

REPUBLIC OF KENYA

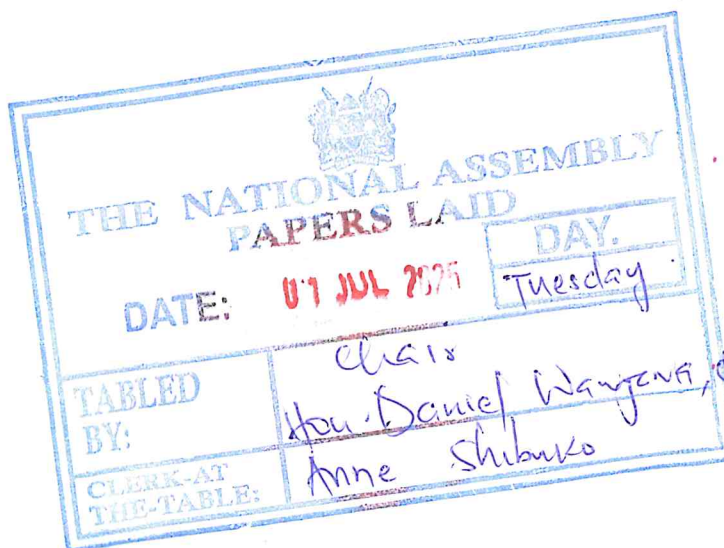


Approved
SWA
30/6/25

PARLIAMENT OF KENYA

THIRTEENTH PARLIAMENT – FOURTH SESSION – 2025

**THE REPORT OF THE MEDIATION COMMITTEE ON THE
GAMBLING CONTROL BILL
(NATIONAL ASSEMBLY BILLS NO. 70 OF 2023)**



CLERKS' CHAMBERS
PARLIAMENT OF KENYA
PARLIAMENT BUILDINGS
NAIROBI



JUNE 2025

TABLE OF CONTENTS

1.0	INTRODUCTION	2
1.1	Establishment of the Committee	2
1.2	Mandate of the Mediation Committee	2
1.3	Committee Meetings and Methodology.....	3
1.4	Acknowledgements.....	3
2.0	BACKGROUND	5
3.0	CONSIDERATION OF SENATE AMENDMENTS BY THE NATIONAL ASSEMBLY AND FORMATION OF THE MEDIATION COMMITTEE	6
4.0	CONSIDERATION OF THE GAMBLING CONTROL BILL (NATIONAL ASSEMBLY BILL NO. 70 OF 2023) BY THE MEDIATION COMMITTEE.....	7
5.0	COMMITTEE RECOMMENDATION	24

1.0 INTRODUCTION

1.1 Establishment of the Committee

1. The Mediation Committee on the Gambling Control Bill (National Assembly Bill No. 70 of 2023) was constituted by Speaker of the National Assembly and Speaker of the Senate on 13th March 2025 and 19th March, 2025, respectively, pursuant to Standing Order 148(b) of the National Assembly Standing Orders and Standing Order 166 (2) of the Senate Standing Orders.
2. The Committee membership was constituted as follows—

Name	Designation
1. Hon. Daniel Wanyama, CBS, MP	Chairperson
2. Hon. Omboko Milemba, CBS, MP	Member
3. Hon. (CPA) Kuria Kimani, CBS, MP	Member
4. Hon. (Dr.) Jackson Kosgei, MP	Member
5. Hon. Dominic Letipila, MP	Member
6. Hon Kweya Thuku, MP	Member
7. Hon. (Dr.) Ariko Namoit, MP	Member
8. Hon. Mark Nyamita, MP	Member
9. Hon. (Dr.) Irene Kasalu, MP	Member
10. Sen. Allan Kiprotich Chesang, MP	Vice Chair-person
11. Sen. Wakili Hillary Sigei, CBS, MP	Member
12. Sen. Catherine Mumma, MP	Member
13. Sen. Eddy Gicheru Oketch, MP	Member
14. Sen. Julius Murgor Recha, CBS, MP	Member
15. Sen. Issa Juma Boy, MP	Member
16. Sen. Beatrice Akinyi Ogolla, MP	Member
17. Sen. Raphael Chimera Mwinzagu, MP	Member
18. Sen. Esther Anyieni Okenyuri, MP	Member

1.2 Mandate of the Mediation Committee

3. The Mediation Committee derives its mandate from the provisions of Articles 112 and 113 of the Constitution, Standing Order 41(1) of the National Assembly Standing Orders and Standing Order 166 (2) of the Senate Standing Orders which outline the functions of the Committee as follows-
 - i. *To consider Bills where the Houses do not agree on all or any of the amendments made by either Houses;*

- ii. *To consider Bills where either House rejects a Motion that a Bill which originated in the other House be read a Second or Third time; and*
 - iii. *To attempt to develop a version of the Bill that both Houses will pass.*
4. The Committee was established to develop an agreed version of the Gambling Control Bill (National Assembly Bill No. 70 of 2023). The version would then be presented to both Houses for approval pursuant to Standing Order 149(6) of the National Assembly Standing Orders and Standing Order 161 (1) of the Senate Standing Orders.

1.3 Committee Meetings

5. The Committee held a total of four (4) sittings to deliberate on the Bill in accordance with the Constitution and relevant provisions of the Standing Orders of the Senate and the National Assembly.
6. During the first sitting, the Committee appointed Hon. Daniel Wanyama, CBS, MP as the Chairman and Sen. Allan Kiprotich Chesang, MP, as the Vice Chairperson of the Committee, respectively, pursuant to Standing Order 166(4) of the Senate Standing Orders and Standing Order 149(4) of the National Assembly Standing Orders. The Committee then proceeded to consider the Senate amendments to the Bill.
-
7. Appended to this report is a version of the Bill developed by the Committee for consideration by both Houses.

