



THIRTEENTH PARLIAMENT
THE SENATE
OFFICIAL REPORT



Fourth Session

Thursday, 2nd October, 2025 at 2.30 p.m.

PARLIAMENT OF KENYA

THE SENATE

THE HANSARD

Thursday, 2nd October, 2025

*The House met at the Senate Chamber,
Parliament Buildings at 2.33 p.m.*

[The Speaker (Hon. Kingi) in the Chair]

PRAYER

DETERMINATION OF QUORUM AT COMMENCEMENT OF SITTING

The Speaker (Hon. Kingi): Clerk, do we have quorum?

(The Clerk-at-the-Table consulted the Speaker)

Serjeant-at-Arms, kindly ring the Quorum Bell for 10 minutes.

(The Quorum Bell was rung)

Order, hon. Senators, we now have quorum.

(Sen. (Prof.) Tom Ojienda, SC walked into the Chamber)

Senator for Kisumu, kindly take your seat.

(Sen. (Prof.) Tom Ojienda, SC sat in his place)

Clerk, you may call the first Order.

PAPERS LAID

ANNUAL REPORT OF THE IEBC

Sen. Tabitha Keroche: Mr. Speaker, Sir, I beg to lay the following Papers on the Table of the Senate, today, Thursday, 2nd October, 2025-

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Annual report of the Independent Electoral and Boundaries Commission (IEBC) for Financial Year ending 30th June, 2025.

ANNUAL REPORT AND FINANCIAL STATEMENTS
OF THE NATIONAL POLICE SERVICE

Annual report and financial statements of the National Police Service (NPS) for the Financial Year 2024/2025.

REPORT ON ALL NEW LOANS CONTRACTED BY THE GOVERNMENT
OF KENYA FROM 1ST MAY TO 31ST AUGUST, 2025

The National Treasury and Economic Planning report on all new loans contracted by the Government of Kenya from 1st May, 2025 to 31st August, 2025.

I beg to lay.

(Sen. Tabitha Keroche laid the documents on the Table)

The Speaker (Hon. Kingi): Proceed, Chairperson, Standing Committee on Health. I thought I saw Sen. Mandago in the House.

Any Member of the Committee on Health? Sen. Onyonka, you may proceed.

(Sen. Onyonka and Sen. Wafula approached the Dispatch Box)

Hon. Senators, you want to toss a coin or what?

(Loud consultations)

Proceed, Sen. Wafula.

REPORT ON THE COUNTY OVERSIGHT AND NETWORKING
ENGAGEMENTS TO MANDERA, WAJIR
AND MARSABIT COUNTIES

Sen. Wafula: Thank you, Mr. Speaker, Sir. On behalf of the Chairperson, Standing Committee on Health, I beg to lay the following Paper on the Table of the Senate, today, 2nd October, 2025-

Report of the Standing Committee on Health on the County Oversight and Networking Engagements to Mandera, Wajir and Marsabit Counties.

(Sen. Wafula laid the document on the Table)

The Speaker (Hon. Kingi): Next Order.

NOTICE OF MOTION

ADOPTION OF REPORT ON THE COUNTY OVERSIGHT AND NETWORKING ENGAGEMENTS TO MANDERA, WAJIR AND MARSABIT COUNTIES

Sen. Wafula: Mr. Speaker, Sir, I beg to give notice of the following Motion-
THAT the Senate adopts the report of the Standing Committee on Health
regarding the county oversight and networking engagements to Mandera, Wajir and
Marsabit Counties laid on the Table of the Senate on Thursday 2nd October, 2025.

The Speaker (Hon. Kingi): Next Order.

QUESTIONS AND STATEMENTS

STATEMENTS

The Speaker (Hon. Kingi): Statement pursuant to Standing Order No.53 (1).
Proceed, Senator from Nakuru County, Hon. Tabitha Karoche.

HUMANITARIAN AND ENVIRONMENTAL IMPACT OF RISING WATERS AT LAKE NAIVASHA IN NAKURU COUNTY

Sen. Tabitha Keroche: Mr. Speaker, Sir, I rise pursuant to Standing Order No.53(1) to seek a statement from the Standing Committee on Land, Environment and Natural Resources on a county-wide matter concerning the humanitarian and environmental crisis affecting the residents of Kehoto Informal Settlement, Naivasha Sub-County, Nakuru County, as a result of the rising waters of Lake Naivasha.

Mr. Speaker, Sir, over 3,000 residents have been displaced and 229 homes swallowed by water. Families have lost their homes. Schools and churches have been rendered unsuitable and livelihoods have been disrupted. Children are out of school and many households are struggling to access food, shelter and clean water.

Health concerns are also mounting as stagnant waters have become a breeding ground for malaria. Cholera and typhoid are putting the lives of already displaced families at greater risk. Parents and their children are enduring conditions that strip them of dignity and safety. This is not just about water levels rising, it is about human lives sinking into despair. The people of Kehoto need us, not tomorrow but today. They deserve to know that their government sees, hears and stands with them in their hour of need.

In this Statement, the Committee should address the following-

(1) Investigate the report on the humanitarian impact of the flooding, including the exact number of households displaced, livelihoods lost and the adequacy of the ongoing response by both levels of government.

(2) Immediate steps being taken to protect the dignity, safety and welfare of the displaced families, especially children, women, the elderly and Persons with Disabilities (PwDs).

(3) Legislative and policy measures aimed at protecting the riparian land around the lakes, enforcing environmental regulations and creating a clear framework for the settlement and compensation of the affected families.

(4) Long-term strategies in helping communities living near lakes adapt to the effects of climate change, ensuring that no Kenyan family is left behind.

The Speaker (Hon. Kingi): The Senator from Nyandarua County, Hon. John Methu.

DEATH OF MR. SIMON WARUI WHILE IN CUSTODY
AT THE MOMBASA CENTRAL POLICE STATION

Sen. Methu: Thank you very much, Mr. Speaker, Sir. /I rise pursuant to Standing Order No.53(1) to seek a statement from the Standing Committee on National Security, Defence and Foreign Relations on a matter of national concern regarding the death of Mr. Simon Warui, aged 26, while in police custody in Central Police Station in Mombasa.

Mr. Speaker, Sir, Mr. Warui was reported missing on Sunday, 14th September, 2025, from Umoja area in Nairobi. His family, after days of frantic searching, was informed on Wednesday, 17th September, that he was being held in Mombasa Central Police Station. Upon arriving at the station on Thursday, 18th, they were informed that he had died and his body had been transferred to the morgue. The police alleged that Mr. Warui fell to his death while attempting to climb a wall within the cells, an explanation that raises serious questions. The Constitution of Kenya, the Access to Information (ATI) Act, the Independent Policing Oversight Authority (IPOA) Act and the National Police Service (NPS) Act all provide robust safeguards against impunity and mandate transparency in cases involving custodial deaths.

In the Statement, the Committee should address the following-

(1) The circumstances surrounding Mr. Warui's arrest, detention and death, including the timeline and actions taken by the police officers at the Central Police Station in Mombasa.

(2) The legal basis for his detention, including compliance with Section 37 of the Criminal Procedure Code, the filing of an apprehension report with a magistrate and whether his family was duly notified.

(3) The status and findings of any investigations into the cause of death, including whether an independent post-mortem was conducted and whether the IPOA has initiated inquiries as required by law.

(4) The accountability measures in place for custodial deaths, including whether any officers involved have been suspended or subjected to disciplinary or criminal investigation under the Sixth Schedule of the National Police Service Act.

(5) The records of apprehension and incident reports submitted to IPOA between January, 2024 and July, 2025 with specific reference to Nairobi Central, Kamukunji,

Eldoret Central, Nakuru Central, Rongai and Mombasa Central Police stations, including cases of non-compliance.

(6) The steps being taken by the National Police Service (NPS) and IPOA to safeguard the rights, dignity and safety of persons in custody and to prevent recurrence of such incidences.

The Speaker (Hon. Kingi): The Senator for Kiambu County, Hon. Karungo Thang'wa.

That statement is dropped.

REVOCATION OF TITLE DEEDS AND DEMOLITIONS AT IMANI
ESTATE/KANGAITA FARM LAND IN KIAMBU COUNTY

(Statement dropped)

The Senator from Busia County, Sen. Andrew Omtatah.

Sen. Okiya Omtatah: Thank you, Mr. Speaker, Sir. I have four statements, and I request to read all of them together. *Si mnaenda Busia au?*

FAILURE TO OPERATIONALISE TRAILER PARK
INFRASTRUCTURE IN BUSIA COUNTY

Mr. Speaker, Sir, I rise pursuant to Standing Order No.53(1) to seek a Statement from the Standing Committee on Roads and Transportation on a matter of county-wide concern regarding the continued failure to operationalise trailer park infrastructure in Busia County. Despite repeated allocations in county development plans, the Mundika and Malaba trailer parks remain stalled with little progress and no clear completion timelines. The situation worsened after the Kenya National Highways Authority (KeNHA) took over the only functioning park during the one-stop border post construction but failed to provide a replacement.

Meanwhile, a 200-acre public parcel at Ngelechom, strategically positioned between Busia and Malaba and right on the border with Uganda, remains idle. Despite its potential to host a regional trailer hub that could ease congestion, enhance safety and generate up to Kshs720 million annually for the county, the facility lies idle. The continued inaction undermines transport efficiency, public safety and Kenya's commitments under regional trade corridors.

In the Statement, the Committee should address the following-

(1) Establish the total cumulative budget allocation for the Mundika and Malaba trailer park projects since inception, broken down by financial year and verify how much has been disbursed and spent, including specific activities.

(2) Obtain and review procurement records, contracts, variation orders and payment vouchers related to the stalled projects.

(3) Report on the actual physical works completed, supported by the latest engineers' progress reports and dated photographic evidence.

(4) The rationale for pursuing the construction of two separate trailer parks and whether a feasibility or cost-benefit analysis was conducted comparing this approach to a single regional facility.

(5) The impact of stalled implementation on Kenya's obligations under the East African Community (EAC) Transport Corridor Agreements.

(6) The viable financial options, including county budget, Public-Private Partnerships (PPPs) or donor support for establishing a regional trailer park at Ng'elechom.

(7) Whether an environmental and social impact assessment has been conducted for the Ngelechom site and provide an estimate of the capital cost required.

(8) The reasons why KenHA has not fulfilled its commitment to construct a replacement trailer park for the one it took over.

STALLED DAIRY PARKS PROGRAMME IN BUSIA COUNTY

Mr. Speaker, Sir, I rise pursuant to Standing Order No.53(1), to seek a Statement from the Standing Committee on Agriculture, Livestock and Fisheries on a matter of county-wide concern regarding the Stalled Dairy Parks programme in Busia County.

The Dairy Parks programme was launched in the Financial Year (FY) 2018/2019 with technical and financial support from the World Bank under the Kenya Devolution Support Programme (KDSP). It was envisioned to transform the county's dairy sector by increasing annual milk production from approximately 30,000 litres to 400,000 litres by the year 2025, distributing over 300 improved dairy heifers and establishing modern milk processing and value-addition facilities.

The programme further aimed to generate employment and raise household incomes through a robust dairy value chain. However, despite repeated budgetary allocations and its inclusion in successive county-integrated development plans, the programme remains stalled with no operational facility, iterating infrastructure and unmet expectations for farmers and stakeholders.

In the Statement, the Committee should address the following-

(1) Whether feasibility studies or baseline surveys were conducted before the programme's launch and whether performance indicators were established and subsequently reviewed.

(2) Itemised annual allocations and expenditures for Achit, Budokoma, Budumba and Nambale dairy parks from FY2018/2019 to date and reasons for the recurrence of these parks in multiple budget cycles and sub-county budget lines.

(3) The identity and role of the project manager or implementing officer responsible for procurement, construction and operationalisation of the parks.

(4) Details of contracts signed for infrastructure development, equipment supply and heifer distribution and whether these contracts were subjected to audit.

(5) The current condition of physical structures and donor funded assets at the three sites, including any existing inventory and its status; and,

(6) A comprehensive account of how the 300 dairy heifers were distributed, the criteria used, their current status and any breeding or veterinary support provided.

STALLED OPERATIONALISATION OF SIMBACHAI
CASSAVA PROCESSING PLANT IN BUSIA COUNTY

My third request for a statement is on the stalled operationalisation of the Simbachai Cassava Processing Plant in Busia County.

Mr. Speaker, sir, I rise pursuant to Standing Order No.53(1) to seek a Statement from the Standing Committee on Agriculture, Livestock and Fisheries on a matter of nationwide concern regarding the decade-long delay in the operationalisation of the Simbachai Cassava Processing Plant in Busia County.

The Simbachai Cassava Processing Plant was initiated in the FY2012/2013 under the East African Agricultural Productivity Programme (EAAPP), in partnership with the County Government of Busia. Its core objectives were to enhance cassava value addition through industrial-scale processing, increase smallholder farmers' earnings, create agribusiness jobs through cassava products and reduce post-harvest losses by absorbing excess cassava into processing.

Mr. Speaker, Sir, despite the various repeated allocations in different budgets of different financial years, the automated processing machine, though delivered and tested, remains idle. The solarised water system with a 10,000 cubic metre tank is still unused. Factory infrastructure is deteriorating, risking equipment obsolescence. Further, the local farmers still sell raw cassava at low prices, losing value addition opportunities.

In the Statement, the Committee should address the following-

(1) When the original feasibility study for the Simbachai Cassava Processing Plant was conducted and whether there were clear project milestones and completion timelines agreed upon at initiation and include the project documentation detailing the contractors, procurement processes and whether the tender award was done fairly.

(2) The current condition of the installed machinery and specific technical or regulatory obstacles preventing operationalisation, stating the viability or otherwise of the project.

(3) The public funds allocated disbursed and actually spent on this project to date.

(4) The number of farmers who are targeted as beneficiaries and the economic impact of the decade-long delay.

STALLED CONSTRUCTION AND MODERNISATION
OF BUSIA STADIUM

Mr. Speaker, Sir, I request for a Statement on the stalled construction and modernisation of Busia Stadium.

I rise pursuant to Standing Order No.53(1) to seek a Statement from the Standing Committee on Labour and Social Welfare on a matter of county-wide concern regarding the stalled construction and modernisation of Busia Stadium in Busia County.

The Busia Stadium was earmarked as the sole flagship project under the Department of Sports, Culture and Social Services in the County Integrated Development Plan (CIDP) 2023/2027, with a budget of Kshs600 million. The project stalled after

initial construction and has shown no progress for years. Despite its prominence, recent development plans under CIDP 2018 to 2022 and 2023 to 2027 reflect no meaningful allocations or updates.

In the Statement, the Committee should address the following-

(1) How the Kshs600 million budgeted for the project was allocated and released, indicating the specific financial years and obtain a detailed expenditure breakdown supported by certified payment certificates or audited statements.

(2) The current financial liability tied to the project, including any cost variations, reallocations or supplemental budgets and identify the approving authorities and their stated justifications.

(3) Obtain documentation on all contractors, consultants and project managers engaged, including signed contracts, performance bonds, insurance details and verify whether the procurement process complied with the Public Procurement and Asset Disposal Act (PPADA).

(4) The percentage of work completed, whether an independent technical audit or an engineer's assessment has been conducted to ascertain the same and identify the factors that led to the project stalling.

(5) Why subsequent annual development plans failed to allocate funds or report progress on the project, despite the project's flagship status and establish whether the county assembly conducted site visits or demanded implementation reports.

(6) Identify any legal or disciplinary actions taken against non-performing contractors or negligent officials and obtain relevant documentation to support such actions.

(7) Confirm whether a revised completion plan exists, including updated timelines, budget allocations and funding sources and assess its feasibility.

Thank you, Mr. Speaker, Sir.

The Speaker (Hon. Kingi): Sen. Madzayo, proceed.

DEATH OF ERNESTINE DZIDZA OF GONGONI
PRIMARY SCHOOL, KILIFI COUNTY

The Senate Minority Leader (Sen. Madzayo): Asante, Bwana Speaker.

I rise pursuant to Standing Order No.53(1), to seek a Statement from the Standing Committee on Education regarding the death of a pupil named Ernestine Dzidza of Gongoni Primary School within Kilifi County, as a result of corporal punishment. I would like the Committee to state the following-

(1) The circumstances under which Ernestine Dzidza was subjected to corporal punishment and provide a detailed account of the events leading to her death.

(2) Explain how such violence, which is a violation of the law, could occur despite the clear prohibition of the corporal punishment in schools.

(3) Outline what enforcement, monitoring and sensitisation measures are in place to ensure strict compliance with the ban on corporal punishment in schools and other educational institutions dealing with children.

(4) What steps have been taken by law enforcement agencies to investigate, arrest and prosecute one Mr. Ian Tembo Mwavuna, who was a teacher and who is responsible for this heinous incident which led to the death of Ernestine Dzidza, a young girl from Gongoni Township within Kilifi County.

(5) Provide data on the reported cases of corporal punishment and sexual assault of girls in school within Kilifi County and nationally in the past five years, indicating how many have been investigated and how many have been prosecuted.

(6) Outline the systematic measures that the Government is putting in place to promote non-violent disciplinary methods in schools to strengthen the child protection framework in Kenya.

I thank you, Mr. Speaker, Sir.

The Speaker (Hon. Kingi): Statement pursuant to Standing Order No.57(1), the Senate Majority Leader, proceed.

BUSINESS FOR THE WEEK COMMENCING
TUESDAY, 7TH OCTOBER, 2025

The Senate Majority Leader (Sen. Cheruiyot): Apologies, Mr. Speaker, Sir. This is a Statement pursuant to Standing Order No.57(1) to present the business of the House for the week that commences Tuesday, 7th October, 2025, when the House will be sitting in Busia County. I hope Sen. Andrew has prepared the chicken that he promised us last week.

