



THE NATIONAL ASSEMBLY

ELEVENTH PARLIAMENT- THIRD SESSION - 2015

THE DEPARTMENTAL COMMITTEE ON ENERGY, COMMUNICATION AND INFORMATION

REPORT ON THE ENERGY BILL, 2015

DIRECTORATE OF COMMITTEE SERVICES CLERK'S CHAMBERS PARLIAMENT BUILDING NAIROBI

10TH NOVEMBER 2015



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1.0 PREFACE

Hon Speaker,

On behalf of the Departmental Committee on Energy, Communication and Information and pursuant to provisions of Standing Order 199 (6), it is my pleasant privilege and honour to present to this House the Report of the Committee on its consideration of The Energy Bill, 2015. The Bill was committed to the Committee on 20th August, 2015 and it is on the basis of this that the Committee presents this report pursuant to Standing Order 127.

1.1 Mandate of the Committee

The Departmental Committee on Energy, information & Communication is one of the twelve Departmental committees of the National Assembly established under Standing Order 216 whose mandates are as follows pursuant to the Standing Order 216 (5) which outlines functions of the Committee as being:

- a) To investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned ministries and departments;
- b) To study the programme and policy objectives of ministries and departments and the effectiveness of their implementation;
- c) To study and review all the legislation referred to it;
- d) To study, access and analyse the relative success of the ministries and departments measured by the results obtained as compared with their stated objective;
- e) To investigate and inquire into all matters relating to the assigned ministries and departments as may be deemed necessary, and as may be referred to it by the House or a Cabinet Secretary;
- f) To vet and report on all appointments where the Constitution or any law requires the National Assembly to approve, except those under Standing Order No.204 (Committee on appointments); and
- g) To make reports and recommendations to the House as often as possible, including recommendations of proposed legislation.

In accordance with the Second Schedule of the Standing Orders, the Committee is mandated to consider:-Fossil fuels exploration, Development of energy, Production of energy, Maintenance and regulation of energy, Communication, Information, Broadcasting and Information Communications Technology (ICT) development and management

1.2 Committee Membership

The Committee on Energy, Communication and Information was constituted by the House in May, 2013 comprising of the following Members:

- 1. The Hon. Jamleck Kamau, EGH, MP.....Chairperson
- 2. The Hon. Jackson Kiptanui, MPVice -Chairperson
- 3. The Hon. Mohammed Elmi, EGH, MP
- 4. The Hon. Edick Anyanga, MP
- 5. The Hon. (Eng.) James Rege, MP
- 6. The Hon. Mithika Linturi, MP
- 7. The Hon. Zebedeo Opore, MP
- 8. The Hon. Mary Mbugua, HSC, MP
- 9. The Hon. Aburi Mpuru, MP
- 10. The Hon. Aramat Lemanken, MP
- 11. The Hon. Arthur Odera, MP
- 12. The Hon, Banticha Abdullahi, MP
- 13. The Hon. Dan Kazungu, MP
- 14. The Hon. Esther Gathogo, MP
- 15. The Hon. Fathia Mahbub, MP
- 16. The Hon. James Lomenen, MP
- 17. The Hon. Joe Mutambu, MP
- 18. The Hon. John Munuve, MP
- 19. The Hon. Junet Sheikh, MP
- 20. The Hon. Cecily Mbarire, MP
- 21. The Hon. Nicholas Ngikor, MP
- 22. The Hon. Onesmus Njuki, MP
- 23. The Hon. Rachael Amolo, MP
- 24. The Hon. Roba Duba, MP
- 25. The Hon. Ndung'u Gethenji, MP
- 26. The Hon. (Eng.) Vincent Musau, MP
- 27. The Hon. William Kisang', MP
- 28. The Hon. Richard Tongi, MP
- 29. The Hon. Moses Kuria, MP

1.3 Consideration of the Bill

The Energy Bill, 2015 was published and read a First Time on 20th August, 2015 and thereafter committed to the departmental Committee on Energy, Communication and Information for consideration pursuant to Standing Order 127.

