#### REPUBLIC OF KENYA

### THIRTEENTH PARLIAMENT - (FOURTH SESSION)

#### THE SENATE

#### **VOTES AND PROCEEDINGS**

### THURSDAY, OCTOBER 02, 2025 AT 2.30 PM

- 1. The Senate assembled at thirty Minutes past Two O'clock.
- 2. The proceedings were opened with Prayer said by the Speaker.

### 3. QUORUM OF THE SENATE

The Speaker, having counted the Honourable Senators present at the commencement of the sitting and confirming that there was no Quorum, directed that the Bell be rung for ten minutes, pursuant to Standing Order 40;

And there being a Quorum before the expiry of the ten minutes;

The Speaker invited the Clerk to call the Orders of the day.

# 4. COMMUNICATION FROM THE CHAIR - ON THE REPORT BY THE NATIONAL TREASURY AND ECONOMIC PLANNING ON ALL NEW LOANS CONTRACTED BY THE NATIONAL GOVERNMENT FROM 1<sup>ST</sup> MAY, 2025 TO 31<sup>ST</sup> AUGUST, 2025

The Speaker conveyed the following Communication from the Chair:

"Honourable Senators.

As you will note, the Senate Majority Leader has laid on the Table of the Senate this afternoon, a Report by the National Treasury and Economic Planning on all new loans contracted by the Government of Kenya from 1st May, 2025 to 31st August, 2025. The report contains details on all new loans signed between the National Government and various creditors for the stated period. Section 31 (1) of the Public Finance Management Act states that-

"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."

Pursuant to section 31 (3) of the Public Finance Management Act, the report submitted to Parliament contains-

- a) the names of the parties to the loan;
- b) the amount of the loan and the currency in which it is expressed and in which it is repayable;
- c) the terms and conditions of the loan, including interest and other charges payable and the terms of repayment;
- d) the amount of the loan advanced at the time the report is submitted;
- e) 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".

Honourable Senators,

Given the significance of 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 31st August, 2025, to the Standing Committee on Finance and Budget for consideration.

I thank you."

### 5. **PAPERS LAID**

The following Papers were laid on the Table of the Senate:

- i) Annual Report of the Independent Electoral and Boundaries Commission (IEBC) for financial year ending 30th June, 2025.
- ii) Annual Report and Financial Statement of the National Police Service for the Financial Year 2024/2025
- iii) 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.

(The Deputy Senate Majority Leader)

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

(Sen. David Wakoli, MP on behalf of the Chairperson, Standing Committee on Health)

# 6. NOTICE OF MOTION - REPORT OF THE STANDING COMMITTEE ON HEALTH ON THE COUNTY OVERSIGHT AND NETWORKING ENGAGEMENTS TO MANDERA, WAJIR AND MARSABIT COUNTIES

**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, 2<sup>nd</sup> October, 2025.

(Sen. David Wakoli, MP on behalf of the Chairperson, Standing Committee on Health)

### 7. QUESTIONS AND STATEMENTS

### a) Requests for Statements pursuant to Standing Order 53 (1)

- i) The Senator for Nakuru County (Sen. Tabitha Keroche, MP) sought a Statement from the Standing Committee on Land, Environment and Natural Resources regarding the humanitarian and environmental impact of rising waters at Lake Naivasha in Nakuru County.
- ii) The Senator for Nyandarua County (Sen. John Methu, MP) sought a Statement from the Standing Committee on National Security, Defence and Foreign Relations regarding the death of Mr. Simon Warui while in police custody at the Central Police Station in Mombasa County.
- iii) The request by the Senator for Kiambu County (Sen. Karungo Thang'wa, MP) to seek a Statement from the Standing Committee on Land, Environment and Natural Resources regarding the ongoing revocation of the title deeds and demolitions at Imani Estate/Kangaita farmland in Ruiru, Kiambu County was **dropped** in the absence of the Senator.
- iv) The Senator for Busia County (Sen. Andrew Omtatah, MP) sought a Statement from the Standing Committee on Roads and Transportation concerning the failure to operationalize trailer park infrastructure in Busia County.
- v) The Senator for Busia County (Sen. Andrew Omtatah, MP) sought a Statement from the Standing Committee on Agriculture, Livestock and Fisheries regarding the stalled Dairy Parks Programme in Busia County.
- vi) The Senator for Busia County (Sen. Andrew Omtatah, MP) sought a Statement from the Standing Committee on Agriculture, Livestock and Fisheries regarding the status of operationalization of the Simbachai Cassava Processing Plant in Busia County.

