

LEGAL NOTICE NO. 101

THE CROPS ACT, 2013

(No. 16 of 2013)

THE CROPS (MIRAA) REGULATIONS, 2022

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## THE CROPS ACT

(No. 16 of 2013)

IN EXERCISE of the powers conferred by section 40 of the Crops Act, 2013, the Cabinet Secretary for Agriculture, Livestock, Fisheries and Cooperatives, in consultation with the Agriculture and Food Authority and the county governments, makes the following Regulations—

## THE CROPS (MIRAA) REGULATIONS, 2022

## PART I — PRELIMINARY

1. These Regulations may be cited as the Crops (Miraa) Regulations, 2022. Citation.
2. In these Regulations unless the context otherwise requires— Interpretation.
- “Act” means the Crops Act No. 16 of 2013; No. 13 of 2013.
- “aggregator” means a person who buys, collects and bulks miraa and miraa products for purposes of collective marketing;
- “Authority” means the Agriculture and Food Authority established under section 3 of the Agriculture and Food Authority Act; Cap. 496
- “Cabinet Secretary” means the Cabinet Secretary for the time being responsible for matters relating to agriculture;
- “Code of practice” means the Miraa (khat) Industry- Code of Practice - KNWA 2940: 2021 as provided in the Standards Act;
- “commercial nursery operator” means a person who propagates miraa planting material for sale;
- “commercial transporter” means a person who transports miraa at a fee;
- “Committee” means the Miraa Pricing Formula Committee established under regulation 27;
- “county government” shall have the meaning assigned to it under Article 176 of the Constitution;
- “crop inspector” means an inspector appointed under section 27 of the Act;
- “dealer” includes an aggregator, commercial transporter, vendor, holding facility owner, exporter or importer of miraa;
- “designated point” means an area set aside for the sale of miraa by the respective county government;
- “Directorate” means the directorate of the Authority established under section 11 of the Agriculture and Food Authority Act to deal with matters relating to miraa;
- “exporter” means a person licensed by the Authority to export miraa or miraa products;

“export consignment” means the quantity of miraa that an exporter intends to export as declared by the applicant of an export permit;

“field holding facility” means an area designated for the bulking, handling, storage, stock control and packaging of miraa;

“financial year” means the period from the first July in any year to the thirtieth June in the immediately succeeding year, both days inclusive;

“grower” means a person who cultivates miraa and includes a person who enters into an agreement with the owner of the farm to harvest miraa at a consideration;

“grower association” means a group of miraa growers who come together for purposes of marketing their produce under a common quality management system and are registered by the Authority;

“importer” means a person licensed by the Authority to import miraa or miraa products;

“import consignment” means the quantity of miraa that an importer seeks to import as declared by the applicant of an import permit;

“miraa” means the plant or part of the plant of *Cathus* genus known botanically as *Catha edulis* or of any inter-specific hybrid involving this species or of any progeny of such hybrid;

“miraa product” means any part of the miraa plant, whether whole or broken, including its leaf, bud or twig that has been dried;

“potable water” means water which meets the quality standards of drinking water as specified in Kenya standards;

“traceability” means the ability to trace a miraa from any given point in the value chain back through all stages to its origin; and

“vendor” means a person who sells miraa at a designated point for consumption.

3. The objects of these Regulations are to—

- (a) facilitate the growth and development of the miraa industry;
- (b) enhance productivity and income of miraa farmers and other value chain actors;
- (c) organize and coordinate partners and stakeholders in the miraa industry;
- (d) attract investment opportunities and improve the efficiency of agribusiness services in the miraa industry;
- (e) facilitate the export of miraa and miraa products to augment the foreign exchange earnings of the country; and
- (f) safeguard food safety and quality standards of miraa.

Objects of the Regulations.

PART II—REGISTRATION AND LICENSING OF MIRAA  
GROWERS AND DEALERS

4. (1) A person shall not establish or operate a commercial miraa nursery unless the person has a valid licence issued by the respective county government.

Licensing of  
commercial miraa  
nursery operators.

(2) A person who seeks to establish or operate a commercial miraa nursery shall apply to the respective county government for a licence in Form Mr1 set out in the First Schedule.

(3) The county government shall not issue a licence unless an inspector has visited and inspected the site and has confirmed that the applicant complies with the following requirements—

- (a) the land is suitable for propagating miraa seedlings;
- (b) the site is well served with a reliable irrigation quality water source;
- (c) the site is accessible for inspections and collection of planting material;
- (d) the applicant has clearance from an accredited source of mother plants;
- (e) the land is gently sloping and the soil type is of good drainage and does not allow water logging; and
- (f) the applicant has adequate relevant knowledge in nursery management.

(4) The county government shall, if satisfied that the applicant meets the requirements in paragraph (3), issue a licence in Form Mr 2 set out in the First Schedule to the applicant in respect of the inspected site.

(5) Where the applicant does not meet the requirements in paragraph (3), the county government shall reject the application and notify the applicant of the reasons for the rejection.

(6) Where the requirements in paragraph (3) have been addressed, the applicant whose application is rejected under paragraph (5) may resubmit the application for consideration.

(7) A licence for a commercial miraa nursery operator shall not be transferrable and shall remain in force until the thirtieth of June next following the date of issue, unless earlier cancelled.

(8) An application for renewal of a licence shall be made to the respective county government at least three months before the expiry date of the licence.

(9) A commercial nursery operator shall submit annual returns to the County Government in Form Mr3 set out in the First Schedule not later than the tenth day of the first month after the end of the financial year.

(10) The County Government shall, annually, share with the Authority a list of all licensed commercial miraa nursery operators.

(11) A person who contravenes paragraph (1) or (9) commits an offence.

5. (1) Smallholder miraa growers may, for purposes of accessing economies of scale, form a growers association and apply to the Authority for registration of the association.

Registration of growers associations.

(2) An application for registration under paragraph (1) shall be made to the Authority in Form Mr4 as set out the First Schedule.

(3) The Authority shall, at no fee, issue a certificate of registration to a growers association in Form Mr5 set out in the First Schedule.

(4) Every grower association shall submit updated particulars of its members to the Authority annually before the thirty first day of the first month of the financial year.

6. (1) A person shall not carry on business as a miraa aggregator unless the person is registered as such by the Authority and has been issued with a registration certificate by the Authority.

Registration of miraa aggregators.

(2) A person who intends to be a miraa aggregator shall apply to the Authority for registration in Form Mr 6 a set out in the First Schedule.

(3) The Authority shall, within seven days of the application and at no fee, issue, a certificate of registration to a successful applicant in Form Mr7 set out in the First Schedule.

(4) A person who contravenes paragraph (1) commits an offence and shall, on conviction, be liable to the penalty specified in section 16(4) of the Act.

7. (1) A person shall not carry on business without a licence issued by the respective county government.

Licensing of miraa aggregators.

(2) A miraa aggregator who is registered under regulation 6 shall apply for a licence to the respective county government in Form Mr8 set out in the First Schedule.

(3) The county government shall not issue a licence unless a the applicant complies with the following requirements—

- (a) the applicant has a field holding facility at his disposal;
- (b) the field holding facility is serviced with a reliable source of potable water for use;
- (c) the area has a well demarcated waste disposal area; and
- (d) all staff have appropriate personal protective equipment.

(4) The county government shall, if satisfied that the applicant meets the requirements in paragraph (3), issue, within ten days of receiving the application, a licence to a successful applicant in Form Mr9 set out in the First Schedule.

(5) Where the applicant does not meet the requirements in paragraph (3), the county government shall, within ten days from the receipt of the application, reject the application and notify the applicant

of the reasons for the rejection.

(6) Where the requirements in paragraph (3) have been addressed, the applicant whose application is rejected under paragraph (5) may resubmit the application for consideration.

(7) A miraa aggregator shall submit annual returns to the respective county government in Form Mr10 set out in the First Schedule not later than the tenth day of the first month after the end of the financial year.

(8) The county government shall, annually, share with the Authority a list of all licensed aggregators.

(9) A person who contravenes paragraph (1) or (7) commits an offence.

8. (1) A person shall not carry on business as a miraa commercial transporter unless the person is registered as such by the Authority and has been issued with a registration certificate by the Authority.

Registration of commercial miraa transporters.

(2) An application for registration under paragraph (1) shall be made to the Authority in in Form Mr11 set out in the First Schedule.

(3) The Authority shall, within five days of receipt of the application and at no fee, issue a certificate of registration to a successful applicant in Form Mr12 set out in the First Schedule.

(4) The Authority shall, within five days from the receipt of the application, notify an unsuccessful applicant indicating the reasons for the rejection.

(5) Where the reasons for rejection have been addressed, the applicant whose application is rejected under paragraph (4) may resubmit the application for consideration.

(6) A person who contravenes paragraph (1) commits an offence and shall, on conviction, be liable to imprisonment for a term not exceeding three years or to a fine not exceeding five million shillings or both.

9. (1) A person shall not carry out business as a commercial miraa transporter without a licence issued by the Authority.

Licensing of commercial miraa transporters.

(2) A commercial miraa transporter who is registered under regulation 8 shall apply to the Authority for a licence in Form Mr 13 set out in the First Schedule.

(3) The Authority shall not issue a licence to the applicant unless the applicant complies with the following requirements—

- (a) the vessel used is well aerated to prevent chilling or scorching effect on the produce;
- (b) the applicant exclusively transports miraa in the vessel;
- (c) the packaging material used during transportation is made of food grade quality; and
- (d) the applicant has paid the fee set out in the Third Schedule.

(4) The Authority shall, if satisfied that the applicant meets the requirements in paragraph (3), issue, within thirty days of receiving the application, a licence to a successful applicant in Form Mr 14 set out in the First Schedule.