In processing the Bill, the Committee invited comments from the public by placing advertisements in the dailies namely, Nation and Standard newspapers on 25th August, 2015 pursuant to Article 118 of the Constitution. The Committee also met with the officers from the Ministry of Energy and Petroleum and the Kenya

Private Sector Alliance. The Committee received memoranda from the Kenya Private Sector Alliance and the views are captured and contained in the body of the Report.

The Ag. Cabinet Secretary for the Ministry of Energy and Petroleum, Mr. Henry Rotich made the summary presentation which mainly addressed the amendments raised by the stakeholders.

The Committee having held meetings with the various stakeholders, analyzed submissions from the public observed that the Bill is critical in the management of the Energy Industry in a more effective and efficient manner but also falls short in certain areas to which the Committee will be proposing amendments as contained in the report during the Committee Stage of the Bill.

1.4 Adoption of the Report

We the Members of the Departmental Committee on Energy, Communication and Information have pursuant to Standing Order 199 adopted this Report on The Energy Bill, 2015 and affix our signatures to affirm our approval and confirm its accuracy, validity and authenticity today 10th November 2015.

| | HON. JAMLECK KAMAU, EGH, | | |
|-----|--|-----|---|
| | (CHAIRPERSON) | MP | Lamial |
| 2. | hon. Jackson Kiptanui, mp (vice chair) | | |
| 3. | HON. OMONDI ANYANGA, MP | | JeD Made |
| 4. | HON.(ENG.) JAMES REGE, MP | | |
| 5. | HON. MOHAMMED ELMI, EGH, MP | (| nulun |
| 6. | HON. MITHIKA LINTURI, MP | | V |
| 7. | HON. ZEBEDEO OPORE, MP | | 790c, |
| 8. | HON. ABURI MPURU, MP | | A |
| 9. | HON. ARAMAT LEMANKEN, MP | , | A January Company |
| 10. | HON. ARTHUR ODERA, MP | | / (//////////////////////////////////// |
| 11. | HON. BANTICHA ABDULLAHI, MP | | |
| 12. | HON. DANIEL KAZUNGU, MP | | |
| 13. | hon. esther gathogo, mp | | |
| 14. | HON. ROBA DUBA, MP | | |
| 15. | HON. FATHIA MAHBUB, MP | | CACHAL |
| 16. | hon. James Lomenen, mp | (2) | The many that the same of the |
| 17. | HON. JOE MUTAMBU, MP | | Whitmus ! |
| 18. | hon. Junet sheikh, mp | | |
| 19. | hon. cecily mbarire, mp | | |
| 20. | hon. Mary mbugua, hsc, mp | | |

| 27 | Lack of legal guidelines/legal | Proposal that it is an obligation on the broadcaster to |
|-----|---|---|
| 27. | | supply log sheets. |
| | framework to set license tariffs for | KICA monitoring log sheets that CA maintains to be |
| | CMOs | supplied to CMO's for comparison. |
| | - 1 C1 1 11 / 1 - 1 C | DEALT WITH ABOVE (Under issue no. 27) |
| 28. | Lack of legal guidelines/legal frame | DEALT WITH ABOVE (Chief issue no. 27) |
| | work to enable CMOs get log sheets | |
| | from music users | DEALT WITH A DOVE (Under no. 27) |
| 29. | Lack of legal guidelines/legal | DEALT WITH ABOVE (Under no. 27) |
| | framework to enable copy right | |
| | owners to access data on the use of | |
| | their works from mobile phone | |
| | providers. | 1) |
| 30. | Lack of legal guidelines/legal frame | DEALT WITH (Under issue no. 1) |
| | work to allow negotiations between | |
| | mobile phone service providers and | |
| | copyright owners on the amounts | |
| | chargeable on use of their works in | |
| | mobile phones and the percentage | |
| | sharing thereof. | |
| 31. | Lack of legal guidelines/legal frame | DEALT WITH (Under issue no.2) |
| | work to allow negotiations between | |
| | PRSPs and copyright owners on the | |
| | amounts chargeable on the download | |
| | of their works and percentage sharing | |
| | thereof. | |
| 32. | Lack of provision for direct | |
| | representation of CMOs in KECOBO | industry. Amendment of section 6 of the Copyright |
| | as stakeholders for easier and smooth | Act. |
| | administration of copy right especially | |
| | on the side of the roles of CMO's. | The Committee on Energy, Communication and |
| | | Information to ask the AG why he hasn't fully |
| | | constituted the board. |
| | | Body bringing together all stakeholders dealing with |
| | | copyright issues should be placed in the Music Bill. |

