

PARLIAMENT
OF KENYA
LIBRARY



Approved
SNA
23/4/24

REPUBLIC OF KENYA

THE NATIONAL ASSEMBLY

THIRTEENTH PARLIAMENT | THIRD SESSION (2024)

COMMITTEE ON DELEGATED LEGISLATION

REPORT ON THE CONSIDERATION OF THE PUBLIC FINANCE MANAGEMENT
(KENYA MILLENNIUM DEVELOPMENT FUND) REGULATIONS, 2024 (LEGAL
NOTICE NO. 51 OF 2024)

APRIL, 2024

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 23 APR 2024	DAY: TUESDAY
TABLED BY:	Hon Samuel Chepkong'o, CBS, MP Chairperson, Delegated Legislation
CLERK AT THE TABLE:	A. Shubuko

The Directorate of Audit, Appropriations & General Purpose Committees

The National Assembly

Parliament Buildings

NAIROBI

NATIONAL ASSEMBLY
RECEIVED
23 APR 2024
SPEAKER'S OFFICE
P. O. Box 41842, NAIROBI.

Faint, illegible markings or text in the upper left corner.

Faint, illegible markings or text in the upper right corner.

NOV 20 1954

RECEIVED
NOV 20 1954
Faint text and markings in the bottom left corner, possibly a stamp or label.

TABLE OF CONTENTS

ABBREVIATIONS AND ACCRONYMS	2
CHAIRPERSON’S FORWARD	3
1.0 PREFACE	5
1.1 Establishment and Mandate of the Committee	5
1.2 Committee Membership	6
1.3 Committee Secretariat	8
2.0 CONSIDERATION OF THE PUBLIC FINANCE MANAGEMENT (KENYA MILLENIUM DEVELOPMENT FUND) REGULATIONS, 2024 (L.N. NO. 51 OF 2024)	9
2.1 Introduction	9
2.2 Object and Purpose of the Regulations	9
2.3 Policy Context and Rationale for the Public Finance Management (Kenya Millennium Development Fund) Regulations, 2024 (LN. No. 51 of 2024)	9
2.4 Summary of the Public Finance Management (Kenya Millennium Development Fund) Regulations, 2024 (LN. No. 51 of 2024)	11
2.5 Scrutiny of the Instrument	12
3.0 COMMITTEE OBSERVATIONS	13
3.1 Statutory Timelines	13
3.2 Consultations/Public Participation	13
3.3 Regulatory Impact Statement	13
3.4 General Observation.....	13
4.0 COMMITTEE RECOMMENDATIONS	14

ABBREVIATIONS AND ACCRONYMS

CEO	Chief Executive Officer
GoK	Government of Kenya
LN	Legal Notice
MCC	Millennium Challenge Corporation
UN	United Nations
US	United States

CHAIRPERSON'S FORWARD

The Public Finance Management (Kenya Millennium Development Fund) Regulations, 2024 (“the Regulations”) were made vide *LN. No. 51 of 2024* pursuant to powers conferred on the Cabinet Secretary for the National Treasury and Planning under section 24(4) of the Public Finance Management Act, 2012 hence, is a statutory instrument within the meaning of section 2 of the Statutory Instruments Act, 2013.

The Regulations were published in the Gazette on 8th March, 2024, and received by the Clerk of the National Assembly on 14th March, 2024. They were tabled before the House on 19th March, 2024, being within the statutory timelines contemplated under section 11(1) of the Statutory Instruments Act and committed to the Committee on Delegated Legislation for consideration.

The purpose of this Statutory Instrument is to establish a fund to be known as the **Kenya Millennium Development Fund** which will be a vehicle for the implementation of the Threshold Program on behalf of the Government of Kenya. The Government of Kenya has signed a Grant Agreement with the Government of the United States of America, acting through Millennium Challenge Corporation. The Fund shall support millennium Challenge Compact projects, and in particular:

- (a) Provide better multimodal transport system planning for Nairobi;
- (b) Improve connectivity and provide safer access to the mass public transport system in a targeted area of Nairobi;
- (c) Clarify land use and development control policy in Nairobi in order to facilitate the construction of non-motorized transport infrastructure; and
- (d) Catalyze financing required for the implementation of the bust rapid transit system in a manner that promotes lower greenhouse gas emissions.

Pursuant to section 16 of the Statutory Instruments Act, 2013 which requires the Committee to confer with the regulation-making authorities before making its decision, the Committee held a meeting with the National Treasury and Economic Planning on Friday, 19th April, 2024 to deliberate on the Regulations. The Committee observed that there was a discrepancy in the term of office for the Chief Executive Officer as provided in Regulation 11(7) and Regulation 16(1) and a limitation on qualification of the Chief Executive Officer.

1. Having examined the Public Finance Management (Kenya millennium Development Fund) Regulations, 2024 against the Constitution, the Statutory Instruments Act, 2013, the Public Finance Management Act, 2012, and the Interpretation and General Provisions Act (Cap 2), the Committee resolved to recommend that the House **APPROVES the Public Finance Management (Kenya millennium Development Fund) Regulations, 2024 (L.N. No. 51 of 2024) subject to the regulation making authority publishing a corrigenda to correct the minor errors appearing in Regulations 11 and 16..**

I wish to most sincerely thank the Speaker and the Office of the Clerk of the National Assembly for the invaluable support accorded to the Committee in the discharge of its mandate. I also wish to thank the Committee Membership for their diligence during the consideration of these Regulations.

On behalf of the Members of the Committee on Delegated Legislation and pursuant to Standing Order 210, it is my pleasure and duty to present to the House, the Committee's ***Report on the Consideration of the Public Finance Management (Kenya Millennium Development Fund) Regulations, 2024 (LN. No. 51 of 2024).***

HON. CHEPKONG'A KIPRONO SAMUEL, CBS, MP.

1.0 PREFACE

1.1 Establishment and Mandate of the Committee

2. The Select Committee on Delegated Legislation is established under *Standing Order No. 210* of the National Assembly Standing Orders and is mandated to consider statutory instruments submitted to Parliament for consideration. The Committee is expected to consider in respect of any statutory instrument, whether it is in accord with the provisions of the Constitution, the Act pursuant to which it is made or other relevant written laws.
3. The Committee is mandated to consider in respect of any statutory instrument, whether it:
 - a) is in accordance with the provisions of the Constitution, the Act pursuant to which it is made or other relevant written laws;
 - b) infringes on fundamental rights and freedoms of the public;
 - c) contains a matter which in the opinion of the Committee should more properly be dealt with in an Act of Parliament;
 - d) contains imposition of taxation;
 - e) directly or indirectly bars the jurisdiction of the Courts;
 - f) gives retrospective effect to any of the provisions in respect to which the Constitution or the Act does not expressly give any such power;
 - g) involves expenditure from the Consolidated Fund or other public revenues;
 - h) is defective in its drafting or for any reason the form or purport of the statutory instrument calls for any elucidation;
 - i) appears to make some unusual or unexpected use of the powers conferred by the Constitution or the Act pursuant to which it is made;
 - j) appears to have had unjustifiable delay in its publication or laying before Parliament;
 - k) makes rights, liberties or obligations unduly dependent upon non-reviewable decisions;
 - l) makes rights, liberties or obligations unduly dependent insufficiently defined administrative powers;
 - m) inappropriately delegates legislative powers;
 - n) imposes a fine, imprisonment or other penalty without express authority having been provided for in the enabling legislation;
 - o) appears for any reason to infringe on the rule of law;
 - p) inadequately subjects the exercise of legislative power to Parliamentary scrutiny; and
 - q) accords to any other reason that the Committee considers fit to examine.

1.2 Committee Membership

4. The Committee membership comprises –

Chairperson

Hon. Chepkong’ a Kiprono Samuel, CBS, M.P.

Ainabkoi Constituency

UDA

Vice-Chairperson

Hon. Githinji Robert Gichimu, M.P.

Gichugu Constituency

UDA

Committee Members

Hon. Mbui Robert, CBS, M.P

Kathiani Constituency

WDM-Kenya

**Hon. (Maj) (Rtd) Dekow Barrow Mohamed,
M.P**

Garrisa Township Constituency

UDA

**Hon. Julius Lekakeny Ole Sunkuli, EGH,
EBS, M.P.**

Kilgoris Constituency

KANU

Hon. Kamene Joyce, M.P

Machakos County

WDM-Kenya

Hon. Onchoke, Mamwacha Charles, M.P.

Bonchari Constituency

UPA

Hon Kimaiyo, Gideon Kipkoech, M.P.

Keiyo South Constituency

UDA

Hon. Komingoi, Kibet Kirui, M.P.

Bureti Constituency

UDA

Hon. Chebor, Paul Kibet, M.P

Rongai Constituency

UDA

Hon. Yakub Adow Kuno, M.P

Bura Constituency

UPIA

**Hon. (Maj) (Rtd) Abdullahi, Bashir Sheikh,
M.P.**

Mandera North Constituency

UDM

Hon. Mwirigi John Paul, M.P.

Igembe South Constituency

UDA

Hon. Odoyo, Jared Okello, M.P.

Nyando Constituency

ODM

Hon. Chepkorir Linet, M.P.

Bomet County

UDA

Hon. Munyoro Joseph Kamau, M.P

Kigumo Constituency

UDA

**Hon. Ruku, Geoffrey Kariuki Kiringa,
M.P.**

Mbeere North Constituency

DP

Hon. Lenguris Pauline, M.P.

Samburu County

UDA

Hon. Mwale, Nicholas S. Tindi M.P.

Butere Constituency

ODM

Hon Mnyazi Amina Laura, MP.

Malindi Constituency

ODM

Hon. Mugabe Innocent Maino, M.P.