Colleagues, as you are aware, in line with the resolution that this House passed on the 29th July, 2025, this House will be sitting in Busia County. The objective of the sitting in Busia, as you are well aware, is to promote the role of the Senate and enhance public awareness regarding the business that we transact in this House. It is also to highlight the existing new opportunities for engagement in the legislative process. We explained this in detail, with interactions between our various committees and the committees of the County Assembly of Busia.

We will also use this opportunity to develop and strengthen partnerships between us and that of the County Government of Busia. This will provide an opportunity to members and staff of the county assemblies to learn and share best practises with Senators and parliamentary officers; this being the mother institution of all the legislative bodies, particularly, those from the devolution family. Therefore, it is an important engagement, which I plead that just like we did two years ago in Turkana, all of us turn up in large numbers in Busia and stay for the duration of the time allocated.

Mr. Speaker, Sir, the sittings in Busia will mark the Fourth Senate Mashinani programmes. This will follow the sittings that we first held in Uasin Gishu County, Kitui County and then very recently, Turkana County. I plead with committee chairpersons to organise their business in a way that will allow Senators and members of the public, as well as the County Assembly of Busia, to interact with this House and raise issues that are of concern to the people of Busia and the Western Kenya region in general.

Mr. Speaker, Sir, you will recall that in the previous Senate Mashinani programmes, with the exception of Turkana, for obvious reasons, we always invited the county assemblies from the nearby counties as well, to come and participate in our programmes. When we were in Kitui, for example - that is why I was confusing it with Makueni - we had interactions with Members of the County Assembly (MCAs) from Makueni County, Sen. Maanzo. In fact, we grilled the then Governor, in the Chamber, only that the very wonderful singers of Ukambani, showed up in our sittings and which turned to be a heckling march. Therefore, it was not possible to proceed.

I believe western Kenya will do things differently. Therefore, I hope that Sen. Andrew Omtatah, together with parliamentary orderlies, have extended invitations to the devolution family next to Busia such as the counties of Bungoma, Vihiga, Kakamega, Kisumu and Siaya.

Mr. Speaker, Sir, turning to the legislative business that we will transact next week, we have 57 Bills that are pending conclusion, of which, 41 are at the Second Reading, 15 at the Committee of the Whole stage and one at the First Reading stage. I am highlighting this because by now, Members are all aware that for reasons explained to them, we have very few weeks left. In fact, to the best of my knowledge, it is not more than five weeks of sittings before the end of the year because we shall be truncating our sittings earlier than usual.

A total of 57 Bills is not a small order and, therefore, I urge that next week, we do better than this week. In fact, since we returned from recess, last week and this week, we have not been able to put any item to a vote except a voice vote for various reasons. I believe that Members were reserving energy, so that next week in Busia, after Sen. Omtatah feeds us well, we work, even if it is until late into the night.

There are 29 Motions also that need to be concluded and 27 petitions, 23 of which are actually due for reporting. There are various committee chairpersons present here; if you have a petition that is due for reporting, I want to plead that you complete on that particular exercise, so that we can send feedback to the petitioners who believed in the power of the Senate and sent petitions to us.

There are 440 Statements pursuant to Standing Order No.53(1). I do not want to repeat the statements I made last week, but I still stand by them. I hope that the resolutions or the guidance that you gave last week will be abided by.

At least this week I did not hear funny Statements. Excuse my language, but I find it funny when some of us ask about matters, that to the best of the knowledge of colleague Senators here, are under the purview of county assemblies.

On Tuesday, 7th October, 2025 when the Senate Business Committee (SBC) meets to consider the business for the week, the tentative business for that day will include business that will not have been concluded in today's Order Paper, as well those that have been indicated in our Notice Paper.

The morning sitting of Wednesday will include scheduled Questions to the Cabinet Secretaries that have been scheduled to appear during the Cabinet Secretaries' Questions Time. We have scheduled the Cabinet Secretary for Agriculture and Livestock Development to respond to a number of questions by various Senators, including Sen.

(Dr.) Murango, Sen. (Dr.) Khalwale, Sen. (Prof.) Tom Odhiambo Ojienda, Sen. Maanzo, Sen. Sifuna, Sen. Shakila, Sen. Mumma and a whole host of Senators.

The afternoon sitting on 8th October, 2025 will include whatever business that we will not have concluded at that time, including various Bills, some that are extremely important such as-

(i) The County Wards (Equitable Development) Bill (Senate Bills No.20 of 2024); and,

(ii) The County Governments (Amendment) Bill (Senate Bills No.39 of 2024).

We will discuss both the Bills while in Busia County Assembly. These are Bills that touch on the very work of county assemblies.

There are also various Bills at the Committee of the Whole stage. There is also a Motion on Provision of Integrated Financial Management Information System (IFMIS) Reports for County Governments to the Senate. That includes some of the issues that I heard Members canvass during discussions in the course of this week, including but not limited to the very sticky issue of electronic procurement system (EPS). I heard the Council of Governors (CoG) saying a few things about it. I hope the Senate will also say one or two things about it while in Busia, especially after interacting with members of the public and those who serve in Busia County Government.

The business for Thursday next week will include whatever we will not have concluded on Tuesday and Wednesday.

I thank you, Mr. Speaker, Sir, and do hereby lay this Statement on the Table of the Senate.

(Sen. Cheruiyot laid the document on the Table)

The Speaker (Hon. Kingi): Let us now go to Statements pursuant to Standing Order No.56(1)(b). The first one is the Statement by the Chairperson of the Select Committee on County Public Investments and Special Funds. If he is not here, we can have any Member of that committee.

Proceed, Sen. Kisang.

ACTIVITIES OF THE COUNTY PUBLIC INVESTMENTS AND SPECIAL FUNDS COMMITTEE FOR MAY TO AUGUST, 2025

Sen. Kisang: Mr. Speaker, Sir, I rise pursuant to Standing Order No.56(1)(b) to make a Statement on the activities of the County Public Investments and Special Funds Committee for the period commencing 1st May, 2025, to 30th August, 2025.

During the period under review, the Committee held a total of 31 sittings within and outside the precincts of Parliament to consider matters within its mandate. The meetings included sittings to consider Auditor-General's reports on municipalities, hospitals, various Funds and water companies for Financial Year 2023/2024.

During the period under review, the Committee examined audit reports for the following county entities. There is Annex 1, which is a list of counties and the entities.

During interactions with the counties, the Committee observed numerous crosscutting issues impacting negatively on the operations of various entities-

(1) Most Level 4 and 5 hospitals in the counties had challenges in meeting the requirements of the Kenya Quality Model for Health (KQMH), particularly in medical equipment and personnel. This was largely attributed to resource constraints which signals a stumbling block in the quest of Universal Health Coverage (UHC). There were also huge pending bills emanating from the defunct National Hospital Insurance Fund (NHIF) and inadequate reimbursement by the Social Health Authority (SHA), negatively affecting the day-to-day running of the hospitals in the counties;

(2) Concerning municipalities and cities, counties have failed to grant cities and municipalities autonomy as envisaged in the Urban Areas and Cities Act. The counties established municipalities to fulfil the dictates and requirement of donor funding but were reluctant to grant autonomy in accordance with the law such as the ability to collect levies;

(3) Regarding Funds, counties have established more than 300 Funds where in some cases, some counties have more than 10 Funds, for example, Baringo County which has 11 Funds. In other cases, counties established Funds with similar objectives or mandates. For instance, Tana River County which has Emergency and Disaster Funds. We were surprised because; what is the difference between the two?

(4) To address the matter of audit queries of county governments funding national Government functions through issuance of bursaries. Counties have now Memorandums of Understanding (MOUs) with the Ministry of Education, enabling the Controller of Budget (CoB) to authorise release of bursary funds. However, the committee is of the view that this arrangement still indirectly takes back significant devolved resources to the national Government.

(5) On revolving funds such as Car Loan and Mortgage Funds, Youth Funds, Biashara or Enterprise Funds among others, the following observations were made-

Concerning Car Loan and Mortgage Funds, there was high rate of default on the loans advanced to staff due to mismatch of the loans tenure and contract terms of employment where high-ranking county officials exited upon expiry of their contracts without clearing the loans. This matter was further worsened by the fact that in most cases, there are no collateral registered as fallback in case of default.

Regarding other revolving funds such as empowerment and youth funds, the Committee noted that repayment of loans disbursed was marginal across counties jeopardizing long-term sustainability of the Funds. For instance, as per the Auditor-General's report on Kitui County Empowerment Fund, Kshs157,316,231 was disbursed in FY 2023/2024 to more than 2,800 groups in Kitui as loans but only in Kshs2,938,625 has been repaid.

The Committee conducted project inspection visits to Bomet County on 26th and 27th June, 2025, where the Committee visited Longisa County Referral Hospital and Bomet Water and Sewerage Company Limited. Moving forward, the Committee plans to undertake stakeholder engagements to deliberate on fundamental issues, including autonomy in the counties and status update on management of revolving funds across

counties and further visits to other counties with a focus on high-risk fiduciary investments facing significant financial vulnerabilities.

The Committee has recommended several remedies, including ensuring autonomy in municipalities, institution of measures to manage administration and recovery of loans and the need to develop a national standard to guide counties in establishment and management of empowerment funds. The Committee has already sent out invitations to various governors to appear before it at appointed dates, to respond to audit issues raised by the Auditor-General on the financial statements of different investments within the respective counties.

Mr. Speaker, Sir, I have submitted this on behalf of the Chairperson, Sen. Osotsi, the Senator for Vihiga County.

I thank you.

The Speaker (Hon. Kingi): Chairperson, Standing Committee on Delegated Legislation, you may proceed.

Sen. Maanzo, you may proceed as a member.

ACTIVITIES OF THE COMMITTEE ON DELEGATED LEGISLATION FOR APRIL TO JULY 2025

Sen. Maanzo: Thank you, Mr. Speaker, Sir. I will do this on behalf of the Chairman of the Committee of Delegated Legislation, the Hon. Sen. Gataya Mo Fire.

Mr. Speaker, Sir, during the period under review, the Committee on Delegated Legislation held a total of 23 sittings, conducted post-publication scrutiny of eight statutory instruments, held one county visit and one parliamentary diplomacy engagement.

On post-publication scrutiny of statutory instruments-

During the period under review, the Committee considered a total of eight statutory instruments and acceded to a total of five statutory instruments as listed below-

(a) Environmental Management and Coordination-controlled Substances, Regulations Legal Notice No.53 of 2025;

(b) Environmental Management and Coordination, Access to biological Resources and Benefits Sharing Regulations Legal Notice No.68 of 2025;

(c) Environmental Management and Coordination Deposit Bonds, Regulations Legal Notice No.67 of 2025;

(d) The Graphic Health Warning for Tobacco Products, Legal Notice No. 107 of 2025; and,

(e) The Affordable Housing Regulations Legal Notice No.114 of 2025.

Mr. Speaker, the Committee annulled the Environmental Management and Coordination (Strategic and Integrated Environmental Assessment and Environmental Audits) Regulations, Legal Notice No.2 and Legal Notice No.71 of 2025. The Committee tabled its report on the annulment of regulations on 7th August, 2025 and the Senate passed a resolution annulling the same on 8th August 2025.

The Committee is in the process of completing its consideration of two statutory instruments, including the following-

(a) The County Licensing Uniform Procedure Regulation, Legal Notice No.91 of 2024; and,

(b) The Sugar Development Levy Order, Legal Notice No.112 of 2025.

On county visits, the Committee met with the counterpart committee of the County Assembly of Kajiado on Friday, 13th June, 2025, to share experiences in the execution of their respective mandates.

On parliamentary diplomacy, the Committee undertook a working visit to the East African Legislative Assembly (EALA) and the Eastern African and South African Management Institute (ESAMI), in Arusha, Tanzania, in June, 2025. These visits were undertaken in an effort to enhance regional integration of the Eastern African community.

The Committee also hosted the Committee on County Delegated Legislation of the County Assembly of Embu on a benchmarking visit to the Senate on Thursday, 16th June 2025.

I thank you, Mr. Speaker, Sir.

The Speaker (Hon. Kingi): Now, before I allow comments on the statements that have been sought, allow me to make this Communication.

(Interruption of Statements)

COMMUNICATION FROM THE CHAIR

CONSIDERATION OF REPORT ON ALL LOANS CONTRACTED BY THE GOVERNMENT OF KENYA FROM 1ST MAY TO 31ST AUGUST, 2025

Hon. Senators, as you will note, the Senate Majority Leader has laid a paper on the table of the Senate this afternoon, a report by the National Treasury and Economic Planning on all loans contracted by the Government of Kenya from 1st May, 2025 to 31st August, 2025. The report contains details on all the new loans signed between the national Government and various creditors for the stated period.

Now, Section 31(1) of the Public Finance Management Act states as follows-

“The Cabinet Secretary shall submit to Parliament every four months a report of all loans made to the National Government, National Government entities and County Governments in accordance with Article 211(2) of the Constitution.”

Now, pursuant to Section 31(3) of the Public Finance Management Act, the report submitted to Parliament contains the following-

The names of the parties to the loan, the amount of the loan and the currency in which it is expressed and in which it is repayable, the terms and conditions of the loan, including interest and other charges payable, the terms of repayment, the amount of the loan advanced at the time the report is submitted, the purpose for which the loan was used and the perceived benefits of the loan and such other information as the Cabinet Secretary may consider appropriate.

Now, hon. Senators, given the significance of the national debt in our Public Finance Management Framework, I hereby commit the report by the National Treasury and Economic Planning on all new loans contracted by the Government of Kenya from

1st May, 2025 to 1st August, 2025 to the Standing Committee on Finance and Budget for consideration.

I thank you.

*(The Report was committed to the Standing Committee
on Finance and Budget)*

(Resumption of Statements)

Now, I will allow 15 minutes for comments on the statements that have been sought, starting with the Senator for Nairobi City County.

Sen. Sifuna: Hon. Speaker, Sir, allow me with great sadness to contribute to the statement that has been sought by Sen. Methu regarding the death, once again, of a young Kenyan in police custody, that of Mr. Simon Warui.

People say all sorts of things when I bring up these matters. A few months ago, after the incident that involved the late Mr. Albert Ojwang which was in June, I expressed great frustration that even after the famous Memorandum of Understanding (MoU) that was done between my political entity and the ruling United Democratic Alliance (UDA) party, we continued to have people dying in custody. People argue with me about the philosophy of that MoU and yet it is now public knowledge that I am the one who wrote that MoU. In fact, I have compared it to someone who meets Chinua Achebe and then starts arguing with Chinua Achebe about the contents of his most famous book, *“Things Fall Apart”*. You cannot argue with me about the contents of that MoU. It is heartbreaking. The philosophy behind that MoU was that we put a stop to certain things, so that we can allow the country to heal. It breaks my heart immensely that Kenyans continue to die in the hands of people who are supposed to protect them.

If you did a cursory search of the period between January, 2025 and September, 2025, you would find that an average of 23 young Kenyans have died in police custody or suspicious circumstances directly linked to police detention.

Everybody remembers the incident of the late Mr. Albert Ojwang. It was in June, Mr. Boniface Kariuki, the street vendor who was shot on live TV. In September, last month, Mr. Simon Warui, who is a subject of this statement in Mombasa. There was Mr. Alan Kamau Kimani in Migori while in police custody and Mr. Simon Ouma at the GK prison in Kitale.

We must continue to condemn this. Some of the critics have asked me to give time for the implementation or the full implementation of the MoU. My position is that if you request time, give everybody that time. Let all of us be alive to see the efforts you are putting in to implement that MoU. However, for as long as people continue to die in police custody, we will not keep quiet.

Once again, we send thoughts and prayers. We will condemn the police, but there is no assurance that we will not be back here speaking about another young life lost. That is the most tragic circumstance of our day.

Lastly, on the statements that have been sought by the Senator for Busia County, I wonder whether it would not have been more prudent for him to wait for us next week

when we are on the ground. Instead of asking those questions, he allows us to walk across the cassava processing plant and see for ourselves or walk into the stadium. As I have said, Senate *Mashinani* is one of the most innovative programmes by this House. It is unfortunate that last year we were unable to do it. However, I am proud and happy that we are able to do it this year in order to sit with the people.

As the Senate Majority Leader has encouraged Members of this House, please interact with the people of Western Kenya, the people of Busia. The reports we got from Turkana is that Senators were very scarce that the public did not see them. So, Sen. Maanzo, please, do not just leave the Assembly Chamber and rush to your room. Please, interact with the people at the bus park. They are looking forward to seeing you and the other Senators from this House.

Hon. Speaker, I commend the team that has planned for that. It is very important that we go and see for ourselves what devolution is doing and what we can do to make it work even better in our grassroots.

I thank you.

The Speaker (Hon. Kingi): Senator for Nandi County.

Sen. Cherarkey: Thank you, Mr. Speaker, Sir. I wish to express my profound and deepest condolences to the family of Mr. Simon Warui. When I saw his spouse speaking to the media, it was heartbreaking. It must be noted that these are not mere statistics, they are human lives. I join my colleagues in condemning this heinous murder against innocent young Kenyans.

I have been a regular guest of the cells in various locations and at several police stations across the country. Some of these stations are far from Bungoma, where Sen. Sifuna hails from. If he visits Bungoma Police Station, he will probably find my name recorded there. I had always believed that police stations should be safe spaces. However, it now appears that among the 10,000 ways to die faster is being arrested and taken to a police station.

I do not know what the future holds, but I have a feeling I might be arrested. That worries me. I am very worried. I lost sleep last night. I remember that after my nomination in April, 2022, I was arrested naked in my own home in Mosoriot in Nandi County. I was driven for six hours through valleys and forests. This is deeply worrying. We should condemn this.

I hope the Officer Commanding Station (OCS), the Officer Commanding Police Division (OCPD), the County Commander and the County Security Team in Mombasa have resigned or that administrative action has been taken.

