



# **THE MIRAA, PYRETHRUM AND OTHER INDUSTRIAL CROPS BILL, 2020**

## **A Bill for**

An ACT of parliament to provide for the regulation, development and promotion of the Miraa, Pyrethrum and other Industrial Crops industry, to provide for the establishment, powers and functions of the Miraa, Pyrethrum and Other Industrial Crops Authority and for connected purposes.

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	<b>PART 1 - PRELIMINARY</b>
Citation	1) This Act may be cited as the <b>Miraa, Pyrethrum and Other Industrial Crops Act, 2020.</b>
Interpretation	<p>2) In this Act unless the context otherwise requires—</p> <p>“Act” means the Miraa, Pyrethrum and other Industrial Crops Act, 2020;</p> <p>“Authority” means Miraa, Pyrethrum and other industrial Crops Authority established under Section 3;</p> <p>“Board” means the Board of Management of the Authority established under section 5;</p> <p>“Cabinet Secretary” means the Cabinet Secretary for the time being responsible for matters relating to agriculture;</p> <p>“County Government” shall have the meaning assigned to it under Article 176 of the Constitution;</p> <p>“Crops Inspector” means a person appointed under section 31 of this Act;</p> <p>“financial year” means the financial year of the Authority provided for under Section 29;</p> <p>“Other industrial crops” means <i>Bixa (Bixa orellana)</i> and any other industrial crops that may be scheduled under this Act from time to time;</p> <p>“person” includes an individual, a company, an association, cooperative society or a corporate body;</p> <p>“raw pyrethrum” means dry pyrethrum flowers or ground dry pyrethrum flowers;</p> <p>“scheduled crop” means any of the crops listed under the Second Schedule and includes such other crops as the Cabinet Secretary, on the advice of the Authority, may declare to be a scheduled crop under section 22;</p>
	<b>PART II - ESTABLISHMENT OF THE MIRAA, PYRETHRUM AND OTHER INDUSTRIAL CROPS AUTHORITY</b>
Establishment of the Authority	<p>3. (1). There is established an Authority to be known as the Miraa, Pyrethrum and other Industrial Crops Authority.</p> <p>(2). The Authority shall be a body corporate with perpetual succession and a common seal and shall, in its corporate name, be capable of—</p> <p>(a) suing and being sued;</p>

	<p>(b) purchasing or otherwise acquiring, holding, charging or disposing of moveable and immovable property;</p> <p>(c) borrowing and making investments; and</p> <p>(d) doing or performing all such other acts or things necessary for the proper performance of its functions under this Act as may be lawfully done or performed by a body corporate.</p>
Headquarters	<p>4. (1) The headquarters of the Authority shall be in Nairobi City County.</p> <p>(2) The Authority may establish such branches in Kenya as it may consider necessary for the efficient performance of its functions.</p>
Board of the Authority	<p>5. (1) The management of the Authority shall vest in the Board which shall consist of-</p> <ul style="list-style-type: none"> <li>(a) a Chairperson appointed by the President by notice in the <i>Gazette</i>;</li> <li>(b) the Principal secretary for the time being responsible for matters agriculture or a representative nominated by the Principal Secretary in writing;</li> <li>(c) the Principal secretary for the time being responsible for Trade or a representative nominated by the Principal Secretary in writing;</li> <li>(d) the Principal Secretary for the time being responsible for Finance or a representative nominated by the Principal Secretary in writing;</li> <li>(e) two persons of either gender nominated by the Council of County Governors (CoG);</li> <li>(f) three persons of either gender representing MPOIC growers from growing areas;</li> <li>(g) three persons of either gender representing MPOIC traders;</li> <li>(h) the Chief Executive Officer appointed under section 11 who shall be an ex-officio member of the Board;</li> <li>(i) the Board may from time to time co-opt professional experts in financial management, international commodity trade or in any other area they need support</li> </ul> <p>(2) The Cabinet Secretary shall appoint the members under sub-section (1)(e), (f) and (g) by notice in the <i>Gazette</i></p> <p>(3) A person shall be qualified for appointment under Sub-section 1 (a) if that person;</p> <ul style="list-style-type: none"> <li>(a) is a citizen of Kenya;</li> <li>(b) meets the requirements of leadership and integrity outlined in Chapter 6 of the Constitution;</li> <li>(c) holds at least a Degree from an institution recognized in Kenya and has relevant experience in at least one of the sub-sectors in the MPOIC sector; and</li> </ul>

