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REPUBLIC OF KENYA

THE NATIONAL ASSEMBLY

THIRTEENTH PARLIAMENT – FIFTH SESSION – 2026

PUBLIC PETITIONS COMMITTEE

CONSIDERATION OF PUBLIC PETITION NO. 2 OF 2026 BY THE HON. GLADYS BOSS, MGH, MP ON BEHALF OF THE RESIDENTS OF UASIN GISHU COUNTY REGARDING PRODUCTION, DISTRIBUTION AND CONSUMPTION OF ILLEGAL ALCOHOLIC BREWS IN THE COUNTRY

THE NATIONAL ASSEMBLY
PAPERS LAID
DATE: 30 SEP 2026
DAY. Wednesday
TABLED BY: Hon. Janet Sitienei, MP (Vice-Chairperson)
CLERK-AT THE-TABLE: Lomala

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SEPTEMBER, 2026

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ACRONYMS

ABAK	Alcoholic Beverages Association of Kenya
ACA	Anti-Counterfeit Authority
COG	Council of Governors
EACC	Ethics and Anti-corruption Commission
DCI	Directorate of Criminal Investigations
KRA	Kenya Revenue Authority
KEBS	Kenya Bureau of Standards
NACADA	National Authority for the Campaign Against Alcohol & Drug Abuse
NGAO	National Government Administration Officers
NIS	National Intelligence Service
NPS	National Police Service
ODPP	Office of the Director of Public Prosecutions
PVoC	Pre-Export Verification of Conformity

CHAIRPERSON'S FOREWORD

On behalf of the Public Petitions Committee and pursuant to the provisions of Standing Order 227, it is my pleasant privilege and honour to present to this House the Report of the Committee on the Public Petition No. 2 of 2026 regarding production, distribution and consumption of illegal alcoholic brews in the country.

The petition was presented to the house pursuant to standing order no. 225 (2) (a) by the Hon. Gladys Boss, MGH, MP Member for Uasin Gishu County on behalf of the residents of Uasin Gishu County. The Petitioner prayed that the National Assembly through the Public Petitions Committee investigates the status of implementation of regulations in place to curb production, distribution and consumption of illegal alcohol, determines the cause of the rampant production, distribution, and consumption of illegal alcohol in the country, recommends a multiagency approach to curb the production, distribution and consumption of illegal alcohol; and makes any other recommendations it may deem appropriate to address the plight of the Petitioners.

Upon hearing from the Petitioner, Ministry of Interior and National Administration, Ministry of Investment, Trade and Industry, Council of Governors, Kenya Sugar Board, Kenya Revenue Authority (KRA), Kenya Bureau of Standards (KEBS), National Police Service (NPS), Anti-Counterfeit Authority (ACA), Kenya Association of Manufacturers (KAM) and Alcoholic Beverages Association of Kenya (ABAK), the Committee observed that the alcohol industry accounts for about 4.1% of Kenya's nominal GDP in 2024. In 2025, the total size of illicit trade in Kenya, was estimated at Kshs. 826 billion. Illicit alcohol comprised approximately 59% by volume and 21% by value of the total alcohol market in Kenya in 2022. The fiscal loss attributable to the illegal-alcohol economy was estimated at approximately Kshs. 71 billion in 2022. Established ethanol smuggling routes were identified at Isibania and Shimoni (Kenya-Tanzania), Mbale and Busia (Kenya–Uganda) and Moyale (Kenya–Ethiopia). On average, 18% of products in surveyed sectors are counterfeited, with alcoholic beverages experiencing a prevalence of 19%, second only to automotive spare parts (21%). The Committee observed weak enforcement measures and gaps in the legal framework.

The Committee recommends that the Excise Duty (Remission of Excise Duty) Regulations 2026 be fully operationalized, national-county alcoholic drinks regime be harmonized, amend laws to prescribe stiffer fines for breaches of the law, monitoring and reporting on local ethanol production, enhanced border surveillance, inspection and market surveillance and the anchorage into law of a multi-agency taskforce. The Committee also recommends that the House debates this report.

The Committee appreciates the Offices of the Speaker and Clerk of the National Assembly for providing guidance and necessary technical support, without which its work would not have been possible. The Chairperson expresses gratitude to the Committee Members for their devotion and

commitment to duty during the consideration of the Petition.

On behalf of the Committee and pursuant to the provisions of Standing Order 199, I now wish to lay the Report on the Table of the House

HON. MUCHANGI KAREMBA, CBS, M.P.

CHAIRPERSON, PUBLIC PETITIONS COMMITTEE

PART ONE

1 PREFACE

1.1 Establishment and mandate of the Committee

1) The Public Petitions Committee is established under the provisions of Standing Order 208A with the following terms of reference:

i) considering all public petitions tabled in the House;

ii) making such recommendations as may be appropriate with respect to the prayers sought in the petitions;

iii) recommending whether the findings arising from consideration of a petition should be debated; and

iv) advising the House and reporting on all public petitions committed to it.

1.3 Committee Membership

2) The Public Petitions Committee was constituted in October 2022 and comprises the following Members:

Chairperson

Hon. Muchangi Karemba, CBS, M.P.

Runyenjes Constituency

United Democratic Alliance (UDA)

Vice Chairperson
Hon. Janet Jepkemboi Sitienei, M.P
Turbo Constituency
United Democratic Alliance (UDA)

Hon. Patrick Makau King'ola, M.P.
Mavoko Constituency
Wiper Democratic Movement-Kenya (WDM-K)

Hon. Edith Vethi Nyenze, M.P.

Kitui West Constituency

Wiper Democratic Movement-Kenya (WDM-K)

Hon. Joshua Chepyegon Kandie, M.P.
Baringo Central Constituency
United Democratic Alliance (UDA)

Hon. Beatrice Kadeveresia Elachi, CBS, M.P.
Dagoretti North Constituency
Orange Democratic Movement (ODM)

Hon. Maisori Marwa Kitayama, M.P.
Kuria East Constituency
United Democratic Alliance (UDA)

Hon. Paul Biego Kibichiy. M.P

Chesumei Constituency

United Democratic Alliance (UDA)

Hon. Bernard Muriuki Nebart, M.P.

Mbeere South Constituency

Independent

Hon. Patrick Munene, CBS, M.P.

Chuka Igambang'ombe Constituency
United Democratic Alliance (UDA

Hon. John Bwire Okano, M.P.
Taveta Constituency
Wiper Democratic Movement-Kenya (WDM-K)

Hon. Peter Mbogho Shake, M.P.
Mwatate Constituency
Jubilee Party (JP)

Hon. Suzanne Ndunge Kiamba, M.P.
Makueni Constituency
Wiper Democratic Movement-Kenya (WDM-K)

Hon. Peter Irungu Kihungi, M.P.
Kangema Constituency
United Democratic Alliance (UDA)

Hon. Sloya Clement Logova, M.P.
Sabatia Constituency
United Democratic Alliance (UDA)

1.4 Committee Secretariat

3) The secretariat comprises the following officers:

Mr. Victor Weke

Principal Clerk Assistant II

Ms. Miriam Modo

Clerk Assistant I

Mr. Bernard Toroitich

Clerk Assistant III

Ms. Kafuyai Wamae

Clerk Assistant III

Mr. Clinton Sindiga

Legal Counsel

Ms. Nancy Ouma

Research Officer III

Ms. Viola Saiya

Research Officer III

Mr. Collins Mahamba

Audio Officer

Ms. Fridah Ngari

Media Relations Officer

Ms. Felister Muiya

Public Communications Officer

Ms. Roselyne Njuki

Principal Sergeant at Arms

Mr. Paul Shana

Sergeant at Arms

PART TWO

2 BACKGROUND OF THE PETITION

2.1 Introduction

4) Public Petition No. 2 of 2026 regarding production, distribution and consumption of illegal alcoholic brews in the country was presented to the House on 25th February 2026 by the Hon. Gladys Boss, MGH, MP member for Uasin Gishu County on behalf of the residents of Uasin Gishu County.

5) The production, distribution and consumption of illicit alcoholic brews in the country has continued to cause serious public health, social and economic harm, including deaths, disabilities, addiction, family breakdown, poverty and increased crime.

6) The Alcoholic Drinks Control Act, Cap. 121 was enacted in 2010 to regulate the manufacture, sale, distribution and consumption of alcoholic drinks and to provide for treatment, rehabilitation and enforcement mechanisms.

7) The Petitioner submitted that despite the existence of this law, illicit alcohol trade remains rampant, evidenced by continued deaths, counterfeit alcoholic brands, unlicensed liquor outlets, underage drinking and widespread adulteration of alcohol products.

8) Uasin Gishu County has been significantly affected by this menace, with recurrent incidents of alcohol poisoning, hospital admissions and loss of life linked to illicit brews and adulterated second-generation alcohol, particularly among vulnerable communities.

9) This problem is widespread across the country and has, in the past, resulted in national tragedies involving toxic brews such as the infamous Kumi Kumi, necessitating urgent State intervention. These challenges are largely attributable to weak and inconsistent implementation of the law, inadequate enforcement capacity, regulatory gaps, and limited public awareness.

10) The National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA) is mandated to coordinate alcohol and drug abuse prevention, public education, research and inter-agency collaboration, yet concerns remain regarding the effectiveness of these functions.

11) There are allegations of insufficient monitoring and oversight of licensed manufacturers and distillers of second-generation alcohol by regulatory agencies, including the Kenya Revenue Authority (KRA) and the Kenya Bureau of Standards (KEBS). The absence of robust quality control systems, product traceability mechanisms and distribution oversight has allowed unsafe and counterfeit alcoholic products to enter the market.

12) The regulation of alcohol remains inadequate, with high local production costs and weak border surveillance encouraging smuggling and diversion of ethanol for use in illicit

brewing. Further, alcohol being a hazardous and flammable substance, is often transported and handled in small, unregulated quantities, facilitating illegal alcohol production and posing serious safety risks.

13) Efforts to have these issues addressed by relevant institutions have yielded unsatisfactory outcomes.

14) The matters raised in this Petition are not pending before any court of law, constitutional body or other legal institution.

2.2 Petitioner's Prayers

15) The Petitioners pray that the Committee investigates the matter and recommends that;

i) Investigates the status of implementation of regulations in place to curb production, distribution and consumption of illegal alcohol;
ii) Determines the cause of the rampant production, distribution, and consumption of illegal alcohol in the country;
iii) Recommends a multiagency approach to curb the production, distribution and consumption of illegal alcohol; and
iv) Makes any other recommendations it may deem appropriate to address the plight of the Petitioners.

PART THREE

3 STAKEHOLDERS' SUBMISSIONS

3.1 The Petitioner

The Member for Uasin Gishu County, Hon. Gladys Boss, MGH, MP appeared before the Committee on Thursday, 9th April 2026, and submitted that -

16) The widespread availability of ethanol, which is a key ingredient in the production of illicit alcohol, has significantly contributed to the increasing cases of alcohol abuse and the proliferation of unsafe alcoholic products in the market.

17) The ease with which ethanol can be accessed by unauthorized individuals and illegal brewers has undermined efforts aimed at regulating the alcohol industry and protecting public health. This situation has exposed many consumers to harmful substances and heightened the risk of severe health complications associated with the consumption of illicit brews.

18) There is therefore an urgent need for strict adherence to the legal and regulatory requirements governing the transportation of ethanol, particularly within Kenya. Licensing procedures for the transportation and handling of ethanol must be fully enforced to prevent diversion of the substance into the illegal alcohol market.

19) Relevant regulatory agencies should strengthen monitoring, inspection, and enforcement mechanisms to ensure that only authorized entities are permitted to transport ethanol and that all transportation activities comply with the applicable laws and regulations.

20) In addition, locally produced, artisanal, and home-brewed alcoholic beverages have continued to pose a major public health concern due to their inconsistent and often excessively high alcohol content. Unlike standardized commercial alcoholic products, these beverages are rarely subjected to proper testing and quality assurance processes, resulting in highly volatile Alcohol by Volume (ABV) levels. The lack of regulation and standardization exposes consumers to unpredictable alcohol concentrations, which can lead to severe intoxication, poisoning, and other serious health risks.

21) To enhance accountability and consumer safety within the alcohol manufacturing sector, all alcohol manufacturers should be required to establish fully functional production facilities equipped with quality control laboratories. Such facilities would enable manufacturers to conduct regular testing and ensure that products meet the prescribed safety and quality standards before being released into the market.

22) Furthermore, manufacturers should maintain comprehensive documentation of their entire distribution chain to facilitate effective traceability of alcoholic products from the point of production to the final consumer. This would strengthen regulatory oversight, curb the circulation of illicit alcohol, and improve the ability of authorities to respond swiftly in cases involving unsafe or counterfeit alcoholic beverages.

3.2 Anti-Counterfeit Authority

Dr. Robi King'a, PhD, The Chief Executive Officer, Anti-Counterfeit Authority appeared before the committee Wednesday, 29th April 2026 submitted that -

23) A 2023 study commissioned by the Alcoholic Beverages Association of Kenya (ABAK) and undertaken by Euromonitor International, the most authoritative recent sizing of this market, found that:

   i) Illicit alcohol comprised approximately 59% by volume (898,478 hectolitres of alcohol equivalent) and 21% by value (KES 67 billion) of the total alcohol market in Kenya in 2022;

   ii) The fiscal loss attributable to the illegal-alcohol economy was estimated at approximately KES 71 billion in 2022, with the greatest leakage emanating from distilled spirits;

   iii) Of the four illicit categories, illicit artisanal brews accounted for 66% of total volume, tax leakage for 16%, counterfeit and illicit brands for 15%, and contraband/smuggling for 4% — a sobering portrait of a multi-headed problem;

   iv) Established ethanol smuggling routes were identified at Isibania and Shimoni (Kenya-Tanzania), Mbale and Busia (Kenya–Uganda) and Moyale (Kenya–Ethiopia), with smugglers concealing 200-litre drums and 20–40-litre jerrycans within cover cargo, on motorcycles, and through panya routes.

24) The regulation of raw ethanol — that is, extra-neutral alcohol, denatured spirits, undenatured ethyl alcohol and similar industrial spirits, including their importation, manufacture, taxation, denaturation and conditional release — is, by operation of law, vested principally in the Kenya Revenue Authority (under the Excise Duty Act, 2015, the East African Community Customs Management Act, 2004 and the Tax Procedures Act, 2015) and the Kenya Bureau of Standards (under the Standards Act, Cap. 496);

25) Sugar millers and standalone distilleries — which produce molasses-based ethanol as a co-product of sugar manufacturing, are licensed and supervised by the Kenya Sugar Board under the Sugar Act, 2024 in respect of cane and molasses operations, and by KRA in respect of the excise treatment of the resulting ethanol;

26) The Authority's engagement with ethanol — arises at the moment ethanol is unlawfully diverted into the manufacture of counterfeit branded alcohol, that is, where ethanol becomes the input for products that infringe the registered intellectual property rights of legitimate brand owners. At that interface, ACA enforcement is fully engaged.

Key Milestones of the Authority;

27) Operationalization (2010): Full operationalization of the Anti-Counterfeit Act, Cap 510 with the establishment of the Authority's Secretariat and Board.

28) Statutory expansion (2018): Amendment of the Anti-Counterfeit Act, Cap 510 through the Statute Law (Miscellaneous Amendments) Act, 2018, expanding the mandate of the Authority to include the recordation of intellectual property rights for imported goods.

29) Recordation system (2021 onwards): Roll-out of the mandatory IPR Recordation Programme, requiring importers of branded goods to record their rights with the Authority before importation. The system has been progressively integrated with KRA's iCMS for risk-based profiling at ports of entry.

30) Multi-Agency Team participation: Active participation in the National Multi-Agency Team on Illicit Trade, including the Office of the President-led joint operations against illicit alcohol announced under the present Administration.

31) Local strategic partnerships: Active collaboration with key local partners in the alcohol value chain and consumer-protection ecosystem, including the National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA), the Kenya Association of Manufacturers (KAM), the Alcoholic Beverages Association of Kenya (ABAK) and the Bar Hotels Liquor Traders Association (BAHLITA), in support of joint enforcement, sensitization and self-regulation initiatives.

32) Strategic Plan 2023–2027: Adoption and implementation of an intelligence-led, technology-enabled enforcement strategy with measurable performance contract indicators.

33) Forensic laboratory programme: Ongoing engagement with the Indian High Commission in Kenya and the Rashtriya Raksha University under the ITEC Programme to establish an Anti-Counterfeit Forensic Analysis Laboratory to support investigations and prosecutions, including chemical fingerprinting of seized alcohol.

34) International partnerships: Sub-regional training in November 2025 with the World Intellectual Property Organization and the Japan Patent Office on IP enforcement; and an emerging engagement with the React Group, an international brand-owner umbrella body.

35) The Authority in Financial Year 2025/2026 recorded the following;

Indicator	Q1 FY25/26	Q2 FY25/26	Q3 FY25/26
Inspections conducted	2,680	2,331	2,307
IPR cases actioned	41	52	50
Suo motu cases opened	49	46	38
Value of counterfeit goods seized (KES)	158,760,249	264,697,638	140,109,450
AIA (Appropriation-in-Aid) collected (KES)	1,385,927	2,091,768	2,830,919
Compounding cases	29	32	43

36) Cumulatively, the value of counterfeit goods held under safe custody at the Authority's gazetted depots in Athi River (two depots), Mombasa, Eldoret, Kisumu, Nyeri, Inland Container Depot Nairobi (ICDN) and Jomo Kenyatta International Airport (JKIA) stand at approximately KES 1.78 billion as at the close of Q3 FY 2025/26.

37) In addition, in Q2 and Q3 of FY 2025/26, the Authority rolled out alcohol-focused public sensitization forums reaching over 600 opinion leaders across the counties of Kiambu, Nairobi, Nakuru, Bungoma, Kakamega and Kisumu. Participants were drawn principally from the National Government Administration Officers (NGAOs), and additionally from parastatals and business representatives, with several forums convened in collaboration with NACADA, ABAK and BAHLITA. These engagements were calibrated to mobilize grassroots reporting, demystify product authentication, and entrench community-level vigilance against illicit and counterfeit alcohol.

38) Pursuant to a meeting at the Office of the President chaired by the Cabinet Secretary for Interior and National Administration on Alcohol and Drug Abuse, and within the framework of the Multi-Agency Command Team, the Authority undertook a series of intensified enforcement operations targeting counterfeit alcoholic beverages between January and 14th April 2026, with the following outcomes:

i) Targeted intelligence-led inspections conducted: 13;
ii) Counterfeit alcohol seized: 14,930 pieces;
iii) Approximate value of seizures: KES 4 million;

iv) Brands implicated by infringement included Zheng Hong Distillers, Patiala Distillers, Two Cousins, Manchester Distillers, Keroche Breweries Ltd, and Rift Valley Brewing Company Ltd.

39) In addition, in Q3 of FY 2025/26, the Authority's alcohol-and-beverages-related seizures stood at KES 10,748,050, representing a continuing operational focus on this category alongside other priority sectors.

Challenges Across the Illegal-Alcohol Value Chain

Production-Side Challenges

40) On average, 18% of products in surveyed sectors are counterfeited, with alcoholic beverages experiencing a prevalence of 19%, second only to automotive spare parts (21%) (Firm-Level Survey, 2024);

41) Within the alcoholic drinks segment, gin and vodka emerged as the most affected products at the firm level, while at the consumer level wine (50.12%), beer (47.44%), whiskey (42.68%) and vodka (36.95%) were reported as the most counterfeited categories;

42) The proliferation of back-yard and clandestine distilleries, often operating without potable-water access, sanitation or quality controls, results in products contaminated with methanol, formalin and pesticide residues — a recurrent cause of mass casualties in our communities;

43) Diversion of industrial ethanol — including molasses-based ethanol from sugar millers and imported denatured spirits — into clandestine production lines, frequently exploiting weaknesses in denaturation and tracking;

44) Production of high-quality bottles, caps, security seals and counterfeit excise stamps domestically and through imports, which lowers the technical barrier to entry for counterfeiters.

Distribution-Side Challenges

45) Porous borders with multiple recognized illicit entry points, including Isibania, Shimoni, Busia, Mbale, Malaba, Lwakhakha, Namanga, Lunga Lunga and Moyale, exploited for smuggling of finished spirits and ethanol;

46) Sophisticated concealment techniques: 200-litre drums and 20–40-litre jerrycans secreted within cover cargo, motorcycles ferrying small consignments along panya routes, and false declaration of consignments at official entry points;

47) Refilling of genuine bottles with sub-standard liquor at retail level, sometimes with the connivance of unscrupulous bar operators, defeats consumer trust in even visually authentic packaging;

48) Rapid migration of counterfeit alcohol marketing to online platforms and social-media channels, including WhatsApp business groups, where the Authority's investigative reach is constrained by current statutory provisions;

49) Fragmentation of retail licensing across 47 County Governments, with uneven enforcement of the Alcoholic Drinks Control Act, 2010 and respective County Acts, creating arbitrage opportunities for illicit traders;

50) Allegations of corruption and complicity along distribution and enforcement chains — a concern the Authority takes with the utmost seriousness and which calls for joint integrity safeguards across the multi-Agency Team

Consumption-Side and Public-Health Challenges

51) Direct consumer testimony, documented in the PIRA Report, 2025, of severe illness and harm following consumption of counterfeit and adulterated alcohol; and historical national experience of mass-casualty events in Kibwezi, Kakamega, Kiambu and elsewhere occasioned by methanol-laced brews;

52) Affordability pressures driven by the price differential between licit and illicit alcohol, exacerbated by economic strain on households;

53) Significant gaps in consumer awareness regarding the legal consequences of purchasing illicitly traded goods, as documented in the Consumer-Level Survey, 2025;

54) Underage and high-volume consumption of cheap, high-strength illicit spirits, with attendant social, health and productivity consequences;

55) Limited access to verified product-authentication tools at the point of sale, particularly in rural and peri-urban areas.

Institutional and Capacity Constraints at ACA

56) Mobility constraints occasioned by frequent breakdown of enforcement vehicles, particularly during Q3 FY 2025/26;

57) Staff attrition and unfilled positions at critical border posts including Busia, Malaba, Namanga, Lunga Lunga, Moyale and JKIA;

58) Absence, to date, of an in-house Anti-Counterfeit Forensic Analysis Laboratory, obliging the Authority to rely on external laboratories with attendant delays in evidence turnaround;

59) Need for insurance cover for the cumulative KES 1.78 billion in counterfeit goods held at the Authority's gazetted depots, to mitigate against loss, damage or destruction;

60) Constrained budgetary ceiling, with reliance on Exchequer support and modest Appropriation-in-Aid (AIA) collections that, taken together, are insufficient for the scale of the menace.

Statutory and Procedural Gaps

61) The Anti-Counterfeit Act, Cap 510 is, in some respects, ill-adapted to the realities of digital marketplaces, e-commerce and social-media-based distribution of counterfeits;

62) Penalties under section 35 of the Act, while not inconsiderable, are not viewed by trade and consumer respondents as a sufficient deterrent in light of the profitability of the illegal-alcohol economy;

63) Compounding of offences under section 36 of the Act requires statutory guidelines for consistency, transparency and proportionality — a matter the Authority is presently addressing internally;

64) The absence of a single, statutory multi-agency framework with clearly defined Key Performance Indicators, dedicated funding and joint reporting lines impedes the seamless coordination of KRA, KEBS, ACA, NACADA, PPB, the Government Chemist, the Kenya Sugar Board, DCI, ODPP and the County Governments;

65) Absence of statutory provision for the chemical fingerprinting of ethanol at production, which would allow forensic tracing of diverted batches back to source.

Sustainable Financing Mechanisms

66) Anti-Counterfeit Levy: Establishment of a modest, ring-fenced Anti-Counterfeit Levy on the recordation of intellectual property rights for imported goods, payable annually by recordation holders, with proceeds appropriated directly to the Authority through a statutory Fund.

67) Retention of Appropriation-in-Aid (AIA): Statutory authorization for the Authority to retain, in full, the Appropriation-in-Aid collected from compounding fees, destruction fees and complaint fees, in lieu of remittance to the Consolidated Fund, to fund operations of the Enforcement and Forensic directorates.

68) Forfeiture proceeds: Amendment of section 38 of the Anti-Counterfeit Act, Cap 510 to provide for the proceeds of forfeiture of counterfeit goods (and the equipment used in their manufacture) to be paid into a dedicated Anti-Counterfeit Fund, in line with the model of the Asset Recovery Authority under the Proceeds of Crime and Anti-Money Laundering Act, 2009.

69) Hypothecation of a fraction of recovered excise: Subject to negotiation with the National Treasury and KRA, hypothecation of an agreed fraction (for instance, 1–2%) of excise duty recovered through joint enforcement operations to fund the Multi-Agency Team's operations.

70) Donor and bilateral partnerships: Active pursuit of bilateral and multilateral funding (WIPO, JPO, EU, USAID, the Indian ITEC Programme, FCDO and the World Customs Organization) earmarked for forensic infrastructure, training and digital systems.

Capacity and Infrastructure Investments

71) Operationalization of the Anti-Counterfeit Forensic Analysis Laboratory: A dedicated capital allocation, in the next Supplementary Estimates, for equipment, accreditation (ISO/IEC 17025) and skilled personnel for the laboratory, with a satellite mobile unit for field deployment.

72) Fleet renewal and maintenance: A three-year fleet renewal programme to address vehicle breakdowns documented in Q3 FY 2025/26, prioritizing border posts and regional offices.

73) Border-post strengthening: Filling of staff vacancies, deployment of body-worn cameras for officer integrity, and the establishment of intelligence cells at Busia, Malaba, Namanga, Lunga Lunga, Moyale, Isibania and Lwakhakha, jointly with KRA and the Border Management Secretariat.

74) Depot insurance and modernization: Statutory provision for the insurance of goods at the Authority's gazetted depots, currently valued cumulatively at KES 1.78 billion, and modernization of depot infrastructure (CCTV, biometric access and electronic chain-of-custody).

75) Digital transformation: Full integration of the Authority's recordation platform with KRA's iCMS, KEBS' conformity assessment systems, KIPI's IP register, NACADA's licensing database and the County Single Business Permit systems, leveraging the Government Common Connectivity Network.

76) Specialized prosecution unit: Establishment, jointly with the Office of the Director of Public Prosecutions, of a Specialized Anti-Counterfeit and Illicit Trade Prosecution Unit to handle complex matters arising from joint operations.

77) Anti-Counterfeit Training Academy: Establishment of an Anti-Counterfeit Training Academy as a flagship project of the Authority under the Fourth Medium Term Plan (MTP IV) within the thematic area of Industrial Property protection. The Academy will serve as the country's premier centre of excellence for capacity building of inspectors, prosecutors, customs officers, judicial officers, brand-protection professionals and county enforcement officers in counterfeit detection, intelligence-led enforcement, forensic evidence handling and IPR adjudication.

78) Roll-out of the Anti-Counterfeit Security Device (Security Seal) under section 34B of the Anti-Counterfeit Act, Cap 510: It is high time the Authority operationalized, in full, the special device contemplated under section 34B of the Anticounterfeit Act, Cap 510 as read with the Anti-Counterfeit (Recordation) Regulations, 2021 (Legal Notice No. 118 of 2021),

being a certification mark in the form of an anticounterfeit security device (security seal/mark) issued by the Authority and affixed to products at the point of importation or manufacture. As a priority measure to curb counterfeiting, the Authority proposes the mandatory affixation of this security mark on locally produced and imported alcohol, and progressive extension to other targeted goods that materially affect the health and safety of citizens (including pharmaceuticals, agro-inputs, cosmetics, electrical accessories and food items). Goods that do not bear the prescribed security device shall be liable to seizure and destruction in accordance with the Act.

Law Reform Proposals

79) Anti-Counterfeit Act, Cap 510 — Targeted Amendments

i) Expanding the definition of "counterfeit" to expressly include refilled, tampered or otherwise compromised genuine packaging, in addition to imitations;

ii) Conferring statutory powers of takedown and de-listing in respect of online and social media platforms used for the marketing of counterfeit goods, with appropriate safeguards;

iii) Enhancement of penalties under section 35 to a level commensurate with the profitability of the trade, including mandatory minimum penalties for repeat offenders;

iv) Introduction of corporate criminal liability for directors and beneficial owners of entities engaged in counterfeit production;

v) Statutory compounding guidelines under section 36 to ensure consistency, transparency and proportionality in the resolution of cases;

vi) Express provision for the chemical fingerprinting of seized alcohol and the admissibility of forensic evidence so produced;

vii) Establishment of a dedicated Anti-Counterfeit Fund, fed by levies, AIA, donor receipts and forfeiture proceeds, ring-fenced for the Authority's mandate.

80) Excise Duty Act, 2015 and Related Tax Statutes

i) Mandatory geo-fenced electronic movement permits for ethanol consignments above a defined threshold, integrated with the Excisable Goods Management System (Digital Tax Stamps);

ii) Statutory denaturation requirements for all non-potable industrial ethanol at the point of production, with denaturants of a kind that cannot be readily removed by clandestine processes;

iii) Real-time production-volume reporting from licensed distilleries to KRA and ACA, with statutory penalties for under-declaration;

iv) Strengthened controls on the conditional release of ethanol pending verification of end use.

81) Standards Act, Cap. 496

i) Strengthening of the Kenya Standards on potable spirits (KS EAS 122) and on denatured ethanol, including methanol-content thresholds and tamper-evident packaging requirements;

ii) Mandatory pre-export verification of conformity (PVoC) for all imported spirits and ethanol;

iii) Statutory powers of seizure and condemnation of sub-standard alcohol at retail level, with cost recovery from the offender.

82) Alcoholic Drinks Control Act, 2010

i) Harmonization of the national Act with the 47 County Alcoholic Drinks Control Acts to eliminate arbitrage opportunities;

ii) Provision for joint inspections by national agencies and County licensing officers, with shared data and interoperable licensing registers;

iii) Tightening of provisions on the manufacture, sale and distribution of artisanal brews, including mandatory chemical testing for any product offered for commercial sale;

iv) Statutory recognition of community-based reporting mechanisms (Nyumba Kumi, chiefs' barazas) as legitimate sources of intelligence.

83) Sugar Act, 2024

i) Express provision for the licensing, monitoring and quarterly reporting by sugar millers of all molasses-based ethanol production;

ii) Mandatory disclosure of buyers, end-users and movement of ethanol consignments to KRA, KEBS and ACA;

iii) Joint inspection powers between the Kenya Sugar Board, KRA and ACA in respect of distilleries co-located with sugar mills.

84) New Statutory Framework: Multi-Agency Committee on Illicit Trade

i) The enactment of a Multi-Agency Committee on Illicit Trade Act (or, in the alternative, the insertion of a Part into the Anti-Counterfeit Act, Cap 510) to anchor in statute a permanent inter-agency body, with the following minimum elements:

ii) Statutory composition drawn from KRA, KEBS, ACA, NACADA, PPB, the Government Chemist, the Kenya Sugar Board, DCI, NPS, ODPP, the Border Management Secretariat and the Council of Governors;

iii) Clearly defined Key Performance Indicators, including levels of successful prosecutions, value of seizures, and reduction in market prevalence;

iv) A dedicated Secretariat hosted on a rotational basis, with shared intelligence and case management systems;

v) A dedicated Multi-Agency Fund and statutory provision for the rotational secondment of officers across member agencies;

vi) Annual reporting to Parliament under Article 95 of the Constitution.

Prayers for Parliamentary Intervention

85) The Authority humbly and respectfully prays that the Committee;

i) Recommends the establishment, in statute, of a permanent Multi-Agency Committee on Illicit Trade.

ii) Refer the legislative proposals stated above to the relevant Departmental Committees of the House for processing in line with Standing Orders 114 and 117;

iii) Endorse the financing and capacity proposals above for incorporation in the next Budget Policy Statement and Supplementary Estimates, including the establishment of a dedicated Anti-Counterfeit Fund;

iv) Recommend joint county-national harmonization of the Alcoholic Drinks Control regime through engagement with the Council of Governors and the Senate;

v) Issue, in such manner as it may deem fit, directions to the Ministry of Investments, Trade and Industry (the State Department for the time being responsible for the mandate of the Anti-Counterfeit Authority), KRA, KEBS, the Kenya Sugar Board, NACADA, the Pharmacy and Poisons Board, the Government Chemist and ACA to render coordinated and time-bound responses to the prayers of the petitioners; and

vi) Provide such further or other relief as the Committee may deem just and expedient in the circumstances.

86) In concluding the Authority stated it is alive to the fact that the loss of even a single Kenyan life to illegal alcohol is one too many. The authority is equally, alive to the fact that the integrity of intellectual property regime, the buoyancy of excise revenue, the competitiveness of the manufacturing sector, the safety of households and the reputation of the Republic before our regional and international partners are all bound up in the manner in which collectively confront this menace.

3.3 Kenya Association of Manufacturers

Mr. Tobias Alando, The Chief Executive Officer, Kenya Association of Manufacturers, appeared before the Committee on Wednesday, 29th April 2026 and submitted as follows;

87) The Alcohol Industry forms part of the "Manufacture of food, beverages and tobacco" sub-sector.

88) There are more than 15 manufacturers of alcoholic beverages in Kenya producing a range of products such as beer, wine and spirits.

89) The Alcohol Industry accounts for about 4.1% of Kenya's nominal GDP in 2024 (valued at approximately Ksh 660.01 billion) and a major contributor to tax revenue through excise and import duties, with alcoholic beverages generating approximately Ksh. 48.61 billion in excise revenue in 2024 (Beer: Ksh 29.07 billion; wines and spirits: Ksh. 19.53 billion).

An overview of illicit trade in Kenya

90) Illicit Trade generally, may be defined as any form of trade that infringes the rules, laws, regulations, licenses, taxation systems, and all procedures that countries use to organize trade, protect citizens, raise standards of living and enforce codes of ethics.

91) The concept extends to money, goods or value gained from illegal or otherwise unethical activity; and includes all actions or conducts intended to facilitate such activities.

92) Illicit trade is a major challenge globally and not only peculiar to Kenya and affects all locally manufactured products.

93) Illicit trade is classified in broad categories which include - Counterfeit Goods and Currencies: Imitation goods (pirated products); Smuggled/Undervalued Goods: Goods that bypass customs control or are wrongly declared; and Substandard Goods: Products that do not meet quality standards.

94) In 2025, the total size of illicit trade in Kenya, was estimated at Ksh. 826 billion, having risen from Ksh. 726 billion in 2017.

95) The negative impact on industry is being transmitted through loss of market share by legitimate businesses, loss of investment opportunities and jobs.

96) In 2017, tax revenue loss was estimated at Ksh. 129.72 billion and Ksh. 153.1 billion in 2018.

97) The Anti-Counterfeit Authority (ACA), in its consumer-level survey report for 2025 found that the general awareness of counterfeiting in the country was relatively high at 83.85%, with significant regional variations. For instance, Busia (98%) and Machakos (90.8%) reported the highest awareness levels, while Garissa (66.7%) and Mombasa (63.6%), lagged behind providing an opportunity to target more awareness in other Counties.

98) Regarding sector-specific awareness the findings in the aforementioned ACA report (2025) it was revealed that consumers are most informed about counterfeiting in agriculture

(39.52%), alcoholic drinks (36.57%), and cosmetics (33.99%), whereas awareness was significantly lower in the paper and board (8.97%) and timber (5.13%) sectors.

99) On channels for information, consumers primarily gained information from brand knowledge (70.87%) and advertisements (54.28%), but the limited reach of ACA forums (8.61%) highlighted the need for alternative outreach strategies.

Key issue at a glance

100) Illicit alcohol continues to dominate segments of the market due to a significant economic imbalance; legal alcohol is heavily taxed and regulated while illicit alcohol is untaxed, unregulated, and cheaper.

101) This creates a strong incentive for both producers and consumers to operate outside the law, demonstrated below;

Case 1

Sample cost comparison - Illustrative Cost Structure (250ml Spirit) for spirits

Cost Component	**Legal Product**	**Illicit Product**
Production Cost	Ksh. 70	KSh 30–50
Excise Duty	Ksh. 120+	0
VAT (16%)	Ksh. 30	0
Compliance Costs	Ksh 20–50	0
Distribution	Ksh. 50	Minimal
Retail Price	**Ksh. 250–300**	**KSh 50–100**

102) As long as this price gap exists, illicit alcohol will remain attractive to consumers. For instance, currently licensed first-generation brewers are subjected to excessive monitoring (flowmeters, cameras, shakedowns) at the expense of tackling illicit spirits, which are often sold at retail, in broad daylight, at pricing impossible to achieve when properly taxed.

103) Legitimate tax paying businesses are struggling to compete with illicit products that are often 38% - 80% cheaper because they do not comply with tax laws or safety regulations.

104) The high taxes & consumer pricing on legal alcohol drive low-income consumers towards cheap, dangerous illicit alternatives.

Case 2

105) Low Alcohol by Volume (ABV) products are taxed (beer, wine, cider) at Ksh. 22.5 per centilitre are taxed twice as much as high alcohol products (spirits) at Ksh. 10 per centilitre making adulteration of spirits more prevalent.

106) High taxation in Kenya makes prices of alcoholic beverages in Kenya higher compared to those of the EAC counterparts as the Figure below shows;

Category	Uganda	Kenya	Tanzania
Spirits	***Local*:** 60% or UGX 1700 per litre whichever is higher ***Imported*:** 80% or UGX 1700 per litre whichever is higher	KES 10 per cl of pure alcohol	***Local*:** 4,003.00 TZS / Litre ***Imported*:** 4,411.06 TZS / Litre
Ethanol @96% ABV	80% or UGX 1700 per litre whichever is higher	KES 500 per litre	***Imported*:** TZS 5,000/L ***Locally*:** TZS 4,000/L.
Ready to Drink (RTD)	60% or UGX 1700 per litre whichever is higher	KES 22.5 per cl of pure alcohol	***Local*:** TZS 2,491.45/L ***Imported*:** 4,411.06 TZS / Litre
Beer	***Malt Beer:*** 60% or UGX 2050 per litre ***≥75% LRM:*** 30% or UGX 900/litre ***Local Barley:*** 30% or UGX 950/litre ***Opaque beer:*** 10% or UGX 150/litre ***Imported Beer:*** 60% or UGX 2,050/litre	***Non-LRM:*** KES 22.5 per cl of pure alcohol ***LRM ≥75%:*** 80% remission applies	***100% LRM*:** TZS 550/L ***100% Local Malt*:** TZS 630/L ***Imported Malt/LRM*:** TZS 928/L ***Imported Beer*:** TZS 978.9/L

Summary of proposals

107) The following is recommended;

i) Tax rationalization (Priority Intervention) to reduce demand for illicit alcohol such as:

- Review of excise duty introducing tiered taxation based on alcohol content to reduce extreme price differences.

- Fast track the publishing of the Draft excise duty (remission of excise duty) regulations 2025 to make the prices of alcoholic beverage affordable to consumers. The price is one of the key factors leading people to consume illicit alcoholic beverage.
- Tax is not harmonized within EAC thus people can smuggle products from other partner states. There is need to have excise on alcohol in the EAC at a uniform range to avoid smuggling.

ii) Support in production and regulation of affordable legal local alternatives; Kenya has over 50 traditional beers (Changaa (popular in Nairobi/Central/Rift Valley and Nyanza/Western regions), Muratina (popular in Central Kenya region), Karubu (popular in Eastern/Ukambani region), Busaa (popular in Nyanza/Western and Rift Valley region), Mnazi (popular in Coast region) made from indigenous Kenyan agricultural inputs and having a relatively low alcohol content. Yet no traditional brewer has achieved full legalization (retail, hospitality, export, etc.). These products can beat illicit brews in fair market competition.

iii) Enhanced traceability Systems by introducing end-to-end track-and-trace systems and enabling consumer verification using mobile-based tools.

iv) Control of transport & distribution by licensing all transporters, introducing electronic cargo tracking and enforcing proper packaging and documentation.

v) Conduct national campaigns on dangers of illicit alcohol:

- Promote safe, regulated alternatives
- Industry–Government Collaboration
- Strengthen engagement through Kenya Association of Manufacturers (KAM)
- Improve data sharing and reporting systems

vi) Create an enduring multi-agency institutional framework.

