



*Approved  
SWA  
12/8/26*

**THE NATIONAL ASSEMBLY  
THIRTEENTH PARLIAMENT- FIFTH SESSION - 2026  
DEPARTMENTAL COMMITTEE ON AGRICULTURE AND LIVESTOCK**

**REPORT ON:  
THE CONSIDERATION OF THE RATIFICATION OF THE INTER-AFRICAN  
COFFEE ORGANIZATION (IACO) NEW AGREEMENT (2020)**

|                                                                                                                                     |                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|
| <br><b>THE NATIONAL ASSEMBLY<br/>PAPERS LAID</b> |                                                         |
| DATE: <b>13 AUG 2026</b>                                                                                                            |                                                         |
| DAY: <b>THUR</b>                                                                                                                    |                                                         |
| TABLED<br>BY:                                                                                                                       | CHAIRPERSON, COMMITTEE<br>ON AGRICULTURE &<br>LIVESTOCK |
| CLERK-AT<br>THE-TABLE:                                                                                                              | <b>OBIERO</b>                                           |



**CLERK'S CHAMBERS  
DIRECTORATE OF DEPARTMENTAL COMMITTEES  
PARLIAMENT BUILDINGS  
NAIROBI**

**AUGUST 2026**



## TABLE OF CONTENTS

|                                                                                         |    |
|-----------------------------------------------------------------------------------------|----|
| LIST OF ABBREVIATIONS AND ACRONYMS .....                                                | 2  |
| LIST OF ANNEXURES.....                                                                  | 3  |
| CHAIRPERSON'S FOREWORD .....                                                            | 4  |
| 1.0 PREFACE .....                                                                       | 6  |
| 1.1 INTRODUCTION.....                                                                   | 6  |
| 1.2 MANDATE OF THE COMMITTEE .....                                                      | 6  |
| 1.3 COMMITTEE SUBJECTS.....                                                             | 6  |
| 1.4 COMMITTEE MEMBERSHIP .....                                                          | 7  |
| 1.5 COMMITTEE SECRETARIAT .....                                                         | 8  |
| 2.0 BACKGROUND TO THE AGREEMENT .....                                                   | 9  |
| 2.1 CONTEXT AND SIGNIFICANCE OF THE COFFEE SECTOR IN KENYA AND AFRICA.....              | 9  |
| 2.2 HISTORICAL DEVELOPMENT OF THE INTER-AFRICAN COFFEE ORGANIZATION (IACO) .....        | 9  |
| 2.3 OUTLINE OF THE INTER-AFRICAN COFFEE ORGANIZATION (IACO) NEW AGREEMENT (2020) .....  | 10 |
| 2.4 COMPARATIVE ANALYSIS OF INTERNATIONAL COFFEE GOVERNANCE FRAMEWORKS .....            | 11 |
| 2.5 POLICY IMPLICATIONS OF THE IACO NEW AGREEMENT .....                                 | 12 |
| 3.0 PUBLIC PARTICIPATION / STAKEHOLDERS CONSULTATION .....                              | 13 |
| 3.1 CALL FOR MEMORANDA FROM THE PUBLIC .....                                            | 13 |
| 3.2 SUBMISSION BY THE MINISTRY OF FOREIGN AND DIASPORA AFFAIRS .....                    | 13 |
| 3.3 SUBMISSION BY THE AGRICULTURE AND FOOD AUTHORITY (AFA).....                         | 13 |
| 3.4 SUBMISSION BY THE MINISTRY OF AGRICULTURE AND LIVESTOCK DEVELOPMENT .....           | 14 |
| 3.5 SUBMISSION BY WILSON RADING (PRINCIPAL MAGISTRATE / PUBLIC INTEREST ADVOCATE) ..... | 14 |
| 4.0 COMMITTEE OBSERVATIONS.....                                                         | 15 |
| 5.0 COMMITTEE RECOMMENDATIONS .....                                                     | 16 |



## LIST OF ABBREVIATIONS AND ACRONYMS

|           |                                                 |
|-----------|-------------------------------------------------|
| AFA       | – Agriculture and Food Authority                |
| AfCFTA    | – African Continental Free Trade Area           |
| Cap.      | – Chapter (of the Laws of Kenya)                |
| CBS       | – Chief of the Order of the Burning Spear       |
| CPA       | – Certified Public Accountant                   |
| E.G.H.    | – Elder of the Order of the Golden Heart        |
| H.E.      | – His / Her Excellency                          |
| IACO      | – Inter-African Coffee Organization             |
| ICO       | – International Coffee Organization             |
| Hon.      | – Honorable                                     |
| M.P. / MP | – Member of Parliament                          |
| NOPEU     | – National Ordinary People Empower Union        |
| ODM       | – Orange Democratic Movement                    |
| PhD       | – Doctor of Philosophy                          |
| SDG       | – Sustainable Development Goal                  |
| UDA       | – United Democratic Alliance                    |
| UNECA     | – United Nations Economic Commission for Africa |



