

LEGAL NOTICE NO.

THE PUBLIC FINANCE MANAGEMENT ACT (NO. 18 OF 2012)

**THE PUBLIC FINANCE MANAGEMENT ACT (THE KAKAMEGA COUNTY
FARM INPUTS FUND) REGULATIONS, 2018**

ARRANGEMENT OF REGULATIONS

Regulation

PART I – PRELIMINARY

- 1—Citation
- 2 — Interpretation
- 3 — Object of the Regulations

PART II—ESTABLISHMENT AND ADMINISTRATION OF THE FUND

- 4 — Establishment of the Fund
- 5 — Establishment of the Advisory Committee
- 6 — Functions of the Advisory Committee
- 7 — Removal of committee members
- 8 — Vacation of office
- 9 — Filling of vacancy
- 10— Administrator of the Fund
- 11— Functions of the Administrator
- 12 — Secretariat of the Fund
- 13 — Eligibility to benefit

PART III — FINANCIAL PROVISIONS

- 14 — Sources of monies for the Fund
- 15 — Expenditure of the Fund
- 16— Annual estimates
- 17— Accounts and audit
- 18— Compliance with prescribed accounting standards

19 —Winding up of the Fund

PART IV MISCELLANEOUS PROVISIONS

20 — Meetings

21 — Allowances for members of the advisory committee

22 — Rules of procedure

23— Protection against personal liability

24 —Liability of the Fund for damages

25 —Role of agricultural field officers

	<p style="text-align: center;">THE PUBLIC FINANCE MANAGEMENT ACT (No. 18 of 2012)</p> <p>IN EXERCISE of the powers conferred by section 116 of the Public Finance Management Act, 2012 the Kakamega County Executive Committee Member for Finance makes the following Regulations —</p> <p style="text-align: center;">THE PUBLIC FINANCE MANAGEMENT (THE KAKAMEGA COUNTY FARM INPUTS SUPPORT FUND) REGULATIONS, 2018</p> <p style="text-align: center;">PART I PRELIMINARY</p>
Citation	<p>1. these Regulations may be cited as the Public Finance Management (The Kakamega County Farm Inputs Fund) Regulations, 2018.</p>
Interpretation	<p>2. In these regulations unless the context otherwise requires —</p> <p>“ Administrator” means Administrator of the Fund appointed under regulation 10;</p> <p>“Accounting Standards Board” means the Public Sector Accounting Standards Board established under section 192 of the Public Finance Management Act, 2012;</p> <p>“Advisory Committee” means the Advisory Committee of the Fund established under regulation 5;</p> <p>“County” means Kakamega County;</p> <p>“County Assembly” means County Assembly of Kakamega County;</p> <p>“County Exchequer Account” means the county revenue fund pursuant to Article 207 of the Constitution of Kenya, 2010;</p> <p>“ County government” means the county government of Kakamega;</p> <p>“Executive Committee” means County Executive Committee pursuant to Article 179 of the Constitution of Kenya;</p> <p>“Executive Committee Member” means the County Executive Committee</p>

<p>Object of the Regulations</p>	<p>Member for Finance;</p> <p>“Fund” means the Kakamega County Farm Inputs Fund established under regulation 4;</p> <p>“Farm inputs” include certified seed, seedlings, fertilizer, agrochemicals, storage facilities, farm machinery and equipment;</p> <p>“Farmer Organization” includes registered farmer groups in the County; and</p> <p>“Qualifying crop” includes maize, beans, sugarcane, tea, bananas and any other crop that maybe prescribed by the Executive Committee Member for agriculture.</p> <p>3. The object of the Regulations is to —</p> <p>(a) provide for the establishment of a Fund to enable the county government to procure and distribute subsidised farm inputs to farmers in the county; and</p> <p>(b) provide a Fund that will facilitate faster, transparent and accountable procurement and distribution of subsidised farm inputs to farmers in the county.</p>
<p>Establishment of the Fund</p>	<p>4. There is established a Fund known as Kakamega County Farm Inputs Fund to facilitate faster, transparent and accountable procurement and distribution of subsidised farm inputs to farmers in the County.</p>
<p>Establishment of the Advisory Committee</p>	<p>5 (1) There is established an Advisory Committee for the Fund.</p> <p>(2) The committee shall consist of—</p> <p>(a) a chairperson who has the following qualifications appointed by the Executive Committee Member for agriculture—</p> <p>(i) a relevant bachelor’s degree or its equivalent from a university recognized in Kenya;</p> <p>(ii) at least five years’ experience;</p>

