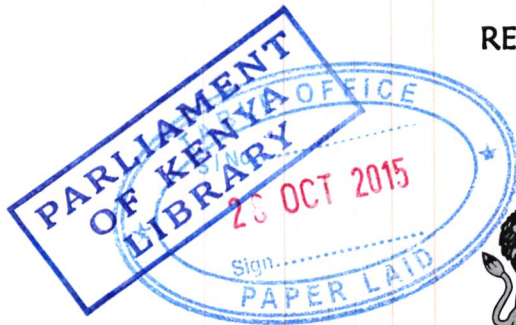


Approved for tabling.

But
SMA
28/10/15



REPUBLIC OF KENYA



Paper laid
By the Vice Chairman
Departmental
Committee on
Agriculture
Livestock &
Cooperatives

ELEVENTH PARLIAMENT - THIRD SESSION - 2015

THE NATIONAL ASSEMBLY

DEPARTMENTAL COMMITTEE ON AGRICULTURE, LIVESTOCK AND
COOPERATIVES

*Hon. Kareka
Mboni
on website
28/10/2015*
[Signature]

REPORT ON PUBLIC PETITION BY NYERI COUNTY COFFEE FARMERS IN THE
MATTER OF PRODUCTION AND MARKETING OF THEIR COFFEE AND PAYMENT
OF DUES OWED TO THEM

Directorate of Committee Services,
Clerk's Chambers
Parliament Buildings,
NAIROBI

OCTOBER, 2015

ABBREVIATIONS / ACRONYMS

- AFFA - Agriculture Food and Fisheries Authority
- CCMMAA - Commercial Coffee Millers and Marketing Agents Association
- C.E.O - Chief Executive Officer
- KCCE - Kenya Cooperative Coffee Exporters Kenya
- KCCM - Kenya Cooperative Coffee Millers
- MoU - Memorandum of Understanding

1.2 *Committee Membership*

The Committee comprise the following Members:-

1. The Hon. Hon. Adan M. Nooru, MBS, M.P - Chairperson
2. The Hon. Kareke Mbiuki, M.P - Vice Chairperson
3. The Hon. Daniel Maanzo, M.P
4. The Hon. Silas Tiren, M.P
5. The Hon. Maison Leshoomo, M.P
6. The Hon. Mary Wambui, M.P
7. The Hon. (Dr.) Victor Munyaka, M.P
8. The Hon. Korei Ole Lemein, M.P
9. The Hon. John B. Serut, M.P
10. The Hon. Peter N. Gitau, M.P
11. The Hon. Florence Mutua, M.P
12. The Hon. John Kobado, M.P
13. The Hon. Benjamin Washiali, M.P
14. The Hon. Patrick Wangamati, M.P
15. The Hon. Phillip Rotino, M.P
16. The Hon. Raphael Letimalo, M.P
17. The Hon. Ayub Savula Angatia, M.P.
18. The Hon. Waititu Munyua, M.P
19. The Hon. Kimani Ichung'wah, M.P
20. The Hon. Ferdinand Wanyonyi, M.P
21. The Hon. Kabando Wa Kabando, M.P
22. The Hon. Justice Kemei, M.P
23. The Hon. James Opiyo Wandayi, M.P
24. The Hon. Millie Odhiambo - Mabona, M.P
25. The Hon. Hezron Awiti Bollo, M.P
26. The Hon. Fredrick Outa, M.P
27. The Hon. Zuleikha Hassan Juma, M.P
28. The Hon. Alfred Kiptoo Keter, M.P
29. The Hon. Paul Simba Arati, M.P

- c) Nyeri County coffee farmers have not benefited from the new county government initiative to sell all the coffee from one agency. Those farmers who rejected the arrangement were even getting higher payment;
- d) The Nyeri County Government involvement in the coffee sector to have all coffee milled and marketed by one agency was contrary to the existing laws; and it ignored the advice given by the relevant government agency
- e) The farmers freedom to take their coffee to places of their choice for marketing purposes was curtailed;
- f) KCCE's appointment by Nyeri County Government to market coffee was not transparently done.
- g) Contrary to the assertion by the Ag Director General AFFA Mr. Alfred Busolo, that the matter was active before Court, the subject before the Committee was a different matter.

1.6 RESPONSE TO THE PRAYERS IN THE PETITION

In response to the above prayers, **the Committee submits the following records:-**

- 1) Detailed account of the Coffee produced since the introduction of the Nyeri County Government marketing initiative (2013/2014) **Annex 3**
- 2) Copies of agreement and Memorandum of Understanding and Contracts with third parties in the coffee sales in the Nyeri County Government initiative and copies of Memorandum of Understanding (MoU) between CCMMAA and KCCE **Annex 4**

The **Committee recommends that:-**

- 1) The transaction entered between the County government with the farmers and agents should be mutually agreed and be transparent. The coffee farmers should be left to benefit from the liberalized market.
- 2) The existing Coffee regulations be reviewed with a view to improving areas which are not friendly to the farmers

1.8 ACKNOWLEDGMENT

The Committee wishes to sincerely thank the Offices of the Speaker and the Clerk of the National Assembly for the support extended to it in the execution of its mandate.

I take this opportunity to thank all the Members of the Committee for their patience, sacrifice, endurance and hard work during the long sitting hours under tight schedules which enabled us to complete the tasks within the stipulated period.

The Committee wishes to record its appreciation for the services rendered by the staff of the National Assembly attached to the Committee. Their efforts made the work of the Committee and the production of this Report possible.

Finally, it is now my pleasant duty, on behalf of the Departmental Committee on Agriculture, Livestock and Cooperatives, to present this report to the House pursuant to the provisions of Standing Order 227 (2).

SIGNED: 

DATE: 22-10-2015

for

THE HON. ADAN M. NOORU, MBS, M.P.
CHAIRPERSON , DEPARTMENTAL COMMITTEE ON AGRICULTURE, LIVESTOCK
AND COOPERATIVES

produced in the County must be collected and delivered to Sagana Coffee Millers and that marketing, selling, and payment of farmers for their coffee would squarely be executed by the County Government;

- d) This initiative by the County government has led to delayed payments to farmers for their coffee thus occasioning huge financial losses and hardships;
- e) The initiative by the Nyeri County to market, sell and pay farmers has led to farmers earning much less per kilogram of coffee delivered as compared to other farmers in neighboring regions like Meru and Kirinyaga whose coffee is sold through auction at the Nairobi Securities Exchange market;
- f) Though agriculture is a devolved function, coffee is a major foreign exchange earner and is categorized as a *scheduled crop* by the Crops Act, 2013 and thus is subject to regulation by the National Government since the coffee sector is not exclusively a County government function;
- g) Efforts to engage the County government on the said issue has been fruitless thus exposing farmers to continued liabilities and debts which impact adversely on their major source of income;
- h) Coffee farmers from Nyeri County have reasonable grounds to justify that the manner in which their coffee production is being handled by County Government is not only fraudulent and illegal but also economically unviable;
- i) Issues in respect of which this petition is made are not pending before any court of law, constitutional or legal body.

2.5 The coffee crop in Kenya has a chequered history. Originally introduced as a commercial crop in Kenya by colonial settlers about a century ago, the coffee business has since undergone dramatic phases of change in its regulation, ownership and trade to become a most contested crop.

farmers retain significant farm-to-shelf control over their coffee, which has earned them prosperous livelihoods that are the envy of their counterparts in other parts of the world. They have built schools, roads and hospitals. They own a bank, an insurance company, a shipping company, the national airline among other landmark establishments.

It is remarkable that branded Kenya coffee continues to fetch premium prices at retail outlets throughout the world. Available data from online sales and supermarkets in major European and American cities, for instance indicate that a 250 grams packet of coffee branded "AA Kenya Coffee" retails at 7.50 Euros, which translates to Kshs 900, an equivalent of Kshs 3,600 per kilo.

Granted that milling and related losses may take away upto 31% off the wet coffee that a farmer delivers to the factory, this implies that a kilogramme of that wet coffee is being sold for Kshs 2,484 in some retail outlets abroad.

3.0 SUBMISSIONS AND EVIDENCE

Having been seized of the Petition, the Committee commenced its consideration by inviting the petitioners, C.E.O of Kenya Cooperative Coffee Exporters Ltd (KCCE) and C.E.O of Agriculture, Food and Fisheries Authority for meetings on diverse dates. During the meetings, written and oral evidence was adduced as recorded hereunder:-

3.1 Submission by the Petitioners (Mr. Charles Muriuki, Mr. Samuel Macharia and Mr. Joseph Wanjohi Mwangi)

Appearing before the Committee on 21st April 2015, the petitioners submitted that:

- a) The Governor had pledged to buy their coffee at Ksh. 130/= per kg but later on went ahead and announced that the pay had gone down to Ksh.65/= per kg.
- b) Despite these announcements, the farmers were finally paid at a rate of Ksh.53.70/= per kg.
- c) The amount paid in one factory was higher than the announced rate without any substantiation. This was the case in Gatina Factory where the rate announced was Ksh. 56/= per kg but actual payment was Ksh. 65.80/=per kg.

- h) With the entrance of Kenya Cooperative Coffee Millers (KCCM), milling losses came down with KCCM having recorded as low as 16% milling loss and a high of 20% for parchment one;
- i) KCCE was appointed by the County Government of Nyeri to market coffee on behalf Nyeri County Coffee farmers;
- j) A Memorandum of Understanding was signed on 24th March 2014 to allow KCCE to sell Nyeri Coffee and recover loans on behalf of those who had loaned the farmers;
- k) Despite negative publicity, KCCE managed to sell the coffee and paid a high of Ksh. 68 per kg of cherry and most societies were paid above Ksh. 50 per kg of cherry;
- l) Farmers were happy with the performance and they signed milling and marketing contracts for 2014/2015 without the intervention of the County Government.

3.3 Submissions by Ag. Director General AFFA

Appearing before the Committee on 18th June 2015 the Ag. Director General AFFA Mr. Alfred Busolo submitted that;

- a) There was a court case **Judicial Review Application No. 4 of 2014** filed on 18th December 2013, by thirteen (13) Cooperative Societies seeking a stay of the circular by the Nyeri County Government where they enjoined the Coffee Board of Kenya alongside the County Government of Nyeri as respondents.
- b) The Authority felt that discussing the petition may prejudice court proceedings and was of the opinion that the matter be deferred until the outcome of the Court case.
- c) Following the devolution of Agriculture, the Nyeri County Government constituted a task force to come up with recommendations to revitalize the coffee industry;
- d) The taskforce recommended that Nyeri Coffee be centrally milled and marketed. This resulted in Kenya Cooperative Coffee Millers (KCCM) Ltd, and Kenya Cooperative Coffee Exporters (KCCE) Ltd being identified for the centralized milling and marketing of Nyeri Coffee respectively;

disregarded in Nyeri. The County Government action resulted in a breach of existing contracts which triggered a dispute;

- i) The Authority consequently notified the county government through a circular that the approach in Nyeri was in contravention of the National coffee regulations.

3.4 Fact finding visit and Meeting with the Public by the Committee

During a Fact finding visit by the Committee on 18th - 21st June, 2015 to Nyeri County. Farmers from Gikanda, Thuguri, Gatuiyaini and Gachata coffee factories submitted that:-

1. The Governor had promised them Ksh.130/=per kilogram then later Ksh.80/= with advance of Ksh 30/=. Eventually rates were announced to be Ksh. 67/= ,but actual payment came to Ksh 62/= per kilogram;
2. The Task force formed was a public relation exercise used to rubber-stamp the governor's intentions and that there were no structural arrangements put in place to have all the coffee sold through one single buyer but instead the governor used his office to effect the directive;
3. They experience low and usually late payments for their coffee as a result of the Governors interference as compared to those who refused to agree with the Governors arrangements;
4. Coffee payments in factories which refused to agree with the Governor's arrangements were higher and prompt e.g. Gachatha Factory.
5. KCCE does not participate in the field activities of coffee production but only come in when the produce is ready for sale;
6. KCCE, the Cooperative Bank and the Governor have interest in coffee industry and the directors of KCCE are also directors in Cooperative bank;
7. The County Government has not done much to assist the farmers as farm inputs are supplied late and sometimes usually overpriced;

- f) KCCE's appointment by Nyeri County Government to market coffee was not transparently done.
- g) Contrary to the assertion by the Ag Director General AFFA Mr. Alfred Busolo, that the matter was active before Court, the subject before the Committee was a different matter.

5.0 COMMITTEE RECOMMENDATIONS

In response to the above prayers, **the Committee submits the following records:-**

- (i) Detailed account of the Coffee produced since the introduction of the Nyeri County Government marketing initiative (2013/2014) -**Annex 3**
- (ii) Copies of agreement and Memorandum of Understanding and Contracts with third parties in the coffee sales in the Nyeri County Government initiative and copies of Memorandum of Understanding (MoU) between CCMMAA and KCCE -**Annex 4**

The **Committee recommends that:-**

- (i) The transaction entered between the Nyeri County Government with the farmers and agents should be mutually agreed upon and transparent. The coffee farmers should be left to benefit from the liberalized market.
- (ii) The existing Coffee regulations be reviewed with a view to improving areas which are punitive to the farmers

ANNEX 1

Approved
B. S. N. A
17/11/14

REPUBLIC OF KENYA

Ms Chebet



THE NATIONAL ASSEMBLY

ELEVENTH PARLIAMENT
(SECOND SESSION)

PUBLIC PETITION

BY NYERI COUNTY COFFEE FARMERS IN THE MATTER OF
PRODUCTION AND MARKETING OF THEIR COFFEE AND PAYMENT OF
DUES OWED TO THEM

I, the UNDERSIGNED, on behalf of Nyeri County Coffee Farmers;

DRAW the attention of the House to the following;

- i) THAT, Kenya is known worldwide for production of superior quality coffee;
- ii) THAT, Nyeri County accounts for a significant amount of the Kenya's coffee production;
- iii) THAT, the County Government of Nyeri issued directives that all coffee produced in the County must be collected and delivered to Sagana Coffee Millers and that marketing, selling and payment of farmers for their coffee would squarely be executed by the County Government;
- iv) THAT, this initiative by the County Government has led to delayed payments to farmers for their coffee thus occasioning huge financial losses and hardships;

PUBLIC PETITION

BY NYERI COUNTY COFFEE FARMERS IN THE MATTER OF PRODUCTION AND
MARKETING OF THEIR COFFEE AND PAYMENT OF DUES OWED TO THEM

- (ii) Recommends a full disclosure of all the agreements, memoranda of understanding and contracts with third parties and coffee farmers by Nyeri County as well as the audited accounts of the coffee sales by the County; and
- (iii) Causes the involvement of the Agriculture, Fisheries and Food Authority, in regulating, marketing and sale of the coffee crop in Nyeri County.

And your PETITIONERS will ever pray.

PRESENTED BY,

Esther Murugi

HON. ESTHER MURUGI, MP
MEMBER FOR NYERI TOWN CONSTITUENCY

DATE: 13th November 2014.....

On Behalf of the Petitioners whose Names are appended herein:

1. The Constitution of Kenya, 2010 spells out the Role of the National Assembly under Article 95. The aforesaid article specifically provides under clause 2 that *The National Assembly deliberates on and resolves issues of concern to the people.*
2. Recognizing that the National Assembly is so mandated to among others *deliberate and resolve issues of concern to the people of this county and to review the conduct of state officers,* coffee farmers in Nyeri County have deemed it necessary to present several issues as regards the coffee industry in their County for deliberation and resolution by the National Assembly as per the powers conferred on it by the Constitution of Kenya.
- last 3. Coffee farmers from Nyeri County have reasonable grounds to believe that the manner in which their coffee production is being handled is not only unconstitutional, illegal, fraudulent and unprofessional but economically unviable since the process is occasioning them huge financial losses and exposing them to liabilities and debts. Their fears are based on the fact that coffee is the main economic activity.
4. The County Government of Nyeri issued directives that all the coffee produced in Nyeri County must be collected and delivered to Sagana Coffee Mills and that marketing, selling and releasing of payments to farmers for their coffee would be fully handled by the County Government. Previously, the farmers voluntarily chose a miller of their choice.

8. Monies collected from the sale of coffee earn the country the much needed foreign income but the farmers are neither informed of where the funds are held nor are they consulted regarding any interest earned from such huge deposits. This raises issues of public finance concern whose jurisdiction is the Committee on Finance, Planning and Trade of this Honourable house.

second part

9. Efforts to engage the county government have been fruitless and consequently, farmers continue to be exposed to huge losses as their major source of income has been adversely affected. The farmers have therefore resolved to seek the intervention of the National Assembly as the last resort in seeking a resolution to the coffee issues bedeviling farmers in Nyeri County.

10. The following facts form the basis upon which we have come to the said conclusion.

- a) Upon his election as the Governor for Nyeri County, Hon. Nderitu Gachagua issued an order (directive) that all coffee from Nyeri County should be delivered to Sagana KPCU go-downs for direct sale by the County Government of Nyeri. The Governor also rubbished all existing contracts between coffee farmers in Nyeri County and other institutions especially coffee marketers leading to major losses by the farmers as well as marketers.

