

CHAPTER 412

EXCHEQUER AND AUDIT ACT

SUBSIDIARY LEGISLATION

List of Subsidiary Legislation

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**THE EXCHEQUER AND AUDIT (MEDICAL
SUPPLIES FUND) REGULATIONS, 1987**

[L.N. 11/1987.]

1. These Regulations may be cited as the Exchequer and Audit (Medical Supplies Fund) Regulations, 1987 and shall be deemed to have come into operation on the 1st July, 1984.

2. In these Regulations, unless the context otherwise requires—

“**financial year**” means the period from the 1st July in any year to the 30th June in the immediately succeeding year (both days inclusive);

“**Fund**” means the Medical Supplies Fund established by the Treasury under section 32(1) (now deleted) of the Act;

“**officer administering the Fund**” means the accounting officer responsible for the Vote of the Ministry of Health or any other person appointed by him in writing to administer the Fund on his behalf.

3. The purpose and the object for which the Fund is established shall be procurement of—

- (a) drugs, sera and vaccine;
- (b) surgical equipment and surgical dressings;
- (c) X-rays and X-ray supplies;
- (d) laboratory equipment, reagents and chemicals;
- (e) dental and orthopaedic equipment; and
- (f) other medical supplies and equipment that may be authorized by the Officer administering the Fund with the concurrence of the Treasury,

and sale thereof to the institutions referred to in regulation 6 at prices to be decided by the officer administering the Fund and the Treasury.

4. The capital of the Fund shall be Sh.180,743,304-05 made up of Sh. 24,000,140-00 appropriated by Parliament in 1976/77, 1978/79, 1979/80, 1980/81, 1981/82, 1982/83, 1983/84, 1984/85 and 1985/86 Sh.137,044,770-55 being the values of saleable stock on 1st July, 1984 and Sh.19,698,393-50 being the value of stock which had been paid for but not received at the medical supplies stores on the 1st July, 1984.

5. The surplus, if realized in any year, shall be retained in the reserve account of the Fund pending the Treasury's decision for its disposal; and a deficiency, if realized in any year, shall subject to Treasury's concurrence, be offset against realized surplus.

6. The institutions which may obtain their requirements from the Medical Supplies Fund shall be—

- (a) Government health institutions;
- (b) mission hospitals; and
- (c) such other medical institutions as may be sanctioned by the Officer administering the Fund and the Treasury.

7. The selling prices of medical supplies and equipment shall be reviewed from time to time by the Officer administering the Fund in consultations with the Treasury.

8. The Government procurement procedures shall strictly be adhered to when purchasing items referred to in regulation 3.

9. All receipts, earnings and accruals of the Fund and the balance of the Fund at the close of each financial year, shall be retained for the purpose of which the Fund is established subject to provisions of regulation 5.

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10. The officer administering the Fund shall—

- (a) supervise and control the administration of the Fund;
 - (b) advise and obtain such advice from the Minister for the time being responsible for Finance as may from time to time be required;
 - (c) if he thinks fit, impose conditions as to the use to be made of any expenditure authorized by him or on his behalf and such conditions may impose any reasonable prohibition, restriction or requirements concerning such use or expenditure;
 - (d) periodically obtain estimated medical supplies and equipment requirements from the authorized institutions referred to in regulation 6;
 - (e) cause to be kept all proper books of accounts and other books and records in relations to the Fund and to all the various activities and undertakings financed by the Fund;
 - (f) transmit to the Controller and Auditor-General, in respect of each financial year and within four months after the end thereof, a statement of account relating to the Fund, prepared and signed by him, specifying income to the Fund, and showing the expenditure incurred from the Fund, in such details and with such additional information as he may deem to be proper and sufficient for the purpose of examination and audit by the Controller and Auditor-General in accordance with section 18(2) (now deleted) of the Act as the Treasury may from time to time direct; and every statement of account shall include details of the balance between the assets and liabilities of the Fund, and indicate the financial status of the Fund, as at the end of the financial year concerned.
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**THE EXCHEQUER AND AUDIT (GOVERNMENT
COMMUTER BUS SERVICES FUND)
REGULATIONS, 1987**

[L.N. 329/1987.]

1. These Regulations may be cited as the Exchequer and Audit (Government Commuter Bus Services Fund) Regulations, 1987 and shall be deemed to have come into operation on the 17th October, 1986.
2. In these Regulations, unless the context otherwise requires—
 - “**financial year**” means the period from the 1st July in any year to the 30th June in the immediately succeeding year (both days inclusive);
 - “**Fund**” means the Government Commuter Bus Services Fund established by Treasury under section 32(1) (now deleted) of the Act;
 - “**officer administering the Fund**” means the accounting officer responsible for the Vote of the Office of the President or any other person appointed by him in writing to administer the Fund on his behalf.
3. The purpose and object for which the Fund is established is to complement existing public transport for commuters in urban and peri-urban centres by undertaking and providing Government operated and maintained commuter bus services.
4. Upon the appropriation by Parliament of a sum of not less than five million five hundred thousand Kenya pounds the Treasury shall establish the Fund, and may receive sums of money and equipment contributed thereto; and the total of all such sums received shall be credited to the Fund upon receipt.
5. The surplus realized in any year shall be retained in the reserve account of the Fund pending the Treasury’s decision for its disposal; and a deficiency, if realized in any year, shall, subject to Treasury’s concurrence, be offset against the realized surplus.
6. The expenditure on the operations and maintenance of the commuter buses and other costs associated thereto directly shall be on the basis of, and be limited to, the annual budget, revised as appropriate, which shall be submitted to the Treasury for approval in advance of the period to which it relates.
7. All moneys collected as fares, proceeds from sale of stores, plant or equipment shall be paid into the Fund.
8. Procurements shall be strictly in accordance with the Government procurement and tendering procedures and likewise the disposal of the assets of the Fund shall conform to regulations pertaining to disposals.
9. Subject to regulation 5, all receipts, savings and accruals of the Fund and the balance of the Fund at the close of the financial year shall be retained for the purposes for which the Fund is established.
10. The officer administering the Fund shall—
 - (a) supervise and control the administration of the Fund;
 - (b) advise and obtain advice from the Minister for the time being responsible for Finance as may from time to time be required;
 - (c) determine and fix bus fares to be charged to commuters which should be compatible and reasonable with those applicable in the industry and which should be reviewed periodically;
 - (d) determine the basis on which indirect and administrative overheads will be recovered from the Fund relating to services provided by any of the Government maintained workshops;

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- (e) if he thinks fit, impose conditions as to the use to be made of any expenditure authorized by him or on his behalf and such conditions may impose any reasonable prohibition, restrictions, suspension or requirements concerning such use or expenditure;
 - (f) incorporate and institute prudent measures for collection of the revenue with suitable in-built internal controls and appropriate mechanism for collection and accountability;
 - (g) cause to be kept all proper books of accounts and other books and records in relation to the Fund and to all the various activities and undertakings financed by the Fund;
 - (h) transmit to the Controller and Auditor-General, in respect of each financial year and within a period of four months after the end thereof, a statement of account relating to the Fund, prepared and signed by him, specifying income to the Fund, and showing the expenditure incurred from the Fund, in such details and with such additional information as he may deem to be proper and sufficient for the purpose of examination and audit by the Controller and Auditor-General in accordance with section 18(2) (now deleted) of the Act or as the Treasury may from time to time direct; and every statement of account shall include details of the balance between the assets and liabilities of the Fund, and indicate the financial status of the Fund as at the end of the financial year concerned.
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THE EXCHEQUER AND AUDIT (DISTRICTS DEVELOPMENT FUND) REGULATIONS, 1988

[L.N. 128/1988, L.N. 91/1989.]

1. These Regulations may be cited as the Exchequer and Audit (Districts Development Fund) Regulations, 1988, and shall be deemed to have come into operation on the 1st July, 1987.

2. In these Regulations unless the context otherwise requires—

“**essential packages of investments**” means development projects approved by a district development committee for financing through the Fund;

“**financial year**” means the period from 1st July in any year to the 30th June in the immediate succeeding year (both days inclusive);

“**Fund**” means the District Development Fund established by the Treasury under section 32(1) (now deleted) of the Act;

“**officer administering the Fund**” means the accounting officer responsible for the Vote of the Ministry of Planning and National Development or any other person appointed by him in writing to administer the Fund on his behalf.

3. The purpose and the object for which the Fund is established shall be to finance—

- (a) the planning, the designing and the construction or rehabilitation of essential packages of investments in rural trade and production centres designated for the purpose of the Fund;
- (b) the initial operation and maintenance costs of a completed component of an essential package of investment in accordance with the policy formulated under regulation 9(c).

[L.N. 91/1989, r. 2.]

4. (1) The basic capital of the Fund shall be KSh.167,000,000 appropriated by Parliament in the 1987/88 financial year and provided in Vote D.6 of the Ministry of Planning and National Development.

(2) There may be received for the purposes of the Fund contributions of money or material which shall be credited to the Fund immediately upon receipt.

[L.N. 91/1989, r. 2.]

5. All the receipts, savings and accruals of the Fund and the balance of the Fund at the close of every financial year, shall be retained for the purposes of the Fund and shall not be expended except for one or more of the purposes for which the Fund is established.

6. No moneys or materials shall be expended for any of the purposes for which the Fund is established unless the particular purpose has been selected and recommended by the district development committee concerned and the expenditure approved by the officer administering the Fund.

7. The Government tendering the procurement procedures shall strictly be adhered to whenever disbursements are to be made from the Fund for any purpose.

8. The officer administering the Fund may, where necessary, appoint a committee of not less than six members drawn from the Ministries and institutions concerned with a project financed through the Fund to—

- (a) advise him on specific financial and technical plans for packages of investments or construction of “**jua kali sheds**”;
- (b) evaluate the financial and physical implementation status of ongoing components of approved packages of investments of construction of “**jua kali sheds**”;

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- (c) determine which would be the best institution or Government department to take over a completed project and assume administrative and overall responsibility for the project.

9. The officer administering the Fund shall—

- (a) supervise and control the administration and financial management of the Fund;
- (b) advise and obtain such advice from the Minister for the time being responsible for matters relating to Finance as may from time to time be required;
- (c) formulate matters of policy not inconsistent with these Regulations for the purpose of providing such general or specific guidance as any district development committee may desire or require;
- (d) cause to be prepared an annual budget (on receipts and expenditure) which shall be submitted to the Treasury for approval before the beginning of the financial year to which the budget relates and which approved budget shall form the basis for utilization of moneys from the Fund;
- (e) if he thinks fit, impose conditions as to the use to be made of any expenditure authorized by him or on his behalf and such conditions may impose reasonable prohibition, restriction or requirement concerning such use of expenditure;
- (f) cause to be kept all proper books of accounts and other books and records in relation to the Fund and for all the various activities and undertakings financed by the Fund;
- (g) transmit to the Controller and Auditor-General, in respect of each financial year and within a period of four months after the end thereof, a statement of accounts relating to the Fund, prepared and signed by him, specifying all contributions, receipts and any income to the Fund received and showing the expenditure incurred from the Fund, in such detail and with such additional information as he may deem to be proper and sufficient for the purposes of examination and audit by the Controller and Auditor-General in accordance with section 18(2) (now deleted) of the Act and as the Treasury may from time to time direct:

Provided that every such statement of accounts shall include details of the balance between the assets and liabilities of the Fund, and indicate the financial status of the Fund as at the end of the financial year concerned.

THE EXCHEQUER AND AUDIT (PRISON INDUSTRIES FUND) REGULATIONS, 1988

[L.N. 314/1988.]

1. These Regulations may be cited as the Exchequer and Audit (Prison Industries Fund) Regulations, 1988 and shall be deemed to have come into operation on the 1st July, 1987.
2. In these Regulations, unless the context otherwise requires—
 - “**financial year**” means the period from the 1st July in any year to the 30th June in the immediately succeeding year (both days inclusive);
 - “**fund**” means the Prison Industries Fund established by the Treasury under section 32(1) (now deleted) of the Act;
 - “**officer administering the Fund**” means the accounting officer responsible for the vote of the Office of the Vice-President and Ministry of Home Affairs and National Heritage or any other person appointed by him in writing to administer the Fund on his behalf.
3. The purpose and object of the Fund shall be to train and rehabilitate prisoners and inmates and procure necessary raw materials, tools, plants and equipment required thereof; and offer for sale finished products in the open market.
4. The initial capital of the Fund shall be £700,000 appropriated by Parliament in the 1987/88 financial year.
5. The surplus realized in any year from the operations of the fund shall be retained in the reserve account of the Fund pending the Treasury’s decision on its disposal, and a deficiency, if realized in any year, shall, subject to the Treasury’s concurrence, be offset against the realized surplus.
6. The expenditure on operation of prison industries and maintenance of tools, plants and equipment shall be on the basis of, and be limited to, the annual budget (on receipts and expenditure) which shall be submitted to the Treasury for approval before the beginning of the financial year to which the budget relates.
7. The institutions which may obtain manufactured items from the Prison Industries Fund shall be—
 - (a) Government Ministries;
 - (b) Government Departments;
 - (c) Local Government Authorities;
 - (d) Parastatal Organizations; and
 - (e) Private Organizations and Individuals.
8. The selling prices of finished goods shall be reviewed from time to time by the officer administering the Fund in consultation with the Treasury.
9. The Government procurement procedures shall strictly be adhered to when purchasing items referred to under regulation 3.
10. All the receipts, savings and accruals of the Fund and the balance of the Fund at the close of each financial year, shall be retained for the purpose of which the Fund is established subject to the provisions of regulation 5.
11. The officer administering the Fund shall—
 - (a) supervise and control the administration of the Fund;
 - (b) advise and obtain such advice from the Minister for the time being responsible for Finance as may from time to time be required;

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- (c) if he thinks fit, impose conditions as to the use to be made of any expenditure authorized by him or on his behalf and impose any reasonable prohibition, restriction or requirements concerning such use or expenditure;
 - (d) approve the prices of finished products to be offered for sale;
 - (e) cause to be kept all proper books of accounts and other books and records in relation to the Fund and to all the various activities and undertakings financed by the Fund;
 - (f) transmit to the Controller and Auditor-General, in respect of each financial year within four months after the end thereof, a statement of account relating to the Fund, prepared and signed by him, specifying income to the Fund, and showing the expenditure incurred from the Fund, in such details and with such additional information as he may deem to be proper and sufficient for the purpose of examination and audit by the Controller and Auditor-General in accordance with section 18(2) (now deleted) of the Act as the Treasury may from time to time direct, and every statement of account shall include details of the balance between the assets and liabilities of the Fund, and indicate the financial status of the Fund, as at the end of the financial year concerned.
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THE EXCHEQUER AND AUDIT (JUA KALI FUND) REGULATIONS, 1988

[L.N. 558/1988.]

1. These Regulations may be cited as the Exchequer and Audit (Jua Kali Fund) Regulations, 1988, and shall be deemed to have come into operation on the 1st July, 1988.
2. In these Regulations, unless the context otherwise requires—
 - “**financial year**” means the period from 1st July in any year to the 30th June in the immediately succeeding year (both days inclusive);
 - “**Fund**” means the jua kali Fund established by the Treasury under section 32(1) (now deleted) of the Act;
 - “**officer administering the Fund**” means the accounting officer responsible for the Vote of the Ministry of Technical Training and Applied Technology or any other person appointed by him in writing to administer the Fund on his behalf.
3. The purpose and object for which the Fund is established shall be to finance the construction of Jua Kali shed and assist in the implementation of the Jua Kali development programmes in designated rural trade and promotion centres as may be decided by the officer administering the Fund.
4. (1) The initial capital of the Fund shall be KSh. 50,000,000 appropriated by Parliament in the 1987/88 financial year.
 (2) There may be received for the purposes of the Fund contributions of money or materials which shall be credited to the Fund immediately upon receipt.
5. All the receipts, savings and accruals of the Fund and the balance of the Fund at the close of every financial year, shall be retained for the purposes of the Fund and shall not be expended except for the purposes for which the Fund is established.
6. No moneys or materials shall be expended except for any of the purposes for which the Fund is established unless the particular Jua Kali shed has been selected and recommended by the District Development Committee concerned and the expenditure approved by the officer administering the Fund.
7. The Government tendering and procurement procedures shall strictly be adhered to when securing supplies and whenever disbursements are to be made from the Fund for any purpose.
8. The officer administering the Fund, may, whenever necessary, appoint a committee of not less than six members drawn from the Ministries and institutions concerned with a Jua Kali project to be financed through the Fund to—
 - (a) advise him on specific financial and technical plans for construction of Jua Kali sheds;
 - (b) evaluate the financial and physical implementation status of the on-going approved construction of Jua Kali sheds;
 - (c) determine which would be the best institution or Government Department to take over completed project and assume administrative and overall responsibility.
9. The officer administering the Fund shall—
 - (a) supervise and control the administration and financial management of the Fund;
 - (b) advise and obtain such advice from the Minister for the time being responsible for matters relating to Finance as may from time to time be required;

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- (c) formulate matters of policy not inconsistent with these Regulations for the purposes of providing such general or specific guidance as any District Development Committee may desire or require;
- (d) cause to be prepared an annual budget (on receipts and expenditure) which shall be submitted to the Treasury for approval before the beginning of the financial year to which the budget related and which approved budget shall form the basis for utilization of moneys from the Fund;
- (e) if he thinks fit, impose conditions as to the use to be made of any expenditure authorized by him or on his behalf and such conditions may impose reasonable prohibition, restriction or requirements concerning such use or expenditure;
- (f) cause to be kept all proper books of accounts and other books and records in relation to the Fund and for all the various activities and undertakings financed by the Fund;
- (g) transmit to the Controller and Audit-General, in respect of each financial year and within a period of four months after the end thereof, a statement of accounts relating to the Fund, prepared and signed by him, specifying all contributions receipts and any income to the Fund received and showing the expenditure incurred from the Fund, in such detail and with such additional information as he may deem to be proper and sufficient for the purposes of examination and audit by the Controller and Auditor-General in accordance with section 18(2) (now deleted) of the Act and as the Treasury may from time to time direct:

Provided that every such statement of accounts shall include details of the balance between the assets and liabilities of the Fund and indicate status of the Fund at the end of the financial year concerned.

THE EXCHEQUER AND AUDIT (GOVERNMENT PRESS FUND) REGULATIONS, 1988

[L.N. No. 33/1989, L.N. 262/1989.]

1. These Regulations may be cited as the Exchequer and Audit (Government Press Fund) Regulations, 1988 and shall be deemed to have come into operation on the 1st July, 1988.

2. In these Regulations, unless the context otherwise requires—

“**financial year**” means the period from the 1st July in any year to the 30th June in the immediately succeeding year (both days inclusive);

“**Fund**” means the Government Press Fund established by the Treasury under section 32(1) (now deleted) of the Act;

“**officer administering the Fund**” means the Accounting Officer responsible for the Vote under which the funds for the Government Printer are incorporated or any other person appointed by him in writing to administer the Fund on his behalf.