<p>Functions of the Advisory Committee</p>	<ul style="list-style-type: none">(iii) a professional background in Management;(b) the chief officer for agriculture;(c) the county attorney;(d) the county director of agriculture who shall be the Administrator and Secretary to the Advisory Committee;(e) the county officer in-charge of farm inputs;(f) two representatives of the farmers and farmer organizations elected by the farmers. <p>(3) The chairperson appointed under sub-regulation (2) (a) and members elected under sub-regulation 2 (f) shall serve for three years but the chairperson may be reappointed for one further term.</p> <p>6. (1) The Advisory Committee shall—</p> <ul style="list-style-type: none">(a) formulate guidelines to achieve the objects of the Fund;(b) provide oversight on the administration and management of the Fund;(c) maintain proper records of the committee affairs and books of accounts;(d) ensure that the farm inputs supplied to farmers meet the set standards;(e) submit quarterly returns and reports of the committee operations to the Executive Committee;(f) be the custodian of all Fund assets and documentation;(g) receive any gifts, donations, grants or endowments made to the Fund;(h) prepare annual estimates and reports to the Executive Committee;(i) approve the opening and operation of bank accounts for the Fund;(j) not later than three months after the end of each financial year, cause to be prepared financial statement of the Fund and submit the same to the Auditor General;(k) ensure that the earnings of, or accruals to the Fund are retained in the Fund unless the Executive Committee Member directs otherwise;(l) ensure that money held in the Fund, including any earnings or accruals is spent only for the purposes for which the Fund is established; and(m) perform such other functions as the committee may deem necessary
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<p>Removal of committee members</p>	<p>for the proper discharge of its mandate.</p> <p>7. The Executive Committee Member for agriculture may remove from office a member of the Advisory Committee of the Fund under Regulation 5(2)(a) and (f) –</p> <ul style="list-style-type: none"> a) for gross misconduct or misbehavior; b) violation of the Constitution or any other law; c) Inability to perform the functions of the office arising out of mental or physical incapacity; d) absence from three consecutive meetings of the committee without a reasonable explanation; or e) incompetence or negligence of duty.
<p>Vacation of office</p>	<p>8. There is a vacancy in the Advisory Committee if a person—</p> <ul style="list-style-type: none"> (a) resigns in writing; (b) is convicted of a criminal offence and sentenced to a term of imprisonment of more than six months; (c) declared bankrupt; (d) is removed from office under regulation 7; (e) is unable to perform the functions of their office by reason of mental or physical infirmity; or (f) dies.
<p>Filling of vacancy</p>	<p>9. Where a vacancy occurs in the membership of the committee under Regulation 8, the appointing authority shall appoint a new member in accordance with the provisions of these Regulations.</p>
<p>Administrator of the Fund</p>	<p>10(1) The Executive Committee Member shall designate the County Director of Agriculture to be the Administrator of the Fund.</p> <p>(2) The Administrator shall be responsible for the running of the day to day activities of the Fund.</p>
<p>Functions of the Administrator</p>	

	<p>11. The Administrator shall —</p> <p>(a) prepare accounts for the Fund for each financial year;</p> <p>(b) not later than three months after the end of each financial year submit financial statements relating to those accounts to the Auditor General which shall include-</p> <p>(i) the date and amount of each payment made from the Fund;</p> <p>(ii) the person to whom the payment was made;</p> <p>(iii) the purpose for which the payment was made;</p> <p>(iv) whether the person to whom the payment was made has spent the money for that purpose and a statement made to that effect; and</p> <p>(c) present the financial statements to the County Assembly; and</p> <p>(d) supervise and manage the operations of the Fund.</p> <p>(2) Accounts for the Fund and the annual financial statements relating to those accounts shall comply with the accounting standards prescribed and published by the Accounting Standards Board from time to time.</p>
<p>Secretariat of the Fund</p>	<p>12. (1) The secretariat of the Advisory Committee shall be based at the department of agriculture or other relevant department within the county government.</p>
<p>Eligibility to benefit</p>	<p>(2) The officers appointed under sub-regulation (1) shall ensure proper management of records of the Fund.</p> <p>13(1) The Fund shall only benefit farmers and farmer organizations who plant qualifying crops within the county.</p> <p>(2) The Advisory Committee shall ensure that only farmers who fall under sub regulation (1) benefit from the Fund.</p> <p>(3) All procurement and distribution of farm inputs from the Fund shall be approved and minuted by the secretary of the Advisory Committee.</p> <p>(4) A person who contravenes the provisions of this regulation commits an</p>

Sources of monies for the Fund	<p>offence and shall be liable on conviction to a fine not exceeding ten thousand shillings or imprisonment for a term not exceeding three months.</p> <p style="text-align: center;">PART III - FINANCIAL PROVISIONS</p> <p>14 (1) The sources of monies for the Fund shall include—</p> <ul style="list-style-type: none"> (a) monies appropriated by the County Assembly for the purposes of the Fund; (b) revenue collected from the sale of subsidised farm inputs to farmers; (c) interest accruing from bank deposits in respect of the Fund; and (d) donations, grants and endowments; and (e) monies from any source provided or donated or lent to the Fund. <p>(2) Any unused monies at the end of the financial year shall not be paid to the county revenue account but shall be retained in the Fund and carried forward to the next financial year as provided for in section 116(3) of the Public Finance Management Act.</p> <p>(3) Despite sub-regulation (2) any unused monies but already committed at the end of the financial year shall be retained in the Fund and shall not form part of the annual allocation for the Fund for the next financial year.</p>
Expenditure of the Fund.	<p>15 (1) There shall be paid out of the Fund payments in respect of any expenses incurred pursuant to the object for which the Fund is established.</p> <p>(2) The expenditure incurred on the Fund shall be on the basis of, and limited to, annual work programmes and cost estimates which shall be prepared by the Administrator of the Fund, and approved by the Advisory Committee at the beginning of the financial year to which they relate.</p> <p>(3) Any revision of the approved annual work programme and of any cost estimate, shall be referred to the Advisory Committee for approval.</p>
Annual estimates	<p>16 (1) At least three months before the commencement of each financial year the Advisory Committee shall cause to be prepared estimates of the revenue and</p>