- f) In the year 2013/2014, crop worth over Kenya Shillings Two Billion (Kshs. 2B) had been sold by May 2014 and the farmers were paid an advance in May 2014 at Kshs. 10 per kg. This advance payment translates to about Kenya Shillings Three Hundred and Fifty Five Million (Kshs. 355M). The farmers have never received an explanation why the County Government opted to pay an advance payment while the coffee had already been sold. They have also not been told why it took so long for the final payment to be made after all the coffee had been sold.
- g) The published figures (Exhibit 1) were not what was used pay the farmers through the factories. The farmers expected that the County government would apply the rates when making the payment. *Attached hereto and marked Exhibit 2 is a schedule of actual payments received by factories.*
- h) Further to (g) above, the payments received by factories were further reduced to cater for, *inter alia*, factory management expenses and related deductions further reducing the actual amounts received by the farmers. In some instances, some farmers in various factories received less than Five Shillings (Kshs. 5).
- i) Farmers are aware that there is some coffee from Nyeri County being held at Dandora KPCU storage facilities. Surprisingly, this information only came to the attention of farmers after it was indicated that all the coffee

the initiative by the County Government have been paid prices ranging between Kshs. 8 per/kg and Kshs. 10 per/kg.

- m) The Co-operative Bank of Kenya agreed to issue to the County Government a guarantee of Kenya Shillings Two Billion (Kshs. 2B). It has not been explained to the farmers what were the terms of the said guarantee and whether the same was effected. Further, the farmers have never been informed whether they incur any charges from the alleged guarantee from the bank.
- n) Farmers are well aware that KCCE's financial position is not strong. They are also aware that the company has borrowed huge sums of money from the Cooperative Bank of Kenya on the strength of their coffee and they are thus fearful and apprehensive of incurring huge liabilities if KCCE was to default in payment of the loans. *Annexed hereto and marked Exhibit 3 is a copy of a letter from KCCE to the bank seeking financing to the tune of USD 9,000,000.*
- o) Farmers are aware of a Memorandum of Understanding between the County Government and the Ministry of Agriculture but it is not known what role the Ministry is playing and whether it is in support of the initiatives by the Nyeri County Government.

- s) Farmers were informed that all their coffee has since been sold but it has now come to their attention that to this date, their coffee is still being sold at the auction under disguised LOT numbers. Information available to the farmers indicates that their coffee was sold at the auction on 22nd October 2014 as well as on 28th October 2014. It is however not known where the proceeds of the sale are being taken but it is not in doubt that they are being swindled as they are not expecting any payments after being informed that all the coffee has been sold. It is therefore not in doubt that there are persons/entities stealing the coffee and selling it under disguised identity. This is of course illegal and unlawful. *Annexed hereto and marked Exhibit 4 are print outs indicating coffee that was on sale on the aforesaid dates.*
- t) Coffee identity has been distorted so as to be sold at the auction as "bulk" instead of using the outrun numbers issued to identify coffee from the specific societies/factories. The sole reason for the distortion is to have the coffee sold anonymously at the auction to hoodwink farmers not to know that it is their coffee on sale at the auction. This amounts to fraud, misrepresentation and theft of farmers' coffee.
- u) Whereas farmers are aware that their coffee was on sale (paragraph "s" above), the County Secretary/Head of Public Service, Nyeri County response to the County Assembly dated 17th September 2014 indicated

liabilities that the farmers are or may be exposed to as a result of such agreements, MoUs or contracts.

- iv) Seeking a full disclosure of the total funds so far handled by KCCE, Nyeri County Government, Cooperative Bank of Kenya and or any other entity with a relation with coffee from Nyeri County.
- v) Demanding for audited accounts of all coffee sales from Nyeri County.
- vi) Demanding a financial report on KCCE liquidity.
- vii) Seeking a disclosure of where money from sale of coffee from Nyeri County is held including report of any interest earned.
- viii) Calling for reports from but not limited to KPFCU, Cooperative Bank of Kenya, KCCE and all other entities involved in the marketing and sale of coffee from Nyeri County.
- ix) Demanding an explanation of where the proceeds of the sale of Nyeri coffee at the auction are being taken since the same is not being passed to the farmers.
- x) Seeking that a directive be issued to the Agriculture, Fisheries and Food Authority to exercise its statutory authority as mandated by sections 8 and 13 of the Crops Act, 2013.

1. Member of Parliament, Kieni Constituency.
2. Member of Parliament, Mukurwe-ini Constituency.
3. Member of Parliament, Tetu Constituency.
4. Member of Parliament, Othaya Constituency.
5. Member of Parliament, Mathira Constituency.



COUNTY GOVERNMENT OF NYERI

STATEMENT FROM H.E.HON. NDERITU GACHAGUA, GOVERNOR NYERI COUNTY, ON THE OUTCOME OF THE COUNTY'S DIRECT COFFEE MARKETING INITIATIVE

STATEMENT OF PAYMENT TO NYERI COUNTY COFFEE FARMERS ON THE BASIS OF THE NEW COFFEE MARKETING INITIATIVE BY THE NYERI COUNTY GOVERNMENT AS AT 27/7/2014

FACTORY	2013/14 Cherry Rate	Last Year Rate	Percentage Increase
GAAKI	66	31	113%
GITITU	65	31	110%
KAGUMO	60	34	76%
THAGEINI	58	33	75%
GATOMBOYA	65	49.3	31%
GATURIRI	64	51.2	25%
KARATINA	64	45.45	40%
KARINDUNDU	64	44.65	41%
KIRIGU	64	40	61%
NDIMAINI	66	40.7	61%
GIAKANJA	67	32.5	105%
GICHATHAINI	63	47.75	31%
KANGOCHO	65	53.45	21%
NDAROINI	67	47.8	40%
GITHIRU	49	24	105%
KAMUNYAKA	68	38.25	77%
KIAMWANGI	58	37.95	54%
MIIRI	70	34.6	103%
GACHUIRO	63	30.8	101%
ICHUGA	64	33.1	93%
IHWAGI	66	31.7	108%
KIAMAINA	67	36.7	81%
KIANGUNDU	59	30.2	97%
KIANDU	68	0	0%
HIRIGA	59	17.4	240%
KAHILUHI	56	26.5	113%
KAHIRAINI	80	12.3	550%
KIAMARIGA	71	24.8	185%
RUIRUIRU	72	24.8	190%
GATHUGU	63	29.3	216%
GATINA	56	42.3	32%
KAGUMOINI	73	39.1	87%
KIAMABARA	66	33.95	95%
KIENI	70	40.3	73%
ICHAMARA	65	45	45%
KAHURO	64	40.5	59%
KIUI	38	35	10%
MUTWEWATH	68	42.6	61%
THANGATHI	60	35	71%
NJURIGA	68	29.75	130%
GIATHUGU	65	36.95	76%
GUMBA	54	33	62%
IGUTHA	57	43.55	31%
KANYIRIRI	55	29	90%
KARUNDU	61	34	79%
MIHUTI	60	41.3	44%
MUTITU	67	37	78%
MWERU	59	32.65	80%
GAIKUNDO	65	28.7	126%
GATURA	64	30.9	106%
KAGUNYU	65	34.35	88%
KIAMAMURURU	66	39.3	73%
MAGAND	66	34.85	89%
NDIAINI	64	32.52	95%
TAMBAYA	69	40.6	70%
THUNGURI	57	43.85	30%
KAMUCHUINI	65	13.16	392%
MUKUI	63	21.00	402%
MUTHUTHINI	62	35.95	71%
NDUMA	63	30.76	104%
RUARAI	61	35.83	71%
GITHIMA	52	27.50	88%

On May 16th, 2013 the Nyeri County Coffee Stakeholders met at Greenhills Hotel under the auspices of the H.E. the Governor, Hon. Nderitu Gachagua, to chart the way forward for the coffee industry in the country. At this meeting it was agreed that a Task Force be appointed to find the best way forward for the county to follow in handling its coffee production, milling and marketing to improve earnings for the coffee farmers. The meeting included the representatives of the coffee farmers co-operatives, coffee estates, the Cooperative Bank, Cooperative Insurance Group, National Government, Coffee Research Foundation, Governor's Office, the County Commissioner and members of the County Assembly from coffee growing areas.

The Task Force found several issues that were an impediment to the county coffee industry. These were:

Low production; High cost of farm inputs; Credit accessibility constraints; poor infrastructure; Disunity in the cooperatives; Poor corporate governance and political interference; Climate change; Competition from other enterprises-dairy, horticulture and real estate; Coffee theft and illegal coffee deals (e.g cherry hawking); Aging coffee marketing chain; Declining earnings.

The Task Force Recommendations were:

- i) Improve coffee production by engaging agronomist, farmers; adoption of new technologies, new coffee varieties e.g Ruiru and Batian, and capacity building to promote coffee farming as a business.
- ii) Farm inputs - County farmers to buy inputs together to enjoy bulk purchase discounts.
- iii) Coffee milling and marketing from a centralised location for farmers to enjoy the economies of scale and develop an organised marketing plan to increase direct sales hence fetch better prices.
- iv) Coffee financing - to borrow from one source to avoid burdening farmers and to ensure timely borrowing.
- v) Coffee certification - to adopt baseline standards by engaging 4Cs and fair trade certification.
- vi) Value addition and promotion of local consumption.
- vii) Increase youth and women involvement in coffee farming.
- viii) Establish a coffee police unit to deal with coffee theft.
- ix) County government to create a legal framework to effectively protect the producers and other stakeholders fairly and effectively.

The County Progress in the Implementation of the Task Force Recommendations is as follows:

i) Coffee milled centrally at sagana; resulting in reduction of milling losses from over 35% to 17%; increase in superior grades (AA, AB & PB) from 5% to over 38%; elimination of price fluctuations - societies can only expect better payment rates going forward (NO leaser rates). ii) Increased direct market sales from 5% to over 30% hence better prices and opened up Nyeri County Coffee for a new buyers who had been blocked off by the local coffee cartels. iii) Paid farmers on interest-free installment of Ksh.10 per kilo of cherry from their sales proceeds (NOT as a loan). iv) Improved cooperative societies governance by removal of corrupt officers and reduction of operational costs by using actual expenses (salaries, water bills, electricity bills e.t.c.) Instead of the 20% dictated from Nairobi. It's the intention of the county government to ensure that going forward the operational costs. Across the board for all factories will not exceed 5% of the net returns. v) Increased transparency in the entire value chain, which will result in stable coffee business in the years to come. vi) Increased production by over 50% from the previous year. vii) Subsidized farm inputs supplied over 30,000 bags of SUBSIDIZED fertilizers to the 23 societies. This was supplied at Sh. 1,500/- per bag as opposed to the hitherto Shs. 3,200 per bag. viii) Established Coffee Police Unit that has curtailed theft of coffee from societies in transit to millers. ix) Developed new marketing and sales strategies.

Challenges confronted along the way.

(1) The local coffee cartels blocked Nyeri coffee from accessing the market by claiming that Nyeri had been contracted to them. The adverse campaign was both local and international. The breakthrough was on March 24, 2014 when the National Government intervened. Therefore, Nyeri coffee was four months late into the market. This delay to get Nyeri coffee into the market on time led to loss of opportunity to sell Nyeri coffee when the prices were at the peak.

(2) After managing to put coffee in the market, the same cartels demonized the County's new coffee marketing initiative through local political proteges claiming that Nyeri coffee was rotten and not traceable to the respective societies ostensibly because it was poorly stored. This spread out in the international and local media and the Governor had to make trips to the US to correct the image as well as scout for new markets.

The Governor succeeded in developing partnerships with various buyers for Nyeri coffee. This led to a windfall of buyers from different countries competing for Nyeri coffee.

Advantages of the new coffee marketing initiative

1. Market transparency, including closing up information gaps, between the farmers and the buyers. This will enable farmers, to work on the right quantity and quality targets to meet specific buyers' requirements
2. Farmers direct accessibility to milling losses statements and grades allocation upon delivery of their coffee to the milling facilities.
3. Increased accessibility of coffee buyers to visits coffee farms to appreciate the quality of production by the coffee growers.
4. Provided greater visibility for growth of agro-tourism with potential benefits to the farmers.
5. Development of a framework for creation of a revolving fund to stabilize market price fluctuations.
6. Facilitated farmers direct access to inexpensive and affordable inputs and extension services.
7. Established legal framework to protect the coffee farmers' interest; strengthening governance structures and enhanced incentives to farmers, in line with the new constitution (2010) and vision 2030.
8. Developed the capacity to share the successes and challenges of the new initiative with other coffee growing counties to improve Kenya's coffee industry.

Appreciations

The Nyeri County Government wants to commend strongly the Nyeri Coffee Farmers, including the coffee factories and societies, for their faith, courage and confidence, in the transformation of the County's coffee industry. Their momentous efforts have now paid dividends. They are currently enjoying higher rates than they have attained for long time before. The catalogue of the payment rates, out of this initiative, is as shown here with.

The Government of Nyeri County is committed to ensure that these rates will continue to improve. We greatly appreciate for enormous support of President Uhuru Kenyatta for sending Cabinet Secretaries, Felix Koskei and Adan Mohamed to review and support the Nyeri County new coffee marketing initiative. Special thanks to Cabinet Secretary Koskei, the Cabinet Secretary for Agriculture, Livestock and Fisheries, for facilitating a break through that opened up the way for sale of Nyeri County coffee directly to the market from March 24, 2014. The Cabinet Secretary has closely monitored the count's success in marketing its coffee through regular sales reports. The County Government of Nyeri is also grateful to Kenya Cooperative Coffee Exporters (KCC) for their instrumental role in marketing and selling of Nyeri coffee. Similarly, the county Government is thankful to the Cooperative Bank for their commendable support in the entire process. The county is indebted to both domestic and international stakeholders who played one role or another in making this process a success.

Way Forward

Using the lessons learnt, the Nyeri Coffee farmers will strengthen their collective capacity for the direct marketing of their coffee to improve their earnings and in the best interest of Kenya's Coffee Industry. The farmers now want to move into the next level of direct value addition of their coffee for both the local and international markets. They shall not rest until they see specific Nyeri coffee brands in the market. The county is keen to share its experience with other coffee growing counties towards the increased competitiveness and sustainability of Kenya's Coffee industry.

H.E.HON. NDERITU GACHAGUA
GOVERNOR, NYERI COUNTY



Retired by [unclear]

*1/3/14
1/1/14*

NYERI	KIANDU	KIANDU	62.50	Apr-14 SMS			
NYERI	MUTHEKA	MUTHUWAINI	55.95	Apr-14 TROPICAL			

COUNTY	SOCIETY	FACTORY	ACTUAL	Date Paid	SERVICE PROVIDER	PUBLISHED RATES	Variance From Actual
NYERI	MUGAGA	KAGUMOINI	68.85	Sep-14	KCCM/KCCE	73.00	-4.15
NYERI	MUGAGA	KIENI	68.20	Sep-14	KCCM/KCCE	70.00	-1.80
NYERI	MUGAGA	GATINA	65.80	Sep-14	KCCM/KCCE	56.00	9.80
NYERI	BARICHU	KARATINA	61.00	Sep-14	KCCM/KCCE	64.00	-3.00
NYERI	BARICHU	KARINDUNDU	60.80	Sep-14	KCCM/KCCE	64.00	-3.20
NYERI	MUGAGA	KIAMABARA	59.15	Sep-14	KCCM/KCCE	66.00	-6.85
NYERI	GIKANDA	NDAROINI	58.90	Sep-14	KCCM/KCCE	67.00	-8.10
NYERI	GIKANDA	GICHATHAINI	58.80	Sep-14	KCCM/KCCE	63.00	-4.20
NYERI	BARICHU	GATOMBOYA	58.60	Sep-14	KCCM/KCCE	65.00	-6.40
NYERI	TEKANGU	NGUNGURU	58.50	Sep-14	KCCM/KCCE	68.00	-9.50
NYERI	BARICHU	GATURIRI	57.20	Sep-14	KCCM/KCCE	64.00	-6.80
NYERI	GAKUYU	NDIMAINI	56.30	Sep-14	KCCM/KCCE	66.00	-9.70
NYERI	MUGAGA	GATHUGU	56.10	Sep-14	KCCM/KCCE	63.00	-6.90
NYERI	TEKANGU	KAROGOTO	55.25	Sep-14	KCCM/KCCE	71.00	-15.75
NYERI	GAKUYU	KIRIGU	54.60	Sep-14	KCCM/KCCE	64.00	-9.40
NYERI	TEKANGU	TEGU	54.05	Sep-14	KCCM/KCCE	62.00	-7.95
NYERI	RUGI	IGUTHA	54.00	Sep-14	KCCM/KCCE	57.00	-3.00
NYERI	RUGI	KARUNDU	54.00	Sep-14	KCCM/KCCE	61.00	-7.00
NYERI	GIKANDA	KANGOCHO	53.70	Sep-14	KCCM/KCCE	65.00	-11.30
NYERI	RUTUMA	KARII	52.00	Sep-14	KCCM/KCCE	57.00	-5.00
NYERI	GIAKANJA	GIAKANJA	51.30	Sep-14	KCCM/KCCE	67.00	-15.70
NYERI	RUGI	MUTITU	51.00	Sep-14	KCCM/KCCE	67.00	-16.00
NYERI	RUTUMA	NGANDU	48.75	Sep-14	KCCM/KCCE	65.00	-16.25
NYERI	KIAMA	KIAMAINA	48.10	Sep-14	KCCM/KCCE	67.00	-18.90
NYERI	KIAMA	ICHUGA	46.50	Sep-14	KCCM/KCCE	64.00	-17.50
NYERI	RUGI	MIHUTI	46.00	Sep-14	KCCM/KCCE	60.00	-14.00
NYERI	KIAMA	GACHUIRO	45.15	Sep-14	KCCM/KCCE	63.00	-17.85
NYERI	KIAMA	KIANGUNDU	44.50	Sep-14	KCCM/KCCE	59.00	-14.50
NYERI	RUTUMA	KIANJOGU	42.80	Sep-14	KCCM/KCCE	67.00	-24.20
NYERI	RUGI	KANYIRIRI	42.00	Sep-14	KCCM/KCCE	55.00	-13.00
NYERI	RUGI	MWERU	42.00	Sep-14	KCCM/KCCE	59.00	-17.00
NYERI	GITHIRU	GITHIRU	41.05	Sep-14	KCCM/KCCE	49.00	-7.95
NYERI	RUGI	GUMBA	41.00	Sep-14	KCCM/KCCE	54.00	-13.00
NYERI	RUTUMA	RUTHAGATI	40.60	Sep-14	KCCM/KCCE	61.00	-20.40
NYERI	NEW GIKARU	ICHAMARA	40.00	Sep-14	KCCM/KCCE	65.00	-25.00
NYERI	RUGI	GIATHUGU	40.00	Sep-14	KCCM/KCCE	65.00	-25.00
NYERI	NEW GIKARU	KAHURO	38.00	Sep-14	KCCM/KCCE	64.00	-26.00
NYERI	RUTUMA	NDURUTU	37.80	Sep-14	KCCM/KCCE	56.00	-18.20
NYERI	IRIAINI	KIAMWANGI	36.05	Sep-14	KCCM/KCCE	58.00	-21.95
NYERI	KIAMA	IHWAGI	35.20	Sep-14	KCCM/KCCE	66.00	-30.80
NYERI	NEW GIKARU	THANGATHI	35.00	Sep-14	KCCM/KCCE	60.00	-25.00