As I speak today on the issue of extrajudicial killings, it must go on record that when I was Chairperson of the Standing Committee on Justice, Legal Affairs and Human Rights in this House before I was de-whipped, we had begun hearings and wrote a report on extrajudicial killings and enforced disappearances. Sen. Faki is my witness on that.

We visited Mombasa, Kilifi and many other areas, including Nairobi. What became of that report? I challenge the Committee to seize the matter and move it forward. We must establish the extent of these extrajudicial killings and enforced disappearances. I was shocked when we went to Kilifi. I thought it was a women's meeting. I was later told those were widows of young men and husbands who had been killed.

This issue is becoming a cancer in our country. We must confront it. We need a bipartisan approach. No one is safe anymore. I agree with Sen. Sifuna. When they came for the Jews, I did not speak. When they came for the communists, I did not speak. When they come for me, no one will speak for me. That is where we are headed. We must confront this monster.

Mr. Speaker, Sir, we need to install CCTV cameras in all police stations. This will make it easier to retrieve footage when needed. Second, police officers should wear body cameras to record arrests and incidents. Third, we must digitise police records and the Occurrence Book (OB). That way, we can access records from anywhere in the country and follow up easily.

The police officers must also be fair. I know we are recruiting 10,000 new officers. I hope the training manual will be improved. As I speak today, Kimwani in Nandi County has become a military zone. It resembles Gaza. There are over five lorries of General Service Unit (GSU) Officers harassing my people. For what reason? They are simply demanding access to their forefathers' land. That is their only mistake.

Kimwani is not Kerio Valley. It is not Mandera. It is not a security hotspot yet, four lorries have been stationed there harassing and raping women. They are harassing young men and subjecting them to inhumane treatment. The United Nations (UN) Charter prohibits torture and inhumane acts. What is happening in Kimwani is unacceptable. These people are being targeted simply for speaking out and demanding their rights. It is very unfortunate. I hope the matter of Mr. Simon Warui and many others, including the late Albert Ojwang will be addressed. Let the necessary action be taken.

Mr. Speaker, Sir, I wish to comment on the issue of Kihoto Village in Naivasha. This matter must be addressed. Over 3,000 families have had their homes submerged in water. You have served as a governor and you know that disaster management is a concurrent function. Therefore, both the County Government of Nakuru and the national Government must come together to respond to this crisis.

Finally, regarding the issue raised by Sen. Sifuna on projects, I hope the matter can be referred to the County Public Accounts Committee (CPAC). We should visit those projects and interact with the *wananchi*. I also hope Sen. Ali Roba, the party leader, will not be too busy. Perhaps he can open his United Democratic Movement (UDM) party office somewhere in Busia. That would be very interesting.

Mr. Speaker, Sir, with those many remarks, I support the statements made by my colleagues.

The Speaker (Hon. Kingi): Sen. Maanzo.

Sen. Maanzo: Thank you, Mr. Speaker, Sir. I rise to support the statement by Sen. Methu. Just a few days after the incident at Central Police Station, we witnessed a similar case in Mombasa. I am certain that there are many other unreported incidents from different parts of the country.

We had a recent case in Makueni. Just a week ago, we buried a young man. Three weeks earlier, he had gone to watch football at a place where there were a few political chants. He disappeared that night. Two days later, he called his brother. He said he was in a dark place, had been beaten and was under arrest. After that, he was not seen again. The

family searched through city morgues, hospitals and police stations. Eventually, he was found at the City Mortuary. The report stated that he had died in a motor accident. However, he had called his brother and said he had been arrested. This raises serious questions.

Mr. Speaker, Sir, kidnappings and disappearances are still happening. This is despite the Government's current efforts to compensate victims of such incidents. We must confront this issue. This should be the last time we hear of deaths in custody, kidnappings and similar incidents. How can it be said that someone climbed a wall in a cell and died? You are a lawyer and know how police cells are built. It is not possible to climb a wall and die in that manner. Therefore, this matter must be investigated. The Independent Policing Oversight Authority (IPOA) should be strengthened to carry out its mandate effectively.

Lastly, on the matter in Kilifi, where a child died in school due to corporal punishment, I strongly support Sen. Madzayo. This issue must be addressed with urgency. Whether in Technical Vocational Education and Training (TVETs) institutions, kindergarten or regular schools, when a parent sends a child to school, the last thing they expect is for that child to be killed or brutalised by a teacher employed by the Government of Kenya.

Such incidents have been reported in several cases. In fact, in some situations, the mental state of the teacher may be in question. Corporal punishment has been banned. It should not happen. There must be alternative methods of disciplining children to prevent such incidents, which are unfortunately quite common across the country. The case in Kilifi is deeply regrettable. It must be investigated urgently and justice must be served for the young child.

I thank you. I support the two statements.

The Speaker (Hon. Kingi): Sen. Veronica Maina.

Sen. Veronica Maina: Thank you, Mr. Speaker, Sir, for the opportunity. I want to comment on the statements that have been brought to the House by our colleagues, specifically the statement on Mr. Warui. It is my hope that this case will be resolved, investigated and facts made aware to the public.

Hon. Speaker, right now we have too many deaths and I want to single out deaths that are happening to many women across the whole country where femicide is continuing unabated. In Kigumo Constituency, we have a woman who was murdered brutally, put in a sack and the sack was given to a taxi purporting that it was cargo that was being delivered somewhere and when the taxi guy arrived where he was supposed to deliver the parcel, he did not find the person who was supposed to receive the parcel and after two hours when he tried to deposit the parcel somewhere and the sack was opened, it was the body of a woman brutally murdered.

A few months ago, there was also a child who was defiled in Maragua Constituency, thrown in a well and the maternal grandmother who was living with that girl has also been murdered and thrown into another well. It has become very difficult for families to have to encounter such deaths and brutal attacks. I do not even want to mention the case of our friend, lawyer Mbobu Kyalo who was murdered brutally. All those cases need to be resolved.

Hon. Speaker, allow me in one minute, to comment about the Busia events, Senate *Mashinani* in Busia. We want to tell the people of Busia County, Senate is coming to Busia and it will be a robust programme. We are involving the community, not just the chamber or the county government. We are coming in, we will speak to your girls, boys, community leaders and this will involve the male and female Senators. This will be a robust programme.

On Monday, we have an event organised by Kenya Women Senators Association (KEWOSA), but for the whole Senate. We look forward to very robust engagements in Busia County. So, Busia County, prepare yourselves. If you have issues, you wanted the Senate to know, we are coming and we look forward to seeing you there.

Thank you.

Sen. Faki: Mheshimiwa Spika ningependa kuongeza kauli yangu juu ya maombi ya taarifa ya Sen. Methu kuhusiana na mauaji ya kikatili katika *police station* zetu. Kwanza, najiunga na Maseneta wenzangu ambao wamechangia maombi haya na vile pia kusema kwamba katika muhula uliopita wa Seneti, katika Kamati ya Haki na Sheria, tulizunguka karibu kaunti sita kuchunguza masuala ya mauaji ya kiholela ya polisi.

Ripoti hiyo ililetwa katika Bunge hili, ikajadiliwa na ikawa iwasilishwe kwa Inspekta Mkuu wa Polisi ili kuweza kuitekeleza pamoja na Serikali. Lakini ni masikitiko kwamba bado vijana na wananchi wanauawa mikononi mwa polisi. Ni jambo la kusikitisha. Zamani tuliona mauaji, kwa mfano, yale ya Sheikh Aboud Rogo, Sheikh Abubakar Makaburi na wengine wengi ambao walipigwa risasi kiholela na polisi. Tuliona ni kama yalikuwa mambo ya kupita tu lakini inaonekana kwamba kila Serikali inayochaguliwa katika nchi yetu ni lazima kwanza itoe kafara wananchi wa Kenya kwa kupitia kwa polisi.

Mheshimiwa Spika, kesho kutwa tutakuwa Busia na moja kati ya zile harakati ambazo hufanywa katika Senate *Mashinani* ni kwamba tunazuru zile taasisi za jela; kwa mfano, tulipokuwa Kitui, tulizuru Gereza la Kitui na tukaweza kutoa zaidi ya wafungwa 200, ambao walikuwa wamefungwa makosa madogo ambao walikuwa hawajaweza kulipa faini na baada ya hapo, jaji wa mahakama kuu katika eneo la Kitui, binafsi alizuru Gereza lile na aka-*bail* watu wengi ili waweze kutoka kutokana na ule mfano ambao tulikuwa tumefanya kama Seneti. Natarajia kwamba Kamati ya Sheria na Haki, tutakapo kuwa Busia tutapata fursa pia ya kuzuru Gereza la Busia ili kuona kwamba wananchi na wale wafungwa ambao wako katika Gereza hili, wanapata haki zao kikamilifu.

Asante Mheshimiwa Spika kwa kunipa fursa hii.

Sen. Okenyuri: Thank you, Mr. Speaker, Sir. I also wish to support the statement by Sen. Methu on the demise of Warui in a police cell. This is not a new phenomenon. For the past few months, we were very emotional here when we were discussing the issue of the late Albert Ojwang. Now we have Warui and two days ago we had a young man also who died under police custody in Isebania.

I feel like the youth are under attack and targeted because we cannot be losing young people in such circumstances and what IPOA does is issue a statement to cool off social media and then the case goes silent. The IPOA is the weakest link in this matter because apart from updating the general public on statements, do we have reports of cases which have been pursued and the public fed with that information? It just happens

the moment emotions are high. They issue very quick statements to cool off temperatures and then it goes silent.

We cannot watch when young people, who are the future of this country, continue to be murdered and killed whereas these are the people we are looking up to, to raise families, be leaders and fend for themselves. Unfortunately, they are dying while we watch and say nothing. So, I am really sorry about what has happened and pass my sincere condolences to the family and wish that these culprits are actually brought to book, so that we are not just lamenting.

Finally, on the Statement by Sen. Omtatah, the Committee on Trade, Industrialisation and Tourism has been in Busia before. Busia has quite a lot that the Senate can gather knowledge from and also enrich the people of Busia. So, these statements come at an opportune time when the Senate will be in Busia, so they are going to give us quite a lot that we benefit from in real time than on other days when we are looking at these issues in this House.

Therefore, I look forward to interacting with the people of Busia and also look at the KIBES project, which is one of the biggest among the ones that were rolled out in different counties, so that we see how devolution is changing lives. We will also understand how people can support themselves from engaging in value addition that the KIBES project is giving the different counties.

Thank you, Mr. Speaker, Sir.

The Speaker (Hon. Kingi): Next Order.

BILL

First Reading

THE CONSTITUTION OF KENYA (AMENDMENT) NO.2 BILL (SENATE BILLS NO.16 OF 2025)

*(Order for First Reading read - Read the First time and
referred to the relevant Senate Committee)*

Next Order.

MOTION

ADOPTION OF REPORT OF PETITION ON AMENDMENT TO THE COUNTY GOVERNMENTS ACT, 2012

THAT, the Senate adopts the Report of the Standing Committee on Devolution and Intergovernmental Relations on a Petition to the Senate by Mr. Japheth Makokha, the Executive Director of Tripple the Impact CBO to amend the County Governments Act, 2012, on the mandate of the County Governors assigning Portfolio of a County Executive Committee Member (CECM) to the

Deputy County Governors, laid on the Table of the Senate on Thursday, 25th September, 2025.

(Sen. Abass on 1.10.2025 - Afternoon Sitting)

(Resumption of debate interrupted on 1.10.2025 - Afternoon Sitting)

The Speaker (Hon. Kingi): The Mover is Sen. Abbas. Is he present? Yes, Sen. Kisang, what is your intervention?

Sen. Kisang: Thank you, Mr. Speaker, Sir. You remember yesterday, I seconded this particular Motion and Sen. Abass---

The Speaker (Hon. Kingi): Yes, but you are not the Mover of this Motion, so you cannot reply. Okay, kindly take your seat.

Sen. Kisang: Okay, I thought I spoke to you.

The Speaker (Hon. Kingi): So, we shall move to putting of the question.

Clerk, kindly confirm that we have the requisite number of Senators in the House. We shall defer putting of the Question.

(Putting of the Question on the Motion deferred)

Next Order.

Orders No.10, 11, 12, 13 and 14 are up for Division. We do not have the requisite delegations. Therefore, we shall defer those Orders.

MOTION

ADOPTION OF REPORT OF THE STANDING COMMITTEE ON FINANCE AND BUDGET ON THE COUNTY GOVERNMENTS (EQUITABLE SHARE) CASH DISBURSEMENT SCHEDULE FOR FY2025/2026

THAT, the Senate adopts the Report of the Standing Committee on Finance and Budget on the County Governments (Equitable Share) Cash Disbursement Schedule for Financial Year 2025/2026, laid on the Table of the Senate on Wednesday, 24th September, 2025 and that, pursuant to Section 17 (7) of the Public Finance Management Act and Standing Order 189(3), the Senate approves the County Governments (Equitable Share) Cash Disbursement Schedule for Financial Year 2025/2026.

(Motion deferred)

BILL*Second Reading*

THE OFFICE OF THE COUNTY ATTORNEY (AMENDMENT)
BILL (SENATE BILL NO. 47 OF 2024)

(Bill deferred)

BILL*Second Reading*

THE SEEDS AND PLANT VARIETIES (AMENDMENT) BILL
(SENATE BILL NO. 4 OF 2025)

(Bill deferred)

COMMITTEE OF THE WHOLE

THE COUNTY LIBRARY SERVICES BILL
(SENATE BILLS NO. 40 OF 2024)

(Committee of the Whole deferred)

COMMITTEE OF THE WHOLE

THE TECHNOLIS BILL (NATIONAL
ASSEMBLY BILL NO. 6 OF 2024)

(Committee of the Whole deferred)

The Speaker (Hon. Kingi): We will now move to Order No.15. Clerk, kindly proceed to call that Order.

COMMITTEE OF THE WHOLE

THE COOPERATIVES BILL (NATIONAL ASSEMBLY
BILLS NO.7 OF 2024)

[The Speaker (Hon. Kingi) left the Chair]

IN THE COMMITTEE

[The Temporary Chairperson (Sen. Veronia Maina) in the Chair]

The Temporary Speaker (Sen. Veronia Maina): Hon. Senators, you can resume your seats.

We are proceeding to the Committee of the Whole on the Cooperatives Bill (National Assembly Bills No.7 of 2024). I will now request the Clerk to call out the clauses.

Clause 3

(Question, that Clause 3 be part of the Bill, proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 4

The Temporary Chairperson (Sen. Veronica Maina): I request the Chairperson, Standing Committee on Trade, Industrialization and Tourism to move the amendment.

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT Clause 4 of the Bill be amended in paragraph (a) by deleting sub paragraph (iii) and substituting therefor the following new-sub paragraph—
(iii) member economic participation;

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 5

The Temporary Chairperson (Sen. Veronica Maina): I invite the Mover to move this amendment. Chairperson Standing Committee on Trade Industrialization and Tourism, please proceed.

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT the Bill be amended by deleting clause 5 and substituting therefor the following new clause—

- Application.
5. (1) This Act shall apply to all cooperatives in Kenya.
 - (2) The Office of the Commissioner established under section 6, shall register—
 - (a) an intercounty primary cooperative;
 - (b) an intercounty secondary cooperative;

- (c) a Cooperative Federation; and
- (d) an Apex Cooperative.

(3) The office of the county commissioner for cooperatives in the respective county, shall register—

- (a) an intracounty primary cooperative; and
- (b) an intracounty secondary cooperative.

(4) A cooperative that is registered under the Sacco Societies Act shall—

- (a) comply with subsection (2) of (3) respectively; and
- (b) conduct business, be licensed, be regulated and be supervised by the Sacco Societies Act.

(5) This Act shall apply in any case where there is any inconsistency on any matter between this Act and any other legislation.

Cap 490B.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 6

(Question, that Clause 6 be part of the Bill, proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 7

The Temporary Chairperson (Sen. Veronica Maina): I invite the Chairperson Standing Committee on Trade, Industrialization and Tourism to proceed and move this amendment.

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-

THAT Clause 7 of the Bill be amended by renumbering the existing provision as subclause (1) and inserting the following new subclause—

(2) The technical officers appointed under subsection (1) shall have relevant academic qualifications in cooperative management and practice and comply with Chapter Six of the Constitution.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 8

The Temporary Chairperson (Sen. Veronica Maina): I invite the Mover to move this amendment. The Chairperson Standing Committee on Trade, Industrialization and Tourism, please proceed.

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-
THAT Clause 8 of the Bill be amended by—

(a) deleting subclause (1) and substituting therefor the following new subclauses—

(1) Three months prior to a vacancy arising in the office of the Commissioner, the Public Service Commission shall invite applications from persons who qualify for appointment to the office of the Commissioner for Cooperative Development through advertisement in at least two daily newspapers of nationwide circulation.

(1A) The Public Service Commission shall, within six months of a vacancy arising in the position of the Commissioner, fill the vacancy through a competitive recruitment process.

(b) deleting subclause (2) and substituting therefor the following new subclause—

(2) A person is not qualified for appointment as a Commissioner, unless the person has—

(a) a bachelor's degree in cooperative management, cooperative business or other related fields;

(b) a minimum of twenty years' experience in senior management in the Public Service, ten of which should be in the cooperative sector in a position not lower than county commissioner for cooperatives; and

(c) meets the requirements of Chapter six of the Constitution.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 9

The Temporary Chairperson (Sen. Veronica Maina): I invite Sen. Mbugua, standing in for the Chairperson Standing Committee on Trade, Industrialization and Tourism, to move this amendment.

