



**REPUBLIC OF KENYA**

**THIRTEENTH PARLIAMENT – (SECOND SESSION)**

**THE NATIONAL ASSEMBLY**

**ORDERS OF THE DAY**

**SPECIAL SITTING**

*(Convened vide Kenya Gazette Notice No. 12053 of 8<sup>th</sup> September, 2023)*

**THURSDAY, SEPTEMBER 14, 2023 AT 2.30 P.M.**

**ORDER OF BUSINESS**

**PRAYERS**

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

**8\*. PROCEDURAL MOTION – EXTENSION OF SITING TIME**

(The Leader of the Majority Party)

**THAT**, pursuant to Standing Order 30(3)(a), this House orders that, should the time appointed for adjournment of the House today, Thursday, 14<sup>th</sup> September 2023 be reached before conclusion of all business listed in the Order Paper for the Sitting, the sitting shall stand extended until conclusion of the listed business.

**9\*. MOTION – CONSIDERATION OF SENATE AMENDMENTS TO THE PUBLIC FINANCE MANAGEMENT (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 16 OF 2023)**

(The Chairperson, Public Debt and Privatization Committee)

**THAT**, the Senate amendments to the Public Finance Management (Amendment) Bill (National Assembly Bill No. 16 of 2023) be now considered.

*(If not concluded on Thursday, September 14, 2023 – Morning Sitting)*

10\*. SPECIAL MOTION - CONSIDERATION OF A NOMINEE FOR APPOINTMENT AS THE CHAIRPERSON OF THE BOARD OF DIRECTORS OF THE CENTRAL BANK OF KENYA

(The Co-Chairperson, Joint Committee on the vetting of the nominee for appointment as the Chairperson of the Board of Directors of the Central Bank of Kenya)

**THAT**, taking into consideration the findings of the Joint Committee of the National Assembly Departmental Committee on Finance and National Planning and the Senate Standing Committee on Finance and Budget in its Report on the vetting of a nominee for approval as the Chairperson of the Board of Directors of the Central Bank of Kenya, *laid on the Table of the House on Thursday, 14<sup>th</sup> September 2023*, and pursuant to section 11(2A) of the Central Bank of Kenya Act (CAP 491) and section 8(1) of the Public Appointments (Parliamentary Approval) Act, 2011, this House approves the appointment of **Mr. Andrew Mukite Musangi** as the Chairperson of the Board of the Central Bank of Kenya

*(If not concluded on Thursday, September 14, 2023 – Morning Sitting)*

11\*. COMMITTEE OF THE WHOLE HOUSE

- (i) Consideration of Senate Amendments to the Public Finance Management (Amendment) Bill (National Assembly Bill No. 16 of 2023)  
(The Chairperson, Public Debt and Privatization Committee)

*(Subject to approval of the Motion to consider the Amendments)*

*(If not concluded on Thursday, September 14, 2023 – Morning Sitting)*

- (ii) The Privatisation Bill (National Assembly Bill No. 22 of 2023)  
(The Leader of the Majority Party)

- (iii) The Sugar Bill (National Assembly Bill No. 34 of 2022)  
(The Hon. Emmanuel Wangwe, M.P.)

*(If not concluded on Thursday, September 14, 2023 – Morning Sitting)*

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**\*Denotes Orders of the Day\***

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# **NOTICES**

## **I. SENATE AMENDMENTS TO THE PUBLIC FINANCE MANAGEMENT (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 16 OF 2023)**

It is notified that the Senate made the following amendments to the Public Finance Management (Amendment) Bill (National Assembly Bill No. 16 of 2023) –

### **CLAUSE 6**

#### **Senate Amendment**

**THAT**, Clause 6 of the Bill be amended in paragraph (b) –

- (a) in the proposed new subsection (2B) by inserting the words “and with the approval of Parliament” immediately after the words “in exceptional circumstances”;
  - (b) in the proposed (2C) delete the expression “(2C)” appearing immediately after the words “subsections (2A) and” and substituting therefor the expression “(2B)”;
  - (c) by deleting the proposed new subsection (2D) and substituting therefor the following new subsection-
    - (2D) The Cabinet Secretary shall submit to the National Assembly and the Senate by the 30<sup>th</sup> April in every year, a report on the debt status and the borrowing undertaken by the national government, indicating the exceptional circumstances, if any, provided for in subsection (2B).
  - (d) by deleting the proposed new subsection (2E) and substituting therefor the following new subsection-
    - (2E) The committee in the respective House of Parliament responsible for matters relating to public debt shall consider the report submitted under subsection (2D), and shall table its report and its recommendations thereon in the respective House for consideration.
  - (e) in the proposed new subsection (2F) by inserting the words “and the Senate” immediately after the words “The National Assembly”.
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## **II. THE SUGAR BILL (NATIONAL ASSEMBLY BILL NO. 34 OF 2022)**

- 1) Notice is given that the Chairperson of the Departmental Committee on Agriculture and Livestock intends to move the following amendments to the Sugar Bill (National Assembly Bill No. 34 of 2022) at the Committee Stage—

### **CLAUSE 2**

**THAT**, Clause 2 of the Bill be amended—

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

- (i) “jaggery mill” means bare minimum technology equipment used to crush sugarcane to produce sugarcane juice which is processed through boiling to produce jaggery;
- (ii) “industrial sugar” means a white crystalline carbohydrate used as a sweetener and preservative sugar, which complies with the specifications set by the body for the time being responsible for setting standards;
- (iii) “sugar beet” means any plant or part of a plant of the genus Beta or any of its hybrid that is grown for sugar production;
- (iv) “sugar crop” means a crop grown for the purpose of sugar production including sugarcane and sugar beet;
- (v) “sugar manufacturers’ apex body” means a national body, composed of sugar and jaggery millers registered under the Societies Act, with the main objective being to lobby for the interests of the registered millers;

- (b) by deleting definition of “agreements” and substituting therefor the following new definition —

“agreements” means agreements specifying the standard provisions governing the rights and obligations of growers, millers, out-growers, transporters and other value chain actors in the sugar industry;

- (c) by deleting definition of “farm gate.”