108) There is need to clearly define illicit alcohol. There are 3 broad types of illicit alcohol:

- Poor quality (substandard) products– such as *chang'aa* or ethanol laced with drugs or ethanol with heavy impurities such as methanol in high levels or blended with unhygienic traditional brews.
- High quality alcoholic drinks that have evaded taxes and hence reaches the consumer at low prices (this encourages overconsumption, underage drinking & sprouting of unlicensed liquor outlets since the product has high profit margins).
- Counterfeit and contraband – This is the unauthorised representation of registered trademarks with the view of deceiving the purchaser is buying the original goods.

109) There is need for the government to adopt the true definition of second-generation. If the true definition is adopted, a ban of importation of second - generation alcohol would solve part of the problem.

i) First Generation Ethanol: typically derived from food crops like corn or sugarcane (molasses). Production process involves the fermentation of sugars present in these food crops to produce ethanol. Ethanol produced here is food grade and safe.

ii) Second Generation Ethanol: produced from non-food sources such as agricultural residues, wood chips, or energy crops like switchgrass. Production process utilizes advanced technologies like cellulosic bioconversion to break down cellulose and hemicellulose into sugars for fermentation into ethanol. Ethanol produced here is not food-grade. It is normally produced as a biofuel.

110) Compliance with NEMA extended producer responsibility to control the re-use of packaging bottles for illicit liquor. Shift from disruptive enforcement in favour of collaborative approach with sector players and enforcement institutions under the multi-agency team to embrace multiple counts of offenses in a single charge sheet for prosecution purposes to ensure perpetrators get stricter penalties in a court of law.

111) Create sustainable and well-resourced public-private frameworks to fight illicit trade.

3.4 Alcoholic Beverages Association of Kenya (ABAK)

Ms. Marie Kinyanjui, the CEO, ABAK, appeared before the Committee on 29th April 2026 and submitted as follows-

112) The Alcoholic Beverages Association of Kenya (ABAK) is an umbrella body that brings together Kenya's leading manufacturers and distributors of alcoholic beverages. The Association represent licensed manufacturers and distributors of alcohol who collectively contribute over KES 130 billion in tax revenues annually.

113) The current membership include;

- Kenya Wine Agencies Limited
- London Distillers
- Kenya Breweries Limited
- UDV (Kenya) Limited
- Pernod Ricard
- Heineken
- Two Cousins Distillers

114) According to the latest statistics, the illicit alcohol market continues to grow in both volume and value. Growth in the illicit market has exceeded that in the legal market over the last two years, and illicit alcohol now accounts for 60% of the total market. The illicit market has grown by 27% in HL LAE since 2022.

115) Although illicit artisanal homebrews represent 67% of the illicit alcohol market, most of the illicit alcohol value lies in smuggling, counterfeit and tax leakage. Illicit alcohol continues to dominate segments of the market due to a significant economic imbalance:

116) Legal alcohol is heavily taxed and regulated while illicit alcohol is untaxed, unregulated, and cheaper. Tax leakage is the largest contributor to illicit alcohol value sales at KES73 billion, followed by counterfeit and illicit brands at KES64 billion.

117) Illicit alcohol accounts for approximately 60% of the Kenyan market, resulting in preventable deaths, serious health crises, and annual tax revenue loss exceeding over KSh 120 billion. These products undercut legitimate producers on price while evading all quality and excise controls. To address this, there is need to conduct an immediate nationwide multiagency crackdown (Kenya Revenue Authority (KRA), National Police Service, Kenya Bureau of Standards (KEBS), Anti-Counterfeit Authority (ACA), National and County Governments) on unlicensed outlets and counterfeit operations. Further, there should be introduction of mandatory KRA excise stamps and digital track-and-trace on all alcohol products (including second-generation) to distinguish legal from illicit products at point of sale.

118) Whereas the Alcoholic Drinks Control Act (Cap. 121) of 2010 provides a solid framework, enforcement remains fragmented and siloed. NACADA's coordination role needs strengthening, and county governments & the National Police Service (NPS) requires capacity support. To address this, government should commission a whole government/whole of society audit (KRA, KEBS, NACADA, ABAK, National Police) within 90 days to identify specific enforcement and prosecution bottlenecks. Further, full Gazettement and implementation of Excise Duty (Remission of Excise Duty) Regulations 2025 to deal with illicit in the spirits category should be done.

119) Licensed second-generation alcohol producers are already heavily regulated; however, gaps in real-time oversight allow diversion and adulteration. ABAK members comply fully with KRA and KEBS requirements and are prepared to support enhanced monitoring. Introduce mandatory real-time digital reporting of production volumes, stock movements, and sales by licensed distillers (integrated with KRA excise systems). The Government should consider setting-up a multiagency regular (KRA-KEBS-NACADA) compliance audits of all licensed second-generation facilities with enhanced penalties for any licensed entity found facilitating diversion to illicit channels.

120) Traceability is the single most effective tool against counterfeiting and diversion. Current systems are largely manual and can be easily circumvented. To address this, government ought to roll out a national digital traceability system for all alcoholic products from manufacture to retail within 12–18 months and require every licensed manufacturer/distributor to implement end-to-end batch tracking with QR codes or RFID. KEBS should adopt international best-practice quality standards specifically for second-generation alcohol, with third-party verification.

121) Alcohol is a hazardous and flammable substance. Unregulated small-quantity transport is a major vector for diversion into illicit brewing and poses serious safety risks. To address this,

enactment and enforcement of specific regulations for the transport of ethanol and alcoholic beverages (minimum consignment sizes, GPS-tracked vehicles, licensed transporters only) should be done. KRA, NPS and NTSA should conduct regular joint roadside inspections and enforce severe penalties for non-compliant transport.

Policy Recommendation: Finalization of the Draft Excise Duty (Remission of Excise Duty) Regulations, 2025

122) While the issues above demand urgent enforcement, monitoring, traceability, and transport reforms, ABAK emphasises that a lasting and scalable solution to illicit alcohol also requires a complementary economic incentive that makes compliant, locally produced beverages genuinely competitive.

123) The single most powerful and immediate lever available to Government is the swift finalisation and gazettement of the Draft Excise Duty (Remission of Excise Duty) Regulations, 2025, incorporating the targeted, evidence-based amendments formally submitted by ABAK.

124) The 2025 regulations seek to extend an Excise Tax Remission to wine and spirits (using local inputs) but will also provide for strict adherence to packaging (e.g., minimum 750ml for wine) and price controls.

125) A similar intervention has stemmed flows of illicit beer and resulted in the development of Senator Beer (specifically Senator Keg), produced by East African Breweries Limited (EABL). Launched in 2004, it was designed as a low-cost alternative to dangerous, illegal illicit brews. It has resulted in several key benefits focused on affordability, safety, and economic impact; and has provided over 45,000 farmers with a means to access sustainable markets to produce a low-cost beer.

126) In recognition of the fact that most illicit activity is now seen in the spirits category, we encourage the Committee to consider the benefits of an enhanced Remission regime that would enable the production of safe, locally sourced spirits that would meet the affordability needs of consumers, which typically drive them towards illicit goods.

127) The proposed Remission Regulations directly address the root economic driver of the illicit trade, including the ability of untaxed, unregulated products to undercut licensed manufacturers on price-by offering remission of excise duty on spirits, beer, and wine produced from locally grown agricultural feedstocks.

128) This intervention will;

i) Dramatically lower the cost of compliant products, enabling licensed manufacturers to compete effectively against the 60% illicit market segment;

ii) Create immediate, large-scale demand for Kenyan agricultural produce, thereby increasing farmer incomes and strengthening rural economies; and

iii) Reduce consumer incentives to buy low priced illicit alcohol, which is currently prevalent in hotspot counties such as Uasin Gishu and Kiambu.

iv) Most importantly, these Regulations will enable Kenya to take advantage of its abundant agricultural resources and an established industrial base to produce a local alternative to the illicit alcohol prevalent in the market.

v) Unlocking these Regulations will enable consumers to access locally produced and legitimate sources of alcohol, even as it enables enhanced tax collection from legitimate producers. The Regulations introduce clear definitions for "manufacturers" and "compounders" and revise the price ceiling in Regulation 6(2)(c) to a realistic range that reflects actual production costs while preserving the fiscal integrity of the scheme.

vi) Finalising the Regulations will form an integral part of the comprehensive solution sought by the Petition, as enforcement and traceability measures alone cannot succeed if legal products remain uncompetitively priced.

129) The enforcement roadmap outlined above, and the economic stimulus provided by the proposed Regulations will deliver a decisive, multi-front attack on illicit alcohol resulting in a shrinkage of the illicit market and enhancing the protection of public health while safeguarding legitimate jobs and investment and restoring billions of shillings in tax revenue.

130) ABAK therefore respectfully requests that the Public Petitions Committee formally recommend to the National Treasury and the Cabinet Secretary for National Treasury that the Draft Excise Duty (Remission of Excise Duty) Regulations, 2025, be finalised and gazetted without further delay, incorporating industry feedback proposed by ABAK.

131) ABAK remains fully committed to eliminating illicit alcohol through evidence-based, collaborative, and decisive action that protects Kenyan lives, strengthens the legitimate industry, and secures the economic future of our nation.

3.5 Ministry of Interior and National Administration

Dr. Raymond Omollo, PhD, the Principal Secretary, State Department for Interior & Coordination of National Government, vide letter ref. MOINA/SEC.1/27/1 dated 21st April, 2026 submitted as follows-

Investigation of the Status of Implementation of Regulations to Curb Illegal Alcohol

132) The implementation status can be described both as active but challenging. Despite presence of robust policy and Laws, there are persistent gaps in implementation and sustainability.

133) The legal framework is robust, but implementation has been inconsistent. The key provisions currently in force include:

i) Prohibition of Adulteration: Section 38 of the ADCA explicitly prohibits the sale or keeping for sale of adulterated alcohol. Offenders face a fine not exceeding KES 10 million, imprisonment not exceeding ten years, or both.

ii) Packaging and Labelling: Section 31 prohibits the sale of alcohol in sachets, and Section 32 mandates specific health warnings covering 30% of the package. The Government has moved beyond investigation to active, targeted implementation, albeit with challenges in specific areas.

iii) Operationalization of the Multi-Agency Framework: The Ministry has operationalized the National Multi-Agency Team (comprising NACADA, KRA, KEBS, and the DCI). This team has moved from national coordination to county-level sting operations.

134) Judicial Training on Rehabilitation and ADA issues: To address gaps in the justice system, NACADA has partnered with the Judiciary to train magistrates on the Alcoholic Drinks Control Act. These shifts focus from purely punitive measures to court-supervised rehabilitation and treatment orders for low-risk offenders, addressing regulatory gaps in the enforcement chain. The trainings also build the capacity of the Judicial officers in understanding the drug problem.

135) Persistent Regulatory Gaps: Despite these efforts, challenges remain regarding the traceability of ethanol and weak surveillance at border points, which the Ministry is currently addressing through the Kenya Revenue Authority (KRA).

136) Government has declared illicit alcohol a national security and development concern, triggering intelligence-led nationwide crackdowns. Enhanced enforcement actions have been and continue to be conducted across the country including:

i) Raiding and destroying illicit brew dens;

ii) Seizures of large quantities of illicit brews and counterfeit alcohol including thousands of litres of illicit ethanol; and

iii) Prosecution and Planned asset forfeiture for illicit brewers and drug dealers.

137) Recent data indicates a significant enforcement push, aligning with the declaration of the alcohol menace as a national emergency. Reports indicate that over 2.8 million litres of illicit alcohol have been seized and over 900 suspects arrested since December 2025. This demonstrates implementation has been intensified through multi-agency operations.

138) Aggressive Public Awareness & Demand Reduction campaigns led by NACADA focusing on Youth prevention, Community sensitization, Rehabilitation services and School environments.

Determination of the cause of rampant production, distribution, and consumption

139) The rampant production, distribution, and consumption of illegal alcohol in Kenya is driven by a combination of several factors which include economic, regulatory, social, and institutional factors.

140) The Petition identifies critical gaps. Under Section 4 of the NACADA Act, 2012, the Authority is mandated to coordinate inter-agency efforts. The causes identified in the Petition (Paragraphs 5-8) correlate with specific statutory failures:

141) Regulatory gaps & enforcement capacity: Despite Section 4(f) of the NACADA Act allowing the Authority to advise on regulations, historical weaknesses in monitoring licensed manufacturers persist.

142) Weak Border Surveillance: The petition notes that high production costs and weak border controls encourage smuggling. Section 7(1)(c) of the ADCA requires licenses for importation, suggesting gaps in KRA's enforcement of customs controls on raw materials like ethanol.

143) Historically, prosecution has been hindered by evidentiary requirements. However, recent interventions by NACADA to sensitize judicial officials on the ADCA and the NACADA Acts are addressing the "weak enforcement" cited in the petition, shifting focus toward rehabilitation and asset forfeiture.

144) Devolution challenges contribute to the continued production, distribution, and consumption of illegal alcohol by creating inconsistencies in policy implementation across counties. While the national government provides overall legal and policy frameworks, county governments are responsible for enforcement and regulation at the local level.

145) Rapid urbanization and the growth of informal settlements contribute significantly to the persistence of illegal alcohol production, distribution, and consumption. As more people migrate to urban areas in search of employment, many end up living in densely populated informal settlements where access to regulated services and law enforcement is often limited.

146) Cultural and social acceptance plays a significant role in the persistence of illegal alcohol use in many communities. In some areas, alcohol consumption is widely normalized as part of social gatherings, celebrations, and even daily life.

147) Inter-agency intelligence and field operations in Uasin Gishu and surrounding counties have identified the primary causes as follows:

    i) Diversion of industrial ethanol: The primary driver of the current crisis in Uasin Gishu is the smuggling and diversion of ethanol intended for industrial/manufacturing use. Recent operations in Eldoret intercepted ethanol valued at over Ksh 500,000 hidden at construction sites, destined for mixing into "second-generation" alcohol.

ii) High production costs & porous borders: Legal production costs and weak border surveillance allow cheaper, smuggled ethanol and counterfeit excise stamps to flood the market. KRA confirmed that recent seizures in the Rift Valley involved fake excise stamps, evading government revenue and quality controls.

Recommending a multi-agency approach to curb the menace

148) Statutory framework for collaboration: Section 5(c) of the NACADA Act, 2012 mandates NACADA to "coordinate and facilitate inter-agency collaboration and liaison among lead agencies."; and Section 25 further requires NACADA to convene an inter-agency forum at least twice a year to establish plans of action.

149) Recent enforcement actions demonstrate that this statutory framework is functional. The multi-agency team includes NACADA, the DCI, KRA, KEBS, the Anti-Counterfeit Authority, and the Asset Recovery Agency.

150) The Ministry has not only recommended but has fully implemented a revamped multi-agency approach, with notable success in the Petitioner's home county of Uasin Gishu.

151) The Ministry has established a multi-agency team coordinated from Nairobi, comprising NACADA, KEBS, KRA, and the National Police Service (NPS), to conduct continuous sting operations nationwide.

152) Contrary to claims of inaction, security agencies in Uasin Gishu have escalated the fight. Over the past three months, authorities have intercepted five consignments of ethanol and seized cannabis sativa; and

153) The Ministry continues to engage the community through the Nyumba Kumi and community policing structures to report suspicious ethanol storage, addressing the "weak enforcement capacity" cited in the Petition.

Any other recommendations to address the plight of the Petitioners

154) To address the plight of the Petitioners fully, the Committee should consider the following ancillary legal recommendations:

i) The committee to assist NACADA in the amendments of the legislation and attendant regulations. In addition, the committee to petition County governments to finance prevention, treatment and rehabilitation through the licensing fee;
ii) Following recent directives, the law should be strictly applied to freeze accounts and seize assets of manufacturers of counterfeit or toxic brews under Section 38(2) of the ADCA;
iii) Rehabilitation over Incarceration: Under Section 33(3) of the ADCA, repeat offenders can be ordered to undergo rehabilitation. The Committee should recommend that the Ministry of Health, in liaison with NACADA, gazette

mandatory rehabilitation standards for offenders diverted from the criminal justice system.

155) In addition, the Ministry recommends the following additional interventions to the Committee based on recent operational data:

i) The Ethanol Tracing System (ETS): The Ministry recommends the mandatory adoption of a digital tracking system for all ethanol consignments from the point of import/manufacture to the final licensed user, to prevent diversion into illicit brewing; and

ii) Review of licensing fines: The current fines (e.g., Kshs. 7,500 for possession of illicit brew) are insufficient deterrents. The Ministry recommends the Committee propose legislative amendments to the Alcoholic Drinks Control Act to impose stiffer penalties, including custodial sentences for the possession of industrial ethanol without a permit.

3.6 Kenya Bureau of Standards

Mr. Peter Kaigwara, Director – Market Surveillance, appeared before the Committee on 21st April 2026 on behalf of the Managing Director submitted as follows -

156) Illicit alcoholic beverages are produced and distributed outside the formal standards and regulatory system, and by their very nature evade certification, inspection and quality assurance systems.

157) KEBS exercises structured oversight over licensed and certified manufacturers; the proliferation of illicit brews is primarily criminality challenge occurring outside the regulated standards ecosystem.

158) The Authority is mandated to inspect and confirm that any manufacturer cleared under the National Multiagency Committee on Control of Alcoholic Beverages and licensed by relevant regulatory authorities operates in compliance with the required code of practice and applicable Kenya Standards. KEBS fulfils this mandate by issuing the Standardisation Mark or the Diamond Mark of Quality as prescribed under the Standards Act, Cap. 496.

159) Upon certification, manufacturers are granted a KEBS Standardisation Mark Permit, which they are required to display together with the permit number on the label of every product they place in the market.

160) On imported Alcoholic Beverages KEBS undertakes the inspection and clearance of imported alcoholic beverages before they are granted entry into Kenya, this function is performed at ports of entry and border points to confirm that imported beverages conform to the requirements of the applicable Kenya Standards. The inspection is conducted through two mechanisms: destination Inspection at the ports of entry, where alcoholic beverage consignments are examined for compliance; or Pre-Export Verification of Conformity

(PVOC) Programme, under which alcoholic beverages are inspected in the country of origin by an approved KEBS verification agent and issued a Certificate of Conformity (COC). Upon issuance of the COC, the importer is authorised to affix the Import Standardisation Mark (ISM) on the product as evidence that it meets the requirements of the applicable Kenya Standard.

KEBS response to Specific Issues Raised in the Petition

Mandatory Quality Control Laboratory Requirement

161) KEBS requires, as a condition of certification, that all alcoholic beverage manufacturers maintain a Quality Control Laboratory capable of testing for quality and safety parameters including methanol covering raw materials, in-process products during production, and finished products before market release. Specifically, every establishment manufacturing Spirituous Alcoholic Beverages is required to possess a Gas Chromatography with Flame Ionization Detector (GC-FID) machine for methanol determination and other parameters stipulated in the respective Kenya Standards.

Interlaboratory Comparison (ILC) Testing Programme

162) Following directives from the Cabinet Secretary, Ministry of Interior and National Government Coordination, issued on 6th March 2024, KEBS organised and rolled out an Interlaboratory Comparison (ILC) testing programme for wines and spirits in the brewing industry. This programme supports manufacturers' quality control laboratories in ensuring that their products meet quality requirements both during production and before market release.

163) The ILC testing materials include ethanol, methanol, isopropyl alcohol (IPA), ethyl acetate, amyl alcohol and acetic acid in aqueous media. The ILC enables participating manufacturers to determine the concentrations of denatonium benzoate (denaturant) in denatured ethanol using High Performance Liquid Chromatography (HPLC/UV-vis) methods, identify congeners in alcoholic beverages by direct injection in Gas Chromatography equipped with a Flame Ionization Detector (GC-FID) and determine ethyl alcohol (ethanol) content and volatile acidity in strong alcoholic beverages.

164) Each round of ILC testing is followed by an evaluation workshop at which participants discuss performance results, identify root causes of any non-performance, and agree on corrective actions to improve product quality. This mechanism ensures that manufacturers maintain continuous analytical competence and that their laboratory results are reliable and comparable.

Scheme of Supervision and Control (SSC)

165) All manufacturers of alcoholic beverages have signed a Scheme of Supervision and Control (SSC) a certification agreement that specifies the controls the manufacturer is expected to maintain and the evidence they must make available to KEBS during inspections. This systematic way ensures that adequate quality management activities are carried out at all times, providing assurance that products continuously meet the approved specifications under the applicable Kenya Standard.

166) Under the SSC, manufacturers are further required to undertake periodic product testing with ISO/IEC 17025 accredited laboratories independently of their in-house quality control to ensure independent verification of product quality before market release.

NACADA Multi-Agency Clearance Requirement

167) Manufacturers of potable spirits are required to obtain written clearance from NACADA, issued following a multi-agency inspection on the preparedness of the manufacturer to comply with all regulatory requirements before commencing production. KEBS is a member of this multi-agency committee, which conducts joint inspections to assess, among other matters, the adequacy of quality control infrastructure, the safety of production processes, and the manufacturer's compliance with applicable standards and licencing requirements.

Approved Brands Register

168) KEBS has approved 340 alcoholic beverage brands manufactured locally, details of which are maintained in the KEBS Approved Brands Register. Any brand not appearing on this register has not been certified by KEBS and is therefore not authorised to bear the KEBS Standardisation Mark.

Product Certification and Counterfeit/Adulterated Products in the Market

169) The petition highlights the prevalence of counterfeit brands and adulterated second-generation alcohol as causes of deaths and hospitalisations, including in Uasin Gishu County. KEBS's Product Certification Scheme makes it mandatory for all locally manufactured alcoholic beverages to bear the Standardisation Mark before being placed on the market.

170) KEBS has additionally strengthened the rules of this scheme to specifically combat illicit brews through the following measures:

171) All manufacturers must maintain up-to-date quality control test results and data, which must be made available to KEBS during inspections to confirm ongoing compliance.

172) Periodic Interlaboratory Comparison participation is mandatory to demonstrate sustained capability to test for all safety and quality parameters prescribed in the relevant Kenya Standard.

173) Manufacturers are required to use only ISO/IEC 17025 accredited external laboratories for third-party verification testing.

174) On market surveillance, KEBS conducts ongoing Market Surveillance Activities involving systematic monitoring of alcoholic beverages in the market to verify compliance with relevant technical regulations governing health, safety and environmental concerns, and to promote fair trade practices.

175) These activities include random sampling from retail outlets, wholesale distributors and importation points, followed by laboratory analysis for among other parameters methanol content, alcohol strength, labelling compliance and the integrity of the standardisation mark.

176) Where products are found to be non-compliant, KEBS issues product recall notices, rejection orders and destruction directives. Cases involving criminal counterfeiting are referred to the Kenya Police Service and the Directorate of Criminal Investigations (DCI), supported by laboratory evidence obtained by KEBS.

Consumer Authentication and Traceability

177) The petition identifies the absence of robust product traceability mechanisms as a systemic vulnerability. KEBS has implemented the following consumer authentication and traceability measures:

i) Standardisation Mark Permit System-Upon certification, each manufacturer is issued a unique Standardisation Mark Permit number for every beverage brand they produce. This permit number must be displayed on the product label and must be produced by the manufacturer upon request by a regulator or consumer.

ii) SMS Verification Short Code 20023-Consumers are empowered to verify the authenticity of any KEBS-certified alcoholic beverage in real time by sending a text message to the short code 20023 in the format: SM#[Permit Number]. The system returns confirmation of whether the permit is valid, thereby enabling consumers to distinguish certified from uncertified products at the point of purchase.

iii) KEBS Website Public Register of Certified Products- All certified alcoholic beverages are published on the KEBS official website, providing a publicly accessible reference list against which any product can be verified. This register is updated as certifications are granted, suspended or cancelled.

iv) Toll-Free Consumer Helpline 1545-KEBS has dedicated a toll-free telephone number, 1545, through which members of the public may make enquiries about any alcoholic beverage product in the market, report suspected counterfeits or seek guidance on the certification status of any brand or manufacturer.

Industrial Ethanol Diversion and Border Surveillance

178) The petition raises concerns about the diversion of industrial ethanol into illicit beverage production and weak border surveillance. KEBS has taken the following specific action in this regard:

179) Mandatory Denaturing of Industrial Ethanol-KEBS has instructed all Pre-Export Verification of Conformity (PVOC) agents globally to ensure that ethyl alcohol intended for industrial application imported into Kenya is denatured with denatonium benzoate before shipment. Denatonium benzoate is a bittering agent of such extreme potency that it renders industrial alcohol effectively unusable in alcoholic beverage production, thereby closing a key pathway for ethanol diversion.

180) PVoC Programme for Imported Alcoholic Beverages-Through the PVoC programme, KEBS ensures that imported alcoholic beverages and industrial ethanol are inspected and certified before shipment to Kenya. Only consignments that meet the specifications of the applicable Kenya Standard are issued a Certificate of Conformity permitting entry. Consignments arriving without a valid COC are held at the port of entry and subjected to full conformity testing before clearance is authorised.

181) Proposed Enhanced Border Surveillance-KEBS recognises that the diversion of neutral spirits through informal border crossings and illicit imports remain persistent challenges. KEBS proposes, and requests the Committee's support for, enhanced border surveillance in collaboration with the Kenya Revenue Authority (KRA) Customs, the Kenya Defence Forces and the Kenya Coast Guard, to intercept smuggled neutral spirits and substandard alcoholic beverages at both formal and informal entry points.

Kenya Standards for Alcoholic Beverages

182) In response to the matters raised under Clauses 2 and 3 of the Petition, KEBS confirms that a comprehensive and risk-based standards framework governs the manufacture, importation, distribution, and sale of alcoholic beverages in Kenya.

183) These standards define the minimum safety, compositional, labelling, and quality requirements that alcoholic products must meet before being placed on the market. They are developed in alignment with international best practice and harmonised under the East African Standards framework to ensure consistency, consumer protection, and fair trade.

184) Importantly, the standards function as the technical foundation of the national regulatory control system, enabling conformity assessment, certification, and market surveillance.

Coverage of the Regulatory Framework

185) The current suite of Kenya Standards covers the full spectrum of alcoholic beverage categories legally permitted in the Kenyan market, including;

No.	Standard No.	Tittle	Scope
1.	KS EAS 104:2014	Alcoholic beverages - Methods of sampling and test	Prescribes methods of sampling and testing for alcoholic beverages
2.	KS EAS 63:2019	Beer — Specification	Requirements, sampling and test methods for beer
3.	KS EAS 141:2018	Whisky –Specification	Requirements, sampling and test methods for whisky
4.	KS EAS 143:2018	Brandy - Specification	Requirements, sampling and test methods for brandy
5.	KS 1317:2007	Cereal-based alcoholic beverages - Specification	Requirements for clarified and pasteurised beverages from fermented cereal grains
6.	KS 618:2021	Cider and Perry - Specification	Requirements and test methods for cider and perry
7.	KS 1499:2012	Code of Practice for processing, handling and distribution of alcoholic beverages	Requirements for manufacturing, handling and distribution
8.	KS EAS 142:2018	Vodka - Specification	Requirements, sampling and test methods for vodka including flavoured vodka
9.	KS EAS 144:2018	Neutral Spirit - Specification	Requirements for neutral spirits for

			use in manufacture or blending of alcoholic beverages
10.	KS 2196:2012	Liqueurs - Specification	Requirements for spirit-based liqueurs
11.	KS EAS 61:2014	Opaque Beer - Specification	Requirements and test methods for opaque beer
12.	KS EAS 138:2019	Still Table Wine - Specification	Requirements, sampling and test methods for wine and fruit wine
13.	KS EAS 139:2018	Fortified Wine - Specification	Requirements, sampling and test methods for fortified wine
14.	KS EAS 140:2018	Sparkling Wine - Specification	Requirements, sampling and test methods for sparkling and carbonated wine
15.	KS EAS 146:2018	Rum - Specification	Requirements, sampling and test methods for rum
16.	KS 2150:2022	Alcoholic Mixed Beverage Specification	Specification Requirements and test methods for mixed alcoholic beverages
17.	KS 2326:2011	Traditional Spirit (Chang'aa)-Specification	Requirements and test methods for traditional distilled potable alcohol
18.	KS EAS 145:2018	Gin - Specification	Requirements and test methods for gin and flavoured gin
19.	KS 1447:2001	Unmalted Beer - Specification	Requirements and test methods for unmalted beer
20.	KS EAS 109:2018	Potable Spirits - Specification	Requirements, sampling and test methods for potable spirits

Regulatory Function and Enforcement Linkage

186) In line with the Petition's concerns under Clauses 2 and 3 regarding product safety, counterfeit beverages, and adulteration, KEBS emphasises that these standards are not merely descriptive instruments but are legally enforceable technical requirements.

187) They are operationalised through:

i) Mandatory certification schemes (Standardisation Mark and Import Standardisation Mark)
ii) Conformity assessment prior to market entry (for both domestic and imported products)
iii) Market surveillance and post-market enforcement, including sampling, laboratory testing, product recalls, and seizure of non-compliant goods
iv) Referral of criminal counterfeiting cases to law enforcement agencies based on analytical evidence

188) This ensures that compliance is enforced at both pre-market and post-market stages, thereby closing potential points of regulatory failure within the formal supply chain.

Regulatory Dynamism and Risk Adaptation

189) The standards are reviewed on a five-year rolling cycle in accordance with the national standardisation work programme. This review process integrates:

i) Advances in food and beverage science
ii) Emerging public health and safety risks
iii) Regulatory experience from enforcement and surveillance activities
iv) Harmonisation requirements under the East African Community (EAC) framework

190) KEBS confirms that all standards listed above are currently active and enforceable and continue to provide a robust technical basis for consumer protection and market regulation.

Regulation of Traditional and Informal Alcohol Categories

191) Of particular relevance to the Petition is KS 2326:2011 (Traditional Spirit-Chang'aa), which reflects a deliberate regulatory policy approach that seeks to bring traditionally consumed alcoholic products within a controlled safety framework, rather than excluding them from regulation altogether.

192) This standard establishes minimum safety parameters intended to reduce public health risks associated with traditional alcohol consumption, while enabling structured oversight of production where it occurs within permissible frameworks.

Interagency Coordination and Implementation of the Alcoholic Drinks Control Act

193) The petition raises concerns about interagency coordination and the effectiveness of statutory implementation. KEBS participates in formal interagency structures.

194) KEBS is a statutory member of the National Alcohol Control Committee (NACC), appointed by Gazette Notice No. 9775 of November 2020. The Committee is charged with the following functions, in which KEBS plays an active role:

i) Conducting regular audits of manufacturers of alcoholic drinks to ensure compliance with quality standards and regulatory requirements.
ii) Carrying out joint inspections of all premises manufacturing alcoholic drinks to verify compliance with the law.
iii) Receiving, reviewing and providing certificates of conformity to standards for licensing manufacturers.
iv) Recommending the formulation of standards, policies, laws and regulations on alcohol control for adoption at national and county level.
v) Providing a platform for inter-agency consultation, collaboration and coordination on alcoholic drinks control.
vi) Promoting and facilitating the elimination of substandard and counterfeit alcoholic drink products from the Kenyan market.
vii) Monitoring, evaluating and preparing quarterly reports on compliance for effective implementation of the Alcoholic Drinks Control Act.

Interagency Taskforce on Control of Potable Spirits and Illicit Brews

195) KEBS participated actively in the Interagency Taskforce on the Control of Potable Spirits and the Combat of Illicit Brews in 2015, which coordinated government-wide enforcement efforts against illicit alcohol.

196) In 2024, KEBS was again involved in government actions targeting the eradication of illicit brews, drug and substance abuse, as part of a broader national response to the public health emergency posed by illegal alcohol.

Multi-Agency Clearance Prior to Licensing

197) No manufacturer of portable spirits may commence production without prior multi-agency clearance, of which KEBS's standards compliance assessment is a mandatory component. This architecture ensures that the regulatory process is applied collaboratively from the point of entry into the market.

Structural context of the illicit alcohol challenge

198) KEBS wishes to emphasise that the challenge of illicit alcoholic beverages in the country is multifaceted and cross-cutting, involving several stages of the alcohol value chain and engaging multiple regulatory and enforcement actors within Government.

199) Within its statutory mandate under the Standards Act, KEBS has established and continues to implement comprehensive standards, certification and conformity assessment mechanisms governing alcoholic beverages produced and traded within the formal sector.

200) At the same time, the persistence of illicit alcoholic products by their nature operating outside formal regulatory systems reflects the complexity of addressing activities that occur beyond certification and quality assurance processes.

201) In this regard, KEBS respectfully highlights the following contextual considerations:

i) Movement and Use of Neutral Spirits; Neutral spirits constitute a legitimate industrial and manufacturing input within the economy. KEBS has instituted technical safeguards within its processes, including pre-export conformity verification and denaturing requirements for industrial ethanol. The risk arises where such inputs are diverted or misapplied outside regulated production environments, highlighting the importance of continued coordination across regulatory and enforcement institutions to ensure end-use integrity.

ii) Entry of Alcoholic Products into the Market; Alcoholic beverages entering Kenya through formal import channels are subjected to conformity assessment requirements. However, as is the case globally with illicit trade, there exist parallel channels through which products may enter the market outside formal processes. Addressing such pathways calls for sustained inter-agency collaboration across border management, customs control, and regulatory verification systems.

iii) Distribution and Market Structure; KEBS certification provides assurance of product compliance at the point of manufacture and importation and is complemented by ongoing market surveillance activities undertaken by the Bureau to verify continued conformity of alcoholic beverages within the marketplace. As products move through distribution and retail channels spanning multiple actors across national and county jurisdictions KEBS conducts risk-based surveillance, sampling and testing to detect non-compliance, counterfeit products, and misuse of certification marks. At the same time, ensuring full market integrity across the distribution chain benefits from harmonised oversight across licensing, distribution controls and compliance verification mechanisms, implemented collaboratively by relevant institutions.

202) The issue of illicit alcoholic beverages is best understood as a shared national challenge requiring coordinated action across Government, with each institution contributing within its statutory mandate.

203) KEBS remains committed to strengthening its role in standards enforcement, conformity assessment, and technical support, while working collaboratively with partner agencies to safeguard public health, consumer protection, and market integrity.

Strategic Interventions and KEBS Commitments.

204) KEBS continues to strengthen and modernise its regulatory and technical interventions in the alcoholic beverages sector in order to enhance product integrity, safeguard consumers, and support a coordinated national response to illicit alcohol.

205) In this regard, KEBS has prioritised the following strategic interventions, to be implemented within its statutory mandate and in collaboration with relevant Government institutions:

i) Integrated Border Assurance and Conformity Verification; KEBS will continue to enhance its role in safeguarding the integrity of alcoholic beverages entering the country through strengthened conformity assessment and inter-agency coordination at the border. Key focus areas include:

ii) End-to-end verification of imports under the PVOC programme, ensuring that all alcoholic beverages and relevant inputs meet applicable Kenya Standards prior to shipment.

iii) Structured information exchange mechanisms to support early identification of high-risk consignments and prevent entry of non-compliant products.

206) These measures are designed to reinforce existing controls and ensure that only compliant products access the domestic market through formal channels.

Strengthening Integrity of Distribution and Supply Chains

207) Recognising the importance of maintaining product integrity beyond the point of manufacture and importation, KEBS will continue to support the development of structured and accountable distribution systems for alcoholic beverages.

208) In this regard, KEBS will:

i) Work collaboratively with national and county regulatory authorities to promote traceable and verifiable distribution pathways

ii) Support policy measures that encourage sourcing from licensed and accountable supply chain actors

iii) Advocate for enhanced documentation and traceability requirements within distribution networks to strengthen product accountability

209) These measures are intended to complement KEBS certification and surveillance activities by reinforcing transparency across the supply chain.

3.7 The National Police Service

Mr. Eliud Lagat, the Deputy Inspector General of the National Police Service, appeared before the Committee on behalf of the Inspector General on 11th June, 2026 and submitted as follows;

210) Illicit alcohol remains a serious global challenge. In Kenya, the production, distribution and consumption of illicit alcohol remain a major challenge, posing serious risks to public health, safety and socio-economic stability.

211) The problem is compounded by its intersection with organized crime, drug trafficking, money laundering, corruption and gender-based violence. Illicit brews are often manufactured under unsafe conditions using unregulated ingredients and are distributed through illegal networks that evade licensing and regulatory controls.

212) The consumption of such products has resulted to fatalities, severe health complications, crime and loss of productivity and the breakdown of social and family structures. The clandestine nature of the trade makes detection and enforcement difficult, necessitating a coordinated approach involving regulatory agencies, law enforcement, county governments and local communities.

213) To address this challenge, the Government has established various legislative and regulatory frameworks aimed at preventing the production, distribution and consumption of illicit alcohol and protecting the public from its harmful effects. Historically, traditional brew was an essential feature of the social and cultural heritage of many Kenyan communities. However, the production and consumption of traditional African brews such as Muratina, Chang'aa and Busaa was banned to promote the consumption of commercially produced alcohol, which was taxed and regulated.

214) The fight against illicit brews has evolved over time and is currently guided by the Alcoholic Drinks Control Act, 2010 and the Liquor Licensing Act (Cap. 121), which provide the legal framework for regulation, licensing and enforcement. However, persistent bans have inadvertently driven production underworld, creating illicit markets operating in unsafe and unregulated conditions. Some producers use dangerous additives including ethanol, formaldehyde, herbicides, Anti-Retroviral drugs (ARVs) and aflatoxins, all of which pose grave risks of death, blindness and chronic illness.

215) The NPS commits;

i) Sustained intelligence-led operations and raids on illegal brewing dens
ii) Arrest and prosecution of offenders involved in illicit alcohol trade
iii) Seizure and destruction of illegal brews and manufacturing paraphernalia
iv) Multi-agency collaboration with NACADA, KEBS, KRA, County Governments, NGAOs and the Ministry of Health

Current Regulatory Framework

216) The following is the legal framework currently in force;

i) Constitution of Kenya, 2010 — Articles 26 (Right to Life) and 43 (Right to Health) provide the constitutional basis for state action.
ii) Alcoholic Drinks Control Act, 2010 — Establishes licensing regimes and penalties for unlicensed production and distribution.
iii) Food, Drugs and Chemical Substances Act — Controls substances used in alcohol production.
iv) Narcotic Drugs and Psychotropic Substances (Control) Act, 1994 (Cap. 245) — Applies where chemical substances in adulterated alcohol intersect with controlled substances.
v) Penal Code (Cap. 63) — Sections 192, 202 and 229 provide penal bases for prosecution of illicit brew offenders.
vi) Liquor Licensing Act (Cap. 121) and County Governments Act, 2012 — Devolve licensing and trade regulation to county governments, creating a dual-track system that presents coordination challenges.

NPS Implementation Actions

217) The NPS has operationalized the above framework through the following enforcement mechanisms:

a) Intelligence-Led Operations the NPS conducts intelligence-driven operations targeting illicit brews, drugs and unlicensed second-generation liquor across the country. Operations target manufacturing dens and retail outlets in informal settlements, including distribution hubs in urban and rural areas.
b) Multi-Agency Coordination Operations involve joint deployment of officers from NPS, KEBS, NACADA, KRA and National Government Administration Officers (NGAOs) to ensure effective enforcement and sustained security outcomes.
c) Community Policing NPS leverages Nyumba Kumi initiatives and community policing networks to identify illegal brewing sites and report suspicious activity.
d) Destruction of Contraband All seized illicit brew and manufacturing equipment, including ethanol drums, fake KRA stamps, counterfeit brand stickers, cartons and alcometers are confiscated and destroyed upon conclusion of cases.