3. The purpose and object of the Fund shall be to procure supplies of raw materials for undertaking production by the Government Printer of various printing and publishing works obtainable from the Government Press and sale thereof to the Government ministries and departments, state corporations or the general public of—

- (a) artworks;
- (b) designs;
- (c) printed stationery and documents;
- (d) printed and bound publications like the *Kenya Gazette*, *Kenya Gazette Supplements*, chapters of the Laws of Kenya and official Government publications; and
- (e) any other specialized stationery and publications.

4. The following supplies will be issued free of charge and in predetermined quantities to such departments and ministries as the officer administering the Fund may determine in consultation with the Treasury for the express and immediate use of those ministries and departments—

- (a) standard accounts forms and accounts registers and books;
- (b) accountable documents;
- (c) all revenue collection forms and documents, registers, books and accountable documents used in revenue collection areas as detailed in the annual Printed Revenue Estimates;
- (d) Bills and Acts of Parliament;
- (e) standard supply forms and accountable documents in the “S” series used for supplies services;
- (f) standard personnel forms including Public Service Commission forms;
- (g) Hansard and other reports produced by the National Assembly.

[L.N. 262/1989, r. 2.]

5. The initial capital of the Fund shall be one million Kenya pounds (K£1,000,000) appropriated by Parliament in the 1988/89 financial year.

6. The surplus, if realized in any year, shall be retained in the reserve account of the Fund pending Treasury’s decision for its disposal and a deficiency, if realized in any year, shall subject to Treasury’s concurrence, be off-set against the realized surplus.

7. The component cost of labour, printing workshop overheads and the capital outlay on procurement or replacements, additional machines, equipment, shall not be charged to the Fund but shall form a charge against the respective Vote of the ministry or department for the time being responsible for matters relating to the Government Printer.

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8. (1) The selling prices of commodities under regulation 3 shall be fixed and shall be reviewed from time to time by the officer administering the Fund in consultation with the Treasury.

(2) The mode and price of disposal of waste material from the operations of the Government Printer shall be determined and fixed by the officer administering the Fund and the Treasury and proceeds thereof shall be credited to the Fund.

9. The Government procurement and disposal procedures shall strictly be adhered to when purchasing supplies or when disposing off waste products referred to in regulations 3 and 8(2).

10. Subject to regulation 6, all receipts, earnings and accruals of the Fund and the balance of the Fund at the close of every financial year, shall be retained for the purpose for which the Fund is established.

11. The officer administering the Fund shall—

- (a) supervise and control the administration of the Fund;
 - (b) advise and obtain such advice from the Minister for the time being responsible for finance as may from time to time be required;
 - (c) if he thinks fit, impose any conditions as to the use to be made of any expenditure authorized by him or on his behalf and such conditions may entail imposing any reasonable prohibition, restriction, or requirements concerning such use or expenditure;
 - (d) periodically obtain estimated requirements from the institutions referred to in regulations 3 and 8(2);
 - (e) cause to be kept proper books of accounts and other books and records in relation to the Fund and to all the various activities and undertakings financed from the Fund;
 - (f) transmit to the Controller and Auditor-General, in respect of each financial year and within four months after the end thereof, a statement of account relating to the Fund, prepared and signed by him, specifying income to the Fund, and showing the expenditure incurred from the Fund, in such details and with such additional information as he may deem to be proper and sufficient for the purpose of examination and audit by the Controller and Auditor-General in accordance with section 18(2) of the Exchequer and Audit Act (Cap. 412) as the Treasury may from time to time direct and every statement of account shall include details of the balance between the assets and the liabilities of the Fund, and indicate/reflect the true and fair financial status of the Fund as at the end of the financial year concerned.
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THE EXCHEQUER AND AUDIT (DISTRICT DEVELOPMENT LOANS FUND) REGULATIONS, 1990

[L.N. 87/1990.]

1. These Regulations may be cited as the Exchequer and Audit (District Development Loans Fund) Regulations, 1990, and shall be deemed to have come into operation on the 13th December, 1989.
2. In these Rules, unless the context otherwise requires—

“financial year” means the period from 1st July to 30th June in the immediately succeeding year (both days inclusive);

“Fund” means the District Development Loans Fund established under section 34(1) (now deleted) of the Act;

“officer administering the Fund” means the Accounting Officer responsible for the Vote of the Ministry for the time being responsible for finance or any other person appointed by him in writing to administer the Fund on his behalf.
3. The purpose and objective of the Fund shall be—
 - (a) to provide loan facilities to individuals or groups of individuals in rural areas so as to assist them in the expansion and growth of informal and small-scale enterprises through provision of financial resources for initial investment and working capital; and
 - (b) to increase the productive capacity of the borrowers, create self-employment and income generating opportunities.
4. The initial capital of the Fund shall be K£6,000,000 appropriated by Parliament in 1989/90 financial year.
5. Loans will be considered for a variety of activities which are indigenously owned and commercially viable informal sector enterprises like agricultural and livestock activities such as pig or poultry farms, seed production, horticulture and other farm activities, agricultural processing, other manufacturing and service enterprises and marketing activities.
6. (1) The District Development Loan Scheme in each district shall be administered by the District Commissioner and the loan applications shall be considered and approved by District Development Committees.
 (2) The loan funds shall be used only for acquisition of capital assets as well as for meeting the working capital needs of the enterprises.
7. The officer administering the Fund shall, in consultation with the Treasury, establish procedures for identification of potential borrowers, scrutiny and appraisal of the viability of the enterprises proposed for financing, the actual disbursement and recovery of loans and supervision of the enterprises.
8. (1) Each loan under this scheme shall not exceed a maximum of fifty thousand shillings to an individual borrower.
 (2) Each loan shall be for a maximum period of three years with monthly instalments of interest on principal and a moratorium of six months on both interest and principal.
 (3) The interest charged on such loans shall be on the current bank lending rate.
9. (1) A chattel mortgage or other appropriate form of mortgage will be taken over the assets of the enterprise to the extent practicable.
 (2) The officer administering the Fund shall, in consultation with the Treasury, develop a standard loan agreement which shall, *inter alia*, stipulate that the assets being financed by the loan shall remain the property of the Government until the loan is fully repaid; and no disbursement of loan funds shall be made before the loan agreement is completed and signed by all the parties thereto.

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10. All loans to borrowers shall be paid out of the Fund and all loan repayments and interest thereon shall be credited to the Fund.

11. All receipts, savings and accruals of the Fund and the balance of the Fund at the close of each financial year, shall be retained for the purpose of which the Fund is established.

12. The officer administering the Fund shall—

- (a) supervise and control the administration of the Fund;
 - (b) if he thinks fit, impose conditions as to the use to be made of any expenditure authorized by him or on his behalf and such conditions may impose any reasonable prohibition, restriction or requirements concerning such use of expenditure;
 - (c) cause to be kept all proper books of accounts and other books and records in relation to the Fund and to all the various activities and undertakings financed by the Fund;
 - (d) transmit to the Controller and Auditor-General, in respect of each financial year and within four months after the end thereof, a statement of account relating to the Fund, prepared and signed by him, specifying income to the Fund, and showing the expenditure incurred from the Fund, in such details and with such additional information as he may deem to be proper and sufficient for the purpose of examination and audit by the Controller and Auditor-General in accordance with section 18(2) (now deleted) of the Act as the Treasury may from time to time direct, and every statement of account shall include details of the balance between the assets and liabilities of the Fund, as at the end of the financial year concerned.
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**THE EXCHEQUER AND AUDIT (DEMONSTRATION FARMS FUND)
REGULATIONS, 1990**

[L.N. 456/1990.]

1. These Regulations may be cited as the Exchequer and Audit (Demonstration Farms Fund) Regulations, 1990, and shall be deemed to have come into operation on the 1st July, 1990.
2. In these Regulations, unless the context otherwise requires—

“financial year” means the period of twelve months ending on the 30th June in each year;

“Fund” means the Demonstration Farms Fund established under regulation 3;

“officer administering the Fund” means the accounting officer of the Ministry for the time being responsible for matters relating to agriculture or any person appointed by him in writing for that purpose.
3. (1) There shall be established a fund to be known as the Demonstration Farms Fund which shall consist of moneys appropriated for this purpose.
(2) The Fund shall be administered by the accounting officer of the Ministry for the time being responsible for matters relating to agriculture or any person appointed by him in writing for that purpose.
(3) All moneys realized from the sale of the—
 - (a) farm produce;
 - (b) livestock; and
 - (c) surplus or unserviceable items of farm assets, authorized for disposal by the officer administering the Fund or on his behalf by an officer appointed by him in writing for that purpose of the demonstration farms at farmers training centres shall be paid into the Fund.
(4) The object and purpose of the Fund is to provide funds required for development and running of demonstration farms at farmers training centres.
4. (1) The initial capital of the Fund shall be K£300,000 appropriated by Parliament in the 1990/91 financial year.
(2) The surplus realized in any financial year from the operations of the Fund shall be retained in a reserve account of the Fund and any deficiency realized in any financial year shall, subject to prior concurrence of the Treasury, be offset against the realized surplus held in the reserve account of the Fund.
5. The selling prices of the farm produce and livestock referred to in regulation 3, where they are not subject to international market forces, shall be reviewed from time to time by the officer administering the Fund in consultation with the Treasury.
6. The expenditure on development and running of demonstration farms under the Fund shall be on the basis of and limited to the annual budget which shall be submitted to the Treasury for approval before the beginning of the financial year to which the budget relates and any revision of the approved annual budget shall be referred to the Treasury for necessary approval.
7. The Government procurement and disposal procedures shall be strictly adhered to.
8. All receipts, earnings and accruals of the Fund and the balance of the Fund at the close of each financial year shall not be paid into the Consolidated Fund but shall be retained for the purpose for which the Fund is established.
9. The officer administering the Fund shall—
 - (a) supervise and control the administration of the Fund;

[Subsidiary]

- (b) consult with the Minister for the time being responsible for matters for relating to finance as may from time to time be required;
 - (c) if he thinks fit, impose conditions on the use of any expenditure authorized by him or on his behalf and may impose any responsible prohibition, restriction or other requirement concerning such use of expenditure;
 - (d) cause to be kept all proper books of accounts and other books and records relating to the Fund and to all the various activities and undertakings financed by the Fund;
 - (e) prepare, sign and transmit to the Controller and Auditor-General in respect of each financial year and within four months after the end thereof, a statement of account relating to the Fund in such form as the Treasury may from time to time direct, in accordance with section 18(2) (now deleted) of the Exchequer and Audit Act (Cap. 412).
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**THE EXCHEQUER AND AUDIT (RURAL
ENTERPRISE FUND) REGULATIONS, 1992**

[L.N. 109/1992.]

Revoked by L.N. 97/2012, r. 4.

THE EXCHEQUER AND AUDIT (PRISON FARMS FUND) REGULATIONS, 1993

[L.N. 87/1993.]

1. These Regulations may be cited as the Exchequer and Audit (Prison Farms Fund) Regulations, 1993 and shall be deemed to have come into operation on the 1st July, 1992.
2. In these Regulations, unless the context otherwise requires—
 - “**financial year**” means the period of twelve months ending on 30th June in each year;
 - “**Fund**” means the Prison Farms Fund established by regulation 3;
 - “**officer administering the Fund**” means the accounting officer of the Ministry for the time being responsible for prisons or any person appointed by him in writing for that purpose.
3. (1) There shall be established a fund to be known as the Prison Farms Fund which shall consist of moneys appropriated by Parliament for that purpose.
 - (2) The Fund shall be administered by the accounting officer of the Ministry for the time being responsible for prisons or any person appointed by him in writing to administer the Fund on his behalf.
 - (3) All moneys realized from the sale of farm produce, livestock, surplus and unserviceable items of farm assets authorized for disposal by the officer administering the Fund or on his behalf shall be paid into the Fund.
 - (4) The object and purpose of the Fund is to provide funds required for the development and running of prison farms for the training and rehabilitation of prisoners and inmates.
4. (1) The initial capital of the Fund shall be K£210,000 appropriated by Parliament for that purpose in the 1992/93 financial year.
 - (2) The surplus realized in any financial year from the operations of the Fund shall be retained on a reserve account of the Fund and any deficiency realized in any financial year shall, subject to prior concurrence of the Treasury, be offset against the realized surplus held in the reserve account of the Fund.
5. The purchase of farm produce from prison farms shall be open to Government ministries or departments, local authorities, state corporations, private organizations and individuals.
6. The selling prices of the farm produce and livestock referred to in regulation 3 shall, where they are not subject to international market forces, be reviewed from time to time by the officer administering the Fund in consultation with the Treasury.
7. The expenditure on development and running of prison farms under the Fund shall be on the basis of and limited to the annual budget which shall be submitted to the Treasury for approval before the beginning of the financial year to which the budget relates, and any revision of the approved annual budget shall be referred to the Treasury for necessary approval.
8. The Government procurement and disposal procedures shall be strictly adhered to.
9. All receipts, earnings and accruals of the Fund and the balance of the Fund at the close of each financial year shall not be paid into the Consolidated Fund but shall be retained for the purpose for which the Fund is established.
10. The officer administering the fund shall—
 - (a) supervise and control the administration of the Fund;
 - (b) consult with the Minister for the time being responsible for matters relating to Finance as may from time to time be required;

Exchequer and Audit

[Subsidiary]

- (c) if he thinks fit, impose conditions on the use of any expenditure authorized by him or on his behalf and may impose any reasonable prohibition, restriction or other requirement concerning such use of expenditure;
 - (d) cause to be kept all proper books of accounts and other books and records relating to the Fund and to all the various activities and undertakings financed by the Fund;
 - (e) prepare, sign and transmit to the Controller and Auditor-General in respect of each financial year and within four months after the end thereof, a statement of account relating to the Fund in such form as the Treasury may from time to time direct, in accordance with section 18(2) (now deleted) of the Act.
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THE EXCHEQUER AND AUDIT (AGRICULTURAL INFORMATION CENTRES REVOLVING FUND) REGULATIONS, 1993

[L.N. 163/1993, L.N. 21/2000, Corr. No. 13/2000.]

1. These Regulations may be cited as the Exchequer and Audit (Agricultural Information Centres Revolving Fund) Regulations, 1993, and shall come into operation on the 1st July, 1993.

2. In these Regulations, unless the context otherwise requires—

“**Board**” means the Board of Management of the Fund established under regulation 8;

“**Centre**” means the Agricultural Information Centre;

“**financial year**” means the period of twelve months ending on the 30th June in each year;

“**fund**” means the Agricultural Information Centre Revolving Fund established under regulation 3;

“**officer administering the Fund**” means Director of the Centre appointed for that purpose by the accounting officer of the Ministry for the time being responsible for Agriculture.

[L.N. 21/2000, r. 2.]

3. (1) There shall be established a fund to be known as the Agricultural Information Centres Revolving Fund which shall consist of monies appropriated by Parliament for that purpose.

(2) The Fund shall be administered by a Director of the Centre appointed for that purpose by the accounting officer of the Ministry for the time being responsible for matters relating to Agriculture.

(3) All monies realized from the sale of products or the provision of services by agricultural information centres shall be paid into the Fund.

(4) The object and purpose of the Fund shall be to provide funds for the development of agricultural information centres to meet the demand for agricultural training and media materials within and outside the Ministry of Agriculture.

(5) All the monies of the Fund shall be paid into a special account operated by the officer administering the Fund.

[L.N. 21/2000, r. 3.]

4. (1) The initial capital of the Fund shall be K£500,000 appropriated by Parliament in the 1993/94 financial year.

(2) The surplus realized in a financial year from the operations of the Fund shall be retained in a reserve account of the Fund and any deficiency realized in a financial year shall be subject to the prior concurrence of the Treasury, be offset against the realized surplus held in a reserve account of the Fund.

5. The expenditure on preparation and delivery of training and media materials shall be on the basis of and limited to the annual budget which shall be delivered to the Treasury for approval before the beginning of the financial year to which the budget relates, and any revision of the approved annual budget shall be referred to the Treasury for necessary approval.

6. The Government procurement and disposal procedure shall be strictly adhered to.

7. All receipts, earnings and accruals of the Fund and the balance of the Fund at the close of each financial year shall be retained by the Fund for the purpose for which the Fund is established.

8. (1) There shall be established a Board of Management of the Fund which shall consist of—

[Subsidiary]

- (a) the Permanent Secretary in the Ministry for the time being responsible for Agriculture or a representative;
- (b) the Permanent Secretary in the Ministry for the time being responsible for finance or a representative;
- (c) the Director of Agriculture and Livestock Production;
- (d) the Director of Veterinary Services;
- (e) one person appointed by the Minister to represent the body for the time being recognized by the Government as being responsible for media regulation in Kenya;
- (f) four persons respectively nominated by the following organizations in accordance with their own constitutions and approved by the Minister—
 - (i) two organizations for the time being recognized by the Government as representing the interests of farmers; and
 - (ii) two organizations recognized by the Government as representing the interests of media practitioners and the commercial sector respectively.

(2) The Minister shall nominate one of the members appointed under paragraph (1) to be chairman.

(3) The Board may from time to time establish such committees and co-opt such persons as it may deem necessary for the exercise of its functions.

(4) The Minister shall appoint one person being a Director of the Centre to be secretary to the Board.

(5) The members of the Board appointed by the Minister shall hold office for a period of three years and shall be eligible for re-appointment for one further term of three years.

[L.N. 21/2000, r. 4.]

9. (1) The Board shall meet at least four times in each financial year.

(2) The Chairman may convene a special meeting of the Board at any time at the request of any three members.

(3) The quorum for the conduct of the business of the Board shall be two-thirds of the members.

(4) Where there is no unanimity, decisions of the Board shall be carried by a majority of the members present, and in the case of a tie the Chairman shall have a casting vote.

(5) Subject to the foregoing the Board may regulate its own procedure.

[L.N. 21/2000, r. 4.]

10. The functions of the Board shall be—

- (a) to supervise and control the administration of the Fund;
- (b) to provide overall policy guidance and ensure that the monies paid out by the Fund are used for the intended purpose;
- (c) to approve the workplans and operational and procurement plans and programmes for the Centre;
- (d) to approve the Centre's budget for submission to the Treasury; and
- (e) to render such advice to the Minister for Agriculture as may from time to time be deemed necessary.

[L.N. 21/2000, r. 4.]

