body is not the issue but the following should guide the appointment.

- i. Holder of a degree from a university recognized in Kenya.
- ii. Five years' experience in the coffee industry
- iii. Active coffee farmer.
- iv. Meets the requirement of Chapter 6

Proposal: That the clause be amended to allow farmers to nominate their representatives.

Resolution: That the clause be amended to provide for nomination of a farmer representative by the Cabinet Secretary and a small scale farmers' representative nominated by the Council of Governors.

4. Clause 43

Proposal: That the clause be amended to provide for some functions specifically.

(2) For the purpose of carrying out its functions under subsection (1), the Institute shall—

- (a) undertake policy and social-economic analysis and make recommendations to the Cabinet Secretary on coffee research;
- (b) identify production, policy, market, processing and utilization constraints in the coffee industry and prepare short and long-term demand driven participatory research programmes;
- (c) undertake the production and supervision of quality coffee planting materials by the Institute and the authorized nursery operators;
- (d) provide competitive grants to research institutes and persons desirous of carrying out research and training programs which address value chain priorities and are consistent with the national research priorities and plans of the Institute;
- (e) support and promote the training and capacity building in relation to coffee research;
- (f) the lead agency in coffee breeding in the developing a climate resilient coffee crop and in leading the scientific effort to strengthen Kenya coffee's resistance to diseases and pests;
- (g) the lead agency in developing production, processing and other technologies and practices that contribute towards climate change adaptation, resilience and mitigation;
- (h) the custodian of the Kenyan Coffee Genome and the primary instrument for making modern genomics resources available to researchers working across the coffee production chain;

(p) the premier national and regional institute in research into and development of new coffee varieties and improvement of existing varieties;

(q) to facilitate the use of improved production and processing technologies and to establish adequate feedback systems from coffee farmers and processors in order to achieve the highest possible quality of coffee in Kenya;

(r) the principal platform for providing in an accessible form timely and usable form scientific information and advisory services to actors in the whole coffee production chain through field visits, radio programmes, demonstration farms, publications and modern technology tools such as social media;

(s) conduct market research and analysis and disseminate information on its findings to relevant stakeholders;

(t) organize national and regional bi-annual conference with coffee producers, processors and key stakeholders to share research findings and receive feedback.

Resolution: Agreed to.

Proposal: That the clause 43 1(b) provide for the institute to undertake research on the whole value chain.

Resolution: Not agreed to.

5. Clause 47

Proposal: That the clause on qualifications of the CEO of the Institute be amended as follows-

b) holds a **minimum doctorate degree in agriculture, crops science, economics or business administration** or its equivalent from a university recognised in Kenya;

Resolution: Not agreed to.

6. Clause 53

Proposal: That clause 53 (b) be amended to read as follows-

53(b) *The levy should not be more than 2% of monies collected from the sale of coffee.*

Resolution: Agreed to and the earlier proposal by the Taskforce is adopted.

Proposal: The clause be amended to do away with levies; the implication of which is that the take home amount by the farmer continues to shrink

Resolution: Not agreed to.

7. Clause 66

Proposal: That the clause be amended to as follows-

1) *The Cabinet Secretary may, in consultation with the Board and county governments, make Regulations-*

(a) ... (as before)

- (b) the forms to be used in the application for registration, licensing, permits, the notification to the direct settlement system provider, contracts and related activities;*
- (c) ... (as before)*
- (d) any fee or levy which may be charged for anything done under this Act;*
- (e) the regulation of contracts and enforcement of contractual obligations between growers, processors and other players in the coffee industry;*
- (f) the nomination of the members of the Board;*
- (g) the manner in which persons to represent growers shall be nominated;*
- (h) the forms prescribing the terms to be met by persons holding certificates, licenses and permits; (m) the manner of grading and classification of coffee under this Act;*
- (n) the capping of costs charged by service providers along the value chain, and*
- (o) without prejudice to any provision in this section, anything which under this Act may be prescribed.*

Resolution: Agreed to.

8. **Proposal:** That the Bill includes marketing which is a core function in the coffee value chain.

Resolution: Agreed to.

9. **Clause 74(1)**

Proposal: That all laws be that may be affected by this legislation be reviewed including KALRO Act, AFA Act, Coffee Regulations to ensure uniformity in provisions.

Resolution: Agreed to.

10. **First Schedule, s.22 and 44**

Proposal: That No Board members should be involved in any private business of the board.

Resolution: Not agreed to.

11. **Second Schedule, s. 10 and 23 - License, permit or certificate:**

Proposal: That licensing should not be moved to the counties.

Resolution: Not agreed to.

12. **Proposal:** That the Coffee Board should issue coffee auction license

Resolution: Agreed to.

13. **Part V – Registration and licensing**

Proposal: That a new Part be included in the Bill to provide for Registration, issuance of licences and permits and conditions attendant thereto.

Resolution: Agreed to.

14. Part VIII – Quality Assurance

Proposal: That a new Part be included in the Bill to provide for quality assurance.

Resolution: Agreed to.

15. Proposal: That a new clause be inserted on coffee imports and exports to read as follows-

84 (1) All coffee imported to Kenya shall conform to the Kenya coffee standards.

(2) Coffee, which does not conform to the Kenya coffee standards shall be destroyed upon an order of a court of competent jurisdiction obtained in proceedings instituted by the Board with due notice to the importer, and the import and permit of the owner may be suspended and subsequently cancelled.

Resolution: Agreed to.

16. Proposal: That a new clause on appointment and duties of inspectors be included as follows-

Appointment and duties of inspectors.

83(1) The Board and county governments shall appoint and gazette inspectors for the enforcement for the provisions of this Act.

(2) The Board and the county governments, shall separately or jointly conduct inspections of coffee farms, coffee nurseries, pulping stations, coffee mills, warehouses, cupping laboratories, roasters or coffee buyers' vessels transporting coffee to ascertain compliance with the requirements of this Act.

(3) A smallholder, a grower, a pulping station operator, a transporter, a miller, a warehouse operator or a buyer shall accord an inspector access and necessary assistance for effective inspection.

(4) A person who fails to accord an inspector access to premises and information commits an offence.

Resolution: Agreed to.

17. Proposal: That a new clause on surveillance be inserted to read as follows-

85(1) The Board and county governments shall jointly or separately conduct periodic surveillance among growers, pulping stations, millers, roasters, processing plants, warehousing facilities, transporters, retail outlets, border points, and buyers' premises to assess the degree of compliance with the coffee industry policy, standards, code of practice and regulatory framework.

(2) The Board and the county governments shall share surveillance reports for purposes of compliance and enforcement.

Resolution: Agreed to.

18. Proposal: That clause 93 (Miscellaneous Provisions) be amended to read General Provisions and provide as follows-

Amended to read General Provisions.