| 33. | Lack of clear legal guidelines/framework on prevention of piracy and curbing of the same. | The government to fund KECOBO to carry out this function of curbing piracy. Build the capacity of KECOBO financially. Administrative issue where the cash taken to a consolidated fund from fines in copyright related cases should be paid to KECOBO. Deterrent measures should be taken to curb piracy. See proposals for amendment from KECOBO on the issue of piracy. Extend mandate of KECOBO to develop distribution |
|-----|---|---|
| | | aspect |
| 34. | Lack of proper legal guidelines/framework to enable KECOBO conduct effective civic education on copyright to copyright owners and music content users. | KECOBO to seek for funds through the Parliamentary Budgeting process and the relevant Committee of the National Assembly. |
| 35. | Lack of legal guidelines/framework on the minimum qualification and the maximum period of service of CMO's General Managers/CEOs to curb impunity | To be stipulated in the memorandum of the CMO's Copyright Act to KECOBO to come up with provisions on maximum period of service for CMO's managers and CEO's. Anchor the structure of CMOs in the law see |
| | | KECOBO proposals. |
| | | CEO's of existing CMO's to be in office for one term of four years. |
| | | For new CMO'S the CEO should serve for a period of three years and renewable once. |
| | | Directors two terms of three years each. |
| 36 | framework on the minimum qualifications of CMOs directors and | Post-secondary education has the same meaning as the one defined in the Elections Act. |
| | the maximum period of service to curb impunity | shall be retained |

| 37. | Lack of legal guidelines/legal framework on the minimum qualifications of Chairperson and Vice Chairperson of CMOs and the | KECOBO to provide for the minimum qualifications of a Chairperson/vice chairperson. Serve for maximum of three years. |
|-----|--|---|
| | maximum period of service to curb impunity. | |
| 38. | CMO's to be registered under the copyright act and not the companies act | |
| 39. | Lack of proper legal guidelines/framework to enable all musicians and other copyright owner's free access to mobile phone provider's platforms of ring back tones and ring tones without discrimination. | The proposed National Music Council in the proposed Music Bill to come up with a common control server that serves all the music users and players in the industry. |
| 40. | guidelines/framework to enable all musicians and other copyright owners to have their music in a common suffer accessible by all broadcasters and other music users for fairness in access to air plays in radios, TVs and other public communication mediums. | The proposed National Music Council to come up with a common control server that serves all the music users. Create a register of all musicians for purposes of creating accounts. |
| 41 | Regulate CMOs to reduce duplications of their duties which increase administrative costs. | KECOBO should license and supervise joint collection by CMOs. |