	<p>(d) Has experience of at least 10 years in at least one of the sub-sectors in the MPOIC sector.</p> <p>(4) The Cabinet Secretary shall publish in the <i>Gazette</i> the appointed Board members,</p> <p>(5) The Chairperson and other nominated members of the Board shall hold office for a term of three years but shall be eligible for re-appointment once;</p> <p>(6) All members of the board shall comply with the requirements of Chapter 6 of the Constitution of Kenya, 2010.</p> <p>(7) The Cabinet Secretary shall make rules for nomination of the members of the Board under (b)(c) and (d)</p> <p>(8) The rules made under sub-clause (7) shall provide for mechanisms to ensure that not more than two thirds of members so nominated are of the same gender</p>
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<p>Functions of the Authority</p>	<p>6. (1) The Authority shall</p> <ul style="list-style-type: none"> <li>a) regulate and promote the development of the Miraa, Pyrethrum and Other Industrial Crops industry;</li> <li>b) coordinate the activities of individuals and organizations within the Miraa, Pyrethrum and Other Industrial Crops industry; and</li> <li>c) facilitate equitable access to resources, facilities and benefits of the Miraa, Pyrethrum and Other Industrial Crops industry by all interested parties</li> </ul> <p>(2) Without prejudice to the generality of the sub-section (1), the Authority shall</p> <ul style="list-style-type: none"> <li>(a) make recommendations to the Cabinet Secretary for the formulation of policies, plans and strategies for the regulation of the Miraa, Pyrethrum and Other Industrial Crops sub-sectors;</li> <li>(b) in consultation with the relevant County Governments <ul style="list-style-type: none"> <li>(i) register and regulate the operations of MPOIC growers and processors;</li> <li>(ii) register commercial MPOIC nurseries;</li> <li>(iii) license MPOIC dealers, transporters and processors;</li> <li>(iv) license processing facilities;</li> </ul> </li> <li>(c) provide advisory services on MPOIC production and quality enhancement;</li> <li>(d) collect and analyze statistics related to and maintain a database for MPOIC industry; and</li> <li>(e) co-ordinate the prioritization of – <ul style="list-style-type: none"> <li>(i) research; and</li> <li>(ii) enhance efficient utilization of available funds;</li> </ul> </li> <li>(f) shall carry out market research and analysis and disseminate the information on its findings to all stakeholders</li> </ul>
<p>Powers of the Authority</p>	<p>7. (1). The Authority shall have all the powers necessary for the proper performance of its functions under this Act and in particular, but without prejudice to the generality of the foregoing, the Authority shall have power to-</p> <ul style="list-style-type: none"> <li>(a) enter into contracts;</li> <li>(b) manage, control and administer the assets of the Authority;</li> <li>(c) receive gifts, grants, donations or endowments made to the Authority and make disbursement therefrom in accordance to the provisions of this Act;</li> <li>(d) subject to approval of the Cabinet Secretary, for the time being responsible for matters relating to finance, invest any of the</li> </ul>

	<p>Authority's funds not immediately required for the purposes of this Act, as it may determine; and</p> <p>(e) Operate a bank account into which all monies received by the Authority shall be paid in the first instance and out of which all payments made by the Authority shall be made.</p> <p>(2). The Authority may, if it considers it necessary, create or take part in the creation of, become a member of, or associate with a body or corporation designed to assist or promote the MPOIC industry.</p>
Cessation of membership of the Board of the Authority	<p>8. A member of the Board other than the Chief Executive Officer shall cease to be a member of the Board if that person—</p> <p>(a) resigns office as such in writing to the president in the case of the Chairperson, and to the Board in the case of a member;</p> <p>(b) is absent from three consecutive meetings of the Board without the permission of the chairperson;</p> <p>(c) is adjudged bankrupt;</p> <p>(d) ceases to represent the interest in respect of which the member was appointed or nominated to the Board;</p> <p>(e) is otherwise unable or unfit to discharge the functions of the office.</p> <p>(f) contravenes the provisions of Chapter 6 of the Constitution of Kenya, 2010.</p> <p>(g) is convicted of a Criminal offense</p> <p>(h) is incapacitated by prolonged physical or mental illness;</p> <p>(i) dies</p>
Replacement of Board Member	<p>9. If the office of a member of the Board becomes vacant, the Board shall notify the interest group or organization from which the member was appointed. The interest group or organization shall recommend a replacement to Cabinet Secretary as under section 5(2).</p>
Committees of the Board	<p>10. (1). The Board may establish such committees as it may consider necessary for the efficient performance of its functions and exercise of its powers under this Act.</p> <p>(2). The Board may co-opt to sit in the committees established under sub section (1), such other persons whose knowledge and skills are necessary for the performance of the functions of the Board.</p>
Delegation by the Authority	<p>11. The Authority may, by resolution either generally or in a particular case, delegate to any committee of the Authority or to any member, officer, employee or agent of the Authority the exercise of any of the powers or the performance of any of the functions of the Authority under this Act or under any other written law.</p>
Remuneration of the members of the Board	<p>12. The members of the Board shall be paid such remuneration or allowances for expenses as determined by the Salaries and Remuneration Commission.</p>