- (1) The Board, county governments, every licence holder, certificate holder and service provider shall digitalize and automate their operations for efficient service delivery and information dissemination.*
- (2) The digitalization process shall ensure—*
 - (a) multiple parties can access a common system;*
 - (b) flow of data takes place seamlessly across the value-chain without corruption; the system is safe and secured and protected against unauthorized entry or access;*
 - (c) access to the system is properly regulated and monitored with adequate mechanisms for continued integrity; and*
 - (d) the records are not lost, destroyed or tampered with, and in the event of any loss or destruction, sufficient back-up is available in a secure place.*
- (3) The digitalization referred to in sub-section (1) shall require the conversion of the entire value chain into a digital platform based on automation, computerization, integration across the value-chain and digital instrument usage including weigh scales, digital scanners, storage and inventory management.*

Resolution: Agreed to.

19. Proposal: That Bill be amended to provide for sharing of information between the Board and County Governments so as to align with the coffee regulations and enhance harmony in regulation of the coffee industry.

Resolution: Agreed to.

20. Proposal: That the Bill be amended to provide separate provisions for request for information by the Coffee Research Institute, the Board and the County Governments and obligation to provide correct information. This is to strengthen information sharing, enhance harmony in the regulation of the coffee industry and align with the coffee regulations.

Resolution: Agreed to.

21. Proposal: That the Bill be amended to include marketing which is a core function in the coffee value chain. Include coffee marketing agents license.

Resolution: Not agreed to.

The secretariat was tasked to prepare the amendments within a week's time.

MIN. NO. 132/2021

DATE OF NEXT MEETING

The next meeting would be held on Friday, 2nd July, 2021 at 11.00 a.m.

MIN. NO. 133/2021

ADJOURNMENT

There being no other business, the meeting was adjourned at 12.19 p.m.



SIGNED:.....
(CHAIRPERSON)

DATE:.....17/7/2021.....



MINUTES OF THE 139TH SITTING OF THE STANDING COMMITTEE ON AGRICULTURE, LIVESTOCK & FISHERIES HELD ON THURSDAY, 8TH JULY, 2021, AT 11.00 A.M. ON THE ZOOM ONLINE MEETING PLATFORM.

PRESENT

1. Sen. Peter Njeru Ndwiga, EGH, MP
2. Sen. Enoch Wambua, MP
3. Sen. Kipchumba Murkomen, EGH, MP
4. Sen. Issa Juma Boy, MP

- Chairperson
- Vice-Chairperson

ABSENT WITH APOLOGY

1. Sen. (Canon) Naomi Jillo Waqo, MP
2. Sen. Eng. Ephraim Maina, EBS, MP
3. Sen. (Dr.) Michael Mbito, MP
4. Sen. Justice (Rtd.) Stewart Madzayo, MP

SECRETARIAT

1. Ms. Carol Kirorei
2. Mr. David Angwenyi
Minutes
3. Ms. Regina Munyao
4. Ms. Mary Nyawira

- Clerk Assistant
- Clerk Assistant (*Taking*)
- Legal Counsel
- Audio Officer

MIN. NO. 140/2021

PRELIMINARIES

The Chairperson called the meeting to order at 11.19 a.m. and commenced the meeting with a word of prayer.

MIN. NO. 141/2021

ADOPTION OF THE AGENDA

The Committee adopted the agenda of the Sitting, as set out below, having been proposed by Sen. Issa Juma Boy, MP and seconded by Sen. Kipchumba Murkomen, EGH, MP-

1. Preliminaries
 - a) Prayer
 - b) Adoption of the Agenda
2. Consideration of proposed amendments to the Coffee Bill, 2020⁴

3. Any other business.
4. Date of Next Meeting
5. Adjournment.

MIN. NO. 142/2021

CONSIDERATION OF THE PROPOSED AMENDMENTS TO THE COFFEE BILL, 2020.

The Legal Counsel informed the meeting that the amendments by the Coffee Taskforce adopted by the Committee were yet to be redrafted into the drafting style of the Senate. Noting the need to consider the final draft of the proposed amendments, the Committee resolved to give the secretariat more time to redraft the amendments and thereafter hold a retreat to consider the same between 22nd and 26th July, 2021 in Nakuru County.

Members sought clarification on the Committee's resolution regarding licensing of the coffee exchange. The Committee was informed that the resolution made was that the Capital Markets Authority would handle the licensing as opposed to the Board. The Legal Counsel was tasked to compare the provisions of the Coffee General Regulations, 2019 and the provisions of the Coffee Bill, 2020 to ensure that they were in tandem, and that a comparative analysis be undertaken on the role of the Capital Markets Authority in commodity exchange in other jurisdictions.

MIN. NO. 143/2021

ANY OTHER BUSINESS

i) Second Reading of the Coffee Bill, 2020

The meeting was informed that the Coffee Bill, 2020 was listed in the Order Paper for Second Reading. The Chairperson undertook to communicate to the Speaker to put the Bill on hold until the Committee finalized its Report.

ii) Introduction of Committee Clerk

Members were informed that Mr. David Anunda Angwenyi, Clerk Assistant, would be joining the secretariat of the Committee to serve as a Committee Clerk. Members welcomed him to the Committee.

MIN. NO. 144/2021

DATE OF NEXT MEETING

The next meeting would be held on Friday, 9th July, 2021 at 11.00 a.m.

MIN. NO. 145/2021

ADJOURNMENT

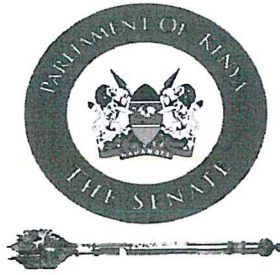
There being no other business, the meeting was adjourned at 11.45 a.m.

A handwritten signature in black ink, appearing to read "Schwarz", is written over a horizontal dotted line.

SIGNED:.....

(CHAIRPERSON)

DATE:.....17/7/2021.....



MINUTES OF THE 140TH SITTING OF THE STANDING COMMITTEE ON AGRICULTURE, LIVESTOCK & FISHERIES HELD ON FRIDAY, 9TH JULY, 2021, AT 11.00 A.M. ON THE ZOOM ONLINE MEETING PLATFORM.

PRESENT

- | | | |
|-------------------------------------|---|------------------|
| 1. Sen. Peter Njeru Ndwiga, EGH, MP | - | Chairperson |
| 2. Sen. Enoch Wambua, MP | - | Vice-Chairperson |
| 3. Sen. Kipchumba Murkomen, EGH, MP | | |

ABSENT WITH APOLOGY

1. Sen. (Canon) Naomi Jillo Waqo, MP
2. Sen. Issa Juma Boy, MP
3. Sen. Justice (Rtd.) Stewart Madzayo, MP
4. Sen. (Eng.) Ephraim Maina, MP
5. Sen. (Dr.) Michael Mbito, MP

SECRETARIAT

- | | | |
|-----------------------|---|-------------------------------------------|
| 1. Ms. Carol Kirorei | - | Clerk Assistant |
| 2. Mr. David Angwenyi | - | Clerk Assistant (<i>Taking Minutes</i>) |
| 3. Ms. Regina Munya | - | Legal Counsel |
| 4. Ms. Mary Nyawira | - | Audio Officer |

MIN. NO. 146/2021

PRELIMINARIES

The Chairperson called the meeting to order at 11.20 a.m. followed by a word of prayer.