Operational Statistics: January 2024 – May 2026

218) Over the 28-month reporting period, the NPS recorded the following national outcomes;

DESCRIPTION	**2024**	**2025**	**JAN–MAY 2026**	**3-YEAR TOTAL**
Persons Arrested	28,696	4,349	2,655	35,700
Illicit Brew Netted (Litres)	678,305	492,486	389,102.6	1,559,893.9
Illicit Brew Destroyed (Litres)	316,829	351,819	281,152	949,800

Regional Arrests Breakdown (Jan 2024 – May 2026)

REGION	**2024**	**2025**	**JAN–MAY 2026**	**TOTAL**
Coast	341	94	144	579
North Eastern	17	19	0	36
Eastern	871	607	89	1,567
Central	2,655	98	105	2,858
Rift Valley	16,040	2,104	532	18,676
Western	2,178	721	742	3,641
Nyanza	1,719	484	849	3,052
Nairobi	4,875	222	194	5,291
TOTAL	**28,696**	**4,349**	**2,655**	**35,700**

Regional Illicit Brew Netted — Litres (Jan 2024 – May 2026)

REGION	2024 (LTR)	2025 (LTR)	JAN–MAY 2026 (LTR)	TOTAL (LTR)
Coast	11,037	12,410	16,329	39,776
North Eastern	5	70	0	75
Eastern	29,648	47,839	3,829.5	81,316.5
Central	56,236	3,637.5	13,712	73,585.5
Rift Valley	254,272	189,293	49,508.8	493,073.8
Western	97,062	90,698	134,463.3	322,223.3
Nyanza	216,471	68,213	160,389	445,073
Nairobi	13,574	80,276	10,871	104,721
TOTAL	**678,305**	**492,486**	**389,102.6**	**1,559,893.9**

Regional Illicit Brew Destroyed — Litres (Jan 2024 – May 2026)

REGION	2024 (LTR)	2025 (LTR)	JAN–MAY 2026 (LTR)	TOTAL (LTR)
Coast	24,740	8,290	11,640	44,670
North Eastern	0	0	0	0
Eastern	3,663	10,910	2,500	17,073
Central	7,246	1,860	6,280	15,386

Rift Valley	165,522	129,884	22,535	317,941
Western	10,450	74,030	103,410	187,890
Nyanza	102,564	55,905	125,427	283,896
Nairobi	2,645	70,940	9,360	82,945
TOTAL	**316,829**	**351,819**	**281,152**	**949,800**

Uasin Gishu County — Case Study

219) A focused study of Uasin Gishu County demonstrates the impact of sustained enforcement:

DESCRIPTION	**2024**	**2025**	**JAN–MAY 2026**	**3-YEAR TOTAL**
Persons Arrested	56	505	111	672
Liquor Netted (Litres)	4,417	37,524	4,442	46,383
Liquor Destroyed (Litres)	1,407	35,667	820	37,894

Challenges to Implementation

220) Notwithstanding the above achievements, the NPS acknowledges the following impediments to full regulatory enforcement:

i) Limited Government Chemist Coverage — The Government Chemist only has facilities in three counties (Nairobi, Mombasa and Kisumu), creating a bottleneck in testing and prosecution of cases across the remaining the country.

ii) Lenient Penalties — Classification of illicit alcohol offences as petty crimes results in fines and sentences that fail to deter offenders.

iii) Cultural Entrenchment — The social and cultural normalization of traditional brew consumption perpetuates demand.

iv) Cross-Border Smuggling — Influx of counterfeit alcohol and illegal ethanol from neighbouring countries undermines domestic enforcement.

v) Corruption — Some rogue law enforcement, regulatory and administration officials facilitate the continued trade in illicit alcohol.

vi) Limited Storage facilities — Most police stations lack secure, tamperproof storage for seized alcohol, leading to instances of exhibits finding their way back into the market.

Causes of rampant illegal alcohol production, distribution and consumption

221) The NPS, drawing on its operational experience, has identified the following root causes:

Structural and Policy Failures

i) Legacy of Prohibitionist Legal Framework — Colonial and post-colonial regulations banned traditional brews outright, inadvertently creating a thriving illicit sub-sector rather than regulating it.
ii) Regulatory Barriers to the Formal Sector — Costly, bureaucratic and stringent licensing requirements exclude low-income earners, leaving illicit production as the only viable economic option for many.
iii) Devolution-Related Coordination Gaps -— The dual-track licensing system between national and county governments creates enforcement inconsistencies and regulatory loopholes.

Law Enforcement and Governance Gaps

i) Corruption — Endemic corruption among a section of enforcement officers and administrators provides protection to illicit alcohol producers and distributors.
ii) Weak Prosecution Chain — Absence of Government Chemist services in 44 of 47 counties means cases collapse or drag on interminably, emboldening offenders.
iii) Lenient Sentencing — The treatment of alcohol offences as petty crimes reduces the deterrent effect of prosecutions. • Overstretched Correctional Facilities — Congestion within prisons and correctional institutions places additional strain on the justice system.

Socio-Economic and Cultural Drivers

i) Cultural Heritage — Traditional brew production and consumption is a longstanding practice in many Kenyan communities, making enforcement socially contentious.
ii) Market Demand Gaps — Low-income consumers who cannot afford legal alcohol turn to cheaper, unregulated alternatives.
iii) Economic Incentives for Producers — High profitability of illicit alcohol production relative to low risk of meaningful punishment sustains supply.
iv) Cross-Border and Counterfeit Supply Chains
v) Ethanol Smuggling — Illegal importation of industrial ethanol and counterfeit branded alcohol from neighbouring countries feeds the illicit market.

vi) Organized Criminal Networks — Transnational criminal syndicates have developed sophisticated supply chains for illicit alcohol, often linked to other criminal enterprises.

vii) Information and Awareness Deficits

viii) Misinterpretation of Court Rulings — Some communities have misread judicial pronouncements on traditional brews as blanket legal permission, emboldening illicit producers.

ix) Low Public Awareness — Many citizens, administrators and even some enforcement officials lack adequate knowledge of the Alcoholic Drinks Control Act, 2010 and related standards.

Proposed Multi-Agency Taskforce Structure

222) The NPS firmly holds that no single agency can effectively address the multi-dimensional challenge of illicit alcohol. A coordinated, whole-of-government approach is imperative. The Service proposes the following multi-agency framework:

223) Establish a permanent, nationally coordinated Multi-Agency Taskforce on Illicit Alcohol with the following composition and mandate;

AGENCY	**DESIGNATED ROLE**
National Police Service (NPS)	Lead enforcement, intelligence-led raids, arrests and prosecution referrals
Kenya Revenue Authority (KRA)	Tax enforcement, detection of illegal ethanol and border controls
Kenya Bureau of Standards (KEBS)	Standards compliance, product testing and market surveillance
NACADA	Public sensitization, awareness campaigns and addiction rehabilitation
Anti-Counterfeits Agency (ACA)	Investigation and prosecution of counterfeit alcohol and branding fraud
County Governments	Local licensing oversight, closure of illegal outlets and community enforcement
Ministry of Health / Public Health	Health risk assessment, toxicology support and public health response

ODPP	Prosecutorial guidance, case quality review and conviction rate improvement
EACC	Investigation and prosecution of corrupt officials enabling illicit alcohol
NGAOs	Community mobilization, local intelligence and compliance monitoring

The Border Control and Smuggling Interdiction

224) NPS, KRA, KEBS and ACA should establish a dedicated Border Alcohol Smuggling Interdiction Unit with intelligence-sharing protocols to detect, intercept and dismantle organized ethanol smuggling networks.

Regulatory Reform Collaboration

225) A joint inter-agency technical committee comprising the National Treasury, KRA, KEBS, County Governments and the Ministry of Trade should review and streamline licensing requirements and reduce barriers to the formal alcohol sector.

Anti-Corruption Measures

226) The Ethics and Anti-Corruption Commission (EACC), in collaboration with NPS Internal Affairs, should establish a dedicated mechanism to detect, investigate and prosecute officials implicated in illicit alcohol protection rackets.

Government Chemist Expansion

227) The NPS, in collaboration with the Ministry of Health and the National Treasury, recommends the decentralization of Government Chemist services to all 47 counties to resolve the bottleneck in evidence testing and case prosecution. As an interim measure, mobile testing units should be deployed to underserved counties.

Judicial Coordination

228) The Judiciary should establish dedicated fast-track courts for alcohol related offences, institute mechanisms for prompt disposal and destruction of exhibits and review sentencing guidelines to provide adequate deterrence.

Additional recommendations

229) In addressing the full plight of the petitioners, the NPS makes the following additional recommendations:

i) Legislative and Regulatory Strengthening; Review and enhance penalties for illegal alcohol production and distribution to create effective deterrence.
ii) Streamline licensing procedures to lower barriers for legitimate small-scale operators, including reduced fees and simplified application processes.
iii) Harmonize national and county-level alcohol control regulations to eliminate jurisdictional gaps.
iv) Resource Allocation; Fund specialized training programs on organized crime investigation in the alcohol trade, including anti-money laundering and digital forensics capabilities.
v) Public Health and alternative Livelihoods; Develop government-funded alternative income programmes for communities economically dependent on illicit alcohol production including vocational training, micro-enterprise development and cooperative support.
vi) Scale up community health and education campaigns in high-prevalence areas, targeting youth, women and vulnerable groups.
vii) Strengthen drug and alcohol rehabilitation services and make them accessible at the county level.

Supply-Side Controls

i) Tighten controls on chemical precursors (especially industrial methanol and ethanol) used in illicit alcohol production, including mandatory end-user declarations.
ii) Regulate the sale of raw materials commonly used in illicit brewing, particularly in high-risk areas.
iii) Enhance border security infrastructure and customs procedures to prevent smuggling.
iv) Justice System Improvements; Establish dedicated magistrate courts for alcohol-related offences with a mandate to clear backlogs within defined timelines.
v) Conduct regular joint case reviews between the NPS, ODPP and the Judiciary to improve conviction rates and sentencing consistency.
vi) Mandate the prompt judicial destruction of exhibits once authenticity and quantity are certified, to prevent re-entry into the market.
vii) Public Sensitization and Community Engagement; NACADA, in collaboration with NGAO and county governments, should mount a sustained national public sensitization campaign.
viii) Integrate alcohol harm awareness into school curricula, community barazas and religious institutions.
ix) Strengthen community policing through Nyumba Kumi initiatives to foster local ownership of the fight against illicit alcohol.
x) Monitoring, Accountability and Parliamentary Oversight; Institute quarterly reporting by the Multi-Agency Taskforce to Parliament on enforcement outcomes, including arrests, seizures, prosecutions and convictions.

xi) Commission independent evaluations of task force effectiveness every two years.

xii) Establish public-facing dashboards for transparency on enforcement activities and outcomes.

xiii) Create community feedback mechanisms to enable citizens to report illicit alcohol activity and assess enforcement responsiveness.

230) The scourge of illegal alcohol is not merely a law enforcement problem it is a complex socio-economic and public health challenge that demands coordinated, multi-sectoral and sustained action. The National Police Service pledges continued commitment to protecting the health, safety and welfare of all Kenyans from the harmful effects of illicit alcohol. We stand ready to work closely with this Committee, Parliament and all relevant stakeholders to build a comprehensive and durable solution to this national challenge.

3.8 Ministry of Investment, Trade and Industry

Hon. Lee Kinyanjui, EGH, the cabinet Secretary Ministry of Investment, Trade and Industry vide letter Ref: MITI/CS/25/VOL.I(007) submitted as follows-

231) The petition alleges insufficient monitoring and oversight of licensed manufacturers and distillers of second-generation alcohol by KEBS and other regulatory agencies. The Ministry, through KEBS places on record the following specific measures that constitute its oversight for licensed alcoholic beverage manufacturers.

Mandatory Quality Control Laboratory Requirement

232) KEBS requires, as a condition of certification, that all alcoholic beverage manufacturers maintain a Quality Control Laboratory capable of testing for quality and safety parameters including methanol covering raw materials, in-process products during production, and finished products before market release. Specifically, every establishment manufacturing Spirituous Alcoholic Beverages is required to possess a Gas Chromatography with Flame Ionization Detector (GC-FID) machine for methanol determination and other parameters stipulated in the respective Kenya Standards.

Interlaboratory Comparison (ILC) Testing Programme

233) Following directives from the Cabinet Secretary, Ministry of Interior and National Government Coordination, issued on 6th March 2024, the Ministry through its agency (KEBS) organised and rolled out an Interlaboratory Comparison (ILC) testing programme for wines and spirits in the brewing industry. This programme supports manufacturers' quality control laboratories in ensuring that their products meet quality requirements both during production and before market release.

234) The ILC testing materials include ethanol, methanol, isopropyl alcohol (IPA), ethyl acetate, amyl alcohol and acetic acid in aqueous media. The ILC enables participating manufacturers to:

i) Determine the concentrations of denatonium benzoate (denaturant) in denatured ethanol using High Performance Liquid Chromatography (HPLC/UV-vis) methods.
ii) Identify congeners in alcoholic beverages by direct injection in Gas Chromatography equipped with a Flame Ionization Detector (GC-FID).
iii) Determine ethyl alcohol (ethanol) content and volatile acidity in strong alcoholic beverages.

235) Each round of ILC testing is followed by an evaluation workshop at which participants discuss performance results, identify root causes of any non-performance, and agree on corrective actions to improve product quality. This mechanism ensures that manufacturers maintain continuous analytical competence and that their laboratory results are reliable and comparable.

Scheme of Supervision and Control (SSC)

236) All manufacturers of alcoholic beverages have signed a Scheme of Supervision and Control (SSC) a certification agreement that specifies the controls the manufacturer is expected to maintain and the evidence they must make available to KEBS during inspections. This systematic way ensures that adequate quality management activities are always carried out, providing assurance that products continuously meet the approved specifications under the applicable Kenya Standard.

237) Under the SSC, manufacturers are further required to undertake periodic product testing with ISO/IEC 17025 accredited laboratories independently of their in-house quality control to ensure independent verification of product quality before market release.

NACADA Multi-Agency Clearance Requirement

238) Manufacturers of potable spirits are required to obtain written clearance from NACADA, issued following a multi-agency inspection on the preparedness of the manufacturer to comply with all regulatory requirements before commencing production. KEBS is a member of this multi-agency committee, which conducts joint inspections to assess, among other matters, the adequacy of quality control infrastructure, the safety of production processes, and the manufacturer's compliance with applicable standards and licencing requirements.

Approved Brands Register

239) It is worth noting that, KEBS has approved 340 alcoholic beverage brands manufactured locally, details of which are maintained in the its Approved Brands Register. Any brand not

appearing on this register has not been certified by KEBS and is therefore not authorised to bear the KEBS Standardisation Mark.

Product Certification and Counterfeit/Adulterated Products in the Market (Petition Clauses 3 and 4)

240) The petition highlights the prevalence of counterfeit brands and adulterated second-generation alcohol as causes of deaths and hospitalisations, including in Uasin Gishu County. The Product Certification Scheme run by KEBS makes it mandatory for all locally manufactured alcoholic beverages to bear the Standardisation Mark before being placed on the market. KEBS has additionally strengthened the rules of this scheme to specifically combat illicit brews through the following measures:

i) All manufacturers must maintain up-to-date quality control test results and data, which must be made available to KEBS during inspections to confirm ongoing compliance.
ii) Periodic Interlaboratory Comparison participation is mandatory to demonstrate sustained capability to test for all safety and quality parameters prescribed in the relevant Kenya Standard.
iii) Manufacturers are required to use only 150/IEC 17025 accredited external laboratories for third-party verification testing.
iv) The Ministry through KEBS conducts ongoing Market Surveillance Activities involving systematic monitoring of alcoholic beverages in the market to verify compliance with relevant technical regulations governing health, safety and environmental concerns, and to promote fair trade practices. These activities include random sampling from retail outlets, wholesale distributors and importation points, followed by laboratory analysis for among other parameters methanol content, alcohol strength, labelling compliance and the integrity of the standardisation mark.
v) Where products are found to be non-compliant, KEBS issues product recall notices, rejection orders and destruction directives. Cases involving criminal counterfeiting are referred to the Kenya Police Service and the Directorate of Criminal Investigations (DCI), supported by laboratory evidence obtained by KEBS.

Consumer Authentication and Traceability (Petition Clause 7)

241) The petition identifies the absence of robust product traceability mechanisms as a systemic vulnerability. However, I need to bring to the attention of the membership herein that, KEBS has implemented the following consumer authentication and traceability measures:

i) Standardisation Mark Permit System; Upon certification, each manufacturer is issued a unique Standardisation Mark Permit number for every beverage brand they produce. This permit number must be displayed on the product label and must be produced by the manufacturer upon request by a regulator or consumer.

ii) SMS Verification Short Code 20023; Consumers are empowered to verify the authenticity of any KEBS-certified alcoholic beverage in real time by sending a text message to the short code 20023 in the format: SM# [Permit Number]. The system returns confirmation of whether the permit is valid, thereby enabling consumers to distinguish certified from uncertified products at the point of purchase.

iii) KEBS Website Public Register of Certified Products; All certified alcoholic beverages are published on the KEBS official website, providing a publicly accessible reference list against which any product can be verified. This register is updated as cehifca4onsaregranted, suspended or cancelled.

iv) Toll-Free Consumer Helpline 1545; KEBS has dedicated a toll-free telephone number, 1545, through which members of the public may make enquiries about any alcoholic beverage product in the market, report suspected counterfeits or seek guidance on the certification status of any brand or manufacturer.

Industrial Ethanol Diversion and Border Surveillance (Petition Clause 8)

242) KEBS has instructed all Pre-Export Verification of Conformity (PVoC) agents globally to ensure that ethyl alcohol intended for industrial application imported into Kenya is denatured with denatonium benzoate before shipment. Denatonium benzoate is a bittering agent of such extreme potency that it renders industrial alcohol effectively unusable in alcoholic beverage production, thereby closing a key pathway for ethanol diversion PVoC Programme for Imported Alcoholic Beverages.

243) Through the PVoC programme, the Ministry ensures that imported alcoholic beverages and industrial ethanol are inspected and certified before shipment to Kenya. Only consignments that meet the specifications of the applicable Kenya Standard are issued a Certificate of Conformity permitting entry. Consignments arriving without a valid CoC are held at the port of entry and subjected to full conformity testing before clearance is authorized.

Proposed Enhanced Border Surveillance

244) The Ministry recognizes that the diversion of neutral spirits through informal border crossings and illicit imports remain persistent challenges. To mitigate this, we propose, and requests the Committee's support for, enhanced border surveillance by KEBS in collaboration with the Kenya Revenue Authority (KRA) Customs, the Kenya Defence Forces and the Kenya Coast Guard, to intercept smuggled neutral spirits and substandard alcoholic beverages at both formal and informal entry points.

245) The Ministry reaffirms its commitment to the protection of Kenyan consumers and the integrity of the alcoholic beverages market against illegal, adulterated and substandard products.

246) In line with the Standards Act, the Ministry will support KEBS, to continue discharging, its mandate through a comprehensive and continuously evolving regulatory framework that governs standards development, conformity assessment, product certification, market surveillance, laboratory testing, and import inspection through the Pre-Export Verification of Conformity (PVoC) programme. Additionally, the ministry assures the committee that KEBS will continue being an active participant in relevant inter-agency coordination structures established under the national alcohol control structure.

247) The measures outlined in this submission including strengthened laboratory requirements for manufacturers, interlaboratory comparison programmes, structured supervision under certification agreements, consumer authentication systems through SMS verification (Short Code 20023), public access to certification data, toll-free consumer reporting (1545), and technical controls on industrial ethanol through mandatory denaturing requirements demonstrate a sustained and structured regulatory regime within KEBS' statutory remit.

248) These interventions are designed to ensure that products within the formal market system are consistently compliant with applicable standards and that consumers are empowered with tools for verification and protection.

249) The Ministry remains committed to continuously strengthening its technical capacity and regulatory systems, and to working in close coordination with other competent Government agencies in addressing the broader national challenge illicit alcohol. In this regard, we are fully prepared to support a strengthened, integrated and intelligence-led multi-agency approach that enhances enforcement effectiveness across the entire value chain.

3.9 Kenya Sugar Board

Mr. Jude Chesire, the acting CEO Kenya Sugar Board Vide Letter Referenced KSB/SCO/4/10/ (6) dated 4th May, 2026 submitted as follows -

250) The Board recognizes the grave public health and social concerns raised by the petitioners regarding the menace of illicit alcoholic brews and second-generation alcohol in the country.

251) Under Section 2 of the Sugar Act, 2024, molasses falls under the definition of a by-product, which refers to any substance, other than sugar, produced incidentally during manufacturing. The Sugar Act, 2024, Sections 4 and 9 grants the Board specific powers to regulate molasses. The Board to control, supervise, and access relevant industry information regarding these products.

252) Specifically, the Board is mandated under Section 4(2) (q) of the Sugar Act, 2024 to formulate guidelines for the safe and economical disposal of unutilized by-products, which include molasses. Besides, any person intending to import or export sugar by-products, including molasses, must obtain a valid license as required by Section 25(1) of the Sugar Act, 2024, and must further obtain a pre-import permit or pre-export approval from the Board as stipulated in Section 25(2) of the Sugar Act, 2024.

253) In view of the above, the Board acknowledges that molasses is a key ingredient in the production of ethanol. Currently, two Sugar Millers have allied factories that produces ethanol for industrial use.

254) The Board has put in place several measures to ensure that there is no diversion of molasse which can facilitate the production of illicit Alcohol. Some of these measures include;

i) The National Molasses Distribution Guidelines: The Board through these guidelines allocates 80% of the Molasses produced in the country to industrial users and only 20% to the livestock farmers for animal feeds.

ii) Collaboration with Chiefs and NPS: The Board collaborates with chiefs and the national police service officers to ensure that the 20% allocated to the farmers is utilised for the intended purpose to prevent diversion and use to produce illicit brew such as Chang'aa and Busaa. Each individual famer is allowed a total of 1 0 tonnes.

iii) Molasses Permit: Besides, the Board monitors the production and distribution of Molasses through provision of Molasses Permits which requires the applicant to indicate the Miller selling the product and the intended use. This facilitates traceability from the Sugar Millers to industrial Users.

iv) Imports: The Board as per Section 25 of the Sugar Act, requires all importers of Molasses, a Sugar Crop By-product to import molasses only for industrial use only. The importers must be licensed and get an import permit for each consignment.

Ethanol

255) Kenya Sugar Board's mandate regarding management of ethanol is quite limited since the Board only regulate and monitor Molasses which is an ingredient of Ethanol. The critical agencies involved in the value chain of ethanol includes Kenya Revenue Authority, Energy and Petroleum Regulatory Authority, and Kenya Bureau of Standards. However, the Board work with these agencies collaboratively to share information regarding the Sugar Mills which produces ethanol.

256) The future of the Sugar industry is also in transiting to the production of ethanol as one of the major products. Therefore, it is imperative to re-look into the laws governing the Sugar Industry and provide clear mandate to the Board regarding regulation and monitoring of ethanol produced using Sugar crops. This may enhance the element of traceability in collaboration with KRA, EPRA, and NACADA.

Jaggeries and Jaggary Millers

257) Under the Section 2 of the Sugar Act, 2024, jaggery is legally classified as a form of "sugar," which encompasses crystalline or liquid sucrose derived from sugar crops in any of its recognized commercial forms. Under the same section, A jaggery mill is specifically defined as the bare minimum technology equipment used to crush sugarcane to produce juice, which

is then processed through boiling to produce jaggery. Consequently, any person licensed to operate such a mill is legally regarded as a miller, and these millers are recognized members of the national sugarcane manufacturer's apex body.

258) The Kenya Sugar Board is mandated under Section 4(2)(m) of the Act to register and license jaggery mills, a function further detailed in the Sugar (General) Regulations, 2025, which require millers to apply for operating licenses and pay prescribed fees. Operating a jaggery mill without a current license, which must be issued upon recommendation from the relevant County Government, is a criminal offense under Section 22, punishable by fines of up to ten million shillings or imprisonment for UP to five years. Additionally, the Board is tasked with conducting quarterly physical inspections of licensed premises to ensure safety and health standards are met and must strictly prevent the mislabelling of jaggery or the abetting of illegal trafficking of related substances.

259) Despite these legal provisions, the use of jaggery as a fermentable base for illicit brews like Chang'aa continues due to significant regulatory and enforcement gaps identified in recent parliamentary petitions. One of the major gaps in regulation of Jaggaries results from the product being handled and transported in small, unregulated quantities, which easily bypass formal distribution oversight, facilitating the production of unsafe and counterfeit alcoholic products.

260) In view of the above, the Board works in collaboration with the county governments and the police to regulate, prevent, and combat the mushrooming of the informal jaggeries to prevent supply to illicit brewers.

261) The Kenya Sugar Board remains committed to its mandate under the Sugar Act, 2024, to regulate the sugar value chain. By enforcing strict molasses distribution quotas, licensing jaggery millers, and enhancing traceability, the Board aims to eliminate the diversion of by-products into the illicit alcohol market. Through continued collaboration with County Governments and law enforcement/ we will strengthen oversight to protect public health and ensure industry integrity. The Board commits to continue collaborating with the Partner Government Agencies such as KRA, KEBS, NACADA, and ACA in monitoring Sugar Mills that produces Ethanol.

3.10 Kenya Revenue Authority

Dr. Lilian Nyawanda, the then acting Commissioner General, Kenya Revenue Authority vide letter referenced KRA/5/1002/5(13896) dated 28th April, 2026 submitted as follows -

KRA's Monitoring of Manufacture and Importation Alcoholic Brews by Licensed Companies

262) Licensing and Regulatory Control-KRA ensures that all manufacturers and importers of alcoholic products are licensed and regulated under the Excise Duty Act, 2015 with defined conditions on production, importation and compliance.

263) Technology-Based Monitoring (Excise Goods Management System (EGMS) & Customs Systems)-KRA utilizes EGMS and customs platforms to track production and imports, ensuring all products are affixed with secure excise stamps before entering the market.

264) On-Site Supervision and Compliance Audits-Through factory-based controls, resident officers and periodic factory inspections and audits. KRA verifies that production volumes and imports are accurately declared and accounted for.

265) Market Surveillance and Enforcement-KRA conducts intelligence-led inspections and field operations, supported by stamp verification tools, to ensure that only legitimate, duty-paid alcoholic products are distributed and sold.

Strategies of Border and Customs Control on Importation and Smuggling of Ethanol from Neighbouring Countries

266) The illicit trade in ethanol and alcoholic beverages continues to pose significant threats to revenue collection, public health and national security. In response. KRA has implemented the following strategies to combat illegal trade:

i) Mobile Inland Border Control Checks (IBCCs); IBCCs, established under the Border Control and Operations Committee (BCOCC), are Multi-Agency Non-Tariff Barriers (NTBs) strategically positioned along transport corridors, to provide an additional layer of inspection. These mobile units intercept goods that may have bypassed official Points of Entry and Exit (PoEs) or entered through unofficial crossing points. The IBCC teams comprise the following agencies: KRA. National Intelligence Service, National Police Service and Directorate of Immigration Services. IBCCs have been deployed in identified smuggling hotspots as a rapid-response measure to curb the illicit trade in ethanol, cigarettes and alcoholic products, thereby enhancing surveillance and enforcement presence in high-risk zones.

ii) Gazettement of Strategic Points of Entry/Exit (PoEs); The National Security Council Committee (NSCC) has approved the gazettement of the following new Points of Entry (PoEs) which are pending gazettement by the Ministry of Interior and National Administration. Expanding the number of border posts enhances interception capabilities by positioning officers closer to border points;

Border	Approved POE	County
Kenya-Uganda	Konyao	West Pokot
	Lokiriama	Turkana
Kenya-Tanzania	Olposimoru	Narok
Kenya-Ethiopia	Todonyang'	Turkana
	Ileret/Banya Fort	Marsabit

Enhanced Surveillance and Technology

267) Customs officers at Jomo Kenyatta International Airport (JKIA), Inland Container Depot Nairobi (ICDN), Mombasa, Namanga, Busia and Malaba border stations are equipped with body-worn cameras to enhance transparency and accountability, enabling real-time recording of interactions, audio and video evidence capture at crime scenes and preservation of evidence for investigations, arrests and prosecutions.

268) KRA has trained twenty (20) drone pilots to strengthen border surveillance and is in the process of procuring two (2) tethered drones with assistance of the U.S. Embassy Nairobi's Export Control and Border Security (EXBS) Program.

269) Enforcement equipment, including handheld scanners and cargo probes, has been deployed across selected border points, alongside the establishment of Integrated Border Control Centres (IBCCs).

270) Institutional Coordination and Oversight; KRA has established and operationalized Border Management Committees (BMCs) at all Points of Entry and Exit (PoEs) and has operationalized Joint Border Operation Centres (JBOCs) at all One Stop Border Posts (OSBPs).

271) Enforcement Operations and Compliance Measures; Multi-Agency crackdowns targeting illicit alcohol and tobacco continue to be conducted, alongside continuous customs controls through enhanced verification and cargo profiling. The value of interceptions from enforcement operations as from 1st July 2025 to 31st March 2026 is shown below:

- Ethanol - Kshs. 9,896,000.00
- Cigarettes - Kshs. 338,583,280.00
- Alcohol - Kshs. 1,283,750.00

272) No disposal/destruction exercise has been undertaken in the current financial year as such intercepted goods are held as evidence pending prosecution and other enforcement measures.

273) KRA also operates the iWhistle portal, which allows anonymous reporting. Informers are rewarded for providing information that leads to the successful recovery of tax evasion cases or other useful intelligence.

Status of Implementation in place to curb production, distribution and Consumption of Illegal Alcohol

274) Comprehensive Legal and Regulatory Framework; KRA has established a robust framework under the Excise Duty Act, including strict licensing requirements, Excise Duty controls and remission regulations. This framework provides clear standards for the production, distribution and sale of alcoholic beverages and empowers enforcement action against non-compliance.

275) Technology-Driven Monitoring and Control; The rollout of the EGMS and secure excise tax stamps has significantly enhanced real-time monitoring, product traceability and revenue assurance within the formal alcohol sector. This has curtailed counterfeiting and improved compliance among licensed manufacturers.

276) Sustained Multi-Agency Enforcement Operations; KRA continues to implement intelligence-led, multi-Agency enforcement operations targeting illicit alcohol across the supply chain. These include factory inspections, market surveillance and seizure of non-compliant products. However, the expansive and dynamic nature of illicit trade requires continuous strengthening of enforcement capacity and coordination.

277) Ongoing Reforms to Strengthen Compliance and Protect Revenue; The Authority is advancing targeted reforms, including tightening upstream controls on raw materials, enhancing data-driven enforcement, reviewing tax policy to support compliance and strengthening collaboration with other government agencies. These interventions are aimed at sustainably reducing illicit trade, protecting public health and safeguarding government revenue.

KRA'S Determined Cause of the rampant Production, Distribution and Consumption of Illegal Alcohol in the Country

278) Weak Control of Strategic Raw Materials (Molasses & Ethanol); Inadequate regulation, tracking and reconciliation of molasses and industrial ethanol, the primary inputs in alcohol production create significant upstream vulnerabilities. Diversion at source, particularly from sugar mills and within the ethanol supply chain, feeds unregulated manufacturing with limited real-time oversight and fragmented inter-agency coordination.

279) Strong Economic Incentives Driven by Tax Arbitrage; High Excise Duty rates on alcoholic beverages create substantial price differentials between compliant and illicit products. This generates strong incentives for illegal production and distribution, where operators benefit from low production costs and high profit margins while completely evading tax obligations under the Excise Duty Act, 2015.

280) Sustained Demand Coupled with Weak Deterrence Mechanisms; Robust consumer demand for low-cost alcohol, driven by affordability constraints, sustains the illicit market. At the same time, weak and inconsistent enforcement outcomes, including delays in prosecution, compromised evidence chains and penalties that do not outweigh illicit gains limit the overall deterrent effect.

Recommendations of a Multi-Agency Approach to curb the Production, Distribution and Consumption of Illegal Alcohol in the Country

281) Strengthen Upstream Control of Raw Materials (Molasses & Ethanol); Establishing a joint regulatory framework involving KRA, relevant sector regulators and industry stakeholders to ensure end-to-end tracking and reconciliation of molasses and ethanol.

282) Enhance Integrated Enforcement and Intelligence Sharing; Establish a centralized intelligence-sharing platform to integrate data from enforcement, surveillance and regulatory systems across various government agencies involved in the fight against illicit trade in alcoholic products.

283) Enhance Deterrence through Stronger Legal and Prosecution Frameworks; Strengthen investigation and prosecution capacity through closer collaboration between KRA, investigative agencies and the judiciary.

284) Ensure consistent and proportionate penalties that outweigh gains from illicit trade.

285) Protect the integrity of evidence and chain-of-custody to support successful prosecutions.

286) Formalize the Multi-Agency Framework; KRA supports a strengthened, formalized multi-agency framework to address the evolving and increasingly sophisticated nature of illicit alcohol trade. While current efforts are coordinated through administrative arrangements, prevailing realities such as organized networks, cross-border supply chains, misuse of digital platforms and public health risks require a more structured and intelligence-driven approach.

287) A formal multi-agency mechanism would:

i) Institutionalize real-time intelligence sharing across enforcement, regulatory and public health agencies,
ii) Enable coordinated, risk-based operations targeting high-impact actors along the entire value chain,

iii) Provide a basis for sustainable resource mobilization and joint funding of operations and technology,

iv) Strengthen oversight of high-risk segments, including informal production, distribution networks and retail outlets,

v) Enhance traceability systems and data integration to detect tax evasion and product diversion and,

vi) Promote transparency and accountability through clear governance structures and publicly reported performance indicators.

288) Additionally, the framework should integrate community engagement, public awareness and demand-reduction strategies, recognizing that enforcement alone is insufficient. A whole-of-government and whole-of-society approach is therefore critical to achieving lasting impact.

Any Other Recommendations that deem appropriate to address the plight of the petitions.

289) Expedited Prosecution Framework; Support the designation of specialized court divisions and/or magistrates to fast-track the hearing and determination of cases related to illicit alcohol, counterfeit excise stamps and ethanol smuggling. This should be accompanied by adequate resourcing, including prosecutorial capacity, judicial support staff and case management systems, to ensure timely and effective administration of justice.

290) Public Awareness and Consumer Empowerment; Strengthen public awareness initiatives by promoting the widespread adoption and use of the Authority's Soma Label verification application. This will empower consumers to authenticate products in real time, thereby serving as a frontline deterrent against counterfeit and illicit goods. Complement this with sustained public education campaigns across multiple media platforms.

291) Operational Coordination; Institutionalize quarterly joint operational planning and review meetings among key multi-Agency stakeholders to enhance coordination, intelligence sharing and alignment of enforcement priorities. These forums should be supported by clear action plans, defined accountability mechanisms and periodic performance reporting.

292) In conclusion, the illicit alcohol challenge requires a coordinated, whole-of government response that reinforces controls across the entire value chain while addressing underlying market dynamics.

293) KRA will continue to strengthen its mandate through technology-driven monitoring, intelligence-led enforcement and regulatory oversight under the Excise Duty Act, 2015, working closely with partner agencies to close existing gaps.

294) With sustained collaboration, consistent application of deterrent measures and alignment of policy and enforcement efforts, the country can progressively suppress illicit alcohol, safeguard public health and protect revenue integrity.

3.11 Council of Governors

Ms. Mary Mwiti, the CEO, Council of Governors vide letter Ref: COG/6/11 vol.4 (65) dated 30th June, 2026 submitted as follows -

295) The Petition raises serious concerns regarding the continued production, distribution and consumption of illicit alcoholic brews in Kenya and the resultant public health, social and economic consequences. The Petition highlights persistent cases of alcohol poisoning, loss of life, addiction, crime, family disintegration, underage drinking and the proliferation of counterfeit and adulterated alcoholic products. It further raises concerns regarding inadequate monitoring of ethanol supply chains, weak enforcement mechanisms and insufficient coordination among regulatory agencies.

296) The Council of Governors acknowledges that the upsurge in illicit alcohol consumption and substance abuse has become a national crisis affecting communities across the country. The matter transcends trade regulation and touches on public health, security, consumer protection, youth development and socio-economic wellbeing.

The law and analysis

297) The Constitution establishes a decentralized system of governance in which both levels of government are obligated to exercise their functions in a manner that promotes the welfare of citizens. Notably, the Constitution assigns significant responsibilities relating to alcohol regulation and consumer protection to County Governments. Under Part 2 of the Fourth Schedule to the Constitution, County Governments are responsible for among others:

i) Cultural activities, public entertainment and public amenities, including, liquor licensing;
ii) Trade development and regulation including, markets, trade licensing (excluding regulation of professions), fair-trading practices, local tourism.

298) Importantly, County Governments have taken tremendous steps in operationalizing Part 2 of the Fourth Schedule by enacting legislation that seek to guide on:

i) Licensing premises involved in the sale and distribution of alcoholic drinks.
ii) Inspection and monitoring of licensed premises.
iii) Enforcement of compliance with county alcoholic drinks legislation.
iv) Regulation of operating hours and licensing conditions.
v) Closure of non-compliant and unlicensed premises.
vi) Public education and community awareness programmes.
vii) Protection of consumers from harmful and unsafe products.
viii) Enforcement of fair-trading practices within county jurisdictions.
ix) Rehabilitation and prevention programmes in collaboration with relevant stakeholders.

x) In addition, counties undertake market surveillance activities through county inspectorate and enforcement units and work closely with public health Officers, law enforcement agencies and community structures to combat illicit alcohol.

Distinction between licensing and product regulation

299) The Petition raises concerns regarding the manufacture, quality, adulteration and distribution of alcoholic products, particularly second-generation alcohol and ethanol-based products. The Council submits that whereas County Governments regulate the licensing of alcohol outlets, other aspects of alcohol regulation remain within the purview of the National Government. This includes:

i) Product standards and quality assurance by Kenya Bureau of Standards;
ii) Taxation and excise administration by Kenya Revenue Authority;
iii) Border control and anti-smuggling measures;
iv) Regulation of industrial ethanol production and importation;
v) Consumer product standards and conformity assessment;
vi) Criminal investigations and prosecution.

300) The Council therefore posits that the effectiveness of alcohol control depends on coordinated action between the two levels of government.

County governments' contribution to consumer protection and fair-trading practices

301) The Council submits that the proliferation of counterfeit and illicit alcoholic products undermines both consumer protection and legitimate businesses that comply with licensing and tax requirements. To curb this, County Governments have taken the following steps to protect consumers from harmful products;

i) Licensing and inspection of retail outlets;
ii) Closure of illegal drinking establishments;
iii) Enforcement against sale of alcohol to minors;
iv) Public health inspections;
v) Consumer awareness campaigns;
vi) Enforcement of county public health laws;
vii) Regulation of business premises and trade activities.
viii) Counties also contribute to fair trading practices by ensuring:
ix) Businesses operate under valid licences;
x) Consumers are protected from fraudulent and unsafe products;
xi) Traders comply with county laws and licensing requirements;
xii) Markets operate within established regulatory frameworks.

Challenges

302) Despite the tremendous efforts made by the Counties, the following challenges persist.

i) Weak Regulation of Ethanol Supply Chains; Counties have limited jurisdiction over production, importation and interstate movement of industrial ethanol, necessitating stronger national enforcement and traceability mechanisms.
ii) Inadequate Coordination among Enforcement Agencies; There is inadequate coordination amongst enforcing agencies including County Governments, National Police Service, Kenya Bureau of Standards (KEBS), Kenya Revenue Authority (KRA), National Agency for the Campaign Against Drug Abuse (NACADA), Ministry of Health and Public Health Authorities.
iii) Proliferation of Unlicensed Premises; Many illicit alcohol outlets operate outside the licensing framework established by counties, thereby evading inspections and enforcement.
iv) Limited Resources for Enforcement; County enforcement units often face resource constraints in undertaking sustained inspections and market surveillance operations.
v) Emerging Cross-Border Challenges; Smuggling of ethanol and counterfeit alcohol through border points has increased the complexity of enforcement efforts and thus requires national intervention.

Recommendations

303) In light of the foregoing, the Council recommends the following interventions:

i) Enhance implementation of existing laws and review of regulatory gaps relating to ethanol production, transportation and distribution.
ii) Establish a National-County Multi-Agency Alcohol Control Framework.
iii) Develop a national alcohol traceability system covering ethanol production, transportation and distribution.
iv) Enhance interagency cooperation and collaboration amongst different enforcement agencies.
v) Increase support for county alcohol enforcement units.
vi) Harmonize enforcement protocols while preserving county licensing authority.
vii) Strengthen consumer protection mechanisms against counterfeit and adulterated alcohol.
viii) Establish structured data-sharing mechanisms between National Agencies and County Governments.
ix) Enhance public education and community-based rehabilitation programmes targeting youth and vulnerable communities.
x) Ensure periodic joint inspections involving counties and relevant national regulatory agencies.

304) The instant Petition is timely and presents an opportunity to address production, distribution and consumption of illegal alcohol in manner that respects the functional and institutional integrity of each level of government. County Governments remain the primary regulators of liquor licensing, local trade regulation, consumer protection and fair-trading practices within their jurisdictions. However, the fight against illicit alcohol requires a coordinated whole-of-government approach involving both National and County Governments.