Chief Executive Officer	<p>13. (1). There shall be a Chief Executive Officer and shall be competitively recruited and appointed by the Board on such terms and conditions as the Board may determine.</p> <p>(2). The Chief Executive Officer shall be the highest ranking officer and will be responsible for the day to day running of the affairs of the Authority.</p> <p>(3). A person shall qualify to be appointed to the position of a Chief Executive Officer if such a person;</p> <ul style="list-style-type: none"> <li>(a) holds at least a Degree in agriculture-related field from an institution recognized in Kenya;</li> <li>(b) has at least ten years' experience in a relevant-field;</li> <li>(c) has at least five years' experience in a position of senior management; and</li> <li>(d) meets the requirements of Chapter Six of the Constitution of Kenya, 2010.</li> </ul> <p>(4). A Chief Executive Officer shall serve for a term of three years and is eligible for renewal for one term.</p>
Vacancy of the Chief Executive Officer	<p>14. The Chief Executive Officer shall cease to hold office if that person—</p> <ul style="list-style-type: none"> <li>(a) resigns office as such in writing addressed to the Chairperson of the Board;</li> <li>(b) is found liable for gross misconduct or abuse of office in contravention of the Public Officers Ethics Act, 2003 or any other relevant law;</li> <li>(c) is adjudged bankrupt;</li> <li>(d) is otherwise unable or unfit to discharge the functions of the office;</li> <li>(e) contravenes the provisions of Chapter 6 of the Constitution of Kenya, 2010;</li> <li>(f) is convicted of a criminal offense;</li> <li>(g) is incapacitated by prolonged physical or mental infirmity;</li> <li>(h) dies.</li> </ul>
Corporation Secretary	<p>15. (1). There shall be a Corporation Secretary who shall be competitively recruited and appointed by the Board.</p> <p>(2). The terms and conditions of service of the Corporation Secretary shall be determined by the Board in the instrument of appointment upon the advice of the Salaries and Remuneration Commission.</p> <p>(3). A person is qualified for appointment under Sub section (1) if that person-</p> <ul style="list-style-type: none"> <li>(a) Holds a degree from a recognized university;</li> <li>(b) Is registered under the Certified Public Secretaries of Kenya Act, Cap 534;</li> <li>(c) Is a member of good standing of the Institute of Certified Public Secretaries of Kenya;</li> <li>(d) Has at least 7 years' experience in a similar position; and</li> </ul>

	<p>(e) Satisfies the requirements of Chapter 6 of the Constitution of Kenya, 2010.</p> <p>(4). The Corporation Secretary shall be the secretary to the Board and shall-</p> <ul style="list-style-type: none"> <li>(a) provide guidance to the Board on their duties and responsibilities and on matters of governance;</li> <li>(b) ensure timely preparation and circulation of board and committee minutes;</li> <li>(c) maintain and update the register of conflicts of interest;</li> <li>(d) facilitate effective communication between the organization and the shareholders; and</li> <li>(e) ensure that the annual returns and any other statutory documents required to be filed are promptly filed with relevant authorities.</li> </ul>
Staff of the Authority	16. The Authority may employ such officers, agents and staff as are necessary for the proper and efficient discharge of the functions of the Authority under this Act and upon such terms and conditions of service as the Authority may determine.
Common Seal of the Authority	<p>17. (1). The common seal of the Authority shall be kept under the custody of the Corporation Secretary or such other person as the Board may direct and shall not be used except upon the order of the Board.</p> <p>(2) The common seal of the Authority when affixed to a document and duly authenticated shall be judicially and officially noticed, unless the contrary is proved, any order of authorization by the Board shall be presumed to have been duly given.</p> <p>(3) The affixing of the Common Seal of the Authority shall be authenticated by the signature of the Chairperson and the Chief Executive Officer or a person designated by the Authority.</p> <p>(4) The Board shall in the absence of the Chairperson and the Chief Executive Officer nominate one member of the Board to authenticate the seal of Authority on behalf of either the Chairperson or the Chief Executive Officer.</p>
Signing Authority	18. All letters and instruments written or made by or on behalf of the Authority, other than those required by the law to be under seal, and all decisions of the Authority shall be signed under the hand of the Chief Executive Officer or in the absence of the Chief Executive Officer, a person authorized by the Authority.
Conduct of Business of the Board	<p>19. (1) The conduct and regulation of the business and affairs of the Board shall be as provided in the <b>First Schedule</b>.</p> <p>(2) Without prejudice to (1) the Board may regulate its own procedure.</p>
Protection from Personal Liability	<p>20. (1). No member of the Board shall be personally liable for any act or default of the Board done or omitted to be done in good faith and without negligence in the course of the operations of the Board;</p> <p>Provided that in the conduct of the affairs of the Board, members of the Board shall exercise due prudence and diligence and shall be held jointly and severally responsible for any losses incurred due to any act done by them and which is contrary to this Act or the regulations of the Board or to the direction of any general meeting.</p>