MIN. NO. 147/2021

ADOPTION OF THE AGENDA

The Committee adopted the agenda of the Sitting, as set out below, having been proposed by Sen. Enoch Wambua, MP and seconded by Sen. Kipchumba Murkomen (EGH), MP-

1. Preliminaries
 - a) *Prayer*
 - b) *Adoption of the Agenda*
2. Consideration of the role of the Capital Markets Authority in the regulation of commodities exchanges
3. Any other business.
4. Date of Next Meeting
5. Adjournment.

MIN. NO. 148/2021

**CONSIDERATION OF THE ROLE OF CAPITAL
MARKETS AUTHORITY IN THE REGULATION OF
COMMODITIES EXCHANGES**

The Chairperson informed the Committee that an advisory note had been received from the Capital Markets Authority on regulation of commodities exchanges by the CMA. He informed the Committee-

1. That a meeting was held between the Committee, the Commission, all centers of coffee growers were represented and the Members of Parliament where the Commission took the stakeholders through the process and the intended regulation to be introduced;
2. That the contentious issues for discussion are issues raised by the Minister/Cabinet Secretary for Agriculture, on the issue of CMA when he hosted Members of Parliament;
3. That CMA is not the body that directly sells Coffee;
4. That the coffee Bill, 2020 provides for a provision for coffee Exchange that is mandated to regulate the auction of the coffee and that the Coffee exchange that is being regulated by CMA as provided by the Capital Markets Act;
5. The coffee Millers were licensed to be marketing agents, who are also the coffee buyers; a mischief the Committee is trying to cure through the Bill; and
6. That the Minister insists that the Membership of the coffee exchange to be appointed by the Cabinet Secretary while the Committee suggests that the membership of the coffee exchange to be predominantly from the farmers as it's the farmers body;

Following deliberations, the Committee resolved as follows-

1. To leave the Bill in its present form to conform to the coffee regulation and also the role of CMA as currently provided for in the Capital Markets Act; and
2. To have the retreat on between 15th and 19th July, 2021 in Naivasha, Nakuru County to consider the final draft of the proposed amendments to the Coffee Bill, 2020 and report.

MIN. NO. 149/2021

DATE OF NEXT MEETING

The next meeting would be held on Friday, 16th July, 2021 at 9.00 a.m.

MIN. NO. 150/2021

ADJOURNMENT

There being no other business, the meeting was adjourned at 11.35 p.m.

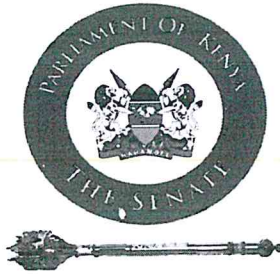


SIGNED:.....

.....

(CHAIRPERSON)

DATE:.....17/7/2021.....



MINUTES OF THE 142ND SITTING OF THE STANDING COMMITTEE ON AGRICULTURE, LIVESTOCK & FISHERIES HELD ON SATURDAY, 17TH JULY, 2021, AT 10.00 A.M. AT THE ENASHIPAI RESORT AND SPA, NAIVASHA.

PRESENT

- | | | |
|--------------------------------------|---|------------------|
| 1. Sen. Peter Njeru Ndwiga, EGH, MP | - | Chairperson |
| 2. Sen. Enoch Wambua, MP | - | Vice-Chairperson |
| 3. Sen. (Canon) Naomi Jillo Waqo, MP | | |
| 4. Sen. Kipchumba Murkomen, EGH, MP | | |
| 5. Sen. Issa Juma Boy, MP | | |

ABSENT WITH APOLOGY

1. Sen. Justice (Rtd.) Stewart Madzayo, MP
2. Sen. (Eng.) Ephraim Maina, MP
3. Sen. (Dr.) Michael Mbito, MP

SECRETARIAT

- | | | |
|-----------------------|---|-------------------------------------------|
| 1. Ms. Carol Kirorei | - | Clerk Assistant (<i>Taking Minutes</i>) |
| 2. Mr. David Angwenyi | - | Clerk Assistant |
| 3. Mr. Jeffah Ombati | - | Legal Intern |
| 4. Ms. Winnie Atieno | - | Audio Officer |

MIN. NO. 156/2021

PRELIMINARIES

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

MIN. NO. 157/2021

ADOPTION OF THE AGENDA

The Committee adopted the agenda of the Sitting, as set out below, having been proposed by Sen. Enoch Wambua, MP and seconded by Sen. (Canon) Naomi Waqo, MP-

1. Preliminaries
 - a) *Prayer*
 - b) *Adoption of the Agenda*
2. Consideration and adoption of the Report on the Consideration of the Coffee Bill (Senate Bills No. 22 of 2020)
3. Any other business.

4. Date of Next Meeting
5. Adjournment.

MIN. NO. 158/2021 CONSIDERATION AND ADOPTION OF THE REPORT ON THE CONSIDERATION OF THE COFFEE BILL, (SENATE BILLS NO. 22 OF 2020)

The Committee considered the Report on the consideration of the Coffee Bill, (Senate Bills No. 22 of 2020). The Committee adopted the Report after it was proposed by Sen. Issa Boy Juma, MP and seconded by Sen. (Canon) Naomi Waqo, MP

MIN. NO. 159/2021 ANY OTHER BUSINESS

a) The Coconut Industry Development Bill, 2021

The Committee was informed that the Coconut Industry Development Bill, 2021 had been read a First Time and had been committed to the Committee for consideration. The Committee resolved to undertake public participation in Mombasa County between 9th – 12th August, 2021.

b) Invitation to a Workshop by KEPSA

The Committee was informed that an invitation had been received from KEPSA Agriculture Sector Board to attend a joint Workshop with the Departmental Committee on Agriculture and Livestock of the National Assembly on 20th July, 2021. Noting that the said date was a public holiday, the Committee resolved to propose Friday, 13th July, 2021 for the meeting.

MIN. NO. 160/2021 DATE OF NEXT MEETING

The next meeting would be held on Monday, 19th July, 2021 at 11.00 a.m.

MIN. NO. 161/2021 ADJOURNMENT

There being no other business, the meeting was adjourned at 11.15 a.m.



SIGNED:.....
(CHAIRPERSON)

DATE:.....17/7/2021.....

APPENDIX II

Committee Stage amendments to the Bill

14th July, 2021

The Clerk of the Senate,
Parliament Buildings,

NAIROBI.

**RE: COMMITTEE STAGE AMENDMENTS TO THE COFFEE BILL, SENATE
BILLS NO. 22 OF 2020**

NOTICE is given that Sen. Peter Njeru Ndwiga, Chairperson, Committee on Agriculture, Livestock and Fisheries intends to move the following amendments to the Coffee Bill, Senate Bills No. 22 of 2020, at the Committee Stage—

CLAUSE 6

THAT clause 6 of the Bill be amended by inserting the words “of the opposite gender” immediately after the words “two persons” in paragraph (g).