PART FOUR

4 COMMITTEE OBSERVATIONS

Upon hearing from the petitioner, Ministry of Interior and National Administration, Ministry of Investment, Trade and Industry, Council of Governors, Kenya Sugar Board, Kenya Revenue Authority (KRA), Kenya Bureau of Standards (KEBS), National Police Service (NPS), Anti-Counterfeit Authority (ACA), Kenya Association of Manufacturers (KAM) and Alcoholic Beverages Association of Kenya (ABAK), the Committee observed that;

305) The Alcohol Industry accounts for about 4.1% of Kenya's nominal GDP in 2024 (valued at approximately Ksh 660.01 billion) and a major contributor to tax revenue through excise and import duties, with alcoholic beverages generating approximately Ksh. 48.61 billion in excise revenue in 2024 (Beer: Ksh 29.07 billion; wines and spirits: Ksh. 19.53 billion).

306) In 2025, the total size of illicit trade in Kenya, was estimated at Ksh. 826 billion, having risen from Ksh. 726 billion in 2017. Illicit alcohol comprised approximately 59% by volume (898,478 hectolitres of alcohol equivalent) and 21% by value (KES 67 billion) of the total alcohol market in Kenya in 2022.

307) The fiscal loss attributable to the illegal-alcohol economy was estimated at approximately KES 71 billion in 2022, with the greatest leakage emanating from distilled spirits.

308) Of the four illicit categories, illicit artisanal brews accounted for 66% of total volume, tax leakage for 16%, counterfeit and illicit brands for 15%, and contraband/smuggling for 4%.

309) On average, 18% of products in surveyed sectors are counterfeited, with alcoholic beverages experiencing a prevalence of 19%, second only to automotive spare parts (21%).

310) Within the alcoholic drinks segment, gin and vodka emerged as the most affected products at the firm level, while at the consumer level wine (50.12%), beer (47.44%), whiskey (42.68%) and vodka (36.95%) were reported as the most counterfeited categories.

311) Illicit alcohol is rampant due to tax evasion and illegal ethanol smuggling through porous borders with multiple recognised illicit entry points, including Isibania, Shimoni, Busia, Mbale, Malaba, Lwakhakha, Namanga, Lunga Lunga and Moyale.

312) There was fragmentation of retail licensing across 47 County Governments, with uneven enforcement of the Alcoholic Drinks Control Act, 2010 and respective County Acts, creating arbitrage opportunities for illicit traders, coupled with the various overlapping mandates of regulatory and enforcement agencies.

313) The current legal framework has gaps that allow proliferation of counterfeit products.

314) The primary driver of the current crisis in Uasin Gishu was the smuggling and diversion of ethanol intended for industrial/manufacturing use. Statistics however show that the matter was a national pandemic.

PART FIVE

5 COMMITTEE RECOMMENDATIONS

Pursuant to the provisions of Standing Order 227, the Committee responds to the Petition as follows-

1. On the prayer that the Committee investigates the status of implementation of regulations in place to curb production, distribution and consumption of illegal alcohol; **the Committee found that implementation of the various laws has been weak and inconsistent. The Committee recommends that within ninety (90) days upon adoption of this report;**
   - i) **The Cabinet Secretary National Treasury, in liaison with KRA, full operationalizes the Excise Duty (Remission of Excise Duty) Regulations, 2026;**
   - ii) **The Cabinet Secretary Ministry of Interior & National Administration in liaison with the Council of Governors submits to the National Assembly proposals for harmonization of national-county Alcoholic Drinks Control regime as regards licensing;**
   - iii) **The Cabinet Secretary Ministry of Interior & National Administration submits to the National Assembly draft amendments to the Alcoholic Drinks Control Act prescribing higher penalties for breaches of the law commensurate to economic crimes;**
   - iv) **The Cabinet Secretary Ministry of Trade & Industry in liaison with the Anti-Counterfeit Authority submits to the National Assembly draft amendments to the Anti-Counterfeit Act prescribing higher penalties for breaches of the law commensurate to economic crimes, and criminal liability of beneficial owners of offending companies and address enforcement gaps;**
   - v) **The Cabinet Secretary Ministry of Agriculture, Livestock and Fisheries in liaison with the Kenya Sugar Board submits to the National Assembly draft amendments to the Sugar Act to provide for express provision for the licensing, monitoring and quarterly reporting by sugar millers of all molasses-based ethanol production; and mandatory disclosure of buyers, end-users and movement of ethanol consignments to KRA, KEBS and ACA, and prescribe minimum quantities threshold for sale;**

2. On the prayer that the Committee determines the cause of the rampant production, distribution, and consumption of illegal alcohol in the country; **the Committee found that the proliferation of illicit alcohol was due to a high tax regime, corruption amongst enforcement agencies, weak regulatory enforcement and smuggling of ethanol across borders. In particular, the NPS, KEBS and KRA bear the greatest responsibility. The Committee recommends that within ninety (90) days upon adoption of this report;**

i) **The Inspector General NPS and Commissioner General KRA reports to the National Assembly on action taken to increase surveillance at the identified (and other) ethanol smuggling border points of Isibania, Shimoni, Busia, Mbale, Malaba, Lwakhakha, Namanga, Lunga Lunga and Moyale, and crackdown within Kenya;**

ii) **The Managing Director KEBS submits to the National Assembly a strategy paper on revamped enforcement, quality assurance and inspection, and market surveillance measures.**

3. On the prayer that the Committee recommends a multiagency approach to curb the production, distribution and consumption of illegal alcohol, **the Committee recommends that within ninety (90) days of adoption of this report, the Cabinet Secretary Ministry of Interior & National Government submits to the National Assembly draft legislation to anchor the Multi-Agency Taskforce into law. This taskforce should comprise the Ministry's NGAO, NPS, NIS, KRA, KEBS, NACADA, ACA, COG, Ministry of Health, ODPP, EACC, and any other relevant government agency.**

4. **The Committee recommends that this report be debated by the House as per Standing Order 208A (2) (c).**

Signed: _____ **Date:** 30/09/2026

HON. MUCHANGI KAREMBA, CBS, M.P.
CHAIRPERSON, PUBLIC PETITIONS COMMITTEE

THE NATIONAL ASSEMBLY
PAPERS LAID
DATE: 30 SEP 2026 DAY. Wednesday
TABLED BY: HON. JANE SHIENE MP UCA-CHAIRPERSON
CLERK-AT THE-TABLE: female

ANNEXURES

Annex 1: The Adoption List

Annex 2: Public Petition No. 2 of 2026 regarding production, distribution and consumption of illegal alcoholic brews in the country by the Hon. Gladys Boss, MGH, MP Member for Uasin Gishu County

Annex 3: Minutes of proceedings

PUBLIC PETITIONS COMMITTEE

ADOPTION LIST

(i) Consideration and adoption of the P/No. 02 of 2026 regarding Production, distribution and consumption of illicit alcoholic brews in the country by Hon. Gladys Boss, MGH, M.P.

We, the undersigned, hereby affix our signatures to this Report to affirm our approval:

DATE: 2/9/2026

	HON. MEMBER	SIGNATURE
1.	Hon. Muchangi Karemba,CBS, M.P.(Chairperson)	
2.	Hon. Janet Jepkemboi Sitienei, CBS, M.P.(Vice Chairperson)	
3.	Hon. Patrick Makau King'ola, M.P.	
4.	Hon. Beatrice Kadeveresia Elachi, CBS, M.P.	
5.	Hon. Joshua Chepyegon Kandie, M.P.	
6.	Hon. Maisori Marwa Kitayama, M.P.	
7.	Hon. Edith Vethi Nyenze, M.P.	
8.	Hon. Patrick Ntwiga Munene,CBS, M.P.	
9.	Hon. Paul Biego Kibichy, M.P.	
10.	Hon. (Eng.) Bernard Muriuki Nebart, M.P.	
11.	Hon. Peter Mbogho Shake, M.P.	
12.	Hon. Suzanne Ndunge Kiamba, M.P.	
13.	Hon. John Bwire Okano, M.P.	
14.	Hon. Sloya Clement Logova, M.P.	
15.	Hon. Peter Irungu Kihungi, M.P.	

REPUBLIC OF KENYA

THE NATIONAL ASSEMBLY
THIRTEENTH PARLIAMENT (FIFTH SESSION)

PUBLIC PETITION

(No. 02 of 2026)

Approved 24/2/2026

REGARDING PRODUCTION, DISTRIBUTION AND CONSUMPTION OF ILLEGAL ALCOHOLIC BREWS IN THE COUNTRY

I, the **UNDERSIGNED**, on behalf of the residents of Uasin Gishu County;

DRAW the attention of the House to the following:

1. **THAT**, the production, distribution and consumption of illicit alcoholic brews in the country has continued to cause serious public health, social and economic harm, including deaths, disabilities, addiction, family breakdown, poverty and increased crime.

2. **THAT**, the Alcoholic Drinks Control Act, Cap. 121 was enacted in 2010 to regulate the manufacture, sale, distribution and consumption of alcoholic drinks and to provide for treatment, rehabilitation and enforcement mechanisms.

3. **THAT**, despite the existence of this law, illicit alcohol trade remains rampant, evidenced by continued deaths, counterfeit alcoholic brands, unlicensed liquor outlets, underage drinking and widespread adulteration of alcohol products.

4. **THAT**, Uasin Gishu County has been significantly affected by this menace, with recurrent incidents of alcohol poisoning, hospital admissions and loss of life linked to illicit brews and adulterated second-generation alcohol, particularly among vulnerable communities.

5. **THAT**, the problem is widespread across the country and has, in the past, resulted in national tragedies involving toxic brews such as the infamous *Kumi Kumi*, necessitating urgent State intervention. These challenges are largely attributable to weak and inconsistent implementation of the law, inadequate enforcement capacity, regulatory gaps, and limited public awareness.

6. **THAT**, the National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA) is mandated to coordinate alcohol and drug abuse prevention, public education, research and inter-agency collaboration, yet concerns remain regarding the effectiveness of these functions.

REGARDING PRODUCTION, DISTRIBUTION AND CONSUMPTION OF ILLEGAL ALCOHOLIC BREWS IN THE COUNTRY

7. **THAT**, there are allegations of insufficient monitoring and oversight of licensed manufacturers and distillers of second-generation alcohol by regulatory agencies, including the Kenya Revenue Authority (KRA) and the Kenya Bureau of Standards (KEBS). The absence of robust quality control systems, product traceability mechanisms and distribution oversight has allowed unsafe and counterfeit alcoholic products to enter the market.

8. **THAT**, the regulation of alcohol remains inadequate, with high local production costs and weak border surveillance encouraging smuggling and diversion of ethanol for use in illicit brewing. Further, alcohol being a hazardous and flammable substance, is often transported and handled in small, unregulated quantities, facilitating illegal alcohol production and posing serious safety risks.

9. **THAT**, efforts to have these issues addressed by relevant institutions have yielded unsatisfactory outcomes.

10. **THAT**, the matters raised in this Petition are not pending before any court of law, constitutional body or other legal institution.

THEREFORE, your humble Petitioners pray that the National Assembly through the Public Petitions Committee, engages the relevant State agencies with a view to—

(i) investigating the status of implementation of regulations in place to curb production, distribution and consumption of illegal alcohol;

(ii) determining the cause of the rampant production, distribution, and consumption of illegal alcohol in the country;

(iii) Recommending a multiagency approach to curb the production, distribution and consumption of illegal alcohol; and

(iv) Makes any other recommendations it may deem appropriate to address the plight of the Petitioners.

And your **PETITIONERS** will ever pray.

PRESENTED BY:

THE HON. GLADYS BOSS, MGH, MP
MEMBER FOR UASIN GISHU COUNTY

DATE: 25th Feb. 2026

MINUTES OF THE 53RD SITTING OF THE PUBLIC PETITIONS COMMITTEE HELD ON WEDNESDAY, 2ND SEPTEMBER, 2026 IN MASHUA CONFERENCE ROOM, SERENA HOTEL, MOMBASA COUNTY AT 9:00 A.M.

PRESENT

1. Hon. Eric Muchangi Karemba, CBS M.P. - **Chairperson**
2. Hon. Janet Jepkemboi Sitienei, CBS, M.P. - **Vice-Chairperson**
3. Hon. Beatrice Kadeveresia Elachi, CBS, M.P.
4. Hon. Joshua Chepyegon Kandie, M.P.
5. Hon. Maisori Marwa Kitayama, M.P.
6. Hon. (Eng.) Bernard Nebart Muriuki, M.P.
7. Hon. Edith Vethi Nyenze, M.P.
8. Hon. Paul Biego Kibichiy, M.P.
9. Hon. Peter Irungu Kihungi, M.P.
10. Hon. Suzanne Ndunge Kiamba, M.P.

APOLOGIES

1. Hon. Patrick Makau King'ola, M.P.
2. Hon. Peter Mbogho Shake, M.P.
3. Hon. Sloya Clement Logova, M.P.
4. Hon. Patrick Ntwiga Munene, CBS, M.P.
5. Hon. John Bwire Okano, M.P.

IN-ATTENDANCE

SECRETARIAT

1. Mr. Oscar Namulanda	-	Deputy Director/HOD
2. Mr. Victor Weke	-	Principal Clerk Assistant II
3. Ms. Miriam Modo	-	Clerk Assistant I
4. Mr. Bernard Toroitich	-	Clerk Assistant III
5. Ms. Kafuyai Wamae	-	Clerk Assistant III
6. Mr. Clinton Sindiga	-	Legal Counsel II
7. Ms. Nancy Akinyi	-	Research Officer III
8. Mr. Pascal Valerian	-	Hansard Officer II
9. Mr. Collins Mahamba	-	Audio Officer
10. Ms. Rahima Ahmed	-	Executive Secretary
11. Mr. Paul Shana	-	Serjeant-at-Arms
12. Mr. Mahlon Kiprono	-	Attachee
13. Ms. Fridah Ngari	-	Media Relations Officer

MIN./PPC/2026/186: PRELIMINARIES

The Chairperson called the meeting to order at 9:00 am and Hon. Marwa Kitayama said the opening prayer.

MIN./PPC/2026/187: ADOPTION OF AGENDA

The proposed agenda was adopted having been proposed by Hon. Joshua Kandie, M.P and seconded by, Hon. Maisori Kitayama, M.P.

AGENDA

1. Prayer and Preliminaries
2. Adoption of the Agenda
3. Confirmation of previous Minutes
4. Matters Arising
5. Consideration and Adoption of the following Reports on: -
   (i) **Public Petition No. 02 of 2026 by the Hon. Gladys Boss, MGH, MP on behalf of the residents of Uasin Gishu County regarding production, distribution and consumption of illegal alcoholic brews in the county;**
   (ii) **Public Petition No. 15 of 2026 regarding reform of succession law and administration of estates in Kenya;**
   (iii) **Public Petition No. 08 of 2026 regarding amalgamation /conversion of former civil service non-contributory pension schemes to the current public service workers contribution scheme under the public service superannuation fund of 2021 and amendment of Pensions Act; and**
   (iv) **Public Petition No. 09 of 2026 regarding unpaid salary arrears and terminal dues by the former employees of Uchumi Supermarkets PLC.**
6. Any Other Business
7. Adjournment and Date of the Next Meeting

MIN./PPC/2026/188: CONFIRMATION OF MINUTES

This agenda item was deferred.

MIN./PPC/2026/189: CONSIDERATION AND ADOPTION OF REEPORTS ON VARIOUS PUBLIC PETITIONS

a) Public Petition No. 02 of 2026 by the Hon. Gladys Boss, MGH, MP on behalf of the residents of Uasin Gishu County regarding production, distribution and consumption of illegal alcoholic brews in the county

The Committee unanimously considered and adopted the Draft Report with the following recommendations having been proposed by the Hon. Joshua Kandie, MP and seconded by the Hon. Nebart Muriuki, MP –

1. On the prayer that the Committee investigates the status of implementation of regulations in place to curb production, distribution and consumption of illegal alcohol; the Committee found that implementation of the various laws has been weak and inconsistent. The Committee recommends that within three (3) months of tabling of this report;
   i. The Cabinet Secretary National Treasury, in liaison with KRA, fully operationalizes the Excise Duty (Remission of Excise Duty) Regulations, 2026;
   ii. The Cabinet Secretary Ministry of Interior & National Administration in liaison with the Council of Governors submits to Parliament proposals for harmonization of national-county Alcoholic Drinks Control regime as regards licensing;
   iii. The Cabinet Secretary Ministry of Interior & National Administration submits to Parliament draft amendments to the Alcoholic Drinks Control Act prescribing higher penalties for breaches of the law;

iv. The Cabinet Secretary Ministry of Trade & Industry in liaison with the Anti-Counterfeit Authority submit to Parliament draft amendments to the Anti-Counterfeit Act prescribing higher penalties for breaches of the law and criminal liability of beneficial owners of offending companies and address enforcement gaps; and

v. The Cabinet Secretary Ministry of Agriculture, Livestock and Fisheries in liaison with the Kenya Sugar Board submit draft amendments to the Sugar Act to provide for express provision for the licensing, monitoring and quarterly reporting by sugar millers of all molasses-based ethanol production; and mandatory disclosure of buyers, end-users and movement of ethanol consignments to KRA, KEBS and ACA.

2. On the prayer that the Committee determines the cause of the rampant production, distribution, and consumption of illegal alcohol in the country; the Committee found that the proliferation of illicit alcohol was due to a high tax regime, corruption amongst enforcement agencies, weak regulatory enforcement and smuggling of ethanol across borders. In particular, the NPS, KEBS and KRA bear the greatest responsibility. The Committee recommends that within three (3) months of tabling of this report;
   i. The Inspector General NPS and Commissioner General KRA report to the National Assembly on action taken to increase surveillance at the identified ethanol smuggling border points of Isibania, Shimoni, Busia, Mbale, Malaba, Lwakhakha, Namanga, Lunga Lunga and Moyale;
   ii. The Managing Director KEBS submits a strategy paper on revamped enforcement, quality assurance and inspection and market surveillance measures.

3. On the prayer that the Committee recommends a multiagency approach to curb the production, distribution and consumption of illegal alcohol, the Committee recommends that within three (3) months of tabling of this report the Cabinet Secretary Ministry of Interior & National Government submits to Parliament draft legislation to anchor the Multi-Agency Taskforce into law. This taskforce should comprise the Ministry's NGAO, NPS, NIS, KRA, KEBS, NACADA, ACA, COG, Ministry of Health, ODPP, EACC, and any other relevant government agency.

b) Public Petition No. 15 of 2026 regarding reform of Succession Law and Administration of Estates in Kenya

The Committee considered and adopted the Draft Report unanimously with amendments to recommendation (1) having been proposed by the Hon. Joshua Kandie, MP and seconded by the Hon. Edith Vethi Nyenze, MP as follows –

1. On the prayer that the Committee initiates a review and amendment of the Law of Succession Act (Cap.160), to provide for simplified succession procedures for small estates, administrative settlement of uncontested estates, as well as expanded and decentralized probate services across the country; The Committee recommends that within ninety (90) days of tabling of this report, the Attorney General in liaison with the Kenya Law Reform Commission submits to the National Assembly proposals to amend the Law of Succession Act, including but not limited to, estates below a prescribed value be wound

up through a fastened and simplified procedure, introduction of a dedicated statutory small estate track defined by a monetary value threshold, administrative processing of uncontested cases and vest concurrent original jurisdiction over succession matters in lower (magistrates) courts for estates not exceeding a prescribed monetary value.

2. On the prayer that the Committee calls for review and rationalization of costs associated with succession processes, promotion of digitization and integration of succession, civil registration, and land administration systems, and strengthening of mediation and alternative dispute resolution mechanisms in succession matters; The Committee recommends that within ninety (90) days of tabling of this report, the Attorney General gazettes revised Probate and Administration (Fees) Rules to introduce a sliding scale fee structure with reduced or waived fees for small estates and income-tested waivers for indigent applicants.

   Further the Attorney General ensures that an Integrated Digital Succession Platform is rolled-out through Huduma Centres and the e-Citizen portal. Additionally, a dedicated probate registry be established at the county level in all forty-seven counties, within the financial year 2026/27.

3. On the prayer that the Committee takes any other legislative and administrative measures necessary to facilitate timely, accessible, and equitable succession processes in Kenya; the Committee recommends that within ninety (90) days of tabling of this report, the Attorney General submits to the National Assembly amendments to the Legal Aid Act, (Cap 16A) to expressly include succession matters within the defined scope of legal aid services.

c) Public Petition No.8 of 2026 regarding amalgamation /conversion of former civil service non-contributory pension schemes to the current public service workers contribution scheme under the public service superannuation fund of 2021 and amendment of Pensions Act

The Committee unanimously considered and adopted the Draft Report with the following recommendations having been proposed by the Hon. Edith Vethi Nyenze, MP and seconded by the Hon. Marwa Kitayama, MP –

(i) On prayer that all non-contributory civil service pension schemes be amalgamated into a single, unified, equitable, and sustainable pension framework; The committee declines to grant this prayer.

(ii) On prayer that the National Treasury and the Salaries and Remuneration Commission undertake an immediate actuarial review of public service pensions and gazette appropriate pension increases to cushion pensioners against the effects of inflation and the rising cost of living; the Committee recommends that the National Treasury in liaison with the Salaries and Remunerations Commission conducts actuarial reviews every three (3) years and provides for resultant fiscal budgetary requirements. The first such actuarial review should be conducted by 31st December 2026.

(iii)On the prayer that the Pensions Act (Cap. 189) and the Pensions (Increase) Act (Cap. 190) be reviewed and amended to address existing gaps and ensure adequate protection of pensioners and their beneficiaries; The Committee recommends that within three (3) months of tabling of this report, the Multi- Agency Task Force through the National Treasury completes and submits to the National Assembly its report on review of the Pensions Act (Cap. 189), the Pensions (Increase) Act (Cap. 190) and the National Retirement Benefits Policy with proposals to modernize the legislative framework and address policy, administrative efficiency and fiscal considerations.

d) Public Petition No.9 of 2026 regarding unpaid salary arrears and terminal dues by the former employees of Uchumi Supermarkets PLC.

The Committee considered and adopted the Draft Report unanimously with the following recommendation having been proposed by the Hon. Peter Irungu Kinhungi, M.P and seconded by the Hon. (Eng.) Benard Nebart Muriuki, MP –

i. On the prayer that the Committee ensures transparency in the management of lease proceeds and other company assets; the Committee notes that the company had availed audited financial statements and recommends that the management avails to the CVA supervisor/ monitor quarterly written updates on operations of the company.

ii. On the prayer that the Committee facilitates the establishment of a clear timeline and mechanism for the resolution of all pending CVA obligations relating to former staff; the Committee recommends that subsequent to implementation of recommendation (c) below, dues owing to former employees totaling Kshs. 521,724,214 be fully settled as a matter of priority. The Committee recommends that management of Uchumi Supermarkets meet with the petitioners and representatives of the former employees and the respective workers' union within one (1) month of tabling of this report and provides breakdown of amounts owed to each former employee. A signed consent by all parties be filed with the National Assembly within two (2) weeks thereafter.

MIN./PPC/2026/190: ADJOURNMENT AND DATE OF THE NEXT MEETING

There being no other business, the meeting was adjourned at 4:30 p.m.

Sign: ..... **Date** 30/09/2026

HON. MUCHANGI KAREMBA, CBS, M.P.
CHAIRPERSON, PUBLIC PETITIONS COMMITTEE

MINUTES OF THE 39TH SITTING OF THE PUBLIC PETITIONS COMMITTEE HELD ON THURSDAY, 11TH JUNE, 2026 IN COMMITTEE ROOM 25, FLOOR, 5TH BUNGE TOWER AT 11:30 A.M.

PRESENT

1. Hon. Janet Jepkemboi Sitienei, CBS, M.P. - **Vice-Chairperson**
2. Hon. Joshua Chepyegon Kandie, M.P.
3. Hon. (Eng.) Bernard Nebart Muriuki, M.P.
4. Hon. Edith Vethi Nyenze, M.P.
5. Hon. Peter Irungu Kihungi, M.P.
6. Hon. Paul Biego Kibichiy, M.P.

APOLOGIES

1. Hon. Muchangi Karemba, CBS M.P. - **Chairperson**
2. Hon. Beatrice Kadeveresia Elachi, CBS, M.P.
3. Hon. Patrick Makau King'ola, M.P.
4. Hon. Suzanne Ndunge Kiamba, M.P.
5. Hon. Maisori Marwa Kitayama, M.P.
6. Hon. Patrick Ntwiga Munene, CBS, M.P.
7. Hon. John Bwire Okano, M.P.
8. Hon. Peter Mbogho Shake, M.P.
9. Hon. Sloya Clement Logova, M.P.

IN-ATTENDANCE

SECRETARIAT

1. Mr. Victor Weke	-	Principal Clerk Assistant II
2. Ms. Miriam Modo	-	Clerk Assistant I
3. Mr. Bernard Toroitich	-	Clerk Assistant III
4. Mr. Clinton Sindiga	-	Legal Counsel II
5. Ms. Nancy Akinyi	-	Research Officer III
6. Mr. Arkan Mumin	-	Research Officer III
7. Mr. Collins Mahamba	-	Audio Officer
8. Ms. Felistas Muiya	-	Public Communications Officer
9. Ms. Fridah Ngari	-	Media Relations Officer

NATIONAL POLICE SERVICE

1. Mr. Eliud Lagat	-	Deputy Inspector General, National Police Service
2. Mr. Mathew Kutoh	-	Deputy Assistant Inspector General, National Police Service
3. Mr. Muchiri Nyaga	-	National Police Service, Spokesperson
4. Mr. John Tito	-	Chief Inspector
5. Mr. Kennedy Muthui	-	Chief Inspector
6. Mr Isaac Njiraini Muhia	-	Chief Inspector
7. Mr Clinton Atika	-	National Police Service Communication officer
8. Mr. Daniel Karanja	-	National Police Service Communication officer

MIN./PPC/2026/200: PRELIMINARIES

The Chairperson called the meeting to order at 11:40 am and said a word of prayer.

MIN./PPC/2026/201: ADOPTION OF AGENDA

The proposed agenda was adopted hereunder having been proposed by Hon. Joshua Chepyegon Kandie, M.P and seconded by, Hon. Edith Vethi Nyenze, M.P

AGENDA

1. Prayer & Preliminaries;
2. Adoption of the Agenda;
3. Confirmation of the Previous Minutes;
4. Matters Arising;
5. **Meeting with the Inspector General National Police Service on Public Petition No. 2 of 2026 regarding Production, Distribution and Consumption of Illegal Alcoholic Brews in the Country.**
6. Any other Business; and
7. Adjournment

MIN./PPC/2026/202: CONFIRMATION OF MINUTES

This agenda item was deferred to the next sitting.

MIN./PPC/2026/203: MEETING WITH THE INSPECTOR GENERAL NATIONAL POLICE SERVICE ON PUBLIC PETITION NO. 2 OF 2026 REGARDING PRODUCTION, DISTRIBUTION AND CONSUMPTION OF ILLEGAL ALCOHOLIC BREWS IN THE COUNTRY

Mr. Eliud Lagat, OGW, Deputy Inspector General, National Police Service, appeared before the Committee and submitted that the production, distribution and consumption of illicit alcoholic brews continue to pose a serious national challenge with far-reaching public health, security and socio-economic consequences. He noted that illicit alcohol is frequently manufactured using harmful and unregulated substances, leading to fatalities, cases of blindness, chronic health complications, increased criminal activity, family breakdown and loss of livelihoods.

The Deputy Inspector General informed the Committee that the National Police Service operates within a robust legal framework for the regulation and control of alcoholic drinks, including the *Alcoholic Drinks Control Act, 2010*, the *Food, Drugs and Chemical Substances Act*, the *Penal Code*, and other relevant statutes. He further stated that the Service has intensified intelligence-led operations, strengthened community policing initiatives, enhanced multi-agency collaboration and enforcement actions, and undertaken the seizure and destruction of illicit brews, related equipment and manufacturing facilities as part of efforts to curb the menace and safeguard the well-being of Kenyans.

Between January 2024 and May 2026, the NPS reported:

- 35,700 arrests related to illicit alcohol offences;

- 1,559,893.9 litres of illicit alcohol seized; and
- 949,800 litres of illicit alcohol destroyed.

The Service identified several challenges, including:

- Limited Government Chemist facilities leading to delays in prosecution;
- Lenient penalties that fail to deter offenders;
- Corruption among some enforcement and regulatory officers;
- Cross-border smuggling of ethanol and counterfeit alcohol;
- Cultural acceptance of traditional brews; and
- Inadequate storage facilities for seized exhibits.

The National Police Service further attributed the persistence and proliferation of illicit alcohol to a combination of socio-economic, regulatory and enforcement-related factors, including poverty, unemployment, cumbersome and costly licensing procedures, weak inter-agency coordination, the involvement of organized criminal networks and inadequate public awareness on the dangers associated with illicit alcoholic drinks.

To address these challenges, the Service proposed the establishment of a permanent National Multi-Agency Taskforce on Illicit Alcohol to enhance coordination, intelligence sharing and enforcement efforts. The Service also recommended the expansion of Government Chemist services across the country, strengthening of border surveillance and control measures, implementation of robust anti-corruption interventions, introduction of judicial reforms to expedite the handling of illicit alcohol-related cases, intensification of public awareness and sensitization campaigns, and a review of existing licensing procedures to promote compliance while reducing barriers to lawful alcohol production and distribution.

Committee Observations

1. The Committee observes that illicit alcohol remains a significant public health, security and socio-economic challenge despite the existence of an established legal and regulatory framework aimed at controlling the production, distribution and consumption of alcoholic beverages.

2. The Committee notes the commendable efforts undertaken by the National Police Service, including intelligence-led operations, arrests, seizures and destruction of illicit alcoholic products, which demonstrate the Government's commitment to combating the menace.

3. The Committee is concerned that the substantial quantities of illicit alcohol seized and the high number of arrests recorded during the reporting period indicate that the illicit alcohol trade remains widespread, organized and deeply entrenched in many parts of the country.

4. The Committee notes that the limited availability of Government Chemist facilities across the country continues to hinder timely forensic analysis of exhibits, thereby delaying prosecutions and undermining the effective administration of justice.

5. The Committee observes with concern that corruption among certain enforcement, regulatory and administrative officers facilitate the production, transportation and distribution of illicit alcohol, thereby weakening enforcement efforts.

6. The Committee notes that existing penalties for illicit alcohol offences, coupled with lengthy court processes and low conviction rates, have not provided an adequate deterrent against offenders.

7. The Committee further observes that socio-economic challenges, including poverty, unemployment and restrictive or cumbersome licensing requirements, contribute to the continued growth and sustainability of the illicit alcohol market.

8. The Committee is concerned by the increasing sophistication of organized criminal networks involved in the illicit alcohol trade, including cross-border smuggling of ethanol, counterfeit alcohol and related substances.

9. The Committee notes the need for stronger collaboration and coordination among national government agencies, county governments, law enforcement bodies, regulatory institutions and community stakeholders to effectively address the illicit alcohol menace.

10. The Committee further observes that inadequate public awareness on the health, social and economic consequences of illicit alcohol consumption continue to expose vulnerable populations, particularly young people, to significant risks.

11. The Committee notes that inadequate storage facilities for seized exhibits present operational challenges for enforcement agencies and may compromise the integrity of evidence required for successful prosecution of offenders.

Committee Recommendations

1. The Ministry of Interior and National Administration should establish and operationalize a permanent National Multi-Agency Taskforce on Illicit Alcohol to enhance coordination of enforcement operations, intelligence sharing, monitoring and evaluation, and policy implementation across the country.

2. The National Treasury, in collaboration with the relevant agencies, should provide adequate funding for the establishment and operationalization of Government Chemist facilities in all counties and support the deployment of mobile forensic and testing laboratories to facilitate timely analysis of exhibits and prosecution of cases.

3. The Ethics and Anti-Corruption Commission (EACC), in collaboration with the National Police Service Internal Affairs Unit and other oversight bodies, should investigate and take decisive action against public officers found to be facilitating, protecting or participating in illicit alcohol operations.

4. The Judiciary should establish fast-track mechanisms for the hearing and determination of illicit alcohol-related cases and ensure the timely disposal of exhibits in accordance with the law to prevent their re-entry into the market.

5. County Governments should strengthen licensing, inspection and enforcement mechanisms, conduct regular compliance audits and close all unlicensed alcohol manufacturing, distribution and retail outlets operating within their jurisdictions.

6. NACADA, the Ministry of Health and County Governments should intensify nationwide public education and awareness campaigns on the health, social and economic dangers of illicit alcohol and expand access to rehabilitation, treatment and psychosocial support services at the county level.

7. The National Treasury, Kenya Revenue Authority (KRA), Kenya Bureau of Standards (KEBS), immigration authorities and security agencies should strengthen border surveillance, inspection and intelligence-sharing mechanisms to curb the smuggling of ethanol, counterfeit alcohol and other related products.

8. The National Government, in collaboration with County Governments and development partners, should develop and implement alternative livelihood, skills development and economic empowerment programmes targeting communities that rely on illicit alcohol production and trade as a source of income.

9. The Ministry of Interior and National Administration, in consultation with County Governments, should strengthen community policing structures, including the Nyumba Kumi Initiative, to enhance public participation in identifying, reporting and preventing illicit alcohol-related activities.

10. The Ministry of Interior and National Administration, together with relevant stakeholders, should establish secure and adequate storage facilities for seized illicit alcohol and related exhibits to preserve evidence and support successful prosecution of offenders.

11. The Committee should initiate a review of the Alcoholic Drinks Control Act, 2010 and related legislation with a view to strengthening penalties, closing regulatory loopholes and enhancing the effectiveness of enforcement measures against illicit alcohol offences.

Way forward

a) There is a need to review and amend the **Alcoholic Drinks Control Act, 2010** and related legislation to provide a clear regulatory framework for the production, licensing, quality control and commercialization of traditional and community-based alcoholic beverages. Such reforms should recognize cultural practices while ensuring compliance with public health, safety and quality standards.

b) The Committee should initiate amendments to the **Alcoholic Drinks Control Act, 2010** and other relevant laws to enhance penalties for individuals involved in the production, distribution, transportation and sale of illicit alcoholic drinks, with a view to strengthening deterrence and reducing recidivism.

c) The Committee should further consider legislative amendments to streamline licensing procedures, strengthen accountability mechanisms among enforcement agencies and enhance inter-agency coordination in the prevention and suppression of illicit alcohol activities.

d) The Government should develop a comprehensive policy framework that balances regulation, public health protection, community livelihoods and economic empowerment, particularly for communities that traditionally engage in the production of local brews.

e) The Committee should undertake periodic oversight of the implementation of recommendations made by relevant agencies and institutions to assess progress in combating the manufacture, distribution and consumption of illicit alcohol across the country.

MIN./PPC/2026/204: ADJOURNMENT

There being no other business, the meeting was adjourned at 2:00 p.m. The next meeting will be held on Tuesday 16th June at a venue to be confirmed.

Sign: ..... **Date** 30/6/26

HON. MUCHANGI KAREMBA, CBS, M.P.

CHAIRPERSON, PUBLIC PETITIONS COMMITTEE

MINUTES OF THE 31ST SITTING OF THE PUBLIC PETITIONS COMMITTEE HELD ON WEDNESDAY, 29TH APRIL, 2026 IN COMMITTEE ROOM 17, 3RD FLOOR BUNGE TOWER AT 11:50 A.M.

PRESENT

1. Hon. Eric Muchangi Karemba, M.P. - **Chairperson**
2. Hon. Beatrice Kadeveresia Elachi, CBS, M.P.
3. Hon. (Eng.) Bernard Nebart Muriuki, M.P.
4. Hon. Joshua Chepyegon Kandie, M.P.
5. Hon. Edith Vethi Nyenze, M.P.
6. Hon. Maisori Marwa Kitayama, M.P.
7. Hon. Suzzane Kiamba, M.P.
8. Hon. Paul Kibichy. M.P.

APOLOGIES

1. Hon. Janet Jepkemboi Sitienei, CBS, M.P. - **Vice-Chairperson**
2. Hon. Patrick Ntwiga Munene, M.P.
3. Hon. Peter Irungu Kihungi, M.P.
4. Hon. Peter Mbogho Shake, M.P.
5. Hon. Patrick Makau King'ola, M.P.
6. Hon. Bidu Mohamed Tubi, M.P.
7. Hon. Sloya Clement Logova, M.P.
8. Hon. John Bwire Okano, M.P.

IN ATTENDANCE

SECRETARIAT

1. Mr. Bernard Toroitich - Clerk Assistant III
2. Mr. Clinton Sindiga - Legal Counsel II
3. Ms. Nancy Akinyi - Research Officer III
4. Mr. Arkan Mumin - Research Officer III
5. Ms. Frida Ngari - Media Relations Officer III
6. Ms. Rose Njuki - Senior Sergeant at arms
7. Mr. Collins Mahamba - Audio Officer

ANTI-COUNTERFEIT AUTHORITY

1. Dr. Robi M. Kinga - ACA Executive Director
2. Dr. John Aloo - Director, ACA
3. Mr. Linsay Kipkemei - Deputy Director Enforcement ACA
4. Mr.Henry Maina - Deputy Directo Reseach Policy
5. Ms. Jully Kamollo - Ag Deputy Director Legal Services
6. Ms. Joyce Chege - Public Communication ACA

KENYA ASSOCIATION OF MANUFACTURERS (KAM)

1. Mr. Simon Gathuku - Head pf Policy KAM
2. Mr. Abel Kamau - Manager Trade Policy KAM
3. Mr. Eoin Flinn - Alcoholic Chairman, KAM
4. Mr. Bill Tsuma - Committee Member KAM
5. Mr. Earnest Chege - Alcoholic Sector Office KAM

ALCOHOLIC BEVERAGES ASSOCIATION OF KENYA (ABAK)

1. Ms. Kui Kinyanjui - Chair, ABAK
2. Mr. Simon Mann - Vice-Chair, ABAK
3. Mr. Suleiman Ngondi - Member, ABAK
4. Mr. George A. Mengo - Member, ABAK

MIN./PPC/2025/160: PRELIMINARIES

The Chairperson called the meeting to order at 11:50 am followed with a word of Prayer.

MIN./PPC/2025/161: ADOPTION OF AGENDA

The Agenda of the meeting was adopted as proposed by Hon. (Eng.) Bernard Nebart Muriuki, M.P and Seconded by Hon. Joshua Chepyegon Kandie, M.P.