- (d) by deleting definition of “mill gate” and substituting therefor the following new definition—
- “mill gate” means a site designed as such by the Board where sugar crops are received, weighed or tested;
- (e) in the definition of “Institute” by deleting the words “Kenya Sugar Research Institute” and substituting therefor the words “Kenya Sugar Research and Training Institute.”
- (f) by deleting definition “sugar” and substituting therefor the following new definition—
- “sugar” means crystalline or liquid sucrose derived from sugar crop in any of its recognized commercial forms, intended for human consumption or other uses and includes jaggery, raw, brown, plantation (mill) white and industrial sugar;
- (g) by deleting definition of “sugarcane growers apex body” and substituting therefor the following new definition—
- “sugarcane growers apex body” means a national organization registered under the Societies Act whose membership shall comprise of mill level registered and contracted farmers’ institutions and groups championing the rights under a cane supply agreement and in the catchment areas listed under the First Schedule and gazetted as such by the Cabinet Secretary for the time being responsible for agriculture;
- (h) by deleting definition of “stakeholder” and substituting therefore the following new definition-
- “stakeholder” means “a person with significant interest in the sugar industry and includes growers, out-growers, millers, transporters and other value chain actors in the sugar industry.”

#### CLAUSE 4

**THAT**, Clause 4 of the Bill be amended—

- (a) in sub-clause (1), by deleting paragraph (b) and substituting therefor the following new paragraph—
- “(b) co-ordinate the activities of value chain actors within the industry; and”
- (b) in sub-clause (2)—
- (i) by deleting paragraph I and substituting therefor the following new paragraph-

“(c) establish linkages with other government agencies and research institutions to enhance quality assurance and research and facilitate flow of research findings to the interested parties.”

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

“(d) monitor and regulate the domestic market with a view to identifying any distortions in the sugar market and advise the Government and interested parties on any corrective measures to be taken.”

(iii) by inserting the following new paragraph immediately after paragraph (d)—

“(da) advise the national and county governments on agricultural levies for purposes of planning, enhancing harmony and promotion of equity in the sugar industry.”

(iv) by deleting paragraph (e);

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

“(f) facilitate the sale, import and export of sugar and sugar products.”

(vi) by deleting the paragraph (i) and substituting therefor the following new paragraph—

“(i) in collaboration with county governments, implement an equitable mechanism for the pricing of sugar crop and appropriation of proceeds from the disposal of the by-products of sugar production between millers and growers as stipulated in the guidelines.”

(vii) by deleting paragraph (j) and substituting therefor the following new paragraph—

“(j) collaborate with national and international trade bodies on sugar related matters.”

(viii) by deleting paragraph (m) and substituting therefor the following new paragraph—

“(m) register and license sugar and jaggery mills, exporters, importers and dealers.”

(ix) by deleting paragraph (o) and substituting therefor the following new paragraph—

“(o) promote and advise on strategies for value addition and product diversification in the sugar industry.”

- (x) by deleting paragraph (p) and substituting therefor the following new paragraph—  
“(p) in consultation with the county governments and other stakeholders, formulate a strategic plan for the sugar sub-sector at least once every five years.”
- (xi) by deleting paragraph (q) and substituting therefor the following new paragraph—  
“(q) in consultation with the county governments, formulate guidelines on an efficient, safe and economical transportation of sugar, sugar crop and disposal of unutilized by-products.”
- (xii) by deleting paragraph (r) and substituting therefor the following new paragraph—  
“(r) gather and disseminate market information on regional and global supply chain dynamics for the benefit of stakeholders.”
- (xiii) by deleting paragraph (u) and substituting therefor the following new paragraph—  
“(u) perform such functions as may be conferred on it by this Act or any other written law”.

### CLAUSE 5

**THAT**, Clause 5 of the Bill be amended—

- (a) by deleting paragraph (a) and substituting therefor the following new paragraph—  
“(a) issue certificates and inspect sugar crop nurseries in collaboration with the Kenya Sugar Research and Training Institute.”
- (b) by deleting paragraph (b) and substituting therefor the following new paragraph—  
“(b) offer and coordinate extension services on sugar crop production in the respective county.”
- (c) by deleting the word “establish” and substituting therefor the word “maintain” in paragraph (e);

### CLAUSE 6

**THAT**, Clause 6 (1) of the Bill be amended—

- (a) by deleting paragraph (a) and substituting therefor the following new paragraph—

“(a) a non-executive chairperson appointed by the President.”

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

“(c) two representatives each elected by private and public owned sugar mills who are knowledgeable in sugar technology and value addition.”

#### **CLAUSE 7**

**THAT**, Clause 7 of the Bill be amended in sub-clause (2), by deleting the expression “*under section 6 (1) (b), (c) and (e)*” and substituting therefor the following new expression “*under section 6 (1) (a), (b), (c) and (e)*.”

#### **CLAUSE 8**

**THAT**, Clause 8 of the Bill be amended by deleting the word “*of*” appearing immediately after the words “*of the Board*”

#### **CLAUSE 14**

**THAT**, Clause 14 of the Bill be amended by deleting sub clause (1) and substituting therefor the following new sub clause (1) —

“(1) There shall be a Chief Executive Officer of the Board who shall be appointed through a competitive process by the Board and whose terms and conditions of service shall be determined by the Board in consultation with the Public Service Commission in the instrument of appointment or otherwise in writing from time to time.”