CLAUSE 10

THAT clause 10 of the Bill be amended in subsection (1) by —

(a) inserting the words “funding models” immediately after the words “implementation of strategies” in paragraph (d);

(b) deleting paragraph (f) and substituting therefor the following new paragraph

—
(f) conduct national and international coffee market intelligence and surveys to inform promotional and branding strategies including the application of the Kenya Coffee Mark of Origin;

(c) deleting paragraph (h) and substituting therefor the following new paragraph

—
(h) develop and implement a framework for the capacity building of players in the coffee industry;

(d) deleting paragraph (l);

(e) inserting the following new paragraphs immediately after paragraph (l)—

- (m) undertake technology transfer and provide technical assistance to county governments on matters relating to coffee;
- (n) conduct surveillance and enforce compliance with relevant policies, standards and legislation on the coffee sector;
- (o) co-ordinate inter-agency representation in international coffee fora to promote increased market share of Kenyan coffee
- (p) arbitrate over disputes arising between parties registered or licensed by the Board under this Act; and
- (q) carry out such other functions as may be assigned by the Cabinet Secretary or conferred under any other law.

CLAUSE 17

THAT the Bill be amended by deleting Clause 17.

CLAUSE 23

THAT clause 23 of Bill be amended in subclause (1) by—

- (a) deleting paragraph (e) and substituting therefor the following new paragraph—
 - (e) offer and co-ordinate the delivery of extension services on sustainable production primary processing of coffee and climate smart agriculture;
- (b) inserting the following new paragraph immediately after paragraph (f) —
 - (fa) regulate the movement of coffee through the issuance of movement permits for *buni*, parchment and clean coffee within the county and from the county to warehouses situated outside the county.

CLAUSE 26

THAT clause 26 of the Bill be amended in subclause (1) by deleting the words “nursery operator” appearing immediately after the words “a coffee grower ” and substituting therefor the words “miller, roaster or warehouse, nursery operator, coffee”.

CLAUSE 27

THAT clause 27 of the Bill be amended by inserting the following new subclause immediately after subclause (8) —

(8A) The holder of a coffee buyer's licence or an entity associated with such holder shall not carry on the business of a commercial miller, broker, roaster, agent or warehouse operator.

(8B) A buyer's licence shall not be construed as authorizing a person to engage in direct sale of coffee or coffee products.

(8C) A holder of a commercial miller's licence or any other entity associated with such holder shall not carry on the business of a buyer, broker, roaster, or agent .

(8D) A licensing authority shall not issue a licence to a person whose effect would result in in the contravention of subsection (8A), (8B) or (8C).

CLAUSE 32

THAT clause 32 of the Bill be amended by inserting the following new paragraph immediately after paragraph (a) —

(aa) monies received from the levy imposed on coffee sales pursuant to section 32A.

CLAUSE 40

THAT clause 40 of the Bill be amended in—

(a) subclause (1) by—

(i) inserting the word “estate” immediately after the word “one person representing” in paragraph (f);

(ii) inserting the following new paragraph immediately after paragraph (f)—

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

(b) subclause (2) by inserting expression “(fa)” immediately after the words “under subsection (1)(f)”

CLAUSE 41

THAT clause 41 of the Bill be amended by inserting the expression “(fa)” immediately after the words “under section (1)(f)”.

CLAUSE 43

THAT clause 43 of the Bill be amended in—

(a) subclause (1) by inserting the words “and new coffee varieties” immediately after the words “in coffee diseases” in paragraph (b);

(b) subclause (2) by —

(a) inserting the words “demand driven participatory” immediately after the words “and long-term” in paragraph (b);

(b) inserting the following new paragraph immediately after paragraph (d)

—

(da) undertake the propagation of quality coffee planting materials and supervision of registered nursery operators;

(c) deleting paragraph (e) and substituting therefor the following new paragraph—

(e) provide competitive grants to research institutes and persons desirous of carrying out research and training programs which address value chain priorities and are consistent with the national research priorities and plans of the institute;

(d) inserting the following new paragraphs immediately after paragraph (k)—

(ka) be the lead scientific agency in coffee breeding for the development of a climate resilient coffee crop and coffee that is resistant to diseases and pests;

- (kb) develop technologies and practices for adoption along the production, processing and value chain that contribute towards climate change adaption, resilience and mitigation;
 - (kc) be the custodian of the Kenyan Coffee Genome and the primary instrument for making modern genomics resources available to researchers working across the coffee production chain;
 - (kd) provide and facilitate access to timely scientific information in a useable format and advisory services to actors in the coffee production chain;
 - (ke) conduct market research and analysis and disseminate information on its findings to relevant stakeholders; and
- (e) deleting the word “Board” appearing before the words “functions as the” and substituting therefor the words “board of the Institute” in paragraph (l).

CLAUSE 53

THAT clause 53 of the Bill be amended by deleting paragraph (b) and substituting therefor the following new paragraph—

- (b) one percent of monies collected from the sale of coffee pursuant to section 32A of this Act;

CLAUSE 62

THAT clause 62 of the Bill be amended by deleting the words “court of competent jurisdiction” appearing before the words “appeal to a” and substituting therefor the words “the High Court” in subclause (2).

CLAUSE 64

THAT clause 64 of the Bill be amended by deleting the words “pursuant to Article 24 of the Constitution, the” appearing in the beginning of the clause and substituting therefor the word “The” in subclause (1).

CLAUSE 66

THAT clause 66 the Bill be amended in subclause (2) by—

- (a) inserting the words “permits, the notification to the direct settlement system provider,” immediately after the words “for registration, licencing” in paragraph (b);
- (b) inserting the words “or levy” immediately after the words “any fee” in paragraph (d);
- (c) inserting the words “and enforcement” immediately after the words “the regulation” in paragraph (e) ;
- (d) inserting the following new paragraphs immediately after paragraph (e) —
 - (f) the process of nomination of members to the Board;
 - (g) the conditions for the issuance of certificates, licenses and permits under this Act;
 - (h) the trade, storage, bulking, packing and roasting of coffee;
 - (i) the regulation of nursery operations, pulping, milling, warehousing and transportation of coffee;
 - (j) the grading and classification of coffee; and
 - (k) the imposition of costs charged by service providers along the value chain and payment of coffee sales proceeds to growers and their service providers.

NEW CLAUSE 2A

THAT the Bill be amended by inserting the following new clause immediately after clause 2—

CLAUSE 2A

2A. The object of this Act is to —

- (a) promote a globally competitive coffee industry;
- (b) provide a framework for the registration and licensing of various players within the coffee sector;
- (c) delineate the roles of the National and County Governments in the regulation, development and promotion of the coffee sector;
- (d) promote the vertical integration of the coffee value chain for the purpose of achieving economies of scale and managing risk;
- (e) promote evidence based coffee research and the delivery of extension services for the development of the coffee sector;
- (f) provide a framework for the establishment of a coffee development levy;
- (g) provide a framework for the sustainable funding of the coffee sector; and
- (h) provide for the establishment of a dispute resolution mechanism within the coffee sector.