County work

EXHIBIT 3

EXHIBIT 4

2520	45MS0228/RIAKANUGU/XBC30F01	KENB	AA	11	2.2	662.2
2521	✓ 52ME2000/KCCE BULK	KENB	AA	8	0	480.0
2522	43MS0165/KIROO/XBC38F01	KENB	AA	10	43.1	643.1
2523	48MS0260/KITHARE/XBC32F01	KENB	AA	15	22.4	922.4
2524	✓ 52ME2008/KCCE BULK	KENB	AA	68	0.0	4080.0
2525	✓ 52ME2006/KCCE BULK	KENB	AA	45	42.0	2742.0
2526	✓ 52ME2007/KCCE BULK	KENB	AA	63	16.0	3796.0
2527	✓ 52ME2009/KCCE BULK	KENB	AA	32	0.0	1920.0
2528	✓ 52ME2010/KCCE BULK	KENB	AA	44	0.0	2640.0
2529	✓ 52ME2011/KCCE BULK	KENB	AA	45	62.0	2762.0
2530	✓ 52ME2012/KCCE BULK/	KENB	AA	21	0.0	1260.0
MISCELLANEOUS						
2531	52ME2004/KCCE BULK	KENB	UG1	5	0.0	300.0
2532	51MS0283/KIAIRUGU/XBC17F02	KENB	MH	8	44.1	524.1
2533	48MS0280/RWANICHEGE/XBC34F01	KENB	MH	8	54.1	534.1
2534	52MS0299/KITHARE/XBC32F01	KENB	MH	10	15.9	615.9
2535	52MS0301/NTHIRANI/XBC23F01	KENB	MH	11	25.8	685.8
2536	52MS0307/MAGUMOINI/XBC11F01	KENB	MH	12	11.7	731.7
2537	51MS0294/GITIRU/XBC26F01	KENB	MH	15	65.4	965.4
2538	51MS0288/BWEE/XBC18F02	KENB	MH	15	10.4	910.4
2539	52MS0300/KIRIANI/XBC05F01	KENB	MH	28	14.9	1694.9
2540	48MS0257/KAMAARA/XBC29F01	KENB	MH	28	60.1	1740.1
2541	51MS0258/C/BULK	KENB	MH	30	15.9	1815.9



Kenya co-operative coffee exporters
5th Floor, Co-operative Bank House, Haile Selassie Avenue
P.O. Box 54980 - 00200, Nairobi

SALE NO. 03 OF SEASON 2014/2015 TO BE HELD ON 21 OCTOBER 2014

LOT NO	MARK	MILL	WHSE	GRADE	BAGS	PKTS (Kgs)	TOTAL WT (Kgs)	CERT	BUYER
2501	47MS0240/IRIGA/XBC15F03	TNCM	KENB	TT	9	28.2	568.2		
2502	48MS0253/KIRIANI/XBC05F01	TNCM	KENB	C	31	37.8	1897.8		
2503	44MS0176/KAJIARA/XBC19F01	TNCM	KENB	C	9	57.0	597.0		
2504	48MS0279/RWANICHEGE/XBC34F01	TNCM	KENB	C	13	45.6	825.6		
2505	44MS0178/RWANDERI/XBC19F02	TNCM	KENB	C	10	32.1	632.1		
2506	44MS0177/RWANDERI/XBC19F02	TNCM	KENB	C	13	33.4	813.4		
2507	44MS0187/KIAIRUGU/XBC17F02	TNCM	KENB	C	14	58.5	898.5		
	WITHDRAWN								
	WITHDRAWN								
2510	45MS0221/NDUGURI/XBC25F01	TNCM	KENB	C	13	14.6	794.6		
2511	48MS0269/NDUGURI/XBC25F01	TNCM	KENB	C	14	51.5	891.5		
2512	44MS0202/IRIANI/XBC18F03	TNCM	KENB	C	23	49.3	1429.3		
2513	44MS0185/KIAIRUGU/XBC17F02	TNCM	KENB	C	47	14.2	2834.2		
2514	45MS0215/NDUGURI/XBC25F01	TNCM	KENB	C	27	27.2	1647.2		
2515	48MS0279/RWANICHEGE/XBC34F01	TNCM	KENB	AB	12	30.7	750.7		
2516	50LE0017/MUKUYUINI/	LECM	KENB	AB	31	29.8	1889.8		
2517	44MS0187/KIAIRUGU/XBC17F02	TNCM	KENB	AB	9	45.0	585.0		
2518	48MS0253/KIRIANI/XBC05F01	TNCM	KENB	AB	53	19.6	3199.6		
2519	44MS0178/RWANDERI/XBC19F02	TNCM	KENB	AB	9	14.0	554.0		
2520	44MS0195/KIRUMI/XBC17F01	TNCM	KENB	AB	13	60.5	840.5		
2521	45MS0209/KAMARA/XBC29F01	TNCM	KENB	AB	50	59.8	3059.8		
2522	48MS0220/NDUGURI/XBC25F01	TNCM	KENB	AB	8	59.1	539.1		
2523	44MS0176/KAJIARA/XBC19F01	TNCM	KENB	AB	13	10.4	790.4		
2524	44MS0197/IRIANI/XBC18F03	TNCM	KENB	AB	13	44.6	824.6		
2525	43MS0164/KIROO/XBC38F01	TNCM	KENB	AB	18	45.9	1125.9		
2526	47MS0240/IRIGA/XBC15F03	TNCM	KENB	AB	53	17.6	3197.6		
2527	44MS0180/TUKORWENI/XBC23F02	TNCM	KENB	AB	45	11.4	2711.4		
2528	44MS0205/KANJIKERU/XBC18F01	TNCM	KENB	AB	18	62.1	1142.1		
2529	45MS0213/GITIRU/XBC26F01	TNCM	KENB	AB	12	23.7	743.7		
2530	48MS0269/NDUGURI/XBC25F01	TNCM	KENB	AB	20	12.9	1212.9		
2531	48MS0260/KITHARE/XBC32F01	TNCM	KENB	AB	38	40.1	2320.1		

2563	51ME2014/BULK	KCCM	KPCU	AA	111	45.7	5705.7		
2569	51ME2016/BULK	KCCM	KENB	AA	93	33.6	5613.6		
2570	51ME2017/BULK	KCCM	KPCU	AA	92	23.8	5543.8		
2571	51ME2019/BULK	KCCM	KPCU	AA	99	50.0	5990.0		
2572	51ME2021/BULK	KCCM	KPCU	AA	89	63.3	5403.3		
2573	51ME2023/BULK	KCCM	KPCU	AA	59	62.9	3602.9		
2574	51ME2025/BULK	KCCM	KPCU	AA	52	31.7	3151.7		
2575	51ME2031/BULK	KCCM	KPCU	AA	72	49.4	4369.4		
2576	51ME2033/BULK	KCCM	KPCU	AA	51	40.6	3100.6		
2577	51ME2035/BULK	KCCM	KPCU	AA	102	47.6	6167.6		
	MISCELLANEOUS								
2578	51ME2012/BULK	KCCM	KENB	UG	90	0.0	5400.0		
	45MS0214/GITIRU/XBC26F01	TNCM	KPCU	UG1	11	17.2	677.2		
2580	30KC1000/bulk	KCCM	KENB	UG2	7	43.0	463.0		
2581	51ME4000/SWEEPS	KCCE	KENB	MH	6	64	424.0		

2539	KIROO	43MS0165	AB	50	15.1	3015.1	
2540	NTHIRANI	44MS0194	AB	56	62.2	3422.2	
2541	IRIGA	47MS0239	AB	117	19.1	7039.1	
2542	KIRIAINI	48MS0252	AB	133	50.3	8030.3	
2543	BULK	51ME2004	AB	13	0.0		
2544	KIRUMI	48MS0262	AB	8	59.1	539.1	
2545	GAKUU	44MS0182	AB	17	30.2	1050.2	
2546	NTHIRANI	44MS0194	PB	10	48.1	648.1	
2547	IRIGA	47MS0240	PB	15	60.2	960.2	
2548	KIRIAINI	48MS0253	PB	15	57.0	957.0	
2549	KIRIAINI	48MS0252	PB	38	15.3	2295.3	
2550	KAMARA	45MS0209	PB	16	49.3	1009.3	
2551	BULK	51ME2006	PB	9	0.0		
2552	BWEE	44MS0207	PB	7	16.2	436.2	
2553	MUKUYUINI	50LE0017	AA	21	11.8	1271.8	
2554	IRIGA	47MS0240	AA	22	60.6	1380.6	
2555	NTHIRANI	44MS0194	AA	9	26.0	566.0	
2556	KIRIAINI	48MS0253	AA	20	40.9	1240.9	
2557	BWEE	44MS0207	AA	12	46.7	766.7	
2558	IRIGA	47MS0239	AA	54	27.9	3267.9	
2559	KIRIAINI	48MS0252	AA	61	27.4	3687.4	
2560	KIOGE	46GS0031	AA	AB	20.0	0.0	
2561	GATURIRI	25KC0028	AA	61	60.7	3720.7	51ME2036
2562	KIRINDUNDU	29XC0004	AA	131	37.0	7897.0	20ME2039
2563	GATHUGU	50ME2040	AA	113	0.0		20ME2040
2564	BULK	51ME2000	AA	9	0.0		
2565	BULK	51ME2010	AA	21	58		
2566	BULK	51ME2011	AA	36	23		
2567	KAMARA	45MS0209	AA	31	16.8	1876.8	
2568	GATOMBBOYA	14KC0020	AA	111	45.7	3405.7	51ME2014
2569	GATINA	16KC0038	AA	93	33.6	5613.6	51ME2016
2570	KAGUMOINI	19KC0024	AA	92	23.8	5543.8	51ME2017
2571	KARATINA	19KC0065	AA	99	50.0	5990.0	51ME2019
2572	KIENI	20KC0047	AA	89	63.3	5403.3	51ME2021
2573	GATURIRI	21KC0061	AA	59	62.9	3602.9	51ME2023
2574	NDAROINI	22KC0011	AA	52	31.7	3151.7	51ME2025
2575	GICHATHAINI	23KC0008	AA	72	49.4	4369.4	51ME2031
2576	KIAMABARA	24KC0015	AA	51	40.6	3100.6	51ME2033
2577	KANGOCHO	25KC0009	AA	102	47.6	6167.6	51ME2035
2578	BULK	51ME2012	UG	90	0.0		
2579	GITIRU	45MS0214	UG1	11	17.2	677.2	
2580	bulk	30KC1000	UG2	7	43.0	0.0	
2581	SWEEPS	51ME4000	MH	6	64	424.0	

Nairobi Coffee Exchange Sale No. 3 held Wednesday 22nd Oct. 2014

TRANSNR	LOTNR	MARKS	GRADE	BAGS	WEIGHT	SALEBAGSBOUGHT	WGTBOUGHT	BUYERCODE	PRICE	SEATNR	AUCTCODE	STATUS	TJD	RESPRICE
1	601	52LE007/KALUA/XBE06F01	C	26	1597 03	26	1597	74	228	74	21	2	09:31:4	300
2	602	52LE016/KALUA/XBE06F01	C	25	1514 03	25	1514	24	229	24	21	2	09:32:3	300
3	603	52LE012/UMANTHI/XBE06F02	C	20	1230 03	20	1230	65	228	65	21	2	09:33:1	305
4	604	52LE010/KITHIMA/XBE06F03	C	24	1491 03	24	1491	74	228	74	21	2	09:33:4	305
5	605	52LE015/MBEE/XBE06F04	C	10	625 03	10	625	24	238	24	21	2	09:34:1	300
6	606	52LE014/UTOONI/XBE06F05	C	21	1296 03	21	1296	74	230	74	21	2	09:35:0	305
7	607	52LE007/KALUA/XBE06F01	AB	79	4786 03	79	4786	24	247	24	21	2	09:36:0	325
8	608	52LE016/KALUA/XBE06F01	AB	79	4778 03	79	4778	24	249	24	21	2	09:36:3	325
9	609	52LE012/UMANTHI/XBE06F02	AB	41	2514 03	41	2514	52	249	52	21	2	09:37:0	330
10	610	52LE010/KITHIMA/XBE06F03	AB	86	5202 03	86	5202	52	249	52	21	2	09:37:3	330
11	611	52LE015/MBEE/XBE06F04	AB	72	4362 03	72	4362	74	252	74	21	2	09:38:0	325
12	612	52LE014/UTOONI/XBE06F05	AB	72	4364 03	72	4364	24	253	24	21	2	09:38:3	300
13	613	52LE007/KALUA/XBE06F01	PB	6	424 03	6	424	24	248	24	21	2	09:39:1	315
14	614	52LE016/KALUA/XBE06F01	PB	7	467 03	7	467	74	250	74	21	2	09:39:3	315
15	615	52LE010/KITHIMA/XBE06F03	PB	6	399 03	6	399	74	251	74	21	2	09:39:5	320
16	616	52LE015/MBEE/XBE06F04	PB	5	347 03	5	347	24	255	24	21	2	09:40:0	320
17	617	49TK0044/KIHENIA/AB.0049	AA	7	479 03	7	479	78	269	78	21	2	09:42:1	360
18	618	50TK0011/POINT-MZURI/AE.0013	AA	27	1679 03	27	1679	39	242	39	21	2	09:43:1	390
19	619	51TK2008/AA/BULK	AA	12	731 03	12	731	74	282	74	21	2	09:43:4	385
20	620	52TK2008/AA/BULK	AA	32	1964 03	32	1964	136	264	68	21	2	09:44:3	390
21	621	52TK2009/AA/BULK	AA	10	612 03	10	612	74	305	74	21	2	09:45:3	385
22	622	52TK2010/AA/BULK	AA	8	509 03	8	509	136	268	68	21	2	09:46:1	385
23	623	52TK2011/AA/BULK	AA	20	1262 03	20	1262	136	254	68	21	2	09:46:4	400
24	624	52LE007/KALUA/XBE06F01	AA	23	1433 03	23	1433	74	306	74	21	2	09:48:0	415
25	625	52LE016/KALUA/XBE06F01	AA	27	1637 03	27	1637	78	313	78	21	2	09:48:4	415
26	626	52LE012/UMANTHI/XBE06F02	AA	9	595 03	9	595	136	309	68	21	2	09:49:1	420
27	627	52LE010/KITHIMA/XBE06F03	AA	25	1553 03	25	1553	78	303	78	21	2	09:50:0	420
28	628	52LE015/MBEE/XBE06F04	AA	46	2792 03	46	2792	74	315	74	21	2	09:50:3	420
29	629	52LE014/UTOONI/XBE06F05	AA	16	997 03	16	997	74	329	74	21	2	09:51:1	420
30	630	52TK0056/KIHENIA/AB.0049	UG2	14	868 03	14	868	21	75	21	21	1	09:51:5	80
31	631	52TK1020/P/BULK	UG2	5	312 03	5	312	78	71	78	21	2	09:52:1	90