#### **NEW CLAUSE 17A**

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

Registration  
millers.

of

**17A.** (1) A person shall not conduct the business of a miller unless he or she is registered by the Board and the premises in which the business is conducted is specified in the register in accordance with regulations made under this Act.

(2) The Board shall issue to every miller registered under this section, a certificate of registration specifying the premises at which milling may be carried on by the miller.



- (3) No fee shall be charged in respect of any registration or certification of registration made or issued under this section.
- (4) In issuing certificates of registration under sub-section (3), the Board shall satisfy itself that the premises upon which milling may be carried out meets the environmental standards set by the National Environmental Management Authority and the miller has been issued with a certificate of safety by the relevant county government.
- (5) A miller may offer extension or other services to growers.
- (6) Every miller registered under this section shall conduct business in accordance with this Act and any regulations made thereunder.
- (7) A person who contravenes the provisions of this section commits an offence and shall upon conviction be liable to imprisonment for a term not exceeding five years or to a fine not exceeding ten million shillings or to both.

### **NEW CLAUSE 17B**

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

Registration of a  
grower to a  
factory.

- 17B.** (1) A miller shall not purchase sugar crop from, or accept sugar crop delivered by, a grower and a grower shall not sell or deliver sugar crop to a miller, unless that grower is registered in respect of the factory of the miller for the supply of sugar crop.
- (2) No miller shall, without reasonable cause, refuse to accept or collect sugar crop for the manufacture of sugar delivered by a grower in accordance with a cane supply agreement.
- (3) A miller or a grower who contravenes the provisions of this section commits an offence and shall be liable, on conviction, to a fine not less than one million shillings or three times the market value of the sugar in respect of which the offence is committed, whichever is greater, or to imprisonment for a term not less than one year, or to both such fine and imprisonment.

### **CLAUSE 19**

**THAT**, Clause 19 of the Bill be amended—

- (a) by deleting sub-clause (4);
- (b) by deleting sub-clause (6);

(c) by deleting sub-clause (8).

### **NEW CLAUSE 19A**

**THAT**, the Bill be amended by inserting the following new clause immediately after clause 19—

Conditions of a license.

**19A.** (1) A license issued under this Act shall be subject to such conditions as the Board may determine and as prescribed in regulations.

(2) Every license shall, unless earlier revoked, expire on the 30th June next following the date of issue.

### **CLAUSE 20**

**THAT**, Clause 20 of the Bill be amended—

(a) by deleting sub-clause (1) and substituting therefor the following new sub-clause—

“(1) A person shall not import or export sugar crop, sugar or sugar by-products without a valid licence issued by the Board in accordance with regulations made under this Act.”

(b) by inserting the following new sub-clauses immediately after sub-clause (1)—

“(2) A holder of a valid import or export licence shall not import or export sugar crop, sugar or sugar by-products unless they have obtained a pre-import or pre-export approval from the Board in accordance with regulations made under this Act.”

“(3) A person who imports sugar into Kenya shall, prior to importation —

(a) provide evidence that the sugar they intend to import is not available in the local market;

(b) provide a sample of the sugar to be imported and pre-import verification certificate from the country of origin; and

(c) obtain pre-import approval from the Board”.

### **NEW CLAUSE 20A**

**THAT**, the Bill be amended by inserting the following new clause immediately after clause 20—

Safeguard  
measures.

**20A.** (1) The Board shall ensure, subject to such regional and international trade agreements to which Kenya is a party, that all sugar imports into the country are subject to all the prevailing import duties, taxes and other tariffs.

(2) Despite sub-section (1), the Board shall ensure that—

- (a) sugar shall be imported in the country only when there is sugar deficit and for a specific tonnage; and
- (b) importers report to the Board on their imports, sales and stock as may be determined by the Board.

(3) The Government shall introduce other safeguard measures as may be necessary to protect the industry from unfair trade practices.

(4) A person who contravenes the provision of this section commits an offence and shall be liable, on conviction, to a fine not exceeding three times the domestic value of the sugar in respect of which the offence is committed, or two million shillings, whichever is the higher, or to imprisonment for a term not exceeding ten years, or to both.

#### **CLAUSE 22**

**THAT**, the Bill be amended by deleting clause 22.

#### **PART IV**

**THAT**, the title under PART IV be amended by deleting the words “ESTABLISHMENT OF THE KENYA SUGAR RESEARCH INSTITUTE” and substituting therefor the words “ESTABLISHMENT OF THE KENYA SUGAR RESEARCH AND TRAINING INSTITUTE”.

#### **CLAUSE 23**

**THAT**, Clause 23 be amended by deleting sub-clause (1) and substituting therefor the following new sub-clause-

“(1) There is hereby established a body to be known as the Kenya Sugar Research and Training Institute.”

**MARGINAL NOTE**

**THAT**, the marginal note be amended to read as follows, “Establishment of the Kenya Sugar Research and Training Institute.”

**CLAUSE 24**

**THAT**, Clause 24 of the Bill be amended—

(a) in sub-clause (1)—

(i) by deleting paragraph (a) and substituting therefor the following new paragraph—

“(a) promote, co-ordinate and regulate research in sugar, sugar crop, sugar by-products, sugar technologies and management practices.”

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

“(b) expedite equitable access to research information, resources, sugar technologies and innovations and promote the application of research findings in the development of sugar industry.”