(5) Where the applicant does not meet the requirements in paragraph (3), the Authority shall, within thirty days from the receipt of the application, reject the application and notify the applicant of the reasons for the rejection.

(6) Where the requirements in paragraph (3) have been addressed, the applicant whose application is rejected under paragraph (5) may resubmit the application for consideration.

(7) A licensed commercial miraa transporter shall display the licence on the front windscreen of the vehicle while transporting miraa.

(8) A commercial miraa transporter shall submit semi-annual returns to the Authority in Form Mr15 as set out in the First Schedule not later than the fifth day of January and the fifth day of July.

(9) A person who contravenes paragraph (1) or (7) commits an offence.

10. (1) A person shall not carry out business as a miraa vendor without a licence issued by the respective county government.

Licensing of miraa vendors.

(2) An applicant for a miraa vending licence shall apply to the respective county government in Form Mr16 set out in the First Schedule.

(3) The county government shall before issuing a licence to a miraa vendor, satisfy itself that the applicant has complied with the following requirements—

- (a) the miraa vendor intends to sell miraa or miraa products at a designated point; and
- (b) the designated point where the miraa vendor seeks to sell miraa is—
  - (i) well marked;
  - (ii) one hundred metres away from any learning institution;
  - (iii) kept free of and from waste material; and
  - (iv) used exclusively for the sale of miraa.

(4) The county government shall, if satisfied that the applicant meets the requirements in paragraph (3) issue, within seven days, a licence to the applicant in Form Mr17 set out in the First Schedule.

(5) Where the applicant does not meet the requirements in paragraph (3), the county government shall, within seven days from the receipt of the application, reject the application and notify the applicant of the reasons for the rejection.

(6) Where the requirements in paragraph (3) have been addressed, the applicant whose application is rejected under paragraph



(5) may resubmit the application for consideration.

(7) Each county government shall, annually, share with the Authority a list of all licensed miraa vendors.

(8) Every miraa vendor shall sell miraa or miraa products at a designated point.

(9) The county government shall designate areas for the sale of miraa.

(10) Miraa shall not be sold to a person below the age of eighteen years.

(11) A person who contravenes paragraph (1), (2), (8) or (10) commits an offence.

11. (1) A person shall not carry out business as a miraa exporter or importer without a registration certificate from the Authority.

Registration of miraa exporters and importers.

(2) A person who intends to carry out the business as a miraa exporter or importer shall apply to the Authority for registration in Form Mr18 set out in the First Schedule.

(3) The Authority shall, within seven days from the receipt of the application and at no fee, issue a certificate of registration to a successful applicant in Form Mr19 set out in the First Schedule.

(4) The Authority shall, within seven days from the receipt of the application, notify an unsuccessful applicant indicating the reasons for the rejection.

(5) Where the reasons for rejection have been addressed, the applicant whose application is rejected under paragraph (4) may resubmit the application for consideration.

(7) A person who contravenes paragraph (1) commits an offence and shall be upon conviction be liable to imprisonment for term not exceeding three years or a fine not exceeding five million shillings or both.

12. (1) A person shall not carry out business as a miraa exporter unless he has been issued with an export licence by the Authority.

Licensing of miraa exporters.

(2) A miraa exporter who has been registered under regulation 11 shall apply to the Authority for a licence in Form Mr20 set out in the First Schedule.

(3) The Authority shall, within thirty days from the receipt of the application and upon payment of the fee set out in the Second Schedule, issue a licence to a successful applicant in Form Mr21 set out in the First Schedule.

(4) The Authority shall, within thirty days from the receipt of the application, notify an unsuccessful applicant indicating the reasons for the rejection.

(5) Where the reasons for rejection have been addressed, the applicant whose application is rejected under paragraph (4) may resubmit the application for consideration.

(6) Every miraa exporter shall submit quarterly returns to the Authority in Form Mr28 as set out in the First Schedule.

(7) A person who contravenes paragraph (1) commits an offence.

13. (1) A person shall not carry out business as a miraa importer unless he has been issued with an import licence by the Authority.

Licensing of miraa importers.

(2) A miraa importer who has been registered under regulation 11 shall apply to the Authority for a licence in Form Mr22 set out in the First Schedule.

(3) The Authority shall, within thirty days from the receipt of the application and upon payment of the fee set out in the Second Schedule, issue a licence to a successful applicant in Form Mr23 set out in the First Schedule.

(4) The Authority shall, within thirty days from the receipt of the application, notify an unsuccessful applicant indicating the reasons for the rejection.

(5) Where the reasons for rejection have been addressed, the applicant whose application is rejected under paragraph (4) may resubmit the application for consideration.

(6) Every miraa importer shall submit quarterly returns to the Authority in Form Mr28 as set out in the First Schedule.

(7) A person who contravenes paragraph (1) commits an offence.

14. (1) A miraa exporter shall not export miraa or miraa products unless he has a valid export permit issued by the Authority for each export consignment.

Issuance of miraa export permits.

(2) An exporter of miraa or miraa products shall apply to the Authority for an export permit for each export consignment in Form Mr24 set out in the First Schedule.

(3) The Authority shall within two days after receiving an application for an export permit, consider the application and upon satisfying itself the requirements have been met and payment of the prescribed fee in the Second Schedule issue an export permit in Form Mr25 set out in the First Schedule.

(4) The Authority shall not issue a permit if an exporter is in contravention of the provisions of the Act or these Regulations.

(5) An exporter who contravenes paragraph (1) commits an offence.

15. (1) A miraa importer shall not import miraa or miraa products unless the importer has a valid import permit issued by the Authority for each import consignment.

Issuance of miraa import permits.

(2) An importer of miraa or miraa products shall apply to the Authority for an import permit for each consignment in Form Mr26 as set out in the First Schedule.

(3) The Authority shall within two days after receipt of an application in 16 (2), consider the application and upon satisfying itself the requirements have been met and payment of the prescribed fee in the Second Schedule issue an import permit in Form Mr27 as set out in the First Schedule.

(4) The importation of miraa or miraa products shall be through designated port of entry by a licensed importer.

(5) The Authority shall not issue a permit if an importer is in contravention of the provisions of the Act or these Regulations.

(5) An importer who contravenes paragraph (1) commits an offence.

16. (1) The licensing authority may revoke or suspend a licence issued under these Regulations if—

Revocation or suspension of licences.

(a) the conditions of issuance of the licence are contravened; or

(b) the holder of the licence or an employee of the holder commits an offence under the Act or these Regulations.

(2) The licensing authority shall, before revoking or suspending a licence give the holder of the licence an opportunity to be heard and to make representations in that regard.

(3) Upon revocation under paragraph (1) the holder shall immediately surrender the licence to the licensing authority as the case maybe, and the licence shall cease to have effect forthwith.

17. A certificate of registration under these regulations shall be issued once but maybe revoked if the holder of the certificate does not apply or renew his licence for three consecutive years.

Revocation of certificates of registration.

18. (1) A registration certificate or licence issued under these Regulations shall not be transferable to another person.

Transferability of registration certificate or licence.

(2) A person who contravenes paragraph (1) commits an offence.

19. (1) Any licences issued under these Regulations shall remain in force until the thirtieth of June next following the date of issue unless earlier cancelled.

Renewal of licences.

(2) An application for renewal of a licence under these Regulations shall be made to the licensing authority not later than the first day of the month of June in which the current licence is due to expire.

(3) An application for a licence under these Regulations shall be accompanied by the appropriate fee set out in the Second Schedule.

### PART III — PRODUCTION AND QUALITY ASSESSMENT OF MIRAA

20. (1) A commercial nursery operator shall—

Quality of planting materials.

(a) supply quality planting material in accordance with the Code of Practice; and

(b) keep accurate records of distributed planting material and shall produce such records on demand for purposes of inspection.

(2) A person who contravenes paragraph (1) commits an offence.

21. In the case of irrigation in miraa production, the water used shall be as specified in the Code of Practice.

Irrigation water for production.

22. (1) Water used for postharvest handling of miraa shall be potable water.

Quality assurance for harvesting and postharvest handling of miraa.

(2) Any produce handling facility such as a pack house, store, collection centre, working area or designated point shall be kept free of waste material.

(3) The packaging for miraa shall be designed to suit the transport handling system and shall—

- (a) provide aeration to the produce so as to maintain optimum temperatures and humidity;
- (b) maintain produce integrity by protecting them from physical damage; and
- (c) protect the produce against contamination.

(4) Miraa shall not be stored or transported together with other produce which may contaminate it or otherwise adversely affect its quality.

(5) A vessel used for transportation of miraa shall be built and equipped to ensure maintenance of optimal temperatures and hygiene to prevent damage, contamination and spoilage of produce.

(6) Quality assurance for the handling, packaging, transportation harvesting and postharvest handling produce under this section shall be in accordance with the Code of Practice.

(7) A person who contravenes any provision of this section commits an offence.

23. (1) Every miraa dealer shall put in place and implement a traceability system.

Traceability.

(2) A miraa dealer shall—

- (a) be responsible for the safety of the miraa produce;
- (b) ensure that miraa is labelled at source;
- (c) miraa produce has a code indicating the country code, county code, farm name and location;
- (d) be able to identify the sources from whom he obtained miraa and the clients he has supplied;
- (e) dispose miraa which is considered unsafe for human health; and
- (f) recall unsafe miraa from sale or the distribution chain.

(3) A person who contravenes paragraph (2) commits an offence.

24. (1) The Authority shall, by notice in the Gazette, appoint inspectors to carry out inspections of miraa and miraa products.

Appointment of inspectors.

(2) A county government may nominate county inspectors for appointment by the Authority.