CLAUSE 27

THAT the Bill be amended by inserting the following new clauses immediately after clause 27—

27A. The following licences shall be issued by the Authority under the Capital Markets Act—

- (k) coffee exchange licence authorising a person to conduct the business of a coffee exchange;
- (l) a broker's licence authorising a person to offer clean coffee for sale at an exchange on behalf of the grower.

Licences issued by the Authority.
Cap 485A.

27B. (1) A person shall not operate as a cupping laboratory, liquorer, coffee buyer, coffee importer, agent or warehouse operator unless the person is licensed or issued a registration certificate or a permit by the Board upon satisfaction of the prescribed conditions.

Requirements for certificates, licenses and permits.

(2) A person shall not conduct the business of a coffee exchange or offer brokerage services at the exchange unless that person is licensed by the Authority in accordance with the provisions of the Capital Markets Act.

Cap 485A

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

27C. A licence holder shall act in the best interest of coffee growers and adhere to prescribed conditions for the issuance of a licence and contractual obligations.

Obligations of license holders .

27D. A licence holder provider shall submit monthly returns to the relevant licensing authority in the prescribed form.

Returns.

27E. (1) A person shall not transport clean coffee unless such person –

Movement permits.

(a) holds a licence issued pursuant to section 27 of this Act; and

(b) has applied for, and obtained a movement permit issued, in the case of—

(i) buni and parchment, by the respective county of origin;

(ii) movement of clean coffee from the coffee mills to the warehouses, by the respective county governments; and

(iii) movement of clean coffee by buyers upon purchase, movement of purchased clean coffee to warehouses by millers, or movement of clean coffee for export or import, by the Board.

(2) A coffee movement permit issued under subsection (1) shall be in the prescribed form.

(3) Subsection (1)(b)(i) shall not apply to a smallholder moving cherry coffee produced by the smallholder between the farm and the pulping station where he or she is registered.

(4) A person transporting coffee under subsection (1) shall –

(a) have, in his or her possession at the time of transporting the coffee, the original movement permit issued by the respective licensing authority; and

(b) ensure that the vessel used to transport the coffee conforms to the prescribed coffee standards.

(5) The respective county executive committee member shall monitor the movement of cherry and parchment coffee between farms and stores and the movement of clean coffee and hulled *buni* to the market and shall, for this purpose –

- (a) prescribe, in county legislation, guidelines for the safe movement of cherry and parchment coffee; and
- (b) put in place measures to curb illegal dealings in coffee or coffee products.

(6) A person who moves coffee contrary to this Act commits an offence.

NEW CLAUSE 30A

THAT the Bill be amended by inserting the following new clause immediately after clause 30—

30A. (1) Each county executive committee member shall submit to the Board a report on the registered and licensed coffee growers and dealers at the end of each month or within such timelines as may be agreed upon with the Board..

(2) The Board shall submit to the respective county executive committee member a report on the registered and licensed dealers and other service providers within the respective county at the end of each month or within such timelines as may be agreed upon with the respective county executive committee member.

NEW HEADING

THAT the Bill be amended by inserting the following new heading immediately after clause 31—

PART IVA— PRODUCTION AND PROCESSING.

NEW CLAUSES

THAT the Bill be amended by inserting the following new clauses immediately after clause 31—

CLAUSE 31A

31A (1) The Institute shall—

Coffee production.

- (a) disseminate, in collaboration with the county governments, coffee production and processing technologies;
- (b) undertake the propagation of coffee planting materials;
- (c) supervise, in collaboration with the county governments, nursery operators undertaking the business of propagating planting materials;
- (d) issue certified coffee seeds or seedlings for multiplication in coffee nurseries to coffee growers or for export;
- (e) map out areas suitable for coffee production in Kenya; and
- (f) undertake capacity building for the county governments and other players on coffee production and processing.

(2) The respective county executive committee members shall undertake soil mapping and analysis to determine nutritional requirements for coffee production.

31B. (1) A person shall not import coffee planting materials unless such a person been registered by the Board.

Importation of coffee planting materials.

(2) The Board may, upon application and in collaboration with the Kenya Plant Health inspectorate Service and any other

relevant agency, register a person to import coffee planting material for nursery establishment subject to the prescribed conditions.

31C. (1) The Institute shall, in collaboration with the respective county executive committee member, undertake analysis of the farm inputs to ascertain compliance with the prescribed standards.

Farm inputs.

(2) The respective county executive committee member shall establish farm inputs schemes to enhance coffee production.

(3) The National government in consultation council of county governors may put in place the infrastructure necessary for the production and availability of quality farm inputs for coffee production;

(4) The county executive committee member shall monitor and oversee the implementation and compliance with standards by farm input stockists.

31D. (1) A co-operative society comprising coffee growers shall keep and maintain a register of coffee growers and the number of coffee trees planted or uprooted in the prescribed form.

Notification after planting, uprooting coffee or change of details of farm or estate.

(2) A co-operative society shall submit to the respective county executive committee member a record of the information maintained by the society under subsection (1).

(3) Each county executive committee member shall keep and maintain a record, in the prescribed form, of the area under coffee cultivation and information regarding uprooted coffee in the county.

(4) The county executive committee member shall submit to the Board, annually, the record kept under subsection (3).

31E. (1) The Board shall register and monitor certification schemes for compliance with Kenyan coffee standards.

Certification of Kenya Coffee.

(2) A coffee grower, miller or any other player in the coffee value chain may seek certification by the respective licencing authority to ensure the quality of coffee, the quality of service and secure market confidence.

(3) The Board shall keep and maintain a register of certification scheme operators in each county.

(4) The Board shall, for the purpose of subsection (2), -

- (a) keep and maintain a register of certified scheme operators; and
- (b) submit, a copy of the register to the respective county executive committee member.

(5) Each county executive committee member shall monitor the operations of certification schemes and periodically advise the coffee growers within the respective county and the Board on best practice and performance of a scheme.

(6) A certification scheme under subsection (1) shall provide the particulars of certification services, competencies of their scheme operators and the benefits of the certification schemes to coffee growers.

(7) Certified coffee shall be identified and labelled according to the respective certification scheme for traceability and marketing.

(8) A miller shall, in the case of certified coffee, specify information relating to the certified coffee in the sales catalogue maintained by the miller.

(9) A coffee miller shall, before offering the coffee for sale in the exchange, provide proof of certification.

31F. The processing of coffee shall be conducted at designated, standard approved facilities and in accordance with the National Standards and Industry Code of Practice.

Requirements relating to coffee processing.

31G. (1) The Board shall establish a coffee traceability system in the prescribed form.

Requirements relating to coffee traceability and disclosures.