Lukuyani Constituency

ODM

1.3 Committee Secretariat

5. The secretariat facilitating the Committee comprises –

Ms. Esther Nginyo
Clerk Assistant I (Team Leader)

Mr. Dima Dima
Principal Legal Counsel I

Mr. Brian Langwech
Clerk Assistant III

Ms. Isabella Mwembi
Clerk Assistant III

Mr. Silvanus Makau
Clerk Assistant III

Mr. Peter Barasa
Legal Counsel II

Ms. Viola Saiya
Research Officer III

Mr. Noah Chemweno
Serjeant at Arms

Mr. Valerian Pascal
Hansard Reporter III

Ms. Rahab Chepkilim
Audio Officer

2.0 CONSIDERATION OF THE PUBLIC FINANCE MANAGEMENT (KENYA MILLENNIUM DEVELOPMENT FUND) REGULATIONS, 2024 (L.N. NO. 51 OF 2024)

2.1 Introduction

6. The Public Finance Management (Kenya Millennium Development Fund) Regulations, 2024 (L.N. No. 51 of 2024) were made pursuant to the powers conferred on the Cabinet Secretary for the National Treasury and Planning under section 24(4) of the Public Finance Management Act, 2012 hence, is a statutory instrument within the meaning of section 2 of the Statutory Instruments Act, 2013.
7. The Regulations were published in the Gazette on 8th March, 2024, and received by the Clerk of the National Assembly on 14th March, 2024 and was tabled before the House on 19th March, 2024, being within the statutory timelines contemplated under section 11(1) of the Statutory Instruments Act. They were subsequently transmitted to the Committee on Delegated Legislation for consideration.
8. Pursuant to section 16 of the Statutory Instruments Act, 2013 which requires the Committee to confer with the regulation-making authorities before making its decision, the Committee held a meeting with the National Treasury and Economic Planning on Friday, 19th April, 2024 to deliberate on the Regulations.

2.2 Object and Purpose of the Regulations

9. The purpose of this Statutory Instrument is to establish a fund to be known as the Kenya Millennium Development Fund whose purpose and object is to provide funds to support Millennium Challenge Compact Projects.
10. Further, and in particular, the Fund shall be used to:
 - a. Provide better multimodal transport system planning for Nairobi;
 - b. Improve connectivity and provide safer access to the mass public transport system in a targeted area of Nairobi;
 - c. Clarify land use and development control policy in Nairobi in order to facilitate the construction of non-motorized transport infrastructure; and
 - d. Catalyze financing required for the implementation of the bust rapid transit system in a manner that promotes lower greenhouse gas emissions.

2.3 Policy Context and Rationale for the Public Finance Management (Kenya Millennium Development Fund) Regulations, 2024 (L.N. No. 51 of 2024)

11. The Millennium Challenge Compact (MCC) is a bilateral United States Foreign Aid Agency established by the US Congress in 2004. MCC forms partnerships with developing countries that are committed to good governance, economic freedom, and investing in their citizens. MCC provides time-limited grants (US Government assistance) promoting economic growth, reducing poverty, and strengthening institutions.

12. These investments in core infrastructure and policy and institutional reforms are key interventions that are improving the lives of nearly 270 million people across 46 countries in five continents.
13. From March 2007 to December 2010 Kenya implemented the first threshold program (\$12.7 million) grant for three interventions that focused on reforming the health procurement systems, improving health service and delivery, and improving the monitoring capacity of government and civil society organizations.
14. In December 2019, the MCC Board selected Kenya based on improved performance on the “control of corruption” indicator. In January 2020, MCC CEO visited Kenya and launched the program.
15. Between March and October 2021, the Government and MCC conducted an Economic Constraint Analysis to: understand the causes and issues underlying the binding constraints to be targeted. Opportunities were identified and defined. The programme will utilize blended finance interventions that will mobilize private capital and investment around MCC targeted sectors.
16. Two major constraints identified were:-
 - i. Crowding out and its limits in financing the private sector, particularly to vulnerable micro, small and medium enterprises; and
 - ii. Limited connectivity that undermines productivity in urban areas (especially Nairobi), the engine of Kenya’s economic growth.
17. Since the Government was already working with the International Monetary Fund on a program addressing the first constraint, it was agreed that the MCC would support interventions in addressing the second constraint.
18. In March 2022, the MCC Board of Directors approved a \$60 million threshold program grant for Kenya. The program sought to improve urban connectivity in Nairobi and includes projects to support integrated transport planning, non-motorized transport, land use policy, and blended finance for the bus rapid transit system.
19. To support greater inclusivity in the Nairobi transport system, the program sought to substantially improve the mobility and safety of pedestrians, who represent both the largest and the poorest segment of Nairobi’s commuters (estimated at more than 2.5 million people), and to create safer and more visible transportation choices for women.
20. The Government of Kenya (GoK) and MCC concluded negotiations in August 2023 and the Threshold Grant Agreement was signed on 19th September, 2023 on the sidelines of the UN General Assembly, in New York City.

2.4 Summary of the Public Finance Management (Kenya Millennium Development Fund) Regulations, 2024 (LN. No. 51 of 2024)

21. The Regulations are in five (5) parts: Part I is on preliminary provisions; Part II is on the establishment of the Fund; Part III is on the establishment and composition of the Board; Part IV is on financial provisions and Part V is on miscellaneous provisions.
22. **Regulations 1 and 2** are preliminary provisions which include the citation and interpretation while regulation 3 establishes the Kenya Millennium Development Fund.
23. **Regulation 4** outlines that the object and purpose of the Fund is to exercise and perform Government's obligations to oversee, manage and implement Threshold Program. This includes managing the implementation of the projects and their activities, allocating resources for the projects set out in the Grant Agreement, and managing procurements.
24. **Regulation 5** outlines the sources of the Fund, which include: moneys granted for Threshold Program under the Grant Agreement; moneys appropriated by the National Assembly for the Government; and grants, other than that provided under the Grant Agreement and donations if approved by Millennium Challenge Corporation.
25. **Regulation 6** provides that the initial capital of the Fund shall be a sixty million dollars grant from the Millennium Challenge Corporation provided in accordance with the terms of the Grant Agreement, and any other funds and resources that are necessary to carry out the Governments responsibilities and obligations under the Grant Agreement.
26. **Regulation 7** provides for the expenditure of the Fund. It allows Fund payments in respect of any expenses incurred in pursuant of the Threshold Program and in accordance with the Grant Agreement. The expenditure incurred on the Fund shall be on the basis of and limited to annual work plans and cost estimates which shall be prepared by the Chief Executive Officer of the Fund and approved by the Board, in accordance with the Grant Agreement requirements.
27. **Regulation 8** provides for the administration of the Fund.
28. **Regulation 9** provides for retention of receipts.
29. **Regulation 10** provides for fiscal accountability and compliance.
30. **Regulation 11** establishes the Kenya Millennium Development Fund Board and outlines the composition of the Board.
31. **Regulation 12** provides for the qualifications for appointment to the Board.
32. **Regulation 13** provides for the functions of the Board.
33. **Regulation 14** provides for meetings and procedure of the Board.
34. **Regulation 15** requires the Board to ensure that all procurements for goods, works, and services required to implement the Threshold program are undertaken solely in accordance with the MCC Program Procurement Guidelines.

35. **Regulation 16** establishes the office of Chief Executive Officer of the Fund who shall be recruited and appointed by the Board. It also provides for tenure of office and the qualifications for the CEO.
36. **Regulation 17** requires that accurate record of disbursement of the Fund to be kept.
37. **Regulation 18** establishes the Corporation Secretary who shall be competitively recruited and appointed by the Board.
38. **Regulation 19** provides for the staff of the Board who may be appointed by the Board and shall serve on such terms and conditions as the Board may, with the advice of the Salaries and Remuneration Commission, determine.
39. Regulation 20 provides for financial year of the Fund which shall be the period of twelve months ending on the 30th June in each year.
40. **Regulation 21 and 22** requires the Board of the Fund to cause to be prepared estimates of its revenue and expenditure of that year, at least three months before the commencement of each financial year and keep proper books and records of account of income, expenditure and liabilities of the fund.
41. **Regulation 23** provides that the accounts of the Fund shall be audited by the Auditor-General or by an auditor appointed by the Board with the written approval of the Auditor-General.
42. **Regulation 24** provides for close-out of the Grant Agreement.

2.5 Scrutiny of the Instrument

43. The Committee examined the Public Finance Management (Kenya Millennium Development Fund) Regulations, 2024 against the Constitution, the Interpretation and General Provisions Act (Cap 2), the Public Finance Management Act, 2012 (No. 18 of 2012) and the Statutory Instruments Act (No 23 of 2013).
44. The scrutiny was undertaken following the tabling of the Regulations before the House on 19th March, 2024 and their subsequent referral to the Committee on Delegated Legislation. The Committee held a meeting with the National Treasury and Economic Planning on Friday, 19th April, 2024 at English Point Marina in Mombasa County to deliberate on the Regulations.

3.0 COMMITTEE OBSERVATIONS

45. Having examined the Public Finance Management (Kenya Millennium Development Fund) Regulations, 2024 (LN. No. 51 of 2024) against the Constitution, the Public Finance Management Act, 2012 (No. 18 of 2012) and the Statutory Instruments Act, 2013, the Interpretation and General Provisions Act (Cap 2), the Committee observed **THAT**: -

3.1 Statutory Timelines

46. The Regulations were published in the gazette on 8th March, 2024 vide Legal Notice No. 51 of 2024, submitted to the Clerk of the National Assembly on 14th March, 2024 and laid on the table of the House on 19th March, 2024 being within the requisite statutory timelines under section 11(1) of the Statutory Instruments Act, 2013.

3.2 Consultations/Public Participation

47. Articles 10 and 118 of the Constitution and section 5 of the Statutory Instruments Act require that the regulation-making authority conducts public participation and sufficient consultation with the stakeholders and persons likely to be affected by the regulations.