1.4 Acknowledgements

8. The Mediation Committee appreciates the offices of the Speakers and the Clerks of both Houses of Parliament for the support extended in the execution of its mandate.
9. The Chairperson in particular extends his appreciation to all the Members of the Committee for their patience, sacrifice, endurance and commitment to completing the assignment under tight schedule.
10. Pursuant to Standing Order 223(2) of the Senate Standing Orders, and Standing Order 150(3) of the National Assembly Standing Orders, the Mediation Committee adopted the report on the Gambling Control Bill (National Assembly Bill No. 70 of 2023). The Members of the Committee hereby affix their signatures to this Report to affirm adoption of the Report (Attached as Appendix 1 to this Report.)

11. Finally, it is now my pleasant duty and privilege, on behalf of the Mediation Committee, to table the report of the Mediation Committee on the Gambling Control Bill (National Assembly Bill No. 70 of 2023) and to recommend the adoption of the agreed version of the Bill to the Houses, pursuant to Article 113(2) of the Constitution and Standing Order 167(3) of the Senate Standing Orders and Standing Order 150(3) of the National Assembly Standing Orders.

Hon. Daniel Wanyama CBS, MP, Chairperson

SIGNED 

DATE: 4/06/2025

Sen. Allan Kiprotich Chesang, MP, Vice Chairperson

SIGNED 

DATE: 4/06/2025

2.0 BACKGROUND

12. The Gambling Control Bill (National Assembly Bill No. 70 of 2023) was published on 31st October 2023. The overall objective of the Gambling Control Bill is to repeal and replace the Betting, Lotteries and Gaming Act (Cap. 131) and to provide for a legislative framework for the regulation of gambling in Kenya, as well as to incorporate safe gambling principles in the gambling sector. The Bill seeks to regulate betting, casinos and other forms of gambling including the authorization of prize competitions, public lotteries and media promotions.
13. The Bill was read a First Time in the National Assembly on 8th November, 2023 and was considered and approved with amendments on 6th December, 2023. The National Assembly amendments were intended to ensure that the Gambling Regulatory Authority of Kenya, which will be the successor to the Betting Control and Licensing Board, should be empowered to ensure compliance with anti-money laundering and combating of terrorism financing laws.
14. Pursuant to Standing Order 142 of the National Assembly Standing Orders, the Bill was forwarded to the Senate for concurrence.
15. The Senate considered and passed the Bill with amendments on 8th October, 2024. The Senate proposed amendments to Clauses 5, 7, 10, 11, 28, 31, 64, 66, 69, 71, 79, 87, 119, 123 and the Third Schedule. Further, the Senate proposed new Clauses 57A, 63A, 66A, 82A and 117A.
16. Pursuant to Standing Order 46(1) and 164(c) of the Senate Standing Orders, the Speaker of the Senate conveyed a message to the Speaker of the National Assembly on the Senate consideration on the Bill and the amendments approved by the Senate.

3.0 CONSIDERATION OF SENATE AMENDMENTS BY THE NATIONAL ASSEMBLY AND FORMATION OF THE MEDIATION COMMITTEE

17. At the special sitting of the National Assembly held on 16th January 2025, the National Assembly considered and rejected the Senate amendments to the Gambling Control Bill, 2023.
18. Pursuant to Standing Order 148(b) of the National Assembly Standing Orders, the Speaker of the National Assembly conveyed a message to the Speaker of the Senate on the resolution by the National Assembly to reject the Bill as amended by the Senate. The Speaker then referred the Bill to a mediation committee under Article 113 of the Constitution, and in so doing appointed nine Members of the National Assembly to the Mediation Committee to consider the Bill.
19. On 19th March 2025, pursuant to Standing Order 166 of the Senate Standing Orders, the Speaker of the Senate conveyed a message to the National Assembly on the appointment of nine Senators to sit in the Mediation Committee.
20. Pursuant to Article 113 of the Constitution, the Mediation Committee was required to attempt to develop an amended version of the Bill that is agreeable to both Houses, within 30 days.

4.0 CONSIDERATION OF THE SENATE AMENDMENTS TO THE GAMBLING CONTROL BILL (NATIONAL ASSEMBLY BILL NO. 70 OF 2023) BY THE MEDIATION COMMITTEE

21. In its sitting held on 17th April 2025, the Committee considered the Senate amendments to the Gambling Control Bill, 2023 as follows—

a) Senate amendment to Clause 5

Clause 5 amended by inserting the following new paragraphs immediately after paragraph (e)—

- (ea) develop and implement county legislation on betting and other forms of gambling;
- (eb) license prize competitions within a county;
- (ec) license amusement machines;
- (ed) issue trade permits for betting premises;
- (ee) license and issue pool table permits within the county;
- (ef) license and supervise county lotteries;
- (eg) issue trade permits for premises for totalisators;

Committee Observation

The amendment seeks to include additional functions of county governments in relation to gambling, specifically the development of county legislation and licensing of gambling activities.

Betting, casinos and other forms of gambling is a shared function between the national government and county governments as provided in the Fourth Schedule to the Constitution.

The Bill addresses the shared nature of gambling by providing for licensing under clause 28(2) to be performed by the Authority (national government), and subsequently the issuance of trade permits under clause 45(1) to be performed by the county governments. Further, clause 5(b) mandates the county governments to issue trade permits for all gambling premises.

The Committee takes note of the Gazette Notice No. 2 of 2012 by the Intergovernmental Relations Technical Committee on the delineation of functions between the national government and county governments on betting, casinos and other forms of gambling. In as much the assignment of the functions uses the term ‘license’ in respect of both national government and county governments, there is need for clarity in legislation to clearly

provide for licensing to be performed by the national government while issuance of trade permits to be performed by the county governments.

