

SPECIAL ISSUE

Kenya Gazette Supplement No. 66 (Acts No. 6)

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KENYA GAZETTE SUPPLEMENT

ACTS, 2014

NAIROBI, 15th May, 2014

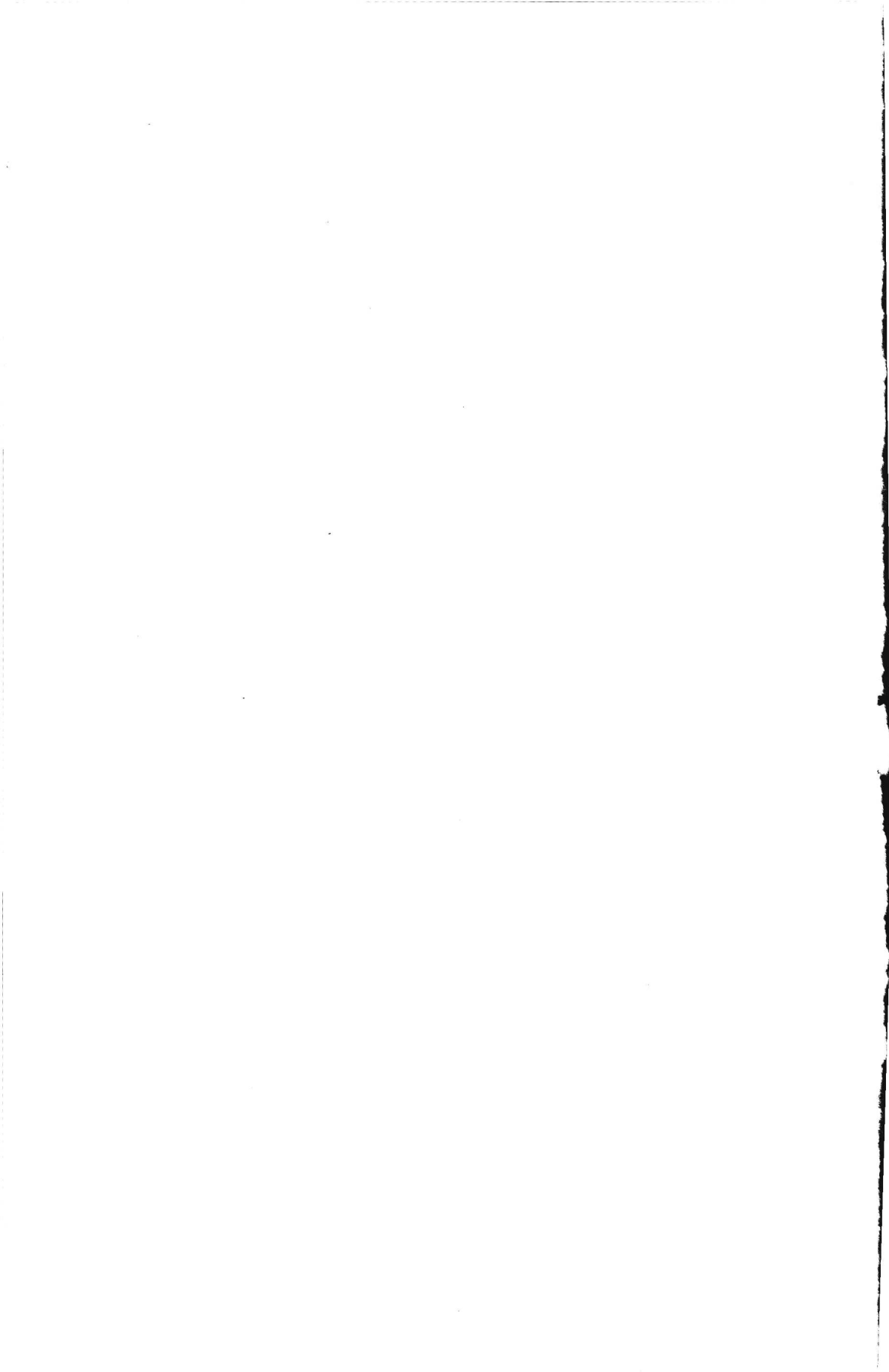
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**THE PUBLIC FINANCE MANAGEMENT
(AMENDMENT) ACT, 2014**

No. 6 of 2014

Date of Assent: 8th May, 2014

Commencement Date: 29th May, 2014

**AN ACT of Parliament to amend the Public
Finance Management Act**

ENACTED by the Parliament of Kenya, as follows—

1. This Act may be cited as the Public Finance Management (Amendment) Act, 2014.

Short title.

2. Section 2 of the Public Finance Management Act (hereinafter referred to as “the principal Act”) is amended—

Amendment of section 2 of No.18 of 2012.

- (a) in the definition of the expression “accounting officer” by deleting the semi colon at the end of paragraph (d) and substituting therefor the words “in respect of the Senate and the Clerk of the National assembly in respect of the National Assembly”;
- (b) in the definition of the expression “national government security”, by—
 - (i) deleting the word “includes” and substituting therefor the word “means”;
 - (ii) inserting the expression “or section 53A” immediately after the expression “section 53”.
- (c) by inserting the following new definitions in their proper alphabetical sequence—

“external government security” means a national government security which is issued outside Kenya;

“external loan” means any loan governed by the laws of a jurisdiction other than Kenya; and

“loan” means any borrowing with or without interest from any source or any issuance of a national government security.

3. Section 12 of the principal Act is amended by deleting the expression, “annual Division of Revenue and the County Allocation of Revenue Bill” and substituting therefore the expression, “legislative proposals on annual Division of Revenue and County Allocation of Revenue”.

Amendment of section 12 of No. 18 of 2012.

4. Section 40 of the principal Act is amended—

Amendment of section 40 of No. 18 of 2012.

- (a) in subsection (3) by deleting the words “the Finance Bill” and substituting therefor the words, “a legislative proposal”; and
- (b) in sub-section (4) by deleting the words, “the Finance Bill by the Cabinet Secretary, the relevant committee of the National Assembly shall introduce the Bill in the National together with the report of the committee on the Bill” and substituting therefor the words, “the legislative proposal of the Cabinet Secretary, the relevant committee of the National Assembly shall introduce a Finance bill in the National Assembly”.

5. Section 50 of the principal Act is amended by deleting subsection (7) and substituting therefor the following new subsection—

Amendment of section 50 of No. 18 of 2012.

“(7) The Cabinet Secretary shall ensure that the proceeds of any loan raised under this Act are—