(b) in sub-clause (2)—

(i) by deleting paragraph (a) and substituting therefor the following new paragraph—

“(a) formulate policy and make policy recommendations in respect of sugar research, development and training to the Board in line with the national policy on sugar.”

(ii) delete paragraph (b);

(iii) by deleting the word “Government” and substituting therefor the word “Board” in paragraph (c).

(iv) by deleting the word “agricultural” and substituting therefor the words “sugar industry” in paragraph (g);

(v) by inserting the word “industry” immediately after the words “made in sugar” in paragraph (i);

(vi) by inserting the word “industry” immediately after the words “field of sugar” in paragraph (k);

(vii) by inserting the words “and promote” immediately after the word “breed” in paragraph (l);

- (viii) by deleting paragraph (m) and substituting therefor the following new paragraph—  
“(m) conduct research on nutritional requirements of sugar crop in order to provide recommendations on the appropriate inputs.”
- (ix) by inserting the word “sugar crop” immediately after the words “economical cane” in paragraph (n).
- (x) by deleting the word “sugarcane” and substituting therefor the words “sugar crop” in paragraph (o).
- (xi) by deleting the word “sugarcane” and substituting therefor the word “sugar crop” in paragraph (p).
- (xii) by inserting the word “transport” immediately after the words “farm machinery” in paragraph (r).
- (xiii) by deleting paragraph (s) and substituting therefor the following new paragraph —  
“(s) promote transfer of sugar industry technology based on applied research through relevant training and extension mechanisms.”
- (xiv) by deleting paragraph (v) and substituting therefor the following new paragraph—  
“(v) charge fees or levies for rendered services and products.”
- (xv) by deleting paragraph (w) and substituting therefor the following new paragraph —  
“(w) offer modular courses on various aspects of sugar industry technologies, innovations and management practices.”

**CLAUSE 25**

**THAT**, the Bill be amended by deleting clause 25 and substituting therefor the following new clause—

Management of the  
Institute.

**25.**The management of the Institute shall vest in the Board of Directors which shall consist of —

- (a) a chairperson appointed by the President who shall have a background in agricultural research or related field;
- (b) one person nominated by sugarcane growers' organization apex body;

- (c) one person nominated by sugarcane manufacturers apex body;
- (d) one person nominated by the input supply system;
- (e) one person nominated by universities;
- (f) the Principal Secretary for the time being responsible for the National Treasury or a representative appointed in writing;
- (g) the Principal Secretary for the time being responsible for Agriculture or a representative appointed in writing;
- (h) the Director General of the Kenya Agricultural Livestock and Research Organization; and
- (i) the Managing Director who shall be an ex-officio member.

**CLAUSE 27**

**THAT**, Clause 27 of the Bill be amended—

- (a) by deleting paragraph (b) and substituting therefor with the following paragraph—

“(b) such monies as may accrue to or vest in the Board in the course of the exercise of its powers or the performance of its functions under this Act.”
- (b) by deleting paragraph (c) and substituting therefor with the following paragraph—

“(c) monies from any other source as approved by the Board of Directors and Ministry responsible.”
- (c) by inserting the following new paragraph (d)—

“(d) levies and fees accrued from rendered services and products.”

**CLAUSE 28**

**THAT**, Clause 28 of the Bill be amended—

- (a) in sub-clause (1), by deleting the words “Director General” and substituting therefor the words “Managing Director.”
- (b) in the marginal note by deleting the words “Director General” and substituting therefor the words “Managing Director”;

- (c) by deleting sub-clause (2) and substituting therefor the following new sub-clause—

“(2) A person shall be qualified for appointment under this section if the person—

- (a) holds a doctorate degree in agricultural studies, soil and seed research, soil science or a related field from a university recognized in Kenya;
- (b) has at least ten years knowledge and experience from a relevant field;
- (c) has at least five years’ experience in a position of senior management; and
- (d) meets the provision of Chapter Six of the Constitution.”

### **CLAUSE 33**

**THAT**, Clause 33 of the Bill be amended by inserting the following new paragraph immediately after paragraph (c) —

“(d) Sugar Development Levy.”

### **CLAUSE 34**

**THAT**, Clause 34 of the Bill be amended—

- (a) by deleting sub-clause (1) and substituting therefor the following new sub-clause—
- “(1) The Cabinet Secretary shall in consultation with the Board, by order in the Gazette, impose a levy on domestic Sugar not exceeding four per centum of the value and a four per centum of CIF value on imported sugar to be known as the Sugar Development Levy”.

- (b) by deleting sub clause (6);

- (c) by deleting sub clause (7) and substituting therefor the following new sub-clause —

“(7) The Sugar Development Levy collected under sub-section (2) shall be appropriated as follows—

- (a) fifteen per centum shall be applied for factory development and rehabilitation;
- (b) fifteen per centum shall be applied for research and training;
- (c) forty per centum shall be applied for cane development and maintenance;

- (d) ten per centum shall be applied for infrastructure development and management;
- (e) fifteen per centum shall be applied for the administration of the Board; and
- (f) five per centum shall be applied for the furtherance and exercise of the functions of sugarcane farmers organisations”.

(d) by deleting sub clause (8).

### **CLAUSE 35**

**THAT**, Clause 35 of the Bill be amended—

- (a) by deleting sub clause (1) and substituting therefor the following new sub clause—  
“(1) There is established a Fund to be known as the Sugar Development Fund”.
- (b) by inserting the following new sub clause immediately after sub clause (1)—  
“(1A) The Fund shall be managed by a Board of Trustees established under section 9 of the Crops Act, 2013 in consultation with the Board”.