AGENDA

1. Prayer & Preliminaries;
2. Adoption of the Agenda;
3. **Meeting with the following regarding Public Petition No. 2/2026 by Hon. Gladys Boss, MGH on production, distribution and consumption of illicit alcoholic brews in the country -**
   a) **Chief Executive Officer/Director Anti Counterfeit Authority;**
   b) **Chief Executive Officer Kenya Association of Manufacturers; and**
   c) **Chief Executive Officer Alcoholic Beverages Association of Kenya.**
4. Any Other Business; and
5. Adjournment

MIN./PPC/2025/162: MEETING WITH STAKEHOLDERS ON PUBLIC PETITION NO. 2/2026 BY HON. GLADYS BOSS, MGH REGARDING PRODUCTION, DISTRIBUTION AND CONSUMPTION OF ILLICIT ALCOHOLIC BREWS IN THE COUNTRY

(i)Anti-Counterfeit Authority (ACA)

The Executive Director of the Anti-Counterfeit Authority (ACA), Dr. Robi M. King'a, PhD, appeared before the Committee and submitted as follows –

a) The Anti-Counterfeit Authority (ACA) identified four overlapping categories of illegal alcohol in the Kenyan market, namely: counterfeit/illicit branded alcohol, contraband or smuggled alcohol, tax-leaked alcohol, and illicit artisanal brews (including chang'aa). According to the 2023 Euromonitor/ABAK study, illicit alcohol accounts for approximately 59% of the total market volume (898,478 hectolitres), resulting in an estimated annual fiscal loss of KES 71 billion. Within this, artisanal brews constitute 66% of the illicit volume, while counterfeit products account for 15%. The Authority further noted that key ethanol smuggling routes are prevalent at border points including Isibania, Busia, Moyale, and other entry points.

b) In the Financial Year 2025/2026 (Quarter 1–3), the ACA conducted over 7,300 inspections, seized counterfeit goods valued at KES 563 million, and held goods worth KES 1.78 billion in custody. Specifically, between January and April 2026, alcohol-related enforcement operations resulted in the seizure of 14,930 units valued at approximately KES 4 million. The Authority cited several operational challenges, including porous borders, diversion of industrial ethanol (including from sugar millers), proliferation of back-yard distilleries using hazardous substances such as methanol and formalin, fragmented county licensing regimes, corruption, inadequate operational vehicles, staff attrition at border points, absence of an in-house forensic laboratory, and an outdated Anti-Counterfeit Act that is not fully responsive to emerging digital and online trade platforms.

c) The ACA further submitted that there is a critical need to address existing funding gaps to ensure that the Authority is adequately resourced to undertake effective enforcement, surveillance, and public awareness campaigns necessary to combat illicit trade and counterfeit goods.

d) The ACA proposed a series of legislative reforms aimed at strengthening the anti-counterfeit framework. These include amendments to the Anti-Counterfeit Act to expand the definition of counterfeit goods, enhance penalties, introduce online enforcement and takedown mechanisms, and incorporate chemical fingerprinting technologies. The Authority also proposed amendments to the Excise Duty Act to introduce geo-fenced ethanol permits and mandatory denaturation requirements; amendments to the Alcoholic Drinks Control Act to harmonise county-level regulations; and amendments to the Sugar Act to enhance tracking of molasses-based ethanol production.

e) The Authority's principal proposal was the establishment of a new Multi-Agency Committee on Illicit Trade Act, which would create a permanent statutory body with defined key performance indicators (KPIs), dedicated funding, and annual reporting obligations to Parliament. This body would integrate relevant agencies including the Kenya Revenue Authority (KRA), Kenya Bureau of Standards (KEBS), National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA), Directorate of Criminal Investigations (DCI), county governments, and other stakeholders into a unified enforcement and coordination framework.

(ii) Kenya Association of Manufacturers (KAM)

The Head of Policy & Regulatory Advocacy, Mr. Simon Githuku, appeared before the Committee and submitted as follows –

a) The Kenya Association of Manufacturers (KAM) informed the Committee that illicit alcohol, driven by high taxes on legal products and weak regulation, dominates the market and undermines legitimate businesses. Cheap, untaxed, and unregulated products ranging from substandard brews to counterfeit are widely consumed, especially by low-income groups, due to price disparities and regional tax differences.

b) KAM highlighted that enforcement is ineffective due to poor coordination among agencies such as the Kenya Revenue Authority (KRA) and Kenya Bureau of Standards (KEBS), alongside weak traceability systems and gaps in monitoring ethanol transport, which facilitate diversion into illicit channels.

c) Illicit alcohol accounts for approximately 60% of the Kenyan market, resulting in preventable deaths, serious health crises, and annual tax revenue loss exceeding over Kshs. 120 billion. These products undercut legitimate producers on price while evading all quality and excise controls.

d) To address this, KAM proposed rationalizing taxes, introducing digital traceability systems, strengthening enforcement through a legally anchored multi-agency task force, regulating ethanol transport, and promoting formalization of traditional brews, alongside enhanced public awareness and industry-government collaboration.

(iii) Alcoholic Beverages Association of Kenya (ABAK)

The Chairperson Alcoholic Beverages Association of Kenya, Ms Kui Kinyanjui appeared before the Committee and submitted as follows;

a) The Committee also considered a submission from the Alcoholic Beverages Association of Kenya (ABAK), which described the alcohol industry as being in crisis due to the rapid growth of illicit alcohol. ABAK noted that illicit alcohol currently accounts for approximately 60 percent of the market and has continued to grow at a faster rate than the legal market, resulting in annual tax revenue losses exceeding KES 120 billion. The Association highlighted that illicit alcohol includes artisanal brews, counterfeit products, smuggled alcohol, and tax-evaded products, all of which pose serious risks to public health and safety.

b) ABAK emphasized that the primary driver of illicit alcohol is the economic imbalance between heavily taxed legal products and untaxed illicit alternatives, which allows illegal products to undercut legitimate manufacturers on price. The Association also pointed to significant tax leakage and counterfeiting as major contributors to the illicit market.

c) Importantly, ABAK strongly advocated for the urgent finalization and gazettement of the Draft Excise Duty (Remission of Excise Duty) Regulations, 2025, describing it as a critical policy tool to address the root economic drivers of illicit trade. The Association noted that such reforms would enable the production of affordable, safe, locally manufactured alcoholic beverages, reduce consumer reliance on illicit products, support farmers, and enhance government revenue.

d) In conclusion, ABAK expressed its commitment to working collaboratively with government and other stakeholders to combat illicit alcohol through a combination of enforcement, policy reform, technological innovation, and public awareness initiatives.

Committee Recommendations

a) There is need for a multi-agency crackdown involving the Kenya Revenue Authority (KRA), National Police Service, Kenya Bureau of Standards (KEBS), Anti-Counterfeit Authority (ACA), and both National and County Governments, targeting unlicensed outlets and counterfeit operations.

b) There is need to rationalize excise taxes and harmonize relevant legal frameworks in order to reduce incentives for illicit trade and to promote competitiveness of legitimate products.

c) There is need to develop a unified QR code system for use by the multi-agency team to effectively address illicit trade and counterfeit goods. The system should also streamline tax

administration processes and eliminate instances of double taxation. It should enhance inter-agency coordination, improve traceability of goods, and support compliance by providing a single verifiable point of reference across the entire supply chain.

d) There is need to strengthen industry–government collaboration, enhance public awareness, and reinforce enforcement mechanisms in order to protect consumers and curb the proliferation of illicit alcohol.

e) The Committee resolved to engage the Office of the Deputy President to enhance coordination of enforcement efforts, and to work closely with relevant parliamentary committees to ensure that excise duty reforms are incorporated into upcoming legislative proposals.

Committee Resolutions

(i) The Committee will convene a joint meeting with the Deputy President, together with all relevant stakeholders, to urgently address this matter, given its gravity and the need for prompt and decisive action.

(ii) The Committee will also engage the Departmental Committee on Finance to consider and address taxation-related concerns in the forthcoming Finance Bill.

MIN./PPC/2025/163: ADJOURNMENT AND DATE OF NEXT MEETING

The Chairperson adjourned the meeting at 01:15 p.m. The date of the next meeting will be on Thursday 30th April, 2026 at 11:30 a.m.

Sign: ..... **Date** 06/05/26

HON. MUCHANGI KAREMBA, CBS, M.P.

CHAIRPERSON, PUBLIC PETITIONS COMMITTEE

MINUTES OF THE 29TH SITTING OF THE PUBLIC PETITIONS COMMITTEE HELD ON TUESDAY, 21ST APRIL, 2026 IN COMMITTEE ROOM 25, 5TH FLOOR, BUNGE TOWER AT 11:40 A.M.

PRESENT

1. Hon.Muchangi Karemba, CBS M.P. - **Chairperson**
2. Hon. Maisori Marwa Kitayama, M.P.
3. Hon. Paul Biego Kibichiy, M.P.
4. Hon. Peter Irungu Kihungi, M.P.
5. Hon. Patrick Ntwiga Munene, CBS, M.P.

APOLOGIES

1. Hon. Janet Jepkemboi Sitienei, CBS, M.P. - **Vice-Chairperson**
2. Hon. Beatrice Kadeveresia Elachi, CBS, M.P.
3. Hon. Joshua Chepyegon Kandie, M.P.
4. Hon. Suzanne Ndunge Kiamba, M.P.
5. Hon. Edith Vethi Nyenze, M.P.
6. Hon. John Bwire Okano, M.P.
7. Hon. Patrick Makau King'ola, M.P.
8. Hon. (Eng.) Bernard Nebart Muriuki, M.P.
9. Hon. Peter Mbogho Shake, M.P.
10. Hon. Sloya Clement Logova, M.P.

IN-ATTENDANCE

SECRETARIAT

1.	Ms. Miriam Modo	-	Clerk Assistant I
2.	Mr. Clinton Sindiga	-	Legal Counsel II
3.	Ms. Nancy Akinyi	-	Research Officer III
4.	Mr. Pascal Valerian	-	Hansard Reporter II
5.	Mr. Collins Mahamba	-	Audio Officer
6.	Ms. Felistas Muiya	-	Public Communications Officer
7.	Ms. Fridah Ngari	-	Media Relations Officer

MINISTRY OF INTERIOR AND NATIONAL ADMINISTRATION

1.	Ms. Beverly Opwora	-	Principal Administrative Secretary
2.	Mr. Wilson Wachira	-	Senior Assistant Secretary

NATIONAL AUTHORITY FOR THE CAMPAIGN AGAINST ALCOHOL AND DRUG ABUSE (NACADA)

1.	Mr. Anthony Omerikwa	-	CEO
2.	Mr. Leakey Illa	-	CS PDLS
3.	Mr. Patrick Obura	-	DCS
4.	Mr. Kirwa Lelei	-	Ag. DRSL

KENYA BUREAU OF STANDARDS (KEBS)

1.	Mr. Peter Kaigwara	-	Director, Market Surveillance
2.	Mr. John Kabwe	-	Ag. Chief Manager Quality Surveillance
3.	Mr. William Amwayi	-	PA, MD KEBS

MIN./PPC/2026/150: PRELIMINARIES

The Vice Chairperson called the meeting to order at 11:40 am and said a word of prayer.

MIN./PPC/2026/151: ADOPTION OF AGENDA

The proposed agenda was adopted hereunder having been proposed by Hon.Edith Vethi Nyenze, M.P and seconded by, Hon. Beatrice Kadeveresia Elachi, CBS, M.P.

AGENDA

1. Prayer & Preliminaries;
2. Adoption of the Agenda;
3. Confirmation of the Previous Minutes;
4. Matters Arising;
5. **Meeting with the following regarding Public Petition No.2/2026 on production, distribution and consumption of illicit alcoholic brews in the country by Hon. Gladys Boss, MGH, M.P (Uasin Gishu County)-**
   i. **Cabinet Secretary for the Ministry of Interior and National Administration;**
   ii. **Managing Director & Council Secretary, Kenya Bureau of Standards (KEBS); and**
   iii. **The Chief Executive Officer (CEO) of the National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA).**
6. Any other Business; and
7. Adjournment

MIN./PPC/2026/152: CONFIRMATION OF MINUTES

This agenda item was deferred to the next sitting.

MIN./PPC/2026/153: MEETING WITH THE CS, MINISTRY OF INTERIOR, NACADA AND KEBS.

a) Ms. Beverly Opwora, the Principal Administrative Secretary, Ministry of Interior and National Administration, appeared before the Committee on behalf of the Principal Secretary for the Ministry of Interior and National Administration. She presented a letter (Ref: MOINA/SEC.1/27/1) from the Principal Secretary appointing her to represent him at the meeting, owing to prior official engagements.

b) She informed the Committee that His Excellency the President, at the beginning of the year, issued a series of directives aimed at revitalizing the national campaign against drugs and substance abuse. The directives include:
   i. Strengthening the Anti-Narcotics Unit into a fully-fledged formation;
   ii. Establishing a multi-agency command team comprising the National Police Service (NPS), National Intelligence Service (NIS), Financial Reporting Centre, Kenya Revenue Authority (KRA), Kenya Bureau of Statistics (KNBS), Anti-Counterfeit Authority, Office of the Director of Public Prosecutions, and NACADA;
   iii. Enhancing seizure and forfeiture of assets used in facilitating illicit alcohol and drug trade;
   iv. Reinforcing multi-agency border control checkpoints;
   v. Submission of proposed amendments to relevant legislation; and
   vi. Harmonization of excise taxes within the East African Community (EAC) region; and
   vii. Promotion of the establishment of rehabilitation centres in every county.

c) She further submitted that the Ministry has implemented various interventions to address the illicit alcohol and drug menace. In particular, it has operationalized the multi-agency framework, which has been decentralized from national coordination to county-level enforcement operations. The framework brings together NACADA, National Government Administrative Officers, Kenya Revenue Authority, Kenya Bureau of Standards, and the National Police Service.

d) Additionally, she informed the Committee that the Ministry has facilitated training for 62 magistrates on issues relating to rehabilitation and the Alcohol and Drug Abuse (ADA) response framework. She also noted that intensified multi-agency operations are ongoing across the country, with enhanced enforcement actions being undertaken continuously to curb the menace.

Committee Observations

a) The submissions by the Ministry of Interior and National Administration and NACADA did not fully address the concerns raised by the petitioner and lacked clear, actionable recommendations to resolve the issues presented.
b) The issue of entry points for illicit brews remains a significant concern. However, the submissions did not adequately address the points of entry into the country nor the transit routes through which the illicit brews reach the target markets.
c) The multi-agency framework does not include the Kenya National Highways Authority (KeNHA), yet the transportation of illicit brews largely relies on road networks. The Committee was of the view that KeNHA should be incorporated into the multi-agency team to strengthen enforcement along road corridors.
d) There was need for greater involvement of elected leaders in the weekly multi-agency coordination meetings, in order to provide firsthand insights into the challenges faced by communities in relation to illicit alcohol and enhance responsiveness to ground-level concerns.

Committee Resolutions

a) The Committee directed that the Ministry of Interior and National Administration, together with NACADA, submits a comprehensive response detailing the measures undertaken to address porous borders through which illicit brews are smuggled into the country, including specific enforcement actions and inter-agency coordination at border points.
b) The Committee recommended that the Ministry of Interior and National Administration presents the necessary legislative proposals to the relevant House committees, aimed at strengthening the legal framework for the prevention, control, and enforcement against illicit alcoholic brews.
c) The Committee further directed that the Kenya National Highways Authority (KeNHA) be invited to appear before the Committee during the continued consideration of the petition, specifically to provide detailed submissions on the transit routes and road networks used in the transportation of illicit alcoholic brews within the country.

Submissions by the Kenya Bureau of Standards (KEBS)

Mr. Peter Kaigwara, Director – Market Surveillance, appeared before the Committee on behalf of Ms. Esther Ngari, EBS, the Managing Director and submitted as follows -

a) He affirmed the commitment of the Kenya Bureau of Standards (KEBS) to the protection of Kenyan consumers and the integrity of the alcoholic beverages market against illegal, adulterated, and substandard products. He further submitted that KEBS remains an active

participant in the relevant inter-agency coordination structures established under the national alcohol control framework.

b) He informed the Committee that KEBS has undertaken several interventions, including strengthening laboratory requirements for manufacturers, implementing inter-laboratory comparison programmes, and enforcing structured supervision under certification agreements. Other measures include the introduction of consumer authentication systems through SMS verification (Short Code 20023), provision of public access to certification data, establishment of a toll-free consumer reporting line (1545), and enforcement of technical controls on industrial ethanol through mandatory denaturing requirements.

c) He submitted that these interventions constitute a sustained and structured regulatory regime within KEBS' statutory mandate. They are designed to ensure that products within the formal market system consistently comply with applicable standards, while also empowering consumers with tools for product authentication and protection.

d) He further informed the Committee that KEBS continues to face various operational challenges in the execution of its mandate and would benefit from the Committee's support in strengthening market surveillance, enhancing laboratory capacity, improving rehabilitation infrastructure, and fostering partnerships with faith-based organisations. He also requested support for the amendment of the Standards Act, noting that it is a 1974 legislation with outdated provisions that require review and modernization.

Committee Observations

a) The Standards Act (Cap. 496) was assented to on 16th January, 1974 and commenced on 12th July, 1974. The Committee further noted that, more than five decades later, the Act has not undergone comprehensive review or amendment to align it with the current socio-economic and technological developments in society.

b) There is merit in exploring the development of specific legislation to provide for sustainable financing mechanisms for rehabilitation centres, in order to strengthen prevention, treatment, and recovery services for persons affected by alcohol and substance abuse.

Committee Resolution

The Committee directed that the Kenya Bureau of Standards (KEBS) commences the process of compiling legislative proposals for the amendment of the Standards Act, with a view to modernizing the Act to align it with current regulatory needs, emerging market realities, and contemporary socio-economic developments.

MIN./PPC/2026/154: ADJOURNMENT

There being no other business, the meeting was adjourned at 2:00 p.m. The next meeting will be held on Tuesday 28th April at a venue to be confirmed.

Sign: ..... **Date** 06/05/26

HON. MUCHANGI KAREMBA, CBS, M.P.
CHAIRPERSON, PUBLIC PETITIONS COMMITTEE

MINUTES OF THE 27TH SITTING OF THE PUBLIC PETITIONS COMMITTEE HELD ON THURSDAY, 9TH APRIL 2026 IN COMMITTEE ROOM 12, 2ND FLOOR, BUNGE TOWER, AT 11:30 A.M.

PRESENT

1. Hon. Muchangi Karemba, CBS M.P. - **Chairperson**
2. Hon. Janet Jepkemboi Sitienei, CBS, M.P. - **Vice-Chairperson**
3. Hon. Joshua Chepyegon Kandie, M.P.
4. Hon. Beatrice Kadeveresia Elachi, CBS, M.P.
5. Hon. Suzanne Ndunge Kiamba, M.P.
6. Hon. Maisori Marwa Kitayama, M.P.
7. Hon. Edith Vethi Nyenze, M.P.
8. Hon. Peter Irungu Kihungi, M.P.
9. Hon. Paul Biego Kibichiy, M.P.

APOLOGIES

1. Hon. Patrick Makau King'ola, M.P.
2. Hon. (Eng.) Bernard Nebart Muriuki, M.P.
3. Hon. Peter Mbogho Shake, M.P.
4. Hon. Sloya Clement Logova, M.P.
5. Hon. Patrick Ntwiga Munene, CBS, M.P.
6. Hon. John Bwire Okano, M.P.

IN-ATTENDANCE

SECRETARIAT

1. Mr. Victor Weke - Principal Clerk Assistant II
2. Ms. Miriam Modo - Clerk Assistant I
3. Mr. Bernard Toroitich - Clerk Assistant III
4. Mr. Clinton Sindiga - Legal Counsel II
5. Ms. Nancy Akinyi - Research Officer III
6. Mr. Arkan Mumin - Research Officer III
7. Mr. Collins Mahamba - Audio Officer
8. Ms. Felistas Muiya - Public Communications Officer
9. Ms. Fridah Ngari - Media Relations Officer

PETITIONERS

1. Hon. Gladys Boss, MGH, M.P - Deputy Speaker Member for Uasin Gishu County
2. Ms. Agatha Gichana - Legal Officer
3. Mr. Nicholas Okwema - Research Officer

MIN./PPC/2026/140: PRELIMINARIES

The Chairperson called the meeting to order at 11:45 am and said a word of prayer.

MIN./PPC/2026/141: ADOPTION OF AGENDA

The proposed agenda was adopted hereunder having been proposed by Hon. Peter Irungu Kihungi, M.P and seconded by, Hon. Beatrice Kadeveresia Elachi, CBS, M.P

AGENDA

1. Prayer & Preliminaries;
2. Adoption of the Agenda;
3. Confirmation of the Previous Minutes;
4. Matters Arising;
5. **Meeting with Petitioners regarding Public Petition presented by Hon. Gladys Boss, MGH, M.P on the production, distribution and consumption of illicit alcoholic brews in the Country.**
6. Any other Business; and
7. Adjournment

MIN./PPC/2026/142: CONFIRMATION OF MINUTES

This agenda item was deferred to the next sitting.

MIN./PPC/2026/143: MEETING WITH PETITIONERS REGARDING PUBLIC PETITION PRESENTED BY HON. GLADYS BOSS, MGH, M.P ON THE PRODUCTION, DISTRIBUTION AND CONSUMPTION OF ILLICIT ALCOHOLIC BREWS IN THE COUNTRY

The Hon. Gladys Boss, MGH, M.P, the petitioner, Deputy Speaker and Member for Uasin Gishu County, submitted THAT:

1. The production, distribution and consumption of illicit alcoholic brews in the country has continued to cause serious public health, social and economic harm, including deaths, disabilities, addiction, family breakdown, poverty and increased crime.
2. The Alcoholic Drinks Control Act, Cap. 121 was enacted in 2010 to regulate the manufacture, sale, distribution and consumption of alcoholic drinks and to provide for treatment, rehabilitation and enforcement mechanisms.
3. Despite the existence of this law, illicit alcohol trade remains rampant, evidenced by continued deaths, counterfeit alcoholic brands, unlicensed liquor outlets, underage drinking and widespread adulteration of alcohol products.

4. Uasin Gishu County has been significantly affected by this menace, with recurrent incidents of alcohol poisoning, hospital admissions and loss of life linked to illicit brews and adulterated second-generation alcohol, particularly among vulnerable communities.
5. The problem is widespread across the country and has, in the past, resulted in national tragedies involving toxic brews such as the infamous *Kumi Kumi*, necessitating urgent State intervention. These challenges are largely attributable to weak and inconsistent implementation of the law, inadequate enforcement capacity, regulatory gaps, and limited public awareness.
6. The National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA) is mandated to coordinate alcohol and drug abuse prevention, public education, research and inter-agency collaboration, yet concerns remain regarding the effectiveness of these functions.
7. The allegations of insufficient monitoring and oversight of licensed manufacturers and distillers of second-generation alcohol by regulatory agencies, including the Kenya Revenue Authority (KRA) and the Kenya Bureau of Standards (KEBS). The absence of robust quality control systems, product traceability mechanisms and distribution oversight has allowed unsafe and counterfeit alcoholic products to enter the market.
8. The regulation of alcohol remains inadequate, with high local production costs and weak border surveillance encouraging smuggling and diversion of ethanol for use in illicit brewing. Further, alcohol being a hazardous and flammable substance, is often transported and handled in small, unregulated quantities, facilitating illegal alcohol production and posing serious safety risks.
9. Efforts to have these issues addressed by relevant institutions have yielded unsatisfactory outcomes.
10. Ethanol, a primary ingredient in illicit alcohol, is too easily available, leading to widespread abuse.
11. Licensing the transportation of ethanol, particularly in Kenya need to be adhered to as required by law
12. Locally produced, artisanal, or home-brewed alcoholic beverages often have higher, and more volatile, alcohol concentrations (ABV - Alcohol By Volume) compared to standardized commercial beverages.
13. All alcohol manufacturers must have established, functional factories with quality control laboratories, and they must document their entire distribution chain to ensure traceability from the factory to the consumer

Petitioners Prayers

Thus, the petitioner prayed that the National Assembly through the Public Petitions Committee, engages the relevant State agencies with a view of—

(i) Investigating the status of implementation of regulations in place to curb production, distribution and consumption of illegal alcohol;

(ii) Determining the cause of the rampant production, distribution, and consumption of illegal alcohol in the country;
(iii) Recommending a multiagency approach to curb the production, distribution and consumption of illegal alcohol; and
(iv) Makes any other recommendations it may deem appropriate to address the plight of the Petitioners.

Committee Observations

The Committee observed THAT;

i. The excise duty on ethanol and alcoholic beverages in Kenya is significantly higher compared to its East African Community (EAC) neighbours, including Tanzania and Uganda. This discrepancy has led to increased manufacturing costs for Kenyan producers, high levels of cross-border smuggling, and a rising illicit alcohol trade.
ii. Significant amendments to strengthen alcohol regulation (stringent measures) were needed and should be driven by the National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA) and parliamentary initiatives to curb illicit brews and underage drinking
iii. Despite frequent high-profile crackdowns, Kenyan enforcement agencies had failed in curbing the production and distribution of illicit brews, leading to a continuous cycle of consumption, health emergencies, and deaths
iv. This failure to permanently halt the trade is driven by a mix of corruption, economic desperation, and legal loopholes and needs urgent address.

From the foregoing, the Committee resolved THAT;

The matter of alcohol abuse and infiltration by illicit varieties was an existential threat to the Kenyan society and was indeed a matter of national security. Other than the underlisted agencies, the Committee resolved that audience is sought with H.E the President, considering his much-publicised drive towards the same matter, and the inability and possible collusion by state agencies to curb the menace;

i. Ministry of Interior and National Administration
ii. The Anti-Counterfeit Authority (ACA)
iii. Kenya Sugar Board (KSB)
iv. Kenya Revenue Authority (KRA)
v. The Council of County Governors (COG)
vi. Alcoholic Beverages Association of Kenya (ABAK)
vii. The State Department for Industry
viii. The National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA)
ix. The Kenya Association of Manufacturers (KAM)
x. Kenya Bureau of Standards (KEBS)

MIN./PPC/2026/144: **ADJOURNMENT**

There being no other business, the meeting was adjourned at 1:45 p.m. The next meeting will be held on Tuesday 14th April at a venue to be confirmed.

Sign: ..... **Date** 06/05/26

HON. MUCHANGI KAREMBA, CBS, M.P.

CHAIRPERSON, PUBLIC PETITIONS COMMITTEE

MINISTRY OF INTERIOR AND NATIONAL ADMINISTRATION
STATE DEPARTMENT OF INTERNAL SECURITY AND NATIONAL ADMINISTRATION

RESPONSE TO PUBLIC PETITION NO. 02 OF 2026: ILLICIT ALCOHOL PRODUCTION, DISTRIBUTION, AND CONSUMPTION

Background

The Authority received communication from the National Assembly on Public Petition No. 2 of 2026 regarding the Production, Distribution and Consumption of Illegal Alcoholic Brews in the County.

Response to Specific Issues Raised

1. **Investigation of the Status of Implementation of Regulations to Curb Illegal Alcohol**

   The implementation status can be described both as active but challenging. Despite presence of robust policy and Laws, there are persistent gaps in implementation and sustainability.

   Legal Analysis:
   The legal framework is robust, but implementation has been inconsistent. The key provisions currently in force include:

   i) **Prohibition of Adulteration:** Section 38 of the ADCA explicitly prohibits the sale or keeping for sale of adulterated alcohol. Offenders face a fine not exceeding **KES 10 million**, imprisonment not exceeding **ten years**, or both.

   ii) **Packaging and Labeling:** Section 31 prohibits the sale of alcohol in sachets, and Section 32 mandates specific health warnings covering 30% of the package.

The Government has moved beyond investigation to active, targeted implementation, albeit with challenges in specific areas.

a) **Operationalization of the Multi-Agency Framework**: The Ministry has operationalized the *National Multi-Agency Team* (comprising NACADA, KRA, KEBS, and the DCI). This team has moved from national coordination to county-level sting operations.

b) **Judicial Training on Rehabilitation and ADA issues:** To address gaps in the justice system, NACADA has partnered with the Judiciary to train magistrates on the *Alcoholic Drinks Control Act*. These shifts focus from purely punitive measures to court-supervised rehabilitation and treatment orders for low-risk offenders, addressing regulatory gaps in the enforcement chain. The trainings also build the capacity of the Judicial officers in understanding the drug problem.

c) **Persistent Regulatory Gaps:** Despite these efforts, challenges remain regarding the **traceability of ethanol** and weak surveillance at border points, which the Ministry is currently addressing through the Kenya Revenue Authority (KRA).

d) **Intensified and Multi-Agency -** Government has declared illicit alcohol a national security and development concern, triggering intelligence-led nationwide crackdowns. Enhanced enforcement actions have been and continue to be conducted across the country including:

   i) Raiding and destroying illicit brew dens;

   ii) Seizures of large quantities of illicit brews and counterfeit alcohol including thousands of litres of illicit ethanol; and

   iii) Prosecution and Planned asset forfeiture for illicit brewers and drug dealers.

   Recent data indicates a significant enforcement push, aligning with the declaration of the alcohol menace as a national emergency. Reports indicate that over **2.8 million litres** of illicit alcohol have been seized and over **900 suspects** arrested since December 2025. This demonstrates implementation has been intensified through multi-agency operations.

e) **Aggressive Public Awareness & Demand Reduction campaigns** led by NACADA focusing on Youth prevention, Community sensitization, Rehabilitation services and School environments.

2. **Determination of the cause of rampant production, distribution, and consumption**

The rampant production, distribution, and consumption of illegal alcohol in Kenya is driven by a combination of several factors which include economic, regulatory, social, and institutional factors.

Legal Analysis:
The Petition identifies critical gaps. Under Section 4 of the **NACADA Act, 2012**, the Authority is mandated to coordinate inter-agency efforts. The causes identified in the Petition (Paragraphs 5-8) correlate with specific statutory failures:

i) Regulatory gaps & enforcement capacity: Despite Section 4(f) of the NACADA Act allowing the Authority to advise on regulations, historical weaknesses in monitoring licensed manufacturers persist.

ii) Weak Border Surveillance: The petition notes that high production costs and weak border controls encourage smuggling. Section 7(1)(c) of the ADCA requires licenses for importation, suggesting gaps in KRA's enforcement of customs controls on raw materials like ethanol.

iii) Historically, prosecution has been hindered by evidentiary requirements. However, recent interventions by NACADA to sensitize judicial officials on the ADCA and the NACADA Acts are addressing the "weak enforcement" cited in the petition, shifting focus toward rehabilitation and asset forfeiture.

iv) Devolution challenges contribute to the continued production, distribution, and consumption of illegal alcohol by creating inconsistencies in policy implementation across counties. While the national government provides overall legal and policy frameworks, county governments are responsible for enforcement and regulation at the local level.

v) Rapid urbanization and the growth of informal settlements contribute significantly to the persistence of illegal alcohol production, distribution, and consumption. As more people migrate to urban areas in search of employment, many end up living in densely populated informal settlements where access to regulated services and law enforcement is often limited.

vi) Cultural and social acceptance plays a significant role in the persistence of illegal alcohol use in many communities. In some areas, alcohol consumption is widely normalized as part of social gatherings, celebrations, and even daily life.

Inter-agency intelligence and field operations in Uasin Gishu and surrounding counties have identified the primary causes as follows:

i) **Diversion of industrial ethanol:** The primary driver of the current crisis in Uasin Gishu is the smuggling and diversion of ethanol intended for industrial/manufacturing use. Recent operations in Eldoret intercepted ethanol valued at over Ksh 500,000 hidden at construction sites, destined for mixing into "second-generation" alcohol.

ii) **High production costs & porous borders:** Legal production costs and weak border surveillance allow cheaper, smuggled ethanol and counterfeit excise stamps to flood the market. KRA confirmed that recent seizures in the Rift Valley involved fake excise stamps, evading government revenue and quality controls.

iii) **Recommending a multi-agency approach to curb the menace**

Legal Analysis:
The law already provides for this mechanism, which the Committee should strengthen:

a) **Statutory framework for collaboration:**
   i) Section 5(c) of the NACADA Act, 2012 mandates NACADA to "coordinate and facilitate inter-agency collaboration and liaison among lead agencies."; and
   ii) Section 25 further requires NACADA to convene an inter-agency forum at least twice a year to establish plans of action.

b) **Operational success:** Recent enforcement actions demonstrate that this statutory framework is functional. The multi-agency team includes NACADA, the DCI, KRA, KEBS, the Anti-Counterfeit Authority, and the Asset Recovery Agency.

The Ministry has not only recommended but has fully implemented a revamped multi-agency approach, with notable success in the Petitioner's home county of Uasin Gishu.

i) The Ministry has established a multi-agency team coordinated from Nairobi, comprising NACADA, KEBS, KRA, and the National Police Service (NPS), to conduct continuous sting operations nationwide.

ii) Contrary to claims of inaction, security agencies in Uasin Gishu have escalated the fight. Over the past three months, authorities have intercepted five consignments of ethanol and seized cannabis sativa; and

iii) The Ministry continues to engage the community through the Nyumba Kumi and community policing structures to report suspicious ethanol storage, addressing the "weak enforcement capacity" cited in the Petition.

3. Any other recommendations to address the plight of the Petitioners

Legal Analysis:
To address the plight of the Petitioners fully, the Committee should consider the following ancillary legal recommendations:

i) The committee to assist NACADA in the amendments of the legislation and attendant regulations. In addition, the committee to petition County governments to finance prevention, treatment and rehabilitation through the licensing fee;

ii) Following recent directives, the law should be strictly applied to freeze accounts and seize assets of manufacturers of counterfeit or toxic brews under Section 38(2) of the ADCA;

iii) Rehabilitation over Incarceration: Under Section 33(3) of the ADCA, repeat offenders can be ordered to undergo rehabilitation. The Committee should recommend that the Ministry of Health, in liaison with NACADA, gazette mandatory rehabilitation standards for offenders diverted from the criminal justice system.

In addition, the Ministry recommends the following additional interventions to the Committee based on recent operational data:

i) The Ethanol Tracing **System (ETS):** The Ministry recommends the mandatory adoption of a digital tracking system for all ethanol consignments from the point of import/manufacture to the final licensed user, to prevent diversion into illicit brewing; and

ii) **Review of licensing fines:** The current fines (e.g., Ksh 7,500 for possession of illicit brew) are insufficient deterrents. The Ministry recommends the Committee propose legislative amendments to the Alcoholic Drinks Control Act to impose stiffer penalties, including custodial sentences for the possession of industrial ethanol without a permit.

Enclosures

1) *National Authority for the Campaign Against Alcohol and Drug Abuse, 2012*

2) *Alcoholic Drinks Control Act, 2010*

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Standards for quality life

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(1) D/AAGPC
Please deal.
22/04/26

Ref: KEBS/DIR/CONF/1/2 /Vol. 6/

Date: 20th April, 2026

Clerk of The National Assembly
Parliament Buildings
P.O. Box 41842 –00100
NAIROBI

Dear Clerk,

RE: SUBMISSIONS ON PUBLIC PETITION NO. 2 OF 2026 REGARDING ILLEGAL ALCOHOLIC BREWS IN THE COUNTRY

The Kenya Bureau of Standards (KEBS) presents its compliments to the Office of the Clerk of the National Assembly and refers to your invitation reference **DAA&GPC/PPC/2026/066** dated **7th April 2026**, requesting the appearance of the Managing Director before the Departmental Committee on Public Petitions on 21st April 2026 in relation to Public Petition No. 2 of 2026 concerning the production, distribution and consumption of illegal alcoholic brews in Kenya.

KEBS wishes to convey its sincere regret that the Managing Director will be unable to attend the scheduled session due to unavoidable prior official engagements. KEBS will be represented by Mr. Peter Kaigwara who is in charge of Market Surveillance Directorate.

KEBS reaffirms its unwavering commitment to consumer protection, market integrity, and inter-agency collaboration in addressing the challenge of illicit alcoholic beverages and remains fully available to support the Committee in any manner it may require.

Attached please find KEBS submission on the subject matter.

Please accept, Honourable Clerk, the assurances of our highest consideration.

Yours Sincerely,

Esther Ngari, EBS
MANAGING DIRECTOR

NATIONAL ASSEMBLY
RECEIVED
21 APR 2026
DEPUTY CLERK S. KIOKO
P. O. Box 41842 - 00100, NAIROBI

NATIONAL ASSEMBLY
RECEIVED
21 APR 2026
CLERK'S OFFICE
P.O. Box 41842, NAIROBI

NATIONAL ASSEMBLY
RECEIVED
22 APR 2026
DEPUTY DIRECTOR
AUDIT, APPROPRIATIONS &
GENERAL PURPOSE COMMITTEES

Kenya Bureau of Standards

Standards for Quality life

SUBMISSIONS BY THE MANAGING DIRECTOR, KENYA BUREAU OF STANDARDS, TO THE NATIONAL ASSEMBLY DEPARTMENTAL COMMITTEE ON PUBLIC PETITIONS ON PUBLIC PETITION NO. 2 OF 2026: PRODUCTION, DISTRIBUTION AND CONSUMPTION OF ILLEGAL ALCOHOLIC BREWS IN KENYA.

21 April 2026

1.0 INTRODUCTION

The Kenya Bureau of Standards (KEBS) acknowledges receipt of the invitation from the Office of the Clerk of the National Assembly, Ref. DAA&GPC/PPC/2026/066 dated 7th April 2026, to submit its views to the Departmental Committee on Public Petitions regarding Public Petition No. 2 of 2026.

The Petition, presented by Hon. Gladys Boss, Member of Parliament for Uasin Gishu County, raises concerns regarding the production, distribution and consumption of illegal and adulterated alcoholic beverages in Kenya, and attributes aspects of this challenge to alleged gaps in regulatory oversight by State agencies, including KEBS.

KEBS welcomes this opportunity to present a factual, technical and policy-grounded account of its mandate, interventions, and the structural dynamics underlying the illicit alcohol challenge.

At the outset, KEBS wishes to clarify a fundamental distinction critical to proper consideration of this matter:

Illicit alcoholic beverages are produced and distributed outside the formal standards and regulatory system, and by their very nature evade certification, inspection and quality assurance systems.

Accordingly, while KEBS exercises structured oversight over licensed and certified manufacturers, the proliferation of illicit brews is primarily criminality challenge occurring outside the regulated standards ecosystem.

2.0 KEBS MANDATE AND LEGAL FRAMEWORK IN ALCOHOL REGULATION.

KEBS is a State Corporation established under the Standards Act, Cap. 496 of the Laws of Kenya. Its core mandate is to promote standardisation in commerce and industry; develop, publish and enforce Kenya Standards; provide facilities for examination, testing and certification of commodities; and protect consumers against substandard goods and services.

In the regulation of alcoholic beverages, KEBS's mandate is operationalised through two primary pathways:

a) Domestic Manufacturers

KEBS is mandated to inspect and confirm that any manufacturer cleared under the National Multiagency Committee on Control of Alcoholic Beverages and licensed by relevant regulatory authorities operates in compliance with the required code of practice and applicable Kenya Standards. KEBS fulfils this mandate by issuing the Standardisation Mark or the Diamond Mark of Quality as prescribed under the Standards Act, Cap. 496. Upon certification, manufacturers are granted a KEBS Standardisation Mark Permit, which they are required to display together with the permit number on the label of every product they place in the market.

b) Imported Alcoholic Beverages

KEBS undertakes the inspection and clearance of imported alcoholic beverages before they are granted entry into Kenya. This function is performed at ports of entry and border points to confirm that imported beverages conform to the requirements of the applicable Kenya Standards. The inspection is conducted through two mechanisms:

Destination Inspection at the ports of entry, where alcoholic beverage consignments are examined for compliance; or

Pre-Export Verification of Conformity (PVoC) Programme, under which alcoholic beverages are inspected in the country of origin by an approved KEBS verification agent and issued a Certificate of Conformity (CoC). Upon issuance of the CoC, the importer is authorised to affix the Import Standardisation Mark (ISM) on the product as evidence that it meets the requirements of the applicable Kenya Standard.

3.0 KEBS RESPONSE TO SPECIFIC ISSUES RAISED IN THE PETITION.

3.1 Monitoring and Oversight of Licensed Manufacturers and Distillers (Petition Clause 7)

The petition alleges insufficient monitoring and oversight of licensed manufacturers and distillers of second-generation alcohol by KEBS and other regulatory agencies. KEBS places on record the following specific measures that constitute its oversight for licensed alcoholic beverage manufacturers:

i) Mandatory Quality Control Laboratory Requirement

KEBS requires, as a condition of certification, that all alcoholic beverage manufacturers maintain a Quality Control Laboratory capable of testing for quality and safety parameters including methanol covering raw materials, in-process products during production, and finished products before market release. Specifically, every establishment manufacturing Spirituous Alcoholic Beverages is required to possess a Gas Chromatography with Flame Ionization Detector (GC-FID) machine for methanol determination and other parameters stipulated in the respective Kenya Standards.

ii) Interlaboratory Comparison (ILC) Testing Programme

Following directives from the Cabinet Secretary, Ministry of Interior and National Government Coordination, issued on 6th March 2024, KEBS organised and rolled out an Interlaboratory Comparison (ILC) testing programme for wines and spirits in the brewing industry. This programme supports manufacturers' quality control laboratories in ensuring that their products meet quality requirements both during production and before market release.

The ILC testing materials include ethanol, methanol, isopropyl alcohol (IPA), ethyl acetate, amyl alcohol and acetic acid in aqueous media. The ILC enables participating manufacturers to:

- Determine the concentrations of denatonium benzoate (denaturant) in denatured ethanol using High Performance Liquid Chromatography (HPLC/UV-vis) methods.
- Identify congeners in alcoholic beverages by direct injection in Gas Chromatography equipped with a Flame Ionization Detector (GC-FID).
- Determine ethyl alcohol (ethanol) content and volatile acidity in strong alcoholic beverages.