48. In attempt to demonstrate the extent of public participation, the Task force responsible for preparation and development of the Regulations, held targeted consultations with key stakeholders and their input taken into account before finalization of these Regulations. These included The National Treasury and Economic Planning, Office of the Attorney-General & Department of Justice, State Department of Transport and Nairobi City County Government.

49. In line with the provisions of Section 5 of the Statutory Instruments Act, 2013, the National Treasury together with the Ministry of Roads and Transport, undertook public participation before publication of these Regulations.

50. The mode of public participation included invitation of key stakeholders via an advertisement posted on the National Treasury website and published in the *My Gov* section of Nation and Standard Newspapers of 27th February, 2024. Written submissions on the Regulations were sent to psnt@treasury.go.ke and jona.wala@treasury.go.ke.

3.3 Regulatory Impact Statement

51. The Committee was satisfied with the explanation and the demonstration that an impact assessment need not to have been prepared for the statutory instrument as it falls within the exceptions provided under Section 9 of the Statutory Instruments Act, No. 23 of 2013.

3.4 General Observation

52. The Committee noted that there was discrepancies in the term of office for the Chief Executive officer as provided under Regulation 11(7) and Regulation 16(1). Further, the Committee noted that qualifications for the Chief Executive Officer required a person with background in finance, hence limiting those with management experience.

4.0 COMMITTEE RECOMMENDATIONS

53. Having examined the Public Finance Management (Kenya Millennium Development Fund) Regulations, 2024 (LN. No. 51 of 2024) in accordance with the Constitution, the Statutory Instruments Act, 2013, the Public Finance Management Act, 2012, the Interpretation and General Provisions Act (Cap 2), the Committee recommends that **the House APPROVES the Public Finance Management (Kenya Millennium Development Fund) Regulations, 2024 (LN. No. 51 of 2024) in accordance with section 24(4) of the Public Finance Management Act (No. 18 of 2012) subject to the regulation-making authority publishing a corrigenda to correct the minor errors appearing in Regulations 11 and 16.**

Signed



Date

23/06/2024



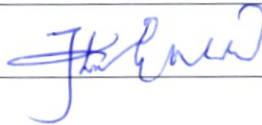
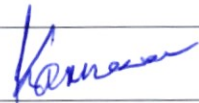








**THE HON. CHEPKONG'A SAMUEL KIPRONO, CBS, MP
(CHAIRPERSON)
COMMITTEE ON DELEGATED LEGISLATION**

ANNEXTURES

COMMITTEE ON DELEGATED LEGISLATION ADOPTION LIST

DATE: 23/04/2024 VENUE: SMALL DINING NEW WING STARTING TIME: 10:00AM
 ENDING TIME: 11:30AM

AGENDA: CONSIDERATION OF THE REPORT ON THE PUBLIC FINANCE MANAGEMENT (KENYA MILLENIUM DEVELOPMENT FUND) REGULATION 2024

	NAME	SIGNATURE
1.	The Hon. Chepkonga Kiprono Samuel, CBS, M.P, Chairperson	
2.	The Hon. Githinji, Robert Gichumi, M.P. Vice-Chairperson	
3.	The Hon. Mbui, Robert, CBS, M.P.	
4.	The Hon. Sunkuli Julius Lekakeny, EGH,EBS,MP	
5.	The Hon. Maj. (Rtd) Abdullahi Bashir Sheikh, M.P.	
6.	The Hon. Mwirigi, John Paul, M.P.	
7.	The Hon. Kamene, Joyce, M.P.	
8.	The Hon. Mwale, Nicholas S. Tindi, M.P.	
9.	The Hon. Odoyo, Jared Okello, M.P.	
10.	The Hon. Komingoi, Kibet Kirui, M.P.	
11.	The Hon. Maj. (Rtd.) Dekow Barrow Mohamed, M.P.	
12.	The Hon. Munyoro, Joseph Kamau, M.P.	
13.	The Hon, Kimaiyo, Gideon Kipkoech, M.P.	
14.	The Hon. Ruku, Geoffrey Kariuki Kiringa, M.P.	
15.	The Hon. Chepkorir, Linet, M.P.	
16.	The Hon. Chebor, Paul, M.P.	
17.	The Hon. Lenguris, Pauline, M.P.	
18.	The Hon. Mamwacha Onchoke Charles, M.P.	
19.	The Hon. Yakub, Adow Kuno, M.P.	
20.	The Hon. Mnyazi, Amina Laura, M.P.	
21.	The Hon. Mugabe, Innocent Maino, M.P.	

MINUTES OF THE 29TH SITTING OF THE COMMITTEE ON DELEGATED LEGISLATION HELD ON TUESDAY, 23RD APRIL, 2024, IN SMALL DINING, NEW WING LOUNGE, PARLIAMENT BUILDINGS AT 10.00 A.M.

PRESENT

1. **The Hon Samuel Kiprono Chepkonga, CBS, M.P. Chairperson**
2. **The Hon. Robert Gichimu Githinji, M.P. Vice Chairperson**
3. The Hon. Julius Lekakeny Ole Sunkuli, EGH, EBS M.P
4. The Hon. Joyce Kamene, M.P.
5. The Hon. Maj. (Rtd). Dekow Barrow Mohamed, M.P.
6. The Hon. Laura Amina Mnyazi, M.P.
7. The Hon. Kibet Kirui Komingoi, M.P.
8. The Hon. Geoffrey Kariuki Kiringa Ruku, M.P
9. The Hon. Pauline Lenguris, M.P.
10. The Hon. Gideon Kipkoech Kimaiyo, M.P.
11. The Hon. Yakub Adow Kuno, M.P.
12. The Hon. Paul Chebor, M.P.

APOLOGIES

1. The Hon. Robert Mbui, CBS, M.P.
2. The Hon. Nicholas S. Tindi Mwale, M.P.
3. The Hon. Jared Okello Odoyo, M.P.
4. The Hon. Maj. (Rtd). Abdullahi Bashir Sheikh, M.P.
5. The Hon. John Paul Mwirigi, M.P.
6. The Hon. Charles Mamwacha Onchoke. M.P.
7. The Hon. Joseph Kamau Munyoro, M.P
8. The Hon. Innocent Mugabe, M.P.
9. The Hon. Linet Chepkorir M.P.

IN ATTENDANCE

SECRETARIAT

- | | | |
|------------------------|---|---------------------------|
| 1. Ms. Esther Nginyo | - | Clerk Assistant I |
| 2. Mr. Dima Dima | - | Principal Legal Counsel I |
| 3. Mr. Brian Langwech | - | Clerk Assistant III |
| 4. Ms. Isabella Mwembi | - | Clerk Assistant III |
| 5. Mr. Silvanus Makau | - | Clerk Assistant III |
| 6. Mr. Peter Barasa | - | Legal Counsel II |
| 7. Mr. Noah Chemweno | - | Sergent-At-Arms |

AGENDA

1. Prayers
2. Preliminaries
3. Confirmation of Minutes
4. Matters Arising
5. Consideration of: the Draft Report on the Public Finance Management (Kenya Millennium Development Fund) Regulations, 2024.
6. Any Other Business; and
7. Adjournment.

MIN. DAA&GPC/CDL/175/2024

PRELIMINARIES

The Chairperson called the Meeting to order at 10.20 a.m. after which he requested the Hon. Robert Gichimu, M.P. to say a prayer. He then welcomed all to the meeting.

MIN. DAA&GPC/CDL/176/2024

ADOPTION OF THE AGENDA

The agenda of the meeting was adopted having been proposed by the Hon. Yakub Adow Kuno, M.P. and seconded by the Hon. Julius Lekakeny Ole Sunkuli, EGH, EBS M.P.

MIN. DAA&GPC/CDL/177/2024

CONFIRMATION OF MINUTES

Minutes of the 25th Sitting held on Thursday, 18th April, 2024, were confirmed as an accurate record of the proceedings having been proposed by the Hon. Kibet Kirui Komingoi, M.P. and seconded by the Hon. Julius Lekakeny Ole Sunkuli, EGH, EBS M.P.

MIN. DAA&GPC/CDL/178/2024

MATTERS ARISING

No matters arose from the Minutes of the previous Sitting.

MIN. DAA&GPC/CDL/179/2024

CONSIDERATION OF THE DRAFT REPORT ON THE PUBLIC FINANCE MANAGEMENT (KENYA MILLENNIUM DEVELOPMENT FUND) REGULATIONS, 2024

The Committee considered and adopted the Report on the Public Finance Management (Kenya Millennium Development Fund) Regulations, 2024 as proposed by Hon. Julius Lekakeny Ole Sunkuli, EGH, EBS M.P. and seconded by Hon. Kibet Kirui Komingoi, M.P. with the following recommendation, that:

*Having examined the Public Finance Management (Kenya Millennium Development Fund) Regulations, 2024 (LN. No. 51 of 2024) in accordance with the Constitution, the Statutory Instruments Act, 2013, the Public Finance Management Act, 2012, the Interpretation and General Provisions Act (Cap 2), the Committee recommends that **the House APPROVES the Public Finance Management (Kenya Millennium Development Fund) Regulations, 2024 (LN. No. 51 of 2024) in accordance with section 24(4) of the Public Finance Management Act (No. 18 of 2012) subject to the regulation-making authority publishing a corrigenda to correct the minor errors appearing in Regulations 11 and 16.***

MIN. DAA&GPC/CDL/180/2024

ANY OTHER BUSINESS

There were no issues on this Agenda item


MIN. DAA&GPC/CDL/181/2023

ADJOURNMENT

There being no other business, the meeting was adjourned at 11:00 hrs.

SIGNED: 

**THE HON. SAMUEL CHEPKONGA, CBS, M.P.
CHAIRPERSON, COMMITTEE ON DELEGATED LEGISLATION**

DATE: 

MINUTES OF THE 26TH SITTING OF THE COMMITTEE ON DELEGATED LEGISLATION HELD ON FRIDAY, 19TH APRIL, 2024, IN ENGLISH POINT MARINA, MOMBASA COUNTY AT 09.00 A.M.