## LIST OF ANNEXURES

- Annexure 1: Report Adoption Schedule
- Annexure 2: Minutes on sittings of the Committee on consideration of the agreement
- Annexure 3: Copy of the Newspaper Advertisement on Public Participation
- Annexure 4: Copy of the Agreement
- Annexure 5: Letter Inviting Stakeholders for a Meeting with the Committee
- Annexure 6: Stakeholder Submissions



## CHAIRPERSON'S FOREWORD

This report outlines the consideration by the Departmental Committee on Agriculture and Livestock of the Inter-African Coffee Organization (IACO) New Agreement (2020).

The establishment of IACO on December 7, 1960, with Kenya as a founding member, was driven by a collective vision to bring African coffee-producing countries under a single institutional framework to address common challenges, negotiate coffee sales, and promote sustainable growth. This vision supports regional identity and rural economic development, complementing the broader aspirations of the African Union for an integrated, prosperous, and peaceful continent.

IACO's overarching objective under the New Agreement is to establish a modern continental framework for the identification and coordinated resolution of challenges across the coffee value chain. Its mission is to drive transformation toward a resilient and profitable coffee sector by enhancing regional cooperation, promoting coffee quality, expanding market access, and sustainably improving the living conditions of smallholder producers and actors throughout the chain.

Following the changing dynamics of the global coffee economy, including the need to engage private sector actors, accommodate coffee-consuming African nations, and leverage opportunities under the African Continental Free Trade Area (AfCFTA), Member States undertook a comprehensive review of the 1960 founding agreement and its successive amendments. Consequently, the IACO New Agreement was formally adopted during the 60th Annual General Assembly in November 2020.

Following approval by the Cabinet on 21<sup>st</sup> January 2025, the Parliamentary Memorandum on Kenya's Ratification of the IACO New Agreement was submitted to the National Assembly by the Prime Cabinet Secretary and Cabinet Secretary for Foreign and Diaspora Affairs on 22<sup>nd</sup> December 2025. The treaty was tabled before the House on 4<sup>th</sup> March 2026 and committed to the Departmental Committee on Agriculture and Livestock for consideration and public participation pursuant to Section 8 of the Treaty Making and Ratification Act (Cap. 4D).

In considering the New Agreement, the Committee, pursuant to Article 118(1)(b) of the Constitution and Section 8(3) of the Treaty Making and Ratification Act (Cap. 4D), published an advertisement in two daily newspapers on 5<sup>th</sup> March 2026, requesting written submissions and public memoranda. Further, the Office of the Clerk of the National Assembly, through a letter dated 8<sup>th</sup> April 2026, invited key institutional stakeholders to provide written submissions and participate in a consultative meeting that was scheduled for 14<sup>th</sup> April 2026.

Having examined Agreement and analyzed stakeholder submissions, the Committee observed that the modernized framework strategically transitions the Inter-African Coffee Organization into an inclusive value-chain structure that aligns with the African Continental Free Trade Area (AfCFTA) to expand intra-African coffee trade, promote local processing and leverage dedicated financing through the African Coffee Development Fund. The New Agreement complies fully with Kenya's constitutional values and existing domestic legislation without requiring statutory amendments, while operating under the concurrent agricultural functions of National and County Governments. Further, ratification remains fiscally neutral to the exchequer, maintaining Kenya's annual assessed contribution. Crucially, targeted national implementation plans, and market stabilization strategies must accompany ratification to ensure these continental benefits directly protect and empower domestic smallholder farmers.



Having examined the Inter-African Coffee Organization (IACO) New Agreement (2020) against the Constitution, the Treaty Making and Ratification Act (Cap. 4D), and Standing Order 216 of the National Assembly Standing Orders, the Committee recommends that the House approves the ratification of the IACO New Agreement (2020).

Pursuant to Standing Orders 170A, 199(6) and 216(5)(f), it is my pleasant duty to present to the House the Report of the Departmental Committee on Agriculture and Livestock on its consideration of the Ratification of the Inter-African Coffee Organization (IACO) New Agreement (2020).