The Senate amendment therefore conflicts with the intention of the Bill.

Committee Resolution

The Mediation Committee recommends that—

- (a) Clause 5 be retained as contained in the Bill; and
- (b) for clarity purposes, clause 2 of the Bill be amended to provide distinct definitions of the terms “license” and “trade permit”.

b) Senate amendment to Clause 7

Clause 7 amended by—

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

(d) three persons, not being public officers, appointed by the Cabinet Secretary, being persons with a background in finance, law, betting and lotteries or business management, provided that—

- (i) one shall represent persons with disabilities;
- (ii) one shall represent the youth; and
- (iii) one shall represent faith-based organisations;

- (b) deleting paragraph (e) and substituting therefor the following new paragraph—
three persons nominated by the Council of Governors and appointed by the Cabinet Secretary; and

- (c) deleting paragraph (f).

Committee Observation

The amendment seeks to—

- (a) remove the Attorney-General from the composition of the Board of the Authority;
- (b) specify the youth as one of the categories of the three persons appointed by the Cabinet Secretary; and
- (c) increase the number of persons nominated by the Council of Governors from one person to three persons.

The effect of these amendments would increase the number of members of the Board from 9 to 10 members.

Section 6(1) of the State Corporations Act, Cap. 446 provides for the composition of Boards of state corporations. Paragraph (da) provides for the membership of the Attorney-General or his representative.

The recommendations of the Mwongozo Code of Governance for state corporations provides that the Board membership of state corporations shall be between 7 and 9 members.

The Senate amendment therefore conflicts with the provisions of the State Corporations Act, Cap. 446 as well as the recommendations of the Mwongozo Code of Governance for state corporations.

Committee Resolution

The Mediation Committee recommends that—

- (a) Clause 7(1)(d) be retained as proposed by the National Assembly, preserving the Attorney-General's membership in the Board;
- (b) Clause 7(1)(e) be amended by reducing the number of persons appointed by the Cabinet Secretary from three to two; and
- (c) Clause 7(1)(f) be amended by increasing the number of representatives of the Council of Governors from one to two persons.

These amendments would ensure meaningful representation both by persons who are not public officers and county government representation while maintaining a manageable Board size that conforms with the recommendations of the *Mwongozo* Code on State Corporations.

c) Senate amendment to Clause 10

Clause 10 amended—

- (a) by deleting paragraph (c);
- (b) in paragraph (f) by inserting the words “in consultation with county governments” immediately after the word “maintain”;
- (c) in paragraph (g) by inserting the words “beneficial owners” immediately after the word “directors”;
- (d) by inserting the following new paragraph immediately after paragraph (n)—
 - (na) collaborate with the Kenya Revenue Authority, established under section 3 of the Kenya Revenue Authority Act, to establish a monitoring system for tax compliance under this Act;

Committee Observation

The amendment seeks to—

- (a) remove the function of issuance of licences from the Authority;

- (b) provide that the register of gambling machines and devices shall be established and maintained by the Authority in consultation with county governments;
- (c) provide that the Authority shall conduct due diligence in respect of beneficial owners of gambling companies; and
- (d) provide that the Authority shall establish a tax compliance monitoring system.

Clause 28(2) of the Bill provides that the Authority shall license all gambling activities under the Act, while clause 45(1) provides that the county governments shall issue trade permits to holders of gambling licences. The amendment to delete the function of licensing from the Authority therefore conflicts with the intention of the Bill.

The requirement of due diligence to be conducted in respect of beneficial owners of gambling companies is necessary so as to ensure accountability of persons who exercise ultimate effective control over a company.

The introduction of a new paragraph to specifically provide for the collaboration between the Authority and the Kenya Revenue Authority to establish a tax monitoring system would ensure enhanced monitoring and compliance of the tax obligations of the gambling operators.

Committee Resolution

The Mediation Committee recommends that—

- (a) Paragraph (c) be retained as contained in the Bill, to ensure that the role of the Authority shall be to issue licences under the Act;
- (b) The Senate amendment to paragraph (f) be adopted, to ensure that the Authority shall work in consultation with county governments in the establishment and maintenance of registers of gambling machines and devices; and
- (c) The Senate amendment to paragraph (g) be adopted, to ensure accountability of beneficial owners who exercise ultimate control over a company.

d) Senate amendment to Clause 11

Clause 11 amended by inserting the following new subclauses immediately after subclause (4)–

(5) The Cabinet Secretary, in consultation with the Authority, may grant remote platform authorizations.

(6) The Cabinet Secretary may revoke an authorization granted under subsection (5) only if the platform is found to be in breach of the regulatory service requirements as prescribed by the Authority.

Committee Observation

The amendment seeks to introduce new subsections providing for the power of the Cabinet Secretary to grant or revoke remote platform authorizations.

There is need for clarity in regards to what constitutes a remote platform authorization. The term is not proposed to be defined in the interpretation section in clause 2. The Committee observes that the Senate amendment introducing "remote platform authorization" lacks definitional clarity, creating potential regulatory ambiguity. Such authorization would require precise definition to establish its scope, application, and relationship to existing licensing provisions.

Further, clause 11 of the Bill which is proposed to be amended provides for the power of the Cabinet Secretary to prescribe guidelines for gambling operations. The proposed amendments relating to remote platform authorization appear to be misplaced in the clause.

Committee Resolution

The Mediation Committee recommends that—

- (a) the proposed new sub-clauses (5) and (6) be rejected;
 - (b) a new sub-clause be introduced to the Clause, providing for the power of the Cabinet Secretary to prescribe guidelines on remote platform authorization;
 - (c) Clause 2 of the Bill be amended to introduce the definition of the term "remote platform authorization".
-

e) Senate amendment to Clause 28

Clause 28 amended—

- (a) in subclause (2) by deleting paragraphs (o), (p) and (q); and
- (b) by deleting subclause (4).