(3) A person qualifies to be appointed as an inspector under these Regulations if he possesses the following minimum qualifications—

- (a) a bachelors degree in agriculture or related field from a university or institution recognised in Kenya; or
- (b) a diploma in agriculture from an institution recognised in Kenya and two years' experience in agriculture extension service work; and
- (c) comply with the provisions of the Public Officer's Ethics Act and the Article 6 and 232 of the Constitution of Kenya

(4) The Authority shall train prospective inspectors before appointing them under paragraph (1).

(5) The Authority shall develop a training curriculum and offer regular trainings to the inspectors.

(6) A person who purports to carry out the functions of an inspector without having been dully appointed in accordance with these Regulations commits an offence.

25. An inspector shall —

Functions of an inspector.

- (a) monitor activities associated with miraa production, dealing, handling and processing;
- (b) regularly undertake surveillance and inspection to verify that growers and dealers of miraa and miraa products adhere to the Act and these regulation;.
- (c) carry out periodic auditing of adherence to food safety requirements; and
- (d) provide feedback to the industry players on non-conformity.

26. (1) Miraa and miraa products may be randomly sampled, tested and analysed by the Authority from time to time to verify conformity to the Code of Practice.

Compliance to standards

(2) The Authority shall, from time to time, inspect the field holding facilities, commercial transporters' vessels, pack houses and designated points to verify conformity to food safety and quality standards as prescribed in the Code of Practice.

(3) Any miraa or miraa product that does not conform to the code of practice shall be dealt with as follows —

- (a) non-compliant produce due to food safety reasons shall be seized, detained and destroyed at the cost of the offender;
- (b) miraa or miraa product presented using forged registration certificates, licences or permits shall be destroyed upon interception and the dealer suspended from operating for one year.

#### PART IV—GENERAL PROVISIONS

27. (1) There shall be a Miraa Pricing Formula Committee to determine the pricing formula of miraa and miraa products comprising of the following members appointed by the Cabinet Secretary—

The Miraa Pricing  
Formula Committee.

- (a) one representative from the ministry responsible for matters relating to agriculture;
- (b) one representative from the ministry for the time being responsible for matters relating to trade;
- (c) one representatives from the Authority;
- (d) one County Executive Committee Member for agriculture nominated by the Council of Governors;
- (e) three representatives of growers nominated by the apex body of growers associations; and
- (f) two representatives of traders nominated by the apex body of traders associations.

(2) The members of the Committee shall, at its first meeting, elect the chairperson from the members appointed under paragraph (e) or (f) of paragraph (1) and set the procedures for conducting meetings of the Committee.

(3) The Committee shall consider the following parameters in formulating the miraa pricing formula —

- (a) the supply and demand forces;
- (b) the cost of production;
- (c) prevailing weather conditions; and
- (d) any other prevailing factors.

(4) The Authority shall provide secretariat services to the Committee.

(5) The Committee may whenever necessary co-opt experts to provide technical advice.

28. (1) The kilogram shall be the base unit of measurement of mass by reference to which any measurement of weight shall be made in Kenya for miraa and miraa products.

Units of  
measurement.

(2) A single package of miraa or miraa products shall not exceed fifty kilogrammes.

(3) A dealer shall ensure that any weighing machine used by the dealer is well maintained and is in a serviceable condition at all times.

(4) A person who contravenes paragraph (2) or (3) commits an offence.

29. (1) There shall be a miraa levy on exported and imported miraa and miraa products.

Imposition of miraa  
levy

(2) The levy charged shall be at a rate of ksh. 30 per kilogram of miraa and miraa products for export and ksh. 60 per kilogram of miraa and miraa products imported.

(3) Any levy imposed under this regulation which remains unpaid shall be recovered by the Authority as a civil debt due to it from the person by whom it is payable.

(4) A person who fails, neglects or otherwise refuses to pay or remit the regulatory levy on time as provided for under these regulations where directed by the Authority in writing, in addition to paying the regulatory levy shall have a sum equal to five per cent of the amount added to the amount due for each month or part thereof during which the amount due remains unpaid.

30. (1) The fees payable for licenses and permits issued under these Regulations shall be as set out in the Second Schedule.

Fees.

(2) Any charges on traded produce on transit shall be charged once at the point of exit in the County of origin and no other charge shall be instituted on the same consignment as it traverses across counties.

31. A person who commits an offence under these Regulations for which no penalty is prescribed shall, upon conviction, be liable to a fine not exceeding five hundred thousand shillings, or to a term of imprisonment for a period not exceeding one year or to both in accordance with section 37 of the Act.

General penalty.

## FIRST SCHEDULE—FORMS

FORM Mr1	(r. 4(2))
County Government of.....	
Serial No. County code/Miraa/.....	
Application for a Miraa Commercial Nursery Operator Licence new [ ]/renewal[ ]	
Name of Applicant :.....	
Address:	
Postal .....	
Email.....	
Telephone: .....	
Attach;	
(a) A copy of certificate of incorporation or Copies of IDs/Passports	
(b) KRA pin certificate	
(c) Copy of title deed / lease hold/ contract	
1. Nursery Location	
i)Sub-County .....Ward .....	
L.R No or Plot No .....	
I/We hereby certify that the above information is true and accurate to the best of my or our knowledge and belief.	
Signature: .....Date: .....	

FORM Mr2	(r. 4(3))
Miraa Commercial Nursery Operator's Licence	
County Government of.....	
Serial No. county code/Miraa/.....	
This is to certify that.....of postal address.....from ..... Sub-county, ...ward, LR No. .... has been duly licensed to operate a commercial nursery.	
This licence is valid from.....to.....	
Terms and Conditions:	
A Commercial Nursery Operator shall -	
a) Propagate planting material from accredited source	



- b) Demonstrate the source of planting material
- c) Comply with the code of practice
- d) Maintain an up to date record of all sales.
- e) File annual returns to the County Government

ISSUED on this ..... Day of .....20.....

Name .....Signed: .....

County Executive Committee Member (CECM)

Official Stamp.....

FORM Mr3	(r. 4(7))
<b>Commercial Nursery Annual Returns</b>	
Commercial Nursery Operator: .....	
Postal Address.....	
County.....	Sub-County.....
Ward.....	
Telephone: .....	
E-mail: .....	
Crop Year: .....	Period: .....
Variety/Clone.....	Balance brought forward.....
Quantity of planting material Available (No): .....	
Quantity sold during the period (No).....	
Prepared by: .....	Signature: .....
Designation: .....	Date: .....
Official Stamp	

FORM Mr4

(r. 5(2))



**AGRICULTURE AND FOOD AUTHORITY**

**MIRAA, PYRETHRUM AND OTHER INDUSTRIAL CROPS DIRECTORATE**

**Application for Registration of Miraa Growers' Association**

**A – Particulars of Applicant**

1. Name of applicant .....
2. Registration No.....
3. Address.....
4. Telephone No.....
5. County .....Sub-County ..... Ward .....

**B. Particulars of Members in the Association (attach list)**

This shall include;

Name	ID	Tel. No.	Age	Sex	L.R.No	Ownership	Geolocation(XY)	Farmed area(Ha)	Farming system (Rainfed/Irrigated)	Crop	Variety	Certification

Date.....Signature.....

Applicant or it's duly authorized agent

I/We hereby certify that the above information is true and accurate to the best of my or our knowledge and belief.

Signature: .....Date: .....

FORM Mr5

(r. 5(3))



AGRICULTURE AND FOOD AUTHORITY  
 MIRAA, PYRETHRUM AND OTHER INDUSTRIAL CROPS DIRECTORATE

Growers' Association Registration Certificate

Certificate No: County code/.....

Grower Association Registration No .....

This Certificate of registration is granted to ..... of  
 P.O. Box .....  
 .....in.....  
 .....building/street ..... Ward .....Sub-  
 County .....County in the Republic of Kenya.

ISSUED this ..... Day of .....20.....

Signed.....

*Director General*  
*Agriculture and Food Authority*

FORM Mr6

(r. 6(2))



AGRICULTURE AND FOOD AUTHORITY  
MIRAA, PYRETHRUM AND OTHER INDUSTRIAL CROPS DIRECTORATE

Application for Registration of Miraa Aggregator

Serial No: MPICD/MIRAA/.....

.....hereby applies for registration.

Ward.....Sub-County.....County.....

Physical location of the business premise.....Postal Address.....Telephone ..... E-mail.....

Attach:-

- (a) A copy of certificate of incorporation or copies of IDs/Passports
- (b) KRA pin certificate

I/We hereby certify that the above information is true and accurate to the best of my or our knowledge and belief.

Signature: .....Date: .....

FORM Mr7

(r. 6(3))



AGRICULTURE AND FOOD AUTHORITY  
MIRAA, PYRETHRUM AND OTHER INDUSTRIAL CROPS DIRECTORATE

Certificate of Registration of Miraa Aggregator

Certificate No .....

This Certificate of registration is granted to ..... of

P.O. Box .....in .....building/street

..... Ward .....Sub-County .....

County in the Republic of Kenya.

ISSUED this ..... Day of .....20.....

Signed.....

*Director General  
Agriculture and Food Authority*

FORM Mr8

(r. 6(6))

Application for Miraa Aggregator's Licence  
new [ ]/renewal[ ]

County Government  
of.....

Name of Applicant: ..... hereby applies for aggregator's  
licence.

Address:

Postal  
.....

Email.....

Telephone: .....

3. Physical location of the business premise: -

i) Sub-County .....

ii) Ward .....

Attach;

- i. A copy of registration certificate from the Authority
- ii. A copy of certificate of incorporation or copies of IDs/Passports
- iii. KRA pin certificate

I/We hereby certify that the above information is true and accurate to the best of my or  
our knowledge and belief.

Signature: .....Date: .....