**Hon. (Dr.) John Kanyuithia Mutunga, PhD, CBS, M.P.**  
**Chairperson, Departmental Committee on Agriculture and Livestock**



## 1.0 PREFACE

### 1.1 INTRODUCTION

1. This report outlines the consideration by the Departmental Committee on Agriculture and Livestock of the Inter-African Coffee Organization (IACO) New Agreement (2020). The establishment of IACO on 7<sup>th</sup> December 1960 - with Kenya as a founding member - was driven by a collective vision to bring African coffee-producing countries under a single institutional framework to address common challenges, negotiate coffee sales and promote sustainable growth. This vision supports regional identity and rural economic development, complementing the broader aspirations of the African Union for an integrated, prosperous and peaceful continent.
2. IACO's overarching objective under the New Agreement is to establish a modern continental framework for the identification and coordinated resolution of challenges across the coffee value chain. Its mission is to drive transformation towards a resilient and profitable coffee sector by enhancing regional cooperation, promoting coffee quality, expanding market access, and sustainably improving the living conditions of smallholder producers and actors throughout the chain.
3. Following the changing dynamics of the global coffee economy - including the need to engage private sector actors, accommodate coffee-consuming African nations and leverage opportunities under the African Continental Free Trade Area (AfCFTA) - Member States undertook a comprehensive review of the 1960 founding agreement and its successive amendments. Consequently, the IACO New Agreement was formally adopted during the 60<sup>th</sup> Annual General Assembly in November 2020.
4. Following approval by the Cabinet on 21<sup>st</sup> January 2025, the Parliamentary Memorandum on Kenya's Ratification of the IACO New Agreement was submitted to the National Assembly by the Prime Cabinet Secretary and Cabinet Secretary for Foreign and Diaspora Affairs on 22<sup>nd</sup> December 2025. The treaty was tabled before the House on 4<sup>th</sup> March 2026 and committed to the Departmental Committee on Agriculture and Livestock for consideration and public participation pursuant to Section 8 of the Treaty Making and Ratification Act (Cap. 4D).

### 1.2 MANDATE OF THE COMMITTEE

5. The Departmental Committee on Agriculture and Livestock is one of the twenty Departmental Committees of the National Assembly established under **Standing Order 216** whose mandate, among others, is **"to examine treaties, agreements and conventions"**.

### 1.3 COMMITTEE SUBJECTS

6. The subject matter of the Committee is stated in the Second Schedule of the National Assembly Standing Orders and includes *agriculture, livestock, food production and marketing*.
7. In executing its mandate, the Committee oversees the Ministry of Agriculture and Livestock Development.



## **I.4 COMMITTEE MEMBERSHIP**

8. The Committee, initially constituted by the House on **27<sup>th</sup> October 2022** and reconstituted on 6th March 2025, brings together a diverse and experienced team of legislators entrusted with steering the nation's Agricultural and Livestock Policy oversight agenda. Its membership is as follows:

### **Chairperson**

**Hon. (Dr.) John Kanyuithia Mutunga, PhD, MP**

Tigania West Constituency

**UDA Party**

### **Vice-Chairperson**

**Hon. Brighton Leonard Yegon, MP**

Konoin Constituency

**UDA Party**

### **Members**

Hon. Sabina Wanjiru Chege, CBS, MP  
Nominated Member

**Jubilee Party**

Hon. Gabriel Gathuka Kagombe, MP  
Gatundu South Constituency

**UDA Party**

Hon. Ferdinand Kevin Wanyonyi, MP  
Kwanza Constituency

**Ford Kenya Party**

Hon. Monicah Muthoni Marubu, MP  
Lamu County

**Independent Member**

Hon. Geoffrey Makokha Odanga, MP  
Matayos Constituency

**ODM Party**

Hon. Patrick Kibagendi Osero, MP  
Borabu Constituency

**ODM Party**

Hon. Justice Kipsang Kemei, MP  
Sigowet/Soin Constituency

**UDA Party**

Hon. Yussuf Mohamed Farah, MP  
Wajir West Constituency

**ODM Party**

Hon. Jared Odoyo Okelo, MP  
Nyando Constituency

**ODM Party**

Hon. Ruth Adhiambo Odinga, MP .  
Kisumu County

**ODM Party**

Hon. Lawrence Mpuru Aburi, MP  
Tigania East Constituency

**NOPEU Party**

Hon. John Okwisia Makali, MP  
Kanduyi Constituency

**Ford Kenya Party**

Hon. David Kiplagat, MP  
Soi Constituency

**UDA Party**



## **I.5 COMMITTEE SECRETARIAT**

9. The Committee Secretariat, a dedicated team of technical officers, provides support to the Committee. It comprises the following staff:

Mr. Dennis Mogare Ogechi  
**Head of Secretariat / First Clerk Assistant**

Mr. Victor K. Kilimo  
**Clerk Assistant III**

Ms. Evelyne Orina  
**Clerk Assistant III**

CPA Robert Ng'etich  
**Fiscal Analyst I**

Mr. Shadrack Musyoki  
**Senior Research Officer**

Mr. Gerald Kadede  
**Legal Counsel I**

Mr. Calvin Karung'o  
**Media Relations Officer III**

Mr. John Ng'ang'a  
**Audio Recording Officer**

Ms. Jacinta Maru  
**Serjeant-at-Arms**



## 2.0 BACKGROUND TO THE AGREEMENT

### 2.1 Context and Significance of the Coffee Sector in Kenya and Africa

10. Coffee is a critical economic driver across Africa and one of Kenya's most vital cash crops and sources of foreign exchange. Within Kenya, the coffee subsector directly and indirectly supports the livelihoods of approximately 5 million people. Production is overwhelmingly anchored in smallholder agriculture, with 556 co-operative societies representing the majority of smallholders alongside 2,132 large-scale estate farmers. During the 2020/2021 crop year, Kenya had 118,382 hectares under coffee production, yielding a total of 44,898 metric tonnes of clean coffee - comprising 30,811 metric tonnes from smallholders and 14,103 metric tonnes from estates, predominantly of the premium *Arabica* variety.
11. Despite producing some of the finest coffee varieties globally, African nations face substantial structural challenges across the value chain. Many African countries currently import significant volumes of processed coffee from Europe, Asia, and the Middle East, highlighting a major untapped intra-continental market opportunity. Furthermore, liberalized global coffee trade exposes local farmers to extreme price volatility. Falling global market prices, coupled with technological inefficiencies and low production incentives, have led to declining competitiveness and the gradual abandonment of coffee cultivation across the continent, shrinking Africa's overall share of global coffee exports.
12. Socio-economically, updating continental frameworks such as IACO aligns with the opportunities presented by the African Continental Free Trade Area (AfCFTA). Transitioning IACO's governance from a strictly inter-governmental policy framework established in 1960 to a modernized, inclusive structure opens membership to coffee-consuming African states and integrates private sector actors (producers, processors, millers, and exporters). This transition is essential to harmonizing trade policies, facilitating regional market access, advancing research and skill development, and establishing mechanisms like the African Coffee Development Fund to transform the coffee value chain and sustainably improve producer earnings.

### 2.2 Historical Development of the Inter-African Coffee Organization (IACO)

13. The establishment of the Inter-African Coffee Organization (IACO) dates back to 7th December 1960, when eleven (11) Heads of State and Government of African coffee-producing countries, including Kenya, met to establish a unified inter-governmental framework for the continent's coffee subsector. The primary objective of the founding 1960 Agreement was to unify African producers under a single entity to negotiate coffee sales, address common production and trade challenges, collect industry statistics, and promote African coffee consumption.
14. Under Article 3 of the 1960 Agreement, IACO's scope focused on studying problems related to coffee cultivation, processing, and marketing, while seeking to secure access to international markets at optimal prices. However, membership was strictly limited to coffee-producing nations in Africa and neighboring islands, creating an organizational structure that excluded coffee-consuming African countries and restricted private sector participation.
15. Over time, structural changes in the global coffee economy shifted the sector from state-dominated governance to a market-driven environment led by private actors, including producers, processors, millers, roasters, and exporters. Furthermore, the creation of the African Continental Free Trade Area (AfCFTA) opened significant opportunities for intra-African trade and value addition, highlighting the need for a modernized framework capable of accommodating both coffee-producing and coffee-consuming states across Africa.



16. Recognizing these institutional limitations, IACO Member States initiated a comprehensive review process. During the 60th Annual General Assembly held in November 2020, Member States adopted the IACO New Agreement (2020). The New Agreement completely replaces the 1960 instrument and its successive amendments, establishing an updated framework to address value chain challenges, sustainably improve producer living standards and enhance overall profitability for all stakeholders.
- 2.3 Outline of the Inter-African Coffee Organization (IACO) New Agreement (2020)**
17. **Article 1 (Purpose):** Replaces the 1960 Agreement and its successive amendments to establish a modernized continental framework for identifying and resolving challenges across the African coffee value chain, sustainably improving living conditions for producers, and ensuring profitability for all sector actors.
18. **Article 2 (Functions of the Organisation):** Outlines fourteen (14) operational functions.
19. **Article 3 (Definitions):** Defines key terms, including "Coffee" (aligning conversion factors with the International Coffee Agreement), "Coffee Year" (1<sup>st</sup> October to 30<sup>th</sup> September), "Bag" (60 kg), "African Coffee Development Fund", and "Coffee Value Chain in Africa". It designates the Executive Secretary of the United Nations Economic Commission for Africa (UNECA) as the "Custodian".
20. **Articles 4 & 5 (Membership and Members):** Opens membership to any African producing or importing/consuming State. Membership is formalized by depositing an instrument of ratification with the Custodian.
21. **Article 6 (Commitments of Members):** Mandates Member States to adopt necessary national measures to fulfill obligations, fully cooperate, provide statistical data, and pay annual contributions determined by the General Assembly.
22. **Articles 7 & 8 (Headquarters, Privileges, and Immunities):** Domiciles the headquarters in Abidjan, Côte d'Ivoire. Grants the Organization full international legal personality, capacity to contract and hold property, and standard diplomatic privileges and immunities under a independent Headquarters Agreement.
23. **Article 9 (Bodies of the Organisation):** Establishes seven governance organs: The General Assembly, The General Secretariat, The Finance and Administration Committee, The Economic and Development Committee, The Private Sector Consultative Group, The African Coffee Research Network, and The African Coffee Development Fund.
24. **Articles 10–16 (General Assembly & Decision Making):** *Composition & Powers (Articles 10–11):* The supreme organ composed of all Member States, responsible for setting policy, adopting 5-year strategic action plans, establishing working groups, and creating special dispute settlement groups. *Sessions & Voting (Articles 12–15):* Holds one ordinary session annually within six months of the end of the coffee year. Member States hold a total of 1,000 votes (5 basic votes each, with the remainder distributed based on a 4-year ICO moving average of exports for producers or imports for consumers). Decisions are taken by consensus or, failing consensus, by simple majority. *Cooperation (Article 16):* Authorizes collaboration with governmental, non-governmental and private sector institutions.
25. **Article 17 (General Secretariat):** Headed by a Secretary-General appointed by the General Assembly for a 5-year term, renewable once. The Secretary-General acts as Chief Executive Officer, appoints staff under Staff Regulations, and submits annual and strategic action plans.
26. **Articles 18–25 (Finance, Budget, and Audit):** *Committee & Budget (Articles 18–21):* The Finance and Administration Committee (up to 10 members serving 2-year terms) supervises budget preparation. Member contributions contain a fixed part and a variable part based on