	<p>(2). An officer, employee or agent of the Authority shall not be held personally liable to any action, claim or demand for a matter or thing done <i>bona fide</i> for the purpose of executing the functions, powers or duties of the Authority.</p> <p>(3) Any expenses incurred by any person in any suit or prosecution brought against him or her in any court, in respect of any act which is done or purported to be done by him or her under the direction of the Authority, shall, if the court holds that such act was done <i>bona fide</i>, be paid out of the funds of the Authority, unless such expenses are recovered by him or her in such suit or prosecution.</p>
Liability of the Authority for damages	21. Clause 20(1) shall not relieve the Authority of the liability to pay compensation to any person for any injury to him, his property or to any of his or her interests caused by the exercise of any power conferred by this Act or by the failure, whether wholly or partially, of any works.
<b>PART III – DEVELOPMENT OF SCHEDULED CROPS</b>	
Declaration of scheduled crops	<p>22 (1) The crops specified in the <b>Second Schedule</b> are scheduled crops for purposes of this Act.</p> <p>(2) The Cabinet Secretary may, by notice in the Gazette, declare any other crop to be a scheduled crop for purposes of this Act.</p> <p>(3) The notice under sub-section (2) shall prescribe development and regulation measures with respect to each scheduled crop.</p>
Promotion of scheduled crops	<p>23 In addition to the functions stipulated under this Act, the Authority shall—</p> <ul style="list-style-type: none"> <li>(a) Formulate general and specific policies for the development of scheduled crops specified in the <b>Second Schedule</b>;</li> <li>(b) facilitate marketing and distribution of scheduled crops through monitoring and dissemination of market information, including identification of the local supply-demand situation, domestic market matching, overseas market intelligence and promotion activities on scheduled crops;</li> <li>(c) enjoin the Ministry responsible for transportation to effect an efficient, regular, safe, and economical means of transporting scheduled crops, for purposes of reducing marketing costs and maintaining quality.</li> <li>(d) promote the establishment of agricultural produce collection centres in viable areas to serve as buying stations of farm products, packaging houses, pick-up points and meeting places of farmers’ and growers’ cooperatives;</li> <li>(e) establish linkages with various governments and private research institutions for the conduct of studies and researches designed to promote the production, marketing and processing of scheduled crops;</li> </ul>

	<p>(f) in consultation with the National Biosafety Authority, advise the government on the introduction, safe transfer, handling and use of genetically modified species of plants and organisms in the country;</p> <p>(g) to capacity build the value chain players in collaboration with the County Governments with the aim of increasing production and productivity.</p> <p>(h) establish and enforce standards in grading, sampling and inspection, tests and analysis, specifications, units of measurement, code of practice and packaging, preservation, conservation and transportation of crops to ensure health and proper trading;</p> <p>(i) promote and advise on strategies for value addition prior to the export of scheduled crops from Kenya; and</p> <p>(j) recommend general industry agreements between farmers and other industry players.</p>
<b>PART IV- REGULATORY PROVISIONS</b>	
Role of the National and County Governments	<p>24. (1). Each County Government shall implement the National Government policies to the extent that the policies relate to the County and in particular shall be responsible for -</p> <ul style="list-style-type: none"> <li>(a) the provision of extension services for Miraa, Pyrethrum and Other Industrial Crops grown within the county;</li> <li>(b) plant disease control within the county;</li> <li>(c) development of scheduled crops markets within the county;</li> <li>(d) cooperative societies within the county; and</li> <li>(e) soil and water conservation within the county.</li> </ul> <p>(2). In order to achieve the objects and purposes of this Act, the National and County Governments shall provide an enabling environment for the development of MPOIC sub-sectors.</p>
Registration	<p>25. (1). Every Miraa grower shall be registered with a registered association.</p> <p>(2). Every Pyrethrum and Bixa grower shall be registered with a licensed dealer or a licensed processor.</p> <p>(3). Every grower registering entity shall keep or cause to be kept for statistical purposes, a register of all MPOIC growers registered under sub section one (1) specifying-</p> <ul style="list-style-type: none"> <li>(a) name of the grower</li> <li>(b) the location, size, and for the case of Pyrethrum (acreage) and number of trees/bushes for the case of Miraa and Bixa</li> <li>(c) such other information that the Authority may prescribe.</li> </ul> <p>(4) (a) Every dealer in a scheduled crop shall register with the Authority</p>