### **CLAUSE 36**

**THAT**, Clause 36 of the Bill be amended by inserting the word “of” immediately after the word “thirtieth”.

### **CLAUSE 41**

**THAT**, Clause 41 of the Bill be amended—

- (a) in sub-clause (1)—
  - (i) by deleting the word “sugarcane” and substituting therefor the word “sugar crop” in paragraph (a);
  - (ii) by deleting paragraph (b) and substituting therefor the following new paragraph—  
“(b) disputes between sugar crop farmers and the following—
    - (i) out grower institutions;
    - (ii) millers;
    - (iii) other interested parties”
- (b) by inserting the following paragraphs immediately after paragraph (d)—
  - “(e) disputes between millers; and
  - (f) disputes between any other interested parties”.



**CLAUSE 42**

**THAT**, Clause 42 of the Bill be amended by deleting sub clause (1) and substituting therefor the following new sub clause—

“(1) The Tribunal shall expeditiously determine any dispute before it, but in any case, shall determine a dispute within a period of three months from the date the dispute is lodged”.

**CLAUSE 49**

**THAT**, Clause 49 of the Bill be amended—

(a) in sub-clause (1), by deleting paragraph (c) and substituting therefor the following new paragraph-

“(c) environmental standards and issues as set by the body for the time being responsible for public health; and”

(b) by deleting sub-clause (2).

**CLAUSE 51**

**THAT**, the Bill be amended by deleting Clause 51

**CLAUSE 52**

**THAT**, Clause 52 of the Bill be amended—

(a) by deleting sub-clause (4); and

(b) by deleting sub-clause (5);

**CLAUSE 53**

**THAT**, Clause 53 of the Bill be amended —

(a) by deleting sub-clause (2);

(b) in sub-clause (3) by deleting the expression “sub section (2) and substituting therefor the expression “sub section (1);

**NEW CLAUSE 53A**

**THAT**, the Bill be amended by inserting the following new clause immediately after clause 53—

General  
penalty. 53A(1) A person who contravenes any of the provisions of this Act commits an offence.

(2) A person convicted of an offence under this Act for which no other penalty is provided shall be liable—

- (a) in the case of a first conviction, to a fine not less than one million shillings or three times the market value of the sugar in respect of which the offence is committed, whichever is greater, or to imprisonment for a term not less than one year; and
- (b) in the case of a second or subsequent conviction, to a fine not less than three million shillings or three times the market value of the sugar in respect of which the offence is committed, whichever is greater, or to imprisonment for a term not less than two years.

#### CLAUSE 54

**THAT**, the Bill be amended by deleting clause 54.

#### CLAUSE 55

**THAT**, the Bill be amended by deleting clause 55.

#### CLAUSE 56

**THAT**, the Bill be amended by deleting clause 56

#### CLAUSE 57

**THAT**, Clause 57 of the Bill be amended—

- (a) in sub-clause (1) by inserting the words “county governments and” immediately after the words “in consultation with.”
- (b) in sub-clause (2)-
  - (i) by inserting the words “and collection centres” immediately after the words “weighbridges” in paragraph (d);
  - (ii) by inserting the following new paragraphs immediately after paragraph (i)-
    - “(j) the conditions with respect to the delivery, measurement, examination and testing of sugarcane;
    - (k) the seizure by an inspector of books, documents and sugar cane which, in the opinion of the inspector, may afford evidence of a contravention of this Act and the doing of such other things as may appear to the inspector to be necessary for ascertaining whether compliance has been made with this Act;

(l) penalties for non-adherence to sugar industry agreements”

(c) by deleting sub-clause (3).

(d) in sub-clause (4) by deleting the words “*twelve months*” and substituting therefor the words “*six months*”

## SECOND SCHEDULE

**THAT**, the Second Schedule be amended by deleting paragraph (1).

## THIRD SCHEDULE

**THAT**, the Bill be amended by deleting the Third Schedule.

- 2) Notice is given that the Member for Tinderet (Hon. Julius Melly) intends to move the following amendments to the Sugar Bill, 2022 at the Committee Stage—

### CLAUSE 34

**THAT**, Clause 34 of the Bill be amended by deleting sub clause (1) and substituting therefor the following new sub clause—

“(1) The Cabinet Secretary shall, in consultation with the Board, by order in the Gazette, impose a levy on domestic Sugar not exceeding two per centum of the value and a four per centum of CIF value on imported sugar to be known as the Sugar Development Levy”.

- 3) Notice is given that the Member for Suba South (Hon. Caroli Omondi) intends to move the following amendments to the Sugar Bill, 2022 at the Committee Stage—

### CLAUSE 2

**THAT** Clause 2 of the Bill be amended by inserting the following new definitions in the proper alphabetical sequence —

“National Environment Management Authority” means the National Environment Management Authority established under section 7 of the Environmental Management and Co-ordination Act, No. 8 of 1999;

“Salaries and Remuneration Commission” means the Salaries and Remuneration Commission established under Article 230 of the Constitution;”

### CLAUSE 6

**THAT** the Bill be amended in clause 6 by inserting the words “fifteen years” immediately before the word “relevant” appearing in sub clause (3).

**CLAUSE 7**

**THAT** Clause 7 of the Bill be amended —

- (a) by inserting the words “upon election or nomination as the case may be” appearing in sub clause (1) immediately after the words “ further term”; and
- (b) by deleting sub clause (2).

**CLAUSE 12**

**THAT** Clause 12 of the Bill be amended by deleting the words “or to any member, officer, employee or agent of the Board”.

**CLAUSE 13**

**THAT** Clause 13 of the Bill be amended by deleting the word “remuneration” appearing immediately after the word “such”.

**CLAUSE 18**

**THAT** Clause 18 of the Bill be amended by deleting the words “a jaggery” and substituting therefor the words “an industrial jaggery” appearing in sub clause (1).