FORM Mr9	(r. 6(7))
County Government of.....	
<b>Miraa Aggregator's Licence</b>	
Certificate No .....	
This is to certify that ..... of postal address..... has been duly licensed as a Miraa Aggregator.	
This licence is valid from.....to.....	
Conditions:	
An aggregator shall –	
(a) File annual returns to the respective County Government.	
(b) Comply with the Miraa (Khat) code of practice	
ISSUED this ..... Day of .....20.....	
Name .....	Signed: .....
County Executive Committee Member (CECM)	
Official Stamp.....	

FORM Mr10
(r.6(10))
County Government of.....
Licence Number.....
<b>Miraa Aggregator's Annual Returns</b>
Name.....
Postal Address.....
Physical Location.....
Telephone.....



E-mail.....				
Financial Year .....				
Source				
Location (Sub-county)	Agent/Farmers	Quantity(kg)	Estimated Value	Agent (exporter,
Prepared by: .....Signature: .....Date: .....				
Official Stamp:				

FORM Mr11

(r. 7(2))



AGRICULTURE AND FOOD AUTHORITY

MIRAA, PYRETHEUM AND OTHER INDUSTRIAL CROPS DIRECTORATE

Application for Registration of a Miraa Commercial Transporter

Name: ..... hereby applies for registration as a miraa commercial transporter.

Address:

Postal .....Email.....

Telephone: .....

County.....Sub-County .....Ward .....

Town .....Building/Street.....

Attach: -

- i. A copy of certificate of incorporation or copies of IDs/Passports
- ii. KRA pin certificate

I/We hereby certify that the above information is true and accurate to the best of my or our knowledge and belief.

Signature: .....Date: .....

FORM Mr12

(r. 7(3))



AGRICULTURE AND FOOD AUTHORITY  
MIRAA, PYRETHRUM AND OTHER INDUSTRIAL CROPS DIRECTORATE

Certificate of Registration for a Commercial Transporter

Certificate No .....

This Certificate of registration is granted to .....of

P.O. Box ..... in .....Town.....

building/street ..... Ward .....Sub-County  
.....County in the Republic of Kenya.

ISSUED this ..... Day of .....20.....

Signed.....

*Director General*  
*Agriculture and Food Authority*

Official Stamp

FORM Mr13

(r. 7(8))



**AGRICULTURE AND FOOD AUTHORITY**  
**MIRAA, PYRETHRUM AND OTHER INDUSTRIAL CROPS DIRECTORATE**

Serial No. AFA/Miraa/...

Application for a Miraa Commercial Transporter's Licence

Name ..... hereby applies for a licence as a miraa commercial transporter.

Postal address..... Email.....

Telephone..... Registration Certificate Number .....

1. Vehicle(s) registration number .....

2. Vehicle(s) Model/Type .....

Attach:-

- i. A copy of registration certificate from the Authority
- ii. A copy of logbook
- iii. Evidence for meeting requirements to transport miraa (Inspection report)

I/We hereby certify that the above information is true and accurate to the best of my or our knowledge and belief.

Signature: .....Date: .....

FORM Mr14

(r. 7(10))



**AGRICULTURE AND FOOD AUTHORITY**  
**MIRAA, PYRETHRUM AND OTHER INDUSTRIAL CROPS DIRECTORATE**

**Miraa Commercial Transporters Licence**

Licence No: .....

This Licence is granted to ..... and authorizes vehicle(s) reg. no. ....to transport miraa in the Republic of Kenya.

This Licence is valid from.....to.....

ISSUED                    this                    .....                    Day                    of  
 .....20.....

Conditions:

A commercial transporter shall -

- a) Comply with the code of practice;
- b) Obtain and keep a receipt showing the source of produce, quantity and destination;
- c) Submit annual returns.

Signed.....

*Director General*  
*Agriculture and Food Authority*

Official stamp

Source				Destination	
Location (Sub-county)	Agent/Farmers	Quantity(kg)	Estimated Value	Agent (exporter, vendor)	Location

Prepared by: .....Signature: .....Date: .....

Official Stamp:

FORM Mr15

(r.7(14))

Licence Number.....

## Miraa Commercial Transporter Quarterly Returns

Name.....

Postal Address.....

Physical Location.....

Telephone.....

E-mail.....

Financial ..... Q1..... Q2..... Q3..... Q4..... Year

FORM Mr16	(r. 8(2))
The County Government of.....	
Application for a Miraa Vendor's Licence	
Applicant .....	
Postal address..... Email.....	
Telephone:.....Sub-County.....Ward.....town.....	
Street/building .....	
I hereby certify that the premise is within a designated point and that the above information is true and accurate to the best of my knowledge and belief.	
Signature: .....Date: .....	

FORM Mr17	(r. 8(4))
The County Government of.....	
Vendor's Licence	
Licence No.....	
This is certify that..... of postal address.....	
Telephone:.....Sub-county.....	
Ward.....town..... Street/building .....	
has been duly licensed to be a miraa vendor.	
This Licence is valid from.....to.....	
Conditions:	
A vendor shall -	
a) Sell at a designated point.	
b) Comply with the code of practice	
ISSUED this ..... Day of ..... 20.....	
Name ..... Signed: .....	
County Executive Committee Member (CECM)	
Official Stamp	

FORM Mr18

(r. 11(2))



AGRICULTURE AND FOOD AUTHORITY

MIRAA, PYRETHRUM AND OTHER INDUSTRIAL CROPS DIRECTORATE

Application for Registration of Miraa Exporter/ Importer

.....hereby applies for  
registration as a miraa Exporter [ ]/Importer [ ] ( Tick as appropriately).

County.....Sub-County ..... Ward.....Town.....

Street/building.....Postal Address..... Telephone

..... E-mail.....

Attach;

A copy of certificate of incorporation or copies of IDs/Passports

a copy of CR12

KRA Pin Certificate

I/We hereby certify that the above information is true and accurate to the best of my or  
our knowledge and belief.

Signature: .....Date: .....



FORM Mr19

(r. 11(3))



AGRICULTURE AND FOOD AUTHORITY  
MIRAA, PYRETHRUM AND OTHER INDUSTRIAL CROPS DIRECTORATE

Certificate of Registration for Miraa Exporter/ Importer

Certificate No .....

This Certificate of registration is granted to ..... of

P.O. Box ..... in .....building/street

..... Ward .....Sub-County .....County in

the Republic of Kenya as miraa importer/exporter(delete as appropriate)

ISSUED this ..... Day of .....20.....

Signed.....

*Director General*

*Agriculture and Food Authority*

FORM Mr20

(r. 12(1))



AGRICULTURE AND FOOD AUTHORITY

MIRAA, PYRETHRUM AND OTHER INDUSTRIAL CROPS DIRECTORATE

Application for Miraa Export Licence

.....hereby applies for Miraa  
Export Licence

County.....Sub-County .....Ward.....Town.....

Street/building.....Postal Address..... Telephone .....

E-mail.....Pack House Location.....

Attach:-

- i. A copy of certificate of incorporation or copy of IDs/Passport
- ii. Copy of CR12
- iii. A copy of registration certificate from the Authority
- iv. A copy of single business permit from the County Government
- v. A copy of tax compliance certificate

I/We hereby certify that the above information is true and accurate to the best of my or  
our knowledge and belief.

Signature: .....Date: .....

FORM Mr21

(r. 12(2))



AGRICULTURE AND FOOD AUTHORITY  
MIRAA, PYRETHRUM AND OTHER INDUSTRIAL CROPS DIRECTORATE  
Miraa Export Licence

License No. ....

This Licence is granted to ..... of P.O. Box  
..... in .....County  
..... Sub-County.....Ward .....Town.....Street/Building.....

This licence is valid from.....to.....

Conditions:

An exporter shall -

- a) Maintain a record of all exports i.e. volumes, destination.
- b) Submit quarterly returns to the Authority.

ISSUED this ..... Day of .....20.....

Signed.....

*Director General*

*Agriculture and Food Authority*

FORM Mr22

(r.13(1))



**AGRICULTURE AND FOOD AUTHORITY**  
**MIRAA, PYRETHRUM AND OTHER INDUSTRIAL CROPS DIRECTORATE**  
**Application for Miraa Import Licence**

**Personal Information**

.....hereby applies for Miraa Import Licence.

County.....Sub-County .....Ward.....Town.....

Street/building.....Postal Address..... Telephone

..... E-mail.....

**Attach:-**

- i. A copy of certificate of incorporation or copy of IDs/Passport
- ii. A copy of CR12
- iii. A copy of registration certificate from the Authority
- iv. A copy of single business permit from the County Government
- v. A copy of tax compliance certificate

I/We hereby certify that the above information is true and accurate to the best of my or our knowledge and belief.

Signature: .....Date: .....

FORM Mr23

(r. 13(2))



AGRICULTURE AND FOOD AUTHORITY

MIRAA, PYRETHRUM AND OTHER INDUSTRIAL CROPS DIRECTORATE

Miraa Import Licence

License No. ....

This Licence is granted to ..... of P.O. Box  
..... in .....County  
..... Sub-County.....

Ward .....Town.....Street/Building.....

This licence is valid from.....to.....

Conditions:

An importer shall -

- a) Maintain a record of all imports i.e. volumes, source.
- b) Submit quarterly returns to the Authority.

ISSUED this ..... Day of .....20.....

Signed.....

*Director General*

*Agriculture and Food Authority*

FORMMr24

r.15(2)



**AGRICULTURE AND FOOD AUTHORITY**  
**MIRAA, PYRETHRUM AND OTHER INDUSTRIAL CROPS DIRECTORATE**

Application for Miraa Export Permit

License No.: .....

Applicants Details

Name of exporter .....

Address .....Telephone No .....

Email Address .....