export/import volumes. *Default Sanctions (Article 22)*: Failure to pay annual contributions within six (6) months results in automatic suspension of voting rights and participation in specialized committees. *Audit & Liabilities (Articles 23–25)*: Financial statements must be presented before budget adoption; borrowing requires General Assembly approval; accounts are audited independently within six months of the financial year's end.

**27. Articles 26–32 (Specialized Committees and Bodies):** *Economic and Development Committee (Articles 26–27)*: 16 members serving 2-year terms; analyzes statistics, studies trade barriers, assists in AfCFTA rules of origin harmonization, and supports SDG alignment. *Private Sector Consultative Group (Articles 28–29)*: Up to 20 private sector stakeholders (producers, millers, buyers, roasters, financial institutions) offering advisory support on market dynamics and value creation. *African Coffee Research Network (Articles 30–31)*: Coordinates national research networks, facilitates scientific consultations, and disseminates research findings. *African Coffee Development Fund (Article 32)*: Financial vehicle designed to provide affordable and innovative funding solutions and technical assistance for coffee project implementation.

**28. Articles 33–45 (Final Provisions, Disputes, and Amendments):** *Signature & Ratification (Articles 33–35)*: Open for signature at UNECA headquarters (Custodian); enters into force upon deposit of instruments of ratification by two-thirds of the total voting power. *Dispute Resolution (Article 36)*: Settled through consultations, Special Groups created by the General Assembly, or a three-member arbitration tribunal. *Reservations & Withdrawal (Articles 37–38)*: No reservations are permitted. Voluntary withdrawal requires one (1) year written notice to the Custodian. *Suspension/Exclusion & Amendments (Articles 39, 42)*: Members failing fundamental obligations may be suspended or excluded by a two-thirds majority vote. Amendments require a two-thirds majority vote and acceptance by two-thirds of Contracting Parties within 90 days. *Authentic Texts (Article 45)*: English and French texts are equally authentic.

## 2.4 Comparative Analysis of International Coffee Governance Frameworks

29. To evaluate the institutional design and efficacy of the IACO New Agreement, a comparative analysis was conducted against the International Coffee Organization (ICO) Agreement (2022), which governs the global coffee sector:

*Comparative Summary: IACO New Agreement vs. ICO Agreement (2022)*

| Feature                  | IACO New Agreement (2020)                                                                                   | International Coffee Organization (ICO) Agreement (2022)                                                           |
|--------------------------|-------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|
| Establishment & History  | Established in 1960; revised/replaced in 2020.                                                              | Established in 1962; revised seven times (latest 2022).                                                            |
| Geographic Scope & Focus | Continental body representing 25+ African coffee-producing states.                                          | Global intergovernmental treaty covering major producing and importing nations.                                    |
| Primary Objective        | Coordinated resolution of coffee value-chain challenges, value addition, and intra-African trade expansion. | Global market stabilization, international trade coordination, and sustainable global coffee economy.              |
| Membership Base          | Expanded to African coffee producers, consuming states, and private sector stakeholders.                    | Formal treaty between producing and consuming nations, with affiliate structures for private sector/civil society. |
| Governance Bodies        | General Assembly, General Secretariat, Economic & Development Committee, Finance Committee, Private         | International Coffee Council (supreme authority), supported by                                                     |



| Feature                   | IACO New Agreement (2020)                                                                                        | International Coffee Organization (ICO) Agreement (2022)                                       |
|---------------------------|------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
|                           | Sector Group, Research Network, and Development Fund.                                                            | Finance & Administration and Economics Committees.                                             |
| Financial Mechanism       | Assessed annual contributions; includes the dedicated <b>African Coffee Development Fund</b> for local projects. | Assessed annual contributions focused on administrative budget and global market intelligence. |
| Reservations & Withdrawal | <b>No reservations allowed (Article 37)</b> ; voluntary withdrawal requires 1 year written notice.               | Formal reservation and withdrawal procedures governed by standard treaty terms.                |