11. The officer administering the Fund—

- (a) *deleted by L.N. 21/2000, r. 5;*
- (b) *deleted by L.N. 21/2000, r. 5;*

- (c) if he thinks fit, impose conditions on the use of any expenditure authorized by him or on his behalf and may impose any responsible prohibition, restriction or other requirement concerning such use of expenditure;
- (d) cause to be kept all proper books of accounts and other books and records relating to the Fund and to all the various activities and undertakings financed by the Fund; and
- (e) prepare, sign and transmit to the Controller and Auditor-General in respect of each financial year and within four months after the end thereof, a statement of account relating to the Fund in such form as the Treasury may from time to time direct, in accordance with section 18(2) (now deleted) of the Act.

[L.N. 21/2000, r. 5.]

**THE EXCHEQUER AND AUDIT (ROAD MAINTENANCE LEVY FUND)
REGULATIONS, 1994**

ARRANGEMENT OF REGULATIONS

Regulation

1. Citation.
 2. Interpretation.
 3. Object and purpose of the Fund.
 4. Initial capital of the Fund.
 5. Annual budget to be approved by the treasury.
 6. Procurement procedure.
 7. Transit tolls and levy to be paid into the Fund.
 8. Receipts, savings, etc., retained for purpose of the Fund.
 9. Administration of the fund.
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**THE EXCHEQUER AND AUDIT (ROAD MAINTENANCE LEVY FUND)
REGULATIONS, 1994**

[L.N. 295/1994.]

1. Citation

These Regulations may be cited as the Exchequer and Audit (Road Maintenance Levy Fund) Regulations, 1994, and shall be deemed to have come into operation on the 1st January, 1994.

2. Interpretation

In these Regulations unless the context otherwise requires—

“**financial year**” means the period from 1st July, in any year to the 30th June, in the immediately succeeding year (both days inclusive);

“**Fund**” means the Road Maintenance Levy Fund established under section 7 of the Road Maintenance Levy Fund Act (Cap. 425D);

“**officer administering the Fund**” means the Permanent Secretary to the Treasury, or any other person appointed by him in writing to administer the Fund on his behalf.

3. Object and purpose of the Fund

The object and purpose of the Fund shall be to provide additional funds required for the repair and maintenance of public roads, for the proper function of the Fund and for the transit toll operations.

4. Initial capital of the Fund

(1) The initial capital of the Fund shall be K£10 appropriated by Parliament in the 1993/94, financial year.

(2) The surplus realized in any year from the operation of the Fund shall be added to the initial capital.

5. Annual budget to be approved by the treasury

The expenditure on the collection of the levy and the operation of transit toll stations as well as the maintenance of public roads shall be on the basis of, and be limited to the annual budget (on receipts and expenditure) which shall be submitted to the Treasury for approval before the beginning of the financial year to which the budget relates.

6. Procurement procedure

The Government procurement procedures shall strictly be adhered to.

7. Transit tolls and levy to be paid into the Fund

All moneys collected as transit toll under the Public Roads Toll Act (Cap. 407) and fuel levy under the Road Maintenance Fund Act shall be paid into the Fund.

8. Receipts, savings, etc., retained for purpose of the Fund

All receipts, savings and accruals of the Fund and the balance of the Fund at the close of each financial year, shall be retained for the purpose of which the Fund is established.

9. Administration of the fund

The officer administering the Fund shall—

- (a) supervise and control administration of the Fund;
- (b) if he thinks fit, impose conditions as to the use to be made of any expenditure authorized by him or on his behalf and such conditions may impose any reasonable prohibition, restriction or requirements concerning such use or expenditure;

- (c) cause to be kept all proper books of accounts and other books and records in relation to the Fund and to all the various activities and undertakings financed by the Fund;
 - (d) transmit to the Controller and Auditor-General in respect of each financial year and within four months after the end thereof, a statement of accounts relating to the Fund, prepared and signed by him, specifying income to the Fund, in such details as the Treasury may from time to time direct in accordance with section 18(2) (now deleted) of the Act, and furnishing such additional information as he may deem to be proper and sufficient for the purpose of examination and audit by the Controller and Auditor-General under section 19 of the Act and every statement of account shall include details of the balance between the assets and liabilities of the Fund and indicate the financial status of the Fund, as at the end of the financial year concerned.
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**THE EXCHEQUER AND AUDIT (VETERINARY
SERVICES DEVELOPMENT FUND) REGULATIONS, 1996**

ARRANGEMENT OF REGULATIONS

Regulation

1. Citation and commencement.
 2. Interpretation.
 3. Establishment of fund.
 4. Object and purpose of the Fund.
 5. Initial capital of the Fund.
 6. Annual budget to be approved by Treasury.
 7. Government procedures.
 8. Retention of receipts, earnings, etc.
 9. Administration of the Fund.
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**THE EXCHEQUER AND AUDIT (VETERINARY
SERVICES DEVELOPMENT FUND) REGULATIONS, 1996**

[L.N. 109/1996.]

1. Citation and commencement

These Regulations may be cited as the Exchequer and Audit (Veterinary Services Development Fund) Regulations, 1996 and shall be deemed to have come into operation on the 1st July, 1995.

2. Interpretation

In these Regulations, unless the context otherwise requires—

“**financial year**” means the period of twelve months ending on the 30th June in each year;

“**Fund**” means the Veterinary Services Development Fund established by regulation 3;

“**officer administering the Fund**” means the accounting officer of the Ministry for the time being responsible for matters relating to Veterinary Services or a person appointed by him in writing for that purpose;

“**veterinary services**” means services rendered by the Director of Veterinary Services.

3. Establishment of fund

(1) There shall be established a Fund to be known as the Veterinary Services Development Fund which shall consist of monies appropriated by Parliament for that purpose and monies realized from the sources mentioned in paragraph (3).

(2) The Fund shall be administered by the accounting officer of the Ministry for the time being responsible for matters relating to Veterinary Services or a person appointed by him in writing for that purpose.

(3) All monies realized from the following veterinary services shall be paid into the Fund

-
- (a) Meat inspection services—
 - (i) meat inspection fee;
 - (ii) meat transport carrier fee;
 - (b) Hides and skins improvement services—
 - (i) levy on hides and skins exports;
 - (ii) licence fee for hides and skins brands and stores;
 - (iii) hides and skins trades licence fee;
 - (iv) sale of stores;
 - (v) slaughterman's licence fee;
 - (c) Vaccination and sale of sera and vaccines—
 - (i) vaccination fee;
 - (ii) sales of drugs, vaccines and sera;
 - (d) Laboratory services—
 - laboratory services fee;
 - (e) Licences and other services—
 - (i) health certificate fee;
 - (ii) quarantine fee;
 - (iii) artificial insemination fee;

- (iv) registration fee; and
- (v) training fee.

4. Object and purpose of the Fund

The object and purpose of the Fund is to provide funds for the development and delivery of veterinary services.

5. Initial capital of the Fund

(1) The initial capital of the Fund shall be K£1,000 appropriated by Parliament in the 1995/96 financial year.

(2) Any surplus realized in any financial year from the operations of the Fund shall be retained in a reserve account of the Fund and any deficiency realized in any financial year shall, subject to the prior concurrence of the Treasury, be offset against the realized surplus held in the reserve account of the Fund.

6. Annual budget to be approved by Treasury

The expenditure on the development and delivery of veterinary services shall be paid from the Fund and shall be on the basis of and limited to the annual budget which shall be submitted to the Treasury for approval before the beginning of the financial year to which the budget relates, and any remission of the approved annual budget shall be referred to the Treasury for necessary action.

7. Government procedures

The Government procurement and disposal procedures shall be strictly adhered to.

8. Retention of receipts, earnings, etc.

All receipts, earnings and accruals of the Fund and the balance of the Fund at the close of each financial year shall not be paid into the Consolidated Fund but shall be retained by the Fund for the purpose for which the Fund is established.

9. Administration of the Fund

The officer administering the Fund shall—

- (a) supervise and control the administration of the Fund;
- (b) consult with the Minister for the time being responsible for matters relating to Veterinary Services as may from time to time be required;
- (c) if he thinks fit, impose conditions on the use of any expenditure authorized by him or on his behalf and may impose any responsible prohibition, restriction or other requirement concerning such use of expenditure;
- (d) cause to be kept all proper books of accounts and other books and records relating to the Fund and to all the various activities and undertakings financed by the Fund;
- (e) prepare, sign and transmit to the Controller and Auditor-General, in respect of each financial year and within four months after the end thereof, a statement of account relating to the Fund in such form as the Treasury may from time to time direct in accordance with section 18(2) (now deleted) of the Act.

THE EXCHEQUER AND AUDIT (SPECIAL EMERGENCY FUND) REGULATIONS, 1998

ARRANGEMENT OF REGULATIONS

Regulation

1. Citation and commencement.
 2. Interpretation.
 3. Establishment of the Fund.
 4. Object and purpose of the Fund.
 5. Initial capital of the Fund.
 6. Establishment and composition of Committee.
 7. Project Management Secretariat.
 8. Annual approval of Budget.
 9. Procurement of goods and services.
 10. Administration of the Fund.
 11. Amendments to rules and regulations.
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**THE EXCHEQUER AND AUDIT (SPECIAL
EMERGENCY FUND) REGULATIONS, 1998**

[L.N. 63/1998.]

1. Citation and commencement

These Regulations may be cited as the Exchequer and Audit (Special Emergency Fund) Regulations, 1998 and shall be deemed to have come into operation on the 1st July, 1997.

2. Interpretation

In these Regulations, unless the context otherwise requires—

“**Committee**” means the Project Steering Committee established under regulation 6;

“**financial agreement**” means the final document and its annexes signed between the Government of the Republic of Kenya and participating donors which allows the establishment of, and contains the agreed manual of procedures and the rules and regulations of the Fund;

“**financial year**” means the period of twelve months ending on 30th June, in each year;

“**Fund**” means the Special Emergency Fund established under regulation 3;

“**Manager**” means the Project Manager appointed under regulation 7;

“**officer administering the Fund**” means the accounting officer in the Office of the President in charge of Provincial Administration and Internal Security or any other person appointed by him in writing for that purpose;

“**participating donors**” means donors who are party to the financing agreement;

“**Secretariat**” means the Project Management Secretariat established by regulation 7.

3. Establishment of the Fund

(1) There is established a Fund to be known as the Special Emergency Fund which shall consist of monies appropriated by Parliament for that purpose.

(2) The Fund shall comprise funds provided by the Government of the Republic of Kenya, participating donors and private donations to the Fund.

(3) The Fund shall be administered by the Project Steering Committee on behalf of the officer administering the Fund or any other person appointed by him in writing to administer the Fund on his behalf.

4. Object and purpose of the Fund

(1) The object and purpose of the Fund shall be to provide funds for restoration of vital socio-economic infrastructure in order to counteract the effects of the El Nino phenomenon on the adversely affected sections of the Kenyan population.

(2) The immediate objectives of the Fund shall include the—

- (a) reversal of life threatening situations;
- (b) restoration of essential human services;
- (c) restoration of vital economic functions and restoration of lifeline roads to cut-off areas; and
- (d) protection of economic assets at risk.

5. Initial capital of the Fund

(1) The initial capital of the Fund shall be K£10 appropriated by Parliament in the 1997/98 financial year.

(2) Any surplus realized in any financial year from the operation of the Fund, including all receipts, savings and accruals of the Fund and the balance of the Fund at the closure of each financial year, shall be retained in the Fund and utilized for the purpose for which the Fund is established.

6. Establishment and composition of Committee

(1) There is established a Committee to be known as the Project Steering Committee which shall consist of—

- (a) the Permanent Secretary/Secretary to the Cabinet and Head of the Public Service who shall be the chairman of the Committee;
- (b) the Permanent Secretary in the Ministry of Finance;
- (c) the Permanent Secretary in the Ministry of Public Works;
- (d) the Permanent Secretary in the Ministry of Health;
- (e) the Permanent Secretary in the Ministry of Water Resources;
- (f) the Permanent Secretary in the Ministry of Local Authorities;
- (g) the Permanent Secretary in the Office of the President in charge of Development Co-ordination;
- (h) the Permanent Secretary in the Office of the President in charge of Relief and Rehabilitation;
- (i) the Permanent Secretary in the Office of the President in charge of Provincial Administration and Internal Security who shall also be the Officer administering the Fund;
- (j) the two technical advisers appointed under regulation 7; and
- (k) the Project Manager appointed under regulation 7 who shall also be Secretary to the Committee.

(2) The Committee shall be responsible for providing overall policy guidance and ensuring that the project objectives are achieved in conformity with the agreed project implementation plan.

7. Project Management Secretariat

(1) There shall be a Project Management Secretariat which shall comprise—

- (a) a project manager and two technical advisers appointed by the Committee;
- (b) such officers and other staff of the Secretariat as may be recruited by the manager pursuant to the financing agreement; and
- (c) such public officers or other staff as may be seconded to the Secretariat pursuant to the provisions of the financing agreement.

(2) The Secretariat shall, under the direction of the manager, be responsible for the day to day management of the operations of the Fund.

8. Annual approval of Budget

(1) The expenditure paid from the Fund shall be on the basis of and limited to the annual work programmes and cost estimates which shall be submitted to the Committee for the approval by the beginning of the financial year to which the work programmes and cost estimates relate.

(2) Any revision of the approved annual work programmes and cost estimates approved under paragraph (1) shall be referred to the Committee for necessary approval.

(3) No moneys shall be expended for any purpose other than the purposes for which the Fund is established and in respect of a specified and defined activity as approved in writing by the Committee.

[Subsidiary]

9. Procurement of goods and services

The procurement regulations and procedures as agreed and reflected in the manual of procedures shall be strictly adhered to.

10. Administration of the Fund

(1) The officer administering the Fund shall—

- (a) ensure that the Fund is operated within the regulations governing the Fund;
- (b) cause to be kept all proper books of accounts and other records in relation to the Fund and all the various activities and undertakings financed by the Fund;
- (c) prepare, sign and transmit to the Controller and Auditor-General in respect of each financial year and within four (4) months after the end thereof, a statement of accounts relating to the Fund, prepared and signed by him specifying income of the Fund and showing the expenditure incurred from the Fund, in such details as the Treasury may from time to time direct in accordance with section 18(2) (now deleted) of the Act;
- (d) furnish such additional information as he may deem to be proper and sufficient for the purpose of examination and audit by the Controller and Auditor-General under section 9 of the Act.
- (e) submit to the participating donors copies of audited accounts in the format and at times as stipulated in the financing agreements.

(2) Every statement of account shall include details of the balance between the assets and liabilities of the Fund and indicate the financial status of the Fund as at the end of the financial year concerned.

11. Amendments to rules and regulations

The Secretariat may from time to time recommend to the Committee changes to the rules and regulations of the Fund.

**THE EXCHEQUER AND AUDIT (MEMBERS OF THE NATIONAL
ASSEMBLY CAR LOAN SCHEME FUND) REGULATIONS, 1999**

ARRANGEMENT OF REGULATIONS

Regulation

1. Citation and commencement.
 2. Interpretation.
 3. Establishment of the Members of Parliament Car Loan Scheme Fund.
 4. Object and purpose of the Fund.
 5. Initial capital.
 6. Loan approval Committee.
 7. Operation of the Fund.
 8. Conditions for disbursement of Funds.
 9. Temporary release of log-book.
 10. Loan amount.
 - 10A. Loan amount for employees.
 11. Interest rate.
 12. Repayment period.
 13. Insurance.
 14. Loan discharge.
 15. Administration of the Fund.
 16. Adoption of loans of the National Bank of Kenya Limited.
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THE EXCHEQUER AND AUDIT (MEMBERS OF THE NATIONAL ASSEMBLY CAR LOAN SCHEME FUND) REGULATIONS, 1999

[L.N. 149/1999, G.N. 139/2003.]

1. Citation and commencement

These Regulations may be cited as the Exchequer and Audit (Members of the National Assembly Car Loan Scheme Fund) Regulations, 1999 and shall be deemed to have come into operation on the 1st September, 1999.

2. Interpretation

In these Regulations, unless the context otherwise requires—

“**Commission**” means the Parliamentary Service Commission established under the Parliamentary Service Commission Act (No. 10 of 2000);

“**Committee**” means the Loans Approval Committee established under regulation 6;

“**financial year**” means the period of twelve months ending on the 30th June, in each year;

“**Fund**” means the Members of Parliament Car Loan Scheme Fund established under regulation 3;

“**hire purchase agreement**” means an agreement for the bailment of goods under which the bailee may buy the goods or under which the property in the goods will or may pass to the bailee;

“**Member**” means an elected, or a nominated Member of the National Assembly and includes an *ex officio* Member and includes an employee of the Commission on permanent and pensionable terms; and

“**officer administering the Fund**” means the Clerk of the National Assembly.

[G.N. 139/2003, r. 2.]

3. Establishment of the Members of Parliament Car Loan Scheme Fund

There is established a Fund to be known as the Members of the National Assembly Car Loan Scheme Fund.

4. Object and purpose of the Fund

The object and purpose of the Fund shall be to provide a loan scheme for purchase of vehicles by Members.

5. Initial capital

(1) The initial capital of the Fund shall be fifty million shillings appropriated by Parliament in the 2003/2004 financial year.

(2) All the monies of the Fund shall be paid into a special account operated by the officer administering the Fund.

[G.N. 139/2003, r. 5.]

6. Loan approval Committee

(1) There is established a committee to be known as the Loan Approval Committee which shall consist of—

- (a) the Deputy Speaker of the National Assembly as chairman;
- (b) the Financial Secretary in the Treasury;
- (c) the Clerk of the National Assembly;
- (d) the Government Chief Whip;
- (e) the Opposition Chief Whip;

- (f) one representative of the Office of the Attorney-General, to be appointed by the Attorney-General.

(2) The meetings of the Committee shall be convened by the Chairman at such times as may be necessary for the discharge of its functions.

(3) The quorum for meetings of the Committee shall be the chairman and any three members.

(4) The Committee shall consider and may approve the loan application forms presented by the officer administering the Fund.

[G.N. 139/2003, r. 4.]

7. Operation of the Fund

(1) Any Member who wishes to apply for a loan from the Fund shall present to the officer administering the Fund a duly completed hire purchase proposal form in such form as the Management Committee may prescribe.

(2) The officer administering the Fund shall satisfy himself of the applicant's financial status and capacity to repay the loan applied for and where so satisfied shall forward the application to the Committee for consideration.

(3) If the Committee approves the application, the Member shall enter into a hire purchase agreement in such form as the Committee may prescribe.

8. Conditions for disbursement of Funds

(1) A loan approved under regulation 7 shall be released from the Fund in such manner, taking into account the security of the funds, as may be prescribed by the Committee.

(2) The log-book of a vehicle subject to a loan from the Fund shall be issued jointly between the Government and the Member and shall be kept in the custody of the officer administering the Fund until the loan is repaid in full by the Member.

(3) *Deleted by G.N. 139/2003, r. 5.*

(4) *Deleted by G.N. 139/2003, r. 5.*

[G.N. 139/2003, r. 5.]