PRESENT

1. **The Hon Samuel Kiprono Chepkonga, CBS, M.P. Chairperson**
2. **The Hon. Robert Gichimu Githinji, M.P. Vice Chairperson**
3. The Hon. Robert Mbui, CBS, M.P.
4. The Hon. Julius Lekakeny Ole Sunkuli, EGH, EBS M.P
5. The Hon. Nicholas S. Tindi Mwale, M.P.
6. The Hon. Joyce Kamene, M.P.
7. The Hon. Maj. (Rtd). Dekow Barrow Mohamed, M.P.
8. The Hon. Laura Amina Mnyazi, M.P.
9. The Hon. Kibet Kirui Komingoi, M.P.
10. The Hon. Geoffrey Kariuki Kiringa Ruku, M.P
11. The Hon. Pauline Lenguris, M.P.
12. The Hon. Gideon Kipkoech Kimaiyo, M.P.
13. The Hon. Innocent Mugabe, M.P.
14. The Hon. Yakub Adow Kuno, M.P.
15. The Hon. Paul Chebor, M.P.

APOLOGIES

1. The Hon. Jared Okello Odoyo, M.P.
2. The Hon. Maj. (Rtd). Abdullahi Bashir Sheikh, M.P.
3. The Hon. John Paul Mwirigi, M.P.
4. The Hon. Charles Mamwacha Onchoke. M.P.
5. The Hon. Joseph Kamau Munyoro, M.P
6. The Hon. Linet Chepkorir M.P.

IN ATTENDANCE

SECRETARIAT

- | | | |
|------------------------|---|-----------------------------|
| 1. Mr. Nicholas Emejen | - | Deputy Director, AA&GPC |
| 2. Ms. Esther Nginyo | - | Clerk Assistant I |
| 3. Mr. Dima Dima | - | Principal Legal Counsel I |
| 4. Mr. Brian Langwech | - | Clerk Assistant III |
| 5. Ms. Isabella Mwembi | - | Clerk Assistant III |
| 6. Mr. Silvanus Makau | - | Clerk Assistant III |
| 7. Mr. Peter Barasa | - | Legal Counsel II |
| 8. Ms. Rahab Chepkelim | - | Audio Officer |
| 9. Mr. Daniel Psirmoi | - | Media Relations Officer III |
| 10. Mr. Noah Chemweno | - | Sergent-At-Arms |
| 11. Ms. Beatrice Auma | - | Senior Secretary |

NATIONAL TREASURY REPRESENTATIVES

- | | | |
|-------------------------|---|--------------------------------|
| 1. Mr. Samson Wangusi | - | PAS-NT |
| 2. Mr. Eric Korir | - | D/PPD-NT |
| 3. Mr. Patrick Wanjuki | - | DG-PPRA |
| 4. Mr. Francis Gitau | - | DG-NAMATA |
| 5. Ms. Christine Omwake | - | Deputy Chief State Counsel(AG) |

6. Ms. Sussane Lutta Execution Office	-	Senior State Counsel(President Strategy &
7. Ms. Connie Ngachu	-	Corporation Secretary
8. Mr. Mucemi Gakuru	-	Communication Director(NAMATA)
9. Mr. Wyckliffe Shamiah	-	CEO-CMA
10. Mr. David Ngarama	-	CEO-KENTRADE
11. Mr. John Wala	-	DAS-NT
12. Mr. Tolline Gor	-	Accountant- NT
13. Mr. Billy Ngumi	-	KENTRADE
14. Mr. Chrispus Mbogo	-	KENTRADE
15. Ms. Judith Ogeda	-	KENTRADE
16. Ms. Roselyne Njoki	-	KENTRADE
17. Ms. Fridah Kaberia	-	DSCBD-KENTRADE
18. Mr. Benard Mlao	-	KENTRADE

AGENDA

1. Prayers
2. Preliminaries
3. Adoption of the Agenda
 - I. Briefing on the Public Finance Management (Kenya Millenium Development Fund) Regulations, 2024
 - II. Briefing on the National Electronic Single Window System (General) Regulations, 2024
4. Any Other Business; and
5. Adjournment.

MIN. DAA&GPC/CDL/164/2024

PRELIMINARIES

The Chairperson called the Meeting to order at 09.35 a.m. after which he said a prayer. He then welcomed all to the meeting.

MIN. DAA&GPC/CDL/165/2024

ADOPTION OF THE AGENDA

The agenda of the meeting was adopted having been proposed by the Hon. Robert Mbui, CBS, M.P. and seconded by the Hon. Gideon Kipkoech Kimaiyo, M.P.

MIN. DAA&GPC/CDL/166/2024

BRIEFING ON THE PUBLIC FINANCE MANAGEMENT (KENYA MILLENIUM DEVELOPMENT FUND) REGULATIONS, 2024

Mr Jonah Wala, Director Accounting Services and Chairperson of the Taskforce on the PFM (Millenium Development Fund) Regulations, briefed the Committee on the Published PFM (Millenium Development Fund) Regulations, 2024 as follows;

1. **Regulation 1** provides for citation in which the Regulations may be cited as the Public Finance Management (Kenya Millennium Development Fund) Regulations, 2024
2. **Regulation 2** provides for the interpretation of the terms used in the Regulations.

3. **Regulation 3** provides for the Establishment of Fund.
4. **Regulation 4** Provides for Object and purpose of the Fund which is to exercise and perform the Government's obligation to oversee, manage and implement the Threshold Program.
5. **Regulation 5** Makes provision for Sources of the Fund.
6. **Regulation 6** Provides for the initial Capital of the Fund
7. **Regulation 7** Provides for the Expenditure of the Fund.
8. **Regulation 8** Provides for Administration of the Fund
9. **Regulation 9** Provides for Retention of receipts where all deposits made to the bank account shall be retained by the Fund and used for the purpose for which the Fund is established
10. **Regulation 10** Makes provision for Fiscal accountability and compliance of the Fund.
11. **Regulation 11** Provides for the Establishment and composition of the Board.
12. **Regulation 12** Provides for the Qualification for appointment to the Board.
13. **Regulation 13** Provides for the Functions of the Board.
14. **Regulation 14** Provides for the Procurement of goods, works and services where the Board shall ensure that all procurements for goods, works, and services required to implement the Threshold Program are undertaken solely in accordance with the MCC Program Procurement Guidelines.
15. **Regulation 15** Provides for the Meetings and procedure of the Board.
16. **Regulation 16** Provides for the establishment of a Chief Executive Officer, qualifications and roles
17. **Regulation 17** Provides for the keeping of Records of disbursements.
18. **Regulation 18** Provides for the establishment of a Corporation Secretary, qualifications and roles
19. **Regulation 19** Provides for Staff of the - Operations Unit.
20. **Regulation 20** Provides for the financial year of the Fund which shall be the period of twelve months ending on the 30th June in each year.
21. **Regulation 21** Provides for the preparation of annual estimates
22. **Regulation 22** Provides for the Books of account where the Board shall cause to be kept proper books and records of account of the income, expenditure, assets and liabilities of the Fund.
23. **Regulation 23** Provides for the Accounts and Audit.
24. **Regulation 24** Provides for the Close-out of the Grant Agreement
25. Upon deliberations, the Committee made the following observations and recommendations:
 - i. That the Nairobi Metropolitan Area Transport Authority, (NAMATA) lacked a legal foundation. It recommended that steps be taken, via the Cabinet Secretary for Transport, to develop regulations for the formal establishment of (NAMATA) as a corporate entity.
 - ii. The Committee noted that Nairobi County and NAMATA had a pivotal role in implementing Regulations.
 - iii. Under Regulation 11 (f), the Committee sought to understand the criteria or rationale behind selecting the Kenya Private Sector Alliance, Kenya Alliance of Residents Associations, and Maendeleo ya Wanawake, given the controversies surrounding the three alliances.
 - iv. The Committee recommended removal of the Chief Executive Officer in Regulation 11 (7)

- v. Under Regulation 12 (b), the Committee proposed that the qualification of a CEO should not be limited to financial management or other relevant professional experience.
- vi. The Committee observed ambiguity in regulation 16(1) and suggested clarifying the CEO's term. They recommended aligning the CEO's tenure with the Agreement's expiration by reducing it to four years.
- vii. Having examined the Public Finance Management (Kenya Millennium Development Fund) Regulations, 2024 (LN. No. 51 of 2024) in accordance with the Constitution, the Statutory Instruments Act, 2013, the Public Finance Management Act, 2012, the Interpretation and General Provisions Act (Cap 2), the Committee resolved that the House **APPROVES** the Public Finance Management (Kenya Millennium Development Fund) Regulations, 2024 (LN. No. 51 of 2024) having been proposed by Hon. Pauline Lenguris, M.P. and seconded by Hon. Robert Gichimu Githinji, M.P. subject to publication of a corrigenda on Regulation 11(7) and Regulation 16(1).

MIN. DAA&GPC/CDL/167/2024

**BRIEFING ON THE NATIONAL
ELECTRONIC SINGLE WINDOW
SYSTEM (GENERAL)
REGULATIONS, 2024**

Mr David Ngarama, Chief Executive Officer of the Kenya Trade Network Agency (KENTRADE), informed the Committee that they had adopted 48 out of the 49 suggested amendments during the pre-publication scrutiny of the Draft National Electronic Single Window System (General) Regulations, 2024 which was held on 5th December, 2023. The only amendment not accepted was regarding Regulation 14(1) of the National Electronic Single Window System (General) Regulations, 2024 concerning the suspension of a user, which the Committee agreed to.

The Committee consequently resolved to **APPROVE** National Electronic Single Window System (General) Regulations, 2024 as was proposed by the Hon. Gideon Kipkoech Kimaiyo, M.P. and seconded by the Hon. Pauline Lenguris, M.P.