## 2.5 Policy Implications of the IACO New Agreement

30. **Alignment with National and Continental Development Agendas:** The IACO New Agreement (2020) provides an updated policy framework that aligns directly with Kenya's agricultural priorities and continental initiatives. By modernizing the 1960 framework, the New Agreement supports the goals of the African Continental Free Trade Area (AfCFTA) by creating opportunities to expand intra-African coffee trade, promote local processing, and build domestic consumption across the continent under the slogan "*Drink African Coffee, Build Africa's Economy*". Furthermore, the Agreement advances Sustainable Development Goals (SDGs), particularly regarding poverty reduction among smallholders, climate change resilience, decent work, and gender equity in agricultural value chains.
31. **Addressing Structural Challenges in the Sector:** The policy shift responds to chronic issues plaguing the African coffee sector, including extreme price volatility in liberalized global markets, technological inefficiencies, declining production incentives, and shrinking market share. The Agreement moves IACO from a strictly government-driven policy body to an inclusive structure that integrates private sector operators (producers, millers, roasters, and exporters) through the Private Sector Consultative Group. It also addresses financial constraints by establishing the African Coffee Development Fund to support value-addition, infrastructure, and technical assistance projects.
32. **National Policy and Legal Compliance:** Obligations under the IACO New Agreement operate as concurrent functions between the National and County Governments under the Fourth Schedule of the Constitution of Kenya. The Agreement complements domestic legal frameworks, including the Crops Act (Cap 318), the Agriculture and Food Authority Act, (Cap 317), and the Crops (Coffee) (General) Regulations (2019). Ratification imposes no requirement to amend the Constitution or domestic legislation and entails no additional public expenditure, as Kenya's annual subscription remains unchanged from its existing membership.



### 3.0 PUBLIC PARTICIPATION / STAKEHOLDERS CONSULTATION

#### 3.1 Call for Memoranda from the Public

33. Pursuant to Article 118(1)(b) of the Constitution on Public Participation and Section 8(3) of the Treaty Making and Ratification Act (Cap. 4D), the Clerk of the National Assembly placed an advertisement in the daily newspapers on **Wednesday, 25<sup>th</sup> March 2026**, inviting members of the public and key industry stakeholders to submit written memoranda on the ratification of the Inter-African Coffee Organization (IACO) New Agreement by Wednesday, 8<sup>th</sup> April 2026 at 5:00 p.m.
34. Further, the Office of the Clerk of the National Assembly, vide a letter dated **8<sup>th</sup> April 2026** (Ref: NA/DDC/A&L/2026/025), invited key institutional stakeholders to submit written submissions and attend a consultative meeting on **Tuesday, 14<sup>th</sup> April 2026** at Parliament Buildings.
35. Following the call for memoranda from the public and invitation to key stakeholders to submit memoranda, written submissions and stakeholder input were received from key government agencies and public interest advocates:

#### 3.2 Submission by the Ministry of Foreign and Diaspora Affairs

36. The Ministry of Foreign and Diaspora Affairs, through the Parliamentary Memorandum signed by the Prime Cabinet Secretary and Cabinet Secretary, H.E. Dr. Musalia Mudavadi, E.G.H., submitted that Cabinet approved the ratification on 21<sup>st</sup> January 2025 and highlighted the strategic benefits of ratifying the IACO New Agreement as follows:
  - a) **Regional Governance & Shared Vision:** Guarantees Kenya direct representation in the IACO General Assembly, enabling collective advocacy alongside 25 African states on regional and global coffee policy.
  - b) **Access to Value Chain Intelligence:** Provides access to IACO's centralized intelligence on global and continental production, market trends, processing technologies, and consumption metrics.
  - c) **Research and Capacity Building:** Facilitates skill development in processing, marketing, and cultivation techniques, supported by the African Coffee Research Network.
  - d) **Continental Market Promotion:** Supports coffee consumption drives across Africa under the continental campaign "*Drink African Coffee, Build Africa's Economy*", expanding intra-African trade under the AfCFTA.
  - e) **Financial Access via the African Coffee Development Fund:** Enables Kenya to access funding for coffee value-addition and infrastructure projects through the newly established African Coffee Development Fund (building on past IACO-supported initiatives such as university coffee establishments).
  - f) **No Additional Fiscal Expenditure:** As Kenya is already an active member of IACO paying an annual assessed contribution of **€48,048**, ratification imposes no new financial obligations on the exchequer.