(2) A person who operates a pulping station or coffee mill shall comply with prescribed traceability system established by the Board under subsection (1).

(3) A cooperative society shall, in imposing a fee to its growers, adhere to the societies' budget and not exceed ten percent of the gross earnings from the coffee sales.

(4) Every contract for milling of coffee shall be in writing and shall contain such information as may be prescribed.

(5) A commercial miller shall –

- (a) ensure that the grower or grower's representative is given reasonable notice to be present during the milling process;
- (b) take out comprehensive insurance cover against fire, theft, and other risks for all coffee in its possession and custody;
- (c) account for mill spillage or sweepings and all other coffee by-products to the growers and the Board;
- (d) digitize its operations to ensure weight precision, timely dissemination of information and protection of growers' data;
- (e) submit returns on coffee received and milled to the Board and the respective county government; and
- (f) comply with the prescribed standard coffee grades.

31H. (1) A coffee miller may bulk parchment or *buni* coffee of the same quality and characteristics in order to attain millable quantities.

(2) A coffee miller who bulks coffee shall avail information, in the prescribed form, to an exchange and the direct settlement system provider on proportions of the bulked coffees for purposes of processing payments.

(3) The respective county executive committee member and the Board shall, separately or jointly undertake regular inspections to ensure compliance with this Act by the coffee millers.

(4) A coffee grower may deliver coffee samples not exceeding five hundred grams of parchment or *buni* for independent quality analysis by a laboratory before delivery to a commercial coffee miller.

(5) A laboratory to which a sample is submitted under subsection (4) shall issue to the coffee grower, a quality report in the prescribed form.

(6) A coffee miller shall remit two hundred grams samples for each grade of an out-turn to the Board for quality analysis and assessment of conformity with coffee standards.

(7) A co-operative society or association comprising smallholder growers that intends to obtain milling services shall competitively procure the services of a miller or other service providers to whom the coffee is intended to be delivered for milling.

(8) Any charges imposed for the delivery of services to a coffee grower shall be communicated in the prescribed form to

the direct settlement system provider before the sale of coffee for the purpose of settlement after the sale has been conducted.

NEW HEADING

THAT the Bill be amended by inserting the following new heading immediately after the proposed new clause 31H.—

PART IVB—COFFEE TRADING AND MARKETING

NEW CLAUSE 31I

THAT the Bill be amended by inserting the following new clauses immediately after the proposed new clause 31H—

31I. (1) Kenya Coffee may be offered for sale through—

Coffee trading.

(a) auction in the exchange;

(b) direct sales; or

(c) such other method as the Cabinet Secretary may prescribe.

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

31J. (1) A licensed grower may undertake, in the prescribed manner, a direct sale in coffee and may, for this purpose, sell own clean coffee to a licensed roaster for local value addition and sale.

International and local direct coffee sales.

(2) The price at which a grower offers coffee for sale under subsection (1) shall bear a favorable comparison to the prices at an exchange.

(3) A licensed grower and a licensed roaster shall submit monthly returns to the Board, in the prescribed form, on sales undertaken under subsection (1) including —

- (a) a copy of the contract;
- (b) the coffee grade;
- (c) the coffee quantity;
- (d) the coffee price;
- (e) details of a certification scheme, where applicable;
- (f) quality report;
- (g) mode of payment; and
- (h) a dispute resolution clause.

31K.(1) There is established a body to be known as Nairobi Coffee Exchange for purposes of coffee trading.

Establishment and functions
of Nairobi coffee Exchange.

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

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

- (a) manage the auction floor, the central sample room, the information registry and the direct settlement system;
- (b) maintain records relating to coffee sales, coffee samples and sweepings;
- (c) avail sales catalogues to interested parties in accordance with the Capital Markets Act; and
- (d) carry out such other function as the Cabinet Secretary may prescribe.

(4) The proceeds of the sale of coffee at an exchange shall be deposited in a direct settlement system established in accordance with the Capital Markets Act.

31L. (1) Brokers and agents appointed by growers and other service providers are prohibited from receiving coffee sales proceeds on behalf of the growers.

Management of the exchange and settlement of coffee sales proceeds.

(2) A coffee warrant or a warehouse receipt as the case may be, issued by the warehouse operator to a depositor of coffee shall be transferable to a new holder who has purchased the coffee and is entitled to take its delivery upon presentation of the coffee warrant or the warehouse receipt endorsed by the exchange to the warehouse operator.

(3) The Exchange shall disseminate market information for every auction and an analysis of performance on, weekly and monthly basis.

(4) A person who contravenes the provisions of this section commits an offence.

31M. (1) A commercial miller or a broker appointed in consultation with the commercial miller, shall prepare a sales catalogue in consultation with an exchange and growers, for all the coffee in a licensed warehouse in accordance to this Act.

Sales catalogue.

(2) A sales catalogue shall specify the prompt date and contain other particulars prescribed under this Act.

31N. (1) All coffee shall be stored in warehouses licensed by the respective county governments.

Coffee warehousing in designated warehouses.

(2) The county executive committee member shall not designate premises as a coffee warehouse unless the premises

have been inspected, approved and licensed by the committee member.

(3) A licensed warehouse shall conform to the standards prescribed by the Kenya Bureau of Standards.

(4) The Board and county governments shall inspect warehouses and warehousing activities on a regular basis.

(5) A warehouse operator shall insure all coffee in his or her warehouse or under his or her custody against fire, theft and other insurable risk.

(6) A warehouse operator shall not remove or cause to be removed from a warehouse, coffee unless the operator has applied for, and obtained an endorsed coffee warrant or warehouse receipt as the case may be.

(7) A warehouse operator shall account for any weight or quality loss to the respective grower, agent, buyer or roaster.

(8) A person who operates a warehouse contrary to this Act commits an offence.

310. (1) A person shall not export coffee or cause any coffee to be exported unless such person —

(a) has applied for, and obtained a phytosanitary certificate from the Kenya Plant Health Inspectorate Service.

(b) has been issued with a coffee buyer's licence, notification and registration of direct sales contracts, certificate of origin and certificate of quality by the Board.

(2) The Board shall authorize the importation of coffee through the issuance of import permits or a buyer's licence:

Export and import of coffee.

(3) Clean coffee imports shall be accompanied by the certificate of origin and a phytosanitary certificate issued by the country of origin and comply with the Kenya coffee standards.

(4) Clean coffee which consists only of a sample or a parcel not exceeding twenty kilograms in weight shall not require a buyer's license from the Board provided that it fulfils other relevant licensing and certification requirements

31P. (1) A person who blends any or various grades of coffee produced in Kenya with any other coffees produced outside Kenya shall declare the percentage of Kenyan coffee in the blend.

Prohibition against blending.

(2) A person who contravenes subsection (1) commits an offence.

31Q. The trading activities at an exchange shall be compliant with relevant laws that deter unfair trading and anti-competitive practices.

Anti-competitive practices.