- vii) The Senator for Busia County (Sen. Andrew Omtatah, MP) sought a Statement from the Standing Committee on Labour and Social Welfare regarding the stalled construction and modernization of Busia Stadium.
- viii) The Senator for Kilifi County (Sen. Stwewart Madzayo, EGH, MP) sought a Statement from the Standing Committee on Education regarding the death of a pupil named Anestine Dzidza of Gongoni Primary School, as a result of corporal punishment in Kilifi County.

### b) Statements pursuant to Standing Order 56 (1) (b)

- i) Sen. William Kisang, MP, on behalf of the Chairperson, Select Committee on County Public Investments and Special Funds, made a Statement relating to the activities of the Committee for the period, April to July, 2025.
- ii) Sen. Daniel Maanzo, MP, on behalf of the Chairperson, Select Committee on Delegated Legislation, made a Statement relating to the activities of the Committee for the period, April to July, 2025.

### c) Statement Pursuant to Standing Order 57 (1)

The Senate Majority Leader issued a statement on the business of the Senate for the week commencing Tuesday, 7<sup>th</sup> October, 2025.

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

(The Senate Majority Leader)

(First Reading)

Order for First Reading read;

Bill Read a First Time and committed to the Standing Committee on Justice, Legal Affairs and Human Rights.

9. MOTION - 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

Order read;

**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, 25<sup>th</sup> September, 2025.

(The Chairperson, Standing Committee on Devolution and Intergovernmental Relations – 11.10.2025)

Debate interrupted on Wednesday 1<sup>st</sup> October, 2025 resumed for the Mover to reply.

And in the absence of the Mover, the Speaker deferred the putting of the Question to a later date.

## 10. MOTION - REPORT OF THE STANDING COMMITTEE ON FINANCE AND BUDGET ON THE COUNTY GOVERNMENTS (EQUITABLE SHARE) CASH DISBURSEMENT SCHEDULE FOR FINANCIAL YEAR 2025/2026

(The Chairperson, Standing Committee on Finance and Budget)

Order read;

**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, 24<sup>th</sup> 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.

### (Resumption of debate interrupted on Thursday, 25<sup>th</sup> September, 2025)

(Division)

Order deferred.

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

(Sen. David Wafula Wakoli, MP)

(Second Reading)

(Resumption of debate interrupted on Thursday, 7<sup>th</sup> August, 2025)
(Division)

Order deferred.

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

(Sen. Ledama Olekina, MP)

(Second Reading)

(Resumption of debate interrupted on Tuesday, 23<sup>rd</sup> September, 2025)
(Division)

Order deferred.

### 13. COMMITTEE OF THE WHOLE

THE COUNTY LIBRARY SERVICES BILL (SENATE BILLS NO. 40 OF 2024) (Sen. Joyce Korir, MP)

(Resumption of debate interrupted on Tuesday, 30<sup>th</sup> September, 2025) (Division)

Order deferred.

### 14. **COMMITTEE OF THE WHOLE**

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

(The Senate Majority Leader)

(Resumption of debate interrupted on Tuesday, 30<sup>th</sup> September, 2025) (Division)

Order deferred.