5.2 ADMINISTRATIVE ISSUES

| NO. | Administrative Issues | Way Forward |
|-----|--|-----------------------------------|
| | Lack of proper legal guidelines/framework to enable | Funding issue to be sorted by |
| | KECOBO conduct effective civic education on copyright to | KECOBO, relevant National |
| | copyright owners and music content users. | Assembly Committee and |
| | | National Treasury |
| 2. | Lack of legal guidelines/framework on the minimum | Handled under legislative |
| | qualification and the maximum period of service of CMO's | |
| | General Managers/CEOs to curb impunity | |
| 3. | Lack of legal guidelines/framework on the minimum | Handled under legislative |
| | qualifications of CMOs directors and the maximum period | |
| | of service to curb impunity | |
| 4. | Lack of legal guidelines/framework on the minimum | Handled under legislative |
| | qualifications of Chairmen and Vice Chairmen of CMOs | |
| | and the maximum period of service to curb impunity. | |
| 5. | That pursuant to section 48 of the Copyright Act a | Funds to KECOBO |
| | competent authority should be appointed by the Cabinet | AG's office has names of |
| | Secretary. | proposed members. |
| 6. | That the Kenya Revenue Authority should work to enforce | Uptake is very low they find it |
| | the authentication device as stated in the Copyright Act; | to be expensive. |
| 7. | A regulatory/oversight authority whose function/mandate | Funding issue to be sorted by |
| | has been undermined by underfunding by the Government. | KECOBO, relevant National |
| | , | Assembly Committee and |
| | | National Treasury |
| 8. | High cost of setting up basic requisite structures which has | Enforcement activities and lack |
| | seen the CMOs struggle to meet the 70/30% distribution to | of awareness by the users is a |
| | administration costs set threshold. | trigger effect of the funds. |
| | | KECOBO has a central role of |
| | | regulation in this sector, and it |
| | | will give a report at the end of |
| | | this year. |
| 9. | Inadequate support from interlinked state agencies in | Funds for creating capacity of |
| | enforcing copyright matters with respect to the CMOs | the police, prosecutors, and |
| | mandate. | other state agencies. |
| | | KECOBO to take on the liaison |
| | | on engagement with other |
| | | agencies. |
| 10 | . Ignorance by the rights holders pertaining to their own | Sensitization element seats with |
| | rights and the functions of the CMOs. This has led to | CMO's |
| | skewed/negative notions and perceptions with respect to the | Rights owners and KECOBO |
| | operations of the CMOs. | |
| | | |

| 11 | KECOBO not having enough funds for enforcement. | Funding issue to be sorted by | |
|-----|---|-------------------------------|--|
| 11. | KECOBO not nat mg the ng. | KECOBO, relevant National | |
| | | Assembly Committee and | |
| | | National Treasury | |

6.0 FINAL RESOLUTIONS

- 1. Amend **S.46A** of the Copyright Act where the music owners can negotiate for tariffs before the AG Gazettes them.
- 2. Amend S. 46 by adding a clause that allows the copyright owners to negotiate for tariffs on payment before the Attorney General publishes and gazettes the charges.
- 3. Add the function of a Competent Authority under the Copyright Act to solve disputes within the music industry.
- 4. Copyright Act to provide that mobile service providers must negotiate with the owners of the works individually or with CMO's on how much will be charged especially on *skiza* tunes.
- 5. Proposal to separate the issue of music from copyright and base it in the arts sector, under the relevant ministry as opposed to housing it at the AG's office
- 6. KECOBO to license digital & online management rights CMOs.
- 7. International treaties to be used to develop one or more Acts to regulate the copyright and music sector hence to culminate into a new Music Law.
- 8. KECOBO to include the aspect of producers of audio visual work that has been done in their amendments
- 9. AGM's of CMO's to be supervised by KECOBO
- 10. The Committee to direct the AG to fully constitute the KECOBO board as per the law
- 11. Broadcasting Regulations of KICA to be amended to provide that 60% airplay of music content must be Kenyan.
- 12. KECOBO to amend regulations to cap the administrative costs vis-à-vis royalty distribution amount.
- 13. Amend the copyright Act on delineation of the functions of the CMO's
- 14. Parliament should come up with a new law christened the proposed Music Bill to handle various matters in the Music industry.
- 15. Shared mandate of the CMO's to monitor the usage of rights on distribution.
- 16. All persons dealing with music business be vetted and cleared by KECOBO even as they get licenses or approvals from other bodies
- 17. The roles of the Board be expanded to include stakeholders in the licensing of all dealers in issues of copyright to deal with issues of piracy.
- 18. KECOBO to request for more funds through the relevant National Assembly Committee and National Treasury.
- 19. Wherever there is an issue of dispute on copyright matters then the copyright law shall be superior
- 20. KICA monitoring log sheets that CA maintains to be supplied to CMO's for comparison.