65	1815	45HC0023 / KILALANI/XBE011F01/RA, AB	33	2013	03	33	2013	62	243	62	18	1 10:22:5	288
66	1816	47KF0007 / ORETI ESTATE/AB0059 AB	51	3085	03	51	3085	39	246	39	18	2 10:23:3	294
67	1817	52HC0003 / KIBISI/XDA003F01/FLO AB	27	1679	03	27	1679	62	244	62	18	2 10:25:1	288
68	1818	51HC0026 / KIPEPEO FARM/AB0017A AB	95	5767	03	95	5767	74	247	74	18	2 10:25:5	288
69	1819	01HC0031 / KANUNGA/XAA002F02/FL AB	29	1772	03	29	1772	24	254	24	18	2 10:26:3	303
70	1820	01HC1001 / BULK AB	15	934	03	15	934	74	247	74	18	2 10:27:2	303
71	1821	43HC0021 / KAWAMUGIGA/AE0011 AB	106	6402	03	106	6402	78	247	78	18	2 10:28:0	303
72	1822	46HC0024 / KILALANI/XBE011F01/RA, AB	68	4116	03	68	4116	24	252	24	18	1 10:28:3	303
73	1823	47HC0023 / KAUKISWA/XBE19F02/FL AB	75	4519	03	75	4519	24	260	24	18	2 10:29:1	303
74	1824	47HC0026 / KATWANYAA/XBE19F01/ AB	39	2358	03	39	2358	78	252	78	18	2 10:29:3	303
75	1825	47KF0008 / CHANIA ESTATE/AB0021 AB	52	3139	03	52	3139	74	247	74	18	2 10:30:0	303
76	1826	52HC0030 / GIICHI/XAA002F01/FLO AB	42	2544	03	42	2544	24	259	24	18	2 10:30:4	303
77	1827	51HC0026 / KIPEPEO FARM/AB0017A PB	14	848	03	14	848	78	245	78	18	1 10:31:2	294
78	1828	46HC0023 / KILALANI/XBE011F01/RA, AA	9	588	03	9	588	51	246	51	18	2 10:32:2	325
79	1829	44MS2014 / C/BULK AA	11	724	03	11	724	39	210	39	18	2 10:33:3	300
80	1830	51HC2005 / C/BULK AA	14	888	03	14	888	51	250	51	18	2 10:34:2	350
81	1831	51HC0026 / KIPEPEO FARM/AB0017A AA	16	985	03	16	985	78	287	78	18	2 10:35:2	350
82	1832	52HC0003 / KIBISI/XDA003F01/FLO AA	10	628	03	10	628	39	251	39	18	2 10:36:3	338
83	1833	01HC0031 / KANUNGA/XAA002F02/FL AA	11	685	03	11	685	78	314	78	18	2 10:37:2	400
84	1834	01HC1001 / BULK AA	10	613	03	10	613	136	305	68	18	2 10:38:1	400
85	1835	46HC0024 / KILALANI/XBE011F01/RA, AA	15	917	03	15	917	78	319	78	18	2 10:38:5	400
86	1836	47HC0023 / KAUKISWA/XBE19F02/FL AA	54	3256	03	54	3256	136	314	68	18	2 10:39:3	400
87	1837	47HC0026 / KATWANYAA/XBE19F01/ AA	13	793	03	13	793	78	316	78	18	2 10:40:0	400
88	1838	49LE001 / KWAMANGU/XBE09F02/FL AA	41	2513	03	41	2513	78	319	78	18	2 10:40:3	400
89	1839	49LE002 / MUISUNI/XBE09F01/FLO AA	48	2924	03	48	2924	78	324	78	18	2 10:41:1	400
90	1840	52HC0030 / GIICHI/XAA002F01/FLO AA	17	1046	03	17	1046	78	323	78	18	2 10:41:3	400
91	1841	01HC2007 / C/BULK HE	17	1047	03	17	1047	160	199	40	18	1 10:42:0	225
92	1842	01HC2008 / C/BULK/FLO UG2	14	874	03	14	874	21	81	21	18	2 10:42:5	225
93	1843	01HC2010 / C/BULK UG2	50	3062	03	50	3062	160	179	40	18	2 10:44:1	225
94	1844	52HC0023 / KIPEPEO FARM/AB0017A UG2	12	765	03	12	765	21	117	21	18	2 10:44:5	200
95	1845	01HC2009 / C/BULK UG1	15	939	03	15	939	52	210	52	18	1 10:45:4	200
96	1846	01HC1000 / BULK UG1	21	1316	03	21	1316	47	234	47	18	1 10:46:4	275
97	1847	01HC1002 / BULK UG1	16	1018	03	16	1018	52	210	52	18	1 10:47:3	200

131	2533	45MS0228/RIAKANUGU/XBC30F01	AB	10	653	03	10	653	65	246	65	22	2 11:21:0	420
132	2534	45MS0210/KAMARA/XBC29F01	AB	11	712	03	11	712	62	244	62	22	2 11:22:0	420
133	2535	43MS0159/KITHITU/XBC36F01	AB	16	1027	03	16	1027	149	243	44	22	2 11:22:3	420
134	2536	45MS0221/NDUGURI/XBC25F01	AB	17	1082	03	17	1082	62	233	62	22	2 11:23:1	420
135	2537	44MS2007/BWEE/	AB	41	2494	03	41	2494	149	242	44	22	2 11:24:0	420
136	2538	44MS0193/KIRUMI/XBC17F01	AB	48	2890	03	48	2890	160	244	40	22	2 11:24:3	420
137	2539	43MS0165/KIROO/XBC38F01	AB	50	3015	03	50	3015	39	240	39	22	2 11:25:3	420
138	2540	44MS0194/NTHIRANI/XBC23F03	AB	56	3422	03	56	3422	160	242	40	22	2 11:26:2	420
139	2541	47MS0239/IRIGA/XBC15F03	AB	117	7039	03	117	7039	65	239	65	22	2 11:26:5	420
140	2542	43MS0252/KIRIAINI/XBC05F01	AB	133	8030	03	133	8030	149	244	44	22	2 11:27:3	420
141	2544	48MS0262/KIRUMI/XBC17F01	AB	8	539	03	8	539	62	241	62	22	2 11:28:2	420
142	2545	44MS0182/GAKUU/XBC23F03	AB	17	1050	03	17	1050	160	242	40	22	2 11:28:4	420
143	2546	44MS0194/NTHIRANI/XBC23F03	PB	10	648	03	10	648	62	241	62	22	2 11:29:2	420
144	2547	47MS0240/IRIGA/XBC15F03	PB	15	960	03	15	960	62	238	62	22	2 11:30:4	420
145	2548	43MS0253/KIRIAINI/XBC05F01	PB	15	957	03	15	957	47	238	47	22	2 11:31:2	420
146	2549	43MS0252/KIRIAINI/XBC05F01	PB	38	2295	03	38	2295	160	245	40	22	2 11:32:1	420
147	2550	45MS0209/KAMARA/XBC29F01	PB	16	1009	03	16	1009	160	245	40	22	2 11:32:4	420
148	2552	44MS0207/BWEE/	PB	7	436	03	7	436	47	242	47	22	2 11:33:3	420
149	2553	50LE0017/MUKUYUINI/	AA	21	1271	03	21	1271	39	250	39	22	2 11:34:2	500
150	2554	47MS0240/IRIGA/XBC15F03	AA	22	1380	03	0	0	1001	0	0	22	3 11:34:5	500
151	2555	44MS0194/NTHIRANI/XBC23F03	AA	9	566	03	9	566	68	249	69	22	2 11:35:5	500
152	2556	48MS0253/KIRIAINI/XBC05F01	AA	20	1240	03	20	1240	39	250	39	22	2 11:36:4	500
153	2557	44MS0207/BWEE/	AA	12	766	03	12	766	68	248	69	22	2 11:37:5	500
154	2558	47MS0239/IRIGA/XBC15F03	AA	54	3267	03	54	3267	68	266	69	22	2 11:39:4	500
155	2559	48MS0252/KIRIAINI/XBC05F01	AA	61	3687	03	61	3687	68	260	69	22	2 11:40:4	500
156	2561	51ME2036/BULK	AA	61	3720	03	61	3720	68	296	69	22	2 11:42:4	500
157	2562	20ME2039/BULK	AA	131	7897	03	131	7897	68	253	69	22	2 11:44:1	500
158	2566	51ME2011/BULK	AA	36	2183	03	36	2183	51	195	51	22	2 11:44:5	500
159	2567	45MS0209/KAMARA/XBC29F01	AA	31	1876	03	31	1876	39	251	39	22	2 11:46:0	500
160	2568	51ME2014/BULK	AA	111	6705	03	111	6705	39	274	39	22	2 11:47:3	500
161	2569	51ME2016/BULK	AA	93	5613	03	93	5613	68	271	69	22	2 11:48:5	500
162	2570	51ME2017/BULK	AA	92	5543	03	92	5543	149	276	44	22	2 11:49:4	500
163	2571	51ME2019/BULK	AA	99	5990	03	99	5990	68	280	69	22	2 11:50:4	500

197	325	51KF0026/JACARANDA/AC 0012	AB	52	3185	03	52	3185	74	249	74	10	2 12:18:4	336
198	326	52KF0002/EAAGADS/AB0025	AB	31	1882	03	31	1882	74	249	74	10	2 12:19:0	336
199	327	50KF0015/MANGU/AB 0028	AB	59	3604	03	59	3604	74	249	74	10	2 12:19:2	336
200	328	50KF1011/Bulked before milling	AB	20	1239	03	20	1239	74	249	74	10	2 12:19:4	330
201	329	51KF0022/THEA/AC0004	AB	28	1693	03	28	1693	118	252	16	10	2 12:20:0	336
202	330	51KF0023/GITURA/XCA 006	AB	34	2040	03	34	2040	78	253	78	10	2 12:20:2	336
203	331	52KF0007/RUERA/AC0051	AB	80	4862	03	80	4862	74	249	74	10	2 12:20:4	336
204	332	51KF2021/Kofinaf bulk	PB	32	1927	03	32	1927	74	247	74	10	2 12:21:2	324
205	333	51KF0008/URAFIKI/XCE 020F01	PB	10	611	03	10	611	39	246	39	10	2 12:21:3	330
206	334	51KF0026/JACARANDA/AC 0012	PB	15	941	03	15	941	24	247	24	10	2 12:22:0	330
207	335	52KF0003/EAAGADS/AB0025	AA	17	1077	03	17	1077	39	280	39	10	2 12:22:5	408
208	336	51KF0015/MAMA/AH0023	AA	11	670	03	11	670	39	302	39	10	2 12:23:2	414
209	337	51KF2013/Bulk	AA	33	1994	03	33	1994	78	299	78	10	2 12:24:1	414
210	338	51KF2015/Kofinaf bulk	AA	35	2124	03	35	2124	39	294	39	10	2 12:25:0	414
211	339	52KF0002/EAAGADS/AB0025	AA	15	950	03	15	950	78	317	78	10	2 12:25:5	414
212	340	48KF2018/Bulk	AA	50	3056	03	50	3056	74	304	74	10	2 12:26:4	414
213	341	51KF0008/URAFIKI/XCE 020F01	AA	15	913	03	15	913	74	290	74	10	2 12:27:2	420
214	342	51KF0019/OAKLANDS/AC0033	AA	34	2078	03	34	2078	118	327	16	10	2 12:28:1	420
215	343	51KF0026/JACARANDA/AC 0012	AA	18	1131	03	18	1131	78	303	78	10	2 12:28:5	420
216	344	51KF2012/Bulk	AA	28	1692	03	28	1692	78	301	78	10	2 12:29:2	420
217	345	51KF2017/Kofinaf bulk	AA	23	1401	03	23	1401	78	314	78	10	2 12:30:0	420
218	346	52KF0007/RUERA/AC0051	AA	20	1224	03	20	1224	78	317	78	10	2 12:30:4	420
219	347	52KF0018/OAKLANDS/AC0033	T	19	1190	03	19	1190	21	81	21	10	2 12:31:3	120
220	348	51KF2024/WAMIKEY bulk/AA 0031	T	15	953	03	15	953	21	81	21	10	2 12:32:1	138
221	349	51KF2028/WAMIKEY bulk/AA 0031	TT	7	471	03	7	471	62	186	62	10	2 12:33:4	264
222	350	50KF0018/KIGUTHA/AA0045	C	11	726	03	11	726	39	216	39	10	1 12:34:1	240
223	351	51KF0027/JACARANDA/AC 0012	C	12	766	03	12	766	62	176	62	10	2 12:35:3	240
224	352	52KF0018/OAKLANDS/AC0033	C	41	2481	03	41	2481	62	171	62	10	2 12:36:3	240
225	353	51KF0014/MCHANA/AC0023	C	32	1977	03	32	1977	62	201	62	10	1 12:37:4	240
226	354	51KF0029/MTARO/AC0038	C	26	1588	03	26	1588	39	217	39	10	1 12:38:1	246
227	355	50KF0017/KIGUTHA/AA0045	C	19	1153	03	19	1153	65	228	65	10	1 12:38:5	258
228	356	51KF0002/AZANIA/AC0058	C	16	972	03	16	972	221	218	49	10	1 12:39:1	258
229	357	51KF0020/OAKLANDS/AC0033	C	27	1630	03	27	1630	62	208	62	10	2 12:40:1	252

263	1519	02SS0029/GATHAITHI/XAC34F01	C	11	688	03	11	688	74	237	74	17	1 01:07:2	285
264	1520	01SS0120/CHEPKUBE/XDA04F01	AB	85	5121	03	85	5121	65	246	65	17	1 01:08:3	290
265	1521	01SS0122/CHEPKUBE/XDA04F01	AB	75	4556	03	75	4556	78	248	78	17	1 01:09:0	295
266	1522	01SS0119/CHEPKUBE/XDA04F01	AB	88	5295	03	88	5295	78	246	78	17	1 01:09:2	295
267	1523	01SS0135/FARRAN/AA.0027	AB	30	1825	03	30	1825	39	246	39	17	1 01:09:4	295
268	1524	02MB0002/MBUMI/AA.0305	AB	62	3720	03	62	3720	39	246	39	17	1 01:10:2	290
269	1525	02MB0001/MBUMI/AA.0305	AB	100	6000	03	100	6000	74	240	74	17	2 01:10:5	290
270	1526	02MB0001/MBUMI/AA.0305	AB	40	2400	03	40	2400	39	241	39	17	2 01:11:1	290
271	1527	01SS0137/KIFISSIA/AA.0086	AB	43	2590	03	43	2590	74	246	74	17	1 01:11:3	295
272	1528	51SS0157/FARRAN/AA.0027	AB	34	2059	03	34	2059	160	244	40	17	1 01:12:0	295
273	1529	01SS0145/KANJAH/XBB34F07	AB	24	1488	03	24	1488	39	243	39	17	2 01:12:2	295
274	1530	01SS1006/P/BULK	AB	54	3294	03	54	3294	74	246	74	17	2 01:12:4	300
275	1531	02SS1001/P/BULK	AB	60	3613	03	60	3613	24	247	24	17	2 01:13:0	300
276	1532	02SS1002/P/BULK	AB	22	1378	03	22	1378	160	244	40	17	2 01:13:1	300
277	1533	02SS0029/GATHAITHI/XAC34F01	AB	32	1986	03	32	1986	74	246	74	17	2 01:13:2	305
278	1534	02SS1001/P/BULK	PB	5	366	03	5	366	39	250	39	17	1 01:13:5	285
279	1535	01SS2000/BULK	PB	15	962	03	15	962	24	250	24	17	1 01:14:0	290
280	1536	01SS1006/P/BULK	PB	6	379	03	6	379	39	250	39	17	1 01:14:1	290
281	1537	01SS2009/BULK	PB	19	1167	03	19	1167	24	247	24	17	1 01:14:2	285
282	1538	01SS2008/BULK	PB	12	750	03	12	750	39	251	39	17	1 01:14:3	285
283	1539	01SS0135/FARRAN/AA.0027	AA	10	648	03	10	648	78	300	78	17	1 01:16:0	335
284	1540	01SS0120/CHEPKUBE/XDA04F01	AA	18	1116	03	18	1116	74	312	74	17	1 01:16:4	345
285	1541	01SS0122/CHEPKUBE/XDA04F01	AA	19	1158	03	19	1158	78	312	78	17	1 01:17:2	345
286	1542	01SS0119/CHEPKUBE/XDA04F01	AA	19	1186	03	19	1186	78	312	78	17	1 01:17:4	345
287	1543	51SS0157/FARRAN/AA.0027	AA	7	446	03	7	446	78	306	78	17	1 01:18:3	345
288	1544	02MB0002/MBUMI/AA.0305	AA	30	1800	03	30	1800	39	277	39	17	2 01:19:0	320
289	1545	02MB0001/MBUMI/AA.0305	AA	50	3000	03	50	3000	74	263	74	17	2 01:19:2	320
290	1546	01SS0137/KIFISSIA/AA.0086	AA	15	936	03	15	936	78	300	78	17	1 01:20:2	345
291	1547	01SS0145/KANJAH/XBB34F07	AA	8	533	03	8	533	78	308	78	17	2 01:20:5	355
292	1548	01SS1006/P/BULK	AA	30	1859	03	30	1859	78	309	78	17	2 01:21:2	355
293	1549	02SS1001/P/BULK	AA	32	1965	03	32	1965	39	311	39	17	2 01:21:4	365
294	1550	02SS1002/P/BULK	AA	4	289	03	4	289	39	299	39	17	2 01:22:2	365
295	1551	02SS0029/GATHAITHI/XAC34F01	AA	12	777	03	12	777	136	313	68	17	2 01:22:4	375