9. Temporary release of log-book

(1) A log-book kept in custody by the officer administering the Fund may be temporarily released to a Member upon application in writing to the officer administering the Fund for purposes of renewal by that Member of the necessary licences.

(2) A log-book released under paragraph (1) shall be returned to the officer administering the Fund within seven (7) working days from the date of such release.

(3) The officer administering the Fund shall acknowledge receipt of the log-book in writing.

10. Loan amount

(1) The loan amount that a Member may receive shall be the value of the vehicle he proposes to purchase subject to a maximum amount of two million shillings.

(2) For the purposes of these Regulations, the value of a new vehicle shall be as quoted on the invoice from the supplier whereas the value of a used vehicle shall be as determined by a report from the body known as the Automobile Association of Kenya or the Government department dealing with similar matters.

(3) Notwithstanding the provisions of paragraph (1), there may be advanced from the Fund to a member an additional loan not exceeding ten per cent of the value of the vehicle purchased by the Member to cater for an overhaul of the engine of the vehicle.

[G.N. 139/2003, r. 6.]

[Subsidiary]**10A. Loan amount for employees**

The maximum loan amount that a Member who is an employee of the Commission may receive shall be one million shillings:

Provided that, notwithstanding this Regulation—

- (a) the Clerk of the National Assembly may receive a loan in an amount not exceeding two million shillings; and
- (b) no employee shall receive a loan the repayment of which shall result in salary deductions exceeding forty per cent of the employee's monthly emoluments.

[G.N. 139/2003, r. 7.]

11. Interest rate

(1) A loan granted to a Member under these Regulations shall carry an initial interest rate of three per cent per annum, which shall be subject to review from time to time by the Treasury.

(2) The interest charged under paragraph (1) shall be utilized to defray the administrative expenses of the Fund.

12. Repayment period

A loan advanced under these Regulations shall be repaid in full—

- (a) in the case of purchase of a new motor vehicle, over a maximum period of forty-eight months; and
- (b) in the case of the purchase of a used motor vehicle, over a maximum period of thirty-six months.

[G.N. 139/2003, r. 8.]

13. Insurance

(1) A Member shall comprehensively insure any vehicle purchased through the Fund.

(2) Where a Member is unable to raise the funds required for the initial insurance premium, such funds may be advanced from the Fund subject to an approval limit, but subsequent annual premiums shall be paid to the Member.

(3) A Member who is unable to pay the subsequent annual premiums referred to in paragraph (2) may apply to the Fund for a loan which shall be repaid within a period of one (1) year.

(4) Every loan granted under these Regulations shall be insured for the benefit of the Member and the premium in respect thereof shall be debited to the Member's account.

14. Loan discharge

(1) Upon full repayment of the loan, a signed loan discharge certificate in such form as may be prescribed by the Committee shall be issued to the Member and a copy thereof shall be forwarded to the Registrar of Motor Vehicles.

(2) The loan discharge certificate shall release the Member from any further financial obligation in respect of the loan and shall act as sufficient authority to remove the caveat placed on the vehicle pursuant to regulation 8.

15. Administration of the Fund

(1) The officer administering the Fund shall—

- (a) supervise and control the administration of the Fund;
- (b) if he thinks fit, impose conditions on the use of any funds under his control and may impose any reasonable restriction or other requirement concerning such use;
- (c) cause to be kept books of accounts and other books and records in relation to the Fund of all the loans financed from the Fund;

- (d) prepare, sign and transmit to the Controller and Auditor-General in respect of each financial year and within three (3) months after the end thereof, a statement of accounts relating to the Fund, prepared and signed by him specifying the income of the Fund and showing the expenditure incurred from the Fund, in such details as the Treasury may from time to time direct in accordance with section 18(2) (now deleted) of the Exchequer and Audit Act (Cap. 412);
- (e) furnish such additional information as he may deem to be proper and sufficient for the purpose of examination and audit by the Controller and Auditor-General under section 8 of the Exchequer and Audit Act (Cap. 412).

(2) Every statement of account prepared under this Regulation shall include details of the balances between the assets and liabilities of the Fund and shall indicate the financial status of the Fund as at the end of the financial year concerned.

[G.N. 139/2003, r. 9.]

16. Adoption of loans of the National Bank of Kenya Limited

(1) All car loan accounts for Members with the National Bank of Kenya Limited at the time of the coming into operation of these Regulations shall on a date to be appointed by the Committee be adopted by the Fund on the terms and conditions provided for under these Regulations.

(2) Where any act or thing has been commenced by or under the authority of the National Bank of Kenya Limited prior to the date appointed under paragraph (1) and such act or thing is within the powers of the Committee or the officer administering the Fund, or was done in relation to any account adopted by the Fund under this Regulation, such act or thing may be carried on and completed by or under the authority of the Fund.

THE EXCHEQUER AND AUDIT (TOURISM TRUST FUND) REGULATIONS, 2001

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THE EXCHEQUER AND AUDIT (TOURISM TRUST FUND) REGULATIONS, 2001

[L.N. 47/2001.]

1. Citation

These Regulations may be cited as the Exchequer and Audit (Tourist Trust Fund) Regulations, 2001.

2. Interpretation

In these Regulations, unless the context otherwise requires—

“**Final document**” is a legally binding document drawn in accordance with the Lome IV Convention and the enhancement provided under both a memorandum of understanding between the Government of Kenya and the Commission of the European Communities on the National Indicative Programme for Kenya and a “**Framework of Mutual Obligation**” on the utilization of Stabex resources in Kenya;

“**financial year**” means the period of twelve months ending on the 30th June, in each year;

“**Financing Agreement**” means the final document and its annexure signed by the Government of Kenya and the Commission of the European communities which provides for the establishment of, rules and regulations for the management of the Fund;

“**Founders**” means the Government of the Republic of Kenya and the Commission of the European Committees, who shall have joint responsibility in managing the Fund;

“**Fund**” means the Tourism Trust Fund established by regulation 3;

“**Management Unit**” (referred to as “MU”) means the team responsible for the daily operations of the Fund, consisting of professionals and support staff appointed by the Founders and by the Trustees;

“**officer administering the Fund**” means the accounting officer of the Ministry for the time being responsible for matters related to Tourism, or a person appointed by him in writing for that purpose;

“**Rules and Regulations**” means the detailed rules and regulations which shall govern the operations of the Fund, and shall form an integral part of the financing agreement which shall allocate the grant to the Fund from the European Development Fund or other funding sources granted by the European Commission;

“**Trustees**” means the person entrusted and jointly appointed by the Founders to operate the Fund.

3. Establishment of the Fund

(1) There is established a Fund to be known as the Tourism Trust Fund which shall consist of monies appropriated by Parliament for that purpose.

(2) The Fund shall be constituted from grants, or funds generated from the European Development Fund or other funding sources of the Commission of the European Communities, and shall be limited to the amount stipulated in the relevant financing agreement, protocols or memoranda of understanding.

4. Object and purpose of the Fund

The object and purpose of the Fund is to provide funds related to capacity building, institutional development, product development and marketing activities in the tourism sector in Kenya, as provided for in the relevant Financing Agreements, Protocols or Memoranda of Understanding.

[Subsidiary]

5. Initial capital of the Fund

(1) The initial capital of the Fund shall be seven hundred million shillings, which shall be appropriated by Parliament during the 2001/2002 financial year and further contributions to the Fund shall in any case not exceed the amounts stipulated in the financial instrument specified under regulation 3(2) and shall be appropriated through the development budget for each financial year.

(2) Any surplus realized in any financial year from the operation of the Fund shall be retained in a reserve account of the Fund and shall be used by the Fund for the purposes of the Fund, and any deficiency realized by the Fund in any financial year shall, subject to the prior concurrence of the Treasury, be offset against the realized surpluses held in the reserve account of the Fund.

6. Annual approval of the Fund

The expenditure on agreed projects and activities shall be paid from the Fund and shall be on the basis of and limited to the annual work programmes and budgets which shall be submitted to the Trustees and the delegation of the Commission of the European Communities for approval at the beginning of the financial year to which the work programme and budget relates and any revision of the approved work programme and budget shall be referred to the Trustees and the delegation of the Commission of the European Communities for the necessary approval.

7. Procurement of goods and services

The Lome Convention in force, or any other ACP-EU successor convention shall govern the procurement of goods and services and its regulations and procedures on goods and services shall apply and be strictly adhered to.

8. Retention of receipts, earnings, etc.

All receipts, earnings and accruals of the Fund and the balance of the Fund at the close of each financial year shall not be paid into the consolidated Fund but shall be retained by the Fund for the purposes for which the Fund is established.

9. Administration of the Fund

The officer administering the Fund shall—

- (a) supervise and control the administration of the Fund;
- (b) consult with the Trustees on matters related to the administration of the Fund as may from time to time be necessary;
- (c) if he thinks fit, impose conditions on any expenditure authorized by him in his own behalf, and may impose any reasonable restriction or other requirements concerning such use of expenditure;
- (d) cause to be kept all proper books of account and other books and records in relation to the Fund and all the various activities and undertakings financed by the Fund; and
- (e) prepare, sign and transmit to the Controller and Auditor-General within four (4) months after the end of each financial year, a statement of accounts related to the Fund for that year, in such form as the Treasury may from time to time direct in accordance with section 18(2) (now deleted) of the Act.

10. Amendments to rules and regulations

The Founders may from time to time amend the rules and regulations of the Fund upon the recommendation of the Trustees.

THE EXCHEQUER AND AUDIT (PUBLIC PROCUREMENT) REGULATIONS, 2001

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THE EXCHEQUER AND AUDIT (PUBLIC PROCUREMENT) REGULATIONS, 2001

[L.N. 51/2001, L.N. 161/2002.]

PART I – GENERAL PROVISIONS

1. Citation

These Regulations may be cited as the Exchequer and Audit (Public Procurement) Regulations, 2001.

2. Interpretation

In these Regulations, unless the context otherwise requires—

“**appeal**” means a request for administrative review or a complaint filed with the Appeals Board pursuant to regulations 41 and 42;

“**Appeals Board**” means the Public Procurement Complaints, Review and Appeals Board;

“**candidate**” means a person invited to take part in public procurement;

“**disposal**” means the sale by competitive bidding of stores whether excess, surplus, obsolete or salvaged property by a procuring entity or under the authority of the procuring entity and includes the transfer by way of donation, abandonment or destruction of such stores or property;

“**goods**” means raw materials, products and equipment and commodities in solid, liquid or gaseous form and electricity, as well as installation, transport, maintenance or similar obligations related to the supply of the goods if their value does not exceed that of the goods themselves;

“**Minister**” means the Minister for the time being responsible for matters relating to finance;

“**prequalification procedure**” means a procedure by which candidates are invited to demonstrate their qualifications prior to, and as condition for, being invited to tender or submit proposals;

“**procurement**” means the purchasing, hiring or obtaining by any other contractual means or goods, construction and services;

“**procuring entity**” means a public entity undertaking a procurement;

“**public procurement**” means procurement by procuring entities using public funds;

“**Public Procurement Directorate**” means the directorate established under regulation 7 of these Regulations;

“**scrap**” means goods or material that is damaged, defective or deteriorated howsoever caused, to the extent that it has no value except for its basic material content;

“**services**” means any object of procurement other than works and goods;

“**supplier**” means a person under contract with a procuring entity to supply goods, works or services;

“**standard**” means a characteristic or set of characteristics for an item which for reasons of quality level or compatibility with other products is generally accepted by the manufacturers and users of that item as a required characteristic for all items of that type;

“**tender**” means an offer in writing by a tenderer to supply at a price goods, services or works, pursuant to an invitation to tender by a procuring entity;

“**tender documents**” means the documents provided by the procuring entity to tenderers as a basis for preparation of their tenders;

“**tenderer**” means a person submitting a tender;

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“tender opening date” means a date and time designated by the procuring entity for the opening of tenders;

“works” means all work associated with construction, reconstruction, demolition, repair, or renovation of roads, bridges, dams, buildings or structures, installation of equipment and materials, decoration, as well as services incidental to works.

3. Application

(1) These Regulations shall apply to all public procurement by public entities.

(2) These Regulations shall not apply where the Minister shall, in consultation with the head of the procuring entity, decide that it is in the interest of national security or national defence to use a different procedure, in which case the Minister shall define the method of procurement to be followed in order to secure the interest of the economy and efficiency.

4. Purpose of obligations

The purpose of these Regulations is to promote economy and efficiency in public procurement to ensure that public procurement procedures are conducted in a fair, transparent and non-discriminatory manner thereby contributing towards the creation of a sound business climate in Kenya.

5. International regulations

To the extent that these Regulations conflict with an obligation of the Government under or arising out of an agreement with one or more other States or with an international organisation, the provision of that agreement shall prevail.

PART II – ORGANISATION OF PUBLIC PROCUREMENT

6. Procuring entities

(1) Procuring entities, and within each entity the accounting officer and any officer to whom the accounting officer delegates such responsibility, are responsible and accountable for action taken subject to the provisions of these Regulations and to any such instructions regarding the implementation of these Regulations as may be given in circulars by the Public Procurement Directorate.

(2) Procurement decisions of any procuring entity shall be taken in a corporate manner, so that internal units concerned shall have a say in the decision making process and any decision by the accounting officer, or his representative shall be taken in a structured manner.

(3) For the purpose of this regulation every procuring entity shall establish a Tender Committee in the manner set out in the First Schedule.

7. Public Procurement Directorate

(1) There is hereby established within the Ministry of Finance a directorate to be known as the Public Procurement Directorate which shall be an agency of the Government.

(2) There shall be an office of Director of the Public Procurement Directorate which shall be an office in the public service, and the holder of which shall be responsible for the execution of the policy of the Public Procurement Directorate and for the control and management of the functions of the Directorate.

(3) The Public Procurement Directorate shall be the central organ for policy formulation, implementation, human resource development and oversight of the public procurement process in Kenya.

(4) In the performance of its tasks, the Directorate shall—

- (a) monitor the overall functioning of the public procurement process in Kenya and submit proposals for action to the Minister;
- (b) prepare an operational manual and standard documents, to be used in connection with public procurement;

- (c) give instructions and on request, advice and assistance to procuring entities in undertaking procurement;
- (d) present an annual report to the Minister regarding the overall functioning of the public procurement system, based on information provided;
- (e) inspect the records of procuring entities to the extent appropriate in order to check on the proper application of these Regulations by them and take corrective measures as necessary;
- (f) issue instructions to procuring entities for the purpose of ensuring that information about contract awards is being disseminated to the general public in an appropriate manner;
- (g) develop, promote and support training and professional development of officials and other persons engaged in public procurement, including their adherence to proper ethical standards;
- (h) organise and participate in the administrative review procedure laid down in Part VIII of these Regulations;
- (i) oversee the co-ordination of procurement of common user items for the public sector;
- (j) plan and co-ordinate technical assistance in the field of public procurement;
- (k) maintain and update at all times a list of procuring entities and members of and secretaries to Tender Committees to public procuring entities;
- (l) receive from any procuring entity, the Appeals Board, of any person, comments of a general or specific nature pertaining to public procurement;
- (m) act as secretariat to consultative meetings referred to in regulation 8.

8. Consultative meetings

The Director of the Public Procurement Directorate shall upon the direction of the Permanent Secretary to the Treasury convene a meeting (to be called a "Consultative Meeting") consisting of individuals from the public or private sectors who by virtue of the nature of their business have a stake in the fair and efficient functioning of the public procurement system and such meeting shall be chaired by the Permanent Secretary to the Treasury and the Director or his deputy shall act as secretary.

PART III – BASIC PROCUREMENT RULES

9. Public accessibility of legal texts

These Regulations, and all accompanying instructions of the Minister shall be promptly made accessible to the public and systematically maintained.

10. Records of procurement

(1) Procuring entities shall maintain records and documents regarding their public procurement for a period of six years from the date of concluding any procurement proceeding, which for each proceeding shall contain—

- (a) a brief description of the goods, works or services to be procured;
- (b) the names and addresses of suppliers that submitted tenders, proposals or quotations, and the name and address of the winning candidate;
- (c) the evaluation criteria stipulated and applied, and a summary of the evaluation and comparison of tenders, proposals or quotations received;
- (d) information on any decision to suspend or cancel proceedings after having been initiated; and
- (e) the grounds for using a procurement procedure other than open tendering.

(2) The record concerning any proceeding shall on request, and once the proceedings have resulted in a contract or have otherwise been terminated, be made available to candidates who participated in the proceedings, but except when ordered to do so by a

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competent court and subject to the conditions of such order, the procuring entity shall not disclose—

- (a) information if its disclosure would, be contrary to law, would impede law enforcement, would not be in the public interest, would prejudice legitimate commercial interests of the parties, would inhibit fair competition, or would not be in the public interest;
- (b) information relating to the examination and evaluation of tenders, proposals or quotations and the actual content of tenders, proposals or quotations, other than in the summary form referred to in subregulation (1)(c).

(3) Every procuring entity shall publish awards of all contracts made by it.

11. Non-discrimination

Candidates shall not be excluded from participation in public procurement on the basis of nationality, race or any other criterion not having to do with their qualifications.

12. Form of communications

(1) Communications between candidates and procuring entities shall be in writing and any communications in any other form shall be referred to and confirmed in writing.

(2) Subject to any necessary safeguards with regard to authenticity and confidentiality, and when technical conditions so permit, the Public Procurement Directorate may determine the extent by which communication by electronic means may be used instead of communication in writing.

13. Qualification of candidates

(1) In order to participate in public procurement, candidates must qualify by meeting the following criteria and such other criteria as the procuring entity considers appropriate under the circumstances—

- (a) that they possess the necessary professional and technical qualifications and competence, financial resources, equipment and other physical facilities, managerial capability, experience in the procurement object, reputation, and the personnel, to perform the contract;
- (b) that they have the legal capacity to enter into the contract;
- (c) that they are not insolvent, in receivership, bankrupt or being wound up, their business activities have not been suspended, and they are not the subject of legal proceedings for any of the foregoing;
- (d) that they have fulfilled their obligations to pay taxes and social security contributions, and for that purpose, documentary evidence to be provided by a foreign candidate to demonstrate that it meets the criterion in this paragraph may consist of a written declaration to that effect by the candidate;
- (e) that they, their servants, or agents have not offered any inducement to any procuring entity.

(2) The procuring entity may require candidates to provide such appropriate documentary evidence or other information as it may deem useful to satisfy itself that the candidates are qualified in accordance with the criteria referred to in subregulation (1).

(3) Any requirement established pursuant to this Regulation shall be set forth in the pre-qualification documents, if a pre-qualification procedure is chosen, and otherwise in the tender of documents or other documents for solicitation of proposals, and shall apply equally to all candidates.