	<p>(b) A person shall not deal in a scheduled crop unless the person is registered in accordance with this Act.</p> <p>(c) There shall be a fee payable for a registration under this Act to the Authority as determined by the Authority.</p> <p>(d) Any person who contravenes the provisions section 24 (4) commits an offense.</p>
Registration of growers' Associations	<p>26 (1) The Authority shall maintain a register of all association registering growers, in such form as it may determine, and shall enter in the register—</p> <ul style="list-style-type: none"> <li>(a) the full names of the association;</li> <li>(b) the particulars of numbers of registered growers, area planted with scheduled crop or variations of these particulars; and</li> <li>(c) any other particulars the Authority may deem necessary.</li> </ul> <p>(2) The associations shall submit annual returns of registered growers to the Authority.</p> <p>(3) Any person who contravenes the provisions under this section commits an offense.</p>
Licensing	<p>27 (1) All persons dealing in the MPOIC sector shall not, without a valid license from the Authority, operate as;</p> <ul style="list-style-type: none"> <li>(a) a commercial nursery operator;</li> <li>(b) an aggregator;</li> <li>(c) a commercial transporter for miraa;</li> <li>(d) a dealer</li> <li>(e) a processor; and</li> <li>(f) an importer or exporter</li> </ul> <p>(2) A person who contravenes provisions of sub section (1) commits an offence and is liable, on conviction to a fine not exceeding one million shillings or twice the value of MPOIC or its products whichever is greater or to imprisonment for a term not exceeding two years or both.</p> <p>(3) The Authority will revoke a licence issued under sub section (1), if that person contravenes the conditions under which the licence is issued.</p>
Form of Licence	<p>28 A licence issued under this Act shall be subject to such form and conditions as the Authority may determine and to any conditions that may be prescribed and shall be renewable upon the expiry of the financial year.</p>
Licensing Fees	<p>29 There shall be payable for issue of licences under this Act, such fees as the Authority may prescribe.</p>
Prohibition of export of raw pyrethrum and bixa seeds	<p>30 (1) A person shall not export raw pyrethrum, bixa seeds or any other industrial crop as may be prescribed, except with the written authority of the Cabinet Secretary.</p> <p>(2) Any person who contravenes the provisions under sub-section 30(1) commits an offence and is liable, on conviction to a fine not exceeding one million shillings or twice the value of MPOIC or its products whichever is greater or to imprisonment for a term not exceeding two years or both.</p>

Crop inspectors	<p>31 (1) The Authority may appoint qualified persons, to be inspectors for the scheduled crops in MPOIC sector for the purposes of this Act.</p> <p>(2) For purposes of subsection (1), the Authority may, by regulations, prescribe the qualifications for different categories of inspectors.</p> <p>(3) The Authority in consultation with the County Governments, shall separately or jointly conduct inspection of farms, nurseries, collection centres, processing plants, warehouses and pack houses, transportation vessels to ascertain compliance with the requirements of the Act.</p> <p>(4) The Authority and County Governments shall jointly or separately conduct periodic surveillance among growers, processing plants, warehousing facilities, transporters, retail outlets and border points to assess the degree of compliance with the policy, standards, codes of practice, laws and the general well-being of the MPOIC industry.</p> <p>(5) Surveillance reports will be shared with County Governments for purposes of standards and the regulatory framework enforcement,</p> <p>(6) A grower, a transporter, a processor, a warehouse operator or a buyer, dealer, aggregator and a trader shall accord an inspector full and free access and all necessary assistance during the inspection,</p> <p>(7) A person shall not prevent, hinder or obstruct an inspector in performance of the functions, and duties or exercise of powers conferred by this Act.</p> <p>(8) A person who hinders or obstructs any person duly exercising or attempting to exercise any of the powers conferred by sub-section (1), or who fails to give any information reasonably required commits an offence and shall be liable, on conviction, to a fine not exceeding one million shillings, or to imprisonment for a term not exceeding two years, or both.</p>
Powers of entry	<p>32 For the purposes of this Act, an inspector who has reasonable grounds may at any reasonable time, enter upon any land, premises or vehicle and may take such persons and things as the inspector considers necessary and may—</p> <p>(a) perform the functions or exercise the powers conferred by this Act or any other written law;</p> <p>(b) make enquiries or carry out a search to ascertain if this Act is being complied with;</p> <p>(c) demand the production by a licence holder of the licence for examination;</p> <p>(d) seize and remove any article or thing in respect of which the inspector has reasonable grounds for believing that an offence under this Act is being or has been committed.</p>
<b>PART V – FINANCIAL PROVISIONS</b>	
Funds of the Authority	<p>33 (1) The funds and assets of the Authority shall consist of-</p> <p>a. Such monies as may be appropriated by the National Assembly for the purposes of the Authority;</p>