329	1212	43NG0088/NYAKIO/AB.0015	C	31	1925	03	31	1925	24	240	24	16	1 01:50:4	257
330	1214	51NG0008/MUHUGU/AA.0050	C	11	671	03	11	671	52	233	52	16	1 01:51:1	257
331	1215	51NG0020/MACHURE/AB.0019	C	37	2277	03	37	2277	24	240	24	16	1 01:51:4	257
332	1216	52NG0076/NYAKIO/AB.0015	C	11	697	03	11	697	52	236	52	16	2 01:52:0	257
333	1217	52NG0001/GITHAKA/AB0234	C	20	1266	03	20	1266	52	236	52	16	1 01:52:3	257
334	1218	47LE004/MUKIMA FARM/BF 0118	C	6	376	03	6	376	74	238	74	16	1 01:52:5	257
335	1219	50NG0006/MUKUYUNI/XBE028F01	C	6	418	03	6	418	52	233	52	16	1 01:53:2	262
336	1220	52NG0035/UTANGWA/XBE004F03	C	14	888	03	14	888	24	242	24	16	1 01:53:3	262
337	1221	52NG0089/GATHIGA/XAB06F08	C	9	586	03	9	586	24	241	24	16	1 01:54:0	262
338	1222	52NG0116/KYUU/XBE004F05	C	20	1228	03	20	1228	52	239	52	16	1 01:54:2	262
339	1224	44NG0070/KAMURAI/XBD 023	AB	22	1360	03	22	1360	78	244	78	16	1 01:55:0	287
340	1225	51NG0037/GITHAKA/AB.0234	AB	29	1799	03	29	1799	74	244	74	16	1 01:55:2	287
341	1226	50GS0032/NYAMOSONGO/XEA029FO	AB	8	524	03	8	524	62	208	62	16	2 01:55:5	300
342	1227	40LE001/UULAANI FARM/BF 022	AB	5	365	03	5	365	39	247	39	16	1 01:56:1	300
343	1231	43LE200/BULK	AB	8	534	03	8	534	39	249	39	16	2 01:56:4	300
344	1232	43NG0088/NYAKIO/AB.0015	AB	69	4169	03	69	4169	160	247	40	16	2 01:57:0	300
345	1234	51NG0008/MUHUGU/AA.0050	AB	35	2132	03	35	2132	24	246	24	16	2 01:57:2	300
346	1235	51NG0020/MACHURE/AB.0019	AB	104	6248	03	104	6248	74	247	74	16	1 01:57:3	300
347	1236	52NG0076/NYAKIO/AB.0015	AB	36	2201	03	36	2201	74	247	74	16	2 01:57:5	300
348	1237	52NG0001/GITHAKA/AB.0234	AB	47	2832	03	47	2832	24	248	24	16	1 01:58:0	300
349	1238	47LE004/MUKIMA FARM/BF 0118	AB	20	1211	03	20	1211	74	245	74	16	2 01:58:3	312
350	1239	47LE010/MULEWA/BF 0120	AB	5	355	03	5	355	78	245	78	16	2 01:58:5	312
351	1240	50NG0006/MUKUYUNI/XBE 028F01	AB	25	1559	03	25	1559	24	244	24	16	2 01:59:0	312
352	1241	52NG0035/UTANGWA/XBE004F03	AB	49	2950	03	49	2950	74	247	74	16	2 01:59:2	312
353	1242	52NG0089/GATHIGA/XAB06F08	AB	30	1800	03	30	1800	24	248	24	16	2 01:59:4	312
354	1243	52NG0116/KYUU/XBE004F05	AB	59	3598	03	59	3598	74	253	74	16	1 02:00:0	312
355	1244	52NG2016/BULK	PB	8	515	03	8	515	62	220	62	16	2 02:00:5	282
356	1245	51NG2010/BULK	PB	12	774	03	12	774	62	240	62	16	1 02:02:0	287
357	1246	01NG2001/BULK	PB	10	645	03	10	645	39	240	39	16	1 02:02:1	287
358	1247	43NG1001/P BULK	PB	5	300	03	5	300	39	240	39	16	1 02:02:2	300
359	1248	50NG2009/BULK	PB	12	744	03	12	744	74	243	74	16	1 02:02:4	300
360	1249	51NG0008/MUHUGU/AA.0050	PB	5	300	03	5	300	24	246	24	16	1 02:02:5	300
361	1250	51NG0020/MACHURE/AB.0019	PB	7	444	03	7	444	74	244	74	16	1 02:03:2	300

395	1287 44NG1001/P BULK	T	5	300 03	5	300	165	60	26	16	2 02:24:0	167
396	1288 49NG0030/NYAKIO/AB.0015	T	7	360 03	7	360	21	81	21	16	2 02:24:5	167
397	1289 49NG0068/NEW PILION/AC.0037	T	5	316 03	5	316	165	61	26	16	2 02:25:2	167
398	1290 50NG0002/MUHUGU/AA.0050	T	15	942 03	15	942	21	81	21	16	2 02:26:0	167
399	1291 51NG1004/P BULK	T	7	471 03	7	471	21	81	21	16	2 02:26:4	167
400	1292 52NG0034/IRIGITHATHI/AB.0044	T	35	2121 03	35	2121	21	81	21	16	2 02:27:1	167
401	1293 52NG0043/NEW PILION/AC.0037	T	5	362 03	5	362	165	70	26	16	2 02:27:3	167
402	1294 49NG1004/P BULK	T	6	392 03	6	392	21	81	21	16	2 02:28:0	167
403	1295 52NG0104/TWIN RIVER 2/AF 0017	T	9	595 03	9	595	21	81	21	16	2 02:28:3	167
404	1296 52NG2011/BULK	T	6	402 03	6	402	21	81	21	16	2 02:28:4	167
405	1297 50NG0022/CHANIA BRIDGE/AB.0008	T	8	487 03	8	487	21	82	21	16	2 02:29:1	178
406	1298 51NG0004/NCHENGO/AC.0065	T	9	540 03	9	540	74	182	74	16	1 02:30:1	178
407	1299 51NG0037/GITHAKA/AB.0234	T	7	444 03	7	444	21	162	21	16	1 02:30:5	182
408	1300 48NG2010/BULK	T	7	446 03	7	446	160	165	40	16	1 02:31:3	182
409	1301 43NG2011/BULK	T	22	1370 03	22	1370	160	195	40	16	1 02:32:1	182
410	1302 51NG1004/P BULK	TT	5	354 03	5	354	39	215	39	16	1 02:32:4	165
411	1303 52NG0034/IRIGITHATHI/AB.0044	TT	11	688 03	11	688	62	188	62	16	1 02:33:5	165
412	1304 47NG1008/P BULK	TT	5	300 03	5	300	160	215	40	16	1 02:34:2	165
413	1305 52NG2023/BULK	TT	19	1196 03	19	1196	62	185	62	16	1 02:35:3	165
414	1306 52NG2024/BULK	TT	9	556 03	9	556	221	219	49	16	1 02:36:0	165
415	1308 52NG0034/IRIGITHATHI/AB.0044	C	125	7517 03	125	7517	160	176	40	16	1 02:37:1	206
416	1309 52NG0043/NEW PILION/AC 0037	C	20	1223 03	20	1223	62	172	62	16	1 02:38:1	206
417	1310 49NG0068/NEW PILION/AC 0037	C	20	1218 03	20	1218	21	133	21	16	2 02:38:4	206
418	1311 52NG0104/TWIN RIVER 2/AF 0017	C	17	1040 03	17	1040	39	217	39	16	1 02:39:2	213
419	1312 51NG0004/NCHENGO/AC 0065	C	22	1330 03	22	1330	160	220	40	16	1 02:39:3	213
420	1313 52NG0034/IRIGITHATHI/AB.0044	AB	39	2377 03	39	2377	39	210	39	16	1 02:39:5	222
421	1314 49NG0068/NEW PILION/AC.0037	AB	14	867 03	14	867	39	213	39	16	1 02:40:1	222
422	1315 52NG0043/NEW PILION/AC.0037	AB	13	832 03	13	832	62	208	62	16	1 02:40:2	222
423	1316 52NG0104/TWIN RIVER 2/AF 0017	AB	12	736 03	12	736	62	218	62	16	1 02:40:5	222
424	1317 51NG0004/NCHENGO/AC.0065	AB	17	1070 03	17	1070	62	233	62	16	1 02:41:2	233
425	1318 52NG2015/BULK	PB	5	312 03	5	312	62	223	62	16	1 02:41:4	222
426	1321 52NG0082/KAMURAI/XBD 023	ML	12	785 03	12	785	165	65	26	16	2 02:42:2	151
427	1322 53NG0066/KIKAMBUANI/XBE 010F02 MH		34	2050 03	34	2050	151	136	42	16	2 02:43:1	176

461	2028	52CK0002/NGAITA/XAA 011 F03	AA	12	770	03	12	770	78	314	78	19	2 03:05:2	420
462	2029	51CK0002/NGAITA/XAA 011 F03	AA	21	1287	03	21	1287	78	314	78	19	2 03:05:5	420
463	2030	48CK0005/KIRIMIRI/AE 0012	UG1	83	5026	03	83	5026	62	201	62	19	2 03:06:2	246
464	2031	52CM0005/SIBUMBA/XDA 021	UG1	8	514	03	8	514	21	95	21	19	2 03:07:5	240
465	2032	52CM1001/P/BULK	UG1	13	816	03	13	816	160	219	40	19	1 03:08:5	252
466	2033	01CK1001/P/BULK	UG1	29	1799	03	29	1799	160	221	40	19	1 03:09:1	240
467	2034	02CK1000/P/BULK	UG1	31	1873	03	31	1873	160	222	40	19	1 03:09:2	240
468	2035	02CK1001/P/BULK	UG1	21	1309	03	21	1309	160	220	40	19	1 03:09:5	240
469	2037	48CK0005/KIRIMIRI/AE 0012	UG2	6	410	03	6	410	21	73	21	19	2 03:10:2	96
470	2038	01CK2004/UG2/BULK	UG2	15	934	03	15	934	21	78	21	19	1 03:11:1	96
471	2039	02CK2007/UG2/BULK	UG2	6	393	03	6	393	21	78	21	19	1 03:11:5	96
472	2040	51CK2001/HE/BULK	HE	4	248	03	4	248	165	80	26	19	2 03:12:3	120
473	2041	51CK2009/HE/BULK	HE	4	258	03	4	258	21	82	21	19	2 03:12:5	120
474	2042	51CM0015/CHEBICH FCS/XDA 033	HE	7	439	03	7	439	221	161	49	19	1 03:14:0	132
475	2043	51CM0016/SIBUMBA FCS/XDA 021	HE	6	398	03	6	398	21	159	21	19	2 03:15:4	252
476	2044	51CM0017/SIBUMBA FCS/XDA 021	HE	7	432	03	7	432	21	81	21	19	2 03:16:4	144
477	2045	01CK2002/HE/BULK	HE	6	369	03	6	369	21	81	21	19	2 03:17:0	120
478	2046	52CK2002/HE/BULK	HE	4	247	03	4	247	21	109	21	19	1 03:17:4	120
479	2047	51KF0007/RIOKI/AA0004	T	7	454	03	7	454	21	111	21	19	1 03:18:3	84
480	2048	01CK2001/T/BULK	T	13	837	03	13	837	21	81	21	19	1 03:19:0	84
481	2049	52CK2000/T/BULK	T	4	272	03	4	272	21	82	21	19	1 03:19:2	84
482	2050	01CM0001/CHEBICH/XDA 033	TT	18	1134	03	18	1134	149	240	44	19	1 03:20:4	252
483	2051	52CM1002/P/BULK	TT	8	544	03	8	544	62	228	62	19	1 03:21:1	252
484	2052	01CM1000/P/BULK	TT	15	949	03	15	949	62	235	62	19	1 03:21:3	252
485	2053	01CK2006/TT/BULK	TT	10	626	03	10	626	47	206	47	19	1 03:22:5	156
486	2054	51CM0016/SIBUMBA FCS/XDA 021	TT	13	816	03	13	816	62	237	62	19	1 03:23:3	252
487	2055	01CM0001/CHEBICH/XDA 033	C	15	949	03	15	949	62	236	62	19	1 03:24:2	252
488	2056	52CK0059/KATHARE/XBB 0013 F03	C	4	302	03	4	302	160	210	40	19	1 03:24:5	252
489	2057	48CK0019/KIRIMIRI/AE 0012	C	4	289	03	4	289	74	189	74	19	1 03:25:1	180
490	2058	01CM1000/P/BULK	C	15	953	03	15	953	149	234	44	19	1 03:25:5	252
491	2059	51KF0007/RIOKI/AA0004	C	18	1133	03	18	1133	160	216	40	19	1 03:26:2	240
492	2060	51CM0016/SIBUMBA FCS/XDA 021	C	20	1231	03	20	1231	65	233	65	19	1 03:27:0	252
493	2061	01CM0001/CHEBICH/XDA 033	AB	47	2878	03	47	2878	62	242	62	19	1 03:27:4	270

Nairobi Coffee Exchange

Market Report - All-Inclusive Summary

Sale No. 03 Held on: Wednesday, October 22, 2014 2014/2015

Grade	Bags Offered	Weight Offered	Min Price	Max Price	Value (\$)	Avg Price
AA	2,865	175,410	195	329	1,000,271.10	285.12
AB	4,747	289,259	208	260	1,406,735.56	243.16
C	1,911	117,719	133	242	519,415.00	220.62
HE	227	14,198	65	219	44,810.88	157.81
MH	1,015	61,789	101	182	189,952.96	153.71
ML	203	12,594	53	124	24,911.76	98.90
PB	465	29,133	189	255	141,181.56	242.31
SB	48	2,595	17	63	2,760.78	53.19
T	553	34,592	54	215	105,984.02	153.19
TT	421	26,268	185	240	118,501.76	225.56
UG	108	6,507	120	231	18,074.34	138.88
UG1	370	22,824	95	246	97,276.22	213.10
UG2	158	9,908	70	189	25,947.32	130.94
Total:	13,091	802,796	17	329	3,695,823.26	230.18

Note: 1. Noted Lots are included but ANY Withdrawn Lots excluded.

2. Prices are in US Dollars per 50kg



P.O. BOX 1112 - 10100
Nyeri, Kenya

Telephone +254726985647
Email: stanmiano@yahoo.com
kigotha.miano@nyeri.go.ke

COUNTY GOVERNMENT OF NYERI

OFFICE OF TRADE, INDUSTRIALIZATION, INVESTMENTS & TOURISM

NCG/IT/G/009/
The Clerk
County Assembly of Nyeri

17th September, 2014

Thro

22 SEP 2014

The County Secretary/
Head of Public Service

*Committee clerk tried
to be bring the contents
of this letter to attention
of the chairman
my
2/9/2014
Clark*

E: REQUEST FOR SUPPLEMENTARY RESPONSE ON THE PAYMENT OF COFFEE FARMERS

In reference to your letter dated 29th August 2014

This is to kindly respond to the concerns pertaining to Nyeri coffee sales.

1. The actual number of bags of coffee delivered to Sagana was 147,840 bags equivalent to 6,884,117 kgs of parchment and 50,379 bags of Mbuni equivalent to 2,294,491 kgs.
2. Total number of bags of washed coffee sold 103,673.
3. Total washed coffee sold 103,673 bags.
4. There are approximately 975 bags of coffee pending to be sold at auction 39 - mostly Mbuni, sweep and mathuro coffee.
5. Farmers have been paid through their respective societies cumulatively USD -28,854,912. Kindly note that USD 1,324,766.6 is still being withheld as amount owed to Marketers/Millers awaiting the Audit report.
6. Othaya society was paid when all the other societies in Nyeri County were paid.
7. Catalogue attached.
8. There is no more coffee committed. Coffee that was committed was from samples approved by buyers and price negotiations were ongoing to facilitate contracting. Those contracts were closed and farmers paid.
9. The Nyeri county government does not market coffee. Its role has been facilitation.
10. KCCE is a 100% farmer owned organization, and was recommended by the taskforce, and also approved by societies to sell their coffee.
11. Coffee proceeds were deposited in the KCCE bank account for all the coffee sales.