Sen. Mbugua: Madam Temporary Chairperson, I propose that-
THAT Clause 9 of the Bill be amended in subclause (2) –

(i) by deleting the words “register all cooperatives in Kenya, and” appearing at the beginning of paragraph (c);

(ii) by inserting the words “intercounty primary cooperatives, intercounty secondary cooperatives” immediately after the words “registration of” appearing in paragraph (d);

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

(e) establish an integrated cooperatives management information system;

(iv) in paragraph (f)—

(i) by deleting the word “federations” appearing immediately after the words inserting the words “affairs of” appearing in paragraph (f)” and substituting therefor the words “an intercounty primary cooperative, an intercounty secondary cooperative, a cooperative federation”;

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

(fa) enforce remedial measures against non-compliant intercounty primary cooperative, intercounty secondary cooperative, cooperative federations and the Apex Cooperatives and, where necessary, recommend inquiries into the affairs of the cooperatives;

(fb) where appropriate, petition the High Court for the liquidation of intercounty primary, intercounty secondary, cooperative federations and the Apex Cooperatives in accordance to the provisions of this Act;

(v) by deleting the words “governments” appearing immediately after the words “building for cooperatives” appearing in paragraph (g) and substituting therefor the words “Commissioners of Cooperatives, relevant board of directors and relevant chief executive officers”;

(vi) by deleting paragraph (i);

(vii) in paragraph (j) by inserting the words “verified and certified by the National Audit Director or the County Audit Director as the case may be” appearing immediately after the words “audited financial statements”;

(viii) by inserting the following paragraphs immediately after paragraph (n)—

(na) in collaboration with county commissioners for cooperatives conduct public awareness campaigns on cooperatives;

(nb) supervise the elections of an intercounty primary cooperative, intercounty secondary cooperative, cooperative federation and the apex cooperative;

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 10

The Temporary Chairperson (Sen. Veronica Maina): I invite Sen. Mbugua, standing in for the Chairperson, Standing Committee on Trade, Industrialization and Tourism, to proceed.

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-

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THAT Clause 10 of the Bill be amended by renumbering the existing provision as subclause (1) and inserting the following new subclause—

(2) The Commissioner shall prepare and submit an annual report on the performance of all cooperatives to Parliament and the Cabinet Secretary within six months after the end of the financial year.

(3) The report shall contain the following information—

- (a) the number if any of cooperatives registered and deregistered;
- (b) the number if any of inspections and inquiries carried out;
- (c) the number if any of board of directors found liable under the Act;
- (d) the number if any of cooperatives that are at risk of liquidation or have been liquidated;

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 11

The Temporary Chairperson (Sen. Veronica Maina): I request the Mover, the Chairperson Standing Committee on Trade, Industrialization and Tourism, to move the amendment.

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—

THAT Clause 11 of the Bill be amended—

(a) in the marginal note by deleting the word “Director” appearing immediately after the word “Office of the County” and substituting therefor the word “Commissioner”;

(b) in subclause (1) by deleting the word “Director” appearing immediately after the word “Office of the County” and substituting therefor the word “Commissioner”;

(c) in subclause (2) by deleting the word “Director” appearing immediately after the word “Office of the County” and substituting therefor the word “Commissioner”;

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 12

The Temporary Chairperson (Sen. Veronica Maina): I invite the Mover, Sen. Mbugua, to move this amendment.

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—

THAT Clause 12 of the Bill be amended—

(a) in the marginal note by deleting the word “Director” appearing immediately after the word “Office of the County” and substituting therefor the word “Commissioner”;

(b) in subclause (1) by deleting the word “Director” appearing immediately after the word “Office of County” and substituting therefor the word “Commissioner”;

(c) in subclause (2) by inserting the words “and shall comply with Chapter Six of the Constitution” immediately after the words “in cooperative management and practice,”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 13

The Temporary Chairperson (Sen. Veronica Maina): I invite Sen. Mbugua, Standing for the Chairperson, Standing Committee on Trade, Industrialization and Tourism, to proceed.

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT Clause 13 of the Bill be amended by—

(a) deleting the word “Director” appearing after the words “Office of County” in the marginal note and substituting therefor the word “Commissioner”;

(b) deleting subclause (1) and substituting therefor the following new subclauses—

(1) Three months prior to a vacancy arising in the position of the County Commissioner for Cooperatives, the County Public Service Board shall invite applications from persons who qualify for appointment to the office of the County Commissioner for Cooperatives through advertisement in at least two daily newspapers of nationwide circulation.

(1A) The County Public Service Board shall, within six months of a vacancy arising in the position of the County Commissioner for Cooperatives, fill the vacancy through a competitive recruitment process.

(c) deleting subclause (2) and substituting therefor the following new clause—

(2) A person is qualified for appointment as a County commissioner for cooperatives, if the person has—

(a) a bachelor’s degree in cooperative management or cooperative business;

(b) a minimum of ten years’ experience in cooperative management and practice;

and

(c) meets the requirements of Chapter Six of the Constitution.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

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Clause 14

The Temporary Chairperson (Sen. Veronica Maina): I invite Sen. Mbugua to move the amendment.

Sen. Mbugua: Madam Temporary Chairperson, I beg to move that—
THAT Clause 14 of the Bill be amended in subclause 2—

(a) deleting the word “Director” appearing after the words “of the County” in the marginal note and substituting therefor the word “Commissioner”;

(b) by renumbering the current paragraph (a) as (b) and inserting the following new paragraph (a)—

(a) advise the County Executive Committee Member on the growth and development of cooperatives in the county;

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

(aa) register intracounty primary and intracounty secondary cooperatives;

(ab) maintain a county cooperatives register;

(ac) implement national integrated systems for the registration and management of cooperatives and submit county annual returns to the Commissioner;

(ad) enforce remedial measures against non-compliant intracounty primary and intracounty secondary cooperatives and, where necessary, recommend inquiries into their affairs;

(af) petition the High Court for the liquidation of intracounty primary and intracounty secondary cooperative where appropriate in accordance to the provisions of this Act;

(ag) register audited financial statements certified by the county audit director;

(ah) promote alternative dispute resolution mechanisms for disputes relating to intracounty primary and intracounty secondary cooperatives and their members;

(d) by renumbering the current paragraph (b) as (ba) and inserting the words “intracounty primary and intracounty secondary cooperatives” immediately after the words “affairs of”

(e) in paragraph (c) by inserting the words “intracounty primary and intracounty secondary” immediately after the words “supervise the elections of”

(f) by deleting paragraph (e);

(g) in paragraph (f) by deleting the word “cooperatives in the counties” appearing immediately after the words “capacity building of” and substituting therefor the words “the board of directors and chief executive officers of cooperatives in the county”

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

(i) promote partnerships between intracounty primary and intracounty secondary cooperatives and relevant stakeholders, including financial institutions, government agencies, and private sector players, to enhance cooperative development;

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 15

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT Clause 15 of the Bill be amended—

(a) by deleting the word “Director” appearing after the words “by the County” in the marginal note and substituting therefor the word “Commissioner”;

(b) by renumbering the existing provision as subclause (1) and inserting the following new subclauses—

(2) The County commissioner for cooperatives shall prepare and submit an annual report on the performance of all their respective intracounty primary and intracounty secondary cooperatives to the Commissioner, County Assembly, and the County Executive Committee Member within three months after the end of the financial year.

(3) The report shall contain the following information—

(a) the number if any of intracounty primary and intracounty secondary cooperatives registered and deregistered;

(b) the number if any of inspections and inquiries carried out;

(c) the number if any of board of directors found liable under the Act; and

(d) the number if any of intracounty primary and intracounty secondary cooperatives that are at risk of being liquidated or have been liquidated.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 16

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT Clause 16 (1) of the Bill be amended by—

(a) deleting the word “directors” appearing immediately after the words “forty-seven county” and substituting therefor the word “Commissioners”

(b) inserting the following new subclause immediately after subclause (1)—

(1A) In the absence of the Commissioner, the county commissioners for cooperatives shall nominate one of their own to chair the meeting of the Forum.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 17 and 18

(Question, that Clauses 17 and 18 be part of the Bill, proposed)

Division at the end.

Clause 19

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT Clause 19 of the Bill be amended—

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

(a) intracounty and intercounty primary cooperatives;

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

(b) intracounty and intercounty secondary cooperatives;

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 20

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT Clause 20 of the Bill be amended—

(a) by deleting subclause (3) and substituting therefore the following new subclause—

(3) A primary Cooperative may be formed by at least twenty persons.

(b) in subclause (4) by deleting the words “that do not share the same objectives or proposes” appearing immediately after the words “two or more cooperatives”

(c) by deleting subclause (5) and substituting therefor the following new subclauses—

(5) A person intending to join two or more cooperatives under subsection (4) shall disclose their membership in any other cooperative they are already a member to the additional cooperative they seek to join.

(5A) A person who is a member of multiple cooperatives, shall before applying for a loan in any cooperative, submit a letter from each cooperative they are a member confirming the nature and extent of financial liability of the person.

(5B) Despite the provisions of this Act or any other written law, cooperatives may in such manner and to such extent as the Cabinet Secretary may, in regulations prescribe, exchange information on the non-performing loans of their members.

(5C) Without prejudice to subsection (5B) and the regulations made thereunder, the information may be shared through the credit reference bureaus established under section 31 of the Banking Act.

(d) by deleting subclause (6).

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 21

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT Clause 21 of the Bill be amended—

(a) in subclause (1) by inserting the following words “or the county commissioner for cooperatives, as the case may be” immediately after the words “The Commissioner”.

(b) in subclause (2) by inserting the words “or the county commissioner for cooperatives, as the case may be” immediately after the words “to the Commissioner”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 22

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT Clause 22 of the Bill be amended—

(a) in subclause (2) by deleting the words “A secondary Cooperative shall comprise of membership from at least five primary” appearing immediately after the word “A” and substituting therefor the words “An intracounty secondary Cooperative shall comprise of membership from at least five intraprimaries”

(b) by inserting the following new subclause immediately after subclause (2)—

(3) An intercounty secondary cooperative shall comprise of membership from at least five intercounty primary cooperatives.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end

Clause 23

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—

THAT Clause 23(3) of the Bill be amended by inserting the words “and one primary cooperative in a particular value chain, business line or sub-sector” immediately after the words “two secondary cooperatives”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 24

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-
THAT Clause 24 (2) of the Bill be amended by deleting the words “Cooperatives shall” appearing at the beginning of the subclause and substituting therefor the words “Cooperatives may”.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clauses 25-27

(Question, that Clauses 25, 26 and 27 be part of the Bill, proposed)

Division at the end.

Clause 28

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-
THAT Clause 28 of the Bill be amended by inserting the words “or the county commissioner for cooperatives as the case may be,” immediately after the words “by the Commissioner” appearing in the first sentence of the last paragraph.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 29

- Sen. Mbugua:** Madam Temporary Chairperson, I beg to move-
THAT the Bill be amended—
- (a) in subclause (1)—
- (i) by deleting paragraph (a) and substituting therefor the following new paragraph—
 - (a) by the chief executive officer of the intracounty primary cooperative in case of registration of an intercounty primary Cooperative;
 - (ii) by deleting paragraph (b) and substituting therefor the following new paragraph—
 - (b) by at least five intercounty primary Cooperatives in case of registration of an intercounty secondary Cooperative;
 - (iii) by inserting the words “and one primary cooperative” appearing immediately after the words “two secondary cooperatives” in paragraph (c)
- (b) in subclause (3)—

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

(a) in the case of registration of an intercounty primary cooperative under subsection (1) (a) a letter of no objection to the registration of the intercounty primary cooperative, issued by the county commissioner for cooperatives of the county where the intracounty cooperative is registered;

(ii) by deleting paragraph (b);

(iii) by deleting the words “and duly approved by the County Director for Cooperatives, amongst other things providing” appearing in paragraph (c) and substituting therefor the words “providing for amongst other things”

(iv) by deleting the words “County Director for Cooperatives” appearing immediately after the words “certified by the” in paragraph (d) and substituting therefor the word “Commissioner”

(c) in subclause (4) by deleting the words “county director of cooperatives or the appointed representative in the case of a primary or secondary cooperative” appearing immediately after the words “presided over by the” in paragraph (a) and substituting therefor the words “Commissioner or the appointed representative in the case of an intercounty primary, an intercounty secondary cooperative, cooperative federation”

(d) by deleting subclause (5).

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 30

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT Clause 30 of the Bill is amended—

(a) in subclause (1) by deleting the words “The Commissioner may not register a Cooperative under this Act where in the opinion of the Commissioner” appearing in the beginning of the subclause and substituting therefor the words “The Commissioner or county commissioner for cooperatives, as the case may be, may not register a Cooperative under this Act where in their opinion”

(b) in subclause (2) by inserting the words “or county commissioner for cooperatives as the case may be” immediately after the words “to the Commissioner”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 31

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT Clause 31 of the Bill be amended—

(a) in paragraph (d) by inserting the words “or county commissioner for cooperatives as the case may be” immediately after the words “by the Commissioner”

(b) in paragraph (g) by inserting the words “or county commissioner for cooperatives as the case may be” immediately after the words “The Commissioner”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 32

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-
THAT Clause 32 of the Bill be deleted and substituted therefor with the following clause—

Registration of a cooperatives, as the case may be, is satisfied that a relevant Cooperative has complied with the provisions of this Act and any Regulations made thereunder and that its proposed by-laws are not contrary to this Act or any Regulations made thereunder, the Commissioner or county commissioner for cooperatives, as the case may be, shall register the Cooperative and its by-laws under this Act within a period not exceeding thirty days from the date of verification.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 33

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-
THAT Clause 33 of the Bill be amended by inserting the words “or county commissioner for cooperatives, as the case may be,” immediately after the words “by the Commissioner”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 34

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-

THAT Clause 34(3) of the Bill be amended by inserting the words “or county commissioner for cooperatives, as the case may be,” immediately after the words “reason, the Commissioner”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 35

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—

THAT Clause 35 of the Bill be amended by—

(a) inserting the words “or county commissioner for cooperatives, as the case may be,” immediately after the words “name, the Commissioner” appearing in subclause (1);

(b) inserting the words “or county commissioner for cooperatives, as the case may be,” immediately after the words “to the Commissioner” appearing in subclause (2).

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 36

(Question, that Clause 36 be part of the Bill, proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 37

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—

THAT Clause 37 of the Bill be amended—

(a) in subclause (2) by inserting the words “or county commissioner for cooperatives, as the case may be,” immediately after the words “to the Commissioner”.

(b) deleting subclause (3) and substituting therefor the following subclause—

(3) If the Commissioner or county commissioner for cooperatives, as the case may be, is satisfied that any amendment of the by-laws of the Cooperative is not contrary to this Act, the Regulations made hereunder and any other written law, they may register the amendment.

(c) deleting subclause (4) and substituting therefor the following subclause—

(4) The Commissioner or county commissioner for cooperatives, as the case may be, may, if satisfied, that an amendment under this section was effected pursuant to a misrepresentation or concealment of a material fact or fraud by the person applying for registration, may cancel the amendment.

(d) deleting subclause (6) and substituting therefor the following subclause—

(6) Upon registering an amendment of the by-laws of a Cooperative, the Commissioner or county commissioner for cooperatives, as the case may be, shall issue to the Board of Directors a copy of the amendment certified by the Commissioner or county commissioner for cooperatives which shall be conclusive evidence of the fact that the amendment has been duly registered.

(e) in subclause (8).by inserting the words “or county commissioner for cooperatives, as the case may be,” immediately after the words “by the Commissioner”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 38

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-

THAT Clause 38 of the Bill be amended by inserting the words “or nominee” immediately after the words “personal representatives”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 39

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-

THAT the Bill be amended by deleting clause 39 and substituting therefor the following new clause—

Appeal	against	39.	A party aggrieved by the decision of the Commissioner
refusal	to		or county commissioner for cooperatives, not to register the
register.			Cooperative and its by-laws or any amendments of its by-
			laws may within thirty days appeal against the decision to
			the Cooperative Tribunal.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 40

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-

THAT the Bill be amended by deleting clause 40 and substituting therefor the following new clause—

Signature by the **40.** A document purporting to be signed by the

Commissioner or county commissioner shall be presumed to have been signed by them until the contrary is proved.
for cooperatives.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clauses 41 and 42

(Question, that Clauses 41 and 42 be part of the Bill, proposed)

Division at the end.

Clause 43

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT Clause 43(2) of the Bill be amended by inserting the words “or county commissioner for cooperatives” immediately after the words “by the Commissioner”.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 44

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT Clause 44 of the Bill be amended—
(a) in subclause (1) by inserting the following new paragraph immediately after paragraph (b)—
(ba) is a diaspora based member;
(b) by deleting subclause (2).

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 45 and 46

(Question, that Clauses 45 and 46 be part of the Bill, proposed)

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Division at the end.

Clause 47

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT Clause 47 of the Bill be amended—

(a) by inserting the following new subclauses immediately after subclause (1)—

(1A) The board of directors of a cooperative shall provide for electronic voting by members of the cooperative.

(1B) The board of directors of a cooperative shall ensure that the members are facilitated to vote by secret ballot in the case of any matter requiring a special resolution of two thirds of the members under this Act.

(b) in subclause (2) by deleting the word “shall” appearing immediately after the words “A cooperative” and substituting therefor the word “may”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clauses 48-50

(Question, that Clauses 48, 49 and 50 be part of the Bill, proposed)

Division at the end.

Clause 51

Sen. Mbugua: Honourable Chairperson, I beg to move—

THAT clause 51 of the Bill be amended by inserting the words “or county commissioner for cooperatives, as the case may be,” immediately after the words “send to the Commissioner”.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 52

(Question that Clause 52 be part of the Bill proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

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Clause 53

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT clause 53 of the Bill be amended —

(a) in subclause (2) by deleting the words “fifteen days” appearing immediately after the words “provided to members” in subclause and substituting therefor the words “twenty-one days”

(b) in subclause (3) by deleting the word “Director” appearing immediately after the words “or the County” and substituting therefor the word “Commissioner”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 54

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT clause 54 of the Bill be amended—

(a) in subclause (1) (c) by inserting the following new subparagraphs after paragraph (iii)—

(iv) the trial balance;

(v) the cash flow statement;

(vi) the management accounts detailing revenue, expenses, and surplus distribution; (vii) the reports on member contributions, withdrawals, and refunds; or

(viii) any other financial information prescribed in the regulations based on the size and complexity of the cooperative.