Destination

Country of Origin.....

Country of Destination ..... Shipment Date .....

Vessel

.....

Consignor.....

Consignee .....

Notify address.....

Consignment Details

Product	Quantity (Kg)	FOB Value (USD)	Total Value (USD)

Attach:

i. Commercial invoice

ii. Import permit

I/ We hereby certify that the information which I/we have given above is true and accurate to the best of my/our/our knowledge and belief.

Date.....
Authorized signature Stamp of Exporter
FOR OFFICIAL USE
Authentication by
Agriculture and Food Authority
Date..... Signature and Stamp.....

FORM Mr25

( r.15(3))



**AGRICULTURE AND FOOD AUTHORITY**  
**MIRAA, PYRETHRUM AND OTHER INDUSTRIAL CROPS DIRECTORATE**  
**Miraa Export Permit**

License No .....

This Permit is granted to .....of  
P.O. Box .....and authorizes the company on this day of  
..... To export;


**Consignment Details**

Product	Quantity (Kg)	FOB Value (USD)	Total Value (USD)

Country of Destination .....

Country of Origin .....

Date of Shipment .....	Vessel .....
Consignee.....	
Consigner.....	
Notify Address.....	
<i>This Permit is valid for two days from the date of issuance.</i>	
Signed.....	
<i>Director General – Agriculture and Food Authority</i>	

FORM Mr26	r.16(2)						
							
<b>AGRICULTURE AND FOOD AUTHORITY</b> <b>MIRAA, PYRETHRUM AND OTHER INDUSTRIAL CROPS DIRECTORATE</b> <b>Application for Miraa Import Permit</b>							
License No.: .....							
Applicants Details							
Name of importer .....							
Address .....Telephone No .....							
Email Address .....							
Destination							
Country of Origin.....Shipment Date .....							
Vessel .....							
Consignor.....							
Consignee .....							
<table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 50%;">Product</th> <th style="width: 50%;">Quantity (Kg)</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> </tbody> </table>		Product	Quantity (Kg)				
Product	Quantity (Kg)						



Attach;

- a) Phytosanitary certificate from the country of origin
- b) Certificate of origin;
- c) Commercial invoice
- d) Import licence

I/ We hereby certify that the information which I/we have given above is true and accurate to the best of my/our/our knowledge and belief.

Date.....

Authorized signature Stamp of Importer

FOR OFFICIAL USE

Authentication by

Agriculture and Food Authority

Date.....

Signature and Stamp

FORM Mr27

( r.16 (3))



**AGRICULTURE AND FOOD AUTHORITY**  
**MIRAA, PYRETHRUM AND OTHER INDUSTRIAL CROPS DIRECTORATE**  
**Miraa Import Permit**

License No .....

This Permit is granted to .....  
of P.O. Box .....and authorizes the company on this day of  
..... to import;

**Consignment Details**

Product	Quantity (Kg)	FOB Value (USD)	Total Value (USD)

Country of Origin .....

Date of Shipment .....Vessel .....

Consignee.....

Consigner.....

*This Permit is valid for two days from the date of issuance.*

Signed.....

*Director General**Agriculture and Food Authority*

FORMMr28

r.17



**AGRICULTURE AND FOOD AUTHORITY**

**MIRAA, PYRETHRUM AND OTHER INDUSTRIAL CROPS DIRECTORATE**

Licence Number.....

**Exporter/Importer Quarterly Returns**

Name of exporter/importer: .....

Postal

Address.....

Physical Location. ....

Telephone. .... E-mail.....

Year ..... Quarter ..... Reporting Date .....

## Export returns

Quarter	Quantity (kg)	Value (KSh)	Destination
1			
2			
3			
4			
Total			

## Import returns

Quarter	Quantity (kg)	Value (KSh)	Origin
1			
2			
3			
4			
Total			

Name: .....
Signature: ..... Date: .....
Official Stamp:

## SECOND SCHEDULE--FEES

NO.	CATEGORY	NEW APPLICATIONS (Kshs).	RENEWAL FEES (Kshs).
1.	Commercial Transporter	5,000-<500 kilograms 7,500-500-1000 kilograms 10,000->1000kilograms	5,000-<500 kilograms 7,500-500-1000 kilograms 10,000->1000kilograms
2.	Exporter licence	20,000	10,000
3.	Importers licence	50,000	30,000
4.	Export permit	4000	-
5.	Import permit	6000	-
6.	Export Levy	30 per Kilogram	-
7.	Import Levy	60 per Kilogram	-

Made on the 7th June, 2022.

PETER MUNYA,  
Cabinet Secretary for Agriculture,  
Livestock, Fisheries and Co-operatives.

LEGAL NOTICE NO. 102

## THE CROPS ACT

(No. 16 of 2013)

IN EXERCISE of the powers conferred by section 40 of the Crops Act, 2013, the Cabinet Secretary for Agriculture, Livestock, Fisheries and Co-operatives in consultation with the Authority and the County Governments, makes the following Regulations—

THE CROPS (COFFEE) (GENERAL) (AMENDMENT)  
REGULATIONS, 2022

1. These Regulations may be cited as the Crops (Coffee) (General) (Amendment) Regulations, 2022. Citation.

2. The Crops (Coffee) (General) Regulations, 2019, herein referred to as the principal Regulations are amended in regulation 2— L.N. 102/2019.

(a) by deleting the definition of “auction” and substituting therefor the following new definition—

“auction” means a physical place or electronic system where potential buyers competitively bid for coffee;

- (b) by deleting the definition of the term “agent”;
- (c) by deleting the definition of the term “broker”;
- (d) by deleting the definition of the term “exchange”;
- (e) by deleting the word “exchange” and substituting therefor the word “auction” in the definition of the term “buyer”;
- (f) by inserting the words “operating coffee house” immediately after the word “roasting” in the definition of the term “coffee business”;
- (g) by deleting the word “exchange” wherever it appears and substituting therefor the word “auction” in the definition of the term “sweepings”;
- (h) by deleting the word “exchange” and substituting therefor the word “auction” in the definition of the term “trading floor”;
- (i) by deleting the definition of the term “direct settlement” and substituting therefor the following new definition—

“direct settlement system” means a receipts and disbursements facility provided by a commercial bank regulated as such under the Central Bank Act for the receipt from buyers of all proceeds from the purchase of coffee and from which all claims on the coffee so purchased, including payments to growers, grower millers, grower marketers, miller-marketers, warehousemen, warehouses, Nairobi Coffee Auction and financial obligations will be directly settled;

- (j) by deleting the definition of the term “sales catalogue” and substituting therefor the following new definition—

“sales catalogue” means a standard document prepared by a miller-marketer or a grower marketer in consultation with the auction organizer for sale of clean coffee at the auction;

- (k) by inserting the following new definitions in proper alphabetical sequence—

“auction organizer” means a person, company or firm established for the purpose of organizing coffee auctions in Kenya and is licensed by the Authority;

“cherry” means “the ripe fruit of the coffee tree”;

“buni” means dried coffee in the fruit but does not include hulled dried fruit;

“compliance certificate” mean a certificate issued by the Authority to ascertain compliance with quality standards;

“grower marketer” means a grower licensed by the Authority to market his or its own clean coffee;

“grower miller” means a grower who mills own parchment or buni or its members’ coffee and includes cooperative societies, association, estate or any other grower legal entity issued by the respective county government;

“importer” means a person licensed by the Authority to import value added coffee;

“management agent” means any person licensed by the Authority, and appointed through a specific agreement by a grower or a smallholder for the management of such coffee farm or pulping station;

“miller-marketer” means a person whose mill is approved by respective county governments and is licensed by the Authority and appointed by the grower to undertake the milling and marketing of the grower’s coffee”; and

“value added coffee” means coffee that is roasted and packaged and includes instant coffee.

3. Regulation 4 of the principal Regulations is amended in sub regulation (2) by—

- (a) inserting the words “auction organiser and miller marketer” immediately after the word “liqueureurs” in paragraph (a);
- (b) deleting paragraph (d) and substituting therefor the following new paragraph—
  - (d) develop, oversee and enforce as the case may be, the national regulations, coffee industry standards, industry code of practice and other quality standards in the coffee industry in collaboration with the national body for the time being responsible for standards;
- (c) by inserting the following paragraph immediately after paragraph (j)—
  - (ja) undertake inspection and surveillance of industry players;
- (d) deleting paragraph (k).

4. Regulation 5 of the principal Regulations is amended in sub regulation (2) by deleting the word “milling” appearing in paragraph (c) and substituting therefor the words “grower miller”.

5. Regulation 7 of the principal Regulations is amended by—

- (a) deleting sub regulation (5) and substituting therefor the following new sub regulation—
  - (5) The Authority shall register all coffee warehousemen, warehouses, coffee miller-marketer, grower marketer, grower miller, auction organizer, coffee buyers,

coffee bags suppliers, roasters, importers, and certification companies, maintain an up-to-date register and share the register with respective county governments.

- (b) inserting the following new sub regulations immediately after sub regulation (7)—

(8) The management committees of a coffee co-operative and grower associations shall serve for a period of five-year term renewal once.

(9) In electing management committee members under this section, a cooperative society or an association shall ensure that not more than two thirds of the members are of one gender.

(10) In electing management committee members under this section, nominees for the board shall meet the requirements of Chapter Six of the Constitution.

(11) Notwithstanding the provisions of any other law, every coffee factory may, by resolution of its members in an Annual General Meeting, apply for registration as a cooperative society under the Co-operative Societies' Act.

Provided single factories seeking registration as cooperative societies shall demonstrate an average coffee production of 500,000 kgs for the immediate preceding three years.

(12) The County Government, in consultation with the Authority, shall issue a distinguishing mark and a grower code.