### 15. **COMMITTEE OF THE WHOLE**

Order for Committee read;

#### IN THE COMMITTEE

(The Acting Chairperson of Committees (Sen. Veronica Maina, MP) – in the Chair)

### The Cooperatives Bill (National Assembly Bills No. 7 of 2024)

### Clause 3

Motion made and Question proposed;

THAT, Clause 3 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

Clause 3 - vote deferred

<u>Clause 4</u> - <u>amendment proposed</u>

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;

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 4 (as amended)

- vote deferred

### Clause 5

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 Kenva.
- (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

Cap 490B.

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.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 5 (as amended)

- vote deferred

Clause 6

Motion made and Question proposed;

THAT, Clause 6 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

Clause 6 - vote deferred

<u>Clause 7</u> - <u>amendment proposed</u>

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.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 7 (as amended) - vote deferred

Clause 8 - amendment proposed

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.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 8 (as amended)

- vote deferred

Clause 9

- amendment proposed

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;

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 9 (as amended)

- vote deferred

Clause 10

- amendment proposed

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;

Debate arising;

And there being no Senator wishing to contribute;

Clause 10 (as amended)

- vote deferred

Clause 11

amendment proposed

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":

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 11 (as amended)

- vote deferred

Clause 12

- amendment proposed

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,"

Debate arising;

And there being no Senator wishing to contribute;

Clause 12 (as amended)

- vote deferred

Clause 13

- amendment proposed

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.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 13 (as amended)

- vote deferred

Clause 14

- <u>amendment proposed</u>

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) advice 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

(1482)

stakeholders, including financial institutions, government agencies, and private sector players, to enhance cooperative development;

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 14 (as amended)

- vote deferred

Clause 15

- amendment proposed

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.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 15 (as amended)

- vote deferred

Clause 16

- amendment proposed

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

Clause 16 (as amended)

the Forum.

- vote deferred

Clauses 17 and 18

Motion made and Question proposed;

THAT, Clauses 17 and 18 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

Clauses 17 and 18

- vote deferred

Clause 19

- amendment proposed

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; (Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 19 (as amended)

- vote deferred

Clause 20

- amendment proposed

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 their under, the information may be shared through the credit reference bureaus established under section 31 of the Banking Act.
- (d) by deleting subclause (6).

Debate arising;

And there being no Senator wishing to contribute;

Clause 20 (as amended)

- vote deferred

Clause 21

- amendment proposed

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"

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 21 (as amended)

- vote deferred

Clause 22

- amendment proposed

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 intraprimary"
- (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.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 22 (as amended)

- vote deferred

Clause 23

- amendment proposed

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"

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 23 (as amended)

- vote deferred

Clause 24

- amendment proposed

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".

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

(No. 099)

And there being no Senator wishing to contribute;

Clause 24 (as amended)

- vote deferred

Clauses 25, 26 and 27

Motion made and Question proposed;

THAT, Clauses 25, 26 and 27 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

Clauses 25, 26 and 27

- vote deferred

Clause 28

- amendment proposed

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.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 28 (as amended)

- vote deferred

Clause 29

- amendment proposed

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).

Debate arising;

And there being no Senator wishing to contribute;

Clause 29 (as amended)

- vote deferred

Clause 30

- amendment proposed

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"

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 30 (as amended)

- vote deferred

Clause 31

- amendment proposed

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"

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 31 (as amended)

- vote deferred

Clause 32

- amendment proposed

THAT clause 32 of the Bill be deleted and substituted therefor with the following clause—

Registration laws.

**32.** If the Commissioner or county commissioner for a cooperatives, as the case may be, is satisfied that a Cooperative relevant Cooperative has complied with the provisions and its by- of this Act and any Regulations made thereunder and that its proposed by-laws are not contrary to this Act Regulations anv made thereunder. the or Commissioner county commissioner or cooperatives, as the case may be, shall register the Cooperative and its by-laws under this Act within a

(1489)

period not exceeding thirty days from the date of verification.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 32 (as amended)

- vote deferred

Clause 33

- amendment proposed

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"

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 33 (as amended)

- vote deferred

Clause 34

- amendment proposed

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"

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 34 (as amended)

- vote deferred

Clause 35

- amendment proposed

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).