Committee Observation

The amendment seeks to remove the power of the Authority to issue gambling licences with respect to—

- (a) key gambling employees;
- (b) accreditation licence for a person engaged in non-gambling activity within a gambling premise; and
- (c) all media promotions with prizes and prize competitions cutting across several counties.

Further, the amendment seeks to delete the definition of "gambling employee" under the clause.

The Committee noted that the requirement of issuance of licences for key gambling employees and persons within gambling premises is an international practice due to the precarious nature of gambling activities.

Further, the issuance of licences to the media promotions is necessary so as to regulate the electronic gambling activities effectively.

The requirement for the issuance of accreditation licence for a person engaged in non-gambling activity within a gambling premise is ambiguous and would be subject to abuse.

Committee Resolution

The Mediation Committee recommends that—

- (a) paragraph (o) be retained in the Bill, to ensure compliance with international best practice which requires the licensing of key gambling employees;
- (b) paragraph (p) be deleted, to ensure that there is no ambiguity arising as a result of the issuance of accreditation licences to persons engaged in non-gambling activities within a gambling premise;
- (c) paragraph (q) be retained in the Bill, to ensure that the Authority shall issue licences for all media promotions so as to regulate the electronic gambling activities effectively; and
- (d) sub-clause (4) be retained in the Bill to ensure clarity as to the limits of the term “gambling employee” for purposes of licensing.

f) Senate amendment to Clause 31

Clause 31 amended in subclause (3) by deleting the word “twelve” appearing immediately after the words “a period of” and substituting therefor the words “thirty six”.

Committee Observation

The amendment seeks to extend the validity period of a gambling licence from 12 months to 36 months.

The Committee noted that the increase of the validity period of an operating licence was necessary to ensure that there is ease of doing business. The Committee further noted that section 26(1) of the National Lottery Act, No. 20 of 2023 provides that a licence for a National Lottery operator shall be valid for a period of seven years.

Committee Resolution

The Mediation Committee recommends that the Bill be amended in sub-clause (3) to increase the validity period of a licence from 12 months to 36 months.

g) New Clause 57A

The following new clause 57A inserted immediately after clause 57–

Lottery tax. 57A. (1) There shall be a tax to be known as lottery tax chargeable at the rate of fifteen per cent of the lottery turnover.

(2) The tax shall be paid to the Collector by a person authorized to promote the lottery on the 20th day of the month following the month of collection.

Committee Observation

The amendment seeks to introduce a lottery tax at the rate of 15%.

Article 109(5) of the Constitution provides that a money Bill may be introduced only in the National Assembly in accordance with Article 114 of the Constitution.

Further, during the consideration of the Bill in the National Assembly, it was resolved that matters relating to taxation measures be withdrawn from the Bill pending the engagement of the Departmental Committee on Finance and the relevant stakeholders, after which the same would be introduced through a subsequent Finance Bill.

In as much as the Bill proposes to repeal the existing Betting, Lotteries and Gaming Act, Cap. 131, Clause 121(6) of the Bill provides that the provisions of sections 29A (*Betting tax- 15%*), 44A (*Lottery tax- 15%*), 55A (*Gaming tax- 15%*) and 59B (*Prize competition tax- 15%*) of the repealed Act shall continue to be in force until new provisions are enacted. There will therefore be no lacuna that will arise as a result of the non-inclusion of the provisions in the Bill.

The Senate amendment therefore contravenes the provisions of Article 109(5) of the Constitution.

Committee Resolution

The Mediation Committee recommends that the new Clause 56A not be included in the Bill.

h) New Clause 63A

The following new clause 63A inserted immediately after clause 63–

Betting tax. 63A. (1) There shall be a tax to be known as the betting tax chargeable at the rate of fifteen per cent of the gaming revenue.

(2) The tax shall be paid to the Collector by the licensed bookmaker on the 20th day of the month following the month of collection.

(3) This section shall not apply to horse racing.

Committee Observation

The amendment seeks to introduce a betting tax at the rate of 15%.

Article 109(5) of the Constitution provides that a money Bill may be introduced only in the National Assembly in accordance with Article 114 of the Constitution.

Further, during the consideration of the Bill in the National Assembly, it was resolved that matters relating to taxation measures be withdrawn from the Bill pending the engagement of the Departmental Committee on Finance and the relevant stakeholders, after which the same would be introduced through a subsequent Finance Bill.

In as much as the Bill proposes to repeal the existing Betting, Lotteries and Gaming Act, Cap. 131, Clause 121(6) of the Bill provides that the provisions of sections 29A (*Betting tax- 15%*), 44A (*Lottery tax- 15%*), 55A (*Gaming tax- 15%*) and 59B (*Prize competition tax- 15%*) of the repealed Act shall continue to be in force until new provisions are enacted. There will therefore be no lacuna that will arise as a result of the non-inclusion of the provisions in the Bill.

The Senate amendment therefore contravenes the provisions of Article 109(5) of the Constitution.

Committee Resolution

The Mediation Committee recommends that the new Clause 63A not be included in the Bill.

i) Senate amendment to Clause 64

Clause 64 amended in subclause (5) by deleting the word “twenty shillings” appearing at the end of the sub-clause and substituting therefor the words “one shilling”.

Committee Observation

The amendment seeks to reduce the minimum amount of a single bet in a casino machine from 20 shillings to 1 shilling.

The Committee noted that the amount of one shilling as a minimum bet amount is not practical, noting that this would be construed as an encouragement to gambling, and further noting that the intention of the Bill was to regulate gambling as a social vice.