(b) by inserting the following new subclauses immediately after subclause (1)—

(1A) In respect to Savings and Credit Cooperatives (SACCOs) and financial services cooperatives, the Cooperative shall in addition to the books under subsection (1) include—

(a) loan performance report, including the -classification of loans (performing and non-performing loans).

(b) loan provisioning and write-offs;

(c) delinquency ratio and credit risk assessment.

(d) liquidity and capital adequacy report

(e) investment cooperative portfolio statement investments, detailing including all securities, deposits, and real estate.

(1B) In respect to member produce cooperatives, the Cooperative shall in addition to the books under subsection (1) include—

(a) production and inventory report on products and inputs.

(b) status of equipment and machinery, including operational efficiency.

(c) status of infrastructure, storage facilities and logistics

(d) list of cooperative-owned agricultural land and its utilisation status.

(1C) In respect to Transport Cooperatives (TransCoops), the Cooperative shall in addition to the books under subsection (1) include—

(a) list of fleet assets, including vehicles, maintenance schedules, and depreciation status.

(b) operational income and expenditure report, including fuel costs, repairs, and insurance expenses.

(c) loan and lease obligations for fleet expansion and renewal.

(d) compliance status with transport regulatory requirements.

(1D) In respect to Housing Cooperatives, the Cooperative shall in addition to the books under subsection (1) include—

(a) property ownership report, including details of cooperative-owned land, buildings, and ongoing construction projects.

(b) membership subscription payments towards housing projects.

(c) loan obligations related to real estate development.

(d) occupancy and tenancy reports for rental cooperative properties.

(1E) In respect to Investment Cooperatives, the Cooperative shall in addition to the books under subsection (1) include—

(a) breakdown of cooperative investments, including equity holdings in listed and unlisted companies; bonds, treasury bills, and other financial instruments, real estate assets and returns on investment;

(b) valuation report on investment properties and other assets;

(c) risk exposure analysis related to investments;

(c) by inserting the following subclause immediately after subclause (2)—

(2A) A board of directors that fails to comply with sub-section (1) shall be deemed to have committed an offence.

(2B) The Commissioner or the county commissioner for cooperatives as the case may be may impose a penalty on the board of directors, jointly and severally, as prescribed in the regulations, for each month the cooperative fails to file the required returns.

(d) in subclause (4) by deleting the words “approved by the Commissioner” appearing immediately after the words “list of auditors” and substituting therefor the words “proposed by the board of directors”;

(e) in subclause (5) by inserting the words “or county commissioner for cooperatives, as the case may be,” immediately after the words “appointed the Commissioner”;

(f) in subclause (6)(d) by inserting the words “chief executive officer” immediately after the words “authenticated by the chairperson”

(g) in subclause (7) (a) by deleting the words “approved by the Commissioner” appearing immediately after the words “accounts have been” and substituting therefor the words “certified by the National Audit Director of Cooperatives or the County Audit Director of Cooperatives as the case may be and approved by the Commissioner or county commissioner for cooperatives, as the case may be, to be”

(h) by inserting new sub-clauses immediately after subclause 8—

(8A) The Auditor shall, in the audit report recommend measures to be adopted by the cooperative to improve performance.

(8B) The Auditor shall, as part of the audit report submit a risk report.

(i) in subclause (11) by deleting the words “at such time and in such form as may be prescribed, file with the Commissioner” appearing immediately after the words “Cooperative shall” and substituting therefor the words “within ten days after the general meeting under subclause (8) and in such form as may be prescribed, file with the National Audit Director of Cooperatives or the County Audit Director of Cooperatives as the case may be”

(j) by inserting the following new subclause immediately after subclause (11)—

(11A) The National Audit Director of Cooperatives or the County Audit Director of Cooperatives, as the case may be, shall authenticate the documents submitted under subsection (11) and submit them to the Commissioner or county commissioner for cooperative, as the case may be, for registration within a period of one month after receipt of the documents.

(k) in subclause (12) by inserting the words “or county commissioner for cooperatives, as the case may be,” immediately after the words “unless the Commissioner”

(l) by inserting the following new paragraphs after subclause (12)—

(12A) The Commissioner or the county commissioner for cooperatives as the case may be, may in addition to the power under subsection (12), have the power to—

(a) dissolve the board of directors and appoint an interim board, which shall serve for three months or until a general meeting is convened to elect a new board whichever is earlier;

(b) direct the freezing of capital expenditure until compliance with the audit requirements has been met;

(c) place the cooperative under enhanced supervisory and regulatory oversight, until the cooperative complies with the audit requirements;

(d) institute recovery measures against members of the board of directors who were in office at the time of non-compliance, where such non compliance resulted in financial loss, fraud, misappropriation, or misuse of cooperative funds.

(12B) All members of the Board of Directors of a cooperative that fail to cause an audit of its financial statements within the prescribed period commit an offence and shall be liable upon conviction to imprisonment for three years or a fine not exceeding five hundred thousand or both.

(12C) An auditor who falsifies the audited financial statements under subclause (8) shall commit an offence and shall be liable upon conviction to imprisonment for three years or a fine not exceeding five hundred thousand or both.

(m) in subclause (13) by deleting the words “Director for Cooperatives shall ensure that all primary and secondary cooperatives” and substituting therefor “Commissioner for Cooperatives shall ensure that all intracounty primary and intracounty secondary cooperatives”

(n) in subclause (15) by inserting the words “or county commissioner for cooperatives, as the case may be,” immediately after the words “The Commissioner”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina):

Clause 55

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-

THAT clause 55 (1) of the Bill be amended by deleting the words “or county director of cooperatives” appearing immediately after the words “required by the Commissioner” and substituting therefor the words “county commissioner for cooperatives, National Audit Director of Cooperatives of County Audit Director of cooperatives”.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 56

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-

THAT clause 56 of the Bill be amended –

(a) in sub clause (3) by deleting the words “director of cooperatives” appearing immediately after the words “commissioner or county” and substituting therefor the words “commissioner for cooperatives as the case may be”.

(b) by inserting the following new sub clause immediately after sub clause (5)—

(5A) The board of directors shall ensure that the notice issued under subsection (5) shall be shared to members both through their physical addresses and through the official virtual platforms of the respective cooperative.

(c) in sub clause (6) –

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

(da) determine the percentage of the surplus that is to be deposited in the reserve fund of the cooperative;

(ii) by inserting the words “consider any reports on debt to equity ratio of the cooperative and” immediately before the words “determine where necessary” appearing in paragraph (f);

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 57

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT clause 57 of the Bill be amended—

(a) in subclause (2)-

(i) by deleting the words “director of cooperatives” and substituting therefor the words “commissioner for cooperatives as the case may be”, immediately after the words “Commissioner or county”

(ii) by inserting the following subclause immediately after subclause (2)—

(2A) The members demanding the special meeting shall ensure that the notice issued to other members in subsection (2) shall be shared to members both through their physical addresses and through the official virtual platforms of the respective cooperative.

(b) by deleting subclause (3) and substituting therefor the following new subclause—

(3) The Commissioner or county commissioner for cooperatives, as the case may be, may convene a special general meeting of the respective cooperative at which the Commissioner or county commissioner for cooperatives may direct the matters to be discussed at the meeting.

(c) by deleting subclause (4).

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 58

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—

THAT Clause 58 of the Bill be amended by deleting subclause (2) and substituting therefor the following subclause—

(2) Despite the generality of subsection (1), the Commissioner or the County Commissioner for Cooperatives may preside at any meeting of a Cooperative convened pursuant to a directive of the Commissioner or the County Commissioner for Cooperatives.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 59

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT clause 59 of the Bill be amended—

(a) by deleting subclause (1) and substituting therefor the following subclause—

(1) A Cooperative shall hold its general meetings physically, virtually, or in a hybrid of virtual and physical meeting subject to compliance with such requirements as may be prescribed in the Regulations or by any other written law.

(b) by deleting subclause (2).

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 60

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT clause 60 (2) of the Bill be amended—

(a) by deleting the word “physical” appearing immediately after the words “exclusively discussed at a” in the introductory clause;

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

(da) borrowing by the cooperative;

(db) investment in non-core activities by the cooperative;

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 61

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT clause 61 of the Bill be amended—

(a) by inserting the following new subclause immediately after subclause (1)—

(1A) Despite subsection (1), the Commissioner, may in the case of an Apex Cooperative approve the increased membership of the Board of Directors up to a maximum of fifteen members based on the different sectors represented in the Apex cooperative.

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(1B) The following cooperatives shall be represented in the membership of the Board of Directors in an Apex Cooperative—

- (i) producer cooperatives;
- (ii) housing cooperatives;
- (iii) savings and credit cooperatives;
- (iv) savings and investment cooperatives;
- (v) transport cooperatives;
- (vi) worker cooperatives; and
- (vii) consumer cooperatives.

(b) in subclause (2) by deleting the words “for one term of three years” appearing immediately after the words “eligible for re-election and shall be eligible for re-election for one term of three years” and substituting therefor the words “by rotation provided the directors retiring by rotation and eligible for reelection shall only constitute one third of the directors who are longest serving in office since the last election”.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 62

(Question, that Clause 62 be part of the Bill proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 63

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-

THAT clause 63 (1) of the Bill be amended —

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

(b) does not have a minimum of a post- secondary level of education certificate in cooperative management and practice from a university recognised in Kenya, unless exempted by the Cabinet Secretary or by the County Executive Committee member as the case may be in accordance with the regulations:

Provided that this subparagraph shall not apply to Cooperatives in respect of which the Sacco Societies Act apply;

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

(h) has been removed by the Commissioner or County commissioner for cooperatives as the case may be, after being

adversely mentioned in an inquiry report or any inspection report for mismanagement or corrupt practices;

(c) by deleting the word “charged” appearing in paragraph (i) immediately after the words “has been” and substituting therefor the word “convicted”.

(d) by deleting the word “three” appearing immediately after the words “a term exceeding” and substituting therefor the word “six”;

(e) by inserting the words “or any other written law” immediately after the words “Regulations made thereunder” appearing paragraph (k);

(f) by inserting the following new paragraphs immediately after paragraph (n)—

(na) has been convicted of an offence financial misconduct;

(nb) has been found guilty of professional or ethical misconduct;

(nc) has been found liable for mismanagement or gross misconduct;

(nd) lacks fiduciary indemnity cover or bond;

(ne) failed the prescribed professional and moral suitability test; or

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 64

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT clause 64 of the Bill be amended –

(a) in subclause (1) by inserting the words “crisis management plan, development and implementation of the data protection policy, policy for protection and reward of whistle blowers, annual member surveys” immediately after the words “internal controls”.

(b) in subclause (2) (a) by deleting the word “appoint” appearing immediately after the word “shall” and substituting therefor the words “competitively recruit”.

(c) in subclause (5) (b) by deleting the word “by-laws” appearing immediately after the words “prescribed in the” and substituting therefor the words “board charter”;

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 65

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT Clause 65 (4) of the Bill be amended—

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

paragraph-

(a) County Commissioner for Cooperatives in case of intercounty primary and intracounty secondary Cooperatives;

(b) by inserting the words “intercounty primary cooperative, intercounty secondary cooperative,” immediately after the words “in the case of” appearing in paragraph (b).

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 66

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-
THAT Clause 66 of the Bill be amended –

(a) by inserting the following new subclauses immediately after subclause (2)—

(2A) The Board of Directors shall cause to be advertised in one newspaper of nationwide circulation, the website and social media platforms of the cooperative, the vacancy for the persons in subclause (3) (c).

(2B) A person shall not be qualified for appointment as a member of the nomination committee if the person—

(i) is a member of the Cooperative;

(ii) has been a member of the supervisory board or the nomination committee or other management offices of the Cooperative;

(iii) is an undischarged bankrupt;

(iv) is of unsound mind;

(v) has been removed by the Commissioner or County commissioner for cooperatives as the case may be, after being adversely mentioned in an inquiry report or any inspection report for mismanagement or corrupt practices;

(vi) has been convicted in a court of law with an offence relating to a breach of fiduciary duty;

(vii) has been convicted of any offence involving dishonesty or an offence under any other written law or has been sentenced to imprisonment for a term exceeding six months;

(viii) has been convicted of an offence under this Act or Regulations made thereunder.

(b) by deleting subclause (3) (a) and substituting therefor the following new paragraph—

(a) The Commissioner or their representative or the county commissioner for Cooperatives in whose jurisdiction the Cooperative is situated, shall be the chairperson;

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 67

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT Clause 67 of the Bill be amended—

(a) in subclause (7) (c) by inserting the words “county commissioner for cooperatives, as the case may be” immediately after the words “by the Commissioner”

(b) by deleting subclause (9) and substituting therefor the following new subclause—

(9) If, the Commissioner or the county commissioner for cooperatives as the case may be, is satisfied that the secondary resolutions of each of the Cooperatives amalgamating comply with the provision of this section, they may register the amalgamated Cooperative and its by-laws and thereupon—

(a) each of the amalgamating Cooperative shall stand dissolved and its registration cancelled except for amalgamation by absorption;

(b) the registration of the amalgamated Cooperative shall be a sufficient conveyance to vest the assets and liabilities of the amalgamating Cooperatives in the amalgamated Cooperative;

(c) the remaining members of the amalgamating Cooperatives shall become members of the amalgamated Cooperative and will be subjected to its by-laws; and

(d) any shareholders of the amalgamating Cooperatives or any other persons who have claims against the amalgamating Cooperatives and whose claims were not satisfied in accordance with the secondary resolution, may pursue such claims against the amalgamated Cooperative.

(c) in subclause (10) by inserting the words “or county commissioner for cooperatives, as the case may be” immediately after the words “the Commissioner”.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 68

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT clause 68 of the Bill be amended—

(a) in subclause (8) (c) by inserting the words “or county commissioner for cooperatives, as the case may be” immediately after the words “the

Commissioner”

(b) by deleting subclause (9) and substituting therefor the following new subclause —

(9) The Cooperative may, by further resolution passed by a two- thirds majority of the members present and voting, confirm the preliminary resolution, with or without changes which in the opinion of the Commissioner or county commissioner for cooperatives, as the case may be, are not substantial, and their decision as to whether any changes are or are not substantial shall be final.

(c) by deleting the introductory section of subclause (10) and substituting therefore the following new subclause—

(10) If the Commissioner or county commissioner for cooperatives, as the case may be, is satisfied within such time as they consider reasonable that the provisions of the secondary resolution and the provisions of this section have been complied with, they may, register the Cooperatives into which the existing Cooperative has been divided and the by-laws of such Cooperative and thereupon.

(d) in subclause (11) by inserting the words “or county commissioner for cooperatives, as the case may be” immediately after the words “the Commissioner”.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 69

Sen. Mbugua: Madam Temporary Chairperson, I beg to move- THAT Clause 69 of the Bill be amended—

(a) by deleting subclause (1) and substituting therefor the following new subclauses—

(1) A Cooperative which has as one of its objects the disposal of any member’s produce may enter into a contract with its members, either in its by-laws or by a separate document binding a member to dispose of all their produce, or such amounts or descriptions of the same as may be stated therein, to or through the Cooperative.

(1A) The contract under subsection (1) may—

(a) bind the member to produce the quantities of the member’s produce therein specified, or

(b) provide for payment of a specific sum per unit of weight or other measure as liquidated damages for any breach of the contract.

(1B) Any sum payable under subsection (1A) (b) shall be a debt due to the Cooperative and shall be a charge upon the immovable property of the member subject to registration of the charge under the relevant law.

(b) by inserting the following paragraph immediately after paragraph (4)—

(5) It shall be the duty of every person applying for membership of a registered Cooperative to disclose to the Cooperative particulars of all such contracts as are mentioned in this section.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 70

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT Clause 70 of the Bill be amended—

(a) in subclause (1) by deleting the words “but no such fine shall be imposed upon any member until written notice of intention to impose the fine and the reason therefore has been served on the member and the member has had an opportunity of showing cause why the fine should not be imposed and, if the member so desires, of being heard with or without witnesses.” appearing immediately after the words “its by-laws,”

(b) by inserting the following new subclause immediately after subclause (1)—

(1A) A fine shall not be imposed upon any member until written notice of intention to impose the fine and the reason therefore has been served on the member and the member has had an opportunity of showing cause why the fine should not be imposed and, if the member so desires, of being heard with or without witnesses.

(c) in subclause (2) by deleting the words “Any such fine” appearing at the beginning of the clause and substituting therefor “A fine under this section”

(d) in subclause (4) by deleting the words “subsection (5)” appearing immediately after the words “in accordance with” and substituting therefor “section 69 (5)”

(e) by deleting subclause (5).

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 71

(Question, that Clause 71 be part of the Bill proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 72

(Question, that Clause 72 be part of the Bill proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 73

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT Clause 73 of the Bill be amended—

(a) by inserting the following new subclause immediately after subclause (1)—

(1A) A Commissioner or a county commissioner for cooperatives as the case may be, shall issue written notice to an employer who fails to remit the sum owing to a cooperative under subsection (1) within seven days of receipt of a notification by a cooperative.

(b) in subclause (2) by inserting the words “or county commissioner for cooperatives as the case may be” immediately after the word “Commissioner”.

(c) by deleting subclause (3).

(d) by deleting subclause (4).

(e) by deleting subclause (5).