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 35 (as amended)

- vote deferred

Clause 36

Motion made and Question proposed;

THAT, Clause 36 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

Clause 36 (as amended)

- vote deferred

Clause 37

- <u>amendment proposed</u>

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

(1491)

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"

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 37 (as amended)

- vote deferred

Clause 38

- <u>amendment proposed</u>

THAT clause 38 of the Bill be amended by inserting the words "or nominee" immediately after the words "personal representatives"

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 38 (as amended)

- vote deferred

Clause 39

- amendment proposed

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

Appeal against refusal to register.

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

decision to the Cooperative Tribunal.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

THURSDAY, OCTOBER 02, 2025

And there being no Senator wishing to contribute;

Clause 39 (as amended)

- vote deferred

Clause 40

- amendment proposed

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

Signature by the Commissioner

or county commissioner

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

for

cooperatives.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 40 (as amended)

- vote deferred

Clauses 41 and 42

Motion made and Question proposed;

THAT, Clauses 41 and 42 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

Clause 41 and 42

- vote deferred

Clause 43

- amendment proposed

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".

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 43 (as amended)

- vote deferred

Clause 44

- amendment proposed

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;

by deleting subclause (2).

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 44 (as amended)

- vote deferred

Clauses 45 and 46

Motion made and Question proposed;

THAT, Clauses 45 and 46 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

Clause 45 and 46

- vote deferred

Clause 47

- amendment proposed

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"

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 47 (as amended)

- vote deferred

Clauses 48, 49 and 50

Motion made and Question proposed;

THAT, Clauses 48, 49 and 50 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

Clauses 48, 49 and 50

- vote deferred

Clause 51

- amendment proposed

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".

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 51 (as amended)

- vote deferred

Clause 52

Motion made and Question proposed;

THAT, Clause 52 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

Clause 52 - vote deferred

<u>Clause 53</u> - <u>amendment proposed</u>

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"

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 53 (as amended) - vote deferred

Clause 54 - amendment proposed

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 portfolio statement detailing all cooperative investments, including 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 storage facilities and logistics infrastructure.
  - (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 is 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"

Debate arising;

And there being no Senator wishing to contribute;

Clause 54 (as amended)

- vote deferred

Clause 55

- amendment proposed

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".

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 55 (as amended)

- vote deferred

Clause 56

- amendment proposed

THAT clause 56 of the Bill be amended -

- (a) in subclause (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 subclause immediately after subclause (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 subclause (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);

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 56 (as amended)

- vote deferred

Clause 57

- amendment proposed

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).

Debate arising;

And there being no Senator wishing to contribute;

Clause 57 (as amended)

- vote deferred

Clause 58

- amendment proposed

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.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 58 (as amended)

- vote deferred

Clause 59

- amendment proposed

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).

(c)

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 59 (as amended)

- vote deferred

Clause 60

- amendment proposed

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.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

<u>Clause 60 (as amended)</u> - <u>vote deferred</u>

<u>Clause 61</u> - <u>amendment proposed</u>

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.
  - (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".

Debate arising;

And there being no Senator wishing to contribute;

Clause 61 (as amended)

- vote deferred

Clause 62

Motion made and Question proposed;

THAT, Clause 62 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

<u>Clause 62</u> - vote deferred

Clause 63 - amendment proposed

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.
    - 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

Debate arising;

And there being no Senator wishing to contribute;

Clause 63 (as amended)

- vote deferred

Clause 64

- amendment proposed

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";

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

(1504)

Clause 64 (as amended)

- vote deferred

Clause 65

- <u>amendment proposed</u>

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).

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 65 (as amended)

- vote deferred

Clause 66

- amendment proposed

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;

Debate arising;

And there being no Senator wishing to contribute;

Clause 66 (as amended)

- vote deferred

Clause 67

- amendment proposed

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".

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

And there being no Senator wishing to contribute;

Clause 67 (as amended)

- vote deferred

Clause 68

- <u>amendment proposed</u>

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 twothirds 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 considers 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".