Further, in conducting public participation on the Bill, the National Assembly Departmental Committee on Sports and Culture received submissions from various stakeholders who proposed that the minimum amount of a bet be increased to fifty shillings. The submissions from various stakeholders proposed the increase rather than the decrease of the minimum amount.

Committee Resolution

The Mediation Committee recommends that Clause 64(5) be retained as contained in the Bill, to provide that the minimum betting amount shall be 20 shillings.

j) Senate amendment to Clause 66

Clause 66 amended by deleting the words “shall ensure that its” appearing immediately after the word “Authority” and substituting therefor the words “and county governments shall ensure that their”.

Committee Observation

The amendment seeks to provide that in addition to the Authority, the county governments shall also ensure that their officers are present in casinos for purposes of ensuring compliance.

The First Schedule to the Proceeds of Crime and Anti-Money Laundering Act, Cap. 59A provides that the current Betting Control and Licensing Board is a supervisory body for purposes of financial reporting in regards to casinos. The Bill envisages that the Authority, once established, shall supervise casinos in regards to financial reporting under the Proceeds of Crime and Anti-Money Laundering Act, Cap. 59A, and this is a function of the national government.

Committee Resolution

The Mediation Committee recommends that Clause 66 be retained as contained in the Bill, to ensure that the responsibility for financial reporting and anti-money laundering compliance rests with the national regulatory authority as provided in law.

k) New Clause 66A

The following new clause 66A inserted immediately after clause 66–

Gaming tax. 66A. (1) There shall be a tax to be known as gaming tax chargeable at the rate of fifteen per cent of the gaming revenue.

(2) The tax shall be paid to the Collector by a person carrying on a gaming business on the 20th day of the month following the month of collection.

Committee Observation

The amendment seeks to introduce a gaming tax at the rate of 15%.

Article 109(5) of the Constitution provides that a money Bill may be introduced only in the National Assembly in accordance with Article 114 of the Constitution.

Further, during the consideration of the Bill in the National Assembly, it was resolved that matters relating to taxation measures be withdrawn from the Bill pending the engagement of the Departmental Committee on Finance and the relevant stakeholders, after which the same would be introduced through a subsequent Finance Bill.

In as much as the Bill proposes to repeal the existing Betting, Lotteries and Gaming Act, Cap. 131, Clause 121(6) of the Bill provides that the provisions of sections 29A (*Betting tax- 15%*), 44A (*Lottery tax- 15%*), 55A (*Gaming tax- 15%*) and 59B (*Prize competition tax- 15%*) of the repealed Act shall continue to be in force until new provisions are enacted. There will therefore be no lacuna that will arise as a result of the non-inclusion of the provisions in the Bill.

The Senate amendment therefore contravenes the provisions of Article 109(5) of the Constitution.

Committee Resolution

The Mediation Committee recommends that the new Clause 66A not be included in the Bill.

1) Senate amendment to Clause 69

Clause 69 amended by deleting clause 69 and substituting therefor the following new clause—

Online gambling
transaction.

69. An online gambling transaction shall commence when a player deposits money into his or her gaming account and shall conclude when a player withdraws money from his or her gaming account.

Committee Observation

The amendment seeks to amend the commencement and conclusion time of an online gambling transaction.

In terms of the amendment, an online gambling transaction shall commence at the time of deposit of money into a gaming account, and shall conclude at the time of withdrawal of money from a gaming account.

The Committee notes that the Senate amendment will ensure consistency and simplify compliance as well as auditing processes.

Committee Resolution

The Mediation Committee recommends that Clause 69 be amended as proposed by the Senate.

m) Senate amendment to Clause 71

Clause 71 amended in subclause (3) by deleting the words “five million” appearing immediately after the words “not less than” and substituting therefor the words “fifty thousand”.

Committee Observation

The amendment seeks to reduce the penalty for the offence of permitting online gambling for an amount less than 20 shillings, from above 5 million shillings to above 50,000 shillings.

The Committee notes that while a fine of not less than five million shillings may be too punitive, a lower limit of fifty thousand shillings may be too lenient, given the substantial profits realized in the online gambling sector.

Committee Resolution

The Mediation Committee recommends that Clause 71(3) of the Bill be amended by deleting the amount of five million shillings and substituting therefor the amount of three million shillings.

n) Senate amendment to Clause 79

Clause 79 amended—

- (a) in subclause (1) by deleting paragraph (c);
- (b) by inserting the following new subclauses immediately after subclause (3)—
 - (4) Notwithstanding the provisions of subsection (1), a gambling operator based in a foreign country who does not intend to carry out online gambling activities in Kenya, may apply for a licence to the Authority under this section.
 - (5) A foreign based operator who applies for a licence under subsection (3) shall be exempt from the requirements under sections 29 and 40.

Committee Observation

The amendment seeks to—

- (a) remove the requirement that for a foreign gambling operator to be licensed in Kenya, they must intend to carry on the online gambling business in Kenya; and
- (b) provide that a foreign gambling operator shall be exempt from the provisions of clause 29 (requirements for licensing) and 40 (security for gambling activity).

Clause 79 provides for the conditions to be fulfilled by a foreign gambling operator that seeks to be issued with a licence by the Authority.

The Committee however notes that there is need to allow foreign gambling operators to seek licences from the Authority without necessarily having the foreign operators setting up physical gambling premises within the country. Further, a foreign gambling operator would be required to comply with the provisions of the Companies Act, Cap. 486 in relation to the registration of foreign companies.

The Committee further observes that allowing foreign gambling operators to apply for licences will lead to increased revenue to the Authority in the form of licence fees paid by the foreign gambling operators.

The Committee however notes that there is need to ensure that foreign gambling operators shall also be liable to comply with the provisions on gambling security.