(4) The procuring entity shall evaluate the qualifications of candidates in accordance with the criteria and procedures set forth in the documents referred to in subregulation (3).

(5) The procuring entity shall disqualify a candidate who submits a document containing false information for purposes of seeking qualification.

(6) The procuring entity may disqualify a candidate if it finds at any time that the information submitted concerning the qualifications of the candidate was materially inaccurate or materially incomplete.

(7) The Public Procurement Directorate shall issue detailed instructions concerning the conduct of pre-qualification procedures.

14. Technical specifications

(1) Technical specifications and descriptions laying down the characteristics of the goods, works or services to be procured shall be prepared for the purpose of giving a correct and complete description of the object of procurement and for the purpose of creating conditions of fair and open competition between all candidates.

(2) The technical specifications shall clearly describe the procuring entity's requirements with respect to quality, performance, safety and dimensions, symbols, terminology, packaging, marking and labelling or the process and methods for production and requirements relating to conformity assessment procedures.

(3) Technical specifications prescribed by procuring entities shall, where appropriate—

- (a) be in terms of performance rather than design or descriptive characteristics; and
- (b) be based on international standards, where such exists, or otherwise recognised national standards or building codes.

(4) There shall be no requirement or reference in the technical specifications to a particular trademark or name, patent, design or type, specific origin, producer or service provider, unless there is no sufficiently precise or intelligible way of describing the procurement requirements and provided that words such as "equivalent" are included in the specifications.

15. Rejection of all tenders, proposals and quotations

(1) If so specified in the tender documents or in the request for proposals or quotations, and provided rejection can be justified on sound economic grounds, the procuring entity may reject all tenders, proposals or quotations at any time prior to their acceptance and the procuring entity shall upon request communicate to any candidate the grounds for its rejection but is not required to justify those grounds.

(2) The procuring entity shall incur no liability towards candidates solely by virtue of its invoking subregulation (1).

(3) Notice of the rejection shall be given promptly to all participating candidates.

(4) If the decision to reject all tenders is taken before the closing date, tenders received shall be returned unopened to the tenderers submitting them.

16. Inducements from candidates

It shall be a breach of these Regulations and the procuring entity shall reject a tender, proposal or quotation if the candidate that submitted it gives or promises to give, directly or indirectly, to any current or former officer or employee of the procuring entity or other governmental authority a gratuity in any form, an employment or any other thing or service of value, as an inducement with respect to an act or decision of, or procedure followed by, the procuring entity in connection with the procurement proceedings and such rejection of an offer and the reasons therefor shall be recorded in the procurement proceedings and promptly communicated to the candidate concerned.

PART IV – CHOICE OF PROCUREMENT PROCEDURE

17. Procurement procedure

(1) Except as otherwise provided in this Part, the procuring entity shall use open tendering as the preferred procedure of procurement.

(2) Where any other procurement method is used, the procuring entity shall give and record its reasons for the choice of that other procedure, and shall prior to the choice of

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that other procurement method, obtain the approval in writing of the respective Tender Committee.

(3) A procuring entity may use a procedure other than open tendering only pursuant to regulations 18 to 21.

(4) Exceptionally, and when justified on sound economic grounds, the Public Procurement Directorate may permit the use of a procedure other than open tendering in situations not foreseen in regulations 18 to 21.

(5) A procuring entity shall plan its procurement in a rational manner, and no procurement requirements for a given quantity of goods, works or services shall be split up with the intentions of avoiding a procurement procedure stated in these Regulations.

(6) Before starting up a procurement procedure, the procuring entity shall assure itself that sufficient funds have been set aside in the entity's budget to pay for any amounts due under the resulting contract.

18. Conditions for use of restricted tendering

(1) A procuring entity may engage in procurement by means of restricted tendering in accordance with regulation 34, when—

- (a) competition for the contract, because of the complex or specialised nature of the goods, works or services, should be limited to prequalified candidates; or
- (b) the time and cost required to examine and evaluate a large number of tenders would be disproportionate to the value of the goods, works or services to be procured.

(2) The conditions referred to in subregulation (1) shall in any case be considered to be fulfilled when the estimated value of the contract does not exceed the authorized threshold as set out in the Second Schedule.

19. Conditions for use of direct procurement

(1) The procuring entity may use direct procurement in accordance with regulation 35 if this method is not resorted to with a view to avoiding possible competition or in a manner which would constitute a means of discrimination among candidates—

- (a) when in the absence of competition for technical reasons the goods, works or services can be supplied or provided only by one candidate;
- (b) for the purchase of goods, works or services in times of national emergency or disaster.

(2) Subject to the applicable thresholds set out in the First Schedule direct procurement may also be used for purchases where the contract price does not exceed the sum stated in the Second Schedule.

20. Conditions for use of request of proposals

The procuring entity may engage in procurement by means of request for proposals in accordance with regulation 36 when it seeks to obtain consulting services or combinations of goods and services for which open or restricted tendering is not suitable because of the difficulty in defining precisely the services.

21. Conditions for use of request for quotations

The procuring entity may engage in procurement by means of request for quotations in accordance with regulation 37 for the purchase of readily available goods or for procurement of works or services for which there is an established market, so long as the estimated value of the contract does not exceed the amount set out in the Second Schedule.

PART V – OPEN NATIONAL TENDERING

22. Advertisements

(1) An invitation to tender for goods, works and services the value of which is in excess of the sum set out in the Second Schedule shall be advertised in at least three daily newspapers of nationwide circulation.

(2) The time allowed for the submission of tenders shall be at least 28 days.

[L.N. 161/2002, r. 2.]

23. Invitation to tender

The invitation to tender shall contain, as a minimum—

- (a) the name and address of the procuring entity;
- (b) a brief description of the goods, works or services to be obtained, including the desired time limit for delivery or completion;
- (c) the means and conditions for obtaining the tender documents and the place from which they may be obtained;
- (d) the place and deadline for the submission of tenders; and
- (e) the place and time for opening tenders, along with the announcement that tenderers' representatives are allowed to attend the opening of tenders.

24. Tender documents

(1) Procuring entities shall use the Standard documents referred to in the Third Schedule.

(2) Without prejudice to the provisions of subregulation (1), the tender documents shall contain sufficient information to enable competition among the tenderers to take place on the basis of complete, neutral and objective terms and in particular, tender documents shall include—

- (a) instructions for the preparation and submission of tenders;
- (b) information on the final date for receipt of tenders, the address to which tenders must be sent, the date, hour and place of opening, as well as an announcement that tenderers' representatives are allowed to attend the opening;
- (c) forms of tender and, where applicable, forms of tender security shall be provided;
- (d) the number of copies to be submitted with the original tender;
- (e) conditions of contract, general and special;
- (f) specifications of requirements, including the time limit for delivery or completion, as appropriate;
- (g) in the case of works, drawings and bills of quantities;
- (h) evidence to be provided by the tenderer to demonstrate its qualifications as well as its standing with regard to fiscal and social security obligations;
- (i) the period during which the tender must remain valid;
- (j) the criteria for evaluation of tenders and award of the contract;
- (k) a reservation to the effect that the procuring entity may reject all tenders at any time prior to the acceptance of a tender.

(3) General conditions included in the tender documents shall include a provision to the effect that payment shall be made in accordance with the terms of the contract and that interest shall accrue on overdue payments from the procuring entity.

[Subsidiary]**25. Provision of tender documents**

Tender documents shall be made available to candidates in an expeditious manner, at a price not exceeding the cost of production and delivery to candidates, and otherwise in the manner specified in the invitation to tender.

26. Modifications to tender documents

At any time prior to the deadline for submission of tenders, the procuring entity may, on its own initiative or in response to an inquiry by a candidate having purchased the tender documents, modify the tender documents by issuing an addendum, which shall become an integral part of the tender documents and any addendum shall be communicated promptly to all candidates having purchased the tender documents and if the procuring entity considers it necessary to amend the tender documents, and if that amendment is made when less than one-third of the time allowed for preparation of tenders remains until the closing date, the procuring entity shall postpone the closing date by the number of days, depending on the procurement object, which are sufficient to enable the tenderers to take the addendum into account in preparing their tenders.

27. Tender security

(1) The procuring entity may include in the tender documents a condition that tenders must be accompanied by security in the form of a deposit or tender guarantee and the amount of such security shall be such as shall be sufficient to discourage irresponsible tenders and shall remain within the limits specified in the tender documents.

(2) Any tender security shall be forfeited if a tenderer withdraws its tender within the validity period thereof or, in the case of a successful tenderer, if the tenderer repudiates the contract or fails to furnish performance security, if so required.

28. Submission and receipt of tenders

(1) Tenders shall be submitted in writing, signed and in a sealed envelope, to the place and before the deadline stated in the invitation to tender.

- (a) Every procuring entity shall provide in an open and accessible place and securely tied, a box which shall be clearly labelled "Tender Box" to which a tenderer may deliver a tender, constructed in such a manner that it shall be capable of having two locks whose keys shall be kept by different officers of the procuring entity and the duplicates of such keys shall be kept in a safe deposit by the accounting officer or a person authorised by him.
- (b) Every tender delivered by hand shall be placed in the tender box by the tenderer or his representative and any tender received by post shall be deposited in a tender box immediately upon receipt but in the event of any such tender received by post being opened by mistake, by the procuring entity's staff generally authorized to open mail, the fact of such opening shall be recorded on the envelope by such staff before placing it in the tender box.
- (c) Bulky or large tender documents which cannot be accommodated in the Tender Box shall be received in the manner instructed by the tender advertising notice and in the tender documents.

(3) Any tender received after the deadline for submission shall be returned to the tenderer.

29. Opening of tenders

(1) At the time stipulated in the tender documents for opening of tenders, which should follow not more than two hours after the deadline for submission of tenders, the procuring entity shall open all tenders received before the deadline.

(2) Tenderers, or their authorised representatives, shall be allowed to attend the opening of tenders.

(3) The name of the tenderer, the total amount of each tender and status of the tender guarantee (where applicable) shall be read out loud and recorded in a tender opening register and a copy of the record may on request be made available to a tenderer.

(4) The opening of a tender shall be done by a committee of at least three responsible officers appointed by the accounting officer or chief officer of the procuring entity, one of whom shall be an officer not directly concerned with processing of the tender and a different opening committee shall be constituted for each tender.

(5) The committee opening any tender shall decide which pages of each tender shall be numbered with a serial number allocated to each tenderer, and which pages shall be signed by all members of the Committee and the members of the Committee shall initial against the price quoted, and any correction of prices which are noted shall similarly be initialled.

(6) The committee opening the tenders shall prepare and sign Tender Opening Minutes containing a record of the procedure followed by the Committee and shall include the particulars of any tenderers or their representatives present at the tender opening.

30. Examination and evaluation of tenders

(1) The procuring entity may ask tenderers for clarification of their tenders in order to assist in the examination and evaluation of tenders, but no change in the substance of the tender, including changes in price, shall be sought, offered or permitted.

(2) Notwithstanding subregulation (1), the procuring entity shall correct purely arithmetical errors that are discovered during the examination of tenders and the entity shall give prompt notice of any such correction to the tenderer that submitted the tender.

(3) Any tenderer who rejects the corrections made by the Evaluation Committee pursuant to subregulation (2) shall withdraw the tender and forfeit the tender security.

(4) Subject to subregulation (5) the procuring entity may regard a tender as responsive only if it conforms to all requirements set forth in the tender documents.

(5) The procuring entity may regard a tender as responsive even if it contains minor deviations that do not materially alter or depart from the characteristics, terms, conditions and other requirements set forth in tender documents or if it contains errors or oversights that are capable of being corrected without touching on the substance of the tender and any such deviations shall be quantified, to the extent possible, and approximately taken account of in the evaluation and comparison of tenders.

(6) The procuring entity shall not accept a tender when—

- (a) the tenderer has failed to demonstrate, in the manner foreseen in regulation 24(2)(g), that it is qualified;
- (b) the tenderer does not accept a correction of an arithmetical error made pursuant to subregulation (2);
- (c) the tender is not submissive.

(7) The procuring entity shall evaluate and compare the tenders that have been held responsive in order to ascertain the successful tender, as defined in subregulation (8), in accordance with the procedures and criteria set forth in the tender documents but no criterion shall be used that has not been set forth in the tender documents.

(8) The successful tender shall be—

- (a) the tender with the lowest evaluated tender price; or
- (b) if the procuring entity has so stipulated in the tender documents, the lowest evaluated tender ascertained on the basis of factors affecting the economic value of the tender which have been specified in the tender documents, which factors shall, to the extent practicable, be objective and quantifiable, and shall be given a relative weight in the evaluation procedure or be expressed in monetary terms wherever practicable.

(9) The procuring entity shall prepare an evaluation report, containing a summary of the examination and evaluation of tenders.

[Subsidiary]**31. Process to be confidential**

(1) After opening of tenders, information relating to the examination, clarification, and evaluation of tenders and recommendations for award must not be disclosed to tenderers or other persons not officially concerned with this process until the award of the contract is announced.

(2) Following the opening of tenders, and until the contract is signed, no tenderer shall make any unsolicited communication to the procuring entity or try in any way to influence the entity's examination and evaluation of tenders.

32. Tenderers not to be required to modify their tenders

A tenderer shall not be required, as a condition for award, to undertake responsibilities not stipulated in the tender documents, to change its price or otherwise to modify its tender.

33. Notification of award and signing of contract

(1) Prior to the expiry of the period of tender validity or extension thereof, the procuring entity shall notify the successful tenderer that its tender has been accepted and shall simultaneously notify the other tenderers of the fact, and the notification of award to the successful tenderer shall specify the time, not being less than twenty-one days within which the contract must be signed.

(2) The notification of award shall constitute the formation of a contract between the parties and the existence of a contract shall be confirmed through the signature of a contract document incorporating all agreements between the parties and such contract shall be signed by the duly authorized representative of the procuring entity and the successful tenderer.

(3) In the event that the successful tenderer is for whatever reason unable to accept the award, the procuring entity shall prior to the expiry of the period of validity or extension thereof notify the second lowest evaluated tenderer that its tender has been accepted.

(4) Where the award of contract is the subject of an appeal under the provisions of regulation 42 and the Appeals Board fails to render its decision within the period stipulated under that regulation, the procuring entity shall advise the successful tenderer to proceed with the works or services, or of the goods.

33A. Amendment to contract

No amendment to a contract described in regulation 33(2) is effective unless the amendment has been approved in writing by the Tender Committee of the procuring entity.

[L.N. 161/2002, r. 2.]

PART VI – OTHER PROCUREMENT METHODS**34. Restricted tendering procedure**

Restricted tendering procedures shall be the same as those in the open tendering, except that—

- (a) the invitation to tender shall be addressed to a limited number of qualified candidates that have declared an interest in submitting tenders, the selection shall be made in a non-discriminatory manner, and the number of candidates invited shall be, if possible, sufficient to ensure effective competition and shall not in any event be less than three;
- (b) a procuring entity which maintains a list of pre-qualified candidates shall update such list every year by advertisement in the manner provided in regulation 22(1) giving candidates adequate time in which to submit expressions of interest in being invited to tender;
- (c) any candidate who qualifies at the time of the tender shall be at liberty to apply for consideration, and the tender of such candidate shall be considered notwithstanding that his name does not appear first on the list of pre-qualified candidates;

- (d) procuring entities maintaining updated lists of qualified suppliers may select candidates to be invited to tender from among those listed and any selection shall allow for equitable opportunities for suppliers on the list;
- (e) the Public Procurement Directorate may allow a shorter time period for the submission of tenders than would otherwise be required under regulation 22(2);
- (f) the procuring entity may decide, depending on the circumstances, if tender security shall have to be submitted or not;
- (g) the procuring entity shall give a written report to the Public Procurement Directorate in respect of every procurement made under this regulation.

[L.N. 161/2002, r. 5.]

35. Direct procurement procedure

(1) When the procuring entity engages in direct procurement according to regulation 19(1), it shall prepare a description of its needs and any special requirements as to quality, quantity, terms and time of delivery, and shall be free to negotiate with the sole candidate and any agreement reached for procurement according to regulation 19(1) shall be confirmed by a contract signed by both parties.

(2) Direct procurement according to regulation 19(2) shall not require a signed contract.

36. Request for proposals procedure

(1) Requests for proposals shall be addressed to not less than three, and not more than seven candidates selected by the procuring entity.

(2) A request for proposals shall contain at least the following information—

- (a) the name and address of the procuring entity;
- (b) a description of the services required, normally through terms of reference;
- (c) in the case of consultancy assignments which may involve potential conflicts of interest, a reminder that candidates for such assignments must exclude themselves from procurement of goods and construction which may follow as a result of, or in relation to, the consultancy agreement;
- (d) the criteria for evaluating the proposals, the relative weight to be given to price and other criteria and the manner in which they will be applied in the evaluation of proposals;
- (e) the place and deadline for the submission of proposals.

(3) Candidates shall be given adequate time to prepare their proposals.

(4) The procuring entity may negotiate with candidates with respect to the content of their proposals and may seek or permit revisions thereof.

(5) Any award by the procuring entity shall be made to the candidate whose proposal is most advantageous, determined in accordance with the criteria and procedure for evaluating proposals set forth in the request for proposals.

(6) The budget ceiling or man-months necessary for performance of the proposed assignment shall be stipulated.

37. Request for quotation procedure

(1) The procuring entity shall request quotations from as many candidates as practicable, but from at least three candidates whenever the circumstances permit.

(2) The request shall contain a clear statement of the requirements of the procuring entity as to quality, quantity, terms and time of delivery as well as other special requirements.

(3) Candidates shall be given adequate time to prepare their quotation.

(4) A purchase order shall be placed with the candidate who meets the requirements of the procuring entity stipulated in subregulation (2) and who quotes the lowest price.

(5) The candidate shall confirm the purchase order in writing.

PART VII – OPEN INTERNATIONAL PROCEDURES

38. Open international tendering

(1) Open international tendering shall be used whenever in open national tendering an effective competition cannot be obtained unless foreign firms are invited to tender.

(2) Open international tendering shall comply with the provisions of Part V as well as the following provisions—

- (a) the invitation to tender and the tender documents shall be in the English language;
- (b) the invitation to tender shall be placed in a newspaper using the same foreign language as the invitation and being of sufficient circulation to attract foreign competition;
- (c) the time allowed for the submission of tenders shall be at least 42 days instead of the time period required under regulation 22(2);
- (d) technical specifications shall, to the extent compatible with national requirements, be based on international standard or standards widely used in international trade;
- (e) candidates shall be permitted to express their tenders, as well as any security documents to be presented by them, in their respective home currencies, or in a currency widely used in international trade and stated in the tender documents;
- (f) general and special conditions of contract shall be of a kind generally used in international trade.

[L.N. 161/2002, r. 5.]