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 68 (as amended)

- vote deferred

Clause 69

- amendment proposed

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.

Debate arising;

And there being no Senator wishing to contribute;

Clause 69 (as amended)

- vote deferred

Clause 70

- amendment proposed

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).

Debate arising;

And there being no Senator wishing to contribute;

Clause 70 (as amended)

- vote deferred

Clauses 71 and 72

Motion made and Question proposed;

THAT, Clauses 71 and 72 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

Clauses 71 and 72

- vote deferred

Clause 73

- amendment proposed

**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.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 73 (as amended)

- vote deferred

Clause 74

Motion made and Question proposed;

THAT, Clause 74 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

(1510)

Clause 74 - vote deferred

Clause 75

- <u>amendment proposed</u>

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"

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 75 (as amended)

- vote deferred

Clauses 76, 77 and 78

Motion made and Question proposed;

THAT, Clauses 76, 77 and 78 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

Clauses 76, 77 and 78

- vote deferred

Clause 79

- amendment proposed

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".

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 79 (as amended)

- vote deferred

Clause 80

Motion made and Question proposed;

THAT, Clause 80 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

<u>Clause 80</u> - vote deferred

Clause 81 - amendment proposed

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 renumbered 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.

Debate arising;

And there being no Senator wishing to contribute;

Clause 81 (as amended)

- vote deferred

Clause 82

- amendment proposed

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.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 82 (as amended)

- vote deferred

Clause 83

- amendment proposed

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.

Debate arising;

And there being no Senator wishing to contribute;

Clause 83 (as amended)

- vote deferred

Clause 84

- <u>amendment proposed</u>

THAT the Bill be amended by deleting clause 84 and substituting therefor the following new clause—

Investment in non-core activities

- 84. (1) A Cooperative shall not invest more than twenty-five percentum of its funds or members' deposits 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.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 84 (as amended)

- vote deferred

Clause 85

- <u>amendment proposed</u>

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)

(iii)

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 85 (as amended)

- vote deferred

Clause 86

Motion made and Question proposed;

THAT, Clause 86 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

Clause 86 - vote deferred

Clause 87 - amendment proposed

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.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

And there being no Senator wishing to contribute;

Clause 87 (as amended)

- vote deferred

Clauses 88, 89 and 90

Motion made and Question proposed;

THAT, Clauses 88, 89 and 90 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

Clauses 88, 89 and 90

- vote deferred

Clause 91

- <u>amendment proposed</u>

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"

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 91 (as amended)

- vote deferred

Clause 92

- amendment proposed

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"

Debate arising;

And there being no Senator wishing to contribute;

Clause 92 (as amended) - vote deferred

<u>Clause 93</u> - <u>amendment proposed</u>

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"

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 93 (as amended) - vote deferred

Clause 94 - amendment proposed

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"

Debate arising;

And there being no Senator wishing to contribute;

Clause 94 (as amended)

- vote deferred

Clause 95

Motion made and Question proposed;

THAT, Clause 95 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

Clause 95

- vote deferred

Clauses 96 and 97

Motion made and Question proposed;

THAT, Clauses 96 and 97 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

And there being no Senator wishing to contribute;

Clause 96 and 97

- vote deferred

Clause 98

- <u>amendment proposed</u>

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 subclause—
- (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.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

And there being no Senator wishing to contribute;

Clause 98 (as amended)

- vote deferred

Clause 99

- amendment proposed

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 twenty-

one days from the day the inquiry ends.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 99 (as amended)

- vote deferred

Clause 100

- amendment proposed

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".

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 100 (as amended)

- vote deferred

Clause 101

- amendment proposed

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".

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 101 (as amended)

- vote deferred

Clause 102

- amendment proposed

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"

(iii)

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 102 (as amended) - vote deferred

<u>Clause 103</u> - <u>amendment proposed</u>

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.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

(1522)

Clause 103 (as amended)

- vote deferred

Clause 104

- amendment proposed

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.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 104 (as amended)

- vote deferred

Clause 105

- amendment proposed

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".