(f) by deleting subclause (6) and substituting therefor the following new subclause—

(6) The Commissioner or county commissioner for cooperatives as the case may be, shall, by written notice, appoint a person or institution to be an agent of the Cooperative for the purposes of collection and recovery of a debt owed to the Cooperative by an employer that has not complied with the notice issued under subsection (2).

(g) in subclause (8) by deleting the phrase “subsection (3)” appearing immediately after the words “under subsection” and substituting therefor the phrase “subsection (2)”.

(h) by deleting subclause (8) and substituting therefor the following new subclause—

(8) Where an agent claims to be unable to comply with subsection (7) by reason of lack of monies held by or due from the agent, the agent shall give a written notification to the Commissioner or county commissioner for

cooperatives as the case may be, stating the reasons for the agent's inability and they may—

(a) accept the notification and cancel or amend the notice accordingly; or

(b) if not satisfied with the reasons, reject the notification in writing.

(i) in subclause (9) by deleting the words “Where an agent fails to notify the Commissioner or the notification is rejected,” appearing at the beginning of the subclause and substituting therefor the words “Where the agent rejects the notice under subsection (6) or fails to notify the Commissioner or county commissioner for cooperatives, as the case may be, under subsection (8)”;

(j) by deleting subclause (12) and substituting therefor the following new subclause—

(12) Failure to comply with this section shall constitute an offence by the employer despite the employer facing prosecution under any other written law.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 74

(Question, that Clause 74 be part of the Bill proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 75

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-

THAT Clause 75 of the Bill be amended in subclause (5) by inserting the words “or the county commissioner for cooperatives, as the case may be,” immediately after the words “the Commissioner”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 76

(Question, that Clause 76 be part of the Bill proposed)

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The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 77

(Question, that Clause 77 be part of the Bill proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 78

(Question, that Clause 78 be part of the Bill proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 79

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT Clause 79 of the Bill be amended by deleting the phrase “section 79” appearing immediately after the word “proved under section” and substituting therefor the phrase “section 78”.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 80

(Question, that Clause 80 be part of the Bill proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 81

The Temporary Chairperson (Sen. Veronica Maina): I invite Sen. Mbugua to move the amendment.

Sen. Mbugua: Madam Temporary Chairperson, I beg to move: -
THAT Clause 81 of the Bill be amended—
(a) by re-numbering the existing provision as subclause (1)

(b) by inserting the following new subclauses immediately after the re-numbered subclause (1)—

(2) An employee or a member of the board of directors of a cooperative shall not act as a guarantor of any person with respect to a loan or credit facility advanced to a person by that cooperative.

(3) Despite the provisions of subsection (1), a Cooperative may grant loans or credit facility to an employee or a member of its board of directors which amounts in the aggregate do not exceed ten percent of its gross loan portfolio.

(4) The conditions for the grant of a loan or credit facility to an employee or a member of the board of directors shall comply with all requirements under this Act with respect to grant of loans to other members of the cooperative and shall not be made on terms more favourable than those extended to members of the cooperative.

(5) An employee or a member of the board of directors who has applied for a loan or credit facility under subsection (3) shall not be present while their application is being considered.

(6) The Board of Directors of a Cooperative shall on or before the fifteenth of each month submit to the Commissioner or the county commissioner for cooperatives, as the case may be, the prescribed insider lending and loan performance report made by the cooperative.

(7) Where the Commissioner or county commissioner for cooperatives establishes that an employee of the cooperative failed to comply with the provisions of this section, the Commissioner or county commissioner for cooperatives, may direct that the employee repay the loan amount under this section to the cooperative together with interest at such rate as the Commissioner or county commissioner for cooperatives deems fit.

(8) In addition to the provision under subsection (7), the Commissioner or the county commissioner for cooperatives, may direct the removal of such employee from the service of the cooperative.

(9) This section shall apply despite the act or default by the employee constituting an offence under any other law for which the employee has been prosecuted or is likely to be prosecuted.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

I invite Sen.Mbugua to move the next amendment.

Clause 82

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-
THAT the Bill be amended by deleting Clause 82 and substituting therefor the following new clause—

Restriction
on
borrowing

82. (1) Subject to the approval of two thirds of its members at a general meeting, a Cooperative may receive loans of up to thirty percent of its equity from persons who are not members of the cooperative.
- (2) The resolution of the Cooperative in subsection (1) shall be submitted to the Commissioner or the county commissioner for cooperatives, as the case may be.
- (3) In this section a deposit of money under a hire-purchase agreement shall be deemed to be a loan.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end. I invite Sen. Mbugua to move the next amendment.

Clause 83

- Sen. Mbugua:** Madam Temporary Chairperson, I beg to move—
THAT Clause 83 of the Bill be amended—
- (a) in the introductory phrase by inserting the words “of two thirds of its members” immediately after the words “to the approval of”;
- (b) by inserting the following new paragraph immediately after paragraph (e)—
- (ea) in real estate, provided the Cooperative shall not invest in a real estate investment which is not for its own accommodation more than twenty-five percentum of its share capital or hold more than twenty-five percentum of equity in the real estate investment;
- (c) by re-numbering the existing provision as subclause (1) and inserting the following new subclause immediately after the re-numbered sub clause (1)—
- (2) The limitation on investment in real estate shall not apply to a housing cooperative.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

I invite Sen. Mbugua to move the next amendment.

Clause 84

- Sen. Mbugua:** Madam Temporary Chairperson, I beg to move—
THAT the Bill be amended by deleting clause 84 and substituting therefor the following new clause—
84. (1) A Cooperative shall not invest more than twenty-five percentum of its funds or members’ deposits in non-core activities;

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Investment in
non-core
activities

(2) A Cooperative shall not invest in a real estate investment which is not for its own accommodation more than twenty-five percentum of its share or hold more than twenty-five percentum of equity in the real estate investment.

(3) The limitation on investment in real estate shall not apply to a housing cooperative.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

I invite Sen. Mbugua to move the next amendment.

Clause 85

Sen. Mbugua: Madam Temporary Chairperson, I beg to move:-

THAT clause 85 of the Bill be amended in subclause 1—

(i) paragraph (a), by deleting the words “of members” appearing immediately after the words “a special resolution” and substituting therefor the words “is passed by two thirds of the members of the cooperative”

(ii) by inserting the words “or county commissioner for cooperatives, as the case may be” immediately after the words “by the Commissioner” appearing in paragraph (b)

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Let us move to Clause 86.

Clause 86

(Question, that Clause 86 be part of the Bill, proposed)

The Division will be at the end.

Clause 87

The Temporary Chairperson (Sen. Veronica Maina): I invite Sen. Mbugua to move the amendment.

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-

THAT Clause 87 of the Bill be amended-

(a) by deleting subclause (2) and substituting therefor the following new subclause—

(2) The members of the cooperative shall upon recommendation by the board of directors, and upon consideration of the liabilities of the cooperative for that year, determine the percentage of the net surplus in each year to be deposited in to the reserve fund.

(a) by inserting the following new subclause immediately after subclause (2)-

(2A) Despite subsection (2), the sum of the reserve fund shall not exceed one point zero five times the liabilities of the Cooperative as at the time of the general meeting.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 88-90

(Question that Clauses 88, 89 and 90 be part of the Bill, proposed)

The Division will be at the end.

Clause 91

The Temporary Chairperson (Sen. Veronica Maina): I invite Sen. Mbugua to move the amendment.

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-
THAT Clause 91 of the Bill be amended—

(a) in subclause (1) by inserting the words—

(i) “or county commissioner for cooperatives, as the case may be” immediately after the words “with the Commissioner” appearing in the introductory phrase;

(ii) “or county commissioner for cooperatives, as the case may be” immediately after the words “to the Commissioner” appearing in paragraph (b)

(b) in subclause (2) by inserting the words “or county commissioner for cooperatives, as the case may be” immediately after the words “to the Commissioner”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

I invite Sen. Mbugua to move the next amendment.

Clause 92

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-
THAT Clause 92 of the Bill be amended—

(a) in subclause (1) by inserting the words “or county commissioner for cooperatives, as the case may be” immediately after the words “The Commissioner” appearing in the introductory phrase;

(b) by inserting the following new subclause immediately after subclause (1)—

(1A) A county commissioner for cooperatives shall submit a copy of their respective register to the Commissioner every quarter.

(c) in subclause (2) by inserting the words “or county commissioner for cooperatives, as the case may be” immediately after the words “The Commissioner”

(d) in subclause (4) by inserting the words “or county commissioner for cooperatives, as the case may be” immediately after the words “The Commissioner”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

I invite Sen. Mbugua to move the next amendment.

Clause 93

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—

THAT Clause 93 of the Bill be amended by inserting the words “or county commissioner for cooperatives, as the case may be” immediately after the words “The Commissioner”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

I invite Sen. Mbugua to move the next amendment.

Clause 94

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—

THAT clause 94 of the Bill be amended—

(a) by deleting subclause (1) and substituting therefor the following new subclause—

(1) If any person obtains an order for the appointment of receiver or manager of the property of a Cooperative, or if the High Court appoints such a receiver or manager pursuant to a petition made by the Commissioner or county commissioner for cooperatives pursuant to the provisions of this Act, they shall, within seven days from the date of the order of the appointment under the said powers, give written notice of the fact to the Commissioner or county commissioner for cooperatives, as the case may be, and the Commissioner or county commissioner for cooperatives, shall enter the notice in the register of charges.

(b) in subclause (2) by deleting the words “he shall, on so ceasing, give written notice of the fact to the Commissioner and the Commissioner” and substituting therefor the words “they shall, on so ceasing, give written notice of the fact to the Commissioner or county commissioner for cooperatives, as the case may be, and the High Court and the Commissioner or county commissioner for cooperatives”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Let us move to clauses without amendment.

Clauses 95-97

(Question that clauses 95, 96, and 97 be part of the Bill, proposed)

The Division will be at the end. I invite Sen. Mbugua to move the next amendment.

Clause 98

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT Clause 98 of the Bill be amended—

(a) in the marginal note by inserting the following words “county commissioner for cooperatives” immediately after the word “Commissioner”

(b) by deleting subclause (1) and substituting therefor the following new sub clause—

(1) The National Audit Director or the county audit director, as the case may be, may on their own accord, or on request of the Authority or on the application of a liquidator or of any creditor or not less than one-third of the members present and voting at a meeting of the Cooperative which has been duly convened, hold an inquiry or direct any person authorized by them in writing to hold an inquiry, into the by-laws, working and financial conditions of any Cooperative registered in Kenya.

(c) in subclause (3) –

(i) by deleting the word “Commissioner” appearing in the introductory phrase and substituting therefor the words “National Audit Director or the county audit director, as the case may be”;

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

(c) provide a copy of the report to the Commissioner or the relevant county commissioner for cooperatives, as the case may be.

(d) by deleting the introductory phrase in subclause (4) and substituting therefor the following new introductory phrase—

(4) Where the Commissioner or a county commissioner for cooperatives, as the case may be, is satisfied, after due inquiry, that the board of directors or the supervisory board of a Cooperative is not performing its duties properly, they, may—

(e) by deleting subclause (6) and substituting therefor the following new subclause—

(6) Despite subsection (5), where an officer or member of a Cooperative fails to produce records as required by the National Audit Director or the county audit director, as the case may be, without any reasonable cause, the Commissioner or county commissioner for cooperatives, as the case may be, may suspend or remove such officer from the service of the respective Cooperative or such member from membership of the respective Cooperative.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

I invite Sen. Mbugua to move the next amendment.

Clause 99

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-
THAT Clause 99 of the Bill be amended-

(a) by deleting subclause (1) and substituting therefor the following new subclause—

(1) Where it is established in an inquiry held under section 98 that any person who has taken part in the organisation or management of a Cooperative, or any past or present officer or member of the Cooperative –

(a) has misapplied, retained or become liable or accountable for any money or property of the Cooperative; or

(b) has committed the offence of misfeasance or breach of trust in relation to the Cooperative, and is liable upon conviction to imprisonment for a term of five years or a fine not exceeding one million shillings or the amount of the value of the property of the offence, whichever is higher, or to both the fine and imprisonment;

the Commissioner or the county commissioner for cooperatives may, if he or she considers it appropriate, make an order requiring the person to repay or restore the money or property or any part thereof to the Cooperative together with interest at such rate as the Commissioner or the county commissioner for cooperatives thinks just or to contribute such sum to the assets of the Cooperative by way of compensation as they deem fit.

(b)by inserting the following new subclause immediately after subclause (1)—

(1A) An order under subsection (1) shall be made within twentyone days from the day the inquiry ends.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Let us move to the next amendment. Sen. Mbugua, proceed.

Clause 100

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-

THAT Clause 100 of the Bill be amended in subclause (1) by deleting the words “under section 100” appearing immediately after the words “of the Commissioner” and substituting therefor the words “or the county commissioner for cooperatives under section 99”.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Let us move to the next amendment. Sen. Mbugua, proceed.

Clause 101

Sen. Mbugua: Madam Temporary Chairperson, I beg to move -

THAT Clause 101 of the Bill be amended—

(a) in subclause (1) by deleting the words “Subject to section 99,” appearing at the beginning of the subclause.

(b) in subclause (2) by deleting the words “98, the Commissioner,” appearing immediately after the words “surcharge under section” and substituting therefor “99, the Commissioner or the county commissioner for cooperatives, as the case may be”.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Let us move to the next amendment. Sen. Mbugua, proceed.

Clause 102

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-

THAT Clause 102 of the Bill be amended—

(a) by deleting subclause (1) and substituting therefor the following new subclause—

(1) The Commissioner or the county commissioner for cooperatives, may, if they deem fit, on the application of a creditor of a Cooperative, inspect, or direct some persons

authorized by the Commissioner or the county commissioner for cooperatives in writing to inspect, the books of the Cooperative, if—

(a) the creditor satisfies the Commissioner or the county commissioner for cooperatives that the debt is a sum then due, and has demanded payment thereof and has not received satisfaction within a reasonable time; and

(b) the applicant deposits with the Commissioner or county commissioner for cooperatives such sum as security for the expenses of the inspection as the Commissioner or the county commissioner for cooperatives may require.

(b) in subclause (2) by deleting the word “director” appearing immediately after the words “or the county” and substituting therefor the word “commissioner”

(c) in subclause (3)—

(i) in paragraph (b) by inserting the words “intercounty primary cooperatives, intercounty secondary cooperatives,” immediately after the words “with respect to”;

(ii) in paragraph (c) by deleting the words “director for cooperatives shall apply with respect to primary and secondary” appearing immediately after the words “powers of the” and substituting therefor the words “commissioner for cooperatives shall apply with respect to intracounty primary cooperatives and intracounty secondary”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Let us proceed to the next amendment.

Clause 103

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT Clause 103 of the Bill is amended—

(a) by deleting words “inquiry and” appearing in the marginal note;

(b) by deleting subclause (1) and substituting therefor the following new subclause—

(1) Where an inspection is held or made under this Act, the Commissioner or the County Commissioner for Cooperatives as the case may be, may, by a certificate under their hand, make an order apportioning the expenses, or such part of the expenses as the Commissioner or the county commissioner for cooperatives considers proper, between the Cooperative, the members or creditor demanding the inquiry or inspection, and the officers or former officers of the Cooperative and the decision of the Commissioner or the county commissioner for cooperatives thereon shall be final.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Let us move to the next amendment. Proceed, Sen. Mbugua.

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Clause 104

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT Clause 104 of the Bill be amended—

(a) in subclause (1) by deleting the words “sections 98 and 102, the Commissioner or County Director” appearing immediately at the beginning of the subclause and substituting therefor the words “section 102, the Commissioner or County Commissioner”

(b) by deleting subclause (2) and substituting therefor the following new subclause—

(2) The inspection reports prepared pursuant to subsection (1) shall be presented to—

(a) a joint meeting of the board of directors and supervisory board of the Cooperative for deliberation and implementation; and

(b) the general meeting of the cooperative.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Let us move to the next amendment.

Clause 105

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT Clause 105 of the Bill be amended by—

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

(1) If the National Audit Director or the County Director of Audit as the case may be, after holding an inquiry under section 98 or receiving an application made by at least three fourths of the members of a Cooperative or receiving recommendations from the Authority are of the opinion that the Cooperative ought to be dissolved, the National Audit Director or the County Director of Audit as the case may be, may, recommend the dissolution of the Cooperative and subsequent cancellation of registration.

(b) By inserting the following new subclauses immediately after subclause (1) —

(1A) Upon receipt of the Report of the National Audit Director or the County Director of Audit the Commissioner or the county commissioner for cooperatives as the case may be may—

(a) recommend a remedial action that may be undertaken by the cooperative within six months; or

(b) within one month, file a petition for liquidation of the cooperative with the High Court upon failure by the cooperative to fulfil the requirements prescribed under paragraph (a).

(1B) If the High Court resolves that the cooperative should be liquidated, the High Court shall appoint a liquidator from the pool of authorised liquidators.

(1C) Upon the resolution of the High Court to liquidate the cooperative, the appointed liquidator shall notify the Commissioner or county commissioner for cooperatives of their appointment and commence liquidation of the cooperative in accordance with section 108 and the First Schedule.

(c) in subclause (2) by deleting the words “Cooperative Tribunal with further appeal to the High Court” appearing at the end of the subclause and substituting therefore the words “High Court with further appeal to the Court of Appeal”

(d) in subclause (3) by deleting the words “Commissioner unless the High Court directs otherwise,” appearing immediately after the words “decision of the” and substituting therefor the word “High court”

(e) in subclause (4) by deleting the words “Commissioner makes an order under subsection (1), he” appearing immediately after the words “Where the” and substituting therefor the words “High Court makes an order under subsection (1), the Commissioner or County Commissioner for Cooperatives as the case may be,”

(f) in subclause (5) by inserting the words “or county commissioner for cooperatives, as the case may be,” immediately after the words “of the Commissioner”.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end. Let us go to the next amendment.