(13) No estate, association, company or a co-operative society offering coffee for sale or export shall use any distinguishing mark and grower code to market and identify such coffee unless the mark is registered by the county government in consultation with the Authority.

6. Regulation 10 of the principal Regulation is amended —

- (a) in sub regulation (1) by deleting paragraph (d);
- (b) in sub regulation (2) by—
- (i) deleting paragraph (a);
  - (ii) deleting the word “exchange” and substituting therefor the word “auction” in paragraph (c);
  - (iii) by inserting the following new paragraphs immediately after paragraph (e)—
- (f) grower marketer licence in Form C3.2 set out in the First Schedule authorizing the grower to market own coffee;
  - (g) auction organizer licence in Form G8 set out in

the First Schedule authorizing the conduct of coffee auctions;

(h) miller- marketer licence in Form C4 set out in the First Schedule authorizing the holder to conduct the business of milling and marketing coffee at a fee;

- (c) by inserting the following new sub regulation immediately after sub regulation (2)—

(2A) The Authority shall seek the approval of county governments before issuing miller-marketer licenses.

Provided such approval is accorded to miller applicants within thirty calendar days upon application.

7. Regulation 11 of the principal Regulations is amended by—

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

(1) A holder of a coffee buyer’s licence or any other entity associated with such holder shall not be licensed as a miller-marketer, roaster or warehouseman.

- (b) deleting sub regulation (4) and substituting therefor the following new sub regulation—

(4) Licences issued by the licensing authority shall run from 1<sup>st</sup> October to 30<sup>th</sup> September of every year and application for renewal of a licence shall be made to the Authority not late than the 1<sup>st</sup> day of the month of September in which the current licence is to expire”.

8. Regulation 19 of the principal Regulations is amended—

- (a) in sub regulation (6) by deleting the word “exchange” and substituting therefor the word “auction”;

- (b) in sub regulation (7) by deleting the word “exchange” and substituting therefor the word “auction”.

9. Regulation 20 of the principal Regulations is amended by deleting sub regulation (1) and substituting therefor the following new sub regulation—

(1) The Kenya Agricultural and Livestock Organization may validate coffee research findings from other accredited research institutions.

10. Regulation 22 of the principal Regulations is amended—

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

(1) Every coffee society shall, by resolution of its management meeting, competitively procure services of a licensed miller-marketer for the milling parchment and buni coffee and the marketing of clean coffee, or as the case may be.



(b) by inserting the following new sub regulations immediately after sub regulation (1)—

(1A) The management of every society shall, within two months of the end of the crop year, convene a meeting of its members to ratify the miller-marketer procured under sub regulation (1).

(1B) The County Executive Committee Member responsible for cooperatives shall attend or designate a representative to attend the meeting referred to in sub regulation (1A).

(1C) Every registered miller participating in the meeting under sub regulation (1A) shall disclose all charges and fees that may be incurred in the milling process to enable growers make an informed decision.

(1D) Every resolution made under this regulation with regards to the procurement of a miller-marketer, shall within fourteen days of the meeting, be filed with the Authority and copied to the respective County Government.

(c) by deleting sub regulation (2) and substituting the following new sub regulation—

(2) A miller-marketers licensed under these Regulations shall charge up to one per centum (1%) of the value of the coffee sold as marketing commission.

(d) by inserting the following new sub regulation immediately after sub regulation (2)—

(2A) The milling losses allowable under this clause may be capped at nineteen percent of parchment coffee milled.

(2B) The cost of coffee milling and related activities (handling, sorting, grading, packaging, warehousing charges) shall not exceed Ksh 4,000.00 per ton of coffee delivered.

(e) in sub regulation (13) by deleting the word “exchange” and substituting therefor the word “auction organiser”.

11. Regulation 23 of the principal Regulations is amended—

(a) in sub regulation (1) by deleting the word “exchange” and substituting therefor the word “auction”.

(b) by inserting the following new sub regulations immediately after sub regulation (1) —

(1A) A coffee miller-marketer shall be prohibited from offering a grower financial support.

(1B) The Coffee Auction shall be managed by an auction organiser who shall be licensed by the Authority.

(c) in sub regulation (2) by deleting the word “exchange” and substituting therefor the word “auction”.

(d) by deleting sub regulation (3) and substituting therefor the following new sub regulation—

(3) A buyer, roaster, a miller-marketer, grower marketer licensed by the relevant licensing authority, may trade at the auction in accordance with these Regulations and any other laws that may govern the auction.

(e) by inserting the following new sub regulations immediately after sub regulation (4)—

(5) It shall be an offence for a holder of a miller-marketing licence to participate by himself or by his agent in the buying of coffee.

(6) Parallel directorships and cross ownership of shares in miller-marketers and coffee buying companies is prohibited.

(7) The auction organizer shall establish an auction system for the conduct of auctions for Kenya Coffee and such system may facilitate trading in coffees from the region”

(8) An auction organizer shall fulfil requirements under the Second Schedule under these Regulations.

12. Regulation 24 of the principal Regulations is amended by inserting the following new regulations immediately after sub regulation (2)—

(2A) Direct coffee sales shall be subject to price competition at an auction whereby the Direct sales price shall serve as a reserve price.

(2B) Where the coffee referred to in subsection (2) fetches a higher price at the Coffee auction than the direct sale price offered, the prospective direct sale buyer shall have the right of first refusal to buy the coffee at the auction price.

Provided that if the prospective direct sales buyer refuses to buy the coffee at the Coffee auction price, the coffee shall be sold to highest bidder above the reserve price at the auction.

13. The principal Regulation are amended by deleting regulation 25 and substituting therefor the following new regulation—

Management of the auction.

25. (1) The auction organizer shall manage the auction floor, central sample room, information registry and the direct settlement system, maintain records relating to coffee sales, coffee samples and sweepings, and avail sales catalogues to interested parties.

(2) The proceeds of the sale of coffee by the auction shall, be deposited in a direct settlement system established in accordance with the laws that govern the auction.

(3) The grower or the grower’s authorized representatives, shall after the commencement of these Regulations, supply through the auction all the necessary particulars of the grower to the commercial

banks providing the direct settlement system to the grower, for purposes of initiating the settlement system

(4) The grower or the grower's authorized representatives shall through the auction organiser, lodge with the commercial banks providing the direct settlement system, any relevant contracts of service for which payment will be due from the grower, and any other document showing outstanding liabilities payable by the grower, for purposes of settlement through the system.

(5) The particulars supplied shall take the format prescribed by Form P set out in the First Schedule.

(6) The grower or the grower's authorized representatives and the auction organizer shall ensure that the information provided under sub-regulations (3) and (4) herein above is correct and relevant and they shall be liable for any loss or other consequences resulting from any incorrect information given to appointed commercial banks providing the settlement system.

(7) The Direct Settlement System provider shall remit coffee sales proceeds to the coffee growers and settle service provider's fees and other liabilities within five working days from the receipt of the proceeds of sale of coffee.

(8) All payments to growers for coffee sold and for services rendered for such coffee whether by miller-marketers, warehousemen, auction organizers, coffee societies and factories shall be paid into their individual accounts from the direct settlement system.

(9) The trading of coffee at the auction shall be in accordance with these Regulations and any other laws that may govern the exchange and shall comprise the following—

- (a) a miller shall deposit clean and graded coffee at a designated licensed warehouse, and where the clean coffee is a bulk, the miller shall provide details of the bulk and the proportions of the respective growers' coffee;
- (b) coffee shall meet the Kenya coffee quality standards for commodity trading at the exchange;
- (c) the warehouseman shall issue a coffee warrant in the form set out in the Eighth

Schedule or transferable warehouse receipts as the case may be, stating the quantity and quality of the coffee deposited and ensure traceability of the coffee;

- (d) for purposes of sale, the grower miller or appointed broker shall input the details of the coffee warrant or warehouse receipt as the case may be, into the central registry of the exchange;
- (e) the warehouseman shall guarantee delivery of the coffee described in the coffee warrant or warehouse receipt as the case may be, and in the event of loss or failure of delivery, the warehouseman shall be liable;
- (f) the warehouseman or an appointed collateral manager shall confirm that the warehouse receipt or coffee warrant as the case may be, is valid by inspecting and auditing coffee in the warehouse;
- (g) upon verification, details in the information registry shall be confirmed into the central order book ready for trading;
- (h) the auction organizer in consultation with grower marketers or appointed miller marketers shall set the volumes, lot sizes, dates and times for holding of coffee auctions and determine the order of the sales catalogues for every sale and ensure that reasonable access to the auction is given to all persons licensed to trade;
- (i) the grower shall, either directly or in consultation with the miller marketer, set the reserve price for the coffee for every sale taking into account the quality of the coffee, the prevailing auction prices and the international production and market trends;
- (j) where a bid for coffee at the auction has not been confirmed, the grower miller or miller marketer shall disclose the reserve price at the trading floor and where the disclosure of the reserve price does not attract any competitive offers, the coffee shall be withdrawn and re-offered for sale at a subsequent auction;

- (k) all trading in coffee at the auction shall be concluded at the trading floor of the auction;
- (l) once auction is complete, successful bidders shall be invoiced by the grower miller or miller marketer and payments of the proceeds shall be effected to the grower through direct settlement system net of contract and statutory charges;
- (m) upon confirmation of payment by the direct settlement system and endorsement by the auction organizer, title to coffee shall be transferred to the buyer or roaster by changing ownership details in the coffee warrant or warehouse receipt, as the case may be, at the central registry;
- (n) the new owners will thereafter be at liberty to take delivery of the coffee; and
- (o) a coffee warrant or warehouse receipt as the case may be, issued by the warehouseman to a depositor of coffee shall be transferable to a new holder who has purchased the coffee and is entitled to take its delivery upon presentation of the coffee warrant or warehouse receipt endorsed by the auction organizer to the warehouseman.