Committee Resolution

The Mediation Committee recommends that—

- (a) the Senate amendment to Clause 79 which introduces the new sub-clause (4) be adopted;
- (b) the Senate amendment introducing the new sub-clause (5) be adopted and be further amended by deleting the expression “sections 29 and 40” and substituting therefor the expression “section 29(a)”;
- (c) that there is need to delete the word “Notwithstanding” appearing in sub-clause (4) and substituting therefor the word “Despite” to conform with the House drafting style; and
- (d) there is need to delete the expression “(3)” appearing in the proposed new sub-clause (5) and substituting therefor the expression “(4)” for purposes of correct referencing, since the application for licence referred to is contained in the proposed new sub-clause (4) and not in sub-clause (3).

o) New Clause 82A

The following new clause 82A inserted immediately after clause 82—

Prize competition tax.

82A. (1) There shall be a tax to be known as prize competition tax chargeable on the cost of entry to a competition which is premium rated at the rate of fifteen per cent of the total gross turnover.

(2) The tax shall be paid to the Collector by the licensed person on the 20th day of the month following the month of collection.

Committee Observation

The amendment seeks to introduce a prize competition tax at the rate of 15%.

Article 109(5) of the Constitution provides that a money Bill may be introduced only in the National Assembly in accordance with Article 114 of the Constitution.

Further, during the consideration of the Bill in the National Assembly, it was resolved that matters relating to taxation measures be withdrawn from the Bill pending the engagement of the Departmental Committee on Finance and the relevant stakeholders, after which the same would be introduced through a subsequent Finance Bill.

In as much as the Bill proposes to repeal the existing Betting, Lotteries and Gaming Act, Cap. 131, Clause 121(6) of the Bill provides that the provisions of sections 29A (*Betting tax- 15%*), 44A (*Lottery tax- 15%*), 55A (*Gaming tax- 15%*) and 59B (*Prize competition tax- 15%*) of the repealed Act shall continue to be in force until new provisions are enacted. There will therefore be no lacuna that will arise as a result of the non-inclusion of the provisions in the Bill.

The Senate amendment therefore contravenes the provisions of Article 109(5) of the Constitution.

Committee Resolution

The Mediation Committee recommends that the new Clause 82A not be included in the Bill.

p) Senate amendment to Clause 87

Clause 87 amended–

- (a) in subclause (2) by deleting paragraph (e); and
- (b) by deleting subclause (4) and substituting therefor the following subclause–

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

Committee Observation

The amendment seeks to–

- (a) remove the restriction that a gambling advertisement shall not be broadcasted on television between 6am and 10pm unless it is done in a live sporting event; and
- (b) reduce the penalty for the offence of contravening the provisions on advertisement of gambling, from 20 million shillings to 1 million shillings, and imprisonment from 20 years to 1 year.

The Committee noted that the objective of the restriction on the hours of gambling advertisement is to discourage gambling which is a social vice. Removing the restriction from the Bill would lead to the unregulated advertisement air-time on television which would subsequently increase the social vice.

The Committee further notes that the penalty proposed by the Senate for the contravention of provisions on gambling advertisement is too low.

Committee Resolution

The Mediation Committee recommends that Clause 87 be retained as contained in the Bill.

q) New Clause 117A

The following new clause 117A inserted immediately after clause 117–

Operating hours. **117A.** A licensed betting, gambling, lottery or gaming premise shall operate between ten o'clock in the evening and five o'clock in the morning.

Committee Observation

The amendment seeks to introduce a new clause in the Bill providing for the operating hours of betting, gambling, lottery or gaming premises, which shall be between 10pm and 5am.

The Committee noted that the imposition of operating hours of gambling premises may not be practical owing to the fact that the restriction would not apply in respect of online gambling.

The Committee observes that imposing fixed operating hours for physical gambling premises while online gambling remains accessible at any time would create an inconsistent regulatory approach that could inadvertently incentivize migration to online platforms and be viewed as discrimination against physical gambling premises.

Committee Resolution

The Mediation Committee recommends that the new Clause 117A not be included in the Bill.

r) Senate amendment to Clause 119

Clause 119 amended in subclause (2) by–

- (a) deleting paragraph (d); and
- (b) deleting paragraph (g).

Committee Observation

The amendment seeks to remove the conduct of a national lottery and national lottery rules form among the matters which the Cabinet Secretary shall have power to make regulations.

The Committee notes that the intention of the Bill is to ensure that the Gambling Regulatory Authority shall be the overall overseer of matters to do with betting, gaming and lotteries, including the national lottery. Clause 10(a) of the Bill provides that the

Authority shall develop standards and norms for betting, lotteries, casinos and other forms of gambling.

It is therefore envisaged that as the Board develops standards for lotteries, it shall also, in consultation with the Cabinet Secretary, make regulations with respect to the conduct of a national lottery.

The Senate amendment therefore conflicts with the intention of the Bill.

Committee Resolution

The Mediation Committee recommends that Clause 119 be retained as contained in the Bill.

s) Senate amendment to Clause 123

Clause 123 amended by renumbering the current provision as subclause (1) and inserting therefor the following new subclauses immediately after the new subclause (1)–

Cap. 469. (2) The Kenya Revenue Authority Act is amended in Part II of the First Schedule by deleting paragraph 7 and substituting therefor the following new paragraph–

7. The Gambling Control Act.

Cap. 470. (3) The Income Tax Act is amended–
(a) by deleting section 10(1)(g); and
(b) in the Third Schedule, Head B, by deleting–
(i) paragraph 3(i); and
(ii) paragraph 5(i).

Cap. 472. (4) The Excise Duty Act is amended in Part II of the First Schedule by deleting paragraphs 4A, 4B, 4C and 4D.