Clause 106

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-
THAT Clause 106 of the Bill be amended in subclause (1) –

(a) by inserting the words “county commissioner for cooperatives as the case may be” immediately after the words “The Commissioner” in the introductory phrase;

(b) by deleting the word “Director” appearing immediately after the words “or the County” in paragraph (b) and substituting therefor the word “commissioner”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Let us proceed to clauses without amendment.

Clause 107-108

(Question, that Clauses 107 and 108 be part of the Bill, proposed)

The Division will be at the end.

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Let us proceed to the next clause.

Clause 109

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT Clause 109 be amended in subclause (1) by deleting the word “may” appearing immediately after the words “the Commissioner” and substituting therefor the words “shall petition the High Court to”.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end. Let us go to the next clause.

Clause 110

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT the Bill be amended by deleting Clause 110 and substituting therefor the following new clause—

Qualifications of a liquidator	110. Subject to section 109, a person shall be qualified to serve as a liquidator if that person has— (a) atleast five years’ experience in cooperative management and practice; and (b) been prequalified by the Official Receiver as a liquidator for cooperatives.
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(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end. Let us go to the next clause. I invite Sen. Mbugua to move the amendment.

Clause 111

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT Clause 111 of the Bill be amended—
(a) in paragraph (l) by inserting the words “or county commissioner for cooperatives, as the case may be,” immediately after the words “by the Commissioner”
(b) in paragraph (n) by inserting the words “or county commissioner for cooperatives, as the case may be,” immediately after the words “of the Commissioner”
(c) in paragraph (o) by deleting the word “Commissioner” appearing immediately after the words “apply to the” and substituting therefor the word “High Court”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Let us go to the next Clause. I invite Sen. Mbugua to move the amendment.

Clause 112

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-
THAT, Clause 112 of the Bill be amended by inserting the words “or the county commissioner for cooperatives as the case may be” immediately after the words “by the Commissioner”.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end. Let us proceed to the next clause. I invite Sen. Mbugua to move the amendment.

Clause 113

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-
THAT, Clause 113 of the Bill be amended —
(a) in subclause (1)—
(i) by deleting the words “and to any limitations imposed by the Commissioner and the Commissioner” appearing immediately after the words “the Commissioner” in the introductory phrase and substituting therefor the words “or the county commissioner for cooperatives as the case may be and to any limitations imposed by the Commissioner or county commissioner for cooperatives, and the Commissioner or county commissioner for cooperatives”;
(ii) by deleting paragraph (a);
(iii) by deleting paragraph (b) and substituting therefor the following new paragraph-
(b) apply to the High Court for the replacement of a liquidator;
(iv) by deleting paragraph (d);
(v) by inserting the words “or the county commissioner for cooperatives “immediately after the words “the Commissioner” in paragraph (e);
(vi) by deleting the words “grant a discharge to” appearing in paragraph (h) and substituting therefor the words “apply to the High Court for a discharge of”;
(vii) by inserting the words “or county commissioner for cooperatives as the case may be” immediately after the words “as the Commissioner” appearing in paragraph (i).

(b) in subclause (2) by deleting the words “and shall be exercisable similar to an order made by the Commissioner under subsection (1)(a)” appearing at the end of the subclause.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end. Let us proceed to the next clause. I invite Sen. Mbugua to move the amendment.

Clause 114

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT, Clause 114 of the Bill be amended by inserting the words “county commissioner for cooperatives,” immediately after the words “of the Commissioner”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end. Let us proceed to Clause 115.

Clause 115

(Question, that Clause 115 be part of the Bill, proposed)

Division at the end. I invite Sen. Mbugua to move the next amendment.

Clause 116

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT, Clause 116 of the Bill be amended—

(a) in subclause (2) by inserting the words “or county commissioner for cooperatives as the case may be” immediately after the words “to the Commissioner”

(b) in subclause (3) by deleting the words “the Commissioner shall take such action as the Commissioner considers” appearing immediately after the words “with subsection (2)” and substituting therefor the words “the Commissioner or county commissioner for cooperatives, as the case may be shall take such action as the Commissioner or county commissioner for cooperatives, consider”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.
Let us move to the next clause.

Clause 117

(Question, that Clause 117 be part of the bill, proposed)

Division at the end. I invite Sen. Mbugua to move the next amendment.

Clause 118

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT, Clause 118 of the Bill be amended in subclause (2) by inserting the words “or county commissioner for cooperatives, as the case may be” immediately after the words “person, the Commissioner.”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.
Let us proceed to clauses without amendment.

Clauses 119 and 120

(Question, that Clauses 119 and 120 be part of the Bill, proposed)

Division at the end. I invite Sen. Mbugua to move the next amendment.

Clause 121

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT, Clause 121 of the Bill be amended—
(a) by deleting the introductory phrase in subclause (2) and substituting therefor the following introductory phrase—
(2) The Commissioner or county commissioner for cooperatives, as the case may be, may apply to the Tribunal for an order under subsection (3) if they believe that such a transaction—
(b) in subclause (3)—
(i) by inserting the words “or county commissioner for cooperatives, as the case may be” immediately after the words “by the Commissioner” appearing in the introductory phrase;
(ii) by inserting the words “or county commissioner for cooperatives, as the case may be” immediately after the words “to the Commissioner” appearing in paragraph (c);
(iii) by inserting the words “or county commissioner for cooperatives, as the case may be” immediately after the words “to the Commissioner” appearing in paragraph (d).

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 122

(Question, that Clause 122 be part of the Bill, proposed)

Division at the end. I invite Sen. Mbugua to move the next amendment.

Clause 123

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT, Clause 123 (2) of the Bill be amended by –
(a) deleting paragraph (b) and substituting therefor the following new paragraph—
(b) a deputy chairperson;
(b) by deleting the word “six” appearing immediately after the words “less than” in paragraph (c) and substituting therefor the word “seven”.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end. I invite Sen. Mbugua to move the next amendment.

Clause 124

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT, Clause 124 of the Bill be amended—
(a) by inserting the following new subclause immediately after subclause (1)—
(1A) The Chairperson of the Tribunal shall be an advocate of the High Court of Kenya of not less than seven years standing.
(b) in subclause (2) by deleting the words “appointed by the Judicial Service Commission from a list of persons nominated for such appointment by the Cabinet Secretary” appearing at the end of the subclause and substituting therefor the words “competitively recruited by the Judicial Service Commission.”
(c) in subclause (3)—
(i) in paragraph (a) by inserting the words “finance or dispute resolution” immediately after the words “law or practice”
(ii) in paragraph (b) by inserting the words “or relevant professional body” immediately after the words “cooperative professionals”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end. I invite Sen. Mbugua to move the next amendment.

Clause 125

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—

THAT, Clause 125 of the Bill be amended in subclause (2)(a) by deleting the word “three” appearing immediately after the words “a term of” and substituting therefor the word “five”.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.
Let us move to the next clause.

Clause 126

(Question, that Clause 126 be part of the Bill, proposed)

Division will be at the end.

Clause 127

The Temporary Chairperson (Sen. Veronica Maina): I propose the question that Clause 127 be part of the Bill and invite Sen. Mbugua to move these amendments.

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT, Clause 127 of the Bill be amended by inserting the following new paragraphs immediately after paragraph (c)—

(d) dies; or

(e) resigns in writing to the Judicial Service Commission.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 128

The Temporary Chairperson (Sen. Veronica Maina): I propose the question that Clause 128 be part of the Bill and invite Sen. Mbugua to move these amendments.

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT, Clause 128 of the Bill be amended—

(a) in subclause (1) –

(i) by inserting the words “or county commissioner for cooperatives as the case may be” immediately after the words “the Commissioner” in paragraph (a);

(ii) by inserting the words “or county commissioner for cooperatives as the case may be” immediately after the words “the Commissioner” in paragraph (b);

(iii) by deleting paragraph (c); and

(iv) by deleting paragraph (d).

(b) in subclause (2) by—

(i) deleting the word “Director” appearing immediately after the words “Commissioner or county” in paragraph (c) and substituting therefor the word “Commissioner”;

(ii) deleting the word “Director” appearing immediately after the words “Commissioner or the county” in paragraph (e) and substituting therefor the word “Commissioner”

(c) by inserting the following new subclause immediately after subclause (2)—

(3) The Tribunal shall determine a dispute referred to it under this section within six months of the date of filing of the dispute.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 129

(Question, that Clause 129 be part of the bill, proposed)

Division will be at the end.

Clause 130

The Temporary Chairperson (Sen. Veronica Maina): I propose the question that Clause 130 be part of the Bill.

I invite Sen. Mbugua to move these amendments.

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-

THAT, Clause 130 of the Bill be amended in subclause (2) by deleting the word “Director” appearing immediately after the words “the Commissioner, County” and substituting therefor the word “Commissioner”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 131

The Temporary Chairperson (Sen. Veronica Maina): I propose the question that Clause 131 be part of the Bill and invite Sen. Mbugua to move these amendments.

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-

THAT, Clause 131 of the Bill be amended by inserting the following new subclause immediately after subclause (2) –

(2A) The Tribunal shall cause the orders and judgements issued under this section to be published on its website.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.
Let us move to clauses without amendments.

Clauses 132-138

*(Question, that Clauses 132,133,134,135,136,137 and 138
be part of the Bill, proposed)*

Division at the end.

Clauses 139-145

*(Question, that Clauses 139,140,141,142,143,144 and 145
be part of the Bill, proposed)*

Division at the end.

Clause 146

The Temporary Chairperson (Sen. Veronica Maina): I propose the question that Clause 146 be part of the Bill and invite Sen. Mbugua to move these amendments.

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-

THAT, Clause 146 of the Bill be amended in subclause (2) by deleting the word “Commissioner” appearing at the beginning of the clause and substituting therefor the words “Cabinet Secretary, in consultation with inter-governmental cooperatives relations technical forum”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 147

(Question, that Clause 147 be part of the bill, proposed)

Division will be at the end.

Clause 148

The Temporary Chairperson (Sen. Veronica Maina): I propose the question that Clause 148 be part of the bill and invite Sen. Mbugua to move these amendments.

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-

THAT, Clause 148 of the Bill be amended—

(a) In clause (1) by deleting the introductory phrase and substituting therefor the following new introductory phrase—

(1) Subject to the provisions of this Act and any other written law, the intercounty primary, the intercounty secondary, the Apex Cooperative or the Cooperative federations may, with approval of the Commissioner, develop and implement –

(b) by inserting the following subclause immediately after subclause (1)—

(1A) Subject to the provisions of this Act and any other written law, the intracounty primary or the intracounty secondary, with approval of the respective county commissioner for cooperatives, may develop and implement –

(a) a procedure and appropriate system or mechanism of exercising self-regulation over its members or affiliates;

(b) a code of conduct for its members;

(c) procedure for alternative dispute resolution in Cooperatives;

(d) mechanism for sector shared common services; and

(e) guidelines on provision of services through virtual platforms.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end. Clause 149 has no amendment.

Clauses 149

(Question, that Clause 149 be part of the bill, proposed)

Division at the end.

Clause 150

The Temporary Chairperson (Sen. Veronica Maina): I propose the question that Clause 150 be part of the Bill and invite Sen. Mbugua move the amendment. Give him the microphone.

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—

THAT, Clause 150 of the Bill be amended—

(a) in subclause (2) by deleting the word “Director” appearing immediately after the words “the Commissioner, county” in paragraph (c) and substituting therefor the word “Commissioner”

(b) in subclause (3) by deleting the word “Director” appearing immediately after the words “The Commissioner, county” in the introductory phrase and substituting therefor the word “Commissioner”

(c) in subclause (4) by deleting the words “the Authority as the case may be, the Apex Cooperative or a Cooperative federation or a secondary Cooperative” appearing immediately after the words “by the Commissioner” and substituting therefor the words

“the county commissioner for cooperatives or the Authority as the case may be, the primary, the secondary, the Cooperative federation or the Apex cooperative”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clauses 151

(Question, that Clause 151 be part of the bill, proposed)

Division at the end.

Clause 152

The Temporary Chairperson (Sen. Veronica Maina): I propose the question that Clause 152 be part of the Bill and invite Sen. Mbugua to move these amendments.

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—

THAT, Clause 152 of the Bill be amended—

(a) in subclause (3) by deleting the words “and shall, if the offence is the contravention of subsection (1) of this section, be ordered to repay the amount of the remuneration, salary, commission or other payment received from the Cooperative in addition to or in lieu of any other punishment, and default in such payment shall be dealt with in the same manner as default in paying a fine imposed by a Tribunal” appearing immediately after the words “and such imprisonment”;

(b) by inserting the following new subclause immediately after subclause (3)—

(3A) If the offence in subsection (3) is in contravention of subsection (1), the person shall be ordered to repay the amount of the remuneration, salary, commission or other payment received from the Cooperative in addition to or *in lieu* of any other punishment, and default in such payment shall be dealt with in the same manner as default in paying a fine imposed by a Tribunal.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 153

The Temporary Chairperson (Sen. Veronica Maina): I propose the question that Clause 153 be part of the Bill and invite the Chairperson of the Committee of Trade, Industrialisation and Tourism to move these amendments.

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—

THAT, the Bill be amended by deleting clause 153 and substituting therefor the following new clause—

Establishment of the National Co-operative Development Fund.

153. (1) There is established the National Co-operative Development Fund.

(2) The National Co-operative Development Fund shall consist of –

(a) sum of money received from the levy paid by intercounty primary cooperatives, intercounty secondary cooperatives, the federative cooperatives and the Apex cooperative in the sums and rate as the Cabinet Secretary may prescribe; and

(b) such gifts, donations or grants as may be donated to the Fund.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 154

The Temporary Chairperson (Sen. Veronica Maina): I propose the question that Clause 154 be part of the Bill and invite the Chairperson of the Committee of Trade, Industrialisation and Tourism to move the amendment.

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—

THAT, Clause 154 (2) of the Bill be amended—

(a) by inserting the following paragraph immediately after paragraph (a)—

(Aa) subject to consultations with the council of county governors prescribe the certificate of registration to be issued by the Commissioner or the county commissioner for cooperatives;

(b) by deleting paragraph (g);

(c) by inserting the following paragraph immediately after paragraph (h)—

(ha) provide for the guidelines for the implementation of electronic voting in both annual general meetings and special general meetings of cooperatives.

(d) in paragraph (m) by inserting the words “intercountry primary, intercounty secondary” immediately after the words “compliance certificate to”

(e) in paragraph (n) by deleting the words “primary and secondary cooperatives by the county director” appearing immediately after the words “compliance certificate to” and substituting therefor the words “intracounty primary cooperatives, and intracounty secondary cooperatives by the county commissioner”

(f) in paragraph (q) by deleting the word “director” appearing immediately after the words “Commissioner and county” and substituting therefor the word “commissioner”

(g) in paragraph (v) by deleting the words “Executive Committee Members, with a copy to” appearing immediately after the words “Cooperative to the County” and substituting therefor the words “Director of county cooperatives or”

(h) in paragraph (w) by inserting the words “or county commissioner for cooperatives, as the case may be” immediately after the words “by the Commissioner”;

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(i) by inserting the following new paragraph immediately after paragraph (II)—
(IIa)gazette the standard certificate and a common seal for the Commissioner or county commissioner for cooperatives as the case may be”;

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division at the end.

Clause 155

(Question, that Clause 155 be part of the Bill proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 156

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT Clause 156 of the Bill be amended in subclause (2) by deleting the words “Director for Cooperatives as to the exercise of the powers and duties conferred upon the County Director” appearing immediately after the words “direct the county” and substituting therefor the words “commissioner for Cooperatives as to the exercise of the powers and duties conferred upon the county commissioner”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 157

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT Clause 157 of the Bill be amended—
(a) in subclause (1)—
(i) by inserting the words “or county commissioner for cooperatives, as the case may be,” immediately after the words “Act the Commissioner” in the introductory phrase;
(ii) by deleting the words “the Commissioner” appearing immediately after the words “to send to” in paragraph (b) and substituting therefor the word “them”;
(b) in subclause (2) by deleting the words “may in writing delegate any of his powers conferred upon him to an” appearing immediately after the words “The Commissioner” and substituting therefor the words “or county commissioner for cooperatives as the case may be, may delegate in writing any of the powers conferred upon them to a relevant”;

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 158

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-
THAT the Bill be amended by deleting Clause 158.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 159

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-
THAT Clause 159 of the Bill be amended in subclause (1) (c) by deleting the words “Director for Cooperatives, or any person duly authorized in that behalf, by the Commissioner or the County Director” appearing immediately after the words “Commissioner or the County” and substituting therefor the words “commissioner for Cooperatives, or any person duly authorized by the Commissioner or the County commissioner”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clauses 160 and 161

*(Question, that Clauses 160 and 161
be part of the Bill proposed)*

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 162

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-

THAT Clause 162 of the Bill be amended in subclause (4) by deleting the word “director” appearing immediately after the words “or the county” and substituting therefor the word “commissioner”.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 163

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-
THAT Clause 163 of the Bill be amended by deleting the word “a” appearing immediately after the words “whichever is earlier” in paragraph (b) and substituting therefor the word “and”;

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 164

Sen. Mbugua: Madam Temporary Chairperson, I beg to move-
THAT Clause 164 be amended –
(a) in paragraph (a) by inserting the words “provided they meet the qualifications for appointment under this Act” immediately after the words “purposes of this Act”;
(b) by deleting paragraph (b) and substituting therefor the following new paragraph –
(b) the person appointed by a County Public Service Board to serve within a county as the County Director for Cooperatives or as the technical head of Cooperative affairs within the county or by any other name called, shall be deemed to be the county commissioner for cooperatives for purposes of this Act.
(c) by inserting the following new paragraph immediately after paragraph (b)—
(c) the technical officers appointed to serve in the office of the Commissioner for Cooperative Development and County Director for cooperatives or the office of the technical head of cooperative affairs within the county or by any other name called shall be deemed to be technical officers in the office or the Commissioner or the County Commissioner for cooperatives for purposes of this Act and will be required to comply with the necessary academic qualification within three years.