- 21. KECOBO to provide for the term of Directors on rotation basis, at every election of directors a third shall be retained.
- 22. KECOBO to provide for the minimum qualifications of a Chairperson/vice chairperson. Serve for maximum of three years.
- 23. The proposed National Music Council in the proposed Music Bill to come up with a common server that serves all the music users and players in the industry.
- 24. Create a register of all musicians for purposes of creating accounts
- 25. KECOBO should license and supervise joint collection by CMOs.
- 26. KECOBO to handle and report the progress on all matters administrative that have been raised and deliberated on.

SIGNED:

THE HON. JAMLECK KAMAU, EGH, M.P.

(CHAIRPERSON)
DEPARTMENTAL COMMITTEE ON ENERGY, COMMUNICATION AND INFORMATION

DATE: 28/7/2016

7.0 ADOPTION LIST

| The Departmental Committee on Energy, Communication and Information |
|---|
| 1. The Hon. Jamleck Kamau, EGH, MP. |
| 2. The Hon. Jackson Kiptanui, MP. |
| 3. The Hon. Mohammed Elmi, EGH, MP |
| 4. The Hon. Edick Anyanga, MP. |
| 5. The Hon. Cecily Mbarire, MP |
| 6. The Hon. Joseph Magwanga, MP |
| 7. The Hon. (Eng.) James Rege, MP |
| 8. The Hon. Mithika Linturi, MP |
| 9. The Hon. Zebedeo Opore, MP |
| 10. The Hon. Mary N. Mbugua, HSC, MP |
| 11. The Hon. Aburi Mpuru, MP |
| 12. The Hon. Aramat Lemanken, MP. |
| 13. The Hon. Arthur Odera, MP. |
| 14. The Hon. Banticha Abdullahi, MP |
| 15. The Hon. Esther Gathogo, MP |
| 16. The Hon. Fathia Mahbub, MP |
| 17. The Hon. James Lomenen, MP |
| 18. The Hon. Nicholas Ngikor, MP |
| 19. The Hon. Onesmus Njuki, MP |
| 20 The Hon Rachael Amolo MP Reclaim off |

MINUTES OF THE 24TH SITTING OF THE DEPARTMENTAL COMMITTEE ON ENERGY, COMMUNICATION & INFORMATION HELD ON THURSDAY 16TH JUNE 2016 IN COMMITTEE ROOM 9, AT 10.00 AM TO DELIBERATE OF THE TECHNICAL COMMITTEE REPORT ON THE CRISIS FACING MUSIC INDUSTRY ON PAYMENT OF ROYALTIES AND APPROVAL OF THE COMMITTEE ACTIVITIES FOR THE PERIOD JULY TO AUGUST.

PRESENT

- 1. Hon. Jamleck Kamau, EGH, MP
- 2. Hon. Jackson Kiptanui, MP
- 3. Hon. Mohammed Elmi, EGH, MP
- 4. Hon. Mithika Linturi, MP
- 5. Hon. (Eng.) James Rege, MP
- 6. Hon. Cecily Mbarire, MP
- 7. Hon. (Eng.) Vincent Musau, MP
- 8. Hon. Edick Anyanga, MP
- 9. Hon. Arthur Odera, MP
- 10. Hon. Aramat Lemanken, MP
- 11. Hon. William Kisang', MP
- 12. Hon. Charles M Nyamai, MP
- 13. Hon. William Mtengo, MP
- 14. Hon. Silverse Lisamula Anami, MP
- 15. Hon. Fathia Mahbub, MP
- 16. Hon. Zebedeo Opore, MP
- 17. Hon. Racheal Amolo, MP
- 18. Hon. Roba Duba, MP
- 19. Hon. Richard W. Tongi, MP