Nyeri County Factories Catalogue

SOCIETY	FACTORY
Gakuyu F. C. Soc. Lt	Ndimaini
Gakuyu F. C. Soc. Lt	Kirigu
Gikanda F.C.S. Ltd. -	Gichathaini
Gikanda F.C.S. Ltd.-	Ndaroini
Gikanda F.C.S. Ltd. -	Kangocho
Barichu F.C.S. Ltd. -	Karatina
Barichu F.C.S. Ltd. -	Karindundu
Barichu F.C.S. Ltd. -	Gaturiri
Barichu F.C.S. Ltd. -	Gatomboya
Iriaini F.C.S. Ltd.-	Kamunyaka
Iriaini F.C.S. Ltd.	Kiamwangi
Iriaini F.C.S. Ltd.-	Miiri
Kiandu Fcs Ltd	Kiandu
Njuriga F. C. Soc. L	Njuriga
Wachuri F. C. Soc.	Wachuri
Githiru Fcs Ltd	Githiru
Giakanja Fcs	Giakanja
Gikaru C. G. C. Soc.	Ichamara
Gikaru C. G. C. Soc.	Thangathi
Gikaru C. G. C. Soc.	Mutwewathi
Gikaru C. G. C. Soc.	Kahuro
Gikaru C. G. C. Soc.	Kiuu
Aguthi Farmers CS	Kagumo
Aguthi Farmers CS	Thage-Ini
Aguthi Farmers CS	Gaki
Aguthi Farmers CS	Gititu
Rugi F.C.S. Ltd. -	Mihuti
Rugi F.C.S. Ltd.	Igutha
Rugi F.C.S. Ltd.	Giathugu
Rugi F.C.S. Ltd.	Mweru
Rugi F.C.S. Ltd.	Kanyariri
Rugi F.C.S. Ltd.	Gumba
Rugi Fcs Ltd	Mutitu
Rugi F.C.S. -	Karundu

ANNEX 2

MINUTES OF THE 21st SITTING OF THE DEPARTMENTAL COMMITTEE ON AGRICULTURE, LIVESTOCK AND COOPERATIVES (Meeting with Nyer County Coffee Petitioners) HELD ON THURSDAY 2ND APRIL, 2015 AT PROTECTION HOUSE 2nd FLOOR, PARLIAMENT BUILDINGS AT 10.00 A.M.

Present

1. Hon. Adan M. Nooru, MBS, M.P - Chairperson
2. Hon. Kareke Mbiuki, M.P
3. Hon. Mary Wambui, M.P
4. Hon. Phillip Rotino, M.P.
5. Hon. Daniel Maanzo, M.P
6. Hon. Maison Leshoomo, M.P
7. Hon. Paul Simba Arati, M.P
8. Hon. James Opiyo Wandayi, M.P
9. Hon. Patrick Wangamati, M.P
10. Hon. Raphael Letimalo, M.P
11. Hon. Silas Tiren, M.P
12. Hon. Justice Kemei, M.P
13. Hon. Korei Ole Lemein, M.P
14. Hon. (Dr.) Victor Munyaka, M.P
15. Hon. Waititu Munyua, M.P
16. Hon. John B. Serut, M.P
17. Hon. Fredrick Outa, M.P
18. Hon. Ferdinand Wanyonyi, M.P
19. Hon. Millie Odhiambo - Mabona, M.P
20. Hon. Peter N. Gitau, M.P
21. Hon. John Kobado, M.P
22. Hon. Florence Mutua, M.P
23. Hon. Zuleikha Hassan Juma, M.P
24. Hon. Benjamin Washiali, M.P

Absent with Apologies

1. Hon. Kabando Wa Kabando, M.P
2. Hon. Kimani Ichung'wah, M.P

IV. The farmers believe that the way their coffee production is handled by the County Government is fraudulent, illegal and economically unviable.

Min. -/2015: Committee Observation

- I. The Committee observed that as much as the farmers' submissions are touching, they didn't have documentations with regard to any agreement entered with the County Government to back their claims.
- II. The Committee therefore directed the petitioners to appear before it on 16th April 2015 at 10.00 A.M with all the necessary documentations that pertain to the above allegations.

Min. -/2015: Any Other Business

- I. The members deliberated widely on the allegations made against the Committee in the EACC report.
- II. The members were informed that the Committee is scheduled to appear before the Anti-graft body on 20th April 2015 to record statements. They resolved that they will comply with the summons once it's officially communicated to the Committee.
- III. Arising from a Communication made to the House by the Speaker of the National Assembly on April 1st 2015, the members resolved to write to the Speaker a brief on the alleged corruption that bedeviled the Committee and how the Committee handled it accompanied by relevant minutes and documents with a view of putting him into the picture.

Min. -/2015: Adjournment

Since no other business to discuss, the meeting was adjourned at 12.23 hours.

Signature

HON ADAN MOHAMED NOORU, MBS, M.P.

(Chairperson)

Date.....

MINUTES OF THE 24th SITTING OF THE DEPARTMENTAL COMMITTEE ON AGRICULTURE, LIVESTOCK AND COOPERATIVES (Meeting with Nyrei Coffee Petitioners) HELD ON TUESDAY 21st APRIL, 2015 AT PROTECTION HOUSE, SECOND FLOOR, PARLIAMENT BUILDINGS AT 10.00 A.M.

Present

1. Hon. Adan M. Nooru, MBS, M.P - Chairperson
2. Hon. Kareke Mbiuki, M.P
3. Hon. Justice Kemei, M.P
4. Hon. Mary Wambui, M.P
5. Hon. Phillip Rotino, M.P.
6. Hon. Daniel Maanzo, M.P
7. Hon. Paul Simba Arati, M.P
8. Hon. James Opiyo Wandayi, M.P
9. Hon. Patrick Wangamati, M.P
10. Hon. Raphael Letimalo, M.P
11. Hon. Kabando Wa Kabando, M.P
12. Hon. Silas Tiren, M.P
13. Hon. Korei Ole Lemein, M.P
14. Hon. Waititu Munyua, M.P
15. Hon. John B. Serut, M.P
16. Hon. Fredrick Outa, M.P
17. Hon. Ferdinand Wanyonyi, M.P
18. Hon. John Kobado, M.P
19. Hon. Florence Mutua, M.P
20. Hon. Ayub Savula Angatia, M.P.
21. Hon. Benjamin Washiali, M.P

Absent with Apologies

1. Hon. (Dr.) Victor Munyaka, M.P
2. Hon. Zuleikha Hassan Juma, M.P
3. Hon. Maison Leshoomo, M.P
4. Hon. Alfred K. Keter, M.P
5. Hon. Peter N. Gitau, M.P
6. Hon. Hezron Awiti Bollo, M.P
7. Hon. Kimani Ichung'wah, M.P

- II. The Chairman informed the Committee that the trip to India to benchmark on Warehouse Receipt Systems Bill has been postponed to May 17th 2015.
- III. Hon. Justice Kemei, Hon. Ferdinand Wanyonyi, and Hon. Kabando Wa Kabando were nominated for the above trip.
- IV. The members proposed to undertake a benchmarking trip to either Cyprus or Newzealand to acquaint themselves on international best practice on countries that have already implemented the Warehouse Receipt Systems Bill.

Min.121/2015: Adjournment

There being no other business to discuss, the meeting was adjourned at 11.38 A.M

Signature

HON ADAN MOHAMED NOORU, MBS, M.P.

(Chairperson)

Date.....

MINUTES OF THE 28th SITTING OF THE DEPARTMENTAL COMMITTEE ON AGRICULTURE, LIVESTOCK AND COOPERATIVES (Meeting with Kenya Cooperatives Coffee Exporters Ltd) HELD ON THURSDAY 14TH MAY, 2015 AT CONTINENTAL HOUSE, 5TH FLOOR PARLIAMENT BUILDINGS AT 10.30 A.M.

Present

1. Hon. Adan M. Nooru, MBS, M.P - Chairperson
2. Hon. Kareke Mbiuki, M.P
3. Hon. Justice Kemei, M.P
4. Hon. Daniel Maanzo, M.P
5. Hon. James Opiyo Wandayi, M.P
6. Hon. Patrick Wangamati, M.P
7. Hon. Silas Tiren, M.P
8. Hon. Korei Ole Lemein, M.P
9. Hon. John B. Serut, M.P
10. Hon. Alfred K. Keter, M.P
11. Hon. Millie Odhiambo - Mabona, M.P
12. Hon. Florence Mutua, M.P

Absent with Apologies

1. Hon. (Dr.) Victor Munyaka, M.P
2. Hon. Zuleikha Hassan Juma, M.P
3. Hon. Maison Leshoomo, M.P
4. Hon. Mary Wambui, M.P
5. Hon. Phillip Rotino, M.P.
6. Hon. Waititu Munyua, M.P
7. Hon. Peter N. Gitau, M.P
8. Hon. Hezron Awiti Bollo, M.P
9. Hon. Kimani Ichung'wah, M.P
10. Hon. Fredrick Outa, M.P
11. Hon. Ferdinand Wanyonyi, M.P
12. Hon. John Kobado, M.P
13. Hon. Paul Simba Arati, M.P
14. Hon. Raphael Letimalo, M.P
15. Hon. Kabando Wa Kabando, M.P

- b) Mugama Coffee Union
- c) Othaya Farmers Co-operative Society
- d) Rumukia Farmers Co-operative Society
- e) Mutheka Farmers Co-operative Society
- f) Aguthi Farmers Co-operative Society

b) KCCE Structure

- i. The structure comprises of coffee farmers who have elected seventy (70) delegates to represent them.
- ii. The delegates in turn have elected Directors who represent the farmers at the National level.
- iii. The rights of the members are exercised through their elected delegates.

c) Performance

- i. The highest amount of coffee KCCE has handled per season is 150,000 bags of clean coffee. This is about 18% of the National production.
- ii. KCCE has significantly improved coffee payments to its farmers,- with having received over 300% of the coffee prices that they were being paid before KCCE came into the market.
- iii. With the entrance of Kenya Cooperative Coffee Millers (KCCM), milling loses came down with KCCM having recorded as low as 16% milling loss and a high of 20% for parchment one.

d) Nyeri County Cooffee

- i. KCCE was appointed by the County Government of Nyeri on behalf of farmers to market their coffee.
- ii. An MoU was signed on 24th March 2014 to allow KCCE to sell Nyeri Coffee and recover loans on behalf of those who had loaned the farmers.
- iii. Despite negative publicity, KCCE managed to sell the coffee and paid a high of ksh. 68 per kg of cherry and most societies were paid above ksh. 50 per kg of cherry.
- iv. Farmers were happy with the performance and they signed milling and marketing contracts for 2014/2015 without the intervention of the County Government.

Min. 133/2015: Committee Observation

The Committee requested the C.E.O of KCCE to avail the following documents to the Committee not later than Tuesday 19th May 2015.

1. Agreement between KCCE and the County Government
2. Agreement between KCCE and the farmers
3. Certificate of shareholding

MINUTES OF THE 30TH SITTING OF THE DEPARTMENTAL COMMITTEE ON AGRICULTURE, LIVESTOCK AND COOPERATIVES HELD ON THURSDAY 4TH JUNE, 2015 AT CPA, PARLIAMENT BUILDINGS AT 10:30AM.

Present

1. Hon. Adan M. Nooru, MBS, M.P - Chairman
2. Hon. Kareke Mbiuki, M.P -Vice Chairperson
3. Hon. Daniel Maanzo, M.P
4. Hon. (Dr.) Victor Munyaka, M.P
5. Hon. Justice Kemei, M.P
6. Hon. Zuleikha Hassan Juma, M.P
7. Hon. Paul Simba Arati, M.P
8. Hon. John B. Serut, M.P
9. Hon. Florence Mutua, M.P

Apologies

1. Hon. Kimani Ichung'wah, M.P
2. Hon. Phillip Rotino, M.P.
3. Hon. Patrick Wangamati M.P
4. Hon. Fredrick Outa, M.P
5. Hon. Benjamin Washiali, M.P
6. Hon. Mary Wambui, M.P
7. Hon. James Opiyo Wandayi, M.P
8. Hon. Millie Odhiambo - Mabona, M.P
9. Hon. Raphael Letimalo, M.P
10. Hon. Peter N. Gitau, M.P
11. Hon. Maison Leshoomo, M.P
12. Hon. Korei Ole Lemein, M.P
13. Hon. Alfred K. Keter, M.P
14. Hon. Waititu Munyua, M.P
15. Hon. Silas Tiren, M.P
16. Hon. Ayub Savula Angatia, M.P
17. Hon. John Kobado, M.P
18. Hon. Ferdinand Wanyonyi, M.P
19. Hon. Kabando Wa Kabando, M.P
20. Hon. Hezron Awiti Bollo, M.P

- b) Review of the past election.
- c) To check on the conflicts of interest by officers.
- The Petitioners tabled the annual Report and financial Statement 2014
- The committee was requested to support the position that was taken by the Ministry and the election is null and void.
- The petitioners propose the Reinstatement of the Council Members that were suspended.
- There was a plea for this Petition to be concluded within 21 days.
- The presence of the Principal Secretary in the ASK will allow for proper management of the Organization.
- The petition is not in pending before any court of law.

Min. 141/2015: Adjournment

There being no AOB the meeting was adjourned at 1:30pm.

Signature

HON ADAN MOHAMEDNOORU, MBS, M.P.

(Chairman)

Date.....

MINUTES OF THE 34th SITTING OF THE DEPARTMENTAL COMMITTEE ON AGRICULTURE, LIVESTOCK AND COOPERATIVES (Meeting with Coffee Directorate regarding Nyeri County Coffee Petitioners) HELD ON THURSDAY 18th June, 2015 AT 11th FLOOR PROTECTION HOUSE, PARLIAMENT BUILDINGS AT 10.00 A.M.

Present

1. Hon. Adan M. Nooru, MBS, M.P - Chairperson
2. Hon. Kareke Mbiuki, M.
3. Hon. Daniel Maanzo, M.P
4. Hon. Patrick Wangamati, M.P
5. Hon. Silas Tiren, M.P
6. Hon. Maison Leshoomo, M.P
7. Hon. Mary Wambui, M.P
8. Hon. Phillip Rotino, M.P
9. Hon. Raphael Letimalo, M.P
10. Hon. (Dr.) Victor Munyaka, M.P
11. Hon. Korei Ole Lemein, M.P
12. Hon. John B. Serut, M.P
13. Hon. Paul Simba Arati, M.P
14. Hon. Ayub Savula Angatia, M.P.

Absent with Apologies

1. Hon. Zuleikha Hassan Juma, M.P
2. Hon. Justice Kemei, M.P
3. Hon. James Opiyo Wandayi, M.P
4. Hon. Waititu Munyua, M.P
5. Hon. Alfred K. Keter, M.P
6. Hon. Millie Odhiambo - Mabona, M.P
7. Hon. Florence Mutua, M.P
8. Hon. Peter N. Gitau, M.P
9. Hon. Hezron Awiti Bollo, M.P
10. Hon. Kimani Ichung'wah, M.P
11. Hon. Fredrick Outa, M.P
12. Hon. Ferdinand Wanyonyi, M.P
13. Hon. John Kobado, M.P
14. Hon. Kabando Wa Kabando, M.P
15. Hon. Benjamin Washiali, M.P

In Attendance:

10) Hon. John Bommet Serut

Min. 166/2015: Adjournment

There being no other business to discuss, the meeting was adjourned at 12.34 p.m

Signature

HON ADAN MOHAMED NOORU, MBS, M.P.

(Chairperson)

Date.....

MINUTES OF THE 59TH SITTING OF THE DEPARTMENTAL COMMITTEE ON AGRICULTURE, LIVESTOCK AND COOPERATIVES (ADOPTION OF THE REPORT ON PUBLIC PETITION BY NYERI COUNTY COFFEE FARMERS IN THE MATTER OF PRODUCTION AND MARKETING OF THEIR COFFEE AND PAYMENT OF DUES OWED TO THEM) HELD ON FRIDAY 16TH OCTOBER ,2ND FLOOR PROTECTION HOUSE PARLIAMENT BUILDINGS AT 10:30AM.

Present

1. Hon. Adan M. Nooru, MBS, M.P - Chairman
2. Hon. Kareke Mbiuki, M.P -Vice Chairperson
3. Hon. (Dr.) Victor Munyaka, M.P
4. Hon. John B. Serut, M.P
5. Hon. Florence Mutua, M.P
6. Hon. Patrick Wangamati M.P
7. Hon. James Opiyo Wandayi, M.P
8. Hon. Silas Tiren, M.P
9. Hon. John Kobado, M.P
10. Hon. Ferdinand Wanyonyi, M.P
11. Hon. Alfred K. Keter, M.P
12. Hon. Millie Odhiambo - Mabona, M.P
13. Hon. Raphael Letimalo, M.P
14. Hon. Korei Ole Lemein, M.P
15. Hon. Zuleikha Hassan Juma, M.P

Apologies

1. Hon. Kimani Ichung'wah, M.P
2. Hon. Ayub Savula Angatia, M.P
3. Hon. Daniel Maanzo, M.P
4. Hon. Mary Wambui, M.P
5. Hon. Benjamin Washiali, M.P
6. Hon. Kabando Wa Kabando, M.P
7. Hon. Hezron Awiti Bollo, M.P
8. Hon. Maison Leshoomo, M.P
9. Hon. Peter N. Gitau, M.P
10. Hon. Phillip Rotino, M.P.
11. Hon. Paul SimbaArati, M.P
12. Hon. Waititu Munyua, M.P
13. Hon. Maanzo Daniel Kitonga, M.P
14. Hon. Fredrick Outa, M.P

Min 262/2015 Adoption of the Report on Friedrischafen, Germany visit.