Each round of ILC testing is followed by an evaluation workshop at which participants discuss performance results, identify root causes of any non-performance, and agree on corrective actions to improve product quality. This mechanism ensures that manufacturers maintain continuous analytical competence and that their laboratory results are reliable and comparable.

iii) Scheme of Supervision and Control (SSC)

All manufacturers of alcoholic beverages have signed a Scheme of Supervision and Control (SSC) a certification agreement that specifies the controls the manufacturer is expected to maintain and the evidence they must make available to KEBS during inspections. This systematic way ensures that adequate quality management activities are carried out at all times, providing assurance that products continuously meet the approved specifications under the applicable Kenya Standard.

Under the SSC, manufacturers are further required to undertake periodic product testing with ISO/IEC 17025 accredited laboratories independently of their in-house quality control to ensure independent verification of product quality before market release.

iv) NACADA Multi-Agency Clearance Requirement

Manufacturers of potable spirits are required to obtain written clearance from NACADA, issued following a multi-agency inspection on the preparedness of the manufacturer to comply with all regulatory requirements before commencing production. KEBS is a member of this multi-agency committee, which conducts joint inspections to assess, among other matters, the adequacy of quality control infrastructure, the safety of production processes, and the manufacturer's compliance with applicable standards and licencing requirements.

v) Approved Brands Register

KEBS has approved 340 alcoholic beverage brands manufactured locally, details of which are maintained in the KEBS Approved Brands Register. Any brand not appearing on this register has not been certified by KEBS and is therefore not authorised to bear the KEBS Standardisation Mark.

3.2 Product Certification and Counterfeit/Adulterated Products in the Market (Petition Clauses 3 and 4)

The petition highlights the prevalence of counterfeit brands and adulterated second-generation alcohol as causes of deaths and hospitalisations, including in Uasin Gishu County. KEBS's Product Certification Scheme makes it mandatory for all locally manufactured alcoholic beverages to bear

the Standardisation Mark before being placed on the market. KEBS has additionally strengthened the rules of this scheme to specifically combat illicit brews through the following measures:

a) All manufacturers must maintain up-to-date quality control test results and data, which must be made available to KEBS during inspections to confirm ongoing compliance.
b) Periodic Interlaboratory Comparison participation is mandatory to demonstrate sustained capability to test for all safety and quality parameters prescribed in the relevant Kenya Standard.
c) Manufacturers are required to use only ISO/IEC 17025 accredited external laboratories for third-party verification testing.

On market surveillance, KEBS conducts ongoing Market Surveillance Activities involving systematic monitoring of alcoholic beverages in the market to verify compliance with relevant technical regulations governing health, safety and environmental concerns, and to promote fair trade practices. These activities include random sampling from retail outlets, wholesale distributors and importation points, followed by laboratory analysis for among other parameters methanol content, alcohol strength, labelling compliance and the integrity of the standardisation mark.

Where products are found to be non-compliant, KEBS issues product recall notices, rejection orders and destruction directives. Cases involving criminal counterfeiting are referred to the Kenya Police Service and the Directorate of Criminal Investigations (DCI), supported by laboratory evidence obtained by KEBS.

3.3 Consumer Authentication and Traceability (Petition Clause 7)

The petition identifies the absence of robust product traceability mechanisms as a systemic vulnerability. KEBS has implemented the following consumer authentication and traceability measures:

i) Standardisation Mark Permit System

Upon certification, each manufacturer is issued a unique Standardisation Mark Permit number for every beverage brand they produce. This permit number must be displayed on the product label and must be produced by the manufacturer upon request by a regulator or consumer.

ii) SMS Verification Short Code 20023

Consumers are empowered to verify the authenticity of any KEBS-certified alcoholic beverage in real time by sending a text message to the short code 20023 in the format: SM#[Permit Number]. The system returns confirmation of whether the permit is valid, thereby enabling consumers to distinguish certified from uncertified products at the point of purchase.

iii) KEBS Website Public Register of Certified Products

All certified alcoholic beverages are published on the KEBS official website, providing a publicly accessible reference list against which any product can be verified. This register is updated as certifications are granted, suspended or cancelled.

iv) Toll-Free Consumer Helpline 1545

KEBS has dedicated a toll-free telephone number, 1545, through which members of the public may make enquiries about any alcoholic beverage product in the market, report suspected counterfeits or seek guidance on the certification status of any brand or manufacturer.

3.4 Industrial Ethanol Diversion and Border Surveillance (Petition Clause 8)

The petition raises concerns about the diversion of industrial ethanol into illicit beverage production and weak border surveillance. KEBS has taken the following specific action in this regard:

i) Mandatory Denaturing of Industrial Ethanol

KEBS has instructed all Pre-Export Verification of Conformity (PVoC) agents globally to ensure that ethyl alcohol intended for industrial application imported into Kenya is denatured with denatonium benzoate before shipment. Denatonium benzoate is a bittering agent of such extreme potency that it renders industrial alcohol effectively unusable in alcoholic beverage production, thereby closing a key pathway for ethanol diversion.

ii) PVoC Programme for Imported Alcoholic Beverages

Through the PVoC programme, KEBS ensures that imported alcoholic beverages and industrial ethanol are inspected and certified before shipment to Kenya. Only consignments that meet the specifications of the applicable Kenya Standard are issued a Certificate of Conformity permitting entry. Consignments arriving without a valid CoC are held at the port of entry and subjected to full conformity testing before clearance is authorised.

iii) Proposed Enhanced Border Surveillance

KEBS recognises that the diversion of neutral spirits through informal border crossings and illicit imports remain persistent challenges. KEBS proposes, and requests the Committee's support for, enhanced border surveillance in collaboration with the Kenya Revenue Authority (KRA) Customs, the Kenya Defence Forces and the Kenya Coast Guard, to intercept smuggled neutral spirits and substandard alcoholic beverages at both formal and informal entry points.

3.5 Kenya Standards for Alcoholic Beverages (Petition Clauses 2 and 3)

In response to the matters raised under Clauses 2 and 3 of the Petition, KEBS confirms that a comprehensive and risk-based standards framework governs the manufacture, importation, distribution, and sale of alcoholic beverages in Kenya.

These standards define the minimum safety, compositional, labelling, and quality requirements that alcoholic products must meet before being placed on the market. They are developed in alignment with international best practice and harmonised under the East African Standards framework to ensure consistency, consumer protection, and fair trade.

Importantly, the standards function as the technical foundation of the national regulatory control system, enabling conformity assessment, certification, and market surveillance.

(a) Coverage of the Regulatory Framework

The current suite of Kenya Standards covers the full spectrum of alcoholic beverage categories legally permitted in the Kenyan market, including:

No.	Standard No.	Title	Scope
1	KS EAS 104:2014	Alcoholic beverages – Methods of sampling and test	Prescribes methods of sampling and testing for alcoholic beverages
2	KS EAS 63:2019	Beer – Specification	Requirements, sampling and test methods for beer
3	KS EAS 141:2018	Whisky – Specification	Requirements, sampling and test methods for whisky
4	KS EAS 143:2018	Brandy – Specification	Requirements, sampling and test methods for brandy
5	KS 1317:2007	Cereal-based alcoholic beverages – Specification	Requirements for clarified and pasteurised beverages from fermented cereal grains
6	KS 618:2021	Cider and Perry – Specification	Requirements and test methods for cider and perry
7	KS 1499:2012	Code of Practice for processing, handling and distribution of alcoholic beverages	Requirements for manufacturing, handling and distribution
8	KS EAS 142:2018	Vodka – Specification	Requirements, sampling and test methods for vodka including flavoured vodka
9	KS EAS 144:2018	Neutral Spirit – Specification	Requirements for neutral spirits for use in manufacture or blending of alcoholic beverages
10	KS 2196:2012	Liqueurs – Specification	Requirements for spirit-based liqueurs

No.	Standard No.	Title	Scope
11	KS EAS 61:2014	Opaque Beer – Specification	Requirements and test methods for opaque beer
12	KS EAS 138:2019	Still Table Wine – Specification	Requirements, sampling and test methods for wine and fruit wine
13	KS EAS 139:2018	Fortified Wine – Specification	Requirements, sampling and test methods for fortified wine
14	KS EAS 140:2018	Sparkling Wine – Specification	Requirements, sampling and test methods for sparkling and carbonated wine
15	KS EAS 146:2018	Rum – Specification	Requirements, sampling and test methods for rum
16	KS 2150:2022	Alcoholic Mixed Beverage – Specification	Requirements and test methods for mixed alcoholic beverages
17	KS 2326:2011	Traditional Spirit (Chang'aa) – Specification	Requirements and test methods for traditional distilled potable alcohol
18	KS EAS 145:2018	Gin – Specification	Requirements and test methods for gin and flavoured gin
19	KS 1447:2001	Unmalted Beer – Specification	Requirements and test methods for unmalted beer
20	KS EAS 109:2018	Potable Spirits – Specification	Requirements, sampling and test methods for potable spirits

(b) Regulatory Function and Enforcement Linkage

In line with the Petition's concerns under Clauses 2 and 3 regarding product safety, counterfeit beverages, and adulteration, KEBS emphasises that these standards are not merely descriptive instruments but are legally enforceable technical requirements.

They are operationalised through:

- Mandatory certification schemes (Standardisation Mark and Import Standardisation Mark)
- Conformity assessment prior to market entry (for both domestic and imported products)
- Market surveillance and post-market enforcement, including sampling, laboratory testing, product recalls, and seizure of non-compliant goods

- Referral of criminal counterfeiting cases to law enforcement agencies based on analytical evidence

This ensures that compliance is enforced at both pre-market and post-market stages, thereby closing potential points of regulatory failure within the formal supply chain.

(c) Regulatory Dynamism and Risk Adaptation

The standards are reviewed on a five-year rolling cycle in accordance with the national standardisation work programme. This review process integrates:

- Advances in food and beverage science
- Emerging public health and safety risks
- Regulatory experience from enforcement and surveillance activities
- Harmonisation requirements under the East African Community (EAC) framework

KEBS confirms that all standards listed above are currently active and enforceable and continue to provide a robust technical basis for consumer protection and market regulation.

(d) Regulation of Traditional and Informal Alcohol Categories

Of particular relevance to the Petition is KS 2326:2011 (Traditional Spirit-Chang'aa), which reflects a deliberate regulatory policy approach that seeks to bring traditionally consumed alcoholic products within a controlled safety framework, rather than excluding them from regulation altogether.

This standard establishes minimum safety parameters intended to reduce public health risks associated with traditional alcohol consumption, while enabling structured oversight of production where it occurs within permissible frameworks.

3.6 Interagency Coordination and Implementation of the Alcoholic Drinks Control Act (Petition Clauses 5, 6 and 7)

The petition raises concerns about interagency coordination and the effectiveness of statutory implementation. KEBS participates in the following formal interagency structures:

i) National Alcohol Control Committee (NACC)

KEBS is a statutory member of the National Alcohol Control Committee (NACC), appointed by Gazette Notice No. 9775 of November 2020. The Committee is charged with the following functions, in which KEBS plays an active role:

- Conducting regular audits of manufacturers of alcoholic drinks to ensure compliance with quality standards and regulatory requirements.
- Carrying out joint inspections of all premises manufacturing alcoholic drinks to verify compliance with the law.

- Receiving, reviewing and providing certificates of conformity to standards for licensing manufacturers.
- Recommending the formulation of standards, policies, laws and regulations on alcohol control for adoption at national and county level.
- Providing a platform for inter-agency consultation, collaboration and coordination on alcoholic drinks control.
- Promoting and facilitating the elimination of substandard and counterfeit alcoholic drink products from the Kenyan market.
- Monitoring, evaluating and preparing quarterly reports on compliance for effective implementation of the Alcoholic Drinks Control Act.

ii) Interagency Taskforce on Control of Potable Spirits and Illicit Brews

KEBS participated actively in the Interagency Taskforce on the Control of Potable Spirits and the Combat of Illicit Brews in 2015, which coordinated government-wide enforcement efforts against illicit alcohol. In 2024, KEBS was again involved in government actions targeting the eradication of illicit brews, drug and substance abuse, as part of a broader national response to the public health emergency posed by illegal alcohol.

iii) Multi-Agency Clearance Prior to Licensing

As noted in Section 3.1 above, no manufacturer of potable spirits may commence production without prior multi-agency clearance, of which KEBS's standards compliance assessment is a mandatory component. This architecture ensures that the regulatory process is applied collaboratively from the point of entry into the market.

3.7 Structural context of the illicit alcohol challenge (Petition Clauses 3, 4, 5 and 8).

KEBS wishes to emphasise that the challenge of illicit alcoholic beverages in the country is multi-faceted and cross-cutting, involving several stages of the alcohol value chain and engaging multiple regulatory and enforcement actors within Government.

Within its statutory mandate under the Standards Act, KEBS has established and continues to implement comprehensive standards, certification and conformity assessment mechanisms governing alcoholic beverages produced and traded within the formal sector.

At the same time, the persistence of illicit alcoholic products by their nature operating outside formal regulatory systems reflects the complexity of addressing activities that occur beyond certification and quality assurance processes. In this regard, KEBS respectfully highlights the following contextual considerations:

a) Movement and Use of Neutral Spirits

Neutral spirits constitute a legitimate industrial and manufacturing input within the economy. KEBS has instituted technical safeguards within its processes, including pre-export conformity verification and denaturing requirements for industrial ethanol. The risk arises where such inputs are diverted or misapplied outside regulated production environments, highlighting the importance of continued coordination across regulatory and enforcement institutions to ensure end-use integrity.

b) Entry of Alcoholic Products into the Market.
Alcoholic beverages entering Kenya through formal import channels are subjected to conformity assessment requirements. However, as is the case globally with illicit trade, there exist parallel channels through which products may enter the market outside formal processes. Addressing such pathways calls for sustained inter-agency collaboration across border management, customs control, and regulatory verification systems.

c) Distribution and Market Structure.
KEBS certification provides assurance of product compliance at the point of manufacture and importation and is complemented by ongoing market surveillance activities undertaken by the Bureau to verify continued conformity of alcoholic beverages within the marketplace. As products move through distribution and retail channels spanning multiple actors across national and county jurisdictions KEBS conducts risk-based surveillance, sampling and testing to detect non-compliance, counterfeit products, and misuse of certification marks. At the same time, ensuring full market integrity across the distribution chain benefits from harmonised oversight across licensing, distribution controls and compliance verification mechanisms, implemented collaboratively by relevant institutions.

The issue of illicit alcoholic beverages is best understood as a shared national challenge requiring coordinated action across Government, with each institution contributing within its statutory mandate.

KEBS remains committed to strengthening its role in standards enforcement, conformity assessment, and technical support, while working collaboratively with partner agencies to safeguard public health, consumer protection, and market integrity.

4.0 STRATEGIC INTERVENTIONS AND KEBS COMMITMENTS.

KEBS continues to strengthen and modernise its regulatory and technical interventions in the alcoholic beverages sector in order to enhance product integrity, safeguard consumers, and support a coordinated national response to illicit alcohol.

In this regard, KEBS has prioritised the following strategic interventions, to be implemented within its statutory mandate and in collaboration with relevant Government institutions:

4.1 Integrated Border Assurance and Conformity Verification

KEBS will continue to enhance its role in safeguarding the integrity of alcoholic beverages entering the country through strengthened conformity assessment and inter-agency coordination at the border.

Key focus areas include:

- End-to-end verification of imports under the PVoC programme, ensuring that all alcoholic beverages and relevant inputs meet applicable Kenya Standards prior to shipment.
- Structured information exchange mechanisms to support early identification of high-risk consignments and prevent entry of non-compliant products.

These measures are designed to reinforce existing controls and ensure that only compliant products access the domestic market through formal channels.

4.2 Strengthening Integrity of Distribution and Supply Chains

Recognising the importance of maintaining product integrity beyond the point of manufacture and importation, KEBS will continue to support the development of structured and accountable distribution systems for alcoholic beverages.

In this regard, KEBS will:

- Work collaboratively with national and county regulatory authorities to promote traceable and verifiable distribution pathways
- Support policy measures that encourage sourcing from licensed and accountable supply chain actors
- Advocate for enhanced documentation and traceability requirements within distribution networks to strengthen product accountability

These measures are intended to complement KEBS certification and surveillance activities by reinforcing transparency across the supply chain.

4.4 Consumer Protection and Structured Public Engagement

KEBS will continue to expand consumer-facing mechanisms that support product verification, reporting, and public awareness.

Key initiatives include:

- Continued deployment and enhancement of consumer authentication platforms, including SMS verification (Short Code 20023) and the public register of certified products
- Strengthening the toll-free consumer engagement channel (1545) as a reporting and advisory platform
- Development of structured reporting mechanisms, including digital platforms, to facilitate confidential reporting of suspected non-compliance

These interventions empower consumers as active participants in safeguarding market integrity.

4.5 Strategic Collaboration with Certified Manufacturers

KEBS will deepen structured engagement with certified manufacturers as key stakeholders in maintaining product integrity and combating counterfeiting.

This includes:

- Formalised information-sharing to support early detection of counterfeit activity
- Collaborative initiatives to strengthen product authentication and brand protection measures
- Continuous engagement to enhance compliance culture and quality assurance systems across the industry.

Such collaboration provides an additional layer of market intelligence and reinforces the integrity of certified supply chains.

4.6 Public Awareness and Risk Communication

KEBS, in collaboration with relevant Government agencies, will continue to scale up public awareness initiatives aimed at promoting consumer safety and informed decision-making.

These efforts will focus on:

- Sensitisation on the risks associated with uncertified and illicit alcoholic products
- Promotion of product verification tools and safe consumption practices
- Targeted outreach in high-risk areas through multi-channel communication platforms, including digital media, broadcast channels and community engagement

This approach complements regulatory controls by addressing the demand-side drivers of illicit alcohol consumption.

CONCLUSION

The Kenya Bureau of Standards reaffirms its commitment to the protection of Kenyan consumers and the integrity of the alcoholic beverages market against illegal, adulterated and substandard products.

KEBS discharges its statutory mandate under the Standards Act through a comprehensive and continuously evolving regulatory framework that governs standards development, conformity assessment, product certification, market surveillance, laboratory testing, and import inspection through the Pre-Export Verification of Conformity (PVoC) programme. KEBS also remains an active participant in relevant inter-agency coordination structures established under the national alcohol control structure.

The measures outlined in this submission including strengthened laboratory requirements for manufacturers, interlaboratory comparison programmes, structured supervision under certification agreements, consumer authentication systems through SMS verification (Short Code 20023), public access to certification data, toll-free consumer reporting (1545), and technical controls on industrial ethanol through mandatory denaturing requirements demonstrate a sustained and structured regulatory regime within KEBS' statutory remit.

These interventions are designed to ensure that products within the formal market system are consistently compliant with applicable standards and that consumers are empowered with tools for verification and protection.

KEBS remains committed to continuously strengthening its technical capacity and regulatory systems, and to working in close coordination with other competent Government agencies in addressing the broader national challenge of illicit alcohol. In this regard, KEBS is fully prepared to support a strengthened, integrated and intelligence-led multi-agency approach that enhances enforcement effectiveness across the entire value chain.

The Bureau remains at the disposal of the Honourable Committee for any further technical clarification, evidence or engagement it may require, and will faithfully implement any recommendations arising from this inquiry within its statutory mandate.

I submit.

Esther Ngari, EBS
MANAGING DIRECTOR

SECRET



THE NATIONAL POLICE SERVICE

SUBMISSION

TO

THE PUBLIC PETITIONS COMMITTEE OF NATIONAL ASSEMBLY

ON PUBLIC PETITION NO. 2 OF 2026 REGARDING

PRODUCTION, DISTRIBUTION AND CONSUMPTION OF ILLEGAL ALCOHOLIC BREWS IN THE COUNTRY

BY

THE INSPECTOR GENERAL

ON

11TH JUNE, 2026

SECRET

MEETING WITH PUBLIC PETITION COMMITTEE ON PUBLIC PETITION NO. 2 OF 2026 REGARDING PRODUCTION, DISTRIBUTION AND CONSUMPTION OF ILLEGAL ALCOHOLIC BREWS IN THE COUNTRY.

1.0 INTRODUCTORY REMARKS AND OVERVIEW

Honourable Chairperson and Members of this Committee;

I am honoured to appear before this distinguished Committee on behalf of the Inspector General of the National Police Service. I acknowledge with gratitude your continued oversight role and guidance in addressing matters of critical national concern.

1.1 Overview

Illicit alcohol remains a serious global challenge. In Kenya, the production, distribution and consumption of illicit alcohol remain a major challenge, posing serious risks to public health, safety and socio-economic stability.

The problem is compounded by its intersection with organized crime, drug trafficking, money laundering, corruption and gender-based violence.

Illicit brews are often manufactured under unsafe conditions using unregulated ingredients and are distributed through illegal networks that evade licensing and regulatory controls.

The consumption of such products has resulted to fatalities, severe health complications, crime and loss of productivity and the breakdown of social and family structures.

The clandestine nature of the trade makes detection and enforcement difficult, necessitating a coordinated approach involving regulatory agencies, law enforcement, county governments and local communities.

To address this challenge, the Government has established various legislative and regulatory frameworks aimed at preventing the production, distribution and consumption of illicit alcohol and protecting the public from its harmful effects.

Historically, traditional brew was an essential feature of the social and cultural heritage of many Kenyan communities. However, the production and consumption of traditional African brews such as *Muratina, Chang'aa and Busaa was banned* to promote the consumption of commercially produced alcohol, which was taxed and regulated.

The fight against illicit brews has evolved over time and is currently guided by the Alcoholic Drinks Control Act, 2010 and the Liquor Licensing Act (Cap. 121), which provide the legal framework for regulation, licensing and enforcement.

However, persistent bans have inadvertently driven production underworld, creating illicit markets operating in unsafe and unregulated conditions. Some producers use dangerous additives including ethanol, formaldehyde,

herbicides, Anti-Retroviral drugs (ARVs) and aflatoxins, all of which pose grave risks of death, blindness and chronic illness.

1.2 NPS Commitment

The National Police Service is fully committed to enforcing applicable laws through:

- Sustained intelligence-led operations and raids on illegal brewing dens
- Arrest and prosecution of offenders involved in illicit alcohol trade
- Seizure and destruction of illegal brews and manufacturing paraphernalia
- Multi-agency collaboration with NACADA, KEBS, KRA, County Governments, NGAOs and the Ministry of Health

2.0 STATUS OF IMPLEMENTATION OF REGULATIONS TO CURB ILLEGAL ALCOHOL

2.1 Current Regulatory Framework

The following legal instruments form the backbone of Kenya's enforcement framework against illegal alcohol:

- Constitution of Kenya, 2010 — Articles 26 (Right to Life) and 43 (Right to Health) provide the constitutional basis for state action.
- Alcoholic Drinks Control Act, 2010 — Establishes licensing regimes and penalties for unlicensed production and distribution.
- Food, Drugs and Chemical Substances Act — Controls substances used in alcohol production.
- Narcotic Drugs and Psychotropic Substances (Control) Act, 1994 (Cap. 245) — Applies where chemical substances in adulterated alcohol intersect with controlled substances.
- Penal Code (Cap. 63) — Sections 192, 202 and 229 provide penal bases for prosecution of illicit brew offenders.
- Liquor Licensing Act (Cap. 121) and County Governments Act, 2012 — Devolve licensing and trade regulation to county governments, creating a dual-track system that presents coordination challenges.

2.2 NPS Implementation Actions

The NPS has operationalized the above framework through the following enforcement mechanisms:

a) Intelligence-Led Operations

The NPS conducts intelligence-driven operations targeting illicit brews, drugs and unlicensed second-generation liquor across the country. Operations target manufacturing dens and retail outlets in informal settlements, including distribution hubs in urban and rural areas.

b) Multi-Agency Coordination

Operations involve joint deployment of officers from NPS, KEBS, NACADA, KRA and National Government Administration Officers (NGAOs) to ensure effective enforcement and sustained security outcomes.

c) Community Policing

NPS leverages Nyumba Kumi initiatives and community policing networks to identify illegal brewing sites and report suspicious activity.

d) Destruction of Contraband

All seized illicit brew and manufacturing equipment, including ethanol drums, fake KRA stamps, counterfeit brand stickers, cartons and alcometers are confiscated and destroyed upon conclusion of cases.

2.3 Operational Statistics: January 2024 – May 2026

National Summary

Over the 28-month reporting period, the NPS recorded the following national outcomes:

DESCRIPTION	2024	2025	JAN–MAY 2026	3-YEAR TOTAL
Persons Arrested	28,696	4,349	2,655	35,700
Illicit Brew Netted (Litres)	678,305	492,486	389,102.6	1,559,893.9
Illicit Brew Destroyed (Litres)	316,829	351,819	281,152	949,800

Regional Arrests Breakdown (Jan 2024 – May 2026)

REGION	2024	2025	JAN–MAY 2026	TOTAL
Coast	341	94	144	579
North Eastern	17	19	0	36
Eastern	871	607	89	1,567
Central	2,655	98	105	2,858
Rift Valley	16,040	2,104	532	18,676
Western	2,178	721	742	3,641
Nyanza	1,719	484	849	3,052
Nairobi	4,875	222	194	5,291
TOTAL	28,696	4,349	2,655	35,700

Regional Illicit Brew Netted — Litres (Jan 2024 – May 2026)

REGION	2024 (LTR)	2025 (LTR)	JAN–MAY 2026 (LTR)	TOTAL (LTR)
Coast	11,037	12,410	16,329	39,776
North Eastern	5	70	0	75
Eastern	29,648	47,839	3,829.5	81,316.5
Central	56,236	3,637.5	13,712	73,585.5
Rift Valley	254,272	189,293	49,508.8	493,073.8
Western	97,062	90,698	134,463.3	322,223.3
Nyanza	216,471	68,213	160,389	445,073

Nairobi	13,574	80,276	10,871	104,721
TOTAL	678,305	492,486	389,102.6	1,559,893.9

Regional Illicit Brew Destroyed — Litres (Jan 2024 – May 2026)

REGION	2024 (LTR)	2025 (LTR)	JAN–MAY 2026 (LTR)	TOTAL (LTR)
Coast	24,740	8,290	11,640	44,670
North Eastern	0	0	0	0
Eastern	3,663	10,910	2,500	17,073
Central	7,246	1,860	6,280	15,386
Rift Valley	165,522	129,884	22,535	317,941
Western	10,450	74,030	103,410	187,890
Nyanza	102,564	55,905	125,427	283,896
Nairobi	2,645	70,940	9,360	82,945
TOTAL	316,829	351,819	281,152	949,800

Uasin Gishu County — Case Study

A focused study of Uasin Gishu County demonstrates the impact of sustained enforcement:

DESCRIPTION	2024	2025	JAN–MAY 2026	3-YEAR TOTAL
Persons Arrested	56	505	111	672
Liquor Netted (Litres)	4,417	37,524	4,442	46,383
Liquor Destroyed (Litres)	1,407	35,667	820	37,894

2.4 Challenges to Implementation

Notwithstanding the above achievements, the NPS acknowledges the following impediments to full regulatory enforcement:

- **Limited Government Chemist Coverage** — The Government Chemist only has facilities in three counties (Nairobi, Mombasa and Kisumu), creating a bottleneck in testing and prosecution of cases across the remaining the country.
- **Lenient Penalties** — Classification of illicit alcohol offences as petty crimes results in fines and sentences that fail to deter offenders.
- **Cultural Entrenchment** — The social and cultural normalization of traditional brew consumption perpetuates demand.
- **Cross-Border Smuggling** — Influx of counterfeit alcohol and illegal ethanol from neighbouring countries undermines domestic enforcement.
- **Corruption** — Some rogue law enforcement, regulatory and administration officials facilitate the continued trade in illicit alcohol.

- **Limited Storage facilities** — Most police stations lack secure, tamper-proof storage for seized alcohol, leading to instances of exhibits finding their way back into the market.

3.0 CAUSES OF RAMPANT ILLEGAL ALCOHOL PRODUCTION, DISTRIBUTION AND CONSUMPTION

The NPS, drawing on its operational experience, has identified the following root causes:

3.1 Structural and Policy Failures

- Legacy of Prohibitionist Legal Framework — Colonial and post-colonial regulations banned traditional brews outright, inadvertently creating a thriving illicit sub-sector rather than regulating it.
- Regulatory Barriers to the Formal Sector — Costly, bureaucratic and stringent licensing requirements exclude low-income earners, leaving illicit production as the only viable economic option for many.
- Devolution-Related Coordination Gaps — The dual-track licensing system between national and county governments creates enforcement inconsistencies and regulatory loopholes.

3.2 Law Enforcement and Governance Gaps

- **Corruption** — Endemic corruption among a section of enforcement officers and administrators provides protection to illicit alcohol producers and distributors.
- **Weak Prosecution Chain** — Absence of Government Chemist services in 44 of 47 counties means cases collapse or drag on interminably, emboldening offenders.
- **Lenient Sentencing** — The treatment of alcohol offences as petty crimes reduces the deterrent effect of prosecutions.
- **Overstretched Correctional Facilities** — Congestion within prisons and correctional institutions places additional strain on the justice system.

3.3 Socio-Economic and Cultural Drivers

- Cultural Heritage — Traditional brew production and consumption is a longstanding practice in many Kenyan communities, making enforcement socially contentious.
- Market Demand Gaps — Low-income consumers who cannot afford legal alcohol turn to cheaper, unregulated alternatives.
- Economic Incentives for Producers — High profitability of illicit alcohol production relative to low risk of meaningful punishment sustains supply.

3.4 Cross-Border and Counterfeit Supply Chains

- Ethanol Smuggling — Illegal importation of industrial ethanol and counterfeit branded alcohol from neighbouring countries feeds the illicit market.

- Organized Criminal Networks — Transnational criminal syndicates have developed sophisticated supply chains for illicit alcohol, often linked to other criminal enterprises.

3.5 Information and Awareness Deficits

- Misinterpretation of Court Rulings — Some communities have misread judicial pronouncements on traditional brews as blanket legal permission, emboldening illicit producers.
- Low Public Awareness — Many citizens, administrators and even some enforcement officials lack adequate knowledge of the Alcoholic Drinks Control Act, 2010 and related standards.

4.0 RECOMMENDED MULTI-AGENCY APPROACH TO CURB ILLEGAL ALCOHOL

The NPS firmly holds that no single agency can effectively address the multi-dimensional challenge of illicit alcohol. A coordinated, whole-of-government approach is imperative. The Service proposes the following multi-agency framework:

4.1 Proposed Multi-Agency Taskforce Structure

Establish a permanent, nationally coordinated Multi-Agency Taskforce on Illicit Alcohol with the following composition and mandate:

AGENCY	DESIGNATED ROLE
National Police Service (NPS)	Lead enforcement, intelligence-led raids, arrests and prosecution referrals
Kenya Revenue Authority (KRA)	Tax enforcement, detection of illegal ethanol and border controls
Kenya Bureau of Standards (KEBS)	Standards compliance, product testing and market surveillance
NACADA	Public sensitization, awareness campaigns and addiction rehabilitation
Anti-Counterfeits Agency (ACA)	Investigation and prosecution of counterfeit alcohol and branding fraud
County Governments	Local licensing oversight, closure of illegal outlets and community enforcement
Ministry of Health / Public Health	Health risk assessment, toxicology support and public health response
ODPP	Prosecutorial guidance, case quality review and conviction rate improvement
EACC	Investigation and prosecution of corrupt officials enabling illicit alcohol
NGAOs	Community mobilization, local intelligence and compliance monitoring

4.2 Border Control and Smuggling Interdiction

NPS, KRA, KEBS and ACA should establish a dedicated Border Alcohol Smuggling Interdiction Unit with intelligence-sharing protocols to detect, intercept and dismantle organized ethanol smuggling networks.

4.3 Regulatory Reform Collaboration

A joint inter-agency technical committee comprising the National Treasury, KRA, KEBS, County Governments and the Ministry of Trade should review and streamline licensing requirements and reduce barriers to the formal alcohol sector.

4.4 Anti-Corruption Measures

The Ethics and Anti-Corruption Commission (EACC), in collaboration with NPS Internal Affairs, should establish a dedicated mechanism to detect, investigate and prosecute officials implicated in illicit alcohol protection rackets.

4.5 Government Chemist Expansion

The NPS, in collaboration with the Ministry of Health and the National Treasury, recommends the decentralization of Government Chemist services to all 47 counties to resolve the bottleneck in evidence testing and case prosecution. As an interim measure, mobile testing units should be deployed to underserved counties.

4.6 Judicial Coordination

The Judiciary should establish dedicated fast-track courts for alcohol-related offences, institute mechanisms for prompt disposal and destruction of exhibits and review sentencing guidelines to provide adequate deterrence.

5.0 ADDITIONAL RECOMMENDATIONS

In addressing the full plight of the petitioners, the NPS makes the following additional recommendations:

5.1 Legislative and Regulatory Strengthening

- Review and enhance penalties for illegal alcohol production and distribution to create effective deterrence.
- Streamline licensing procedures to lower barriers for legitimate small-scale operators, including reduced fees and simplified application processes.
- Harmonize national and county-level alcohol control regulations to eliminate jurisdictional gaps.

5.2 Resource Allocation

- Fund specialized training programs on organized crime investigation in the alcohol trade, including anti-money laundering and digital forensics capabilities.

5.3 Public Health and Alternative Livelihoods

- Develop government-funded alternative income programmes for communities economically dependent on illicit alcohol production including vocational training, micro-enterprise development and cooperative support.
- Scale up community health and education campaigns in high-prevalence areas, targeting youth, women and vulnerable groups.
- Strengthen drug and alcohol rehabilitation services and make them accessible at the county level.

5.4 Supply-Side Controls

- Tighten controls on chemical precursors (especially industrial methanol and ethanol) used in illicit alcohol production, including mandatory end-user declarations.
- Regulate the sale of raw materials commonly used in illicit brewing, particularly in high-risk areas.
- Enhance border security infrastructure and customs procedures to prevent smuggling.

5.5 Justice System Improvements

- Establish dedicated magistrate courts for alcohol-related offences with a mandate to clear backlogs within defined timelines.
- Conduct regular joint case reviews between the NPS, ODPP and the Judiciary to improve conviction rates and sentencing consistency.
- Mandate the prompt judicial destruction of exhibits once authenticity and quantity are certified, to prevent re-entry into the market.

5.6 Public Sensitization and Community Engagement

- NACADA, in collaboration with NGAO and county governments, should mount a sustained national public sensitization campaign.
- Integrate alcohol harm awareness into school curricula, community barazas and religious institutions.
- Strengthen community policing through Nyumba Kumi initiatives to foster local ownership of the fight against illicit alcohol.

5.7 Monitoring, Accountability and Parliamentary Oversight

- Institute quarterly reporting by the Multi-Agency Taskforce to Parliament on enforcement outcomes, including arrests, seizures, prosecutions and convictions.
- Commission independent evaluations of task force effectiveness every two years.
- Establish public-facing dashboards for transparency on enforcement activities and outcomes.
- Create community feedback mechanisms to enable citizens to report illicit alcohol activity and assess enforcement responsiveness.

6.0 CONCLUSION

The scourge of illegal alcohol is not merely a law enforcement problem it is a complex socio-economic and public health challenge that demands coordinated, multi-sectoral and sustained action.

The National Police Service pledges continued commitment to protecting the health, safety and welfare of all Kenyans from the harmful effects of illicit alcohol. We stand ready to work closely with this Committee, Parliament and all relevant stakeholders to build a comprehensive and durable solution to this national challenge.

Thank you, Honourable Chairperson and Members of the Committee.

NATIONAL ASSEMBLY
RECEIVED
01 JUL 2026
DEPUTY DIRECTOR
AUDIT, APPROPRIATIONS &
GENERAL PURPOSE COMMITTEES

COUNCIL OF GOVERNORS

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① DAA&GPC
Please deal.
01/07/26

② Victor Weke
Committee to consider the Submission
01/07/26

Ref: COG/6/11 Vol.4 (65)

30th June 2026

The Clerk of the National Assembly
Parliament Buildings
Nairobi

Att. Serah M. Kioko, MBS

LETTER FORWARDING WRITTEN SUBMISSIONS ON PUBLIC PETITION NO. 2 OF 2026 REGARDING THE PRODUCTION, DISTRIBUTION AND CONSUMPTION OF ILLEGAL ALCOHOLIC BREWS IN THE COUNTRY

We refer to the above subject matter and your letter dated 2nd June 2026 and referenced DAA&GPC/PPC/2026/089 inviting the Council to submit written submissions on the above referenced public petition.

The Council of Governors has reviewed the Public Petition No. 2 of 2026 and hereby forwards the written submissions attached herewith for your consideration.

Please accept the assurance of our highest esteem and consideration.

Mary Mwiti, EBS
Chief Executive Officer

NATIONAL ASSEMBLY
RECEIVED
30 JUN 2026
CLERK'S OFFICE
P. O. Box 41842, NAIROBI.

NATIONAL ASSEMBLY
RECEIVED
01 JUL 2026
DEPUTY CLERK S. KIOKO
P. O. Box 41842 - 00100, NAIROBI

48 Governments 1 Nation

WRITTEN SUBMISSIONS ON PUBLIC PETITION NO. 2 OF 2026 REGARDING THE PRODUCTION, DISTRIBUTION AND CONSUMPTION OF ILLEGAL ALCOHOLIC BREWS IN THE COUNTRY

1. BACKGROUND AND CONTEXT

The above referenced Petition raises serious concerns regarding the continued production, distribution and consumption of illicit alcoholic brews in Kenya and the resultant public health, social and economic consequences. The Petition highlights persistent cases of alcohol poisoning, loss of life, addiction, crime, family disintegration, underage drinking and the proliferation of counterfeit and adulterated alcoholic products. It further raises concerns regarding inadequate monitoring of ethanol supply chains, weak enforcement mechanisms and insufficient coordination among regulatory agencies.

The Council of Governors acknowledges that the upsurge in illicit alcohol consumption and substance abuse has become a national crisis affecting communities across the country. The matter transcends trade regulation and touches on public health, security, consumer protection, youth development and socio-economic wellbeing.

2. THE LAW AND ANALYSIS

The Constitution establishes a decentralized system of governance in which both levels of government are obligated to exercise their functions in a manner that promotes the welfare of citizens. Notably, the Constitution assigns significant responsibilities relating to alcohol regulation and consumer protection to County Governments. Under Part 2 of the Fourth Schedule to the Constitution, County Governments are responsible for among others:

- ✓ Cultural activities, public entertainment and public amenities, including, liquor licensing;
- ✓ Trade development and regulation including, markets, trade licensing (excluding regulation of professions), fair-trading practices, local tourism.

Importantly, County Governments have taken tremendous steps in operationalizing Part 2 of the Fourth Schedule by enacting legislation that seek to guide on:

- ✓ Licensing premises involved in the sale and distribution of alcoholic drinks.
- ✓ Inspection and monitoring of licensed premises.
- ✓ Enforcement of compliance with county alcoholic drinks legislation.

- ✓ Regulation of operating hours and licensing conditions.
- ✓ Closure of non-compliant and unlicensed premises.
- ✓ Public education and community awareness programmes.
- ✓ Protection of consumers from harmful and unsafe products.
- ✓ Enforcement of fair-trading practices within county jurisdictions.
- ✓ Rehabilitation and prevention programmes in collaboration with relevant stakeholders.

In addition, counties undertake market surveillance activities through county inspectorate and enforcement units and work closely with public health officers, law enforcement agencies and community structures to combat illicit alcohol.

3. DISTINCTION BETWEEN LICENSING AND PRODUCT REGULATION

The Petition raises concerns regarding the manufacture, quality, adulteration and distribution of alcoholic products, particularly second-generation alcohol and ethanol-based products. The Council submits that whereas County Governments regulate the licensing of alcohol outlets, other aspects of alcohol regulation remain within the purview of the National Government. This includes:

i. Product standards and quality assurance by Kenya Bureau of Standards;
ii. Taxation and excise administration by Kenya Revenue Authority;
iii. Border control and anti-smuggling measures;
iv. Regulation of industrial ethanol production and importation;
v. Consumer product standards and conformity assessment;
vi. Criminal investigations and prosecution.

The Council therefore posits that the effectiveness of alcohol control depends on coordinated action between the two levels of government.