	<p>b. such monies or assets as may accrue to or vest in the Authority in the course of the exercise of its powers or the performance of its functions under this act;</p> <p>c. all monies received in respect of the levies;</p> <p>d. such monies as maybe payable to the Authority pursuant to this Act or any other written law;</p> <p>e. such gifts as may be donated to the Authority; and</p> <p>f. monies from any other source granted, donated or lent to the Authority.</p> <p>(2) The Cabinet Secretary may in consultation with the Authority, by order under this Act in the <i>Gazette</i> impose a levy on:</p> <p>(a) Exported or imported miraa produce or products at the rate of two shillings per kilogram;</p> <p>(b) Ex-factory Pyrethrum and Bixa products at a rate of two percentum of the total value;</p> <p>(c) Pyrethrum and Bixa produce and products at a rate of three percentum of the total value for imports or as may be reviewed by the Authority from time to time.</p> <p>(3) An order under this section may contain provision as to the time to which any amount payable by way of the levy shall become due.</p> <p>(4) All monies received in respect of the levy shall be paid to the Authority and if not paid on or before the date prescribed by the order, the amount due and any sum payable under sub-section (2) shall be a civil debt recoverable summarily by the Authority.</p> <p>(5) If a person fails to pay any amount payable by way of levy on or before the date prescribed by the order, a sum equal to five per centum of the amount shall be added to the amount due for each month or part thereof during which the amount due remains unpaid.</p>
Financial Year of the Authority	34 The Financial year of the Authority shall be the period of twelve months ending on thirtieth June in each year.
Annual Estimates	<p>35. (1) Before the commencement of each financial year, the Authority shall cause to be prepared estimates of revenue and expenditure of the Authority for that year.</p> <p>(2) The annual estimate shall make provisions for all estimated expenditure of the Authority for the financial year concerned and in particular shall provide for –</p> <p>(a) the payment of salaries, allowances and other charges in respect of the staff of the Authority;</p> <p>(b) payment of allowances and other charges in respect of the members of the Board,</p>

	<p>(c) the payment of pensions, gratuities and other charges in respect of retirement benefits which are payable out of the funds of the Authority;</p> <p>(d) the proper maintenance of the buildings and grounds of the Authority;</p> <p>(e) the acquisition, maintenance, repair and replacement of the equipment and other movable property of the Authority;</p> <p>(f) the creation of such reserve funds to meet future contingent liabilities in respect of retirement benefits, reinsurance or replacement of buildings or equipment, or in respect of such other matters as the Board may deem appropriate.</p> <p>(3) The annual estimates prepared by the Authority under sub section (2) shall be submitted to the Cabinet Secretary for tabling in parliament.</p> <p>(4) The annual estimates shall be prepared in accordance with the Public Finance Management Act 2012 (No. 18 of 2012)</p>
Investment of funds	36. The Authority may invest any of the funds of the Authority in securities in which for the time being trustees may by laws invest trust funds or in any other securities which the treasury may, from time to time, approve for that purpose.
<b>PART VI - AUDIT AND REPORT</b>	
Accounts and audit	<p>37. (1) The Authority shall cause to be kept such books of accounts and other books in relation thereto of all its undertakings, funds, activities and property as the Cabinet Secretary may from time to time approve and shall, within a period of three months after the end of the financial year, cause to be prepared, signed and forwarded to the Auditor-General-</p> <p style="padding-left: 40px;">(a) a statement of the financial position,  (b) a statement of income and expenditure of the Authority,  (c) such other statements of accounts as may be prescribed by the Public Finance Management Act ,2012 (No. 18 of 2012)</p> <p>(2) The accounts of the Authority shall be examined, audited and reported upon annually by the Auditor-General in accordance with the Public Audit Act, 2003. (No. 12 of 2003)</p> <p>(3) The Authority shall submit to the Auditor-General all books and accounts of the Authority, together with all vouchers in support thereof, and all books, papers and writing in its possession or control relating thereto, and the Auditor-General shall be entitled to require from any member, officers, employee, or agent of the Authority such information and explanation as the Auditor-General may consider necessary for the performance of his duties.</p>
Annual report	38. (1) The Authority shall, within three months after the end of each financial year, prepare and submit to the Cabinet Secretary a report of the operations of the board for the immediate preceding year.