(10) Payments to factories or societies from the direct settlement system for operations and maintenance shall be five per centum of the value of coffee sold net of the milling, warehousing and marketing costs.

(11) The auction organizer shall disseminate market information for every auction and an analysis of performance on, weekly and monthly basis.

(12) The obligations of the auction and the direct settlement system provider shall be as set out in the coffee trading rules and these Regulations.

(13) A commercial bank which express an interest towards establishment of a direct settlement system shall fulfil requirements stipulated under the Second under these Regulations.

(14) The auction organizer shall enter into service agreements with commercial banks which qualify and are appointed to offer the services of direct settlement system services for the coffee subsector.

(15) A commercial bank appointed to offer direct settlement services shall submit returns to the auction organizer.

(16) A person who contravenes this regulation commits an offence.

14. Regulation 26 is amended by deleting sub regulation (1) and substituting therefor the following new sub regulation—

(1) A grower marketer or a miller-marketer in consultation with the auction organizer shall prepare a sales catalogue for all the coffee in a licensed warehouse in accordance to the coffee trading rules and these Regulations.

15. Regulation 32 of the principal Regulations is amended—

- (a) in sub regulation (2) by deleting the word “may” and substituting therefor the term “shall”;
- (b) in sub regulation (4) by inserting the word “independent” immediately after the word “offer”;
- (c) in sub regulation (8) by inserting the word “independent” immediately after the word “cupping”;
- (d) in sub regulation (9) by deleting the word “exchanges” and substituting therefor the word “auctions”.

16. Regulation 33 of the principal Regulation is amended—

- (a) in sub regulation (1) by inserting the words “miller-marketer”, grower-miller” and “ grower-marketer”;
- (b) in sub regulation (3) by inserting the words “food science and technology” after the word “engineering” appearing in paragraph (a).

17. Regulation 34 of the principal Regulations is amended by deleting the word “miller” and substituting therefor the words “miller-marketer”, grower-miller” and “ grower-marketer”.

18. Regulation 37 of the principal Regulations is amended by deleting the word “miller” and substituting therefor the words “miller-marketer”, grower-miller” and “ grower-marketer”.

19. The principal Regulations are amended by inserting the following new regulations immediately after regulation 38—

Society loans.

38A. The interest rate on borrowing against growers’ assets held in trust by the growers’ coffee co-operative societies such as assets, land, machinery, equipment, shall be capped at five per cent per annum.

No society shall contract any loans or advances under subsection (a) except with the support of a resolution passed by a majority of the members to that effect.

Any society that violates the provisions subsection (a) commits an offence and any loans borrowed in breach of this provision shall be statutorily converted.

Nothing in this section shall be interpreted as prohibiting coffee farmers from directly borrowing money from regulated financial institutions or any government established funds against their deliveries of cherry, parchment and clean coffee.

The trusteeship responsibility by the management committee of a coffee cooperative society is a fiduciary duty of position of trust and directors shall have held liable for any directors. Waste and loss arising from negligence and breach of trust.

Coffee buyers  
Performance Bond

38B. The Authority shall demand a performance bond from a coffee buyer who demonstrates a level of risk in buyer's operations including; sample purchases, payments against coffee purchases and settlement of trade obligations"

Provided the value of such performance bond shall be commensurate to the level of risk demonstrated by a coffee buyer.

20. Regulation 46 of the principal Regulations is amended by inserting the following new paragraph immediately after paragraph (b)—

- (c) notwithstanding the provisions of regulation 46 (a) and (b) all marketing agent licenses existing as at 30<sup>th</sup> June 2021 shall remain valid until a direct settlement system is established for the processing of coffee sales proceeds and other ancillary services;
- (d) companies that may require internal reorganization to comply with the provisions of these regulations shall be given a transitional period not exceeding twelve months from the effective date of these regulations;
- (e) existing licenses shall, upon the commencement of these Regulations, remain in force until the term of expiry.

21. The First Schedule to principal Regulations is amended—

- (a) in Form A2 by deleting the words "Kenya Agriculture, Livestock Research Organization" appearing in paragraph 3 of the terms and conditions and substituting therefor the words "an accredited research organization".
- (b) in Form C2 by deleting the heading "The County Government of.. Application for a Commercial Coffee Milling Licence" and substituting therefor the following new title—

## THE AGRICULTURE AND FOOD AUTHORITY

## APPLICATION FOR MILLER MARKETER LICENCE

- (c) in Form C3 by deleting the heading “County Government of.” and substituting therefor the following new heading “The Agriculture and Food Authority”.
- (d) by deleting Form C4 and substituting therefor the following new Form—



(r.10(2)(a))

AGRICULTURE AND FOOD AUTHORITY

FORM C4

MILLER MARKETER LICENCE

Name

.....

License No. .... Authority’s Code.....

Valid from.....to.....

Postal Address.....Postal Code.....

Email .....Mobile number.....

County.....Sub-county .....

Ward.....Village/Road.....

L.R.No./Plot.....

Is/are hereby authorized to operate a milling plant as a commercial miller at.....to mill coffee and prepare such coffee for sale.

Issued by:

CEC or Authorized Officer

Designation -----

Signature..... Date .....

For: County Government

Subject to Terms and Conditions:

1. A miller marketing licence holder shall submit their milling returns to the Authority and County government on a monthly basis.
2. The miller marketing licence holder shall comply with the Coffee Industry Code of Practice and Standards.
3. The miller marketing licence holder shall allow free access to the premises by the inspectors authorized by the Authority and county government.
4. The county government may vary, suspend or revoke the milling license issued if the holder fails to abide with the terms and conditions of the license.
5. The miller marketing licence holder shall provide to the Authority and county government the milling tariffs for the purpose of publication a month before the commencement of the coffee year.
6. The miller marketing licence shall not be transferable.

(e) by deleting Form C6 and substituting therefor the following new Form—

## FORM C6

(r.22(10))

## MILLER MARKETER MONTHLY RETURNS

Miller's Name.....

Miller's Code.....License No.....

Postal Address:.....Postal Code.....

Email .....Mobile number.....

County.....Sub-county .....

Ward.....Village/Road.....

L.R.No./Plot.....

Coffee year ..... Month.....

Grower Name	Grower Code	Out-Turn	Parchment (Kg)				CLEAN COFFEE										Buni				
			P1	P2	P3	T/P	AA	AB	PB	E	C	TT	T	SB	UG	Total cc	Milling loss	MH	ML	Total Clean Buni	Milling Loss
Totals																					

Monthly Sweepings in Kg.....

Milling Charges per Tonne (where applicable)

.....

Transport charges (where applicable)

.....

Sorting per Tonne (where applicable)

.....

Other charges (Specify).....

Prepared by:

Name.....Designation.....

Signature.....Date.....

Stamp

- (f) in Form D1 by deleting the word “exchange” and substituting therefor the word “auction”.
- (g) deleting Form D2 and substituting therefor the following new Form—

## FORM D2

(r.10(2)(e))

## AGRICULTURE AND FOOD AUTHORITY

## COFFEE BUYER' S LICENCE

Name of Buyer.....

Licence No. .... Buyer's Code.....

Valid from.....to.....

Postal Address: .....Postal Code.....

Email .....Mobile number.....

County.....Sub County.....

Ward.....Street/road .....

L.R.No./Plot No.....

Is hereby authorized to buy clean coffee only at the auction for export or local sale or value addition or to import clean coffee for secondary processing in Kenya (*tick as appropriate*).

Issued by:

*Signature*..... *Date* .....

*Director of Coffee Directorate*

*Agriculture and Food Authority*

Subject to Terms and Conditions:

1. A licensed buyer shall submit their trading returns to the Authority on a monthly basis.
2. The licensed buyer shall comply with the Coffee Industry Code of Practice and Standards.
3. The licensed buyer shall allow free access to the premises by the inspectors authorized by the Authority.
4. The Authority may vary, suspend or revoke the coffee buyer's licence issued if the holder fails to abide with the terms and conditions of the licence.

5. The coffee buyer's licence shall not include authority to engage in direct sale.
6. The coffee buyer's licence shall not be transferable.
- (h) by deleting Form G7 and substituting therefor the following new Form—
- (i) by deleting Form G8 and substituting therefor the following new Form—
- (j) by deleting Form H1 and substituting therefor the following new Form—

**AGRICULTURE AND FOOD AUTHORITY**  
**APPLICATION FOR REGISTRATION OF DEALERS**

**FORM H1:**

1. Name of Dealer (company)-----
2. Principal Office -----
- Postal Address.....Postal Code..... Building.....
- Street.....Town/ City.....L.R. No.....
- Email.....Mobile Number.....
3. Specify type of dealership/Service

Category	Tick as appropriate
Warehousemen	
Roaster	
Import Permit	
Buyer	
Independent Cupping services	
Miller marketer	
Grower Miller	
Grower Marketer	

4. Directors of dealership

NO	NAME	ID NO/PASSPORT NUMBER
1.		
2.		
3.		
4.		

5. Declare professional skills of persons engaged (attach profiles)  
(warehouseman, liquorer, agronomist, engineer, if other professional specify)

- 6. Brief Company profile
- 7. Application for Registration by
  - Name
  - Signature
  - Stamp
- 8. Director, Coffee Directorate

Name -----  
 Signature -----  
 Stamp-----

(k) by deleting Form H2 and substituting therefor the following new Form

**FIRST SCHEDULE  
 AGRICULTURE AND FOOD AUTHORITY**

FORM H2:

**DEALER REGISTRATION CERTIFICATE**

Name of Dealer.....  
 Type of Dealership.....  
 Location of Dealership: City/Town..... L/R No-----  
 Street.....  
 The dealer is here registered for conducting the business of-----at  
 (location)----- on -----  
 (Date)  
 The registration is made under an application by -----  
 -----being the Director of the company.