MIN. DAA&GPC/CDL/168/2024

ANY OTHER BUSINESS

There were no issues on this Agenda item

MIN. DAA&GPC/CDL/169/2023

ADJOURNMENT

There being no other business, the meeting was adjourned at 13:00 hrs.

SIGNED:


**THE HON. SAMUEL CHEPKONGA, CBS, M.P.
CHAIRPERSON, COMMITTEE ON DELEGATED LEGISLATION**

DATE: 23/04/2024
.....

(Legislative Supplement No. 30)

LEGAL NOTICE No. 51

THE PUBLIC FINANCE MANAGEMENT ACT

(Cap. 412A)

THE PUBLIC FINANCE MANAGEMENT (KENYA MILLENNIUM
DEVELOPMENT FUND) REGULATIONS, 2024

ARRANGEMENT OF REGULATIONS

Regulation

PART I—PRELIMINARY

1. Citation.
2. Interpretation.

PART II—ESTABLISHMENT KENYA MILLENNIUM
DEVELOPMENT FUND

3. Establishment of Fund.
4. Object and purpose of the Fund.
5. Sources of the Fund.
6. Capital of the Fund.
7. Expenditure of the Fund.
8. Administration of the Fund.
9. Retention of receipts.
10. Fiscal accountability and compliance.

PART III—ESTABLISHMENT AND COMPOSITION OF THE
BOARD

11. Establishment and composition of the Board.
12. Qualification for appointment to the Board.
13. Functions of the Board.
14. Meetings and procedure of the Board.
15. Procurement of goods, works and services.
16. Chief Executive Officer.
17. Record of disbursements to be kept.
18. Corporation Secretary.
19. Staff of the Board.

PART IV—FINANCIAL PROVISIONS

- 20. Financial year.
- 21 Annual estimates
- 22. Books of accounts.
- 23. Accounts and audit.

PART IV—MISCELLANEOUS PROVISIONS

- 24. Close-out of the Grant Agreement.

THE PUBLIC FINANCE MANAGEMENT ACT

(Cap. 412A)

IN EXERCISE of the powers conferred by section 24 (4) and (11) of the Public Finance Management Act, the Cabinet Secretary for the National Treasury and Economic Planning makes the following Regulations—

THE PUBLIC FINANCE MANAGEMENT (KENYA MILLENNIUM DEVELOPMENT FUND) REGULATIONS, 2024

PART I—PRELIMINARY

1. These Regulations may be cited as the Public Finance Management (Kenya Millennium Development Fund) Regulations, 2024.

Citation.

2. In these Regulations, unless the context otherwise requires —
“accounting officer” has the meaning assigned to it under section 2 of the Act;

Interpretation.

“bank account” means the Kenya Millennium Development bank account;

“Board” means the Kenya Millennium Development Fund Board established under Regulation 11;

“Cabinet Secretary” means the Cabinet Secretary for the National Treasury;

“Chief Executive Officer” means a person appointed as such under regulation 16;

“fiscal agent” means one or more individuals or a firm with expertise in financial management engaged to perform certain financial management activities on behalf of the Fund;

“Fund” means the Kenya Millennium Development Fund established under regulation 3;

“Government” means the Government of Kenya;

“Grant Agreement” means the Millennium Challenge Corporation Threshold Program Grant Agreement signed between the Government of Kenya and the Government of the United States of America, acting through the Millennium Challenge Corporation;

“implementing entity” means a government ministry, department, agency, bureau, affiliate, government corporation or any other entity chartered or established by the Government, or by a county government that are engaged by the Fund to play a role in achieving or sustaining the project objectives as defined in the Grant Agreement;

“MCC” means the Millennium Challenge Corporation, a United States Government Corporation established under the Millennium Challenge Act of 2003, as amended (the “MCA Act”), and an implementing agency of the United States of America;

“operating unit” has the meaning assigned to it under the Grant Agreement; and

“Threshold Program” means the projects and activities funded under the Grant Agreement.

PART II—ESTABLISHMENT OF KENYA MILLENNIUM DEVELOPMENT FUND

3. There is established a Fund to be known as the Kenya Millennium Development Fund which shall be the vehicle for implementation of the Threshold Program on behalf of the Government.

Establishment of Fund.

4. (1) The object and purpose of the Fund is to exercise and perform the Government’s obligation to oversee, manage and implement the Threshold Program.

Object and purpose of the Fund.

(2) Without prejudice to the generality of subparagraph (1), the object of the Fund is, *inter alia*, managing the implementation of the projects and their activities, allocating resources for the projects set out in the Grant Agreement, and managing procurements.

5. The Fund shall consist of—

Sources of the Fund.

- (a) such moneys as may be granted for the Threshold Program under the Grant Agreement;
- (b) monies appropriated by the National Assembly for the Government; and
- (c) grants, other than that provided under the Grant Agreement and donations, if approved by Millennium Challenge Corporation (MCC) and the Board.

6. The initial capital of the Fund shall be a sixty million dollars grant from the Millennium Challenge Corporation provided in accordance with the terms of the Grant Agreement, and any other funds and resources that are necessary to carry out the Government’s responsibilities and obligations under the Grant Agreement.

Capital of the Fund.

7. (1) There shall be paid out of the Fund payments in respect of any expenses incurred in pursuant of the Threshold Program and in accordance of the Grant Agreement.

Expenditure of the Fund.

(2) The expenditure incurred on the Fund shall be on the basis of and limited to annual work plans and cost estimates which shall be prepared by the Chief Executive Officer of the Fund and approved by the Board, in accordance with the Grant Agreement requirements.

(3) Any revision of the approved annual work plan, and of any cost estimate, shall be referred to the Board for approval in accordance with the Grant Agreement.

(4) Funds provided under these Regulations shall not be used for the purpose of supporting activities outside the Grant Agreement.

8. (1) The Fund shall be administered by the Board which shall have legal and operational independence to oversee the Threshold Program.

Administration of the Fund.

(2) In the process of administering the Fund under paragraph (1), the Board shall be able to—

- (a) perform the Government's rights and responsibilities under the Grant Agreement and bind the Government to the full extent of such rights and responsibilities;
- (b) make its own budget and expend the grant funding provided under the Grant Agreement;
- (c) open and operate a bank account at a commercial bank in Kenya;
- (d) supervise and control the administration of the Fund;
- (e) cause to be kept proper books of accounts and other books and records in relation to the Fund, of all activities and undertakings financed from the Fund in accordance with the Grant Agreement;
- (f) sue and be sued in its own name;
- (g) enter into, be bound by and enforce contracts in its own name, with private and public entities including MCC, any Implementing Entity, employees, service providers and consultants;
- (h) engage any Implementing Entity and delegate certain powers and activities to such in accordance with the Grant Agreement;
- (i) insure against all normal commercial risks associated with its activities;
- (j) engage an external fiscal agent to perform certain financial management activities;
- (k) engage an external procurement agent to carry out and certify specific procurement activities in furtherance of the threshold program;
- (l) oversee all procurements for goods, works, and services required to implement the Threshold Program in accordance with the MCC Program Procurement Guidelines, as contemplated in section 4 (2) (f) of the Public Procurement and Asset Disposal Act;
- (m) conduct or cause to be conducted on an annual basis (or on a more frequent basis if required under the Grant Agreement) financial audits in accordance with MCC's Accountable Entity Guidelines for Contracted Financial Audits;
- (n) provide to the Auditor-General, in respect of each financial year and within three months after the end thereof, a statement of accounts relating to the Fund and submit a copy to the National Treasury, and the statements shall be prepared in accordance with the requirements of the Grant Agreement;

Cap. 412C.

- (o) furnish additional information which is proper and sufficient for the purpose of examination and audit by an independent auditor required in accordance with the Grant Agreement including to MCC's Office of Inspector General and by the Auditor-General; and
 - (p) prepare a quarterly report on the performance of the Fund and submit it to the Board during each quarterly meeting.
- (3) Every statement of account 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. All deposits made to the bank account shall be retained by the Fund and used for the purpose for which the Fund is established, subject to applicable provisions of the Grant Agreement.

Retention of receipts.

10. The grant shall be managed in accordance with section 2.5, section 4.4 and section 5 of the Grant Agreement.

Fiscal accountability and compliance.

PART III—ESTABLISHMENT AND COMPOSITION OF THE BOARD

11. (1) There is established a board to be known as the Kenya Millennium Development Fund Board, which shall be a body corporate.

Establishment and composition of the Board.

- (2) The Board shall consist of—
 - (a) a chairperson appointed by the President from among the three members appointed at paragraph (f);
 - (b) the Cabinet Secretary for the time being responsible for matters relating to the National Treasury;
 - (c) the Principal Secretary for the time being responsible for matters relating to transport;
 - (d) the Principal Secretary for the time being responsible for matters relating to urban planning;
 - (e) the Attorney-General;
 - (f) three non-government members, one each selected by the Kenya Private Sector Alliance, Kenya Alliance of Residents Associations, and Maendeleo ya Wanawake Organization and appointed by the Cabinet Secretary; and
 - (g) the Chief Executive Officer who shall be the secretary to the Board and a member without the right to vote at the meetings of the Board.
- (3) The appointments under paragraph (2)(a) and (f) shall be by notice in the *Gazette*.
- (4) Each member of the Board appointed under paragraph (2)(f) shall be selected by the respective non-government organization and shall not be selected by the Government.

(5) Each member of the Board under paragraph (2)(b), (c), (d), and (e) shall have an alternate with clear decision-making authority who is drawn from the same institution, is designated in writing, and can attend Board meetings when such member cannot attend.

(6) Each member of the Board appointed under paragraph (2)(f) shall have an alternate with clear decision-making authority who is drawn from the same institution, selected through the same internal selection process, is designated in writing, and can attend Board meetings when such member cannot attend.