**CLAUSE 19**

**THAT** Clause 19 of the Bill be amended in sub clause (2) by deleting paragraph (a) and substituting therefor the following new paragraph —

“(a) it is satisfied that the applicant is financially sound and solvent”;

**NEW CLAUSE 20A**

**THAT** the Bill be amended by inserting the following new clause immediately after clause 20—

Annual  
report on  
sugar  
forecasting  
by the  
Board.

**20A.** (1) The Board shall at the beginning of every year prepare an annual report which shall include a forecast of national cane harvest, milled sugar, consumption of sugar, deficit in sugar production and the period of importing sugar to cover the deficit and it shall be laid before the National Assembly.

(2) Subject to section 19 (8), the Board may only allow licensed and registered sugar millers to import sugar where there is a deficit in sugar production.

**NEW CLAUSE 53A**

**THAT** the Bill be amended by inserting the following new clause immediately after clause 53—

Long term  
leasing of  
government  
owned  
sugar  
millers.

No. 2 of  
2005.

**53A.** (1) The Privatization Commission established under section 3 of the Privatization Act, shall establish a programme for the long term leasing of government owned and controlled sugar millers by strategic investors which shall be concluded within a period of three years from the commencement of this Act.

(2) The programme under sub section (1) shall provide for the mechanism for participation of outgrowers in the management of leased sugar mills.

- 4) **Notice is given that the Member for Seme (Hon. (Dr.) James Nyikal) intends to move the following amendments to the Sugar Bill, 2022 at the Committee Stage—**

**CLAUSE 2**

**THAT**, clause 2 of the Bill be amended by inserting the following new definition in its proper alphabetical sequence—

“sugar crop” means a crop that is cultivated primarily for the manufacture of sugar or secondarily for the production of alcohol.”

**CLAUSE 24**

**THAT**, clause 24 of the Bill be amended—

- (a) in sub clause (1) by deleting the words “sugar and sugar” appearing in paragraph (a) and substituting therefor the words “sugar-cane and other sugar crop” immediately after the words “research in”;
- (b) in sub clause (2)—
- (i) by deleting the word “sugar” appearing in paragraph (a) and substituting therefor the words “sugarcane and any other sugar crop” immediately after the words “Cabinet Secretary on”
  - (ii) by deleting the word “sugar” appearing in paragraph (d) and substituting therefor the words “sugarcane and any other sugar crop” immediately after the words “ensure that all”
  - (iii) by deleting the word “sugar” appearing in paragraph (h) and substituting therefor the words “sugar-cane and any other sugar crop” immediately after the words “involved in”

- (iv) by deleting the word “sugar” appearing in paragraph (i) and substituting therefor the words “sugar-cane and any other sugar crop” immediately after the words “made in”;
- (v) by inserting the words “and any other sugar crop” immediately after the word “breed” in paragraph (l)
- (vi) by inserting the words “and any other sugar crop” immediately after the words “requirements of sugar” in paragraph (m);
- (vii) by deleting the word “cane” appearing in paragraph (n) and substituting therefor the words “sugar-cane and any other sugar crop” immediately after the words “that affect”;
- (viii) by inserting the words “and any other sugar crop” immediately after the word “sugar-cane” in paragraph (o);
- (ix) by inserting the words “and any other sugar crop” immediately after the word “sugar-cane” in paragraph (p); and
- (x) by deleting the word “cane” appearing in paragraph (w) and substituting therefor the words “sugar-cane and any other sugar crop” immediately after the words “aspects of”;

#### **CLAUSE 34**

**THAT**, clause 34 of the Bill be amended in sub clause (5) by deleting the word “five” and substituting therefor the word “three” immediately after the words “a sum equal to”.

#### **CLAUSE 55**

**THAT**, clause 55 of the Bill be amended in sub clause (3) by deleting the word “two” and substituting therefor the word “three” immediately after the words “term not exceeding”.

- 5) **Notice is given that the Member for Kimilili (Hon. Didmus Barasa) intends to move the following amendments to the Sugar Bill, 2022 at the Committee Stage—**

#### **CLAUSE 53**

**THAT** the Bill be amended in clause 53 by inserting the following new subclauses immediately after subclause 3—

- (4) There shall be no zoning to compel a farmer to sell his or her sugarcane to a particular miller;
- (5) Notwithstanding the provisions of subclause (4), where an agreement subsists between a farmer and a miller in which certain incentives have been advanced to the farmer under an agreement, the contractual obligation shall be observed.

**THIRD SCHEDULE**

**THAT** the Third Schedule to Bill be amended in paragraph 8(1) by inserting the following new sub-paragraphs immediately after sub-paragraph (e)—

(f) assume responsibility of the sugarcane immediately it is loaded to the transportation vehicle and any liabilities or loses resulting henceforth shall not be borne by the farmer;

(g) be obliged to agree with the farmer the duration within which the farmer is to be paid upon harvesting the sugarcane and such duration shall not exceed 30 calendar days;

(f) incur an interest payable to the farmer at the rate of 3% for any amounts due and owing to the farmer after the prescribed period in subparagraph (g).

6) **Notice is given that the Member for Likuyani (Hon. Innocent Mugabe) intends to move the following amendments to the Sugar Bill, 2022 at the Committee Stage—**

**CLAUSE 4**

**THAT**, clause 4 of the Bill be amended by introducing a new paragraph (fa)—

(fa) import sugar on behalf of the government whenever there is sugar shortage in the country;

**CLAUSE 20**

**THAT**, clause 20 of the Bill be amended by—

(a) deleting subclause (1) and substituting therefor the following new sub-clause (1)—

“(1) The Board shall authorize any person seeking to import sugar into the country by requiring that prior to importation the person shall—

(a) provide a sample of the sugar to be imported and pre-import verification certificate from the country of origin; and

(b) obtain pre-import approval from the Board.”