#### 3.3 Submission by the Agriculture and Food Authority (AFA)

37. The Agriculture and Food Authority (AFA), vide a submission signed by Mr. Calistus Kundu for the Director-General dated **27<sup>th</sup> July 2026**, submitted a "No Objection" to Kenya's ratification of the IACO New Agreement:



38. **Support for Industry Competitiveness:** AFA confirmed that Kenya's Coffee Directorate actively participates in IACO programs and that continued membership under the modernized agreement is essential for enhancing global and continental competitiveness.
39. **Continental Alignment and Partnerships:** Ratification will strengthen Kenya's participation in regional coffee policy formulation, foster strategic technology transfers, and open expanded market access within the AfCFTA framework.

### **3.4 Submission by the Ministry of Agriculture and Livestock Development**

40. The Ministry of Agriculture and Livestock Development through Agriculture Food Authority (AFA) - Coffee Directorate - participates in IACO programs and technical meetings to advance the competitiveness and sustainability of the country's coffee industry. Membership in IACO enhances Kenya's collaboration with other African coffee-producing countries, facilitates knowledge and technology exchange, strengthens regional and international market access and supports the implementation of continental initiatives aimed at increasing the value of African coffee.
41. The Ministry therefore had No Objection to Kenya's ratification of the Inter-African Coffee Organization (IACO) New Agreement and fully supports its approval by the National Assembly noting that continued membership will strengthen Kenya's participation in regional coffee policy, promote strategic partnerships, and contribute to the sustainable growth and global competitiveness of the Kenyan coffee sector'

### **3.5 Submission by Wilson Rading (Principal Magistrate / Public Interest Advocate)**

40. A written submission was received on 9<sup>th</sup> April 2026 from Mr. Wilson Rading, a Principal Magistrate and Convener of the Laws, Science and Technology Section of the Innovation Council of Kenya, pursuant to Section 8(3) of Cap. 4D. While supporting ratification, the submission placed critical observations and recommendations on record:
- a) **Farmer-Level Trickle-Down Action:** Urged the Ministry of Agriculture to formulate a clear national implementation plan within 90 days of ratification to ensure benefits reach smallholder farmers across 556 co-operative societies.
  - b) **Price Volatility Concerns:** Observed that while the Agreement modernizes value-chain cooperation, it lacks binding price-stabilization mechanisms to cushion farmers against global market volatility.
  - c) **Strengthening Private Sector Voices:** Recommended that Kenya advocate within IACO to elevate the Private Sector Consultative Group beyond an advisory role.



## 4.0 COMMITTEE OBSERVATIONS

41. Having considered the Inter-African Coffee Organization (IACO) New Agreement (2020), analysed the Parliamentary Memorandum, and reviewed submissions from key stakeholders and the public, the Committee observed as follows:
- 1) **Strategic Value to the Coffee Sector:** The IACO New Agreement provides a modernized, continental framework that shifts the organization from a strictly government-driven entity into an inclusive value-chain structure. This transition aligns with the African Continental Free Trade Area (AfCFTA) by creating avenues for expanded intra-African coffee trade, local processing and regional market promotion.
  - 2) **Constitutional and Legal Compliance:** The provisions of the IACO New Agreement do not conflict with the Constitution of Kenya or existing national legislation, including the Crops Act (Cap 318), the Agriculture and Food Authority Act (Cap 317), and the Crops (Coffee) (General) Regulations (2019). The implementation of treaty obligations falls under concurrent agricultural functions shared between the National and County Governments under the Fourth Schedule of the Constitution.
  - 3) **Fiscal Neutrality:** Ratification of the New Agreement will not impose additional financial burdens on the exchequer or increase public expenditure. Kenya is already an active member of IACO, and its annual assessed contribution remains fixed at €48,048.
  - 4) **Strict Prohibition on Reservations (Article 37):** Pursuant to Article 37 of the Agreement, no reservations are permitted. The National Assembly must either approve or reject the treaty in its entirety. Should Kenya wish to exit the framework in the future, Article 38 provides a mechanism for voluntary withdrawal upon giving one (1) year written notice to the Custodian (UNECA).
  - 5) **Risk of Non-Ratification (Sanctions under Article 22):** Failure to ratify and maintain active standing under the New Agreement risks the suspension of Kenya's voting rights and participation in specialized committees. This would undermine Kenya's strategic leadership and influence in continental coffee policy formulation.
  - 6) **Financial Mechanisms and Project Support:** The establishment of the African Coffee Development Fund (Article 32) offers Kenya access to dedicated technical assistance and innovative financing for coffee value-addition projects, building on past IACO-funded initiatives in the country.
  - 7) **Need for Domestic Implementation and Smallholder Protection:** While the treaty provides an effective inter-governmental and institutional framework, its benefits will not automatically reach smallholder farmers, who account for 70–75% of domestic production across 556 co-operative societies, without deliberate national implementation plans and market stabilization strategies.