39. Other international procedures

Whenever effective competition cannot be obtained unless foreign firms are invited to participate in procedures other than open international tendering, such as restricted tendering or request for proposals, the provisions of regulation 37(2) shall apply to the extent practicable in addition to the stipulations of Part V.

PART VIII – ADMINISTRATIVE REVIEW

40. General

(1) Subject to the provisions of this Part, any candidate who claims to have suffered, or to risk suffering, loss or damage due to breach of a duty imposed on the procuring entity by these Regulations may seek administrative review in accordance with the provisions of regulations 41.

(2) The following shall not be subject to the review provided for in subregulation (1)—

- (a) the choice of a procurement procedure pursuant to Part IV; and
- (b) a decision by the procuring entity under regulation 15 to reject all tenders, proposals or quotations.

(3) Once the procuring entity has concluded and signed a contract with the successful tenderer, a complaint against an act or omission in the process leading up to that stage shall not be entertained through administrative review.

41. Public Procurement Complaints Review and Appeals Board

(1) The Minister shall establish an administrative review board to be called the “Public Procurement Complaints, Review and Appeals Board” to deal with complaints submitted by candidates in accordance with these Regulations.

(2) The composition, membership, powers, procedure of meetings and terms of service of the Public Procurement Complaints, Review and Appeals Board shall be as provided in the Fourth Schedule to these Regulations.

(3) The Public Procurement Directorate shall provide secretariat services to the Board.

(4) The Board shall be competent to take decisions only so long as a quorum is present.

42. Review by the Appeals Board

(1) A request for administrative review of an act or omissions by the procuring entity shall be submitted to the Secretary of the Appeals Board.

(2) The request shall state the reasons for the complaint, including the alleged breach of these Regulations, and the ensuing loss or damage to the complainant, and shall be accompanied by a registration fee, in cash or in a banker's cheque made out in favour of the Permanent Secretary to the Treasury, in such amount as may from time to time be prescribed by the Minister.

(3) Upon receipt of a complaint, the Public Procurement Directorate, unless it dismisses the complaint on formal grounds, shall promptly give notice of the complaint to the procuring entity and shall call a meeting of the Board within twenty-one days.

(4) The Secretary shall also notify interested candidates of the complaint and shall forward to the Board information and arguments received from such candidates and from the procuring entity.

(5) The Board unless it dismisses the complaint, may grant one or more of the following remedies—

- (a) declare the legal rules or principles that govern the subject-matter of the complaint;
- (b) prohibit the procuring entity from acting or deciding unlawfully or from following an unlawful procedure;
- (c) require the procuring entity that has acted or proceeded in an unlawful manner, or that has reached an unlawful decision, to act or to proceed in a lawful manner or to reach a lawful decision;
- (d) annul in whole or in part an unlawful act or decision of the procuring entity, other than an act or decision bringing the procurement contract into force;
- (e) revise an unlawful decision by the procuring entity or substitute its own decision for such a decision, other than any decision bringing the procurement contract into force;
- (f) order that the procurement proceedings be terminated.

(6) The Board shall, within thirty days, from the date of the notice prescribed under regulation 42(3) issue a written decision concerning the complaint, stating the reasons for the decisions and the remedies if any, and the decisions shall be rendered in the presence of the parties concerned.

(7) The decision shall be final unless judicial review action is commenced within thirty days under any existing written law concerning judicial review of administrative decisions.

PART IX – DISPOSAL OF STORES AND EQUIPMENT

43. Authority to dispose

(1) Where stores, plant and equipment become unserviceable as a result of fair wear and tear or become obsolete or surplus, the officer in charge of such items shall prepare a list (Board of Survey Form) and request the accounting officer to convene a Board survey comprising representatives of the concerned departments to report in the items and subject to a technical report on them, recommend the best method of disposal.

(2) The recommendations of the Board of survey shall be approved by the accounting officer and the items shall be disposed as approved.

(3) Where items become unserviceable for reasons other than fair wear and tear such as through accident or expiry the set procedure for handling losses shall be followed before the items are boarded and disposed of.

44. Disposal procedures

Disposal of obsolete and surplus items shall be any of the following means—

[Subsidiary]

- (a) transfer to government departments, with or without financial adjustment;
- (b) sale by public tender to the highest bidder, subject to a reserve price;
- (c) sale by public auction, subject to any reserve price;
- (d) destruction, dumping, or burying as appropriate.

45. Instructions for disposal

The Public Procurement Directorate shall issue detailed instructions relating to the disposal of unserviceable stores and equipment and such regulations shall include but shall not be limited to requiring all those concerned with disposal of stores to make timely arrangements for disposal of obsolete, surplus or unserviceable stores.

PART X – ENFORCEMENT**46. Offences and penalties**

(1) A member of a procuring entity, a person who acts as an agent for a procuring entity, or a member of the Public Procurement Directorate or the Appeals Board who breaches the provisions of these Regulations commits an offence and shall be liable to a fine not exceeding two million shillings.

(2) A candidate in any procurement process who breaches any of the provisions of these Regulations commits an offence and shall be liable—

- (a) in the case of a natural person, to fine not exceeding two million shillings;
- (b) in the case of a corporation to a fine not exceeding five million shillings.

(3) A procuring entity shall with the approval of the Public Procurement Directorate debar from participating in public procurement—

- (a) any person who is convicted of an offence under this Regulation;
- (b) any supplier who seriously neglects its obligation under a public procurement contract or who provides false information about its qualifications or contravenes regulation 16.

(4) The Public Procurement Directorate shall maintain and publish a list of all persons debarred from participating in public procurement under this Regulation.

[L.N. 161/2002, r. 6.]

PART XI – TRANSITIONAL**47. Supersession**

These Regulations supersede any previous circulars or other instruments relating to procurement by any procuring entity and shall apply pending the repeal of any law to the contrary in all matters of public procurement.

FIRST SCHEDULE

[L.N. 161/2002, r. 7.]

COMPOSITION AND ROLE OF TENDER COMMITTEES**1.1 MINISTERIAL TENDER COMMITTEE OR
SELF ACCOUNTING UNIT TENDER COMMITTEE****Membership Structure****Chairman**

Person appointed in writing by the Accounting Officer. A notice of the appointment shall be published in the *Gazette*.

Deputy Chairman

Chief Finance Officer or, if there is no such officer in the Ministry or the self accounting unit, the head of the finance unit.

Members

Deputy Secretary (Administration).

Head of Accounting Division.

Four other Departmental heads one of whom shall represent a user department concerned.

Secretary

The Officer heading the Procurement Unit/Department of the Ministry.

Quorum

The quorum of the Tender Committee meeting shall be five members (including the chairman). Members shall not be allowed to delegate their responsibilities to their subordinate officers.

Voting

Decisions shall be taken by simple majority. In case of a tie the Chairman shall have a second casting vote.

Accounting Officer's veto

The accounting officer may veto a decision of the Committee for the purpose of controlling the expenditure of funds. Every veto shall be reported to the Public Procurement Directorate.

Role and responsibility

The role and the responsibility of the Committee shall be—

- (a) to award either through open tender, restricted tenders, requests for proposals or direct procurement where the contract value exceeds five hundred thousand shillings;
- (b) to review tender documents and requests for proposals where the estimated contract value exceeds one million shillings;
- (c) to award contracts through open tender or quotations for renting, hiring, letting or subletting of buildings and other facilities by the Government (within its organization in the Nairobi Area);
- (d) to approve bids through open tender for sale of government stores;
- (e) to approve variations of contract conditions previously awarded by the Committee.

Introduction of items on the agenda

The procurement unit shall submit recommendations and supporting documents through the Secretary for consideration by the Committee.

Procurements below thresholds

If the value of a procurement is below an indicated threshold, the role and responsibility that would otherwise be the Committee's shall be carried out by the persons or bodies specified by the Accounting Officer.

[L.N. 161/2002, r. 7.]

1.2 DISTRICT TENDER COMMITTEE

Member Structure

Chairman

A head of a department appointed in writing by the District Commissioner. A notice of the appointment shall be published in the *Gazette*.

[Subsidiary]

Deputy chairman

District Officer I.

Members

Chairman, County Council

Department Heads of—

- Ministry of Agriculture and Rural Development
- Ministry of Health
- Ministry of Health and Natural Resources
- Ministry of Roads and Public Works
- Ministry of Education, Science and Technology
- The District Accountant
- The District Development Officer
- The District Trade Officer.

Secretary

The District Supplies Officer.

Quorum

The quorum of a District Tender Committee meeting will be five members (including the chairman of the Committee). Members shall not be allowed to delegate their responsibilities to their subordinate officers.

Voting

Decisions are to be taken by simple majority. In case of a tie, the proposal by the chairman shall prevail.

District Commissioner's veto

The District Commissioner may veto a decision of the Committee for the purpose of controlling the expenditure funds. Every veto shall be reported to the Public Procurement Directorate.

Role and responsibility

The role and responsibility of the District Tender Committee shall be—

- (a) to award contracts through open tender, restricted tenders, requests for proposals or direct procurement where the contract value exceeds five hundred thousand shillings per item;
- (b) to review tender documents and requests for proposal or direct procurement where the contract value exceeds one million shillings per item;
- (c) to award contracts through open tender, or quotations for renting, hiring, letting or subletting of buildings and other facilities by the Government within the District;
- (d) to approve variations of contract conditions previously awarded by the Committee.

Introduction of items on the agenda

The procurement unit shall submit recommendations and supporting documents through the Secretary for consideration by the Committees.

Procurements below threshold

If the value of a procurement is below an indicated threshold, the role and responsibility that would otherwise be the Committee's shall be carried out by the persons or bodies specified by the respective holders of the authority to incur expenditures.

[L.N. 161/2002, r. 8.]

1.3 STATE CORPORATIONS TENDERING COMMITTEES

Membership Structure**Chairman**

A member of Board of the state corporation, who is not a public officer, appointed in writing by the Board.

Deputy chairman

A member of the Board of the State corporation who is not a public officer, appointed in writing by the Board.

Members

The Chief Executive, the Chief Financial Officer, the Chief Technical Officer, the Head of the Legal Department, two department heads, one of whom is from a user department, appointed by the Chief Executive. One member of the Board of the state corporation, appointed by the Board.

Quorum

The quorum of the Tender Committee meeting shall be five members (including the chairman of the Committee). Members shall not be allowed to delegate their responsibilities to the subordinate officers.

Voting

Decisions shall be taken by simple majority. In case of a tie, the proposal by the Chairman shall prevail.

Chief Executive's veto

The Chief Executive may veto a decision of the Committee for the purpose of controlling the expenditure of funds. Every veto shall be reported to the Public Procurement Directorate.

Procurements below thresholds

If the value of a procurement is below an indicated threshold, the role and responsibility that would otherwise be the Committee's shall be carried out by the persons or bodies specified by the Chief Executive.

Role and responsibility

The role and responsibility of the State Corporations Tender Committee shall be—

- (a) to award contracts through open tender, restricted tenders, request for proposals or direct procurement where the contract value exceeds Kshs. five hundred thousand per item;
- (b) to review tender documents and requests for proposals or direct procurement where the contract value exceeds Kshs. one million per diem;
- (c) to award contracts through open tender, for renting, hiring, letting or sub-letting of buildings and other facilities by the state corporations;
- (d) to approve bids through open tender for sale of corporations stores;
- (e) to approve variations if contract conditions previously awarded by the Committee.

Introduction of items on the agenda

The procurement unit shall submit recommendations and supporting documents through the Secretary for consideration by the Committees.

Procurements below thresholds

Transactions of values below the indicated threshold will be as directed by the Chief Executive.

[L.N. 161/2002, r. 9.]

[Subsidiary]

1.4 PUBLIC UNIVERSITIES COMMITTEE

Membership Structure**Chairman**

A Council member who is not a public officer, appointed in writing by the Council.

Deputy chairman

A Council member who is not a public officer, appointed in writing by the Council.

Members

The Vice-Chancellor, the head of administration, the head of academic affairs, the principal of a college appointed by the Vice-Chancellor, two heads of a faculty or school, one of whom is from a user faculty or school, appointed by the Vice-Chancellor, two Council members who are not members of the academic staff, appointed by the council. The head of the legal affairs department.

Secretary

The head of the procurement department.

Quorum

The quorum of the Tender Committee meeting will be (5) members (including the chairman of the Committee). Members shall not be allowed to delegate their responsibilities to their subordinate officers.

Voting

Decisions shall be undertaken by simple majority. In case of a tie, the Chairman shall have a second or casting vote.

Vice-Chancellor's veto

The Vice-Chancellor may veto a decision of the Committee for the purpose of controlling the expenditure of funds. Every veto shall be reported to the Public Procurement Directorate.

Role and Responsibility

The role and the responsibility of the Public Universities Tender Committee shall be—

- (a) to award contracts through open tender, restricted tenders, request for proposals or direct procurement where the contract value exceeds Kshs. three hundred thousand per item;
- (b) to review tender documents and requests for proposals where the estimated contract value exceeds Kshs. one million per item;
- (c) to award contracts through open tender, for renting, hiring, letting or sub-letting of buildings and other facilities by the University;
- (d) to approve bids through open tender for sale of university stores;
- (e) to approve variations of contract conditions previously awarded by the Committee;
- (f) to carry out any other Public Procurement related function as may be assigned by the Management of the University.

Introduction of items on the Agenda

The procurement unit shall submit recommendations and supporting documents through the Secretary for consideration by the Committees.

Procurements below thresholds

If the value of a procurement is below an indicated threshold, the role and responsibility that would otherwise be the Committee's shall be carried out by the persons or bodies specified by the Vice-Chancellor.

[L.N. 161/2002, r. 10.]

1.5 LOCAL AUTHORITIES TENDER COMMITTEE

[L.N. 161/2002.]

Membership structure

Chairman

The Clerk to the Local Authority.

Members

The Chairman of the Finance Committee. Up to seven heads of departments, appointed by the Clerk of the local authority.

Secretary

The Officer, Heading the Supplies/Procurement Division of the Local Authority.

Quorum

The quorum of the Tender Committee meeting shall be five members (including the Chairman of the Committee). Members shall not be allowed to delegate their responsibility to their subordinate officers.

Voting

Decisions shall be taken by a simple majority. In case of a tie, the proposals supported by the Chairman shall prevail.

Clerk's veto

The Clerk to the local authority may veto a decision of the Committee for the purpose of controlling the expenditure of funds. Every veto shall be reported to the Public Procurement Directorate.

Role and responsibility

The role and responsibility of the Local Authorities Tender Committee shall be—

- (a) to award contracts through open tender, restricted tenders, requests for proposals or direct procurement where the contract value per item exceeds the sum shown below under the threshold;
- (b) to review tender documents and requests for proposals where the estimated contract value exceeds the sum shown below under the thresholds;
- (c) to award contracts through open tender, for renting, hiring, letting or sub-letting of buildings and other facilities by the Local Authority;
- (d) to approve bids through open tender for sale of Local Authority stores;
- (e) to approve variations of contract conditions previously awarded by the Committee.

Introduction of items on the Agenda

The procurement unit shall submit recommendations and supporting documents through the Secretary for consideration by the Committee.

Thresholds

- (i) Nairobi City Council, Mombassa, Nakuru, Kisumu - Kshs. 200,000.00;
- (ii) Other local authorities - Kshs.100,000.00.

Procurements below thresholds

[Subsidiary]

If the value of procurement is below an indicated threshold, the role and responsibility that would otherwise be the Committee's shall be carried out by the persons or bodies specified by the Clerk to the local authority.

[L.N. 161/2002, r. 11.]

1.6 COLLEGES TENDERING COMMITTEES

Membership Structure

Chairman

A member of the Board of Governors who is not a public officer, appointed in writing by the Board.

Deputy chairman

A member of the Board of Governors who is not a public officer, appointed in writing by the Board.

Members

The Principal, two members of the Board of Governors appointed by the Board, the Finance Officer, two department heads, one of whom is from a user department, appointed by the Principal Matron/Officer-in-Charge of boarding facilities.

Secretary

Officer-in-charge, Supplies Unit.

Quorum

The quorum of the Tender Committee meeting shall be five members (including the Chairman of the Committee). Members shall not be allowed to delegate their responsibility to their subordinate officers.

Voting

Decisions shall be taken by simple majority. In case of a tie, the proposal supported by the Chairman shall prevail.

Principal's veto

The principal may veto a decision of the Committee for the purpose of controlling expenditure of funds. Every veto shall be reported to the Public Procurement Directorate.

Role and responsibility

The role and responsibility of the Colleges Tender Committee shall be—

- (a) to award contracts through open tender, restricted tenders, requests for proposals or direct procurement where the contract value exceeds Kshs. one hundred thousand per item;
- (b) to review tender documents and requests for proposals where the estimated contract value exceeds Kshs. one hundred thousand;
- (c) to award contracts through open tender, for tenting, hiring, letting or sub-letting of buildings and other facilities by the College;
- (d) to approve bids through open tender for sale of College stores;
- (e) to approve variations of contract conditions previously awarded by the Committee.

Introduction of items on the Agenda

The procurement unit shall submit recommendations and supporting documents through the Secretary for consideration by the Committee.

Procurements below thresholds

If the value of a procurement is below an indicated threshold, the role and responsibility that would otherwise be the Committee's shall be carried out by the persons or bodies specified by the Chief Executive of the Society.

[L.N. 161/2002, r. 2.]

1.7 SCHOOLS TENDERING COMMITTEE

Membership Structure

Chairman

A member of the Board of Governors (or school committee if there is no Board of Governors) who is not a public officer, appointed in writing by the Board (or school committee).

Deputy chairman

A member of the Board of Governors (or school committee) who is not a public officer, appointed in writing by the Board (or school committee).

Members

The principal or headmaster, the deputy principal or headmaster, the Chairman of the Parents Teachers Association and one other member of the Parents Teachers Association appointed by the Association, two members of the teaching staff appointed by the principal or headmaster, the matron or officer-in-charge of the boarding facilities.

Secretary

The bursar.

Quorum

The quorum of the Tender Committee meeting shall be at least five members including the Chairman. Members shall not be allowed to delegate their responsibility to their subordinate officers.

Voting

Decisions shall be taken by simple majority. In case of a tie, the proposal supported by the Chairman shall prevail.

Principal or headmaster's veto

The principal or headmaster may veto a decision of the Committee for the purposes of controlling the expenditure of funds. Every veto shall be reported to the Public Procurement Directorate.

Role and responsibility

The role and responsibility of the Schools Tender Committee shall be—

- (a) to award contracts through open tender, restricted tenders, requests for proposals or direct procurement where the contract value per item exceeds the sum shown below under threshold;
- (b) to award contracts through open tenders, for renting, hiring, letting or sub-letting of buildings and other facilities by the school;
- (c) to approve through open tender, for sale of school stores;
- (d) to approve variations of contract conditions previously awarded by the Committee.