Debate arising;

And there being no Senator wishing to contribute;

Clause 105 (as amended)

- vote deferred

Clause 106

- amendment proposed

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".

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

And there being no Senator wishing to contribute;

Clause 106 (as amended)

- vote deferred

<u>Clauses 107 and 108</u>

Motion made and Question proposed;

THAT, Clauses 107 and 108 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

Clauses 107 and 108

- vote deferred

Clause 109

- <u>amendment proposed</u>

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".

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 109 (as amended)

- vote deferred

Clause 110

- amendment proposed

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.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

And there being no Senator wishing to contribute;

Clause 110 (as amended)

- vote deferred

Clause 111

- amendment proposed

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"

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 111 (as amended)

- vote deferred

Clause 112

- amendment proposed

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"

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 112 (as amended)

- vote deferred

Clause 113

- amendment proposed

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.

Debate arising;

And there being no Senator wishing to contribute;

Clause 113 (as amended)

- vote deferred

Clause 114

- amendment proposed

THAT clause 114 of the Bill be amended by inserting the words "county commissioner for cooperatives," immediately after the words "of the Commissioner"

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 114 (as amended)

- vote deferred

Clause 115

Motion made and Question proposed;

THAT, Clause 115 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

Clause 115 - vote deferred

Clause 116 - amendment proposed

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"

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 116 (as amended)

- vote deferred

Clause 117

Motion made and Question proposed;

THAT, Clause 117 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

Clause 117 - vote deferred

<u>Clause 118</u> - <u>amendment proposed</u>

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"

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 118 (as amended)

- vote deferred

Clauses 119 and 120

Motion made and Question proposed;

THAT, Clauses 119 and 120 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

Clauses 119 and 120

- vote deferred

Clause 121

- amendment proposed

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);

(1529)

(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).

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 121 (as amended)

- vote deferred

Clause 122

Motion made and Question proposed;

THAT, Clause 122 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

<u>Clause 122</u> - <u>vote deferred</u>

Clause 123 - amendment proposed

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".

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 123 (as amended)

- amendment proposed

- vote deferred

Clause 124

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"

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 124 (as amended)

- vote deferred

Clause 125

- amendment proposed

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".

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 125 (as amended)

- vote deferred

Clause 126

Motion made and Question proposed;

THAT, Clause 126 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

And there being no Senator wishing to contribute;

Clause 126 - vote deferred

<u>Clause 127</u> - <u>amendment proposed</u>

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.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 127 (as amended)

- vote deferred

Clause 128

- amendment proposed

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.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

And there being no Senator wishing to contribute;

Clause 128 (as amended)

- vote deferred

Clause 129

Motion made and Question proposed;

THAT, Clause 129 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

Clause 129 - vote deferred

<u>Clause 130</u> - <u>amendment proposed</u>

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"

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 130 (as amended) - vote deferred

<u>Clause 131</u> - <u>amendment proposed</u>

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.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

(1533)

Clause 131 (as amended)

- vote deferred

<u>Clauses 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142,143, 144 and 145</u>

Motion made and Question proposed;

THAT, Clauses 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142,143, 144 and 145 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

<u>Clauses 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142,143, 144 and</u>
- vote deferred

## Clause 146

- <u>amendment proposed</u>

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"

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 146 (as amended)

- vote deferred

Clause 147

Motion made and Question proposed;

THAT, Clause 147 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

Clause 147

- vote deferred

Clause 148

- <u>amendment proposed</u>

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.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 148 (as amended)

- vote deferred

Clause 149

Motion made and Question proposed;

THAT, Clause 149 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

<u>Clause 149</u> - <u>vote deferred</u>

<u>Clause 150</u> - <u>amendment proposed</u>

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"

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 150 (as amended)

- vote deferred

Clause 151

Motion made and Question proposed;

THAT, Clause 151 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

Clause 151 - vote deferred

Clause 152 - amendment proposed

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.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 152 (as amended)

- vote deferred

Clause 153

- amendment proposed

THAT the Bill be amended by deleting clause 153 and substituting therefor the following new clause—

Co-operative Development Fund.