	(2) The Cabinet Secretary shall lay the report submitted to him under sub-section (1) before the National Assembly within three months of the day the assembly next sits after the receipt of the report.
<b>PART VII – GENERAL PROVISIONS</b>	
Dispute resolution	39. The Authority shall resolve the disputes arising between any parties under this Act.
Appeals	40 A person aggrieved by the decision of the Authority under this Act may appeal to the court established under article 162(2) of the constitution.
Offences and Penalties	<p>41 (1) A person who contravenes any provision of this Act, or commits an offence for which no penalty is prescribed, shall be liable, on conviction, to a fine not exceeding five hundred thousand shillings, or to imprisonment for a period not exceeding one year, or to both.</p> <p>(2) Where an offence under this Act is committed by a partnership, a company, an association or co-operative society, every person who at the time when the offence was committed -</p> <ol style="list-style-type: none"> <li>a) was a director, partner or officer;</li> <li>b) had knowledge or should have had knowledge of the commission of the offence; and</li> <li>c) did not exercise due diligence to ensure compliance with this Act,</li> </ol> <p>Commits an offence and shall be liable for the offence as if that person had committed the offence, unless that person proves that the act or omission constituting the offence took place without the persons knowledge, consent or connivance and that the person exercised diligence to prevent the commission of the offence as the person ought to have exercised having regard to the nature of that persons functions as director, partner or officer concerned as aforesaid and to all the circumstances.</p>
Regulations	<p>42 (1) The Cabinet Secretary may upon consultation with Authority make regulations for prescribing anything which by this Act is required to be prescribed, and generally for the better carrying out of the provisions of this Act;</p> <p>(2) Without prejudice to the generality of the powers conferred by sub-section (1), the regulations thereunder may provide for all or any of the following-</p> <ol style="list-style-type: none"> <li>(a) the regulation of the processing, importation and exportation of MPOIC produce and products;</li> <li>(b) the forms and the process to be used in the application for registration, licensing, contracts and related activities;</li> <li>(c) any fee which may be charged for anything done under this Act; and</li> <li>(d) the regulation of contracts between growers, processors and other players in the MPOIC industry.</li> </ol>

Consequential amendments no. 16 of 2013	43. The Crops Act is amended by deleting- (a) paragraph (d) of section 14(1); and (b) the term pyrethrum” appearing in part 1 and “Miraa” and Bixa appearing in part 3 of the First Schedule.
Repeals	44 The “Pyrethrum Act No. 22 of 2013” is hereby repealed.
<b>PART VIII: TRANSITIONAL PROVISIONS</b>	
Rights and obligations	45. All rights, obligations and contracts which, immediately before the coming into operation of this Act, were vested in or imposed on the Agriculture and Food Authority with respect to the MPOIC sector shall by virtue of this section, be deemed to be the rights, obligations and contracts of the Authority as the case may be.
Legal Proceedings	46. On or after the appointed day, all actions, suits and legal proceeding pending by or against the Agriculture and Food Authority in relation to the MPOIC sector regulatory functions shall be carried on or prosecuted by or against the Authority, and no action, suit or legal proceedings shall in any manner abate or be prejudicially affected by the enactment of the Act.
Reference to written laws	47. Any reference to the Agriculture and Food Authority in any written law or in any contract, documents or instruments of whatever nature, in relation to MPOIC, shall, on the commencement of this Act be read and construed as a reference to the Authority.
Previous authorizations	48. All directions, orders and authorizations given, or licences or permit issued, or registrations issued by the Agriculture and Food Authority in relation to MPOIC, and subsisting or valid immediately before the appointment day, shall be deemed to have been given, issued, or made by the Authority as the case may be, under this Act.
Transfer of staff	49. (1) Any person who, at the commencement of this Act, is a remunerated member of staff of the Agriculture and Food Authority dealing with MPOIC sector shall on the appointed day, become a member of staff of the Authority on the same or improved terms and conditions of service as may be specified by the Authority. (2) Other staff within the Agriculture and Food Authority may upon consideration and appointment by the Authority, become a member of staff of the Authority after the commencement of this Act.
Assets and liabilities	50. All funds, liabilities, assets and other property movable or immovable which have been acquired after commencement of the Crops Act, 2013 and Agriculture and Food Authority Act, 2013 relating to MPOIC sub-sectors and were vested on Agriculture and Food Authority shall, by virtue of this paragraph vest in the Authority
Separation of commercial and regulatory functions	51. Only regulatory functions immediately before the coming into operation of this Act, that were vested in or imposed on the Agriculture and Food Authority with respect to the MPOIC sector shall by virtue of this section, be deemed to be the functions of the Authority.
Pending proceedings and claims	52. All legal proceedings and claims pending in respect of actions and activities to which this Act apply shall be continued or enforced by or against the Authority in the same manner as they would have been continued or enforced by or against the Agriculture and Food Authority.