No. 20 of 2023. (5) The National Lottery Act is amended by inserting the following new clause immediately after clause 52–

Regulations. 53. (1) The Cabinet Secretary may in consultation with the Board, make regulations generally for the better carrying into effect of any provisions under this Act.

(2) Without prejudice to the foregoing, regulations made under this section may provide for–

- (a) the procedure to be followed by the Board in exercising any powers conferred upon it by this Act;
- (b) the conduct of a national lottery;
- (c) apportionment of the proceeds of the national lottery;
- (d) procedure for the sale of tickets, prizes of tickets and payment of prizes;

- (e) announcement and protection of winners of the national lottery;
- (f) the circumstances under which the national lottery may be advertised; and
- (g) the places where, circumstances or manner in which signs relating to a national lottery may be displayed.

Committee Observation

The amendment seeks to—

- (a) amend the Kenya Revenue Authority Act, Cap. 469 to include the Gambling Control Act (once enacted) as one of the written laws relating to revenue;
- (b) amend the Income Tax Act, Cap. 470—
 - (i) to exclude winnings from the definition of an income;
 - (ii) to remove the non-resident tax rate in respect of winnings (20%);
 - (iii) to remove the resident withholding tax rate in respect of winnings (20%);
- (c) amend the Excise Duty Act, Cap. 472 to remove the excise duty in respect of betting, gaming, prize competition and lottery (12.5%); and
- (d) amend the National Lottery Act, No. 20 of 2023 to introduce a provision on regulations.

The Committee notes that Article 109(5) of the Constitution provides that a money Bill may be introduced only in the National Assembly in accordance with Article 114.

The Committee further notes that the consequential amendment to the Kenya Revenue Authority is necessary to ensure that it conforms to the repeal of the Betting, Lotteries and Gaming Act, Cap. 131 and the subsequent enactment of the Gambling Control Act, for purposes of correct referencing.

Further, during the consideration of the Bill in the National Assembly, it was resolved that matters relating to taxation measures be withdrawn from the Bill pending the engagement of the Departmental Committee on Finance and the relevant stakeholders, after which the same would be introduced through a subsequent Finance Bill.

The National Lottery Act, No. 20 of 2023 is an Act of Parliament providing for the establishment of a national lottery at the national government level. Article 109(3) of the Constitution provides that a Bill not concerning county governments is considered only in the National Assembly. This therefore means that amendments to an Act concerning the national government may only be introduced in the National Assembly. The Committee therefore noted that substantial amendments to the National Lottery Act, No. 20 of 2023 would be introduced by the National Assembly in conformity to the provisions of Article 109 of the Constitution.

The Senate amendment therefore conflicts with the provisions of Article 109 of the Constitution.

Committee Resolution

The Mediation Committee recommends that—

- (a) the proposed new sub-clause (2) be included in the Bill; and
- (b) the proposed new sub-clauses (3), (4) and (5) not be included in the Bill.

t) Senate amendment to the Third Schedule

The Third Schedule amended in—

- (a) paragraph (b) by deleting the amount “200,000,000” and substituting therefor the amount “20,000,000”; and
- (b) paragraph (c) by deleting the amount “200,000,000” and substituting therefor the amount “20,000,000”.

Committee Observation

The amendment seeks to reduce the security required in respect to online gambling and the national lottery, from 200 million shillings to 20 million shillings.

The Committee observes that online gambling and the national lottery would have significantly broader reach compared to physical gambling premises, potentially impacting a larger segment of the population. Proportionately higher security deposits for these operations are therefore necessary to ensure adequate consumer protection.

While the National Assembly version requiring 200 million shillings as gambling security may be considered too high, the Senate's proposed reduction to 20 million shillings would be inadequate given the scale and potential impact of these operations.

The Committee therefore notes the need to have a reasonable amount imposed as gambling security in respect of online gambling and the National Lottery.

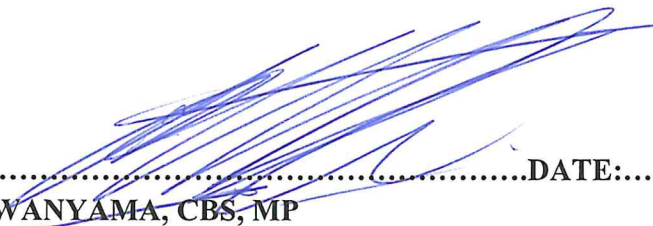
Committee Resolution

The Mediation Committee recommends that—

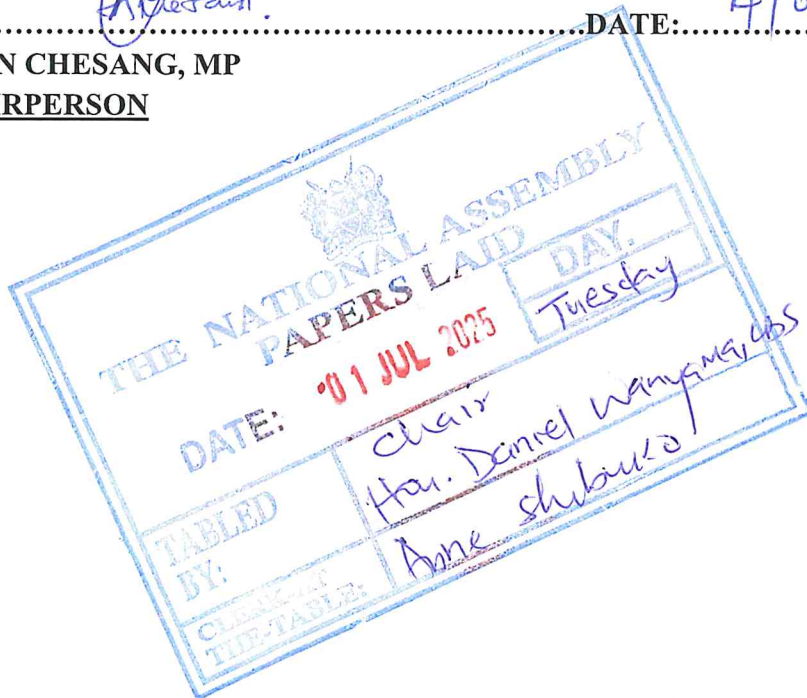
- (a) paragraph (b) of the Third Schedule be amended to provide for the amount of 100 million shillings as gambling security in respect of online gambling; and
- (b) paragraph (c) of the Third Schedule be amended to provide for the amount of 100 million shillings as gambling security in respect of the National Lottery.