Establishment 153. (1) There is established the National Coof the National operative Development Fund.

> (2) The National Co-operative Development Fund shall consist of –

- (a) sum of money received from the levy intercounty primary paid by cooperatives, intercounty secondary federative cooperatives, the 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.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

Clause 153 (as amended)

- vote deferred

Clause 154

- <u>amendment proposed</u>

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";
- (i) by inserting the following new paragraph immediately after paragraph (ll)—

(lla)gazette the standard certificate and a common seal for the Commissioner or county commissioner for cooperatives as the case may be";

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 154 (as amended)

- vote deferred

Clause 155

Motion made and Question proposed;

THAT, Clause 155 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

<u>Clause 155</u> - <u>vote deferred</u>

Clause 156 - amendment proposed

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"

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 156 (as amended) - vote deferred

Clause 157 - <u>amendment proposed</u>

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";

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

And there being no Senator wishing to contribute;

Clause 157 (as amended)

- vote deferred

Clause 158

- <u>amendment proposed</u>

THAT the Bill be amended by deleting clause 158.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

Clause 158 (as amended)

- vote deferred

Clause 159

- amendment proposed

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"

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 159 (as amended)

- vote deferred

<u>Clauses 160 and 161</u>

Motion made and Question proposed;

THAT, Clauses 160 and 161 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

<u>Clauses 160 and 161</u>

- vote deferred

Clause 162

- amendment proposed

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".

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 162 (as amended)

- vote deferred

Clause 163

- amendment proposed

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";

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 163 (as amended)

- vote deferred

Clause 164

- amendment proposed

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.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

<u>Clause 164 (as amended)</u> - <u>vote deferred</u>

<u>Clause 165</u> - <u>amendment proposed</u>

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"

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 165 (as amended) - vote deferred

<u>The First Schedule</u> - <u>amendment proposed</u>

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
  - 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"

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

The First Schedule (as amended)

- vote deferred

The Second Schedule

Motion made and Question proposed;

THAT, the Second Schedule be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

The Second Schedule

- vote deferred

The Third Schedule

- amendment proposed

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).

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

The Third Schedule (as amended)

- vote deferred

Clause 2

- amendment proposed

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;

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

Clause 2 (as amended)

- vote deferred

The Title

- amendment proposed

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.

(Sen. George Mbugua, MP, on behalf of the Chairperson, Standing Committee on Trade, Industrialization and Tourism)

Debate arising;

And there being no Senator wishing to contribute;

The Title (as amended)

- vote deferred

Clause 1

Motion made and Question proposed;

THAT, Clause 1 be part of the Bill.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

- vote deferred

Progress report -

Motion made;

Clause 1

THAT, the Committee of the Whole House do report to the Senate its consideration of the Cooperatives Bill (National Assembly Bills No. 7 of 2024) and seek leave to sit again tomorrow;

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

Before the Question was put and pursuant to Standing Order 84 (1), the Acting Chairperson (Sen. Veronica Maina, MP) ruled that the Question did not affect counties;

And the Acting Chairperson having ascertained that there was Quorum,

pursuant to Standing Order 42 (1);

Question put and agreed to.

16. **HOUSE RESUMED** – (Temporary Speaker, Sen. Catherine Mumma, MP – in the Chair)

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

#### Progress reported;

Motion made and Question proposed;

THAT, the Senate do agree with the Committee of the Whole in the said Report.

(Sen. Esther Okenyuri, MP on behalf of the Senate Majority Leader)

Debate arising;

And there being no Senator wishing to contribute;

Before the Question was put and pursuant to Standing Order 84 (1), the Temporary Speaker (Sen. Catherine Mumma, MP) ruled that the Motion does not affect counties.