4. COUNTY GOVERNMENTS' CONTRIBUTION TO CONSUMER PROTECTION AND FAIR-TRADING PRACTICES

The Council submits that the proliferation of counterfeit and illicit alcoholic products undermines both consumer protection and legitimate businesses that comply with licensing and tax requirements. To curb this, County Governments have taken the following steps to protect consumers from harmful products.

a) Licensing and inspection of retail outlets;
b) Closure of illegal drinking establishments;
c) Enforcement against sale of alcohol to minors;
d) Public health inspections;
e) Consumer awareness campaigns;
f) Enforcement of county public health laws;
g) Regulation of business premises and trade activities.

Counties also contribute to fair trading practices by ensuring:

a) Businesses operate under valid licences;
b) Consumers are protected from fraudulent and unsafe products;
c) Traders comply with county laws and licensing requirements;
d) Markets operate within established regulatory frameworks.

5. CHALLENGES

Despite the tremendous efforts made by the Counties, the following challenges persist.

a) Weak Regulation of Ethanol Supply Chains

Counties have limited jurisdiction over production, importation and interstate movement of industrial ethanol, necessitating stronger national enforcement and traceability mechanisms.

b) Inadequate Coordination among Enforcement Agencies

There is inadequate coordination amongst enforcing agencies including County Governments, National Police Service, Kenya Bureau of Standards (KEBS), Kenya Revenue Authority (KRA), National Agency for the Campaign Against Drug Abuse (NACADA), Ministry of Health and Public Health Authorities.

c) Proliferation of Unlicensed Premises

Many illicit alcohol outlets operate outside the licensing framework established by counties, thereby evading inspections and enforcement.

d) Limited Resources for Enforcement

County enforcement units often face resource constraints in undertaking sustained inspections and market surveillance operations.

e) Emerging Cross-Border Challenges

Smuggling of ethanol and counterfeit alcohol through border points has increased the complexity of enforcement efforts and thus requires national intervention.

7. RECOMMENDATIONS

In light of the foregoing, the Council recommends the following interventions:

1. Enhance implementation of existing laws and review of regulatory gaps relating to ethanol production, transportation and distribution.
2. Establish a National-County Multi-Agency Alcohol Control Framework.

3. Develop a national alcohol traceability system covering ethanol production, transportation and distribution.
4. Enhance interagency cooperation and collaboration amongst different enforcement agencies.
5. Increase support for county alcohol enforcement units.
6. Harmonize enforcement protocols while preserving county licensing authority.
7. Strengthen consumer protection mechanisms against counterfeit and adulterated alcohol.
8. Establish structured data-sharing mechanisms between National Agencies and County Governments.
9. Enhance public education and community based rehabilitation programmes targeting youth and vulnerable communities.
10. Ensure periodic joint inspections involving counties and relevant national regulatory agencies.

8. CONCLUSION

The instant Petition is timely and presents an opportunity to address production, distribution and consumption of illegal alcohol in manner that respects the functional and institutional integrity of each level of government. County Governments remain the primary regulators of liquor licensing, local trade regulation, consumer protection and fair-trading practices within their jurisdictions. However, the fight against illicit alcohol requires a coordinated whole-of-government approach involving both National and County Governments.

KENYA SUGAR BOARD

Sukari Plaza Off
Waiyaki Way
P.O. Box 51500–00200 NAIROBI

REF: KSB/SCO/4/10/(6)

4th May 2026

Mr. Samuel Njoroge, CBS
Clerk of the National Assembly
Clerk's Chambers, Parliament Building
P.O Box 41842-00100
NAIROBI

Dear sir

RE: SUBMISSION BY THE KENYA SUGAR BOARD TO THE NATIONAL ASSEMBLY DEPARTMENTAL COMMITTEE ON PUBLIC PETITIONS REGARDING THE TRADE OF ETHANOL AND PREVENTION OF ILLEGAL ALCOHOLIC BREWS.

Reference is made to your letter Ref: DAA&GPC/PPC/2026/071 dated 13th April 2026 inviting us to a meeting of the Department Committee on Public Petitions to respond to issues raised in Petition No. 2 of 2026.

Find below our detailed responses.

The Board recognizes the grave public health and social concerns raised by the petitioners regarding the menace of illicit alcoholic brews and second-generation alcohol in the country.

The Kenya Sugar Board is a body corporate established under Section 3 of the Sugar Act, 2024. Under Section 4 of the Act, the Board is legally mandated to regulate, develop, and promote the sugar industry, which includes the oversight of all sugar value chain actors and the disposal of by-products, such as molasses.

This submission specifically addresses the Board's regulatory role in the trade of molasses and jaggery, identifies critical gaps in the distribution chain that may lead to diversion into the illicit market, and outlines our collaborative efforts with other state agencies to curb this practice.

Molasses

Under Section 2 of the Sugar Act, 2024, molasses falls under the definition of a by-product, which refers to any substance, other than sugar, produced incidentally during manufacturing. The Sugar Act, 2024, Sections 4 and 9 grants the Board specific powers to regulate molasses. The Board to control, supervise, and access relevant industry information regarding these products. Specifically, the Board is mandated under Section 4(2)(q) of the Sugar Act, 2024 to formulate guidelines for the safe and economical disposal of unutilized by-products, which include molasses. Besides, any person intending to import or export sugar by-products, including molasses, must obtain a valid license as required by Section 25(1) of the Sugar Act, 2024, and must further obtain a pre-import permit or pre-export approval from the Board as stipulated in Section 25(2) of the Sugar Act, 2024.

In view of the above, the Board acknowledges that molasses is a key ingredient in the production of ethanol. Currently, two Sugar Millers have allied factories that produces ethanol for industrial use.

The Board has put in place several measures to ensure that there is no diversion of molasse which can facilitate the production of illicit Alcohol. Some of these measures include;

The National Molasses Distribution Guidelines: The Board through these guidelines allocates 80% of the Molasses produced in the country to industrial users and only 20% to the livestock farmers for animal feeds.

Collaboration with Chiefs and NPS: The Board collaborates with chiefs and the national police service officers to ensure that the 20% allocated to the farmers is utilised for the intended purpose to prevent diversion and use to produce illicit brew such as Changaa and Busaa. Each individual famer is allowed a total of 10 tonnes.

Molasses Permit: Besides, the Board monitors the production and distribution of Molasses through provision of Molasses Permits which requires the applicant to indicate the Miller selling the product and the intended use. This facilitates traceability from the Sugar Millers to industrial users.

Imports: The Board as per Section 25 of the Sugar Act, requires all importers of Molasses, a Sugar Crop By-product to import molasses only for industrial use only. The importers must be licensed and get an import permit for each consignment.

Ethanol

Kenya Sugar Board's mandate regarding management of ethanol is quite limited since the Board only regulate and monitor Molasses which is an ingredient of Ethanol. The critical agencies involved in the value chain of

ethanol includes Kenya Revenue Authority, Energy and Petroleum Regulatory Authority, and Kenya Bureau of Standards. However, the Board work with these agencies collaboratively to share information regarding the Sugar Mills which produces ethanol.

The future of the Sugar industry is also in transiting to the production of ethanol as one of the major products. Therefore, it is imperative to re-look into the laws governing the Sugar Industry and provide clear mandate to the Board regarding regulation and monitoring of ethanol produced using Sugar crops. This may enhance the element of traceability in collaboration with KRA, EPRA, and NACADA.

Jaggeries and Jaggary Millers

Under the Section 2 of the Sugar Act, 2024, jaggery is legally classified as a form of "sugar," which encompasses crystalline or liquid sucrose derived from sugar crops in any of its recognized commercial forms. Under the same section, A jaggery mill is specifically defined as the bare minimum technology equipment used to crush sugarcane to produce juice, which is then processed through boiling to produce jaggery. Consequently, any person licensed to operate such a mill is legally regarded as a miller, and these millers are recognized members of the national sugarcane manufacturer's apex body.

The Kenya Sugar Board is mandated under Section 4(2)(m) of the Act to register and license jaggery mills, a function further detailed in the Sugar (General) Regulations, 2025, which require millers to apply for operating licenses and pay prescribed fees. Operating a jaggery mill without a current license, which must be issued upon recommendation from the relevant County Government, is a criminal offense under Section 22, punishable by fines of up to ten million shillings or imprisonment for up to five years. Additionally, the Board is tasked with conducting quarterly physical inspections of licensed premises to ensure safety and health standards are met and must strictly prevent the mislabelling of jaggery or the abetting of illegal trafficking of related substances.

Despite these legal provisions, the use of jaggery as a fermentable base for illicit brews like Chang'aa continues due to significant regulatory and enforcement gaps identified in recent parliamentary petitions. One of the major gaps in regulation of Jaggaries results from the product being handled and transported in small, unregulated quantities, which easily bypass formal distribution oversight, facilitating the production of unsafe and counterfeit alcoholic products.

In view of the above, the Board works in collaboration with the county governments and the police to regulate, prevent, and combat the mushrooming of the informal jaggeries to prevent supply to illicit brewers.

Conclusion

The Kenya Sugar Board remains committed to its mandate under the Sugar Act, 2024, to regulate the sugar value chain. By enforcing strict molasses distribution quotas, licensing jaggery millers, and enhancing traceability, the Board aims to eliminate the diversion of by-products into the illicit alcohol market. Through continued collaboration with County Governments and law enforcement, we will strengthen oversight to protect public health and ensure industry integrity. The Board commits to continue collaborating with the Partner Government Agencies such as KRA, KEBS, NACADA, and ACA in monitoring Sugar Mills that produces Ethanol.

Yours faithfully,



Jude Chesire
Ag. CHIEF EXECUTIVE OFFICER

Copy to: **Dr. Kipronoh Ronoh, CBS**
The Principal Secretary
State Department for Agriculture
Ministry of Agriculture and Livestock Development
P.O. Box 30028 – 00100
NAIROBI

REPUBLIC OF KENYA

ANTI-COUNTERFEIT AUTHORITY

Office of the Executive Director

SUBMISSIONS TO THE NATIONAL ASSEMBLY

PUBLIC PETITIONS COMMITTEE

On

PUBLIC PETITION NO. 2 OF 2026 REGARDING THE PRODUCTION, DISTRIBUTION AND CONSUMPTION OF ILLEGAL ALCOHOLIC BREWS IN THE COUNTRY

Presented in response to Letter Ref. DAA&GPC/PPC/2026/071
Office of the Clerk of the National Assembly, dated 13th April 2026

Meeting: Wednesday, 29th April 2026
Parliament Buildings, Nairobi

Submitted by
Dr. Robi M. King'a, PhD
Executive Director / CEO
Anti-Counterfeit Authority

1. PRELIMINARY SUBMISSIONS

Mr. Chairman, Honourable Members of the Public Petitions Committee:

On behalf of the Board, Management and entire staff of the Anti-Counterfeit Authority ("the Authority" or "ACA"), I begin by conveying our profound appreciation to this Honourable Committee for the invitation extended to the Authority vide your letter Ref. DAA&GPC/PPC/2026/071 dated 13th April 2026, inviting us to render submissions on Public Petition No. 2 of 2026 concerning the production, distribution and consumption of illegal alcoholic brews in the country.

The Authority has received the summons of this Honourable Committee with the gravity, urgency and seriousness it deserves. We have, accordingly, mobilised our technical, legal and enforcement directorates to lay before the Committee a candid, evidence-based and constructive account of our mandate, our interventions to date, the systemic challenges that we face in the field, and the legislative, fiscal and inter-agency interventions that we now respectfully solicit from Parliament.

Mr. Chairman, the Authority recognises that the Public Petitions Committee, established under Standing Order 208A of the Standing Orders of the National Assembly and seized of this matter pursuant to Standing Order 227, is the constitutional avenue through which the voice of the petitioners is brought into the deliberations of this honourable House. We therefore approach these submissions in a spirit of utmost candour, full disclosure and a sincere willingness to engage robustly with the Committee, the petitioners, and our sister State agencies in the service of the public interest.

1.1 Scope of these Submissions

Mindful of the breadth of Public Petition No. 2 of 2026, the Authority has elected to address the petition holistically across the entire illegal-alcohol value chain. Our submissions therefore engage:

- **Production —** covering counterfeit branded alcohol, illicit artisanal brews (changaa, kumi-kumi and similar), back-yard distillation, and methanol-adulterated products that have, on numerous occasions, caused mass casualties in our communities;
- **Distribution —** covering smuggling at our porous borders, the diversion of ethanol (including from sugar millers) into illicit production, refilling of genuine bottles with unfit liquor, online and social-media marketing, and licensing failures at retail and wholesale level;
- **Consumption —** covering consumer-protection, public-health and demand-side dimensions, including affordability pressures, awareness gaps and harm reduction.

In so doing, we will distinguish, with precision, those interventions that fall within the four corners of the Anti-Counterfeit Act, Cap 510 from those that engage the mandates of our sister agencies. We do this not in any spirit of jurisdictional retreat, but rather to assist the Committee in directing its recommendations with surgical accuracy to the appropriate regulatory

custodians, and to invite Parliament to anchor the entire architecture in a unified statutory framework.

2. ABOUT THE ANTI-COUNTERFEIT AUTHORITY

2.1 Establishment and Legal Foundation

The Anti-Counterfeit Authority is a State Corporation established under **section 3 of the Anti-Counterfeit Act, Cap 510 (Laws of Kenya)**, operating under the policy direction of the Ministry of Investments, Trade and Industry. The Authority is governed by a Board of Directors appointed pursuant to section 5 of the Act and is administered, on a day-to-day basis, by an Executive Director appointed under section 18 thereof.

The Authority was operationalised in the year 2010 and has, since then, served as Kenya's lead State agency in combating counterfeiting and illicit trade, safeguarding intellectual property rights, protecting consumers from harmful imitations, and supporting the Government's revenue mobilisation, public-health and industrialisation agenda.

2.2 Statutory Mandate of the Authority

The mandate of the Authority, as crystallised in section 5 of the Anti-Counterfeit Act, Cap 510 (as amended by the Statute Law (Miscellaneous Amendments) Act, 2018), is to:

- Enlighten and inform the public on matters relating to counterfeiting;
- Combat counterfeiting, trade and other dealings in counterfeit goods in Kenya;
- Devise and promote training programmes on the combating of counterfeiting;
- Co-ordinate with national, regional and international organisations involved in combating counterfeiting; and
- Carry out any other functions prescribed for it under any of the laws set out in the First Schedule to the Act, or any other written law as may be assigned to it.

In discharging this mandate, the Authority works in close concert with the Kenya Revenue Authority (KRA), the Kenya Bureau of Standards (KEBS), the Pharmacy and Poisons Board (PPB), the Kenya Industrial Property Institute (KIPI), the Kenya Copyright Board (KECOBO), the National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA), the Government Chemist, the Directorate of Criminal Investigations (DCI), the National Police Service, the Kenya Sugar Board, the Office of the Director of Public Prosecutions, and the County Governments under the National Multi-Agency Team on Counterfeit and Illicit Trade.

2.3 Vision, Mission and Strategic Orientation

Vision: A Kenya free from counterfeit and other forms of illicit trade.

Mission: To combat counterfeiting and illicit trade through enforcement, public awareness, capacity building and stakeholder collaboration in order to safeguard the rights of intellectual property owners and protect consumers.

The Authority is currently implementing its Strategic Plan 2023–2027, anchored on intelligence-led enforcement, automation of recordation and depot management, establishment of an Anti-Counterfeit Forensic Analysis Laboratory, and deepened multi-agency collaboration.

3. THE ROLE OF ACA IN THE FIGHT AGAINST ILLEGAL ALCOHOLIC BREWS

3.1 The Four Faces of the Illegal-Alcohol Economy

Mr. Chairman, the illegal-alcohol economy in Kenya manifests itself in four overlapping forms, all of which are engaged by Public Petition No. 2 of 2026:

- **Counterfeit and illicit-brand alcohol —** fraudulent imitations of legitimate branded products, including refilling of genuine bottles, falsification of labels, tampering with seals and digital tax stamps, and outright cloning of established brands. This is the heartland of the Authority's mandate.
- **Contraband and smuggled alcohol —** originally branded products illegally imported into the Republic without payment of duties, undertaken jointly with the Kenya Revenue Authority and KEBS at the borders, ports and one-stop border posts.
- **Tax-leaked alcohol —** legally produced alcohol on which excise duty has not been remitted (including under-declared production from licensed manufacturers), primarily within the mandate of KRA but engaging the Authority where such product is repackaged or refilled into counterfeit branded bottles.
- **Illicit artisanal and adulterated brews —** commercial production of unregulated artisanal alcohol (changaa, kumi-kumi, kangara and similar) and back-yard distillation, including products laced with industrial methanol, formalin or pesticides. The regulation of artisanal alcohol falls under the Alcoholic Drinks Control Act, 2010 and respective County Acts; ACA engages where such products are passed off under counterfeit labels.

3.2 Authoritative Sizing of the Illegal-Alcohol Economy

The 2023 study commissioned by the Alcoholic Beverages Association of Kenya (ABAK) and undertaken by Euromonitor International, the most authoritative recent sizing of this market, found that:

- Illicit alcohol comprised approximately 59% by volume (898,478 hectolitres of alcohol equivalent) and 21% by value (KES 67 billion) of the total alcohol market in Kenya in 2022;
- The fiscal loss attributable to the illegal-alcohol economy was estimated at approximately KES 71 billion in 2022, with the greatest leakage emanating from distilled spirits;

- Of the four illicit categories, illicit artisanal brews accounted for 66% of total volume, tax leakage for 16%, counterfeit and illicit brands for 15%, and contraband/smuggling for 4% — a sobering portrait of a multi-headed problem;
- Established ethanol smuggling routes were identified at Isibania and Shimoni (Kenya–Tanzania), Mbale and Busia (Kenya–Uganda) and Moyale (Kenya–Ethiopia), with smugglers concealing 200-litre drums and 20–40-litre jerrycans within cover cargo, on motorcycles, and through panya routes.

3.3 The Special Question of Ethanol — Including by Sugar Companies

Mr. Chairman, the Committee's invitation expressly highlights the trade of ethanol by sugar companies as a matter of concern. The Authority addresses this candidly as follows:

- **The regulation of raw ethanol** — that is, extra-neutral alcohol (ENA), denatured spirits, undenatured ethyl alcohol and similar industrial spirits, including their importation, manufacture, taxation, denaturation and conditional release — is, by operation of law, vested principally in the Kenya Revenue Authority (under the Excise Duty Act, 2015, the East African Community Customs Management Act, 2004 and the Tax Procedures Act, 2015) and the Kenya Bureau of Standards (under the Standards Act, Cap. 496);
- **Sugar millers and standalone distilleries** — which produce molasses-based ethanol as a co-product of sugar manufacturing, are licensed and supervised by the Kenya Sugar Board under the Sugar Act, 2024 in respect of cane and molasses operations, and by KRA in respect of the excise treatment of the resulting ethanol;
- **The Authority's engagement with ethanol** — arises at the moment ethanol is unlawfully diverted into the manufacture of counterfeit branded alcohol, that is, where ethanol becomes the input for products that infringe the registered intellectual property rights of legitimate brand owners. At that interface, ACA enforcement is fully engaged.

The Authority therefore submits that the petitioners' concerns on ethanol diversion engage a regulatory ladder in which KRA, KEBS, the Kenya Sugar Board, NACADA and ACA all hold complementary instruments. We respectfully propose, in Section 7 below, that this ladder be welded into a single statutory architecture so that no rung of the chain is left unattended.

4. KEY MILESTONES OF THE AUTHORITY

4.1 Institutional and Regulatory Milestones

- **Operationalisation (2010):** Full operationalisation of the Anti-Counterfeit Act, Cap 510 with the establishment of the Authority's Secretariat and Board.
- **Statutory expansion (2018):** Amendment of the Anti-Counterfeit Act, Cap 510 through the Statute Law (Miscellaneous Amendments) Act, 2018, expanding the mandate of the Authority to include the recordation of intellectual property rights for imported goods.

- **Recordation system (2021 onwards):** Roll-out of the mandatory IPR Recordation Programme, requiring importers of branded goods to record their rights with the Authority before importation. The system has been progressively integrated with KRA's iCMS for risk-based profiling at ports of entry.
- **Multi-Agency Team participation:** Active participation in the National Multi-Agency Team on Illicit Trade, including the Office of the President-led joint operations against illicit alcohol announced under the present Administration.
- **Local strategic partnerships:** Active collaboration with key local partners in the alcohol value chain and consumer-protection ecosystem, including the National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA), the Kenya Association of Manufacturers (KAM), the Alcoholic Beverages Association of Kenya (ABAK) and the Bar Hotels Liquor Traders Association (BAHLITA), in support of joint enforcement, sensitisation and self-regulation initiatives.
- **Strategic Plan 2023–2027:** Adoption and implementation of an intelligence-led, technology-enabled enforcement strategy with measurable performance contract indicators.
- **Forensic laboratory programme:** Ongoing engagement with the Indian High Commission in Kenya and the Rashtriya Raksha University (RRU) under the ITEC Programme to establish an Anti-Counterfeit Forensic Analysis Laboratory to support investigations and prosecutions, including chemical fingerprinting of seized alcohol.
- **International partnerships:** Sub-regional training in November 2025 with the World Intellectual Property Organisation (WIPO) and the Japan Patent Office (JPO) on IP enforcement; and an emerging engagement with the React Group, an international brand-owner umbrella body.

4.2 Operational Milestones — Recent Enforcement Performance

In Financial Year 2025/2026 alone, and confining ourselves to publicly verifiable performance contract indicators, the Authority has recorded the following:

Indicator	Q1 FY25/26	Q2 FY25/26	Q3 FY25/26
Inspections conducted	2,680	2,331	2,307
IPR cases actioned	41	52	50
Suo motu cases opened	49	46	38
Value of counterfeit goods seized (KES)	158,760,249	264,697,638	140,109,450
AIA (Appropriation-in-Aid) collected (KES)	1,385,927	2,091,768	2,830,919
Compounding cases	29	32	43

Source: ACA Q1–Q3 FY 2025/26 Enforcement and Depot Reports submitted to the Legal & Enforcement Committee of the Board.

Cumulatively, the value of counterfeit goods held under safe custody at the Authority's gazetted depots in Athi River (two depots), Mombasa, Eldoret, Kisumu, Nyeri, Inland Container Depot Nairobi (ICDN) and Jomo Kenyatta International Airport (JKIA) stands at approximately KES 1.78 billion as at the close of Q3 FY 2025/26.

In addition, in Q2 and Q3 of FY 2025/26, the Authority rolled out alcohol-focused public sensitisation forums reaching over 600 opinion leaders across the counties of Kiambu, Nairobi, Nakuru, Bungoma, Kakamega and Kisumu. Participants were drawn principally from the National Government Administration Officers (NGAOs), and additionally from parastatals and business representatives, with several forums convened in collaboration with NACADA, ABAK and BAHLITA. These engagements were calibrated to mobilise grassroots reporting, demystify product authentication, and entrench community-level vigilance against illicit and counterfeit alcohol.

4.3 Specific Operations Targeting Illegal Alcohol

Pursuant to a meeting at the Office of the President chaired by the Honourable Cabinet Secretary for Interior and National Administration on Alcohol and Drug Abuse, and within the framework of the Multi-Agency Command Team, the Authority undertook a series of intensified enforcement operations targeting counterfeit alcoholic beverages between January and 14th April 2026, with the following outcomes:

- Targeted intelligence-led inspections conducted: 13;
- Counterfeit alcohol seized: 14,930 pieces;
- Approximate value of seizures: KES 4 million;
- Brands implicated by infringement included Zheng Hong Distillers, Patiala Distillers, Two Cousins, Manchester Distillers, Keroche Breweries Ltd, and Rift Valley Brewing Company Ltd.

In addition, in Q3 of FY 2025/26, the Authority's alcohol-and-beverages-related seizures stood at KES 10,748,050, representing a continuing operational focus on this category alongside other priority sectors.

5. CHALLENGES ACROSS THE ILLEGAL-ALCOHOL VALUE CHAIN

Mr. Chairman, the Authority has, in recent years, commissioned and published a body of empirical research which now enables us to lay before this Committee an evidence-based account of the challenges in the field. Three studies are particularly germane:

- the *ACA Firm-Level Survey on Counterfeiting in Kenya, 2024*;
- the *ACA Consumer-Level Survey Report, 2025*; and
- the *Perspectives of Counterfeiting in Kenya (PIRA) Report, 2025*.

Synthesised with the Authority's operational experience, the challenges fall under the three legs of the petition:

5.1 Production-Side Challenges

- On average, 18% of products in surveyed sectors are counterfeited, with alcoholic beverages experiencing a prevalence of 19%, second only to automotive spare parts (21%) (Firm-Level Survey, 2024);
- Within the alcoholic drinks segment, gin and vodka emerged as the most affected products at the firm level, while at the consumer level wine (50.12%), beer (47.44%), whiskey (42.68%) and vodka (36.95%) were reported as the most counterfeited categories;
- The proliferation of back-yard and clandestine distilleries, often operating without potable-water access, sanitation or quality controls, results in products contaminated with methanol, formalin and pesticide residues — a recurrent cause of mass casualties in our communities;
- Diversion of industrial ethanol — including molasses-based ethanol from sugar millers and imported denatured spirits — into clandestine production lines, frequently exploiting weaknesses in denaturation and tracking;
- Production of high-quality bottles, caps, security seals and counterfeit excise stamps domestically and through imports, which lowers the technical barrier to entry for counterfeiters.

5.2 Distribution-Side Challenges

- Porous borders with multiple recognised illicit entry points, including Isibania, Shimoni, Busia, Mbale, Malaba, Lwakhakha, Namanga, Lunga Lunga and Moyale, exploited for smuggling of finished spirits and ethanol;
- Sophisticated concealment techniques: 200-litre drums and 20–40-litre jerrycans secreted within cover cargo, motorcycles ferrying small consignments along panya routes, and false declaration of consignments at official entry points;
- Refilling of genuine bottles with sub-standard liquor at retail level, sometimes with the connivance of unscrupulous bar operators, defeats consumer trust in even visually authentic packaging;

- Rapid migration of counterfeit alcohol marketing to online platforms and social-media channels, including WhatsApp business groups, where the Authority's investigative reach is constrained by current statutory provisions;
- Fragmentation of retail licensing across 47 County Governments, with uneven enforcement of the Alcoholic Drinks Control Act, 2010 and respective County Acts, creating arbitrage opportunities for illicit traders;
- Allegations of corruption and complicity along distribution and enforcement chains — a concern the Authority takes with the utmost seriousness and which calls for joint integrity safeguards across the Multi-Agency Team.

5.3 Consumption-Side and Public-Health Challenges

- Direct consumer testimony, documented in the PIRA Report, 2025, of severe illness and harm following consumption of counterfeit and adulterated alcohol; and historical national experience of mass-casualty events in Kibwezi, Kakamega, Kiambu and elsewhere occasioned by methanol-laced brews;
- Affordability pressures driven by the price differential between licit and illicit alcohol, exacerbated by economic strain on households;
- Significant gaps in consumer awareness regarding the legal consequences of purchasing illicitly traded goods, as documented in the Consumer-Level Survey, 2025;
- Underage and high-volume consumption of cheap, high-strength illicit spirits, with attendant social, health and productivity consequences;
- Limited access to verified product-authentication tools at the point of sale, particularly in rural and peri-urban areas.

5.4 Institutional and Capacity Constraints at ACA

- Mobility constraints occasioned by frequent breakdown of enforcement vehicles, particularly during Q3 FY 2025/26;
- Staff attrition and unfilled positions at critical border posts including Busia, Malaba, Namanga, Lunga Lunga, Moyale and JKIA;
- Absence, to date, of an in-house Anti-Counterfeit Forensic Analysis Laboratory, obliging the Authority to rely on external laboratories with attendant delays in evidence turnaround;
- Need for insurance cover for the cumulative KES 1.78 billion in counterfeit goods held at the Authority's gazetted depots, to mitigate against loss, damage or destruction;
- Constrained budgetary ceiling, with reliance on Exchequer support and modest Appropriation-in-Aid (AIA) collections that, taken together, are insufficient for the scale of the menace.

5.5 Statutory and Procedural Gaps

- The Anti-Counterfeit Act, Cap 510 is, in some respects, ill-adapted to the realities of digital marketplaces, e-commerce and social-media-based distribution of counterfeits;

- Penalties under section 35 of the Act, while not inconsiderable, are not viewed by trade and consumer respondents as a sufficient deterrent in light of the profitability of the illegal-alcohol economy;
- Compounding of offences under section 36 of the Act requires statutory guidelines for consistency, transparency and proportionality — a matter the Authority is presently addressing internally;
- The absence of a single, statutory multi-agency framework with clearly defined Key Performance Indicators, dedicated funding and joint reporting lines impedes the seamless coordination of KRA, KEBS, ACA, NACADA, PPB, the Government Chemist, the Kenya Sugar Board, DCI, ODPP and the County Governments;
- Absence of statutory provision for the chemical fingerprinting of ethanol at production, which would allow forensic tracing of diverted batches back to source.

6. PROPOSALS TO ENHANCE ACA FUNDING AND INSTITUTIONAL CAPACITY

Mr. Chairman, the Authority respectfully submits that the scale of the illegal-alcohol economy — estimated at KES 67 billion in 2022 with a fiscal loss of KES 71 billion — stands in stark contrast to the modest resourcing presently available to the lead enforcement agency. We therefore propose, for the Committee's favourable consideration, the following sustainable financing and capacity-strengthening mechanisms:

6.1 Sustainable Financing Mechanisms

- **Anti-Counterfeit Levy:** Establishment of a modest, ring-fenced Anti-Counterfeit Levy on the recordation of intellectual property rights for imported goods, payable annually by recordation holders, with proceeds appropriated directly to the Authority through a statutory Fund.
- **Retention of Appropriation-in-Aid (AIA):** Statutory authorisation for the Authority to retain, in full, the Appropriation-in-Aid collected from compounding fees, destruction fees and complaint fees, in lieu of remittance to the Consolidated Fund, to fund operations of the Enforcement and Forensic directorates.
- **Forfeiture proceeds:** Amendment of section 38 of the Anti-Counterfeit Act, Cap 510 to provide for the proceeds of forfeiture of counterfeit goods (and the equipment used in their manufacture) to be paid into a dedicated Anti-Counterfeit Fund, in line with the model of the Asset Recovery Authority under the Proceeds of Crime and Anti-Money Laundering Act, 2009.
- **Hypothecation of a fraction of recovered excise:** Subject to negotiation with the National Treasury and KRA, hypothecation of an agreed fraction (for instance, 1–2%) of excise duty recovered through joint enforcement operations to fund the Multi-Agency Team's operations.

- **Donor and bilateral partnerships:** Active pursuit of bilateral and multilateral funding (WIPO, JPO, EU, USAID, the Indian ITEC Programme, FCDO and the World Customs Organization) earmarked for forensic infrastructure, training and digital systems.

6.2 Capacity and Infrastructure Investments

- **Operationalisation of the Anti-Counterfeit Forensic Analysis Laboratory:** A dedicated capital allocation, in the next Supplementary Estimates, for equipment, accreditation (ISO/IEC 17025) and skilled personnel for the laboratory, with a satellite mobile unit for field deployment.
- **Fleet renewal and maintenance:** A three-year fleet renewal programme to address vehicle breakdowns documented in Q3 FY 2025/26, prioritising border posts and regional offices.
- **Border-post strengthening:** Filling of staff vacancies, deployment of body-worn cameras for officer integrity, and the establishment of intelligence cells at Busia, Malaba, Namanga, Lunga Lunga, Moyale, Isibania and Lwakhakha, jointly with KRA and the Border Management Secretariat.
- **Depot insurance and modernisation:** Statutory provision for the insurance of goods at the Authority's gazetted depots, currently valued cumulatively at KES 1.78 billion, and modernisation of depot infrastructure (CCTV, biometric access and electronic chain-of-custody).
- **Digital transformation:** Full integration of the Authority's recordation platform with KRA's iCMS, KEBS' conformity assessment systems, KIPI's IP register, NACADA's licensing database and the County Single Business Permit systems, leveraging the Government Common Connectivity Network.
- **Specialised prosecution unit:** Establishment, jointly with the Office of the Director of Public Prosecutions, of a Specialised Anti-Counterfeit and Illicit Trade Prosecution Unit to handle complex matters arising from joint operations.
- **Anti-Counterfeit Training Academy:** Establishment of an Anti-Counterfeit Training Academy as a flagship project of the Authority under the Fourth Medium Term Plan (MTP IV) within the thematic area of Industrial Property protection. The Academy will serve as the country's premier centre of excellence for capacity building of inspectors, prosecutors, customs officers, judicial officers, brand-protection professionals and county enforcement officers in counterfeit detection, intelligence-led enforcement, forensic evidence handling and IPR adjudication.
- **Roll-out of the Anti-Counterfeit Security Device (Security Seal) under section 34B of the Anti-Counterfeit Act, Cap 510:** It is high time the Authority operationalised, in full, the special device contemplated under section 34B of the Anti-Counterfeit Act, Cap 510 as read with the Anti-Counterfeit (Recordation) Regulations, 2021 (Legal Notice No. 118 of 2021), being a certification mark in the form of an anti-counterfeit security device (security seal/mark) issued by the Authority and affixed to products at the point of importation or manufacture. As a priority measure to curb counterfeiting, the Authority proposes the mandatory affixation of this security mark on

locally produced and imported alcohol, and progressive extension to other targeted goods that materially affect the health and safety of citizens (including pharmaceuticals, agro-inputs, cosmetics, electrical accessories and food items). Goods that do not bear the prescribed security device shall be liable to seizure and destruction in accordance with the Act.

7. LAW REFORM PROPOSALS

Mr. Chairman, the Authority respectfully proposes, for the Committee's favourable consideration and onward referral to the relevant Departmental Committees, the following plausible and targeted statutory interventions:

7.1 Anti-Counterfeit Act, Cap 510 — Targeted Amendments

- Expanding the definition of "counterfeit" to expressly include refilled, tampered or otherwise compromised genuine packaging, in addition to imitations;
- Conferring statutory powers of takedown and de-listing in respect of online and social-media platforms used for the marketing of counterfeit goods, with appropriate safeguards;
- Enhancement of penalties under section 35 to a level commensurate with the profitability of the trade, including mandatory minimum penalties for repeat offenders;
- Introduction of corporate criminal liability for directors and beneficial owners of entities engaged in counterfeit production;
- Statutory compounding guidelines under section 36 to ensure consistency, transparency and proportionality in the resolution of cases;
- Express provision for the chemical fingerprinting of seized alcohol and the admissibility of forensic evidence so produced;
- Establishment of a dedicated Anti-Counterfeit Fund, fed by levies, AIA, donor receipts and forfeiture proceeds, ring-fenced for the Authority's mandate.

7.2 Excise Duty Act, 2015 and Related Tax Statutes

- Mandatory geo-fenced electronic movement permits for ethanol consignments above a defined threshold, integrated with the Excisable Goods Management System (Digital Tax Stamps);
- Statutory denaturation requirements for all non-potable industrial ethanol at the point of production, with denaturants of a kind that cannot be readily removed by clandestine processes;
- Real-time production-volume reporting from licensed distilleries to KRA and ACA, with statutory penalties for under-declaration;
- Strengthened controls on the conditional release of ethanol pending verification of end-use.

7.3 Standards Act, Cap. 496

- Strengthening of the Kenya Standards on potable spirits (KS EAS 122) and on denatured ethanol, including methanol-content thresholds and tamper-evident packaging requirements;
- Mandatory pre-export verification of conformity (PVoC) for all imported spirits and ethanol;
- Statutory powers of seizure and condemnation of sub-standard alcohol at retail level, with cost recovery from the offender.

7.4 Alcoholic Drinks Control Act, 2010

- Harmonisation of the national Act with the 47 County Alcoholic Drinks Control Acts to eliminate arbitrage opportunities;
- Provision for joint inspections by national agencies and County licensing officers, with shared data and interoperable licensing registers;
- Tightening of provisions on the manufacture, sale and distribution of artisanal brews, including mandatory chemical testing for any product offered for commercial sale;
- Statutory recognition of community-based reporting mechanisms (Nyumba Kumi, chiefs' barazas) as legitimate sources of intelligence.

7.5 Sugar Act, 2024

- Express provision for the licensing, monitoring and quarterly reporting by sugar millers of all molasses-based ethanol production;
- Mandatory disclosure of buyers, end-users and movement of ethanol consignments to KRA, KEBS and ACA;
- Joint inspection powers between the Kenya Sugar Board, KRA and ACA in respect of distilleries co-located with sugar mills.

7.6 New Statutory Framework: Multi-Agency Committee on Illicit Trade

That this Honourable House consider the enactment of a Multi-Agency Committee on Illicit Trade Act (or, in the alternative, the insertion of a Part into the Anti-Counterfeit Act, Cap 510) to anchor in statute a permanent inter-agency body, with the following minimum elements:

- Statutory composition drawn from KRA, KEBS, ACA, NACADA, PPB, the Government Chemist, the Kenya Sugar Board, DCI, NPS, ODPP, the Border Management Secretariat and the Council of Governors;
- Clearly defined Key Performance Indicators, including levels of successful prosecutions, value of seizures, and reduction in market prevalence;
- A dedicated Secretariat hosted on a rotational basis, with shared intelligence and case-management systems;
- A dedicated Multi-Agency Fund and statutory provision for the rotational secondment of officers across member agencies;
- Annual reporting to Parliament under Article 95 of the Constitution.

7.7 Constitutional and International Anchors

In framing the foregoing proposals, the Authority is guided by Article 43 of the Constitution of Kenya, 2010 (rights to health and consumer protection), Article 46 (consumer protection), the Fourth Schedule (the division of functions between the National and County Governments), and Kenya's obligations under the WTO TRIPS Agreement, the Paris Convention, the EAC Customs Management Act, 2004, the EAC Anti-Counterfeit Bill (under negotiation) and the COMESA Policy on Anti-Counterfeiting.

8. PRAYER FOR PARLIAMENTARY INTERVENTION

In light of the foregoing, the Authority humbly and respectfully prays that this Honourable Committee:

- Recommend the establishment, in statute, of a permanent Multi-Agency Committee on Illicit Trade as set out in Section 7.6 above;
- Refer the legislative proposals at Sections 7.1 to 7.5 to the relevant Departmental Committees of the House for processing in line with Standing Orders 114 and 117;
- Endorse the financing and capacity proposals at Section 6 above for incorporation in the next Budget Policy Statement and Supplementary Estimates, including the establishment of a dedicated Anti-Counterfeit Fund;
- Recommend joint county-national harmonisation of the Alcoholic Drinks Control regime through engagement with the Council of Governors and the Senate;
- Issue, in such manner as it may deem fit, directions to the Ministry of Investments, Trade and Industry (the State Department for the time being responsible for the mandate of the Anti-Counterfeit Authority), KRA, KEBS, the Kenya Sugar Board, NACADA, the Pharmacy and Poisons Board, the Government Chemist and ACA to render coordinated and time-bound responses to the prayers of the petitioners; and
- Provide such further or other relief as the Committee may deem just and expedient in the circumstances.

9. CONCLUSION AND ASSURANCE TO THE COMMITTEE

Mr. Chairman, Honourable Members, the Anti-Counterfeit Authority is alive to the fact that the loss of even a single Kenyan life to illegal alcohol is one too many. We are, equally, alive to the fact that the integrity of our intellectual property regime, the buoyancy of our excise revenue, the competitiveness of our manufacturing sector, the safety of our households and the reputation of the Republic before our regional and international partners are all bound up in the manner in which we collectively confront this menace.

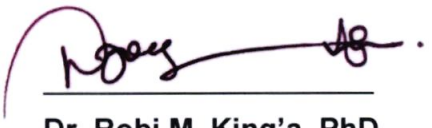
The Authority therefore reaffirms, in the most categorical terms, its full commitment to:

- Engage robustly, candidly and continuously with this Honourable Committee throughout its consideration of Public Petition No. 2 of 2026;

- Cooperate fully with our sister State agencies under the Multi-Agency Team and any statutory committee that this House may, in its wisdom, establish;
- Submit to this Honourable Committee, on demand, any further records, data, technical analyses or supplementary memoranda required to inform its deliberations;
- Implement, with diligence, any recommendations or directions that this House may issue in the exercise of its constitutional oversight role under Article 95 of the Constitution of Kenya, 2010.

We thank this Honourable Committee for the privilege of these submissions, and we remain at the disposal of the Committee for any clarifications or further questions.