NEW HEADING

THAT the Bill be amended by inserting the following new heading immediately after the proposed new clause 31Q—

PART 1VC—QUALITY ASSURANCE

NEW CLAUSE 31R

31R. (1) The Board and county governments shall collaborate in the enforcement of coffee industry standards along the value chain, for purposes of quality assurance.

Quality Assurance for
Coffee Industry.

- (2) The Board, in consultation with an accredited university of higher learning, and industry stakeholders, may develop a training curriculum, conduct examinations and jointly issue certificates for coffee liquorers.
- (3) The Board may enter into a memorandum of understanding with an accredited university in the training and administration of liquorers' examinations.
- (4) A person certified as a liquorer shall apply for a practicing licence to the Board to offer liquoring services.
- (5) The Board shall, in collaboration with county governments, establish cupping centers in the counties for the purpose of coffee quality analysis and capacity building.
- (6) Coffee quality analysis at the cupping centers shall be carried out by certified liquorers.
- (7) Quality Assurance officers from the Board shall carry out assessments on coffee quality maintenance at any premises that handles coffee along the value chain.
- (8) The Board shall be at liberty to sample coffee at any stage of the value chain to ascertain permissible pesticides residue levels for compliance with set national and international standards.
- (9) The Board, in consultation with the respective county executive committee member, shall monitor maintenance of pesticide spraying records by coffee growers to enforce compliance with the permissible pesticides residue levels in coffee beans.

(10) The Board and the respective county executive committee members shall inspect coffee storage bags, wholesalers, suppliers, manufacturers and importers to check against potential contamination and samples of such coffee bags shall be subjected to relevant tests for possible contaminants.

(11) The Institute shall conduct periodic surveillance on the application of pesticides to ensure compliance with set standards and best practices.

31S. (1) The Board and county governments shall, by notice in the Gazette, appoint inspectors for the enforcement of the provisions of this Act.

Inspections.

(2) The Board and the county governments may, separately or jointly, conduct inspection of coffee farms, coffee nurseries, pulping stations, coffee mills, warehouses, cupping laboratories, roasters or coffee buyers' vessels transporting coffee to ascertain compliance with the requirements of this Act.

(3) A smallholder, a grower, a pulping station operator, a transporter, a miller, a warehouse operator or a buyer shall accord an inspector access and necessary assistance for effective inspection.

(4) A person who fails to accord an inspector access to premises and information commits an offence.

31T. (1) A person importing coffee into the country shall –

Coffee imports to conform to standards.

(a) ensure that the coffee complies with the coffee standards and such other quality standards as may be prescribed under this Act or any other law; and

(b) adhere to the safety and health standards prescribed under this Act or any other law.

(2) The Board shall destroy coffee which does not conform to the coffee standards.

(3) The Board shall not destroy coffee under subsection (2) unless –

(a) it has issued to the importer of the coffee, notice, in the prescribed form, of intention to destroy the coffee;

(b) given the importer an opportunity to be heard; and

(c) obtained an order of a Court of competent jurisdiction for the destruction of that coffee.

(4) The Board may, in addition to the action taken under subsection (3), suspend or cancel any licence issued to the importer under this Act.

CLAUSE 32

THAT the Bill be amended by inserting the following new clause immediately after clause 32—

NEW CLAUSE 32A

32A. (1) The Cabinet Secretary shall, in consultation with the Board and the Institute and by notice in the *Gazette*, impose a levy of two percent on the export import value remitted

Coffee
development
Levy

by coffee buyers to the Board for the development of the coffee industry.

(2) The levy imposed under subsection (1) shall be apportioned as follows—

(a) one percent to the Institute;

(b) zero-point five percent to the Board for regulatory and coffee promotion purposes; and

(c) zero-point five percent to the coffee growing County Governments for coffee development as a conditional grant.

60A. (1) The Board and each county executive committee member shall automate their operations for the efficient delivery of services and dissemination of information within the coffee sector.

(2) In automating its processes, the Board and the county executive committee member shall ensure that—

- (f) multiple parties can access a common system;
- (g) flow of data takes place seamlessly across the value-chain without interruption;
- (h) the system is safe and secured and protected against unauthorized access;
- (i) there is in place, a mechanism that ensures access to the system is properly regulated and monitored with adequate mechanisms for continued integrity; and
- (j) the records are not lost, destroyed or tampered with, and in the event of any loss or destruction, sufficient back-up is available in a secure place.

SECOND SCHEDULE

THAT the Second schedule be amended -

- (a) in item 8 by deleting the words “county government” appearing in the second column and substituting therefor the word “Board;
- (b) by inserting the following the new items immediately after item 15—

16.	Coffee exchange licence	Capital Markets Authority
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CLAUSE 2

THAT clause 2 of the Bill be amended by inserting the following definitions in their proper alphabetical sequence—

“auction” means the auction system under which clean coffee is offered for sale at a coffee exchange and includes the place at which, or a facility by means of which, whether electronic or otherwise, offers or invitations to sell, buy or exchange coffee contracts are regularly made on a centralized basis, but does not include—

- (a) the office or facilities of a coffee buyer or service provider; or
- (b) or the office or facilities of a clearing house;

“agent” means a person registered by the Board who may be appointed by a grower for purposes of facilitation of overseas direct sales with regard to logistics;

“association” means a registered group comprised of smallholder growers, co-operative societies, societies, estates, unions, millers, buyers, roasters or brokers, licensed by a relevant licensing authority;

“broker” means a person cleared by the exchange and licensed by the Capital Markets Authority, who may be appointed by a grower or an association of growers in accordance with the Capital Markets Act, to sell their coffee on their behalf through the Exchange;

“buyer” means an incorporated company licensed by the Board to buy clean coffee at an exchange for export, local sale or value addition or to import clean coffee for secondary processing in Kenya;

“clean coffee” means coffee bean or dried seed of the coffee plant separated from non-food tissues of the coffee fruit where the silver skin is reduced to the maximum possible extent;

“clearing house” means an entity approved by the Authority, and recognized as a clearing institution on behalf of a coffee exchange, providing the services of clearing and settlement of transactions and guaranteeing settlement on behalf of the exchange;

“clearing and settlement” means the procedure by which a clearing house acts as an intermediary between a buyer and seller for exchange traded transactions in order to reconcile orders between transacting parties and ensure the physical or financial settlement of the transaction; “coffee dealer” means a person registered by the Board, a county government or the Authority to deal in coffee as provided under this Act;

“coffee development” means providing assistance to the coffee industry aimed at establishing advanced technologies in the production, processing and marketing of Kenya coffee.

