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# AGRICULTURE AND FOOD AUTHORITY

SUGAR DIRECTORATE

Sukari Plaza, Off Waiyaki Way.

O. Box 51500 NAIROBI – 00200

30th July, 2021

AFA/SD/ADM/15/1/(13)

Managing Director,

Kenya Bureau of Standards, Popo Road, Off Mombasa Road, P.O. Box 54974 – 00200. NAIROBI.

Dear Sir,

# RE: APPLICATION FOR MEMBERSHIP TO KEBS/TC 019 - SUGAR AND SUGAR PRODUCTS TECHNICAL COMMITTEE

Agriculture and Food Authority (AFA) is a State Corporation under the Ministry of Agriculture, Livestock, Fisheries and Cooperative with a mandate to Develop, Regulate and Promote Crop Sub Sector. Sugar Directorate is one of the Directorates of AFA that Regulates the Sugar Industry.

In pursuit of the regulatory mandate, The Directorate wishes to apply for membership to the above-mentioned TC so that it can champion the development/review of Sugar related product standards and codes of practice.

In the current year 2021/2022, the Directorate has projected to develop the Sugar Industry Code of Practice in collaboration with Industry stakeholders under the guidance of Kenya Bureau of Standards (KEBS), (see attached Concept Note).

The Directorate has nominated the following officers to be members of the Technical Committee:

1. Mr. John Adhola - Duputy Director Regulation and Compliance

2. Mr. Vincent Chirchir - Senior Officer, Regulation and Compliance

Yours faithfully,

ROSEMARY A. OWINO DIRECTOR

Attach.

Copy: Kello Harsama

Ag. Director General

Agriculture and Food Authority

Tea House NAIROBI



## SUGAR DIRECTORATE

#### **CONCEPT PAPER**

#### SUGAR INDUSTRY CODE OF PRACTICE

#### 1. Introduction

The proposed Kenya Standard will be prepared by sugar relevant Technical Committees under the guidance of the Standards Projects Committee in accordance with the procedures of the Kenya Bureau of Standards. The proposed Code of Practice (CoP) will contain information on sugar cane production, processing and marketing. The CoP is expected to provide requirements and guidance to all its stakeholders in the sugar value chain, with the objective of promoting sustainability. The CoP will mainly focus on access to information and training, business ethics, conflict of interest, quality, environmental protection and sustainability, personnel health, safety and welfare.

In developing the proposed CoP, a review of the present practices in the Kenyan sugar sector will be considered vis-à-vis good industry practices. In addition, reference will be made to the policy, legal and regulatory framework that guide the industry operations along the value chain. The preparation of the proposed standard, will be guided by following documents among others:

- Crops (Sugar) (Imports, Exports, and By-Products) Regulations, 2020
- Crops (Sugar) (General) Regulations, 2020
- Crops Act 2013
- Sugar Industry Stakeholders Task Force Report
- Kenya Sugar Industry Growers' Guide
- Constitution of Kenya 2010
- Vision 2030 and the Big Four Agenda

#### 2. Problem Statement

The vision of AFA-Sugar Directorate is to be a 'World Class Regulator in the Sugar Sector'. In this regard, the Directorate, through the Ministry of Agriculture successfully gazetted The Crops (Sugar) General Regulations, 2020 and Crops (Sugar) (Imports, Exports, and By-Products) Regulations, 2020. The aforementioned is essential in strengthening the regulatory framework for the Sugar Sub-Sector in Kenya. However, despite the legislation of these new regulations, the Industry players are still operating in a disjointed manner. That is, there is no framework to instill industry discipline. Consequently, this calls for the development of Code of Practice for the sugar industry in Kenya that will bind all players.

#### 3. Justification

The Authority in its mandate to regulate, develop and promote the subsector, will endeavour to ensure that all industry players are operating in a disciplined manner. The proposed Code of Practice for the Sugar Industry in Kenya is aimed at creating a framework that will provide guidance in the subsector. In this regard, AFA in consultation with Industry stakeholders will trigger the development of Industry Code of Practice to promote good business practices as well as encourage industry self-regulation.

### 4. Information about the Sugar Industry

The sugar industry in Kenya consists of:

- a) Farmers
- b) Farmer Institutions: Outgrower Companies, Societies, Community based organizations, Unions and Savings and Credit Co-operative Societies. These institutions draw their membership from sugarcane farmers who grow and supply cane to factories.
- c) County Governments
- d) Sugar Directorate
- e) KALRO -Sugar Research Institute (SRI)
- f) Millers
- g) Jaggeries

- h) Distillers
- i) Cane cutters
- j) Cane Transporters
- k) Other Industry Stakeholders
- I) Kenya Society of Sugarcane Technologists

Other industry stakeholders include consumers, importers, financial institutions, special interest groups and agro dealers.

Most of these stakeholders will be involved in drafting of the industry code of practice

#### 5. Conclusion

The Authority undertakes to sustainably develop the agricultural sector in Kenya through the provision of an effective regulatory framework. This concept paper presents a proposal for the development of Sugar Industry Code of Practice. It is envisaged that the proposed code of practice will streamline the subsector through instilling discipline.