Introduction of items on the Agenda

The procurement unit shall submit recommendations and supporting documents through the Secretary for consideration by the Committee.

Procurements below thresholds

[Subsidiary]

If the value of a procurement is below an indicated threshold, the role and responsibility that would otherwise be the Committee's shall be carried out by the persons or bodies specified by the principal or headmaster.

Thresholds

	Ksh.
Provincial /national secondary schools.....	5000,000
Other secondary schools.....	300,000
Primary schools.....	100,000

[L.N. 161/2002, r. 13.]

1.8 CO-OPERATIVE SOCIETIES TENDER COMMITTEE

[L.N. 161/2002.]

Membership Structure**Chairman**

A member of the governing body of the society appointed in writing by the governing body.

Deputy chairman

A member of the governing body of the society appointed in writing by the governing body.

Members

The Chief Executive of the society, the Treasury of the society, the honorary secretary of the society, if any, up to four members of the society, appointed by the governing body.

Secretary

The officer-in-charge of operations.

Quorum

The quorum of the Tender Committee meeting shall be at least seven (7) members (including the Chairman). Members shall not be allowed to delegate their responsibility to their subordinates officers.

Voting

Decisions shall be taken by simple majority. In case of a tie, the proposal supported by the Chairman shall prevail.

Chief Executive's veto

The Chief Executive of the society may veto a decision of the Committee for the purposes of controlling the expenditure of funds. Every veto shall be reported to the Public Procurement Directorate.

Role and responsibility

The role and the responsibility of the Co-operative Societies Tender Committees shall be—

- (a) to award contracts through open tender, restricted tenders, requests for proposals or direct procurement where the contract value per item exceeds Kshs. two hundred thousand per item;
- (b) to review tender documents and requests for proposals where the estimated contract value exceeds Kshs. one hundred thousand;
- (c) to award contracts through open tender for renting, hiring, letting or sub-letting of building and other facilities by the Society Stores;

- (d) to approve bids through open tender for sale of society;
- (e) to approve variations of contract conditions previously awarded by the Committee.

Introduction of items on the Agenda

The Secretary concerned shall submit recommendations and supporting documents for consideration by the Committee.

Procurements below thresholds

If the value of a procurement is below an indicated threshold, the role and responsibility that would otherwise be the Committee's shall be carried out by the persons or bodies specified by the Chief Executive of the Society.

[L.N. 161/2002, r. 14.]

1.9 VOLUNTARY INSTITUTIONS TENDER COMMITTEE

Membership Structure

Chairman

A person appointed in writing by the Institution.

Deputy chairman

A person appointed in writing by the Institution.

Members

The Chief Executive of the Institution, the Deputy Chief Executive of the Institution, the Treasurer, three members of the management committee of the Institution appointed by the management committee.

Secretary

The Secretary of the Institution.

Quorum

The quorum of the Committee meeting shall be at least five (5) members including the Chairman. Members shall not be allowed to delegate their responsibility to their subordinate officers.

Voting

Decisions shall be taken by simple majority. In case of a tie, the proposal supported by the Chairman shall prevail.

Chief Executive's veto

The Chief Executive of the Institution may veto a decision of the Committee for the purpose of controlling the expenditure of funds. Every veto shall be reported to the Public Procurement Directorate.

Role and responsibility

The role and responsibility of the Voluntary Institution Tender Committee shall be—

- (a) to award contract through open tender, restricted tender, requests for proposals or direct procurement where the contract value per item exceeds KShs. 20,000.00 per item;
- (b) to award contracts through open tenders for renting, hiring, letting or sub-letting of buildings and other facilities by the Institutions;
- (c) to approve bids through open tender for sale of Institution stores;
- (d) to approve variations of contract conditions previously awarded by the Committee.

Introduction of items on the Agenda

[Subsidiary]

The Secretary concerned shall submit recommendations and supporting documents for consideration by the Committee.

Procurements below thresholds

If the value of procurement is below an indicated threshold, the role and responsibility that would otherwise be the Committee's shall be carried out of the persons or bodies specified by the Chief Executive of the Institution.

[L.N. 161/2002, r. 15.]

1.10 CENTRAL BANK OF KENYA TENDER COMMITTEE

Membership Structure

Chairman

A member of the Board of Directors who is not a public officer, appointed in writing by the Board.

Deputy chairman

A member of the Board of Directors who is not a public officer, appointed in writing by the Board.

Members

The Governor of the Central Bank, the Deputy Governor of the Central Bank, up to four department heads, one of whom is from a user department, appointed by the Governor, one member of the Board of Directors appointed by the Board.

Secretary

Officer-in-Charge of procurement.

Quorum

The quorum of the Tender Committee meeting shall be at least five members (including the Chairman). Members shall not be allowed to delegate their responsibility to their subordinate officers.

Voting

Decisions shall be taken by simple majority. In case of a tie, the proposal supported by the Chairman shall prevail.

Governor's veto

The Governor of the Central Bank may veto a decision of the Committee for the purpose of controlling the expenditure funds. Every veto shall be reported to the Public Procurement Directorate.

Role and responsibility

The role and responsibility of the Central Bank of Kenya Tender Committee shall be—

- (a) to award contracts through open tender, restricted tenders, requests for proposals or direct procurement where the contract value per item exceeds five hundred thousand shillings per item;
- (b) to review tender documents and requests for proposals where the estimated contract value exceeds one million shillings;
- (c) to award contracts through open tenders for renting, hiring, letting or sub-letting of buildings and other facilities by the Central Bank;
- (d) to approve bids through open tender for sale of Central Bank stores;
- (e) to approve variations of contract conditions previously awarded by the Committee.

Introduction of items on the Agenda

The procurement unit shall submit recommendations and supporting documents through the Secretary for consideration by the Committee.

Procurement below threshold

If the value of a procurement is below an indicated threshold, the role and responsibility that would otherwise be the Committee's shall be carried out by the persons or bodies specified by the Governor.

[L.N. 161/2002, r. 16.]

SECOND SCHEDULE

THRESHOLDS

[L.N. 161/2002, r. 17.]

<i>Threshold</i>	<i>Amount KSh.</i>
Threshold below which restricted tendering may be used without satisfying other conditions (r. 18 (2))	20,000,000
Threshold below which direct procurement may be used without satisfying other conditions (r. 19 (2))	300,000
Threshold above which requests of quotations may not be used (r. 21)	5,000,000
Threshold above which an invitation to tender must be advertised (r. 22 (1))	5,000,000

THIRD SCHEDULE

[Regulation 24(1).]

STANDARD PROCUREMENT DOCUMENTS

1. Tender Document for Procurement of Works.
2. Tender Document for Procedure of Goods.
3. Tender Document for Procurement of Services Including Consultancy.
4. Requests for Quotation Forms.
5. Purchase Requisition Form.
6. Local Procurement Order.
7. Local Service Order.
8. Order Amendment Form.
9. Tender Register.
10. Register of Samples.
11. Confidential Business Questionnaire.

[Subsidiary]

12. Application for Adjudication of Tender/Quotation.
13. Board of Survey Form.
14. Disposal Certificate.
15. Destruction Certificate.
16. Contract Agreement Document for Works.
17. Contract Agreement Document for Goods (Quantity).
18. Contract Agreement Document for Goods (Term Contract).
19. Contract Agreement Document for Consulting Services (Lump Sum Based).
20. Contract Agreement Document for Consultancy Services (Time Based).

FOURTH SCHEDULE

PUBLIC PROCUREMENTS COMPLAINTS, REVIEW AND APPEAL BOARD

[L.N. 161/2002, r. 18.]

Appointment and tenure of members

The members of the Appeals Board shall be appointed for such period, not exceeding three years, as the Minister may think fit and every such member shall not hold and vacate his office in accordance with the terms of his appointment.

Acting chairman

In the absence of the Chairman, the Appeals Board may designate one of its members to act as the Chairman.

Members

The Permanent Secretary, Treasury

The Solicitor-General

The Permanent Secretary, Provincial Administration, Office of the President. Four members appointed by the Minister from among persons nominated by the following Organizations—

- (i) Kenya National Chamber of Commerce and Industry;
 - (ii) Kenya Association of Manufacturers;
 - (iii) Law Society of Kenya;
 - (iv) The Kenya Institute of Management (KIM);
 - (v) The Architectural Association of Kenya;
 - (vi) The Institute of Engineers of Kenya;
 - (vii) Institute of Certified Public Accountants of Kenya;
 - (viii) Kenya Institute of Purchasing and Supply Management (KIPSM)
- or other Professional Supplies Body;
- (ix) Institute of Certified Public Secretaries;
 - (x) Chartered Institute of Arbitrators.

Two members co-opted by the Appeals Board, one of whom is an expert in procurement.

A retiring member shall be eligible for reappointment.

Secretary

Director, Public Procurement Directorate.

Quorum

The quorum of the Board shall be five members (including the chairman). Members shall not be allowed to delegate their responsibility to their subordinate officers.

Majority decision

Decisions shall be taken by simple majority. In case of a tie, the proposal supported by the Chairman shall prevail, and shall be signed by the members agreeing thereto.

Disclosure of interest

If any member of the Appeals Board has any interest in any particular proceedings before the Appeals Board, he shall inform the Minister who may after considering the interest, appoint another person in his place for the purpose of that particular appeal.

Venue

The Appeals Board shall sit at such a place as it may consider most convenient, having regard to all the circumstances of the particular proceedings.

Resignation

Any member may at any time, by notice to the Minister, resign his office.

Vacancy

Where the office of any members become vacant, whether by death or otherwise, the Minister may appoint another person to be a member of the board for the remainder of the term of the member whose vacancy caused the appointment.

Rules

Subject to the provisions of this Schedule, the Appeals Board shall have power to make the rules governing procedures.

Proof of documents

A document purporting to be a copy of an order of the Appeals Board, and certified by the Chairman to be a true copy thereof shall in any legal proceeding be *prima facie* evidence of that order.

THE EXCHEQUER AND AUDIT (ANTI-POVERTY TRUST FUND) REGULATIONS, 2001

ARRANGEMENT OF REGULATIONS

Regulation

1. Citation.
2. Interpretation.
3. Establishment of Fund.
4. Object and purpose of the Fund.
5. Initial capital of the Fund.
6. Annual approval of budget.
7. Operations of the Fund.
8. Retention of receipts, earnings, etc.
9. Trustees of the Fund.
10. Fund Manager.
11. Procurement of goods and services.
12. Administration of the Fund.
13. Amendment of financial agreement.

SCHEDULE

**THE EXCHEQUER AND AUDIT (ANTI-
POVERTY TRUST FUND) REGULATIONS, 2001**

[L.N. 103/2001.]

1. Citation

These Regulations may be cited as the Exchequer and Audit (Anti-poverty Trust Fund) Regulations, 2001.

2. Interpretation

In these Regulations, unless the context otherwise requires—

“**financial year**” means the period of twelve months ending on the 30th June in each year;

“**financing agreement**” means the agreement signed between the Government of the Republic of Kenya, the Trustees and other donors providing for the management of the Funds;

“**founders**” means the Government of the Republic of Kenya and the bodies specified in the schedule;

“**Fund**” means the Anti-poverty Trust Fund established by regulation 3;

“**Plan**” means the national poverty eradication plan put in place by the government and includes all the initiatives taken thereunder;

“**Rules**” means the detailed rules and regulations governing the relationship between the Government of Kenya and other persons interested in the Fund, and which form an integral part of any financing agreements which allocate the grants and loans from the donors for the purpose for which the Fund is established;

“**trustees**” means the persons entrusted and jointly appointed by the founders to operate the Fund.

3. Establishment of Fund

There is hereby established a Fund to be known as the Anti-poverty Trust Fund.

4. Object and purpose of the Fund

The object and purpose of the Fund is to finance, monitor and evaluate the projects engaged in activities identified under the plan and such other anti-poverty initiatives as may be approved by the trustees.

5. Initial capital of the Fund

(1) The initial capital of the Fund shall be KShs. 3.3 million only appropriated by the Government of the Republic of Kenya in the financial year of 2001/2002.

(2) There may be received for purposes of the Fund—

- (a) such monies as may be set apart by Parliament;
- (b) and such loans, grants or gifts received from donors upon mutual agreement between such donors and the Government.

6. Annual approval of budget

(1) The expenditure on poverty eradication projects shall be paid from the Fund and shall be on the basis of and limited to the annual work programmes and cost estimates which shall be submitted to the Trustees for approval at the beginning of the financial year to which the work programme and cost estimates relates.

(2) No review of the annual work programme referred to in paragraph (1) shall be done except with the prior approval of the Trustees.

7. Operations of the Fund

The operations of the Fund shall be governed by such rules and regulations as may be agreed upon between the Minister for Finance and the trustees.

8. Retention of receipts, earnings, etc.

(1) Any funds realized in any financial year from the operations of the Fund shall be deposited in a special bank account operated by the Fund manager and shall be used for the purposes of the Fund, with the prior concurrence of the Trustees and the Treasury.

(2) All receipts, earnings and accruals of the Fund and the balance of the Fund at the close of each financial year shall not be paid into the consolidated Fund but shall be retained by the Fund for the purposes for which the Fund is established.

9. Trustees of the Fund

(1) The Fund shall be managed by trustees who shall be appointed by the founders.

10. Fund Manager

The trustees shall appoint a Fund Manager who shall be responsible for the day to day operations of the Fund and who shall adhere to the financial agreements.

11. Procurement of goods and services

The Fund shall apply Government rules and procedures for procurement of goods and services.

12. Administration of the Fund

(1) In the exercise of his functions under these Regulations, the Fund manager shall—

- (a) supervise and control the administration of the Fund;
- (b) consult with the Trustees on matters relating to the Administration of the Fund;
- (c) if he thinks fit, impose such conditions on the use of any expenditure authorized by him on his own or such restriction or other requirement concerning such use of expenditure as may be approved by the Trustees;
- (d) cause to be kept all proper books of accounts and other books and records in relation to the Fund and all the various activities and undertakings financed by the Fund; and
- (e) prepare, sign and transmit to the Trustees and the Controller and Auditor-General, within four months after the end of each financial year, a statement of accounts relating to the Fund for that year, in such form as the Trustees and the Treasury may from time to time direct in accordance with section 18(2) (now deleted) of the Act.

(2) The trustees shall—

- (a) solicit for grants, contribution and loans from the government, international donors, private institutions and individuals for the purpose of the Fund;
- (b) approve the promotion and financing of small-scale projects for the benefit of the poorest groups of the population, with special attention to women, youth and elderly persons;
- (c) appraise and monitor project submissions, procedures and disbursement modalities;
- (d) contract out the tasks of disseminating information, sensitization, capacity building and technical support for project execution and evaluation, to private or other persons; and
- (e) do all such other acts and things as may seem to them to be necessary or desirable towards the fulfilment of any of the objects of the Fund.

[Subsidiary]

13. Amendment of financial agreement

The founders may from time to time, on the recommendation of the Trustees, amend the financial agreement or the rules of the Fund.

SCHEDULE*List of founders:*

1. The Government of Kenya.
 2. The Kenya National Chamber of Commerce and Industry.
 3. The German Development Agency (GTZ).
 4. Northern Aid.
 5. The Supreme Council of Kenya Muslims.
 6. The Rotary Club (Kenya).
 7. The National Council of Non-Governmental Organizations.
 8. Action Aid (Kenya).
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**THE EXCHEQUER AND AUDIT (MICRO ENTERPRISES
SUPPORT PROGRAMME TRUST FUND) REGULATIONS, 2001**

ARRANGEMENT OF REGULATIONS

Regulation

1. Citation.
 2. Interpretation.
 3. Establishment of Fund.
 4. Object and purpose of Fund.
 5. Initial capital of the Fund.
 6. Annual approval of the Fund.
 7. Procurement of goods and services.
 8. Retention of receipts and earnings, etc.
 9. Administration of the Fund.
 10. Amendment to the rules and regulations.
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THE EXCHEQUER AND AUDIT (MICRO ENTERPRISES SUPPORT PROGRAMME TRUST FUND) REGULATIONS

[L.N. 104/2001.]

1. Citation

These Regulations may be cited as the Exchequer and Audit (Micro Enterprises Support Programme Trust Fund) Regulations, 2001.

2. Interpretation

In these Regulations, unless the context otherwise requires—

“financial year” means the period of twelve months ending on the 30th June, in each year;

“financing agreement” means the final document and its annexures signed by the Government of the Republic of Kenya and the Commission of the European Union which provides for the establishment of, and the rules and regulations for the management of the Fund;

“final document” is a legally binding document drawn in accordance with the Lome IV Convention and the enhancement provided under a “Memorandum of Understanding between the Government of the Republic of Kenya and the Commission of the European Union of the National Indicative Programme for Kenya”.

“Founders” means the Government of the Republic of Kenya and the Commission of the European Union who will have a joint responsibility in managing the Fund;

“Fund” means the Micro Enterprise Support Programme Trust Fund established under regulation 3;

“officer administering the Fund” means the accounting officer of the Ministry for the time being responsible for matters relating to Industry, or a person appointed by him in writing for that purpose;

“Rules and Regulations” means the detailed rules and regulations which will govern the operations of the Fund and shall form an integral part of the financing agreement which shall allocate the grant to the Fund from the European Development Fund for the purpose for which it has been established;

“Trustees” means the persons entrusted and jointly appointed by the founders to operate the Fund.

3. Establishment of Fund

(1) There is established a Fund to be known as the Micro Enterprise Support Programme Trust Fund which shall consist of monies appropriated by Parliament for that purpose.

(2) The Fund shall be constituted from grants or funds generated from the European Development Fund and will be limited to the amounts stipulated in the relevant financing agreements, protocols and memoranda of understanding.

4. Object and purpose of Fund

The object and purpose of the Fund is to provide funds for supporting the Republic of Kenya in achieving sustainable economic growth, employment creation and poverty alleviation through credit and non-financial support to micro enterprises.

5. Initial capital of the Fund

(1) The initial capital of the Fund shall be ten million shillings which shall be appropriated by Parliament during the 2001/2002 financial year and further contributions to the Fund shall in any case, not exceed the amount stipulated in the financial instruments specified

under regulation 3(2) and shall be appropriated through the development budget and each financial year.

(2) Any surplus realised in any financial year from the operations of the Fund shall be retained in a reserve account of the Fund and shall be used by the Fund and any deficiency realised in any financial year shall, subject to the prior concurrence of the Treasury be offset against the realised surplus held in the reserve account of the Fund.

6. Annual approval of the Fund

The expenditure on credit product development and marketing, and institutional support capacity building shall be on the basis of and limited to the annual work programmes and cost estimates which shall be submitted to the Trustee for the approval at the beginning of the financial year to which the work programme and cost estimates relates and any revision of the approved annual work programme and cost estimates shall be referred to the Trustee for necessary approval.