“coffee miller” means a person licensed a county government to carry on the business of coffee milling;

“coffee milling” means mechanical hulling or de-husking of coffee and includes grading of clean coffee;

“coffee research” means systematic investigation into and study of coffee along the value chain to generate solutions in order to improve the productivity, the processing, the marketing, the value addition, logistics, socio-economic affairs and other connected purposes;

“coffee roaster” means a person licensed by a county government to buy clean coffee for value addition for local sale;

“coffee sales proceeds” means monetary consideration received at the direct settlement system in exchange for clean coffee sold at an exchange or, where applicable, through direct sales;

“coffee standards” means the Kenya Coffee Standards issued by the Kenya Bureau of Standards;

“coffee warrant” means an instrument prepared by the warehouseman of which the person named therein, or the last endorsee thereof, shall for all purposes be deemed to be the owner of the coffee to which it relates; “county executive committee member” means the county executive committee member for the time being responsible for matters relating to agriculture;

“direct sale” means a contractual arrangement between a grower, a co-operative society, society, union, grower-miller, estate or an association of coffee growers and an overseas buyer or local roaster for the sale of own clean coffee based on mutually accepted terms and conditions enforceable in law and includes settlement coffee sales proceeds through the direct settlement system on boarded by a coffee exchange; “direct settlement system” means a banking facility provided by commercial banks regulated by the Central Bank of Kenya for clearing and settlement of coffee sales proceeds;

“digitalization” means the use of digital technologies and digitized data upon conversion of current manual processes in the coffee value chain into automated and computerized processes, or paper documents into digital formats;

“estate” means an area of land or group of parcels of land under coffee not being less than five acres in size in aggregate or land under coffee which has been issued with a pulping station licence;

“licensing authority” means the Board, the Authority the county government or the Capital Market Authority as the case may be;

“liquorer” means a person certified and licensed by the Board to offer the services of coffee quality analysis;

“liquoring” means analysis of clean coffee to determine the attributes and quality of coffee for purposes of trade;

“out-turn number” means an identifying number issued by a miller in respect of coffee delivered to a mill for purposes of traceability;

“primary processing” means the process of removal of coffee pulp from cherry, fermentation, washing and drying to the coffee standard moisture content to obtain parchment;

“prompt date” means a date specified in the sales catalogue, not being more than five working days from the date of the sale, for the payment of coffee sales proceeds by a buyer or a roaster;

“pulping station” means a specified place where primary coffee processing is undertaken;

“sale” means the offering of clean coffee for sale at an exchange or through direct sale;

“sales catalogue” means a standard document prepared by a coffee miller, or an appointed broker in consultation with an exchange and growers, for sale of clean coffee at the exchange;

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

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

“sweepings” means the balance of coffee samples in an exchange sample room and spillages collected from millers’ milling activities for sale at the exchange, the proceeds of which are paid to the respective growers on pro-rata basis;

“warehouse” means a facility registered by the Board and licensed by a county government for the storage of coffee, and which is specifically designed to guarantee the quality and safety of the coffee;

“warehouse operator” means any person registered and licensed by the Board who owns, leases or is in charge of a warehouse where coffee is handled and stored for reward or profit; and

“warehousing receipt” means a certificate issued by a licensed coffee warehouse operator in respect of coffee stored in a licensed warehouse for purposes of collateral

LONG TITLE

THAT the Bill be amended by deleting the long title and substituting therefor the following new long title—

AN ACT of parliament to provide for establishment of the Coffee Board of Kenya, and the Coffee Research Institute; to provide for the role of the National and the county governments; to provide for the regulation, development and promotion of the coffee industry; and for connected purposes.

Dated.....2021.

Sen. Njeru Ndwiga, EGH, MP
Chairperson,
Committee on Agriculture, Livestock and Fisheries.

APPENDIX III

The Coffee Bill, (Serate Bills No. 22 of 2020)

THE COFFEE BILL, 2020
ARRANGEMENT OF CLAUSES

Clause

PART I—PRELIMINARY

- 1—Short title.
- 2—Interpretation.

PART II— THE COFFEE BOARD OF KENYA

- 3—Establishment of the Board.
- 4—Headquarters.
- 5—Powers of the Board.
- 6—Board of Directors.
- 7—Qualification for appointment.
- 8—Term of appointment.
- 9—Vacation of office.
- 10—Functions of the Board.
- 11—Committees of the Board of Directors.
- 12—Delegation by the Board of Directors.
- 13—Remuneration of members of the Board of Directors.
- 14— Chief Executive Officer.
- 15—Functions of the Chief Executive Officer.
- 16—Removal of Chief Executive Officer.
- 17—Corporation Secretary.
- 18—Staff of the Board.
- 19—Protection of members and staff from liability.
- 20—Common Seal of the Board.
- 21—Signing Authority.
- 22—Conduct of business of the Board.
- 23—Role of county governments.

PART III—ROLE OF COUNTY GOVERNMENTS

- 24—Enactment of County Specific Legislation.
- 25—Licencing of coffee operations.

PART IV—REGULATORY PROVISIONS

- 26—Registration.

- 27—Licensing.
- 28—Form of licence, certificate or permit.
- 29—Duration of licence.
- 30—Cancellation of licence or permit.
- 31—Appeals.

PART V—FINANCIAL PROVISIONS

- 32—Funds of the Board.
- 33—Annual Estimates.
- 34—Accounts and Audit.
- 35—Annual report and publication.
- 36—Financial year of the Board.

PART VI—COFFEE RESEARCH INSTITUTE OF KENYA

- 37—Establishment of the Institute.
- 38—Headquarters.
- 39—Powers of the Institute.
- 40—Membership of the Board of the Institute.
- 41—Term of Appointment.
- 42—Vacation of Office.
- 43—Function of the Institute.
- 44—Power to co-opt.
- 45—Conduct of business of the Board of the Institute.
- 46—Remuneration of members of the Board of the Institute.
- 47—Chief Executive Officer of the Institute.
- 48—Removal of the Chief Executive Officer of the Institute.
- 49—Staff of the Institute.
- 50—Protection of members and staff from liability.
- 51—Common Seal of the Institute.
- 52—Signing Authority.

PART VII— FINANCIAL PROVISIONS OF THE INSTITUTE

- 53—Funds of the Institute.
- 54—Powers to raise or borrow money.
- 55—Power to invest.
- 56—Annual Estimates.
- 57—Accounts and Audit.

- 58—Annual report and publication.
- 59—Financial year of the Institute.

PART VIII—MISCELLANEOUS PROVISIONS

- 60—Arbitration of disputes.
- 61—Request for information.
- 62—Limitation of the Right to access Information.
- 63—Dissemination of market information.
- 64—Penalties.
- 65—Exemptions.
- 66—Regulations.
- 67—Rights and obligations.
- 68—Assets.
- 69— Legal Proceedings.
- 70—Reference to written laws.
- 71—Previous authorisations.
- 72—Staff.
- 73—Interpretation.
- 74—Consequential Amendments.

PART IX—TRANSITIONAL PROVISIONS

- 75— Rights and obligations.
- 76—Assets and Liabilities.
- 77— Legal proceedings.
- 78— Reference to written laws.
- 79— Previous authorizations.
- 80—Staff.
- 81—Interpretation.

FIRST SCHEDULE — CONDUCT OF BUSINESS AND AFFAIRS OF THE BOARD
SECOND SCHEDULE — LICENCE, PERMIT OR CERTIFICATE