## 5.0 COMMITTEE RECOMMENDATIONS

42. The Committee, having considered the **Inter-African Coffee Organization (IACO) New Agreement (2020)**, analyzed the Parliamentary Memorandum, and considered the stakeholder submissions, recommends **THAT**:

- 1) Pursuant to Section 8(4) of the Treaty Making and Ratification Act (Cap. 4D), the House **approves** the ratification of the Inter-African Coffee Organization (IACO) New Agreement (2020).
- 2) The Prime Cabinet Secretary and Cabinet Secretary for Foreign and Diaspora Affairs prepares and deposits the relevant instrument of ratification with the Executive Secretary of the United Nations Economic Commission for Africa (UNECA), the designated Custodian of the Agreement.
- 3) The Ministry of Agriculture and Livestock Development, through the State Department for Agriculture, formulates and tables before the Committee, within **ninety (90) days** of ratification, a **comprehensive National Implementation Matrix** outlining concrete strategies to ensure the benefits of the Agreement, particularly access to the African Coffee Development Fund and value-chain development, directly accrue to smallholder farmers organized under coffee co-operative societies.
- 4) The Agriculture and Food Authority (AFA) leverages the expanded membership and market structures of the IACO New Agreement to develop a **targeted export promotion framework** for Kenya's processed coffee within the African Continental Free Trade Area (AfCFTA).

SIGNED:  DATE: 12/08/2026

HON. (DR.) JOHN KANYUITHIA MUTUNGA, PhD, CBS, MP  
CHAIRPERSON,

DEPARTMENTAL COMMITTEE ON AGRICULTURE AND LIVESTOCK



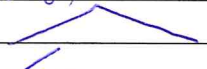
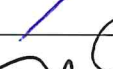
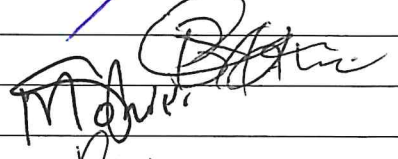
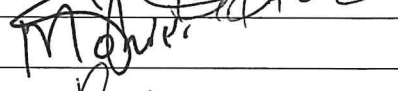
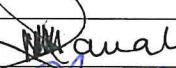
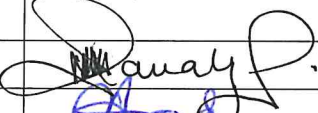
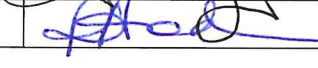


THIRTEENTH PARLIAMENT - FIFTH SESSION  
THE NATIONAL ASSEMBLY

DIRECTORATE OF DEPARTMENTAL COMMITTEES  
DEPARTMENTAL COMMITTEE ON AGRICULTURE AND LIVESTOCK

**ADOPTION SCHEDULE**

We, the undersigned Honorable Members of the Committee on Agriculture and Livestock today, **Thursday, 6<sup>th</sup> August 2026** do hereby affix our signatures to this **Report of the Inter-African Coffee Organization (IACO) New Agreement** to affirm our approval and confirm its accuracy, validity and authenticity.

| S/NO. | NAME                                                                  | SIGNATURE                                                                             |
|-------|-----------------------------------------------------------------------|---------------------------------------------------------------------------------------|
| 1.    | HON. (DR.) JOHN KANYUITHIA MUTUNGA, PhD, CBS, MP - <b>CHAIRPERSON</b> |     |
| 2.    | HON. BRIGHTON LEONARD YEGON, CBS, MP - <b>VICE-CHAIRPERSON</b>        |    |
| 3.    | HON. SABINA WANJIRU CHEGE, CBS, MP                                    |   |
| 4.    | HON. FERDINAND KEVIN WANYONYI, MP                                     |  |
| 5.    | HON. GEOFFREY MAKOKHA ODANGA, MP                                      |   |
| 6.    | HON. JUSTICE KIPSANG KEMEI, MP                                        |   |
| 7.    | HON. JARED ODOYO OKELO, MP                                            |  |
| 8.    | HON. LAWRENCE MPURU ABURI, MP                                         |  |
| 9.    | HON. DAVID KIPLAGAT, MP                                               |   |
| 10.   | HON. GABRIEL GATHUKA KAGOMBE, MP                                      |   |
| 11.   | HON. MONICAH MUTHONI MARUBU, MP                                       |   |
| 12.   | HON. PATRICK KIBAGENDI OSERO, MP                                      |   |
| 13.   | HON. YUSSUF MOHAMED FARAH, MP                                         |   |
| 14.   | HON. JOHN OKWISIA MAKALI, MP                                          |   |
| 15.   | HON. RUTH ADHIAMBO BUSIA, MP                                          |   |