APOLOGY

- 1. Hon. Onesmus Njuki, MP
- 2. Hon. Mary N Mbugua, HSC, MP
- 3. Hon. Banticha Abdullahi, MP
- 4. Hon. Aburi Mpuru, MP
- 5. Hon. Esther Gathogo, MP
- 6. Hon. Nicholus Ngikor, MP
- 7. Hon. James Lomenen, MP
- 8. Hon. Junet Sheikh, MP
- 9. Hon. Moses Kuria, MP
- 10. Hon. Ndung'u Gethenji, MP

Chairperson

Vice Chairperson

IN ATTENDANCE

COMMITTEE SECRETARIAT

1. Mr. Amos Kiangwe – Clerk Assistant

2. Mr. Jimale Mohamed – Clerk Assistant (Taking Minutes)

3. Mr. Abdi Gorod – PBO Officer

4. Ms. Jamima Waigwa - Legal Officer

MIN. NO.125/DC-E/2016

PRELIMINARY/COMMUNICATION FROM THE

CHAIR

The meeting was called to order at 10:15 am and was followed by a word of prayer. The Chairperson then welcomed Members to deliberation of the technical committee report on the crisis facing music industry on payment of royalties and to also consider approve committee activities for the period July to August.

MIN. NO.126/DC-E/2016

CONFIRMATION OF MINUTES

Minutes of the following sittings were confirmed as a true record of the meetings;

- 1. Minutes of the 16th sitting were proposed by Hon. Mohamed Elmi, MP and seconded by Hon. Aramat Lemanken, MP as true recording of the proceedings.
- 2. Minutes of the 17th sitting were proposed by Hon. Aramat Lemanken, MP and seconded by Hon. Charles M Nyamai, MP as true recording of the proceedings.
- 3. Minutes of the 18th sitting were proposed by Hon. Charles M. Nyamai, MP and seconded by Hon. Aramat Lemanken, MP as true recording of the proceedings.
- 4. Minutes of the 19th sitting were proposed by Hon. Charles M. Nyamai, MP and seconded by Hon. Edick Anyanga, MP as true recording of the proceedings.
- 5. Minutes of the 20th sitting were proposed by Hon. Edick Anyanga, MP and seconded by Hon. William Kisang', MP as true recording of the proceedings.
- 6. Minutes of the 21st sitting were proposed by Hon. William Mtengo, MP and seconded by Hon. Charles M Nyamai, MP as true recording of the proceedings.

- 7. Minutes of the 22nd sitting were proposed by Hon. Charles M Nyamai, MP, MP and seconded by Hon. William Mtengo MP as true recording of the proceedings.
- 8. Minutes of the 23rd sitting were proposed by Hon. Arthur Odera, MP and seconded by Hon. William Kisang', MP as true recording of the proceedings.

MIN. NO.127/DC-E/2016

MATTERS ARISING

1. Under Min. NO.097/DC-E/2016

Analysis of the 2016/2017 Budget Estimates for the Ministry of Energy and Petroleum

The Committee noted that it had recommended allocation Ksh. 210 million during Supplementary Estimates that was itemized as (Ksh. 50 million for completion of ongoing grid study, Ksh. 50 million for environment Assessment of Kenya Nuclear programme, Ksh. 50 million for establishment of legal and regulatory framework, Ksh 60 million for publicity and advocacy).

In this regard the chairperson reported that, he was privy of the matter and had taken it up with Treasury, who undertook to ensure that the allocations are released to the subject institutions. He further reported in the event it not possible, they would be considered during the second supplementary Budget. The committee however expressed its disappointment on Treasury for non compliance to House resolutions.

MIN NO.128/DC-E/2016

MEETING TO CONSIDER AND APPROVE MONTHLY PROGRAMME FOR THE COMMITTEE – JUNE –JULY- AUGUST 2016

The Committee went through the programme, deliberated and approved. As such, Members made changes on the scheduled meetings and activities as follows:-

- a) Meeting with Communications Authority on the status of USF on 23rd June 2016
- b) Meeting with the Ministry of Energy and Petroleum and Energy Regulatory Commission (ERC) on the status of petrol stations in the Country and in Coast region in particular that were not licensed on 28th June 2016.
- c) Meeting on the Status of with Postal Corporation of Kenya be held on 30th June 2016
- d) "Kamukunji" for all Members with Cabinet Secretary for the Ministry of ICT and CEO Konza on the Implementation of school Laptop programme and the Development of KONZA City was scheduled on 5th July 2016.