The Committee sent a delegation to Friedrischafen, Germany from 27th September -2nd October 2015 to verify the Inspection of engines for the OPV (Offshore Patrol Vessel)

The Leader of delegation Hon. James Opiyo Wandayi ,MP briefed the Committee on the visit. The Committee requested the secretariat to include the following information to the report before it is tabled in the House :-

- I. The report should indicate the date of Contract award and completion date;
- II. Should indicate the names of officials of the Ministry who accompanied the National Assembly delegation ; and
- III. Photos taken during the visit if any.

The Committee adopted the report subject to the above corrections being done on the report.

Min 263 /2015. Adoption of the Report on Public Petition by Nyeri County Coffee Farmers in the matter of production and marketing of their coffee and payment of dues owed to them.

The Committee adopted the report as follows:-

In response to the above prayers, **the Committee submits the following records:-**

- 1) Detailed account of the Coffee produced since the introduction of the Nyeri County Government marketing initiative (2013/2014) **Annex 3**
- 2) Copies of agreement and Memorandum of Understanding and Contracts with third parties in the coffee sales in the Nyeri County Government initiative and copies of Memorandum of Understanding (MoU) between CCMMAA and KCCE **Annex 4**

The Committee recommends that:-

- 1) The transaction entered between the County government with the farmers and agents should be mutually agreed and be transparent. The coffee farmers should be left to benefit from the liberalized market.
- 2) The existing Coffee regulations be reviewed with a view to improving areas which are not friendly to the farmers

PARLIAMENT OF KENYA



NATIONAL ASSEMBLY

Report

on

FIELD VISIT BY THE DEPARTMENTAL COMMITTEE ON AGRICULTURE,
LIVESTOCK AND COOPERATIVES

To

Nyeri Coffee Farmers and Mwea Irrigation Scheme

18TH-21ST JUNE, 2015

CLERKS CHAMBERS

PARLIAMENT BUILDINGS

NAIROBI

July, 2015

13. The Hon. Philip L. R. Rotino, M.P.
14. The Hon. Korei Ole Lemein, M.P.
15. The Hon. Silas Tiren, M.P.
16. The Hon. Benjamin Jomo Washiali, M.P.
17. The Hon. (Dr.) Victor Kioko Munyaka, M.P.
18. The Hon. John Bomett Serut, M.P.
19. The Hon. Millie Odhiambo, M.P.
20. The Hon. Fredrick Outa, M.P.
21. The Hon. Maanzo, Daniel Kitonga, M.P.
22. The Hon. James Opiyo Wandayi, M.P.
23. The Hon. Patrick Wangamiti, M.P.
24. The Hon. Ferdinand Kevin Wanyonyi, M.P.
25. The Hon. Paul Simba Arati, M.P.
26. The Hon. Florence Mwikali Mutua, M.P.
27. The Hon. John Kobado, M.P.
28. The Hon. Hezron Bollo Awitti, M.P.
29. The Hon. Zuleikha Hassan Juma, M.P.

1.1 MANDATE OF THE COMMITTEE

Mr. Speaker Sir,

The Committee is mandated to cover subject areas relating to:-

- (i) Agriculture
- (ii) Irrigation
- (iii) Livestock development
- (iv) Fisheries development
- (v) Co-operatives development
- (vi) Production and marketing

COMMITTEE MEMBERSHIP DURING THE TOUR

1. The Hon. Japhet M. Kareke Mbiuki, M.P. - Leader of delegation
2. The Hon. Kabando Wa Kabando, M.P.
3. The Hon. Mary Wambui Munene, M.P.
4. The Hon. Peter Njuguna Gitau, M.P.
5. The Hon. Maison Leshoomo, M.P.
6. The Hon. Korei Ole Lemein, M.P.
7. The Hon. (Dr.) Victor Kioko Munyaka, M.P.
8. The Hon. Patrick Wangamiti, M.P.
9. The Hon. Florence Mwikali Mutua, M.P.

ix) That farmers request Parliamentary committee assist them have the governor leave the farmers to market their coffee freely

b) Mukuruweini Sub county (Mukuruweini constituency)-Thuguri Factory

The farmers presented their views before the select committee as follows:

- i) That Farmers were forced to take coffee to KCCE and officials who resisted the move had their houses burnt
- ii) That Farmers want freedom to take their coffee to places of their choice for marketing purposes
- iii) That farmers want farmers want Guaranteed Minimum Return(GMR)
- iv) That the police was used to force farmers take their coffee to KCCE
- v) That the Governor controls the cooperative officer in the county
- vi) That the Governor closed down the coffee mill yet they had installed a milling machine at a cost of 15 million
- vii) That the governor has conflict of interest as he has links with KCCE
- viii) That Coffee payments have dwindled since the interference by the governor
- ix) That the task force formed by governor was biased
- x) KCCE, Cooperative Bank and the governor have interest in coffee industry. The directors of KCCE are in Cooperative bank
- xi) That coffee regulations be amended as they are not adequately addressing challenges facing them

c) Othaya Sub county (Othaya constituency) - Gatuiyaini factory

The farmers presented their views before the select committee as follows:

- i) That Farmers were getting subsidised fertilizers although delays do occur at some time
- ii) That millers and marketers steal from farmers
- iii) That they were not forced to sell their coffee to KCCE
- iv) That farmers have been pressed for too long
- v) That some farmers sell their coffee through Sasini

d) Tetu sub county (Tetu constituency)-Gachatha Factory

This factory was completely different from the rest that were previously visited by the parliamentary committee in the sense that farmers were happy with payments from their produce. This is a single factory society which refused to agree with the governor's plans and was paying farmers good prices for their produce. In the 2014, the payment was Ksh. 75/= per kilogram and in this year 2015 it paid Ksh.85/= per kilogram.

ACKNOWLEDGEMENTS

- a) The Committee wishes to sincerely thank the Offices of the Speaker and the Clerk of the National Assembly for the necessary support extended to it in the execution of its mandate.
- b) The Chairperson of the Committee takes this opportunity to thank all Members of the Committee for their patience, sacrifice, endurance and commitment to Public Service under tight schedules which enabled us to complete the task within the stipulated period.
- c) The Committee wishes to record its appreciation to the staff of the National Assembly attached to it for their efforts and input that made the production of this Report a success
- d) On Behalf Of The Departmental Committee On Agriculture, Livestock And Cooperatives, it is my pleasure and duty to present to the House, the report of the Departmental Committee on Agriculture, Livestock and Co-operatives on Public Petition Presented to Parliament by Hon. Esther Murugi, M.P, regarding Nyeri County Coffee Farmers in the matter of production and marketing of their coffee and payment of dues owed to them.

Thank you.

.....

The Hon. Adan Mohamed Nooru, MBS, M.P.

Chairman Departmental Committee on Agriculture, Livestock and Cooperatives

Date.....



AGRICULTURE, FISHERIES AND FOOD AUTHORITY

**REPORT TO FACILITATE A MEETING WITH THE DEPARTMENTAL
COMMITTEE ON AGRICULTURE, LIVESTOCK AND CO-OPERATIVES
REGARDING THE PETITION BY THE NYERI COUNTY COFFEE FARMERS IN
THE MATTER OF COFFEE PRODUCTION AND MARKETING OF THEIR
COFFEE AND THE PAYMENT OF DUES OWED TO THEM**

BY

THE INTERIM DIRECTOR GENERAL

ON

18TH JUNE, 2015

AT

PARLIAMENT BUILDINGS

1. Introduction

Following the devolution of agriculture vide the Kenya constitution 2010, the Nyeri County Government constituted a task force to study the Coffee Industry and make recommendations towards its revitalization. The task force, which was constituted on **16th May, 2013**, made a number of recommendations on the coffee sub-sector and among them was that Nyeri coffee is **centrally milled and marketed**. The Kenya Co-operative Coffee Millers (KCCM) Ltd and Kenya Cooperative Coffee Exporters (KCCE) Ltd were identified for the centralized milling and marketing of Nyeri coffee, respectively. This was communicated via Nyeri Circular No. 1/2013. **(Copy attached as Appendix 1)**

The County Government intended to monitor the milling and marketing, thus eliminate any possible malpractices, inefficiencies and ensure the highest returns to the Nyeri coffee farmers.

2. Reaction by the Nyeri Coffee farmers

Some of the Nyeri Coffee farmers (13 cooperative societies) were aggrieved by the action taken by the County Government and sought court action against the said Government.

Subsequently, the Authority (Agriculture, Fisheries and Food Authority) was enjoined and became a defendant in the lawsuit. The matter is currently at the Nyeri High court and a ruling shall be delivered on 10th July, 2015.

3. Agriculture, Fisheries and Food Authority (AFFA) Response

The Authority, (former Coffee Board of Kenya), was drawn into the dispute, especially when the County Government objected to the issuance of Movement Permits for coffee destined to other commercial coffee millers.

The Authority advised against the actions of the County Government given that the task force recommendation was in contravention of the following national coffee regulations:-

- a) The regulations provide for the licensing of several commercial coffee millers and marketing agents and coffee growers have the freedom to competitively select and contract any of the licensed coffee millers and coffee marketing agents.
- b) The regulations demand that the existing milling and marketing contracts can only be terminated upon issuance of a termination notice of 90 days. This was however not the case in Nyeri. The County Government action resulted in breach of existing contracts which triggered a dispute.

In January 2014, the Authority communicated to all County Governments via a Circular clarifying that the approach in Nyeri was in contravention with the national coffee regulations **(Copy of Circular attached as appendix 2)**.

A total of **147,564bags** of parchment and **50,655 bags** of Mbuni which totals to **198,219 bags** of coffee was produced and milled by the Kenya Cooperatives Coffee Millers td (KCCM) in Sagana. An equivalent of **6,797,978 kgs** of clean coffee was realized from the parchment and the Mbuni. The same coffee was conveyed to the Kenya Cooperatives Coffee Exporters Ltd (KCCE) for marketing after milling.

b) Full disclosure of all agreements, Memorandum of Understanding and contracts with third parties and audited accounts of the coffee sales

❖ Full Disclosure of all agreements

For the year 2013/2014 under the County Government milling and marketing initiative, 18 coffee societies signed milling agreements with KCCM Ltd (the miller) while 19 societies signed marketing agreements with KCCE Ltd (the marketer). **(Sample copies of KCCM milling agreements and KCCE marketing agreements are attached as Appendix 6)**

This is illustrated in table 1 below containing the list of milling and marketing agreements.

Table 1: Milling and Marketing Agreements: 2013/2014

No	SOCIETY	Miller	Marketer
1.	Gakuyu Fcs	KCCM	KCCE
2.	Gikanda Fcs	KCCM	KCCE
3.	Barichu Fcs	KCCM	KCCE
4.	Iriaini Fcs	KCCM	KCCE
5.	Giakanja fcs	KCCM	KCCE
6.	Wachuri Fcs	KCCM	KCCE
7.	Njuriga Fcs	KCCM	KCCE
8.	Githiru Fcs	KCCM	KCCE
9.	New Gikaru Fcs	KCCM	KCCE
10.	Aguthi Fcs	KCCM	KCCE
11.	Rumukia Fcs	KCCM	KCCE
12.	Ruthaka Fcs	KCCM	KCCE
13.	Rugi Fcs	KCCM	KCCE
14.	Rutuma AFcs	KCCM	KCCE
15.	Tekangu Fcs	KCCM	KCCE
16.	Kiama Fcs	KCCM	KCCE
17.	Mathira North Fcs	KCCM	KCCE
18.	Mugaga fcs	KCCM	KCCE
19.	Othaya fcs	OTHAYA	KCCE 
20.	Mutheka FCS	CKCM NKG	CMS TROPICAL
21.	Mungaria Fcs	HIGHLANDS	SMS
22.	Gachatha fcs	CKCM	CMS
23.	Thiriku fcs	CKCM	CMS
24.	Gathaithi fcs	CKCM	CMS
25.	Kiandu fcs	HIGHLANDS	SMS

COUNTY GOVERNMENT OF NYERI



P.O. BOX 1112 - 10100
Telephone 061 2030700
Fax No. 061 2030537
NYERI

Email: infonyericounty@gmail.com

OFFICE OF THE COUNTY EXECUTIVE FOR AGRICULTURE, LIVESTOCK DEVELOPMENT AND FISHERIES

REF: NCG/GEN/1(a)

DATE: 30th October, 2013

CIRCULAR No.1/2013

To: County Commissioner,
County Directors of Agriculture,
County Commissioner of Co-operatives,
✓ County Manager Coffee Board of Kenya,
Coffee Co-operative Societies,
Coffee pulping stations (factories)

*Noted
8/11/2013
C.O.N*

Dear

RE: COFFEE BUSINESS IN NYERI COUNTY

As you are aware, Nyeri County held a coffee stakeholders forum on 16th May 2013 and a twenty (20) members' taskforce with representation from the key stakeholders in the county was established. The taskforce members were drawn from the Governor's Office, Coffee Societies, Estates growers, Coffee Board of Kenya, Coffee Research Foundation, National Environmental Management Authority, Cooperative Insurance Company, County Commissioner, Dedan Kimathi University and representative members of County Assembly from the coffee growing wards.

The taskforce was mandated to analyze and articulate the challenges in the coffee sector and advice the County Government on the way forward. The taskforce terms of reference as proposed during the forum were as follows:-

- (a) To recommend ways and means of improving coffee productivity (quantity and quality);
- (b) To assess setbacks in the procurement, distribution and utilization of coffee farm inputs;


During these meetings, the farmers' unanimously adopted the recommendations of the taskforce. Arising from the foregoing, the said recommendations are to be implemented in full and you are hereby directed to cooperate fully in your area of operation. Further to the above, the County government is carrying out sensitization meetings in all coffee growing sub-counties.

All enquiries should be directed to Nyeri County Government Offices, Department of Agriculture, Livestock Development and Fisheries.

Telephone contacts: 0726 985567

We endeavor to continue serving you.

Yours faithfully,

A large, stylized handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

COUNTY EXECUTIVE MEMBER
AGRICULTURE, LIVESTOCK PRODUCTION & FISHERIES

cc

COUNTY EXECUTIVE MEMBER
TRADE, INDUSTRIALIZATION & COOPERATIVE DEVELOPMENT

COFFEE BOARD OF KENYA



COFFEE PLAZA
EXCHANGE LANE
OFF HAILE SELASSIE AVENUE
P.O. BOX 30566-00100
NAIROBI, KENYA

CIRCULAR NO.1/1/2014

30th January, 2014

To: County Executive Members – Agriculture (Coffee Growing Areas)
Kenya Coffee Producers and Traders Association
Kenya Coffee Traders Association
Kenya Coffee Producers Association
Coffee Dealers of Kenya Association
Commercial Coffee Millers and Marketers Agents Association

STATUS UPDATE ON THE COFFEE ACT AND THE DEVOLVED GOVERNMENT

1.0. THE OPERATIONALISATION OF THE AGRICULTURE, FISHERIES & FOOD AUTHORITY ACT (AFFA ACT)

As you may all be aware, on 14th January 2013 the AFFA Act was assented to by the President and was given a commencement date of 25th January, 2013.

Section 1 of the AFFA Act provides that the Act would come into operation on a date to be appointed by the Cabinet Secretary in the Kenya Gazette. On 17th January 2014, the Cabinet Secretary via Legal Notice No. 4 of 2014 appointed 17th January 2014 as the operational date.

1.1. EFFECT OF THE OPERATIONALISATION OF THE AFFA ACT

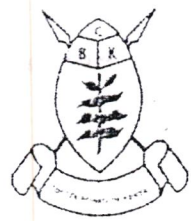
The First Schedule of the AFFA Act at Paragraph 3 defines the term "*Former institution*" as any institution established by a repealed Act. It is noteworthy however that the Coffee Act is supposed to be repealed by the Crops Act (Act No.16 of 2013). The Crops Act is not yet operational as the Cabinet Secretary is yet to gazette it. Therefore, the implication of the non-operationalisation of the Crops Act is that:

- i) The Coffee Act has not yet been repealed and therefore the Coffee Board of Kenya is still in existence.
- ii) The provisions of the Coffee Act and the Coffee Regulations are still in operation and are to be adhered to.
- iii) All players in the Coffee Industry are expected to adhere to the provisions of the Coffee Act and the Coffee Regulations thereunder.
- iv) The Board specifically draws the attention of the County Governments and all industry players to the following:
 - a. Section 24 of the Coffee Act 2001 requires the Board to license various activities in the trade-chain and specifically provides that no person **shall** conduct any coffee business (milling, marketing, warehousing) unless licensed and registered by the Board.
 - b. The Coffee Act requires that growers secure annual milling and marketing contracts which protect both the growers and millers. Specifically the Coffee (General) Rules, 2002, Rule 22 require that the terms of the milling contract between a grower and a miller be reduced into writing and registered with the Board.
 - c. No party should induce any person to breach contractual obligations existing in Milling or other contracts and due process should be observed in terminating such contracts by giving requisite notice and clearing outstanding debts or other obligations prior to such termination.