7. Procurement of goods and services

The Lome Convention in force shall govern the procurement of goods and services and its regulations and procedures on procurement of goods and services shall be strictly adhered to.

8. Retention of receipts and earnings, etc.

All receipts, earnings and accruals of the Fund and the balance of the Fund at the close of each financial year shall not be paid into the Consolidated Fund but shall be retained by the Fund for the purposes for which the Fund is established.

9. Administration of the Fund

(1) The officer administering the Fund shall—

- (a) supervise and control the administration of the Fund;
- (b) consult with the Trustee on the matters relating to the Administration of the Fund as may from time to time be necessary;
- (c) if he thinks fit, impose conditions on the use of any expenditure authorized by him on his own behalf, and may impose any reasonable restriction or other requirements concerning such use of expenditure;
- (d) cause to be kept all proper books of accounts and other books and records in relation to the Fund and all the various activities and undertakings financed by the Fund; and
- (e) prepare, sign and transmit to the Controller and Auditor-General within four months after the end of each financial year, a statement of accounts relating to the Fund for that year, in such form as the Treasury may from time to time direct in accordance with section 18(2) of the Act.

10. Amendment to the rules and regulations

The Founders may from time to time amend the Rules and Regulations of the Fund upon recommendation of the Trustees.

EXCHEQUER AND AUDIT (DISTRICT CASH FUND) REGULATIONS, 2002

ARRANGEMENT OF REGULATIONS

Regulation

1. Citation and commencement.
 2. Interpretation.
 3. Establishment of the Fund.
 4. Object and purpose of the Fund.
 5. Initial capital of the Fund.
 6. Balance in the Fund account.
 7. Reimbursements of disbursements.
 8. Retention of receipts.
 9. Expenditure on defined activities.
 10. Administration of the Fund.
 11. Winding-up of the fund.
-

**THE EXCHEQUER AND AUDIT (DISTRICT
CASH FUND) REGULATIONS, 2002**

[L.N. 51/2002.]

1. Citation and commencement

These Regulations may be cited as the Exchequer and Audit (District Cash Fund) Regulations 2002, and shall be deemed to have come into operation of the 1st July, 2001.

2. Interpretation

In these Regulations unless the context otherwise requires—

“**financial year**” means the period of twelve months ending on the 30th June, each year;

“**Fund**” means the district cash Fund established under regulation 3;

“**officer administering the Fund**” means the accounting officer of the Ministry for the time being responsible for matters relating to Finance or a person appointed by him in writing to administer the funds on his behalf.

3. Establishment of the Fund

There is hereby established a Fund to be known as the District Cash Fund.

4. Object and purpose of the Fund

The object and purpose for which the Fund is established is to provide funding for the floats of ministries and departments in district treasuries to cater for daily payments against authorities to incur expenditure issued by accounting officers to their district departmental heads.

5. Initial capital of the Fund

(1) The initial capital of the Fund shall be two hundred million shillings appropriated by Parliament in the 2001/2002 financial year.

(2) The officer administering the Fund in consultation with the Treasury shall review the capital of the Fund annually and additional sums may be appropriated in any of the subsequent financial years to increase the capital.

6. Balance in the Fund account

Any balance in the Fund account at the end of any financial year shall be retained in the reserve account of the Fund for release to district bank accounts to increase the cash holding of the ministries and departments.

7. Reimbursements of disbursements

Disbursements from the Fund to the district bank accounts to provide cash floats for ministries and departments shall be reimbursed by the Treasury on a fortnightly basis.

8. Retention of receipts

Subject to regulation 6, all the receipts from the Exchequer to the Fund and the balance of the Fund at the close of each financial year, shall be retained by the Fund for the purpose for which the Fund is established.

9. Expenditure on defined activities

No money shall be expended for any purpose other than the purpose for which the Fund is established, except in the provision of finance in respect of a specified and defined activity approved in writing by the officer administering the fund.

10. Administration of the Fund

The officer administering the Fund shall—

- (a) supervise and control the administration and financial management of the Fund;
- (b) consult with the Minister for the time being responsible for matters relating to Finance as may from time to time be necessary;
- (c) formulate policies consistent with these Regulations for the purpose of providing such general or specific guidance as may be necessary;
- (d) periodically obtain full accounts and progress reports, the accounts so obtained being subject to audit by the internal auditors of the Ministry responsible for matters relating to Finance;
- (e) cause to be kept all proper books of accounts and other books and records relating to the Fund, and to all the various activities and undertakings financed by the Fund;
- (f) prepare, sign and transmit to the Controller and Auditor-General within four months after the end of each financial year, a statement of account relating to the Fund, specifying all contributions to the Fund and the expenditure incurred from the Fund, with such additional information as may be sufficient for purposes of examination and audit by the Controller and Auditor-General in accordance with section 18(2) (now deleted) of the Act and as the Treasury may from time to time direct:

Provided that every statement of account prepared under paragraph (f) shall contain details of the balance between the assets and liabilities of the Fund as at the end of the financial year concerned.

11. Winding-up of the fund

Upon the winding-up of the Fund, any balance and assets standing to the credit of the Fund shall be credited to the Exchequer.

**THE EXCHEQUER AND AUDIT (STRATEGIC GRAIN
RESERVE TRUST FUND) REGULATIONS, 2002**

ARRANGEMENT OF REGULATIONS

Regulation

1. Citation.
 2. Interpretation.
 3. Establishment of the Fund.
 4. Object and purpose of the Fund.
 5. Initial capital of the Fund.
 6. Annual approval of the budget.
 7. Procurement of goods and services.
 8. Administration of the Fund.
 9. Amendment to the rules and regulations.
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**THE EXCHEQUER AND AUDIT (STRATEGIC GRAIN
RESERVE TRUST FUND) REGULATIONS, 2002**

[L.N. 55/2002.]

1. Citation

These Regulations may be cited as the Exchequer and Audit (Strategic Grain Reserve Trust Fund) Regulations, 2002.

2. Interpretation

In these Regulations, unless the context otherwise requires—

“**financial year**” means the period from 1st July in any year to the 30th June in each year;

“**Founder**” means the Government of the Republic of Kenya;

“**Fund**” means the Strategic Grain Reserve trust Fund established under regulation 3;

“**officer administering the Fund**” means the accounting officer if the Ministry for the time being responsible for matters relating to the Strategic Grain Reserve Fund;

“**The Funds Management Unit**” herein referred to as “**FMU**” means the officers responsible for the day to day administration and operations of the Fund in accordance with these Regulations and who shall be appointed by the officer administering the Fund;

“**Trustees**” means the Permanent Secretary in charge of Provincial Administration and Internal Security in the Office of the President, the Permanent Secretary in the Ministry of Finance and Planning and the Permanent Secretary in the Ministry of Agriculture and Rural Development.

3. Establishment of the Fund

There is established a Fund to be known as the Strategic Grain Reserve Trust Fund which shall consist of moneys appropriated by Parliament for that purpose.

4. Object and purpose of the Fund

(1) The object and purpose for which the Fund is established is to provide a strategic grain reserve in physical stock and cash equivalent.

(2) The initial target of the Fund will be to maintain three million 90 kg. bags of grain in physical stock and cash equivalent.

(3) In order to achieve the objective and purpose of the Fund, the Trustees shall arrange for procurement, storage and sale of grain.

5. Initial capital of the Fund

(1) The initial capital of the Fund shall be one billion Kenya shillings appropriated by Parliament in the 2001/2002 financial year and additional contributions to the capital of the Fund shall be made in the subsequent financial years' budgets.

(2) Any balance in the Funds account at the end of any financial year shall be retained by the Fund for the purpose for which the Fund is established and such balances shall include all receipts, savings and accruals of the Fund during each financial year.

6. Annual approval of the budget

(1) The expenditure on procurement of grain inclusive of costs of logistics and agency remunerations, shall be paid from the Fund and such expenditure shall be on the basis of and limited to the annual work programmes and cost estimates which shall be submitted to the Trustees for approval.

(2) Any revision of the approved expenditure or expenditure outside the work programme and cost estimates shall be referred to the Trustees for approval.

7. Procurement of goods and services

All procurements of goods and services for the Fund shall be made in accordance with the public procurement regulations for the time being in force.

8. Administration of the Fund

The officer administering the Fund shall—

- (a) supervise and control the administration of the Fund;
- (b) consult with the Trustees on matters relating to the administration of the Fund as may, from time to time, be necessary;
- (c) if the officer thinks fit, impose conditions on any expenditure authorized by him or on his behalf and may impose any reasonable prohibition, restriction or other requirements concerning such use or expenditure;
- (d) cause to be kept all proper books of account and other books and records relating to the Fund and to all the various activities and undertakings financed by the Fund;
- (e) transmit to the Controller and Auditor-General in respect of each financial year and within four months after the end thereof, a statement of accounts relating to the Fund, prepared and signed by him specifying all contributions, receipts and income to the Fund received and, showing the expenditure incurred from the Fund, in such details and with additional information as he may deem to be proper and sufficient for the purpose of examination and audit by the Controller and Auditor-General and in accordance with section 18(2) (now deleted) of the Act and as the Treasury may, from time to time, direct:

Provided that every such statement of accounts shall include details of the balance between the assets and liabilities of the Fund and indicate the financial status of the Fund as at the end of the financial year concerned.

9. Amendment to the rules and regulations

The Trustees may, from time to time, recommend to the Founder amendment to these Regulations.

**THE EXCHEQUER AND AUDIT (INTELLIGENCE
SERVICE DEVELOPMENT FUND) REGULATIONS, 2002**

ARRANGEMENT OF REGULATIONS

Regulation

1. Citation and commencement.
 2. Interpretation.
 3. Establishment of the Fund.
 4. Object and purpose of the Fund.
 5. Initial capital of the Fund.
 6. Intelligence Service Development Committee.
 7. Annual approval of expenditure.
 8. Administration of the Fund.
 9. Amendment to the Regulations.
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**THE EXCHEQUER AND AUDIT (INTELLIGENCE
SERVICE DEVELOPMENT FUND) REGULATIONS, 2002**

[L.N. 110/2002.]

1. Citation and commencement

These Regulations may be cited as the Exchequer and Audit (Intelligence Service Development Fund) Regulations, 2002 and shall be deemed to have come into operation on the 1st July, 2001.

2. Interpretation

In these Regulations, unless the context otherwise requires—

“**Committees**” means the Intelligence Service Development Committee established under regulation 6;

“**Council**” has the meaning assigned to it in the National Security Intelligence Service Act;

“**financial year**” means the period from 1st July in any year to 30th June, in the immediately succeeding year, both days are inclusive;

“**Fund**” means the Intelligence Service Development Fund established under regulation 3;

“**officer administering the Fund**” means the accounting officer responsible for the Vote of National Security Intelligence Service or any other person appointed by him in writing to administer the Fund on his behalf.

3. Establishment of the Fund

There shall be established a Fund to be known as the Intelligence Service Development Fund which shall consist of monies appropriated by Parliament for that purpose.

4. Object and purpose of the Fund

(1) The object and purpose for which the Fund is established is to provide for and meet the basic intelligence needs of Kenya in a manner consistent with the overall policy development by the Government of Kenya.

(2) Without prejudice to the generality of paragraph (1), the Fund shall be used for the—

- (a) stimulation and support of research and training in intelligence matters;
- (b) development and maintenance of intelligence equipment and facilities;
- (c) purchase of information technology and equipment; and
- (d) facilitation of operations and communications technology;

5. Initial capital of the Fund

(1) The initial capital of the Fund shall be the sum of ten million shillings appropriated by Parliament in the 2001/2002 financial year.

(2) There may be received for the purpose if the Fund contributions of money or material, which shall be credited to the Fund immediately upon receipt.

6. Intelligence Service Development Committee

(1) There shall be an Intelligence Service Department Committee which shall be responsible for the daily operations of the Fund in accordance with the laid down rules and regulations.

(2) The Committee shall consist of such number of persons as may be appointed by the officer administering the Fund.

7. Annual approval of expenditure

(1) No money shall be expended for any of the purposes for which the Fund is established—

- (a) except in the provisions of finance in respect of a specified and defined activity selected and recommended by the Committee and approved by the officer administering the Fund;
- (b) unless the officer administering the Fund has signed in writing in approval of such expenditure.

(2) Any surplus realized in any financial year shall be retained in the reserve account of the Fund and shall be used by the Fund for the purpose for which the Fund is established and a deficiency, if realized in any year, shall be off-set against the realized surplus.

8. Administration of the Fund

(1) The officer administering the Fund shall—

- (a) supervise and control the administration and financial management of the Fund;
- (b) consult with the council on matters relating to the Fund as may from time to time be required;
- (c) formulate matters of policy consistent with these Regulations for the purpose of providing such general or specific guidance as the Committee may desire or in his opinion require;
- (d) receive and examine the Committee as to research, training, maintenance and development works to be undertaken or supported;
- (e) if he thinks fit, impose conditions as to the use to be made of any expenditure authorized by him or on his behalf, including any reasonable prohibition, restriction or requirement concerning such use or expenditure;
- (f) cause to be kept all proper books of accounts and other books and records relating to the Fund, and to all the various activities and undertakings financed by the Fund;
- (g) transmit to the council in accordance with the National Security Intelligence Service Act (No. 11 of 1998) (now repealed), a statement of accounts relating to the Fund prepared and signed by him specifying all contributions to the Fund and showing the expenditure incurred from the Fund;
- (h) transmit to the Controller and Auditor-General in respect of each financial year and within four months after the end thereof a statement of accounts relating to the Fund, prepared and signed by him, specifying all contributions receipts and income to the Fund received and, showing the expenditure incurred from the Fund in such details and with such additional information as he may deem to be proper and sufficient for the purpose of examination and audit by the Controller and Auditor-General and in accordance with section 18(2) of the acts as the Treasury may, from time to time, direct.

(2) Every statement of account submitted under paragraph (1) shall include details of the balance between the assets and liabilities of the Fund and shall indicate the financial status of the Fund as at the end of the financial year concerned.

9. Amendment to the Regulations

The council may, from time to time, recommend to the officer administering the Fund changes to the regulations of the Fund.

**THE EXCHEQUER AND AUDIT (MECHANICAL
AND TRANSPORT FUND) REGULATIONS, 2003**

ARRANGEMENT OF REGULATIONS

Regulation

1. Citation.
 2. Interpretation.
 3. Establishment of the Fund.
 4. Object and purpose of the Fund.
 5. Initial capital of the Fund.
 6. Treatment of surplus.
 7. Fees.
 8. Expenditure on specified activities.
 9. Retention of receipts.
 10. Administration of the Fund.
 11. Winding up of the Fund.
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**THE EXCHEQUER AND AUDIT (MECHANICAL
AND TRANSPORT FUND) REGULATIONS, 2003**

[L.N. 140/2003, L.N. 53/2011.]

1. Citation

These Regulations may be cited as the Exchequer and Audit (Mechanical and Transport Fund) Regulations, 2003, and shall be deemed to have come into operation on the 1st July, 2003.

2. Interpretation

In these Regulations, unless the context otherwise requires—

“**Department**” means the Mechanical and Transport Department;

“**financial year**” means the period of twelve months ending on the 30th June, in each year;

“**Fund**” means the Mechanical and Transport Fund established by regulation 3;

“**officer administering the Fund**” means the accounting officer of the Ministry for the time being responsible for the Mechanical and Transport Department, or a person appointed by him in writing for that purpose.

3. Establishment of the Fund

There is established a fund to be known as the Mechanical and Transport Fund.

4. Object and purpose of the Fund

The object and purpose of the Fund is to provide additional funds for the administration, planning, development, management, regulation, operation and maintenance of effective, economical and efficient mechanical and transport services in Kenya.

5. Initial capital of the Fund

The initial capital of the Fund shall be the sum of twenty-two million shillings appropriated by Parliament in the 2003/2004 financial year.

6. Treatment of surplus

Any surplus realized in any financial year from the operations of the Fund shall be retained in a reserve account of the Fund and any deficiency realized in any financial year shall, subject to prior concurrence of the Treasury, be offset against the realized surplus held in the reserve account of the Fund.

7. Fees

The officer administering the Fund may, subject to the approval of the Minister, impose any fee—

- (a) for any service rendered by the department;
- (b) for the use by any person of the facilities of the department; or
- (c) for the grant, renewal or validation of a licence, permit or certificate.

8. Expenditure on specified activities

No monies shall be expended for any purpose other than the purpose for which the Fund is established except in the provision of finance in respect of a specified and defined activity approved in writing by the officer administering the Fund.

9. Retention of receipts

The receipts, earnings, accruals and the balance of the Fund at the close of each financial year shall not be paid into the consolidated Fund but shall be retained for the purpose for which the Fund is established.

10. Administration of the Fund

The officer administering the Fund shall—

- (a) supervise and control the administration and financial management of the Fund;
- (b) consult with the Minister for the time being responsible for matters relating to Finance as may from time to time be necessary;
- (c) if he thinks fit, impose conditions on the use of the expenditure authorized by him or on his behalf and may impose any reasonable prohibition, restriction or other requirement concerning such use or expenditure;
- (d) institute prudent measures for the proper utilization for monies deposited in the Fund using suitable internal controls and appropriate mechanism for accountability including audit of accounts by internal auditors of the Ministry responsible for matters relating to Finance;
- (e) cause to be kept proper books of accounts and records relating to the Fund and to all the activities and undertakings financed by the Fund;
- (f) prepare, sign and transmit to the Controller and Auditor-General in respect of each financial year and within four months after the end thereof, a statement of account relating to the Fund specifying all contributions to the Fund and the expenditure incurred from the Fund, with such additional information as may be sufficient for purposes of examination and audit by the Controller and Auditor-General in accordance with section 18(2) of the Act and as the Treasury may, from time to time, direct:

Provided that the statement of account shall include details of the balance between the assets and liabilities of Fund and reflect the true and fair financial status of the Fund as at the end of the financial year concerned.

11. Winding-up of the Fund

Upon the winding-up of the Fund, any balance and assets standing to the credit of the Fund shall be credited to the Exchequer.

SCHEDULE

[L. N. 53/2011.]

[Subsidiary]

**THE EXCHEQUER AND AUDIT (RURAL
ENTERPRISE FUND) (WINDING-UP) ORDER, 2012**

[L.N. 97/2012.]

1. These Order may be cited as the Exchequer and Audit (Rural Enterprise Fund) (Winding-up) Order, 2012.
 2. The Rural Enterprise Fund established under the Exchequer and Audit (Rural Enterprise Fund) Regulations, 1992 (L.N. 109/1992) is wound-up.
 3. Any amounts remaining in the Rural Enterprise Fund shall be paid into the Consolidated Fund.
 4. The Exchequer and Audit (Rural Enterprise Fund) Regulations, 1992, are revoked.
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