MIN. NO.129/DC-E/2016

MEETING TO CONSIDER THE TECHNICAL COMMITTEE REPORT ON THE CRISIS FACING MUSIC INDUSTRY ON PAYMENT OF ROYALTIES

The Committee further went through the report on the Technical Committee on the Crisis facing the music Industry on payments of royalties and review of the Legal Framework to the Music Industry.

The Committee considered the report and agreed on the following resolutions and recommendations.

- 1. Amend S.46A of the Copyright Act where the music owners can negotiate for tariffs before the AG Gazettes them.
- 2. Amend \$. 46 by adding a clause that allows the copyright owners to negotiate for tariffs on payment before the Attorney General publishes and gazettes the charges.
- 3. Add the function of a Competent Authority under the Copyright Act to solve disputes within the music industry.
- 4. Copyright Act to provide that mobile service providers must negotiate with the owners of the works individually or with CMO's on how much will be charged especially on *skiza* tunes.
- 5. Proposal to separate the issue of music from copyright and base it in the arts sector, under the relevant ministry as opposed to housing it at the AG's office
- 6. KECOBO to license digital & online management rights CMOs.
- 7. International treaties to be used to develop one or more Acts to regulate the copyright and music sector hence to culminate into a new Music Law.
- 8. KECOBO to include the aspect of producers of audio visual work that has been done in their amendments
- 9. AGM's of CMO's to be supervised by KECOBO
- 10. The Committee to direct the AG to fully constitute the KECOBO board as per the law
- 11. Broadcasting Regulations of KICA to be amended to provide that 60% airplay of music content must be Kenyan.
- 12. KECOBO to amend regulations to cap the administrative costs vis-à-vis royalty distribution.
- 13. Amend the copyright Act on delineation of the functions of the CMO's
- 14. Parliament should come up with a new law christened the proposed Music Bill to handle various matters in the Music industry.
- 15. Shared mandate of the CMO's to monitor the usage of rights on distribution
- 16. All persons dealing with music business be vetted and cleared by KECOBO even as they get licenses or approvals from other bodies
- 17. The roles of the Board be expanded to include stakeholders in the licensing of all dealers in issues of copyright to deal with issues of piracy

- 18. KECOBO to request for more funds through the relevant National Assembly Committee and National Treasury
- 19. Wherever there is an issue of dispute on copyright matters then the copyright law shall be superior
- 20.KICA monitoring log sheets that CA maintains to be supplied to CMO's for comparison.
- 21. KECOBO to provide for the term of Directors.
- 22.On rotation basis, at every election of directors a third shall be retained
- 23.KECOBO to provide for the minimum qualifications of a Chairperson/vice chairperson. Serve for maximum of three years.
- 24. The proposed National Music Council in the proposed Music Bill to come up with a common server that serves all the music users and players in the industry.
- 25. Create a register of all musicians for purposes of creating accounts
- 26. KECOBO should license and supervise joint collection by CMOs.
- 27. KECOBO to handle and report the progress on all matters administrative that have been raised and deliberated on.