(b) inserting the following new sub clause immediately after sub clause (3)—

“(4) Profit gained by the Board while importing sugar on behalf of the government shall be used—

(a) to promote and co-ordinate research in line with national policy on sugar; and

(b) support and promote training and capacity building in relation to sugarcane development; and

(c) support sugar cane growers or growers of any crop used for the manufacture of sugar.”

- 7) Notice is given that the Member for Funyula (Hon. (Prof) Wilberforce Oundo) intends to move the following amendments to the Sugar Bill, 2022 at the Committee Stage—

**CLAUSE 2**

**THAT**, clause 2 of the Bill be amended by inserting the following new definition in proper alphabetical sequence—

“retailer” means any person licensed to carry out retail business in Kenya and includes a supermarket, departmental store, retail shop, wholesale shop, distribution agency or a

hawker.”

“sugar producing crop” means a crop that is cultivated primarily for the production and manufacture of sugar and secondarily for the production of alcohol”

**CLAUSE 6**

**THAT**, Clause 6 of the Bill be amended by inserting the following new sub clause immediately after sub clause (3)—

“(4) A person shall not be elected to represent growers under sub-clause 1(b) unless such a person is a grower with a parcel of land of not less than two hectares or produces a sugar producing crop of a quantity not less than that prescribed by the Cabinet Secretary in regulations.”

**CLAUSE 8**

**THAT**, Clause 8 of the Bill be amended by inserting the following new paragraph immediately after paragraph (g) –

“(h) does not comply with the requirements provided under section 6(4).”

**CLAUSE 14**

**THAT**, clause 14 of the Bill be amended in sub clause (1), by inserting the words “in consultation with the Salaries and Remuneration Commission” immediately after the words “in the instrument of appointment.”

**CLAUSE 19**

**THAT**, Clause 19 of the Bill be amended—

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

“(c) it is satisfied that the applicant has sufficient financial capacity to commence milling and support growers and retailers.”



- (b) in sub clause (4), by deleting the words “30<sup>th</sup> June” and substituting therefor the words “31<sup>st</sup> December;”
- (c) in sub clause (6), by deleting the words “1<sup>st</sup> June” and substituting therefor the words “1<sup>st</sup> December.”

### NEW CLAUSE

**THAT**, the Bill be amended by inserting the following new clause immediately after clause 22 —

Duties of millers and retailers of “**22A.** (1) Every miller shall supply sugar and other sugar products to the domestic market in a package that satisfies the trade principle of traceability.

(2) Every retailer shall sell sugar and sugar products in a package that satisfies the trade principle of traceability.

(3) The Cabinet Secretary shall within six months of the enactment of this Act, make regulations for the better implementation of the provisions of this Section.

(4) Any person who contravenes the provisions of this section commits an offence and shall, upon conviction, be liable to imprisonment for a term not exceeding two years or a fine not exceeding one million shillings or both.”

### CLAUSE 24

**THAT**, Clause 24 of the Bill be amended —

- (a) by deleting sub clause (1) and substituting therefor the following new sub clause—
  - (1) The Institute shall—
    - (a) undertake research and coordinate research to enhance the development of the sugar industry in order to meet national development goals;
    - (b) promote, co-ordinate and regulate research in sugar producing crops and attendant diseases and pests;
    - (c) expedite equitable access to research opportunities, information, resources and technology;
    - (d) disseminate research findings and technology to the Board, growers, millers, the government, training institutions and other key stakeholders; and
    - (e) participate in the development and periodic review of training curriculum for the key technical skills in the sugar industry.

(b) in sub clause (2) by—

- (i) inserting the following new words “and other sugar producing crops” immediately after the word “sugarcane” appearing in paragraph (l);
- (ii) inserting the following new words “and other sugar producing crops” immediately after the word “sugarcane” appearing in paragraph (m);and
- (iii) inserting the following new words “and other sugar producing crops” immediately after the word “sugarcane” appearing in paragraph (o);
- (iv) inserting the following paragraphs immediately after paragraph (x);
  - (y) prescribe qualifications for persons to be appointed as inspectors;
  - (z) maintain a register of persons qualified to be appointed as inspectors; and
  - (aa) register persons who meet the required professional and ethical standards to be registered as inspectors
- (v) deleting the word “and” appearing in paragraph (w) after the word “practices”

### **CLAUSE 28**

**THAT**, clause 28 of the Bill be amended in sub clause (1), by inserting the following new words “in consultation with the Salaries and Remuneration Commission” immediately after the words “instruments of appointment”

### **PART V**

**THAT**, the heading of Part V of the Bill be amended by deleting the words “APPOINTMENT OF CROP INSPECTORS” and substituting therefor words **APPOINTMENT OF SUGAR INDUSTRY INSPECTORS.**”

### **CLAUSE 29**

**THAT**, the Bill be amended by deleting clause 29 and substituting therefor the following new clause.

Appointment  
of Inspectors

**“29. (1)** The Board shall appoint qualified sugar industry inspectors for purposes of undertaking its functions under this Act or any other written law.”