And the Temporary Speaker (Sen. Catherine Mumma, MP) having ascertained that there was Quorum, pursuant to Standing Order 42 (1);

Question put and agreed to.

#### 18. **COMMITTEE OF THE WHOLE**

## THE LABOUR MIGRATION AND MANAGEMENT (NO. 2) BILL (SENATE BILLS NO. 42 OF 2024

(Sen. Tabitha Mutinda, MP)

Order read;

Order deferred.

#### 19. **COMMITTEE OF THE WHOLE**

# THE TOBACCO CONTROL (AMENDMENT) BILL (SENATE BILLS NO. 35 OF 2024)

(Sen. Catherine Mumma, MP)

Order read;

Order deferred.

## 20. THE WILDLIFE CONSERVATION AND MANAGEMENT (AMENDMENT) BILL (SENATE BILLS NO. 46 OF 2023)

(Sen. Johnes Mwaruma, MP)

Order for Second reading read;

Order deferred.

### 21. THE WILDLIFE CONSERVATION AND MANAGEMENT (AMENDMENT) BILL (SENATE BILLS NO. 49 OF 2023)

(Sen. Lenku Ole Kanar Seki, MP)

Order for Second reading read;

Order deferred.

# 22. THE NARCOTIC DRUGS AND PSYCHOTROPIC SUBSTANCES (CONTROL) (AMENDMENT) BILL (SENATE BILLS NO. 1 OF 2024)

(Sen. Kathuri Murungi, MP)

Order for Second reading read;

Order deferred.

# 23. THE COUNTY GOVERNMENTS (STATE OFFICERS REMOVAL FROM OFFICE) PROCEDURE BILL (SENATE BILLS NO. 34 OF 2024)

(Sen. Karungo Thang'wa, MP)

Order for Second reading read;

Order deferred.

# 24. THE STREET NAMING AND PROPERTY ADDRESSING SYSTEM BILL (SENATE BILLS NO. 43 OF 2024)

(Sen. Fatuma Dullo, MP)

Order for Second reading read;

Order deferred.

# 25. MOTION - WELFARE OF INTERNS WORKING UNDER THE PUBLIC SERVICE COMMISSION (PSC)

(Sen. Samson Cherarkey, MP)

Order read;

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; and
- 2. put in place mechanisms to promote and reward innovation by interns.

(Resumption of debate interrupted on Wednesday, 1<sup>st</sup> October, 2025 – Morning Sitting – Balance of time – 2 hours 55 minutes)

Order deferred.

# 26. MOTION - REPORT OF THE LIAISON COMMITTEE ON THE ACTIVITIES AND OPERATIONS OF SELECT COMMITTEES DURING THE THIRD SESSION (2024)

(The Chairperson, Liaison Committee)

Order read;

THAT, the Senate <u>notes</u> 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, 28<sup>th</sup> May, 2025.

Order deferred.

### 27. MOTION - INSTALLATION OF CCTV CAMERAS IN ALL POLICE STATIONS, CELLS AND POLICE REPORTING DESKS

(Sen. Karen Nyamu, MP)

Order read;

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; and
- 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.

Order deferred.

### 28. MAINSTREAMING GENDER PERSPECTIVES IN LEGISLATIVE AND POLICY PROCESSES

(Sen. Veronica Maina, MP)

Order read;

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.

Order deferred.

### 29. MOTION - PROMOTION OF ARTIFICIAL INTELLIGENCE (AI) AND INNOVATION POLICY IN KENYA

(Sen. Karungo Wa Thang'wa, MP)

Order read;

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.

Order deferred.

And there being no other business on the Order Paper, the Temporary (Sen. Catherine Mumma, MP) adjourned the Senate at one minute past Five O'clock, without Question put, pursuant to the Standing Orders.

30. **SENATE ROSE** – at one minute past Five O'clock

#### MEMORANDUM

The Speaker will take the Chair on Tuesday, 7th October, 2025 at 2:30 pm