(Question of the amendment proposed)

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The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 165

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT Clause 165 be amended by deleting the words “primary and secondary” immediately after the words “in respect of” and substituting therefor the words “intercounty primary and intercounty secondary”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

First Schedule

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT the First Schedule of the Bill be amended—

- (a) in paragraph 3 by inserting the words “county commissioner for cooperatives as the case may be” immediately after the words “the Commissioner”
- (b) in paragraph 6 by inserting the words “county commissioner for cooperatives as the case may be” immediately after the words “the Commissioner”
- (c) in paragraph 7 (6) by inserting the words “county commissioner for cooperatives as the case may be” immediately after the words “the Commissioner”
- (d) in paragraph 8 (1) by deleting the words “be punished accordingly (in addition to any other punishment to which the person may be subject)” immediately after the words “is liable to” and substituting therefor the words “a fine not exceeding two hundred thousand shillings or to imprisonment in civil jail for a term not exceeding six months, or to both.”
- (e) in paragraph 9 (1) by inserting the words “county commissioner for cooperatives as the case may be” immediately after the words “the Commissioner”
- (f) in paragraph 11—
 - (i) by inserting the words “county commissioner for cooperatives as the case may be” immediately after the words “the Commissioner” appearing in subparagraph (1)
 - (ii) by inserting the words “county commissioner for cooperatives as the case may be” immediately after the words “the Commissioner” appearing in subparagraph (2)
- (g) in paragraph 12 –
 - (i) by deleting the words inserting the words “This paragraph does not limit the effect of paragraph 4” immediately after the words “surrender or payment” appearing in subparagraph (5)
 - (ii) by deleting subparagraph (6)
- (h) in paragraph 26 (1) by inserting the words “county commissioner for cooperatives as the case may be” immediately after the words “the Commissioner”

(i) in paragraph 29 (1) (b) by deleting the words “of any” appearing immediately after the words “before any”

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Second Schedule

*(Question, that the Second Schedule
be part of the Bill proposed)*

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Third Schedule

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT the Third Schedule of the Bill be amended—

(a) in paragraph 8 (2) “(directly or indirectly) in a business of the Cooperative with the knowledge that it was being carried on in the manner referred to in subparagraph (1)(a), it may order those persons (or any of them)” and substituting therefor the words “directly or indirectly in a business of the Cooperative with the knowledge that it was being carried on in the manner referred to in subparagraph (1)(a), it may order those persons either jointly or severally”;

(b) in paragraph 13—

(i) by inserting the words “county commissioner for cooperatives as the case may be” immediately after the words “the Commissioner” appearing in subparagraph (2);

(ii) by inserting the words “county commissioner for cooperatives as the case may be” immediately after the words “the Commissioner” appearing in subparagraph (3);

(iii) by inserting the words “county commissioner for cooperatives as the case may be” immediately after the words “the Commissioner” appearing in the introductory clause of subparagraph (4);

(iv) by inserting the words “county commissioner for cooperatives as the case may be” immediately after the words “the Commissioner” appearing in subparagraph (4)(b); and

(v) by inserting the words “county commissioner for cooperatives as the case may be” immediately after the words “the Commissioner” appearing in subparagraph (5).

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

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Clause 2

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT Clause 2 of the Bill be amended—

(a) in the definition of the word “agricultural produce” by deleting the word “agricultural” appearing at the beginning of the definition and substituting therefor the word “members”;

(b) by deleting the definition of the word “annual delegates meeting”;

(c) in the definition of the word “Commissioner” by deleting the phrase “section 5” appearing immediately after the words “under” and substituting therefor the phrase “section 8”

(d) by deleting the definition of the word “County Director for Cooperatives” and substituting therefor the following new definition—

“County Commissioner for Cooperatives” means the County Commissioner for Cooperatives appointed under section 11;

(e) by deleting the definition of the word “primary Cooperative”;

(f) by deleting the definition of the word “secondary Cooperative”;

(g) by deleting the definition of the word “special delegate meeting”;

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

“diaspora-based member” means a member who is a Kenyan citizen but is not resident in Kenya;

“intracounty primary cooperative” means a cooperative formed by individual persons and located in one county for purposes of promoting members’ common socio-economic needs and aspirations;

“intercounty primary cooperative” means a primary cooperative formed for the purposes of promoting members’ common socio-economic needs and aspirations which

—
(a) was initially registered as an intracounty primary cooperative; and

(b) has additional membership of at least five hundred individual persons per county from more than two counties that are not the original county of registration of the intracounty primary cooperative;

“intracounty secondary cooperative” means a cooperative whose membership is of five or more intracounty primary cooperatives;

“intercounty secondary cooperative” means a cooperative whose membership is of five or more intercounty primary cooperatives;

“levy” means the payment made by cooperatives under section 153;

“reserve fund” means assets set aside from net surplus of a cooperative for investment in fixed assets and liquid assets, shares, supporting working capital and settlement of liabilities;

“subsidiary” means any company that is wholly or partially owned by a cooperative;

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Long Title

Sen. Mbugua: Madam Temporary Chairperson, I beg to move—
THAT the Bill be amended by deleting the long title and substituting therefor the following new long title—

AN ACT of Parliament to provide for the registration, management, promotion and regulation of Cooperatives; and for connected purposes.

(Question of the amendment proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

Clause 1

(Question, that Clause 1 be part of the Bill proposed)

The Temporary Chairperson (Sen. Veronica Maina): Division will be at the end.

We will now have progress of the Committee of the Whole reported in respect to the Cooperatives Bill (National Assembly Bills No.7 of 2024). I want to call upon the Mover who will be represented by Sen. Essy Okenyuri.

Sen. Okenyuri: Madam Temporary Chairperson, pursuant to Standing Order No.153, I beg to move that the Committee of the Whole do report to the Senate its consideration of the Cooperatives Bill (National Assembly Bills No.7 of 2024) and seeks leave to sit again tomorrow.

(Question proposed)

(Question put and agreed to)

(The House resumed)

[The Temporary Speaker (Sen. Mumma) in the Chair]

The Temporary Speaker (Sen. Mumma): Let us have the Chairperson.

PROGRESS REPORTED**THE COOPERATIVES BILL (NATIONAL ASSEMBLY
BILLS NO.7 OF 2024)**

Sen. Veronica Maina: Madam Temporary Speaker, I beg to report that the Committee of the Whole has considered the Cooperatives Bill (National Assembly Bills No.7 of 2024) and seeks leave to sit again tomorrow.

Sen. Okenyuri: Madam Temporary Speaker, I beg to move that the House do agree with the Committee on the said report.

The Temporary Speaker (Sen. Mumma): Who is seconding?

Sen. Mbugua: I second.

(Question proposed)

(Question put and agreed to)

The Temporary Speaker (Sen. Mumma): Sen. Veronica Maina, please, approach the Chair.

(Sen. Veronica Maina consulted the Temporary Speaker (Sen. Mumma))

The Temporary Speaker (Sen. Mumma): Hon. Senators, Order No.16 and 17 had earlier been called and after consultations, it has been agreed that they be deferred to the next sitting.

COMMITTEE OF THE WHOLE**THE LABOUR MIGRATION AND MANAGEMENT (NO. 2)
BILL (SENATE BILLS NO. 42 OF 2024)**

(Committee of the Whole deferred)

COMMITTEE OF THE WHOLE**THE TOBACCO CONTROL (AMENDMENT)
BILL (SENATE BILL NO. 35 OF 2024)**

(Committee of the Whole deferred)

BILL*Second Reading*THE WILDLIFE CONSERVATION AND MANAGEMENT
(AMENDMENT) BILL (SENATE BILLS NO. 46 OF 2023)

The Temporary Speaker (Sen. Mumma): I see Sen. Mwaruma is not present, so, the Order is deferred.

(Bill deferred)

The Temporary Speaker (Sen. Mumma): Next Order

BILL*Second Reading*THE WILDLIFE CONSERVATION AND MANAGEMENT
(AMENDMENT) BILL (SENATE BILLS NO.49 OF 2023)

The Temporary Speaker (Sen. Mumma): Sen. Lenku Seki is not present, so, the Order is deferred.

(Bill deferred)

BILL*Second Reading*THE NARCOTIC DRUGS AND PSYCHOTROPIC SUBSTANCES (CONTROL)
(AMENDMENT) BILL (SENATE BILLS NO.1 OF 2024)

The Temporary Speaker (Sen. Mumma): I see Sen. Kathuri Murungi is not present and so, that Order is deferred.

(Bill deferred)

BILL*Second Reading***THE COUNTY GOVERNMENTS (STATE OFFICERS REMOVAL FROM
OFFICE) PROCEDURE BILL (SENATE BILLS NO. 34 OF 2024)**

The Temporary Speaker (Sen. Mumma): I see Sen. Karungo Thang'wa is not present. So, the Order is deferred.

(Bill deferred)

BILL*Second Reading***THE STREET NAMING AND PROPERTY ADDRESSING
SYSTEM BILL (SENATE BILL NO. 43 OF 2024)**

The Temporary Speaker (Sen. Mumma): I see Sen. Fatuma Dullo is not present. So, the Order is deferred.

(Bill deferred)

MOTION**WELFARE OF INTERNS WORKING UNDER THE
PUBLIC SERVICE COMMISSION**

THAT, AWARE THAT, the Public Service Commission has provided internship opportunity to many youths in various government Departments and Agencies for a period not exceeding one year pursuant to Guidelines on Management of the Public Service Internship Programme of October, 2019;

APPRECIATING THAT, since its inception, the internship programme in Kenya has been instrumental in providing practical experience to graduates, enhanced employability, offered networking opportunities and has on a number of occasions led to full-time jobs to graduates;

CONCERNED THAT, internship opportunities are limited in number, skewed in distribution across government Departments and Agencies, lack clear pathway to permanent employment, have inadequate opportunities for skill development due to the short duration that they are offered and that the stipend offered to PSC interns is insufficient with an average stipend ranging from Ksh. 15,000 to Ksh. 30,000 per month which is not sustainable especially to interns

living in major cities like Nairobi, Mombasa and Kisumu where the cost of living is too high;

NOW THEREFORE the Senate resolves that the Cabinet Secretary for Public Service and Human Capital Development in consultation with the Public Service Commission reviews the Guidelines to the Public Service Internship Programme of October, 2019 with a view to: -

1. increase the stipend offered to interns to cushion them against the high cost of living;
2. put in place mechanisms to promote and reward innovation by interns.

The Temporary Speaker (Sen. Mumma): I see that Sen. Cherarkey is not present. So, this Order is deferred.

(Motion deferred)

MOTION

NOTING OF THE REPORT OF THE ACTIVITIES AND OPERATIONS OF SELECT COMMITTEES DURING THE THIRD SESSION (2024)

THAT, the Senate notes the Report of the Liaison Committee on the activities and operations of Select Committees during the Third Session (2024) pursuant to Standing Order 224 (2), laid on the Table of the Senate on Wednesday, 28th May, 2025.

The Temporary Speaker (Sen. Mumma): Is the Chairperson of the Senate Liaison Committee, present. I do not see the Senator; so, the Order is deferred.

(Motion deferred)

MOTION

INSTALLATION OF CCTV CAMERAS IN ALL POLICE STATIONS, CELLS AND POLICE REPORTING DESKS

AWARE THAT Article 51 provides that a person who is detained, held in custody or imprisoned under the law, retains all the rights and fundamental freedoms in the Bill of Rights, except to the extent that any particular right or a fundamental freedom is clearly incompatible with the fact that the person is detained, held in custody or imprisoned;

FURTHER AWARE THAT the National taskforce on improvement of the terms and conditions of service and other reforms for members of the National Police Service and Kenya Prison Service recommended adequate Government funding for the National Police Service to modernize its facilities, equipment and gear, and enhance its logistical and technological capabilities for

National Police Service officers in order to enable the Service discharge its mandate efficiently and effectively;

COGNIZANT THAT the Bill of Rights provides for protection of human rights, prevention of abuse and upholding of the rule of law within detention facilities and police stations;

CONCERNED THAT there has been increasing reports of human rights violations, abuse, unexplained injuries, and deaths in custody, as well as security breaches and escapes from police cells across the country;

FURTHER CONCERNED THAT despite the recommendations by the Justice Maraga task force, little or no efforts have been made to ensure modernization of police cells by installation of Closed-Circuit Television (CCTV) cameras and police reporting desks thereby affecting public trust and accountability on what happens to persons in police custody;

NOW THEREFORE, the Senate resolves that the National Government, through the Ministry of Interior and National Administration:

1. installs functional and tamper-proof CCTV cameras in all police stations, cells and police reporting desks across the country;

2. ensures that all CCTV systems are monitored in real-time and that footage is securely stored and made accessible during investigations, judicial processes;

3. provides the necessary resources, technical support, and training to law enforcement officers for the effective operation and maintenance of CCTV systems and continuous digitization of Occurrence Book platforms.

The Temporary Speaker (Sen. Mumma): I note that Sen. Nyamu is not present and so, the Order is deferred.

(Motion deferred)

MOTION

MAINSTREAMING GENDER PERSPECTIVES IN LEGISLATIVE AND POLICY PROCESSES

THAT AWARE THAT, Article 27 of the Constitution of Kenya guarantees the right to equality and freedom from discrimination, with Article 27(3) providing that women and men have the right to equal treatment, including the right to equal opportunities in political, economic, cultural and social spheres;

FURTHER AWARE that Article 27(8) obligates the State to take legislative and other measures to redress any disadvantage suffered by individuals or groups as a result of past discrimination, and to ensure that not more than two-thirds of members of elective or appointive bodies shall be of the same gender;

COGNIZANT THAT mainstreaming gender perspectives in all aspects of governance is essential to achieving inclusive development and safeguarding the

rights and welfare of all citizens, particularly women, girls and other marginalized groups;

CONCERNED THAT the integration of gender considerations remain inconsistent across the two levels of government and that legislative processes have often resulted to policies that do not adequately address gender-specific needs and realities;

NOW THEREFORE, the Senate: a) urges Parliament, County Assemblies and their respective legislative committees to incorporate a gender analysis in the scrutiny of legislation, policies, programmes and budgets before them, including through the use of gender impact assessments and consultation with gender-focused stakeholders to ensure gender responsive governance; b) recommends that the National Gender and Equality Commission and the State Department for Gender develops clear guidelines and tools to support the integration of gender perspectives in legislative, policy and budgetary analysis, and ensures these are disseminated and adopted by relevant government and legislative bodies; c) further urges the National Gender and Equality Commission and State Department for Gender to collaborate with the Kenya Law Reform Commission, and County Assembly Service Boards to build capacity for gender analysis among technical and legislative staff; d) urges the State Department for Gender to submit to Parliament a comprehensive biannual report detailing actions taken by Ministries, Departments and Agencies to promote gender mainstreaming, key achievements, emerging challenges, and proposed interventions; and e) resolves that the Standing Committee on Labour and Social Welfare continuously monitor the implementation of these resolutions and tables biannual report on the status of implementation.

The Temporary Speaker (Sen. Mumma): On consultation with the mover of this Motion, it has been requested that it be deferred.

(Motion deferred)

MOTION

PROMOTION OF ARTIFICIAL INTELLIGENCE AND INNOVATION POLICY IN KENYA

THAT AWARE THAT, the Fourth Industrial Revolution is redefining economies globally through emerging technologies such as Artificial Intelligence (AI), blockchain, and financial technology (Fintech);

FURTHER AWARE THAT Kenya has made commendable strides in digital infrastructure and mobile innovation, positioning itself as a potential leader in Africa's tech-driven future;

NOTING THAT in a landmark decision, the African Union Executive Council endorsed the Continental AI Strategy during its 45th Ordinary Session in Accra, Ghana, on July 18-19, 2024 to underscore Africa's commitment to an

Africa-centric, development-focused approach to AI, promoting ethical, responsible, and equitable practices;

COGNIZANT THAT the Continental AI Strategy calls for unified national approaches among AU Member States to navigate the opportunities of AI-driven change, aiming to strengthen regional and global cooperation and position Africa as a leader in inclusive and responsible AI development;

APPRECIATING THAT the Ministry of Information, Communications and the Digital Economy recently formulated and launched the Kenya National Artificial Intelligence (AI) Strategy 2025-2030;

RECOGNIZING the need to align Kenya's development with global standards in AI adoption while also safeguarding national values, inclusivity, and employment;

CONCERNED THAT the absence of a comprehensive framework may hinder innovation among local start-ups and youth-led tech enterprises and slow down Kenya's ability to harness AI for inclusive growth;

NOW THEREFORE, the Senate resolves that the Ministry of Information, Communication and Digital Economy develops a Policy to promote Artificial Intelligence and emerging technologies with particular emphasis on:

- i) promoting research and development of locally relevant AI solutions;
- ii) facilitating ethical guidelines to ensure responsible and beneficial application of AI;
- iii) creating innovation-friendly 'Sandboxes' for supervised testing of AI and emerging technologies;
- iv) strengthening public-private partnerships to build digital skills and innovation ecosystems; and
- v) integrating AI and coding into the education curriculum to prepare the next generation for the digital economy.

The Temporary Speaker (Sen. Mumma): I do not see Sen. Thang'wa. He is not present, so, the Order is deferred.

(Motion deferred)

ADJOURNMENT

The Temporary Speaker (Sen. Mumma): Hon. Senators, there being no other business on the Order Paper, the Senate stands adjourned until Tuesday, 7th October, 2025, at 2:30 p.m.

The Senate rose at 5:02 p.m