(2) Notwithstanding any other provisions of this Act or any other written law, the sugar industry inspector shall comprise of –

(2) Notwithstanding any other provisions of this Act or any other written law, the sugar industry inspector shall comprise of –

- (a) a crop inspector;
  - (b) a factory inspector;
  - (c) a warehousing and transportation inspector; and
  - (d) any other inspector that the Board may consider necessary.”
- (3) A person shall not be appointed as a sugar industry inspector unless such person holds an academic or professional qualification prescribed by the Kenya Sugar Research Institute.
- (4) The Kenya Sugar Research Institute shall maintain a register of persons qualified to be appointed as sugar industry inspectors.
- (5) A person shall not be appointed as a sugar industry inspector unless such person is registered by the Kenya Sugar Research Institute.
- (6) The Board may appoint any other government agency as a sugar industry inspector for purposes of this Act.
- (7) The Cabinet Secretary shall make Regulations for the better implementation of the provisions of this Section”

#### **CLAUSE 40**

**THAT**, clause 40 of the Bill be amended in sub clause 2 by deleting paragraph (b) and substituting therefor the following new paragraph –

“(b) four other members, being persons with expert knowledge in economics, trade, law, agriculture, research and engineering with at least five years’ experience in arbitration, all of who shall be appointed by Chief Justice through a competitive recruitment process.”

#### **CLAUSE 41**

**THAT**, clause 41 of the Bill be amended in sub clause (1) paragraph (b) by inserting the following words “and other sugar producing crop” immediately after the word “sugarcane”

**CLAUSE 54**

**THAT**, Clause 54 of the Bill be amended by inserting the following new paragraph immediately after paragraph (b) —

- (a) 5% shareholding of private sugar milling company.

**THIRD SCHEDULE**

**THAT**, Part 3 of the Third Schedule to the Bill be amended —

- (a) in paragraph 7(3)(a) by inserting the words “ and other sugar producing crops” immediately after the word “sugarcane;”
- (b) in paragraph 7(4)(c) by inserting the following new paragraph immediately after paragraph 4—
- “(4A) Within six months of its appointment, the Committee shall set sugar cane prices based on the pricing formula.”

- 8) **Notice is given that the Member for Lugari (Hon. Nabii Nabwera) intends to move the following amendments to the Sugar Bill, 2022 at the Committee Stage—**

**CLAUSE 2**

**THAT**, Clause 2 of the Bill be amended by deleting the definition of the term “mill gate” and substituting therefor the following new definition—

“mill gate” means a site where sugarcane is received at the respective weighbridge;

**FIRST SCHEDULE**

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

**FIRST SCHEDULE**

**[S.2, 6(1)(b) and 25(b)]**

**DELINEATION OF SUGAR CATCHMENT  
AREAS**

<b>SUGAR CATCHMENT AREA</b>	<b>COUNTIES</b>
Central Region	Kisumu, Kericho and Nandi
Upper Western Region	Bungoma and Trans nzoia
Lower Western Region	Uasin Gishu, Kakamega, Busia and Siaya
Southern Region	Homabay, Kisii, Migori and Narok
Coastal Region	Kwale, Lamu and Tana River

**THIRD SCHEDULE**

**THAT**, Part 3 of the Third Schedule to the Bill be amended—

(a) in paragraph 7(2) by—

- (i) deleting the words “the Chief Executive Officer” appearing in subparagraph (a) and substituting therefor the words “a nominee”;
- (ii) inserting the words “one of whom shall be from a public mill” immediately after the word “Association” appearing in subparagraph (b);
- (iii) inserting the words “apex body of” immediately after the words “nominated by the” appearing in sub-paragraph (c);
- (iv) deleting sub-paragraph (d); and
- (v) deleting the word “one” appearing in subparagraph (f) and substituting therefor the word “two”

(b) in paragraph 7(4) by inserting the following new sub-paragraph immediately after sub-paragraph 4(c)—

“(d) inflation and adjusted cost of production.”

9) **Notice is given that the Member for Kisumu East (Hon. Shakeel Shabbir) intends to move the following amendments to the Sugar Bill, 2022 at the Committee Stage—**

**CLAUSE 4**

**THAT**, clause 4 of the Bill be amended in subclause (2) by inserting the following new paragraph immediately after paragraph (s)—

“(sa) ensure that there is adequate public participation and consultation with growers in its decision making affecting the sugar industry and its stakeholders;”

**CLAUSE 42**

**THAT**, clause 42 of the Bill be amended in subclause (2) by inserting the words “within thirty days” immediately after the words “High Court”.

**CLAUSE 53**

**THAT**, clause 53 of the Bill be amended in subclause (3) by inserting the following new paragraph immediately after paragraph (a)—

“(aa) the right of a grower to grow a sugar crop on their land;”

CLAUSE 57

**THAT**, clause 57 of the Bill be amended in subclause (2) by inserting the following new paragraphs immediately after paragraph (g)—

“(ga) long-term leasing of state-owned mills by private investors including capping of leases to fifteen years and structured review every five years and rights and obligations of parties to such leases;”



## **LIMITATION OF DEBATE**

The House resolved on Wednesday, February 15, 2023 as follows—

### **Limitation of Debate on Motions**

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

### **Limitation of Debate on the Senate Amendments to Bills Originating in the National Assembly**

- IV. THAT**, each speech in the general debate contemplated under Standing Order 146 (**Consideration of Senate amendments to Bills originating in the National Assembly**) shall be limited as follows:- a maximum of one hour and thirty minutes, with not more than fifteen minutes (15) for the Mover in moving, fifteen minutes (15) for the Chairperson of the relevant Departmental Committee, and five (5) minutes for any other Member speaking, including the Leader of the Majority Party and the Leader of the Minority Party (if the Bill is not party-sponsored), and that five (5) minutes before the expiry of the time, the Mover shall be called upon to reply; and further that priority in speaking shall be accorded to the Leader of the Majority Party, the Leader of the Minority Party and the Chairperson of the relevant Departmental Committee, in that order.
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