



REPUBLIC OF KENYA

THE NATIONAL TREASURY AND PLANNING

PRESS STATEMENT BY THE CABINET SECRETARY NATIONAL TREASURY AND PLANNING ON DISBURSEMENTS OF FUNDS TO COUNTY GOVERNMENTS

1. Pursuant to Article 218 of the Constitution of Kenya, the National Treasury and Planning prepared the Division of Revenue Bill (DoRB) 2020 and the County Allocation of Revenue Bill (CARB) 2020 to guide the vertical and the horizontal sharing of revenue for Financial Year 2020/2021. The National Treasury and Planning submitted CARB, 2020 on **14th February 2020** to Parliament as stipulated in the law.
2. In April 2020, the National Assembly approved DoRB 2020 which was subsequently assented to, allocating the County Governments Kshs 363.9 Billion out of which Kshs 316.5 Billion was equitable share of revenue. However, owing to a stalemate in the Senate regarding the third criteria for revenue allocation between the Counties, the CARB 2020 took long to be approved by Parliament. This meant that there was no legal instrument enabling the transfer of funds to County Governments for FY 2020/2021 pursuant to article 219 of the Constitution.
3. It is regrettable that this matter of disbursements to Counties has taken long, thereby affecting service delivery at the County level, especially at this time of Covid-19.
4. Following the recent approval of the third basis for sharing revenue among Counties by the Senate and concurrence by the National Assembly, CARB 2020 was passed on **6th October, 2020**, assented to by His Excellency the President on **8th October 2020** and subsequently gazetted on **12th October, 2020**. To this effect, we are today, **13th October, 2020** releasing **Kshs 52.2 Billion** to the County Governments, being their equitable share for the months of July and August 2020.
5. On the same note we urge the County Governments to give priority to settlement of pending bills.

It is our hope that the Senate and the National Assembly will find a permanent solution to this matter to avoid this unfortunate stalemate in the future.

HON (AMB) UKUR YATANI, EGH
CABINET SECRETARY, THE NATIONAL TREASURY AND PLANNING
13th OCTOBER, 2020