Respectfully submitted,



Dr. Robi M. King'a, PhD
Executive Director / CEO
Anti-Counterfeit Authority
National Water Plaza, 3rd Floor, Nairobi
Date: 28th April 2026

Annexure A — Schedule of Authorities Referenced

Statutes and Subsidiary Legislation

- The Constitution of Kenya, 2010 (Articles 43, 46, 95, 118 and the Fourth Schedule)
- The Anti-Counterfeit Act, Cap 510 (as amended)
- The Statute Law (Miscellaneous Amendments) Act, 2018
- The Excise Duty Act, No. 23 of 2015
- The Tax Procedures Act, No. 29 of 2015
- The East African Community Customs Management Act, 2004
- The Standards Act, Cap. 496
- The Alcoholic Drinks Control Act, No. 4 of 2010
- The Industrial Property Act, No. 3 of 2001
- The Trade Marks Act, Cap. 506
- The Copyright Act, No. 12 of 2001
- The Pharmacy and Poisons Act, Cap. 244
- The Public Health Act, Cap. 242
- The Sugar Act, 2024
- The Proceeds of Crime and Anti-Money Laundering Act, 2009
- The County Alcoholic Drinks Control Acts (various counties)
- The Standing Orders of the National Assembly (Standing Orders 114, 117, 208A and 227)

Reports and Studies

- Anti-Counterfeit Authority, Firm-Level Survey on Counterfeiting in Kenya, December 2024
- Anti-Counterfeit Authority, Consumer-Level Survey Report, 2025
- Anti-Counterfeit Authority / Independent, Perspectives of Counterfeiting in Kenya (PIRA) Report, 2025 (Draft)
- Anti-Counterfeit Authority, Q1, Q2 and Q3 FY 2025/26 Enforcement and Depot Reports
- Anti-Counterfeit Authority, Summary Report on Alcohol Seized Between January and 14th April 2026 (Submission to the Multi-Agency Command Team)
- Euromonitor International for the Alcoholic Beverages Association of Kenya, Building a Strategy to Combat Illicit Trade in Kenya — Alcoholic Drinks, Executive Summary, June 2023
- OECD/EUIPO, Trends in Trade in Counterfeit and Pirated Goods, 2021
- World Health Organization, Substandard and Falsified Medical Products Report, 2017

Alcohol Beverages Association of Kenya
Responsibility & Self Regulation Initiative

ABAK Recommendations on Public Petition No. 02 of 2026: Production, Distribution and Consumption of Illegal Alcoholic Beverages

Introduction:
The **Alcoholic Beverages Association of Kenya (ABAK)** is an umbrella body that brings together Kenya's leading manufacturers and distributors of alcoholic beverages. We represent licensed manufacturers and distributors of alcohol who collectively contribute over KES 130 billion in tax revenues annually.

Our current members include:

- Kenya Wine Agencies Limited
- London Distillers
- Kenya Breweries Limited
- UDV (Kenya) Limited
- Pernod Ricard
- Heineken
- Two Cousins Distillers

We are a self-regulating industry body and have adopted administrative guidelines and a marketing code to monitor and self-regulate the way brands are marketed to promote responsible consumption of alcohol in Kenya.

Having reviewed *Public Petition No. 02 of 2026*, we wish to emphasise the urgent need for action on illicit alcohol in our market.

We note that we are an industry in crisis.

According to the latest statistics, the illicit alcohol market continues to grow in both volume and value. Growth in the illicit market has exceeded that in the legal market over the last two years, and illicit alcohol now accounts for 60% of the total market. The illicit market has grown by 27% in HL LAE since 2022.

Although illicit artisanal homebrews represent 67% of the illicit alcohol market, most of the illicit alcohol value lies in smuggling, counterfeit and tax leakage.

Alcohol Beverages Association of Kenya
Responsibility & Self Regulation Initiative

Illicit alcohol continues to dominate segments of the market due to a significant economic imbalance:

(i). Legal alcohol is heavily taxed and regulated
(ii). Illicit alcohol is untaxed, unregulated, and cheaper

Tax leakage is the largest contributor to illicit alcohol value sales at KES73 billion, followed by counterfeit and illicit brands at KES64 billion.

This research aligns very closely with the concerns outlined in the Public Petition under discussion here today.

In that regard, ABAK is pleased to provide targeted, sector-specific recommendations that directly address the Committee's focus areas while reinforcing the broader objectives of the Petition.

ABAK strongly supports the Petition and stands ready to collaborate with the Committee and all relevant State agencies.

ABAK Position:

Concerns	Details	Reactions/Proposals/ Recommendations
Trade in Illicit Alcohol	Illicit alcohol trade remains rampant, evidenced by continued deaths, counterfeit alcoholic brands, unlicensed liquor outlets, underage drinking, widespread adulteration of alcoholic products, illicit brews, and second-generation alcohol.	Illicit alcohol accounts for approximately 60% of the Kenyan market, resulting in preventable deaths, serious health crises, and annual tax revenue loss exceeding over KSh 120 billion. These products undercut legitimate producers on price while evading all quality and excise controls. **Actionable Recommendations:** • Conduct an immediate nationwide multiagency crackdown (Kenya Revenue Authority (KRA), National Police Service, Kenya Bureau of Standards (KEBS), Anti-

		Counterfeit Authority (ACA), National and County Governments) on unlicensed outlets and counterfeit operations. • Introduce mandatory KRA excise stamps and digital track-and-trace on all alcohol products (including second-generation) to distinguish legal from illicit products at point of sale.
Implementation of the Law	We note inconsistent implementation of the law due to difficulties presented in enforcement capacity, regulatory gaps, legal prosecution and limited public awareness.	Whereas the Alcoholic Drinks Control Act (Cap. 121) of 2010 provides a solid framework, enforcement remains fragmented and siloed. NACADA's coordination role needs strengthening, and county governments & the National Police Service (NPS) requires capacity support. **Actionable Recommendations:** • Commission a whole government/whole of society audit (KRA, KEBS, NACADA, ABAK, National Police) within 90 days to identify specific enforcement and prosecution bottlenecks. • Fully Gazette and implement Excise Duty (Remission of Excise Duty) Regulations 2025 to deal with illicit in the spirits category.
Monitoring and Oversight	Allegations of insufficient monitoring and oversight of licensed manufacturers and distillers of second-generation alcohol by	Licensed second-generation alcohol producers are already heavily regulated; however, gaps in real-time oversight allow diversion and adulteration. ABAK members comply fully with KRA and KEBS

	regulatory agencies including KRA and KEBS.	requirements and are prepared to support enhanced monitoring. **Actionable Recommendations:** • Introduce mandatory real-time digital reporting of production volumes, stock movements, and sales by licensed distillers (integrated with KRA excise systems). • The Government should consider setting-up a multiagency regular (KRA-KEBS-NACADA) compliance audits of all licensed second-generation facilities. • Enhanced penalties for any licensed entity found facilitating diversion to illicit channels.
Traceability Mechanisms	Absence of robust quality control systems, product traceability mechanisms, and distribution oversight has allowed unsafe and counterfeit alcohol products to enter the market.	Traceability is the single most effective tool against counterfeiting and diversion. Current systems are largely manual and can be easily circumvented. **Actionable Recommendations:** • Roll out a national digital traceability system for all alcoholic products from manufacture to retail within 12–18 months. • Require every licensed manufacturer/distributor to implement end-to-end batch tracking with QR codes or RFID. • KEBS adopt international best-

		practice quality standards specifically for second-generation alcohol, with third-party verification.
Transport of Alcoholic Drinks	Illicit alcohol is transported in small, unregulated quantities	Alcohol is a hazardous and flammable substance. Unregulated small-quantity transport is a major vector for diversion into illicit brewing and poses serious safety risks. **Actionable Recommendations:** • Enact and enforce specific regulations for the transport of ethanol and alcoholic beverages (minimum consignment sizes, GPS-tracked vehicles, licensed transporters only). • KRA, NPS and NTSA to conduct regular joint roadside inspections and enforce severe penalties for non-compliant transport.

Policy Recommendation: Finalisation of the Draft Excise Duty (Remission of Excise Duty) Regulations, 2025

While the five issues above demand urgent enforcement, monitoring, traceability, and transport reforms, ABAK emphasises that a lasting and scalable solution to illicit alcohol also requires a complementary economic incentive that makes compliant, locally produced beverages genuinely competitive.

The single most powerful and immediate lever available to Government is the swift finalisation and gazettement of the *Draft Excise Duty (Remission of Excise Duty) Regulations, 2025*, incorporating the targeted, evidence-based amendments formally submitted by ABAK.

The 2025 regulations seek to extend an Excise Tax Remission to wine and spirits (using local inputs) but will also provide for strict adherence to packaging (e.g., minimum 750ml for wine) and price controls.

Alcohol Beverages Association of Kenya
Responsibility & Self Regulation Initiative

We note that a similar intervention has stemmed flows of illicit beer and resulted in the development of Senator Beer (specifically Senator Keg), produced by East African Breweries Limited (EABL). Launched in 2004, it was designed as a low-cost alternative to dangerous, illegal illicit brews. It has resulted in several key benefits focused on affordability, safety, and economic impact; and has provided over 45,000 farmers with a means to access sustainable markets to produce a low-cost beer.

In recognition of the fact that most illicit activity is now seen in the spirits category, we encourage this Committee to consider the benefits of an enhanced Remission regime that would enable the production of safe, locally sourced spirits that would meet the affordability needs of consumers, which typically drive them towards illicit goods.

The proposed Remission Regulations directly address the root economic driver of the illicit trade, including the ability of untaxed, unregulated products to undercut licensed manufacturers on price-by offering remission of excise duty on spirits, beer, and wine produced from locally grown agricultural feedstocks.

This intervention will:

- Dramatically lower the cost of compliant products, enabling licensed manufacturers to compete effectively against the 60% illicit market segment;
- Create immediate, large-scale demand for Kenyan agricultural produce, thereby increasing farmer incomes and strengthening rural economies; and
- Reduce consumer incentives to buy low priced illicit alcohol, which is currently prevalent in hotspot counties such as Uasin Gishu and Kiambu.

Most importantly, these Regulations will enable Kenya to take advantage of its abundant agricultural resources and an established industrial base to produce a local alternative to the illicit alcohol prevalent in the market.

Unlocking these Regulations will enable consumers to access locally produced and legitimate sources of alcohol, even as it enables enhanced tax collection from legitimate producers. The Regulations introduce clear definitions for “manufacturers” and “compounders” and revise the price ceiling in Regulation 6(2)(c) to a realistic range that reflects actual production costs while preserving the fiscal integrity of the scheme.

Finalising the Regulations will form an integral part of the comprehensive solution sought by the Petition, as enforcement and traceability measures alone cannot succeed if legal products remain uncompetitively priced.

The enforcement roadmap outlined above, and the economic stimulus provided by the proposed Regulations will deliver a decisive, multi-front attack on illicit alcohol resulting in a shrinkage of the illicit market and enhancing the protection of public health while safeguarding legitimate jobs and investment and restoring billions of shillings in tax revenue.

ABAK therefore respectfully requests that the Public Petitions Committee formally recommend to the National Treasury and the Cabinet Secretary for National Treasury and Economic Planning that the *Draft Excise Duty (Remission of Excise Duty) Regulations, 2025*, be finalised and gazetted without further delay, incorporating industry feedback proposed by ABAK.

ABAK remains fully committed to eliminating illicit alcohol through evidence-based, collaborative, and decisive action that protects Kenyan lives, strengthens the legitimate industry, and secures the economic future of our nation.

MEMORANDUM ON THE PRODUCTION, DISTRIBUTION AND CONSUMPTION OF ILLEGAL ALCOHOLIC BREWS IN THE COUNTRY

SUBMITTED TO

Clerk of the National Assembly
Parliament of Kenya
P.O Box 41842 - 00100
Nairobi.

SUBMITTED BY

TOBIAS ALANDO
CHIEF EXECUTIVE
KENYA ASSOCIATION OF MANUFACTURERS

Wednesday, 29th April 2026

1.1. Introduction

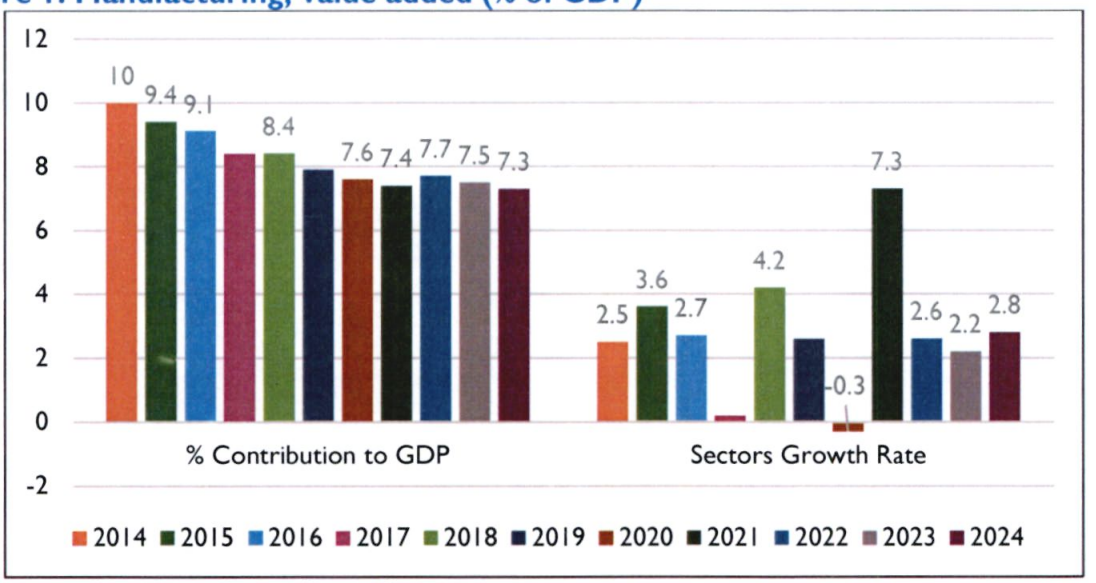
1.1 About KAM

- ✓ Kenya Association of Manufacturers (KAM) is the leading business membership organization in East Africa that plays a key advocacy role on behalf of manufacturers in Kenya and in the region through its strong linkages with all sectors of the economy. KAM has over 1100 members and represents over 65% of Kenya's manufacturing value-added industries in Kenya.
- ✓ To ensure effective and efficient engagement between its members and various stakeholders, KAM is organized into fourteen (14) manufacturing sectors including the Alcoholic beverages and Tobacco sector in which Tobacco manufacturers lie.
- ✓ The sub sector plays a key role in Kenya's economy through job creation, revenue and generation.

1.2 State of the manufacturing sector in Kenya

- ✓ Manufacturing GDP contribution can give indications of whether a country is making strides in industrialization.
- ✓ Manufacturing's contribution to GDP in Kenya has been on a persistent decline from 2014 to 2024, declining from 10% in 2014 to 7.3% in 2024 (Figure 1).
- ✓ Kenya hopes to reverse this trend through Vision 20 by 30, where it's envisaged that the manufacturing sector can contribute 20% of the GDP by 2030, create a million jobs, and manufacture value-added output of KES 5 trillion.

Figure 1: Manufacturing, value added (% of GDP)



Data source: Economic Survey (Several)

1.3 Overview of the Alcohol Industry

- The Alcohol Industry forms part of the "Manufacture of food, beverages and tobacco" sub-sector.

- There are more than 15 manufacturers of alcoholic beverages in Kenya producing a range of products such as beer, wine and spirits.
- The Alcohol Industry accounts for about 4.1% of Kenya's nominal GDP in 2024 (valued at approximately Ksh 660.01 billion) and a major contributor to tax revenue through excise and import duties, with alcoholic beverages generating approximately Ksh. 48.61 billion in excise revenue in 2024 (Beer: Ksh 29.07 billion; wines and spirits: Ksh. 19.53 billion).

1.4 An overview of illicit trade in Kenya

- ✓ Illicit Trade generally, may be defined as any form of trade that infringes the rules, laws, regulations, licenses, taxation systems, and all procedures that countries use to organize trade, protect citizens, raise standards of living and enforce codes of ethics.
- ✓ The concept extends to money, goods or value gained from illegal or otherwise unethical activity; and includes all actions or conducts intended to facilitate such activities.
- ✓ Illicit trade is a major challenge globally and not only peculiar to Kenya and affects all locally manufactured products.
- ✓ Illicit trade is classified in broad categories which include - Counterfeit Goods and Currencies: Imitation goods (pirated products); Smuggled/Undervalued Goods: Goods that bypass customs control or are wrongly declared; and Substandard Goods: Products that do not meet quality standards.
- ✓ In 2025 that the total size of illicit trade in Kenya, was estimated at Ksh. 826 billion, having risen from Ksh. 726 billion in 2017.
- ✓ The negative impact on industry is being transmitted through loss of market share by legitimate businesses, loss of investment opportunities and jobs.
- ✓ In 2017, tax revenue loss was estimated at Ksh. 129.72 billion and Ksh. 153.1 billion in 2018.
- ✓ The Anti-Counterfeit Authority (ACA), in its consumer-level survey report for 2025 found that the general awareness of counterfeiting in the country was relatively high at 83.85%, with significant regional variations. For instance, Busia (98%) and Machakos (90.8%) reported the highest awareness levels, while Garissa (66.7%) and Mombasa (63.6%), lagged behind providing an opportunity to target more awareness in other Counties.
- ✓ Regarding sector-specific awareness the findings in the aforementioned ACA report (2025) it was revealed that consumers are most informed about counterfeiting in agriculture (39.52%), alcoholic drinks (36.57%), and cosmetics (33.99%), whereas awareness was significantly lower in the paper and board (8.97%) and timber (5.13%) sectors.
- ✓ On channels for information, consumers primarily gained information from brand knowledge (70.87%) and advertisements (54.28%), but the limited reach of ACA forums (8.61%) highlighted the need for alternative outreach strategies.

The Petition raises critical issues that will impact not only the alcohol sector and requires interventions that will holistically address the issue across all manufacturing sectors.

2.1 Key issue at a glance

✓ Illicit alcohol continues to dominate segments of the market due to a significant economic imbalance:

(i). Legal alcohol is heavily taxed and regulated

(ii). Illicit alcohol is untaxed, unregulated, and cheaper

✓ This creates a strong incentive for both producers and consumers to operate outside the law.

Case 1

Sample cost comparison - Illustrative Cost Structure (250ml Spirit) for spirits

Cost Component	Legal Product	Illicit Product
Production Cost	Ksh. 70	KSh 30–50
Excise Duty	Ksh. 120+	0
VAT (16%)	Ksh. 30	0
Compliance Costs	Ksh 20–50	0
Distribution	Ksh. 50	Minimal
Retail Price	**Ksh. 250–300**	**KSh 50–100**

✓ As long as this price gap exists, illicit alcohol will remain attractive to consumers.

✓ For instance, currently licensed first-generation brewers are subjected to excessive monitoring (flowmeters, cameras, shakedowns) at the expense of tackling illicit spirits, which are often sold at retail, in broad daylight, at pricing impossible to achieve when properly taxed.

✓ Legitimate tax paying businesses are struggling to compete with illicit products that are often 38% - 80% cheaper because they do not comply with tax laws or safety regulations.

✓ The high taxes & consumer pricing on legal alcohol drive low-income consumers towards cheap, dangerous illicit alternatives.

Case 2

Low Alcohol by Volume (ABV) products are taxed (beer, wine, cider) at Ksh. 22.5 per centilitre are taxed twice as much as high alcohol products (spirits) at Ksh. 10 per centilitre making adulteration of spirits more prevalent.

High taxation in Kenya makes prices of alcoholic beverages in Kenya higher compared to those of the EAC counterparts as the Figure below shows.

Category	Uganda	Kenya	Tanzania
Spirits	***Local*:** 60% or UGX 1700 per litre whichever is higher ***Imported*:** 80% or UGX 1700 per litre whichever is higher	KES 10 per cl of pure alcohol	***Local*:** 4,003.00 TZS / Litre ***Imported*:** 4,411.06 TZS / Litre
Ethanol @96% ABV	80% or UGX 1700 per litre whichever is higher	KES 500 per litre	***Imported*:** TZS 5,000/L ***Locally*:** TZS 4,000/L.
			***Local*:** TZS 2,491.45/L

Category	Uganda	Kenya	Tanzania
Ready to Drink (RTD)	60% or UGX 1700 per litre whichever is higher	KES 22.5 per cl of pure alcohol	***Imported:*** 4,411.06 TZS / Litre
Beer	***Malt Beer:*** 60% or UGX 2050 per litre ***≥75% LRM:*** 30% or UGX 900/litre ***Local Barley:*** 30% or UGX 950/litre ***Opaque beer:*** 10% or UGX 150/litre ***Imported Beer:*** 60% or UGX 2,050/litre	***Non-LRM:*** KES 22.5 per cl of pure alcohol ***LRM ≥75%:*** 80% remission applies	***100% LRM:*** TZS 550/L ***100% Local Malt:*** TZS 630/L ***Imported Malt/LRM:*** TZS 928/L ***Imported Beer:*** TZS 978.9/L

2.2. Summary of proposals

a) Tax rationalization (Priority Intervention) to reduce demand for illicit alcohol such as:

(i). Review of excise duty introducing tiered taxation based on alcohol content to reduce extreme price differences.

(ii). Fast track the publishing of the Draft excise duty (remission of excise duty) regulations 2025 to make the prices of alcoholic beverage affordable to consumers.

- ✓ The price is one of the key factors leading people to consume illicit alcoholic beverage.

(iii). Support in production and regulation of affordable legal local alternatives:

- ✓ Kenya has over 50 traditional beers (Changaa (popular in Nairobi/Central/Rift Valley and Nyanza/Western regions), Muratina (popular in Central Kenya region), Karubu (popular in Eastern/Ukambani region), Busaa (popular in Nyanza/Western and Rift Valley region), Mnazi (popular in Coast region) made from indigenous Kenyan agricultural inputs and having a relatively low alcohol content.
- ✓ Yet no traditional brewer has achieved full legalization (retail, hospitality, export, etc).
- ✓ These products can beat illicit brews in fair market competition.

b) Enhanced traceability Systems by:

(i). Introducing end-to-end track-and-trace systems

(ii). Enabling consumer verification using mobile-based tools

c) Control of transport & distribution by:

(i). Licensing all transporters

(ii). Introducing electronic cargo tracking

(iii). Enforcing proper packaging and documentation

d) Conduct national campaigns on dangers of illicit alcohol:

(i). Promote safe, regulated alternatives

(ii). Industry–Government Collaboration

(iii). Strengthen engagement through Kenya Association of Manufacturers (KAM)

(iv). Improve data sharing and reporting systems

e) Create an enduring multi-agency institutional framework

- ✓ Embed the multi-Agency Team in law and place it in either the Office of the President or Deputy President.

3. Feedback on the specific issues raised in the petition

Concern	Details	Recommendations
Trade in illicit alcohol	Illicit alcohol trade remains rampant evidenced by continued deaths, counterfeit alcoholic brands, unlicensed liquor outlets, underage drinking and widespread adulteration of alcoholic products, Illicit brews, second generation alcohol. Moreover, the manufacture, sale, distribution and consumption of alcoholic drinks is regulated by several legislations at national and county levels. The Alcoholic Drinks Control Act, Cap. 121 is one of them. The others include: i) Under National Government, we have, ✓ Anti-Counterfeit Act ✓ The East African Community Customs Management Act, 2004 (EACCMA). ✓ The KEBS Standards Act. ✓ Alcoholic Drinks Control Act, 2010 ii) Under County Government, we have County Governments Alcoholic Drinks Control Acts such as the a. Uasin Gishu County Alcoholic Drinks Control and Licensing Act, 2014, b. Nairobi City County Alcoholic Drinks Control and Licensing Act, 2014 and c. Kiambu County Alcoholic Drinks Control Act, 2018,	• There is need to clearly define **illicit alcohol.** There are 3 broad types of illicit alcohol: **a) Poor quality (substandard) products–** such as changaa or ethanol laced with drugs or ethanol with heavy impurities such as methanol in high levels or blended with unhygienic traditional brews. **b) High quality alcoholic** drinks that have **evaded taxes** and hence reaches the consumer at low prices (this encourages overconsumption, underage drinking & sprouting of unlicensed liquor outlets since the product has high profit margins). **c) Counterfeit and contraband** – This is the unauthorised representation of registered trademarks with the view of deceiving the purchaser is buying the original goods. • There is need for the government to adopt the true definition of second-generation. If the true definition is adopted, a ban of importation of second - generation alcohol would solve part of the problem. ***First Generation Ethanol***: ○ Source: First-generation ethanol is typically derived from food crops like corn or sugarcane (molasses). ○ Production Process: It involves the fermentation of sugars present in these food crops to produce ethanol. ○ Ethanol produced here is food grade and safe. ***Second Generation Ethanol:*** ○ Source: Second-generation ethanol is produced from non-food sources such as agricultural residues, wood chips, or energy crops like switchgrass.

Concern	Details	Recommendations
		○ Production Process: It utilizes advanced technologies like cellulosic bioconversion to break down cellulose and hemicellulose into sugars for fermentation into ethanol. ○ Ethanol produced here is not food-grade. It is normally produced as a biofuel. • Tax is not harmonized within EAC thus people can smuggle products from other partner states. There is need to have excise on alcohol in the EAC at a uniform range to avoid smuggling. • Compliance with NEMA extended producer responsibility to control the re-use of packaging bottles for illicit • Shift from disruptive enforcement in favour of collaborative approach with sector players. • Enforcement institutions under the multi-agency team to embrace multiple counts of offenses in a single charge sheet for prosecution purposes to ensure perpetrators get stricter penalties in a court of law. • Create sustainable and well-resourced public-private frameworks to fight illicit trade. • Reduce current punitive taxes a legitimate business
Implementation of the law	There is weak and inconsistent implementation of the law due to inadequate enforcement capacity, regulatory gaps and limited public awareness.	• High quality illicit alcohol (tax evasion) – Illicit alcohol is increasing due to tax evasion and excess ethanol supply, with some distilleries contributing. This makes it hard to trace products and has led to more unlicensed producers driven by high profits. Kenya Revenue Authority should digitalize Form E8 to improve tracking and control ethanol distribution. • Low quality illicit alcohol, although not very common, can be monitored through raids and development of standards. • Adopt a risk-based enforcement framework (frequency of inspections tied to compliance history)

Concern	Details	Recommendations
		• Strengthen inter-agency coordination mechanisms to reduce duplication and gaps • Invest in capacity building for enforcement agencies (training, resourcing, coordination tools) • Enhance public awareness campaigns targeting risks of illicit alcohol • Develop specific County government matrices towards reviewing of respective enforcement personnel compliance with the law
Monitoring and oversight	• There are allegations of insufficient monitoring and oversight of licensed manufacturers and distillers of second-generation alcohol by regulatory agencies including KRA and KEBS. Illicit businesses have no physical locations to enable tracking by Regulatory agencies eg KRA, KEBS moreover there is prevalence of fake stamps and Standardization Marks affecting digital tax tracking of fake products by KRA and KEBS.	• Sensitisation on the currently available technologies to address fake stamps & Standardization Marks currently in use e.g. "Soma Label" app to scan tax stamps for authenticity. • Reduce inspection frequency for consistently compliant operators • Standardize inspection protocols across KRA and KEBS to avoid duplication. • Digitize reporting to enable real-time regulatory oversight • Clarify role of Licensing between NACADA and county governments
Traceability mechanisms	• Absence of robust quality control systems, product traceability mechanism and distribution oversight has allowed unsafe and counterfeit alcohol products to enter the market. • Moreover, there is lack of immediate testing on confiscated counterfeit products creates delays leading to cases collapsing in the courts. • The lack of EAC regional testing facilities leads to delays of confirming product	• Develop a centralized database accessible to regulators for product tracking • Increase enforcement on unregulated small-scale transportation channels. • Establish regional testing facilities • Strengthening the regulation and tracking of undenatured ethanol, which is a primary ingredient in illicit brewing. • Quality control systems especially from KEBS are adequate, but traceability in the distribution and supply chain all the way to retailers should be better monitored.

Concern	Details	Recommendations
	legalities and traceability as it is only done in Nairobi.	
Transport of alcoholic drinks	• Alcohol is transported in small, unregulated quantities, facilitating illegal alcohol production and posing serious safety risks. • In 2008, the Government through KRA implemented a policy that saw digital tracking of production and movement of ethanol. • Digital tracking of production of ethanol is still ongoing with installation of digital mass flowmeters, CCTVS and tank gauges. • However, movement of ethanol reverted to normal, when they introduced upfront payment of Excise Duty at the distilleries and hence, they saw no need to track the vehicle movement to the compounders. • Illicit traders have taken advantage of this gap.	• Digital tracking movement of local ethanol be reintroduced. All the protocols and requisite laws, regulations still exist and are currently in use by the Customs wing of KRA, mainly for exportation of consignments to neighbouring countries. • Enhanced coordination on the use of available track and trace systems specifically from KRA and KEBS systems. • Enforce mandatory consignment documentation for all alcohol in transit, with spot checks on known illicit corridors especially around through the Malaba & Busia,
Multi stakeholder and multi-agency approach to address illicit trade	• The key agencies mandated to address illicit trade fall under the Ministry such as the Anti-Counterfeit Authority and Kenya Bureau of Standards, and Kenya Consumer Protection Agency which is primarily represented by the Competition Authority of Kenya (CAK), KRA and the Kenya Consumers Protection Advisory Committee (KECOPAC).	• Illicit trade generally requires a multi-agency approach in Kenya and even globally if it is to be tackled effectively. No one agency can address illicit trade due to the many facets of illicit tared which involves, counterfeiting, undervaluation, smuggling, among other issues. • Institutionalise and gazette Multi Agency Team against illicit trade under the coordination of the state department for trade, reporting directly to the Office of the Deputy President/ President. This will strengthen the operationalisation of the 2023 Government Executive

Concern	Details	Recommendations
	• KAM in collaboration with the National Council on the Administration of Justice (NCAJ) which is a multi-agency platform under the Judiciary developed and published 1st and 2nd editions of the "Enforcement Manual to Combat Illicit Trade in Kenya," in 2014/15 and 2020 respectively. These are one-point of quick reference pints on all matters illicit trade and are essential reference materials for enforcement and training. • In 2018-2019, there was an enforcement multi-Agency Team headed by the Deputy of Head of Public Service. • Executive Order 2 of 2023 placed the role of Coordination of Multi-Agency Taskforce on the elimination of illicit trade and counterfeits on the State Department for Trade under the Ministry of Investment, Trade and Industry (MITI). • These Executive Orders presupposes a legal Multi-Agency Taskforce in force but there is none. • These changes affect the fight against illicit trade and thus the need for a permanent solution embedded in law.	Order - This will create a long-term structure towards addressing illicit trade and according to it much needed national economic, social and public health interests.

END

KENYA SUGAR BOARD

Sukari Plaza Off
Waiyaki Way
P.O. Box 51500–00200 NAIROBI

REF: KSB/ADM/37/(7)

8th June 2026

Mr. Samuel Njoroge, CBS
Clerk of the National Assembly
Clerk's Chambers, Parliament Building
P.O Box 41842-00100
NAIROBI

Dear sir

RE: SUBMISSION BY THE KENYA SUGAR BOARD TO THE NATIONAL ASSEMBLY REGARDING THE TRADE OF ETHANOL AND PREVENTION OF ILLEGAL ALCOHOLIC BREWS (PETITION NO. 2 OF 2026)

Reference is made to your letter Ref: DAA&GPC/PPC/2026/087 dated 2nd June, 2026 inviting us for a meeting of the Department Committee on Public Petitions regarding production, distribution, and consumption of illegal alcoholic brews in the country.

Find below our detailed responses.

Question

During consideration of the petition, it has emerged that the proliferation of illicit brew in the country can be partially traced to trade in ethanol, a by-product of sugar processing. In this regard, the committee invites you to a meeting to address the handling of and trade in ethanol by sugar companies.

RESPONSE

Kenya Sugar Board's mandate regarding the management of ethanol is quite limited, since the Board only regulates and monitors molasses, which is an ingredient of Ethanol. The critical agencies involved in the ethanol value chain include the Kenya Revenue Authority, the Energy and Petroleum Regulatory Authority, and the Kenya Bureau of Standards. However, the Board work with these agencies collaboratively to share information regarding the Sugar Mills, which produce ethanol.

Petitioner Prayers

(i) Investigating the status of implementation of regulations in place to curb production, distribution, and consumption of illegal alcohol.

RESPONSE

Kenya Sugar Board does not have a direct mandate in the production and distribution of alcoholic drinks.

(ii) Determining the cause of the rampant production, distribution, and consumption of illegal alcohol in the country.

RESPONSE

Kenya Sugar Board does not have a direct mandate in the production and distribution of alcohol in the country.

(iii) Recommending a multiagency approach to curb the production, distribution, and consumption of illegal alcohol

RESPONSE

Kenya Sugar Board is acceptable to a multi-agency approach and will readily collaborate with other agencies in curbing production, distribution, and consumption of illegal alcohol.

(iv) Make any other recommendations it may deem appropriate to address the plight of the petitioners.

RESPONSE

The future of the Sugar industry is also in transiting to the production of ethanol as one of the major products. Therefore, it is imperative to re-look into the laws governing the Sugar Industry and provide a clear mandate to the Board regarding the regulation and monitoring of ethanol produced using Sugar crops. This may enhance the element of traceability in collaboration with KRA, EPRA, and NACADA.

Further, we refer the Committee to our response to your letter Ref. No. DAA&GPC/PPC/2026/071, vide our letter Ref. No. KSB/SCO/4/10/(6) dated 4 May 2026, a copy of which is attached hereto for ease of reference and to provide additional information on the matter.

Yours faithfully,



Jude Chesire
Ag. CHIEF EXECUTIVE OFFICER

Copy to: **Dr. Kipronoh Ronoh, CBS**
The Principal Secretary
State Department for Agriculture
Ministry of Agriculture and Livestock Development
P.O. Box 30028 – 00100
NAIROBI

KENYA SUGAR BOARD

Sukari Plaza Off
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P.O. Box 51500–00200 NAIROBI

REF: KSB/SCO/4/10/(6)

4th May 2026

Mr. Samuel Njoroge, CBS
Clerk of the National Assembly
Clerk's Chambers, Parliament Building
P.O Box 41842-00100
NAIROBI

Dear sir

RE: SUBMISSION BY THE KENYA SUGAR BOARD TO THE NATIONAL ASSEMBLY DEPARTMENTAL COMMITTEE ON PUBLIC PETITIONS REGARDING THE TRADE OF ETHANOL AND PREVENTION OF ILLEGAL ALCOHOLIC BREWS.

Reference is made to your letter Ref: DAA&GPC/PPC/2026/071 dated 13th April 2026 inviting us to a meeting of the Department Committee on Public Petitions to respond to issues raised in Petition No. 2 of 2026.

Find below our detailed responses.

The Board recognizes the grave public health and social concerns raised by the petitioners regarding the menace of illicit alcoholic brews and second-generation alcohol in the country.

The Kenya Sugar Board is a body corporate established under Section 3 of the Sugar Act, 2024. Under Section 4 of the Act, the Board is legally mandated to regulate, develop, and promote the sugar industry, which includes the oversight of all sugar value chain actors and the disposal of by-products, such as molasses.

This submission specifically addresses the Board's regulatory role in the trade of molasses and jaggery, identifies critical gaps in the distribution chain that may lead to diversion into the illicit market, and outlines our collaborative efforts with other state agencies to curb this practice.

Molasses

Under Section 2 of the Sugar Act, 2024, molasses falls under the definition of a by-product, which refers to any substance, other than sugar, produced incidentally during manufacturing. The Sugar Act, 2024, Sections 4 and 9 grants the Board specific powers to regulate molasses. The Board to control, supervise, and access relevant industry information regarding these products. Specifically, the Board is mandated under Section 4(2)(q) of the Sugar Act, 2024 to formulate guidelines for the safe and economical disposal of unutilized by-products, which include molasses. Besides, any person intending to import or export sugar by-products, including molasses, must obtain a valid license as required by Section 25(1) of the Sugar Act, 2024, and must further obtain a pre-import permit or pre-export approval from the Board as stipulated in Section 25(2) of the Sugar Act, 2024.

In view of the above, the Board acknowledges that molasses is a key ingredient in the production of ethanol. Currently, two Sugar Millers have allied factories that produces ethanol for industrial use.

The Board has put in place several measures to ensure that there is no diversion of molasse which can facilitate the production of illicit Alcohol. Some of these measures include;

The National Molasses Distribution Guidelines: The Board through these guidelines allocates 80% of the Molasses produced in the country to industrial users and only 20% to the livestock farmers for animal feeds.

Collaboration with Chiefs and NPS: The Board collaborates with chiefs and the national police service officers to ensure that the 20% allocated to the farmers is utilised for the intended purpose to prevent diversion and use to produce illicit brew such as Changaa and Busaa. Each individual famer is allowed a total of 10 tonnes.

Molasses Permit: Besides, the Board monitors the production and distribution of Molasses through provision of Molasses Permits which requires the applicant to indicate the Miller selling the product and the intended use. This facilitates traceability from the Sugar Millers to industrial users.

Imports: The Board as per Section 25 of the Sugar Act, requires all importers of Molasses, a Sugar Crop By-product to import molasses only for industrial use only. The importers must be licensed and get an import permit for each consignment.

Ethanol

Kenya Sugar Board's mandate regarding management of ethanol is quite limited since the Board only regulate and monitor Molasses which is an ingredient of Ethanol. The critical agencies involved in the value chain of

ethanol includes Kenya Revenue Authority, Energy and Petroleum Regulatory Authority, and Kenya Bureau of Standards. However, the Board work with these agencies collaboratively to share information regarding the Sugar Mills which produces ethanol.

The future of the Sugar industry is also in transiting to the production of ethanol as one of the major products. Therefore, it is imperative to re-look into the laws governing the Sugar Industry and provide clear mandate to the Board regarding regulation and monitoring of ethanol produced using Sugar crops. This may enhance the element of traceability in collaboration with KRA, EPRA, and NACADA.

Jaggeries and Jaggary Millers

Under the Section 2 of the Sugar Act, 2024, jaggery is legally classified as a form of "sugar," which encompasses crystalline or liquid sucrose derived from sugar crops in any of its recognized commercial forms. Under the same section, A jaggery mill is specifically defined as the bare minimum technology equipment used to crush sugarcane to produce juice, which is then processed through boiling to produce jaggery. Consequently, any person licensed to operate such a mill is legally regarded as a miller, and these millers are recognized members of the national sugarcane manufacturer's apex body.

The Kenya Sugar Board is mandated under Section 4(2)(m) of the Act to register and license jaggery mills, a function further detailed in the Sugar (General) Regulations, 2025, which require millers to apply for operating licenses and pay prescribed fees. Operating a jaggery mill without a current license, which must be issued upon recommendation from the relevant County Government, is a criminal offense under Section 22, punishable by fines of up to ten million shillings or imprisonment for up to five years. Additionally, the Board is tasked with conducting quarterly physical inspections of licensed premises to ensure safety and health standards are met and must strictly prevent the mislabelling of jaggery or the abetting of illegal trafficking of related substances.

Despite these legal provisions, the use of jaggery as a fermentable base for illicit brews like Chang'aa continues due to significant regulatory and enforcement gaps identified in recent parliamentary petitions. One of the major gaps in regulation of Jaggaries results from the product being handled and transported in small, unregulated quantities, which easily bypass formal distribution oversight, facilitating the production of unsafe and counterfeit alcoholic products.

In view of the above, the Board works in collaboration with the county governments and the police to regulate, prevent, and combat the mushrooming of the informal jaggeries to prevent supply to illicit brewers.

Conclusion

The Kenya Sugar Board remains committed to its mandate under the Sugar Act, 2024, to regulate the sugar value chain. By enforcing strict molasses distribution quotas, licensing jaggery millers, and enhancing traceability, the Board aims to eliminate the diversion of by-products into the illicit alcohol market. Through continued collaboration with County Governments and law enforcement, we will strengthen oversight to protect public health and ensure industry integrity. The Board commits to continue collaborating with the Partner Government Agencies such as KRA, KEBS, NACADA, and ACA in monitoring Sugar Mills that produces Ethanol.

Yours faithfully,

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