5.0 COMMITTEE RECOMMENDATION

Having considered the Senate amendments to the Gambling Control Bill, 2023, the Mediation Committee recommends that, pursuant to the provisions of Article 113(2) of the Constitution, this House approves the mediated version of the Gambling Control Bill (National Assembly Bills No. 70 of 2023).

SIGNED:..........DATE:.....4/06/2025.....
HON. DANIEL WANYAMA, CBS, MP
CHAIRPERSON

SIGNED:..........DATE:.....4/06/2025.....
SEN. ALLAN CHESANG, MP
VICE-CHAIRPERSON




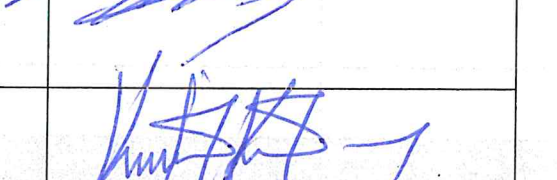
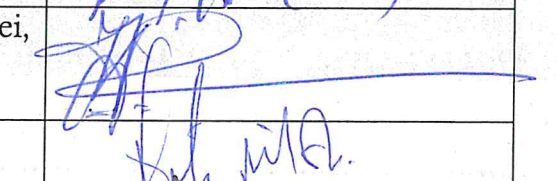
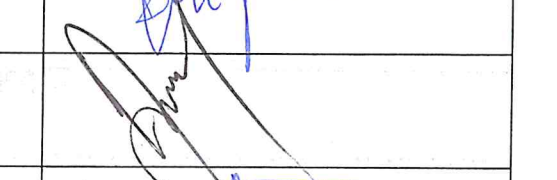
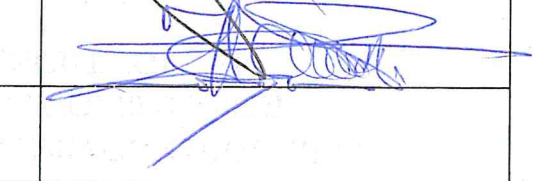
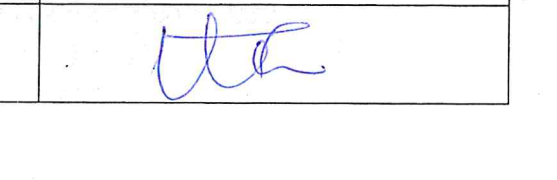




REPUBLIC OF KENYA
THE NATIONAL ASSEMBLY
13TH PARLIAMENT - FOURTH SESSION - 2025
MEDIATION COMMITTEE ON GAMBLING CONTROL BILL, 2023
(NATIONAL ASSEMBLY BILL NO. 70 OF 2023)
HON. MEMBERS ATTENDANCE SCHEDULE

Date: 23/4/2025 Venue: C Room 16, 3rd floor

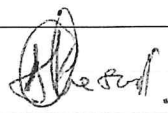
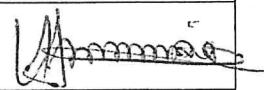
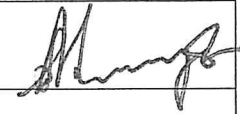
Time Started: 2.30 p.m Time Ended: 4.11 p.m

AGENDA: Adoption Schedule - Report on the Gambling Control Bill
(National Assembly Bill No. 70 of 2023)

No.	MEMBER	SIGNATURE
1.	The Hon. Daniel Wanyama, CBS, MP	
2.	The Hon. Omboko Milemba, CBS, MP	
3.	The Hon. (CPA) Kuria Kimani, CBS, MP	
4.	The Hon. BSP. (EM) Dr. Jackson Kosgei, M.P.	
5.	The Hon. Dominic Letipila, M.P.	
6.	The Hon. Kwenya Thuku, M.P.	
7.	The Hon. (Dr.) Ariko Namoi, MP	
8.	The Hon. Mark Nyamita, M.P.	
9.	The Hon. (Dr.) Irene Kasalu, MP	

**ADOPTION OF THE REPORT OF THE MEDIATION COMMITTEE ON THE
GAMBLING CONTROL BIL, 20203(NATIONAL ASSEMBLY BILL NO. 70 OF
2023)**

**We, the undersigned Members, do hereby append our signatures to adopt the
Report-**

	Name	Designation	Signature
1.	Sen. Allan Chesang', MP,	Vice-Chairperson	
2.	Sen. Wakili Hillary Sigei, CBS, MP	Member	
3.	Sen. Julius Murgor, CBS, MP	Member	
4.	Sen. Eddy Oketch, MP,	Member	
5.	Sen. Issa Boy Juma, MP,	Member	
6.	Sen. Catherine Mumma, MP,	Member	
7.	Sen. Beatrice Akinyi Ogola, MP,	Member	
8.	Sen. Raphael Chimera, MP,	Member	
9.	Sen. Esther Okenyuri, MP,	Member	