Having deliberated and in agreement with the stakeholders of the music industry, the Committee therefore adopted the report with the following recommendations:

- 1. That KECOBO is tasked to develop amendments to the Copyright Act and other relevant laws to be effected by parliament at the shortest opportune time.
- 2. That the Ministry of Sports, Culture and Arts, in consultation with relevant stakeholders including the AG, develop a new law christened "The Music Bill" to handle all matters of the music industry and forward the same to Parliament for enactment.
- 3. That KECOBO should request National Assembly through the relevant departmental Committee and the National Treasury for more funding, to enable them adequately handle all matters administrative as regards Music and Copyright
- 4. That the AG be compelled to fully constitute the KECOBO board as per the provisions of the law

Further to the issues of the Kenya Copyright Board the Committee noted the following concerns among others raised by the Attorney General Office:-

- i. Whether the Committee has the mandate to revise, amend or legislate on the matter at hand as proposed other than by way of Private Members Bill;
- ii. The parliament may only establish Parliamentary Select Committee not a Technical Committee to investigate the matter;
- iii. The National Assembly through the Committee should allow the Board and its parent Ministry to undertake the process of policy formulation which is in line with the Constitutional Principle of 'Separation of powers'

iv. The establishment of the Technical Committee by the Committee would beg a question as to whether the Principle of 'Separation of Powers' indeed been upheld;

Therefore, the Committee further noted way forward by the office of the Attorney General as follows:-

- a) The Kenya Copyright Board should be allowed to complete its strategies towards formulation of a policy and that will inform the revision of the Copyright Act.
- b) The Board is currently engaged in stakeholders' consultations in an effort to come up with an informed policy framework.
- c) The National Assembly to give the Executive time to finish with stakeholders consultations on the draft Amendment Copyright Bill which shall be presented to the Cabinet for its approval and subsequent presentation to the National Assembly
- d) The National Assembly to submit its proposals to the relevant policy making body in a bid to support the creative Industry.

WAY FORWARD

• The Committee having deliberated with regards to the report resolved, that the consultation with the Committee on Justice and Legal Affairs on the possibility of having a joint committee on the issues raised in the report and with specific reference to copyright.

Action: Chairperson and Committee Secretariat

 Having adopted the report the committee further resolved that the report of the Technical Committee on the Crisis facing the Music Industry on Payments of Royalties and Review of the Legal Framework to the Music Industry be tabled after consultation with the Committee on Justice and Legal affairs.

Action:
Committee Secretariat

MIN. NO.130/DC-E/2016

ANY OTHER BUSINESS

1. Foreign Trips

The Chairman brought to the attention of the Committee the following upcoming ICT policy meetings and Nuclear Conference scheduled outside the country and as well nominated those who would attend.

USA

The Committee nominated the following Members to participate with Kenya Nuclear Energy Board in the upcoming Nuclear Conference in USA.

- 1. Hon. Jamleck Kamau, EGH, MP- Leader of Delegation
- 2. Hon. Roba Duba, MP
- 3. Hon. James Lomenen, MP
- 4. Hon. Fathia Mahbub, MP
- 5. Hon. Banticha Abdullahi, MP
- 6. Hon. William Mtengo, MP
- 7. Hon. Arthur Odera, MP

On whether more members could be nominated the, Clerk guided that only a maximum of seven Members can constitute a delegation, it was agreed that the Clerk of the National Assembly would be consulted on whether more than 7 Members could be allowed to constitute a delegation.

FIJI Island

The Committee also nominated Hon. Silverse Lisamula Anami, MP will represent the Committee in the CTO Forum and Council Meeting with Communication Authority of Kenya; other Members will be nominated in the subsequent meetings. The Clerks was directed to keep the matter alive in the Committee.

Action:
Committee Secretariat

Local Visit

KETRACO Transmission Line Projects (Phase III)

The Committee further tasked the Clerk to look at which activity within the work plan was practical before the end of the financial year, and organize the said activity between Thursday 23rd – Sunday 26th June 2016.

Action:
Committee Secretariat

MIN. NO.131/DC-E/2016

ADJOURNMENT

| There being no | other business for de | liberation the | Chairperson a | djourned the meetir | ng at |
|----------------|-----------------------|----------------|---------------|---------------------|-------|
| 11.35 hrs. | | , | \circ | | |
| Signed | | | | ••••• | |
| | Hon. Ja | mleck Kamau | , EGH, MP | | |
| | | (Chairpersor | ٦) | | |
| Date | 287 | P211 | 6 | | |
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