(7) The tenure of the members of the Board appointed under paragraph (2)(a) and (f) and the Chief Executive Officer shall each be for a period not exceeding three years which may be renewed only once for a period not exceeding three years.

12. A person shall be eligible to be appointed as the Chairperson or a member of the Board, if that person—

Qualification for appointment to the Board.

- (a) holds a degree in a relevant field from a university recognized in Kenya;
- (b) has proven financial management or other relevant professional experience; and
- (c) has served in a senior management position for a period of at least six years

13. (1) The Board shall—

Functions of the Board.

- (a) take responsibility for the proper management of the affairs of the Fund and shall be accountable for the moneys, the financial business and the management of the Fund;
- (b) oversee and provide direction to the Fund, and ensure that the Fund's management unit is composed of qualified experts from the public or private sectors who are hired through an open and competitive recruitment and selection process;
- (c) protect, preserve and manage the assets financed under the Grant Agreement and ensure that the funding provided by MCC under the Grant Agreement is used for its intended purposes;
- (d) cause to be kept proper books of accounts and other books and records in relation to the Fund, of all activities and undertakings financed from the Fund in accordance with the Grant Agreement;
- (e) ensure that regular audits of the Fund are conducted by an independent auditor as required by the Threshold Program Grant Agreement (or as may otherwise be agreed by MCC and the Board), and that statutory annual audits of the Fund are conducted by the Auditor-General;
- (f) follow the Fund's governing documents and regulations, including its mission to implement the Grant Agreement;

- (g) approve guidelines and internal operational policies for the proper management of the Fund;
- (h) supervise and control the administration of the Fund;
- (i) perform the rights and responsibilities under the Grant Agreement and bind the Government of Kenya to the full extent of such rights and responsibilities;
- (j) open and operate a bank account at a commercial bank in Kenya;
- (k) keep written minutes of all meetings held by the Board, which will reflect all decisions made and all actions taken;
- (l) ensure that the Fund's records and accounts are accurate and complete;
- (m) ensure that regular audits of the Fund by an independent auditor are performed annually; and
- (n) consider and approve the following documents, agreements and actions on behalf of the Fund—
 - (i) procurement plans, fiscal accountability plans, Monitoring and Evaluation plans, Accountable Entity Anti-Fraud and Corruption Action Plans, the MCC Human Resources Manual, and any material amendments or supplements thereto;
 - (ii) agreements between the Government of Kenya or the Fund and MCC, and any material amendment, suspension or termination of such agreements;
 - (iii) agreements (and any material amendment, suspension, or termination of such agreements) between the Fund and any third-party auditor, the fiscal agent, the Procurement Agent, any bank, any implementing entity, any outside project manager, or any Board member;
 - (iv) the selection, performance evaluation, and termination of the Chief Executive Officer;
 - (v) the human resources instruments, including the organizational chart, staff grading, remuneration structure (salary grid), career guidelines (position descriptions) and human resources policy (including a Human Resources Manual);
 - (vi) the Fund policies, Board charter and any other Board guidelines;
 - (vii) form of employment agreement to be used for members of the management unit;
 - (viii) the Fund's organizational staffing plan, and any material amendments or supplements thereto;

- (ix) salary grid or scale with approved salary ranges and benefits for members of the management unit, and any material amendments or supplements thereto;
- (x) any adoption of an alternative performance evaluation system and related amendments to the MCA Human Resources Manual, and any material changes to a previously-approved alternative performance evaluation system;
- (xi) Audit findings and reports of the results of audits received from the audit committee;
- (xii) any agreement that is with a party related to the Fund or any party that controls, is controlled by, or is under common control with the Fund, or not at arm's length (that is, the parties are not dealing from equal bargaining positions, one party is subject to the other's control or dominant influence, or the transaction is not treated with fairness, integrity, and legality);
- (xiii) any material amendments or supplements to the Fund's governing documents;
- (xiv) any decision to dispose of, liquidate, dissolve, wind up, or reorganize the Board, including any decision to add or remove any Board member;
- (xv) any formation or acquisition of a subsidiary or other related entity of the Fund;
- (xvi) any material changes to the components or structure of the Fund;
- (xvii) any decision to engage, accept, or manage any funds from any donor agencies or donor organizations in addition to MCC's funding during the term of the Grant Agreement; and
- (xviii) any other action that requires Board approval pursuant to the Grant Agreement.

14. The conduct and regulation of the business and affairs of the Board shall be as stipulated under section 8 of the State Corporations Act, the Fund's internal regulations, and the Grant Agreement.

Meetings and procedure of the Board.

15. The Board shall ensure that all procurements for goods, works, and services required to implement the Threshold Program are undertaken solely in accordance with the MCC Program Procurement Guidelines.

Procurement of goods, works and services.

16. (1) The Board shall appoint a Chief Executive Officer of the Fund who shall be recruited through an open and competitive process on a contract for a period not exceeding five years or until the closure of the Threshold Program.

Chief Executive Officer.

(2) A person shall be qualified to be appointed as the Chief Executive Officer, if that person—

- (a) holds a degree in a relevant field from a university recognized in Kenya;
 - (b) has at least ten years knowledge and experience in financial management;
 - (c) has served in a senior management position for a period of at least five years; and
 - (d) meets the requirements of Chapter Six of the Constitution
- (3) The Chief Executive Officer shall be responsible for—
- (a) the day-to-day operations of the Fund;
 - (b) for supervision, management and discipline of the staff of the Fund;
 - (c) executing the policies of the Board in respect of the mandate of the Fund;
 - (d) reporting to the Board on the performance of Fund; and
 - (e) performing any other functions as may be assigned by the Board from time to time.

17. (1) The Chief Executive Officer shall maintain an accurate record of all payments from the Fund for financing approved projects, and such record of payments shall be updated every quarter or as required by the Board.

Record of disbursements to be kept.

(2) The Chief Executive Officer shall submit to the Board an annual report on the Fund's activities, operations and expenditures.

18. (1) There shall be a Corporation Secretary to the Board who shall be competitively recruited and appointed by the Board.

Corporation Secretary.

(2) A person shall be qualified to be appointed as the Corporation Secretary if that person—

- (a) holds a degree from a university recognised in Kenya;
 - (b) is a Certified Public Secretary and a member of the Institute of Certified Public Secretaries of Kenya in good standing;
 - (c) has previously held the position of corporation secretary or in a similar governance role for a period of at least five years; and
 - (d) meets the requirements of Chapter Six of the Constitution.
- (3) The Corporation Secretary shall be responsible for—
- (a) providing guidance to the Board and Board members on their duties, responsibilities and powers and how these should be exercised in the best interests of the Fund;
 - (b) ensuring that Board procedures are followed and reviewed regularly, and that the Board complies with the law, rules and regulations;

- (c) assisting the Chairperson in organising Board activities, including providing information, preparing agenda, issuing notices and preparing for meetings, Board evaluations and Board development programmes;
- (d) providing secretarial services to the Board, including ensuring that the Board work plan is prepared and adhered to, circulating Board papers in advance of the meeting, keeping the record of attendance of the meetings;
- (e) ensuring that the minutes of the Board and Board committees are promptly prepared and circulated;
- (f) keeping the Board abreast of and informed on, current governance thinking and practise;
- (g) keeping a record of conflicts of interest declared by each member of the Board; and
- (h) co-ordinating the governance audit process.

19. (1) The Board may appoint such number of professional, technical and administrative staff for the Board. Staff of the Board.

(2) The staff appointed under subparagraph (1) shall serve on such terms and conditions as the Board may, with the advice of the Salaries and Remuneration Commission, determine.

PART IV—FINANCIAL PROVISIONS

20. The financial year of the Fund shall be the period of twelve months ending on the 30th June in each year. Financial year.

21. (1) At least three months before the commencement of each financial year, the Board shall cause to be prepared estimates of its revenue and expenditure for that year. Annual estimates.

(2) The annual estimates shall make provision for the estimated expenditure of the Fund for the financial year concerned and, in particular, shall provide for—

- (a) the payment of salaries, allowances and other charges in respect of the staff of the Fund;
- (b) the payment of pensions, gratuities and other charges in respect of retirement benefits to staff of the Fund;
- (c) the proper maintenance of the buildings and grounds of the Fund; and
- (d) the proper maintenance, repair and replacement of the equipment and other movable property of the Fund.

(3) The annual estimates shall be submitted to the Cabinet Secretary for approval before the commencement of the financial year to which they relate, and once approved, the sum provided in the

estimates shall not be increased without the prior consent of the Cabinet Secretary.

(4) No expenditure shall be incurred for the purposes of the Fund except in accordance with the annual estimates approved under this paragraph.

(5) The Government shall provide office space and finance its operations for the duration of the Fund.

22. The Board shall cause to be kept proper books and records of account of the income, expenditure, assets and liabilities of the Fund.

Books of accounts.

23. (1) The accounts of the Fund shall be audited by the Auditor-General or by an auditor appointed by the Board with the written approval of the Auditor-General.

Accounts and audit.

(2) Within a period of three months after the end of each financial year, the Board shall submit to the Auditor-General or to an auditor appointed under sub-regulation (1) the accounts of the Fund together with—

- (a) a statement of income and expenditure of Fund during that year; and
- (b) a statement of the assets and liabilities of the Fund on the last day of the financial year.

(3) In addition to the Audit requirements set out in the the Grant Agreement, the accounts of the Fund shall be audited in accordance with the provisions of the Public Audit Act, 2015.

No. 34 of 2015.

(4) The appointment of an auditor under sub-regulation (1) shall not be terminated by the Board without the prior written consent of the Auditor-General.

(5) The Auditor-General may give general or special directions to an auditor appointed under sub-regulation (1) and the auditor shall comply with those directions.

(6) An auditor appointed under sub-regulation (1) shall report directly to the Auditor-General on any matter relating to the directions given by the Auditor-General.