URGENT

COFFEE BOARD OF KENYA

TELEPHONE NAIROBI 315754-5,6
FAX: + 254 - 020 - 311079
Email: coffeebk@gmail.com
Website: www.coffeeboard.co.ke



COFFEE PLAZA
EXCHANGE LANE
OFF HAILE SELASSIE AVENUE
P.O. BOX 30560-00100
NAIROBI, KENYA

20th January, 2014

ADM/2/20C

Sicily K. Kariuki (Mrs), MBS
Principal Secretary
Ministry of Agriculture, Livestock & Fisheries
State Department of Agriculture
Kilimo House
NAIROBI

*AS -
Melli + AG MD
directed to convene
a technical brainstorming
to propose rational
interventions by mid-day
Thursday
23rd.*

Dear Madam,

SUSPENSION OF THE COFFEE AUCTION SCHEDULED FOR 21ST JANUARY, 2014

We have learnt from a Manager of one of the Commercial Marketing Agents that, over the weekend, Commercial Marketing Agents resolved not to offer coffee at the Nairobi Coffee Exchange Auction Floor on 21st January, 2014.

If this were to happen, it will mean that there will be no trading at the NCE on the said date.

We have tried to convene an emergency meeting today 20th January 2014 with the Commercial Marketing Agents persuading them not to suspend the auction but our efforts were in vain. However, the marketing agents have agreed to meet us on 21st January, 2014 at 9.00 a.m. to deliberate further on the way forward.

*Complete Deteriority
to be worked
as well as
AG.
AS for
21/1*

For your information the grievances raised by the marketing agents arise from the ongoing interference by various County Governments on coffee milling and marketing

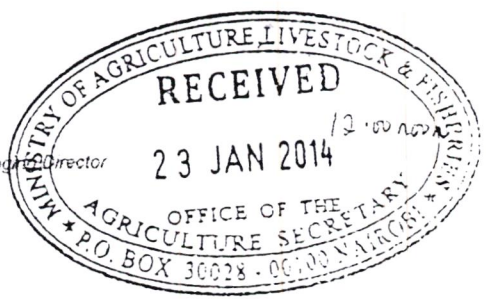
In particular, they are pointing out the following specific issues.

That;

- (i) International coffee roasters are cancelling their contracts with Kenyan Coffee exporters given the withholding of the Nyeri Coffee which forms part of their blends.

479
23 JAN 2014

All communications should be addressed to the Managing Director

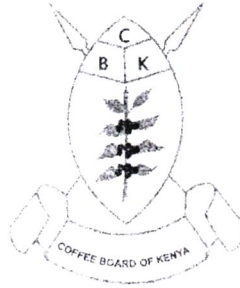


COFFEE BOARD OF KENYA

TELEPHONE NAIROBI 315672/0710670026

Email: info@coffeeboardkenya.co.ke

Website: www.coffeeboard.co.ke



COFFEE PLAZA
EXCHANGE LANE
OFF HAILE SELASSIE AVENUE
P.O. BOX 30566-00100
NAIROBI, KENYA

ADM/10/5C

25th January 2014

Sicily K. Kariuki (Mrs.), MBS
Principal Secretary
State Department of Agriculture
Ministry Of Agriculture Livestock & Fisheries
Kilimo House
NAIROBI

Dear *Madam,*


BRIEF ON THE STATUS OF COFFEE ISSUES IN THE NYERI COUNTY

We refer to consultative meeting held in your office today on 25th January 2014.

As agreed, please find attached a brief to the Cabinet Secretary on the above issue for your concurrence.

We await your further direction.

Yours *Sincerely,*


ISABELLA NKONGE (MRS)
FOR: MANAGING DIRECTOR

Encl.

Copy to:
Kimamo Kuria
Board Chairman
NAIROBI

COFFEE BOARD OF KENYA

COUNTY GOVERNMENT OF NYERI AND THE COFFEE INDUSTRY

1. Introduction

Coffee is one of the major foreign exchange earners for the Country and is a major source of employment and generally contributes to the livelihood of many Kenyans. Coffee is grown in over twenty counties.

The Nyeri County is one of the major coffee producing counties in the Country. It is located along the slopes of Mt. Kenya and this one of the factors that contribute to the high quality of coffee that is produced from there.

2. The Nyeri County and Coffee Activities

Following the promulgation of the Constitution of Kenya in 2010, which devolved Agriculture to the Counties, County Governments initiated a number of programs and activities to drive the Agriculture sector in the County.

The Nyeri County Government thus organized a stakeholders' forum at GreenHills Hotel on 16th May 2013 where several coffee stakeholders attended.

At the said meeting, the members resolved to appoint a taskforce which would come up with a strategy of dealing with coffee production, milling and marketing of coffee in the County and hence improve the farmers' incomes.

The task force drew its membership from the Coffee Cooperative leaders, Coffee Estates, Cooperative Bank, CIC Insurance Group, Ministry of Agriculture officials, Ministry of Cooperatives' officials, Coffee Research Foundation, Coffee Board of Kenya and the County Commissioner. Mr. Nyamweya (Coffee Advisory Officer – Nyeri) was nominated by the former Managing Director Coffee Board of Kenya to represent the Board.

After several consultations with coffee stakeholders the taskforce came up with the following recommendations:

- a) The Coffee from Nyeri County shall all be milled at Kenya Cooperative Coffee Millers (KCCM) - Sagana Coffee Mills and marketed through one marketing body owned by the farmers;
- b) Coffee producers in the County shall endeavor to procure farm inputs jointly and competitively in order to enjoy economies of scale;
- c) The County will source affordable and accessible credit facilities from financial institutions;
- d) The security of the credit facility shall be coffee delivered to the mill and stored in a common warehouse;
- e) All coffee movement permits shall be issued through the County office by the regulator;

4. CLOSURE OF CENTRAL KENYA COFFEE MILLS

In addition to the directive issued by the County that all coffee be milled at Sagana, orders to close the Central Kenya Coffee Mills were issued following an inspection which pointed non-compliance with a number of Physical Planning Act provisions.

The management of Central Kenya Coffee Mills (CKCM) communicated to the Governor by their letter dated 14th January 2014 and confirmed that the correctional measures required of them had been implemented. They however, requested for a six months extension to the enforcement order to enable them deal comprehensively with the issue of **change of user of the land**.

5. IMPLICATIONS OF THE ACTIONS OF THE NYERI GOVERNMENT

(a) **Suspension of the NCE Weekly auction**

The action by the Nyeri County to restrict coffee milling to Sagana Mills and the order to close the Central Kenya Coffee Mills (CKCM) Ltd mills led to the suspension of the weekly NCE auction by marketing agents who felt threatened and are finding it difficult to operate under the circumstances.

Coffee due for auction cannot be transported to licensed warehouses, and hence cannot be auctioned.

(b) **Breach of Existing Service Contracts**

The directive by the Nyeri County results to a breach of existing milling and marketing contracts with licensed millers and marketing agents.

(c) **Repayment of Loans**

The Millers and marketing agents have issued loans towards support of coffee production and processing to the tune of Billions of shillings and unless recovered in time will incur huge interest to the detriment of the farmers.

The loans were issued to farmers on the basis of milling and marketing contracts the breach of which would imply that the farmers would need to pay damages.

(d) **Likely Litigation**

The millers and market agents may decide to move to court stopping any further milling or sale of any coffee for whose contracts they had signed. This means that at some point the trade may be affected.

(e) **Security of Coffee**

Stocks of coffee held at Farmers' Cooperative Societies risk being stolen if not delivered to the mills due to the directive by the Nyeri county Government which is being resisted by Cooperative Societies.

(f) **Marketing of Coffee**

The January – March 2014 period is the critical marketing months for Kenya coffee at the Nairobi Coffee Exchange and therefore losses will be incurred by farmers unless the coffee is sold during this peak period. Growers'

ANNEX 3

ANNEX 3.



AGRICULTURE, FISHERIES AND FOOD AUTHORITY

Coffee Directorate

Response to the Hon Esther Murugi Mathenge, EGH, MP (Nyeri Town Constituency) Concerns on the Nyeri County milling and marketing.

1. Introduction

Following receipt of a report by Hon Mathenge M.E expressing dissatisfaction towards the manner the Nyeri County Coffee was centrally milled and marketed under the directive of the Nyeri County Government, we here by table a report shading some light on the matters raised by the honourable Member of Parliament.

In May, 2013 the Nyeri County Government initiated a coffee task force to study the Nyeri coffee industry and make recommendations towards its revival. The task force undertook a study and made a number of recommendations contained in the task force report and one of the recommendations was to centrally mill and market Nyeri coffee through the Kenya Co-operative Coffee Millers (KCCM) Ltd and Kenya Co-operative Coffee Exporters (KCCE) Ltd. The two firms were (and are) among those licenced by the Coffee Directorate.

The County Government enforced the task force decision and most co-operative societies in Nyeri milled and marketed their coffee through KCCM and KCCE Ltd in the ended coffee year 2013/2014.

KCCM milled all the coffee by July, 2014 and KCCE Ltd made payments in around September, 2014. Consequently KCCE Ltd made all payments to the small holder coffee farmers whom they had contracted. The payments vary from one co-operative to another as demonstrated under table two below.

Table 2: Nyeri coffee payments from KCCE and other Marketing Agents, 2013/2014

NO	SOCIETY	FACTORY	CHERRY SHS/KG	County Govt Promise	MBUNI SHS/KG	Remarks
1.	Gikanda	Gichathaini Ndaroini Kangocho	58.80 58.90 53.70	63.00 67.00 65.00	- - -	KCCM/ KCCE Ltd
2.	Rutuma Amalgamated	Ruthagati Karie Ngandu Githima Kianjogu Ndurutu Marua	40.60 52.00 48.75 30.25 42.80 37.80 45.00	52.00	97.20 95.90 81.80 79.35 74.00 102.00 75.00	KCCM/ KCCE Ltd
3.	Mathira North	Kiamariga Kabiruni Hiriga Kahiraini Ruiruiru	33.90 31.00 26.00 18.00 28.80	71 55 59 80 72	103 72.85 59.25 63.05 39.15	KCCM/ KCCE Ltd
4.	Mugaga	Kagumoini Kiamabara Kieni Gathungu Gatina	68.85 59.15 68.20 56.10 65.80	73 66 70 - -	- - - - -	KCCM/ KCCE Ltd
5.	Rumukia	Kagunyu Gatura Thunguri Maganjo Kiawamaruru Tambaya Gaikundo Ndiaini	38.20 38.75 35.55 37.45 42.25 42.95 36.10 36.45	65 64 57 66 68 69 65 64	- - - - - - - -	KCCM/ KCCE Ltd
6.	Githiru	Githiru	42.00	49	85	KCCM/ KCCE Ltd
7.	Ruthaka	Ruarai Kamuchuni Nduma Muthuthiini	53.63 43.62 55.06 58.70	61 65 63 62	118.48 82.28 93.67 107.48	KCCM/ KCCE Ltd

21	Gathaithi	Gathaithi	50.60	-	126.60	CKCM/CMS
22	Mutheka	Kihuyo	53.95	-	83.60	CKCM/CMS
		Chorongi	55.10	-	85.70	
		Kaiguri	62.90	-	87.90	
		Kamuyu	45.40	-	77.00	
		Kigwandi	60.30	-	86.60	
		Muthuaini	55.95	-	88.20	
		Kiandu	62.50	-	91.00	Highlands /KCCE
23	Othaya	Thuthi	47.05	-	91.70	Private mill/ Grower marketer
		Chinga	57.35	-	76.95	
		Mahiga	54.60	-	69.95	
		Kagere	48.75	-	74.65	
		Gatuyaini	51.20	-	60.30	
		Kamoko	51.70	-	63.95	
		Ichamana	55.15	-	89.40	
		Kiaguthu	50.00	-	64.95	
		Kiruga	53.10	-	90.90	
		Gichichi	48.05	-	64.65	
		Iriaini	40.00	-	75.40	
		Gatugi	50.25	-	91.95	
		Rukira	55.00	-	67.65	
		Kiaga	53.50	-	56.30	
		Gura	53.15	-	70.70	
		Kagonye	42.75	-	80.05	
		Kamoini	54.00	-	78.10	
		Karuthi	56.05	-	76.90	
Gitundu	-	Dormant fact	78.80			

Deductions from table:

There is no significant difference on the payments from KCCE Ltd and those made by other marketing agents. However it is evident that prices promised by the County Government during meetings were not realized upon sale of coffee.

d) County initiative and delayed payments

Those societies which delivered their coffee to KCCM/KCCE Ltd received payments in the months of September, 2014 whereas those which delivered their coffee to other millers/marketing agents received their payment in April/June, 2014.

The reported payments delay was occasioned by the dispute between Kenya Commercial Coffee Millers and Marketing Agents Association (KCCMMAA)

2. KABARE FCS			
No.	Name of Factory	Production(Kgs) 2013/2014	Pay-out rate (Kshs)
1	Kiringa Factory	270,588	37.25
2	Konyu Factory	277,183	54.05
3	Karani Factory	362,066	41.25
4	Kiangombe Factory	342,147	52.95
5	Mukure Factory	61,944	52.90
6	Mukengeria Factory	97,159	41.20
7	Kimandi Factory	188,776	55.95
8	Kathata Factory	76,280	23.95
9	Kiangothe factory	133,402	43.80
10	Kiamiciri Factory	94,831	32.80
	TOTAL	1,904,376	
3. RUNG'ETO FCS			
No.	Name of Factory	Production(Kgs) 2013/2014	Pay-out rate (Kshs)
1	Kii Factory	1,067,481	60.00
2	Karimikui Factory	998,642	56.10
3	Kiangoi factory	881,625	61.40
	TOTAL	2,947,748	
4. KARITHATHI FCS			
No.	Name of Factory	Production(Kgs) 2013/2014	Pay-out rate (Kshs)
1	Kiunyu Factory	751,087	67.15
2	Kabingara Factory	273,693	64.05
	TOTAL	1,024,780	
5. THIRIKWA FCS			

	TOTAL	1,486,117	
10.	NGIRIAMBU FCS		
No.	Name of Factory	Production(Kgs) 2013/2014	Pay-out rate (Kshs)
1	Kiri Factory	595,713	58.00
2	Kegwa Factory	553,740	49.00
	SUB-TOTAL		
11.	INOI FCS		
	Name of Factory	Production(Kgs) 2013/2014	Pay-out rate (Kshs)
1	Rutui Factory	62,461	23.85
2	Kaguyu Factory	347,409	38.95
3	Kiandieri Factory	144,760	32.50
4	Kariko Factory	83,307	32.30
5	Kaitheri Factory	85,221	32.15
6	KariaFactory	45,201	20.10
7	Ndimi Factory	302,795	30.85
8	Kerugoya Factory	129,436	35.25
9	Kiamwenja Factory	30,675	18.10
1	Kiamburi Factory	19,725	17.60
0			
1	Thaita Factory	103,264	30.30
1			
	TOTAL	1,354,254	
12.	MUTIRA FCS		
No.	Name of Factory	Production(Kgs) 2013/2014	Pay-out rate (Kshs)
1	Kagumo Factory	473,252	61.10
2	Mutitu Factory	835,567	50.00

9	Ihara Factory	442,809	56.65
	TOTAL	4,107,523	
	SUB-TOTAL		
15.	URUMANDI FCS		
No.	Name of Factory	Production(Kgs) 2013/2014	Pay-out rate (Kshs)
1	Tongonye Factory	43,389	47.00
	TOTAL	43,389	
	SUB-TOTAL		
	GRAND TOTAL	31,262,848.5	

ii. Meru Coffee payments, 2013/2014

The reports from Meru indicate that from the previous crop the highest payments were from Mikumbune – Ksh 56.05 and this is lower than the highest payment in Nyeri of Ksh75.45 by Gachatha FCS.

Conclusion on Payments: Payments from Meru and Kirinyaga were not better than the Nyeri payments but Nyeri payments are known to be always higher when the coffee is delivered to the market during the months of January to March when the market process are usually at the highest. However this time Nyeri was delivered to the market a little late.

f) Devolved Function of Agriculture and the Coffee Sector

It is true that Agriculture is a devolved function but the constitution, the Crops Act, 2013 and the AFFA Act, 2013 clearly articulates the role of the County Government and that of the National Government. Where a conflict arises, then the national law or policy supersedes the county law or policy. Nevertheless this area requires consultations to avoid the occasional standoff with county governments.

g) Efforts to engage County on Coffee Industry