## SCHEDULES

### First Schedule- Conduct of Business and Affairs of the Board

<b>Meetings of the board</b>	<p>1. (1) The Board shall meet not less than four times in every financial year and not more than four months shall elapse between the date of one meeting and the date of the next meeting.</p> <p>(2) Notwithstanding the provisions of sub-paragraph (1), the Chairperson may, and upon request in writing by at least five members, convene a special meeting of the Board at any time for the transaction of the business of the Board.</p> <p>(3) Unless three quarters of the total members of the Board otherwise agree, at least fourteen days' written notice of every meeting of the Board shall be given to every member of the Board.</p> <p>(4) The quorum for the conduct of the business of the Board shall be seven members.</p> <p>(5) The Chairperson shall preside at every meeting of the Board at which the Chairperson is present but in absence, the Vice-Chairperson shall preside and shall, with respect to that meeting and the business transacted thereat, have all the powers of the Chairperson.</p> <p>(6) In the event of the absence of both the Chairperson and the vice-Chairperson, the members present shall elect one of their members to preside, who shall, with respect to that meeting and the business transacted thereat, have all the powers of the Chairperson.</p> <p>(7) Unless a unanimous decision is reached, a decision on any matter before the Board shall be by a majority of the votes of the members present and voting in the case of an equality of votes, the Chairperson or the Vice-Chairperson or the person presiding shall have a casting vote.</p> <p>(8) Subject to paragraph (4), no proceeding of the Board shall be invalid by reason only of a vacancy among the members thereof.</p> <p>(9) Subject to the provisions of this Schedule, the Board may determine its own procedure and the procedure for any committee of the Board and for the attendance of other persons at its meetings and may make standing orders in respect thereof.</p>
<b>Disclosure of interest</b>	<p>2. (1) If a member is directly or indirectly interested in any contract, proposed contract or other matter before the Board and is present at a meeting of the Board at which the contract, proposed contract or other matter is the subject of consideration, such member shall, at the meeting and as soon as reasonably</p>

<p><b>Common Seal</b></p>	<p>practicable after the commencement thereof, disclose the fact and shall not take part in the consideration or discussion of, or vote on, any questions with respect to the contract or other matter, or be counted in the quorum of the meeting during consideration of the matter.</p> <p>(2) A disclosure of interest made under this paragraph shall be recorded in the minutes of the meeting at which it is made.</p> <p>3. The affixing of the common seal of the Board shall be authenticated by the signature of the Chairperson and the Chief Executive Officer and any document not required by law to be made under seal and all decisions of the Board may be authenticated by the signatures of the Chairperson and the Chief Executive Officer:</p> <p>Provided that the Board shall, in the absence of either the Chairperson or the Chief Executive Officer in any particular matter, nominate one member to authenticate the seal of the Board on behalf of either the Chairperson or the Chief Executive Officer</p>
<p><b>Contracts and instruments</b></p>	<p>4 Any contract or instrument which, if entered into or executed by a person not being a body corporate, would not require to be under seal, may be entered into or executed on behalf of the Board by any person generally or specially authorized by the Board for that purpose.</p>
<p><b>SECOND SCHEDULE - SCHEDULED CROPS</b></p>	
<p><b>(Part III Section 23 )</b></p>	
	<p>Bixa..... <i>Bixa Orellana</i>  Miraa ..... <i>Catha edulis</i>  Pyrethrum ..... <i>Chrysanthemum tanacetum spp</i></p>