(7) Within six months after the end of each financial year, the Auditor-General shall report on the examination and audit of the accounts of the Funds to the Cabinet Secretary and, in the case of an auditor appointed under sub-regulation (1), the auditor shall transmit a copy of the report to the Auditor-General.

(8) Nothing in this Order shall be construed to prohibit the Auditor-General from carrying out an inspection of Fund's accounts or records whenever it appears desirable and the Auditor-General shall carry out such an inspection at least once every six months.

(9) The Cabinet Secretary shall lay the report prepared under sub-regulation (6) before the National Assembly as soon as reasonably practicable after the report has been submitted to him or her.

PART V—MISCELLANEOUS PROVISIONS

24. At the close out of the Grant Agreement, any cash balances on the grant shall be returned promptly to MCC, while other assets of the Fund shall be disposed in accordance with the Grant Agreement and the MCC Program Closure Guidelines. Close-out of the Grant Agreement.

Made on the 2nd March, 2024.

NJUGUNA NDUNG’U
*Cabinet Secretary for,
the National Treasury and Economic Planning*

EXPLANATORY MEMORANDUM

**EXPLANATORY MEMORANDUM FOR THE PUBLIC FINANCE
MANAGEMENT (KENYA MILLENNIUM DEVELOPMENT FUND)
REGULATIONS, 2024**

PART I

- Name of instrument:** Public Finance Management (Kenya Millennium Development Fund) Regulations, 2024.
- Name of Parent Act:** The Public Finance Management Act (*No. 18 of 2012*).
- Enacted Pursuant to:** Section 24(4) of the Public Finance Management Act, 2012
- Name of Ministry:** The National Treasury & Economic Planning/ Ministry of Roads and Transport
- Gazetted on:** To be advised by the Hon. Attorney-General
- Tabled on:** To be advised by the Clerk National Assembly

PART II

1. Purpose of the Statutory Instrument

The purpose of this Statutory Instrument is to establish a Fund to be known as **Kenya Millennium Development Fund** whose objects and purpose shall be to provide funds to support Millennium Challenge Compact projects, and in particular:-

- a. Provide better multimodal transport system planning for Nairobi;
- b. improve connectivity and provide safer access to the mass public transport system in a targeted area of Nairobi;
- c. clarify land use and development control policy in Nairobi in order to facilitate the construction of non-motorized transport infrastructure; and
- d. catalyze financing required for the implementation of the bus rapid transit system in a manner that promotes lower greenhouse gas emissions.

2. Legislative Context

The National Assembly delegated the duty to establish national public funds to the Cabinet Secretary responsible for finance with the approval of the National Assembly. This is provided for under Section 24 (4) of the Public Finance Management Act, 2012.

The Regulations are therefore developed within the meaning of Section 24 (4) of the Public Finance Management Act 2012 and the procedure for public participation provided under Statutory Instrument Act, 2013.

3. Policy Background

The MCC is a bilateral United States foreign aid agency established by the US Congress in 2004. MCC forms partnerships with developing countries that are committed to good governance, economic freedom, and investing in their citizens. MCC provides time-limited grants (US Government assistance) promoting economic growth, reducing poverty, and strengthening institutions. These investments in core infrastructure and policy and institutional reforms are key interventions that are improving the lives of nearly 270 million people across 46 countries in five continents.

From March 2007 to December 2010 Kenya implemented the first threshold program (\$12.7 million) grant for three interventions that focused on reforming the health procurement systems, improving health service and delivery, and improving the monitoring capacity of government and civil society organizations.

In December 2019, the MCC Board selected Kenya based on improved performance on the “control of corruption” indicator. In January 2020, MCC CEO visited Kenya and launched the program.

Between March and October 2021, the Government and MCC conducted an *Economic Constraint Analysis* to: understand the causes and issues underlying the binding constraints to be targeted. Opportunities were identified and defined. The programme will utilize blended finance interventions that will mobilize private capital and investment around MCC targeted sectors.

Two major constraints identified were:-

- i. **Crowding out** and its limits in financing the private sector, particularly to vulnerable micro, small and medium enterprises; and
- ii. **Limited connectivity** that undermines productivity in urban areas (especially Nairobi), the engine of Kenya's economic growth.

Since the Government was already working with the International Monetary Fund on a program addressing the first constraint, it was agreed that the MCC would support interventions in addressing the second constraint.

MCC Threshold Programme

In March 2022, the MCC Board of Directors approved a \$60 million threshold program grant for Kenya. The program will seek to improve urban connectivity in Nairobi and includes projects to support integrated transport planning, non-motorized transport, land use policy, and blended finance for the bus rapid transit system.

To support greater inclusivity in the Nairobi transport system, the program will seek to substantially improve the mobility and safety of pedestrians, who represent both the largest and the poorest segment of Nairobi's commuters (estimated at more than 2.5 million people), and to create safer and more visible transportation choices for women.

GoK and MCC concluded negotiations in August 2023 and the Threshold Grant Agreement was signed on 19th September 2023 on the sidelines of the UN General Assembly, in New York City.

4. Guidance

The National Treasury and Economic Planning and Ministry of Roads and Transport, shall sensitize the National Assembly, general public and various stakeholders on the objectives of the Kenya Millennium Development Fund.

5. Stakeholder Consultations

The Task force responsible for preparation and development of the Regulations, held targeted consultations with key stakeholders and their input taken into account before finalization of these Regulations.

These included The National Treasury and Economic Planning, Office of the Attorney-General & Department of Justice, State Department of Transport and Nairobi City County Government.

In line with the provisions of Section 5 of the Statutory Instruments Act, 2013, the National Treasury together with the Ministry of Roads and Transport, undertook public participation before publication of these Regulations.

The mode of public participation included invitation of key stakeholders via an advertisement posted on the National Treasury website and published in the *My Gov* section of Nation and Standard Newspapers of 27th February, 2024. Written submissions on the Regulations were sent to psnt@treasury.go.ke and jona.wala@treasury.go.ke

6. Review

The National Treasury shall monitor the application of the Regulations. This shall be done through the quarterly and annual reports prepared by the Fund and forwarded to the National Treasury.

7. Contact

The contact person shall be the Cabinet Secretary or Principal Secretary, The National Treasury & Economic Planning.

Made on the.....02-03....., 2024.



NJUGUNA NDUNG'U, CBS
Cabinet Secretary for the National Treasury & Economic Planning



REPUBLIC OF KENYA
THE NATIONAL TREASURY AND ECONOMIC PLANNING

THE REGULATORY IMPACT STATEMENT

IN THE MATTER OF PUBLIC PARTICIPATION ON:

THE DRAFT LEGAL NOTICE ON THE PUBLIC FINANCE MANAGEMENT (KENYA MILLENNIUM DEVELOPMENT FUND) REGULATIONS, 2024 BY THE MINISTRY OF ROADS AND TRANSPORT AND THE NATIONAL TREASURY AND ECONOMIC PLANNING.

- 1. The objectives of and reasons for the proposed Legal Notice are mainly to provide funds to support Millennium Challenge Compact projects, and in particular:**
 - a. Provide better multimodal transport system planning for Nairobi;
 - b. improve connectivity and provide safer access to the mass public transport system in a targeted area of Nairobi;
 - c. clarify land use and development control policy in Nairobi in order to facilitate the construction of non-motorized transport infrastructure; and
 - d. catalyze financing required for the implementation of the bus rapid transit system in a manner that promotes lower greenhouse gas emissions.

- 2. The effect of the proposed gazettelement of the Legal Notice includes the following:-**
 - a. Reduction in overall vehicle kilometers by shifting commuters to high-capacity buses;
 - b. Opportunities to replace older polluting vehicles with new efficient buses;
 - c. Significant potential for reducing greenhouse gas emissions and air pollution;
 - d. Frequent on time commuter service; and
 - e. Off board fare collection.

- 3. Assessment of costs and benefits of the proposed Kenya Millennium Development Fund**
 - a. The seed capital for the Fund will be appropriated and is Kshs 60 million dollars grant from the Millennium Challenge Corporation provided in accordance with the terms of Grant Agreement and any other funds and resources that are necessary to carry out the Government's responsibilities and obligations under the Grant Agreement. The State Department of Transport will provide office space and allocate vehicles in operationalizing the Fund.

The benefits include:-

- a. Reduction in overall vehicle kilometers by shifting commuters to high-capacity buses;
- b. Opportunities to replace older polluting vehicles with new efficient buses;
- c. Significant potential for reducing greenhouse gas emissions and air pollution;
- d. Frequent on time service; and
- e. Off board fare collection.

4. Other matters

Overall, the net impact of the proposed Legal Notice on Kenya Millennium Development Fund by the Ministry of Roads and Transport, is positive. It is recommended that the proposed Regulations be adopted.

5. Draft copy of the proposed statutory instrument

Draft copies of the proposed Legal Notice can be downloaded from the National Treasury website www.treasury.go.ke.

NJUGUNA NDUNG’U, CBS
CABINET SECRETARY/NATIONAL TREASURY AND ECONOMIC PLANNING



REPUBLIC OF KENYA

THE NATIONAL TREASURY & ECONOMIC PLANNING

PUBLIC NOTICE

DRAFT PUBLIC FINANCE MANAGEMENT (KENYA MILLENNIUM DEVELOPMENT FUND) REGULATIONS, 2024

The Kenya Government signed a grant Agreement with the Millennium Challenge Corporation (MCC) with the objective of providing funding to provide support for a better multimodal transport system, clarify land planning policies and provide blended financing for implementation of the **Bus Rapid Transit (BRT) system** to promote lower greenhouse emissions among other related activities. The Kenya Government and MCC agreed that the best vehicle to achieve goals and objectives of the Grant Agreement is establishment of a Fund.

