

REPUBLIC OF KENYA THE NATIONAL TREASURY AND PLANNING

PUBLIC NOTICE

PROPOSED FRAMEWORK FOR SHARING OF MINERAL ROYALTIES' REVENUE AMONG THE NATIONAL GOVERNMENT, COUNTY GOVERNMENTS AND COMMUNITIES

Article 201 of the Constitution provides for Principles of Public Finance which require, among others, that "there shall be openness and accountability, including public participation in financial matters".

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 appropriate 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 subsection (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 National Treasury and Planning and the Ministry of Petroleum and Mining identified gaps in the Mining Act, 2016 and Public Finance Management Act, 2012 on sharing of Mineral Royalties among National Government, County Governments and Communities.

Accordingly, the National Treasury constituted an Inter-Agency Taskforce to develop a Framework for sharing mineral royalties among National Governments, County Governments and Communities. The Taskforce comprises of members from the National Treasury and Planning, Ministry of Petroleum and Mining, State Department for Trade, Council of Governors (COG), Office of the Attorney General (OAG) and Commission on Revenue Allocation (CRA).

The Taskforce has since developed a draft framework for sharing of revenue from mineral royalties among National Government, county governments and communities. The objects and purpose of the draft framework is to provide for: -

- Budgeting of mineral royalties at the National Government, county government and communities;
- Clear flow of funds from mineral royalties from the National Government to the Communities and
- Proposed institutional arrangement for sharing of revenue from mineral royalties.

The draft framework has been posted to the National Treasury website http://treasury.go.ke/ and the Ministry of Petroleum and Mining https://treasury.go.ke/.

In fulfillment of the requirements of conducting public participation under the Constitution and Pursuant to Sections 4 (a) and 5 (3) (a) and (b) of the Statutory Instruments Act, 2013, the National Treasury and Planning invites interested members of the public to submit any comments, inputs or memoranda that they may have on the draft framework for sharing mineral royalties in the format provided on the website. The comments or inputs or memoranda may be forwarded to the Principal Secretary, National Treasury, P.O. Box 30007-00100, Nairobi; hand delivered to the Office of the Principal Secretary, National Treasury Building, Nairobi or emailed to pstreasury01@gmail.com with a copy to intergovernmental@treasury.go.ke, and be received by Friday, 10th June, 2022 at 5.00 pm.

HON. (AMB.) UKUR YATANI, EGHCABINET SECRETARY/NATIONAL TREASURY & PLANNING