<p>Accounts and audit</p> <p>No. 34 of 2015</p> <p>Compliance with</p>	<p>expenditure of the Fund for that year.</p> <p>(2) The annual estimates shall make provision for all the estimated expenditure of the Fund for the financial year concerned and in particular shall provide for—</p> <ul style="list-style-type: none">(a) payments for farm inputs;(b) the operations of the Fund;(c) maintenance of assets of the Fund;(d) payment of allowances;(e) compensation for claims; and <p>(d) such other matters as the Advisory Committee, in consultation with the Executive Committee, may determine.</p> <p>(3) The annual estimates shall be approved by the Advisory Committee before the commencement of the financial year to which they relate and shall be submitted to the Executive Committee for approval and after the Executive Committee has given approval the Advisory Committee shall not increase any sum provided in the estimates without the consent of the Executive Committee.</p> <p>(4) No expenditure shall be incurred for the purposes of the Fund except with the funds voted or appropriated by the County Assembly.</p> <p>17 (1) The Advisory Committee shall cause to be kept all proper books and records of accounts of the income, expenditure, assets and liabilities of the Fund.</p> <p>(2) Within a period of three months after the end of each financial year the Executive Committee Member shall in addition to the requirement of regulation 9(1)(b) submit to the Auditor General the accounts of the Fund in respect of that year together with-</p> <ul style="list-style-type: none">(a) a statement of income and expenditure of the Fund for that year; and(b) a statement of the assets and liabilities of the Fund for that financial year <p>(3) The annual accounts of the Fund shall be prepared, audited and reported</p>
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prescribed accounting standards	upon in accordance with the provisions of the Public Audit Act.
Winding up of the Fund	<p>18. The Advisory Committee shall ensure that accounts for the Fund and the annual financial statements relating to those accounts comply with the accounting standards prescribed and published by the Accounting Standards Board from time to time.</p> <p>19 (1) The Executive Committee Member may wind up the Fund with the approval of the County Assembly.</p> <p>(2) upon winding up of the Fund as provided under sub-regulation (1)—</p> <p>(a) the Administrator of the Fund shall ensure payment of any amount remaining in the Fund into the county exchequer account;</p> <p>(b) the Executive Committee Member shall, with the approval of the County Assembly, pay any deficit in the Fund from the exchequer account; and</p> <p>(c) all assets of the Fund shall be taken over by county government.</p>
Meetings	<p style="text-align: center;">PART V – MISCELLANEOUS PROVISIONS</p> <p>20(1) The Advisory Committee shall meet at least once every three months.</p> <p>(2) Despite sub-regulation (1), the Administrator may request for a special meeting and the chairperson shall convene the meeting.</p> <p>(3)The chairperson shall preside at every meeting and in the absence of the chairperson, the members present shall elect one of their member to preside.</p> <p>(4) The Advisory Committee may invite any person to attend any of its meetings and to participate in its deliberations, but such person shall not have a vote in any decision of the Advisory Committee.</p>
Allowances for members of the advisory committee and other staff	<p>21. Members of the Advisory Committee and other staff of the Fund shall be paid such allowances as may be determined by the Executive Committee in line with existing guidelines of the Salaries and Remuneration Commission.</p>
Rules of procedure	<p>22 (1) The Advisory Committee shall regulate and make its own rules of</p>

<p>Protection against personal liability</p>	<p>procedure.</p> <p>(2) To transact any business of the Advisory Committee at least any five members who shall include the Administrator must be present.</p> <p>23. No matter or anything done by a member of the Advisory Committee, employee or agent of the Fund shall, if the matter or thing is done in good faith for executing the functions, powers and duties of the Fund, render a member of the committee, employee or agent of the Fund personally liable to any action, claim or demand whatsoever.</p>
<p>Liability of the Fund for damages</p>	<p>24. The provisions of these Regulations shall not relieve the Fund of the liability to pay compensation or damages to any person for any injury to the person, the person's or any of the person's interest caused by the exercise of or any power conferred by these Regulations.</p>
<p>Role of agricultural field officers</p>	<p>25 (1)The agricultural field extension officers shall ensure that the distribution and utilisation of subsidised farm inputs by the farmers is done in accordance with the objects of the Fund and the Farm Inputs Implementation Guidelines issued from time to time.</p> <p>(2) The fund administrator shall ensure that the agricultural field extension officers are facilitated in performance of their duties under sub-regulation (1).</p> <p>DatedDay of.....2018</p> <p style="text-align: right;">Geoffrey Omulayi <i>Executive Committee Member for Finance</i></p>

Public Finance Management (Kakamega County Farm Inputs Fund) Regulations, 2018

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