Signed  
 -----  
 Director, Coffee Directorate                      Stamp

**THIS IS NOT A LICENCE FOR CONDUCTING BUSINESS**

Terms and conditions

- 1. The registration is not transferable
- 2. Annual returns shall be submitted to the Authority and the respective county government

3. Continuous updates of the directorship and other registration details shall be submitted
4. The Dealer shall comply with all national and international coffee standards and other regulatory requirements in the crops Act, the coffee regulations, the trading regulations and other statutory requirements such as NEMA.
5. Any other terms introduced by the Authority
  - (l) by deleting Form L;
  - (m) by inserting the following new forms in proper sequence—

## FORM C3.1

## AGRICULTURE AND FOOD AUTHORITY

## GROWER MARKETER LICENCE APPLICATION

1. Name of Farmer/Proprietor .....
2. Grower Code (PSL).....Validity of Licence  
.....
3. Postal Address.....Postal Code.....  
Email .....Mobile number.....
4. Location :  
County.....Sub-county.....  
Ward.....Village/Road.....L.R.No./Plot.....
5. Coffee Acreage .....

VARIETY	Acreage	Number of Mature Trees	Number of Young Trees
Ruiru 11			
Batian			
Traditional Variety			

6. Coffee production for Three Years

YEAR	PARCHMENT (kg)	BUNI(Kg)

7. The Information given is the to true to the best of my knowledge

Name of Applicant .....  
 ID/NO.....  
 Date of Application .....  
 Stamp.....

FORM C3.2

AGRICULTURE AND FOOD AUTHORITY

GROWER MARKETER LICENCE

Name .....  
 License No. ....Authority’s Code.....  
 Valid from.....to.....  
 Postal Address.....Postal Code.....  
 Email .....Mobile number.....  
 County.....Sub-county .....  
 Ward.....Village/Road.....L.R.No./Plot.....  
 Is/are hereby authorized to undertake the business of a grower marketer at .....

Issued By:

Director, Coffee Directorate

Signature..... Date.....

Stamp:

Subject to Terms and Conditions:

1. A licence holder shall submit their marketing returns to the Authority and the respective county government on a monthly basis.
2. The licence holder shall comply with the Coffee Industry Code of Practice and Standards.
3. The licence holder shall allow free access to the premises by the inspectors authorized by the respective licensing authority.
4. The Authority may vary, suspend or revoke the license issued if the holder fails to abide with the terms and conditions of the licence.
5. The licence shall not be transferable.

FORM G7  
 AGRICULTURE AND FOOD AUTHORITY  
 COFFEE DIRECTORATE

r(8)

APPLICATION FOR REGISTRATION/LICENCE RENEWAL OF AUCTION  
 ORGANIZER

1. Name of applicant.....
2. Certificate of incorporation..... (Attach copy)
3. Copies of Memorandum and Articles of Association.....(Attach copy)
4. Names and Particulars of Directors and Form CR 12 (attach details).....
5. Tax Compliance Certificate (Attach copy).....
6. Address.....
7. Contact Information
  - a) Telephone number .....
  - b) E-mail address.....
8. Contact Person.....
9. L.R. No. /Nos. ....
10. Nature of business.....
11. Specify services to be provided.....

Date applied.....

Signature of applicant

Terms and Conditions

1. An applicant shall furnish the Authority with the protocols governing the operations of the Auction in a form satisfactory to the Authority.
2. The protocols shall restrict the applicant to the business of operating a coffee auction and related services.
3. The protocols shall contain the applicable fees and charges for membership and



for services rendered by and between members

- 4. The protocols shall contain guidelines for disclosure of the daily trading report of the auction.
- 5. Satisfy the Authority on the applicant financial capacity, functional expertise and infrastructure to undertake coffee auctioning in the Republic of Kenya.
- 6. Have in its employments sufficient number of persons with adequate, professional and other relevant competencies and experience.
- 7. An applicant shall digitize and automate the coffee Auction system for efficient services delivery and information dissemination.

FORM G8

AGRICULTURE AND FOOD AUTHORITY

r10(2)(f)

LICENCE OF AUCTION ORGANISER

Name.....

License No. ....

Authority's Code.....

Valid from.....to.....

Postal Address.....Postal Code.....

Email .....

Mobile number.....

County.....

City .....

Road.....

Name of Building .....

.L.R.No./Plot.....

Is/are hereby authorized to undertake the business of an auction organizer .....

.....  
Issued by:

Director, Coffee Directorate

Signature.....

Date.....

Stamp:

Subject to Terms and Conditions:

1. An auction organizer shall submit their auctioning returns to the Authority on weekly and monthly basis.
2. An auction organizer shall comply with the Coffee Industry Code of Practice and Standards.
3. An auction organizer shall allow free access to the premises by the inspectors authorized by the Authority.
4. The Authority may vary, suspend or revoke the license issued if the holder fails to abide with the terms and conditions of the licence.
5. The licence shall not be transferable.

FORM P

COUNTY GOVERNMENT OF -----

r25(5)

COFFEE GROWERS NOTIFICATION OF DETAILS TOWARDS FACILITATION  
OF REMISSION OF COFFEE SALES PROCEEDS THROUGH DIRECT  
SETTLEMENT SYSTEM

1. Name of the grower.....
2. Grower Code..... Address..... ZIP Code.....
3. Category of grower (Tick as appropriate)  
Cooperative [  ] Association [  ] Estate [  ] Other [  ]  
specify.....
4. Location of Grower: County.....
5. Sub-County..... Ward.....  
Village/Road..... E-mail.....  
Mobile Number: .....
6. The following are Officials/Signatories to the Grower account and shall transact for the grower
 

Name of Official/Owner/Agent	ID NO	Signature
a) .....	.....	.....
b) .....	.....	.....
c) .....	.....	.....
d) .....	.....	.....

(Attach copies of IDs, minutes electing the committee, introduction letter by the County Commissioner Cooperatives)

## 7. Details of Bank Account

Name of Bank/Financial Institutions .....

Branch.....

Account Number .....

Contact of Bank (if any) .....

## 8. Details of service contracts and loan obligations to which payments are due

- a) Name of Service contract(s) .....
- b) The following are the outstanding liabilities payable by the grower to service providers through the Direct Settlement System and the supporting documents:

.....

(Attach additional documents)

- c) Other (specify).....

Attach list if space is not adequate)

## 9. Prepared by –

- a) Name of Authorized person: .....
- b) Signature .....
- c) Position at Grower institution/Estate .....
- d) Mobile Number.....
- e) National ID/No.....
- (Attach Copy of ID)
- f) Date .....
- g) Stamp.....

22. The Second Schedule to principal Regulations is amended in Part F on requirements of a coffee buyers licence by—

- (a) deleting paragraph 5;
- (b) deleting paragraph 7 and substituting therefor the following new paragraph—

7. Access to an authorized cupping laboratory.

- (c) deleting paragraph 8.

23. The Third Schedule to principal Regulations is amended—

- (a) in Part C by deleting the words “the grower miller or appointed agent or broker” appearing in paragraph 1 and substituting therefor the following

words “the coffee miller-marketer, a grower miller, a grower marketer or appointed agent”.

(b) by deleting Part F.

24. The Fourth Schedule to the principal Regulations is amended by—

(a) deleting the heading and substituting therefor the following new heading—

Commercial Milling Agreement.

(b) deleting the word “miller” wherever it appears and substituting therefor the words “miller marketer”.

25. The Sixth Schedule to principal Regulations is amended by deleting Part A and substituting therefor the following new Part—

#### PART A

A grower marketer or grower miller who has secured an overseas buyer contract for the coffee, shall—

1. Store coffee for direct sales at designated warehouses.
2. Enter into a direct sales contract in the format prescribed under these guidelines and shall lodge the contract with the Authority for registration and approval.
3. Submit to the Authority a sample of 250gm of the said coffee for quality analysis and for arbitration purposes.
4. Have the coffee inspected by the Authority, in order to ascertain the quality, quantity and the value and for approval of the contract.
5. Be issued with an inspection certificate for every coffee consignment declared to the Authority for direct sales to ascertain the coffee quality. The inspection certificate shall be one of the requirements for clearance of direct sales exports.
6. The Authority liquorer shall conduct quality analysis and issue a certificate of conformity with coffee grading and quality standards.
7. Direct coffee sales shall be subject to price competition at the Nairobi Coffee Auctions whereby the Direct sales price shall serve as a reserve price.
8. Where coffee with a direct sales offer fetches a higher price at the Coffee auction than the direct sale price offered, the prospective direct sale buyer shall have the right of first refusal to buy the coffee at the auction price.
9. Provided that if the prospective direct sales buyer refuses to buy the coffee at the Coffee auction price, the coffee shall be sold to highest bidder above the reserve price at the auction
10. All Direct sales price offers shall be communicated to the auction organizer five days prior to an auction.
11. Growers and overseas buyers shall agree on the mode of payment for the coffee purchased which shall be part of the contract submitted to the Authority for approval.
12. Apply to the Authority for—

- 
- (a) ICO certificate;
  - (b) KEPHIS certification;
  - (c) Movement permit(s)
  - (d) Quality certificate; and
  - (e) Any other necessary clearance
13. Appoint an agent for purposes of logistics and other processing requirements related to coffee exports where applicable.
14. Remit monthly returns to the Authority on Direct sales undertaken.

Made on the 7th June, 2022.

PETER MUNYA,  
*Cabinet Secretary for Agriculture,  
Livestock, Fisheries and Co-operatives.*