Accordingly, an Inter-Ministerial Committee comprised of Government technical experts from The National Treasury and Economic Planning, the Office of the Attorney General & Department of Justice, State Department of Lands, State Department of Roads and Transport, State Department of Environment, NMS and Nairobi City County Government has now finalized preparing the draft Public Finance Management (Kenya Millennium Development Fund) Regulations, 2024.

Section 4(a) of the Statutory Instruments Act, 2013 provides that **"the object of this Act is to provide a comprehensive regime for the making, scrutiny, publication and operation of Statutory Instruments by requiring regulation-making authorities to undertake consultation before making Statutory Instruments"**. In addition, Section 5 (3) of the Statutory Instruments Act, 2013 states that **"without limiting by implication the form that consultation referred to in sub-section (1) might take, the consultation shall -**

- a. involve notification, either directly or by advertisement; of bodies that, or of organizations representative of persons who are likely to be affected by the proposed instrument; or
- b. invite submissions to be made by a specified date or might invite participation in public hearings to be held concerning the proposed instrument.

The Public Finance Management (Kenya Millennium Development Fund) Regulations, 2024 have been posted to the National Treasury website <http://www.treasury.go.ke> , <https://www.transport.go.ke> State Department Transport <https://www.deputypresident.go.ke/administration>

Now, pursuant to Section 4 (a) and 5 (3) (a) and (b) of the Statutory Instruments Act, 2013, the National Treasury & Economic Planning invites members of the public to submit any comments, inputs or memoranda they may have on the said draft Public Finance

Management (Kenya Millennium Development Fund) Regulations, 2024 in the format provided on the website.

The comments, inputs or memoranda thereof from the general public may be forwarded to the **Principal Secretary, National Treasury, P.O. Box 30007-00100, Nairobi** or hand delivered to the Office of the **Principal Secretary, National Treasury Building, Nairobi**, or emailed to ps@treasury.go.ke and copied to jona.wala@treasury.go.ke & to be received by 26th February, 2024 at 5.00 p.m.

The comments inputs or memoranda from the general public once received will be considered public record and may be shared with the legislative arm of the Government.

Additionally, there shall be in person meetings for public consultations on the above Public Finance Management (Kenya Millennium Development Fund) Regulations, 2024 as per the schedule below: -

S/No.	Stakeholders	Dates for meeting	Time for meeting	venues
1.	Transport Sub-sector	27th February, 2024	09.00 - 12.30pm	Nairobi
2.	Members of Public	27th February, 2024	14.00 - 16.30pm	Nairobi
3.	Members of Public	28th February, 2024	09.00 - 12.30pm	Virtual Meeting
4.	Members of Public (Diaspora)	28th February, 2024	14.00 - 16.30pm	Virtual Meeting

This notice is deemed to serve as the official invitation for members of public intending to attend and participate in these meetings. We further, request members of public (locally and in diaspora) who may not attend meetings physically to attend scheduled meetings virtually. We conduct physical meetings at Kenya School of Government, while credentials for virtual meeting through National Treasury Website and the State Department for Transport.



REPUBLIC OF KENYA
THE NATIONAL TREASURY AND ECONOMIC PLANNING

MINUTES OF THE PUBLIC PARTICIPATION MEETING ON PUBLIC FINANCE MANAGEMENT (KENYA MILLENIUM DEVELOPMENT FUND) REGULATIONS 2024, HELD ON 29TH FEBRUARY, 2024 AT THE KENYA SCHOOL OF GOVERNMENT KABETE CAMPUS (HNC 010), FROM 10.00AM

MEMBERS PRESENT

- | | | |
|----|-----------------------|-------------|
| 1. | CPA Jona Wala | Chairman |
| 2. | CPA Dr. Solomon Ngahu | Member |
| 3. | CPA Tolline Gor | Secretariat |
| 4. | Eric Murimi | Secretariat |
| 5. | Patrick Mwenje | Secretariat |
| 6. | | |

STAKEHOLDERS/MEMBERS OF THE PUBLIC PRESENT

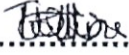
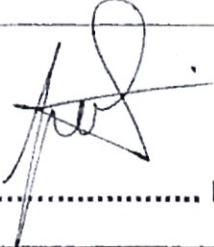
- | | | |
|----|-----------------|-----------------|
| 1. | Kerry Nkatha | Public/Deloitte |
| 2. | Everline Wahome | Public |

AGENDA

1. Preliminaries
2. Remarks by Chairman
3. Review of the Regulations
4. Final Remarks and Adjournment

MIN.	ITEM
Min 01/29/02	<p>Preliminaries:</p> <ul style="list-style-type: none"> ▪ The meeting was brought to order by the Chairman CPA Jona Wala at 10:30 a.m. with a word of prayer from Eric Murimi.
Min 02/29/02	<p>Chairman's Remarks</p> <ul style="list-style-type: none"> ▪ In his remarks, the Chairman welcomed members and appreciated them for honoring the invitation.

MIN.	ITEM
	<ul style="list-style-type: none"> ▪ He also informed the members that the progress made so far is good and we are just a few steps away from the conclusion. ▪ The Chairman gave a brief background of the Fund including the Partners involved, purpose and object of the fund. ▪ He informed the members that Public Participation is a statutory obligation found Sec .5 of the statutory Requirement, Public Participation Act, 2015. ▪ The Chairman also informed the members that the Public Notice of the same was published on MyGov. ▪ He also took the members through the Draft Regulations where he emphasized on Regulations 3(Establishment of the Fund) and Regulations 4(Object and Purpose of the Fund). ▪ The chair then opened room for discussion and comments.
Min 03/29/02	<p>Stakeholders' comments and Reviews on the Regulations.</p> <ul style="list-style-type: none"> ▪ The stakeholders/public were invited to give their views. ▪ The Stakeholders were contented with the Draft Regulations. ▪ They further sort clarification on the timelines and when the Fund should be implemented. The chairman informed the members that the Fund should be operational by mid-March 2024. ▪ A member also asked why there was a specific figure for the initial capital. The members were informed that the initial capital of the fund shall be 60 million Dollars grant from the Millenium Challenge Corporation provided in accordance with the terms of the Grant Agreement. ▪ A member sought to know who shall be responsible for audit of the fund Financial Statements. Members were informed that audit shall be conducted by an independent auditor as required by the Threshold program Grant Agreement and statutory Annual Audits conducted by Auditor General.
Min 04/29/02	<p>Final Remarks and Adjournment:</p> <p>In his final remarks, the Chairman emphasized on how the Fund shall help improve Urban Transport System both for the pedestrians and motorist by introducing Bus Rapid Transit system.</p> <p>He also thanked the members for their time and input.</p>

MIN.	ITEM
	There being no other matter, the Chairman called the meeting to a close at 1320hrs.
Prepared By:	CPA Tolline Gor.....  Date... 29/02/2024
Confirmed for Circulation by the Chairman	CPA Jona Wala  Date... 29/2/2024

ATTENDANCE LIST FOR PUBLIC PARTICIPATION MEETING ON THE PFM (KENYA MILLENIUM DEVELOPMENT FUND) REGULATIONS 2024

VENUE: KENYA SCHOOL OF GOVERNMENT, NAIROBI

DATE: ...29TH FEBRUARY, 2024.....

NO	NAME	MINISTRY/STATE DEPARTMENT/ ORGANIZATION	DESIGNATION	TEL. NO.	EMAIL	SIGN.
1.	W/AA JOWAH	NT	NAJ	0720178687	jeny.wak@kenya.go.ke	
2.	Salomon Ngahu	NT/ADD	Ag-DAG	0723508542	salomon.ngahu3@gmail.com	
3.	Lan Murew	TNT	Comm	0704910921	lollimurew@igad.go.ke	
4.	PATRICK MUMSE	TNT	Acc	0702352845	mumsepatrik@gmail.com	
5.	ERIC MUMIMI	TNT	ACC	0714556026	MUMIMIERIC15@gmail.com	
6.	Follina Gor	TNT	Acc	0716150792	folllinagor@gmail.com	
7.	Enoch Wakhona	KSG	Acc	0721332693	enoch.wakhona@kehsy.ac.ke	
8.	HERBERT MBURU	TNT	PCA	0721938750	herbert.mburu@gmail.com	
9.	Kerry Nkatha	Deloitte		0721441280	KKirini@deloitte.co.ke	



REPUBLIC OF KENYA

NAME OF THE REGULATIONS: PUBLIC FINANCIAL MANAGEMENT (KENYA MILLENNIUM DEVELOPMENT FUND) REGULATIONS, 2024

INSTITUTION: THE NATIONAL TREASURY

DATE: 29/02/2024

S/N o	Regulation No.	Provisions of the Regulations*	Proposed Amendment**	Rationale for Amendment Recommendation
1.	5 (c)	The Fund shall consist of; - (c) grants, other than that provided under the Grant Agreement and donations, as approved by MCC and the Board.	The Fund shall consist of; - (c) grants, other than that provided under the Grant Agreement and donations	Deletion of MCC and Board's approval of additional grants Not Amended. The donors must be informed of any additional grants to the fund for concurrence.
2.	6.	6. The initial capital of the fund shall be a sixty million dollars grant from the Millennium Challenge Corporation provided in accordance with the terms of the Grant Agreement, and any other funds and resources that are necessary to carry out the Government's responsibilities and obligations under the Grant Agreement.	6. The initial capital of the fund shall be a grant from the Millennium Challenge Corporation provided in accordance with the terms of the Grant Agreement, and any other funds and resources that are necessary to carry out the Government's responsibilities and obligations under the Grant Agreement.	Deletion of the amount of the initial capital (60 million Dollars) Not Amended. The specific initial capital of the fund is known as indicated in the Grant Agreement and this has to be clear in the Regulations.

*Provide text on exact wording of the provision in the regulations paragraph or sub paragraph

** provide the exact wording of how the proposed amendment to the regulations paragraph or sub paragraph is proposed to read.

23